

FUTURE LEADERSHIP DECODED.

VOICES OF THE LEADERS OF TOMORROW 2024



Discover how tomorrow's leaders envision strategies to solve the challenges posed by the depletion of natural resources.

CONFRONTING SCARCITY

ABOUT THE VOICES OF THE LEADERS OF TOMORROW

The annual “Voices of the Leaders of Tomorrow” (VOLOT) report stands as an indispensable resource for executives seeking to navigate the evolving complexities of global business with strategic foresight. With its innovative approach, this report offers unique insights into the perspectives of the Leaders of Tomorrow, a global group of promising young talent.

This year’s study juxtaposes the Leaders of Tomorrow’s perspectives on the global challenge of natural resource scarcity with those of today’s senior leaders. It identifies areas of consensus, highlights divergent opinions, and uncovers potential avenues for intergenerational collaboration based on a multifaceted analysis of leaders’ perceptions of the corporate, consumer, and political landscapes.

Beyond presenting the findings, this report also provides business decision-makers with actionable insights, enabling them to make informed, forward-thinking choices.

For this report, we surveyed 650 Leaders of Tomorrow up to the age of 35 and 250 senior executives over the age of 50.

EDITORIAL

At a time when environmental capital and, ultimately, humanity’s natural resources are becoming increasingly scarce, the need for companies to make a positive contribution and adapt and innovate has never been more pressing. Crucially, scarcity extends beyond mere supply chain disruptions; it also represents a critical management issue that requires strategic foresight and transformative action.

Hence, this year’s “Voices of the Leaders of Tomorrow” report explores the perceptions and expectations regarding natural resource scarcity among the Leaders of Tomorrow – future leaders from the global St. Gallen Symposium network. This report “decodes future leadership” by contrasting the perspectives of tomorrow’s leaders with the views of today’s top executives on the critical issue of scarcity.

The findings reveal a clear intergenerational consensus on the urgency of addressing challenges that arise from natural resource scarcity. However, differences emerge across leadership generations regarding the topics of concrete approaches, personal accountability, and willingness to make sacrifices. Although consensus on the urgency of the problem and the need for companies to do more provides a solid foundation for cooperation, differences in implementation strategies

highlight potential obstacles to intergenerational cooperation and, in turn, to reaching actionable compromises. Confronting scarcity requires more than mere dialogue; it requires a strategic pivot toward negotiating solutions, setting priorities, and making concessions that pave the way for a truly sustainable future.

We envision this report not only as a repository of insights, but also as a catalyst for transformative strategic thinking among both current and future leaders. It provides a comprehensive overview of perceptions regarding the challenge of scarcity, followed by a detailed exploration of leaders’ expectations within the realms of business, consumer behavior, and politics.

In addition, we are happy about the valuable contributions of Bas van Abel, founder of Fairphone, and communication and technology expert Prof. Dr. Miriam Meckel, who comment on the results and bring in their unique perspectives and experiences.

We invite you to delve into the insights and join the generations of leaders in creating actionable pathways to a future where intergenerational leadership not only addresses scarcity, but also steers organizations through the complexities of the broader sustainability debate.



DR. FABIAN BUDER

Head of Future & Trends Research
Nuremberg Institute for Market Decisions

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KEY INSIGHTS

How the Leaders of Tomorrow and current senior executives perceive global challenges from natural resource scarcity – and what they expect from businesses, consumers, and politics.

CONSENSUS ON URGENCY

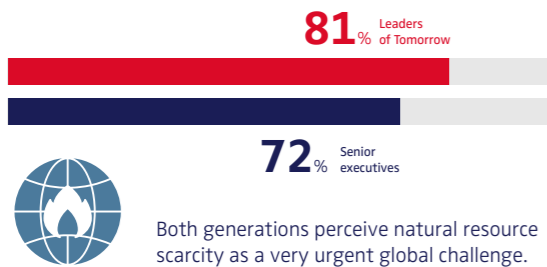
There is strong consensus among generations of leaders about the urgency of natural resource scarcity and the need to act. The shared understanding of overarching goals and the need to challenge the status quo provides a solid foundation for intergenerational collaboration.

DIVERGENCE ON EXECUTION

However, generational disagreements over the right strategies underscore potential barriers to intergenerational cooperation and agreement on concrete actions to address scarcity. Navigating scarcity requires prioritization. Differences in leaders' perceptions may impede the search for compromise on the optimal course of action and ultimately prevent action.

VIEW ON SCARCITY

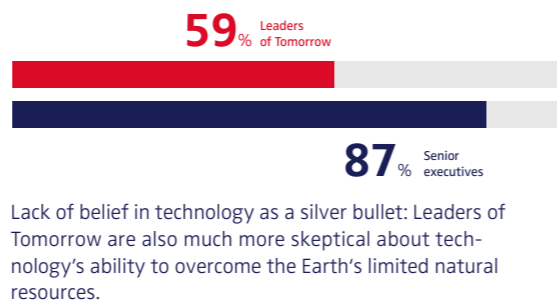
AN AGREED URGENT GLOBAL CHALLENGE



CONSERVATION OF NATURAL RESOURCES IS PARAMOUNT



THE LOOMING "OPTIMISM GAP"



BUSINESS

THE OBLIGATION OF BUSINESSES TO ACT

Both generations state business should address scarcity to a large or very large extent:



Also an opportunity: The majority see scarcity also as a catalyst for sustainable transformation.

BOTH GENERATIONS CALL ON BUSINESSES TO "TURN THEIR PRIORITIES UPSIDE DOWN"



Leaders of Tomorrow clearly favor a reprioritization of business purposes:

83% think environmental and social value should be more important than shareholder value.

The majority of senior executives agree: 68%

CLASHING OPINIONS ON THE ROLE AND RESPONSIBILITY OF MANAGERS

Leaders of Tomorrow call for personal responsibility and sacrifices:

63% of the Leaders of Tomorrow demand bonuses to be more dependent on sustainability targets than on financial targets, but only

32% of senior executives agree on this.

INTERGENERATIONAL LEADERSHIP IS KEY, BUT IT REQUIRES COMMITMENT

Leaders agree that intergenerational leadership is a crucial factor for sustainable change.

However, Leaders of Tomorrow see a **large gap** between their **willingness to take over responsibility** and the older generations' **willingness to pass this responsibility on**.

CONSUMERS

YOUNG LEADERS' LACKING CONFIDENCE IN CONSUMERS' WILLINGNESS TO CHANGE



While both generations agree that consumers' actions can mitigate scarcity challenges...

58% of Leaders of Tomorrow and 74% of Senior executives



...the Leaders of Tomorrow have generally much less confidence in consumers' willingness to embrace sustainable behaviors.

POLITICS

SHARED DOUBTS ABOUT THE FREE MARKET'S ABILITY TO DRIVE SUSTAINABLE CHANGE

63% of Leaders of Tomorrow and 57% of Senior executives



believe in rules and market regulations rather than trusting in the self-regulating forces of the free market to drive sustainable change in the economy.

STARK DISAGREEMENT ON POLICY MEASURES



Differences emerge in the assessment of political measures, e.g., the Leaders of Tomorrow favor stricter penalties and taxes compared to senior executives, who favor "softer" policies like reporting and efficiency standards.

WAY FORWARD: FROM DIALOGUE TO ACTION

A common understanding is good; common action is better: While dialogue is essential to building trust and enabling mutual understanding, it is not sufficient. Leaders need to be aware of both consensus and disagreement, but ultimately, they need to move from dialogue to concrete negotiation in order to reach actionable compromises that will transform business for a sustainable future.

THE ERA OF ABUNDANCE IS COMING TO AN END



FELIX RÜDIGER

Head Content & Research
St. Gallen Symposium

Since the Industrial Revolution, we have lived in an economic system predicated on high growth. For the past decades, this growth has relied on the abundant availability of capital, labor, energy, and natural resources, coupled with the advantages of global economic integration.

SCARCITY IS ON THE RISE

However, there is good reason to believe that this era is currently coming to an end: Long-term trends such as slowing globalization, rising interest rates, and demographic change signal a deeper shift toward an economy defined by scarcity in core dimensions such as trade, capital, and labor. Above all, we face an accelerating loss of biodiversity as well as an intensifying scarcity of natural resources unknown in human history so far. Climate change is exacerbating water stress and food insecurities worldwide. In their efforts to mitigate climate change, governments across the globe are increasingly creating scarcities intentionally by placing a price on carbon emissions.

