

VISTAGE

CEO Confidence Index



**Q2 2022 BUSINESS
CONFIDENCE INDEX**

VISTAGE MALTA

FULL Confidence Index Report for Q2 2022 - MALTA

This report represents a comparison of data from 65 respondents from the local business community taken between February and April.

In Collaboration with



“Respondents seem divided about the future of the Malta economy; 32% believe economic conditions will improve, and on the other end of the spectrum 40% believe that the economy will worsen.”

*ANNE PETRIK
VICE PRESIDENT
VISTAGE RESEARCH TEAM*

Malta businesses continue to invest for the future, driving overall confidence

After a dramatic fall in Q4 2021, optimism among Malta businesses rose in Q2 2022 to reach 107.2.

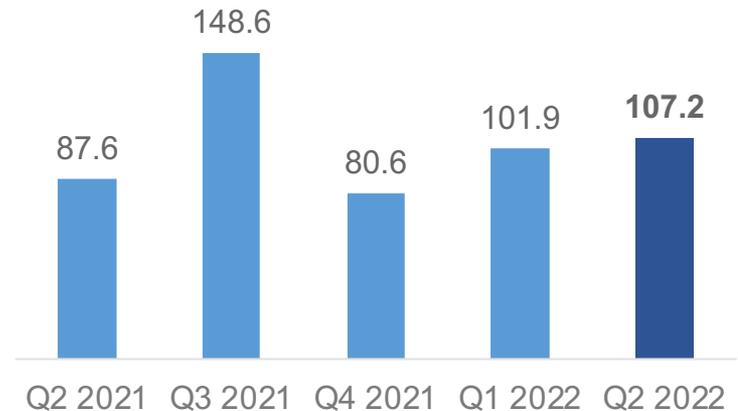
This incrementally increasing optimism is driven by improving prospects for the future, and investments to support those prospects.

Looking at the six components that comprise the overall Index, once again the driving factor for the quarter-over-quarter increase is businesses' plans to increase investments.

- Over half (55%) of Malta businesses reported plans to increase fixed investments in the next 12 months, up 15 points from last quarter.
- A similar increase was seen in those planning to expand their workforce as well with 52% of business reporting that their employees would increase, up from 41% last quarter. These workers are much needed as 66% of businesses report troubled operating based on talent scarcity.

These investments will help businesses prepare for growth, with 46% expecting that sales revenues will increase, up 5 points from last quarter.

Malta Confidence Index: 6-Quarter Trend



Source: Q2 2022 Vistage Malta Confidence Index, n = 65
These findings represent data collected from business leaders in partnership between Vistage Malta and the Malta Chamber of Commerce

Rising costs impact both pricing and profitability

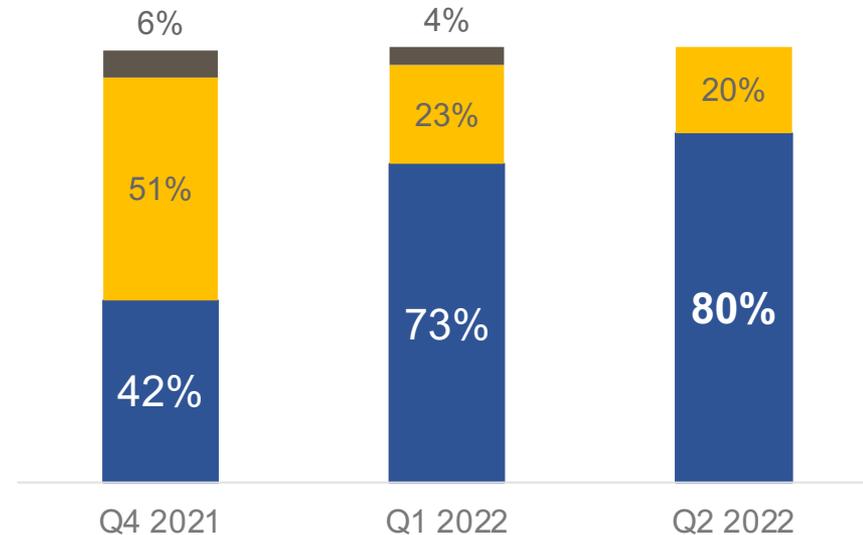
While revenue projections have become more optimistic, inflationary pressures have also been on the rise. When asked about the effects of inflation, Malta businesses reported varying impacts:

- 78% reported increased prices from vendors
- 65% reported higher costs for raw materials & inputs
- 61% reported increased wages and compensation

To offset those costs, 80% of Malta businesses expect to raise prices for their product or service in the year ahead. In the last 3 quarters the proportion of businesses raising prices has nearly doubled. During that same time, just 25% of Malta businesses expect increased profitability, a figure that has held stable for the last 3 quarters.

Businesses will need to continue to invest for growth while managing rising costs to prevent profitability from eroding.

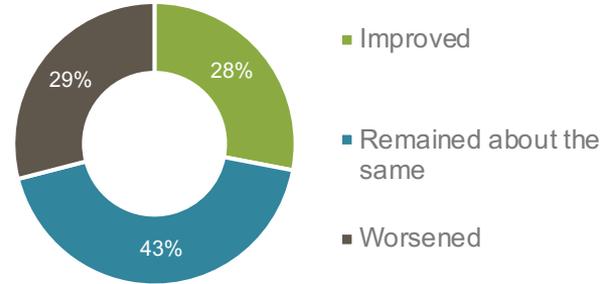
How do you expect prices for your product or service to change during the next 12 months?



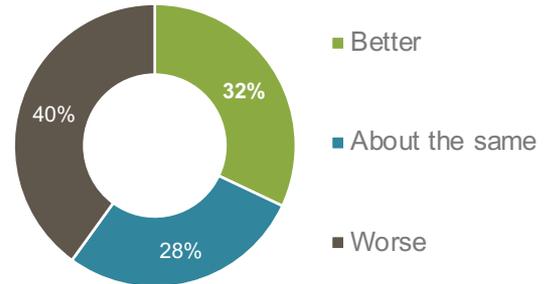
HIGHLIGHTS: Q2 2022 Vistage Malta Confidence Index - ECONOMY

Economy

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



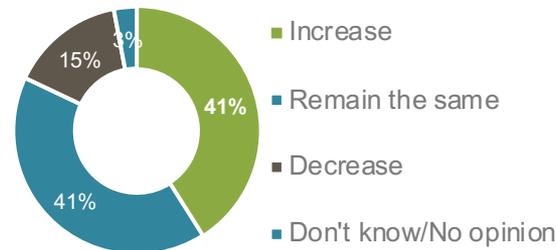
During the next 12 months, do you expect the overall economic conditions in Malta will be better, about the same, or worse than now?



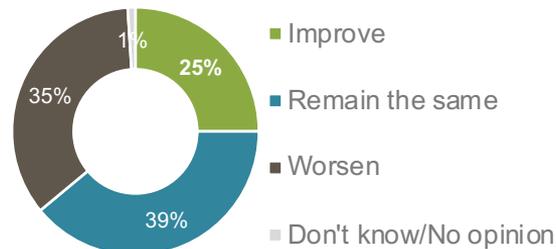
HIGHLIGHTS: Q2 2022 Vistage Malta Confidence Index - PROSPECTS

Prospects

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



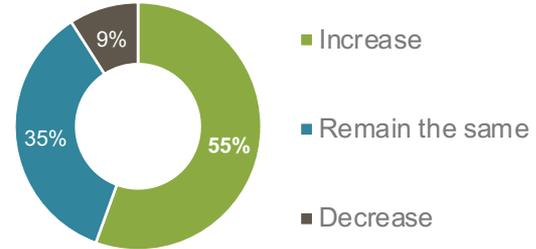
Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?



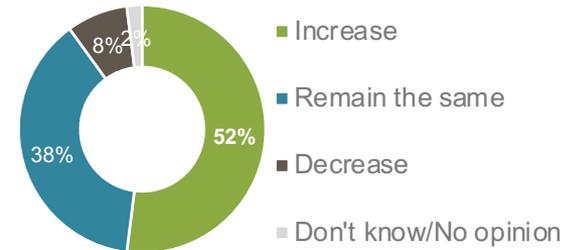
HIGHLIGHTS: Q2 2022 Vistage Malta Confidence Index - EXPANSION

Expansion

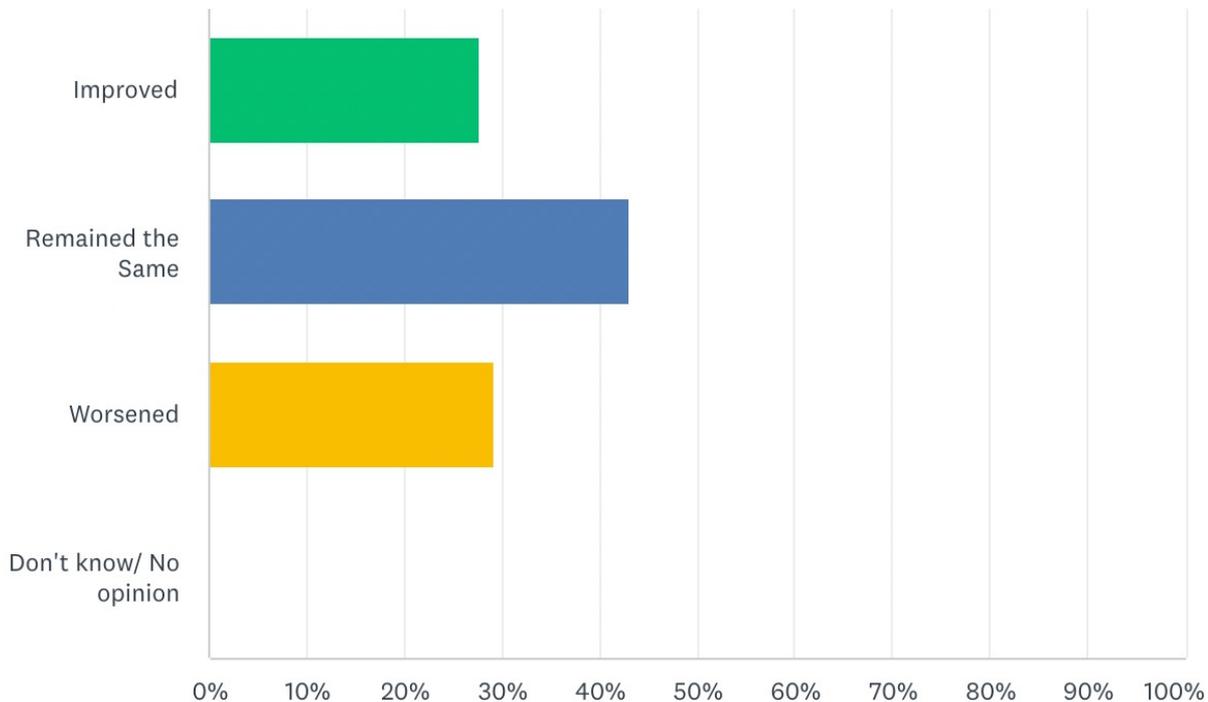
Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?



