



KPMG US private company CEO Outlook



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Foreword

While geopolitical uncertainty is creating long-term economic risks, many private company leaders and owners remain confident in their company's growth prospects. And understandably so. Private market investment flows are rising. New technologies are creating massive opportunities for growth and efficiency. And economic growth remains resilient.

Against this backdrop, our survey of private company CEOs reveals a distinct focus on digitalization and growing investment into AI – suggesting that many of the leaders in our survey expect to capture significant value from technology-enablement. And they are taking steps to maximize its impact.

Indeed, the results indicate that private companies are building confidence in their AI capabilities. They are enhancing the quality of their data. They are retaining and retraining their employees. And they are looking for opportunities to leverage new technologies to drive sustainable growth.

At the same time, however, our survey suggests that these leaders have a clear view of the risks ahead. Cybersecurity, talent shortages, supply chain resilience and regulatory change remain high on the agenda.

This report explores the result of a recent survey of 95 US private company CEOs and 305 of their public company counterparts. Supported by practical insights and recommendations from KPMG in the US's network of private company and private equity professionals, it is intended to help sector leaders, investors and stakeholders assess the key trends at play within the private company space.

To learn more about the findings from this data, we encourage you to contact your trusted KPMG advisor to understand how these trends and opportunities are evolving – and how your organization can capitalize on them to drive growth and outsized returns in the current market reality.

Source: 2025 KPMG US CEO Outlook



Tarek Ebeid

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Executive summary

Against a backdrop of geopolitical conflict and macroeconomic uncertainty, private market CEOs are confident about their organization's growth prospects. They firmly believe that digitalization and technological enablement will allow them to achieve outsized earnings over the next three years. Yet they are clear on the risks that the current geopolitical environment can bring – and cybersecurity sits at the top of the risks on their agendas.

At the same time, however, our data suggests that most private market CEOs are confident in their ability to navigate the rapidly evolving world of technology, including AI. They are highly focused on getting the fundamentals right – particularly around data quality – and are less concerned than their publicly traded peers about the costs, timelines and impacts of AI on their organizations.

What does concern them though is the growing generational gap in the workforce, particularly as it relates to skills and capabilities. As a result, they are investing in retraining and retaining their existing workforce, tapping into outside expertise to drive workforce adoption and hiring new employees with the skills they will require in the future.

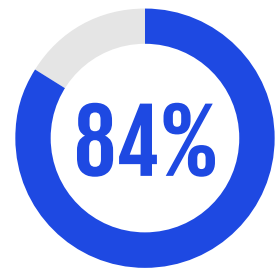
With clear comparisons between US private company leaders and their publicly listed peers – alongside insightful commentary from KPMG's network of private company professionals – this report provides private market leaders with the data and insights they need to make confident decisions going forward.



Key findings

What's on US private company CEOs' minds?

Growing with confidence



are confident in their company's growth prospects



Top priority:
Advancing digitalization and connectivity

Source: 2025 KPMG US CEO Outlook

Ready to digitalize

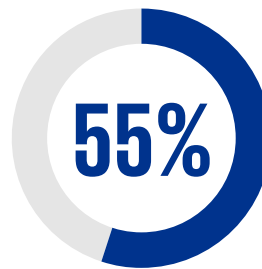


say AI is their top investment priority

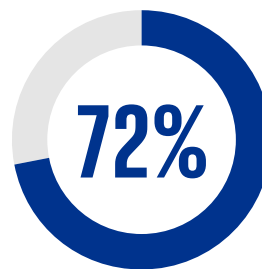


are confident in their organization's ability to keep pace with the speed of AI development and its effects on adoption, operations or workflow, and the workforce

Transforming the workforce

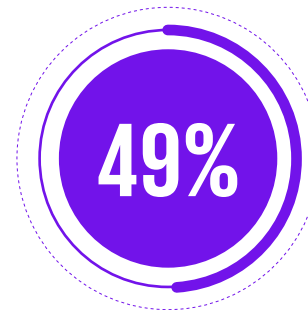


believe that growing generational gaps are the labor-market force having the largest impact on their company



are focused on retraining and retaining high potential talent

Refocusing on sustainability



say addressing sustainability issues is important to the longevity of our business, but the public debate detracts from our ability to stay focused on what matters



