



# Cooper Fitch

## GCC CEO REPORT

1st May 2023



## CONTACTS



### Jack Khabbaz

Managing Partner- Head of CEO Practice and Public Sector Advisory  
Jkhabbaz@cooperfitch.ae

Jack is a Managing Partner and the Head of CEO Practice and Public Sector Advisory. He specialises in CEO mandates and leads a team specialising in Legal Private-Practice, In-house Legal, Big 4 Accounting & Advisory and Public Sector. He brings over twenty two years of executive search, recruitment, consulting, team leadership and commercial experience from across Australia, United Arab Emirates and Saudi Arabia.



### Emily Bates

Communications and Operations Executive  
ebates@cooperfitch.ae

Emily specialises in market research and publications and communication with external and internal stakeholders. her responsibilities include coordinating the company's online presence and publications based on the brand's strategic objectives and measuring the success and outreach of content. Additionally, Emily contributes to the creation of a professional, trusting and efficient environment by coordinating internal marketing events, presentations, and communications.

# INTRODUCTION

Following an unprecedented few years, regional CEOs have succeeded in regrouping and consolidating their operations, and now have their sights firmly set on long-term growth. Two-fifths (40%) of last year's respondents cited recruitment and retention as their biggest challenge. While this issue remains an essential consideration for regional CEOs, Cooper Fitch's 2023 results show that this figure has halved to just 20%, indicating that competition to hire and keep the most promising talent has abated as market stability has returned.

One challenge that has come into sharper focus during the past 12 months is that of supply chain and operations. Among this year's respondents, approximately one-third (33%) identified supply chain and operations as their biggest challenge, approximately double the figure recorded last year. Although arguably unsurprising given factors such as inflation, interest rates and fuel prices, all of which have been driven by geopolitical crises in other regions, this is nevertheless a growing concern for Gulf-based CEOs as they look to maintain the momentum of their companies' post-pandemic recoveries. It is encouraging to note that only 5% of 2023 respondents are projecting zero growth during the coming year. Almost half (45%) of the CEOs surveyed this year anticipate growth of 5-10%, whereas a sizeable 33% expect revenues to rise by 11% or more. These figures reflect a buoyant market set to undergo significant expansion despite macroeconomic challenges.

The majority of this year's respondents (88%) have clear diversity and inclusion strategies in place or are working on their implementation. Almost two-thirds (65%) of CEOs have either implemented or are developing environmental, social and governance (ESG) policies. In terms of non-financial goals, digital transformation remains the most common priority at 25%.

33%

of CEOs cite supply chain and operations as the biggest challenge to their organisations.

45%

of respondents are projecting revenue growth of 5-10% during the coming year.

20%

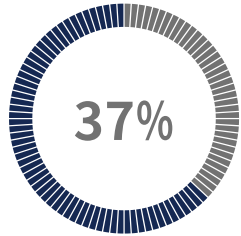
of CEOs are expecting to receive a bonus 10-20% larger than in 2022.

# TABLE OF CONTENTS

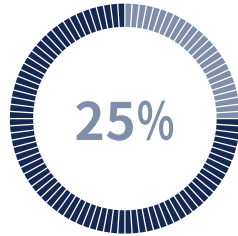
Contacts	2
Introduction	3
Table of contents	4
Growth and strategy	5
Diversity and inclusion	8
Succession planning	9
Bonus outlook	10
Research methodology	11
About Cooper Fitch	11

# GROWTH AND STRATEGY

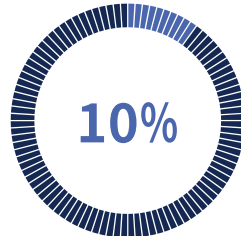
What is your organisation's main strategy for growth moving forward?



