



Disrupt and grow

India CEO Outlook 2017

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INDIA CEO OUTLOOK 2017

Disrupt and grow

88%

of CEOs believe in **better growth prospects for India** compared to that of global economy in medium-term



72%

Recruiting new skills, specialists



Getting ready for millennial customers



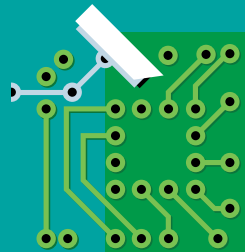
97%

CEOs feel a growing responsibility to represent the best interests of their customers

Building a cyber-secure organisation

CEOs are planning to invest significantly in cybersecurity over the next 3 years

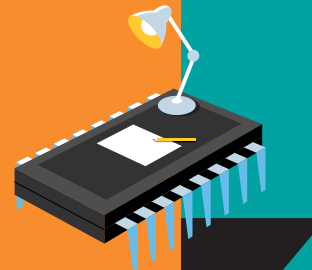
84%



Embracing technology

80%

CEOs see technological disruption as opportunities rather than threats

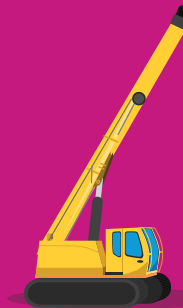


79%

CEOs agree that any increase in inflation means that increased costs is expected to get passed on to their customers



Transforming, in pursuit of excellence



54%

CEOs are likely to transform their organisation into a significantly different entity in the next 3 years

Moving towards a data-driven enterprise

85%

Indian CEOs are planning high investment towards data analytics tools over the next 3 years



Collaborating for growth

44%



Indian CEOs are likely to form collaborative partnerships or joint ventures for growth over the next 3 years

Confidence in global economy

Confident Neutral Not confident

United States



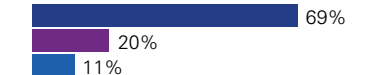
Italy



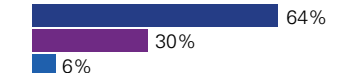
Germany



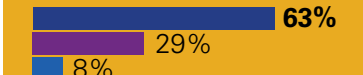
France



Spain



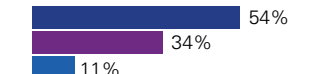
INDIA



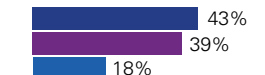
United Kingdom



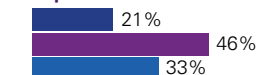
China



Australia



Japan



From the CEO

I am delighted to present the findings of the third annual KPMG CEO Outlook report for India. This report shares insights into the key challenges and opportunities gathered from the inputs of over 130 Indian CEOs in navigating an increasingly complex and highly dynamic business ecosystem.

Since our last year's report, titled "Now or Never", many top executives seem to have made clear progress towards achieving their goals, adopting new technologies, and strengthening their organisations to address the challenges they face. Our advice of **Now or Never** still stands true, the CEOs however mentioned that in the face of new challenges and uncertainties, they now feel an urgency to **Disrupt and Grow**.

It's clear that disruption has become a way of life for CEOs. Similar to last year, more than half the CEOs expect their organisation to be transformed

into a significantly different entity over the next three years. They continue to focus on innovating their products and services, changing internal processes, adopting new technologies and building a resilient organisation. Most CEOs see this disruption as an opportunity, rather than a threat.

Majority of the CEOs are upbeat about the growth of the Indian economy. Optimism about India's growth is higher than that for the global economy. As a matter of realignment, emerging economies in Asia Pacific and Latin America have emerged as clear choices to drive new market growth. This could possibly be due to the uncertainty and increasing protectionism in developed economies. CEOs will tread a little cautiously in the near future with regard to international markets, choosing to consolidate their business in existing geographies first before expanding to new geographies.

CEOs in India indicate that they are taking **necessary steps for their business to be a disruptor**, rather than to be disrupted. They recognise the journey is not going to be easy. Identifying what's best for their organisation is going to be critical. The limited availability of relevant skill sets suited for future business environments, the pace of emergence of new technologies, the CEOs' own ability to adopt these technologies and the emergence of millennial customers create significant challenges. Indian CEOs are optimistic and open to help from outside to make their transformation a success. They are willing to build partnerships, collaborate with others and merge or acquire to gain relevant competencies.

The 2017 CEO outlook survey offers rich insights into the major forces disrupting today's business landscape and how today's CEOs are equipping their companies and themselves to manage the challenges of the future. On behalf of KPMG, I would like to thank all of the CEOs for their candour and insights.



Arun Kumar

Chairman and CEO
KPMG in India

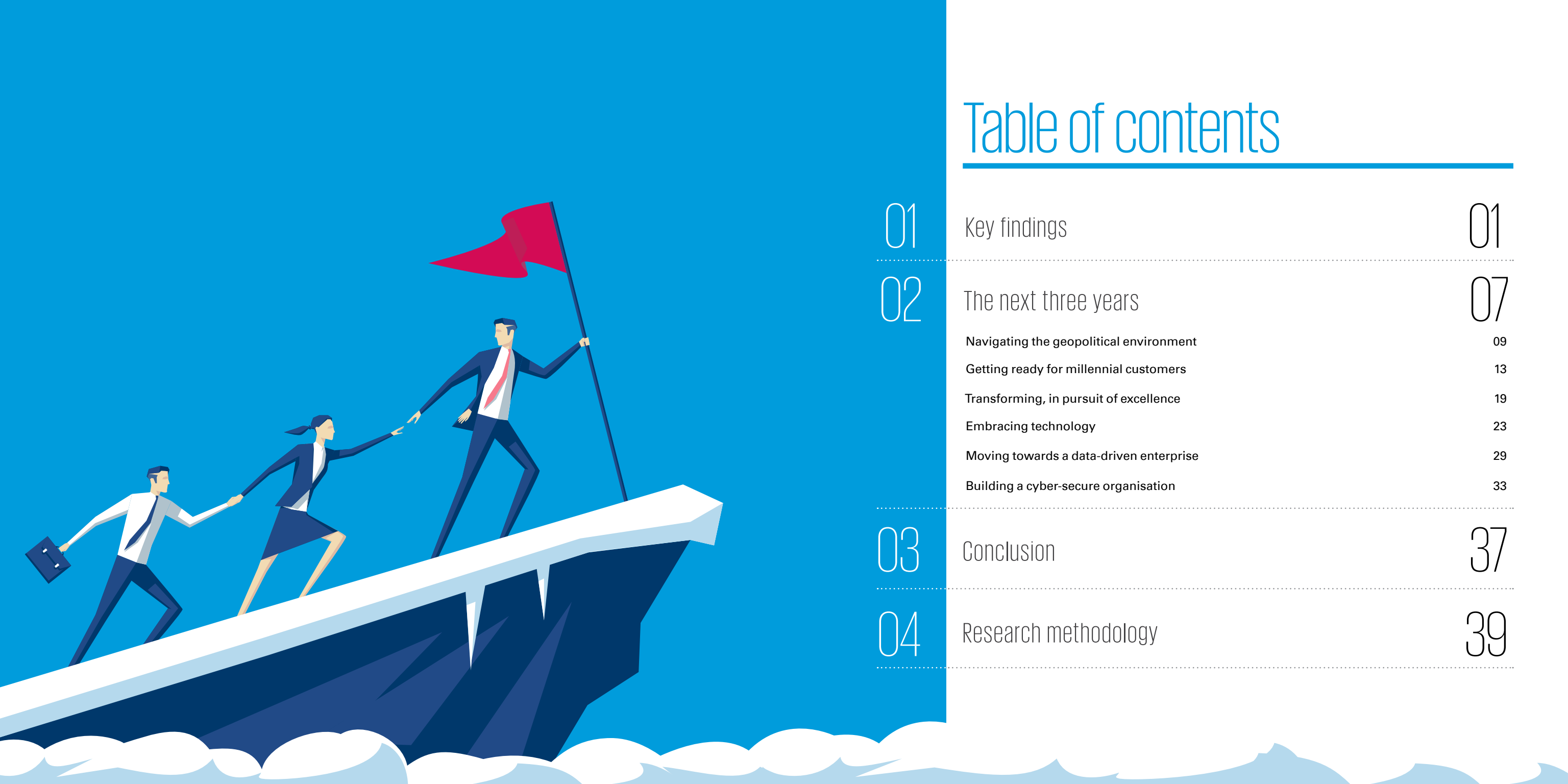


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Key findings



Indian CEOs more optimistic about the growth outlook for the economy compared to global economy, both in short and mid-terms.

