

A hand is shown from the bottom, holding a glowing digital globe. The globe is composed of a complex network of thin, golden-brown lines that form a spherical structure. Interspersed within and around these lines are numerous small, semi-transparent nodes in shades of blue and yellow. The background is a soft, out-of-focus light blue, suggesting a digital or technological environment. The overall composition is clean and modern, with a focus on connectivity and global reach.

The C-Suite
**2022 &
Beyond**

**Changing
roles for a
changing
world**

A Winmark Report
into how the C-Suite
is harnessing people
and technology
to transform
organisations

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Foreword

It has become a cliché to say that the business environment is faster-changing and more unpredictable than ever before; but if there were any doubts, the events of 2022 have put them firmly to rest.

Hopes that a period of stability and rapid economic growth would follow on from the pandemic have been upended by the war in the Ukraine, rising energy, food and commodity prices, supply-chain disruption and tightening monetary policy by major central banks. Indeed, in just the past five months the forecast for growth across the world economy has fallen from 4% to 3.1% with growth in the USA, China and the European Union all being revised downward.¹

As a result, C-Suite leaders are facing their ongoing challenges (from implementing digital transformation to addressing skills shortages and integrating flexible work practices) during the most challenging commercial climate we have seen in many years.

Throughout the year, members of our C-Suite networks have been exchanging their experiences and sharing advice on how they can best create value for their companies and stakeholders in these testing times. Our report draws on those discussions; and from research conducted with over 300 senior leaders from all over the world. It outlines their top priorities and tells us how they are working to create a more flexible, resilient, agile, integrated and digitally enabled C-Suite.

Thank you to all Winmark network members for their valuable engagement throughout the year, and to everyone who has generously taken the time to contribute their insights to this report. We hope it will help point the way to a C-Suite of the future that is fully equipped to adapt, evolve and succeed.



JOHN JEFFCOCK
CHIEF EXECUTIVE OFFICER,
WINMARK

Thank you to all Winmark network
members for their valuable engagement
throughout the year, and to everyone
who has generously taken the time to
contribute their insights to this report.

¹ [World Economic Situation
Prospects as of mid-2022](#)

Introduction

How can the C-Suite adapt and evolve to take the lead on the challenges they face and position their organisations for success?

Over the past 12 months, Winmark has consulted with our C-Suite network members and the wider global business community through numerous surveys, discussions, meetings and events to find out what is at the top of their agenda in 2022.

They have told us that the four key priorities that will shape how the C-suite will navigate the challenges of 2022 and beyond are:



JOHN MADDEN
RESEARCH DIRECTOR,
WINMARK



Our report examines how each of these four key themes are impacting the C-Suite, what areas will be prioritised, how actions will be implemented; and how C-Suite roles will need to change and adapt to meet the increasing pressures from a social, economic and political environment that is changing more quickly than ever.

We hope these insights help foster an understanding of the shared challenges facing C-Suite leaders, the differing perspectives across job roles and the shared imperative to develop and adapt roles to achieve success in 2022 and beyond.

Executive summary

Over the course of the pandemic, the C-Suite has had to adapt to rapid social and economic upheaval, often with great success.

Organisations have embraced new ways of working, accelerated their technological capabilities and re-framed their relationships with customers, employees, suppliers and investors at a speed and scale that is truly extraordinary.

But the challenges show no sign of stopping. To prepare for the post-COVID era, C-Suite leaders need to decide how the huge changes to the business landscape caused by the pandemic - severe supply-chain bottlenecks, a move to remote and flexible work, and changes in consumer attitudes and behaviour - will affect their operations in the medium and long-term.

They will also need to grapple with the new and evolving disruptions we have seen in 2022 - the war in Ukraine, macroeconomic uncertainties (including rapid inflation and a slower than expected recovery of consumer demand), climate change, the rise of machine learning and artificial intelligence (AI) and the continued, and increasing, threat of cyber-attacks.



Evolving roles

These changes will contribute to C-Suite roles looking very different in the future. C-Suite executives will have to be more flexible and collaborative than ever, and quick to respond to changing circumstances. They will need the ability to inspire, the boldness to take swift action and the ability to manage integrated, lean and efficient processes and operations.

The competencies required to succeed will evolve as the pace of change continues to accelerate. Specifically, C-Suite roles will require the following key skills:

- **The ability to predict trends and react quickly.** An agile mindset will become essential. They will need to not only manage change, but to thrive on it.
- **Genuine cross-functional understanding** – all departments are increasingly interconnected and integrated, needing to understand the technology that connects them, and the vision and purpose they share. Varied experience gained across a range of different roles, geographies and sectors will become increasingly valuable.
- The capability to be **transparent, honest, inspirational and authentic**, with the capacity to display the emotional intelligence demanded by modern organisations, their employees and stakeholders.
- An ability to **integrate technical tools effectively, rapidly and economically** will be crucial, particularly an understanding of how to utilise data to identify opportunities.

Current challenges – how to respond

C-Suite leaders are facing a variety of pressing challenges that require an immediate response – some of the practical short-term actions suggested in our report are summarised below:

HYBRID WORKING

- Don't be too prescriptive too early – wait for clear evidence before carefully evaluating whether changes meet both the needs of the business as well as meet changing employee expectations. Pilot and experiment with different approaches in different departments and locations.
- Try redesigning spaces as collaborative areas or as relaxed areas for collaboration and creative thinking.
- Targeted and transparent communication will be key – there is no one-size-fits-all solution. Some employees will need to be re-engaged and incentivised to return to the office, some will need to be provided with additional opportunities to build new relationships and socialise.
- Technology is fundamental to successful hybrid working models and as a key driver of employee satisfaction and engagement.

SUPPLY CHAIN DISRUPTION

- Develop early warning notifications by identifying the key signals and leading indicators to flag potential risks.
- Empower lower-level decision-makers to respond quickly to problems.
- Create mitigation options (alternative sources, capacity buffers etc.).
- Explore innovative techniques like 3D printing to alleviate long lead times and save costs.
- Avoid overselling and overpromising to customers.

INFLATION

- Empower employees to be flexible and creative in how they source supplies, design products and services.
- Encourage honest conversations with customers to understand their psychology and motivations.
- Incorporate as much time and flexibility into pay review processes as possible, for example consider interim or bi-annual pay reviews.

PEOPLE

- Emphasise flexible development opportunities that will help employees adapt to rapid changes. Get employee input into their own development plans.
- Prioritise the mental, emotional and physical health of staff and demonstrate a commitment to well-being.
- Consider making dedicated physical learning areas (using space freed up during the move to hybrid) to encourage training and highlight the importance of a learning culture.
- Explore learning management systems (LMS) to help employees manage personal training programmes.
- Utilise inventive and innovative methods to attract talent such as proactive outreach initiatives through educational establishments and direct to potential employees through social media and specialist forums.
- A positive culture is built on a strong sense of purpose shared throughout the organisation. Leaders need to authentically represent and communicate the organisation's purpose, values and culture and frame them to be aligned with employee expectations.
- Sophisticated analytics employing AI technology can provide in-depth productivity data. This will need to be balanced with building trust and confidence in how this information is stored and used. An ethics charter that clearly sets out guiding principles will help drive trust and transparency.

