

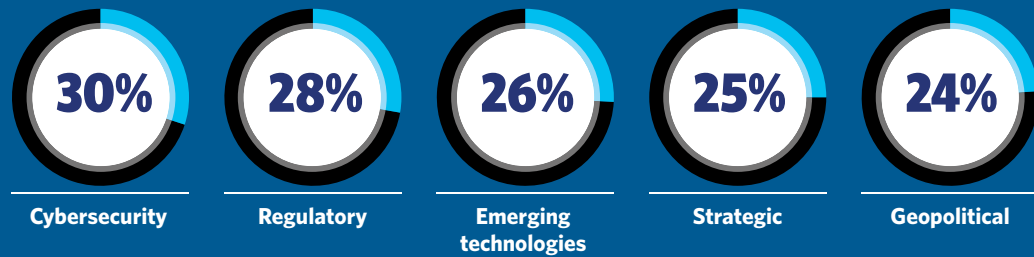
FORKS IN THE ROAD

There is no shortage of concerns and techniques that drive executive decision-making.

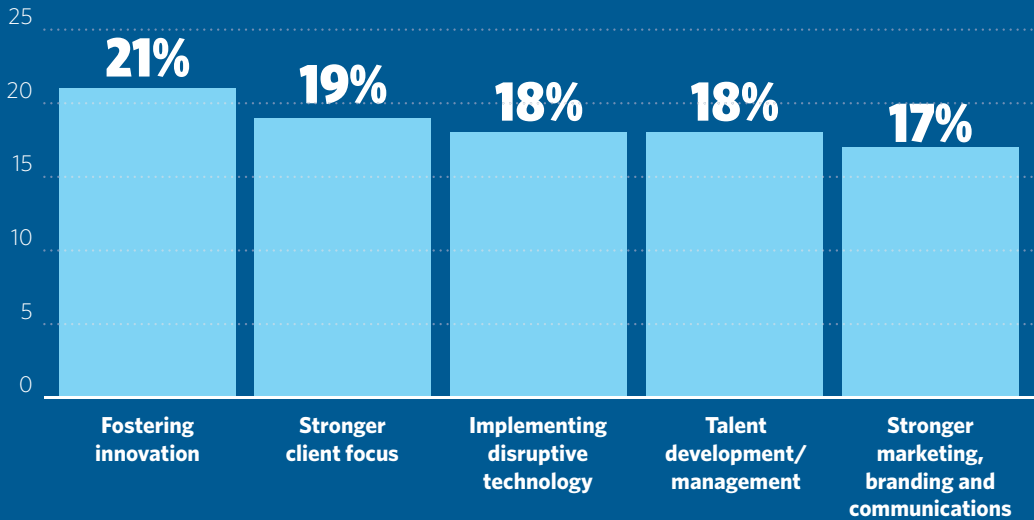
TOP CEO CONCERNS

86% of CEOs worry they lack the time to think strategically about the forces of disruption and innovation shaping their company's future.

Types of risks that most concerned them:



Their top strategic priorities over the next three years:



30% of more experienced* CEOs adopt a more strategic approach to innovation, compared to 25% of less experienced CEOs.

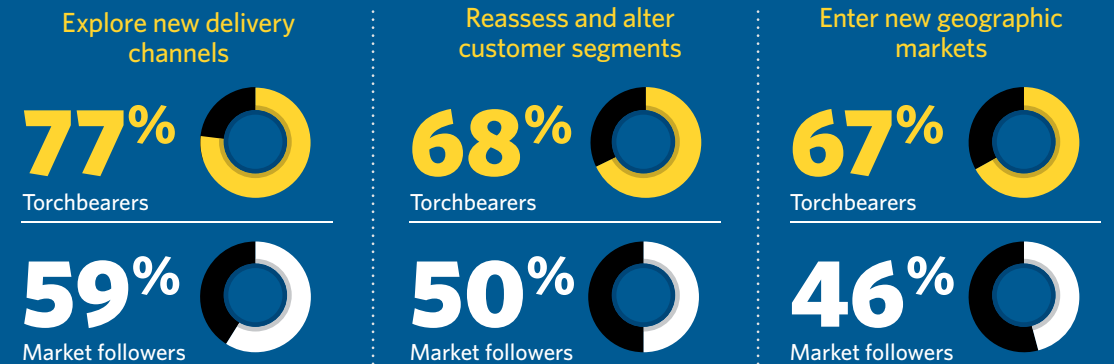
*In this study, more experienced means more than five years.