Overall geopolitical uncertainties in the global economy, and growing instances of protectionism especially in the West, have probably contributed to a slight dip in the confidence towards the global economy.

88%

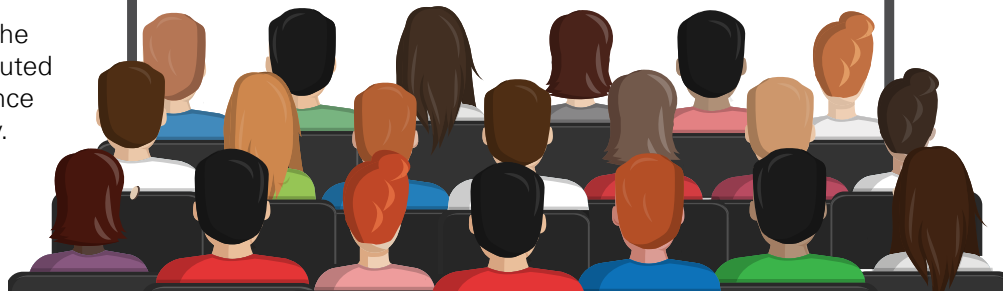
CEOs confident about the Indian economy

CEOs surveyed are confident about the growth prospects of India over the next three years

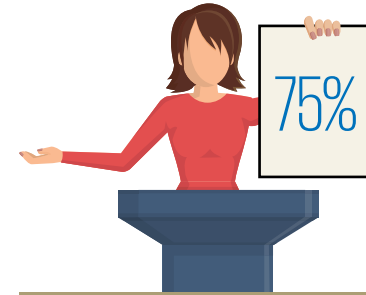
63%

CEOs confident about the global economy

There has been a dip in confidence, from 77 per cent CEOs last year stating that they are confident about the growth prospects of the global economy over the next three years



Key factors impacting an organisation's growth

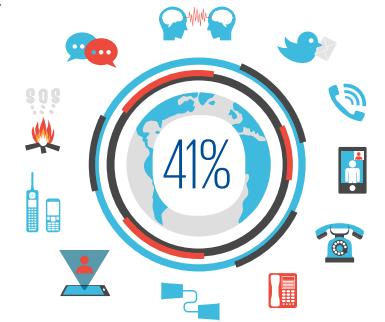


CEOs say that building greater trust among external stakeholders and customers is one of the top three priorities for their organisations



63%

CEOs plan to make substantial investments towards emerging technologies over the next three years



CEOs are reassessing their organisations' global footprints owing to the changing pace of globalisation and protectionism

Reputational/brand risk



Amongst other factors, reputational/brand risk has emerged as the **biggest threat** to an organisation over the next three years - primarily due to the transparency created by the digital world

Emerging technologies



As in the 2016 CEO Survey, 'new technology' continues to remain the **second biggest factor** that is likely to impact the growth of the Indian organisations over the next three years

Global economic factors



CEOs believe that global economic factors will be **one of the top three** factors impacting the growth of their organisations over the next three years

Customers are changing and so are their expectations

Millennials have widespread expectations and needs



CEOs are clearly embracing this change



CEOs feel a growing responsibility to represent the best interests of their customers

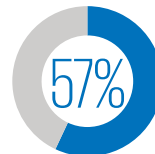
Business transformation has become prominent

CEOs are making significant investments to transform their business' to make themselves relevant to today's customers

CEOs are pursuing different business model transformations



CEOs are likely to transform their organisations into significantly different entities in next three years



CEOs are pursuing customer-focused transformation in their organisations



CEOs are pursuing innovation led transformation in their organisations



Technological innovations and disruptions will remain at the core of transformation

While CEOs are upbeat about new technologies and their abilities to create a positive impact on growth, they are concerned about the rapid evolution of such technologies, and their own ability to adopt these technologies



CEOs see technological disruption as an opportunity rather than a threat

With changing customer preferences and increasing affinity to technology, it is important to cultivate a "Digital First" mindset within the organisation, craft and execute simple user journeys and be agile to make changes on the fly.



- Sunil Sood
MD and CEO
Vodafone India

Top areas in new technology where CEOs plan to invest

Internet of Things



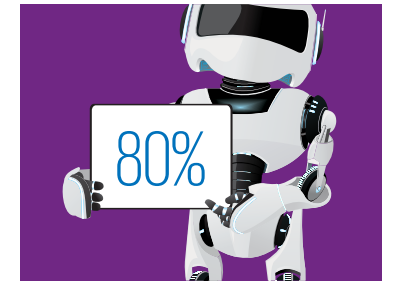
CEOs plan to invest in Internet of Things over the next three years, with 82 per cent CEOs being confident of making significant investments over the next one year

Data analytics tools

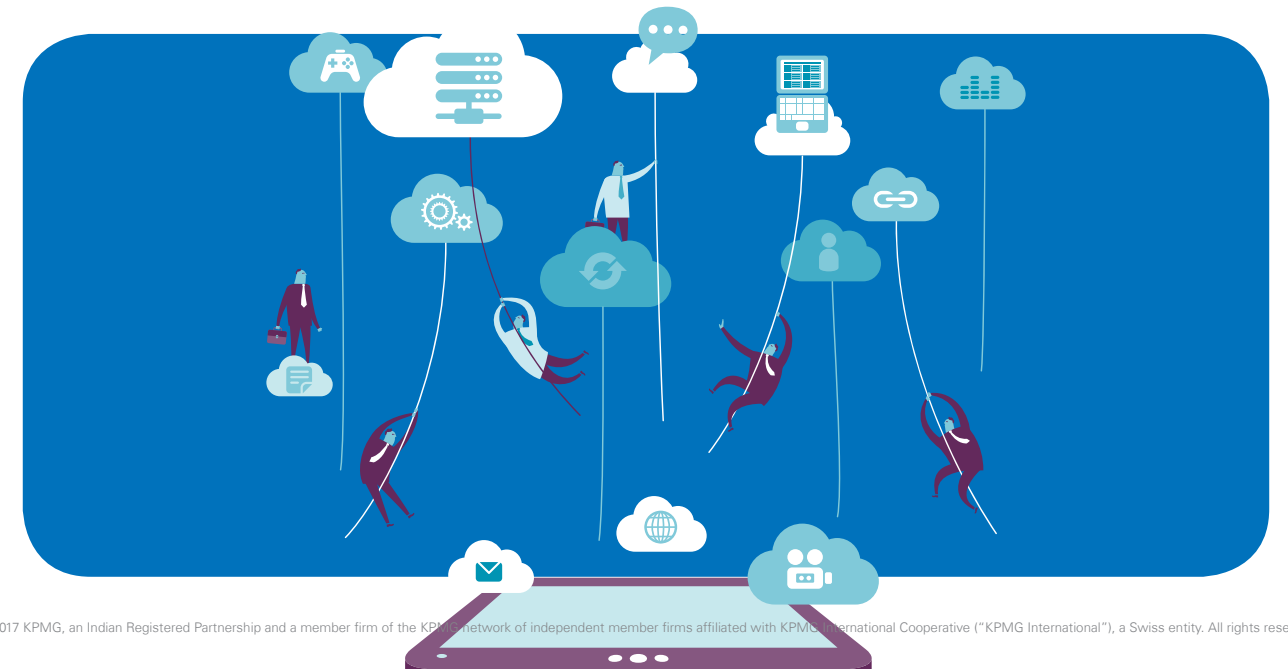


CEOs plan to invest in data analytics tools over the next three years, with 90 per cent CEOs looking towards investing in it over the next one year