think AI will help them identify opportunities for resource efficiency

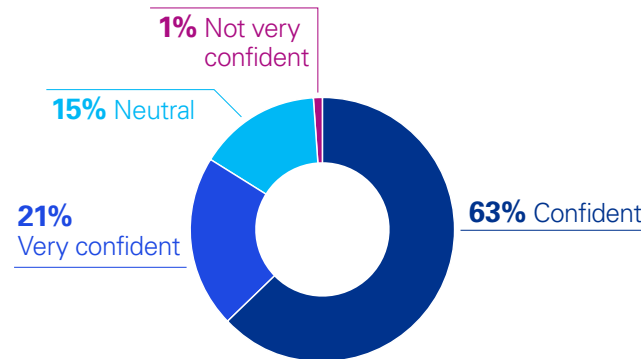


01

Growing with confidence

Despite ongoing geopolitical and macroeconomic uncertainty, CEOs at US private companies are feeling bullish. According to our survey, 84 percent say they are confident in their company's growth prospects.

What is your level of confidence in the growth prospects for your company over the next three years?



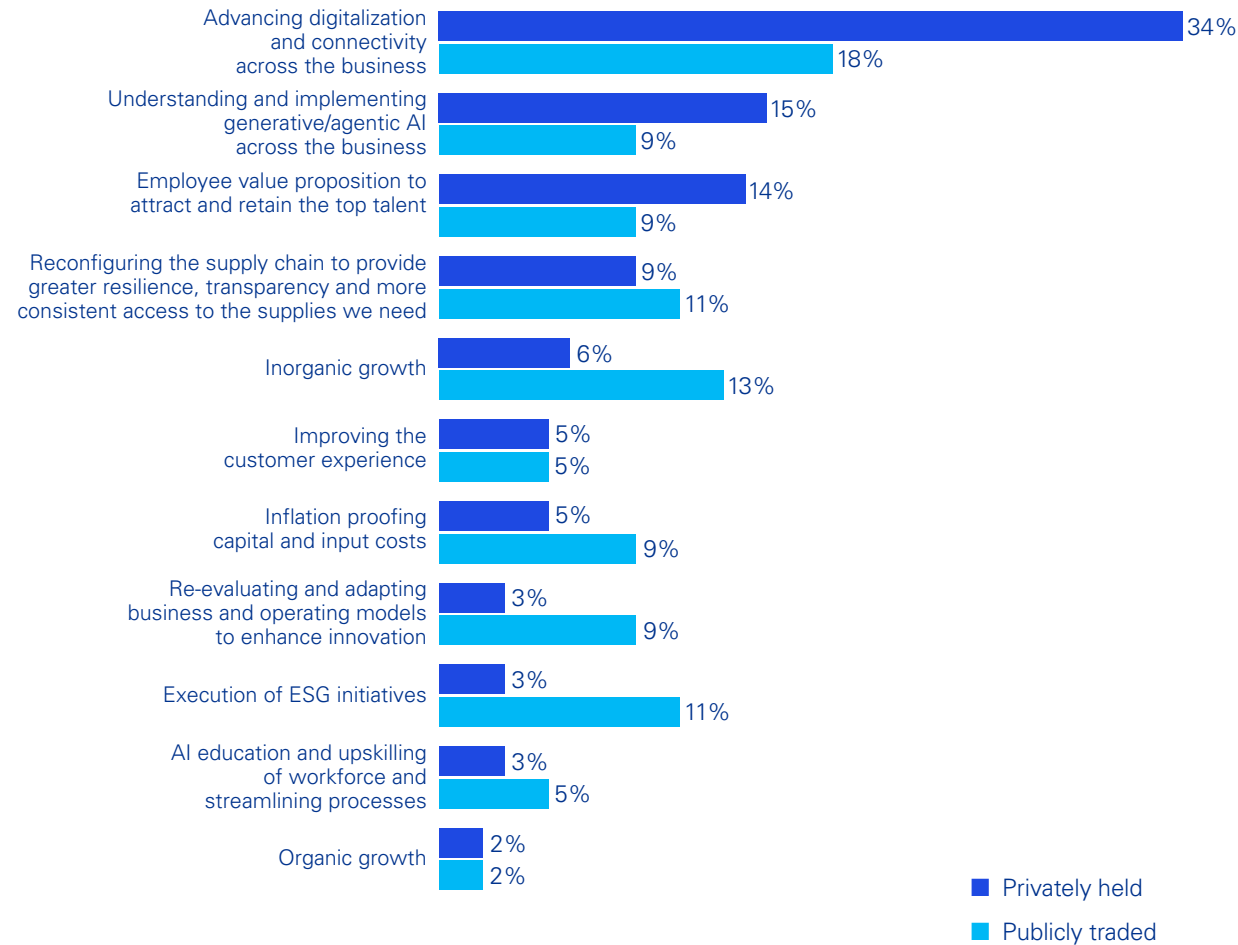
Source: 2025 KPMG US CEO Outlook

Whereas their publicly traded peers are more likely to prioritize M&A and headcount increases to achieve their growth ambitions, the leaders of US private companies expect their growth to come from digitalization.

