



Leadership Effectiveness – Preparing for the Challenges Ahead

March 2025

ODGERS BERNDTSON

Top 3

in Portugal

N.2

in Europe

N.6

worldwide

Partnership with **+70%**
of Portuguese Stock Index
companies

+ 90% of
customers satisfaction

+ 90%
success rate

Trusted Advisor on Leadership



- CEO & Executive Search
- Succession Management
- Talent Mapping



- Leadership Assessment
- Leadership Programmes
- Team Effectiveness
- Executive Coaching



- Organisational Design
- Talent Strategy
- Culture Transformation
- Diversity, Equity & Inclusion



- Board Assessment
- Board Search & Succession Planning
- Board Consulting
- Advisory Boards



- Talent Acquisition
- Talent Assessment
- Young Talent
- HR Tech

AN EVOLVING BUSINESS LANDSCAPE CREATES THE NEED FOR EXECUTIVES TO REFLECT ON HOW THEY WILL LEAD THE FUTURE

As the business landscape continues to evolve, senior executives face an increasingly complex environment that demands adaptability and a forward-thinking approach. Effective leadership today demands both the agility to tackle immediate challenges and the foresight to anticipate future disruptions and opportunities.

This study aims to understand which leadership competencies will be most essential in driving value in the future and to assess how executives are preparing themselves and their organizations. Drawing on insights from 87 senior leaders across industries, it offers valuable perspectives straight from Portuguese boardrooms.

Looking ahead, three factors are expected to have the greatest impact on businesses: geopolitical instability, macroeconomic policies, and artificial intelligence. Fortunately, most executives believe they are prepared to lead their organizations through these challenges. Many have already implemented key initiatives, such as strengthening risk management, optimizing costs, and accelerating digital

transformation. Despite this strong foundation, executives recognize the need for further preparation. While future leadership will require a broad skill set, three core competencies are becoming increasingly important: adaptability, strategic clarity, and people development. To succeed in this evolving landscape, leaders must not only cultivate these skills themselves but also embed them within their teams and organizations. For this to happen, talent development is considered the most relevant lever to pull.

We hope this study serves as an interesting and valuable resource for you and your organization on the path to leadership effectiveness.

Finally, we would like to thank all contributors for their insights. Without them, this study would not have been possible.

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THE STUDY AIMS TO GET THE PERSPECTIVE OF NATIONAL BUSINESS LEADERS ON HOW THEY ARE PREPARING FOR INCOMING CHALLENGES



87

**BUSINESS LEADERS
C-LEVEL EXECUTIVES**

10+

SECTORS OF ACTIVITY

(Industrial, Financial Services, Private Equity,
Healthcare & Pharma, Consumer, Retail, Energy...)

**FROM SMEs TO
PORTUGUESE STOCK
INDEX COMPANIES**



PORTUGUESE LEADERS ARE FACING A SET OF SYSTEMIC FORCES THAT GO BEYOND TRADITIONAL CHALLENGES

Factors that will impact businesses the most over the coming years
Percentage of total respondents



Other Factors

Shifts in Consumer Behavior (39%), Technological Advancements & Innovation (32%), Environmental Changes (28%), Demographic Trend (26%)

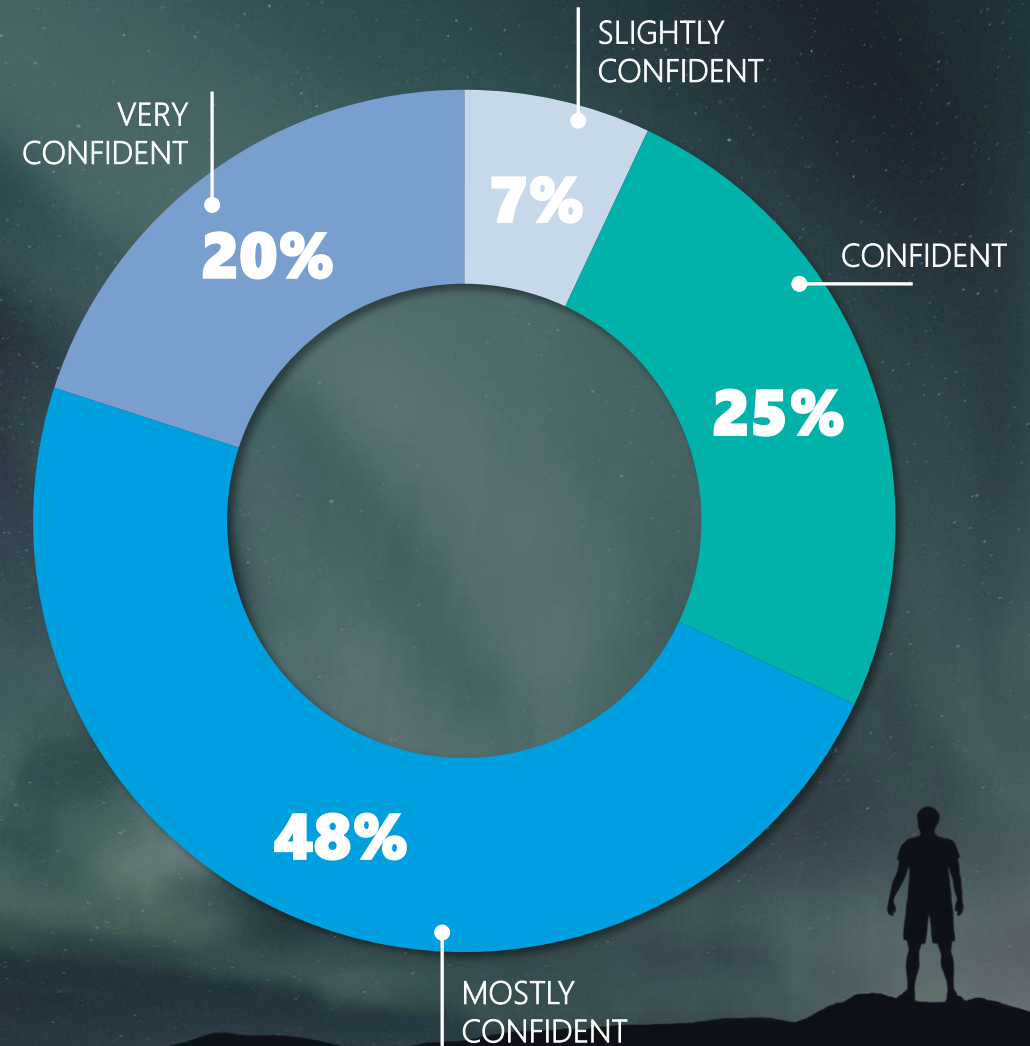


EXECUTIVES FEEL CONFIDENT ABOUT THEIR ABILITY TO LEAD IN A DYNAMIC CONTEXT

Two thirds of the respondents consider themselves well or very well prepared to lead the organization through the evolving market conditions...

