

The image features a financial chart with a grid background. A thick white line represents the index, showing an overall upward trend with some fluctuations. Blue candlestick bars are overlaid on the chart, indicating price movements. The text 'VISTAGE' is prominently displayed in the top left, with 'CEO Confidence Index' below it. At the bottom, the title 'Q1 2022 BUSINESS CONFIDENCE INDEX' is written in large, bold, white letters.

VISTAGE

CEO Confidence Index

Q1 2022 BUSINESS CONFIDENCE INDEX

VISTAGE

MALTA

FULL Confidence Index Report for Q1 2022 - MALTA

This report represents a comparison of data from 157 respondents from the local business community taken between December and January.

In Collaboration with



Insight into the Malta Confidence Index for Q1:

“It is clear that the pandemic has triggered significant disruption to supply chains, and some of the resultant changes may be of a permanent or semi-permanent nature.

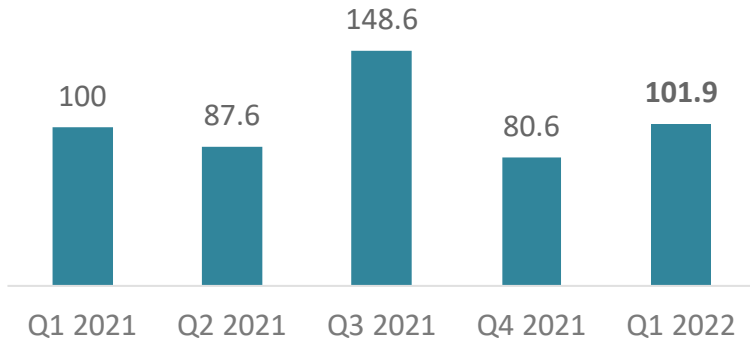
Even where the underlying cost increases are Covid-induced, it is unlikely that price increases will be reversed completely, particularly where the increases are not the result of capacity auctioning but more moderate and systematic, and tied to labour market developments.

A good portion of respondents recognise that human resource shortages will be a major limiting factor and that investment is the key to improving productivity and increasing capacity in future.”

Ms. Marisa Xuereb
President, The Malta Chamber

Expansion plans for investing and hiring drive confidence among Malta businesses

Malta Confidence Index: 6-quarter trend



Source: Q1 2022 Vistage Malta Confidence Index, n = 157
These findings represent data collected from business leaders in partnership between Vistage Malta and the Malta Chamber of Commerce

After a significant drop in September, optimism among Malta businesses rose in Q1 2022 to reach 101.9, up from 80.6 in Q4 2021. Indeed the past year has seen swings in optimism caused by the release of pent-up demand, as well as challenges brought on by talent scarcity, inflation, supply chain and the ongoing pandemic.

Of the six components that comprise the overall Index, the driving factors for this quarter's growth are based on businesses investing in their future. Two-in-five Malta businesses reported plans to increase fixed investments, up 10 points from last quarter and the highest reading to date. A similar proportion (41%) plan to add to their workforce in the year ahead. These plans for hiring are not without challenges due to talent scarcity and increased wages.

Operational capacity and wage pressures among biggest challenges for Malta businesses

Inflation and supply chain issues remain economic headwinds that continue to not only impede growth but also continue to drive price increases for Malta businesses. While 37% of Malta businesses have raised prices in the last 90 days, nearly twice that proportion (73%) plan to raise prices in the year ahead.

However, data show that talent scarcity and wage pressures are the biggest challenges Malta businesses are facing. In fact 80% of Malta businesses reported they were not able to operate at full capacity due to talent shortages. In the face of labor shortages, the focus has shifted to making the existing workforce and workplace more efficient. Currently 69% of Malta businesses are investing in technology to reduce the labor burden; 45% report investing in automation specifically in response to challenges hiring.

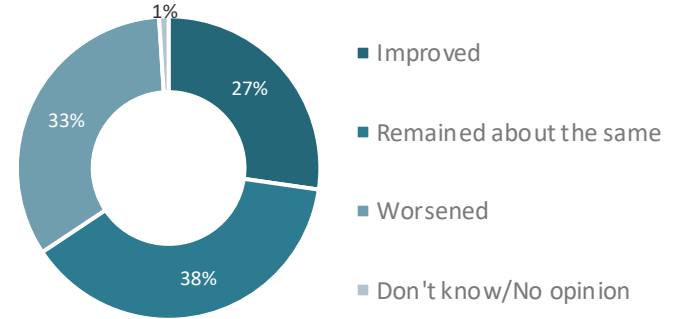
Additionally Malta businesses are seeking to realize more efficiency from their current employees as 56% report they are developing their existing workforce and 54% are reorganizing the workforce. Having the right skills and structure in place will help businesses rebuild capacity despite labor shortages.

While just over half (52%) of Malta businesses have boosted wages specifically to help with hiring, wages topped the list of inflationary impacts that businesses in Malta are experiencing. Over two-thirds (67%) of businesses reported offering higher wages in response to inflationary pressures. Not only will increased wages support hiring, but they will positively impact retention efforts as well, which is important given that 33% of Malta businesses reported decreased retention rates in 2021. Investing in talent is a top area of focus to make gains in productivity and meet demand.

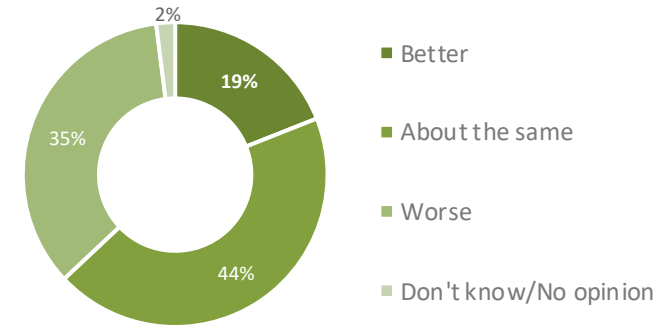
HIGHLIGHTS: Q1 2022 Vistage Malta Confidence Index - ECONOMY

Economy

Compared with a year ago, have overall economic conditions in Malta improved, remained the same, or worsened?



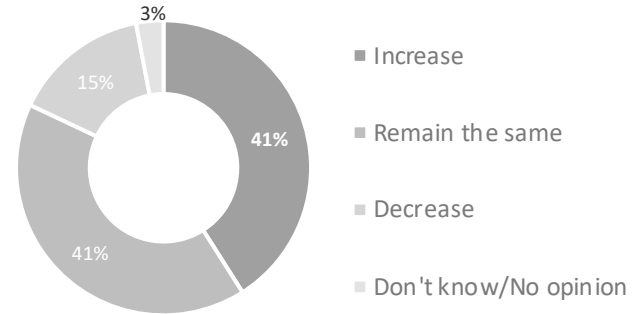
During the next 12 months, do you expect the overall economic conditions in Malta will be better, about the same, or worse than now?



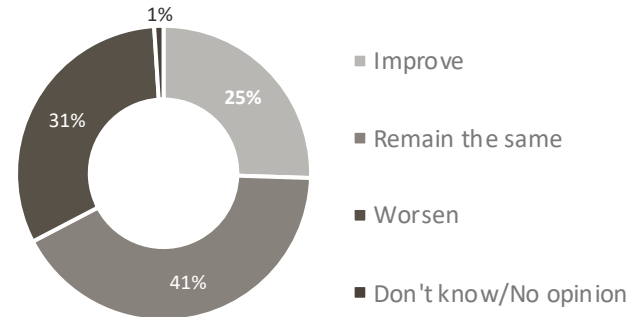
HIGHLIGHTS: Q1 2022 Vistage Malta Confidence Index - PROSPECTS

Prospects

Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?



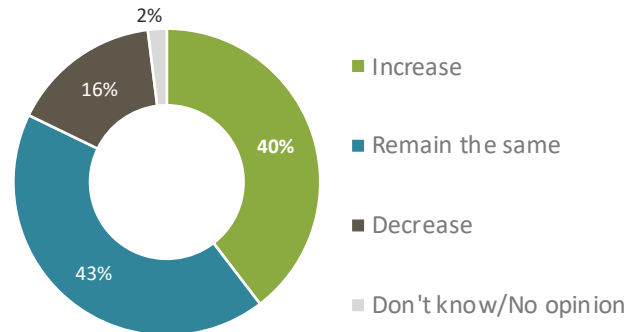
Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?



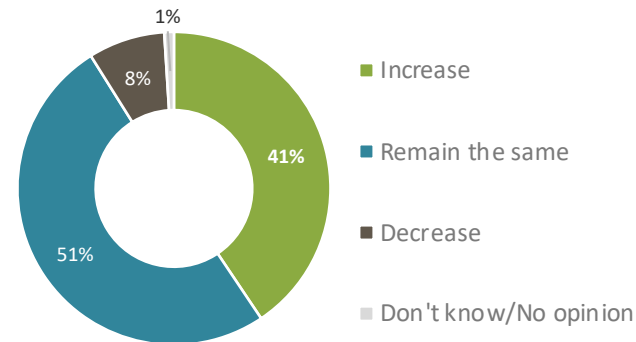
HIGHLIGHTS: Q1 2022 Vistage Malta Confidence Index - EXPANSION

Expansion

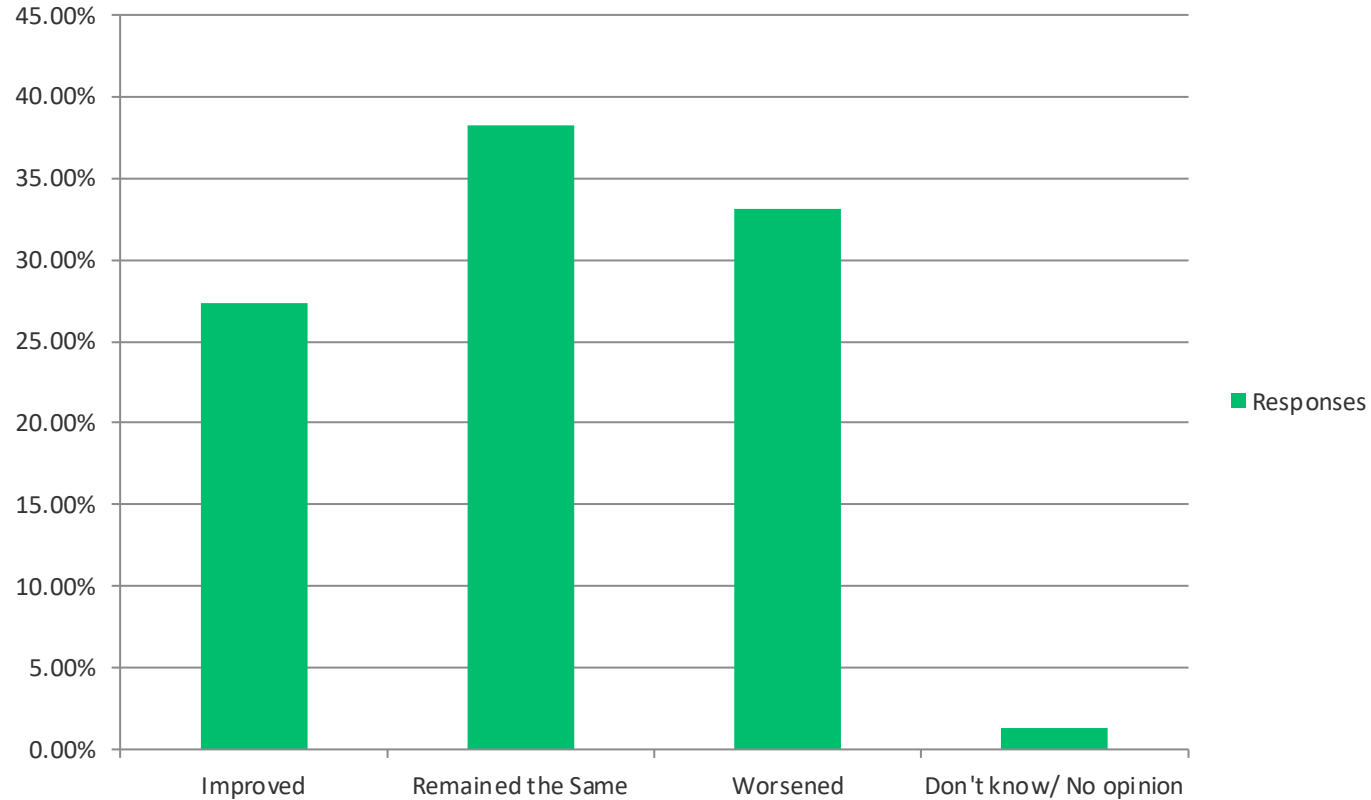
Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?



