



EMPOWERED

Together

2025 CEO
Mid-Year Pulse

July 2025

CONTENTS

Insights from Australia's Business Leaders

01	Executive Summary
02	Economic Sentiment
03	Diverging States
06	The Election Settles
09	AI Adoption Chasm
12	CEO Health Dilemma
14	Generational Gaps
16	On The Right Path?
19	CEO Readiness
22	Business Longevity
26	Bridging Insights
30	Conclusion

EXECUTIVE SUMMARY

A Introduction From Our CEO

As we progress through 2025, Australia's economic and leadership landscapes continue to shift — shaped by global disruption, local volatility, and changing generational and societal expectations. From supply chain constraints to climate policy, AI adoption to workforce transformation, economic upheaval to geopolitical tension — today's CEOs operate in a highly complex environment. Navigating it demands agility, foresight, and a deep grasp of both emerging risks and transformative opportunities.

The CEO Institute's landmark survey — the most comprehensive of its kind in the region — provides a powerful lens into this period of transition.

When combined with insights from PwC, KPMG, Boston Consulting Group, TAL Group, NAB, and NAOS Asset Management, the result is not a single narrative, but a contrasting map of business sentiment, capability, and leadership behaviour. Confidence exists, but is uneven — shaped by geography, sector, and access to capital.

These findings matter. They influence not just business operations, but the future of national competitiveness and social cohesion. Expectations of CEOs are rising — from investors, employees, customers, and governments — and leaders today must deliver more than financial results.

This report explores these dynamics through eight key insights gathered from our research. It connects dots between seemingly unrelated pressures — like lagging AI and growing leadership fatigue — and suggests that the future of leadership is not just strategic, but philosophical. Are we building organisations that thrive in uncertainty? Are we equipping leaders with the tools, capacity, and community to remain resilient? Are we asking the right questions at the right moments?

This is your compass for the road ahead.

Through detailed insights, comparative analysis, and practical recommendations, this report aims to inspire reflection, sharpen decision-making, and reinforce our shared objective: to build leadership cultures that are not just successful, but significant.



Richard Wynn

Richard Wynn
Chief Executive Officer
The CEO Institute

ECONOMIC SENTIMENT

Australia Today

As of the March quarter 2025, Australia's economic growth has slowed, with the Gross Domestic Product (GDP) increasing by 0.2% in seasonally adjusted chain volume terms. This represents a deceleration from the 0.6% growth observed in the previous quarter and brings the annual GDP growth to 1.3%. The slowdown is attributed to significant detractions from public sector demand, the largest since September 2017 and the adverse effects of extreme weather events, particularly impacting the mining, tourism, and shipping sectors. Additionally, GDP per capita declined by 0.2% over the quarter and by 0.4% over the year, indicating that population growth continues to outpace economic expansion.

On the inflation front, the Consumer Price Index (CPI) rose by 0.9% in the March quarter, maintaining an annual increase of 2.4%, consistent with the December 2024 quarter. Significant price increases were observed in housing (+1.7%), education (+5.2%), and food and non-alcoholic beverages (+1.2%). These were partially offset by declines in recreation and culture (-1.6%) and furnishings, household equipment, and services (-0.9%). Notably, the Reserve Bank of Australia's (RBA) preferred measure of underlying inflation, the trimmed mean, fell to 2.9%, bringing it within the RBA's target range of 2–3% for the first time since late 2021.

These economic indicators suggest a cautious outlook for Australia's economy. While inflation appears to be stabilising within the RBA's target range, the subdued GDP growth and decline in per capita output highlight underlying structural challenges. The increase in the household saving to income ratio to 5.2% from 3.9% in the previous quarter indicates a shift towards caution among consumers. These dynamics underscore the importance of targeted policy measures to stimulate sustainable growth, enhance productivity, and address structural vulnerabilities within the Australian economy as it navigates the complexities of 2025.



Australia's economy is steady, not surging - growth is slow, confidence is cautious, but inflation is finally in check.



ABS - Australian National Accounts: National Income, Expenditure and Product (March 2025)



1

DIVERGING STATES

Economic Confidence
Across The Country

DIVERGING STATES

Economic Confidence Across The Country

The data from The CEO Institute's 2025 CEO Survey reveals a profound divergence in economic outlook across Australian states — one that is more than just statistical noise. It reflects the economic architecture, policy frameworks, and sectoral makeup that define each region.

The CEO Institute membership were asked whether they thought the economic outlook looked more or less favorable than 2024 - and the results were very interesting:

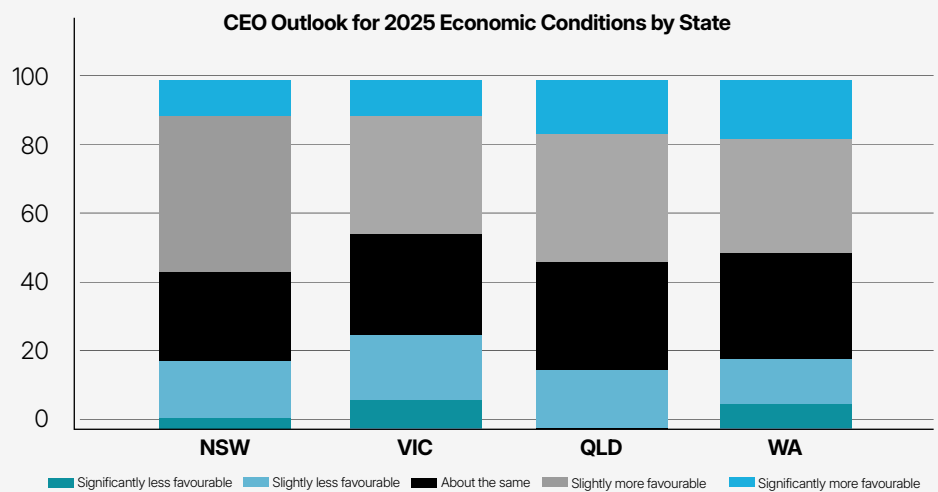


Figure 1

In Western Australia, a remarkable 52% of CEOs surveyed indicated they expect economic conditions to improve compared to 2024, with 17% saying the improvement would be significant. This optimism is underpinned by a strong commodities market, particularly in critical minerals like lithium and rare earths, which are in high demand globally as the green transition accelerates. Western Australia's export-heavy economy is experiencing robust demand from Asia, buoyed by record infrastructure spending and the global push towards decarbonisation.

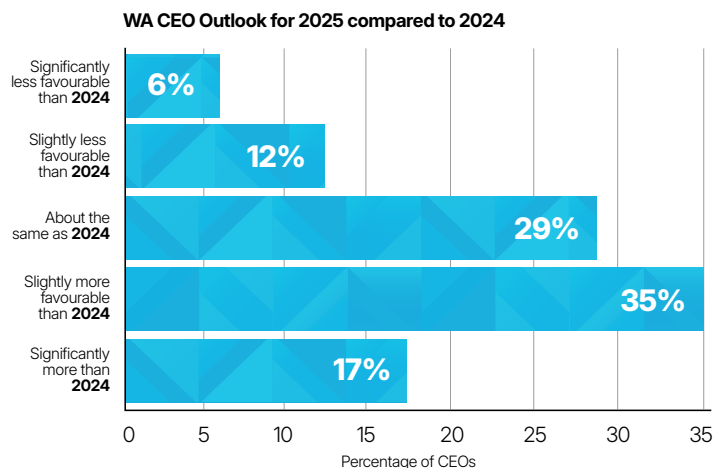


Figure 2

By contrast, New South Wales tells a more cautious story.