Cognitive technologies



Indian CEOs plan to invest in cognitive technologies, including artificial intelligence and machine learning, over the next three years, while 67 per cent global CEOs intend to invest in it



Complexity in the operating environment is making more and more CEOs adopt data-driven decision making



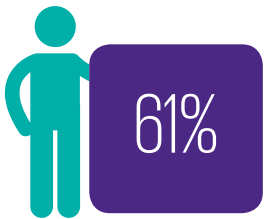
85%

CEOs in India expect to invest heavily in data analytics tools over the next three years; as against 72 per cent of global CEOs

8 out of every 10 CEOs

expect significant level of investments in their digital infrastructure to increase significantly over next three years, which will further support adoption of data-analytics for strategic decision making

CEOs feel that they still need to do a lot more to access the right data for making decisions



61%

CEOs agree customer insights are hindered by lack of quality data



42%

CEOs agree that they cannot base their important business decisions on their data

Data and monetisation of analytics and insights will be the future currency of the business world and is likely to be more impactful than cryptocurrency. Optimal data capture, connects with big data and use of open technologies will define organisational strategy, employee and customer engagements and foster brand loyalty.

- Arundhati Bhattacharya
Chairman
State Bank of India



At the same time security of information and data from cyber-attacks is emerging as a major challenge for the CEOs

Mitigating cyber-risks is now an important boardroom agenda. **76 per cent** of the CEOs view cybersecurity as an opportunity to innovate rather than as an overhead cost. Thus, they wish to do more than what they are currently doing, and are open to assistance to make their organisations cyber-secure

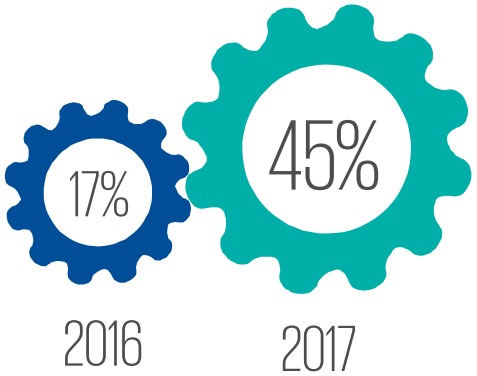


89%

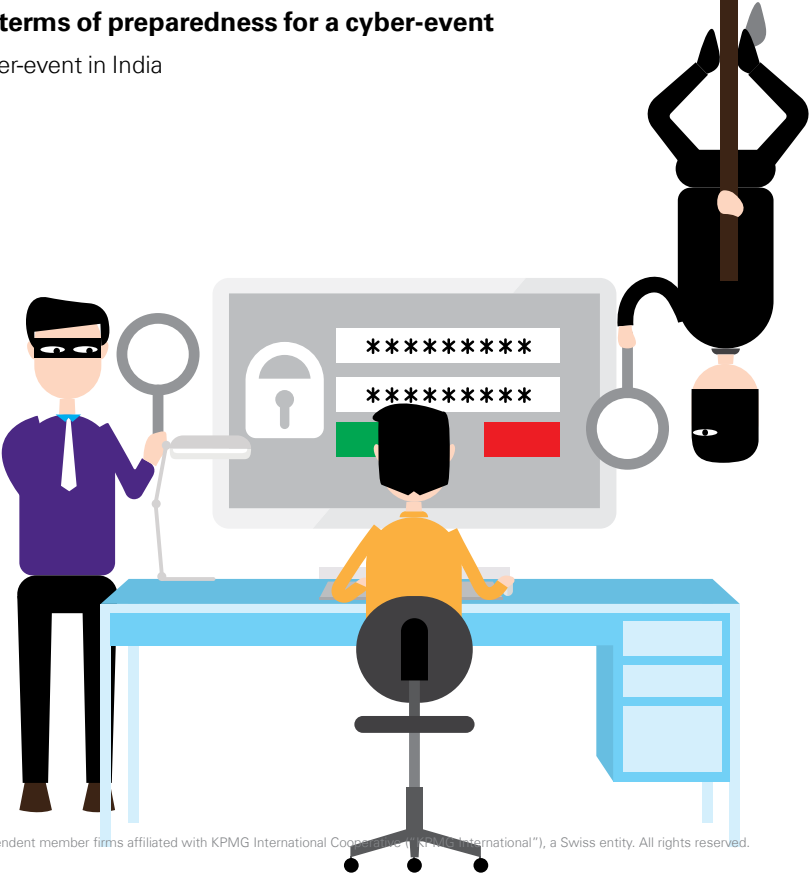
CEOs are comfortable with the degree to which mitigating cyber-risk is now part of their own leadership role, indicating the importance of building a cyber-resilient organisation

Organisations have made clear progress in terms of preparedness for a cyber-event

Percentage of organisations fully prepared for a cyber-event in India



Though the percentage of CEOs, who mentioned that they are fully prepared for a cyber-event, has increased in India, it is low considering that cybersecurity today must be one of the key business priorities for companies in wake of the recent ransomware attacks.



The next three years



The market place in India and globally, is getting more dynamic and complex, at a faster pace than what the CEOs experienced in previous decades. Globalisation, protectionism, connected consumers and evolving technologies are impacting almost every business more than ever, leading to fundamental shifts in strategies, innovations and ways of doing business.

This year's survey clearly highlights that CEOs are cognisant of these shifts and are preparing themselves to **Disrupt and Grow**. CEOs are clearly making headway to adapt their organisation for a different business environment all together.



What are CEOs doing? Building a resilient organisation by...



Navigating the geopolitical environment



The current geopolitical environment is pushing organisations to review their growth plans and re-strategise to build organisations that are resilient to geopolitical risks

The dynamic geopolitical environment in recent times has affected the way organisations are doing business.

According to the survey, approximately 21 per cent of the CEOs are most concerned about the impact of geopolitical risks. They acknowledge global and domestic economic factors impact their growth significantly, and one in two CEOs believe that the current geopolitical landscape has impacted their organisations like never before.

53%



of the CEOs believe that the impact of the current ambiguity in the global political landscape has had an unprecedented impact on their organisations

Amidst the turbulence in the global economy, especially in the West, CEOs in India have a better growth outlook for the Indian economy. This also drives their optimism for growth in their respective industries and companies — both in the short- and medium-terms.

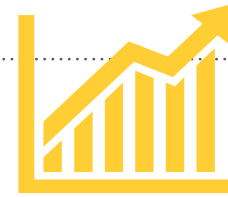
88%



of the CEOs believe in better growth prospects for India compared with that of the global economy in the medium-term



90%



CEOs in India are confident of the growth prospects of their company in the near future

The drive towards protectionism in the West, expanding globalisation in the East and a facilitative political environment in India (with a focus on improving the ease of doing business) are pushing the CEOs to realign their global expansion strategies.

The shift towards domestic and other existing markets is largely evident with most CEOs in India shying away from the U.S. and the Middle East regions (two primary markets for growth after India as per the 2016 CEO outlook survey) to focus on increasing penetration in the existing markets and expansion in the APAC countries. More CEOs are looking at expanding their bases in India, as they are optimistic about the Indian market becoming more globalised and attracting public trust in business over the medium-term.

41%



CEOs are reassessing their global footprints as a result of the changing pace of globalisation and protectionism

The impacts of protectionist sentiment and geo-political developments are still unfolding. Business', both large and small, should not merely watch, but act to develop a resilient culture to operate in such an environment. Those who are able to navigate these uncertain times are more likely to succeed than others. However, many are still unprepared for such events.