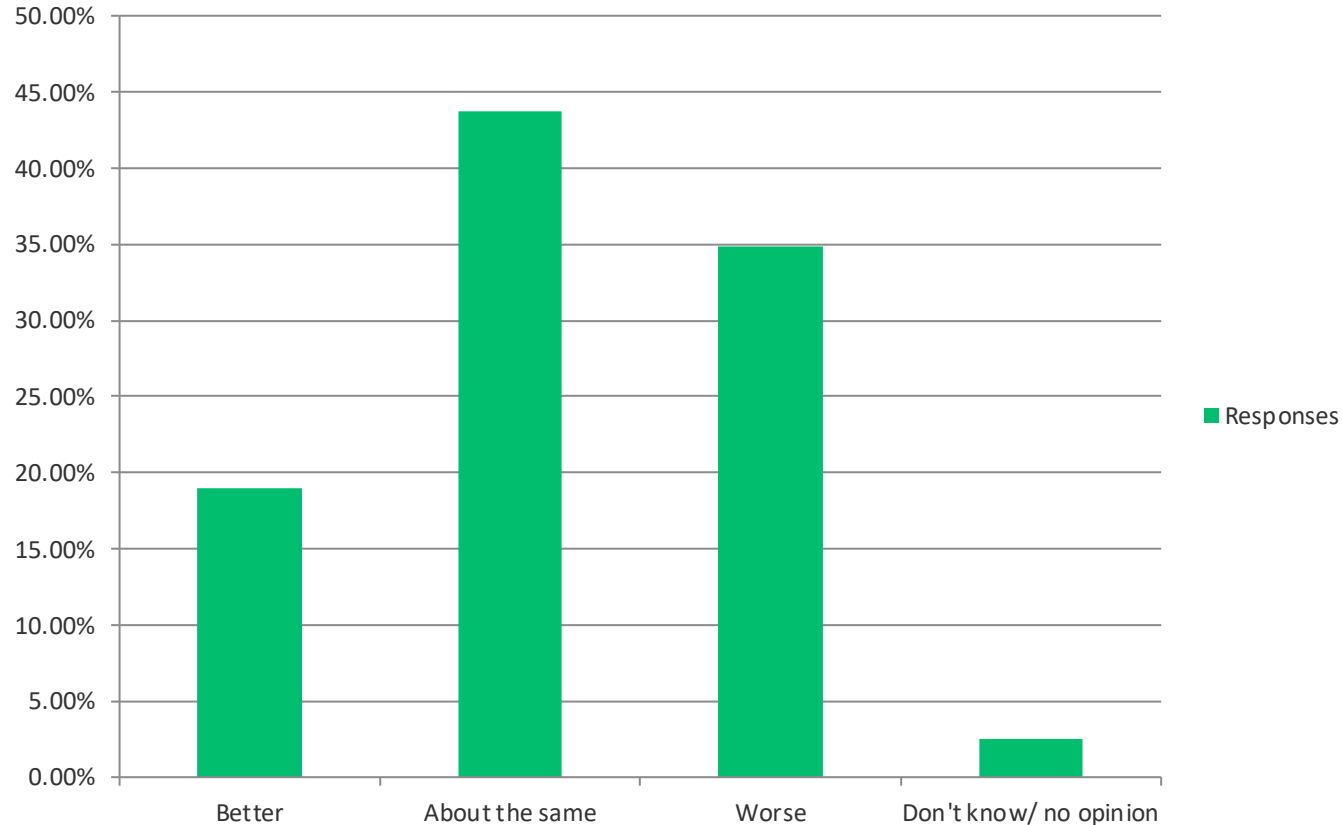
Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?



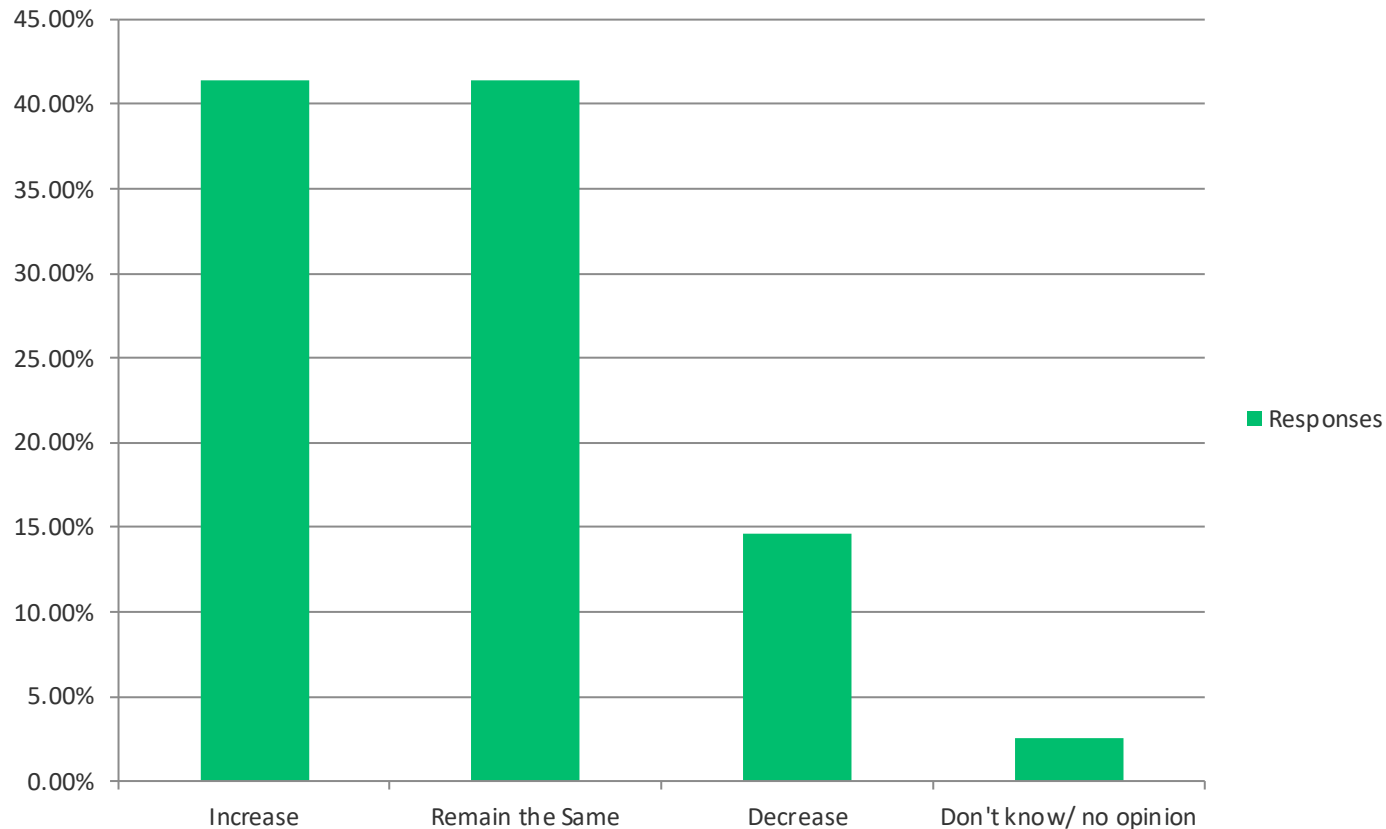
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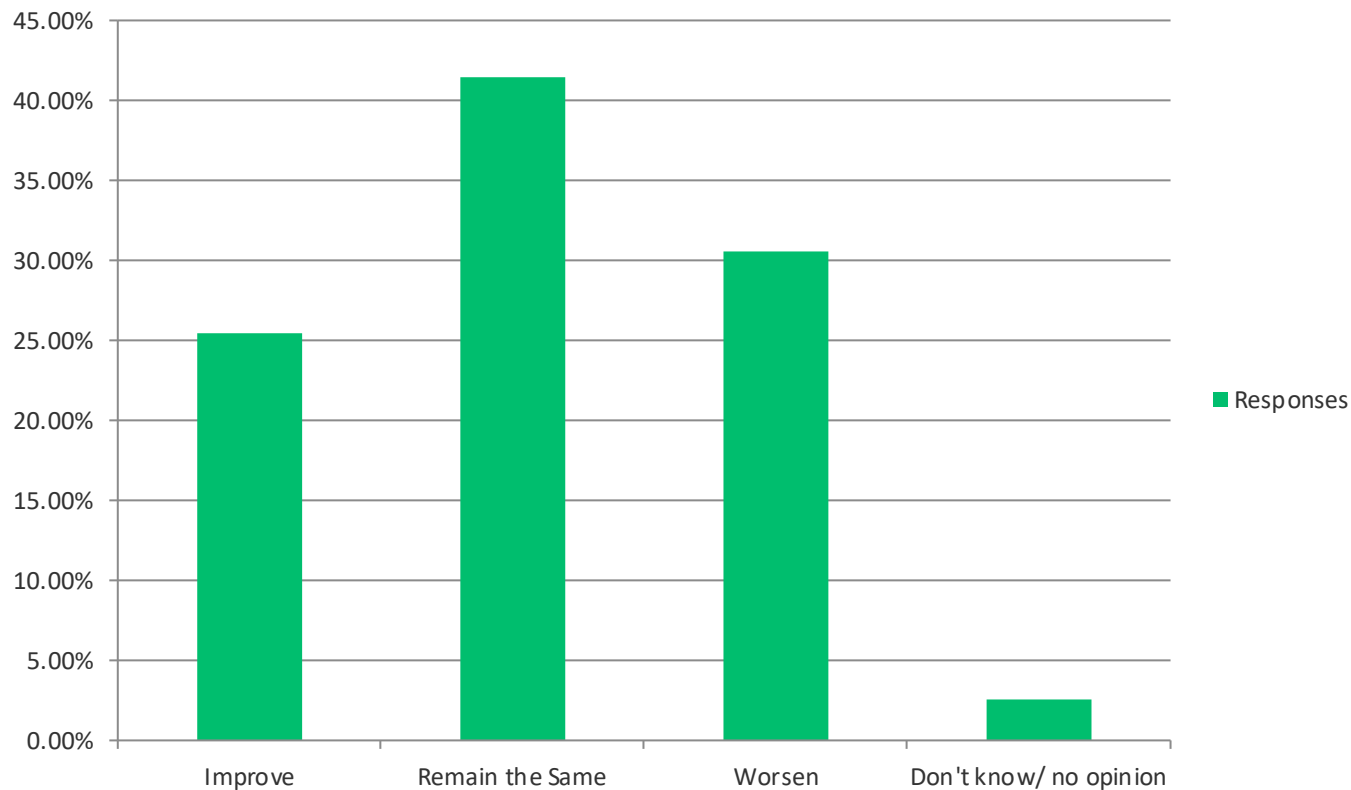
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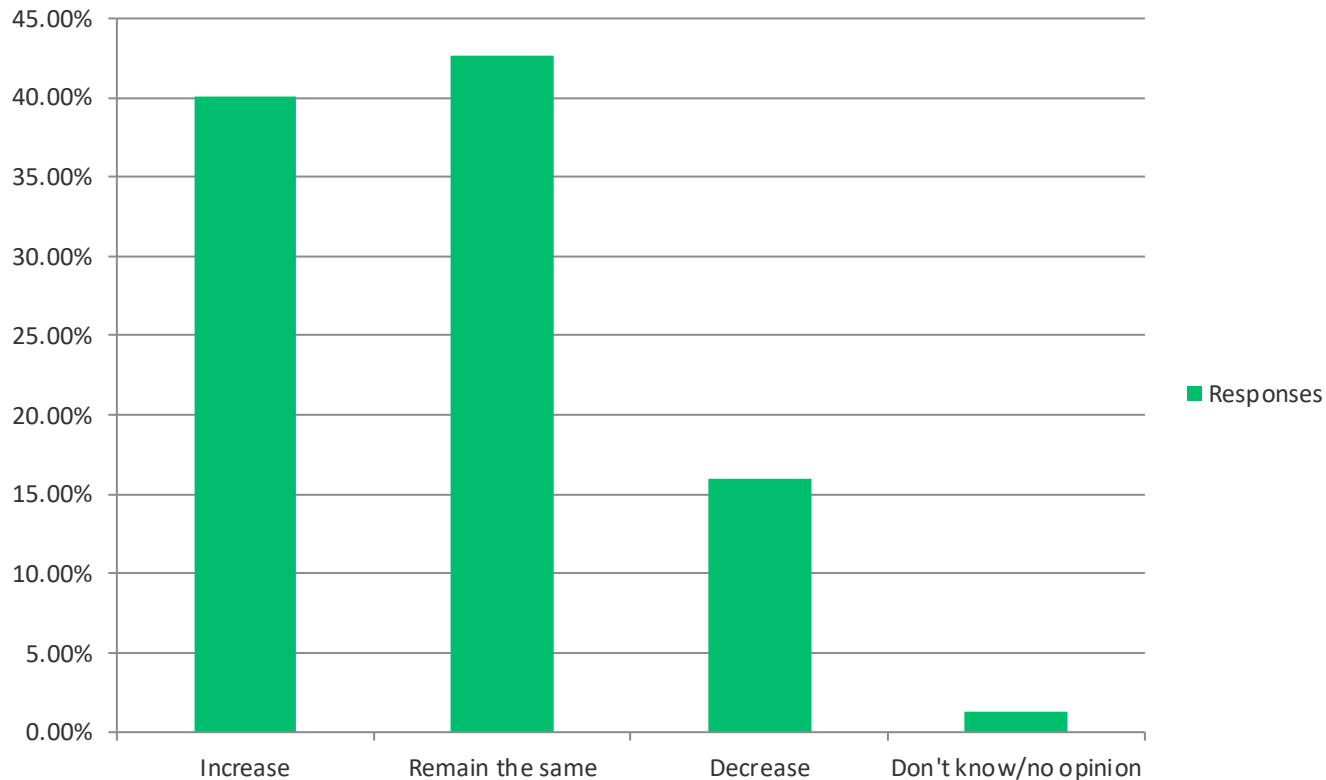
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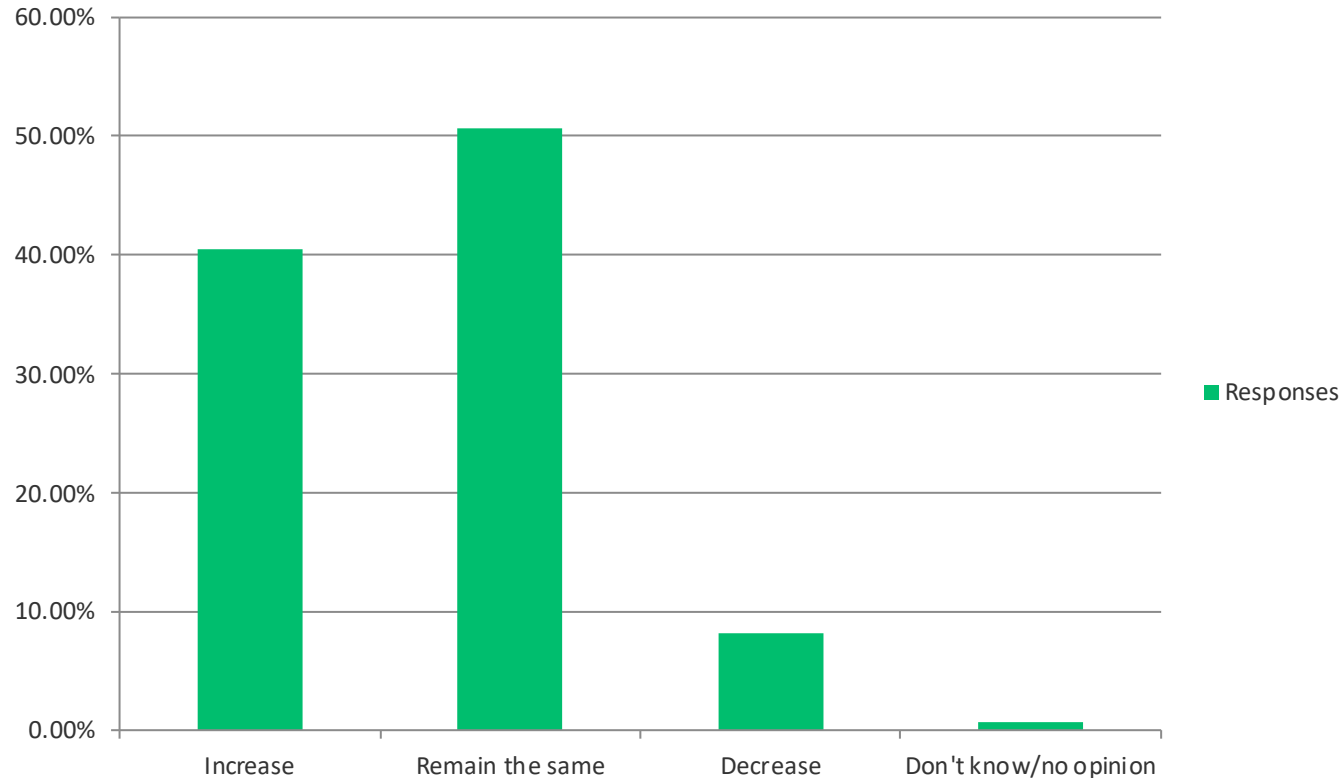
Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?