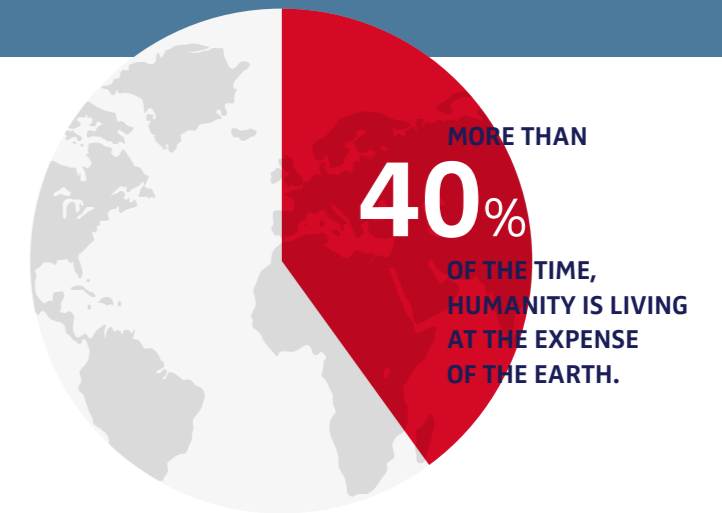
In essence, scarcity arises when the demand or need for a good exceeds its supply. Businesses' current "green growth" approaches are squarely focused on supply: seeking to replace dirty technologies with alternatives, such as electric vehicles, renewable energy, and sustainable aviation fuels. Yet the ensuing growth in demand for critical minerals like lithium and cobalt generates new scarcities and carries significant environmental and social risks – such as with recent efforts at "deep sea mining."

CONFRONTING SCARCITY DEMANDS NEW PRIORITIES AND NEW STRATEGIES

In order to transform business in an age of scarcity, we need to explore the extent to which supply-side focused strategies of merely shifting resource exploitation elsewhere need to be complemented by demand-side considerations – and a broader rethinking of business models – when addressing scarcity: How might we truly dematerialize value chains? What are ways to reduce overall resource consumption? How much is enough?

These questions underline that the transformation required of business and leadership goes beyond merely technical issues, and equally includes cultural and behavioral change. This is why the "Voices of the Leaders of Tomorrow" report can serve as a uniquely valuable resource for corporate leaders of today, as it helps understand the expectations of the next generation toward responsible leadership and what those who are soon to assume roles of responsibility aim to change in their own approaches.

CONFRONTING NATURAL RESOURCE SCARCITY



UNDERSTANDING THE LONG-TERM CHALLENGE OF SCARCE NATURAL RESOURCES

The Club of Rome's 1972 report, "The Limits to Growth" – which was first presented at the 3rd St. Gallen Symposium – was a pioneering effort that drew global attention to the looming crisis of resource depletion. By projecting future scenarios of unchecked economic and population growth against finite resource availability, it laid the groundwork for the sustainability discourse. Yet its projections – which extended far into the future – may not have fully resonated with the immediate concerns of public perception and policy-making at the time.

In contrast, the "Earth Overshoot Day" can be seen as a much more tangible measure for communicating and visualizing our ecological footprint. This day serves as a precise annual marker for when humanity's demand for ecological resources and services exceeds what the Earth can regenerate within that year. The date of the global Earth Overshoot Day has been set earlier and earlier in recent decades. In 2023, August 2 was Earth Overshoot Day. That means humanity is living at the expense of the Earth more than 40% of the time – a fact that leaders would give more public attention.

AN INDICATOR THAT SHOULD BE GIVEN ATTENTION

The "Earth Overshoot Day" should be given more attention to raise awareness regarding the scarcity of natural resources.



The numbers are percentages of cases that responded with "strongly agree" or "agree." Leaders of Tomorrow n = 650 | Senior executives n = 250



ANUSHKA PUROHIT (24)

Entrepreneur (CEO), Hong Kong

"We simply do not understand the grave consequences of inaccessibility to natural resources. In my life personally, deforestation has been very visual: Coming from India, a country with once vast fauna and flora, I've first-hand witnessed the exploitation."

AN URGENT GLOBAL CHALLENGE REQUIRING IMMEDIATE ACTION

The scarcity of natural resources is a critical, urgent challenge for humanity that is unanimously recognized by both the Leaders of Tomorrow and the senior executives of today. Additionally, they recognize this issue as not only a business challenge; it affects them in their daily lives and consumption decisions. This shared concern reflects a broad acknowledgment of the issues at stake, highlighting the importance of addressing this challenge with immediate and effective action.



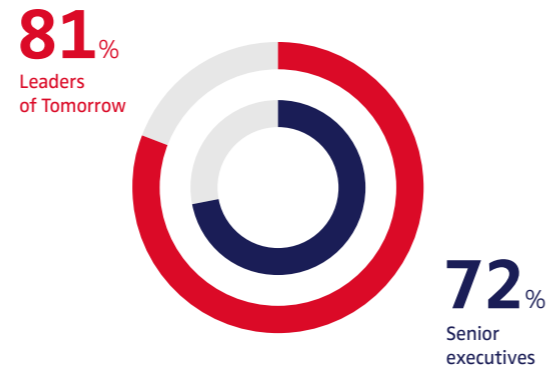
MARC RÜDISÜLI (25)

President of The Young Center of Switzerland, Switzerland

“A lot can be destroyed in a short space of time, but it takes time to regain a healthy balance. We need to act now. For the young and future generations.””

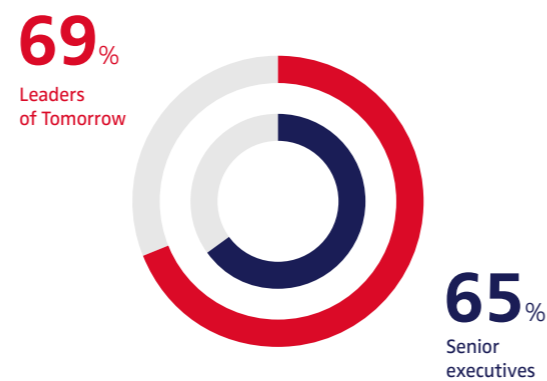
URGENCY

The scarcity of natural resources is among the **most urgent challenges** humanity faces today.



PERSONAL AFFECTEDNESS

The scarcity of natural resources **affects my consumption behavior** – for example, when shopping or planning vacations.



The numbers are percentages of cases that responded with “strongly agree” or “agree.” Leaders of Tomorrow n = 650 | Senior executives n = 250

SUSTAINABILITY TRUMPS GROWTH

Overall, the discussion on sustainability involves complex trade-offs between the promotion of conservation of natural resources and economic growth. Among the leadership generations, there seems to be an overarching consensus that promoting the conservation of natural resources is of paramount importance, even if doing so may slow down economic growth in the short term.

This is a notable revelation for senior executives who, if they apply this principle within their companies, could lead a major shift in business strategy toward sustainability – a shift that would align with the call for a paradigm shift from shareholder value to environmental value in the following chapter (p. 18). However, it raises an important question: Are today’s top managers genuinely willing to sacrifice economic growth, even if it impacts their own company?



The numbers are percentages of cases that agree with the left or the right statement, respectively. Leaders of Tomorrow n = 650 | Senior executives n = 250

THE LOOMING "OPTIMISM GAP"

IS OPTIMISM A PRIVILEGE OF THE OLDER GENERATION?

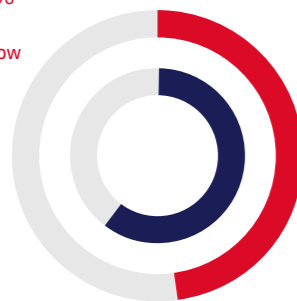
The Leaders of Tomorrow are significantly less optimistic that solutions for tackling natural resource scarcity will be found in time to avoid a collapse of global systems.

Today's senior executives should be aware that a significant proportion of young, emerging leaders are genuinely concerned, possibly affecting the way in which they communicate and address the topic in cross-generational debates.