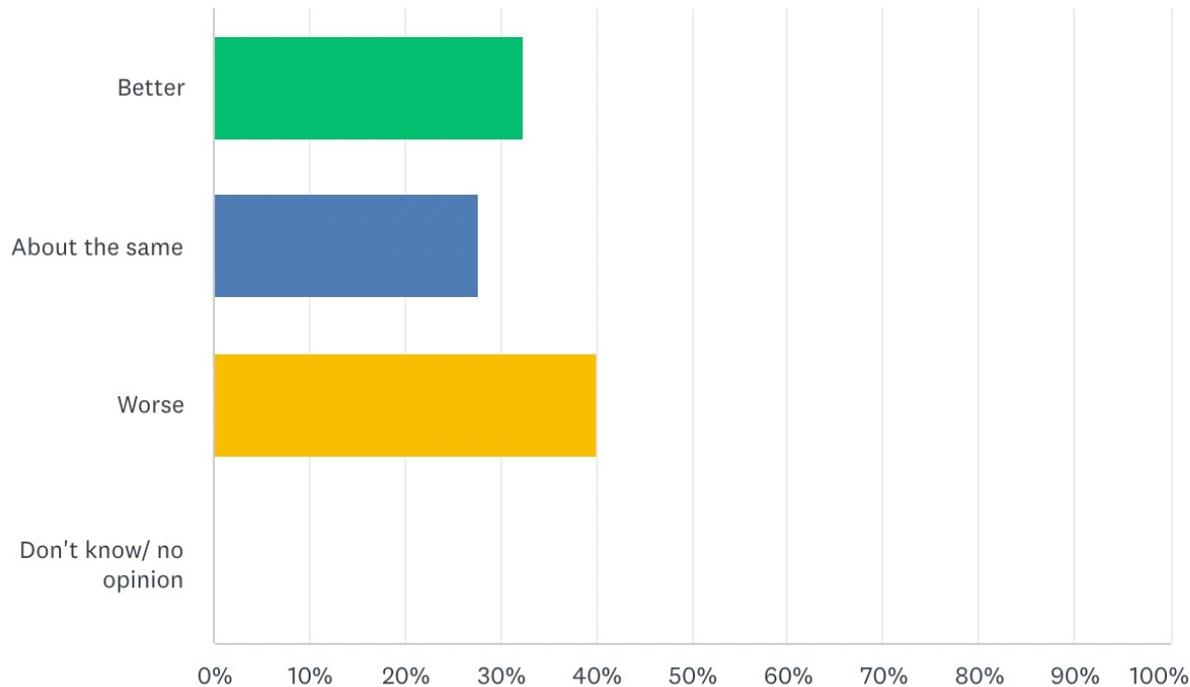
Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?



