

# Healthcare and pharmaceutical CEO optimism wanes



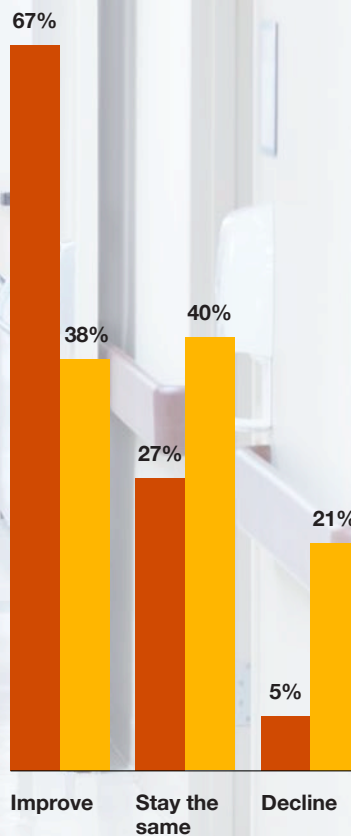
2019 is a year of transition in healthcare and pharmaceuticals. Economic uncertainty is growing, data science and artificial intelligence (AI) are primed for breakouts, costs are rising, and resources are limited. How can industry CEOs strengthen existing capabilities and revenue streams, move into new markets, and embrace digital solutions?



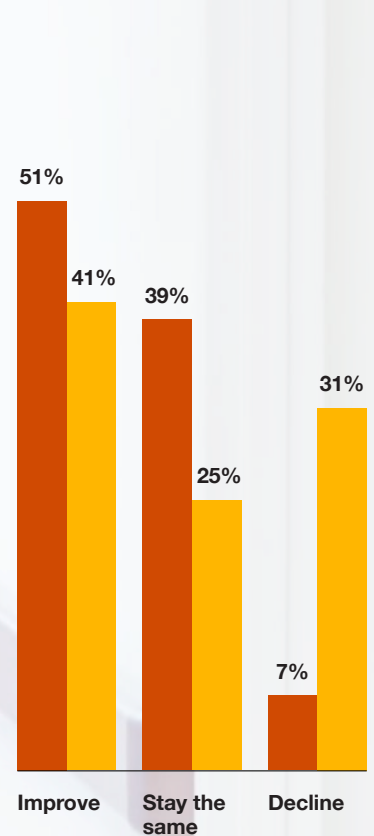
## 'Optimism for global economic growth has plummeted over the past year'

2018 2019

### Healthcare CEOs



### Pharma CEOs



CEOs were asked if they believe global economic growth will improve, stay the same, or decline over the next 12 months.

## Growth confidence shrinks

Healthcare and pharma CEOs anticipate an economic rough patch ahead. Significantly fewer CEOs are optimistic about global economic growth, and CEO confidence in future organisational growth has dampened over the past year. CEOs cited policy uncertainty and overregulation as the primary threats to growth.

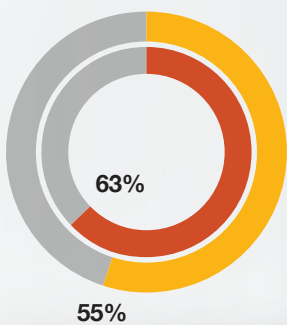
## Hiring is down, up-skilling is up

Facing economic uncertainty, CEOs will take a cautious approach to hiring, a process made more difficult by a deficit in the supply of skilled workers. Nearly half of CEOs advocate retraining or up-skilling their existing workforce to gain essential skills, while a quarter believe in the merits of establishing strong talent pipelines directly from educational institutions.

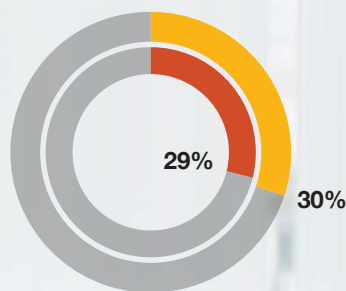
## Economic pessimism impacts head count projections in 2019

