

VISTAGE

CEO Confidence Index



Q1 2021 - MALTA

VISTAGE

MALTA

FULL Confidence Index Report & Global Comparison for **Q1 2021 - MALTA**

This report represents a comparison of data from
105 respondents from the local business community

In Collaboration with



THE MALTA CHAMBER

Introducing the Vistage Malta Confidence Index

Nathan Farrugia BSc MBA
Vistage Chair
MD. Vistage Malta

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Contact:

Mob: +356 7947 6111

Nathan.farrugia@vistage.mt

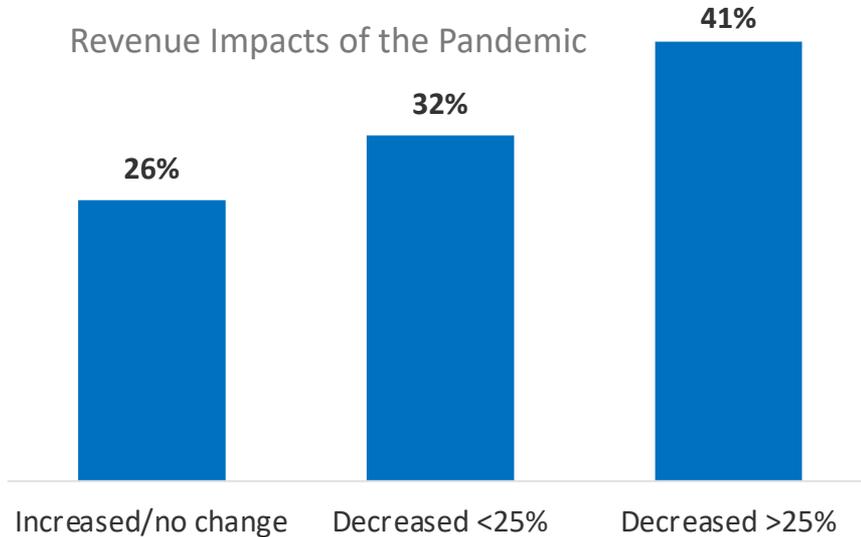
Welcome to the first edition of the CI that will be released quarterly and present the viewpoints of business leaders in Malta on our economy going forwards. This partnership between Vistage and the Chamber of Commerce aims to foster collaboration in these tough times and work together to build a stronger economy.

This first report functions as a 'baseline' for all subsequent reports. It also includes comparisons with the UK and USA, with further country comparisons coming in over time, as Vistage around the world collates the data.

The Malta report shows similar findings to the other first world economies in that there is a cautiously positive outlook to economic growth, with expectations of increased revenues and profitability. Malta does differ in its approach to recruitment, with Maltese business leaders more cautious about recruiting, when compared to other countries. This may also be due to the lower job losses in Malta than other countries during the pandemic. This is one of the issues worth further discussion.

The aim of this and subsequent reports is to create healthy conversations around the mindset of business leaders in Malta, in order to preempt socio-economic shifts, as has been the case in other countries running the CI. Based on the CI information, what actions do you think business leaders and policy makers need to take? How does this impact risk appetite and investment strategies?

Pandemic impact: More than 4-in-10 Malta businesses had revenue declines greater than 25%



When asked about revenue impacts of the pandemic, over one quarter (26%) of business leaders surveyed said revenues were unchanged or even increased. Nearly one-third (32%) said their revenue declines were less than 25%, and the largest portion- 41% - reported revenue declines of more than 25%.

Looking ahead, 49% of survey respondents expect revenues to increase in the year ahead, while 14% expect revenues to decline.

The economic impacts and uncertainty caused by the pandemic have taken their toll, but as vaccine distribution accelerates, business prospects are projected to improve in the year ahead.

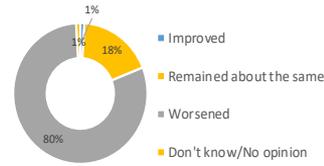
Q1 2021

Vistage Malta Confidence Index

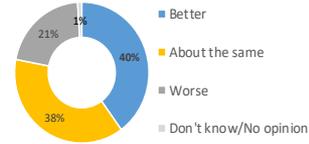
Highlights:

Economy

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

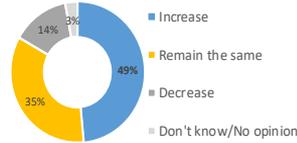


During the next 12 months, do you expect the overall economic conditions in Malta will be better, about the same, or worse than now?

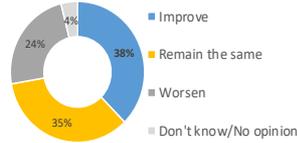


Prospects

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

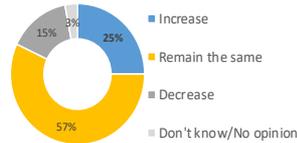


Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?

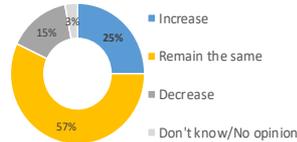


Expansion

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?



Summarising the Vistage Malta Confidence Index detailed report

We have seen the feedback from business leaders and CEOs on their views of the economy and the business decisions they are likely to influence over the coming months. This baseline CI report will be built on in subsequent surveys, making it an accurate tool and a predictor of future business outcomes, as has been shown with CI reports in the US and UK.

Whilst this first Malta CI is a baseline, however, the US and UK reports have shown a positive trend to a post-COVID rebuilding of the economy and business activities, including investment (around 70% for the UK and US, with Malta at 49%). We expect this to be true of Maltese businesses going forward, perhaps with more caution by comparison. The reassurances that the vaccine seems to bring is allowing business leaders to look forward to kick-starting new or halted projects, reopen recruitment and plan for growth with some optimism (40%).

The survey included a number of businesses from the tourism sector who, at the end of 2020, may have hopefully expected a reasonable 2021 summer season. These may currently be worried about the delays in opening travel in time for the summer months. Their views will be reflected in the next CI index due in March 2021.

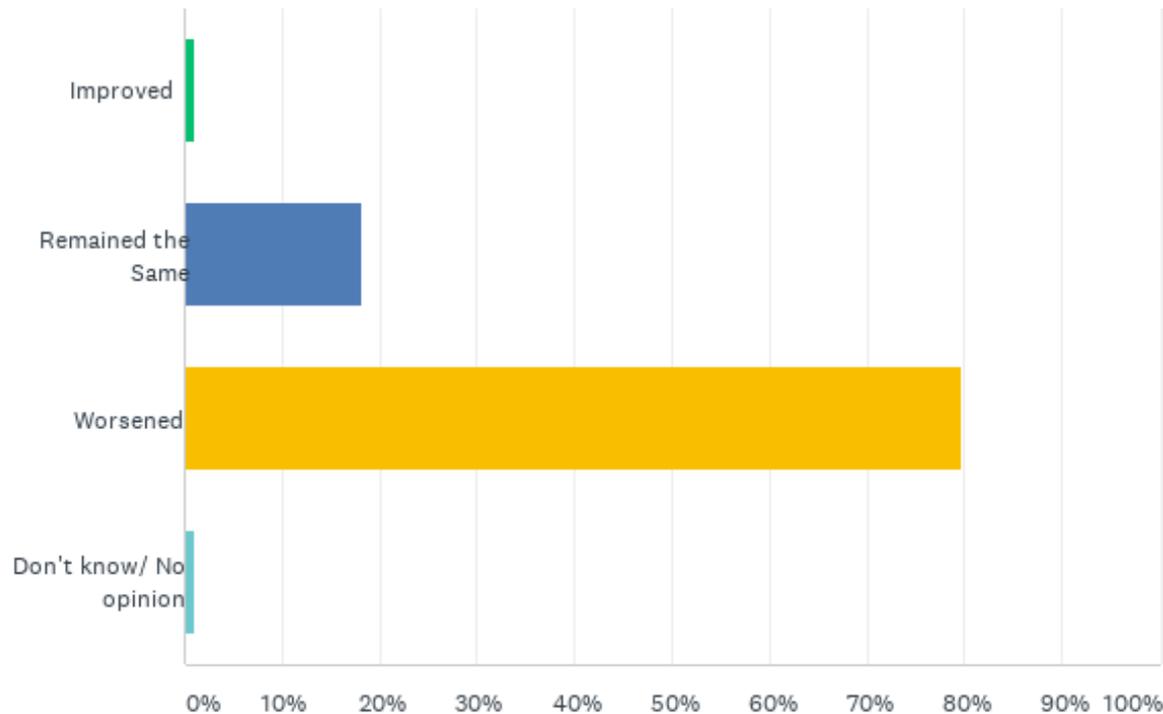
On returning to the office, we can see the spread across many options with a 'hybrid' of some people returning and some working remotely as being prevalent. We also see that in this time, the majority have chosen to upskill their staff while business was on slowdown.

Finally, over 50% of businesses feel their company will recover somewhat in the next 6 months, weakened but getting stronger, while 34% think it will take longer than 1 year to recover. It is of some concern therefore, that around 60% of companies have said their cash reserves will run out before 1 year if the current situation does not improve.