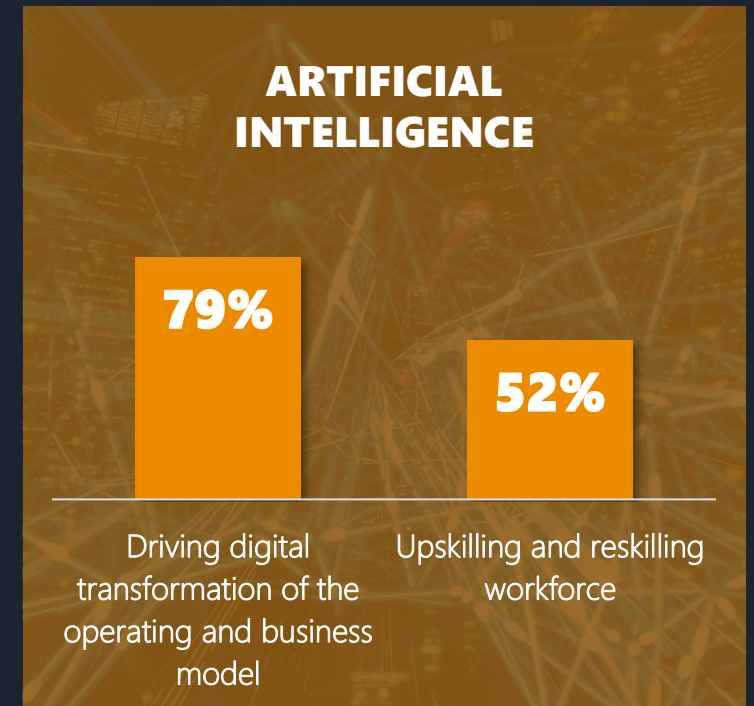
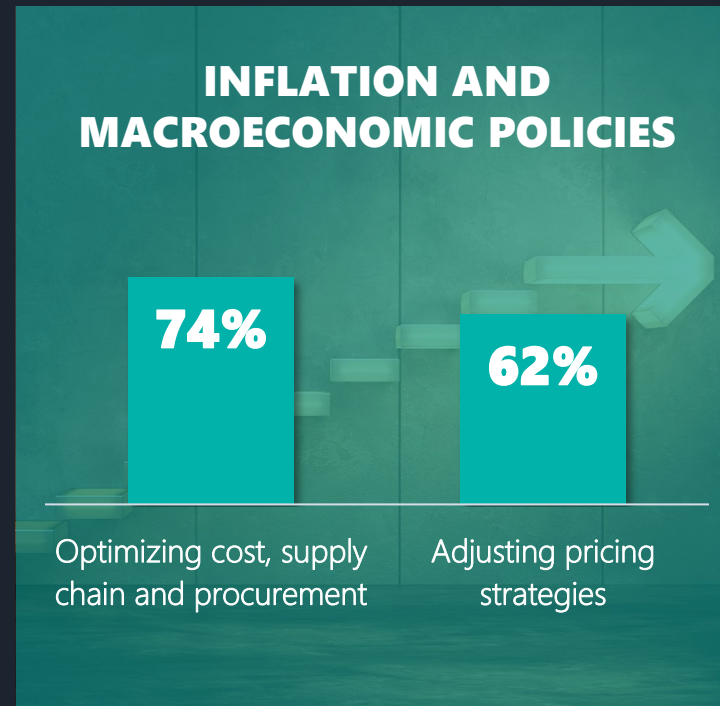
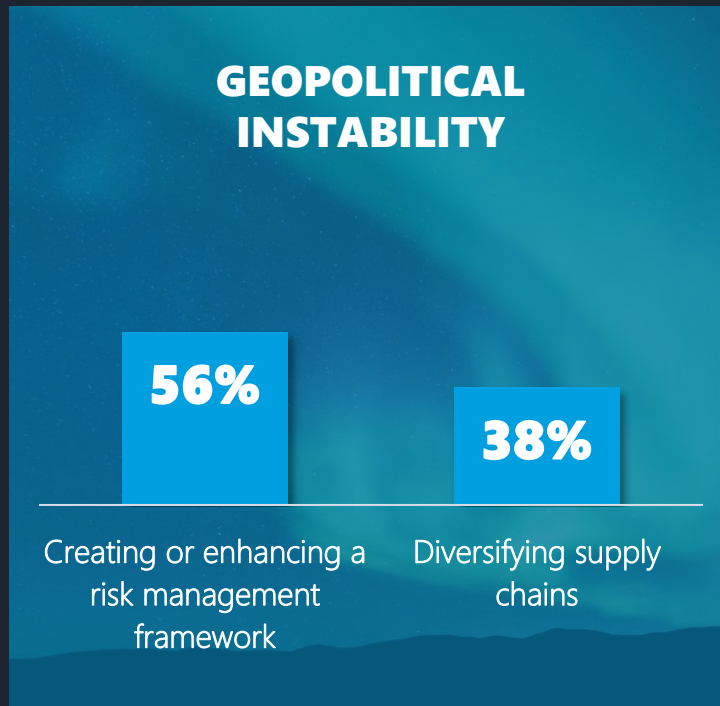
...although over 50% of respondents admit that Geopolitical Instability and AI are the factors that they are least prepared to manage