TECHNOLOGY

- AI is a key tool for transforming business processes, but currently, a relatively small proportion of the C-Suite are piloting or implementing AI initiatives. C-Suite leaders need to urgently forge a better understanding of the technology and its potential.



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1. People

Winning the battle to attract, recruit and retain skilled, loyal employees is a key challenge for organisations, and a core ingredient of gaining and maintaining competitive advantage.

An already difficult human resources market has become even more demanding following the ‘great resignation’ that resulted from the pandemic. Lockdowns also instigated an astonishing acceleration of digital transformation which has permanently changed the way organisations recruit, manage and motivate their people.

In this section, we examine how the C-Suite intends to tackle five top ‘people’ priorities:

- Recruitment
- Upskilling
- Hybrid working
- Culture
- Productivity.

1.1 Recruitment

There has been a 30% increase in the number of vacancies from pre-pandemic levels², with resignations highest among mid-career employees. The healthcare and technology sectors have been hit hardest, but all industries are having to compete more fiercely than ever to appeal to new recruits, in an environment where flexibility around working hours and locations is now expected as the norm.

Organisations are becoming more inventive and innovative in how they attract talent. A proactive approach is the key to success – whether engaging in outreach initiatives with universities or reaching out directly to potential candidates using social media channels (for example contacting candidates for technology roles on specialist tech and software development forums).



DARREN CARLILE
HEAD OF
CUSTOMER OPERATIONS,
CAPITAL ONE

“Staffing is probably my biggest concern, particularly in customer facing roles. The market is extremely competitive right now and recruitment is a challenge.”

“A key shift in the leadership dynamic since the pandemic has been the heightened focus on wellbeing and culture – from something which was done alongside running a business, it is now universally understood as integral to it – a welcome shift which will ultimately deliver more focus on social value in concord with commercial value, not in conflict.”



EMMA ROBERTSON
CEO, ENGINE GROUP

² [Pay Review Predictions for 2022: Key Trends & Figures](#)

100%
of COOs
identified
‘Developing an
internal talent
pipeline’ as a key
challenge

The pandemic has also put well-being at the forefront of the employee/employer agenda, and there is a growing recognition that the mental, emotional and physical health of staff needs to remain paramount in a world where hybrid working and economic hardship is creating continued personal upheaval and emotional demands on workers and their families.

Organisations will need to communicate a clear commitment to the well-being of staff to attract and retain talent, e.g., outlining measures to create a sense of belonging amongst remote workers and initiatives to avoid the negative impacts of homeworking on employee health (for example mental illness, burnout and poor ergonomic health).

“The pandemic emphasised the critical importance of...a focus on people’s well-being for organisations to survive and prosper. Most organisations will wish to embed the benefits of the amazing achievements experienced through the hard times of the pandemic.”



KEVIN TOZER
HEAD OF COLLABORATIVE
WORKING, NETWORK RAIL

1.2 Upskilling

In an environment where it is hard to find qualified external candidates, upskilling, reskilling and redeploying existing staff is becoming an essential element of personnel strategy. Technology is also continually altering the skills required for every job - and is automating many roles out of existence.

Organisations are therefore emphasising the opportunities they can provide for mobility and development so that they can reassure employees that flexible, secure pathways are available to them that will help them adapt to the rapid changes in the workforce.

Successful upskilling strategies start by identifying clear goals both for the organisation and for individual departments, and then identifying and allocating the skills that will be needed to achieve those goals. Organisations will need to identify the skills of its current employee base, define the skills that are needed, look at the gaps and build a plan to resolve those gaps. At the same time, it is also crucial to get employee input into individual development plans by consulting them on what they feel are the necessary skills for the role and the organisation as a whole.

Many companies are creating a dedicated physical learning area (often using space freed up during the move to hybrid working models) to encourage training

“In 2022, after two years of lockdown, we will focus on workforce transformation and developing our people for the roles we...need in the future in order to grow... That requires us to engage with our businesses commercially at a fundamental level and use data and insight in a more predictive way.”



DANIELLE HARMER
CHIEF PEOPLE OFFICER,
AVIVA

and highlight the importance of a learning culture. Also, many are experimenting with learning management systems (LMS) that help employees manage personal training programmes.

A flexible, reactive, company-wide upskilling strategy not only helps retain employees and develop organisational proficiencies, but it also enables and supports a broader agile management approach.

1.3 Hybrid working

The hybrid strategy challenge for 2022 is to strike a balance between the needs of business leaders and the changing demands of employees.

More than three-quarters of the C-Suite say they expected employees to be back in the office three or more days a week in 2022. They recognise that the necessity of managing homeworking was handled effectively and produced some benefits, but also have concerns about a negative impact on culture and the sense of 'belonging'. The general consensus amongst C-Suite leaders is that employees should return to the office in a way that is more flexible but not radically different from the pre-pandemic era.

In contrast, research shows that the majority of employees would like three or more days of remote work per week.³ But the message is not that clear-cut – they also recognise that working from home can interfere with engagement, effective collaboration and social connectivity.

There is a growing recognition that finalising hybrid operating models will take a long time and involve a significant period of trial and error. Although the majority of organisations (70%) have a formal policy on hybrid working and office attendance, nearly half are currently allowing a large amount of flexibility (or have made the policy entirely voluntary – see chart opposite, page 9).

63%
of CHROs
identified 'Designing
post-COVID hybrid
and flexible work
models' as a key
challenge



DANNY MCCOY
CEO, IBEC

"As CEO of one of Europe's largest member business representative organisations... the challenge will be to use a hybrid working environment to effectively engage colleagues with our stakeholders across jurisdictions."

"The baseline work pace and expectations increased during the pandemic – perhaps to unhealthy levels – I would like everyone return to pre-pandemic work-play balance."

NED
PHARMACEUTICALS SECTOR

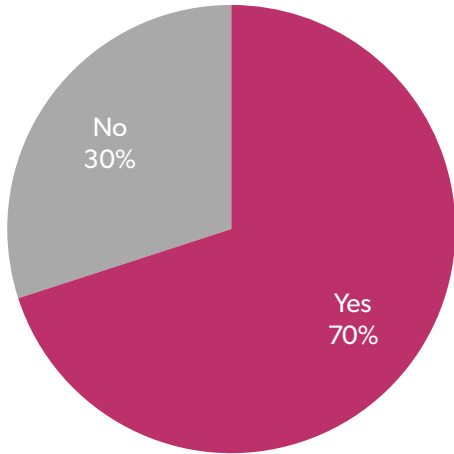
C-Suite leaders are waiting for clear evidence before being too prescriptive but are aware that decisions must ultimately benefit the business as well as meet changing employee expectations.