I am optimistic that the challenges of **natural resource scarcity will be tackled in time** to avoid a collapse of global systems.

47%

Leaders of Tomorrow



64%
Senior executives

The numbers are percentages of cases that responded with "strongly agree" or "agree."
Leaders of Tomorrow n = 650 | Senior executives n = 250

LACK OF BELIEF IN TECHNOLOGY AS A SILVER BULLET

Furthermore, results indicate that the Leaders of Tomorrow are much more skeptical of technology's ability to overcome the Earth's limited natural resources than the older generation of leaders are.

This optimism gap may even suggest the younger generation's call for broader, systemic changes beyond mere technological advancements, advocating for comprehensive solutions, including stricter political regulations and a focus on sustainable consumption or sufficiency strategies.

I believe that **technological advancements** will always find ways to overcome Earth's natural resource limitations.

59%

Leaders of Tomorrow



87%

Senior executives



12%

I believe that Earth's natural resource limitations present **insurmountable challenges** and that human creativity and technological advancement are unable to overcome these limitations.

The numbers are percentages of cases that agree with the left or the right statement, respectively. Differences to 100% are based on "no answer" responses. Leaders of Tomorrow n = 650 | Senior executives n = 250



MATHIAS CHARLES YABE (24)

Social Entrepreneur, CEO at AkoFresh, Ghana

"While tech is important, we also need to be smart about using resources, like recycling and consuming less. Think of it as a two-pronged attack – innovation plus conservation!"

NAVIGATING SCARCITY: WHO IS RESPONSIBLE FOR FINDING SOLUTIONS?

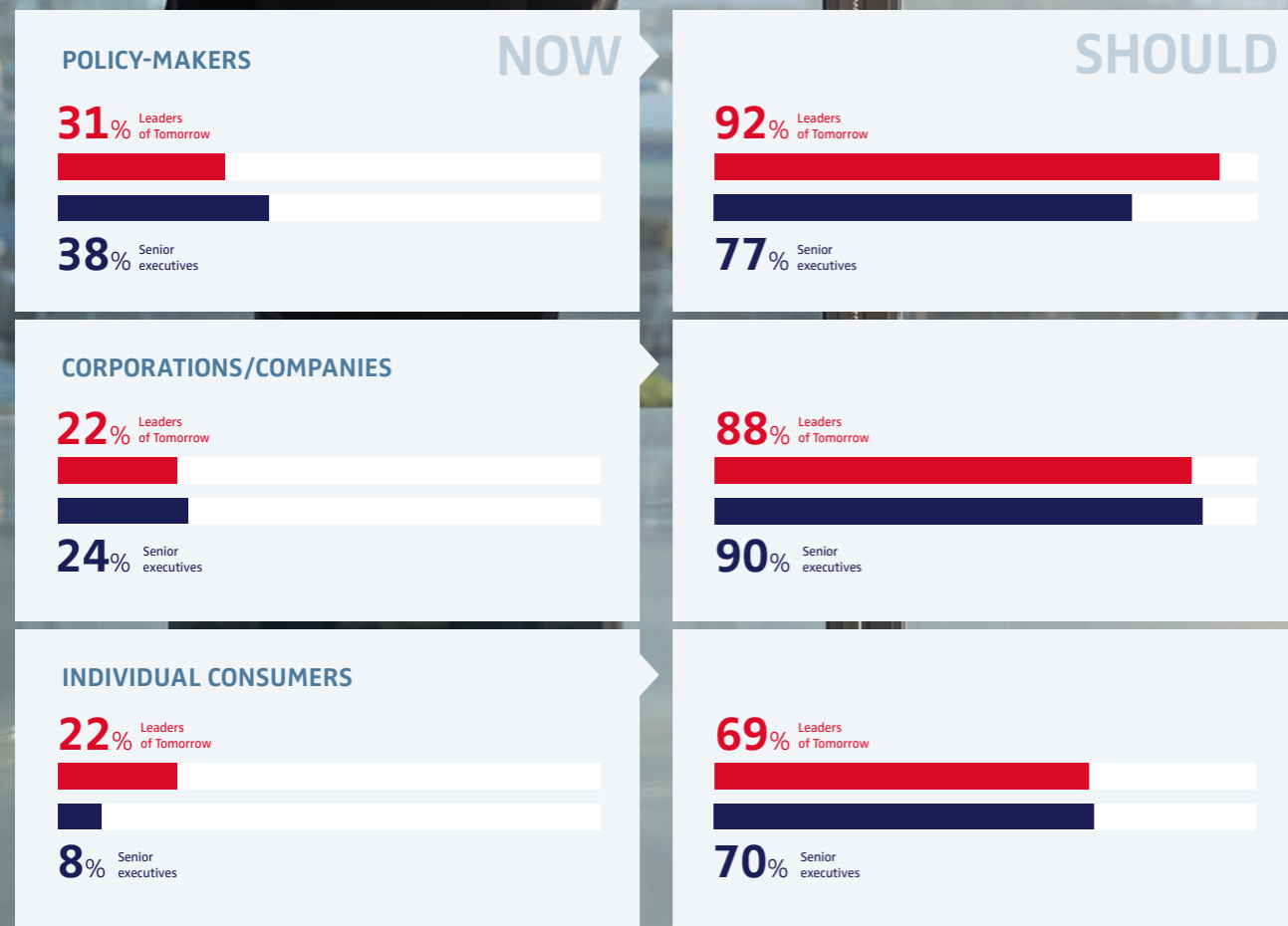
MARKET PLAYERS' OBLIGATIONS – THE ROLE OF BUSINESSES, POLITICS, AND CONSUMERS

Both generations point to a large gap between current efforts and the necessary efforts of all market entities, including businesses, politics, and consumers. Tomorrow's leaders believe that policy-makers should be in the lead (just ahead of business), which could be interpreted as a call for a "strong hand" to set a strict

framework. The senior executives in this study also view policy-makers as having a responsibility in this regard, but they believe companies – and therefore ultimately they themselves – have an even greater responsibility.

The entity is **currently addressing challenges** related to natural resource scarcity

The entity **should be addressing challenges** related to natural resource scarcity



The numbers are percentages of cases that responded with "very large extent" or "large extent." Leaders of Tomorrow n = 650 | Senior executives n = 250

BRIDGING GENERATIONAL VIEWS ON SCARCITY: FROM URGENCY TO ACTION

Both generations of leaders equally recognize the scarcity of natural resources as a highly urgent global challenge demanding action from businesses, consumers, and politics. However, the Leaders of Tomorrow more strongly emphasize the responsibility of current generations to conserve resources for the benefit of future generations and have less optimism that the challenge of natural resource scarcity will be tackled in time or simply be overcome by technological solutions.

Taking the perspectives and priorities of the younger generation seriously is a first step in fostering intergenerational collaboration and negotiation and ensuring organizations develop resilient, forward-looking strategies that respond to scarcity over the long term by considering the needs of all generations.

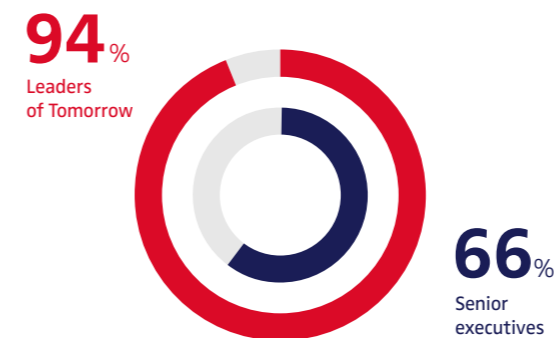
Hence, the following chapters delve into the perspectives of both emerging and established leaders on their expectations toward businesses to drive change, with a particular focus on the role of business leaders, their reflections on the importance of consumer behavior, and their expectations for the impact of policy in overcoming the challenges of scarcity.

GENERATIONAL CONTRACT: SUSTAINABLE USE OF RESOURCES REQUIRES A COMMITMENT ACROSS TIME

The 1987 United Nations Brundtland Commission's definition of sustainable development emphasizes the necessity to meet current needs without compromising those of future generations.¹

94% of the Leaders of Tomorrow believe today's generations carry a great responsibility to ensure the sustainable use of resources for the benefit of future generations. Notably, only 66% of senior managers agree – meaning a significant portion of today's executives (33%) show ambivalence or disagreement, revealing a profound generational divide in commitment to sustainable practices and intergenerational responsibility.

