



CEO Outlook 2020 - Qatar

**Realigning purpose,
prosperity and priorities**

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Foreword

This year, 2020, will forever be defined by a once-in-a-generation crisis that has impacted every individual, business, government, and global institution around the world.

The COVID-19 pandemic has disrupted almost every aspect of our lives today and for CEOs it has redefined leadership. These individuals at the helm of large organizations have had to lead through adversity and manage a level of uncertainty that few would have ever experienced.

In an effort to bring some clarity to the complex world we find ourselves in, KPMG interviewed hundreds of CEOs from many of the world's largest companies, first in January (as part of our annual global CEO Outlook) and then again in July and August, to get their perspectives and to understand how their priorities have changed since COVID-19. This is the first year that CEOs based in Qatar have been surveyed as part of the global report and shared their viewpoints. We asked about their confidence in the future and examined how they are responding to the pandemic.

Not surprisingly, the CEOs we interviewed in this groundbreaking study are less confident about global economic growth than they were at the beginning of the year. However, Qatar-based CEOs expressed much more optimism in the growth prospect for Qatar than their global counterparts.

These viewpoints attest to the decisive leadership of the government of Qatar in responding rapidly to the health crisis and putting in robust measures to help mitigate the human and economic impact.

But growth projections and output measurements are not the whole story. Corporate leaders have had to recalibrate their priorities, and many have focused on what matters most—the health and wellbeing of their people and the societies their businesses serve.

With the real fears of an overturned marketplace, CEOs are acting decisively across their entire organization. Business leaders have told us that they are accelerating their company's digital transformation, reassessing their supply chains, and working to ensure their talent pipelines can adapt to meet new demands. They are renewing or revamping their corporate purpose so their organizations can contribute solutions to the many problems the world faces.

The agenda has shifted for every business leader today and the speed at which they have had to respond and adapt to changing needs has posed additional challenges, as well as uncovered new opportunities.

Needless to say, CEOs have had a lot to contend with and I would like to thank all the business leaders in Qatar who took the time to participate in the surveys and those who contributed perspectives directly. With their help, we have identified some important trends and insights that we hope you will find just as interesting as we do.

Thank you for the trust you have put in KPMG, and please stay safe.

Key findings

Overall, three key themes emerged from the KPMG CEO Outlook 2020 survey, which we characterize as *Purpose*, *Prosperity* and *Priorities*.

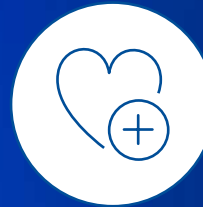
Purpose

In the midst of a health and humanitarian crisis, CEOs are focused on creating trusted, purposeful organizations that address critical societal challenges



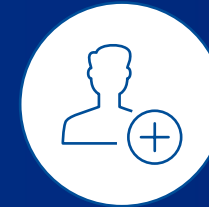
A renewed sense of purpose

At the beginning of the year, CEOs in Qatar did not regard their organization's primary purpose as being societal driven (only 12%), but today 70% of CEOs say they feel a stronger emotional connection to their organization's purpose since the crisis began.



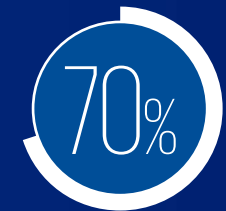
From empathy to action

The personal impact of the pandemic has been felt by CEOs in Qatar, 40% have had their health, or the health of one of their family, affected by COVID-19, and 75 percent changed their strategic response to the pandemic as a result.



Championing diversity & inclusion

In early 2020, Qatar CEOs saw building diverse and inclusive leadership teams as one of their most important reputational factors, ranking it higher than their global counterparts. Today, eight out of ten CEOs in Qatar said their companies were announcing new anti-racism measures.



of CEOs say they feel a stronger emotional connection to their organization's purpose since the crisis began



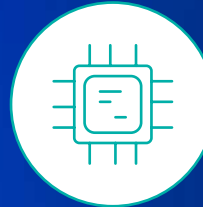
Prosperity

As well as crisis response, CEOs are positioning their businesses for long-term growth and prosperity



Growing in adversity

Today, only one-fifth of CEOs in Qatar (20%) say they are still confident about the prospects for long-term global economic growth. However, CEOs in Qatar are more confident about the growth prospect of their country (60%) than their global counterparts (45%).



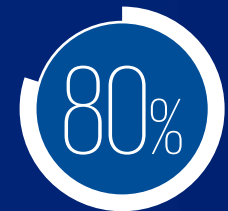
Accelerating digital growth

80% of CEOs in Qatar say the pandemic has accelerated digital transformation, with the biggest advance in digital business models and revenue streams, and the creation of a seamless digital customer experience - 50% say that progress has put them years ahead of where they would have expected to be right now.



Shifting risks

Earlier in the year, Qatar CEOs ranked cyber security risk as their biggest threat to growth, followed by emerging/disruptive technology risk and environmental/climate change risk. While these risks remained high priorities, post-COVID-19 supply chain risk usurped them to become the number one risk for Qatar CEOs and number two globally, behind talent risk.



of CEOs in Qatar say the pandemic has accelerated digital transformation



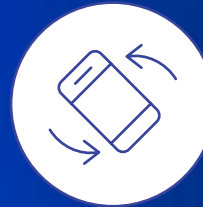
Priorities

CEOs are doubling down on transformation priorities to build the capabilities needed to win in the post-COVID future



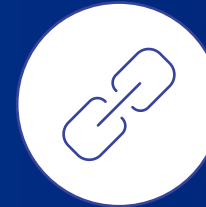
Leaning in to ESG

70% of Qatar CEOs say they want to lock in climate change gains made as a result of the pandemic, while also shifting their focus towards the social component of their environmental, social, and corporate governance (ESG) program.



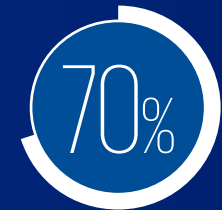
Future of work

90% of CEOs in Qatar say they will continue to build on the digital collaboration and communication tools that are being used as a result of the pandemic, and 70% believe that remote working has widened their available talent pool.



