

**VISTAGE**



EST. 1957

**Q3 2023**

**Confidence  
Index**

## **CEOs Reflect on Malta's Economy: A Balance of Resilience and Caution**

### A Measured Stance in Uncertain Times

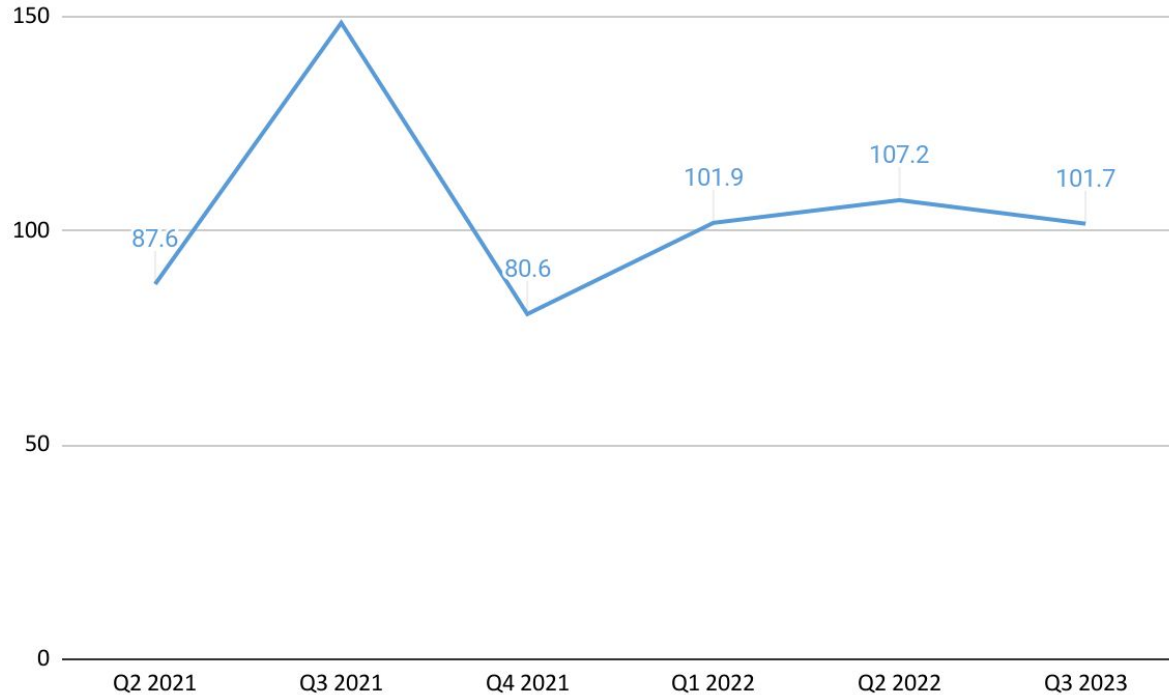
In the third quarter of 2023, Malta's CEOs are holding a mirror to the economy, reflecting a period of stabilization post-pandemic volatility. The Vistage Malta CEO Confidence Index, which surveyed Malta's top executives, reveals a nuanced stance: CEO confidence has neither plummeted nor skyrocketed, but rather, it shows a cautious optimism.

The survey indicates that economic conditions have been a mixed bag over the past year, with CEOs split on whether Malta is gearing towards a soft landing or edging into a recession. This split decision underscores the complexity of current market forces, from global economic shifts to local industry dynamics.

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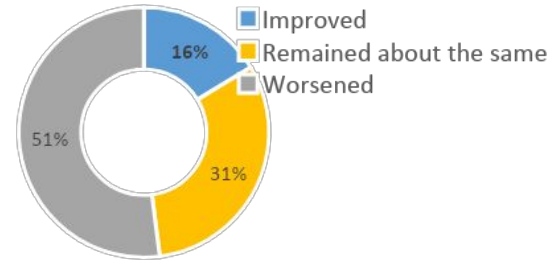
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Over the past year CEO confidence has stabilized in the wake of pandemic volatility