Level of confidence that Leaders have the required competencies to lead the organization given the evolving market conditions
Percentage of total respondents



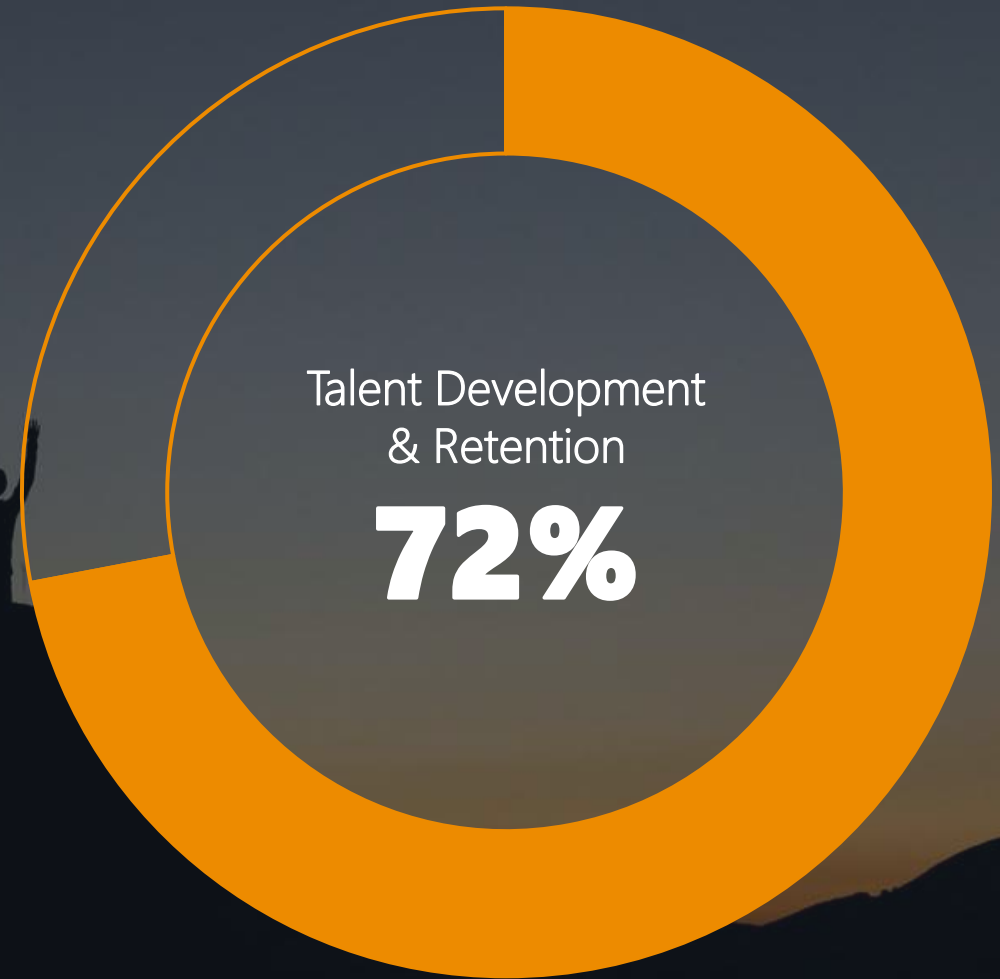
ORGANIZATIONS ARE ALREADY TAKING STEPS TO ADDRESS MAJOR DISRUPTIONS

Steps taken to improve the ability to manage the disruptive factors
Percentage of total respondents (top voted)



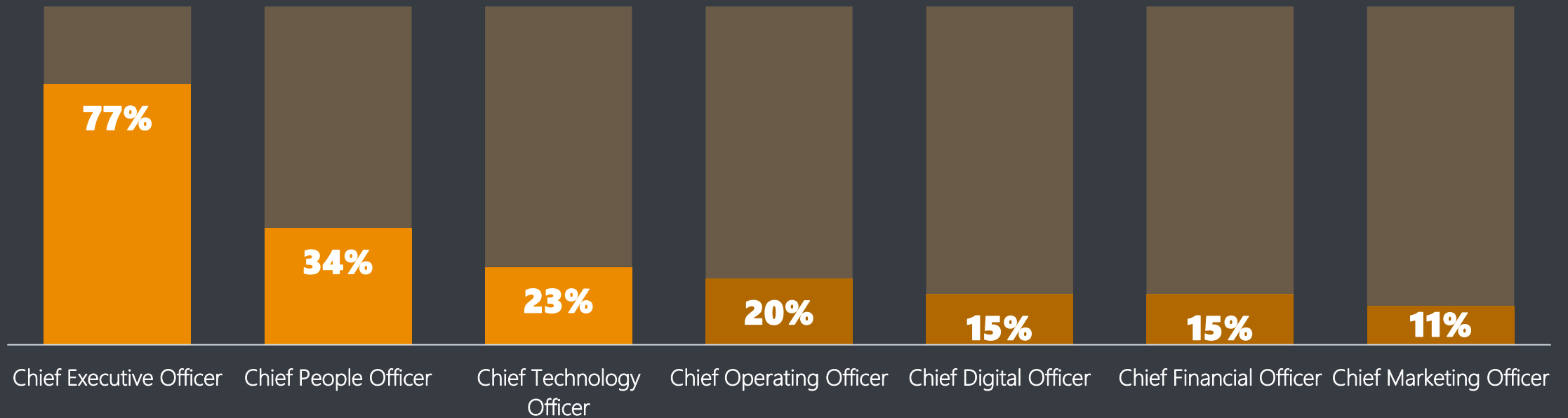
THE MAIN STRATEGIC LEVER TO ADDRESS THE INCREASED COMPLEXITY OF THE MARKET ENVIRONMENT IS **TALENT DEVELOPMENT**

Most important priorities of companies in light of
new forces impacting the business
Percentage of total respondents



CHIEF PEOPLE AND TECHNOLOGY OFFICERS ARE INCREASINGLY VITAL IN SUPPORTING THE CEO IN PREPARING THE ORGANIZATION FOR THE FUTURE