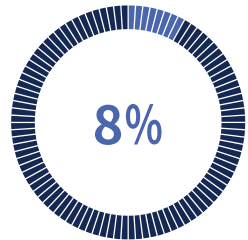
Product and service expansion



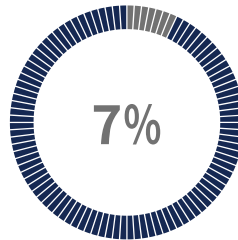
New market penetration



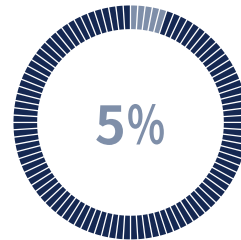
Digital transformation



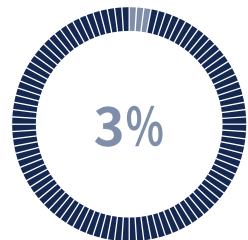
Supply chain efficiency



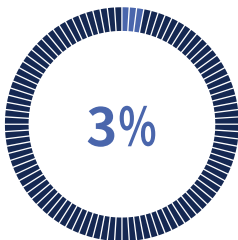
JV and strategic partnerships



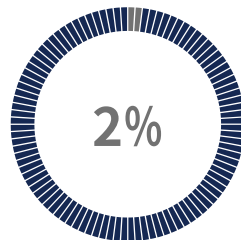
M&A



Organisational restructuring



Significant cost-cutting

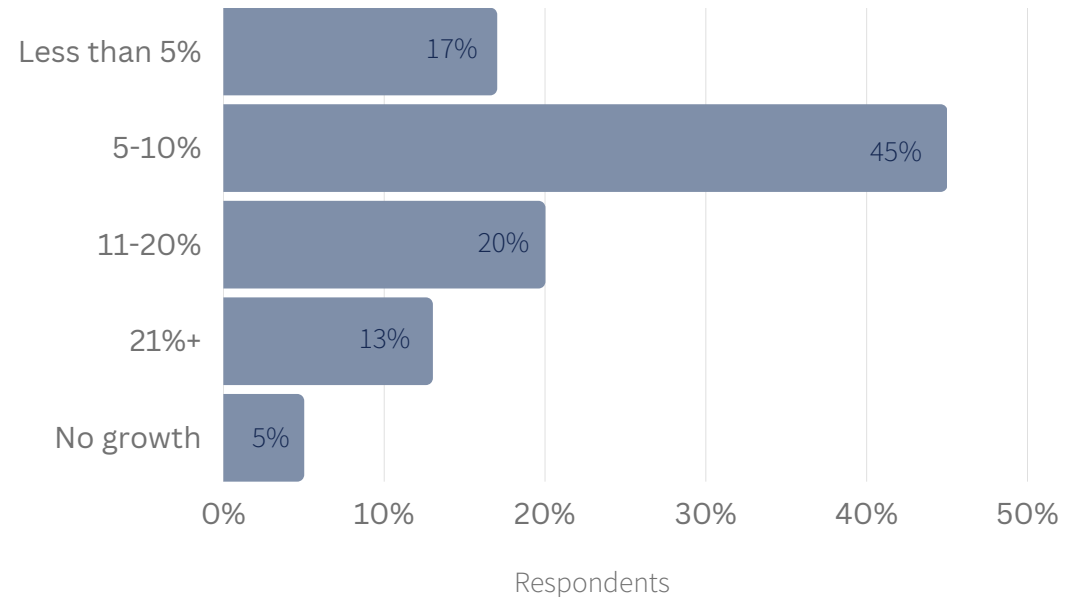


New pricing strategy

Increased revenues were anticipated across the board in 2022, with more than half of respondents (57%) forecasting 5-10% growth and nearly a quarter (23%) projecting rises of 21% or more. In 2023 45% of respondents expect growth of 5-10% and 12.5% are looking forward to revenue increases in excess of 21%. Encouragingly, only 5% of those questioned forecasting zero growth in 2023. While this year's projections are more muted, which is to be expected given the proximity of last year's survey to the pandemic, they still reflect a strong market that is gaining momentum.

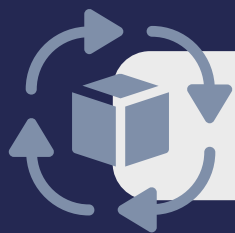
In terms of growth strategies, the most common focuses in 2023 will be product and service expansion (37%) followed by new market penetration (25%). These results suggest a trend towards commercialisation strategies for CEOs in the region, such as supply chain and operations and sales and marketing. It seems considerations such as restructuring, cost-cutting and pricing will be secondary considerations for many GCC CEOs during the coming year.

What is your perspective on revenue growth prospects for 2023?