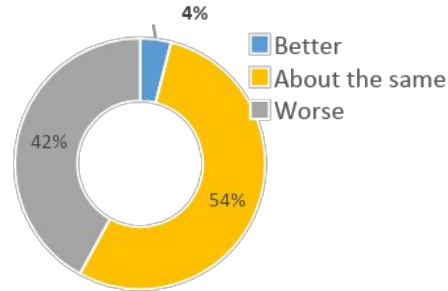


Source: Q3 2023 Vistage Malta CEO Confidence Index

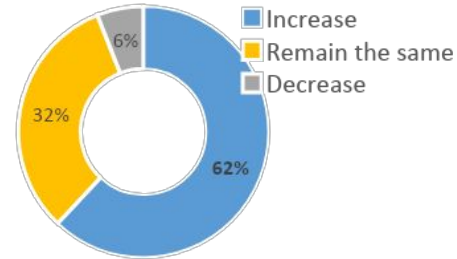
**Compared with a year ago, have overall economic conditions in Malta improved, remained the same, or worsened?**



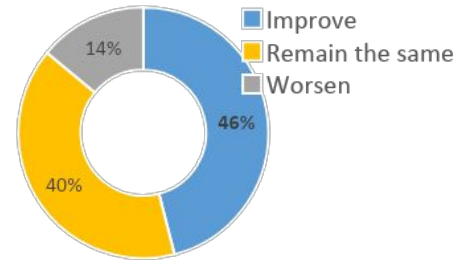
**During the next 12 months, do you expect the overall economic conditions in Malta will be better, about the same, or worse than now?**



**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?**

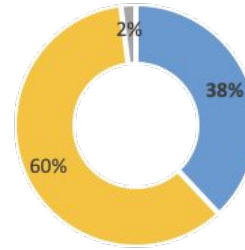


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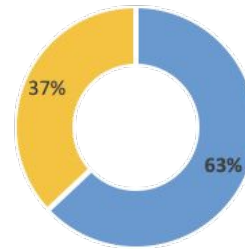
### Expansion

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



- Increase
- Remain the same
- Decrease

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

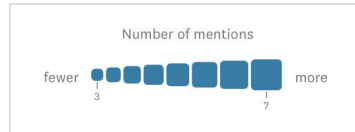


- Increase
- Remain the same
- Decrease

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What is the biggest leadership challenge you are currently facing?



## Leadership Challenges and Talent Crunch

A significant leadership challenge highlighted by the CEOs is the talent acquisition and retention dilemma. Only 12.5% of CEOs have found it easier to hire since the start of the year, implicating a tight labour market. Boosting wages has been a tactic, but with concerns over profitability, leaders are seeking innovative strategies to attract and retain talent without merely inflating pay packets.

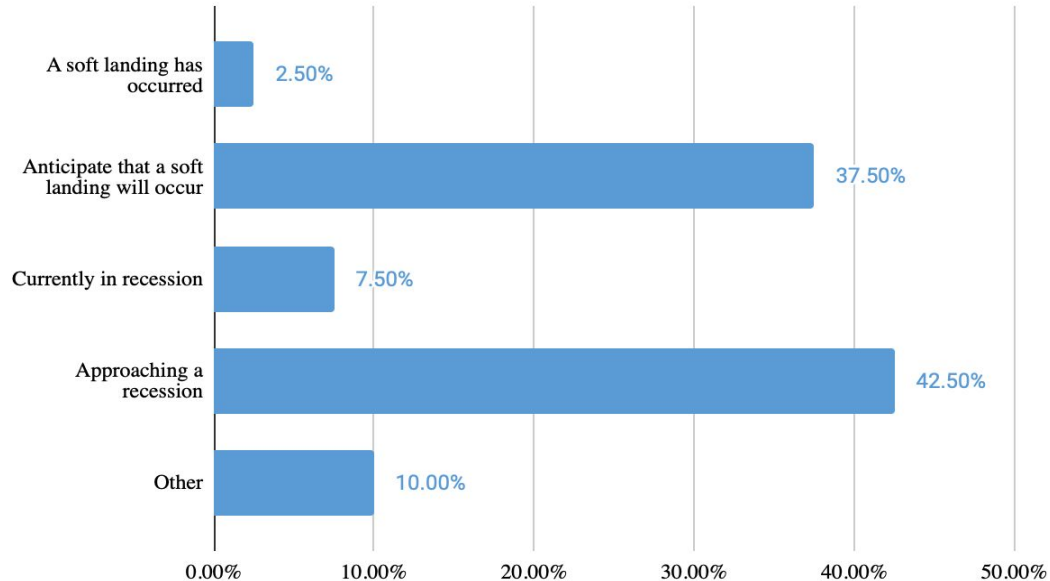
## Investment in Technology and Strategic Planning