Although 56% of CEOs expect conditions to improve, only 9% anticipate a significant improvement. Insights point to sluggish retail recovery, persistent inflationary pressures, and mortgage stress as contributing factors. SMEs in particular are battling margin pressures from rising operating costs, wage growth, and cautious consumer behaviour.

NSW CEO Outlook for 2025 compared to 2024

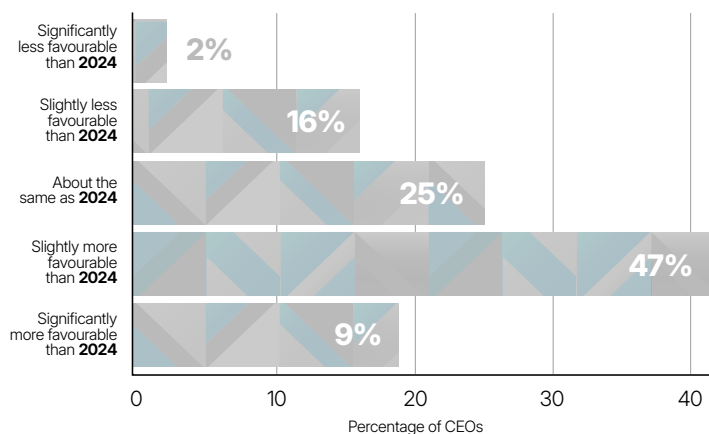


Figure 3

Victoria, while not as pessimistic, reveals signs of stagnation.

Nearly one in four CEOs surveyed expect conditions to worsen, citing continued post-COVID impacts, lingering commercial property weakness, and political fatigue that has kept confidence subdued even after the election outcome.

VIC CEO Outlook for 2025 compared to 2024

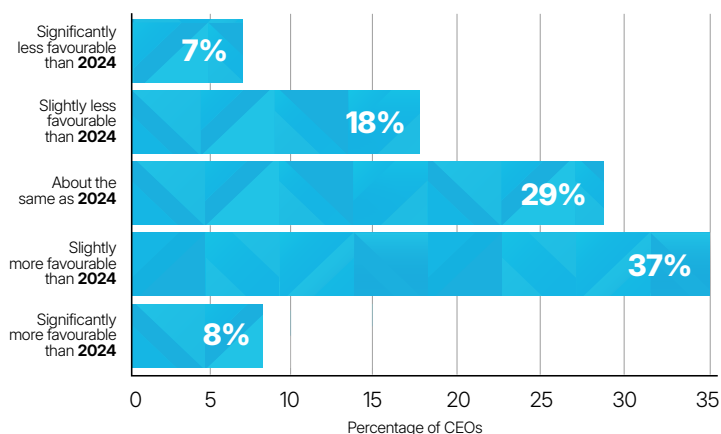


Figure 4

Queensland offers a more upbeat narrative.

CEO sentiment is buoyed by preparations for the 2032 Olympics, as well as continued investment into renewable energy infrastructure and regional development.

Similarly, South Australia shows cautious optimism linked to its strengthening defence manufacturing sector and broader industrial diversification strategy.

QLD CEO Outlook for 2025 compared to 2024

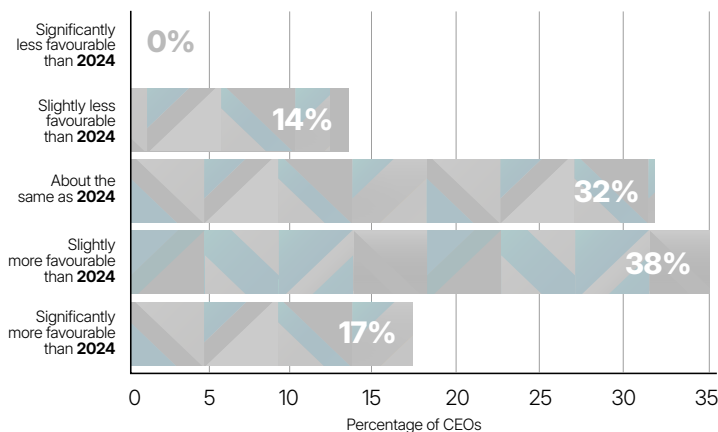
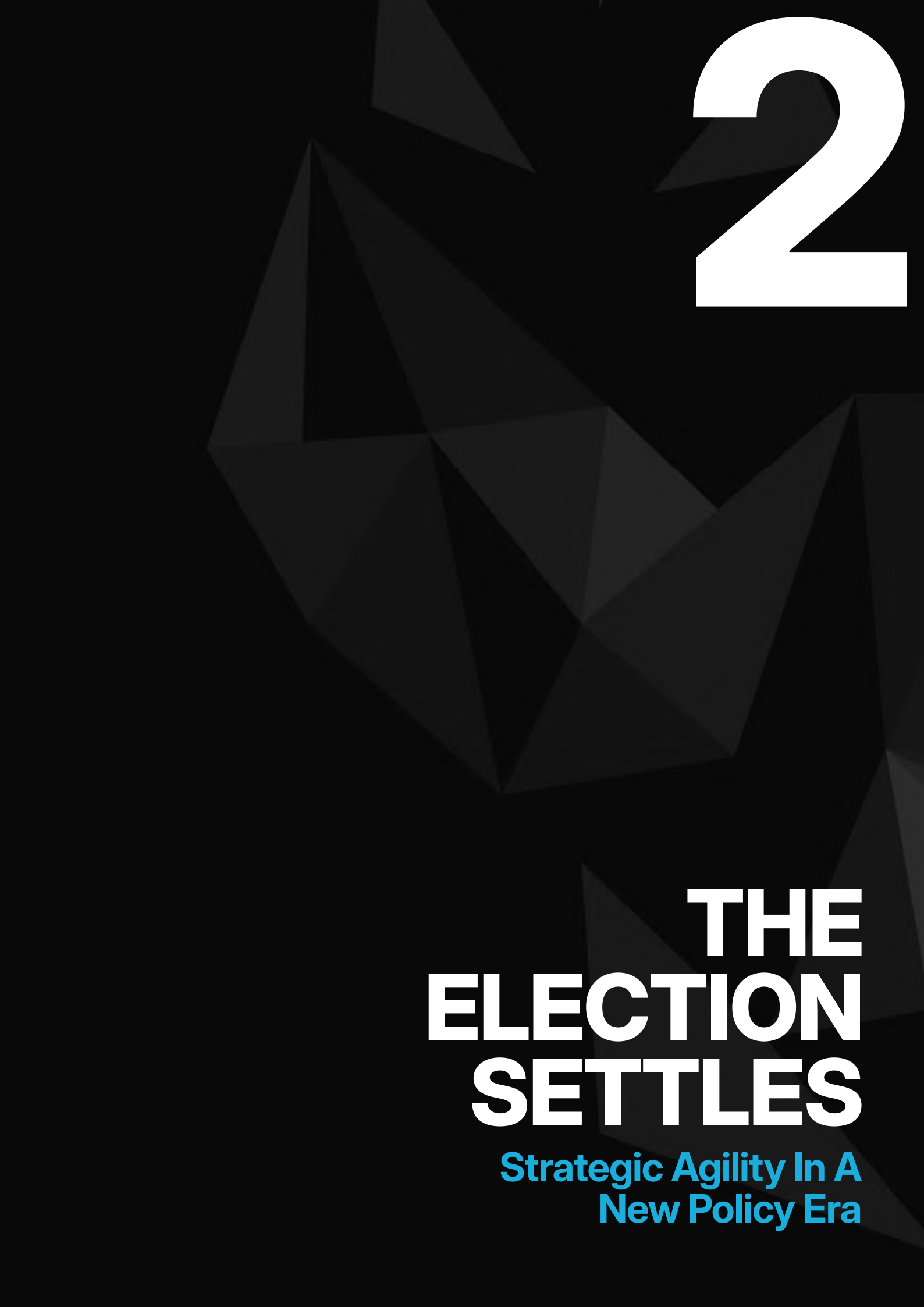


Figure 5



2

THE ELECTION SETTLES

Strategic Agility In A
New Policy Era

THE ELECTION SETTLES

Strategic Agility In A New Policy Era

With the federal election concluded and a Labour Government re-elected, a new chapter begins for Australia's political and economic landscape. The run-up to the election and the associated uncertainty that had stalled boardroom decision-making in early 2025 is beginning to lift — but clarity does not automatically restore confidence.

