

# 2018 CEO Outlook: an Australian snapshot

Australian CEOs have reasonably cautious optimism about growth prospects, strong digital determination, and some new fears including a return to protectionism. They're confident that when AI strikes, human jobs won't all go to the bots. And keeping millennial customers happy is top of mind.

## Confidence is cautious



92%

of Australian CEOs are confident about their company's growth prospects for the next 3 years. But 64% expect top-line revenue growth for their organisation of 2% or less.

## 3 key threats to watch



58%

**Emerging technology**



54%

**A return to territorialism**



48%

**Environmental risk**



### CEOs are digital crusaders

68% say that they are personally prepared to lead their organisation through radical transformation. But 86% describe themselves as 'overwhelmed' by the digital transformation projects underway.



### 'Gut feel' still counts

76% will increase their use of predictive models and analytics in strategic decision-making over the next 3 years, yet 66% confessed to having sometimes used intuition rather than data.

### Jobs won't go to the bots

64% believe more jobs will be created than eliminated as more AI and robotic technology is implemented.

### Customer is king – especially the millennials

CEOs see challenges in responding to expectations of an on-demand service (48%) and engaging millennials in new ways via digital channels (44%).

### Teaming up is on the agenda

In the next 3 years, 58% will partner with third-party cloud technology providers, 56% with third-party data providers, and 54% with innovative startups.

### One eye on tax law changes

46% agree that changes to tax laws are causing them to think about altering their business operating models.

### Skills for a tech future

The most important workforce capabilities to support growth are cyber security specialists (66%), data scientists (56%) and emerging markets experts (56%).

### Cyber risk is now the norm

66% agree that a strong cyber strategy is critical to build trust with key stakeholders, while 68% view customer data protection as one of their most important personal responsibilities.

**KPMG's 2018 Global CEO Outlook reflects insights from 1300 CEOs from around the world including 50 from Australia. It is our fourth year undertaking the survey.**