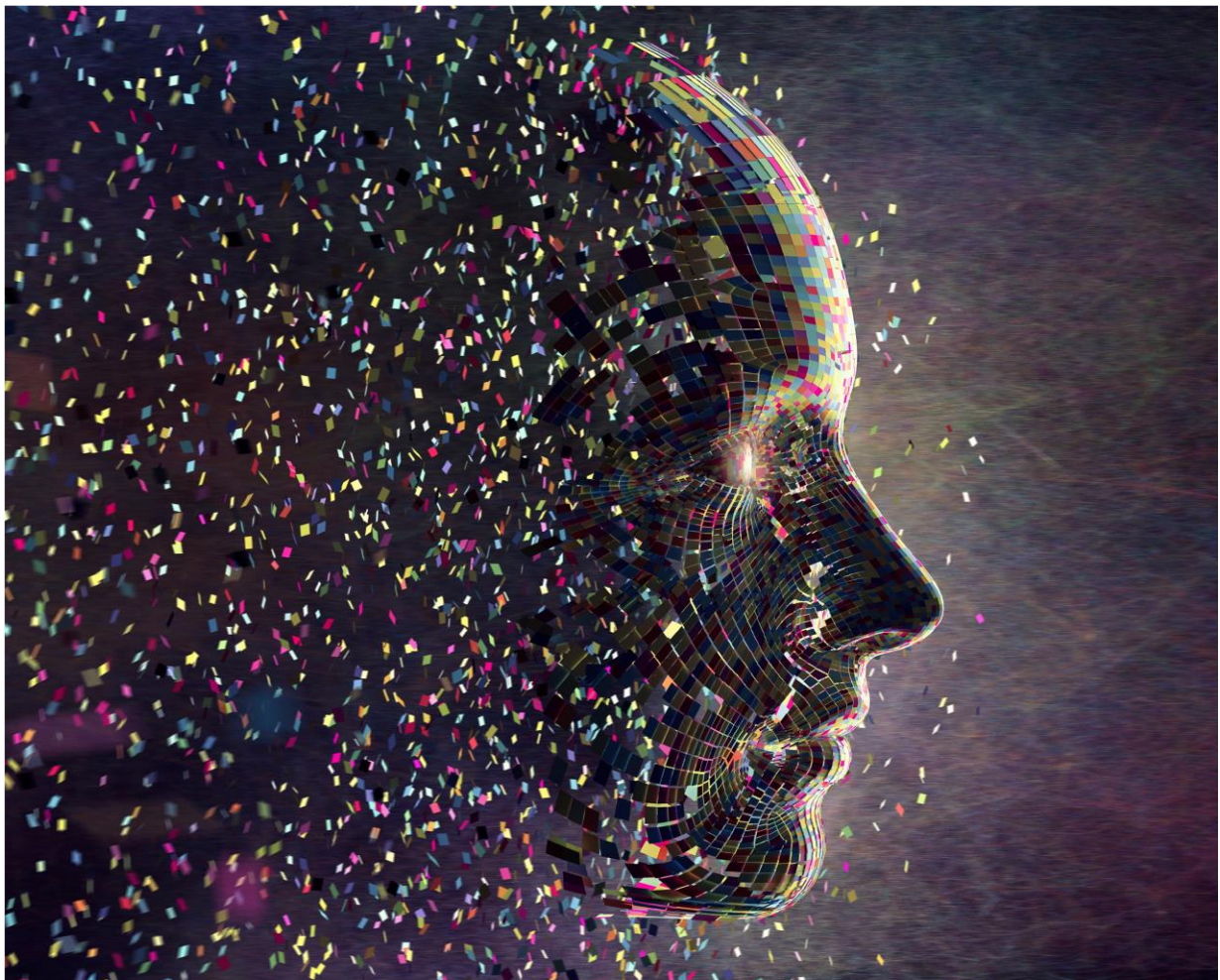


C-Suite Challenge: COVID-19 Recovery: What Comes Next

Business Leaders See Opportunity to Remake Their Organizations and Redefine the Corporate Mission to Improve Post-pandemic Competitiveness

Chile Edition



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C-Suite Challenge: COVID-19 Recovery: What Comes Next — Chile Edition

Business Executives See Opportunity to Remake Their Organizations and Redefine the Corporate Mission to Improve Post-pandemic Competitiveness

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Executive Summary

Business leaders in Chile see accelerating digital transformation, evolving customer buying preferences, the rethinking of business models, redefining how work gets done, and strengthening of the corporate mission among the most pronounced long-term legacies of COVID-19.

Already several months into the pandemic in June of 2020, The Conference Board surveyed more than 1,300 CEOs and C-Suite executives globally, including 314 CEOs and C-Suite executives in Chile, and asked them to evaluate what they see as the most significant long-term impacts of the global pandemic on their organizations, business, and society.

In the view of CEOs and C-Suite executives in Chile, a return to pre-Covid-19 pandemic revenue levels is at least a year or more down the road. While risk and volatility remain high for the foreseeable future, CEOs are attempting to remake their companies, not only to survive the current recession but to better thrive in a post-pandemic world. In the short term, preparing for growth and recovery will require finding the right balance between cash conservation and investing in the innovations and programs needed to succeed in a new commercial landscape.