Consider this: 14 percent of private market companies say they have a high appetite for M&A versus 39 percent of public companies; and 21 percent of private companies expect headcount growth to top 6 percent over the next three years, versus 33 percent of public companies.

While appetite for inorganic growth may be down, our survey suggests that many private company CEOs are looking to technology to help drive top and bottom-line growth. Indeed, private company leaders in the US are nearly twice as likely as their listed peers to say that digitalization and connectivity is their top operational priority (34 percent versus 18 percent of public companies).

Which of the following will be your top operational priority to achieve your growth objectives over the next three years?



Source: 2025 KPMG US CEO Outlook



Traditional M&A may be lower down the agenda, but we are seeing many private companies – particularly those belonging to a large fund – striking up new joint ventures with clear synergies that will help drive significant growth going forward,” notes **George Hayes, KPMG Private Tax Leader**. “They are using these JVs to not only help reduce their capital investment requirements, but also to tap into critical capabilities they might struggle to acquire on their own.”



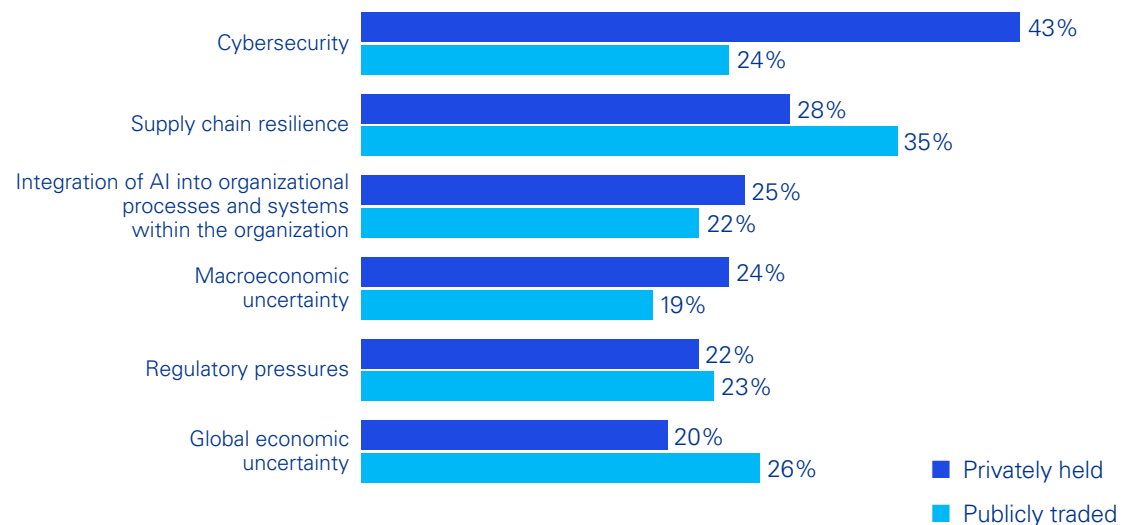
We are seeing private companies increase their investment in digitalization, with a focus on streamlining processes and reducing friction in the customer experience,” said **Tarek Ebeid, KPMG Private Audit and Assurance Leader**. “AI will play an increasingly important role, both as a driver of back-office efficiency and an enabler of front-office customer experiences.”

“Public companies face different pressures, than their private counterparts, to quickly adopt or acquire the latest technologies to enhance their existing capabilities,” adds **Carole Streicher, Asset Management & Private Equity Advisory Practice Leader**. “Private companies will certainly jump on opportunities to grow inorganically where they present themselves, but they are not betting the farm on it.”

At the same time, however, private company CEOs have their eyes wide open to the risks that come with greater digitalization and technology adoption. Eighty-one percent of our respondents signaled that the cost of technology infrastructure will impact their organization's prosperity over the next three years. The same number admit that competition for AI talent will have an impact on their growth (versus 73 percent of US public companies who say the same).

Cyber is also much higher on the private company agenda. In our survey, 43 percent of CEOs ranked cybersecurity as their number one pressure or challenge driving their short-term decisions, as compared to just 24 percent of public companies. As a result, more than half (52 percent) say that cyber security and digital risk resilience will be their top investment priority for mitigating pressing business risks over the next three years.

Which of the following pressures or challenges are driving your short-term decisions?