What are the top three areas of your business you'll invest in during 2022?



Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?



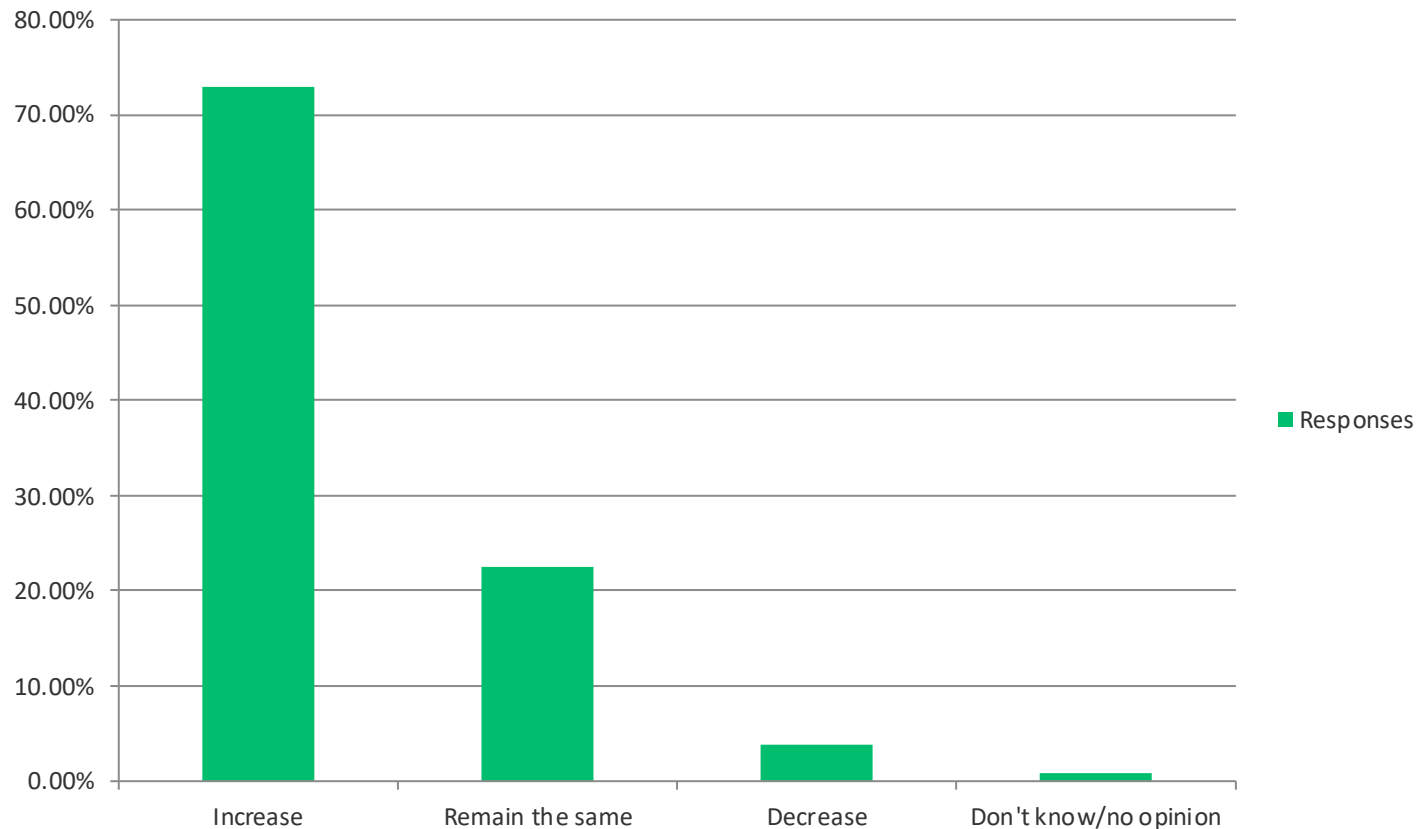
What are the top three decisions you plan to make regarding your business in 2022?



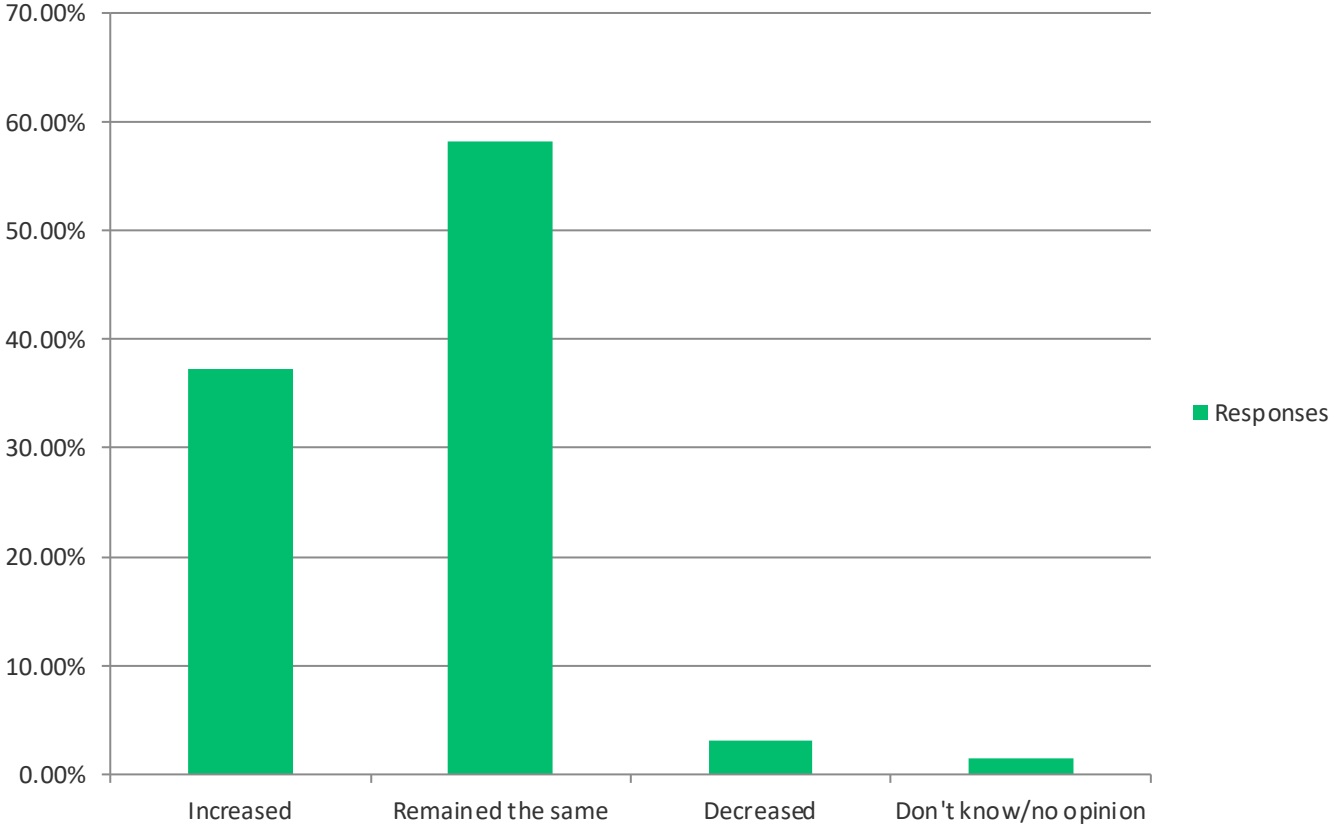
What is the most significant leadership challenge you are facing right now?

