



# Internal Factors the C-Suite are Steering to Address Revenue, Risk, and Profitability in 2024

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## A Survey of US Senior Business Leaders

# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGES IN 2024

US business leaders have a consistent view of how internal factors impact their revenue, risk to business, and profitability in 2024, with financial health, efficiency, and people management at the top of their minds.

## Revenue targets



■ Ranked top 2 ■ Ranked 1st ■ Ranked 2nd

## Risk to business



■ Ranked top 2 ■ Ranked 1st ■ Ranked 2nd

## Profitability



■ Ranked top 2 ■ Ranked 1st ■ Ranked 2nd

In your opinion, which of the following internal factors will pose the most challenge to businesses achieving their revenue targets in 2024?

Please rate the same internal factors based on their potential risk to businesses in 2024?

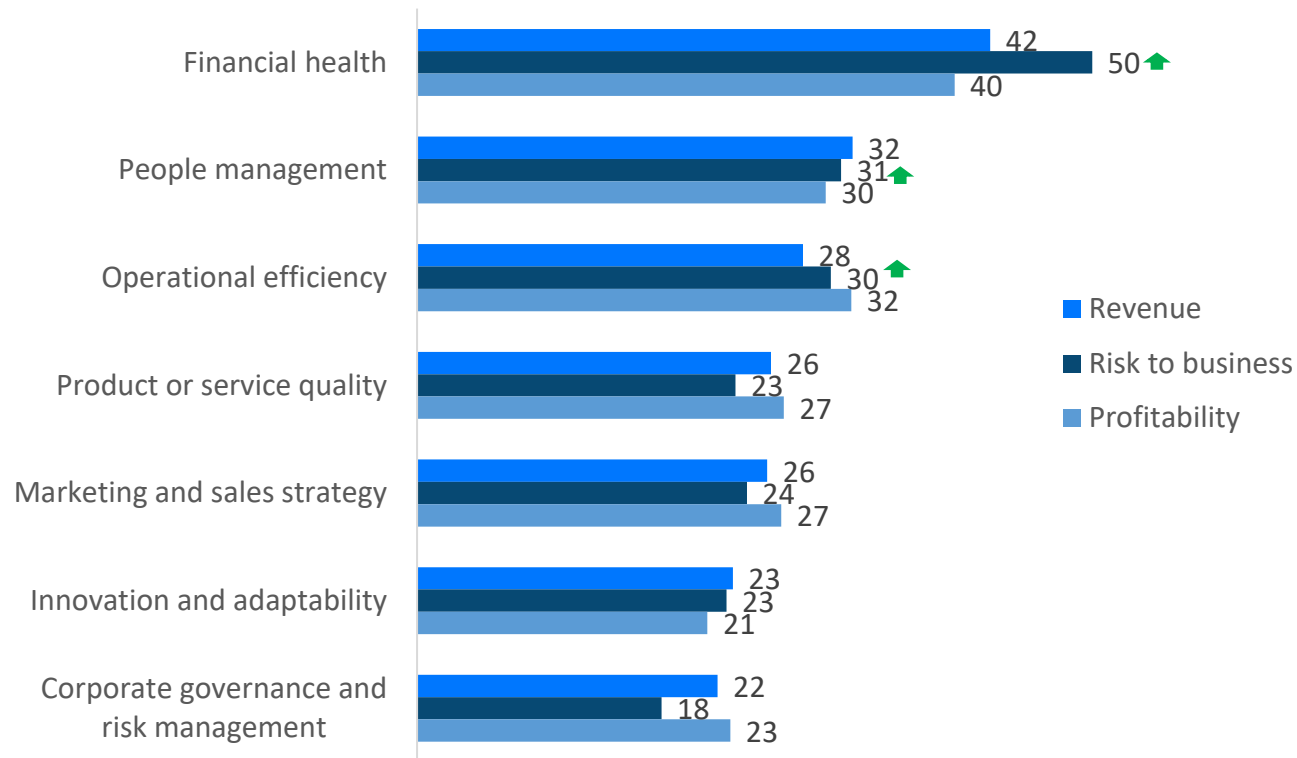
Now which of the same internal factors pose the most challenge to businesses achieving their profitability targets in 2024?

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# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGE IN 2024

The leading concern of US business leaders in 2024 is how their financial health will shape up—particularly its potential risk to businesses. Other frequent mentions are operational efficiency and people management.

Challenges impacting business performance in 2024  
Top 2 (weighted score)



Top 2 weighted score:  
1<sup>st</sup> issue \* 1.5 + 2<sup>nd</sup> issue \* 0.5

In your opinion, which of the following internal factors will pose the most challenge to businesses achieving their revenue targets in 2024?

Please rate the same internal factors based on their potential risk to businesses in 2024?