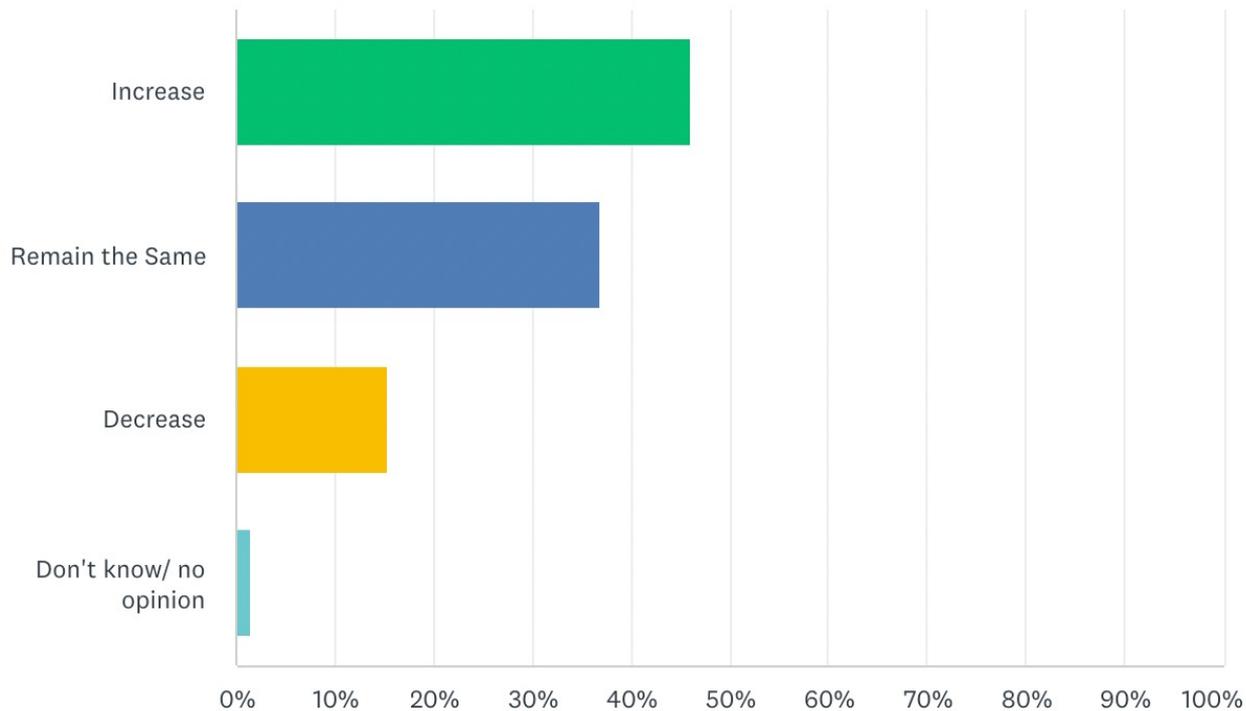
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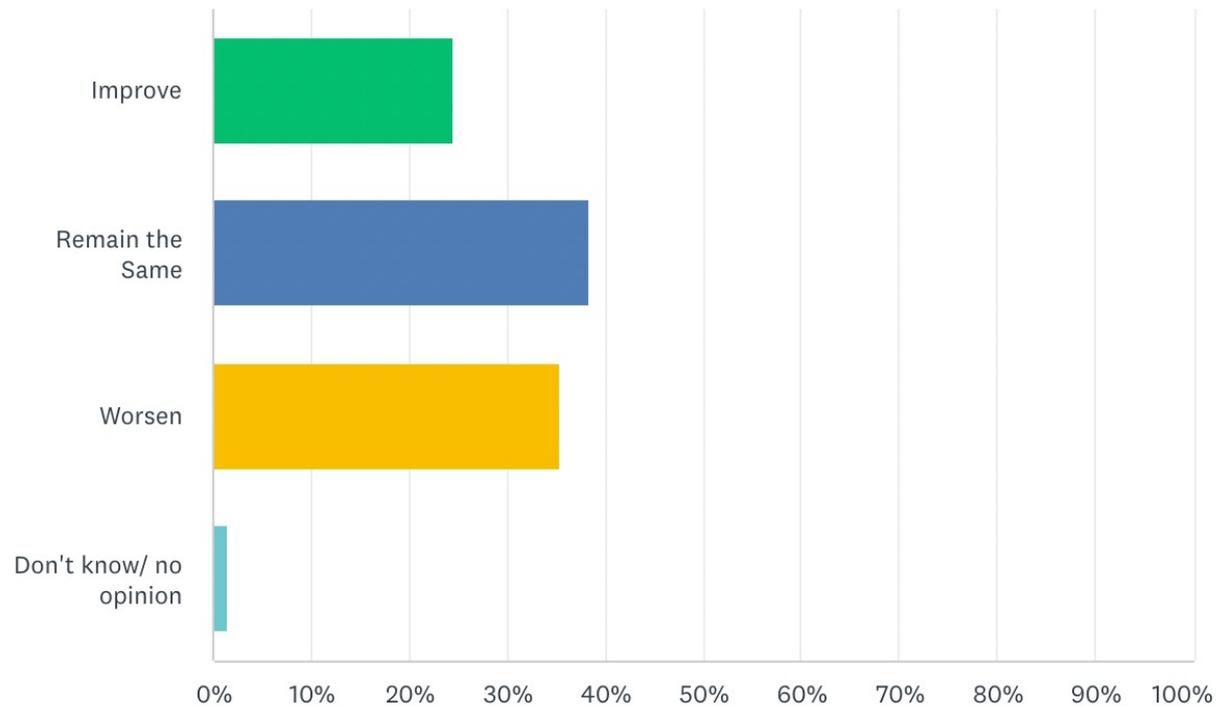
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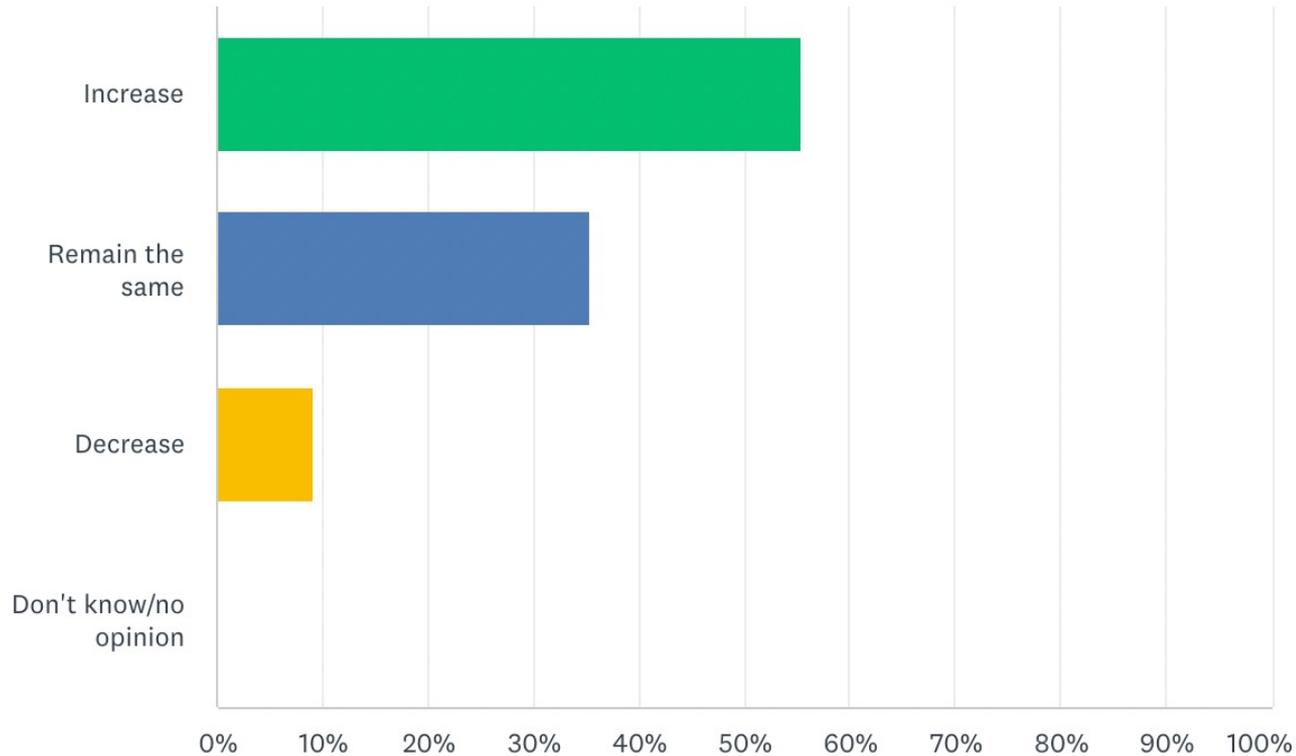
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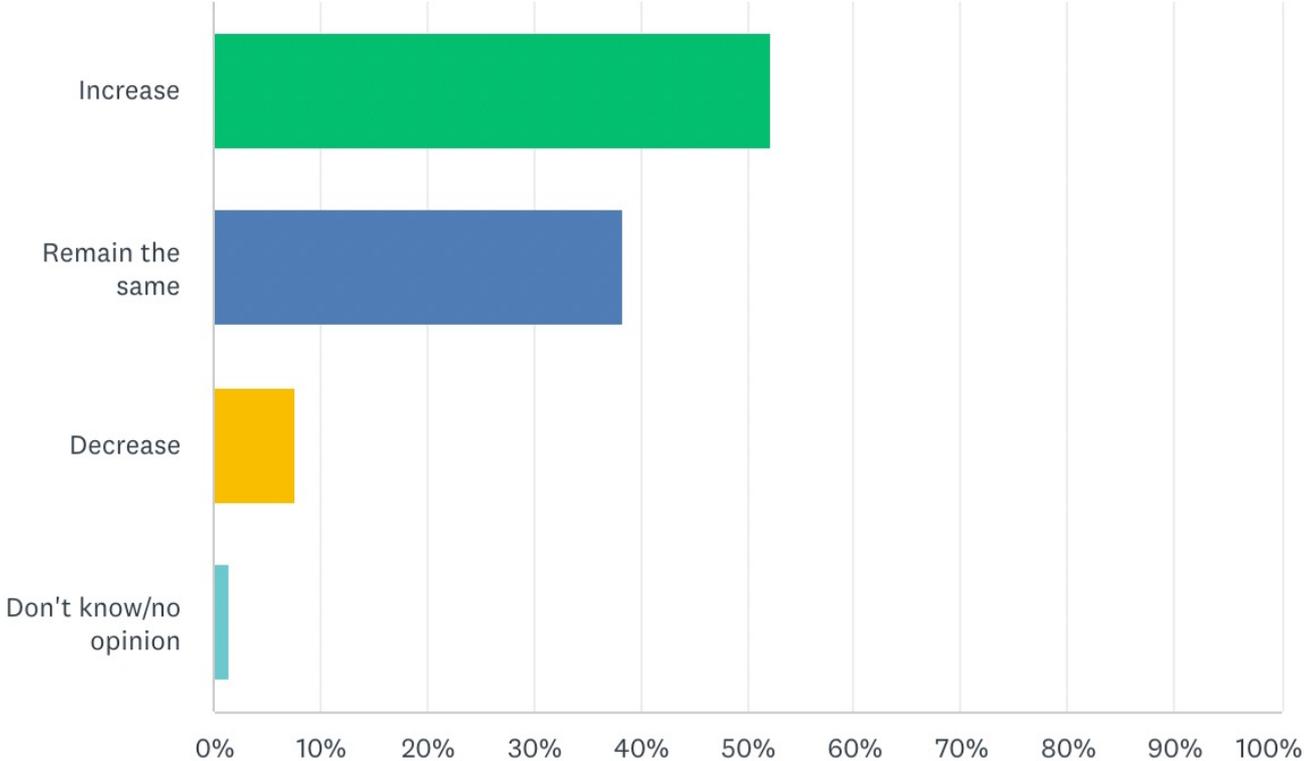
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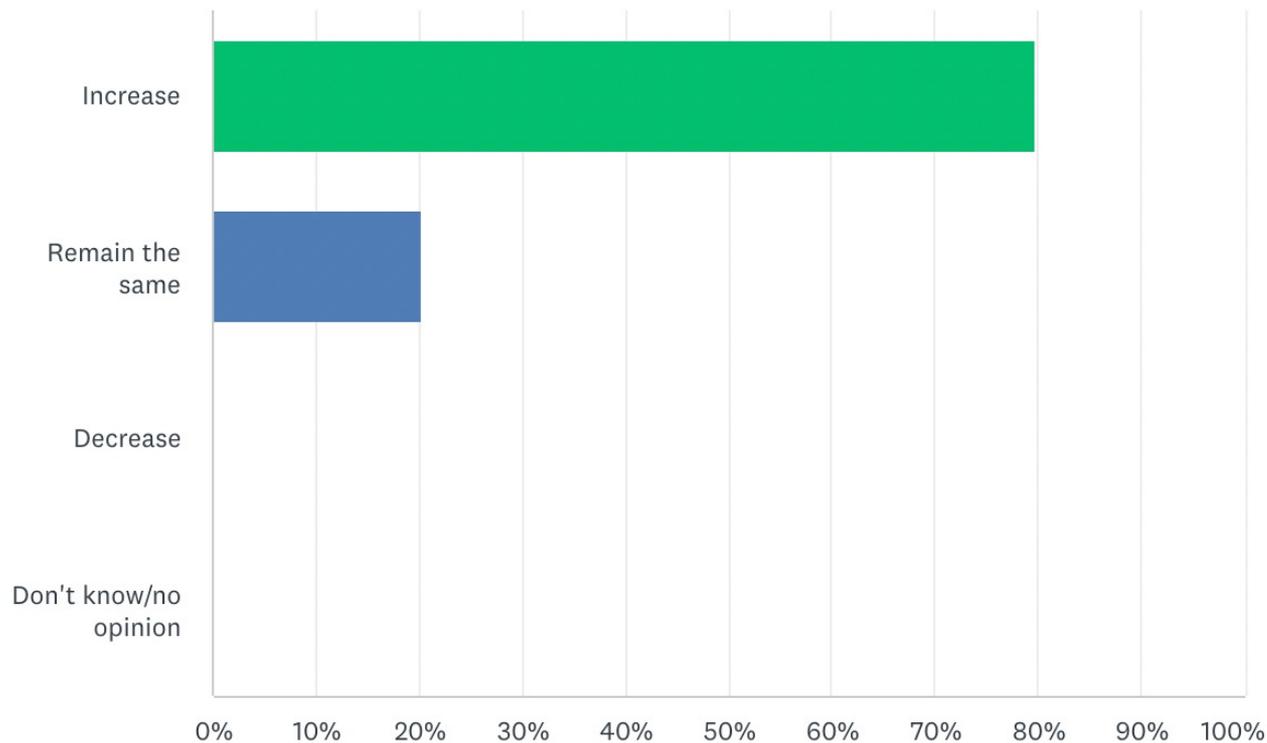
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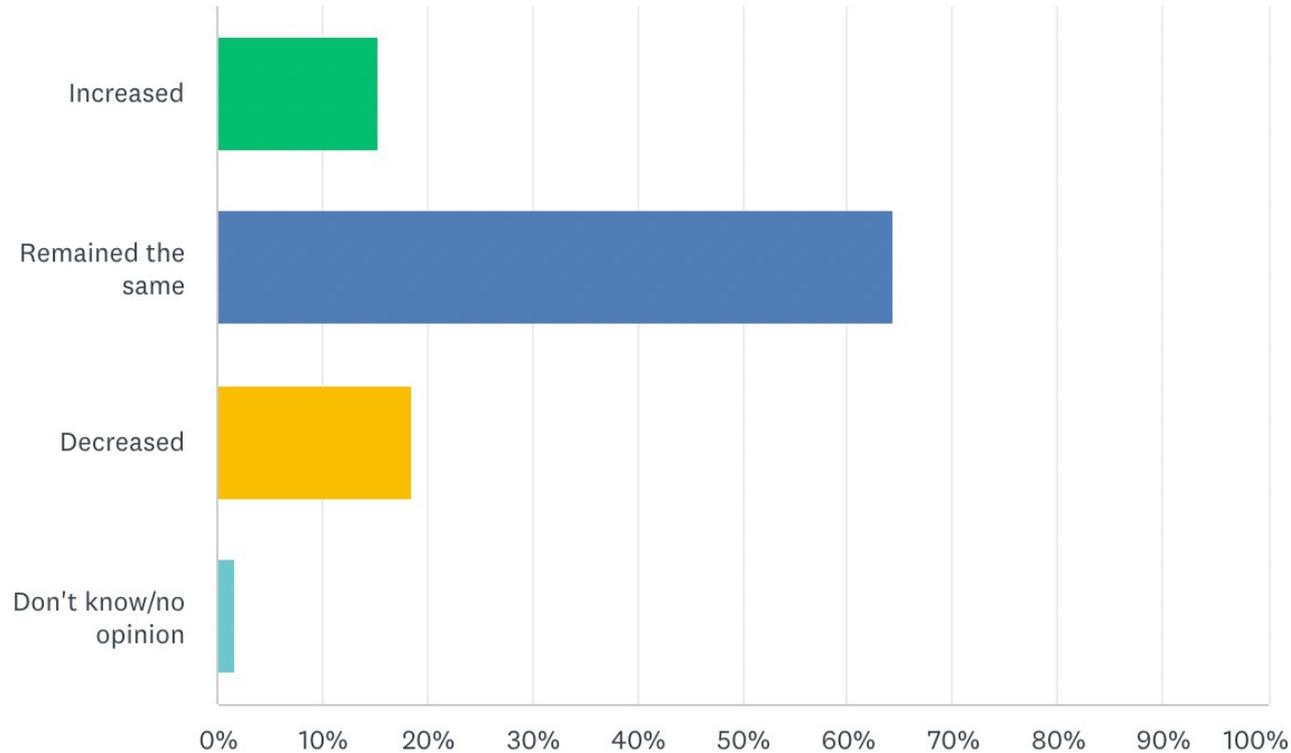
What disruptions or challenges are you currently experiencing for your business?