Where feasible, many are piloting and experimenting varying approaches in separate departments and offices, including redesigning office buildings as collaborative areas rather than the traditional workstations, or providing more relaxed areas to encourage collaboration and creative thinking.

Ultimately, successful hybrid strategies will depend upon targeted and transparent communication. There will be no one-size-fits-all solution. Leaders will need to re-engage some employees with the benefits of an office environment and be prepared to incentivise their return with increased flexibility. On the other hand, some employees, such as first-time workers and graduates, will need to be offered a lively office culture that

³ [It's time for leaders to get real about hybrid](#)

Are formal policies in place?



How flexible is the policy?

Is it voluntary and not mandatory at all

14%

There is a small amount of flexibility

43%

There is a large amount of flexibility

43%

0% 10% 20% 30% 40% 50%

provides the opportunity to learn from others, build new relationships and socialise after work.

In all cases, there will be a need to invest in technology to bridge the physical and digital worlds. Recent research suggests employees see technology as being key to supporting flexible and hybrid models of working and as a key driver of employee satisfaction and engagement.⁴

“I worry that our new permanent work from home model may lose some of the employee loyalty that we’ve benefitted from in the past, particularly for new and recent recruits who never got to experience and see and feel the in-office culture...Building a highly compelling offering and experience for front line work from home teams will be a big focus.”



DARREN CARLILE
HEAD OF
CUSTOMER OPERATIONS,
CAPITAL ONE



ZELINDA BENNET
CMO, DWF LAW LLP

“I’m absolutely delighted that professional services businesses have adapted so well to remote working – we still need to keep in touch with our colleagues and understand what is best for them and what’s right for the business. So, I am still understanding what hybrid working means for all of us. I am also increasingly aware of the mental health needs of my team and how I provide them with the support they need.”

⁴ [EY work re-imagined report](#)

1.4 Culture

C-Suite executives are increasingly aware that a strong organisational culture can help organisations perform well and provide employees with a sense of meaning that motivates them to be more productive and loyal. Many organisations believe their culture was a source of strength during the pandemic, and that building on the right parts of their culture can provide them with a competitive advantage.

75%
of CMOs
identified
*‘Operational
efficiency from
marketing spend’ as
a key challenge*

The two primary components of a positive culture are a strong sense of purpose that is shared throughout the organisation, and a leadership team that authentically represents and communicates the organisation’s purpose, values and culture. Leaders need to be open and transparent about their values and objectives, and frame them to be aligned with employee needs. They should also demonstrate a holistic approach to supporting a healthier and more successful workforce.

1.5 Productivity

The C-Suite is focused on finding out what motivates their best performing employees, and what obstacles are resulting in low performance, through more frequent and sophisticated channels of communication – including diagnostic surveys and using AI to analyse employee data. Departments are also seeking ways of increasing staff ‘buy-in’ and engagement through providing easy and transparent channels for them to provide ideas and suggestions.

The growing use of people analytics and AI to provide in-depth productivity data creates potential employee trust issues. Building confidence in how data is stored and used is crucial to enable full engagement. Some organisations have created an ethics charter, with guiding principles that are shared with employees to help drive trust and transparency.

78%
of CEOs
identified
*‘Reducing costs &
complexity’ as a
key challenge*

“Leaders face the challenge of building culture and engagement in a hybrid world... the immediate effect of the pandemic was to bring people together. Two years on it is not the same story – as evidenced in the great talent-shuffle. Leaders cannot rely on the cultural structures of the pre-pandemic world, or the tactics that served us so well in lockdown...A new framework of cultural leadership is needed – and we are all finding our way.”



EMMA ROBERTSON
CEO, ENGINE GROUP

2. Leadership

Organisations are facing a truly daunting set of challenges in 2022, including inflation, geopolitical tensions (ranging from the Ukraine and Russia conflict to US and to China tensions and beyond), increasing government regulation, potential new COVID variants and supply chain disruptions to name but a few.

Unsurprisingly, confidence in the world's economy has also fallen. According to recent Deloitte research⁵ most CFOs are pessimistic about their company's immediate future.

There is also a broad consensus that Brexit's impact is real, but the extent of the perceived impact varies greatly depending on circumstances such as location, trading profile and sector. It has caused bureaucracy-related delays and trade between the EU and Britain has dropped.

The biggest challenge of Brexit has been prolonged uncertainty which has made it hard to make strategic decisions confidently.

The second challenge has been managing the practical implications of change, and preparing organisations to be resilient for future disruption. It has highlighted the fact that stable trade relations – not only within the European Union, but also around the world – cannot always be relied upon. C-Suite leaders must be increasingly alert to the future of the global marketplace and continually scan for changing circumstances.

To respond, adapt and thrive in this environment demands speed and agility. Leaders of the future will, more than ever, have to be more flexible, less hierarchical, and quick to respond to changing circumstances.

In this section, we examine how leaders intend to tackle the top 'leadership' priorities: **Agile leadership** and **Evolving leadership skills**, and explore actions they are taking to address **Current challenges**.

⁵ [Deloitte CFO Survey](#)



ADIBA IGHODARO
NON-EXECUTIVE DIRECTOR

“Today's most successful leaders will be defined by their ability to build genuinely diverse teams of excellence around them, recognizing the critical need for an outstanding mix of complementary skills, experiences and mindsets to assist them in navigating the complex world we now live in.”

2.1 Agile leadership

The sense of urgency created by the pandemic has revealed the speed of change possible within organisations, and C-Suite leaders want to continue that spirit of innovation and flexibility into the future. They are looking at ways to embed agility into their management teams so they can operate more efficiently and intelligently.

Agile organisations can be characterised as having two overarching capabilities:

- **Collaboration** – both within the organisation (to enable fast decision making and implementation cross-departments and geographies) and outside the organisation (to make sure that the resources and expertise are available to implement initiatives).

→ **Connectivity** – they are supported by networked processes and operations that are robust, integrated, lean and efficient.



2.2 Evolving leadership skills

CEOs and C-Suite leaders across all departments consistently identify the need to develop new skills in order to meet the challenge of leading agile teams within a fast-moving and volatile business environment. They recognise the following skills as being particularly relevant to supporting organisational agility:

- **Ability to inspire**, persuade, negotiate and advocate for change.
- **Boldness** to take swift and appropriate (rather than impulsive) action.
- **Clear focus** on the wider organisational vision and the discipline and ability to prioritise projects that support that vision.
- **Consistent** and resolute commitment to the approach and behaviours required.
- **Flexibility**: openness to ideas and a willingness to pivot when necessary.
- **Resilience** to keep momentum for long periods.
- **Fully networked and connected** – communication throughout the organisation is imperative.