Roles that will be most critical in managing the challenges of evolving market conditions
Percentage of total respondents



TO ADDRESS NEW FORCES, EXECUTIVES WILL NEED TO CONTINUE TO SHOWCASE A WELL-DEVELOPED SET OF LEADERSHIP COMPETENCIES

Understand market trends, anticipate change, craft a clear vision, and develop a sound strategy with defined goals for lasting stakeholder value

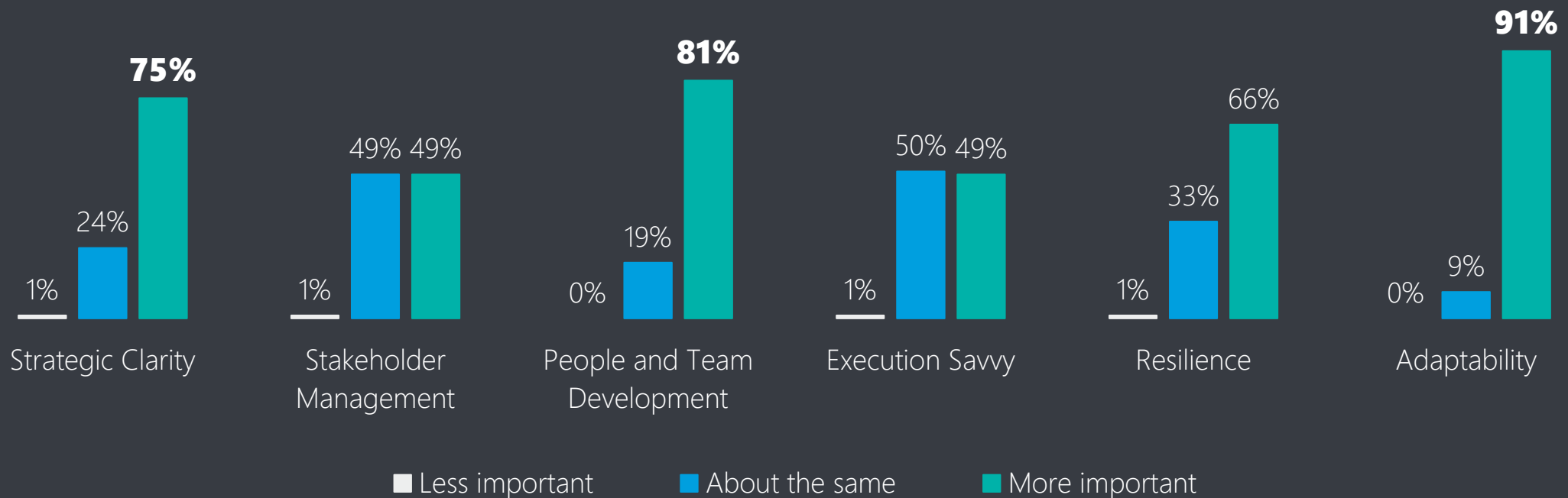
Engage key stakeholders systematically to address their needs, influence decisions, and align outcomes with shared interests



THREE AREAS OF COMPETENCIES WILL BECOME EVEN MORE RELEVANT GOING FORWARD

ADAPTABILITY, STRATEGIC CLARITY AND PEOPLE DEVELOPMENT

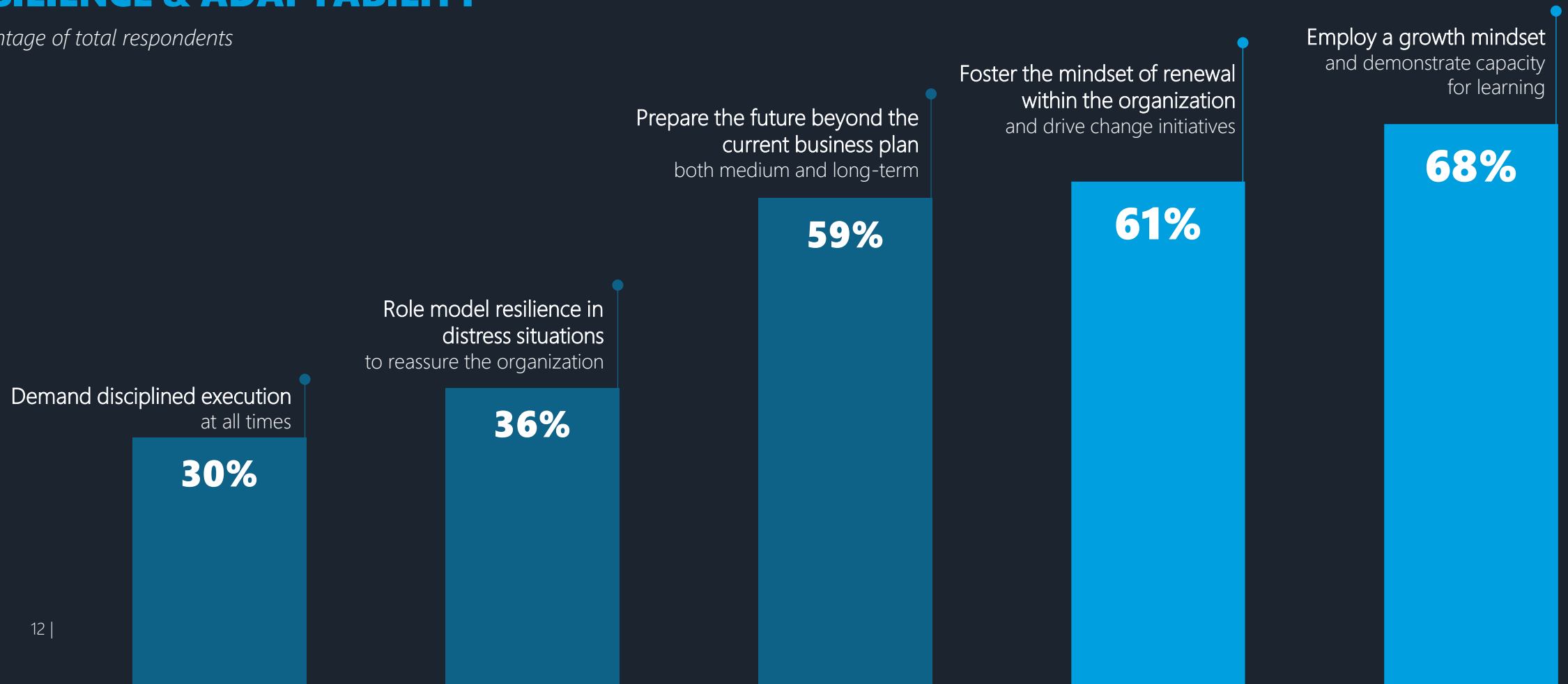
How the importance of leadership competencies will change
Percentage of total respondents