Customer-centric supply chain

Supply chain risk was the number one concern of CEOs in Qatar, 80% said they have had to rethink their global supply chain approach given the disruptive impact of the pandemic, driven by the desire to become more agile in response to changing customer needs.



believe that remote working has widened their available talent pool

Purpose

With profound consequences for people's health and livelihoods – as well as the future of companies and industries – the pandemic has presented CEOs with the greatest possible test of their leadership abilities and personal resilience.



of Qatar CEOs have had to re-evaluate their purpose as a result of COVID-19 to better address the needs of their stakeholders



Chief executives all over the world, as well as in Qatar, are using this unparalleled moment in history to lead with increased purpose and impact, both societal and economic. They are leading with empathy and humanity as they prioritize corporate responsibility, finding opportunity amid a fall in global economic confidence, and rewiring their businesses for tomorrow's new reality.

A renewed sense of purpose

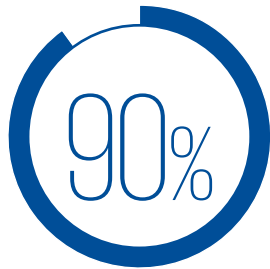
At the beginning of the year, we found that CEOs in Qatar were less likely than their global counterparts to see the primary objective of their organization as purpose-led/societal.

Only 12% agreed that their primary objective was to improve society, while 40% saw the organization's overall objective in narrow 'managing for shareholder value' terms.

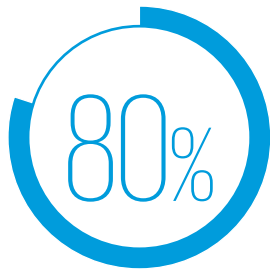
Post-COVID-19, Qatar CEOs showed a marked shift in their perspective – with 80% saying they have had to re-evaluate their purpose as a result of COVID-19 to better address the needs of stakeholders.

As Chart 1 shows, purpose has helped CEOs all understand what needs to be done to meet the needs of stakeholders during the crisis, from employees to communities.

Chart 1: In light of the pandemic, CEOs believe that purpose is more powerful and relevant than ever



Qatar CEOs agreed that purpose provides a clear framework for making quick and effective COVID-19 related decisions



Qatar CEOs said they have had to re-evaluate their purpose as a result of COVID-19 to better address the needs of stakeholders



Qatar CEOs felt a stronger emotional connection to their purpose since the crisis began

Purpose has become a central pillar for CEOs in Qatar; 70% say they feel a stronger emotional connection to their corporate purpose since the crisis began. It is encouraging that 80% of Qatar CEOs said their purpose helped them understand what they need to do to meet the needs of stakeholders, employees, communities, customers, partners and investors, while at the same time, recognizing that the massive disruptive impact of the pandemic has caused many of them to re-evaluate their current purpose to ensure it really does meet the needs of stakeholders.

From empathy to action

This increasingly personal and emotional connection to purpose during the pandemic reflects the fact that CEOs face similar health and family challenges as their people and communities. In fact, well over a third of Qatar chief executives 40% have had their health, or the health of a family member, affected by COVID-19.

The pandemic will be remembered by many as a defining moment for this generation. CEOs are clearly determined to learn from the pandemic and their own personal experience to recalibrate and make not only the best-informed decisions, but also the most authentic ones.

As Chart 2 shows, all the CEOs who were personally affected by the health implications of the crisis made some change to their approach to the pandemic. A majority 75% changed their strategic response to some degree and the other 25%, while not changing their strategy, did pay more attention to the human aspect of the pandemic.

Her Excellency Dr. Hanan Mohamed Al Kuwari, Minister of Public Health, has been one of the leaders at the forefront of Qatar's response to the pandemic, which saw swift action being taken to address the fierce threat it posed to the health system and the economy. The robust and holistic strategy implemented by the government helped to mitigate the negative impact on the community in Qatar which should enable the economy to stabilize and facilitate a return to normalcy.



“COVID-19 has presented the world with its greatest healthcare challenge of the modern era. Since the beginning of 2020 when the threat of the virus first became clear, our healthcare

system has worked with partners across government to put in place a proactive strategy to protect Qatar's population from this unprecedented threat. Under the direction of His Highness Sheikh Tamim Bin Hamad Al-Thani, Amir of the State of Qatar, and His Excellency Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani, Prime Minister and Minister of Interior, Qatar's comprehensive strategy has been very effective, enabling us to control the virus and have one of the world's lowest COVID-19 mortality rates.”

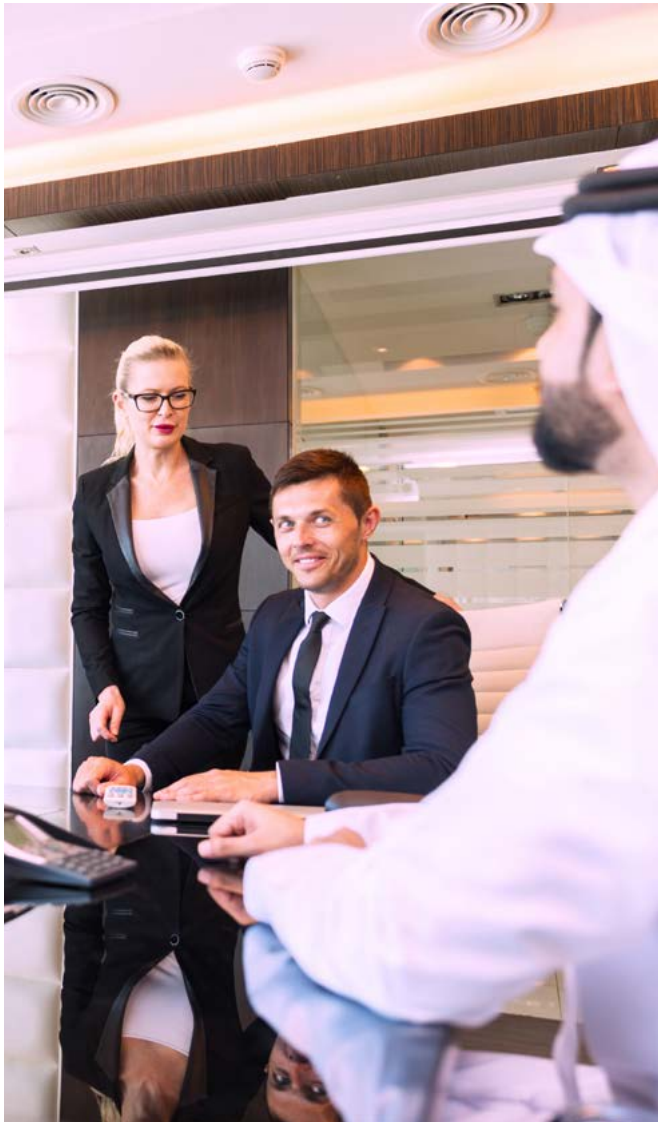
Her Excellency Dr. Hanan Mohamed Al Kuwari
Minister of Public Health

Source: KPMG 2020 CEO Outlook: COVID-19 Special Edition.