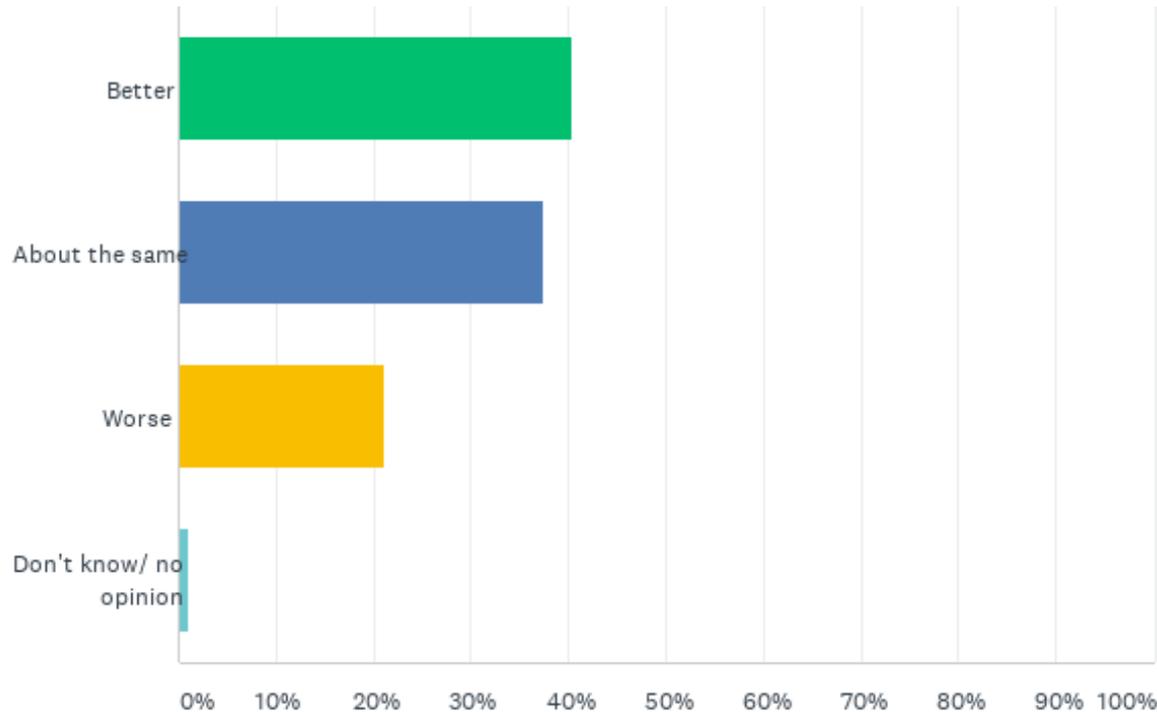
Source: Q1 2021 Vistage Malta Confidence Index, n = 105

These findings represent data collected from business leaders in partnership between Vistage Malta and the Malta Chamber of Commerce