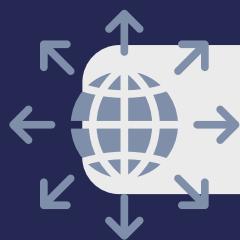
# GROWTH AND STRATEGY

## Key themes in the Middle East region for 2023



When questioned about the biggest challenge to future growth, 33% of this year's respondents cited supply chain and operations. It is therefore surprising that only 7% identified supply chain efficiency as their main growth strategy.

A quarter of the CEOs surveyed cited new market penetration as their route to growth in 2023. Both in terms of sector and geography, the GCC is likely to see local new players attempt to disrupt established markets over the next 12 months.



When asked about their organisations' main strategies for growth, more than a third of respondents (38%) to this year's survey identified product and service expansion, indicating the prioritisation of customer-centricity in 2023.

Organisational restructuring, new pricing strategies and significant cost-cutting were listed as priorities by 8% of respondents in combination, suggesting that regional CEOs are taking a long-term approach to stability and growth in 2023.



While the latest growth predictions are slightly less emphatic than those recorded in 2022, CEOs are nevertheless optimistic about market prospects in the GCC in 2023. Almost all respondents (95%) expect higher revenue this year

## GROWTH AND STRATEGY

When asked about their non-financial goals, those surveyed this year registered a fairly even split between their focuses. Digital transformation represented the most common priority for 2023, accounting for a quarter of responses. Employee engagement ranked second with a share of 22%, followed by environmental sustainability (20%), customer service (18%) and diversity and inclusion (15%). Digital transformation was also the chief non-financial focus in 2022, and will no doubt continue to feature high on the agenda in the future as CEOs look to boost efficiency, improve communications and future-proof their organisations. Arguably more interesting is growth within the field of environmental sustainability, a category listed as a non-financial priority by just 4% of 2022 respondents. As Dubai prepares to host COP28 in November 2023, this trend is especially encouraging and perhaps indicative of an appreciation among regional CEOs that the world is looking towards the Gulf for sustainable leadership.

Is there an environmental, social and governance (ESG) strategy being developed and implemented?

# 85%

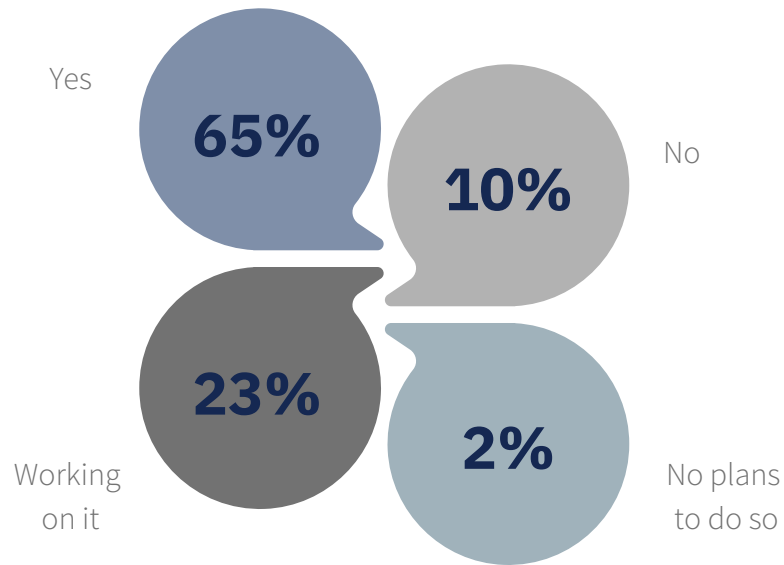
Of CEOs surveyed report that their organisations have either implemented an ESG strategy or are in the process of doing so.

What is your largest non-financial goal as an organisation?