The CEO Institute's January survey showed 41% of CEOs had paused or scaled back capital investment due to political uncertainty. Australian CEOs are often among the most sensitive globally to regulatory ambiguity — especially around industrial relations, ESG disclosures, cybersecurity, and climate legislation.

With Labour reaffirming its mandate, policy direction is more predictable — but the demands on business have intensified. Major commitments to bulk billing, housing, critical minerals, and net-zero targets signal an activist agenda likely to reshape sectors including energy, construction, health, education, and professional services.

Insights found ongoing executive concern around fragmented regulation — a risk that persists even under a stable government, due to weak federal-state coordination.

Sector Specific

Sectors like energy and infrastructure are particularly exposed. CEOs must now respond to fast-evolving compliance requirements, ESG standards, supply chain obligations, and workforce rules — this time under a more cohesive, but demanding, policy regime.

Behavioural

The larger shift is behavioural. Where uncertainty once paralysed leadership, the advantage now lies in strategic agility: the ability to rapidly interpret policy shifts, engage stakeholders, and pivot organisational strategies with speed and precision.

Some firms are already adapting. One national infrastructure company we reviewed formed a 'Policy Response Cell' - a cross-functional team that analyses policy changes in real time and advises the Board within 48 hours.

This signals a new leadership mindset. CEOs can no longer afford to wait for regulation to land — they must influence it upstream through industry forums, partnerships, and proactive modelling. Policy literacy is now a core leadership competency. Executives who understand the nuances of legislation — from emissions standards to workforce reform — will not only stay compliant but find strategic advantage.

CEOs must move beyond reactive thinking. Leadership in 2025 means aligning with the national agenda — not just responding to it, but helping shape it.

“

Leadership in 2025 means aligning with the national agenda — not just responding to it, but helping shape it.

”



New Leadership Mindset



3

AI ADOPTION CHASM

Confronting Australia's
Innovation Fatigue

AI ADOPTION CHASM

Confronting Australia's Innovation Fatigue

Australia's innovation momentum remains a serious concern. The CEO Institute's 2025 survey reveals a stark gap between aspiration and execution in artificial intelligence (AI) adoption.

This gap signals systemic risk. One report we referenced stated that only 12% of Australian businesses extract tangible value from AI, compared to a global average of 34%.

Nearly all CEOs recognise AI's strategic importance, yet fewer than one in five have successfully integrated it into core operations — such as customer segmentation, supply chain optimisation, and predictive maintenance — with measurable outcomes.

Why The Lag?

The barriers are cultural, structural, and philosophical.

1. Culturally

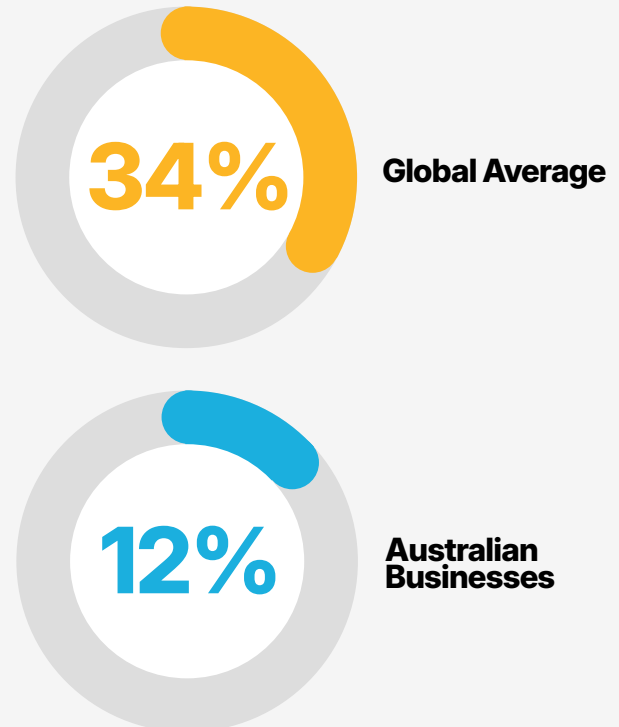
Australian business tends to favour low-risk pilots over scaled innovation. Many organisations treat AI as a technology side-project rather than embedding it into business strategy.

2. Structurally

There are capability gaps: a shortage of data scientists, immature data infrastructure, and fragmented legacy systems, particularly outside the top ASX-listed companies.

3. Philosophically

Many CEOs have not yet reframed AI as a strategic redesign lever. They remain fixated on operational efficiencies, missing the broader opportunity to reimagine value creation.





“

What might we do differently if A.I. sat at the centre of our strategy?

”

Member feedback consistently shows that AI success stories share one trait: CEO-led sponsorship. When digital transformation is owned at the top, impact follows.

For example, a Melbourne-based manufacturer we researched cut energy costs by 17% and lifted output by 12% by embedding machine learning into production planning — not as a trial, but as a board-level strategy.

What's the message for hesitant CEOs? The cost of delay is growing. Global peers are embedding AI across customer journeys, workflows, and forecasting. Falling behind doesn't just erode efficiency — it risks strategic irrelevance.

AI must move from being a tech-line item to a boardroom mandate. CEOs must make the agenda personal.

It's time to reframe the conversation. Don't ask "How do we adopt AI?". Ask, "What might we do differently if AI sat at the centre of our strategy?".

Success will go not to those with the best code — but to those with the boldest vision.



4

CEO HEALTH DILEMMA

Confronting Australia's
Innovation Fatigue

CEO HEALTH DILEMMA

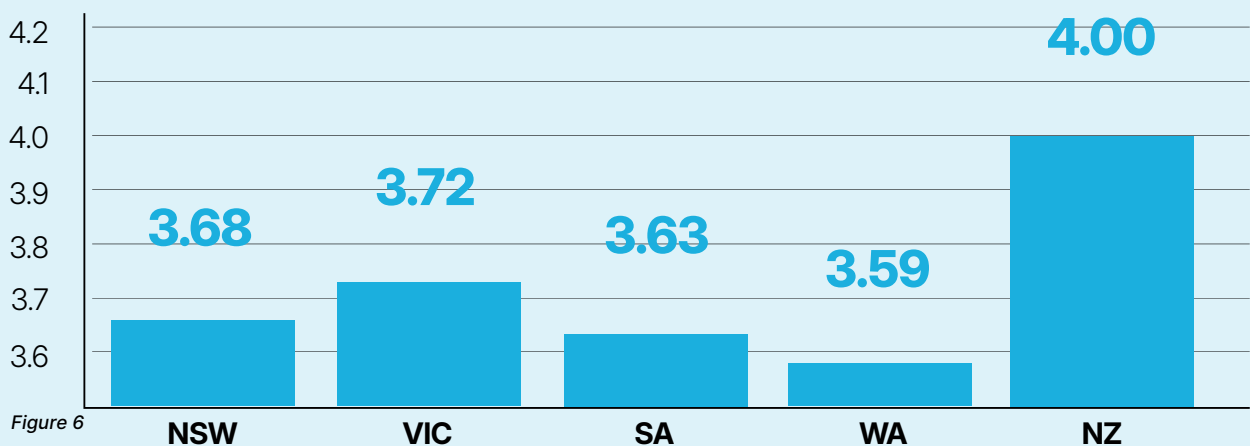
Confronting Australia's Innovation Fatigue

Beneath economic optimism lies a quieter crisis: the unsustainable toll on CEO wellbeing.