78% of more experienced CEOs believe it is important to foster a culture of innovation, compared to 63% of less experienced CEOs.

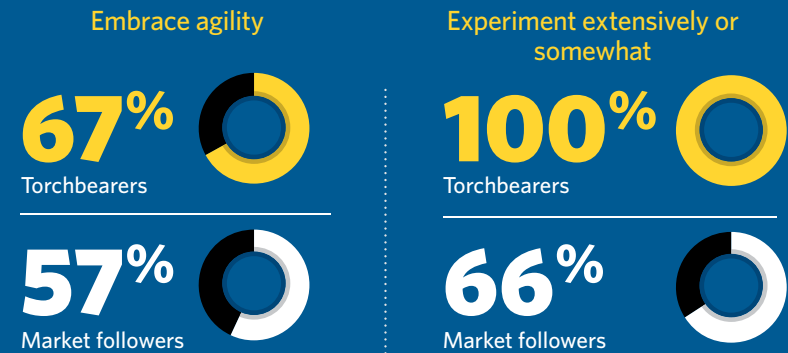
TORCHBEARERS VS. FOLLOWERS**

Those at each end of the spectrum have different strategic priorities and approaches.

For example, torchbearers are more ambitious ...



... and more adaptable:



Torchbearers prefer more decentralized decision-making:



**In this survey, companies with strong reputations as innovators and strong financial track records are labeled "torchbearers." Companies with much lower market profiles (in the opinions of the executives who head them) and far less financial success are labeled "market followers."

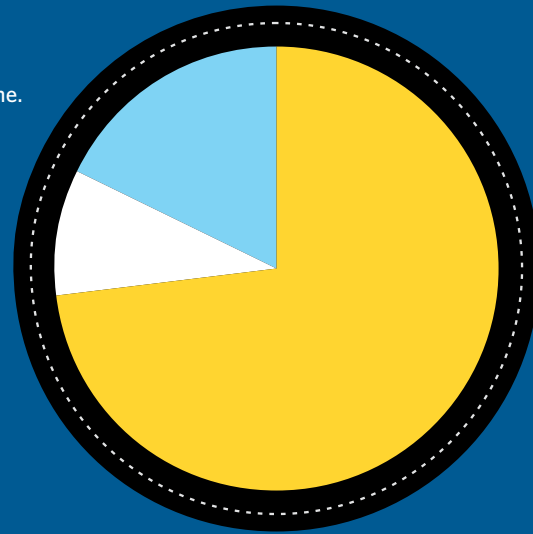
THE POWER OF UNCERTAINTY

If you sometimes doubt yourself, you are not alone.

71% of CEOs say they have doubted themselves.

10% say they do not, but they do use techniques to reduce uncertainties.

19% say they never do.



94%

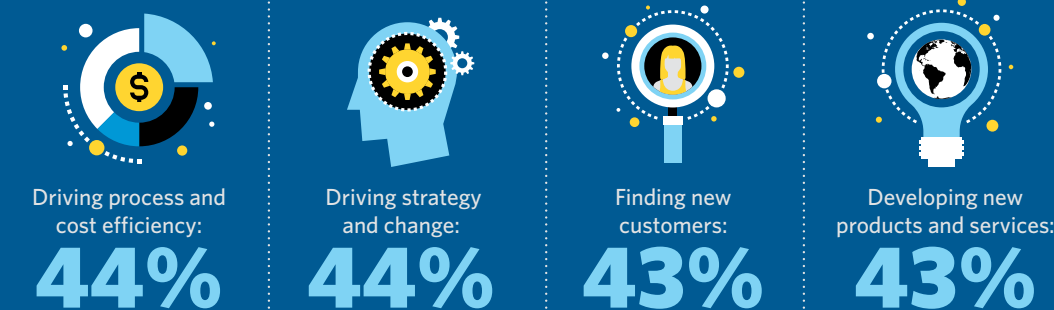
Nearly all CEOs emphasize the pace or speed of change as a complicating factor in their decisions.