With an eye on the future, 45% of CEOs are ready to increase their technology budget, although a quarter are hesitant to allocate funds for AI advancements. This selective investment approach reveals a preference for technology with immediate and clear benefits over nascent, unproven areas.

Strategic planning remains predominantly an internal affair, with 9 out of 10 CEOs favouring in-house processes over external consultancy. This indicates a confidence in their strategic direction, with most CEOs expressing assurance in their mission, vision, and purpose.

## CEOs of small and midsize businesses are split on the state of the economy: Will a soft landing occur or is Malta approaching a recession?

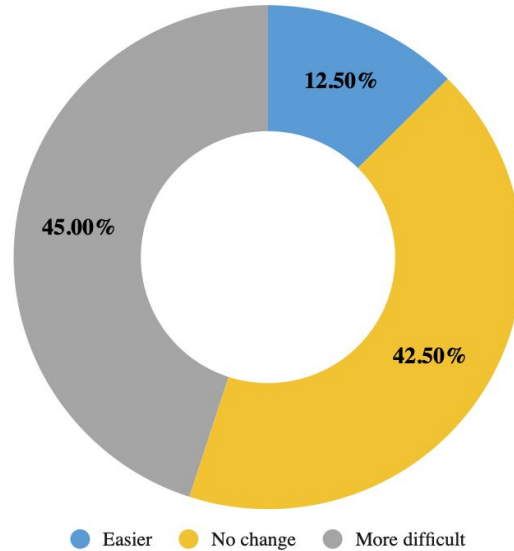
Which statement best expresses your view of the local economy?



Source: Q3 2023 Vistage Malta CEO Confidence Index

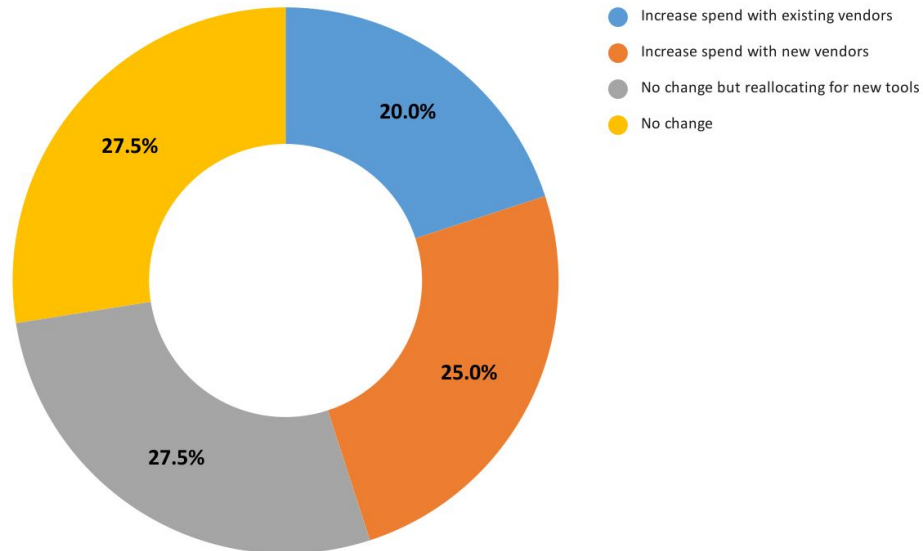
## Only 12.5% CEOs say hiring has gotten easier since the beginning of the year

Is your company finding it easier or more difficult to fill job openings than it was at the start of the year?