The table below identifies some of the top skill development priorities identified in our research. CHROs and CLOs are particularly focused on collaborative skills within the organisation and are keen to develop strategic influence and credibility.

CMOs are keenly aware of the technical and operational skills demanded by modern marketing functions.

C-Suite role	Skill development priorities	%
CLO	Developing the GC role to be a visible corporate leader	100%
CEO	Keeping abreast of modern leadership theory	78%
CHRO	Developing the CHRO role in developing corporate strategy	75%
CMO	Developing new marketing skills and competencies	75%

The C-Suite is also conscious of a growing trend amongst consumers and employees to want companies to make a positive impact on society. In addition to the ethical considerations, being purpose-driven is recognised as being good for business. As discussed earlier in the report, purpose-led organisations can have more motivated and loyal employees, helping with engagement, retention, and overall staff well-being. In many sectors having a purpose can lead to increased customer loyalty, word-of-mouth recommendations, and a competitive edge.

As with agile leadership, purpose-driven leadership requires a focus and commitment to the big picture vision and objectives of the organisation; and requires leaders to set a positive example.

2.3 Current challenges

The most recent test of agile leadership has been the **war in Ukraine**. The significant disruption in the supply of energy and other goods (for example Russia and Ukraine account for 30% of global grain exports; and Russia supplies 40% of the world's palladium, a key component of electronic devices and catalytic converters in vehicles) has created even more **inflationary pressure** than existed before, and damaged business and consumer confidence. Companies operating in Russia will have to rethink production and logistics, and there could be a profound long-term impact on global capital flows.

An unbalanced recovery from COVID that skewed demand towards goods (as restrictions have limited spending on services) had already stretched **supply chains** to breaking point resulting in bottlenecks, longer delivery times and higher prices. The impact of Brexit, the Ukraine crisis and China's zero COVID policy has only exacerbated supply chain disruption.

These multiple challenges mean hopes for a strong global economic recovery from the pandemic have been dashed, at least in the short term. Indeed, we are facing a second global recession in the space of just three years

In the next section we draw on feedback from Winmark's C-Suite network on strategies they are using to address two of the imminent challenges they face – supply chain disruption and inflation.

2.3.1 Supply chain disruption

C-Suite leaders should consider the following supply chain actions to protect their business in the short term and transform resilience.

- Performing robustness and agility tests on their supply chain and use the data, especially real-time data, to improve the flow of products.
- Developing capabilities to provide early warning notifications. This includes identifying the key signals and leading indicators to flag potential risks such as geopolitical trade tensions and supplier health.
- Creating mitigation options (for example product and process redesign, alternative sources, network structure, capacity buffers, back-up or flexible routes for logistics flows).
- Moving from just-in-time to just-in-case supply chain strategies: for example, stockpiling and over-ordering goods or components.
- Identifying alternative sources of materials from local suppliers.
- Using innovative techniques like 3D printing to alleviate long lead times and save costs of spare and tooling parts.
- Avoiding overselling and overpromising to customers.
- Empowering lower-level decision-makers to respond quickly to problems.

2.3.2 Inflation

McKinsey research⁶ shows that inflation has joined supply chain disruption as the biggest perceived risk to growth amongst business leaders.

Inflation has been caused by a variety of factors:

- Constrained supply in some sectors such as food and automotive, exacerbated by supply chain disruption, semiconductor shortages and the impact of the Ukraine crisis.
- Increased demand in some sectors from bottled up supply caused by COVID
- Massive money supply increases in major economies

The complex mix of causes makes it extremely difficult to predict the future extent and duration of inflation on the economy. C-Suite leaders in all departments are having to control costs and to reduce the impact of volatility. They are needing to ensure they have a comprehensive understanding of the real underlying costs of the products and services they buy to enable transparent negotiations with their suppliers.

There are no easy solutions to combat the wide-ranging impact of inflation, however the following actions should be considered to help optimise decision making:

- Using data and analytics – through tracking key metrics, monitoring prices and customer reactions – will help inform better pricing decisions.
- Empowering employees to be flexible and creative in how they source supplies and design products, and services will help cut costs. For example, changes in how materials and packaging are sourced or how product features are designed can help reduce costs and keep prices low.
- Sales teams should be empowered to have deeper conversations with customers to understand their psychology and motivations in order to produce creative delivery solutions.
- Winmark's CHRO network advise against making pay decisions too quickly – as much time and flexibility should be incorporated into review processes as possible, such as considering interim or bi-annual pay reviews.

⁶ [McKinsey](#)

3. New models, new processes

C-Suite leaders across all sectors are responding to rapidly changing market needs by implementing new business models and processes.



ALIYA AHMED

**SVP, HEAD OF COMMERCIAL,
DIGITAL COMMUNICATIONS &
CUSTOMER INSIGHTS, UNITED
BANK LIMITED (UBL)**

There is widespread recognition amongst leaders that business transformation is not simply desirable to compete at the top level, but may also be a question of survival for those that are too slow to respond and get left behind.

In 2022, every C-Suite role sees itself as having a responsibility to foster, drive and implement technological innovation both within their department and across the organisation. Historically, CFOs and COOs have been at the vanguard of driving organisational technology outside of the IT department, with CLOs and CMOs following not far behind.

86%
of CIOs
identified
*‘Driving business
innovation’ as a
key challenge*

75%
of CLOs
identified
*‘Developing the GC’s
role in encouraging a
culture of innovation’
as a key challenge*

“The...
competitive landscape
...is forcing traditional
institutions to rethink the way they
do business. As data breaches become
prevalent and privacy concerns intensify,
regulatory and compliance requirements
become more restrictive as a result. And, if
all of that wasn’t enough, customer demands
are evolving as consumers seek round-the-
clock personalized service. Our digital
transformation needs to continue
not only survive but thrive in the
current landscape.”

69%
of CFOs
identified *‘Fostering
innovation from the
finance department’
as a key challenge*

The way in which companies create and capture value has been transformed by technology, enabling them to offer more personalised services by using real-time data capture, big data, AI and machine learning. Connected devices (the internet of things - IoT) and cloud technology are also enabling decentralised data manipulation and analysis. Nanotechnology and 3-D printing are creating more possibilities for distributed and small-scale production.

Although harnessing the potential of this powerful new technology is fundamental to transforming an industry, the technology must be integrated into a coherent business model that meets real and specific market needs.

3.1 New Tech

Research shows that the key strategic drivers of technology encompass every aspect of the commercial and operational processes within organisations.