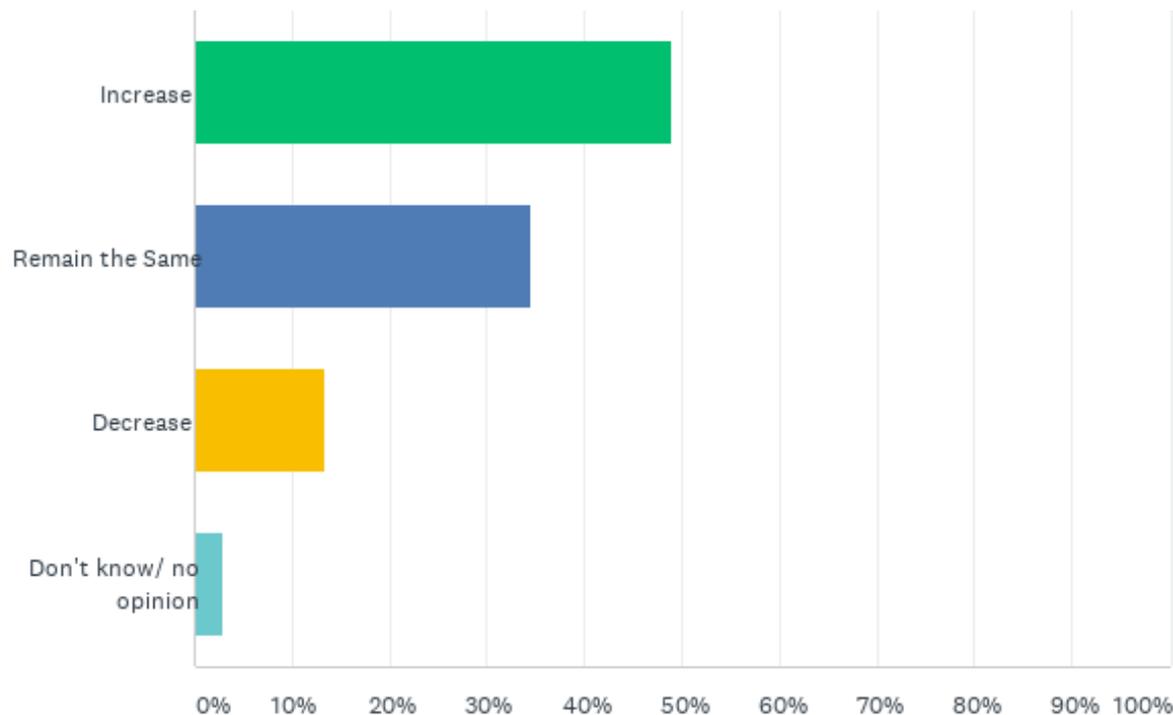
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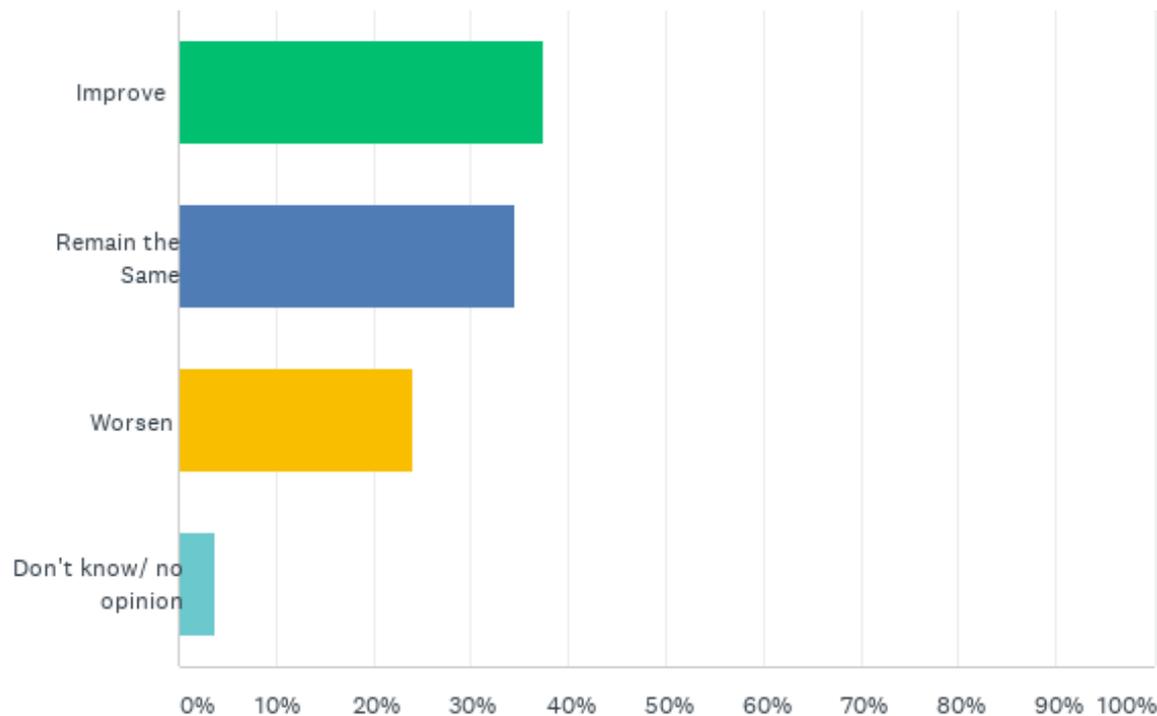
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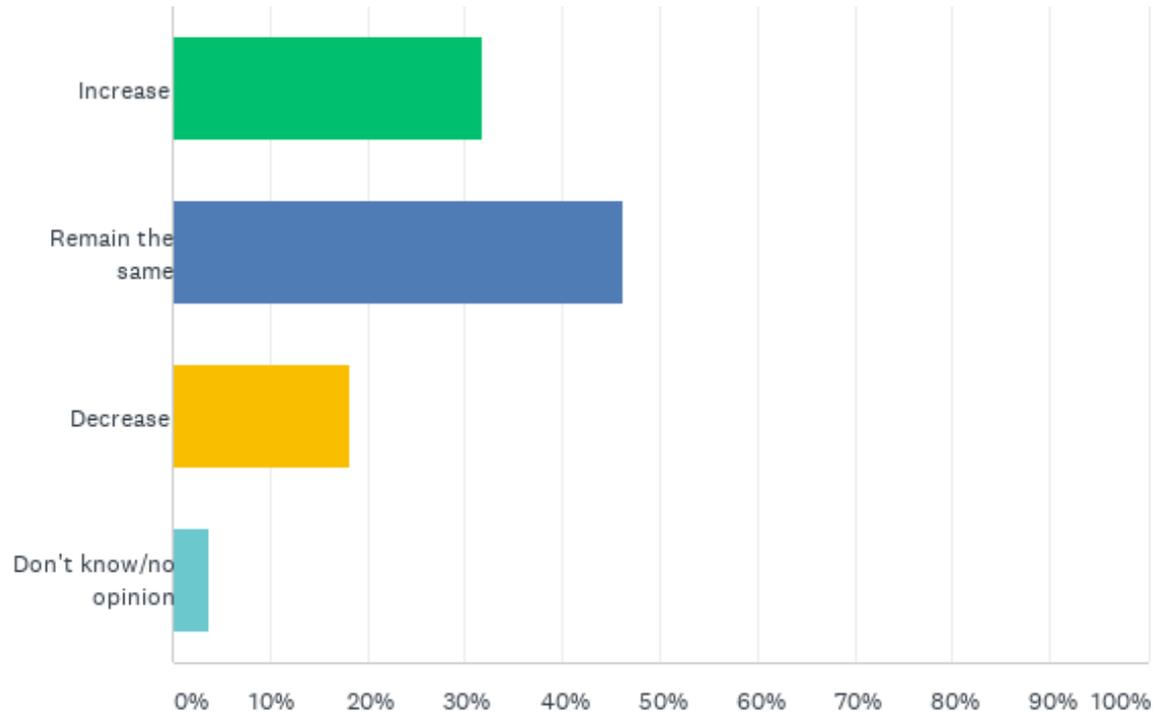
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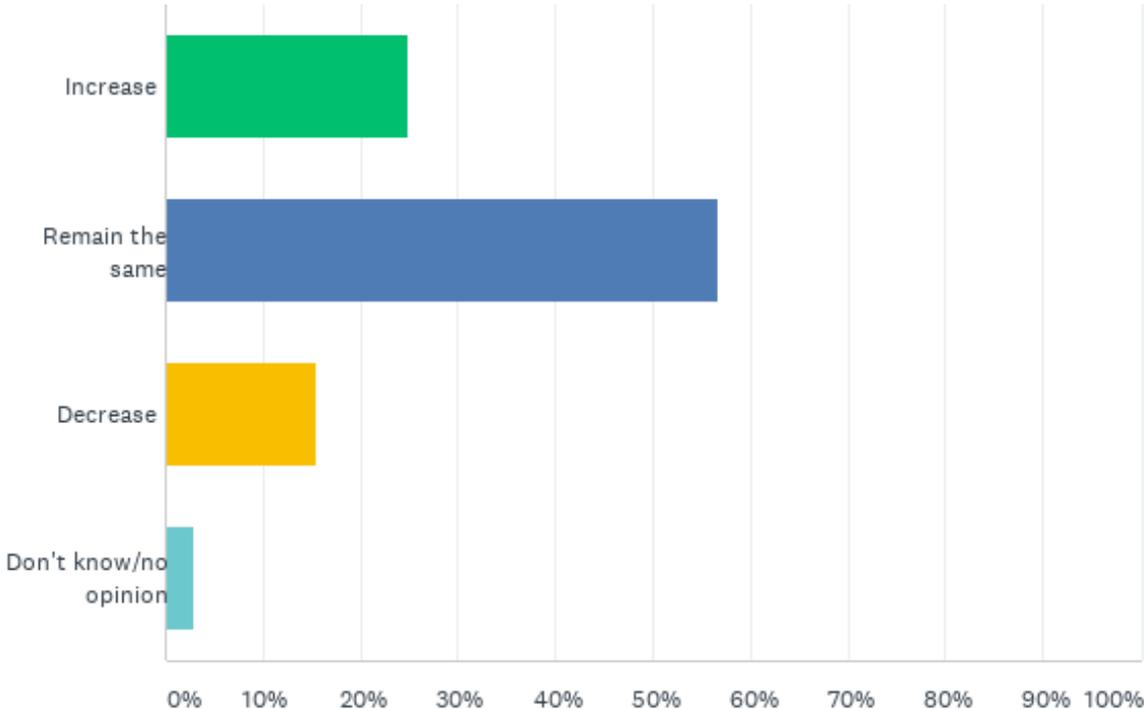
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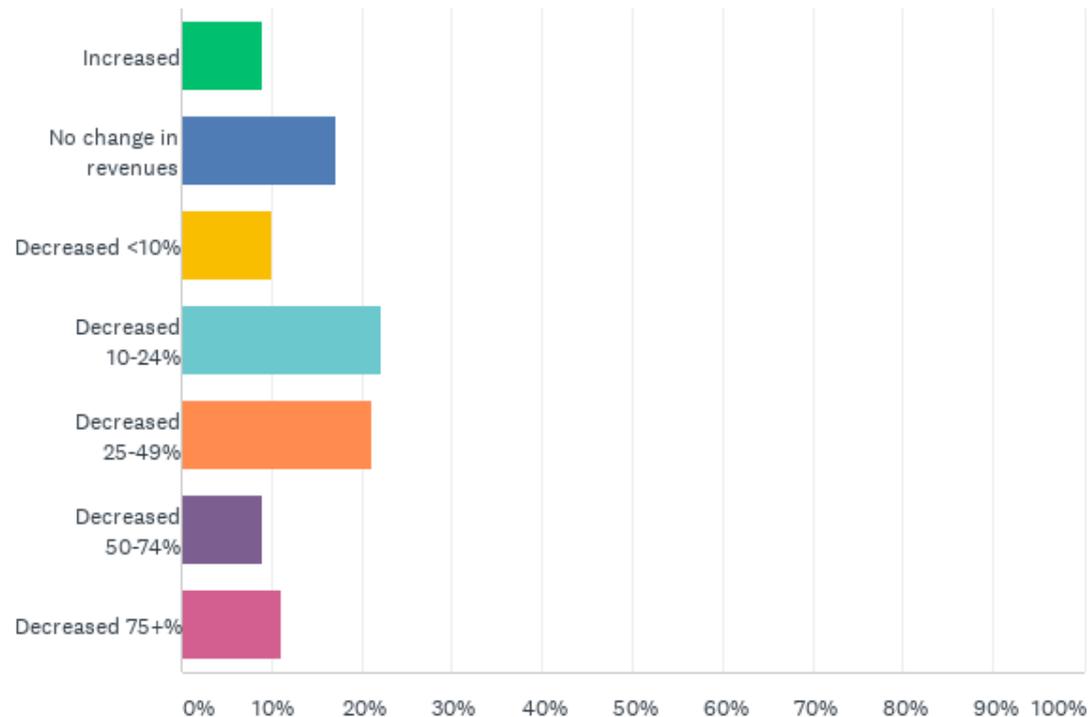
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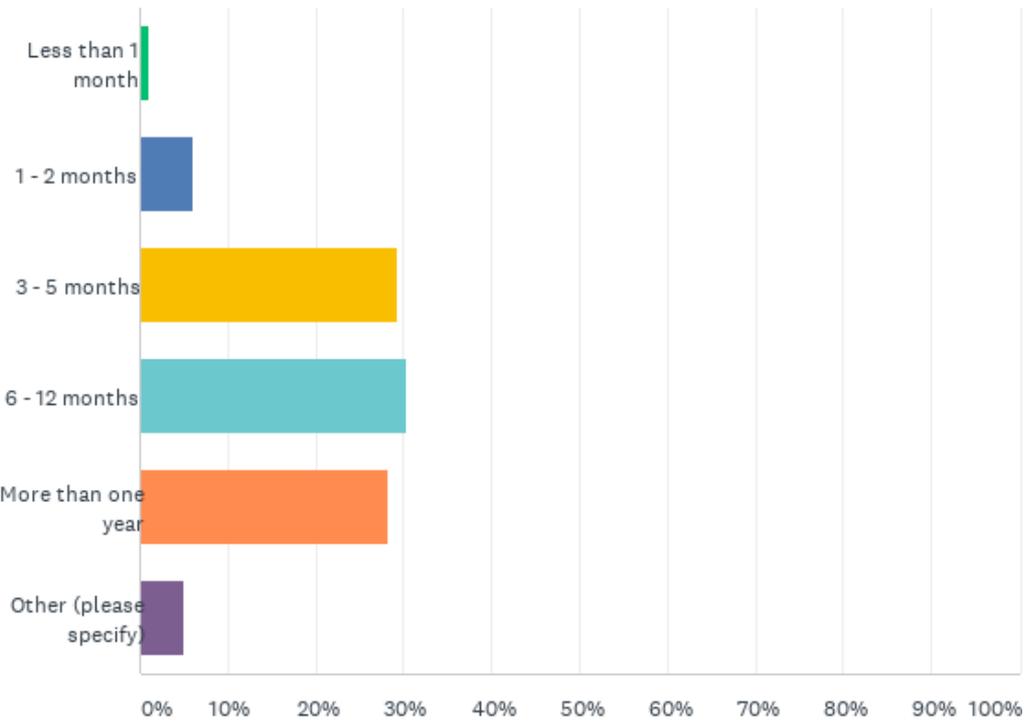
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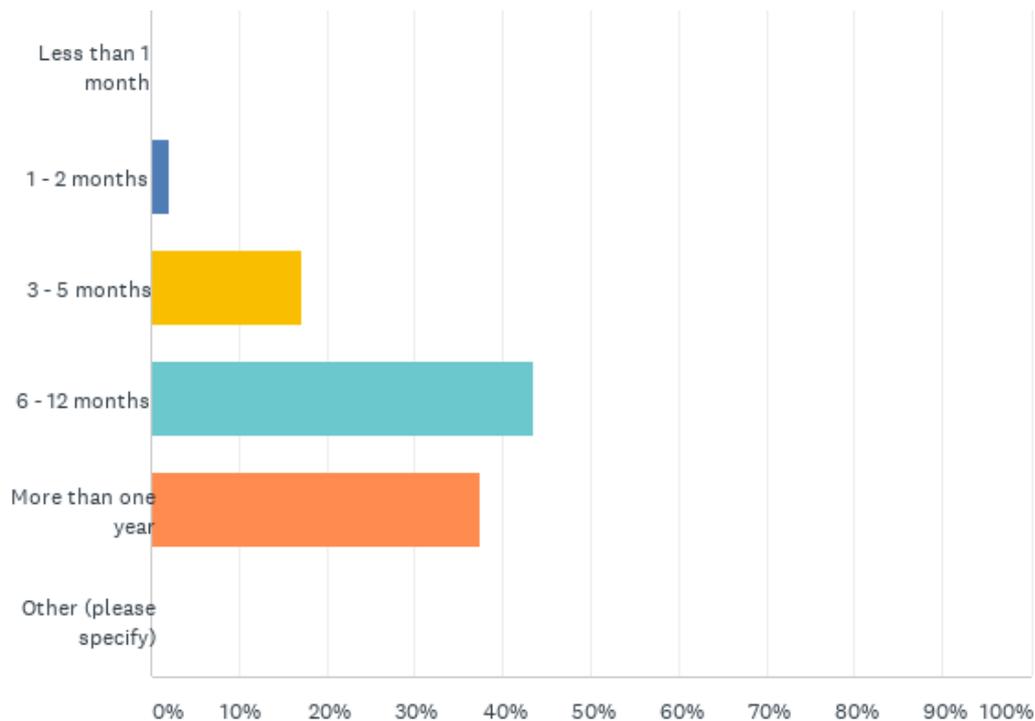
To what degree have your revenues been impacted by the coronavirus pandemic?