## While 45% of CEOs will increase their technology budget next year, 27.5% do not plan to make any budget accommodations for AI

How will your technology budget change in the next year to accommodate for adding AI capabilities?

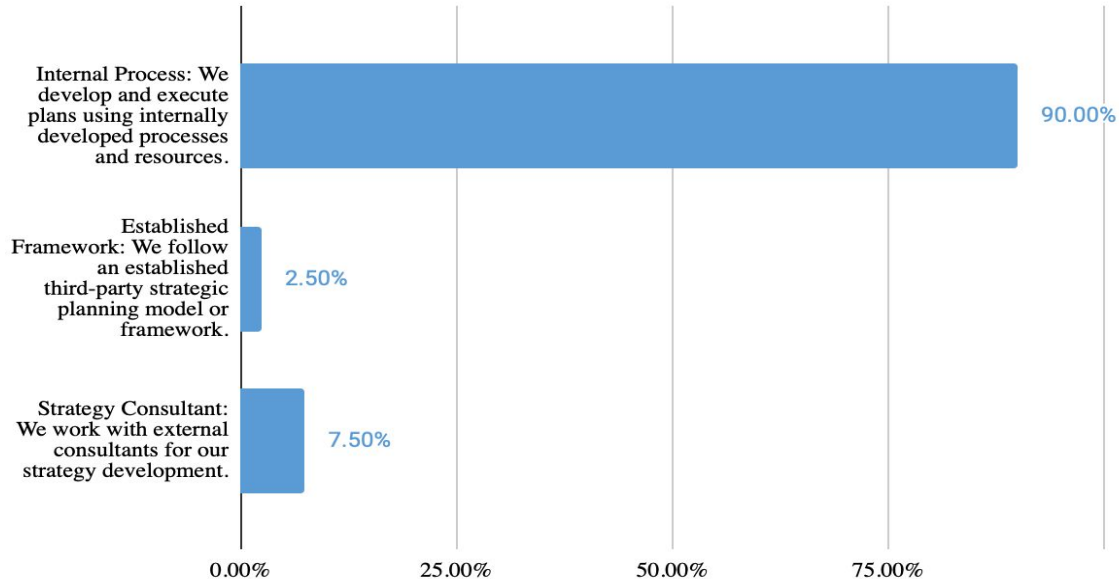


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### 9 out of 10 CEOs say they use an internal process as their primary approach to strategic planning

What is your organization's primary approach to strategic planning?



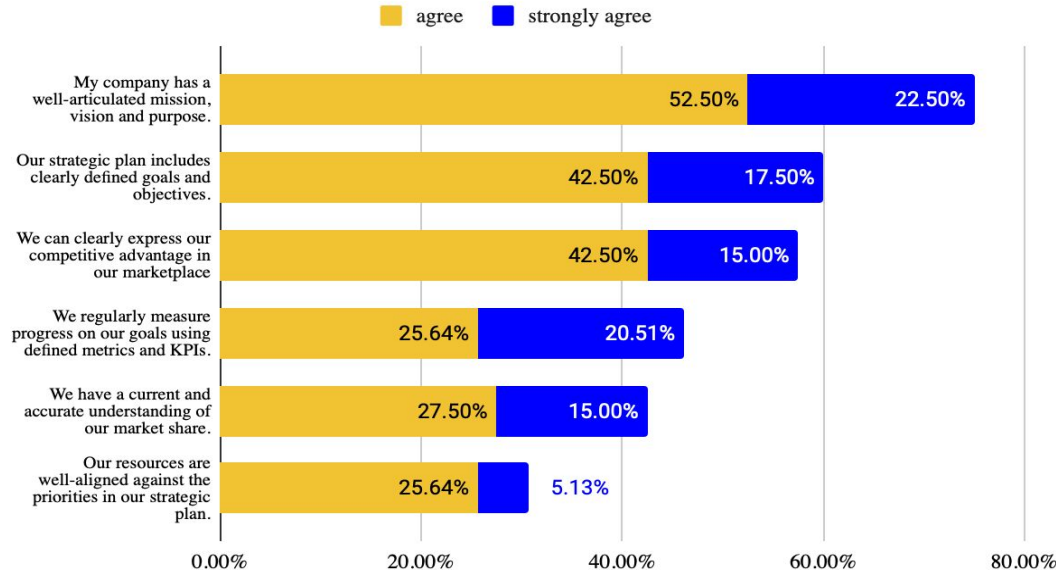
Source: Q3 2023 Vistage Malta CEO Confidence Index