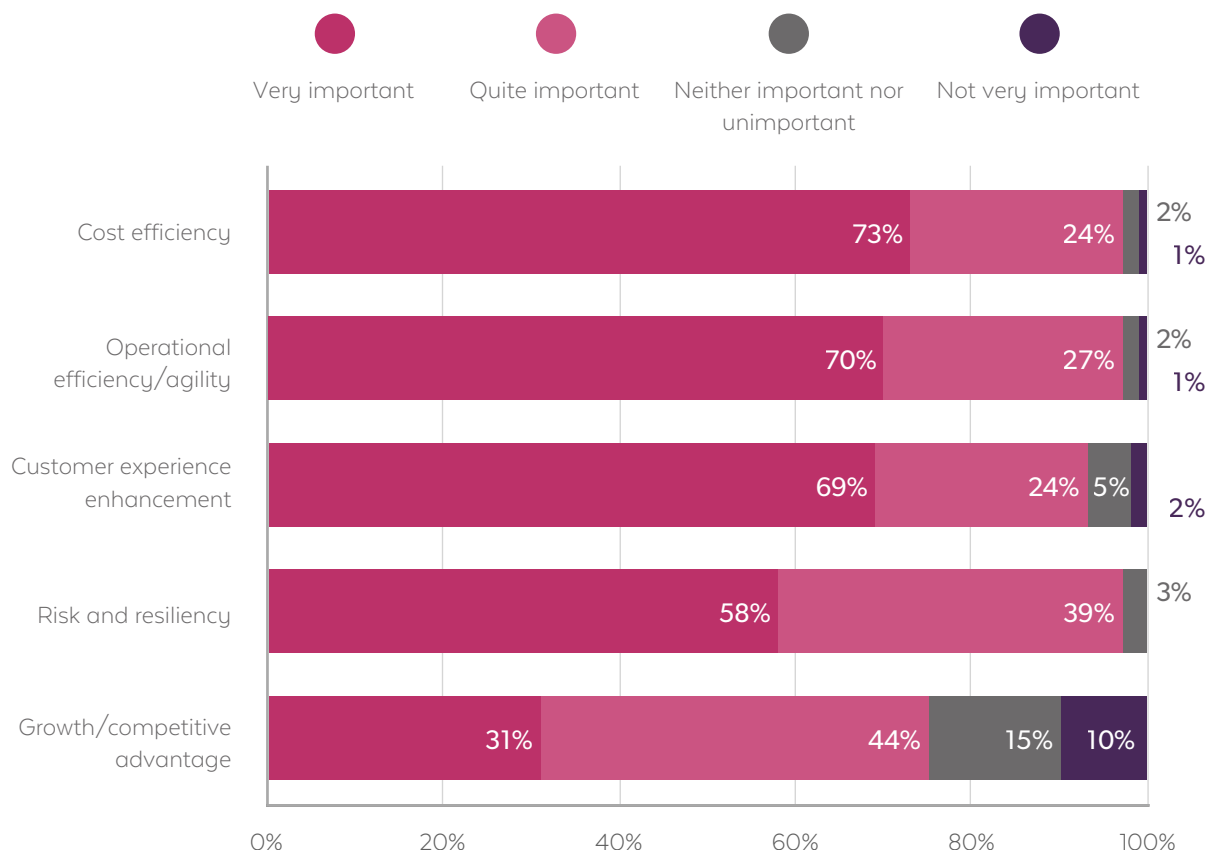
Over two thirds of C-Suite leaders identify **cost efficiency** (73%), **operational efficiency and agility** (70%) and **customer service enhancement** (69% as very important strategic objectives that are driving their technology investments (see chart below). **Resilience** (58%) and **growth** (31%) are also very important.

“It is about partnering with our providers to leverage those technologies to do more of the heavy lifting so that our people do the ‘human’ work and that we can be efficient and effective as a function.”



DANIELLE HARMER
CHIEF PEOPLE OFFICER,
AVIVA

How important are the following strategic objectives to your technology investment?



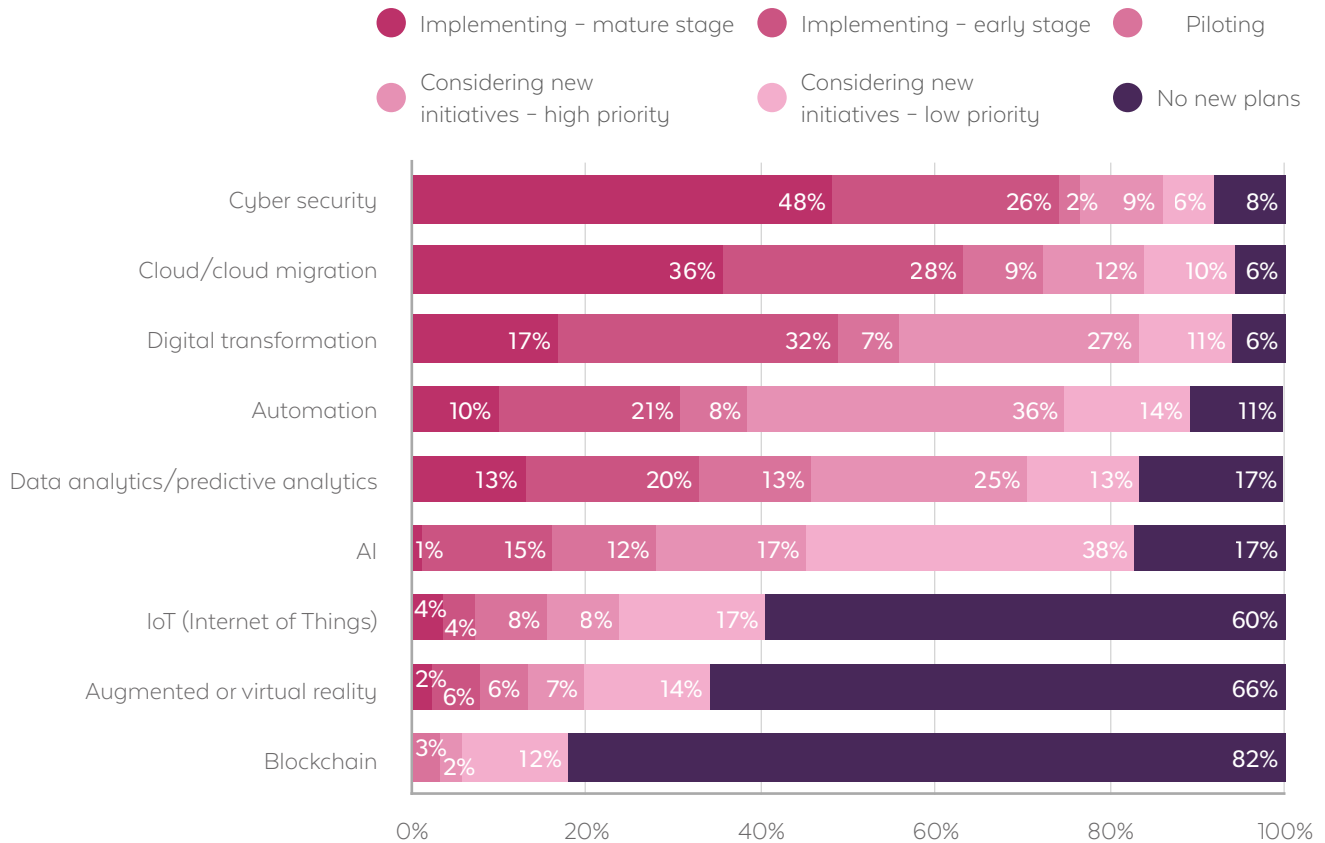
So, how are these strategic drivers translating into active, practical technology initiatives?