The CEO Institute's 2025 survey shows that CEO-reported mental and physical health scores are below optimal in every Australian state. The national average sits at 3.7 out of 5 (1 being "I'm broken", 5 "I'm thriving"), while New Zealand reports a healthier 4.0.

Though seemingly small, this gap reveals deeper leadership vulnerability. Burnout is no longer a personal issue — it's a structural fault line.

CEO Wellbeing Scores by Region - 2025



Note: QLD data was inadvertently omitted for this question

Research shows that stress-related absenteeism among senior executives has risen 22% year-on-year. Isolation, emotional fatigue, and the inability to switch off were also dominant themes at The CEO Institute's January Summit.

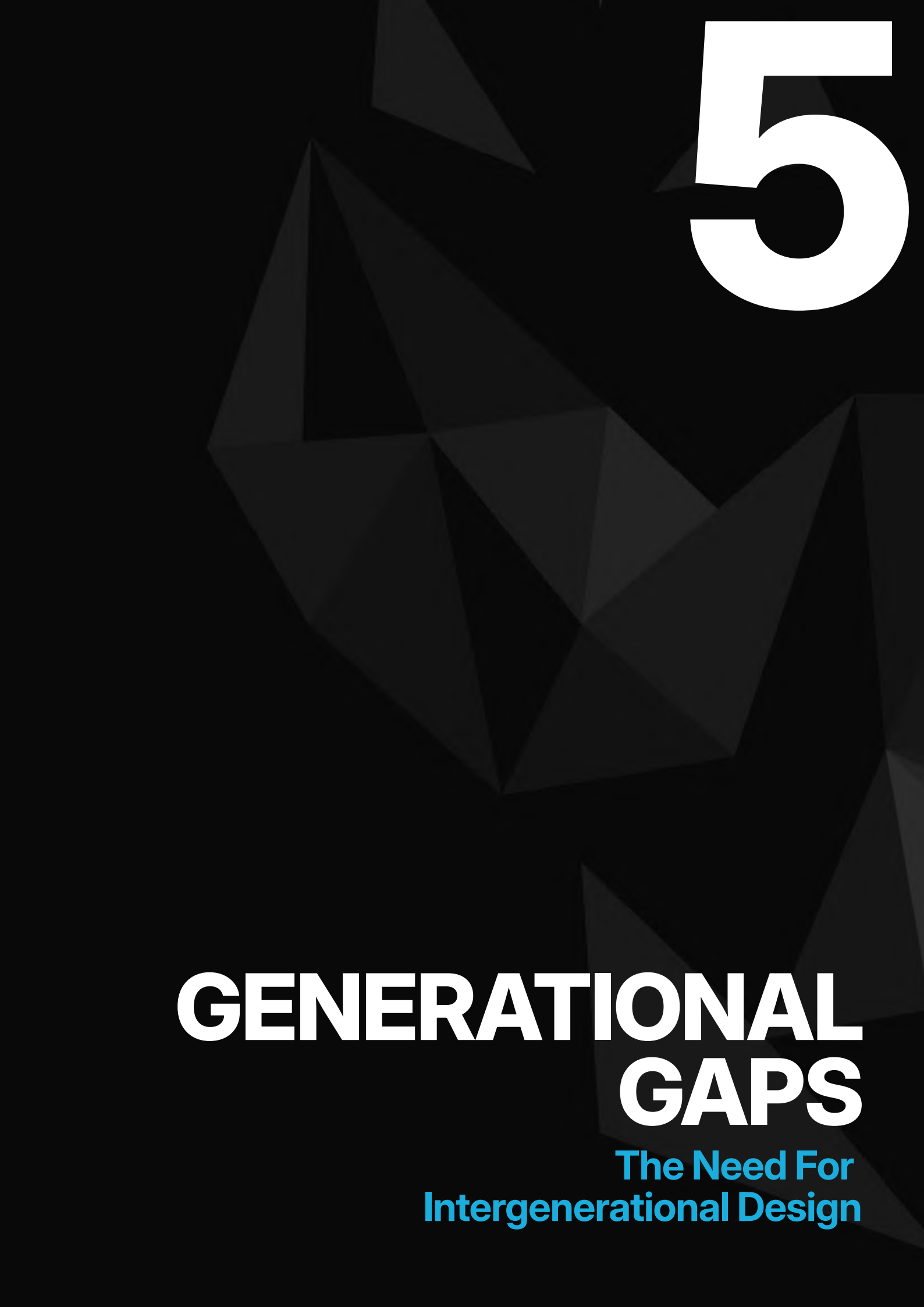
The old CEO archetype — stoic and immune to fatigue — is no longer tenable. Burnout affects more than just the individual; it erodes decision quality, trust, and stability across the organisation.

Yet many businesses still view executive wellbeing as a personal matter, not a strategic concern. While team-wide mental health initiatives are becoming common, top leaders are often excluded — expected to 'model resilience' rather than receive support.

Some companies are changing course. A Queensland logistics firm runs quarterly "mental load audits" for its executive team to map stress points. Another ASX-listed business links executive bonuses to wellbeing outcomes — resulting in a 15% improvement in leadership engagement within a year.

The business case is clear; emotionally resilient leaders drive higher engagement, lower turnover, and stronger execution. Supported stamina becomes a competitive edge.

Boards must now evolve. Are they monitoring strategy delivery — but ignoring the deliverers? Are they rewarding burnout without realising? The CEO Institute urges governance leaders to embed emotional safety into performance architecture: through succession planning, coaching access, enforced recovery time, and transparent conversation.



5

GENERATIONAL GAPS

The Need For
Intergenerational Design



GENERATIONAL GAPS

The Need For Intergenerational Design

Managing generational diversity remains one of the most underestimated leadership challenges of 2025.

While The CEO Institute's survey shows that most CEOs report only infrequent operational issues from generational differences, beneath this calm surface tension is rising. Other data we reviewed highlights growing friction — particularly around hybrid work expectations, ethical leadership, and communication styles.

This is more than cultural noise. It reflects fundamental differences in values and assumptions about work itself. For instance, 72% of Gen Z employees expect CEOs to speak out on social issues — a sharp contrast to Gen X and Baby Boomer leaders, who prioritise neutrality and organisational focus.

Generational misalignment rarely causes open conflict. Instead, it surfaces as disengagement, slower innovation, missed opportunities, and increased turnover. If left unaddressed, these undercurrents can create strategic risk.

Some organisations are turning these fault lines into strengths. A Sydney-based tech company we drew inspiration from, launched a reverse mentoring program pairing younger employees with senior leaders to exchange insights on emerging tech, digital culture, and social trends. Within a year, voluntary turnover fell by 30% and cross-functional collaboration improved significantly.

These outcomes stemmed from intentional design — viewing generational diversity as an asset, not a problem.

