

WHITE PAPER

# How do Leaders Address Risks While Finding Opportunities in Times of Uncertainty?

How do leaders address risks while finding opportunities in times of uncertainty? McKinsey's latest CEO excellence survey shows three main areas of focus that set 2023 apart from previous years: digital disruption, economic uncertainty, and geopolitics.

*"Anyone can hold the helm while the sea is calm."*

– Publilius Syrus

**D**igital disruption comes with two main opportunities and one main risk. The development of advanced analytics and the automation of work provide great opportunities for improvement. On the side of risk management, enhancing cybersecurity has been a top priority for many corporate leaders.

To deal with the risks of high inflation and economic downturn, CEOs focused on three main actions – reducing operating expenses, redesigning products and services, and reassessing strategic and economic decisions. One CEO said to “act early to lower costs

and protect the balance sheet so that you are stronger and leaner when the economy begins to turn more favorably.”

When it comes to geopolitical risks, leaders listed three main areas of focus: building robust compliance capabilities, creating resilience in supplier networks, and investing in monitoring and response capabilities.

While digital disruption, economic uncertainty, and geopolitics were the three main concerns for corporate leaders, they also mentioned other factors such as talent, ways of working, and climate change.