Freight_{skilled} supply chain_{delays} HIGHER_{fuel} business_{labour}
increase cost_{goods} increases Price hikes costs
employees lack_{Malta} prices SALARIES raw materials
suppliers due_{lead times} price increases_{supply} Shortage

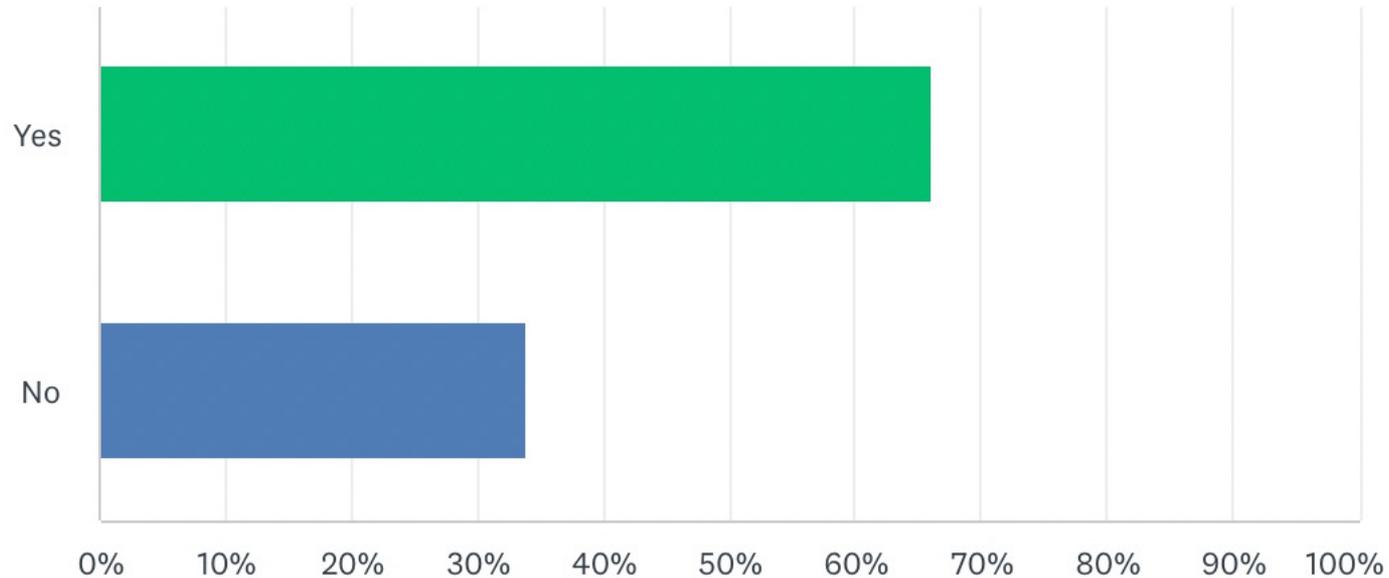
Do you expect prices for your product or service to increase, remain about the same, or decrease during the next 12 months?



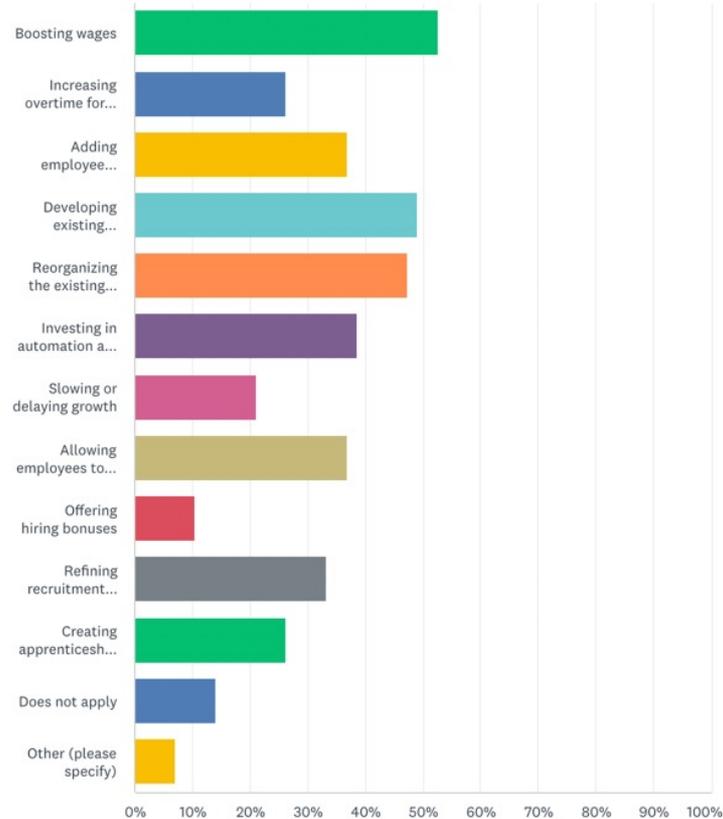
How have your employee retention rates changed since the beginning of the year?



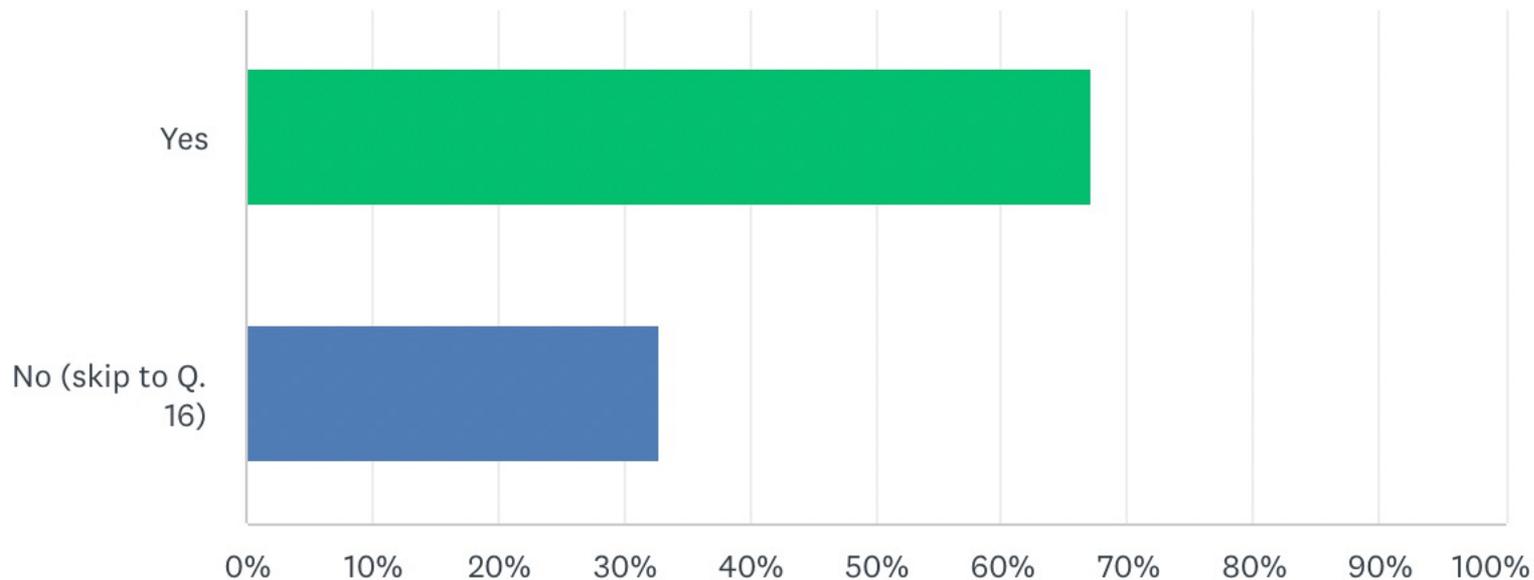
Are hiring challenges impacting your ability to operate your business at full capacity?



If hiring employees has become more difficult, what are you doing in response?



Do you invest in development specifically for your company's managers and leaders?