- Akhil Bansal
Deputy CEO
KPMG in India

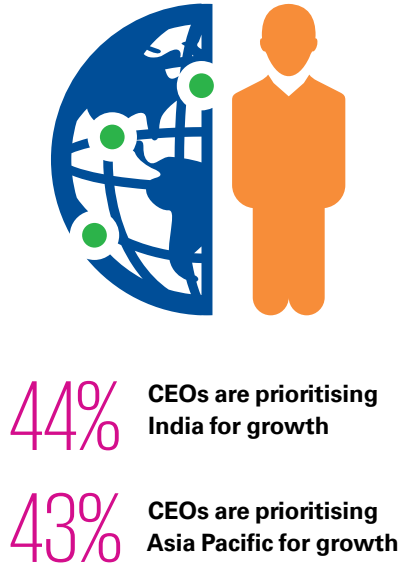
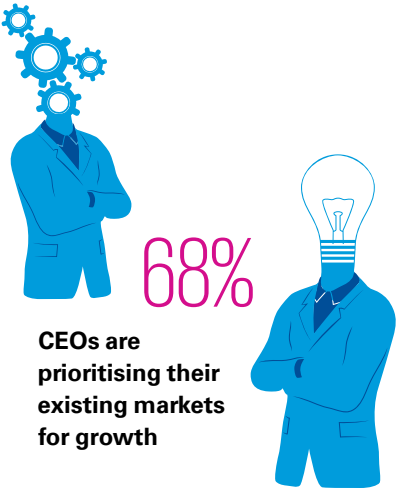
In times of such change, it is an imperative for organisations to re-strategise and evolve to become resilient to geopolitical risks.

One in every two CEOs is concerned with the need to face mission critical issues that they do not have prior experience of.

A focus on identifying and building core capabilities, while remaining flexible, has become indispensable for the CEOs to ride out political and economic turbulence.

In the mid-term, 72 per cent of the CEOs plan to hire new skill sets or specialists in their management teams and work more on scenario planning exercises over the next few years to manage geopolitical risks.

With these plans in place and a better mid-term growth outlook for both domestic and global economies, CEOs appear more comfortable about their organisations' immunity to the impact of the change in the U.S. Administration and Brexit.



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The last eighteen months have seen an unprecedented rise in geo political tensions across the globe and this accompanied by the U.S. elections and Brexit, has woken up India Inc. to a new challenge. India Inc. is gearing up to this new normal by transforming its business model, driven by nimbleness in decision making and a continuous urge to manage the widespread disruption caused by technological advancements.



- Vikram Hosangady
Head - Advisory
KPMG in India

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Getting ready for millennial customers

Amidst disruptive competition, individual needs of customers, rising costs, and varying demands of millennials, high customer engagement and loyalty have become imperative for the CEOs

Customers, especially millennials, have taken the centre stage in business strategies. With the advent of digital media, the pace of technological advancements, changing lifestyles, differing needs of millennials, increasing customer expectations for personalised products, services and offerings, and, customer-driven strategies are far more vital for any business' success and long-term sustainability.

Millennials also known as digital natives, have grown up with smart devices, such as smartphones, tablets, e-readers and social media platforms. Connectivity and instant sharing matter to them. Millennial customers' day-to-day work and attitude revolves around three evolved wants/asks — 'What's new?', 'What's available now?' and 'What's more in the offering?'. Thereby, about 31 per cent and 26 per cent of surveyed CEOs consider greater speed-to-market and fostering innovation

(including new products/services and ways of doing business), respectively, as the top strategic priorities for the next three years.

Getting ready for millennials is about continuous innovation, personalised services and being responsible for the best interest of the customer.

- Mritunjay Kapur
Partner and National Head
Strategy and Markets
KPMG in India



Additionally, the disruptive competition, coupled with rising inflation in the country — which in turn increases the costs of products and services for the end customers — are only adding to their woes.

Therefore, it does not come as a surprise that CEOs have suggested 'addressing high customer expectations for personalised services' and 'maintain/build customer base due to disruptive competitors' as their biggest challenges, amongst other areas, to their customer relationships.

79%

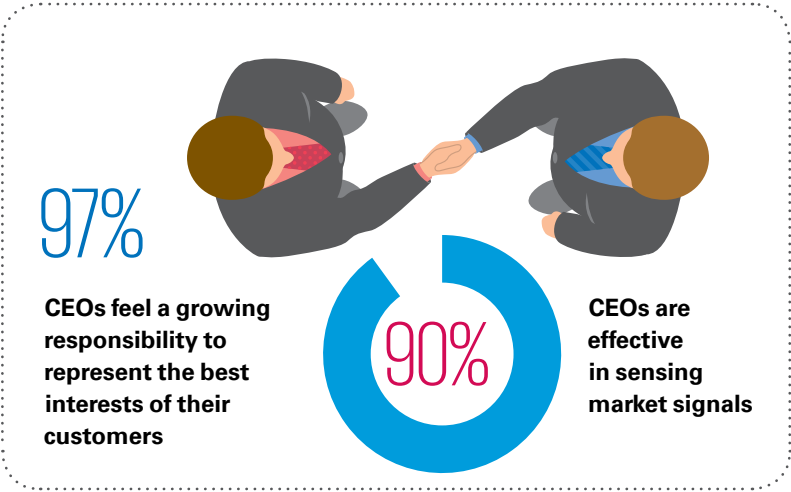
CEOs agree that any increase in inflation means that the increased costs are expected to get passed on to their customers



Key challenges to customer relationships



CEOs, globally, agree that the changing customer expectations are likely to have an impact on the growth of their organisations over the next three years. To this end, CEOs have intensified their efforts towards customer centricity within their organisations, as reflected in the survey.



75% CEOs say that building greater trust among external stakeholders and customers is one of the top three priorities for their organisation

- The CEOs' actions in this regard, namely —
- linking incentives for Senior Managers to customer satisfaction metrics,
 - greater emphasis on value proposition to customers,
 - any new investment or change being evaluated for its impact on customers,
 - investments being made towards new products and services development,
- to name a few — are a strong testament to this.



CEOs agree that they have aligned their middle- and back-office processes to front-office operations to reflect a more customer-centric approach



CEOs agree that any new investment, change or venture is always evaluated for its impact on customers

However, CEOs are finding it a challenge to understand and respond to the varying needs of millennials. Additionally, about 46 per cent of leaders are struggling to establish a robust link between customer focused programmes and ROI.

Organisations’ ongoing success and ability to create a lasting impact on target audiences will depend on their adeptness in building greater trust, sensing market signals, and embracing disruption with innovation.



Transforming, in pursuit of excellence



For organisations looking for a long-term play and success in the dynamic business environment, business transformation has become prominent

Business transformation has become a key imperative for CEOs (especially for emerging markets such as India), given the dynamic environment they are operating in. With a spurt of technological advancements, consumer touchpoints and evolving customer engagement channels, it is clear to CEOs that strategies of the past may not work in future, leaving them

with no choice but to adapt, re-imagine, reinvent and transform.

54% CEOs are likely to transform their organisations into significantly different entities over the three years