lack raw material resources Recruitment Maintaining Personnel business HR
Finding Leading employees market Increase good
staff Keeping Covid quality human resource retention
people Recruiting Malta Finding right Uncertainty costs

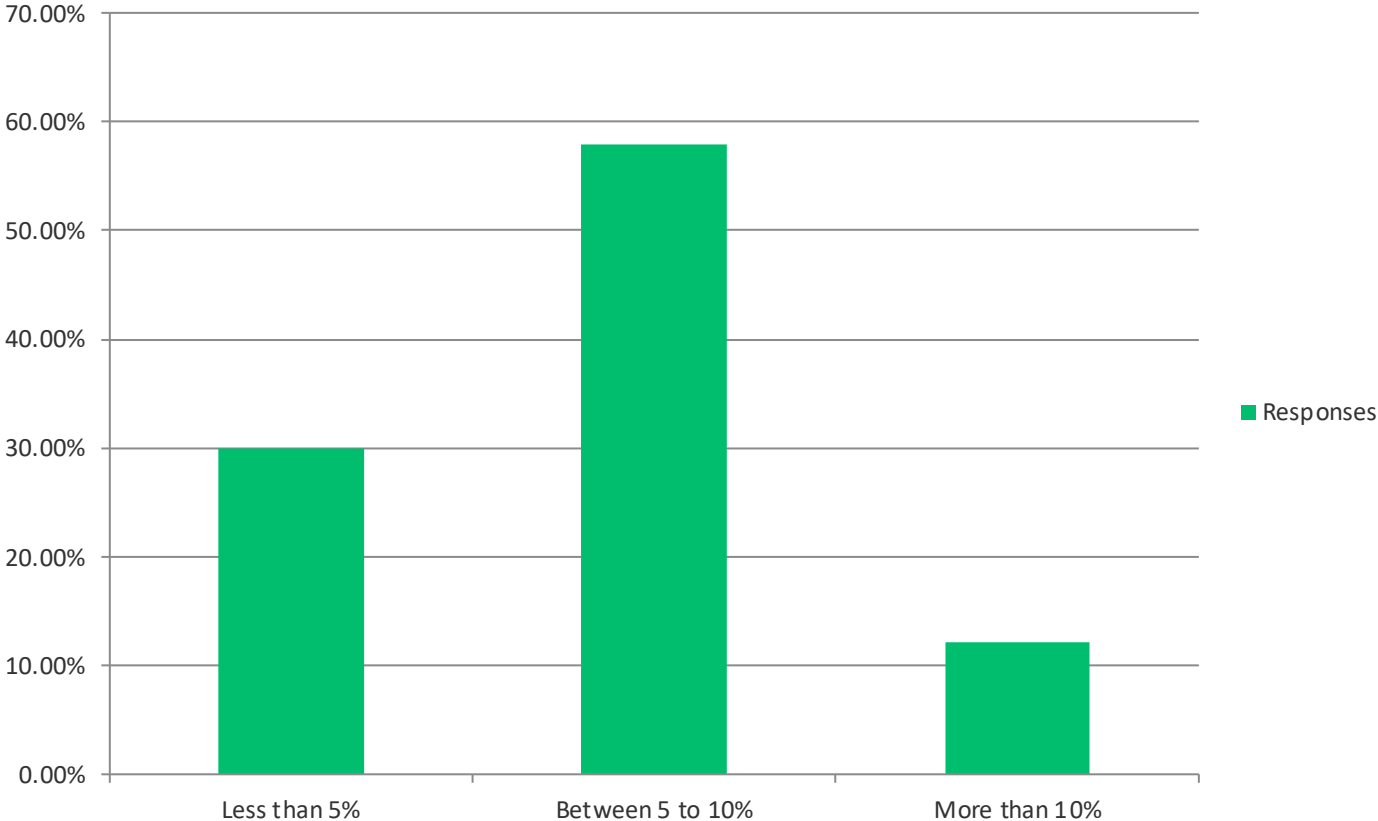
Do you expect prices for your product or service to increase, remain about the same, or decrease during the next 12 months?



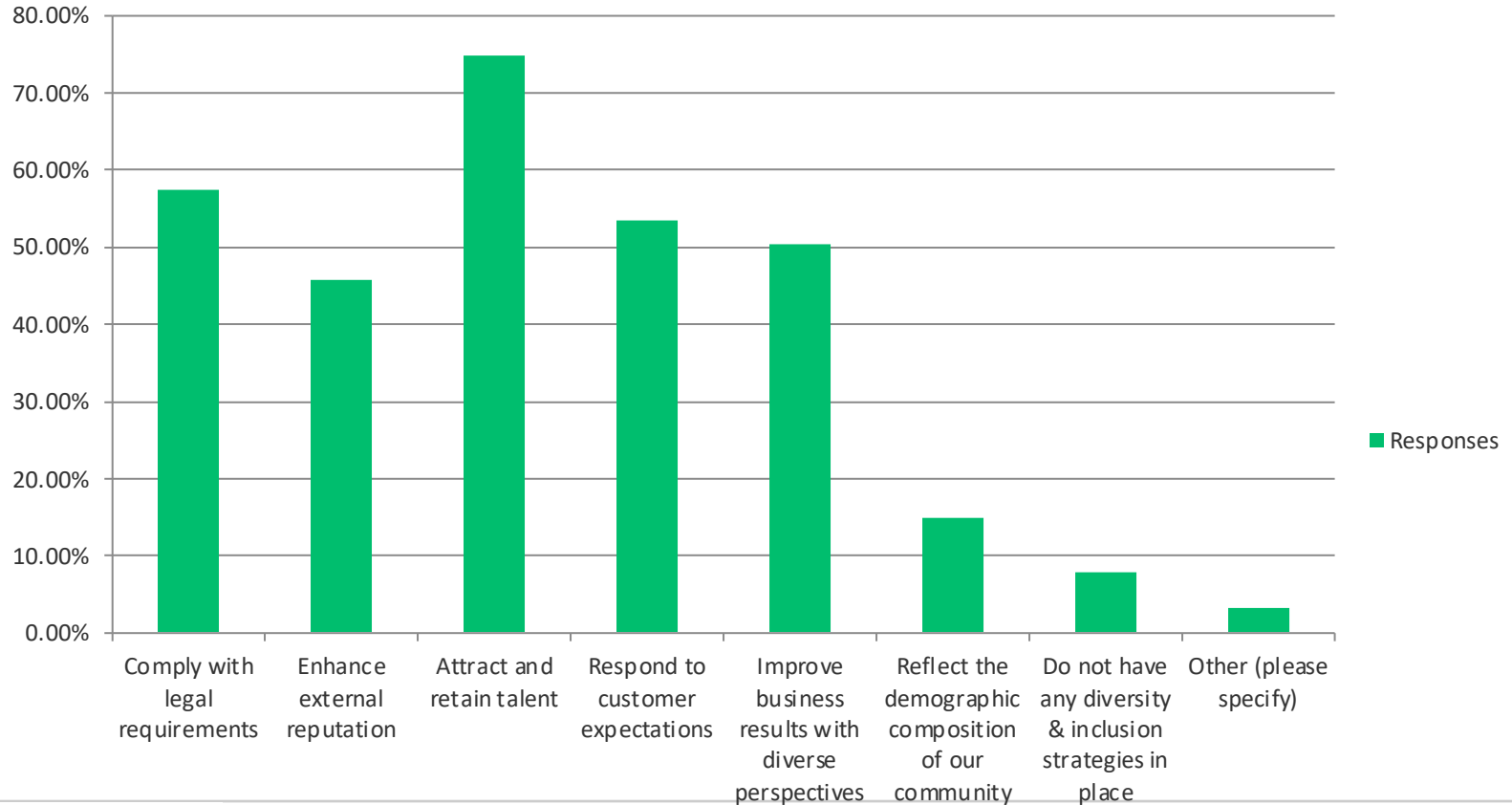
How have your prices changed over the past 90 days?



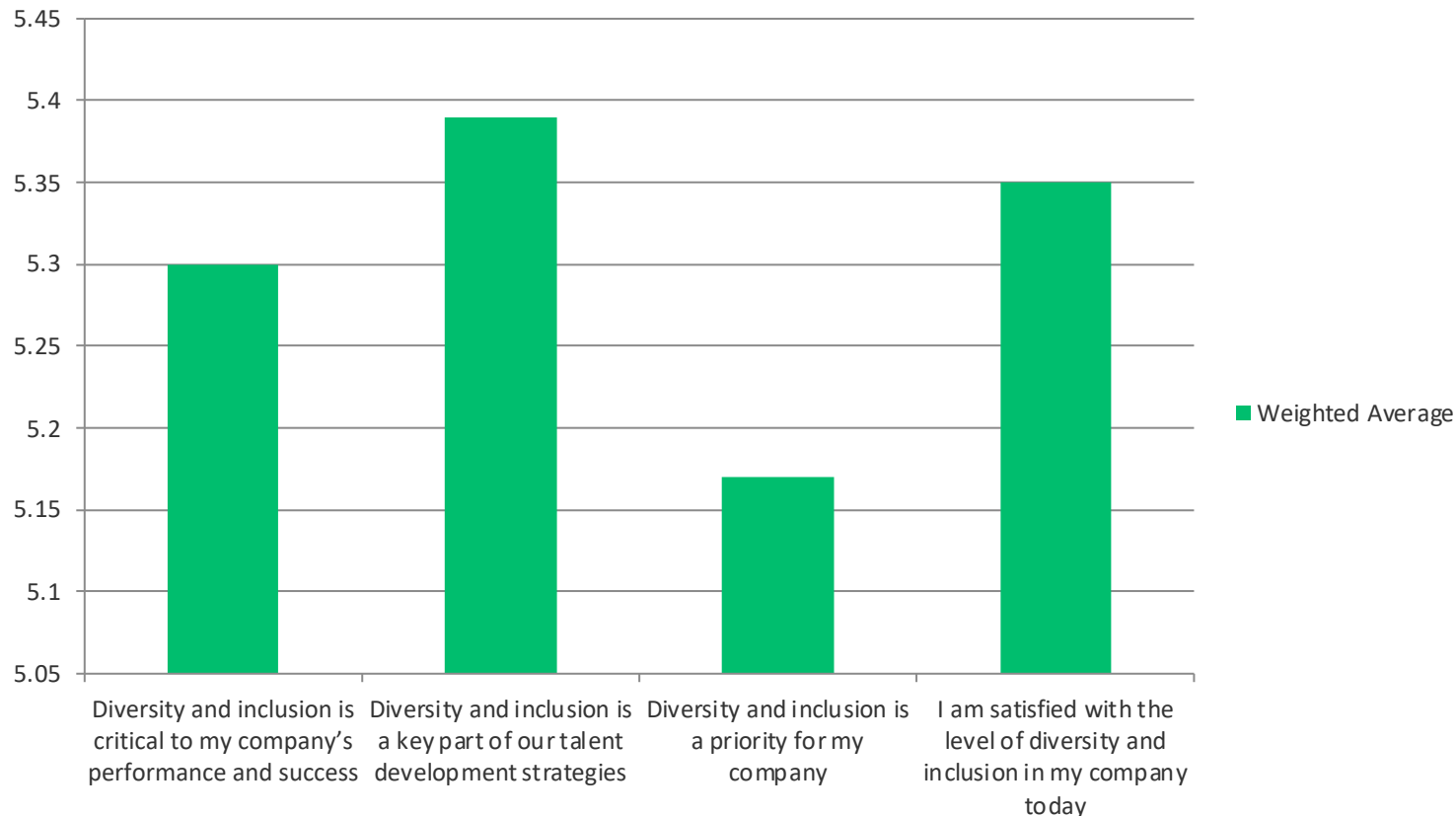
If you expect prices for your product or service to increase: How much are you planning to increase prices in the next 12 months?



