


TMT Executive Perspectives on Top Risks 2023

Technology, media and telecommunications (TMT) companies are adjusting for more economic headwinds in 2023, and are particularly focused on people management challenges, according to results from the latest Protiviti-NC State global top risk survey.

TOP 10 RISKS FOR 2023 - TMT *	
	1. Organization's succession challenges and ability to attract and retain top talent in a tightening talent market may limit ability to achieve operational targets
	2. Ensuring privacy and compliance with growing identity protection expectations may require significant resources
	3. Economic conditions in markets we currently serve may significantly restrict growth opportunities
	4. Adoption of digital technologies may require new skills in short supply, requiring significant efforts to reskill/upskill employees
	5. Resistance to change may restrict the organization from making necessary adjustments to the business model and core operations
	6. Organization may not be sufficiently resilient and/or agile to manage an unexpected crisis
	7. Anticipated volatility in global financial markets and currency exchange rates may create significant challenges
	8. Rapid speed of disruptive innovations enabled by new and emerging technologies and/or other market forces may outpace ability to compete
	9. Third-party risks may prevent us from meeting organizational targets or impact our brand image
	10. Uncertainty surrounding core supply chain ecosystem


*Scores are based on a 10-point scale, with "10" representing that the risk issue will have an extensive impact on the organization.

KEY HIGHLIGHTS FROM THIS STUDY


 **The "people" problem isn't going away.** Succession challenges and the ability to attract and retain top talent remain top concerns. This ease with which employees and senior management are able to move between jobs appears to be driving some of the people management challenges.

 **Compliance concerns are mounting.** Regulators globally continue to introduce measures that will push organizations to identify and remediate potential gaps in policies and compliance capabilities. How companies collect, store, share and use data to run their business is one of the areas under growing regulatory scrutiny.

 **Digital disruption is top of mind.** How can organizations take advantage of emerging digital technologies, especially during this period of economic instability, high inflation and talent shortage? Keeping up with digital disruption requires assembling the right talent, putting in significant efforts to upskill and reskill existing employees, and focusing on change management.

 **Resistance to change is a major risk issue for TMT executives.** The concern here is that culture resistance would restrict organizations from making necessary adjustments to the business model and core operations on a timely basis.

 **Risk management** is becoming more critical for success, with executives and boards expressing an overall higher likelihood to invest in strengthening risk management in 2023.

 **Looking a decade ahead,** TMT leaders cited the rapid speed of disruptive innovations, competitive threat from substitute products and services, data privacy and compliance expectations and regulations, and resistance to changes in culture among their top risks.

Results are based on a survey of 1,304 board members and C-suite executives worldwide. The full survey report, *Executive Perspectives on Top Risks*, may be accessed at erm.ncsu.edu or protiviti.com/toprisks. It includes detailed breakdowns of the results by respondent role, organization size, industry, geography and other categories.

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