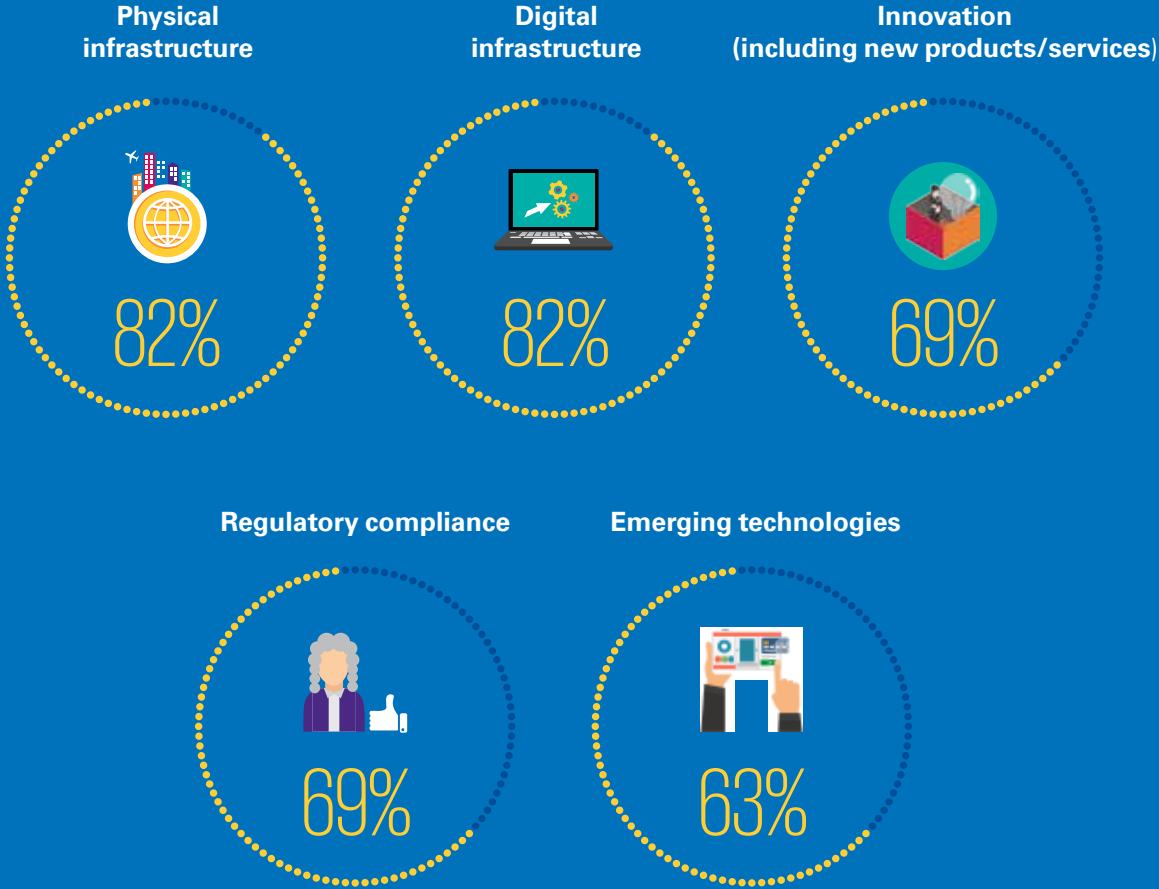
According to the survey, 81 per cent of the CEOs have made big investments in the last 12 months towards innovation, digital infrastructure, governance and risks, emerging technologies, new skill acquisition and development, and regulatory compliance — with the primary objective of transforming their business' and operating models to become more relevant in the current scenario.

Considering most CEOs aim towards improving their bottom-line growth, getting closer to customers, increasing productivity, and strengthening organisational resilience, the

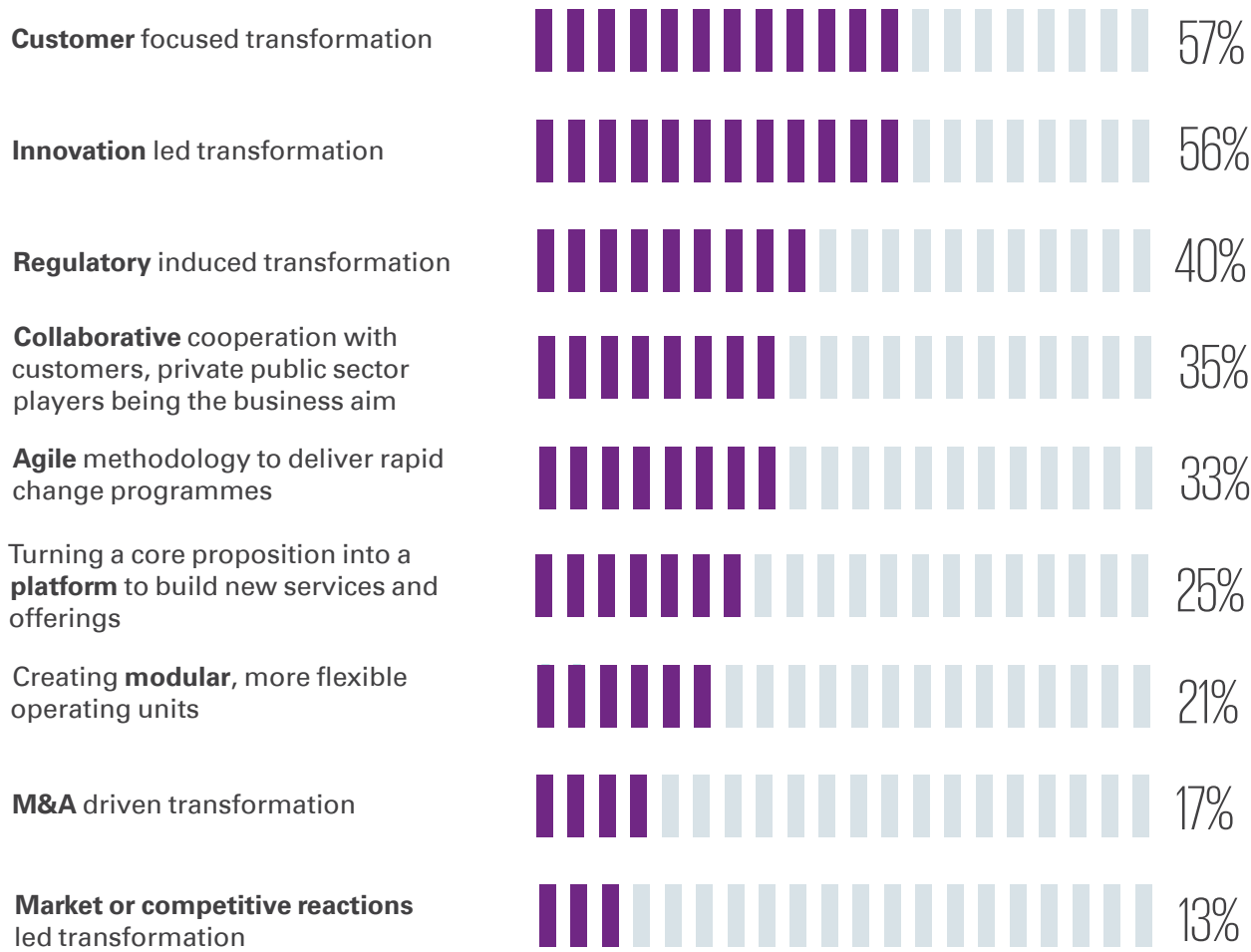
investments in these areas will continue over the next three years.

According to the survey, a multifaceted transformation is on the cards, as 66 per cent of the CEOs worry about their own inabilities to disrupt the business models in the industry; 63 per cent worry about losing their market leadership position based on new competing services/products; 47 per cent worry about new entrants (not currently perceived as competition) disrupting their business; and, 44 per cent worry about the competitors' ability to take business away from their organisations. CEOs believe that the emerging technologies, time to product or services' obsolescence and changing customer expectations could form the key pillars of business transformation. Therefore, CEOs are pursuing different business model transformations as a route towards growth.

Areas where CEOs plan to make high investments over the next three years



Business model transformations being pursued by CEOs as a route towards growth



However, to keep pace with changing stakeholders’ needs and to stay ahead of the curve, CEOs are not only looking at large-scale business model transformation, but are also evaluating options of collaborative partnerships and joint ventures, or merger and/or acquisition. Inorganic growth can help business’ penetrate further into the existing markets and new verticals.

44%

Indian CEOs are likely to form collaborative partnerships or joint ventures for growth over the next three years

To make business transformation a success, CEOs are gearing up their internal capabilities and skill set requirements. Upskilling of existing people has also become a key focus area. About 73 per cent of CEOs plan to make significant investments in talent acquisition over the next three years.

Consistent with the 2016 CEO survey, more than half the CEOs continue to expect their organisation to be transformed into significantly different entities over the next three years.

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Innovation is no longer restricted to products/ services alone. Innovation across business levels is truly at the core of most successful transformation initiatives today.