Today's generations have a **responsibility to ensure the sustainable use of natural resources** for the benefit of future generations.



The numbers are percentages of cases that responded with "strongly agree" or "agree." Leaders of Tomorrow n = 650 | Senior executives n = 250

¹ WCED (1987): Report of the World Commission on Environment and Development: Our Common Future

EXPECTATIONS TOWARD BUSINESSES

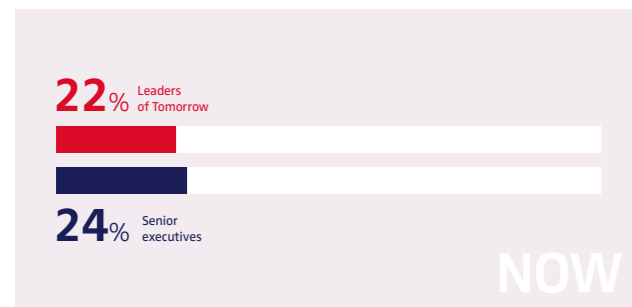
Natural resource scarcity and depletion goes beyond supply chain disruptions; it is a crucial management concern demanding strategic foresight and transformative action. This chapter delves into how future leaders expect businesses to adapt, innovate, and make a positive contribution to the preservation of our planet.

THE OBLIGATION OF BUSINESSES TO ACT

There is a notable discrepancy in perceptions regarding what corporations currently do to address scarcity and what they should be doing. While 88% of the Leaders of Tomorrow see a huge responsibility and believe businesses should address this topic to a large or very large extent, only 22% of them feel that companies are currently making substantial efforts in this area. Additionally, there is a surprising level of agreement across the generations: Current senior executives – so the leadership level of companies – share this assessment.

BUSINESSES NOW ADDRESS

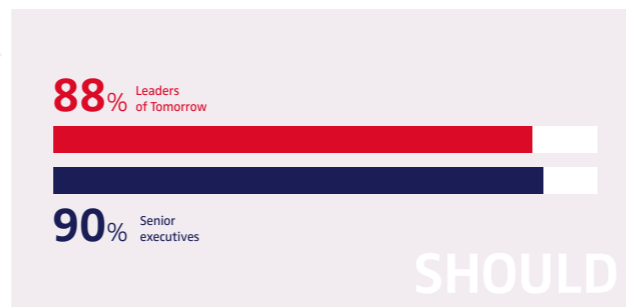
challenges related to natural resource scarcity:



The numbers are percentages of cases that responded with "very large extent" or "large extent". Leaders of Tomorrow n = 650 | Senior executives n = 250

BUSINESSES SHOULD ADDRESS

challenges related to natural resource scarcity:



SCARCITY – A CATALYST FOR TRANSFORMATIONAL CHANGE?

Both generations recognize that the urgency created by dwindling resources is disrupting the "business-as-usual" mentality and pushing companies to explore new, more sustainable ways of operating – with 72% of young and 69% of established leaders identifying it as a powerful force driving sustainable business transformation.

This shared view underscores the silver lining of the challenge: Scarcity might be driving a significant shift in business strategies and priorities toward more sustainable practices – and could ultimately present an opportunity for transformation.

The scarcity of **natural resources** is acting as a catalyst for sustainable transformation among businesses, **forcing them to rethink** the status quo.



The numbers are percentages of cases that responded with "strongly agree" or "agree." Leaders of Tomorrow n = 650 | Senior executives n = 250



JESSICA JONES (29)
Sustainability Manager, Switzerland

"Businesses need to take responsibility to make a sustainable business case, and if they realize they don't have one, they need to review their strategy."



REPRIORITIZING CORPORATE GOALS: FROM SHAREHOLDER TO ENVIRONMENTAL VALUE

CALL ON BUSINESSES TO “TURN THEIR PRIORITIES UPSIDE DOWN”

To close the gap between current and anticipated corporate actions regarding scarcity, the Leaders of Tomorrow clearly favor a reprioritization of business purposes, focusing targets much less on shareholders and more on social and environmental values – and it seems this shift is also meeting with approval from the current top management. While profits remain essential in the current economic system, both generations emphasize rebalancing goals to integrate ecological and social responsibilities. This aligns with the shift from Milton Friedman’s shareholder-centric model to a stakeholder approach, merging profit with societal and ecological benefits.

Notably, although the general consensus favors this change, 32% of senior executives still opt for prioritizing shareholder value over doing good for the environment and society – a potential for conflict between generations in an organization.

THE FUTURE CALLS FOR NEW BUSINESS MODELS

In response to scarcity, both the Leaders of Tomorrow and the experienced senior executives recognize the need for new ways of doing business. In fact, they agree that business model transformation is an essential measure to effectively address scarcity. This preference underscores a collective inclination toward profound change over more incremental measures (such as employee sustainability training or cross-industry collaboration).



JESSICA FARDA (26)

Co-Founder and CEO, Switzerland

“From my own journey, I’ve learned that true sustainability requires rethinking how we design, produce, and dispose of products. It requires innovation, persistence, and a willingness to invest in the long-term health of our planet.”

TURN CORPORATE PRIORITIES UPSIDE DOWN



The numbers are percentages of cases. Leaders of Tomorrow n = 650 | Senior executives n = 250



The numbers are percentages of cases. Leaders of Tomorrow n = 650 | Senior executives n = 250

ARE TODAY’S TOP EXECUTIVES WILLING TO WALK THE TALK?

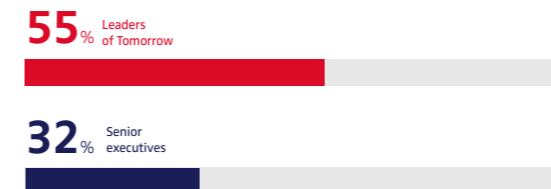
Managers play a pivotal role as strategic decision-makers in companies – being the ones translating lofty goals into actionable plans and initiatives.

88% of the Leaders of Tomorrow and a significant portion of senior managers (68%) agree that leaders should serve as role models for sustainability (e.g., reducing air travel, public advocacy for sustainability, etc.). However, consensus falters when discussing managers’ personal accountability for their company’s environmental impact and how this should be reflected in their compensation.

GAP 1: DIVERGING VIEWS ON MANAGERIAL RESPONSIBILITY

A clear divide emerges when it comes to the question of managers’ personal responsibility. While 55% of the Leaders of Tomorrow call for personal accountability of managers when it comes to the environmental impact of their companies, only 32% of senior executives agree on this.

Managers should **take personal responsibility** for the environmental impact of their companies, even with their personal assets.



The numbers are percentages of cases that responded with “strongly agree” or “agree.” Leaders of Tomorrow n = 650 | Senior executives n = 250

GAP 2: AUTHENTIC ENGAGEMENT FOR SUSTAINABILITY OR MERE LIP SERVICE?

While most senior executives recognize the need for environmental conservation and the need to reassess shareholder value, only 32% of senior leaders are open to having their bonuses depend more on sustainability targets than financial targets – compared to 63% of the Leaders of Tomorrow who demand such alignment. This reluctance underscores a critical question: Is the commitment to sustainability among some senior executives genuine, or does it wane when personal financial incentives are at stake? The call to action from the Leaders of Tomorrow is apparent – leaders must demonstrate a real shift from rhetoric to tangible action in valuing environmental and social outcomes.

92% Senior executives state “**Promoting the conservation of natural resources is paramount**, even if doing so may slow down economic growth in the short term.”

BUT JUST 32% Senior executives agree that “**Managers’ bonuses should depend more on the achievement of sustainability targets than on financial targets.**”

The numbers are percentages of cases that indicated agreement with the statements. Senior executives n = 250

A KEY TO SUSTAINABLE TRANSFORMATION: INTERGENERATIONAL LEADERSHIP

Across generations of leaders, it's widely recognized that companies need to engage decision-makers from both younger and older age groups in long-term strategic decisions to effectively drive sustainable change.