Boards and CEOs must now ask:

- Does our leadership reflect our workforce and customer demographics?
- Are succession plans accounting for generational shifts in expectations?
- Are engagement surveys segmented by generation to detect early tension?

Age diversity must carry the same strategic weight as gender and ethnic diversity.

The ability to build intergenerational fluency — trusting, collaborating, and co-creating across divides — will define successful leadership this decade.

Companies serious about long-term relevance must embed generational awareness into planning, talent development, and innovation strategies. One strong example: a New Zealand cooperative bank appointed directors under 40 to better match emerging demographics — resulting in higher innovation engagement and faster tech adoption.

Generational complexity is an accelerator, if CEOs lead with curiosity, humility, and deliberate design.



6

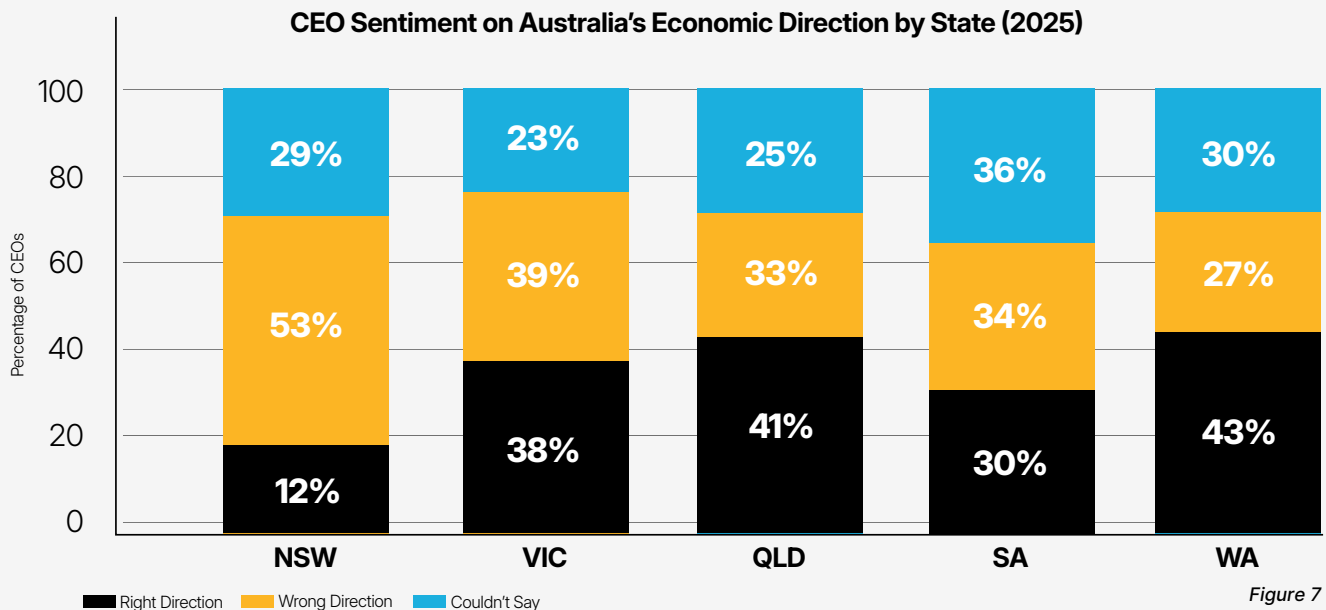
ON THE RIGHT PATH?

Who Is Shaping Our
Economic Future?

ON THE RIGHT PATH?

Who Is Shaping Our Economic Future?

When asked if Australia is heading in the right direction in January, The CEO Institute's 2025 survey revealed stark differences in sentiment across the country.



In New South Wales, 53% of CEOs believed the nation was on the wrong path, reflecting uncertainty around productivity, infrastructure bottlenecks, and cost of living pressures. Only 12% of NSW leaders expressed confidence in the national trajectory. Meanwhile, Western Australia showed a more positive outlook, with 43% believing the nation was heading in the right direction and just 27% expressing concern.

These initial views likely reflected political leanings, with some CEOs awaiting the election outcome before making strategic judgments. Now that the Labour government has been re-elected, those who were pessimistic may be recalibrating — assessing what continuity means for policy execution, market stability, and business strategy. Conversely, those already optimistic may feel validated but are now focusing on how Labour's commitments to infrastructure, clean energy, and housing can translate into real growth opportunities.

Importantly, the data reflects more than political sentiment — it points to structural differences: workforce availability, sector exposure, and policy impacts vary dramatically state by state.

We have a bifurcated economy: cleantech, agritech, and logistics are growing solidly, while traditional retail, media, and commercial real estate continue to languish. Insights say that too much private investment remains tied to mature, low-yield assets rather than backing high-growth sectors.

Labour's re-election brings policy commitments aimed at delivering a macroeconomic boost, including major investment in infrastructure, housing, clean energy, and healthcare. However, their success will depend on execution, regulatory clarity, and coordination between federal and state governments.

Sustainability sectors offer emerging optimism. Labour's expanded focus on renewable energy infrastructure, clean transport, and green manufacturing is expected to create opportunities aligned with decarbonisation goals. Companies exposed to critical minerals, battery storage, and low-carbon technologies are positioning to benefit first.

Yet risks remain. The resurgence of US-China tariff wars under Donald Trump's new trade policies has introduced fresh volatility into supply chains and export markets. Australia's heavy trade reliance on China, the US, and Asia-Pacific partners means external shocks must now be factored into all medium- and long-term planning.

In this environment, CEOs face critical questions:

- Who is truly shaping Australia's economic future — governments, global markets, or emerging sectors?
- How do we define "the right direction" amid climate transition, deglobalisation, and digital disruption?
- How can leaders balance short-term resilience with long-term reinvention?

Business leaders must challenge traditional assumptions. No single sector, policy, or market will dictate success. Future relevance will belong to those who build portfolio agility, invest early in frontier sectors, and view regulatory frameworks not as constraints, but as blueprints for opportunity.

“

**Business leaders
must challenge
traditional
assumptions.**

”



7

CEO READINESS

Lead With Agility,
Resilience, And Foresight

CEO READINESS

Lead With Agility, Resilience, And Foresight

The cumulative insights from The CEO Institute's 2025 survey and leading external reports converge on one undeniable reality: traditional leadership models are no longer sufficient for the decade ahead. CEOs must now navigate a multi-dimensional matrix shaped by technological disruption, workforce evolution, decarbonisation imperatives, escalating stakeholder scrutiny, and geopolitical instability.