EMBRACING A GROWTH MINDSET AND FOSTERING ORGANIZATIONAL RENEWAL WILL BE KEY FOR FUTURE LEADERSHIP

RESILIENCE & ADAPTABILITY

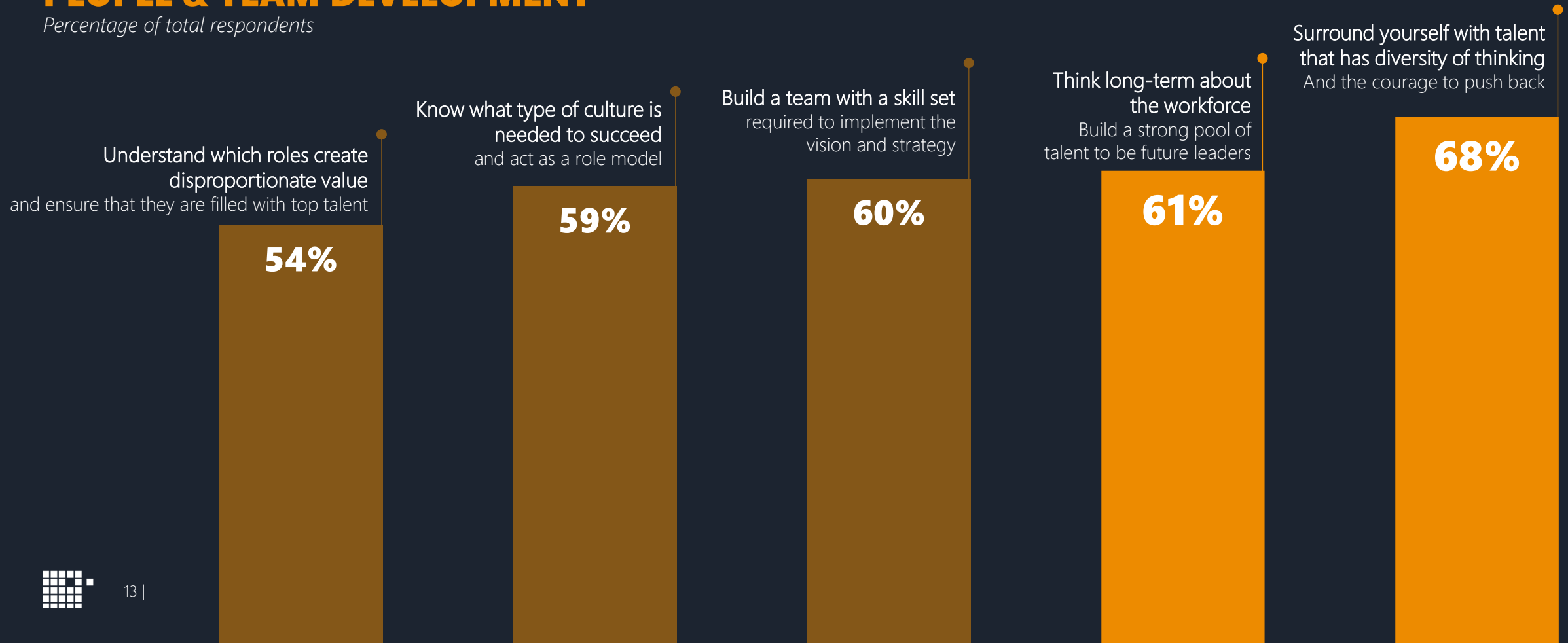
Percentage of total respondents



LEADERS SHOULD FOCUS ON SURROUNDING THEMSELVES WITH BOLD, DIVERSE THINKERS AND ON DEVELOPING FUTURE LEADERS

PEOPLE & TEAM DEVELOPMENT

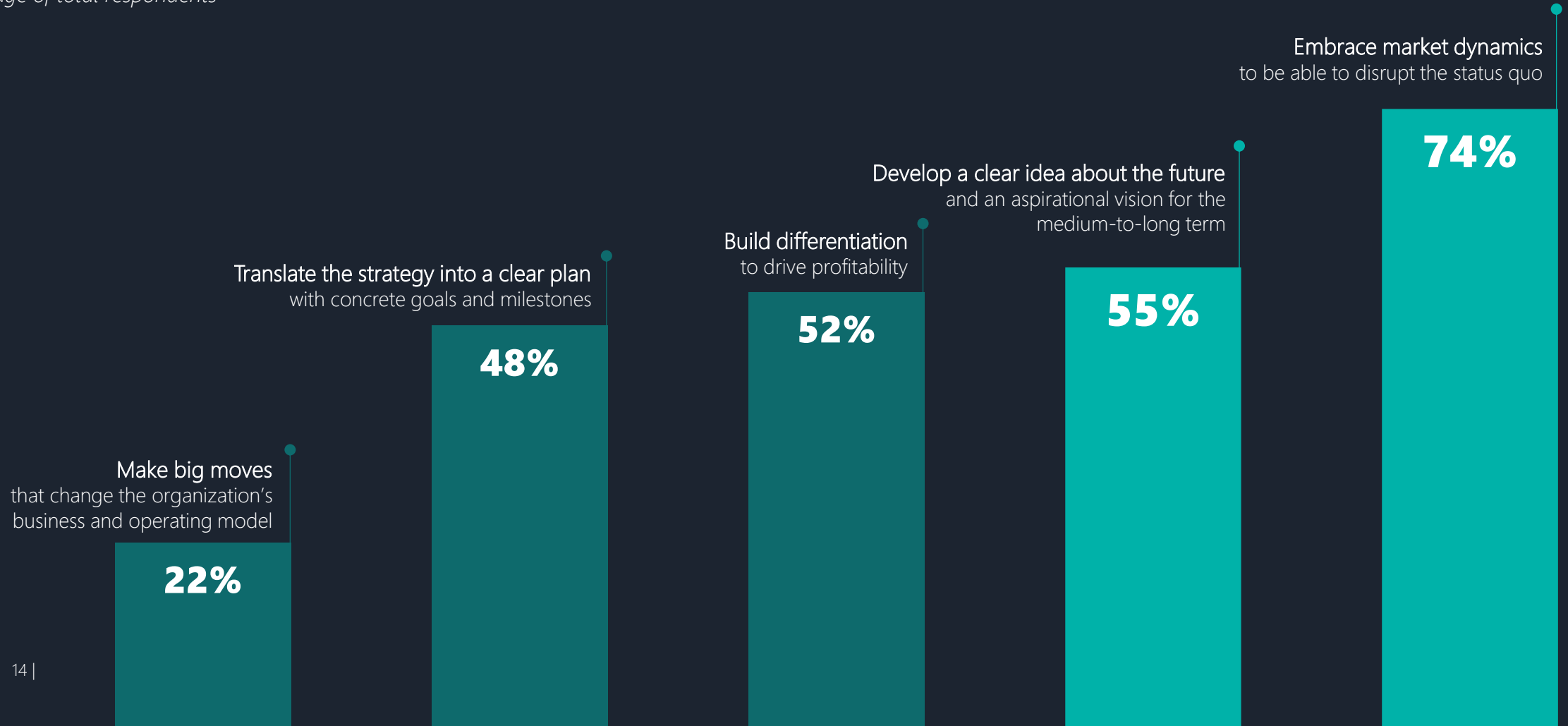