# DIVERSITY AND INCLUSION

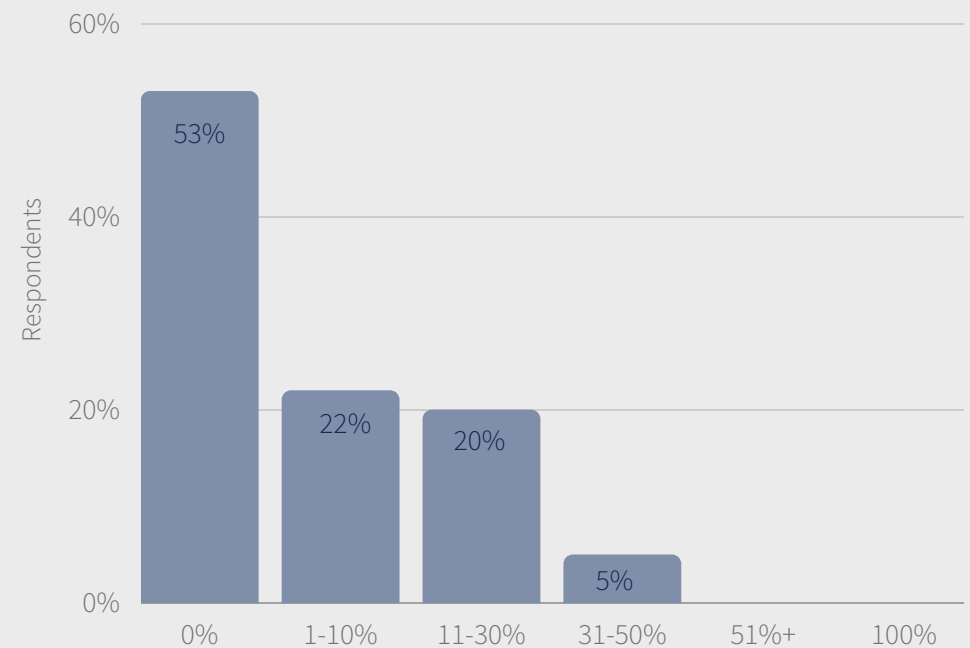
Does your organisation have a clear diversity & inclusion strategy?



Most of the CEOs surveyed (88%) said their organisations either had a clear diversity and inclusion strategy or were planning to implement one. The scope of this year's question focused exclusively on C-suite and board member roles. When asked what percentage of these positions were occupied by women, 22% of 2023 respondents said 1-10%, 20% said 11-30% and 5% said 31-50%, meaning more than half of those (53%) surveyed are presiding over C-suite teams and corporate boards that lack any female representation. Last year only 11% of CEOs had all-male leadership teams and 5% reported female representation in excess of 50%. However, it is important to note that in 2022, the scope of this question was broader, extending beyond C-suite and board member roles to heads of function. The latest results suggest that while women may now have a presence within the majority of leadership teams, diversity and inclusion does not necessarily extend to the GCC's most senior corporate positions

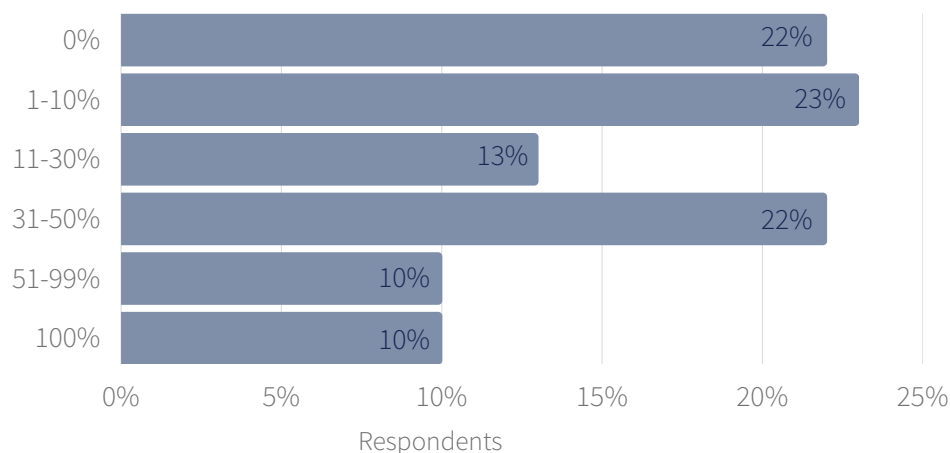


What percentage of your C-suite to Board Members are female?



# SUCCESSION PLANNING

What proportion of internal appointments of C-suite executives in 2022 were internal promotions versus external hires?