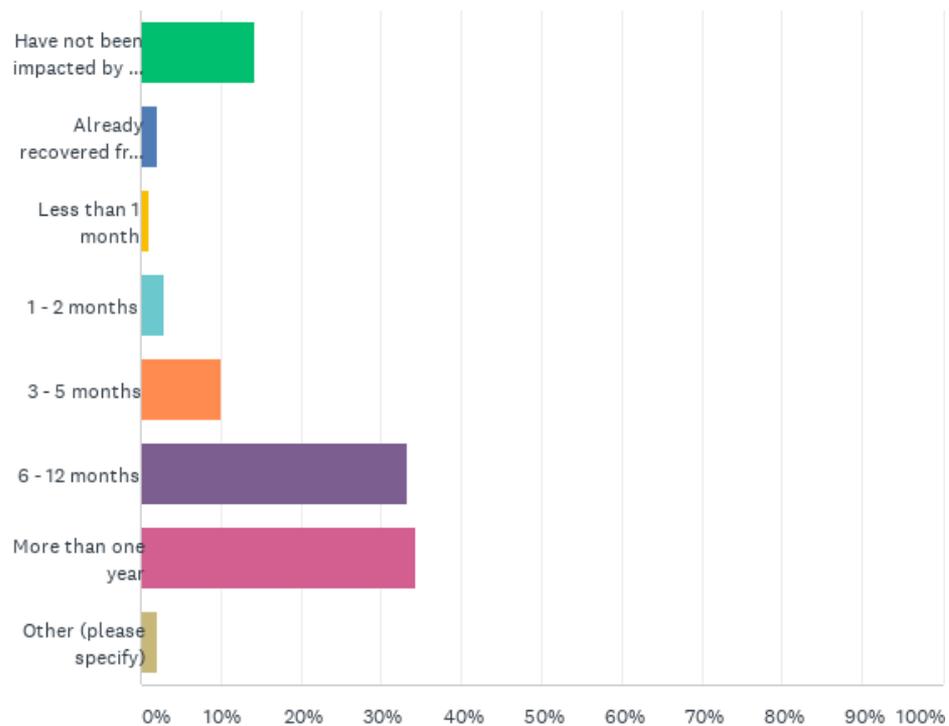
How long will your cash reserves continue to support your business based on the current economic conditions?



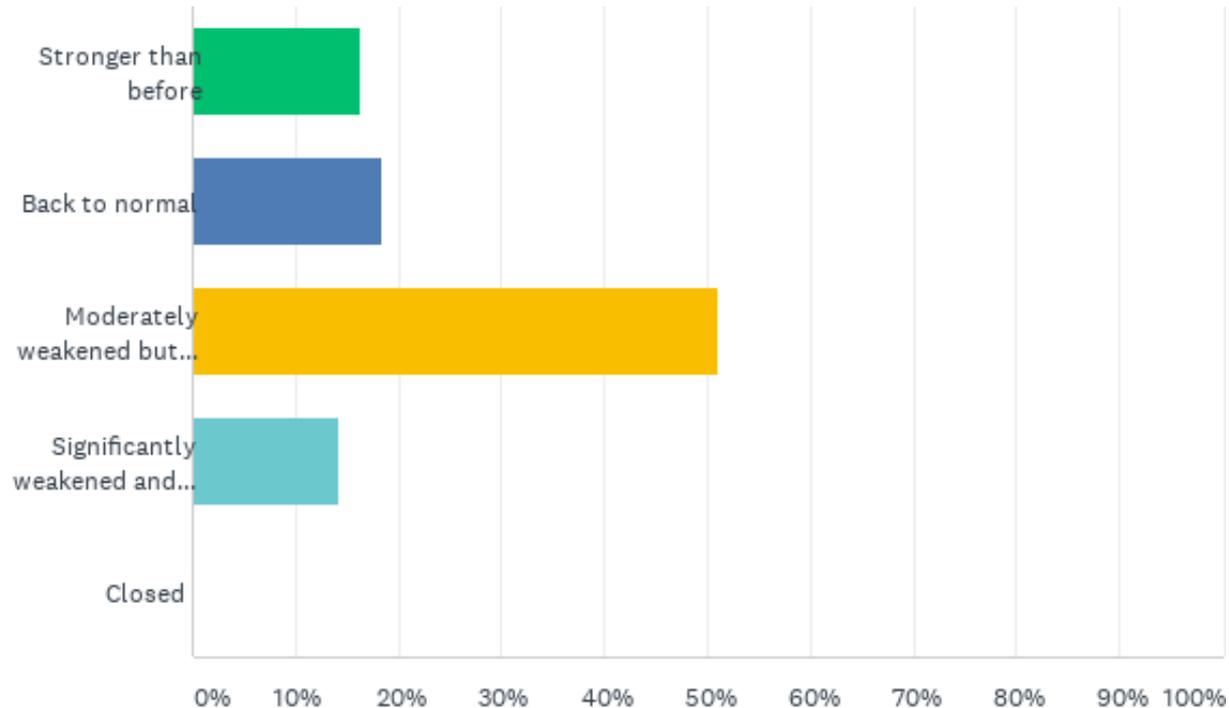
When do you expect that economic conditions in Malta will begin to improve?



How long do you expect it will take your business to recover from the economic impact of the pandemic?