- Gaurav Moda
Partner
BPS and Strategy
KPMG in India

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Embracing technology



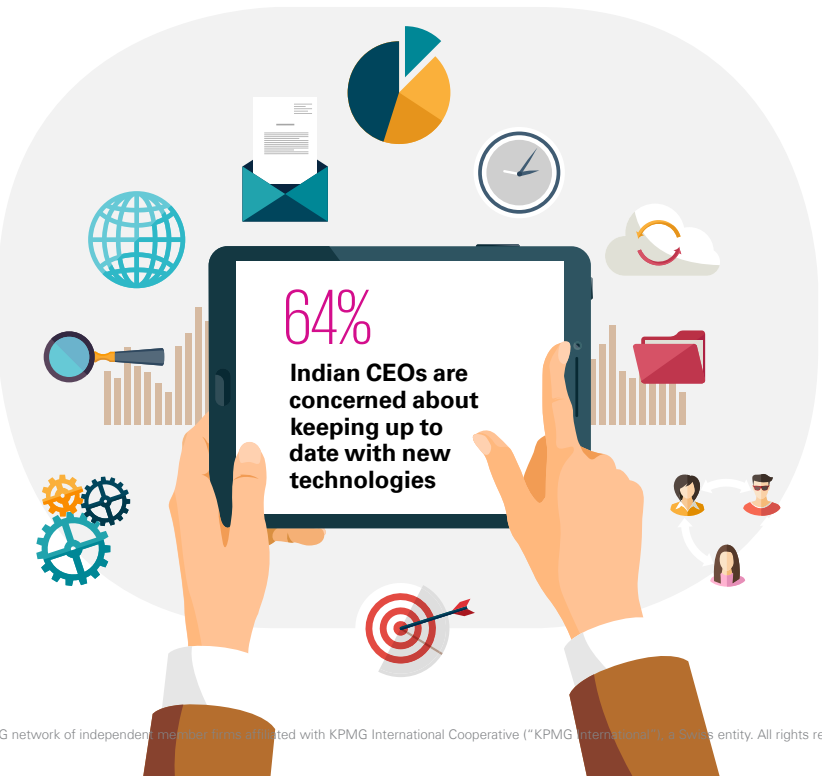
With fast-paced technological innovations and digital disruptions, CEOs believe that new technologies will play key roles in driving their organisations

As an agent of change, technology continues to be at the forefront of disruptions and pushes industry leaders to reassess their competitive positions. Currently business leaders are looking to embrace new technologies to match the speed of technological innovation and run their business units more efficiently.

CEOs believe that technology is likely to be one of the top two factors impacting the growth of their organisation over the next three years. They also agree that technological innovation will cause a major disruption in their respective sectors over the next three years.

CEOs believe that the disruption caused by new and

emerging technologies could drive customer centricity, efficiency enhancement and employee satisfaction. Embracing disruptions relies highly on how well an organisation understands potential applications of emerging technologies, and successful implementation and integration with the existing systems.



Factors impacting the growth of companies



The classic enterprise technology acted as a good leveller amongst smaller and larger organisations by driving efficiency. The new digital technologies can create true differentiation and competitive advantage. CEOs in India recognise the impact and potential of these new technologies; however, they continue to face the challenge of skill shortage while choosing and effectively deploying right technologies.

- Akhilesh Tuteja
Partner and Head
Risk Consulting
KPMG in India

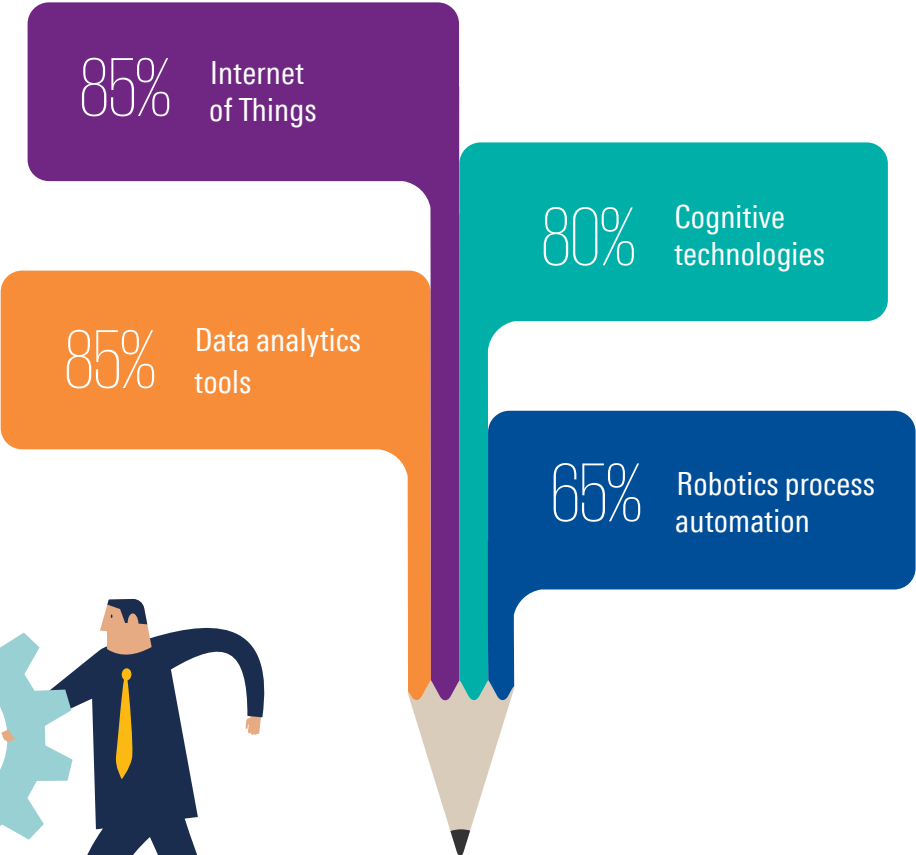


With the ongoing technological disruptions, organisations are looking at ways to disrupt themselves before they get eliminated by an innovator. Indeed, they believe technology to be an enabler to drive an organisation's growth. The CEOs in India agree that new technologies, such as cognitive, Internet of Things (IoT) and

data analytics, are likely to create a positive impact on their business'. The survey further indicates that CEOs have increased their spending on creating digital infrastructure, and this higher investment on technology upgrades is likely to continue for the next few years.



Top areas where CEOs plan to make technology investments over the next three years



The impact of emerging technologies is multifaceted; while it transforms an organisation, it also keeps the CEOs on their toes. Compared with their global counterparts, more Indian CEOs believe that their organisations are not completely ready to adopt advanced technologies like AI. Hence, at this stage, CEOs are progressing cautiously through basic integration with AI and cognitive processes.

According to the survey, one in every two CEOs in India agrees that their organisation is struggling to keep pace with the rate of technological innovations in their concerned sector.

Despite the progress that business' have made around technology, deep-rooted challenges remain. Finding the best-suited technology, attracting the right talent and integrating new technologies within the existing systems are the top-rated challenges for CEOs in India. As emerging technologies add to the existing complexities, organisations need suitably skilled people who are well-versed with these new technologies.

53%



CEOs are struggling to keep pace with the rate of technological innovation in their sector

While the accepted view on cognitive technologies is often linked with workforce displacement, according to the survey it is expected to increase the headcount across various key roles in the near future. Currently, organisations are using digital labour to enhance customer experience. The major challenge is anticipated when an organisation uses digital labour for its workforce reduction strategy, which does not seem to be the case as per this year's survey.

Overall, CEOs maintain a positive outlook around the impact of technology on their business'.