Chart 2: How CEOs changed their response to the pandemic as a result of having their health, or a member of their family's health, affected



While the health and wellbeing of citizens and residents has been at the heart of Qatar's response to COVID-19, the State has also taken measures to secure the economy through stimulus packages from the Qatar Central Bank that provided much needed relief to businesses. For small and medium enterprises (SMEs), which are a critical part of Qatar's economy, additional support has also been offered through the Qatar Development Bank (QDB). **Mr. Abdulaziz Bin Nasser Al-Khalifa, CEO of QDB**, outlined the measures they have put in place to support SMEs.



“To build on the State's comprehensive response measures to support the private sector amidst the crisis, QDB adopted a multi-faceted strategy to help SMEs turn challenges into

a leverage point. We delayed SMEs' loan repayment for six months and granted special exemptions to certain segments of businesses. We also launched the National Guarantee Program, which has helped more than 3,500 companies finance their employee wage bills and pay rental fees. This is in addition to developing a full suite of virtual consultation and training services that deal with supply chain disruptions and many other challenges facing SMEs during the pandemic. Finally, we launched QDB's 'Revive' program, which we designed to help SMEs thrive in the new economy.

“As a result, we have successfully minimized the impact of disruptions on SMEs in Qatar and we continue to empower them with the tools and resources they need to continue playing a significant role in achieving Qatar's economic diversification agenda and its national vision for the future.”

Mr. Abdulaziz Bin Nasser Al-Khalifa
CEO, Qatar Development Bank



“People are at the heart of all organizations and the pandemic reminded businesses that the wellbeing of our employees as well, as their families and the communities in which we operate, is critical

to business success.

“It is encouraging to see the value that Qatar CEOs place on inclusion and diversity and on continuing to focus on corporate responsibility during times of crisis. More than ever, organizations are revisiting their purpose, beyond profits, and measuring their total impact on society, which can only be a good thing.”

Barbara Henzen

Head of Tax, KPMG in Qatar

Championing diversity & inclusion (D&I)

At the beginning of the year, we found that Qatar CEOs were increasingly prepared to personally lead the way in tackling society’s major challenges 74% said they had a personal responsibility to be a ‘leader for change on societal issues’.

They were also more likely than their global counterparts to see building a diverse and inclusive leadership as an important part of protecting their reputation.

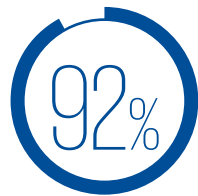
Given that Qatar is a highly diverse country that draws on talent from across the world, it is no surprise that CEOs here are realizing the benefit of diverse and inclusive leadership across all levels of their organizations.

Being able to draw on a diverse spectrum of talent is critical to addressing the unique challenges of the pandemic.

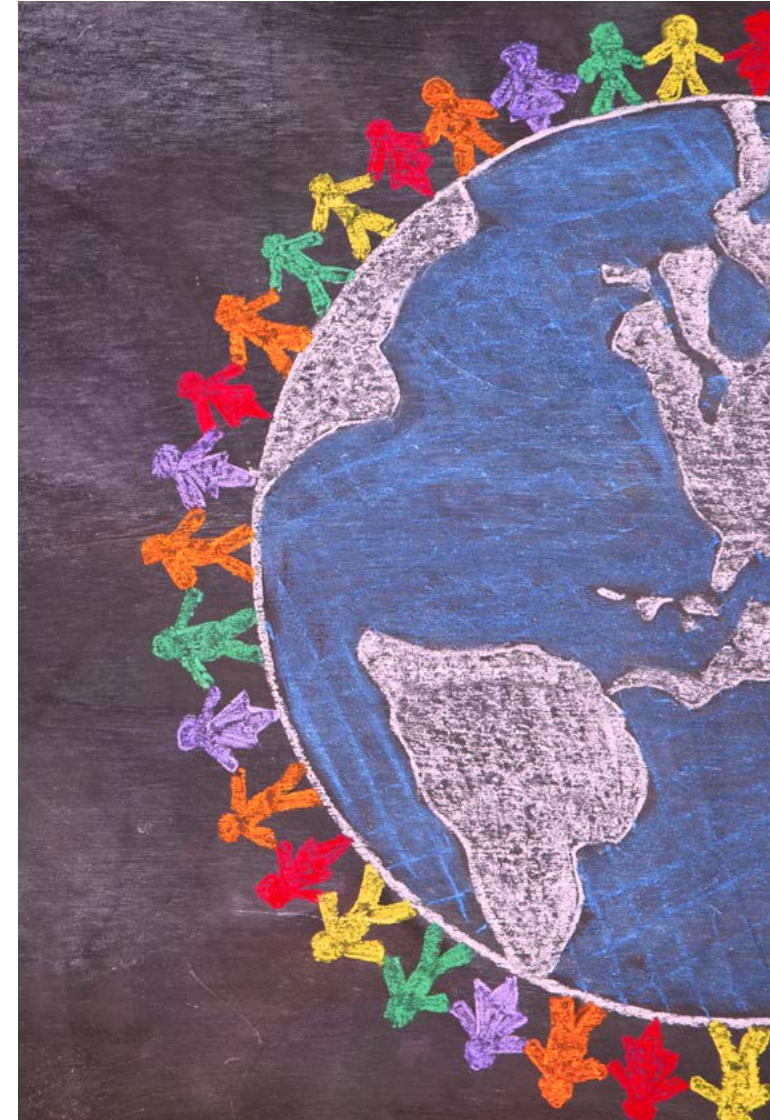
This year also saw people across the world galvanized in support of anti-racism, which compelled companies to take a more proactive stand in addressing inequality in society. When surveyed in July, 8 out of 10 Qatar CEOs said that their companies were planning to publicly declare new anti-racism measures.

Earlier in the year, 80% of Qatar CEOs agreed that the scrutiny of organization’s diversity performance will continue to increase over the next three years and 92% agreed that progress on D&I has moved too slowly in the business world. At the same time, Qatar CEOs said that they felt significant pressure from employees and consumers to take action to address issues such as gender inequality, income inequality and sexual harassment and discrimination. Further, 92% agreed that CEOs needed to build greater understanding and awareness of diversity based on disability.