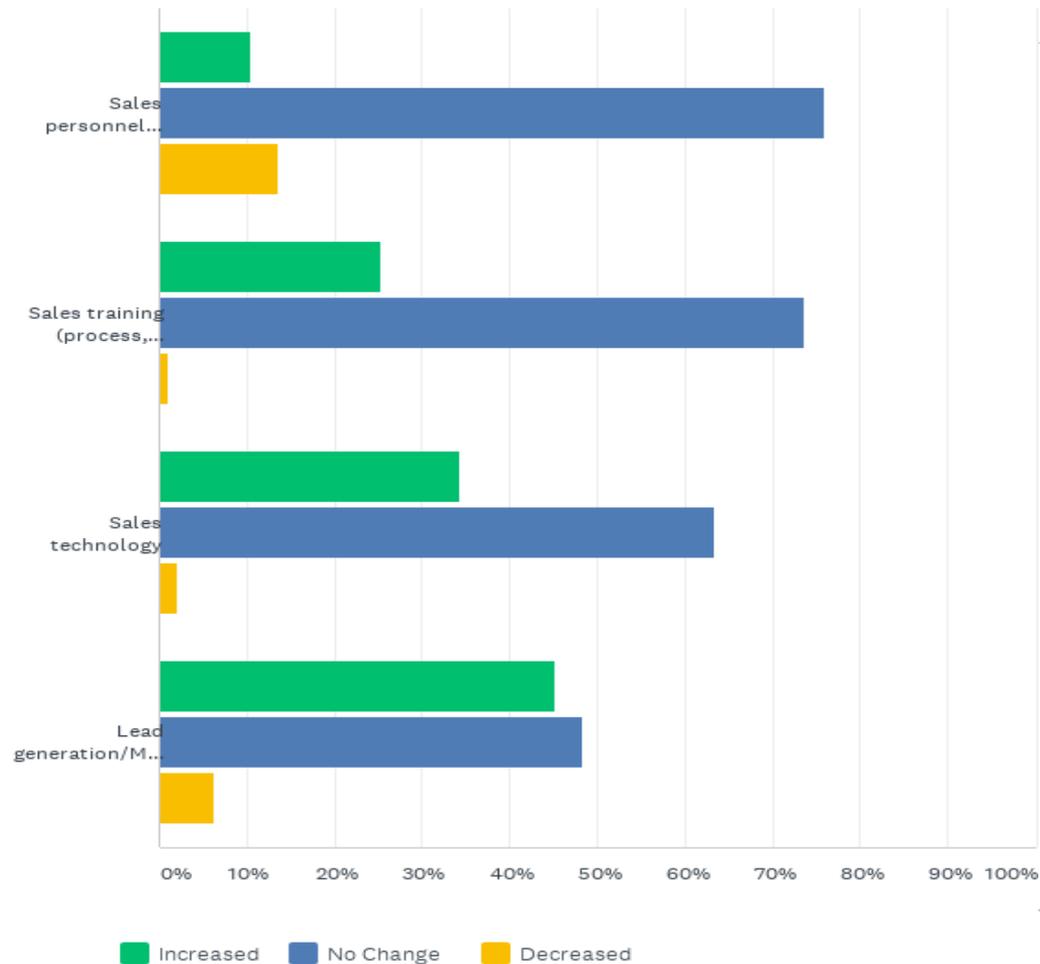
Which statement describes where you expect your business to be 6 months from now?



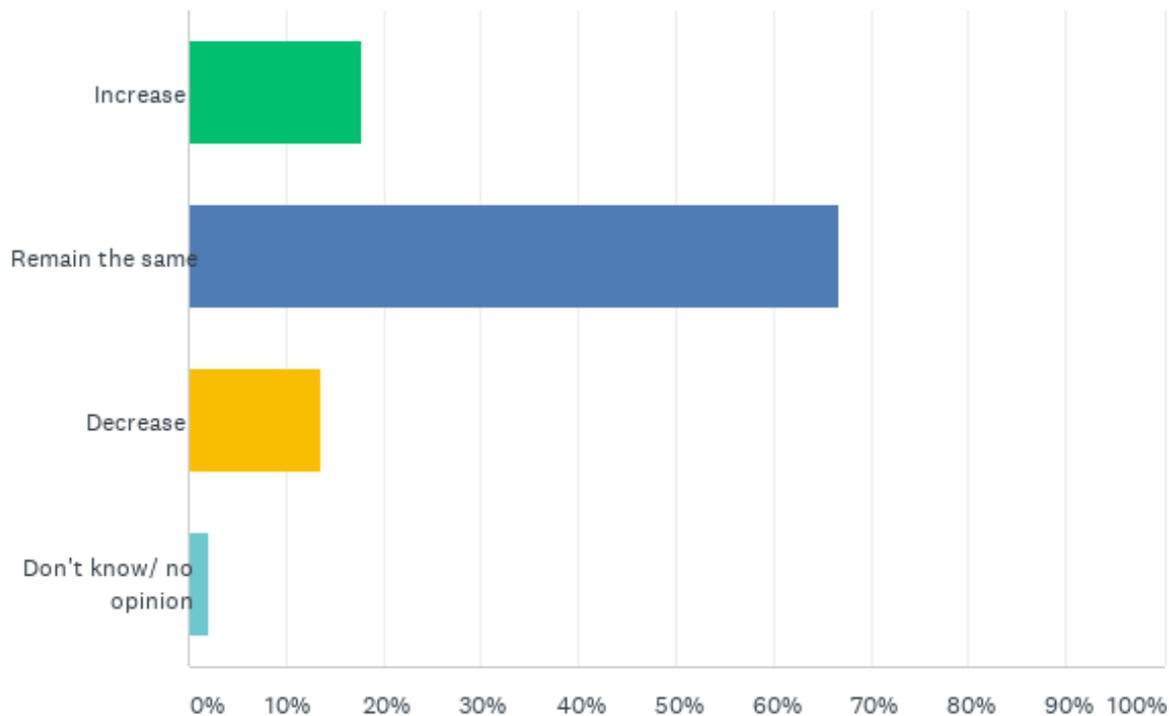
Rate the following statements on a scale of 1 to 5 with 5 being Strongly Agree and 1 being Strongly Disagree:



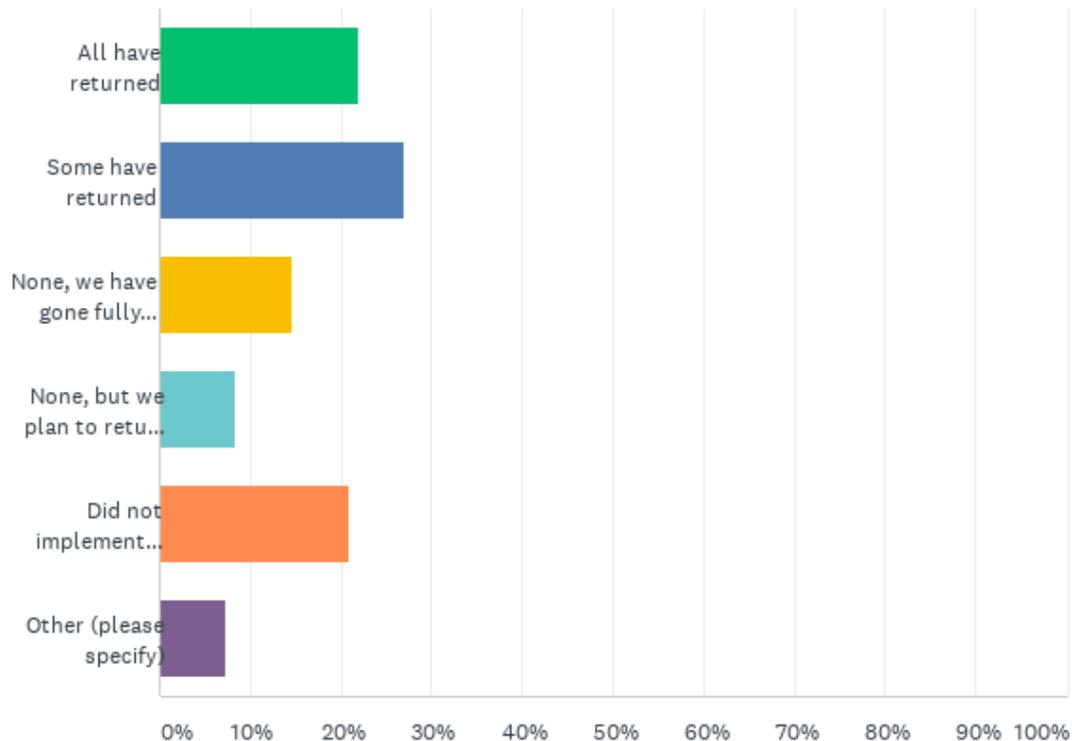
What areas of your sales organisation have you changed as a result of COVID-19?