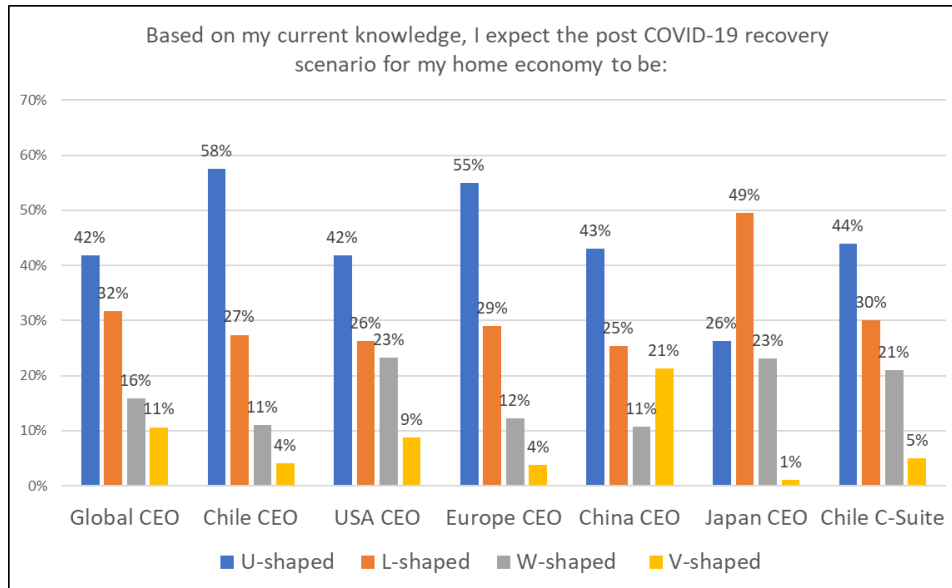
In the middle of a major crisis, short sightedness may cause current events to appear more critical than long-term, underlying trends that were already underway. But history shows that, at the end of the day, most of the effects of a crises are short-term, however a crisis often accelerates longer-term trends already in play—and it is those trends that prevail over time and create the “next or new normal”. Our survey shows renewed urgency behind such trends such as digital transformation and a more flexible workforce.¹

To plot an effective long-term strategy, business leaders need to identify the key longer-term trends most important for their business, and consider scenario planning to test their agility and resiliency for the long haul. Our survey suggests the economic recession brought on by the global pandemic has created a new urgency to focus on these drivers of long term change.

Insights for What’s Ahead

Economic recovery will take considerable time: While a plurality of CEOs globally (42 percent) believes a **U-Shaped** recovery ,where growth resumes in the fourth quarter of 2020, as the most likely scenario, almost a third see an **L-Shaped** recovery with growth resuming in 2021 or even later as more likely. However, CEOs in Chile appear more optimistic about the speed of recovery than global peers by a considerable margin, with 58 percent seeing a **U-Shaped** recovery as the most likely scenario for their regional economy. However, other C-Suite executives in Chile are slightly more pessimistic than regional CEOs—just 44 percent foresee a **U-Shaped** recovery on the horizon and 21 percent expect a **W-Shaped** recovery (compared to 11 percent of Chilean CEOs), where failure to keep new COVID-19 cases under control, requires renewed stringent measures during the second half of 2020, causing the economy to contract again. Globally, CEOs in China are considerably more **optimistic** about **V-shaped recovery** with 21 percent seeing this as likely scenario (globally just 11 percent; 4 percent in Chile). Also, in Chile, 84 percent of CEOs expect to see **revenues back to early 2020 levels only in 2021 or later**. This means that most CEOs are not likely to be in a hurry to undertake new or additional business spending or investment decisions. It is important to note that not all firms and sectors have experienced a negative impact from the pandemic—4 percent of CEO respondents in Chile and 11 percent globally say their revenues had not fallen below early 2020 levels or were already back to pre-pandemic levels.

¹ [StraightTalk® Global Economic Outlook 2020: Getting through and beyond the COVID-19 Recession](#), Vol.3-#2, The Conference Board, July 2020



CEOs in Chile see opportunity to transform their organizations into digitally-driven enterprises that will be leaner and more agile in a post-Covid world: Digital transformation will accelerate as firms rethink business models in response to new customer buying behaviors are the likely long-term outcome of the pandemic according to CEOs and C-Suite executives in Chile. Speeding up the pace of digital transformation and rethinking business models are two of the top four likely long-term operational outcomes of the pandemic according to business leaders in Chile. CEOs in Chile also see more transparency and border information sharing within their organizations as another likely long-term outcome of COVID-19.²

CEOs see a long-term strategic opportunity to cut costs: Hoping to emerge in the post COVID-19 business environment with leaner and more agile organizations, CEOs both globally and in Chile view the pandemic as a long-term strategic opportunity to rein in costs. CEOs both in Chile and globally say that among the long-term effects of the pandemic, their organizations will accelerate cost management and budget reductions including travel, and garner long-term savings by reducing office and other workspaces as they increase the number of employees who will work remotely on a permanent basis. That said, some workers, especially younger ones are often eager to return to offices because their social life and professional development revolves around them. This creates a tension between the satisfaction and engagement of the workforce and the CEO desire to lower costs. It will be up to C-Suite executives, especially Human Capital executives, to find creative solutions to prevent the potential negative impact of long-term remote work on engagement and innovation. Compared to CEOs, C-Suite executives in Chile say they have become more appreciative of the personal interactions that contribute to innovation that have been lost through the increase in remote working.