Now which of the same internal factors pose the most challenge to businesses achieving their profitability targets in 2024?

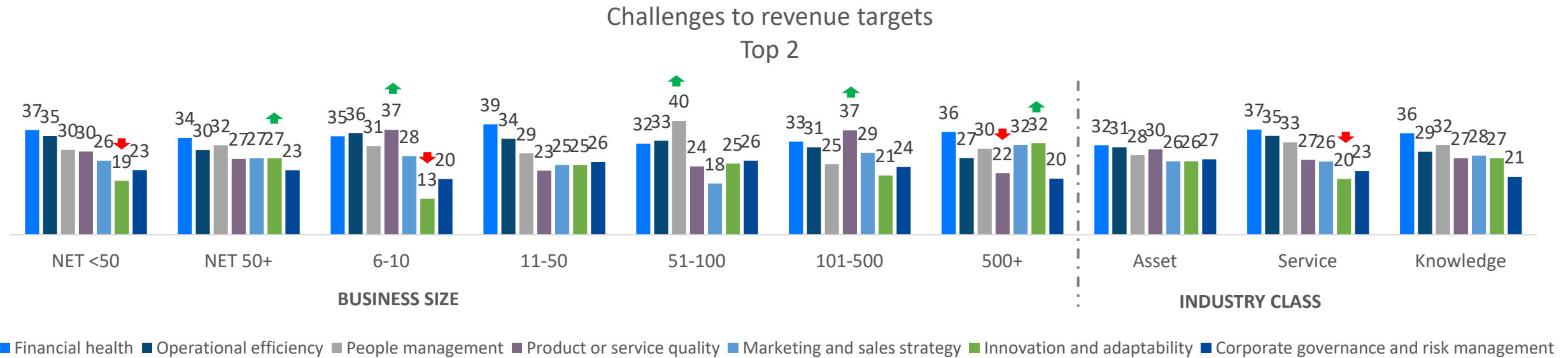
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# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGES TO REVENUE TARGETS IN 2024

Business leaders in companies with 50 employees or fewer and those with 50+ see financial health as the top 2 most important factors (37% and 34%, respectively). Meeting challenges to revenue targets through operational efficiency, people management, and product/ service quality are not far behind.

While business leaders from companies with 11-50 employees and with 500+ employees both place high importance on financial health (39% and 36%, respectively), in all other business size groupings, the responses somewhat differ: For companies with 6-10 employees, product or service quality was foremost in the top 2 (37%); from companies with 51-100 employees, people management was foremost (40%); and from companies with 101-500 employees, product or service quality was also foremost (37%).

Business leaders managing small companies (fewer than 50 employees) are less concerned than larger companies (50+ employees) about innovation and adaptability (19%) impacting revenue targets. At a more granular level, leaders from companies with 6-10 employees showed the least concern for innovation and adaptability compared to those from other/larger-sized companies.



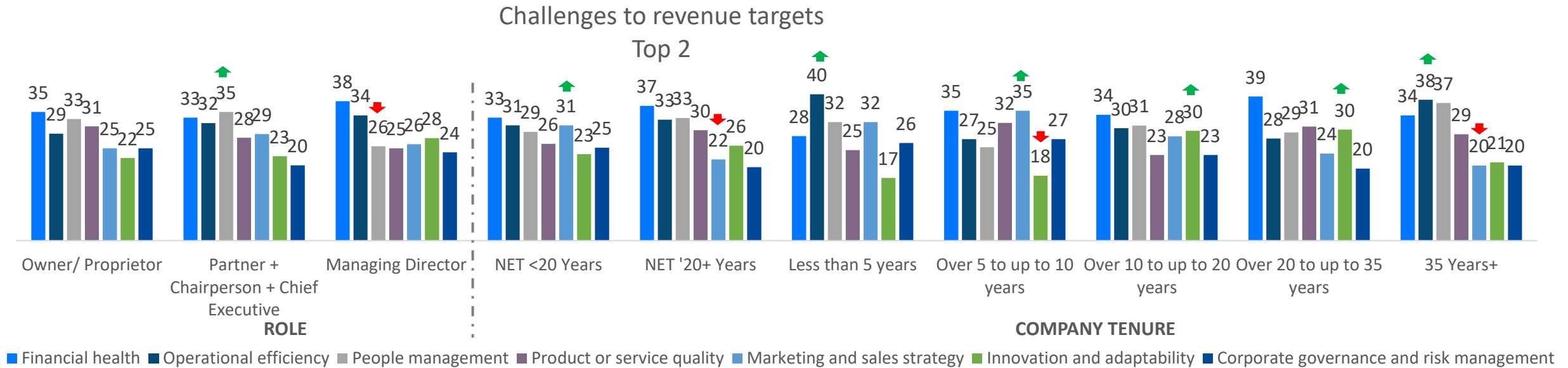
# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGES TO REVENUE TARGETS IN 2024 (CONT.)