Barbara Henzen, Head of Tax, KPMG in Qatar, reflects on the increase sense of purpose that CEOs expressed and the renewed focus on people and values.



of Qatar CEOs said that progress on D&I has moved too slowly in the business world



Prosperity

Growing in adversity

The survey finds that the COVID-19 crisis has shaken CEO confidence in global economic growth. Only 20% of Qatar CEOs said they were confident about the growth prospects for the global economy over the next three years. Qatar CEOs were less optimistic than their global counterparts, a third of whom said they were less confident in the outlook for the global economy, see chart 3.



80% of Qatar CEOs say the pandemic has accelerated the digitization of operations and the creation of a next-generation operating model

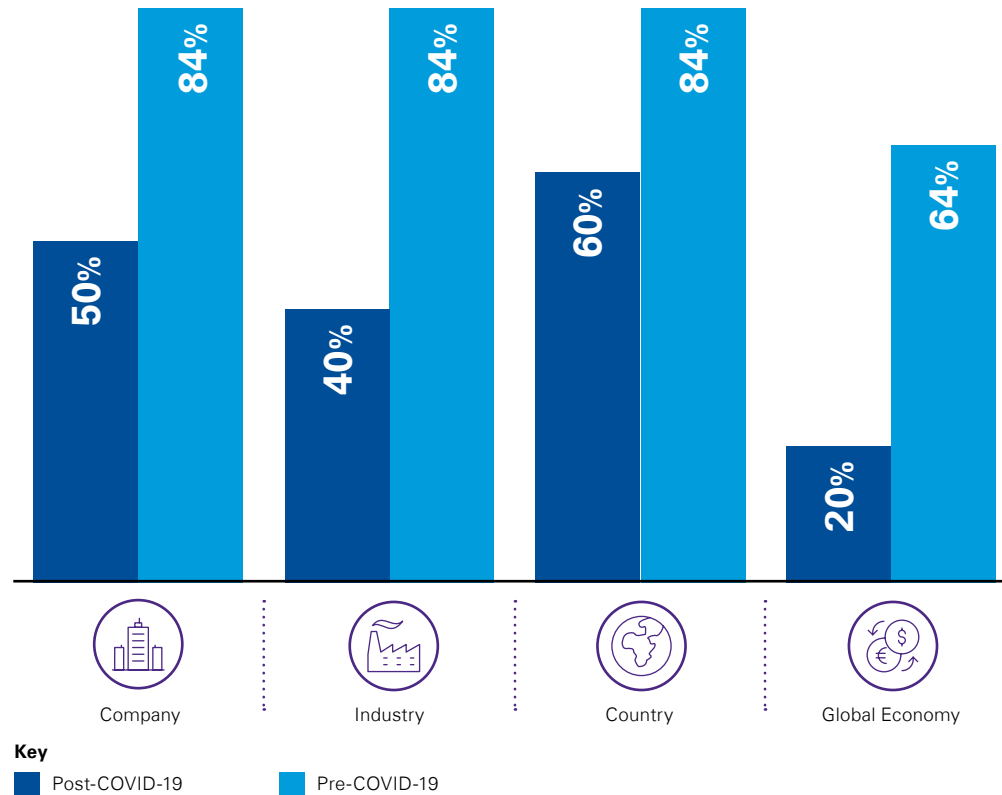


Earlier in the year, Qatar CEOs expressed equal levels of confidence in the outlook for their country, industry and companies (84%), but were less confident about the global economy (64%) and were roughly in line with their global counterparts. Following the COVID-19 crisis, Qatar CEOs said they are most confident about the growth prospect of their country (60%) than they are about the prospects for their companies (50%) or industries (40%). Qatar CEOs are generally more optimistic about the outlook for Qatar, than their global counterparts are about their respective countries.

Qatar CEO's confidence in growth prospects for:



Chart 3: % of Qatar CEOs who expressed confidence in growth prospects over the next 3 years



Source: 2020 KPMG CEO Outlook, COVID-19 Special Edition.

Qatar Airways was one of the leading global companies to exemplify resilience in the face of adversity. Operating in an industry that was hit dramatically by the lockdown travel restrictions, **Group Chief Executive, His Excellency Mr. Akbar Al Baker**, explains how the airline adapted quickly to address the immediate needs of getting people home and ensuring customer safety.



“To say that we are living in exceptional times would be an understatement to explain the impact that this pandemic has had on economies, countries and businesses across the world. While we saw a decline in international air travel of almost 95 percent, Qatar Airways quickly adapted to this new reality and rose to the occasion with resilience as we continued to take people home safely and reliably in the midst of constantly changing entry restrictions around the world.

“Since the onset of the pandemic, Qatar Airways has become the largest international

carrier flying over 150 million kilometres to repatriate over 2.2 million passengers on over 30,000 flights during this crisis. Our network has never fallen below 30 destinations or 150 weekly flights with continuous services to five continents, and by the end of 2020, we plan to rebuild our network to more than 125 destinations. “Our airline has also implemented the most advanced safety and hygiene measures on board and by continuing to fly during the pandemic while others stopped, we have gained the trust of passengers as an airline they can rely on. We have taken home more international passengers than any other airline during this pandemic and as entry restrictions ease and we resume more of our pre-COVID-19 network, we remain focused on our fundamental mission of carrying passengers across the globe safely and reliably.”

His Excellency Mr. Akbar Al Baker

Group Chief Executive, Qatar Airways

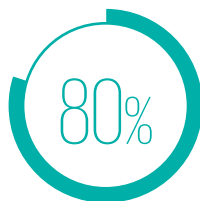


“Bringing Qatar’s National Vision 2030 closer to fruition, we now provide 90 percent 5G coverage, reaching record speeds over the network. Such technological breakthroughs, informed by

a strong sense of social responsibility, let Ooredoo Qatar assist the country throughout the Coronavirus pandemic — supporting working from home, online learning, and home entertainment.

Indeed, Ooredoo’s network enhancements during the past years have proven crucial in countering the pandemic. With advanced networks, high speed internet, CSR initiatives, and innovative digital solutions such as our mobile money services provided through the Ooredoo Money App, we’ve successfully managed to accommodate the new realities and minimise disruption to our way of life. We’ve helped build business resilience and ensured continuity in education by enabling our customers to work and study from home, while smoothing the way to effective social distancing.”