Source: 2025 KPMG US CEO Outlook

Why this matters For private companies, the implication is clear: confidence should translate into disciplined investment in capabilities that scale the core business. Leaders should view growth as an execution challenge—how effectively they deploy technology, partnerships and capital—rather than simply a function of market conditions.



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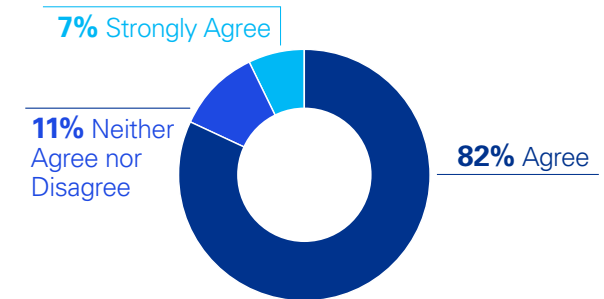
Ready for AI

With digitalization and technology adoption high on the US private company agenda, it is good news that company leaders are confident that their organizations are ready to implement AI. Yet they clearly feel less pressure to make big announcements about their investments and adoption.

Our survey suggests that private company leaders are much more measured in their expectations for AI than their publicly traded peers. A little more than two-thirds (67 percent) say that AI is their top investment priority (versus 76 percent of public companies). They are less likely to say they are investing significantly on AI: 73 percent of private company leaders say they will spend 10 percent or more of their budget on AI versus 83 percent of public companies.

They are also much more patient in their expectations for returns on their investments. Indeed, US private companies are much less likely to say they expect returns in the next year than their public peers (5 percent versus 26 percent). Instead, the vast majority (82 percent) say they hope to see returns on their AI investments within 1-3 years.

Our board is equipped to navigate the adoption of advanced technologies and the strategic use of data, including AI, to drive business growth within the organization



Source: 2025 KPMG US CEO Outlook

“Public companies often face pressure to demonstrate near-term ROI from AI investments to satisfy shareholders,” noted **Tarek Ebeid, KPMG Private Audit and Assurance Leader**. “By contrast, private company leaders are taking a more deliberate approach, investing selectively and allowing for longer return horizons.”



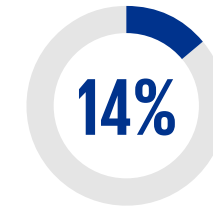
Agentic AI is forcing organizations to rethink governance,” said **Tarek Ebeid, KPMG Private Audit and Assurance Leader.** “The skills required to monitor and oversee autonomous systems are fundamentally different from those used in traditional technology environments.”

Yet their measured expectations seem to signal confidence in the path ahead. Our data shows that nine out of 10 private company CEOs believe that their board is well equipped to navigate the adoption of AI. Eighty-six percent say that their leadership has a clear view on how AI will disrupt their business and create new opportunities in the future. And 69 percent say they are confident in their organization’s ability to keep pace with the speed of AI development.

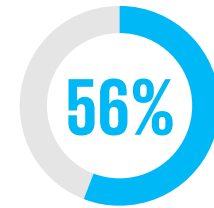
In part, that confidence comes down to a strong focus on the fundamentals – data quality and integration being high on that list. On the one hand, our survey indicates private company leaders understand the importance of good data – two-thirds say that data readiness is a challenge as they implement AI. On the other hand, 73 percent say that they are confident that their data is ready to safely and effectively integrate AI.

As a result, private company CEOs seem much less worried than their listed peers about the cost and resource requirements associated with AI implementation. Only around a third of respondents (34 percent) say that the cost of implementation is a challenge with AI (versus 53 percent of public companies). And just 23 percent say that the time required for implementation is a challenge (versus 35 percent of listed companies).

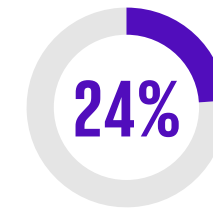
How confident do you feel about your organization’s ability to keep pace with the speed of AI development and its effects on adoption, operations or workflow and the workforce?



Very Confident –
we’re ahead of the curve



Confident – we’re moving
at the right pace



Cautiously Optimistic –
we’re learning as we go



Concerned –
we’re struggling to keep up

Source: 2025 KPMG US CEO Outlook

Why this matters The takeaway is that readiness is about foundations: data quality, governance and clarity on where AI creates business value. Executives should treat AI as a multi-year transformation journey, embedding it into core processes and decision making rather than expecting immediate returns.