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### When asked about components of their strategic plan, CEOs are most confident in their Mission, Vision and Purpose

CEO rating of components of their company's strategic plan:



Source: Q3 2023 Vistage Malta CEO Confidence Index

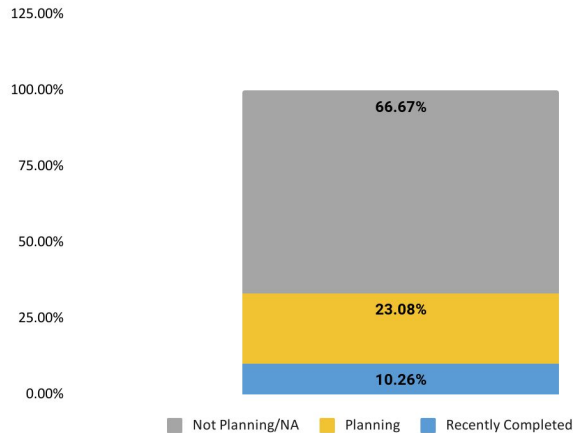
The M&A Outlook remains active, with 23% of CEOs planning acquisitions, most within the next two years, indicating a proactive approach to leveraging market opportunities to drive growth.

### Long-Term Business Strategies

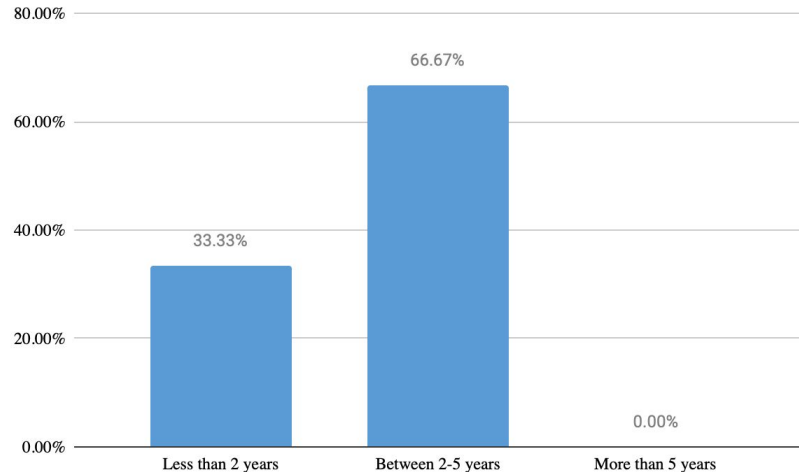
In the long game, 15.4% of CEOs are considering selling their business, with half projecting the sale to happen in over five years. Moreover, 17.5% of CEOs planning an exit also align with this extended timeline. Such forward planning suggests that while immediate economic conditions are important, CEOs are also casting their gaze far into the future, preparing for eventualities with strategic patience.

## Of the 23% of CEOs who are planning an acquisition, 6 out of 10 are planning their acquisition within the next 2 years

Which of the following have you recently completed or planning for your business? **Acquisition**, Sale, Exit



What is the timeline for your planned **acquisition**?