Percentage of total respondents



DISRUPTING THE STATUS QUO AND DEFINING AN AMBITIOUS VISION WILL SHAPE FUTURE LEADERSHIP

STRATEGIC CLARITY

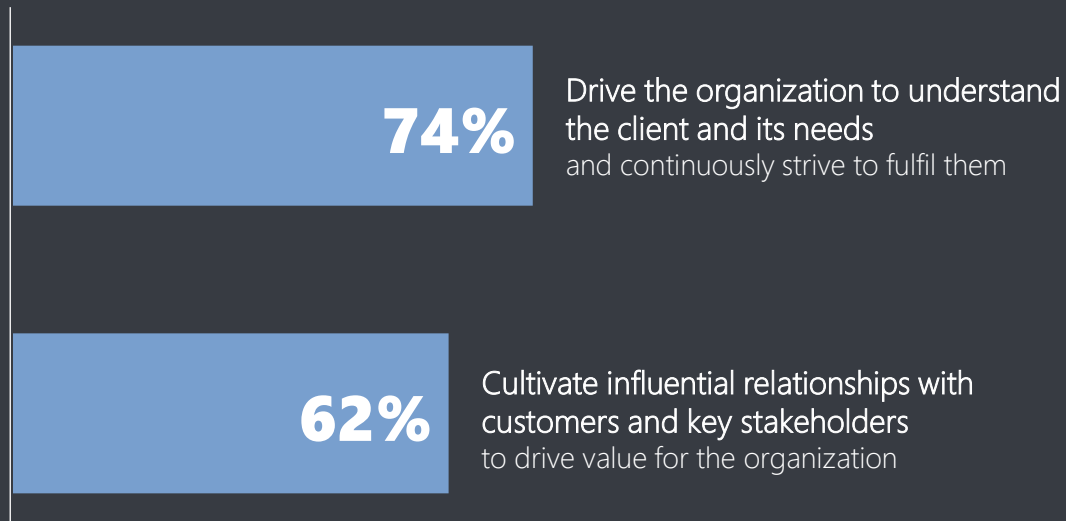
Percentage of total respondents



LEADERS WILL NEED TO DRIVE CUSTOMER-CENTRICITY AND ACCOUNTABILITY TO CREATE A LASTING IMPACT

Top behaviours (Percentage of total respondents)