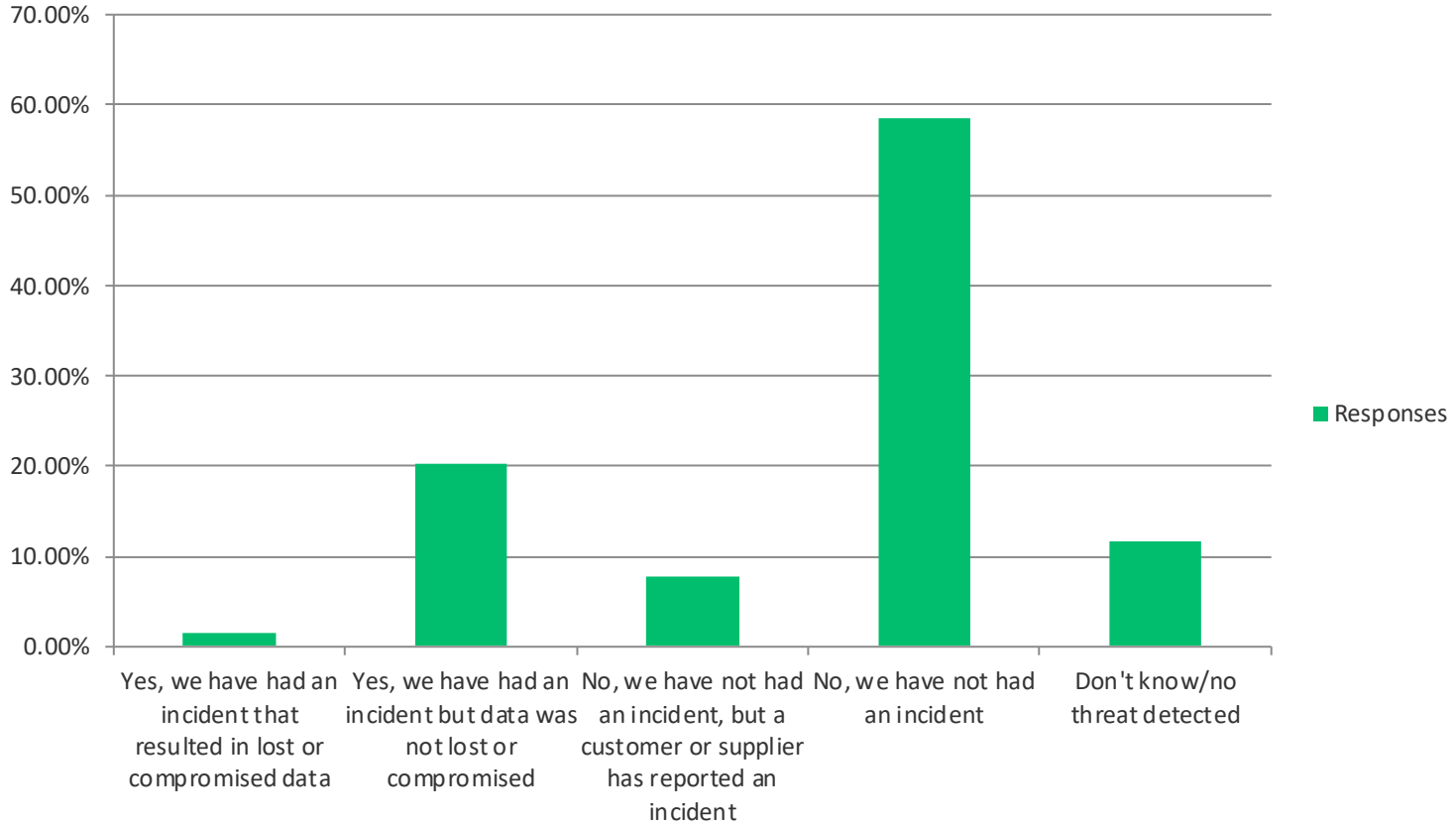
Which are the objectives of your company's diversity & inclusion strategies: (Select all that apply)



Please rate your level of agreement to the following statements on a scale of 1 to 7 with 1 being Strongly Disagree and 7 being Strongly Agree:



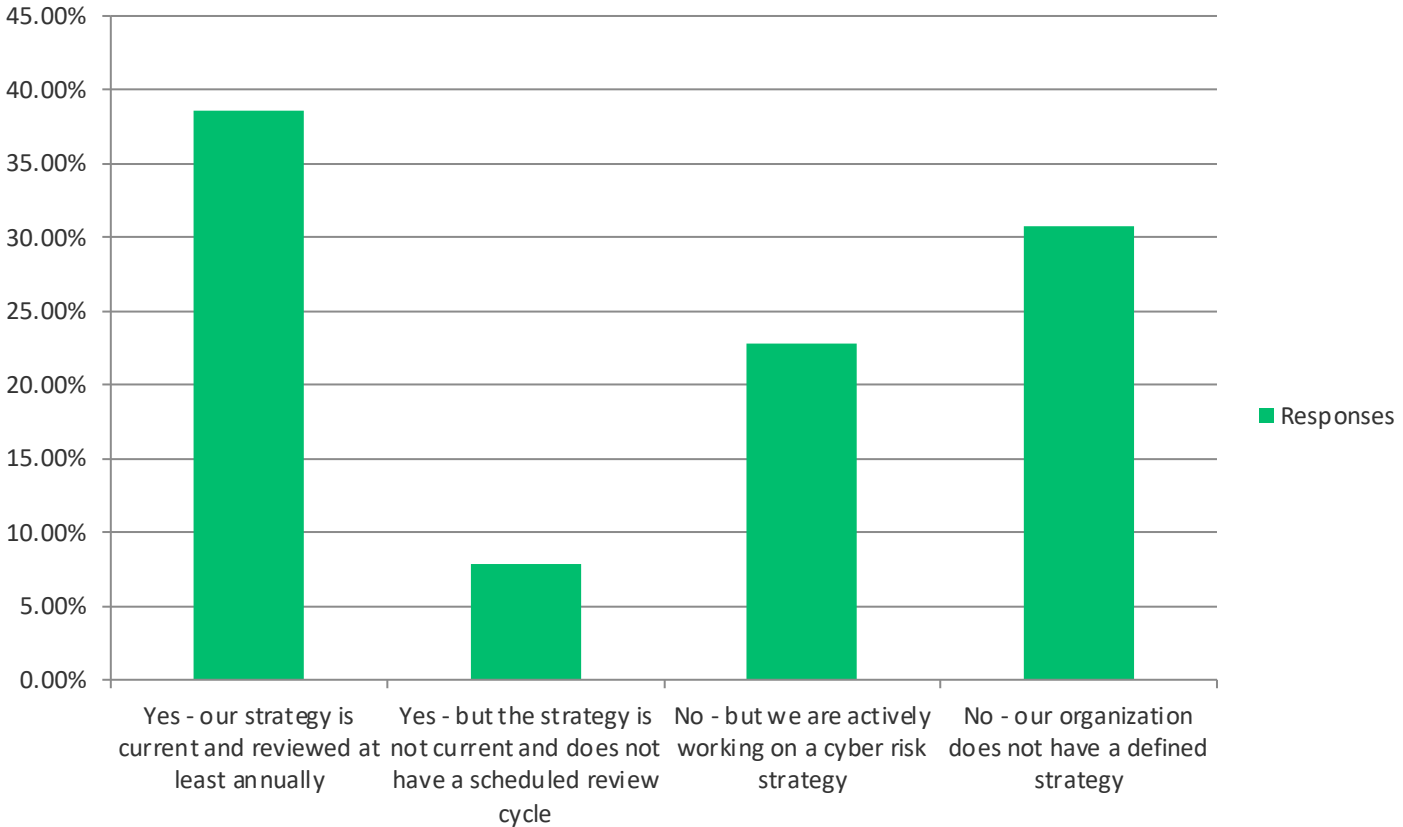
Has your company experienced a cyberattack or threat in the past 12 months?



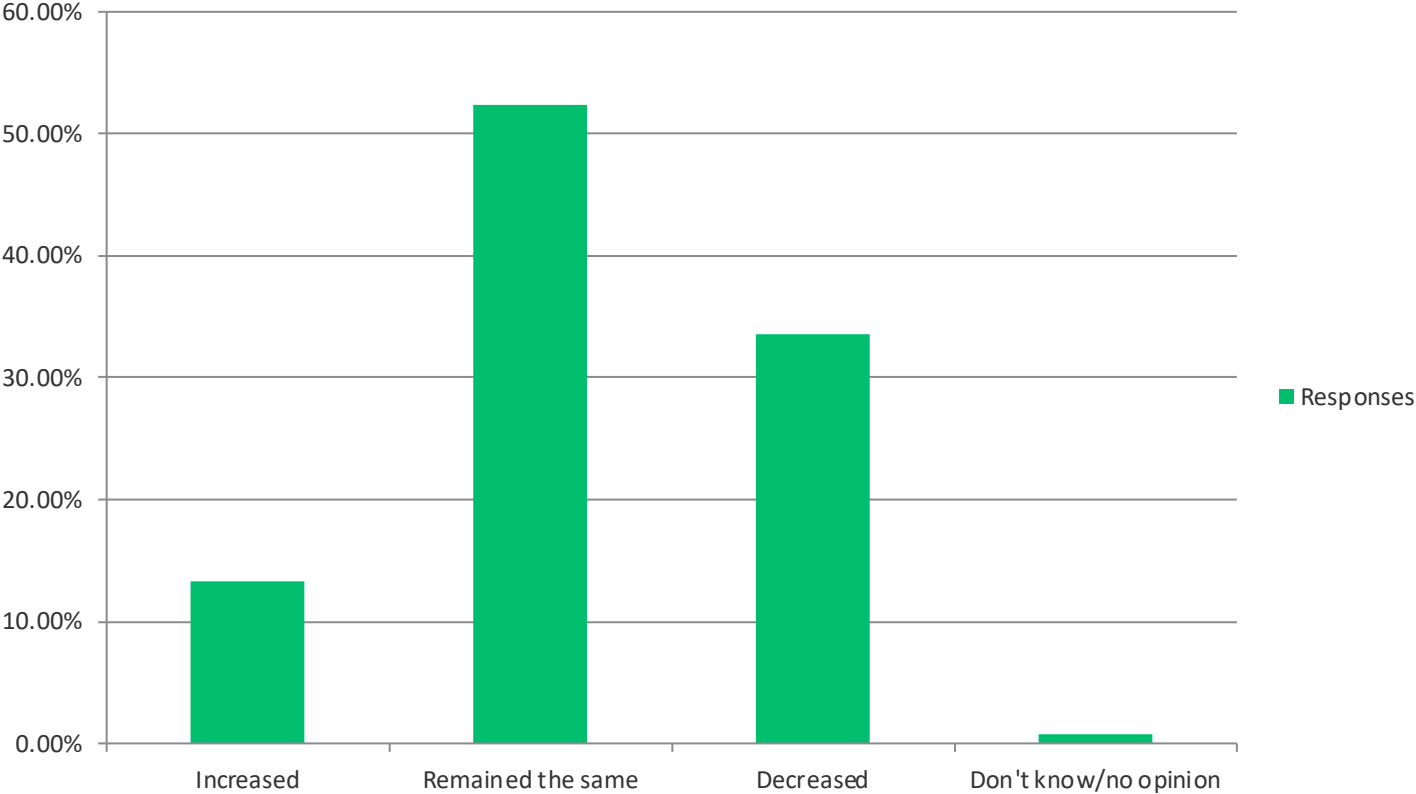
If Yes, please share more detail on the type of incident and how it was addressed:

attack hacked N

Does your company have a defined cyber risk strategy that is documented and communicated to your executive leaders ?



How have your employee retention rates changed since the beginning of 2021?