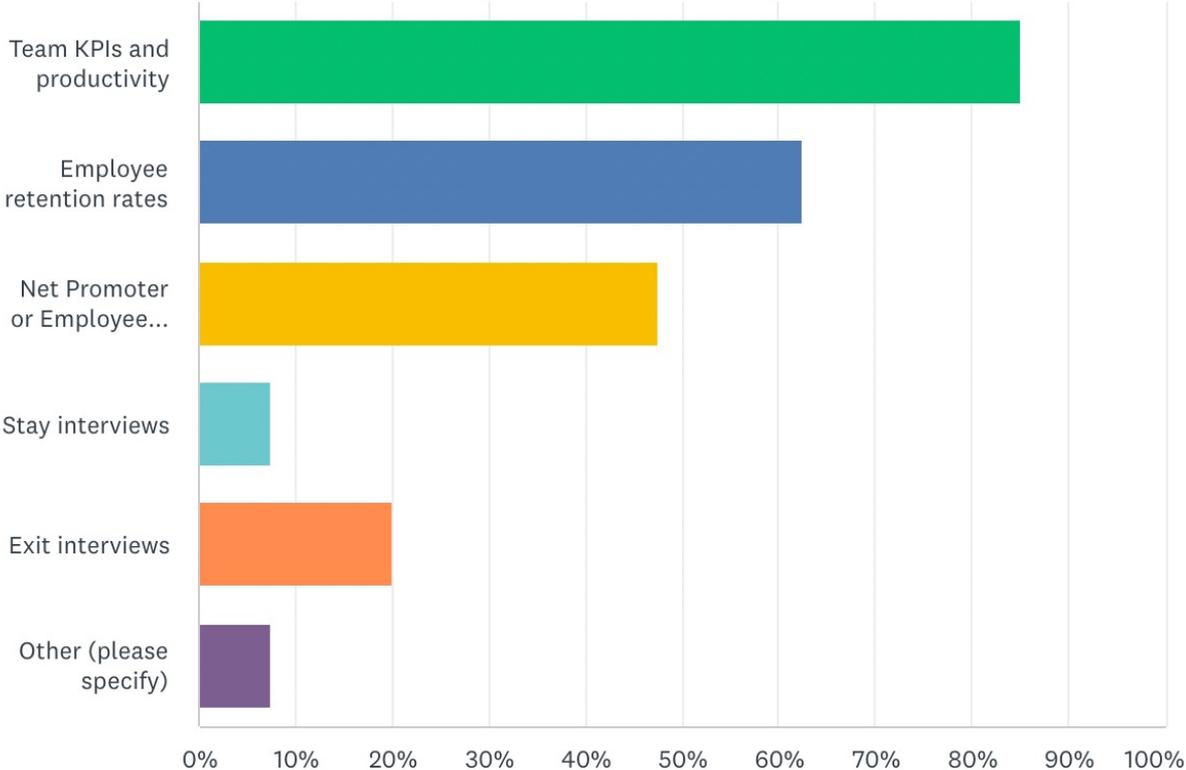
Please share more detail on the training or programs that you have in place to develop leaders:

development programs managers Leadership
Technical house mentoring coaching
Courses training Individual external
professional programs skills Management

How does your company select participants for leadership development?

Based within leadership development
potential eligible management
interviews

How do you measure the success of your leadership development efforts?



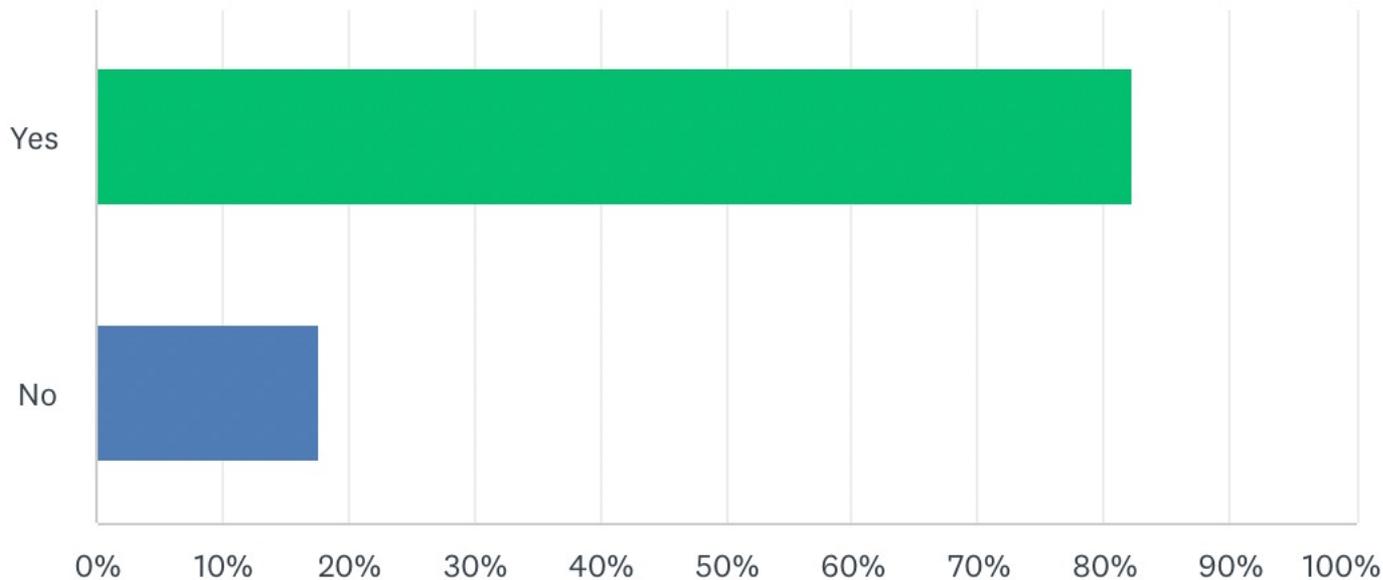
We describe business leaders as 'corporate athletes' that need the strength and resilience to lead their organisation. How do you rate your current level of wellbeing?

3.7★

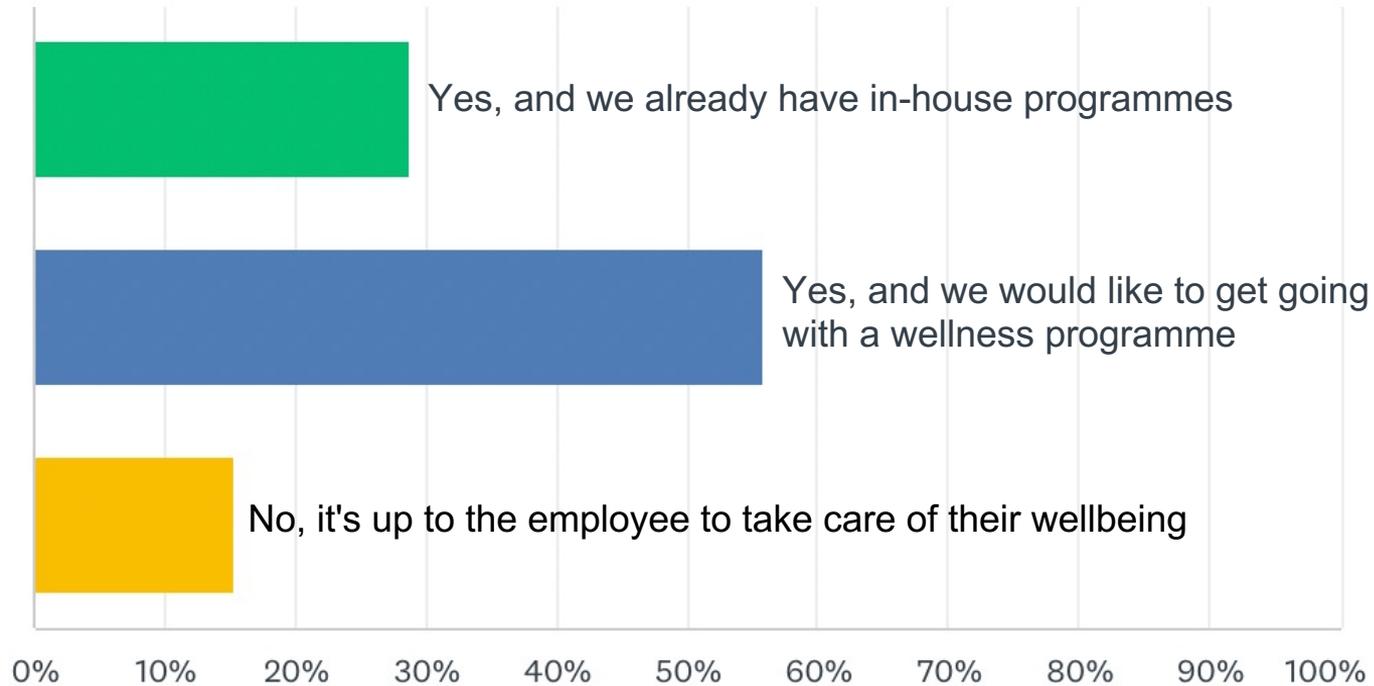
average rating



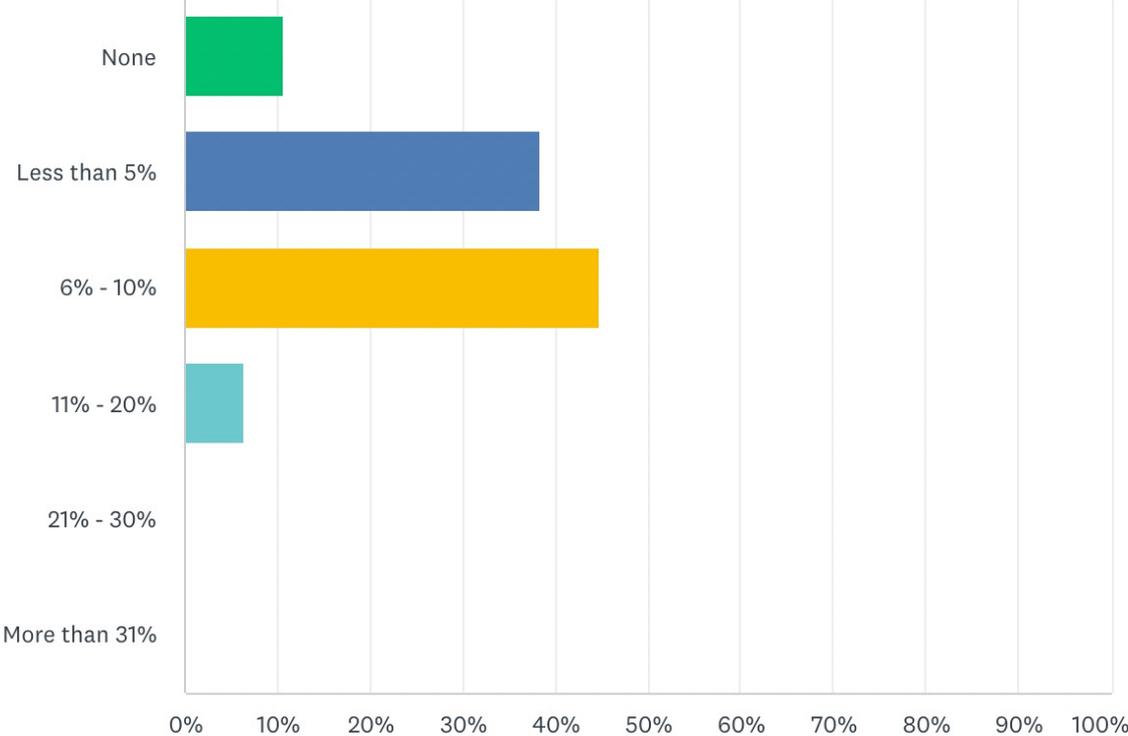
Would you value professional insight or coaching into wellness to help guide you towards your best self?