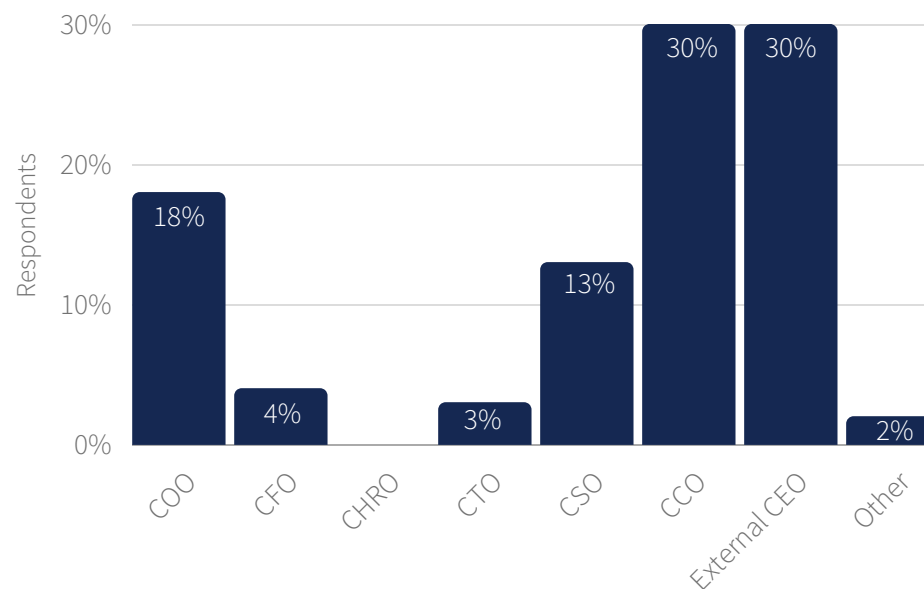


Is there a clear succession plan by the board for the CEO position?

# 40%

of those surveyed in 2023 said their organisations' boards had a clear succession plan in place for the role of CEO

Where do you think a future CEO successor would most likely come from?



The trend of promoting from within to fill C-suite roles appears to have dipped slightly since 2022. Almost one-quarter of organisations (22%) surveyed this year made no internal C-level appointments in 2022, choosing instead to hire external candidates. At the same time, only 10% of organisations used internal promotions to fill all their C-suite vacancies in 2022 compared to a more substantial 32% in 2021. Interestingly, while most of those surveyed in 2022 felt their replacement would be an external CEO, existing Chief Commercial Officers were equally likely to be viewed as legitimate successors by this year's respondents – a reflection, perhaps, of the importance of sales and marketing within companies' growth strategies. Only two-fifths (40%) of those questioned this year had clear succession plans in place, with a smaller proportion (22%) working on the development of such strategies.

## BONUS OUTLOOK

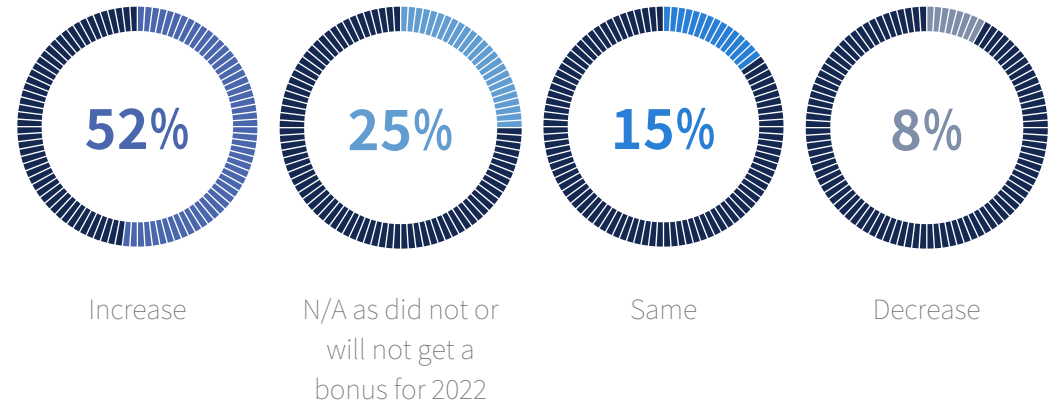
When asked whether they have or are going to receive a bonus related to their performance in 2022, three-quarters of this year's respondents said yes. This is a strong outlook that demonstrates positive sentiment in the GCC market when it comes to overall growth. The fact that organisations are prepared to reinvest profits into their top talent is also a positive sign in terms of long-term confidence and retention. More than half of respondents (52%) expect their 2023 bonuses to increase compared to last year, 15% anticipate remuneration on the same level, and 8% said they would receive a lower amount than in 2022. Among those expecting larger amounts, a lucky 2% are set to receive bonuses worth 100% or more compared to 2022.