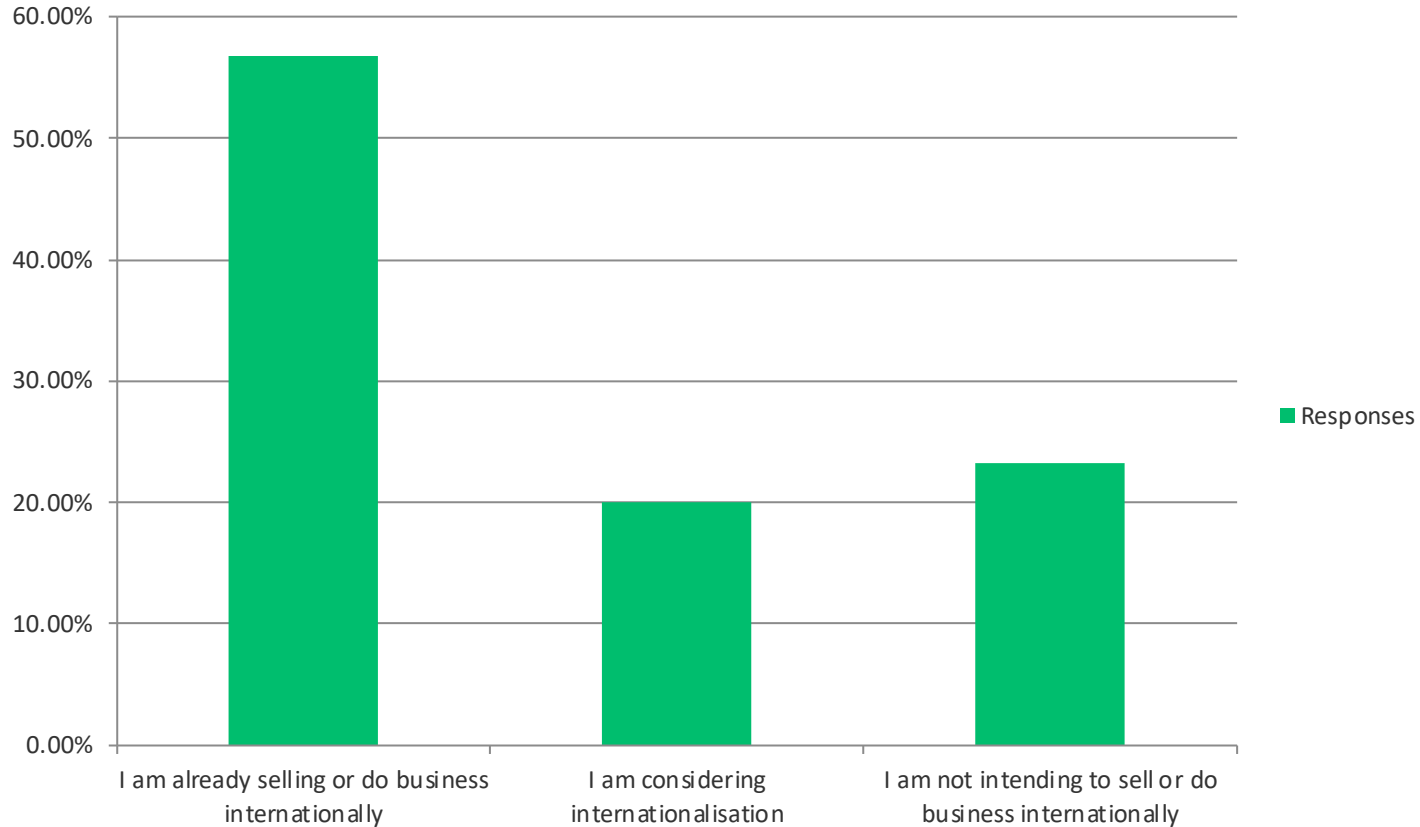
If your retention rates decreased: What changes has your company made in response to high turnover?

None training benefits NA working salaries staff opportunities
increased Trying employees review N job leaving
lack due increasing wages company decrease

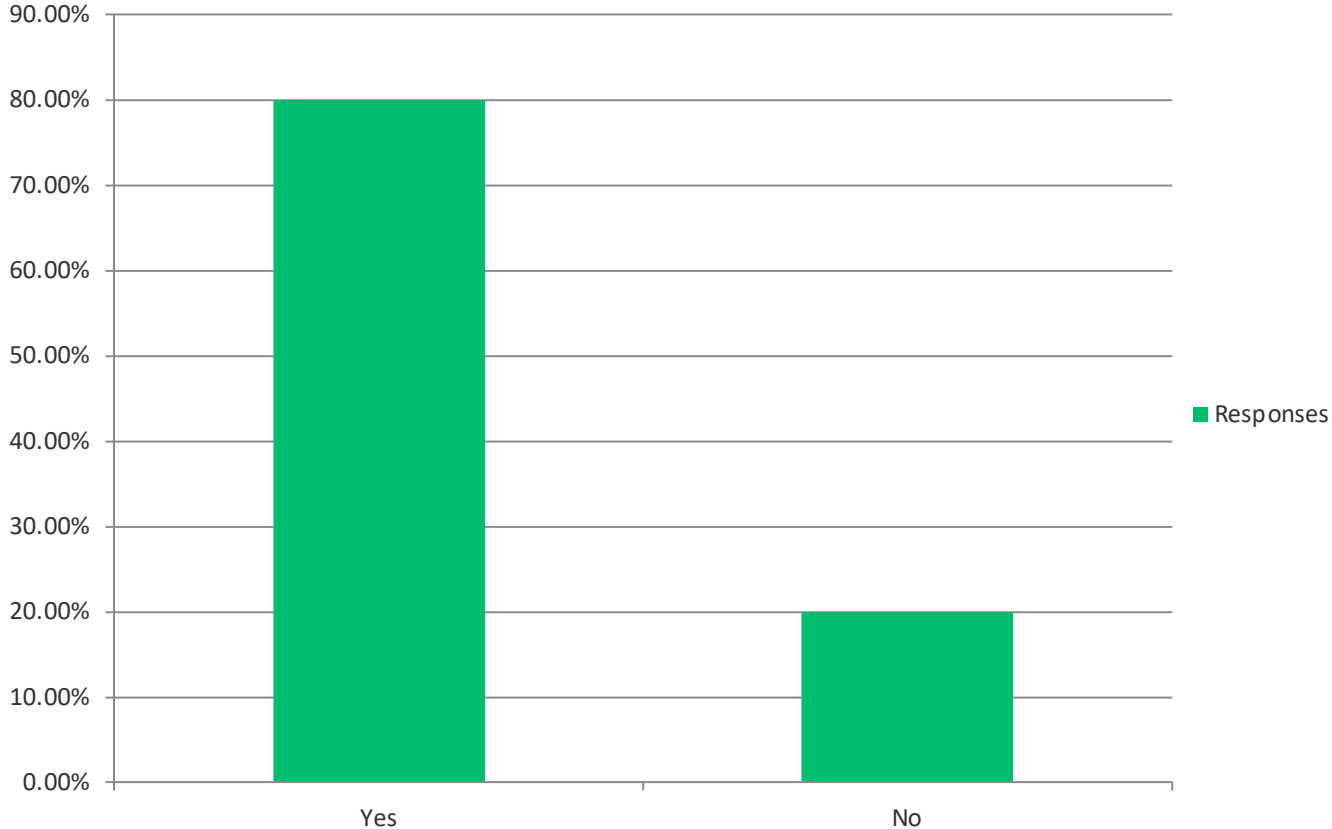
If your retention rates increased: Please share more detail on your efforts that have led to increased employee retention:

COVID team **increase** employee **N**_{na} salaries Better

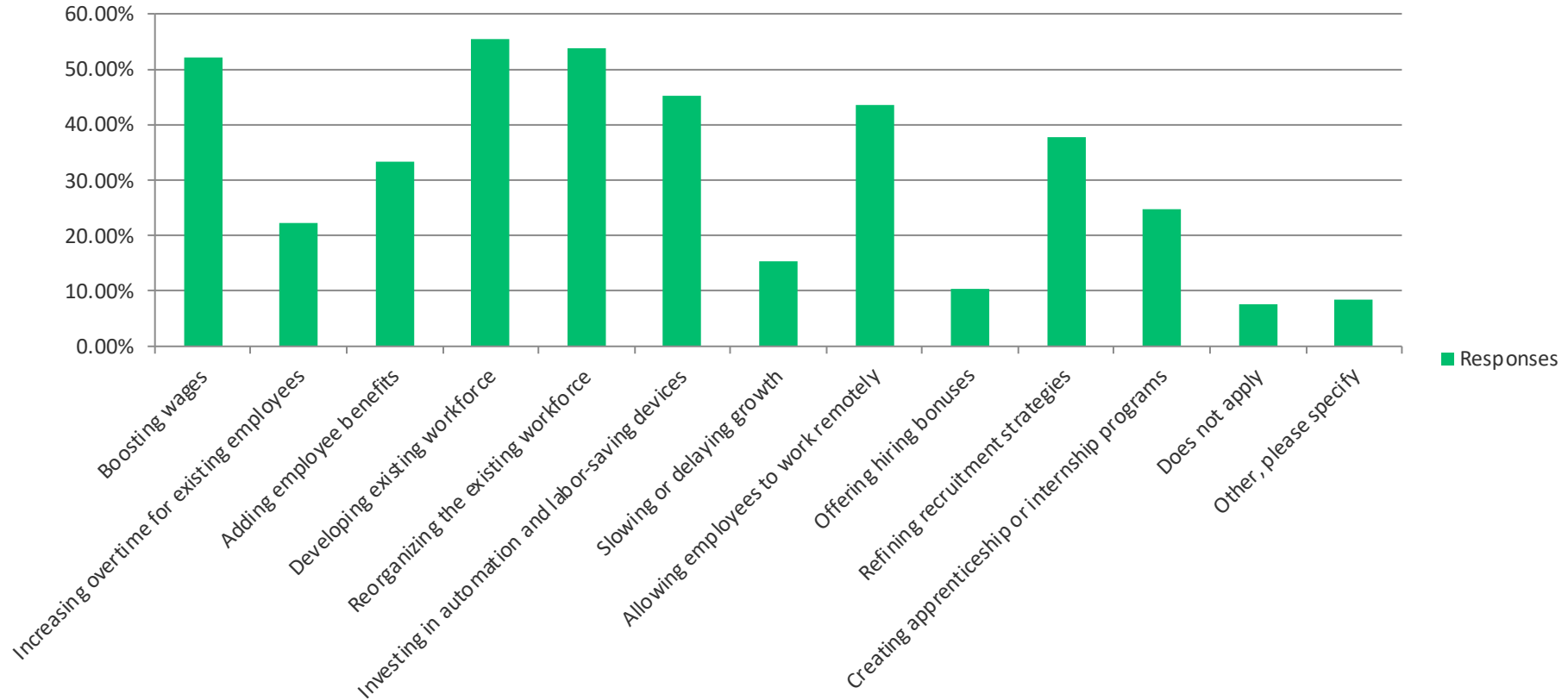
What are your plans around Internationalisation ?



Are hiring challenges impacting your ability to operate your business at full capacity?



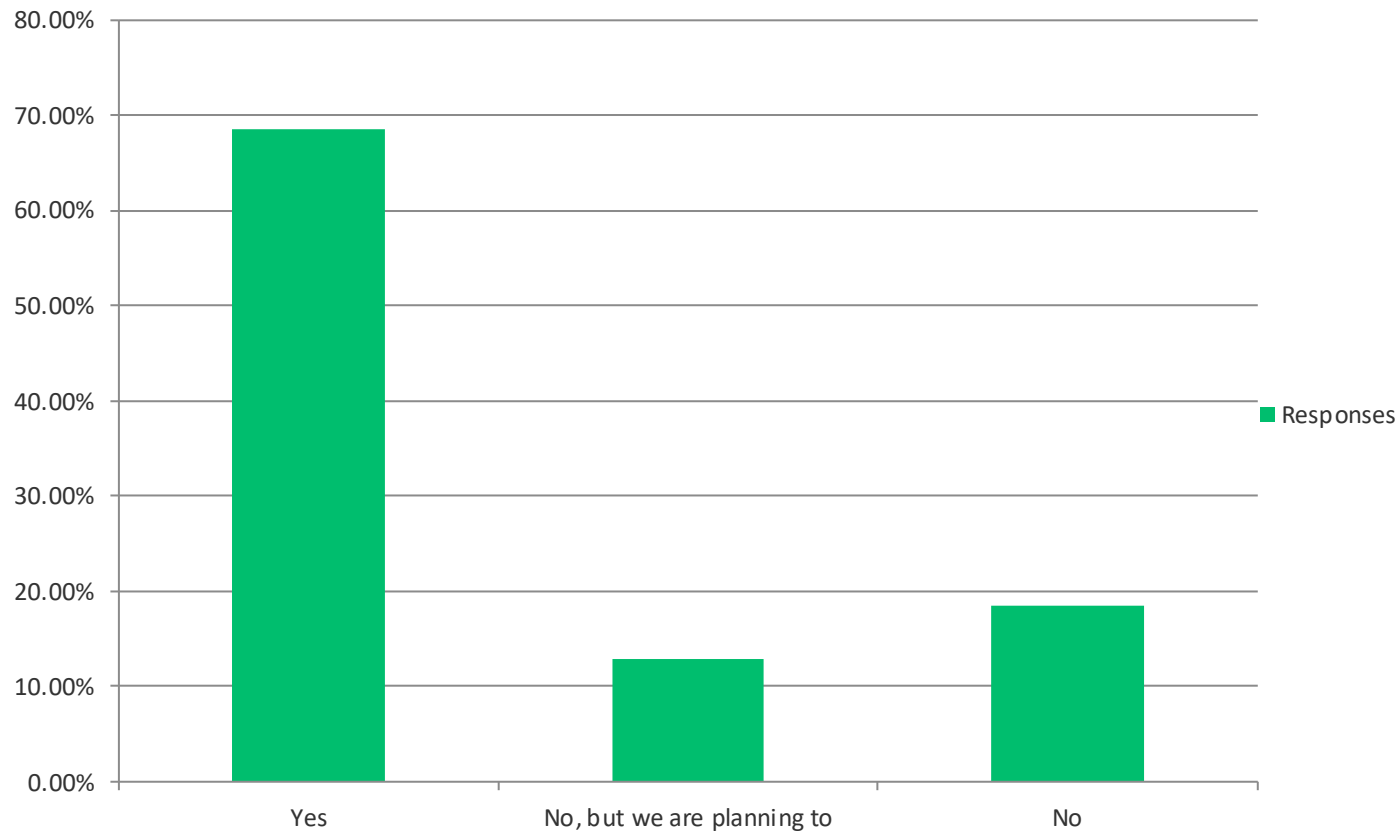
If hiring employees has become more difficult, what are you doing in response? Select all that apply:



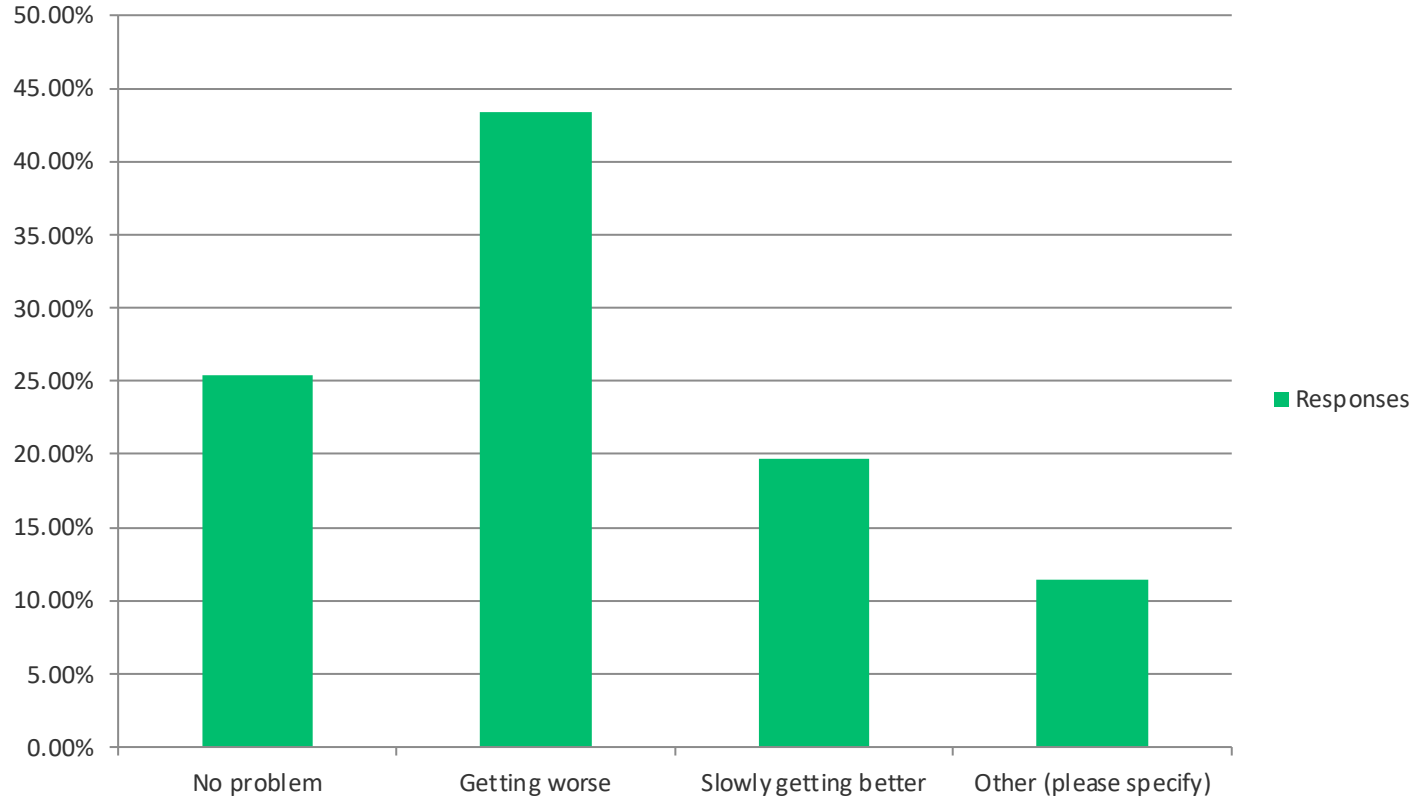
Please share more detail how you are addressing challenges hiring:

processes Third Country Nationals recruiting Try N time agencies challenges
hiring foreigners recruitment team working people
employees engineers better measures company using offering also
training workforce increased

Are you investing in technology to reduce the labour burden in your product or service?



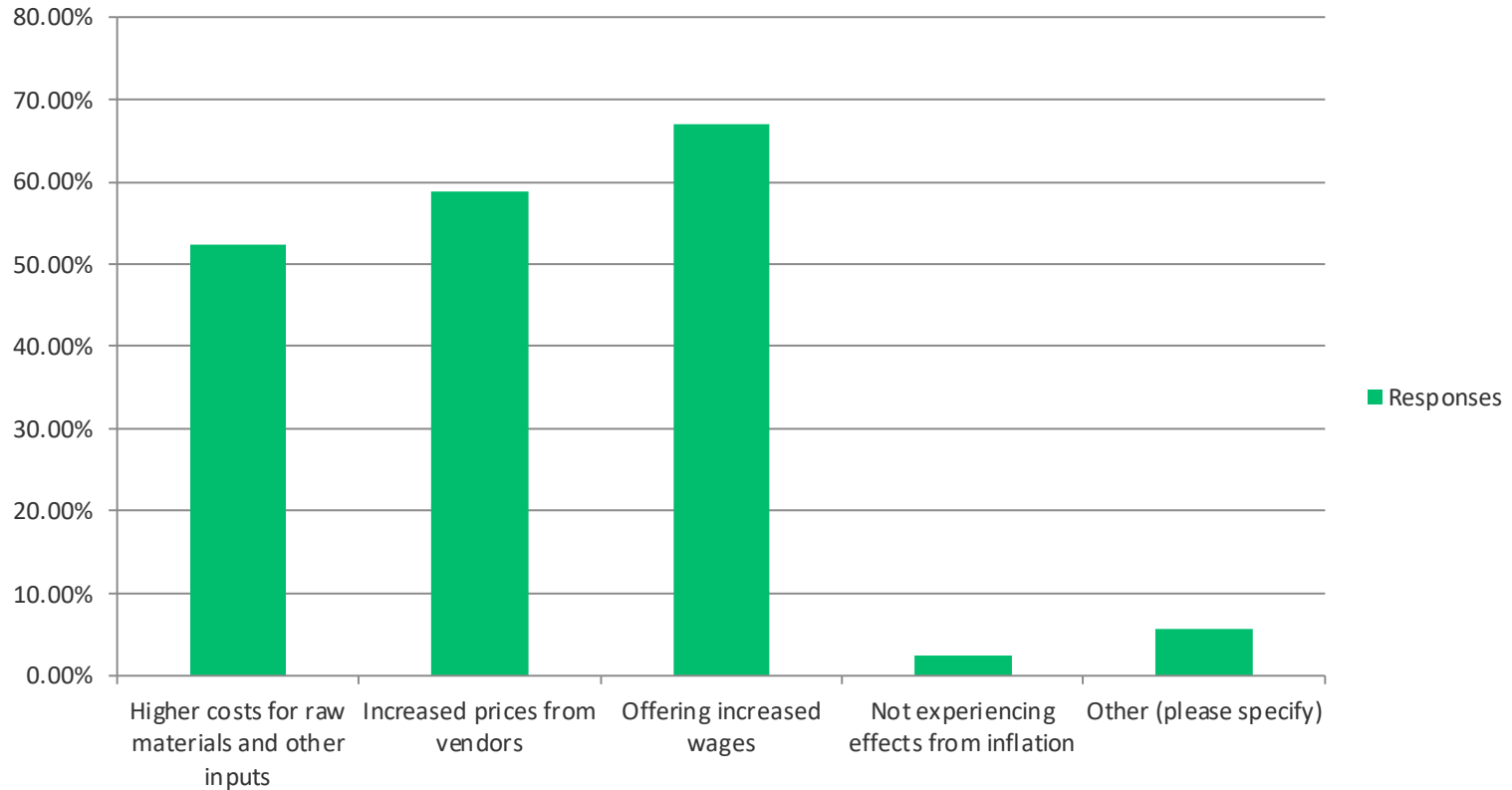
Which best describes your supply chain?



What is your biggest supply chain challenge?

lead times supply material Brexit suppliers Lack availability
transport prices products delays N shipping
logistics Delivery increasing costs Costs customs
increased Goods time raw materials

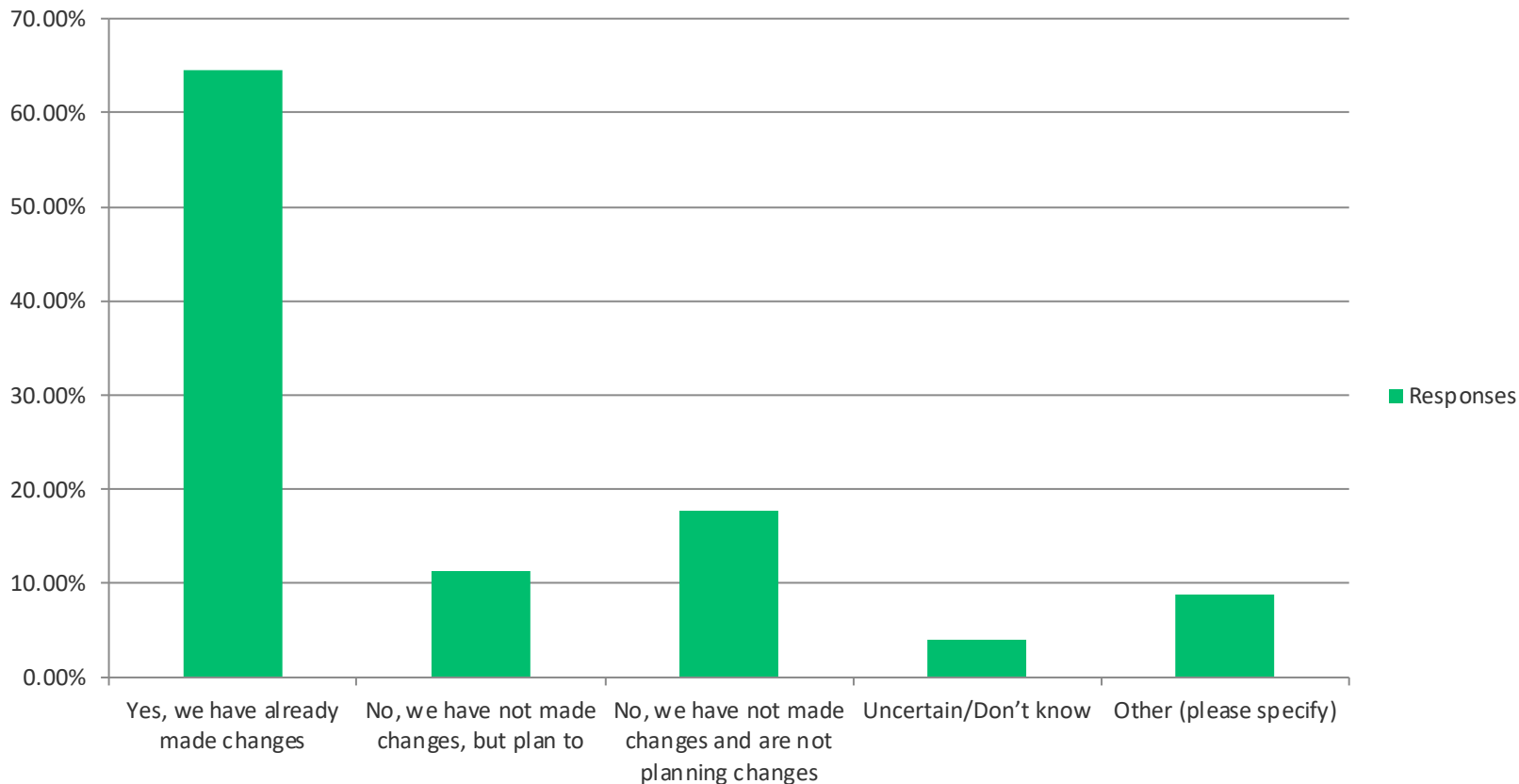
Which effects of inflation are you experiencing for your business? Select all that apply