Organizations are redefining how work gets done, with many CEOs and C-Suite executives in Chile committing their organizations to better support a remote workforce: When it comes to human capital management in a post-pandemic world, 44 percent of CEOs and 47 percent of C-Suite executives in Chile see an increase in the number of remote workers as one of the most likely long-term impacts of the pandemic. To support that notion both groups say they are rethinking how to design and deploy

² [C-Suite Challenge™ 2020: Collaborating to Compete Collaboration](#), The Conference Board, March 2020

flexible work arrangements that can better serve employees' evolving work-life needs. According to CEOs in Chile and globally, another likely long-term outcome of the pandemic, one closely related to the goal of digital transformation, is the **creation of agile project teams** as the new nexus of how work gets done.

Consumer buying behaviors will change: While there is clear evidence that COVID-19 has changed consumer behavior at least in the short-term, with online shopping, the use of telemedicine, and curbside pickup increasing, and consumers seeking contactless offerings, an overwhelming majority (79 percent) of CEOs in Chile and 82 percent of C-Suite executives see new buying behaviors emerging as consumers change their perspective on what products and services are important, as one of the most likely long-term impacts of the pandemic. Understanding the nuances behind these changes in buying behavior and which ones will persist in a post COVID-19 world, will have a direct link to the reimagining and remaking of business models as organizations accelerate digital transformation. While close to half of CEOs globally (43 percent) say **consumers will be willing to pay more for locally produced brands**, a considerably smaller percentage (35 percent) of CEOs in Chile believe that will be in the case post pandemic.

Corporate missions being defined: Another likely long-term impact of the pandemic identified by CEOs in Chile and globally is a commitment to redefine their corporate mission and lead their companies for the benefit of all stakeholders – customers, employees, suppliers, communities, and shareholders. Reminding employees of the compelling vision, mission and values of the organization is especially important during challenging and stressful times. While 64 percent of CEOs globally see the redefinition of the corporate mission as a highly likely outcome of the pandemic, 66 percent of CEOs (and 58 percent of C-Suite executives) in Chile agree with that statement. Interestingly only about half of U.S. CEOs (55 percent) identify this as a highly likely long-term impact. One explanation is that U.S. CEOs believe their organizations already have a strong and relevant system of values along with customer and employee centric corporate missions already in place.

Societies will invest more in social safety nets and pay more attention to public health issues:

Among the most likely long-term societal impacts of the pandemic, according to business executives in Chile (combined CEO and C-Suite responses) are improvements to national healthcare systems and more government investment in bolstering social safety nets—two outcomes that would go a long way in mitigating the pain of future pandemics, improve resilience, and begin to address current inequities within the system. A total of 71 percent of CEOs in Chile rate *governments make substantial new investments in public goods, the social safety net, and public services* and 64 percent cite *healthcare systems will improve with more attention paid to future pandemic responses* as likely long-term impacts of COVID-19. But there are regional differences: while 75 percent of CEOs in China see government stepping up to improve social safety nets, just 49 percent of U.S. CEOs rate this as a highly likely long-term outcome.

While almost half of CEOs globally (49 percent) believe the pandemic will leave behind a less globalized economic environment, CEOs in Chile are not as convinced as their global peers about de-globalization: Globalization is multidimensional and includes financial flows, immigration, digital flows, and exchange of ideas. De-globalization, especially in trade, which is probably the most visible aspect of globalization, is a trend that according to research by The Conference Board was already underway prior to the pandemic outbreak. The strongest sentiment around decreasing globalization is found among European and US CEOs (60 and 50 percent respectively) who identify this as a likely or highly likely post-pandemic impact. Only 40 percent of CEOs in Chile (and just 33 percent of C-Suite executives) see a decrease in globalization as a likely post pandemic outcome. The contribution of foreign trade, foreign direct investment, migration, and capital flows to global growth that we saw during the 1990s and 2000s is likely to slow in the coming decade. Under the influence of rising wages in emerging

markets and accelerated automation and digitization in advanced economies, global value chains will be shortened, reducing trade in materials and parts. Long-lasting trade disputes will accelerate this de-globalization process.³ Yet, a different mix of globalization could emerge defined less by trade flows but one that relies more on intangible interconnections in a digital economy.

Against Conventional Wisdom

With all the talk about supply chain concerns during the pandemic, just 4 percent of CEOs in Chile and 10 percent globally see supply chain restructuring as a long-term impact on operations. Despite the immediate disruptions to global supply chains created by the pandemic, survey respondents do not see an increased urgency around the long-term restructuring of supply chains which reflects a degree of confidence that they have the ability to manage emerging risks. While the pandemic may not cause radical restructuring of supply chains in the long term, many companies are taking time to ensure existing ones are on solid ground both financially and operate smoothly without undue risk. They are doing this by direct contract with tier two and three suppliers and offering assistance where needed. One explanation for this surprisingly low rank could be that CEOs are confident that the ability of organizations to navigate through the supply chain disruptions in the immediate crisis period gives them the confidence that the long-term impact will be manageable. Prior to the pandemic, research by The Conference Board showed that globally manufacturing producers were shifting away from foreign suppliers of inputs toward more local ones, choosing to “go local.” Data confirms the trend is a clear departure from the heydays of outsourcing: the share of local value added is now increasing in mature economies. The decision to go local is broad-based across industries and countries. Companies that shift towards local suppliers are better positioned to achieve mass customization and respond to changing customer tastes. The shift is also a response to societal concerns over sustainability.⁴

Is “the demise of cities” being overhyped? Despite the move to more remote work and the short-term reality that fewer people, including tourists, are coming to city centers to work, shop, be entertained, or consume other services, the notion that people will permanently abandon more densely packed cities for less populated regions ranks among the less likely scenarios to emerge post-pandemic, according to CEOs both globally and in Chile. Just 39 percent globally and 33 percent in Chile cite this as a highly likely long-term outcome of the pandemic. However, 60 percent of CEOs in Japan see this as a highly likely long-term outcome—the highest percentage globally by a considerable margin. There are regional differences: just 23 percent of CEOs in China, where urbanization is still considered a weapon to alleviate poverty and spur economic growth and productivity, and 43 percent in Europe see de-urbanization as a likely legacy of COVID-19. In the past, major cities have proved highly resilient in response to major disasters. Whether this resilience continues in response to COVID-19 remains an open question.