LEVERAGING DATA AND ANALYTICS

63% of CEOs

believe they use data and analytics (D&A) effectively, but 59% do not fully trust the accuracy of their D&A activities.

Top company uses for D&A:



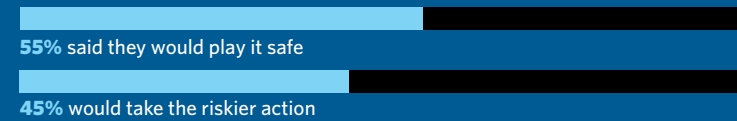
LOSS AVERSION

Executives are more likely to take a risk if it seems like a way to avoid a loss.

When a decision was framed by its potential gains:



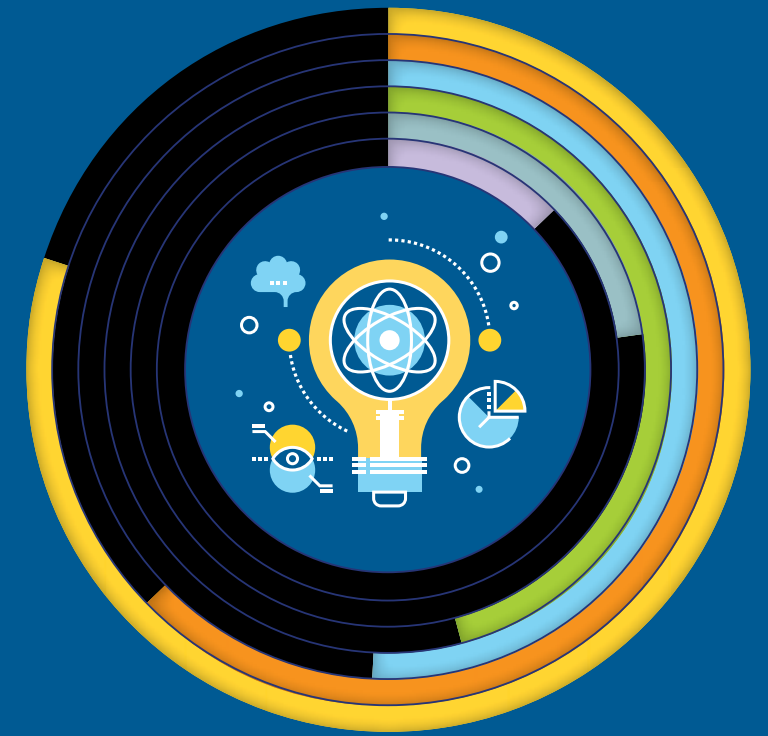
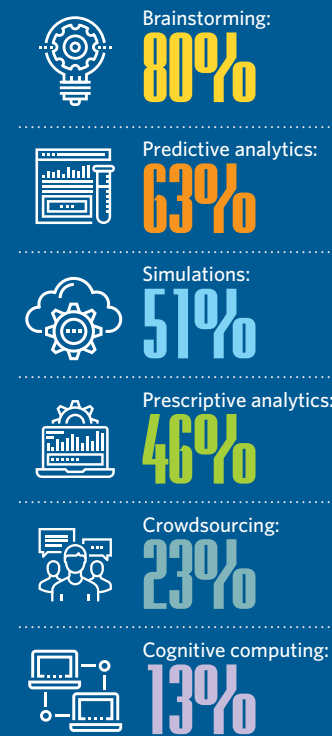
When the same decision was framed by its potential losses:



This is a **73% increase** in selection of the risky plan when framed by possible losses.

PREDICTING THE FUTURE

Executives use these techniques to foresee what is next in their industries:



Sources: Corporate Visions, Losses and Gains: Does Loss Aversion Influence Executive Decision-Making?, 2016; Heidrick & Struggles and Saïd Business School at the University of Oxford, The CEO Report, 2015; IBM Institute for Business Value, Redefining Competition: Insights from the Global C-suite Study – The CEO perspective, 2016; Redefining Boundaries: Insights from the Global C-suite Study, 2015; KPMG, Now or never: 2016 Global CEO Outlook, 2016.