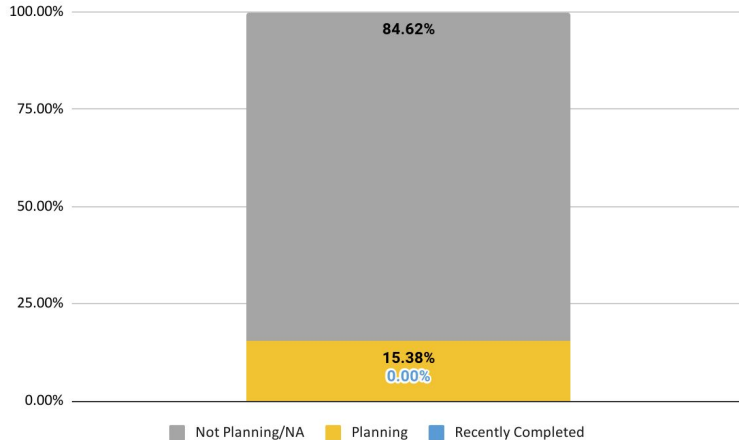


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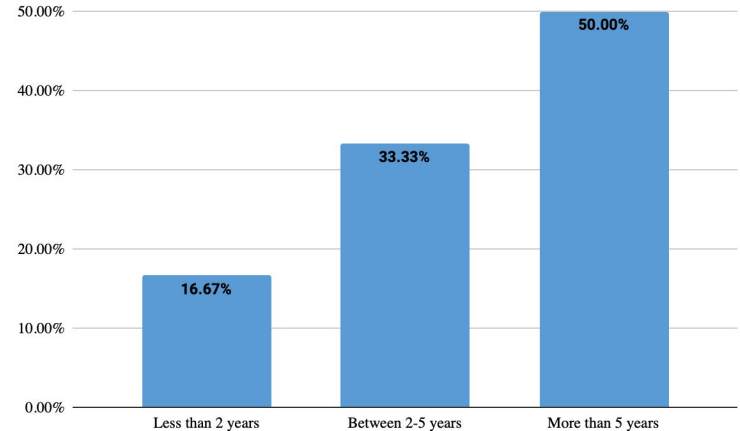
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**Of the 15.4% of CEOs planning to sell their business, half of them estimate the timing of their sale will be between in more than 5 years**

Which of the following have you recently completed or planning for your business?  
Acquisition, **Sale**, Exit

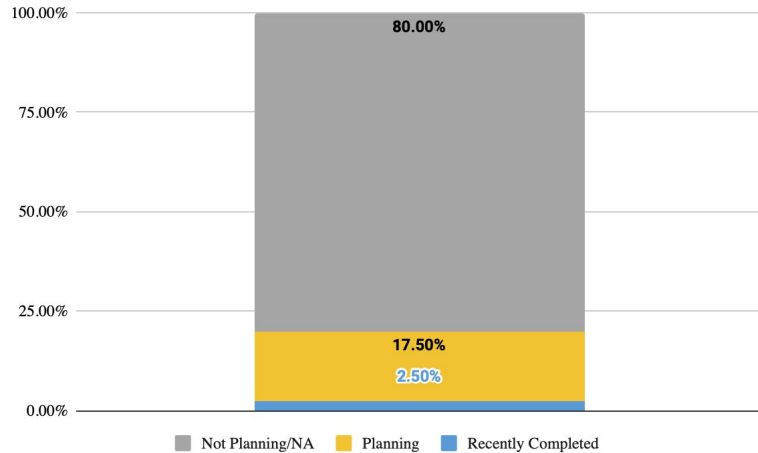


What is the timeline for your planned sale?