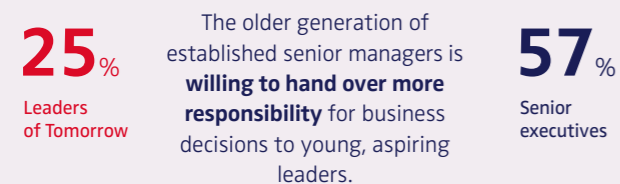
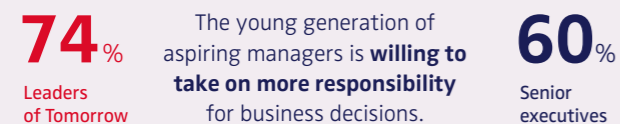
Companies **must involve decision-makers from younger and older generations** in long-term strategic decisions in order to successfully shape sustainable change.



The numbers are percentages of cases that responded with "strongly agree" or "agree." Leaders of Tomorrow n = 650 | Senior executives n = 250

ARE TODAY'S LEADERS READY TO HAND OVER RESPONSIBILITY TO THE NEXT GENERATION?

However, the Leaders of Tomorrow see a large gap between their own willingness to take over responsibility and the older generations' willingness to pass on responsibility. Current leaders themselves, by contrast, see no such discrepancy at all, which carries the risk of conflicts and misunderstanding that could ultimately hinder the intergenerational collaboration both parties aim for.



The numbers are percentages of cases that responded with "strongly agree" or "agree." Leaders of Tomorrow n = 650 | Senior executives n = 250



VICTORIA COSTA PAZ (27)

Co-Founder, CEO Biotech Startup, Argentina

“To foster fruitful intergenerational cooperation without quotas, companies can implement mentorship programs, reverse mentoring initiatives where younger employees mentor senior executives on technology or current trends, and collaborative projects that leverage the diverse perspectives of different age groups.”

HOW CAN CROSS-GENERATIONAL DIALOGUE AND COLLABORATION BE FOSTERED?

An overwhelming majority (92%) of the Leaders of Tomorrow think there should be formats to promote cross-generational dialogue, such as mentoring programs, roundtable discussions, or young employees advising the Executive Board. Senior managers generally agree with this, but not nearly as overwhelmingly (73% agree). Setting mandatory minimum quotas for generations in decisions, however, apparently goes too far for most senior executives – only 46% would favor such quotas, while 66% of young leaders are in favor of such measures. Consequently, before negotiating common goals, generations must first discuss how to make decisions collectively and how the younger generation could be integrated as stakeholders.

Generational consensus exists on the call for transformative action from businesses and the need to prioritize environmental and social good over shareholder value. However, perceptions differ on leaders' responsibility and willingness for personal sacrifice. The Leaders of Tomorrow urge current senior executives to:

- Reorient corporate purpose toward broader stakeholder interests, embedding social and environmental goals in business strategies.
- Demonstrate personal and organizational commitment to sustainability, transcending traditional business metrics.
- Engage with young leaders in strategic decisions, nurturing innovation, responsibility, and sustainable growth.

Differences in expectations can impede effective intergenerational collaboration and compromise, potentially blocking action. More than dialogue, a move toward concrete negotiations is essential for actionable compromises that will pave the way for a sustainable business future.

HOW BIG SHOULD COMPANIES THINK?

AN INSIGHTFUL DIALOGUE WITH BAS VAN ABEL ON PIONEERING SUSTAINABLE BUSINESS PRACTICES AND THE ROLE OF LEADERS

According to our study, future and current leaders agree that scarcity of natural resources is one of the most pressing global issues. In your experience, what is needed to meet that challenge, and how big should companies think?

We have to rethink growth and the use of resources – from growth at any cost to growth within planetary boundaries. This means adopting circular business models and regenerative practices. It's about thinking in systems, not just products or services. It's not enough to integrate a few sustainable practices and call it a day. The entire organizational model should be built around sustainability.

What does true transformation in business look like to you?

Transformation means reassessing every aspect of the business through a sustainability lens. It's acknowledging that on a philosophical level with everything we create, we also destroy something. Sustainability is not about saving the planet; it is about saving ourselves. Sustainability is a philosophical matter to me, and philosophy is a human matter. But as companies, we are far from thinking like human beings. I believe it is key that more decision-making at companies will come from human values, but that will be very uncomfortable and full of dilemmas. That is what we need to embrace, up to the boardroom level.

Both generations of leaders also widely agree that businesses should drastically change their priorities – from creating value for shareholders to creating environmental and social value first. It seems that is exactly what you tried with Fairphone, isn't it?

The entrenched belief that shareholder value reigns

supreme is hard to shake. We considered social and environmental impact as part of our ROI, and so did all our shareholders. It is part of how we have defined success, up to the KPIs that we use. It meant making tough choices, often with a cost to short-term profits, but with a clear vision of the future we wanted to create. I can tell you that if your company wants to have customers use their products as long as possible, you are seriously challenging your commercial team to think differently about creating value. You can't just sell your next product to existing customers.

In practical terms, how did you approach this with Fairphone?

We started with the supply chain – one of the most complex systems in any product-based company. You can't redesign the supply chain without getting your hands dirty. Working with complex supply chains will be messy, especially in the context of sustainability. There is no consultant's textbook that you can follow. We didn't just want to improve it; we wanted to understand it, reimagine it, up to the business model that drives it. That's thinking big. It means prioritizing long-term relationships, fair trade, and renewable resources, and to be honest, a lot of failures until you get it right.

What mindset do leaders need to successfully manage this transformation?

Leaders must embrace a philosophy of "sustainable innovation." It requires being willing to dismantle and rebuild structures that have been in place for decades. It means becoming comfortable with taking risks and being transparent about the process and its challenges. The question of "how big" leaders should think is less about size and more about depth of impact. How deeply are you willing to integrate sustainable thinking into

your company's DNA and how much are you willing to deal with the dilemmas that come with it? I think you will be successful once you find out that you are having more uncomfortable conversations at the boardroom level, as sustainability is not just about creating a win-win. That's the mindset we need to aim for to be successful.

Speaking of tough choices, only 32% of surveyed executives from large global companies are willing to link their bonuses more closely to sustainability than to financial targets. What's your take on this?

That's disappointing. It shows a disconnect between what we say and what we're willing to commit to. In my time at Fairphone, linking executive compensation to sustainability targets was a no-brainer. It's about alignment and integrity. I realized early on that if I expected my team and customers to believe in our mission, I had to lead by example. That meant making personal and professional sacrifices, rethinking not just our products but our entire business approach. If we as leaders aren't willing to put skin in the game for sustainability, it sends a message that we don't truly prioritize it. This is not just about bonuses; it's about aligning all our incentives with long-term sustainability goals.

THANK YOU FOR SHARING YOUR INSIGHTS.

BAS VAN ABEL

Dutch entrepreneur-turned-designer Bas van Abel is founder of the sustainable smartphone manufacturer Fairphone and co-founder of circular food startup De Clique.

Bas believes that companies play an essential role in the transition needed to achieve a more sustainable economic system. His work has been internationally awarded and featured in various media, including *CNN*, *The New York Times* and *Der Spiegel*.