2018 2019

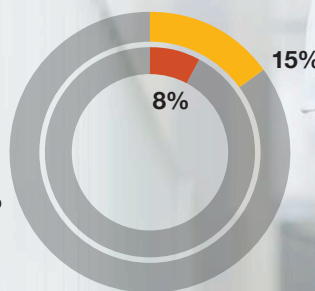
Increase



Stay the same



Decrease

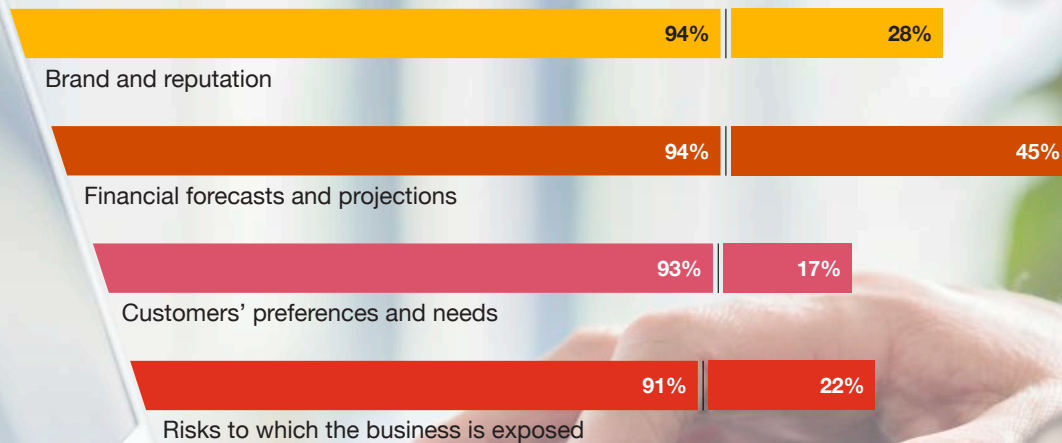


CEOs were asked whether they expect the headcount at their organisation to increase, decrease or stay the same over the next 12 months.

## Data is abundant but inadequate for CEO decision-making

Data healthcare and pharma CEOs value most

CEOs who receive comprehensive data



CEOs were asked to consider the importance and adequacy of data they use to make decisions about the long-term success and durability of their business.

## Mountains of data, molehills of intelligence

Despite the vast stores of raw data available, precious little gets translated into actionable intelligence that CEOs can use. This information gap was pronounced in the latest survey. CEOs cited a number of factors, including data siloing, subpar analytical talent and lack of information sharing within their organisations.

## Going slow on AI

PwC estimates AI will contribute US\$15.7tn in global GDP gains by 2030. Healthcare and pharma CEOs are enticed by AI's potential to transform the way they do business, yet few have implemented AI initiatives on a wide scale. Trust is a major impediment, and the ability to quantify and explain AI's value to society will drive the rate of adoption.

### Is the AI revolution imminent?

AI will significantly change the way they do business

Implemented AI on a wide scale

No plans to pursue AI initiatives at the moment

**81%**  
Healthcare CEOs agree

**4%**  
Healthcare CEOs

**31%**  
Healthcare CEOs

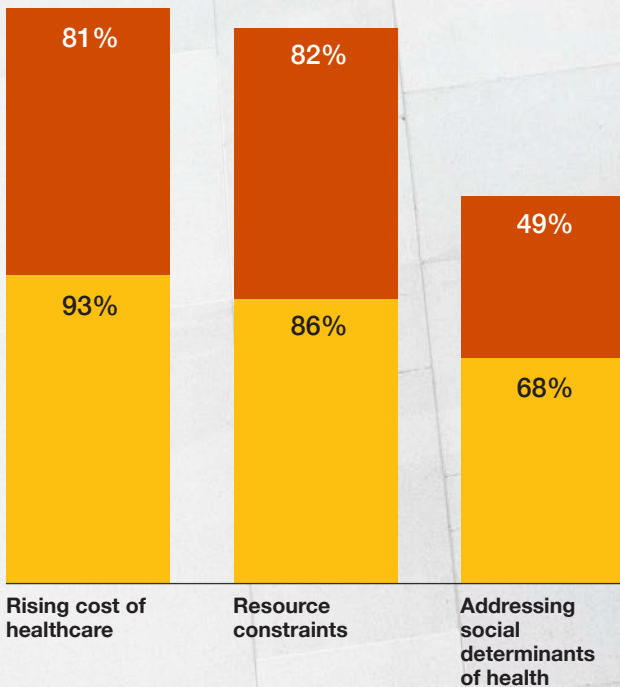
**75%**  
Pharma CEOs agree

**0%**  
Pharma CEOs

**34%**  
Pharma CEOs

## Fiscal realities top list of CEO concerns

■ Pharma ■ Healthcare



Data show percent of CEOs who are somewhat or extremely concerned.

## What keeps CEOs awake at night

Rising costs and their ensuing pressures on governments, private sector payers and consumers is the top concern of CEOs. At the same time, CEOs are doing more with fewer resources, including a projected shortage of 12.9 million healthcare professionals by 2025. Addressing social determinants of health, such as housing, employment and education is a major challenge but growing source of opportunity.

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