Did you or will you be receiving an annual bonus for 2022?

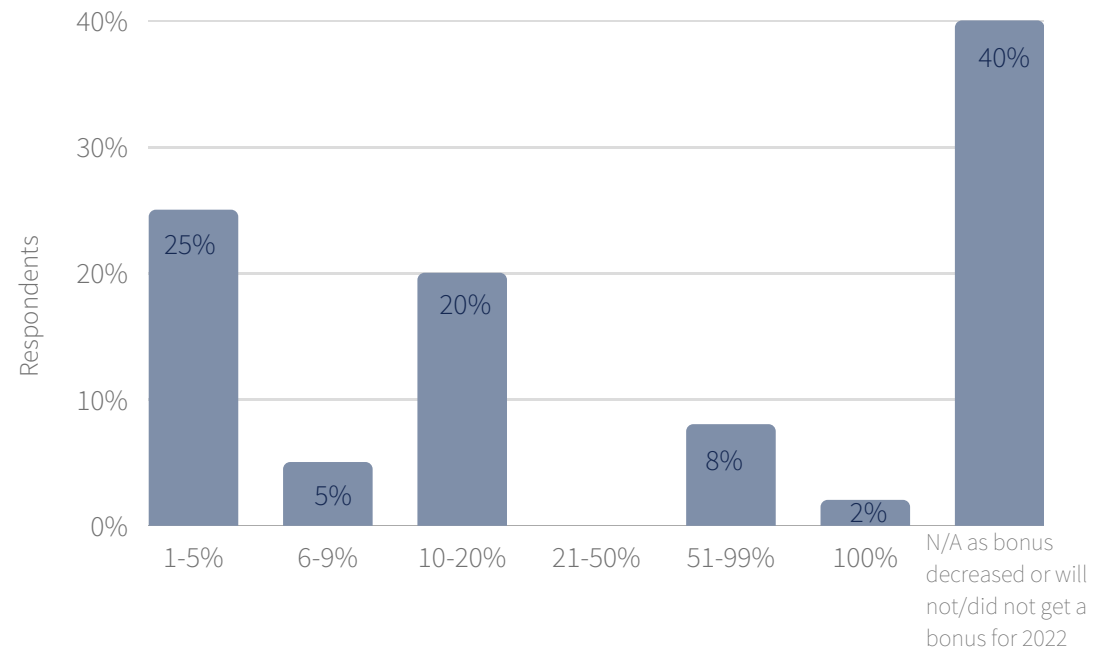
# 75%

of CEOs questioned this year expect to receive an annual bonus related to their performance in 2022.

If yes, was the bonus an increase on the year before?



If the annual bonus was an increase, by how much?



## RESEARCH METHODOLOGY



Cooper Fitch's 2023 GCC CEO Report aims to share key market insights from business leaders in the region across a variety of industries. The survey covers critical business areas, organisational culture, challenges, innovation, strategies, diversity and inclusion, and ESG amongst other important factors.

The data we have collated are used to compare responses from CEOs active across the GCC based on their organisational outlooks for the year ahead.

If you have any questions about this report, or you wish to provide feedback, please contact Jack Khabbaz or Emily Bates.

## ABOUT COOPER FITCH

Cooper Fitch provides recruitment, executive search, HR advisory and RPO services. Our team supports clients in the GCC and Europe with all talent-related matters. We are also a proud member of the Talent Club group of companies, with 37 offices across three continents.

### SERVICES

- Recruitment
- Executive Search
- HR Advisory
- Recruitment Process Outsourcing

Jack Khabbaz  
Managing Partner- Head of CEO Practice  
and Public Sector Advisory  
[jkhabbaz@cooperfitch.ae](mailto:jkhabbaz@cooperfitch.ae)

Emily Bates  
Communications and Operations  
Executive  
[ebates@cooperfitch.ae](mailto:ebates@cooperfitch.ae)



Cooper Fitch



+971 4 352 2506



info@cooperfitch.ae



cooperfitch.ae



JBC 1, 15th floor, Jumeirah Lakes Towers, POBox  
118468, Dubai, United Arab Emirates



22 Northumberland Road, Ballsbridge, Dublin 4