EXPECTATIONS TOWARD CONSUMERS

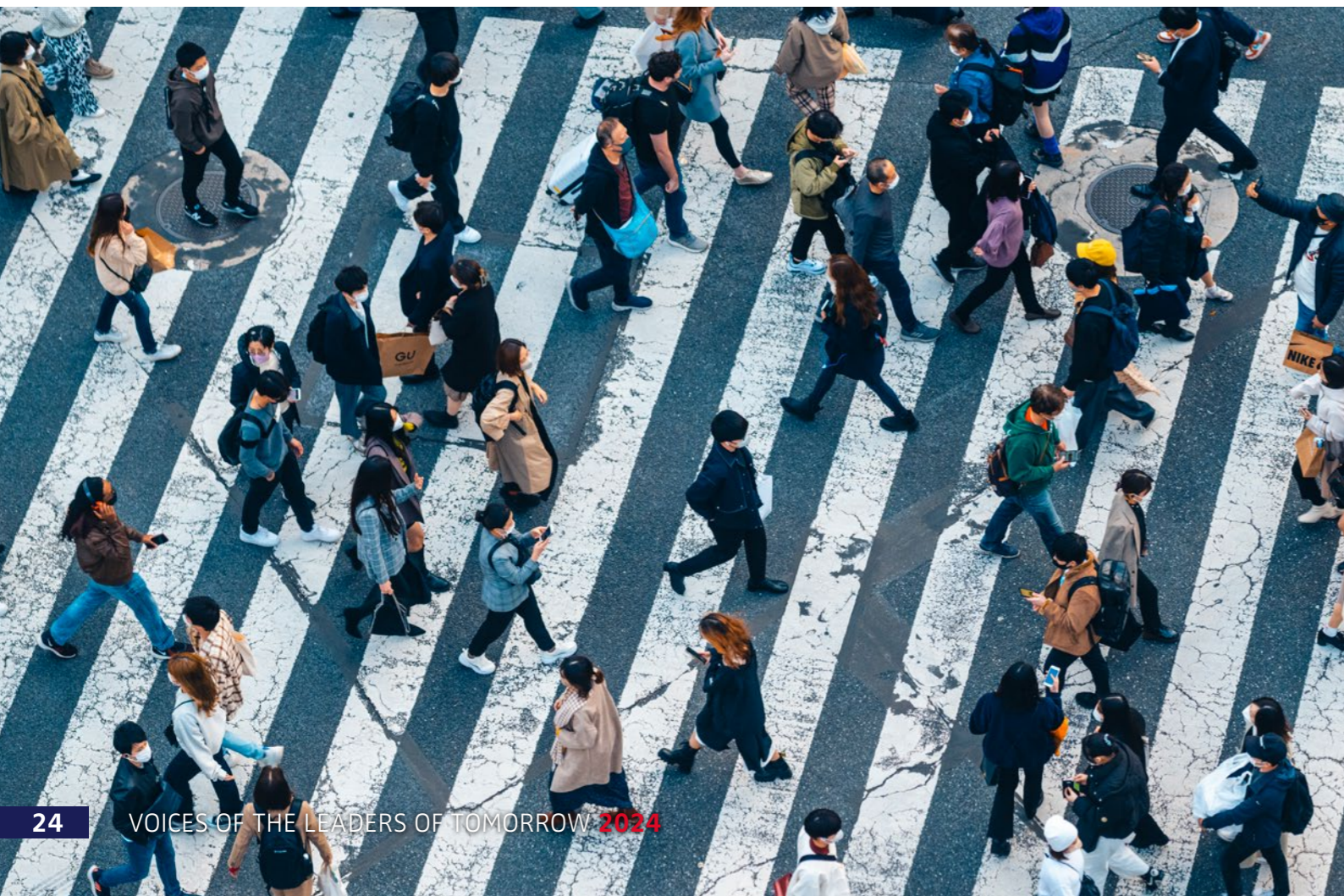
Demands and expectations of consumers shape business leaders' decisions regarding new products and market strategies. This analysis delves into how different generations perceive the agency and willingness of consumers to engage in sustainable consumption, revealing wildly different views between current and future leaders.

AGREEMENT ON CONSUMERS' AGENCY

Both groups widely acknowledge the impact that consumer choices can potentially have on addressing scarcity and sustainability challenges. Specifically, 58% of the Leaders of Tomorrow and an even higher proportion of the senior executives (74%) generally recognize consumers' agency in driving change.

DIVERGENT LEVELS OF TRUST IN CONSUMERS' WILLINGNESS TO ACT SUSTAINABLY

The Leaders of Tomorrow are generally not very confident about consumers' willingness to adopt sustainable behaviors, such as changing daily habits or accepting higher costs for sustainable products. Senior executives, on the other hand, are much more optimistic.



TRUST IN CONSUMERS' WILLINGNESS

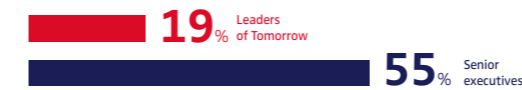
A majority of consumers are **willing to change their consumption patterns** and daily habits to support sustainability.



A majority of consumers are **willing to reduce their overall consumption level** in the interest of sustainability by just buying what they really need.



A majority of consumers are **willing to pay higher prices** for sustainable products and services.



The numbers are percentages of cases that responded with "strongly agree" or "agree." Leaders of Tomorrow n = 650 | Senior executives n = 250



ASSEN PLEVNELIEV (22)

Management Consulting, United Kingdom

"The perception gap may arise because senior executives have seen consumers' growing preference for sustainability, influencing their optimism. However, the Leaders of Tomorrow, possibly more attuned to the economic pressures facing many consumers, may doubt the willingness to pay a premium."

The image that business decision-makers have of the consumer is crucial when deciding on new products or market strategies.

Both generations recognize that consumers can play a key role in addressing sustainability challenges. However, they clearly differ in their confidence that this will occur, with the Leaders of Tomorrow being much more skeptical regarding consumers' willingness to adopt more sustainable behaviors or absorb the additional costs of green products.

This contrasting perception of consumers' intentions and behavior underscores a broader challenge: creating products and services that resonate with consumers and developing marketing strategies that effectively communicate the value of sustainability. Understanding these divergent views of the consumer, per se, is critical for companies seeking to navigate the complexities of promoting sustainability while meeting consumer demands.

EXPECTATIONS TOWARD POLITICS

Turning to the pivotal arena of politics and policy, this section examines leaders' expectations for the regulatory framework that shapes how businesses and consumers operate in the marketplace. It engages with the critical debate over regulation vs. market freedom, evaluates leader perspectives on global vs. national strategies, and tackles the urgent question of whether confronting scarcity requires a fundamental redesign of the political and economic system.

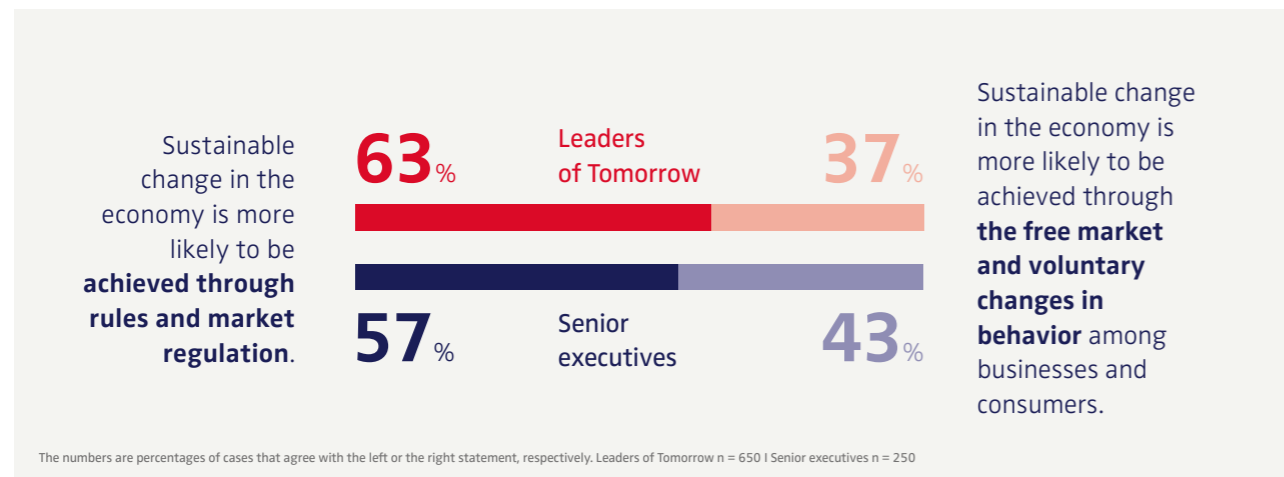


BASILE NAROZNIAK (30)
Senior Client Manager, France

“Governments must create the right incentives for businesses.... [They] should fund and reward good initiatives and penalize the ‘bad’ players.”