About This COVID-19 Edition of the C-Suite Challenge™

With the outbreak of the COVID-19 pandemic in early 2020, The Conference Board decided to follow up the annual C-Suite Challenge™ Survey published in January 2020 with a special COVID-19 survey focused on the timing of an economic recovery and the long-term impacts business executives see as the likely legacy of the pandemic. Globally, a total of 1,316 C-suite executives, including 606 CEOs, participated in the special anonymous survey fielded in June. Since 1999, The Conference Board CEO Challenge® survey has asked CEOs, presidents, and chairs across the globe to identify the key strategies they intend to use to meet their critical business challenges. For more information on what’s top of mind

³ Straight Talk Vol 30 #2, The Conference Board

⁴ [Going Local: Changing Global Value Chains and the Impact on Revenue and Jobs](#), The Conference Board, February 2019

for the C-suite, see the other reports in the C-Suite Challenge™ 2020 series: *Data Privacy and Cybersecurity*; *Risks, Opportunities, and Hot-Button Issues*; and *Collaborating to Compete*.

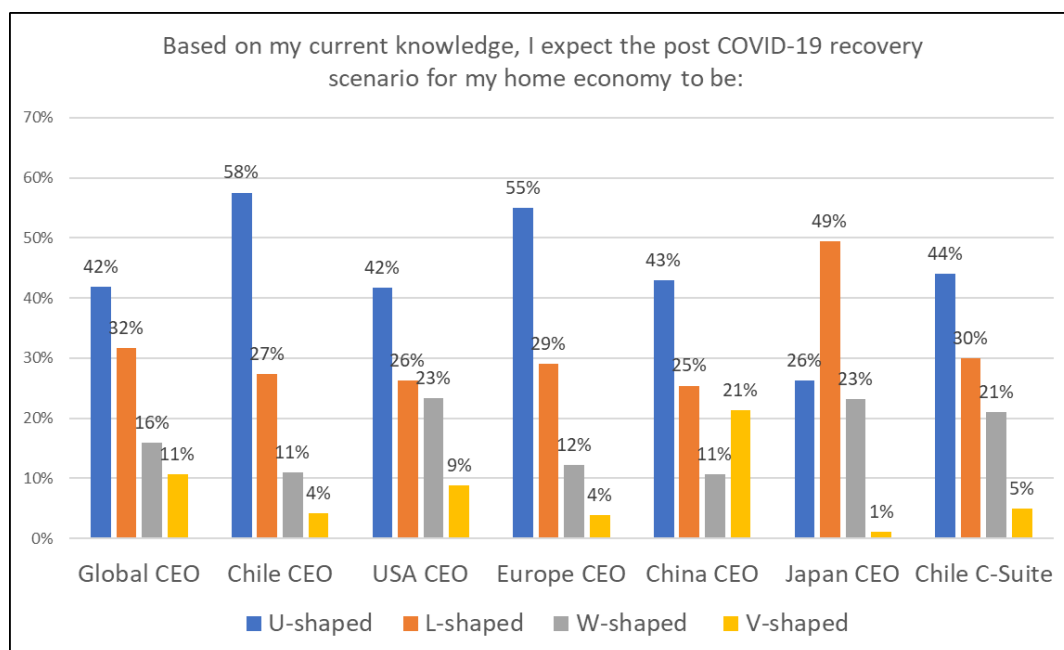
C-Suite Challenge: COVID-19 Recovery Survey: What will the post COVID-19 recovery look like?