All business leaders see financial health among the top 2 factors in meeting challenges to revenue targets, but other factors are not far behind in terms of importance.

Those in chair/CEO roles are more likely to see the importance of people management (35%) compared to managing directors (26%)

Business leaders in companies operating for less than 20 years and those of 20+ years both see financial health (33% and 37%, respectively), operational efficiency (31% and 33%, respectively), and people management (29% and 33%, respectively) as most important to meeting challenges to revenue targets.

Business leaders from the youngest (<5 years) and oldest (35+ years) companies see operational efficiency (40% and 38%, respectively) as the most important, while all other lengths of business tenure, i.e., all in between, see the financial health of the company as most important (28%, 35%, and 39%, respectively). Leaders in businesses between 10 to 35 years place higher importance on innovation (30%) compared to younger business sizes (17% for < 5 years and 18% for 5-10 years)



# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGE TO BUSINESS RISK IN 2024

At both ends of the business size spectrum (<50 employees versus 100+ employees), business leaders ranked financial health highest (between 49% and 39%, respectively) as a potential business risk. However, in the middle band (of 51-100 employees), financial health ranked second (at 36%) to operational efficiency (at 39%) as its top-most risk issue.

Overall, companies with <50 employees and those with 50+ employees both ranked financial health as the top-most risk factor, with people management coming as second for the <50 employee companies (37%) compared to 25% for businesses with more employees.

Across the three industry classes, financial health also ranked as the top-most risk factor. While still a top concern, leaders in the Asset sector ranked financial health as less important (37%) than either the Service sector (49%) or the Knowledge sector (43%).



## RANKING INTERNAL FACTORS POSING THE MOST CHALLENGE TO BUSINESS RISK IN 2024 (CONT.)

Leaders in managing director roles are more concerned with financial health as a risk to business (48%) compared to those in other roles, i.e. partner/chairperson/chief executive (40%) and owner/proprietor (41%).

While operational efficiencies across all roles were shown as a potential future risk, owner/proprietors (33%) and partner/chairperson/chief executives (37%) ranked them higher than managing directors (29%).

Leaders from companies operating less than 20 years showed higher regard to corporate governance and risk management (28%) as a business risk challenge, than their counterparts in older companies (18%).

Business leaders managing the youngest companies (less than 5 years old) were more concerned about financial health risks (57%) than all other comparatively older companies (showing between 33% and 45%). Conversely, these youngest companies saw less of a risk for innovation and adaptability (9%) than the rest (showing between 16% and 24%).

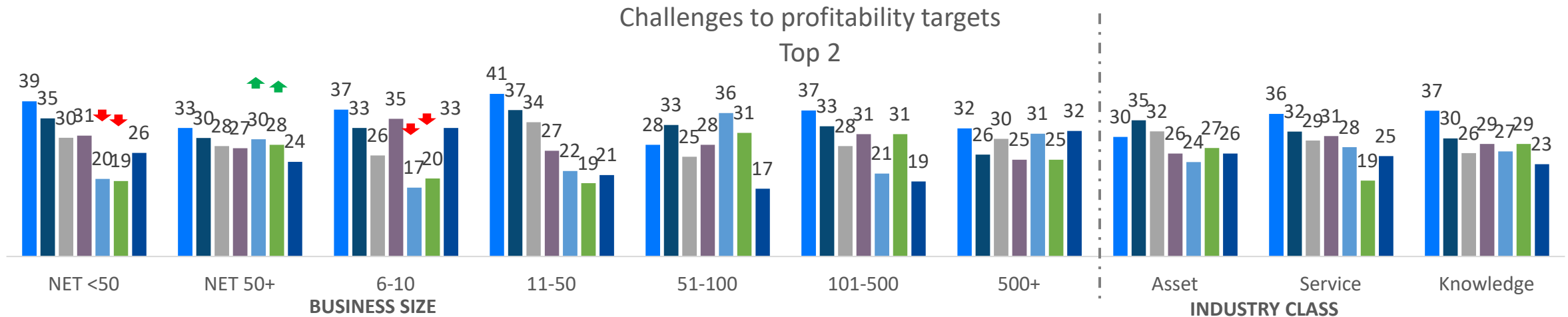


# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGE TO ACHIEVING PROFITABILITY TARGETS IN 2024

Business leaders in companies with <50 employees and 50+ employees both rank financial health (39% and 33%, respectively) as the most important. For business leaders in companies with 50+ employees, there is more evenness across all 7 factors in the levels of importance given (i.e., 24% to 33%). Contrastingly, for those in companies with <50 employees, they are less concerned about corporate governance (20%) and innovation (19%) compared to larger businesses (30%, 28%)

For business leaders in companies with 6-10, 11-50, and 101-500 employees, the importance of financial health, above other factors, remains in the top 2 concerns (37%, 41%, and 37%, respectively). On the other hand, for business leaders of companies in the mid-range of employees – numbering 11-50, 51-100, and 101-500 employees – marketing and sales strategy as a factor of importance for meeting profitability targets ranks relatively low (21%, 17%, and 19%, respectively). There is also a notable evenness of importance levels ascribed to all the 7 factors by business leaders in companies with 500+ employees.