Sheikh Mohammed bin Abdulla bin Mohammed Al Thani
Deputy Group CEO & CEO, Ooredoo Qatar



Qatar CEOs say the pandemic has accelerated the creation of a seamless digital customer experience as well as new digital business models and revenue stream

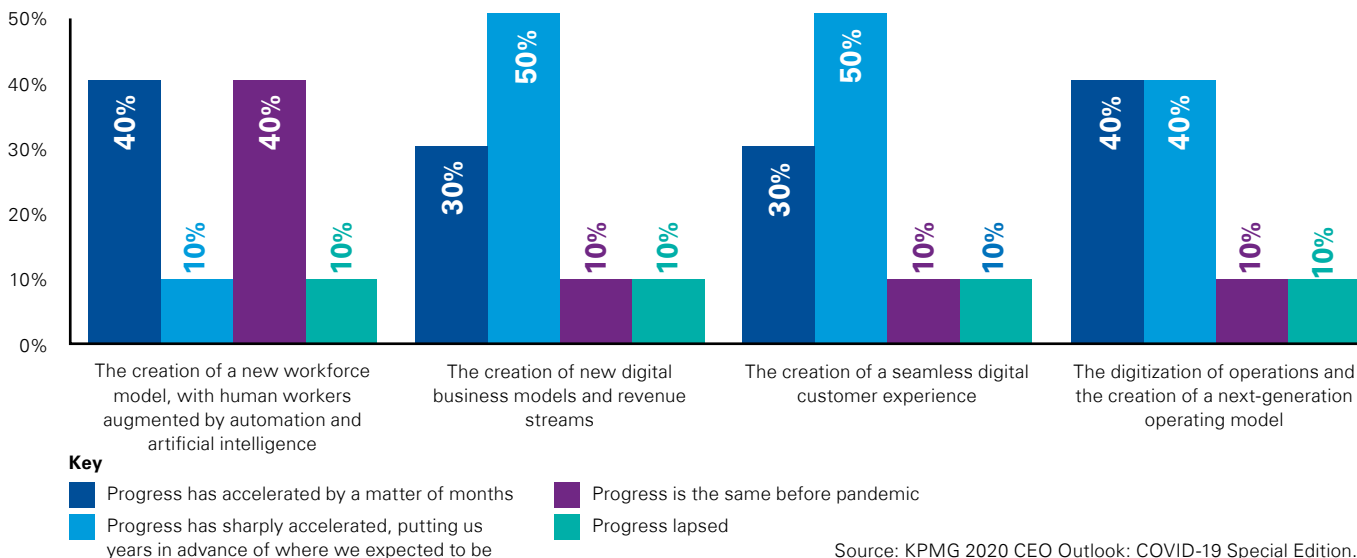
As Chart 4 shows, digital has accelerated across the board: customer experience, business model innovation, workforce, and operating model.

Accelerating digital growth

While digital transformation has long been a focus area for CEOs, the pandemic led to a shift in the pace and urgency of change in organizations worldwide. With commerce increasingly taking place online because of factors such as physical distancing, companies are having to rethink what customers want and how to deliver. We found that 80% of Qatar CEOs say the pandemic has accelerated the creation of a seamless digital customer experience as well as new digital business models and revenue streams, with 50% of those saying progress “has sharply accelerated, putting us years in advance of where we expected to be”.

As a leading telecommunications service provider in Qatar, **Ooredoo** had to meet the changing demands of customers who were rapidly becoming more reliant on digital communications. **Deputy Group CEO, Sheikh Mohammed bin Abdulla bin Mohammed Al Thani** explains how the company needed to optimize data traffic flows across their fixed and mobile networks to ensure continuous connectivity during the pandemic and is looking towards to innovations for the future.

Chart 4: Accelerated progress on digital transformation priorities



Source: KPMG 2020 CEO Outlook: COVID-19 Special Edition.

The challenge for organizations is to focus efforts and investment on the areas that are capable of generating the most long-term value, while avoiding those areas that might just prove to be a short-term reaction to the pandemic. When we asked CEOs to name the greatest challenge they have faced in accelerating digital transformation, the biggest issue was 'lack of insight into future operational scenarios'. Companies need to understand whether a COVID-related change – such as shifting customer behaviors – is evidence of a permanent trend that is emerging rather than just a temporary effect of the pandemic.

Earlier in the year, Qatar CEOs were more likely (68%) than their global counterparts to see benefits of focusing on long term value even if it affected short term financial returns. At that time, 80% of Qatar CEO said they had moderate or high appetite for M&A over the next three years and saw developing disruptive technology as their primary driver for investment.

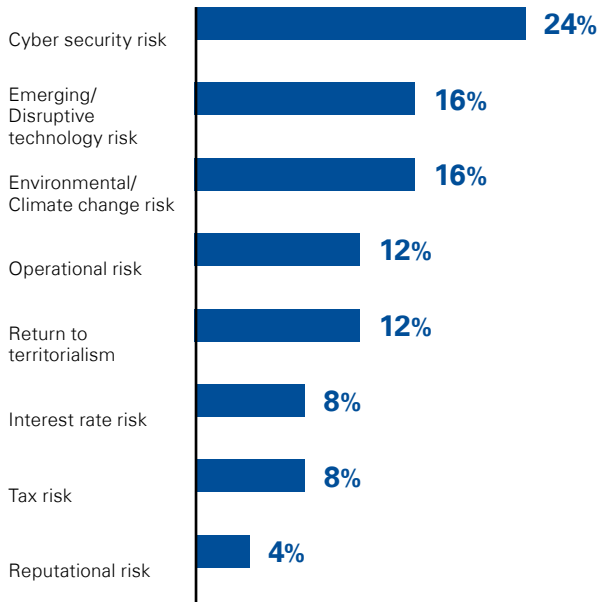


Shifting risks

As they plan their path to long-term growth, business leaders recognize that there have been new challenges to contend with during the lockdown. In January, Qatar CEOs ranked supply chain risk behind eight other risks to growth. However, since the start of the pandemic, supply chain risk has risen to be named as the most significant threat to their businesses ahead of a return to territorialism and regulatory risk.

For their global counterparts, talent risk rose to become the most prevalent risk to growth and supply chain risk accelerated up the agenda to occupy the second place as a major strategic threat (see Chart 5).