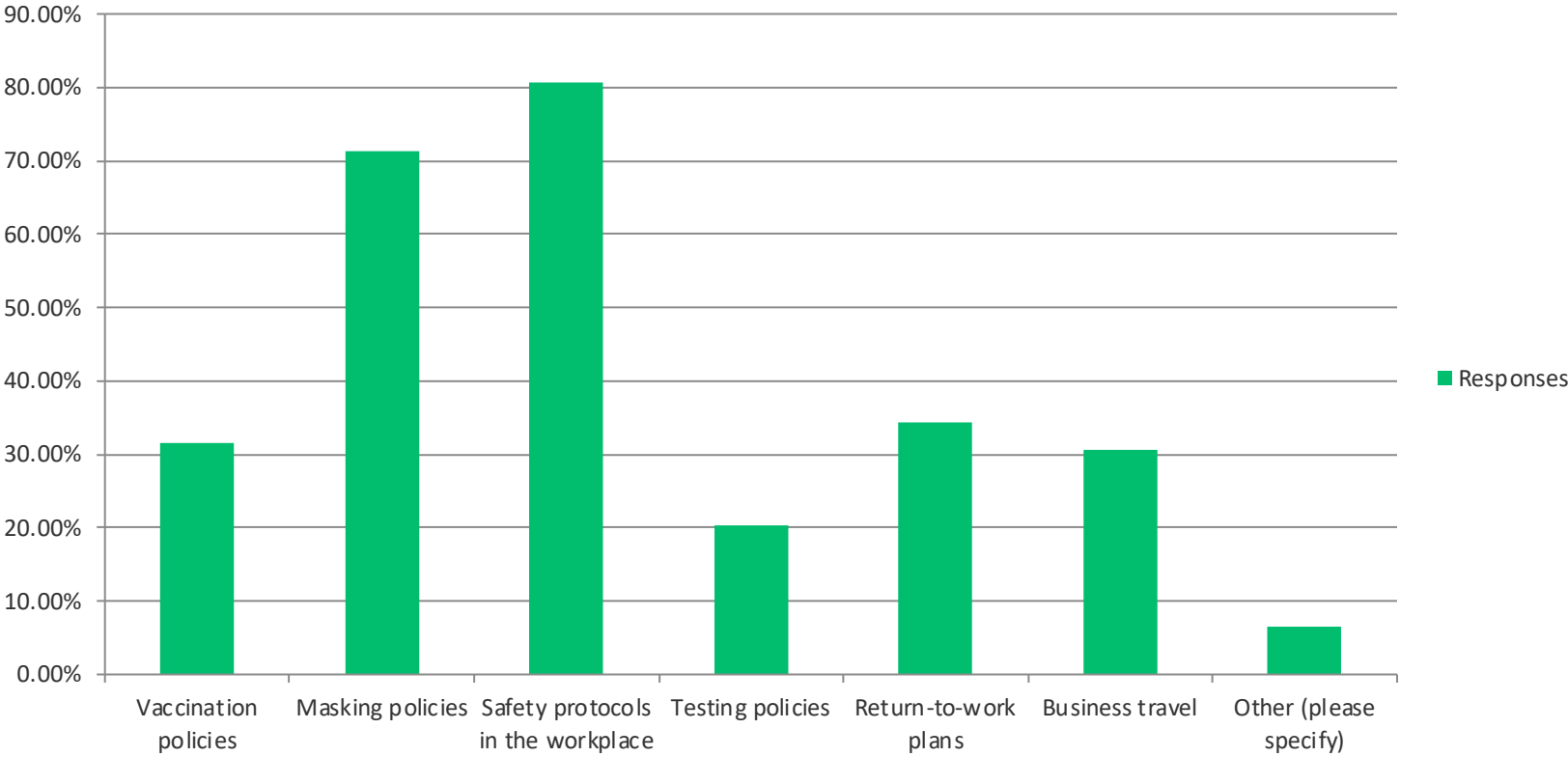
Please share more detail on the effects of inflation you are experiencing and how you are addressing them:

Prices increased wasted due living material freight suppliers
trying Will much increase staff costs best prices
reduce higher absorbed raw material certain wages N product

Has your business made changes in response to the ongoing pandemic, the Omicron variant or government actions? Select all that apply



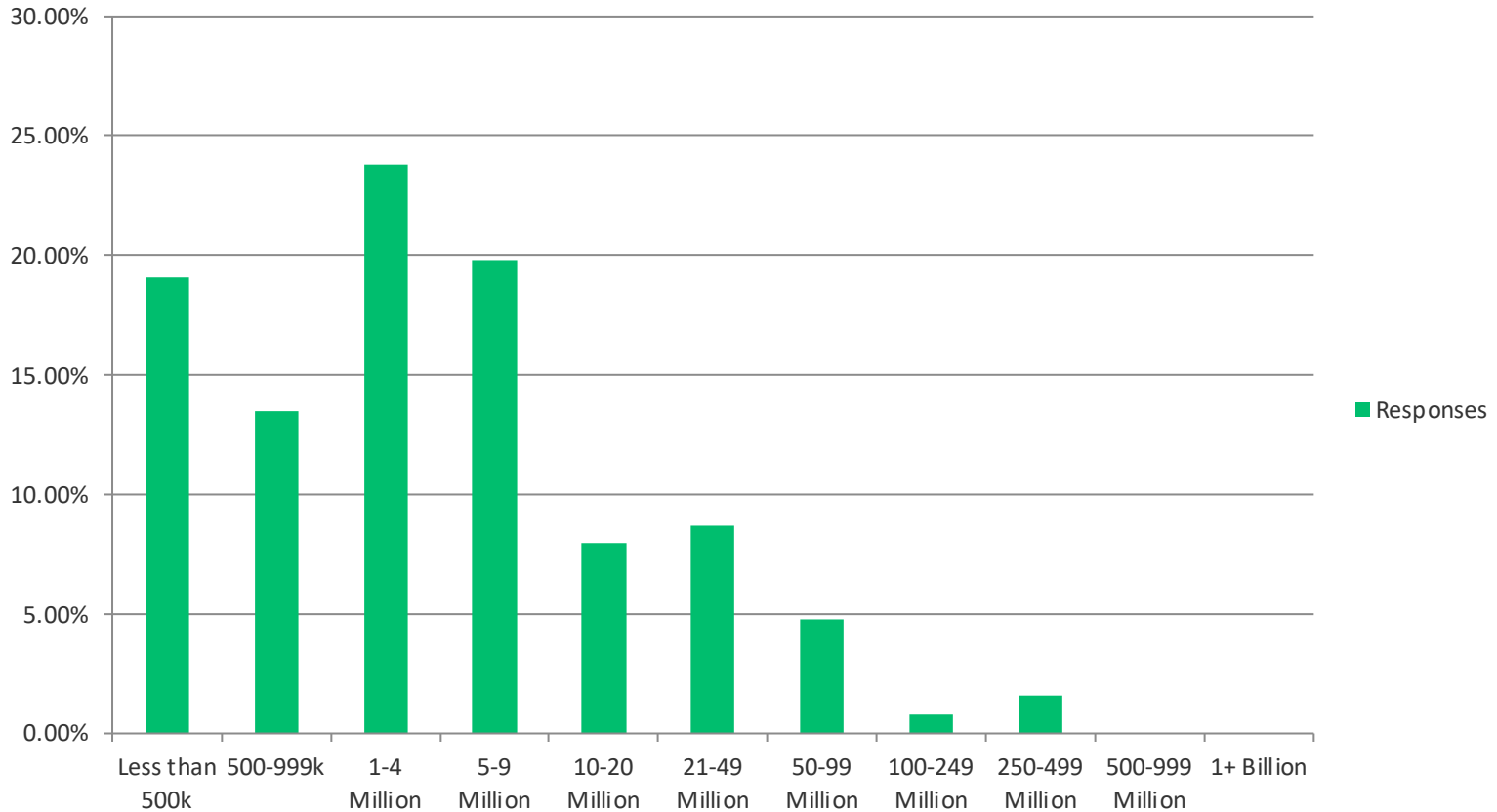
If your business made or is planning to make changes: Which changes have you made or are planning to make response to the ongoing pandemic, the Omicron variant or government actions? Select all that apply:



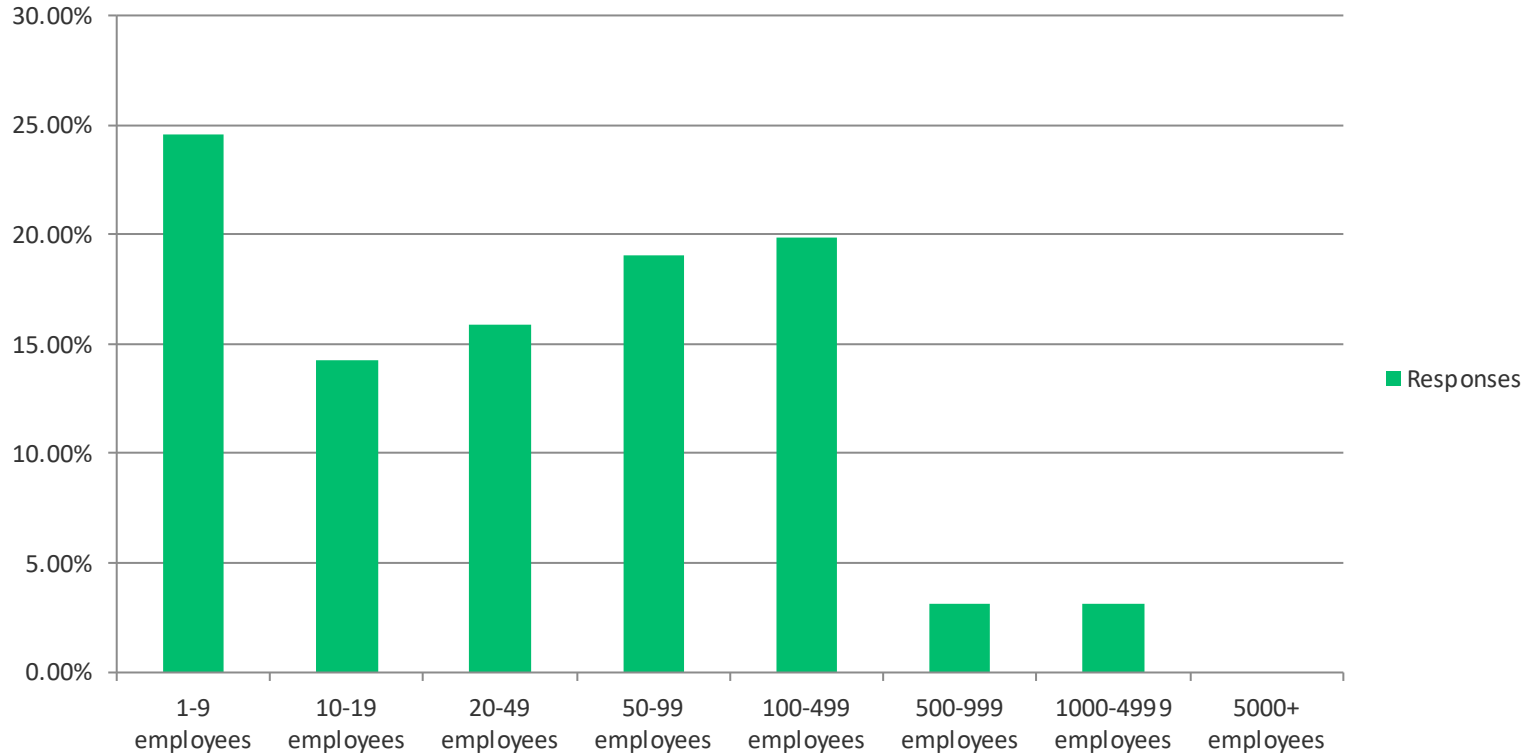
Please share more detail on the changes you have made or are planning to make in response to the ongoing pandemic and government actions:


require back work travel working home time test mask people staff
increased office planning working areas changes N
policies safety protocols employees test result use returning

During your company's last fiscal year, what were its total revenues?



During your company's last fiscal year, what was its total employment?





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