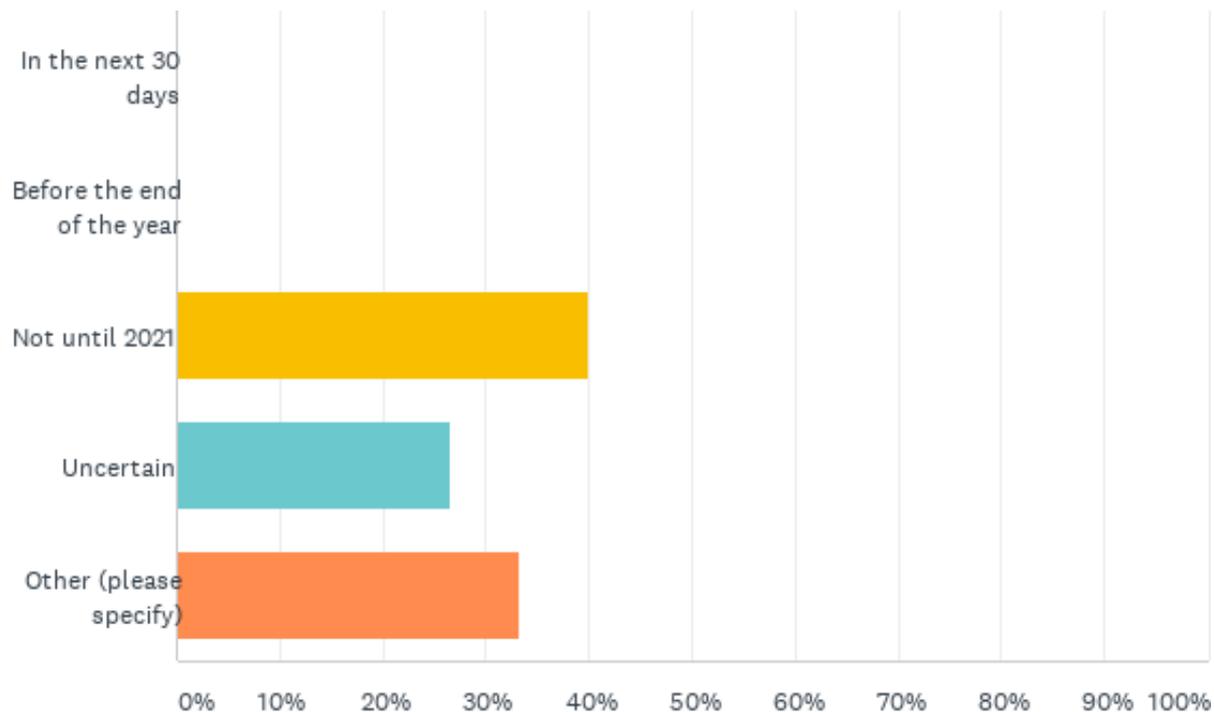
How do you expect the size your workforce to change the next 3 months?



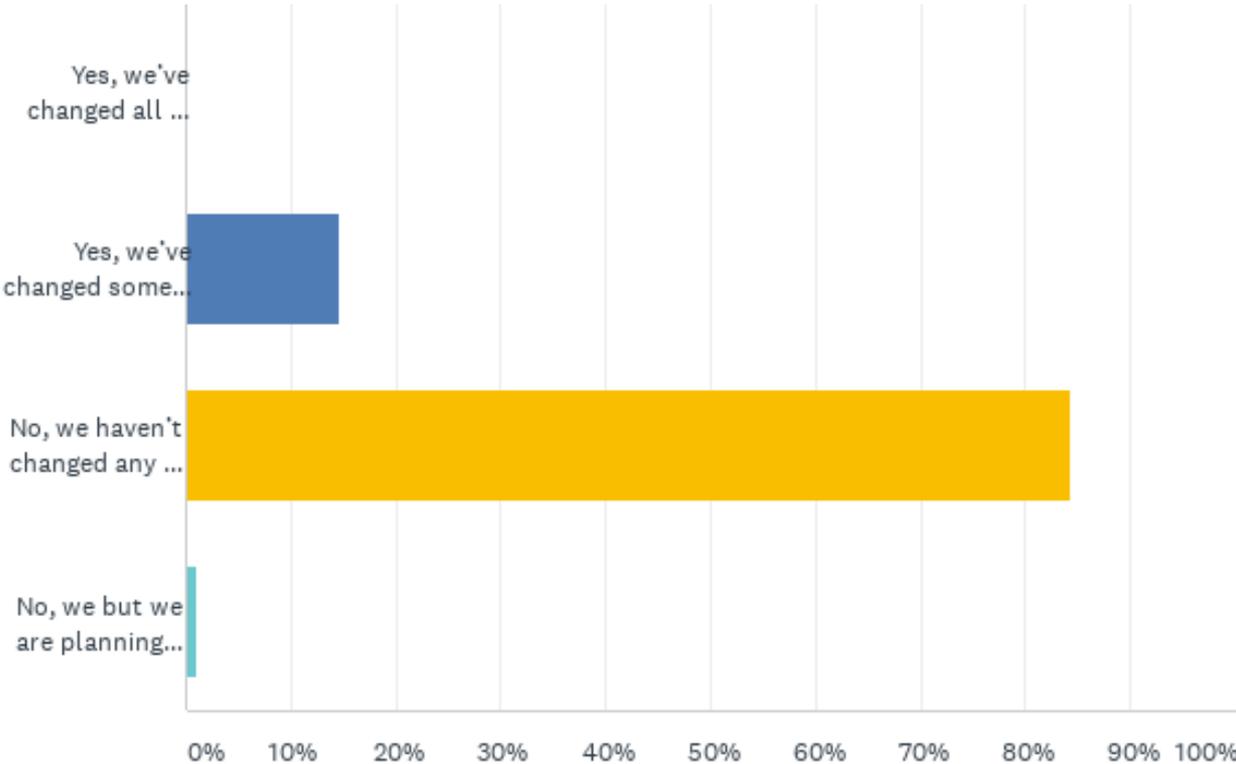
If you implemented remote working during the pandemic, what portion of your employees have returned to the office either full or part time?



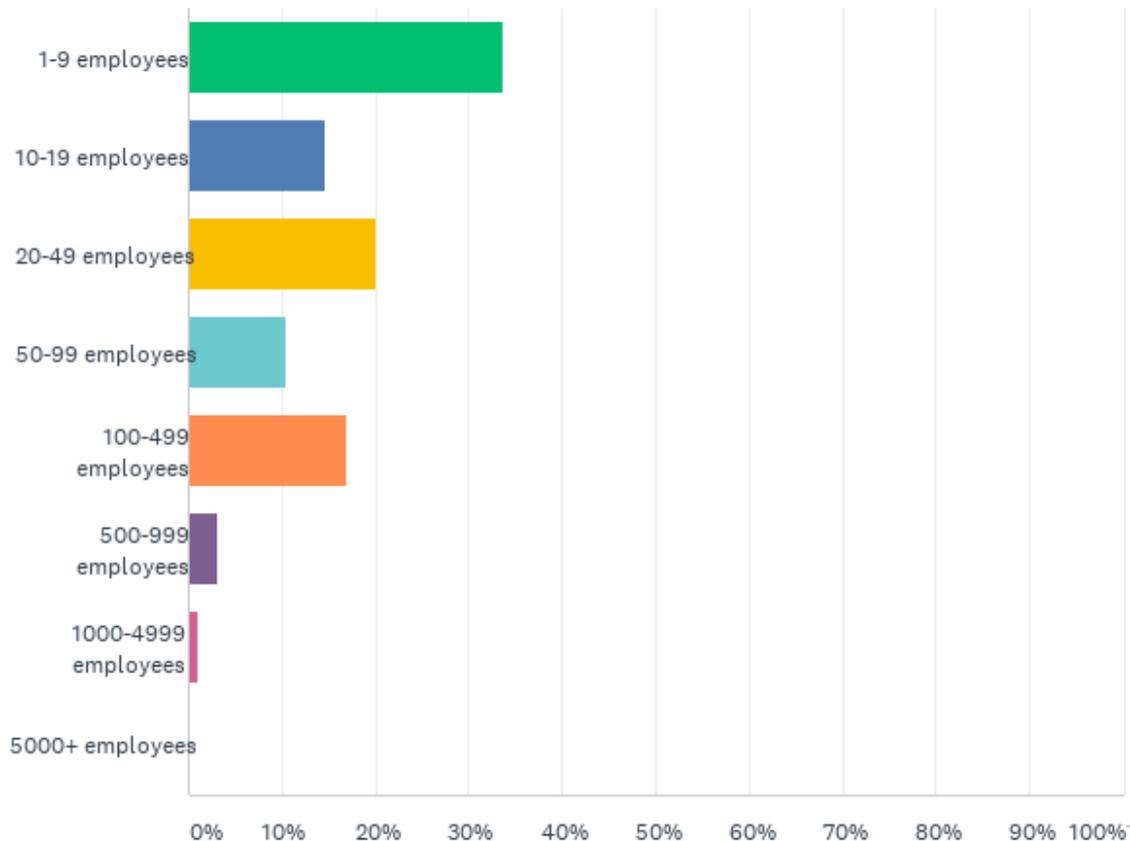
When do you expect employees working remotely to return to the office:



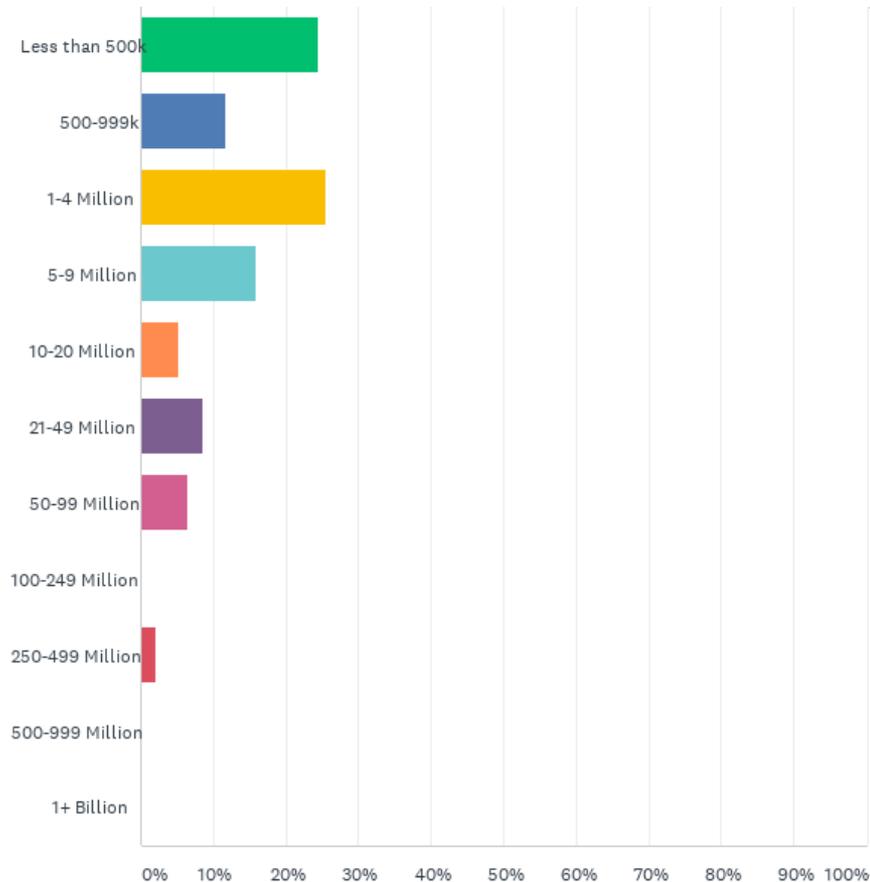
Has your company changed vendors/suppliers as a result of the pandemic?