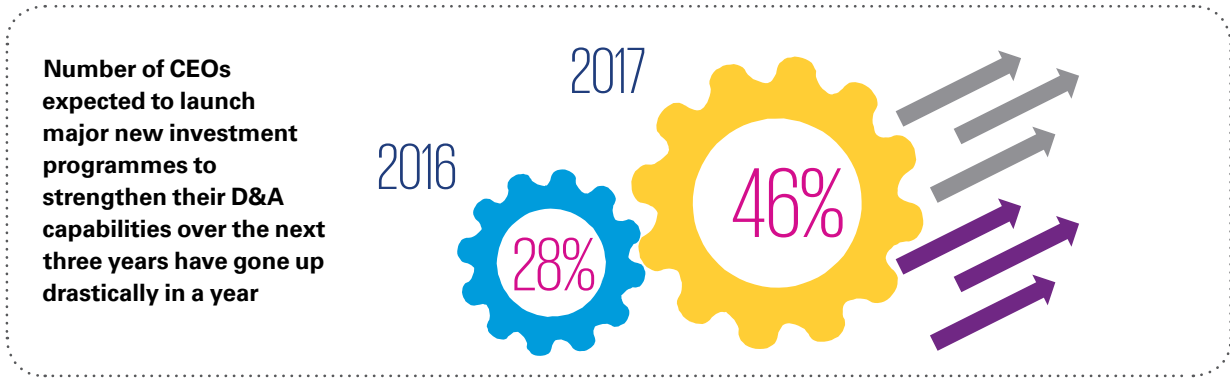


Moving towards a data-driven enterprise

CEOs lay an increasing focus on data-driven decision making, thus making it crucial for them to chart out stronger strategies to build D&A capabilities

In times of uncertainties, when business' are taking a hard look at their operations, data is fast becoming a catalyst to derive insight-driven value, predict future and reorganise capabilities. This is prompting CEOs to course correct and add 'data' as a big proposition to their investment plans. While the pace of adoption may be quicker for global CEOs compared with that of their Indian counterparts — 12 per cent of CEOs in India wish to become more data-driven compared with 20 per cent globally — CEOs are recognising data as the fundamental tool to achieve their other strategic goals.

To that end, bolstering D&A capabilities remains a key focus area for CEOs, as they believe data analytics will help them take better decisions around customers, products/ services and internal skill sets development allowing them to become a more efficient organisation.



Predicting skill shortage has particularly emerged as a field where CEOs are increasingly deploying data analytics tools. With technological disruption altering the nature and level of skills required, predictive data analytics will play a big role in gauging actual skill demand and react to levers of change in a timely manner.



If investment blueprints are an indicator, then 82 per cent CEOs expect to increase investment in digital infrastructure to gradually move towards a data driven architecture.

However, becoming a data-driven enterprise is not going to be an easy journey. Ensuring integrity, relevance, and reliability of data are some of the challenges that perplex top management of companies.

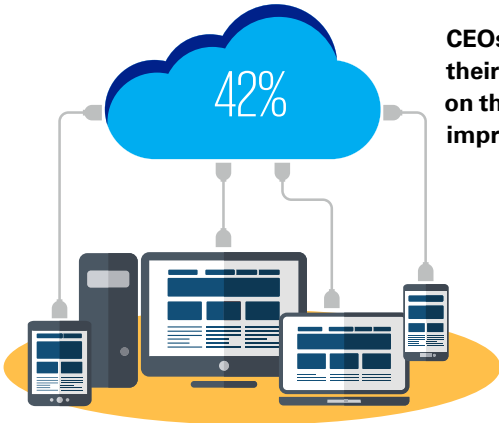
Gaining customer insight is specifically driving the need for improved data quality; while CEOs are confident of their

understanding of customer pulse and behaviour, continued success largely hinges on the quality of data that they have access to.

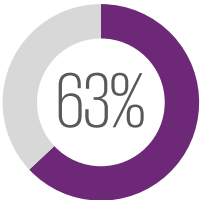
With business' transcending borders, data sovereignty has thrown open new challenges for CEOs. Ongoing geopolitical changes and resulting regulatory uncertainty have left organisations struggling to decipher the laws and figure out ways to manage multi-country data, and still be compliant with local country laws. While one out of two CEOs is concerned about data theft, which, in today's time,

can have significant business, reputational, and legal risks, a similar number admitted that they are not yet fully prepared to combat data breaches.

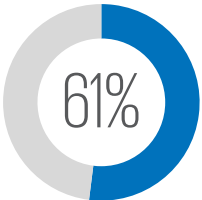
These challenges have created a need to funnel investments to improve data quality and integrity, and fortify data security practices before it can be leveraged efficiently to answer critical business questions.



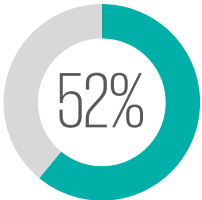
CEOs agree that they cannot base their important business decisions on their data before they invest to improve the data quality



CEOs agree data integrity is crucial to make informed decisions



CEOs agree customer insights are hindered by lack of quality data



CEOs agree data sovereignty is a growing board-level concern



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Big data also requires a big shift in paradigm. In this age of data-driven transformation, it is getting more and more important for organisations to not only get the health of their data right, but also facilitate a change where processes support, and employees accept, assimilate and act on the insights that are generated.



- Rachna Nath
Partner
Digital Enablement
KPMG in India

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Building a cyber-secure organisation



Cybersecurity has become a top priority for CEOs in India and highly crucial for business sustainability in the current business landscape

While the adoption of new technologies is becoming imperative, it is also exposing organisations to cyber-attacks, leading to loss of data, which is a big reputational risk. Given the growth of cybercrime incidents in India, board members and CXOs of many companies are forced to identify the spread of ever-changing cybersecurity risks

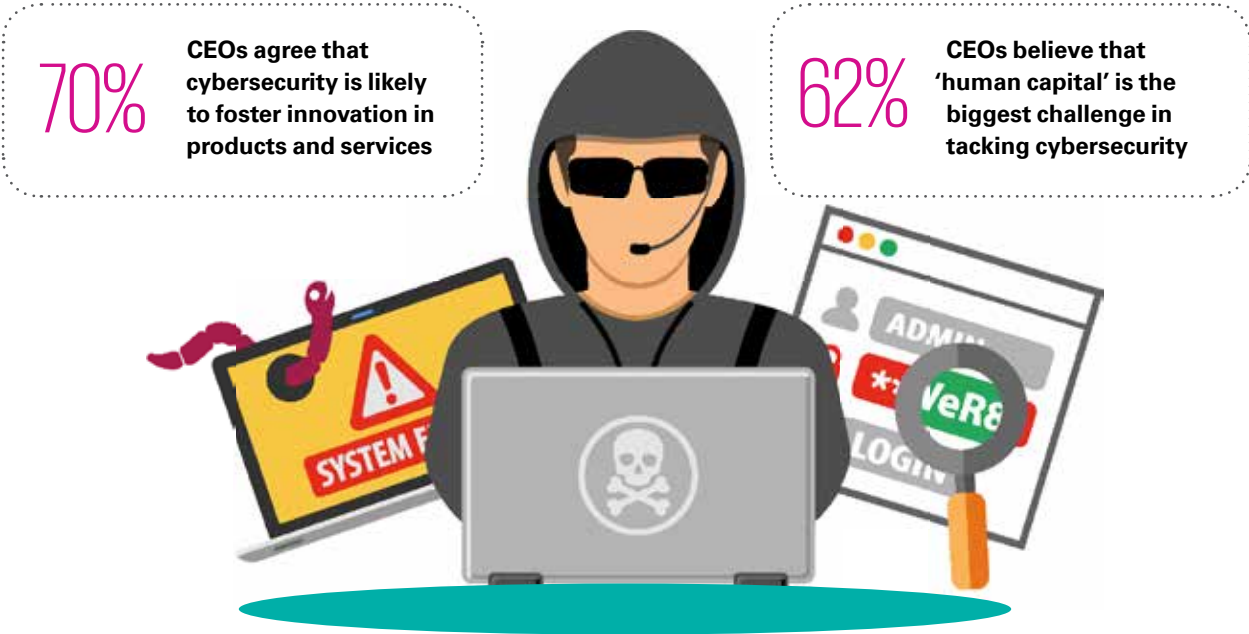
as one of the greatest challenges for their organisations. Over 89 per cent of Indian CEOs agree that mitigating cyber- risk is now at the top of the boardroom agenda, and considered to be an executive responsibility, indicating the importance of building a cyber-resilient organisation.



Cyber-attackers in India are driven by a range of motivations — from pure financial gains, to raising the profile of an ideology, to digital espionage and terrorism. This can be attributed to increased Internet accessibility, usage of smartphones and growing adoption of innovative technology.

