



Chief Executive Officer Growth Forum

SBI’s **Chief Executive Officer** Growth Forum brings together industry leaders to shape the future of B2B go-to-market strategies and discover new ways to drive unforgettable growth. This dynamic, roundtable-style session with market-leading Chief Executive Officers yields highly valuable peer to peer benchmarks and advice.

Meeting Insights – February 2023

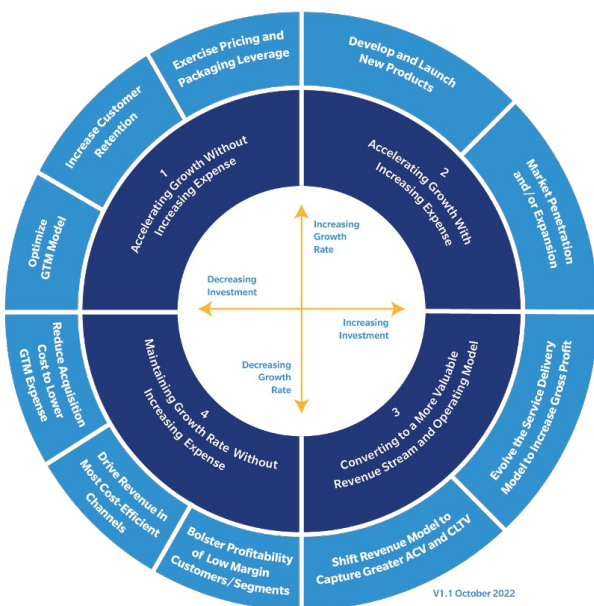
SBI recently hosted market-leading CEOs by invitation only for a closed group roundtable discussion on leading through market uncertainty and finding new ways to create value and drive growth in 2023.

Relying on Facts on the Ground Over Prognosticators

The group unanimously agreed that while they are not outright ignoring the economic predictions, they are no longer making business decisions based on official reports or what is in the media. Rather, they are opting for a bottoms-up approach rooted in actual data from their companies (both present and historical) and industry peers to create their own assumptions and responses.

Most CEOs are approaching the first half with a somewhat restrained but “business as usual” mindset. Their growth assumptions appear to be holding, and they have detailed contingencies in place for any shifts. In the meantime, many are holding the line on costs, shifting as much to variable as they can, and pushing new investment horizons out modestly. Much of this is reflected in hiring and delaying additional headcount until Q2 or later.

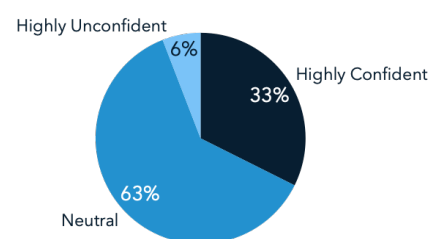
SBI's Value Creation Compass: Matching Actions to the Value Creation Thesis



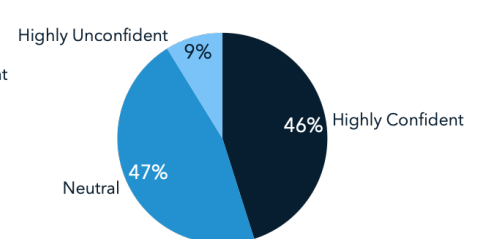
- While perhaps surprising given the emphasis on margin expansion, acquisitions are on the mind of CEOs. Key to any of this will be ensuring any activity matches the value creation thesis that the organization is pursuing (graphic above).
- Many were surprised by the high percentage of CEOs in SBI's surveying who expressed neutral to low confidence in their go-to-market leadership teams (chart to the right). Two likely root causes: today's market is just hard and few can truly manage it, or perhaps more likely value creation shifts drive a need for new capabilities that make the person in seat no longer the right one.

- Demand has beaten initial expectations so far entering 2023. But while demand is still active and pipelines are filling up, sales cycles are slower due to the “wait and see” mindset of the market.
- Most agree that Q1 will set the tone for the year and are postponing major decisions as the quarter plays out.
- Many CEOs are expecting the year to be one characterized by margin expansion regardless of how the demand picture evolves. Even those who are experiencing strong demand are considering pricing plays to accelerate earnings.

Leadership Confidence in the Chief Marketing Officer



Leadership Confidence in the Chief Revenue Officer



N = 102, Question: How confident are you in the following executive's ability to drive commercial success for your organization?
Source: SBI Fall 2022 CEO Survey

SBI's Takeaways

- CEOs should avoid over-committing to a “wait and see” strategy.** While agility may feel like a safe bet, it can slow decision-making, obscure focus, and most importantly reduce opportunities to capture value as demand accelerates.
- Now is the time for focus and clarity.** Identify your most promising growth bets, and your backup plays, and build your go-to-market engine around those bets.
- Be declarative about your value creation strategy.** Align on the growth levers that must be protected, and even further invested in, to drive value. Ensure tight leadership team alignment on the related expense reduction, protection, and increase priorities.
- Avoid the temptation of near-term productivity gains to inflect earnings.** Cost-out actions often fail to solve for commercial capacity and have a long-term negative impact on sales productivity.