The majority of C-Suite leaders – 76% – are currently implementing or piloting specific cybersecurity initiatives (see chart below). The past year has seen an increasing volume and sophistication of cyber-attacks. C-Suite

leaders are beginning to turn their mindset away from seeing cybersecurity as purely a technology problem, but as a cross-function risk that impacts all areas of the business that rely on technology.

The next most common initiatives are **cloud migration** projects (73%).

New technology initiatives – implementation stage



A relatively small proportion of the C-Suite is piloting or implementing AI initiatives – just 28%. This is far fewer than the proportion who have embarked upon data analytics (46%) and automation (39%) initiatives.

This is despite C-Suite leaders recognising that AI is a key tool for transforming almost any business process or model because of its capability to provide accurate and targeted predictions, continuously and autonomously learn and improve and scale up at minimal marginal cost.

CMOs are particularly cognisant of how AI can help with marketing communications at an individual level, by analysing data of consumer needs, usage, and interests to ensure delivery of the right product, at the right time, through the most appropriate channel.

“Our next challenge as a business is how we deploy [technology] to be more data driven – evolve from rear-view-mirror reporting to in-flight analytics and ultimately predictive modelling.”

EMMA ROBERTSON
CEO, ENGINE GROUP

100%
of CMOs
identified
*'Integrating marketing
technology with the
business' as a key
challenge*

75%
of CHROs
identified
*'Optimising HR data
analytics' as a key
challenge*

69%
of CFOs
identified *'Leveraging
data and insights from
finance across the
organisation' as a key
challenge*

83%
of CIOs identified
*'Creating data driven
operating models
and predictive data
insights' as a key
challenge*



KEVIN TOZER
HEAD OF COLLABORATIVE
WORKING, NETWORK RAIL

*"Collaborative
technology is here
to stay through hybrid
working. It's now time
to better exploit what
AI can achieve."*



KELLY BEAVER
CHIEF EXECUTIVE,
IPSOS UK

*"Technology
will continue to have
a central and increasing
role, particularly with respect
to connectivity and curation
of information (of all types).
The successful deployment
of current and emerging
technology is a key growth
strategy for us."*

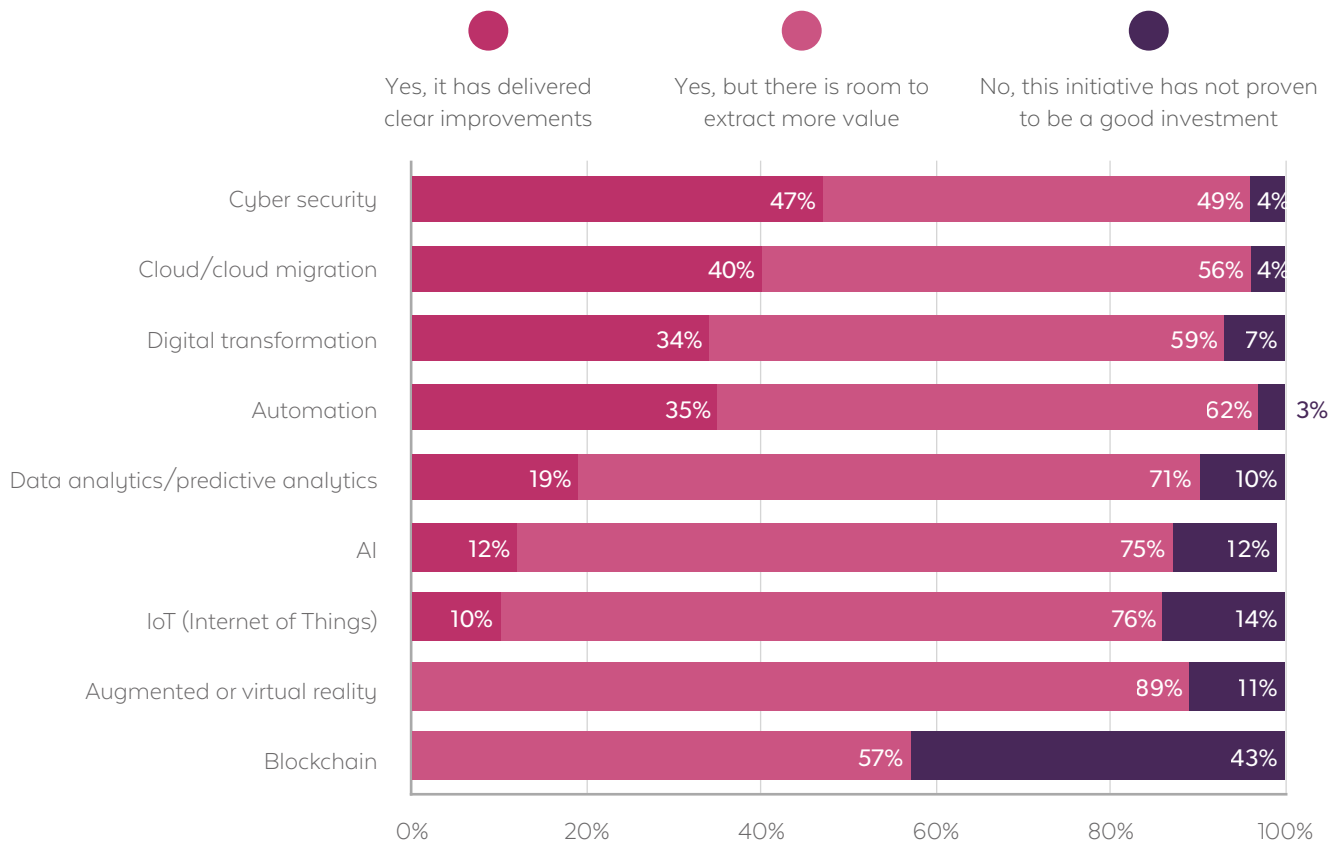
*"...The successful
marriage of technology
with our understanding of
data and people means that we
are increasingly able to passively
measure human behaviour in real
time and interpret this for our
clients so that they can better
understand their customers/
citizens and audiences."*

NED
PHARMACEUTICALS SECTOR

The relatively low engagement with AI is partly due to lack of know-how (95% see a **lack of knowledge and skills** as a challenge to developing technology in their department - and 37% as a very significant challenge - see 3.2 Implementation challenges and how to overcome them below).