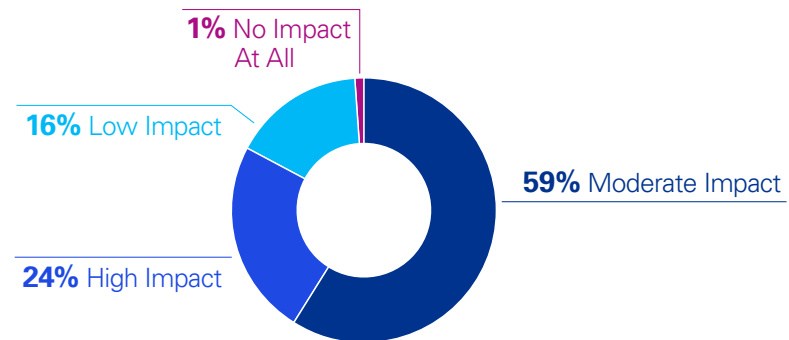
03

Transforming the workforce

With digitalization at the top of the agenda, our survey suggests that many private company CEOs are concerned that their workforce may struggle to keep up with the transformation required.

Just over half (55 percent) of the private company leaders in our survey say that growing generational gaps on key future skills is having a big impact on their company versus just 29 percent of publicly listed US companies who say the same. The challenge is a fundamental skills mismatch, particularly in attracting and retaining digitally savvy talent. Forty percent report struggling to bridge the gap between their team's existing skills and desired capabilities. Around a quarter (24 percent) of our respondents say that their aging workforce will have a high impact on their ability to recruit and retain key talent.

What impact do labor market shifts – specifically an aging workforce – have on your organization's employee recruitment, retention and overall culture?

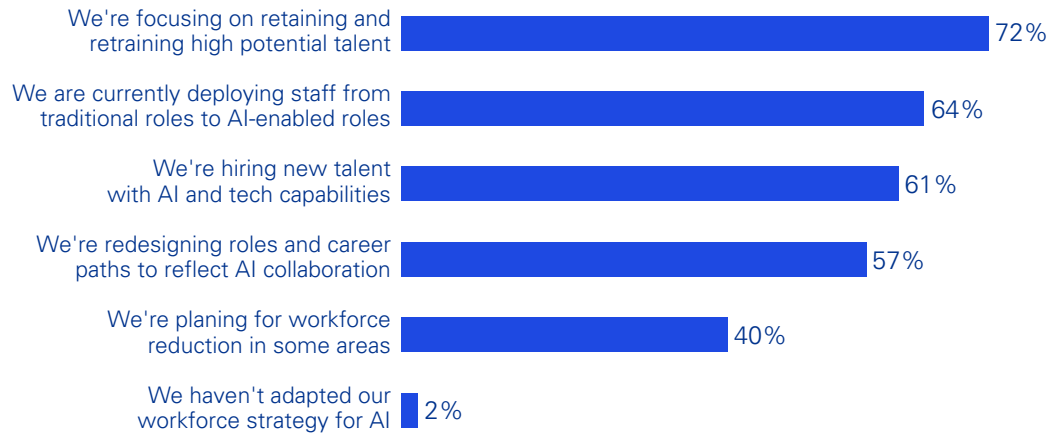


Source: 2025 KPMG US CEO Outlook

The good news is that our data shows that private company leaders in the US are pulling out all the stops to adapt their workforce strategies to meet the evolving needs of their organizations. Nearly three-quarters (72 percent) say they are retraining and retaining their high-potential talent in response to AI. Sixty-four percent say they are redeploying talent from traditional roles into AI-enabled roles. Around half (48 percent) say they are providing AI education and training across the whole workforce.



How is your long-term workforce strategy (2-5 years) changing in response to AI?



Source: 2025 KPMG US CEO Outlook

At the same time, many private company CEOs are hoping to adapt their culture to attract and retain the capabilities and talent they need. Half of our respondents say they are striving to communicate openly and transparently with employees about how AI and digitalization are changing their roles and responsibilities. Forty-seven percent say they are now working with external AI experts to help adopt and embrace AI across the workforce.



We're seeing workforce and HR strategies change across industries as companies compete for digital and AI talent," said **Tarek Ebeid, KPMG Private Audit and Assurance Leader**. "Both public and private companies are taking a step back and rethinking what their future workforce needs to look like—and adjusting their HR strategies to match."



Many of the companies I work with are thinking carefully about how they can integrate AI into their workflows in such a way as to help embed learning and knowledge within the organization. As key people retire or move into new roles, retaining institutional knowledge and experience will be critical," says **George Hayes, KPMG Private Tax Leader**.