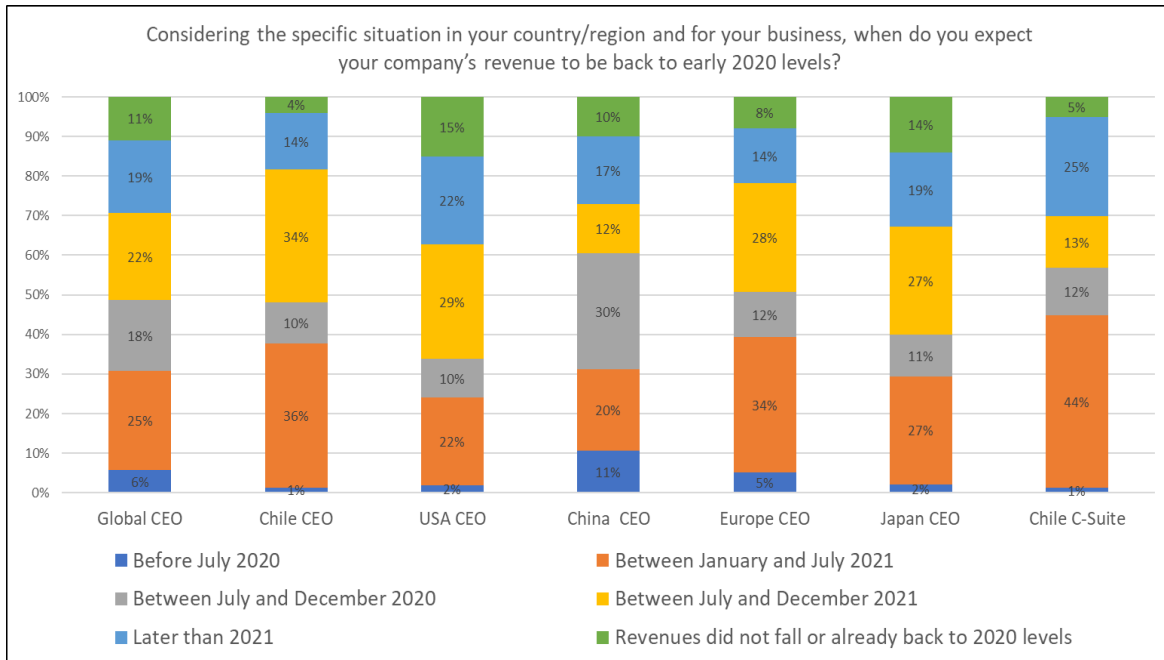
CEOs in Chile see an economic recovery and a return to pre-Covid levels of profitable as being at least a year or more down the road.

The Shape of the Recovery: Definitions

- V-shaped (fast recovery in Q3): The peak in the first wave of new COVID-19 cases will occur no later than May 2020, creating a strong recovery in Q3.
- U-shaped (extended contraction in Q3): Managed control of new outbreaks helps to flatten the curve of new COVID-19 cases but stretches the economic impact across Q2 and Q3, with growth resuming only by Q4.
- W-shaped (2nd contraction in second half of 2020): Failure to keep new COVID-19 cases under control, requiring renewed stringent measures during the second half of 2020, causing the economy to contract again.
- L-shaped (long-term growth constraints): Little to no recovery in 2020, as most of the recovery is more likely to happen in 2021 or possibly even later.

CEOs in China are considerably more **optimistic** about the speed of a regional recovery with some 40 percent of CEOs in China seeing revenues being restored to pre-pandemic levels **before the end of 2020**. Just 12 percent of CEOs in Chile, 17 percent in Europe and 12 percent in the U.S. agree with that scenario. A total of 84 percent of CEOs in Chile expect to revenues back to early 2020 levels in 2021 or later. This means that most CEOs are not likely to be in a hurry to undertake new or additional business spending or investment decisions. It is important to note that all firms and sectors have experienced a negative impact from the pandemic—10 percent of CEOs globally (but only four percent in Chile) say their revenues had not fallen below early 2020 levels or have already recovered to pre-pandemic levels.





COVID-19 and Long-Term Impacts on Operations Within the Organization

What are the most important long-term impacts/changes to your company resulting from the COVID-19 pandemic relating to operations

CEOs in Chile and globally see opportunity to transform their organizations into digitally driven enterprises that will be leaner and more agile in a post-Covid world. At the same time, they see a long-term strategic opportunity to cut costs.

- Digital transformation speeds up.** CEOs in Chile and globally see *accelerating digital transformation* as the most important long-term impact resulting from the pandemic. There are regional differences: while more than half of CEOs in Chile (53 percent) CEOs cite this as the most important long-term change as do 60 percent of European CEOs and 57 percent of US CEOs, just **39.5 percent in China see this a likely long-term outcome from the pandemic.**
- Belt tightening for the long haul:** CEOs globally say that among the most likely long-term effects of the pandemic, their organizations will accelerate cost management and budget reductions and reduce business travel in favor of more videoconferencing—all sentiments shared by CEOs in Chile.

Global CEO: Long-term Impact on Operations

What are the most important long-term impacts/changes to your company resulting from the COVID-19 pandemic? (OPERATIONS)												
	Global CEO	Rank	Chile CEO	Rank	USA CEO	Rank	China CEO	Rank	Europe CEO	Rank	Japan CEO	Rank
Speed up the pace of transformation into a digitally driven organization	49.3%	1	52.8%	1	56.9%	1	39.5%	1	60.4%	1	54.4%	2
Cause a rethink of our business model as customer preferences shift	37.4%	2	37.3%	4	32.4%	4	36.1%	2	27.0%	4	58.7%	1
Reduced business travel since videoconferencing has been effective for a majority of meetings	37.2%	3	44.4%	2	55.9%	2	30.3%	4	47.5%	2	21.7%	5
Accelerate cost management and budget reductions	35.0%	4	39.4%	3	40.2%	3	31.9%	3	33.2%	3	26.1%	4
Be more transparent in communication and information-sharing at all organizational levels	17.8%	5	19.0%	5	17.7%	5	13.5%	10	18.3%	5	28.3%	3
Increase our external collaboration efforts with nontraditional partners	16.9%	6	11.3%	T-8	11.8%	8	23.5%	5	18.0%	6	13.0%	7
Become more data-driven/make more data-driven decisions	14.7%	7	11.3%	T-8	5.9%	12	19.3%	6	11.3%	10	18.5%	6
Be a flatter organization to de-centralize decision-making	14.1%	8	17.6%	6	7.8%	10	18.5%	7	14.6%	8	8.7%	T-10
Aggressively pursue M&As to create efficiencies and spur growth	12.1%	9	7.0%	12	14.7%	6	14.3%	9	11.0%	11	8.7%	T-10
Become more appreciative of the personal interactions that contribute to innovation that are lost through remote work	10.8%	10	13.4%	7	13.7%	7	10.1%	12	7.3%	12	10.9%	8
Restructure our supply chain by seeking intermediate goods suppliers that are closer to our home base	10.2%	11	4.2%	14	6.9%	11	16.0%	8	12.5%	9	1.1%	15
Stagger work shifts to prevent overcrowding	8.1%	12	9.2%	T-10	9.8%	9	2.5%	14	17.3%	7	9.8%	9
Provide more self-service options (for ex. chatbots, etc) to customers	6.2%	13	9.2%	T-10	3.9%	13	10.9%	11	3.6%	14	3.3%	T-13
Conduct more regular tabletop exercises to stress test crisis management and contingency plans	5.1%	14	6.3%	13	2.9%	15	5.9%	13	4.3%	13	8.7%	T-10
Other	1.6%	15	2.1%	15	3.9%	13	0.0%	15	0.5%	15	3.3%	T-13
Key: Red=Ranked #1; Green=ranked #2, Yellow=ranked #3	N=591		N=142		N=102		N=119		N=108		N=92	