Leaders plan to make significant investments in AI within their departments and across the organisation as a whole, but many don't really understand what to do with it. Only 10% of companies that have completed **AI** initiatives say that the program has delivered to its full potential (compared to 47% for **cloud migration** and 35% for **data analytics** initiatives - see chart below).

Delivered improvements?



C-Suite leaders who have implemented IoT and Blockchain initiatives report even less satisfaction with the value delivered by these technologies. None of them feel that the investment delivered to its full potential, and 43% say that **blockchain** projects have not proven to be a good investment.

Clearly the C-Suite has encountered obstacles to deriving maximum benefit from tech investment, particularly in new, innovative advanced areas such as AI, blockchain and IoT. The next section of the report examines some of the challenges and barriers to successful technology implementation; and outlines a framework for getting initiatives off to a good start.

3.2 Implementation challenges and how to overcome them

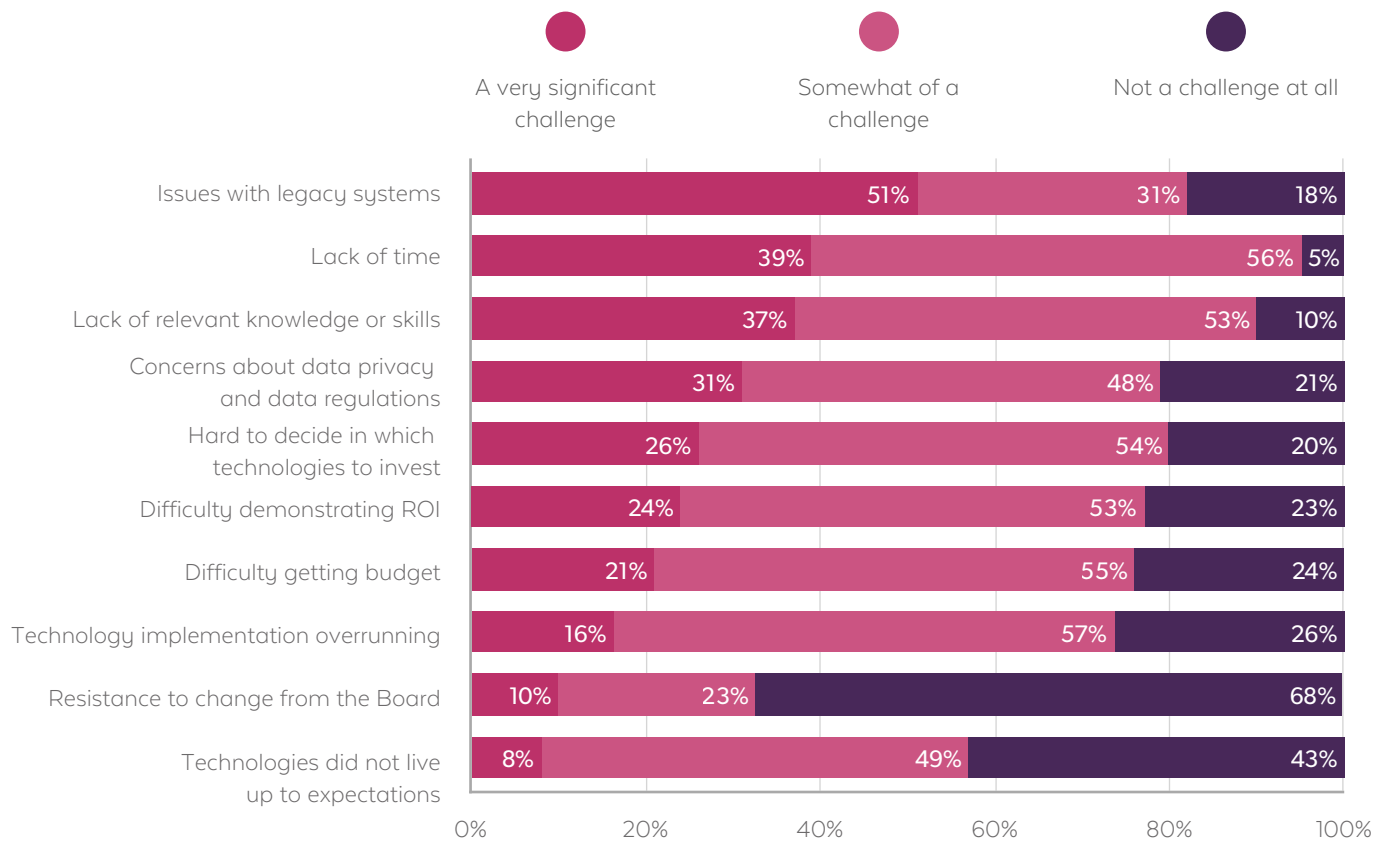
As previously mentioned, 95% see a **lack of knowledge and skills** as a key challenge to successfully developing technology within their department, and 37% think it is a very significant challenge. CHROs are particularly concerned about their lack of technical knowledge and how this might impact the integrity of sensitive personnel financial and performance data.

Other C-Suite implementation challenges are primarily operational, including **difficulties integrating with legacy systems** (51% see this as a very significant

challenge), lack of time (39%) concerns about **data regulation** (31%) and **difficulty knowing what technology in which to invest** (26%). COOs are particularly concerned about the challenges of integrating complex operations and processes with a plethora of complex ERP and other legacy systems.

The other main group of challenges relate to the commercial viability of technology initiatives – 24% say **difficulty in demonstrating ROI** is a very significant challenge, and 21% report **securing budget** to be a significant challenge.

How big of a challenge have the following been when developing technology within your department?



Ultimately, the task the C-Suite faces in effectively utilising technology to support new business models is a very difficult one, and disappointing results are not uncommon. In fact, 8% say **previous technologies not living up to expectations** is a very significant challenge to embarking upon new initiatives (and a further 49% say it is somewhat of a challenge).

Feedback from Winmark C-Suite members suggests that it typically takes six months to build a thorough road map for implementation of technology initiatives, including building a business case and evaluating risk mitigation and benefits. The functional needs of the department and how accurately the solutions address them are key to efficiency.

A typical 'best practice' framework is summarised below.

“New taxes... and reporting requirements.... are increasingly heavy on data consumption, reporting is needed sooner ... so we need to become technologists.”