“

Private company organizations are competing against big tech firms and deep-pocketed publicly listed companies for the top talent in the market today. Yet attracting the next generation is just as much about offering the right workplace environment as it is about providing competitive pay packages,” notes **Carole Streicher, Asset Management & Private Equity Advisory Practice Leader.**



While retraining is a primary focus – particularly at private companies where employee turnover is often lower – CEOs recognize it is not enough. The majority (61 percent) are still actively competing in the 'war for talent' by trying to hire new employees with AI and tech capabilities.

Recognizing that newer generations of talent prefer more flexible workplace requirements, the majority (51 percent)

of our respondents say they expect to shift towards '3-days-in-office' workplaces within the next three years. Interestingly, just 2 percent say they will be '2-days-in-office' and none expect to be fully remote. On the other hand, 38 percent of leaders say they will expect all their employees to be fully in-office within the next three years.

Why this matters Workforce strategies must evolve in step with digital strategy, not lag behind it. Leaders will need to prioritize retraining, redeployment and new governance models for AI-enabled work, recognizing that the workforce of the future will look fundamentally different from today's.

04

Refocusing on sustainability

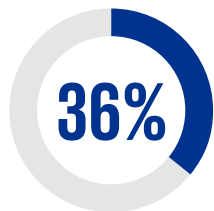
The focus of corporate sustainability is sharpening from broad principles to bottom-line performance. Our survey reveals this pragmatic evolution, showing a pivot toward initiatives with a measurable ROI – thereby making sustainability a critical component of a resilient, profitable strategy.

Indeed, just 18 percent of our respondents say they believe that sustainability is losing relevance for driving business success and progress, and 38 percent say they are still fully committed to achieving their sustainability goals. Almost half (49 percent) also say that successfully addressing sustainability issues is important to the longevity of their business but that the public debate detracts from their ability to stay focused on what matters.

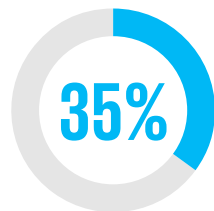
The data indicates that private companies have made significant progress integrating their objectives into their business and investment strategies with nearly two-thirds (64 percent) saying they have already fully embedded sustainability into their business and it is critical to their long-term success. And 36 percent say they now comprehensively calculate and integrate both the costs and the potential return on investment of sustainability initiatives into every major capital decision.

At the same time, there is a clear sense of pragmatism among US private company leaders. Just over half (51 percent) say they are confident that they can meet their Net Zero goals by 2030, with 32 percent saying they lack the skills and expertise to successfully implement solutions. And 73 percent think they have the capability and capacity required to meet new reporting standards (versus 80 percent of publicly traded companies).

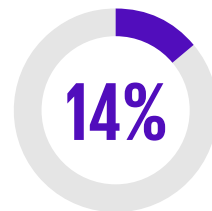
To what extent does your organization incorporate the cost and value of sustainability initiatives when making capital decisions?



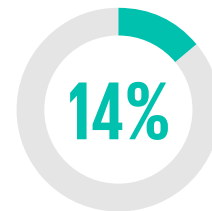
We comprehensively calculate and integrate both the costs and potential return on investment of sustainability initiatives into every major capital decision.



We consider the costs and potential return on investment of sustainability initiatives in some capital decisions, but not all.



We assess sustainability initiatives qualitatively but have not yet developed a quantitative approach to valuing them in capital decisions.



We have begun developing methods to quantify the costs and return on investment of sustainability initiatives, but do not yet apply them in decision making.



We currently do not incorporate sustainability costs and return on investment into our capital decision-making process.

Source: 2025 KPMG US CEO Outlook



For most privately held companies, the focus has shifted from altruistic sustainability objectives to instead focus on those risks and opportunities that have a clear impact on their bottom line. Sustainability remains important, particularly in cases where climate risks pose a clear long-term challenge to their businesses,” notes **Carole Streicher, Asset Management & Private Equity Advisory Practice Leader.**