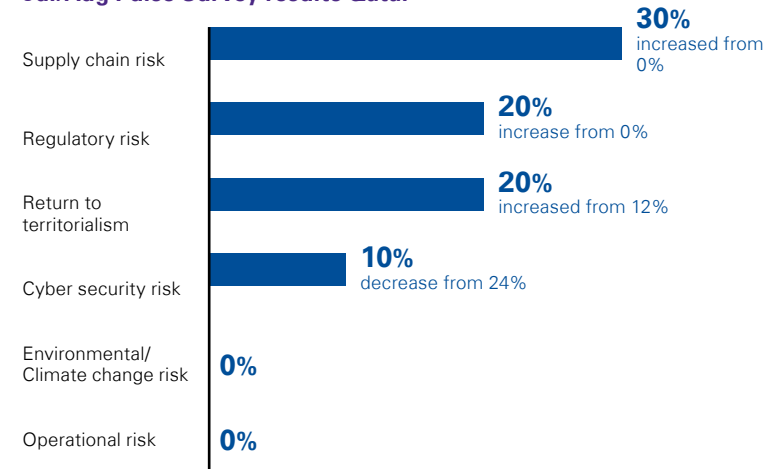
Chart 5: Changing threats to growth: Qatar CEOs
Jan/Feb Full Survey results Qatar



The worldwide lockdowns as a result of COVID-19, disrupted supply chain continuity for many companies, which brought this risk into sharper focus. Building resilient, flexible supply chains – ones that can withstand shocks and offer the agility to pivot to new opportunities – will be critical for organizations to drive growth and build a competitive advantage post-COVID.

This will be particularly important in a world where CEOs are aware that increasing territorialism could make the transfer of goods both more difficult and more costly. We look further into this issue later on in this report, in the 'Customer-centric supply chain' section.

Jul/Aug Pulse Survey results Qatar



Source: KPMG 2020 CEO Outlook: COVID-19 Special Edition.



“We are seeing companies in Qatar increasing their investments in technological advancements such as cloud, RPA and AI to improve their operational resilience and agility.

“CEOs in

Qatar are managing significant change as they balance the immediate needs of optimizing supply chains, upskilling employees and exploring alternative channels to engage with customers, with their long-term investment in value creation and strategic growth.”

Venkat Krishnaswamy

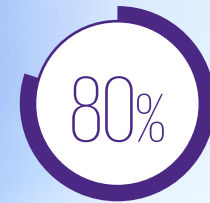
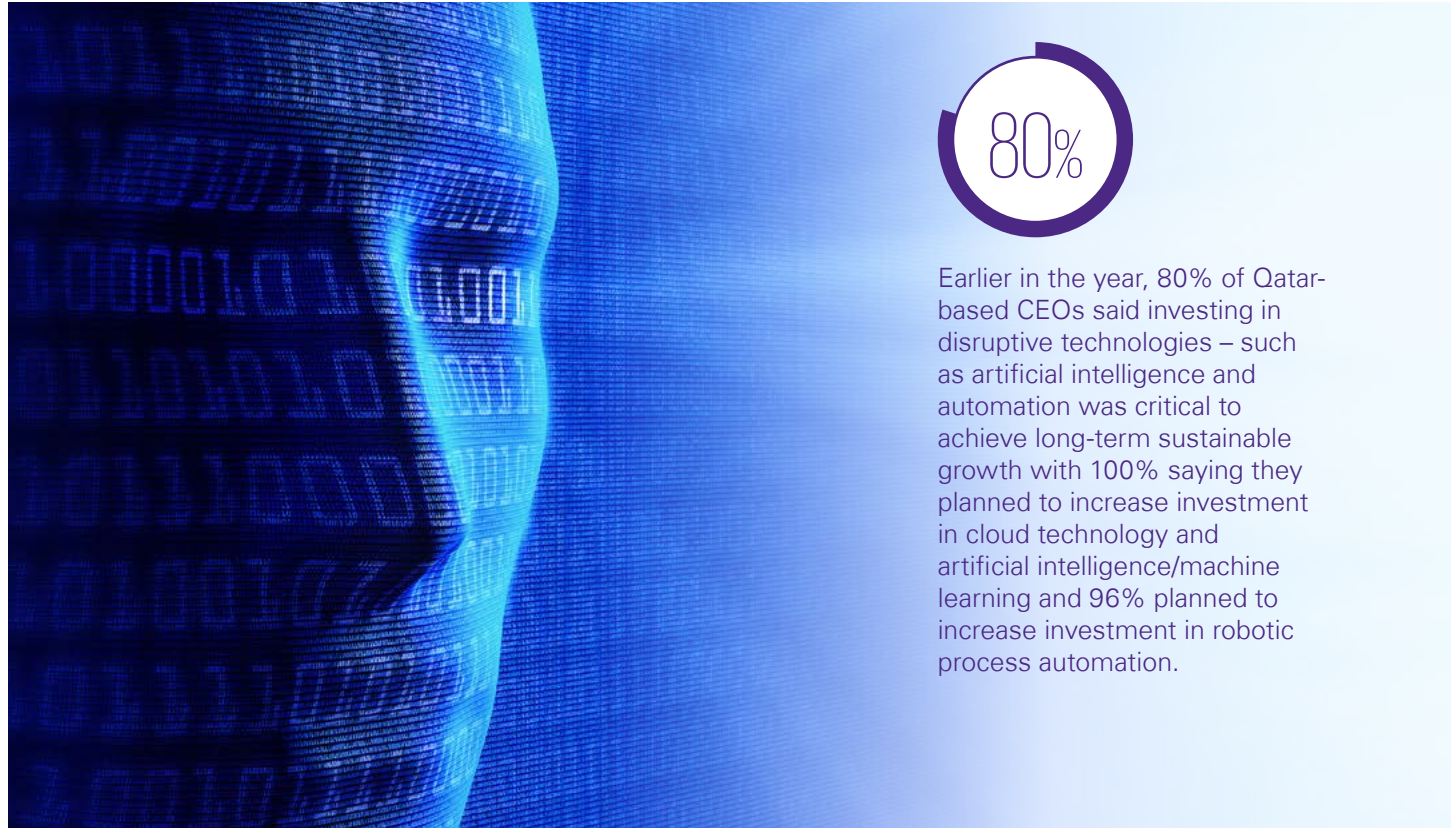
Head of Advisory, KPMG in Qatar

As they look to reshape their businesses for the new reality, CEOs will need to make some difficult decisions. The pandemic – and the shift to virtual working – has shown the power of people and technology interacting in new ways.

Venkat Krishnaswamy, Head of Advisory, KPMG in Qatar, points out that the pandemic has accelerated organizations focus on future-proofing their businesses by investing in digital transformation.

With advances in analytics, artificial intelligence, process automation, and the Internet of Things accelerating, the organization of the future will look very different: flatter, digitized and with a very different talent profile, potentially made up of fewer people with distinct new skills. CEOs will need to make some difficult people decisions and prioritize investment.