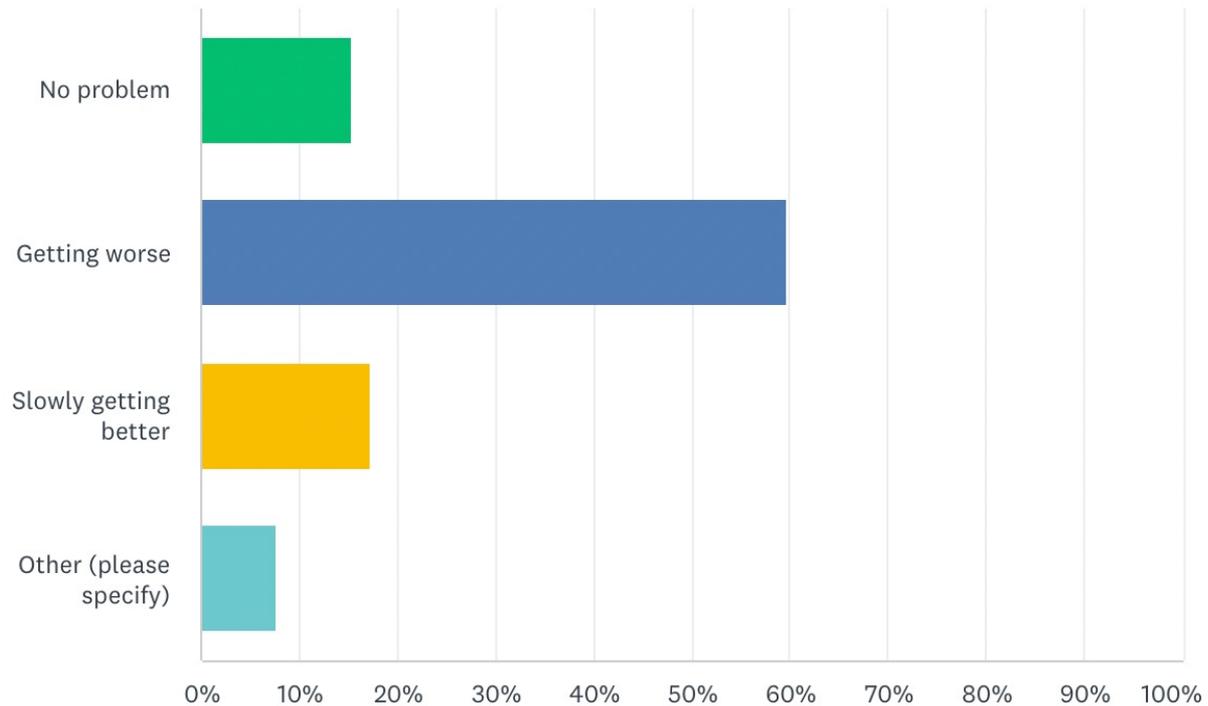
Do you value the impact of wellness on the performance of your team?



What percentage of your average wage cost would you contribute towards employee wellness



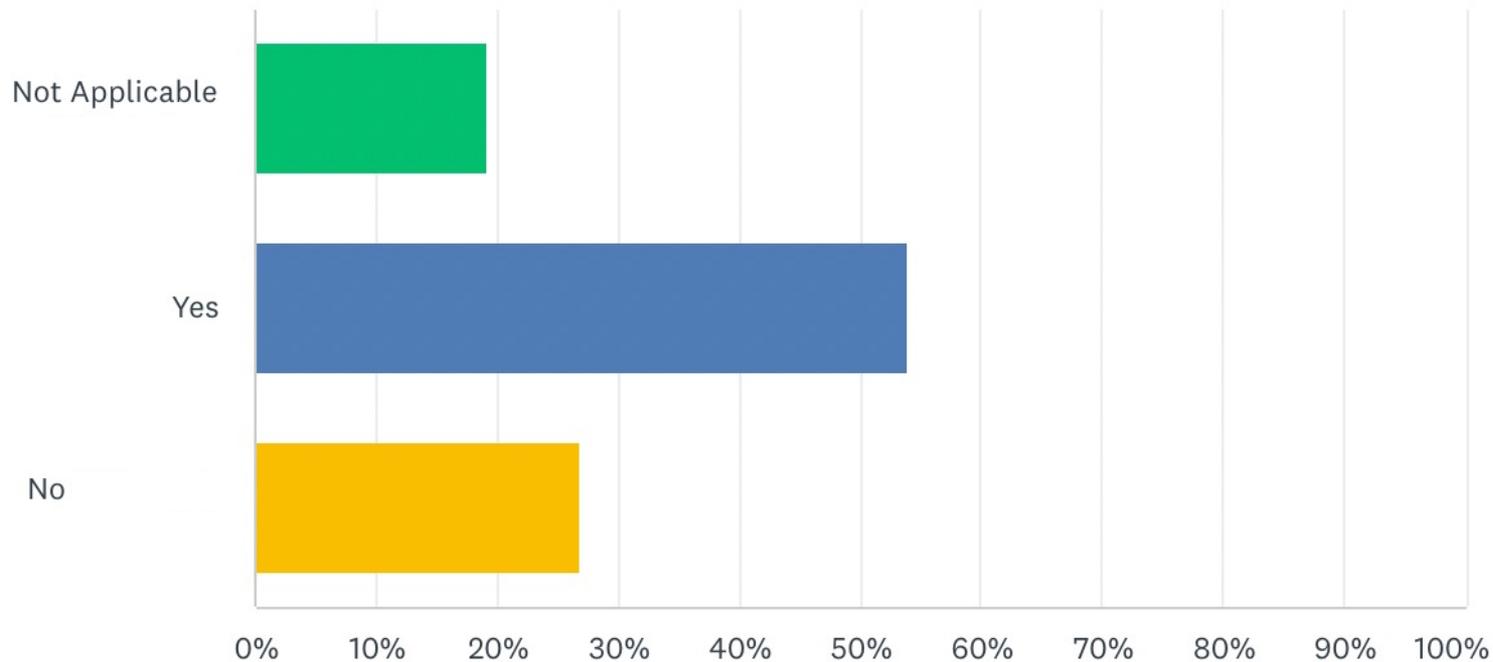
Which best describes your supply chain?



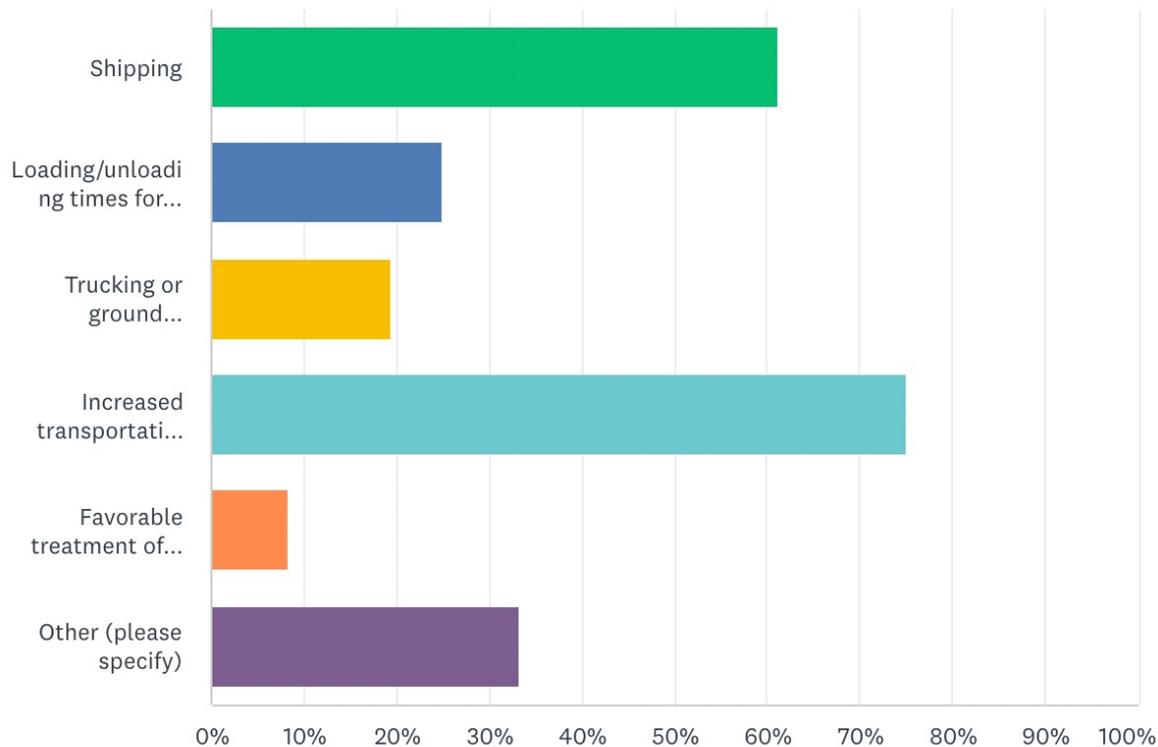
Please share detail about how longer delivery timeframes or order fulfilment windows are impacting your business?

increased Shipping customers business
costs impacting stock expectations
delayed used delivery less due
sourcing months availability production supply
time orders higher costs

Are transportation issues a challenge for your company?