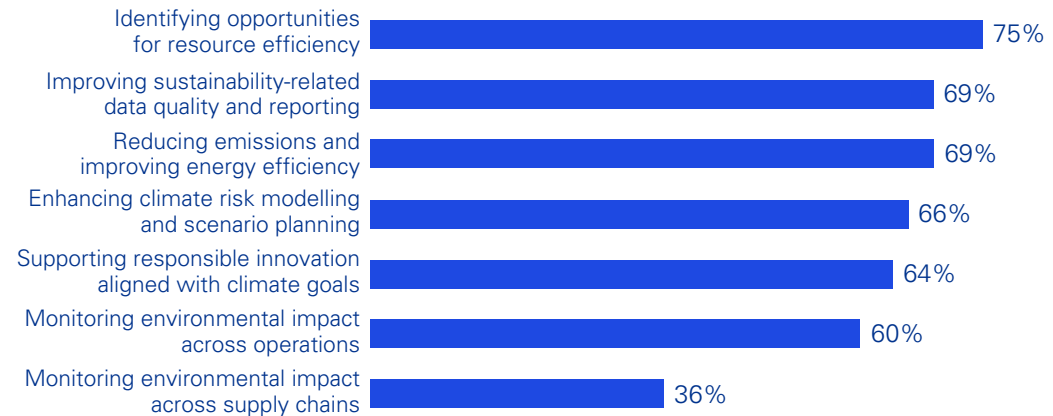
“Many founder-led private companies remain deeply rooted in their local communities and tend to play important roles as employers, partners and advocates for local causes. As these companies expand and grow, that sense of duty often increases,” notes **George Hayes, KPMG Private Tax Leader.**

But help seems to be on the way. Many believe that AI could help provide a boost as they strive to meet their goals. In our survey, 75 percent say that AI will help them identify opportunities for resource efficiency, and 69 percent say it will help them reduce emissions and improve their energy efficiency. An equal number say that the technology will help them improve their sustainability-related data quality and reporting. Slightly fewer (66 percent) expect AI will help them enhance their climate risk modelling and scenario planning.

Perhaps not surprisingly given the family and founder-led cultures prominent in privately

held companies, the vast majority of CEOs (89 percent) say they believe companies should be investing in skill development and lifelong learning within communities to safeguard access to future talent. The same number feels increasing pressure to balance centralized versus local or regional approaches to address the impact of issues such as growing political conflict and climate change on local communities where they operate. And more than half (58 percent) say they feel a responsibility for helping to ease the cost-of-living crisis for customers in order to safeguard future economic growth.

To what extent do you agree or disagree that AI has the potential to support your organization's efforts in the following climate and sustainability areas?



Source: 2025 KPMG US CEO Outlook

Why this matters Even if it doesn't dominate daily executive dialogue, sustainability is becoming more critical to efficiency, longevity and regulatory readiness. The message for private companies is to link sustainability directly to operational outcomes—reducing costs, optimizing resources and managing risk—using data and AI to support more disciplined, value-driven decisions.



5 key takeaways

1 Focus on the right capabilities. With digitalization emerging as a primary growth lever, private company CEOs will want to assess their current digital capabilities to identify any gaps and look for potential partnership or joint venture opportunities to fill them. Prioritize investments into scalable platforms that unlock efficiency while delivering new outcomes. And set measurable KPIs for your digital investments – tied to revenue growth and cost optimization.

2 Take a strategic approach to AI. Unencumbered by the pressure of public reporting, private companies can focus on developing and executing a phased AI journey supported by clear milestones that will deliver on medium-term ROI expectations. Building the foundations will also be critical – investing in data readiness (quality, integration and governance) as well as internal upskilling and external partnerships to acquire the required capabilities.

3 Invest into workforce transformation. As the war for talent continues, private company leaders will want to assess their current workforce capabilities and identify key future capabilities. Recruiting and retaining new talent will require many organizations to adapt their workforce policies and to enhance

workplace flexibility, culture and incentives. At the same time, private company CEOs will also want to invest into retraining programs (likely with a focus on AI and digital literacy) to upskill current employees and retain talent.

4 Realign sustainability with business outcomes. With the view on sustainability shifting, private company CEOs will want to ensure their sustainability investments and programs align with their overall business objectives. That means embedding sustainability ROI metrics into all capital allocation decisions and engaging boards on climate risk scenarios to align governance with long-term goals. Leaders will also want to explore how AI can help enhance resource efficiency and improve emissions tracking.

5 Double down on cybersecurity. As digital risk moves to the top of the risk agenda, private company CEOs and leaders will want to conduct a cyber resilience assessment to ensure they have a robust view of their risks across systems, people and infrastructure. Going forward, cybersecurity must be integrated into strategic planning as part of the digital investment decision process. At the same time, the risk of cyber attacks is rising, requiring many leaders to allocate additional budget for proactive threat monitoring and incident response.



Methodology

The 11th edition of the KPMG CEO Outlook, conducted with 1,350 CEOs between 5 August and 10 September 2025, provides unique insight into CEO strategies and planning.

This report focuses on 95 US-based private companies with comparisons to 305 publicly listed US-based companies. All respondents oversee companies with annual revenues over US\$500M; 22 percent report more than US\$10B in annual revenue.