Here are five core imperatives for modern CEO effectiveness, grounded in data and practical interpretation:

1. Prioritise Digital Value Chains

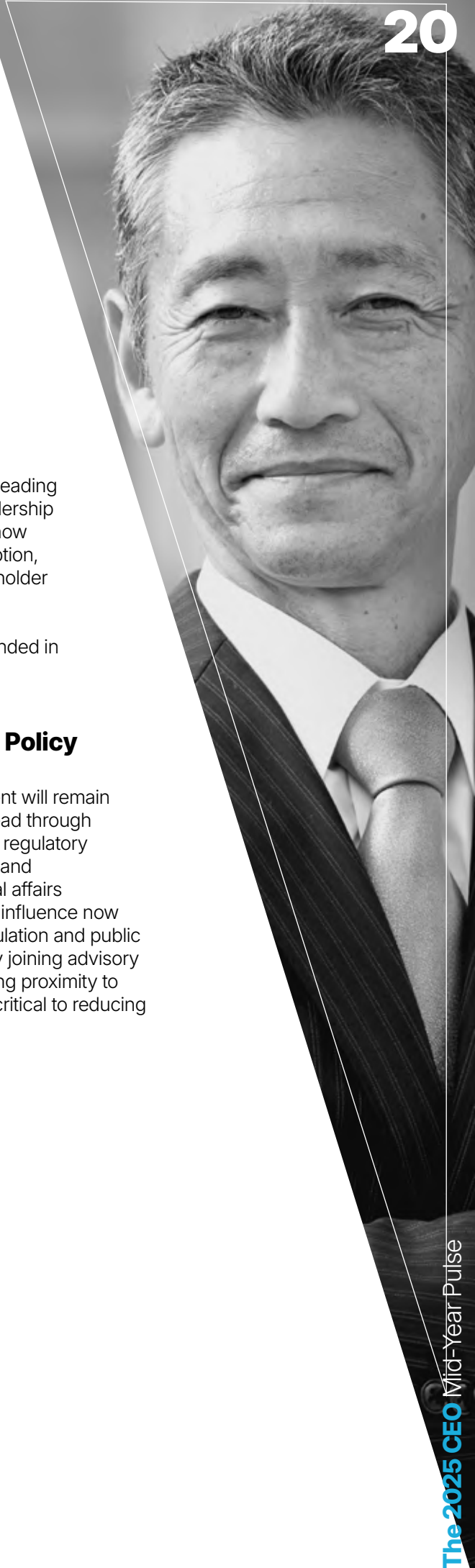
Digital transformation has moved beyond automation. The next frontier is building adaptive, intelligence-driven value chains through end-to-end data integration, predictive analytics, AI-enabled decision-making, and digitised customer journeys. Digital leaders are more resilient and agile. CEOs must sponsor digital literacy across leadership and embed technology into core strategy, not silo it within IT.

2. Build Emotional Infrastructure

Leadership fatigue is escalating. Resilience must be structurally supported — integrating wellbeing metrics into KPIs, embedding recovery rhythms, and offering coaching and psychological safety tools. Investing here is not indulgence; it safeguards clarity of thought and leadership continuity.

3. Engage With Policy Uncertainty

The policy environment will remain volatile. CEOs must lead through ambiguity by building regulatory scenario frameworks and strengthening external affairs capabilities. Strategic influence now includes shaping regulation and public discourse. Proactively joining advisory groups and maintaining proximity to policymakers will be critical to reducing strategic latency.



4. Harness Generational Insight

Generational diversity is a long-term business reality. CEOs should treat age diversity as a strategic design principle that enhances problem-solving, brand relevance, and cultural agility. Practical steps include reverse mentoring, generational pulse checks, and multi-era leadership development as brought to life earlier in this report by a New Zealand cooperative bank, where deliberate generational appointments strengthened policy relevance, trust, and innovation engagement.

5. Shift Capital Into Innovation

Australia's capital markets may be too conservative. CEOs could instead push internal capital allocation toward R&D, product development, and emerging sector partnerships. Externally, they should advocate for policies supporting risk capital through incentives, co-investment, and better growth-stage funding access.

“

CEO readiness in 2025 is not about defending legacy ground; it's about redefining relevance at speed and scale.

”



8

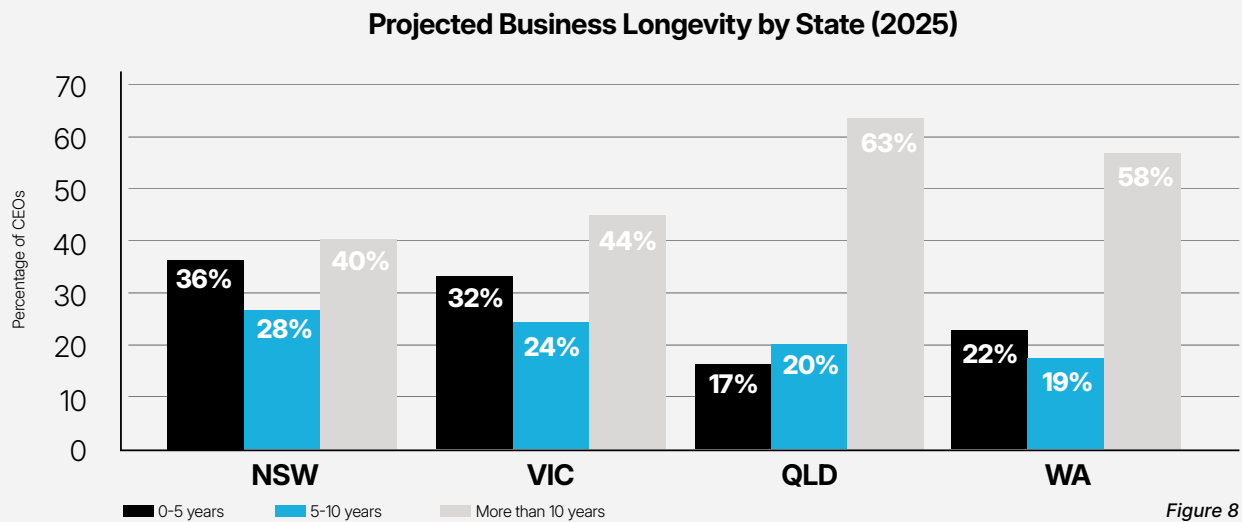
BUSINESS LONGEVITY

**Confidence, Complacency,
or Calculated Resilience?**

BUSINESS LONGEVITY

Confidence, Complacency, or Calculated Resilience?

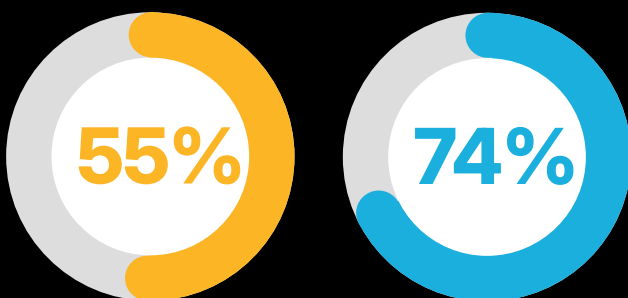
When asked how long their businesses could remain economically sustainable on their current trajectory, CEOs revealed insights that go beyond mere operational outlooks — they revealed their underlying assumptions about strategic adaptability and resilience.



The CEO Institute's 2025 survey paints a nuanced picture:

- **Queensland** leads with 63% of CEOs believing their businesses can sustain for more than a decade.
- **Western Australia** follows closely with 58% expressing similar confidence.
- **New South Wales** and **Victoria** show a more cautious view, with 40% and 44% respectively anticipating sustainability beyond ten years.

At first glance, these numbers may appear encouraging. However, when aligned with broader global benchmarks, a more complex reality emerges.



...of CEOs worldwide believe their business will be viable in a decade

...of Australian CEOs believe their business will be viable in a decade

According to PwC's 28th Annual Global CEO Survey, only 55% of CEOs worldwide believe their businesses will be economically viable over the next decade. Australia's more optimistic self-assessment stands in contrast in their report at 74% — raising an important question: Is our optimism justified, or dangerously complacent?

Sectoral And Regional Drivers

The deeper data suggests that confidence is unevenly distributed — and often externally buoyed.

Queensland and Western Australia's optimism is understandable: both states benefit from strong resource-driven economies, major public infrastructure pipelines, and growing demand for critical minerals essential to the global green transition.

But crucially, reliance on external macroeconomic factors is not the same as strategic resilience. Externalities shift. Commodity prices fluctuate. Infrastructure booms peak and wane.