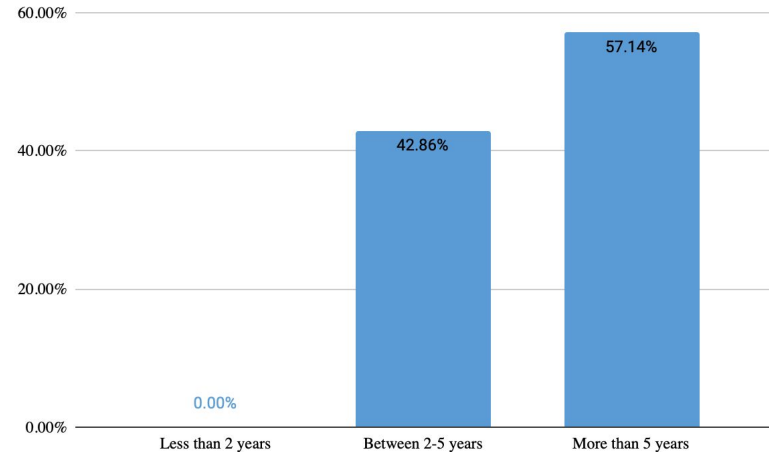


## Of the 17.5% of CEOs planning an exit, the majority estimate the timing of their exit will be in more than 5 years

Which of the following have you recently completed or planning for your business?  
Acquisition, Sale, **Exit**



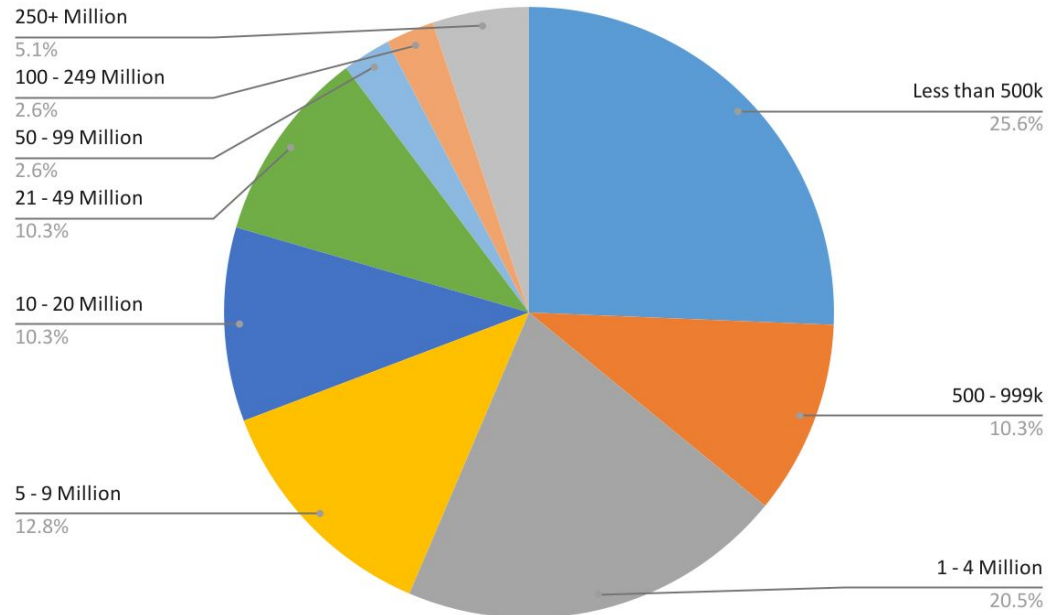
What is the timeline for your planned **exit**?



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### Q3 Firmographics: Annual Revenues