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



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



GLOBAL COMPARISION

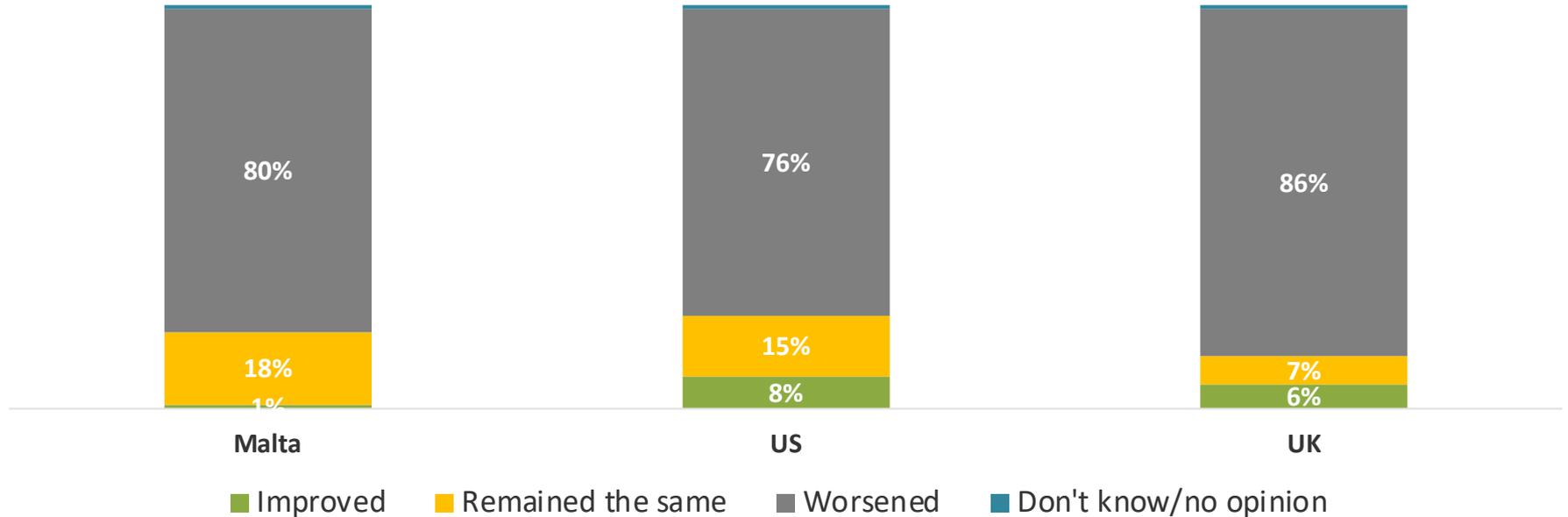
MALTA compared to the US & UK

In Collaboration with

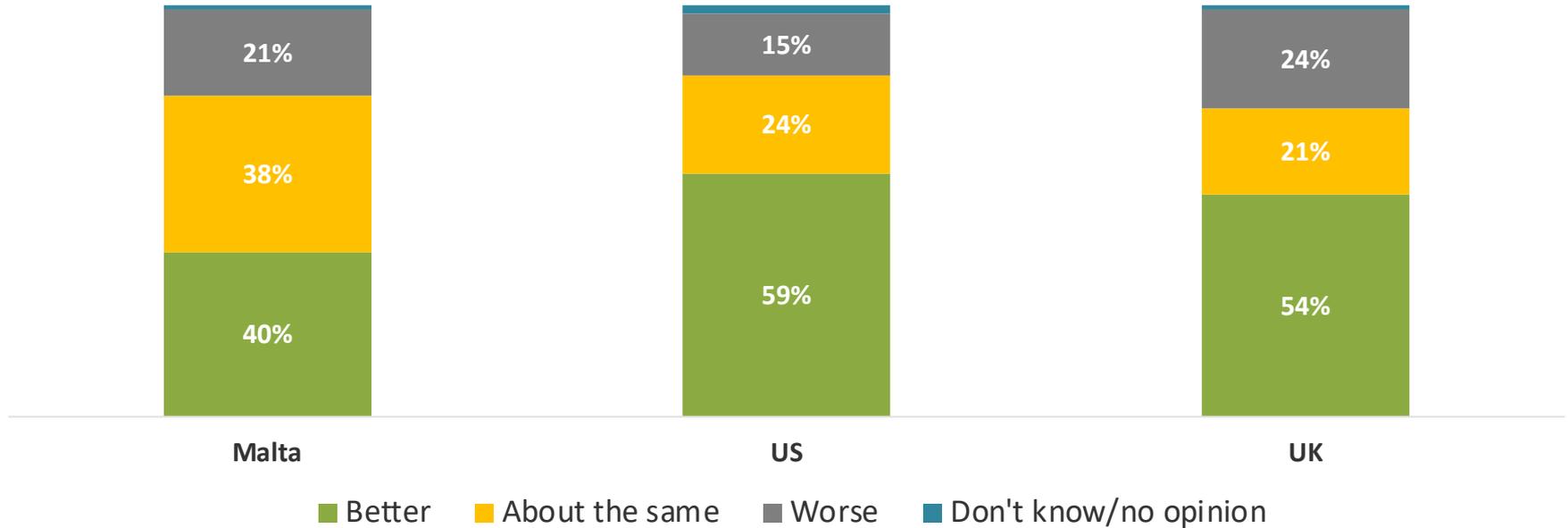
VISTAGE

Vistage WORLDWIDE Inc

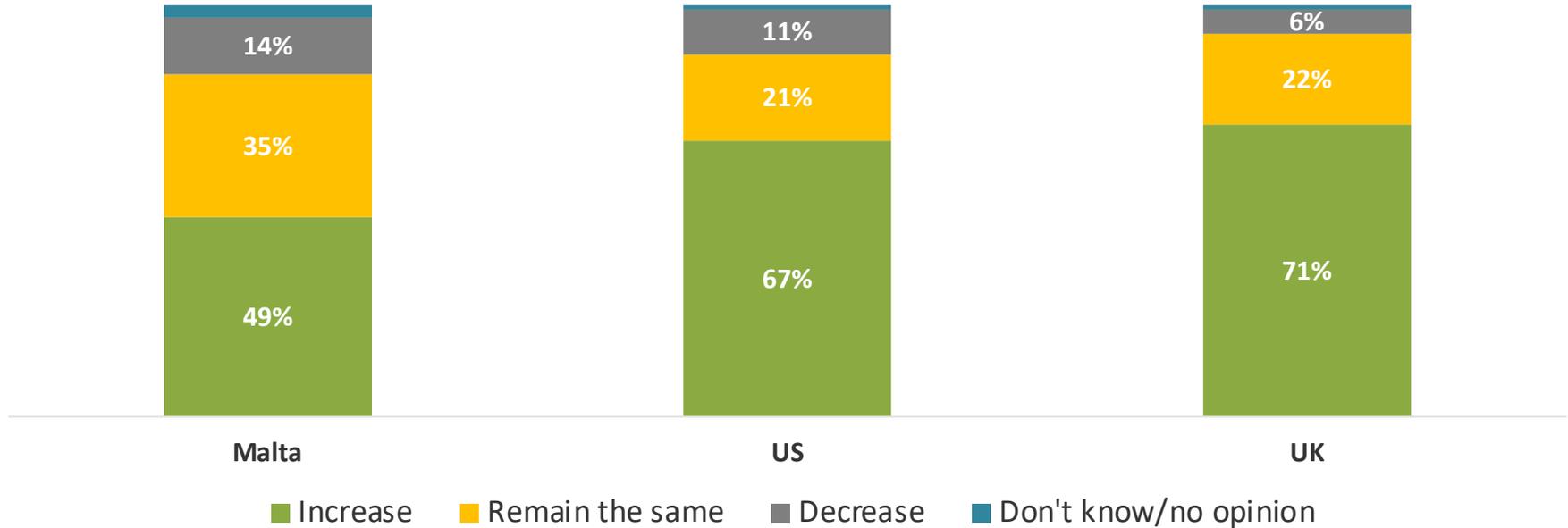
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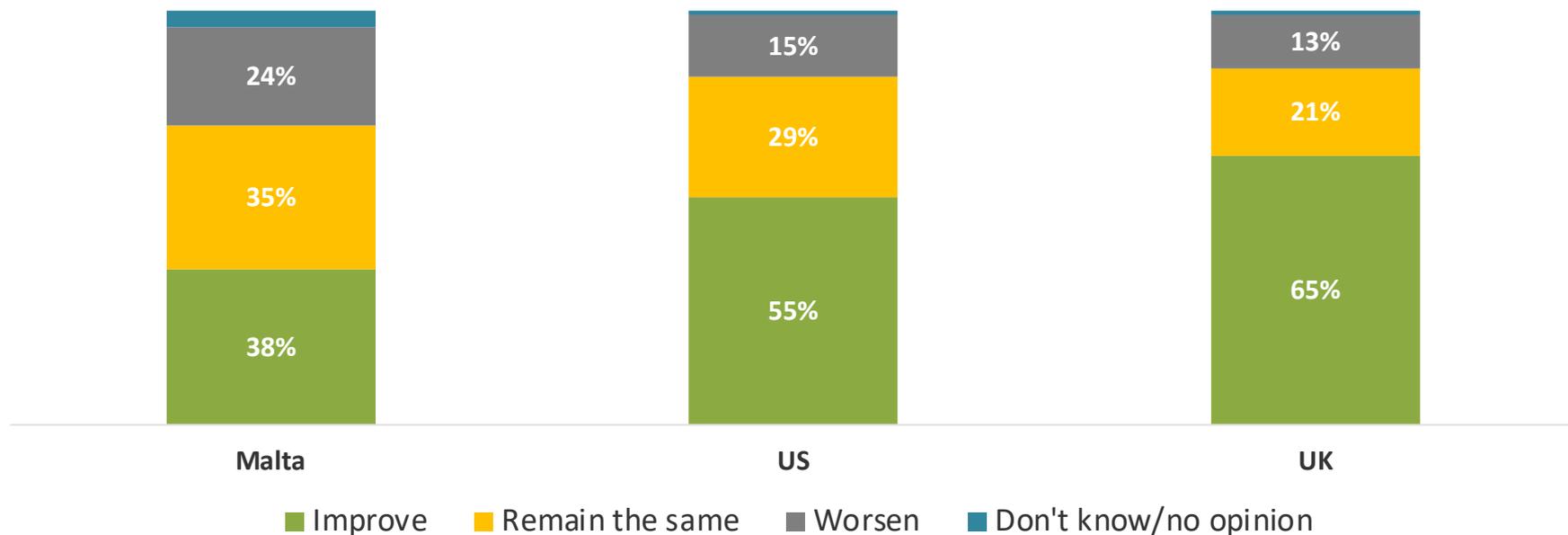
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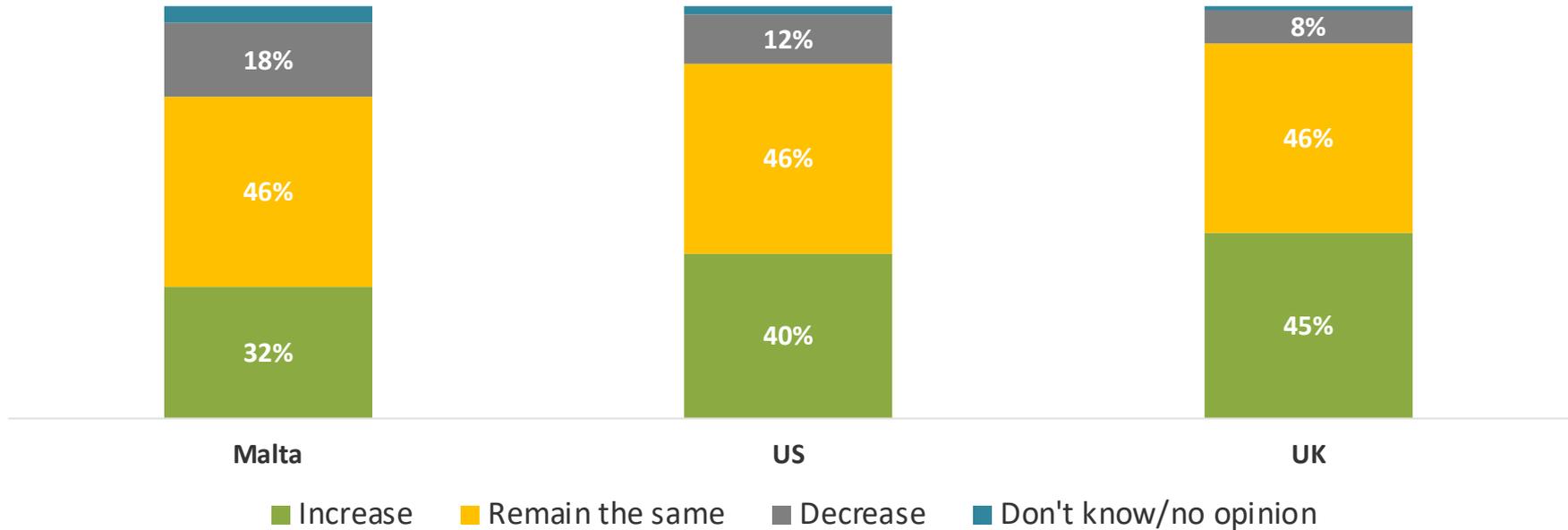
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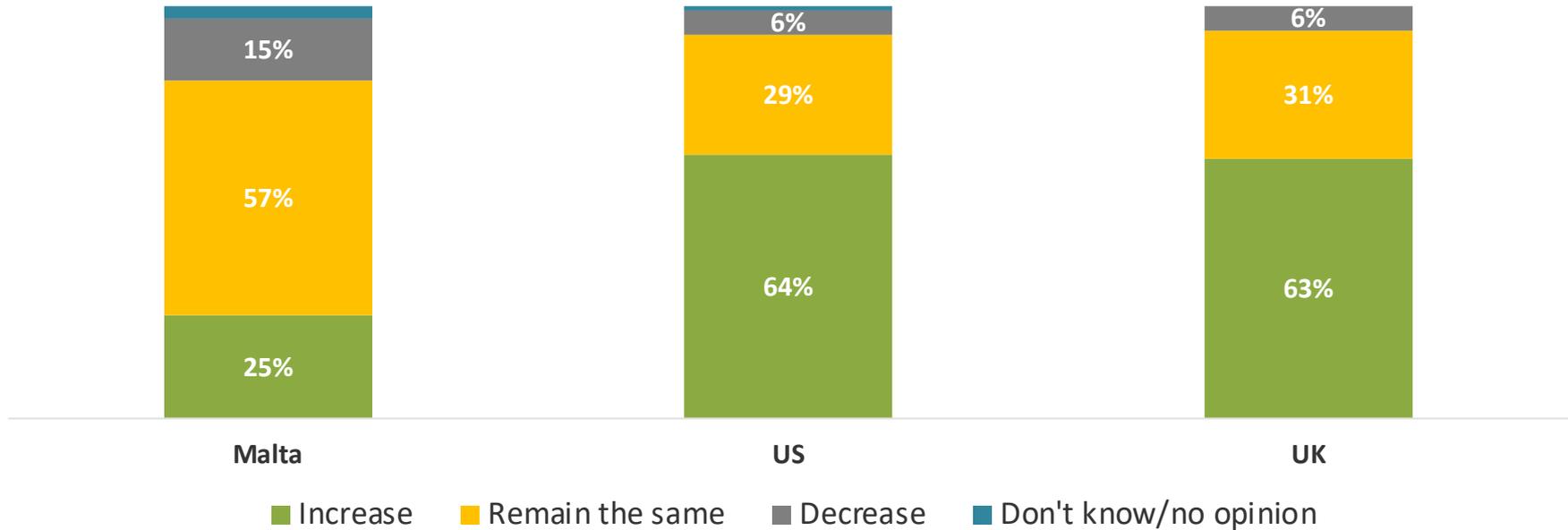
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Vistage Survey

● Development
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VISTAGE MALTA
Contact:
daphne@vistage.mt
www.vistage.mt

THE MALTA CHAMBER
Contact:
edward.bonello@maltachamber.org
www.maltachamber.org