Chile CEOs compared to Chile C-Suite executives: Operations

- Lost collaboration:** Compared to CEOs, C-Suite executives in Chile say they have become more appreciative of the personal interactions that contribute to innovation that have been lost through the increase in remote working.

What are the most important long-term impacts/changes to your company resulting from the COVID-19 pandemic? (OPERATIONS)				
	Chile CEO	CEO Rank	C-Suite Rank	Chile C-Suite
Speed up the pace of transformation into a digitally driven organization	52.8%	1	1	54.0%
Reduced business travel since videoconferencing has been effective for a majority of meetings	44.4%	2	4	29.5%
Accelerate cost management and budget reductions	39.4%	3	3	44.8%
Cause a rethink of our business model as customer preferences shift	37.3%	4	2	47.9%
Be more transparent in communication and information-sharing at all organizational levels	19.0%	5	7	12.3%
Be a flatter organization to de-centralize decision-making	17.6%	6	8	11.0%
Become more appreciative of the personal interactions that contribute to innovation that are lost through remote work	13.4%	7	T-5	16.6%
Increase our external collaboration efforts with nontraditional partners	11.3%	T-8	12	6.8%
Become more data-driven/make more data-driven decisions	11.3%	T-8	T-5	16.6%
Stagger work shifts to prevent overcrowding	9.2%	T-10	14	4.9%
Provide more self-service options (for ex. chatbots, etc) to customers	9.2%	T-10	T-10	9.2%
Aggressively pursue M&As to create efficiencies and spur growth	7.0%	12	13	6.1%
Conduct more regular tabletop exercises to stress test crisis management and contingency plans	6.3%	13	9	10.4%
Restructure our supply chain by seeking intermediate goods suppliers that are closer to our home base	4.2%	14	T-10	9.2%
Key: Red=Ranked #1; Green=ranked #2, Yellow=ranked #3	N=142		N=163	

Mature Market CEOs compared to Emerging Market CEOs

What are the most important long-term impacts/changes to your company resulting				
	Mature Markets	Rank	Rank	Emerging Markets
Speed up the pace of transformation into a digitally driven organization	57%	1	1	41%
Reduced business travel since videoconferencing has been effective for a majority of meetings	45%	2	4	29%
Cause a rethink of our business model as customer preferences shift	41%	3	3	34%
Accelerate cost management and budget reductions	33%	4	2	37%
Be more transparent in communication and information-sharing at all organizational levels	20%	5	8	15%
Increase our external collaboration efforts with nontraditional partners	14%	6	5	20%
Aggressively pursue M&As to create efficiencies and spur growth	12%	7	10	12%
Become more appreciative of the personal interactions that contribute to innovation that are lost through remote work	12%	8	11	10%
Stagger work shifts to prevent overcrowding	11%	9	14	5%
Become more data-driven/make more data-driven decisions	11%	10	7	19%
Be a flatter organization to de-centralize decision-making	9%	11	6	20%
Restructure our supply chain by seeking intermediate goods suppliers that are closer to our home base	7%	12	9	14%
Conduct more regular tabletop exercises to stress test crisis management and contingency plans	5%	13	13	6%
Provide more self-service options (for ex. chatbots, etc) to customers	3%	14	12	10%
Other	3%	15	15	0%
Key: Red=Ranked #1; Green=ranked #2, Yello=ranked #3		N=264		N=327

COVID-19 and Long-Term Impacts on Human Capital Management and Talent Within the Organization

What are the most important long-term impacts/changes to your company resulting from the COVID-19 pandemic relating to employees, talent, and human capital management?

Organizations are redefining how work gets done, with many CEOs and C-Suite executives in Chile committing their organizations to support a remote workforce: When it comes to human capital management in a post-pandemic world, 44 percent of CEOs and 47 percent of C-Suite executives in Chile see an increase in the number of remote workers as one of the most likely long-term impacts of the pandemic. To support that notion both groups say they are rethinking how to design and deploy flexible work arrangements that can better serve employees' evolving work-life needs. According to CEOs in Chile and globally, another likely long-term outcome of the pandemic, one closely related to the goal of digital transformation, is the **creation of agile project teams** as the new nexus of how work gets done.