According to the survey, 84 per cent of CEOs plan to increase investment in cybersecurity over the next three years. Interestingly, cybersecurity is not just seen as a protection cover, but also as a means to increase the top line. About 76 per cent of the CEOs see investment in cybersecurity as an opportunity to find new revenue streams and

innovate, rather than view it as an overhead cost.



More importantly, CEOs now wish to be more strategic about their spend on cyber, as one in every two CEOs says that they need to become smarter in tracking the impact of related investments in cyber on the overall organisation.

Organisations have made clear progress in terms of preparedness for a cyber-event. About 45 per cent of the CEOs surveyed in 2017 said that they feel prepared for a cyber-event, up from 17 per cent in 2016. Given the level of investments in cybersecurity, the level of preparedness is expected to only increase in the near future.

According to the survey, more than 50 per cent of Indian CEOs are prepared for equipment/software attack, employee-led data breach, social media hacking, customer data theft and business data theft.

On the other hand, more than 50 per cent of the CEOs feel that they are not prepared for ransomware and distributed denial-of-service attacks.

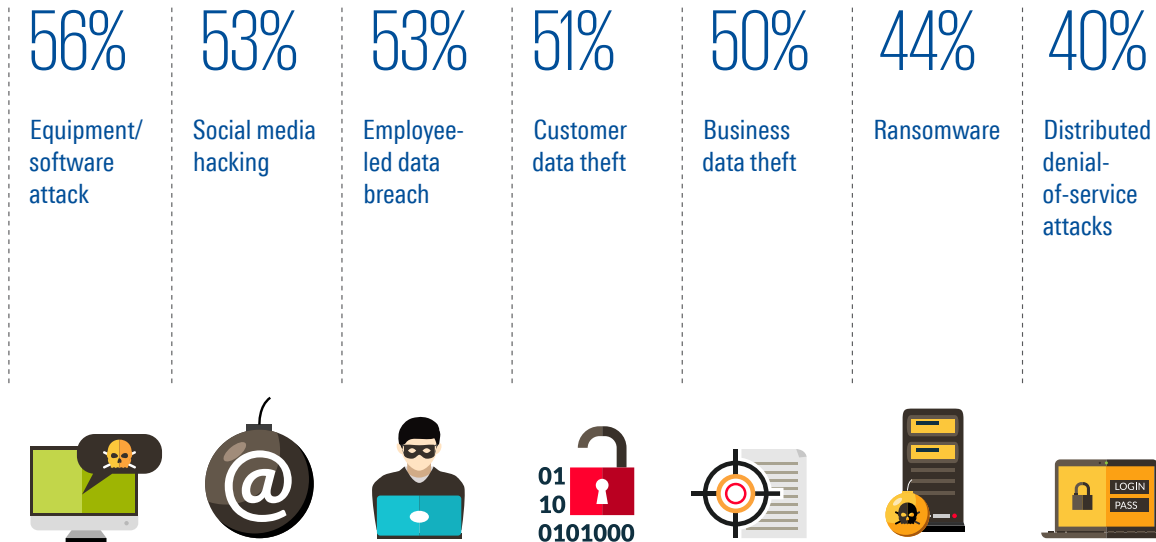
As the cybersecurity threat continues to evolve, ransomware is quickly spreading around the globe making vital systems insecure.

Building a cyber-secure organisation is not going to be easy. Despite the current attention to cyber, nearly one in two CEOs wish to do more than

what they are currently doing to combat cybersecurity. Many CEOs believe that they need assistance to fully understand emerging technologies and the associated risks with those technologies.

As technical innovations continue to disrupt the industry, there is a constant need to implement and maintain effective security. As the nature of the threats evolve, so should an organisation's efforts to secure its data and intellectual property.

An organisation's preparedness to deal with different nature of cyber-attacks



Cyber-risk has emerged as a significant business risk which is making the rounds of boardrooms. The need is to deal with it in a holistic manner rather than considering it to be only a technology risk. Adoption of technology (including emerging technologies) coupled with increased cyber-incidents and the true cost of dealing with incidents have still not been understood. In such an environment it's absolutely critical for leaders to ensure that organisations have extremely strong cyber-defences along with robust cyber-incident response processes. Humans have emerged as one of the weak links and it is imperative to focus on cyber-hygiene and awareness.



- Atul Gupta
Partner
IT Advisory
KPMG in India

Conclusion

For CEOs, disruption and transformation have become key ingredients for success. To remain relevant and successful in the VUCA environment (volatile, uncertain, complex and ambiguous), CEOs are looking at different ways to transform their organisations. They recognise the impact of the geopolitical environment and the economic uncertainty it entails, and are working hard to remain prepared. Moreover, they understand that speed-to-market and innovation are strategic priorities for growth to cater to the millennials who have distinctive expectations and needs.

Technology remains one of the key disruptors, redefining the way organisations operate and build innovative services and solutions. Cybersecurity has emerged as a key concern for organisations as they embark on a digital transformation journey. In the wake of unconventional forces, CEOs are working to develop new skills and capabilities, and cautiously investing to transform and disrupt their core business'. CEOs are open to collaborations, partnerships and seeking help from outside, to make their organisations resilient.

Despite the multitude of changes in the business environment, CEOs have shown a sense of optimism and willingness to **Disrupt and Grow**.



Research methodology



The survey published in this report is based on a survey of 131 CEOs in India, who participated in a global CEO survey conducted by KPMG International. The Global CEO Survey was amongst Australia, China, France, Germany, India, Italy, Japan, Spain, U.K. and the U.S., comprising 1,261 CEOs.

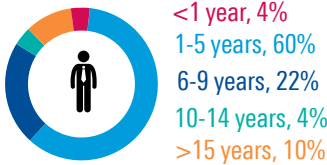
From India, 11 key industries participated, namely, infrastructure, automotive, banking, insurance, investment management, life sciences, technology, telecom, manufacturing, consumer and retail, and energy.

The survey was conducted between 21 February and 11 April 2017.

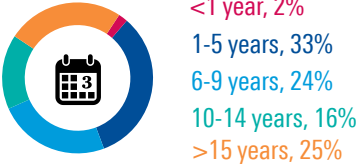


Participants' profile — Indian CEOs

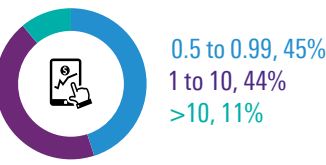
#years as CEO in current firm



#years with current firm



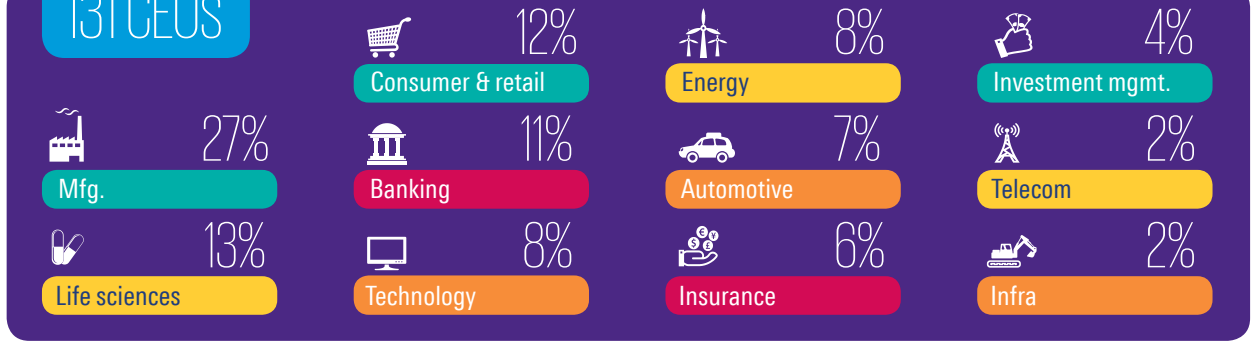
Company's turnover (In USD billion)



Company type



131 CEOs



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