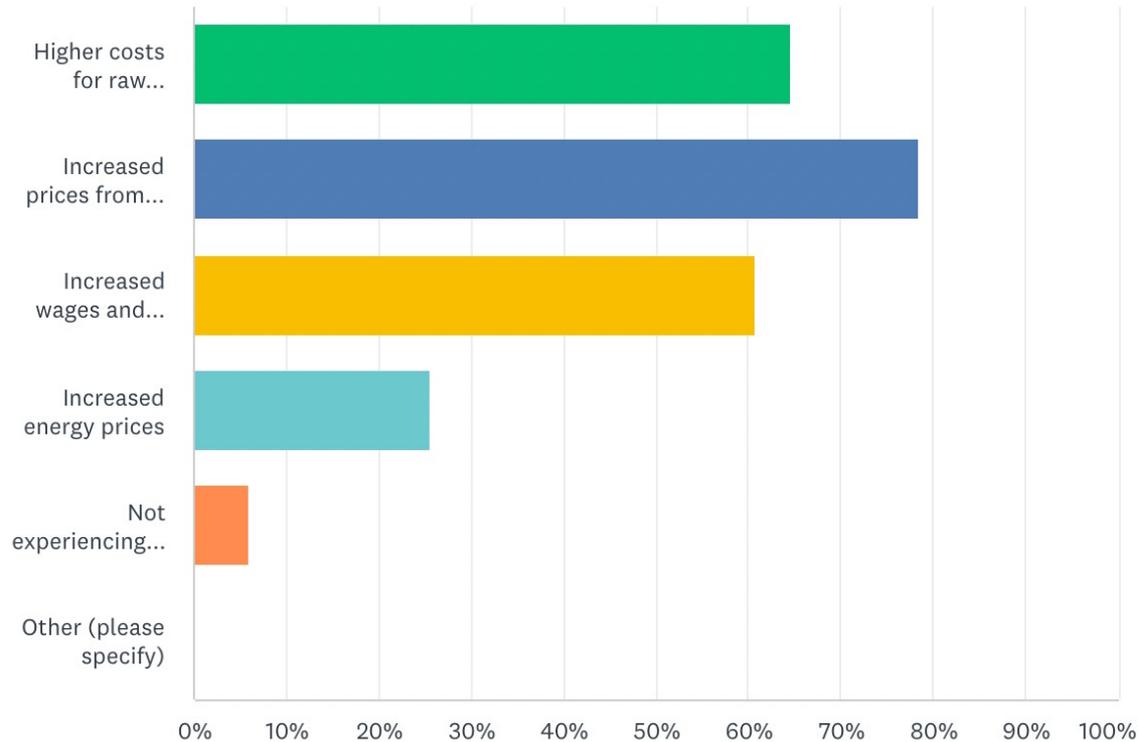
Which aspects of transportation are presenting challenges for your business? (Select all that apply)



Please share more detail on the aspect of transportation that is the biggest challenge for your business

delays_{times} increased_{delivery} costs_{price}
shipping CONTAINERS

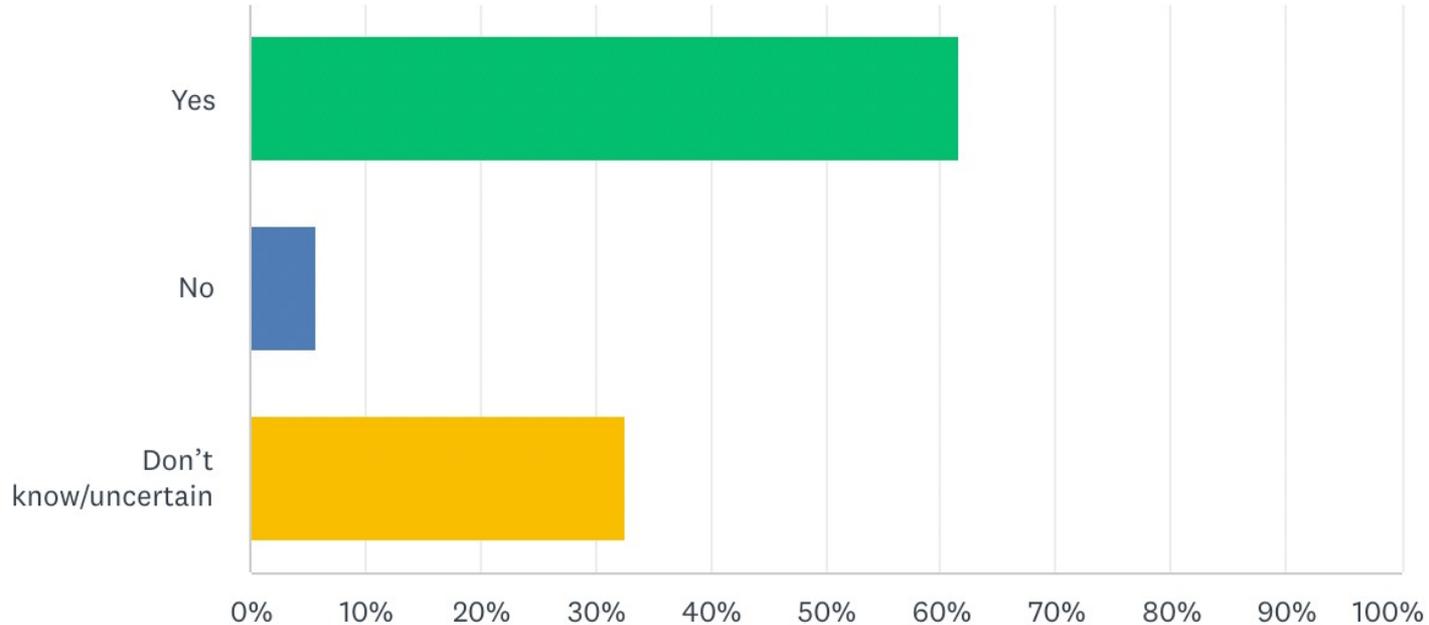
Which effects of inflation are you experiencing for your business?



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

absorbing suppliers sourcing margins trying
fuel costs Higher increased customers
prices products will new
increase selling price keep

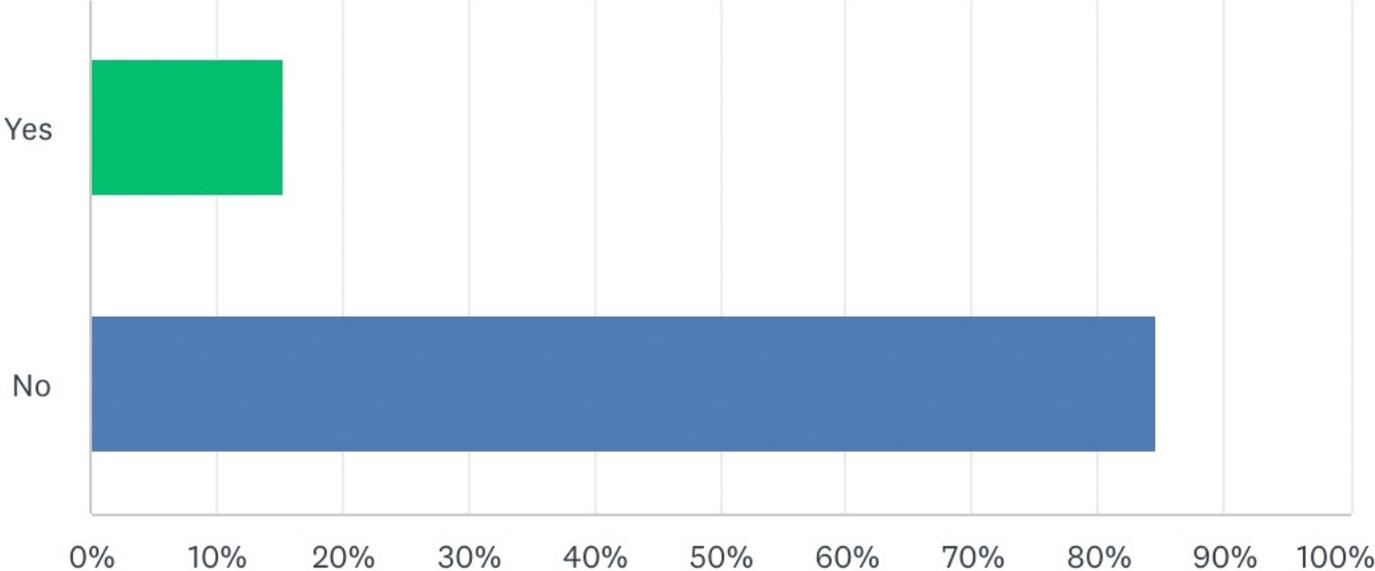
Will Russia's invasion of Ukraine have any impact on your business?



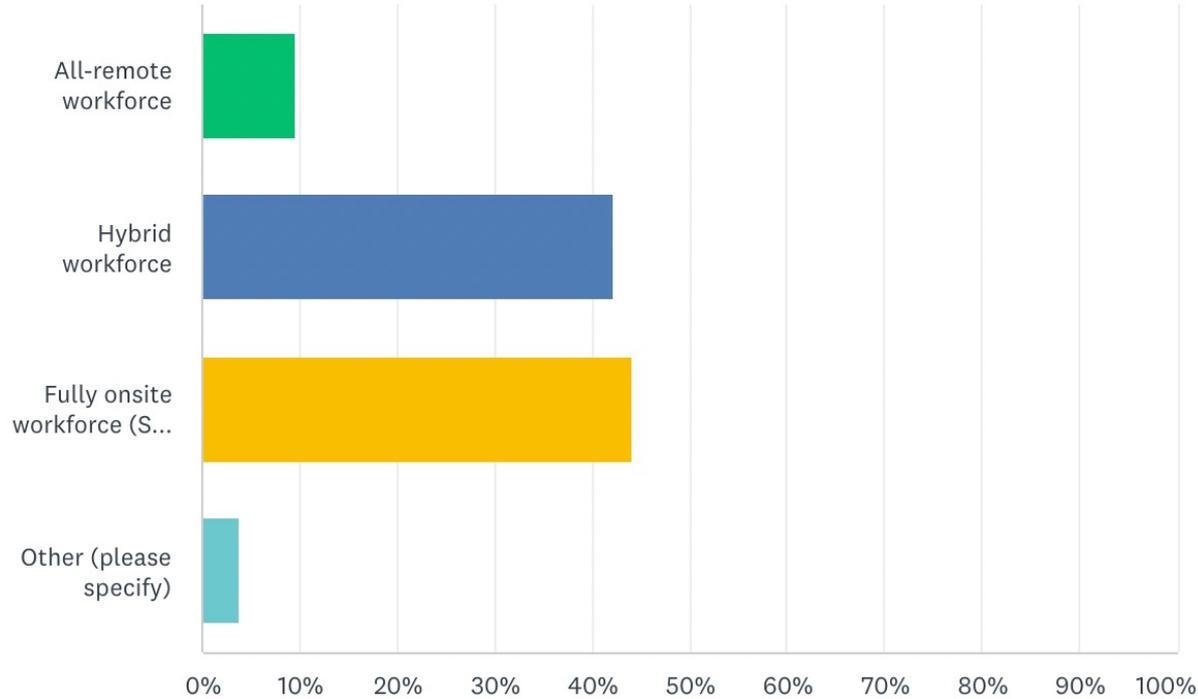
If Yes, please share detail on how Russia's invasion of the Ukraine will impact your business

will used affect shortages raw materials due
impact supplies costs price
increased sourced general clients
suppliers product business