Global CEO: Long-term Impact on Employees, Talent, and Human Capital Management

What are the most important long-term impacts/changes to your company resulting from the COVID-19 pandemic? (Employees/Talent: Select no more than 3)												
	Global CEO	Rank	Chile CEO	Rank	USA CEO	Rank	China CEO	Rank	Europe CEO	Rank	Japan CEO	Rank
Adopt new work policies to include more flexible work hours	35.1%	1	43.1%	2	33.3%	2	23.9%	3	44.9%	1	64.0%	1
Increase the number of employees who can work remotely/telecommute on a permanent basis	32.8%	2	43.8%	1	46.5%	1	23.1%	4	44.0%	2	20.2%	6
Create agile project teams to redefine how work gets done	31.6%	3	26.3%	4	15.2%	7	41.9%	1	34.0%	3	24.7%	T-2
Emerge with a smaller permanent workforce while making greater use of temporary and flexible workforce	19.2%	4	23.4%	6	13.1%	9	23.1%	4	13.9%	8	21.4%	5
Move most of our skills training online	18.2%	5	12.4%	9	18.2%	6	25.6%	2	22.0%	5	5.6%	12
Increase spending on infection control supplies in business locations	18.0%	6	13.9%	8	14.1%	8	19.7%	6	13.8%	9	19.1%	7
Reduce office space as more people will telework more days	17.7%	7	32.9%	3	26.3%	3	15.4%	9	20.6%	6	10.1%	9
Have leaner functions as tasks shift from humans to machines	16.2%	8	3.7%	13	13.1%	9	18.0%	7	7.3%	11	23.6%	4
Devote more resources to mental health support/well-being for employees	13.9%	9	5.1%	12	9.1%	11	12.0%	10	18.0%	7	19.1%	7
Reconfigure our physical office space to allow for social distancing	12.9%	10	24.1%	5	19.2%	5	3.4%	12	30.6%	4	9.0%	10
Bring workers now working remotely because of the pandemic back into the office	12.5%	11	14.6%	7	23.2%	4	5.1%	11	12.2%	10	4.5%	13
Digitally track employees more closely	11.4%	12	11.0%	10	2.0%	13	18.0%	7	6.3%	12	24.7%	T-2
Will have a shorter work week with fewer hours required on the job	4.3%	13	8.0%	11	2.0%	13	3.4%	12	2.1%	13	9.0%	10
Improve paid sick leave entitlements	2.0%	14	0.7%	T-14	3.0%	12	2.6%	14	0.5%	15	2.3%	14
Other	1.7%	15	0.7%	T-14	2.0%	13	0.9%	15	1.1%	14	2.3%	14
Key: Red=Ranked #1; Green=ranked #2, Yellow=ranked #3	N=575		N=137		N=99		N=117		N=105		N=89	

Chile CEOs compared to Chile C-Suite executives: Long-term Impact on Employees, Talent, and Human Capital Management

What are the most important long-term impacts/changes to your company resulting from the COVID-19 pandemic? (Employees/Talen				
Impact on Human Capital Management	Chile CEO	CEO Rank	C-Suite Rank	Chile C-Suite
Increase the number of employees who can work remotely/telecommute on a permanent basis	43.8%	1	46.8%	1
Adopt new work policies to include more flexible work hours	43.1%	2	43.0%	2
Reduce office space as more people will telework more days	32.9%	3	33.5%	3
Create agile project teams to redefine how work gets done	26.3%	4	27.9%	4
Reconfigure our physical office space to allow for social distancing	24.1%	5	20.3%	6
Emerge with a smaller permanent workforce while making greater use of temporary and flexible workforce	23.4%	6	17.1%	7
Bring workers now working remotely because of the pandemic back into the office	14.6%	7	13.3%	8
Increase spending on infection control supplies in business locations	13.9%	8	9.5%	10
Move most of our skills training online	12.4%	9	20.9%	5
Digitally track employees more closely	11.0%	10	9.5%	10
Will have a shorter work week with fewer hours required on the job	8.0%	11	5.1%	13
Devote more resources to mental health support/well-being for employees	5.1%	12	10.1%	9
Have leaner functions as tasks shift from humans to machines	3.7%	13	5.7%	12
Improve paid sick leave entitlements	0.7%	14	0.6%	15
Other	0.7%	14	3.2%	14
Key: Red=Ranked #1; Green=ranked #2, Yello=ranked #3		N = 137		N= 158

COVID-19 and Long-Term Impacts on the Economy, Business, and Society

What are the most important long-term impacts/changes to the economy, business, and society resulting from the COVID-19 pandemic?

Consumer buying behaviors will change: While there is clear evidence that COVID-19 has changed consumer behavior at least in the short-term, with online shopping, the use of telemedicine, and curbside pickup increasing, and consumers seeking contactless offerings, an overwhelming majority (79 percent) of CEOs in Chile and 82 percent of C-Suite executives see new buying behaviors emerging as consumers change their perspective on what products and services are important, as one of the most likely long-term impacts of the pandemic. Understanding the nuances behind these changes in buying behavior and which ones will persist in a post COVID-19 world, will have a direct link to the reimagining and remaking of business models as organizations accelerate digitally transformation.

Corporate missions being defined: One likely long-term impact of the pandemic identified by CEOs in Chile and globally is a commitment to redefine their corporate mission and lead their companies for the benefit of all stakeholders – customers, employees, suppliers, communities, and shareholders.