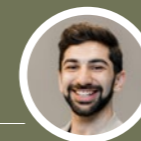
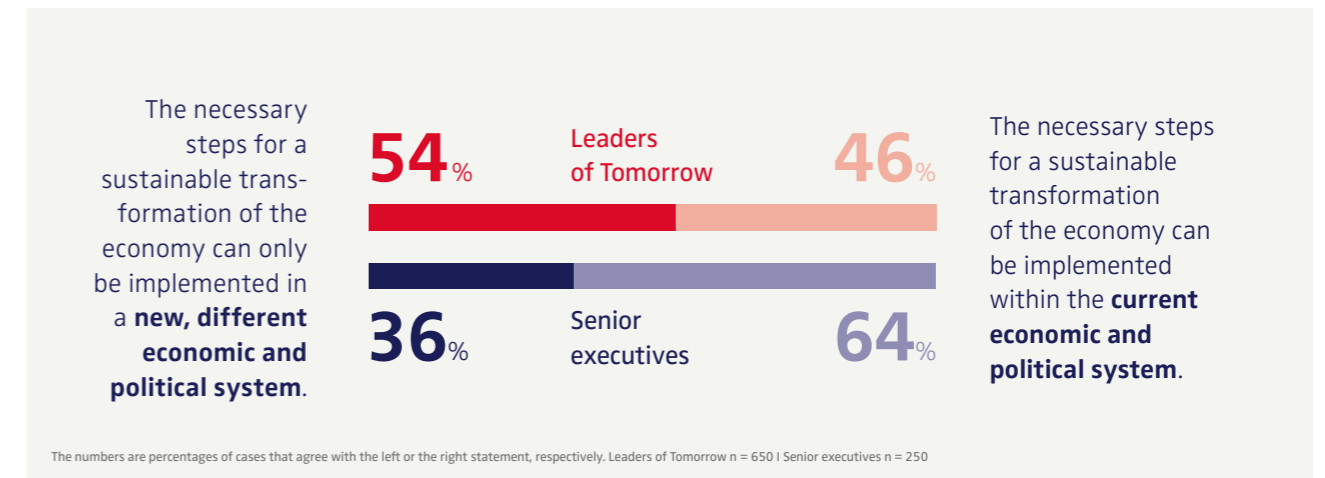
SHARED DOUBTS REGARDING THE FREE MARKET'S ABILITY TO DRIVE SUSTAINABLE CHANGE

63% of the Leaders of Tomorrow, and even 57% of the senior executives, believe in rules and market regulations rather than trusting in the self-regulating forces of the free market.



GENERATIONAL DIVIDE ON SYSTEM CHANGE

Moreover, parts of both generations are even skeptical that a sustainable economic transformation is possible within the existing economic and political system. Notably, this skepticism is much more widespread among the Leaders of Tomorrow; 54% of them believe the necessary steps for a sustainable transformation can only be implemented in a new, different economic and political system, while most of today's business leaders still tend to believe in the current system. This divergence in opinion might hinder common goal setting, as the majority of one party does not even believe they are operating in the right system to solve the problem.



ROMAN GOJAYEV (25)
Co-Founder, Youth-Feminist Organisation, Azerbaijan

“[Governments] should build policies that prioritize sustainability, enabling businesses to adopt eco-friendly practices, and ensure marginalized communities have access to resources so that there are no environmental and social concerns leading to inequalities.”

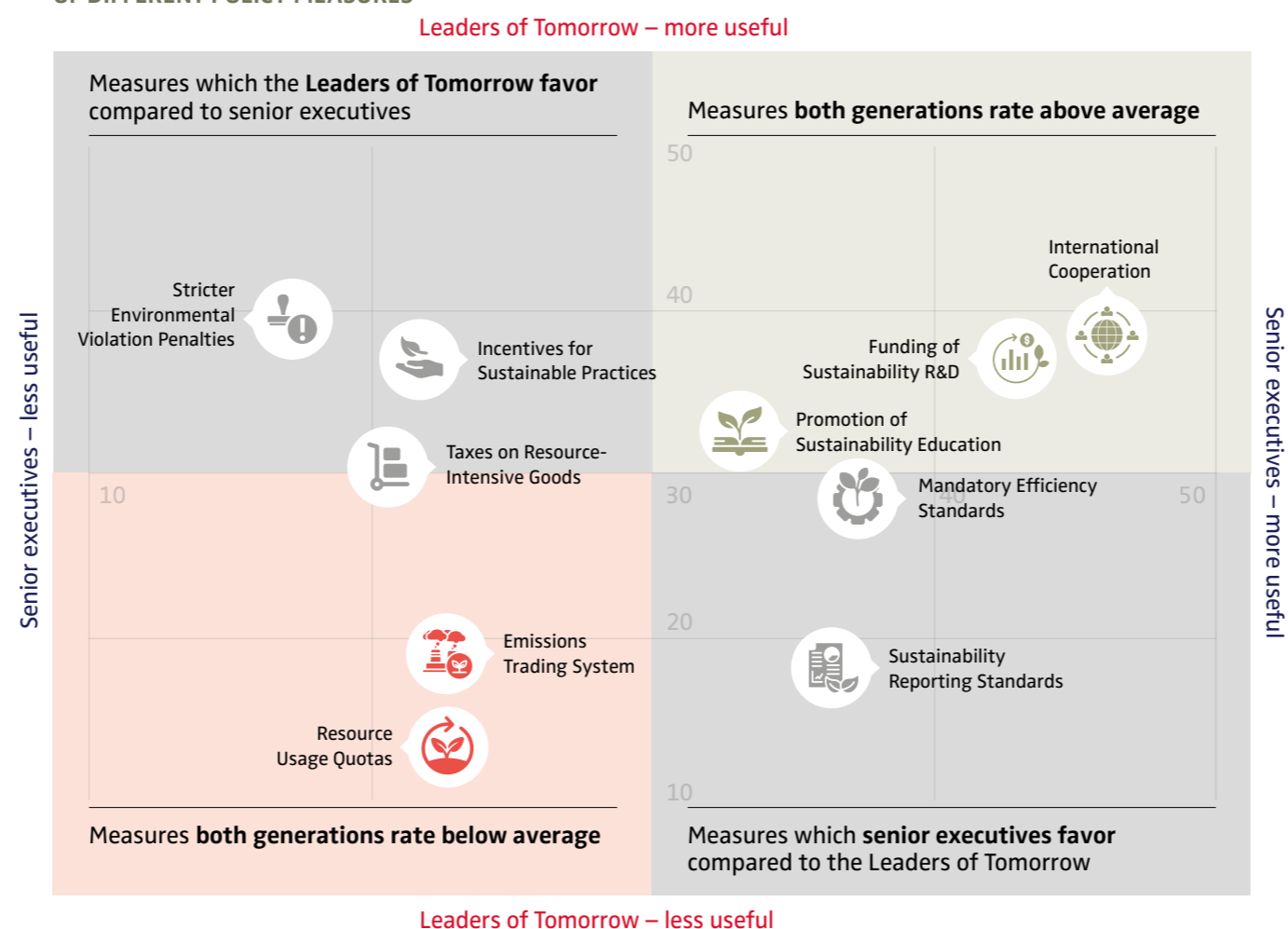
CLASHING PERSPECTIVES ON ENVIRONMENTAL POLICY

The difference in environmental policy views between the Leaders of Tomorrow and senior executives is stark. While both generations endorse international cooperation and funding research and development, only young leaders tend to favor stronger regulations such as penalties and taxes, suggesting a desire for direct, immediate action that forces significant changes in behavior and operations to address environmental challenges. In contrast, senior executives tend to take a less confrontational approach. They seem to prefer policies that encourage reporting and efficiency standards.

Interestingly, emission trading (widely endorsed by economists as being essential for tackling climate change) is not seen as particularly effective by either generation. This lukewarm reception may be indicative of a broader disillusionment with market-based solutions.

When it comes to the geopolitical level at which political solutions should be found, the majority of the Leaders of Tomorrow (73%) argue that challenges associated with natural resource scarcity demand global solutions and international cooperation instead of national or local solutions.

HOW LEADERSHIP GENERATIONS RATE THE USEFULNESS OF DIFFERENT POLICY MEASURES



Q: Which of the following possible policy measures are most useful in addressing the challenges resulting from the scarcity of natural resources? Please select up to three measures. The numbers are percentages of cases that selected a specific measure. Leaders of Tomorrow n = 650 | Senior executives n = 250

Key implications for business decision-makers may include the need to recognize changing attitudes toward the free market, with most of the Leaders of Tomorrow seeking transformative measures and placing greater trust in regulations over the efficacy of the free market.