Business Longevity Outlook: QLD & WA (2025)

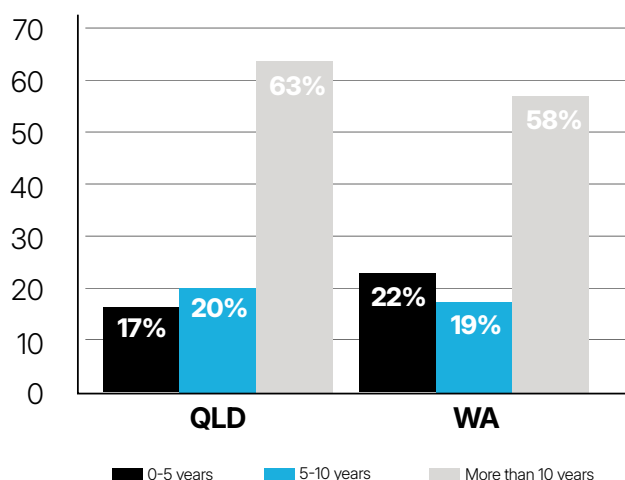


Figure 9

A Tale Of Caution In NSW & VIC

By contrast, New South Wales and Victoria — the country's largest and most diversified economies — reflect greater caution. Roughly one-third of CEOs in these states acknowledge that without transformation, their businesses could become unsustainable within five years.

This admission speaks volumes about the pressures facing mature urban economies: high-cost bases, regulatory burdens, slower post-pandemic recovery trajectories (especially in sectors like commercial property and education), and fierce talent competition.

It also reflects deeper leadership realism — an acknowledgment that strategic stasis is not an option.

Business Longevity Outlook: NSW & VIC (2025)

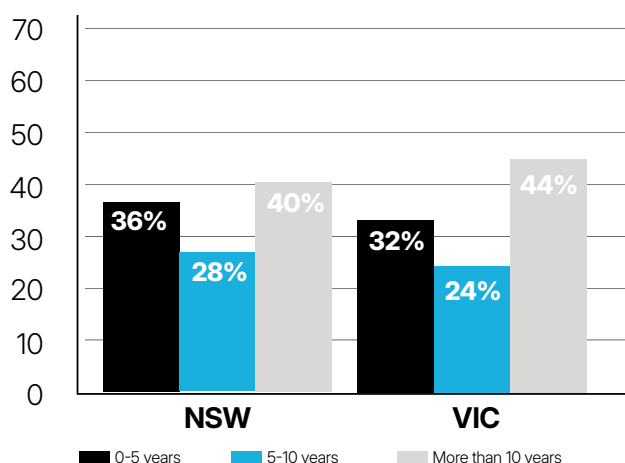


Figure 10

Calculated Optimism, Not Default Confidence

The optimism evident in Queensland and Western Australia must not become complacency.

External conditions are volatile — as the Trump-led US-China trade standoff in early 2025 illustrates. Shocks can arise from unexpected quarters, and resilience will belong to those who anticipate disruption rather than react to it.

Similarly, the caution in NSW and VIC should not be seen as defeatist — it represents an adaptive mindset that may ultimately prove more durable.

In 2025, survival is not about believing time is on your side.



CEOs Expecting Business Sustainability of Only 0-5 Years (2025)

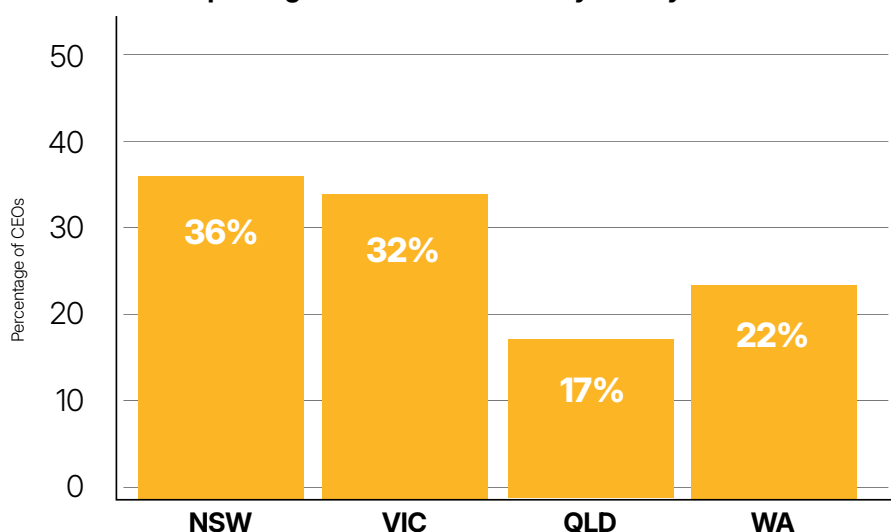


Figure 11

The Urgency Of Reinvention

What is perhaps most concerning across all states is that between 17% and 36% of CEOs surveyed believe their businesses would not survive beyond five years without meaningful course correction.

This is not a marginal figure. It represents a substantial cohort of leaders facing genuine existential risk — not from external shocks alone, but from internal inertia, outdated strategies, and underinvestment in transformation.

This finding is a clear signal that time is not on our side. It demands immediate action — not just incremental change, but deliberate, strategic reinvention. CEOs must move quickly to assess the resilience of their business models, challenge legacy assumptions, and activate new pathways to value.

The window to evolve is narrowing — and for some, the next five years will determine whether they remain relevant or become redundant.

What could you be looking at?

Portfolio Resilience

Are businesses over-reliant on single revenue streams or legacy products?

Innovation Investment

Are sufficient resources being channelled into R&D, new market development, and customer experience transformation?

Digital Maturity

Is technology being used to simply automate — or to truly transform value delivery?

Leadership Depth

Is there an identified and nurtured next generation of leaders capable of operating in a radically different future?



9

BRIDGING INSIGHTS

Practical Takeaways
For Every CEO

BRIDGING INSIGHTS

Practical Takeaways For Every CEO

Throughout this report, we've aimed to highlight the complexities faced by Australian business leaders in 2025 - spanning economic sentiment, leadership health, technological adoption, generational management, and policy navigation. While some insights and recommendations may resonate strongly with larger enterprises and publicly listed companies, our intention has always been to support all CEOs, irrespective of business size or sector.

To ensure relevance for all our members, this section distils key learnings into practical and actionable guidance specifically tailored to both small-to-medium enterprises (SMEs) and larger enterprises, including ASX-listed corporations. Recognising the diverse needs within our community, we have summarised these insights into an accessible, easy-to-reference format, ensuring each CEO can find actionable steps relevant to their circumstances.

Below is a summary table highlighting specific practical takeaways for each core theme:

Core Themes	Practical Takeaways for SME CEOs and Business Owners	Practical Takeaways for Enterprise & ASX CEOs
Economic Sentiment	• Prioritise regular cash flow reviews; consider simple forecasting tools to stay ahead of potential issues. • Identify one or two practical opportunities to diversify revenue streams without overextending resources. • Use summaries from local business associations to quickly understand policy changes that directly impact your business.	• Utilise organisational scale and financial resources to streamline operations, enhance efficiency, and manage costs effectively. • Align corporate investment strategies with macroeconomic indicators and scenario modelling. • Engage strategically with policymakers and industry leaders to influence economic frameworks beneficially.
Diverging States	• Quickly review key local economic indicators (monthly or quarterly) to inform targeted business decisions. • Participate selectively in local business networks or chambers of commerce to access quick, actionable insights. • Identify and regularly engage with a single reliable source for concise regional economic updates (e.g., local business newsletters).	• Strategically distribute leadership and operational resources to capitalise on region-specific growth opportunities. • Deploy advanced data analytics and market intelligence to inform nuanced, state-specific decision-making. • Cultivate relationships with state and regional policymakers to influence business outcomes and proactively manage regional risks.