ADAM EAGERS
GROUP TAX DIRECTOR,
A.S. WATSON

Best Practice Technology Roadmap Framework

→ **Confirm priorities:** map the areas of pain in the function; get team members to input; consider the team's expectation from new technology.

→ **Capability and stakeholder maps:** engage with ALL stakeholder departments (e.g., finance, IT, procurement) list the “blockers” and work with them to overcome their concerns; look at skills needed within the team and in the business.

1. Technology selection:

- Understand the solutions landscape, identify opportunities and issues.
- Identify the technology already in place within the team.
- Look to integrate existing legacy systems and envision the target state to brief potential suppliers.

2. Roadmap:

- Start with clarity and focus: where are we now, where we want to get to.
- Build the business case – include risk mitigation and compliance benefits, consider if the solution is going to be “better, cheaper, quicker,” and if not, discard.
- Define at the outset (and in conjunction with customers) what the “problem state” is, so that they are working with you to help resolve the problems they have articulated. Focus on bottlenecks/needs/priorities.
- Consider whether you want “best in class” IT (which might mean a number of systems) or one system which may deliver most of your requirements but not to the quality required in all areas.

4. ESG

Businesses are preparing for a future where regulators, investors and consumers increasingly expect evidence of compliance with ESG (environmental, social and governance) criteria that measure the ethical impact and sustainability of investment in a company.

In an environment where ESG compliance is likely to result in lower regulatory risk, cheaper financing and higher market values, providing meaningful evidence of meeting the relevant KPIs is as much a commercial issue as it is an ethical one, and is expected to become as fundamental to doing business as preparing a balance sheet.

Most C-Suite executives are placing climate change response high up on their agendas and are feeling the pressure to define, measure and implement actions that will support their organisation's commitments.

The three key areas of ESG focus for the C-Suite in 2022 are **Regulation, Targets** and **Defining 'Social'**.

4.1 Regulation

Dealing with an increasingly regulated global business environment is expected to be one of the greatest challenges of 2022.

Multinational organisations are particularly concerned about the complexities of managing multiple international regulatory regimes. Regulatory pressure has been exacerbated by the ESG goals and commitments of stakeholders across global commercial, government and investment bodies, and further complicated by additional public health regulations resulting from COVID.

CLOs are particularly impacted by regulatory pressures and they identify regulatory risk as the single highest risk category they face in 2022; and they also expect it to have a bigger impact than any other risk over the next two to three years.

COOs are also grappling with regulatory complexity, and GRC (governance, risk management, and compliance) technology is becoming an increasingly important tool for multiple departments to align, track and manage compliance.



“My main concern is the increasing regulation concerning the trading sector that might slow down the growth of the industry.”

DR. SÜKÖSD PÉTER
LEGAL, COMPLIANCE
AND PUBLIC AFFAIRS
DIRECTOR, EXTREME
DIGITAL-EMAG KFT

4.2 Sustainability targets

Vocal stakeholders are demanding organisations set climate change targets and ambitions. The need to meet these demands is keenly felt, but so is the need to manage recovery from the pandemic in a manner that does not compromise profitability.

Research amongst Winmark's Chief Sustainability Officers (CSO) network suggest that organisations are taking on the challenge with determination - 94% have committed to a formal climate pledge, and three quarters have promised to achieve net zero or carbon neutral emissions. This ambitious level of commitment is accompanied by a general air of confidence about winning the battle to reduce carbon emissions. The average target year to achieve emission goals is 2030, and three-quarters of organisations say they are already on (or even ahead) of schedule, and the vast majority

(87%) say they are confident they will ultimately succeed in meeting their goals.

Globally, approximately one-fifth (21%) of the world's 2,000 largest public companies have made firm commitments to meet net zero targets.



4.3 Social

The 'Social' component of ESG is broad and difficult to define. There are already a large and confusing number of frameworks and measurements across the entire ESG space, but there is very little consensus on what social outcomes should be, how they should be prioritised and how the implementation of social objectives should be achieved.

Global consensus on social issues is particularly challenging to achieve whilst respecting cultural preferences or norms and accommodating particular issues affecting individual countries.

As social data are more likely to be qualitative, there can be a risk of data inconsistency or inadequacy.

In February 2022, the European Commission adopted a proposal for a Directive on corporate sustainability due diligence that aims to foster sustainable and responsible corporate behaviour throughout global value chains, in line with UN Guiding Principles and OECD guidelines. Companies will have to identify risks and report on company policy, processes, activities and findings, measures taken and the outcomes of those measures, an initiative that may be helpful in establishing social measures.

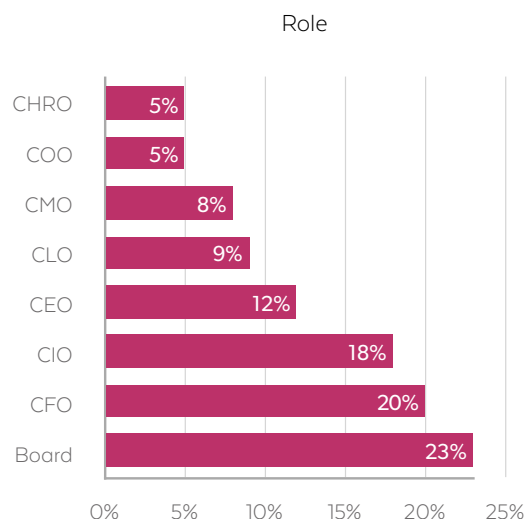
Respondent Profile and Acknowledgements

The C-Suite 2022 & Beyond report

draws on insights derived from research and consultation with Winmark network members and senior leaders from all over the world, including:

- 20 qualitative interviews with a selection of executives across various functions and roles.
- A survey of 204 C-Suite executives investigating the top issues on their agenda.
- A survey of 104 C-Suite executives exploring technology usage and challenges.

Respondents represent all key C-Suite roles - the Chief Executive Officer, the Chief Operating Officer, the Chief Finance Officer, the Chief HR Officer, the Chief Legal Officer, the Chief Information Officer and the Chief Marketing Officer - in organisations with a truly global footprint, as outlined below.



Role	All	CFO	CHRO	CIO	CLO	CMO	CEO/NED
UK	90%	86%	100%	100%	87%	80%	92%
Europe (non-UK)	40%	52%	50%	22%	60%	50%	15%
Asia-Pacific	21%	21%	50%	9%	33%	30%	8%
Middle East	21%	17%	50%	4%	53%	30%	8%
North America	20%	17%	50%	4%	33%	40%	15%
Africa	18%	17%	50%	9%	27%	30%	15%
Central or South America	11%	10%	0%	0%	27%	20%	8%

We would like to thank all Winmark network members for their valuable feedback throughout the year, and everyone who has generously given up their time to contribute their insights to this report.

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