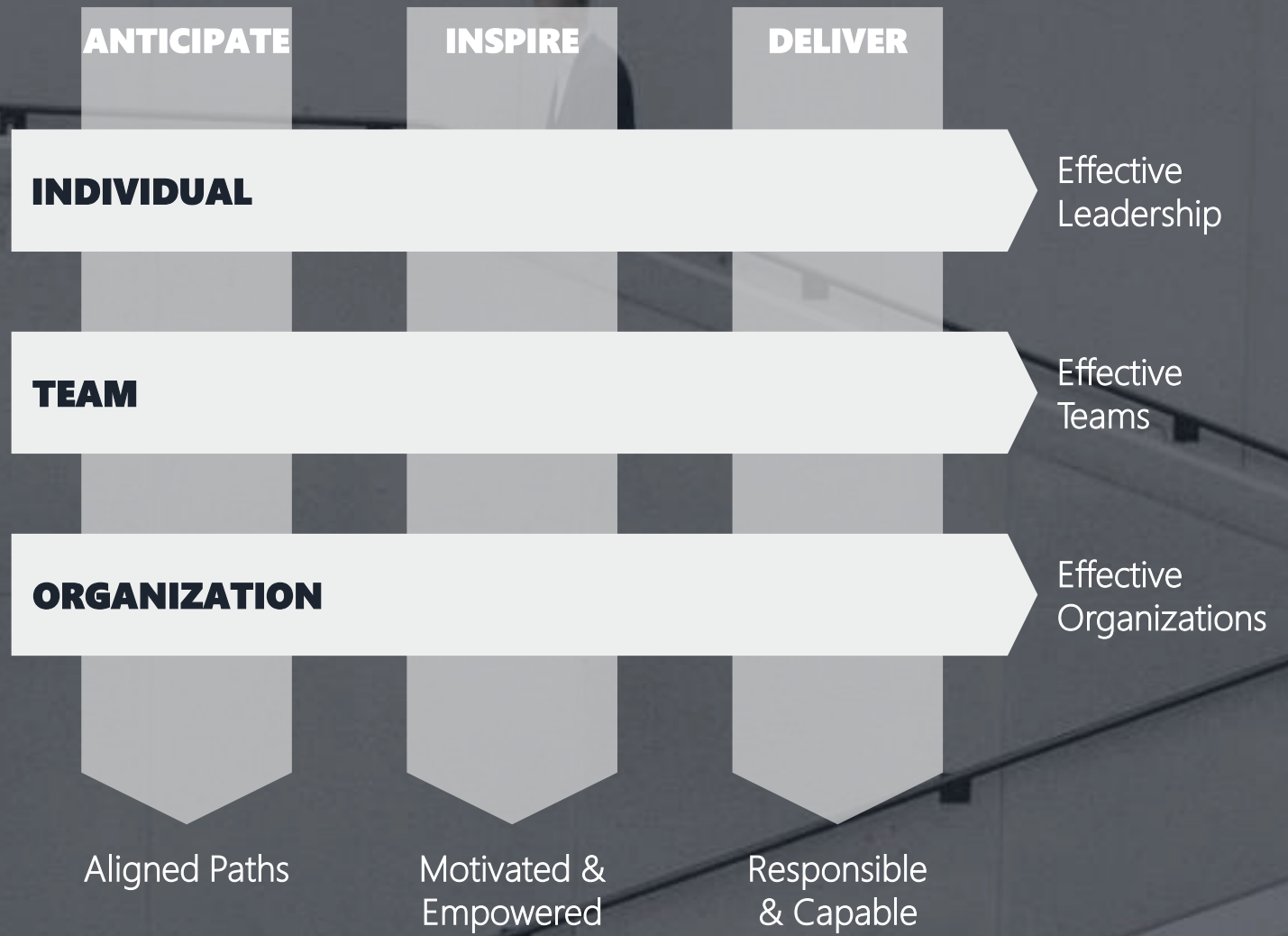
STAKEHOLDER MANAGEMENT



EXECUTION SAVVY



EXECUTIVES NEED TO **MASTER THESE** **COMPETENCIES** AND INSTILL THEM IN THEIR TEAMS AND THE BROADER ORGANIZATION



TO DEVELOP NEW COMPETENCIES, LEADERS CAN INVEST IN A SET OF INITIATIVES

INDIVIDUAL

LEADERSHIP PROGRAMS

Prepare leaders for future challenges through focused learning and expert guidance

COACHING

Personalized, structured and business-centered coaching processes

TEAM

TEAM EFFECTIVENESS

Build cohesive, high-performing teams by identifying and addressing challenges in team dynamics

EXECUTIVE SEARCH

Search and selection process for key leadership roles

ORGANIZATION

TALENT STRATEGY

Identify, manage, develop, and retain internal talent through human resources policies

ORGANISATIONAL DESIGN

Optimize organizational structures, operating models, and behaviors to align with strategy and future vision



KEY CONCLUSIONS

1

Systemic forces are impacting businesses

Geopolitical shifts, macroeconomic policies and AI are redefining business priorities and leadership challenges

2

Executives have started to address challenges

Leaders are adapting their organizations, for example, by investing in risk management, optimizing supply chains and driving digital transformation

3

To succeed, a well-rounded set of competencies will be key

The increasing complexity of the business landscape requires a holistic approach to leadership

4

Adaptability, Talent Management and Strategic Clarity will be increasing important

Leaders must navigate complexity with openness, set a clear vision and develop high-performing teams

5

Leaders need to develop themselves, their teams and the organization at large

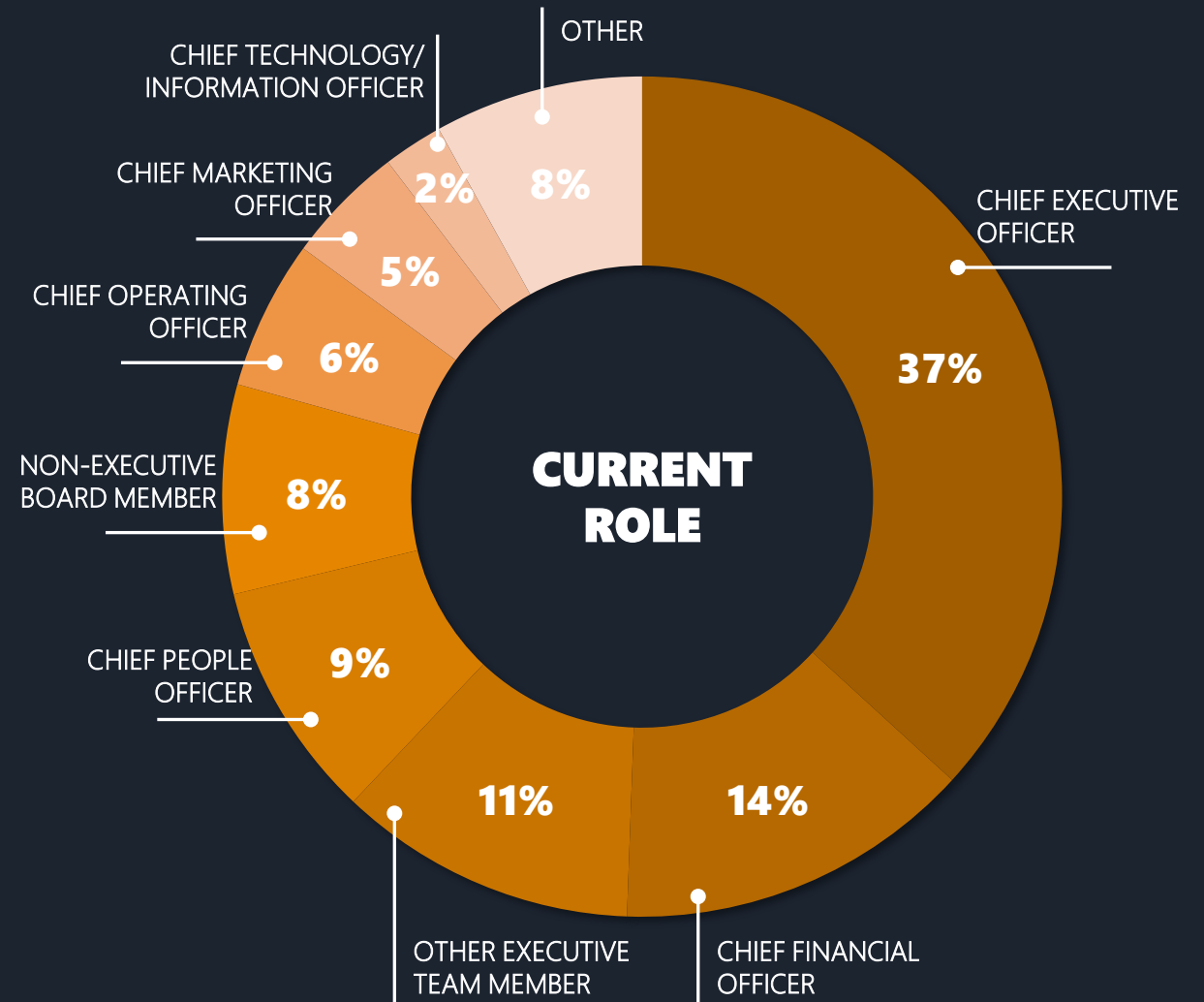
Successful companies build these muscles across all organizational levels