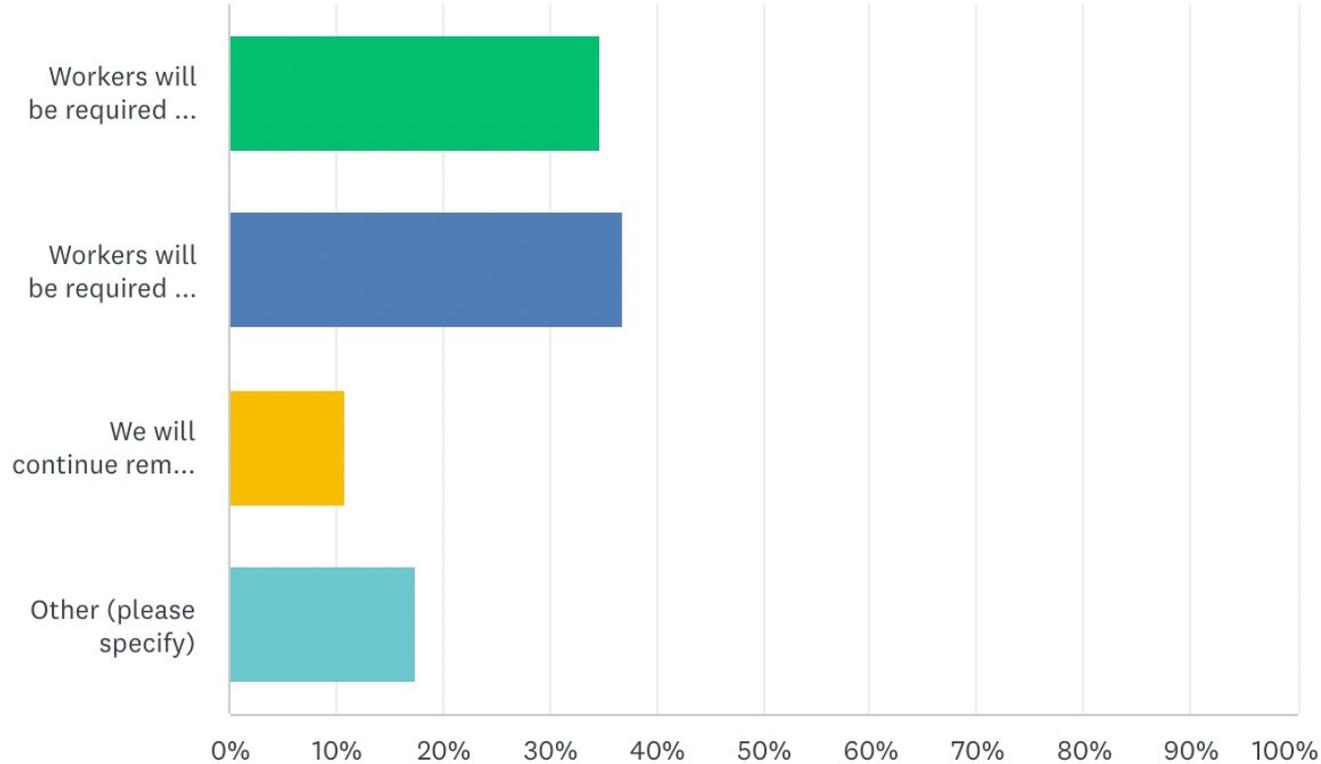
Have you increased your cyber security measures due to Russia's invasion of Ukraine?



Which best describes your current workforce model?



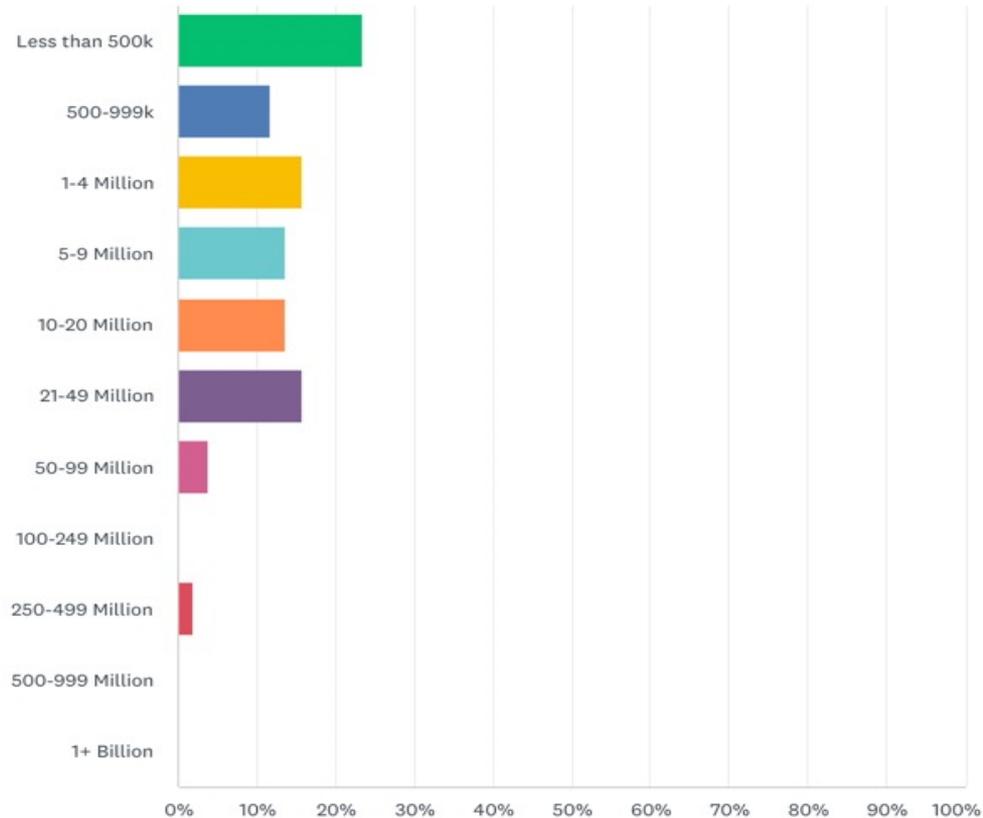
Which best describes your future workforce model?



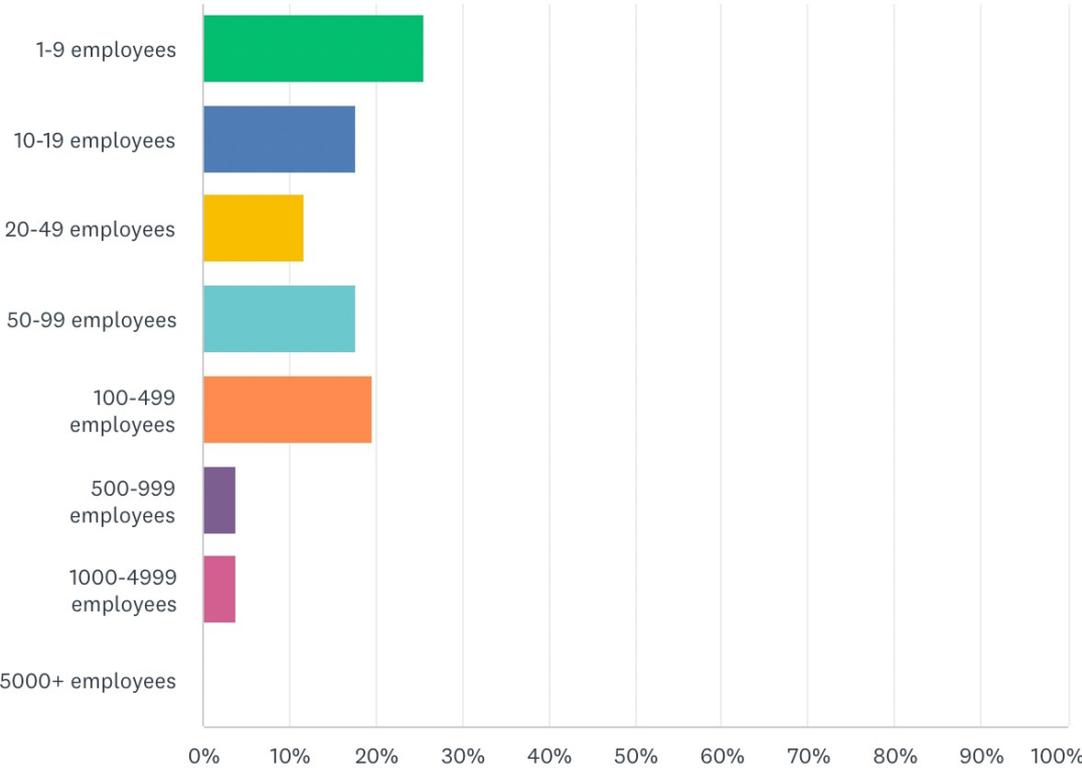
If your workforce is onsite or hybrid, what challenges do you anticipate when requiring employees to work in the office?

None face needs one Covid quarantine
office children challenges Employees
required teams people

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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