Societies will invest more in social safety nets and pay more attention to public health issues: Among the most likely long-term societal impacts of the pandemic, according to business executives in Chile (combined CEO and C-Suite responses) are improvements to national healthcare systems and more government investment in bolstering social safety nets—two outcomes that would go a long way in mitigating the pain of future pandemics, improve resilience, and begin to address current inequities within the system.

Long-Term Impacts on the Economy, Business, and Society

What are the most important long-term impacts/changes to the economy, business, and society resulting from the COVID-19 pandemic?							
Percent of Respondents citing as likely/highly likely to happen	Chile CEO	Chile C-Suite	Global CEO	USA CEO	China CEO	Europe CEO	Japan CEO
New buying behaviors emerge as consumers change their perspective on what products and services are important.	79%	82%	68%	59%	65%	82%	80%
Governments make substantial new investments in public goods, the social safety net, and public services.	71%	73%	62%	49%	75%	55%	60%
CEOs will redefine company mission and commit to lead their companies for the benefit of all stakeholders – customers, employees, suppliers, communities and shareholders.	66%	58%	64%	55%	58%	71%	70%
Healthcare systems will improve with more attention paid to future pandemic responses	64%	68%	71%	62%	72%	78%	71%
Large firms will have better access to capital markets, giving them an edge over smaller competitors in the recovery	61%	54%	60%	59%	65%	68%	47%
Public health tracking makes people LESS protective of personal data	52%	50%	49%	39%	50%	48%	61%
Efforts to mitigate climate change will accelerate	44%	45%	38%	38%	36%	51%	47%
Globalization will decrease: economic nationalism and protectionism rise as global trade wanes and more production is onshored or near shored	40%	33%	49%	50%	45%	60%	48%
Higher minimum wages instituted for lower paid service workers who were deemed essential during pandemic become permanent	40%	40%	35%	42%	31%	30%	38%
Consumers will be willing to pay more for locally produced brands	35%	41%	43%	47%	36%	52%	53%
People will reverse trends and move from densely packed cities to more open suburbs and ex-burbs	33%	38%	39%	50%	23%	43%	60%
Society's trust in capitalism and market economies will be diminished.	30%	41%	39%	38%	43%	36%	38%

Key: Red=Ranked #1; Green=ranked #2, Yellow=ranked #3

About the Conference Board



Founded in 1916, The Conference Board is the member-driven think tank that delivers trusted insights for what's ahead. Our agenda is simple: to help leaders navigate the biggest issues facing business and better serve society. We believe in innovative approaches that make you think- and act- differently. And everything we do reflects the input of our members and their real-world challenges. We do this by delivering business insights. We connect senior executives across industries and geographies to share ideas, and our experts create fact-based research and consensus-driven policy statements to help leaders address their most important business issues. Because we are independent, non-partisan, and non-profit our work is trusted. If you learned it at The Conference Board you can count on it.

About ICARE



ICARE is a private non-profit corporation and independent of union and political interests, founded in 1953 by entrepreneurs and professionals linked to various sectors of national economic activity with the purpose of promoting business excellence in Chile. <https://www.icare.cl/>

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Charles Mitchell, Executive Director, Knowledge Content and Quality, at The Conference Board, is responsible for the development of member-generated content and ensuring the objectivity, independence, accuracy, and business relevance of the organization's research.

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About the Survey

Since 1999, The Conference Board CEO Challenge® survey has asked CEOs, presidents, and chairmen across the globe to identify the key strategies they intend to use to meet their critical business challenges. With the outbreak of the COVID-19 pandemic in early 2020, we decided to follow up our initial survey published in January 2020 with a special COVID-19 survey focusing on the timing of an economic recovery and the long-term impacts business executives see as the likely legacy of the pandemic. A total of 1,316 C-suite executives, including 606 CEO respondents, participated in the special anonymous survey fielded in June.

To provide a representative view from respondents from around the world, we weighted the responses in aggregates (such as global and major regions) by the square root of the respondent's country share in global output (GDP) divided by the respondent's share in the total number of responses from his/her country. While CEO and C-suite priorities certainly vary on a company-to-company basis, we believe this report can serve as a discussion starter and idea prompter within organizations to ensure that the enterprise understands the challenges it faces, the strategic goals it needs to set to meet those challenges, and the strategies and tactics required to be competitive in a post pandemic global marketplace.

		Overall	Overall
What is your Job Title	CEO	606	46%
	non-CEO	710	54%
	Total	1316	100%
Where is your company's global headquarters located? (CEOs)	Australia/New Zealand	2	0.4%
	Central America	2	0.4%
	China	107	21.4%
	Europe	112	22.4%
	Indian Subcontinent	1	0.2%
	Japan	89	17.8%
	Middle East	14	2.8%
	North America	64	12.8%
	Rest of Asia	1	0.2%
	South America	105	21.0%
	Southeast Asia	2	0.4%
Total	499	100.0%	
Industry (CEOs)	Manufacturing	188	40.3%
	Finance	36	7.7%
	Services	242	51.9%
	Total	466	100.0%
Region (CEOs)	Chile	146	24.1%
	China	122	20.1%
	Europe	110	18.2%
	Gulf Region	16	2.6%
	Japan	95	15.7%
	Other	13	2.1%

	USA	104	17.2%
	Total	606	100.0%
Revenue (CEOs)	Less than \$100 million	326	48%
	\$100 million to under \$5 billion	118	33%
	\$5 billion and above	57	19%
	Total	501	100%