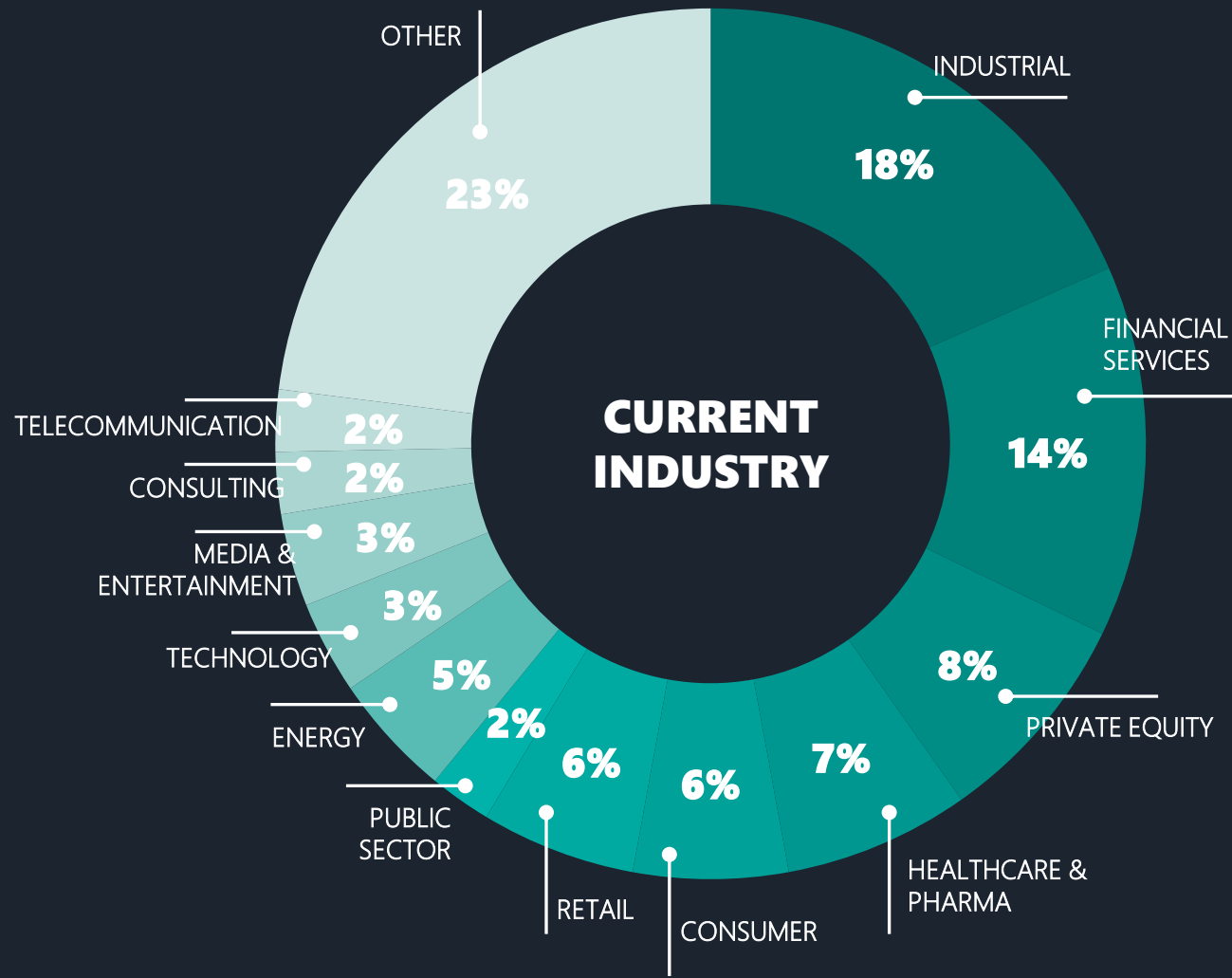


METHODOLOGY

This study, conducted by Odgers Berndtson Portugal, aimed to identify the leadership capabilities most critical for driving long-term value and to assess how executives are preparing themselves and their organizations for the future.

To achieve this goal, data was gathered through a questionnaire distributed to Business Leaders and C-level executives from companies in Portugal. 80% of the participants serve on their company's Executive Board.





METHODOLOGY

The study participants represent companies across more than ten industry sectors, with a particular emphasis on the Industrial and Financial Services sectors.

Additionally, 67% of the participants were from large enterprises, with over 500 employees.



OUR GLOBAL REACH

58 offices