Business leaders in the Asset sector, on average, rank financial health lower (30%) than their counterparts in the Service (36%) and Knowledge (37%) sectors. Instead, they place more importance on operational efficiency (35%) and people management (32%).



■ Financial health ■ Operational efficiency ■ People management ■ Product or service quality ■ Corporate governance and risk management ■ Innovation and adaptability ■ Marketing and sales strategy

Which of the same internal factors pose the most challenge to businesses achieving their profitability targets in 2024?

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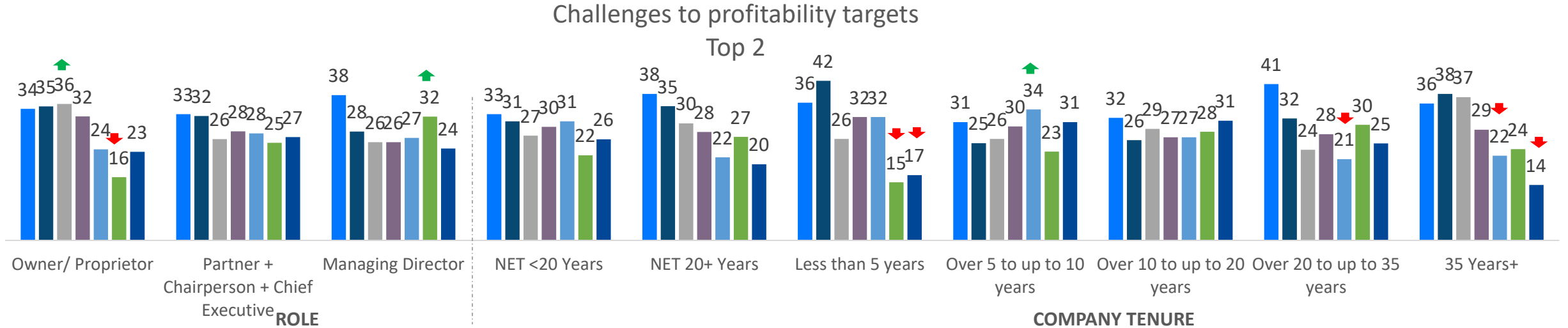


# RANKING INTERNAL FACTORS POSING THE MOST CHALLENGE TO ACHIEVING PROFITABILITY TARGETS IN 2024 (CONT.)

All leaders are sensitive to the company's financial health as their top 2 factors to meeting profitability targets: managing directors (38%), owner/proprietor (34%), and partner/chairperson/CEO (33%). Managing Directors, too, are more likely to factor in the importance of innovation and adaptability (32%), and business leaders who are owners/proprietors (16%) are less likely. On the other hand, owners are likelier to note people management in their top 2 (36%). In comparison, other management level roles show a lower concern (26% for both partner/chairperson/CEO and managing director).

For business leaders in companies of <20 years tenure-ship and those of 20+ years, both rank financial health as having foremost importance (33% and 38%, respectively). Marketing and sales strategy, in comparison, is rated less highly amongst business leaders in companies of 20+ years tenure-ship (20%) than in younger companies (26%).

Business leaders in companies of <5 years tenure-ship see operational efficiency (42%) as most important in meeting profitability targets, and at the same time see innovation and adaptability (15%) and marketing and sales strategy (17%) as least important. Similarly, business leaders in companies of 35 years+ tenure-ship place the least importance on marketing and sales strategy (14%) compared to financial health (36%), operational efficiency (38%), and people management (37%).



■ Financial health ■ Operational efficiency ■ People management ■ Product or service quality ■ Corporate governance and risk management ■ Innovation and adaptability ■ Marketing and sales strategy

Which of the same internal factors pose the most challenge to businesses achieving their profitability targets in 2024?

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# METHODOLOGY



- This study was conducted online between 4 and 11 December 2023.
- The sample is comprised of 533 senior business leaders in the United States from organizations with 6+ employees.
- YouGov designed the questionnaire, a copy of which has been provided.
- Statistical significance is reported on 90% confidence or higher.



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