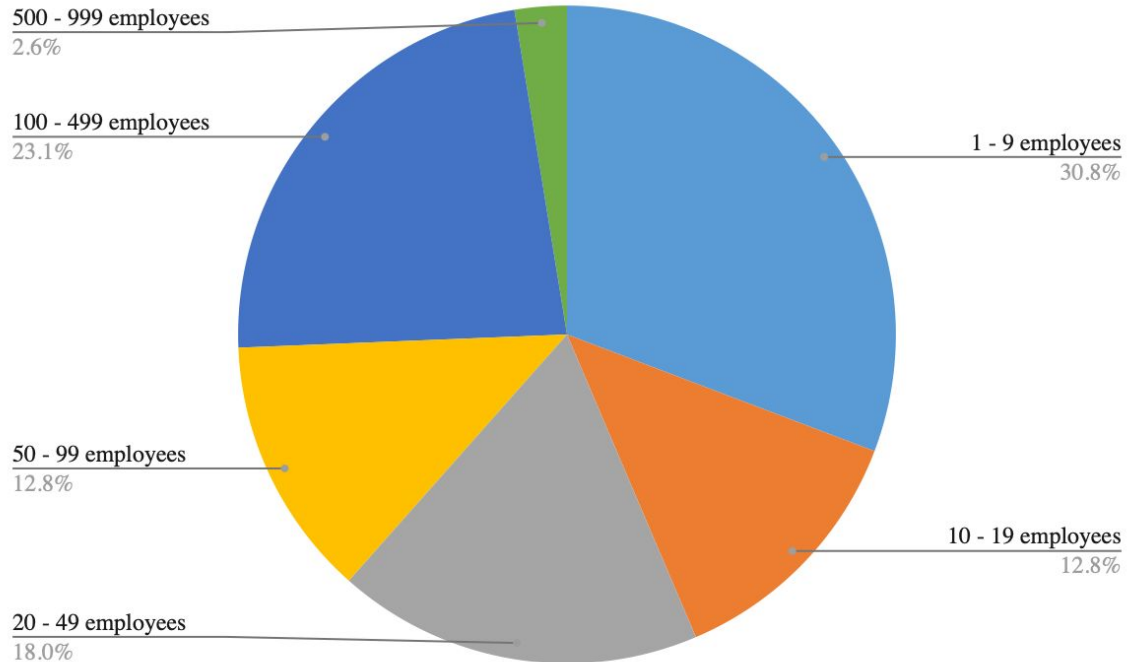


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### Q3 Firmographics: Number of Employees



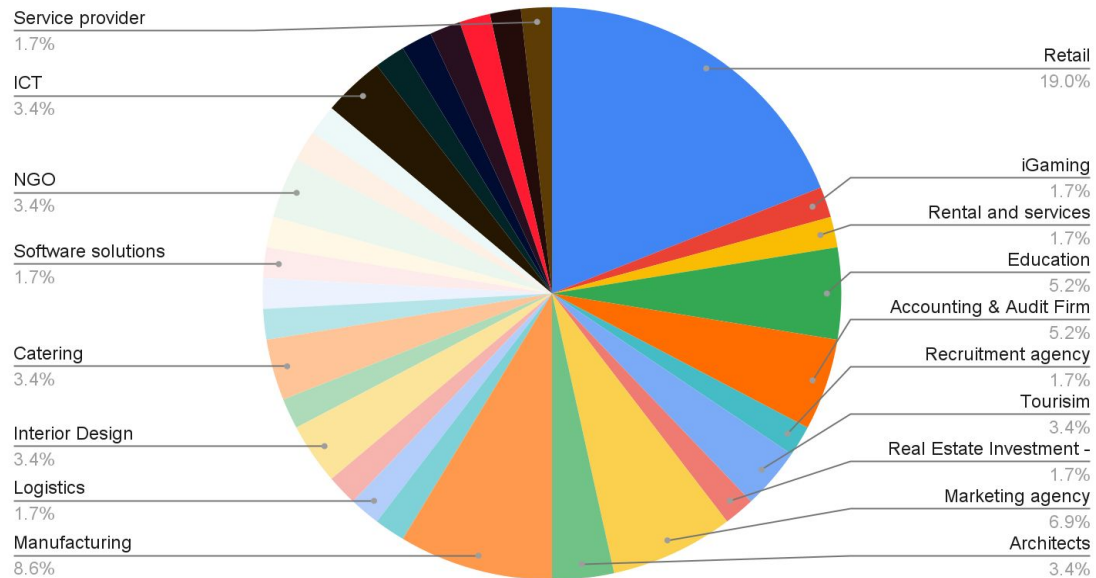
Source: Q3 2023 Vistage Malta CEO Confidence Index

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### Q3 Firmographics: Industries

#### Industries/sectors represented



Source: Q3 2023 Vistage Malta CEO Confidence Index

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The 2023 Q3 Vistage Confidence Index Report encapsulates the cautious yet proactive stance of Maltese CEOs. It highlights a collective strategic focus on internal competencies and a cautious approach to both talent acquisition and technological investments. As Malta's economic captains steer their ships through the currents of global economic uncertainty, their insights offer invaluable foresight into the future of business in Malta.

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**MALTA**