The Election Settles	• Set up simple alerts or subscribe to summaries from industry associations to stay updated with regulatory changes efficiently. • Use industry bodies or trusted advisors for practical and quick advice on necessary compliance changes. • Prioritise changes that directly impact operations and compliance to avoid unnecessary complexity.	• Establish dedicated internal teams or task forces focused on proactive policy adaptation and regulatory compliance. • Actively participate in and lead industry-wide policy discussions and advocacy efforts to shape favourable regulatory environments. • Implement robust scenario-planning frameworks and policy monitoring systems to anticipate and respond effectively to regulatory shifts.
AI Adoption Chasm	• Identify straightforward, cost-effective AI solutions designed specifically for SMEs to improve daily business operations (e.g., accounting, customer service). • Pilot AI tools with minimal upfront investment or using free trials to assess real-world business impacts. • Leverage accessible online resources or training sessions to gradually build internal skills.	• Embed artificial intelligence strategically across core business functions, integrating it deeply into business planning and operational processes. • Make targeted, strategic investments in advanced data infrastructure and internal AI talent. • Leverage AI and predictive analytics to drive competitive advantage and strategic foresight.
CEO Health Dilemma	• Encourage flexible working hours and informal peer-support arrangements without adding complex administrative overhead. • Schedule short, regular check-ins with your team to openly discuss workload and stress, ensuring practical and immediate support. • Access simple and affordable external resources (such as online webinars) to build resilience and manage stress.	• Institutionalise structured, scalable executive wellness initiatives clearly linked to leadership performance indicators. • Provide targeted executive coaching, resilience training, and mental health resources tailored for senior leaders. • Integrate well-being and mental health KPIs formally into governance, reporting, and board reviews to safeguard leadership sustainability.
Generational Gaps	• Promote informal cross-generational interactions (e.g., informal mentoring or team-building events) to build mutual understanding. • Use simple communication techniques tailored to different age groups (brief emails, team chats, or face-to-face briefings). • Offer straightforward career development opportunities to accommodate varied employee aspirations.	• Embed generational intelligence strategically into corporate HR frameworks, policies, and leadership practices. • Design targeted leadership development initiatives to enhance generational awareness, collaboration, and organisational alignment. • Implement comprehensive employee engagement strategies, including structured surveys and focus groups, to capture and address generational insights proactively.

On The Right Path?

- Conduct short, focused quarterly reviews to check the relevance of your business model against current market conditions.
- Maintain simplicity and flexibility in decision-making structures, enabling rapid response to market shifts.
- Utilise concise market trend reports from industry groups to quickly inform strategic decisions.

- Proactively align organisational strategies and resource allocation with long-term national goals, including decarbonisation, sustainability, and infrastructure development.
- Institutionalise advanced scenario planning and strategic foresight capabilities at the executive and board levels to anticipate and navigate geopolitical and economic shifts.
- Strengthen organisational risk management frameworks to enhance adaptability and resilience.

CEO Readiness & Business Longevity

- Run simple scenario planning exercises quarterly or biannually to identify immediate risks and opportunities.
- Regularly and informally engage employees to identify essential training or skill gaps.
- Form strategic, manageable partnerships with complementary SMEs or suppliers to share resources and enhance operational resilience.

- Integrate formal strategic foresight practices and scenario planning into board-level governance and executive decision-making processes.
- Commit sustained and measurable investment into innovation, digital transformation, and emerging business models.
- Formalise and implement rigorous succession planning and executive development programs to ensure sustained organisational leadership capability.

By structuring our insights this way, we hope to bridge the gap between theoretical insights and everyday practical applications, ensuring value and actionable steps for every CEO - regardless of organisation size or sector.





10

CONCLUSION

**Purpose-Led Leadership
In A Decisive Decade**



This is not a time for passive leadership, nor for templated responses to non-linear problems. Across sectors, states, and sentiments, the data is clear: the current leadership model is under review. The CEO of 2025 is no longer just a navigator of strategy but a steward of broader consequence. This role demands not just vision but conviction, agility, and the ability to stay grounded amid accelerating uncertainty.

The implications of this report are operational, not merely observational. It calls leaders to a higher standard: moving from consensus-building to courage-building, from trend adaptation to trend-shaping. It invites CEOs to ask not only, "What's next for my business?" but, "What is my role in shaping what's next for the market, workforce, and society?"

This report also highlights an uncomfortable truth: many leaders are running on empty. Complexity, carried alone, is surfacing in wellbeing metrics, strategic hesitation, and cultural erosion. To move forward, innovation must be matched by humanised leadership. Strategic stamina must be paired with emotional capacity.

So, where do we go from here?

1

Interrogate your assumptions

Redefine how your organisation shapes, not just responds to, the environment.

2

Invest in the unseen

Culture, health, adaptability, and trust are strategic, not peripheral.

3

Lead in public

Step into ambiguity. Influence it with courage.

CONCLUSION

Purpose-Led Leadership In A Decisive Decade

Final Words

The CEO Institute's role is not to provide prescriptive answers, but to foster the kind of rigorous thinking, fearless dialogue, and meaningful connection that empowers leaders to forge their own path - backed by a community of peers who are equally committed to growth.

In an age where the rules are being rewritten in real time, leadership will not be measured by adherence to precedent, but by the courage to challenge it and the wisdom to redefine what matters. The CEOs who thrive will be those who build adaptive, human-centred organisations and who do so not in isolation, but in concert with others.

To every CEO and business leader reading this: the path ahead is unpredictable. But it is navigable with the right people by your side.

EMPOWERED TOGETHER

At The CEO Institute, we believe no business leader should walk alone.

We exist to empower CEOs through peer connection, expert insight, and purposeful leadership development — across every industry, state, and stage of business.

Whether you're a long-standing member or encountering us for the first time, this report is a reflection of the shared journey we walk with Australia's most senior business leaders.

For more information about this report or membership of The CEO Institute:



www.ceoinstitute.com



info@ceoinstitute.com

REFERENCES & RESEARCH

The CEO Institute – Empowered Together CEO Survey (January 2025)
 PwC – 28th Annual Global CEO Survey (January 2025)
 PwC – Australian CEO Survey Insights (January 2025)
 PwC – Workforce Hopes and Fears Survey (2024)
 KPMG – Keeping Us Up at Night: Executive Pulse Survey (January 2025)
 BCG – How CEOs Can Deliver in Uncertain Times (March 2025)
 TAL Group – Market and wellbeing Insights Report (February 2025)
 NAB – Confidence Index Report (March 2025)
 NAOS Asset Management – CEO Insights Report (April 2025)
 ABS – National Income, Expenditure and Product Report (March 2025)

DISCLAIMER

This document has been prepared by The CEO Institute for general information and thought leadership purposes only. The information contained in this report is based on sources believed to be reliable at the time of publication, including member surveys, third-party research, and publicly available data. While all reasonable care has been taken in the preparation of this report, The CEO Institute makes no representation or warranty, express or implied, as to the accuracy, completeness, timeliness, or suitability of the information or opinions contained herein.

All content is the intellectual property of The CEO Institute and may not be reproduced or distributed without prior written permission. Third-party sources are cited for reference only and do not imply endorsement.