The survey covers 12 key industry sectors – Asset Management, Automotive, Banking and Capital Markets, Consumer and Retail, Energy and Natural Resources, Healthcare, Infrastructure and Transportation, Insurance, Life Sciences, Industrial Manufacturing, Technology, and Telecommunications.

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



About the authors

**Tarek Ebeid**

KPMG Private Audit and Assurance
Leader, KPMG US

Tarek Ebeid is the US Private Audit and Assurance Leader at KPMG. Tarek is known for building trusted, long standing client relationships and

delivering consistent, high quality audit services. He collaborates closely with senior executives, boards, and investors to align firm capabilities with client priorities and evolving business needs.

Previously, Tarek served as the Partner in Charge and as the Professional Practice Partner for the KPMG Northern California Audit Practice, leading a team of over 750 audit professionals. In these roles, Tarek was responsible for the overall practice strategy, managed key client relationships and oversaw risk management and audit quality.

Throughout his career, Tarek has worked closely with private and public company leadership teams, supporting organizations through growth, transformation and increasing complexity. He serves as a consistent point of contact for owners, executives and boards, helping anticipate challenges, incorporate client feedback and coordinate firm leadership and specialists to deliver efficient service across audit, advisory and tax teams.

Tarek holds a bachelor's degree in business administration and accounting from the University of San Francisco. He is a licensed CPA in California and a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

**George Hayes**

KPMG Private Tax Leader,
KPMG US

George Hayes is a KPMG Partner based in San Francisco and serves as the KPMG Private Leader, Tax for KPMG US as well as the Northern

Pacific Real Estate Practice Leader. He advises diverse clients on matters relating to compliance, reporting, development and implementation of tax planning for complex asset management and real estate structures. Passionate about serving his clients, George reimagines the possible, regularly challenging the status quo, bringing an entrepreneurial and pragmatic approach as a trusted business adviser.

As the KPMG Private Leader for Tax, George works closely with leaders across Asset Management, Private Equity, Family Office, emerging growth and institutions to bring our distinct KPMG Private approach with industry specialization and technical expertise to private companies, their founders and investors at every stage of their business evolution. George works closely with his clients' C-suite-level executives, drawing on his well-rounded balance of business knowledge and tax technical capabilities to bridge the gap between tax, business and legal stakeholders.

George holds a Bachelor of Business Administration (Honors) degree with concentrations in Accounting, Management Information Systems and Management & Technology from Simon Fraser University in Vancouver, Canada. He is a Certified Public Accountant, and an IRS-enrolled agent as well as a Canadian Chartered Accountant and Chartered Professional Accountant.

**Carole Streicher**

Asset Management & Private Equity
Advisory Practice Leader, KPMG US

Carole Streicher is the US Advisory Asset Management (AM) and Private Equity (PE) leader for KPMG. Carole is focused on driving strategic growth

across AM and PE by deepening client relationships, aligning cross-functional solutions and elevating the firm's market presence.

Previously, Carole was the US Deal Advisory & Strategy Leader. In her role as the Deal Advisory & Strategy Leader, she led a network of consultants who provided thorough M&A transaction support, including deal strategy, due diligence, post-close integration and value creation across the globe primarily in complex transactions. Carole takes on a client-centric approach, aligned with deep industry expertise and technology to deliver data driven insights.

Along with her distinguished career, Carole currently serves on the Advisory Board of After School Matters, a Chicago-based organization that inspires Chicago's teens to discover their passions, develop skills for life beyond high school and make friends along the way.

In 2021, *Consulting Magazine* named Carole as an honoree for Women Leaders in Consulting in the category of Excellence in Leadership. In 2017, she was recognized on Crain's list of Most Influential Women in Accounting in Chicago. In 2014, she received the Healthcare Businesswomen's Association's Rising Star award, and previously served on the board of Rush University Medical Center.



How KPMG Private can help

Whether you're a high-growth venture capital or private equity-backed company, family enterprise or asset manager, we help companies at every stage of their journey make bold moves, build trust, drive growth, and fuel innovation.

KPMG is at the epicenter of change, fueling the companies that shape tomorrow. From using AI to deliver a better audit experience, to creating value across tax operations with KPMG Digital Gateway, to assisting companies with extracting value from emerging technologies, we're focused on innovation that drives tangible results for your company and your clients. We help you unlock your data's potential, creating business insights that drive decisions.

We deliver the quality you expect and the agility you need—streamlined methodologies, executed by teams focused on private companies—scalable based on size and complexity, to address your specific needs.

**This is KPMG Private—
where innovation meets ambition,
and growth never slows down.**



Contact us

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