Today, we find that CEOs are focused on bold and ambitious digital transformation moves. When we asked chief executives in Qatar whether they are putting more investment into technology or people, 60% said they are placing more capital investment in buying new technology, with only 40% saying that developing their workforce’s skills and capabilities is receiving more investment. Qatar CEOs must not lose sight of the need to upskill and reskill people and attract and nurture the right talent for a sustainable future.



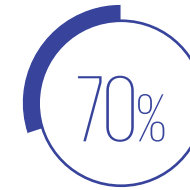
Earlier in the year, 80% of Qatar-based CEOs said investing in disruptive technologies – such as artificial intelligence and automation was critical to achieve long-term sustainable growth with 100% saying they planned to increase investment in cloud technology and artificial intelligence/machine learning and 96% planned to increase investment in robotic process automation.

Priorities

Leaning in to ESG

The pandemic has created what will be a career-defining economic challenge for most CEOs. Given the scale of that challenge, many were worried that chief executives would be forced to relegate the importance of environment, social and governance (ESG) themes. However, our research shows that CEOs are still very much engaged with this issue, and in particular the 'S' of ESG. Close to two-thirds (63 percent) said that their response to the pandemic has caused their focus to shift to the social component of their ESG program.

That is not to say that CEOs are being deflected from the 'E' of ESG either. Chief executives are more than aware that climate change also offers a significant economic and humanitarian threat over the coming decades and that there is a need to rebuild organizations in a way that supports a new and sustainable economy.



of Qatar CEOs say they want to lock in climate change gains that have been realized during the pandemic



“Despite the crisis, companies in Qatar continue to focus on ESG (environmental, social and corporate governance) as they measure their company’s overall impact and

sustainability. The report shows that the renewed sense of purpose means that doing the right thing will remain at the core of doing business in Qatar.

“As we look at the future of work, we can see acceleration of remote working arrangements, reducing the dependency on physical work space and digital transformation changing the skills and resource requirements for companies, while employee engagement and wellbeing remain a key priority. Each of these will all have implications for the Qatar workforce of the future.”

Gopal Balasubramaniam

Head of Audit, KPMG in Qatar

To move forward, CEOs are looking to double-down on the structural shifts that have emerged during the crisis – 70% of Qatar CEOs say they want to lock in climate change gains that have been realized during the pandemic.

Measuring and communicating the impact of environmental improvements, as well as social and governance performance, will be critical.

Earlier this year at the World Economic Forum (WEF) in Davos, the WEF's International Business Council published a paper with a proposed set of ESG metrics and reporting disclosures.^[1] Led by the WEF and developed by a task force composed of subject matter experts from Bank of America, KPMG and the other Big4 accounting organizations, the paper identifies a set of ESG metrics.

Adoption of these metrics can bring consistency, comparability and transparency to reporting of non-financial information and ESG aspects of business performance, critical to demonstrating long-term value creation.

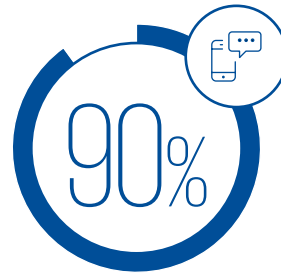
Future of work

COVID-19 has effectively forced many organizations to experiment radically with how work is done. For many organizations, virtual working kicked in literally overnight.

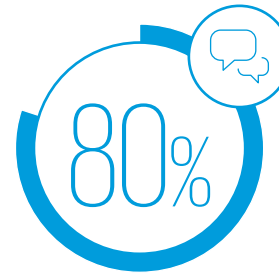
With the pandemic transforming the world of work, 90% of Qatar CEOs say they will continue to build on their current use of digital collaboration and communication tools, and 70% believe that remote working has actually widened their available talent pool (see Chart 6).

^[1] Toward Common Metrics and Consistent Reporting of Sustainable Value Creation, Consultation Draft, WEF, January 2020.

Chart 6: CEOs see the pandemic as an opportunity to rethink the way we work and communicate



We will continue to build on our use of digital collaboration and communication tools



Our communications with employees have improved during the crisis



Working remotely has widened our potential talent pool



We will be downsizing office space

Source: KPMG 2020 CEO Outlook: COVID-19 Special Edition.

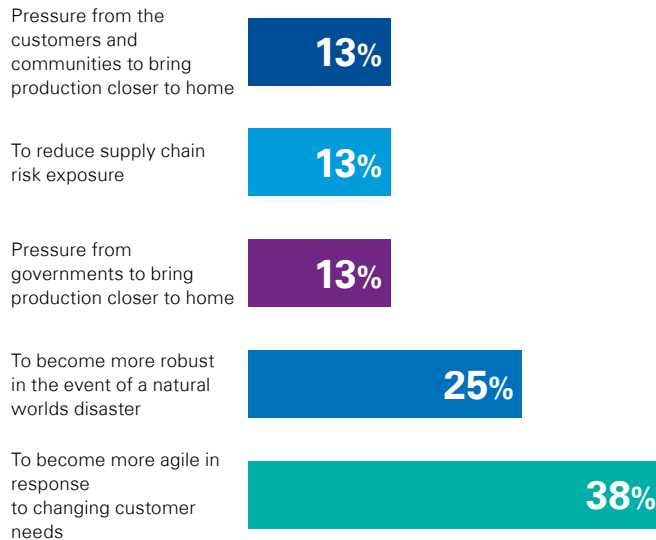


Customer-centric supply chain

In terms of the future operating model, supply chains have also been hard hit: 80% of Qatar CEOs say they have had to rethink their global supply chain. However, CEOs are using this opportunity to ask how their supply chain can become a competitive advantage in the new reality that emerges. When we asked CEOs to say what was driving this supply chain re-evaluation, the top-ranked reason was to 'become more agile in response to changing customer needs' (see Chart 7).

For **Salam International**, the disruption to supply chains were felt across their diverse portfolio and accelerated the digital transformation of their supply chain management. **Abdul Salam Abu-Issa, Chief Executive Officer of Salam International Investment Limited**, explained:

Chart 7: Reasons CEOs are rethinking their supply chains



Source: KPMG 2020 CEO Outlook: COVID-19 Special Edition.

Many companies, particularly those with complex supply chains, were likely focused on continuity issues and managing ongoing uncertainty and disruptions. However, as they look to the future, a number of areas are expected to become critical: stripping complexity and cost out of supply chains, building end-to-end visibility, investing in automation and other advanced technologies, and building agility into the network of suppliers and partners.



“As we operate across different sectors and product lines, we witnessed the whole spectrum of the pandemic disruption on both of the extreme ends. On one hand, we have seen a dramatic decrease in demand

for non-essential goods such as fashion, leading to an oversupply situation. On the other hand, we have seen a sharp rise of demand for medical supplies such as protective gear, which led to ‘out of stock’ situation for such goods.

“The key learning from this experience is to diversify channels and sources, to be able to secure the continuity of supplies of basic goods such as food and medical supplies during times of crisis. As a country, Qatar handled the impact on the supply chains pretty well, being a high-importing country, we were already dealing with the whole world and had diversified supply sources.

“In Salam, even before the pandemic, we were already underway with an exercise to improve our supply chain management, to digitalize it and make it more efficient. The pandemic situation has only pushed this further up the agenda and made us move faster with these changes.”

Abdul Salam Abu-Issa

Chief Executive Officer, Salam International Investment Limited

Reflections for the new reality



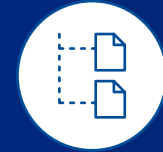
Purpose

While the pandemic has given companies the opportunity to demonstrate how they can make a real difference to society, scrutiny of corporate actions has also never been stronger. To maintain and build on the trust of employees, customers and communities, CEOs must demonstrate that their organization's purpose is meaningful, relevant and makes a difference. For some, this will mean moving from generic purpose statements to more specific and measurable approaches. Carefully listening to different stakeholders, and encouraging dialogue, will be an important element of making adjustments and managing any trade-offs that need to be met between different stakeholders. The pandemic has shown the power of purpose. However, it must be integrated into the fabric of the organization in order to succeed. And the CEO must lead from the front to ensure it actually delivers.



Prosperity

With digital acceleration shaping the future of industries, organizations will need a deep understanding of how customer behavior will shift and how to meet these emerging demands. Data-driven insight – and scenario modelling – will be critical to understand what major shifts are likely to emerge. Pre-pandemic, the major challenge to many organizations' digital transformation was the burden and complexity of legacy IT and a continued struggle to manage their data effectively. These challenges have not gone away and organizations will need to focus on IT transformation, across organizational silos drawing on cloud technologies and agile techniques. This is the time for organizations to reflect on their talent base and build a robust foundation of digital skills.



Priorities

Leaders need to ensure that we do not slip back from climate gains made as a result of the pandemic and instead build the foundations of a sustainable, green economy into the future. Companies can learn from how resilient (or not) their operating models proved to be during the crisis, to understand what areas would need strengthening to withstand environmental or climate challenges. With consumers increasingly focused on purpose-driven brands and sustainable products and services, companies are adapting their product and service portfolios in an effort to exceed those needs. At the same time, investors are increasingly focused on organizations' ESG performance, with a particular emphasis on the 'E' of climate risk. The pandemic has been a major crisis with huge humanitarian implications, but it has also been a time where sustainable and socially responsible companies have come into their own. Organizations that are building robust ESG reporting programs – along with resilient and flexible supply chains and a talent strategy that focuses on the people and skills needed for a more agile and virtual future – will be well positioned.

A man wearing a white thobe and a black and white ghutra is looking down at a document he is holding. The background is a blurred office setting with shelves and a window.

In summary

In a time of great uncertainty, when the future is unclear, CEOs are having to make important decisions with long-term consequences.

They are having to do their utmost to protect their people while facing massive economic pressure that could potentially threaten the future of their business. And they are having to reconsider their entire supply chain approach, at a time when movement of goods and people are restricted.

As they answer those questions, and look to build a successful post-COVID future, it is very clear from the research – as well as discussions with leading chief executives – that they are using purpose to guide their decisions. In the midst of both an economic and humanitarian crisis, they are putting people first: their employees, their customers and society as a whole. The COVID-19 crisis is redefining what good corporate leadership looks like.

Methodology and acknowledgments

The KPMG 2020 CEO Outlook provides an in-depth three-year outlook from thousands of global executives on enterprise and economic growth. The survey offers a unique perspective on the mindset shift of Global CEOs since the lockdown.

KPMG initially surveyed 1,300 CEOs (25 from Qatar) in January and February, before many key markets were beginning to feel the full impact of the pandemic crisis.

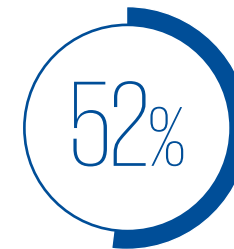
In July and August (between 6 July to 5 August 2020), KPMG conducted a follow-up survey of 315 chief executives across the globe, including 10 from Qatar, to understand how CEO thinking has evolved during the crisis. In both instances, all respondents have annual revenue over US\$500M and a third of the companies surveyed have more than US\$10B in annual revenue, with no responses from companies under US\$500M.

NOTE: Some figures may not add up to 100 percent due to rounding.

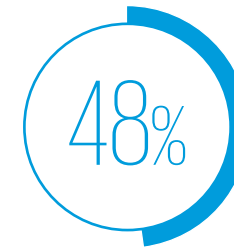
The January/February survey included leaders from 11 key markets (Australia, Canada, China, France, Germany, India, Italy, Japan, Spain, UK and US) and 11 key industry sectors (asset management, automotive, banking, consumer and retail, energy, infrastructure, insurance, life sciences, manufacturing, technology, and telecommunications).

The recently conducted pulse survey included CEOs across the industries mentioned above and from eight key markets (Australia, Canada, China, France, Italy, Japan, UK and US).

The findings of both the report are based on the responses of the CEOs based in the Qatar. In both the January/February survey and the follow up pulse survey in July/August



just over half (52%) of Qatar CEOs came from publicly traded firms



48% from privately held companies

For the follow up pulse survey



80% of Qatar CEOs were from publicly traded companies



20% were from privately held firms.

KPMG would like to thank the following for their contributions:

H.E. Dr. Hanan Mohamed Al Kuwari
Minister of Public Health and Managing Director, Hamad Medical Corporation

H.E. Akbar Al Baker
Group Chief Executive Officer, Qatar Airways and Secretary-General, Qatar National Tourism

Sheikh Mohammed bin Abdulla bin Mohammed Al Thani
Deputy Group Chief Executive Officer and Chief Executive Officer, Ooredoo Qatar

Mr. Abdulaziz bin Nasser Al-Khalifa
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CREATE. | CRT131122 | October 2020