From the perspective of the Leaders of Tomorrow, business leaders should take the following actions:

- Recognize the call for systemic change and embed sustainability and social responsibility within their organizational DNA.
- Acknowledge and actively support policies that are consistent with the principles of sustainability. Political measures may include incentives and funding of sustainable actions but also penalties for companies' unsustainable behaviors.
- Use their influence to advocate for global approaches to natural resource scarcity and environmental sustainability. As major global players, companies can play a leading role in fostering global cooperation and setting industry benchmarks for sustainability.

It is also important to understand the emerging leaders' call for fundamental changes to the economic and political system, as such a standpoint may affect the scope and success of discussions on sustainability initiatives if one party challenges the system as such and the other seeks for solutions within the system.

CONFRONTING SCARCITY: NAVIGATING RISKS AND CHANCES

A COMPREHENSIVE DISCUSSION WITH PROF. DR. MIRIAM MECKEL ON ACTIONABLE STRATEGIES FOR A SUSTAINABLE FUTURE

The results of our 2024 “Voices of the Leaders of Tomorrow” report show that both the leaders of tomorrow and today agree that the scarcity and depletion of natural resources is one of the greatest and most pressing challenges faced by humanity globally. Does this consensus between the generations surprise you?

No, it doesn't surprise me at all. You'd have to be blind not to see what the world will be like tomorrow if we don't make the right decisions today. But the sense of urgency and relevance of the actions that follow from that knowledge is clearly different across generations. In the past, many leadership decisions were made “for the next generation.” The Leaders of Tomorrow know that their generation is at stake, that their lives are directly and personally affected. They understand that time is running out.

The senior executives in our study are much more convinced that technological progress will always find ways to overcome Earth's limited natural resources. How do you explain that the Leaders of Tomorrow believe less in the ability of technological progress to solve these problems?

This narrative of feasibility is related to “techno-solutionism”: the belief that technology will solve every problem we have. One of its most extreme variants is “effective accelerationism,” which is currently making the rounds in Silicon Valley. This movement believes that the universe itself is an optimization process, that the wheel of progress is always turning in one direction, and that going backwards is not an option. The Leaders of Tomorrow know it's not that simple. They have not been socialized purely on the feasibility mania surrounding new technologies, but have also realized that we will not be able to solve problems with technology alone.

To what extent do you think artificial intelligence and other innovative technologies can still help solve global challenges such as the scarcity of natural resources?

Of course they can help! I am also a techno-optimist, but people really do need to keep their feet planted firmly on the ground. First, AI can help us get a clearer picture of how the climate and its evolution are really doing, where the icebergs are melting and at what rate, and how deforestation is destroying the rainforests. It can finally give companies a true view of their carbon footprint and help balance how we consume with smart grids. In the longer term, it can also be used as a tool for developing an integrated mobility system that reduces vehicle idling and waiting times to zero. Now comes the big but: This technology also consumes a lot of energy – for example, creating an AI image consumes as much energy as fully charging a smartphone battery. Training a language model generates the equivalent of five gasoline-driven cars' worth of CO2 emissions over their lifetime, including their manufacturing. The entire AI industry accounts for about 2% of global CO2 emissions. That's about the same as the airline industry. We can't just solve the problem with technology – we also have to solve it for the technology industry.

Who do you think has the most leverage to make a difference and solve the problem of the scarcity of natural resources, and why? Businesses, consumers, politicians?

We can only master the challenge together. But businesses have to set the tone and set an entirely new course. I'll give you an example: Ever since the launch of the iPhone 13, Apple has done away with the plastic packaging around the box, saving the company

600 metric tons of plastic alone. Even seemingly small steps can have an enormous impact. I personally decided to get rid of my car years ago. There are so many ways you can make a difference.

What barriers exist to (these) potential solutions? And how can we overcome them?

By doing away with old ways of thinking and leadership principles: Growth alone will not guide us to a sustainable future. Nvidia CEO Jensen Huang recently said that there is no limit to the amount of computing power we can use. But in my opinion, that kind of thinking will not help us be good stewards of resources. Nobody can win a global GPU war. But the geopolitical realities don't make it easy. The return of ruthless nationalism is a major obstacle to reaching a global understanding on common sustainability goals.

What other major challenges do you see business leaders facing in the years to come that will require a collective effort across generations to find a solution?

The ongoing evolution of artificial intelligence poses a major algorithmic challenge to humankind. It is upon us to decide what the human-machine age will look like and what role we will play in it. People need to understand very quickly that AI is a general-purpose technology that will leave no stone unturned in our economy, our society, and our lives. If we get it right, we have a chance to enter a new civilization of human-machine cooperation. If we get it wrong, we probably deserve to end up as AI's lapdogs.

THANK YOU FOR SHARING YOUR INSIGHTS.

PROF. DR. MIRIAM MECKEL

Miriam Meckel, PhD, a communication and technology expert, became Germany's youngest professor and first female editor-in-chief of the business magazine *WirtschaftsWoche*.

Since 2005, she has been Director at the Institute for Media and Communication Management at the University of St. Gallen, and she co-founded as well as chairs ada Learning GmbH, promoting innovation and organizational change. She has received numerous awards for her research and has authored various impactful books and articles.

ABOUT THE VOLOT STUDY

LEADERS OF TOMORROW

The study was targeted at the "Leaders of Tomorrow" up to 35 years of age – a carefully selected, global group of highly promising young talent invited to challenge, debate, and inspire at the St. Gallen Symposium. For this report, participants were recruited from the following communities:

St. Gallen Global Essay Competition Participants

International students who competed in the St. Gallen Global Essay Competition were personally invited by the St. Gallen Symposium to take part in the study.

St. Gallen Symposium Leaders of Tomorrow Community

The St. Gallen Symposium selected participants from their worldwide community of young talents who attended past symposia as Leaders of Tomorrow.

SENIOR EXECUTIVES

This study also gives voice to a global sample of senior executives (C-suite level and direct reports), aged 50 and older, working for the top 3,000 corporations with revenues of \$1.7B+ based on global rankings by revenue. They were recruited and interviewed by Beresford Research on behalf of the Nuremberg Institute for Market Decisions. For juxtaposition in the context of this report, we refer to this group as senior executives.

CONDUCTING THE SURVEYS

The surveys were conducted in February and March 2024. A total of 650 Leaders of Tomorrow participated online, and 250 senior executives were surveyed by phone with screen-sharing to facilitate answering rating questions and overseeing lists of items.

GIVING A VOICE TO A UNIQUE GROUP OF GLOBAL TALENT

This survey is not representative in the sense of population sampling. However, we captured a broad and international group of participants that provides a unique snapshot of the opinions of young top talent and top managers around the world.

With active and vocal participants from across the globe, this study offers opinions from a culturally and economically diverse set of contexts, various regions, and both developed and emerging or developing economies. The "Voices of the Leaders of Tomorrow" report provides valuable insights into expectations for different stakeholders and actors across generations, which are necessary to reflect the truly global and increasingly multipolar world we live in.

650

Leaders of Tomorrow and

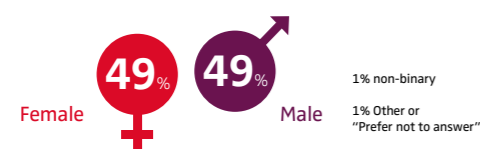
250

senior executives shared their perspectives on confronting scarcity.

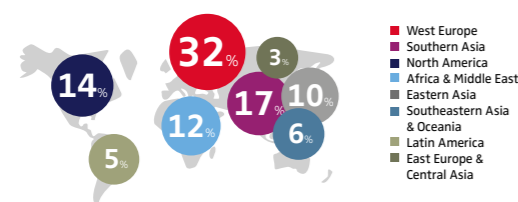
LEADERS OF TOMORROW (n = 650)

Numbers are percentages of cases.

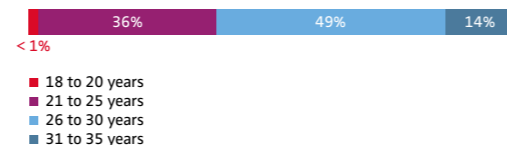
GENDER



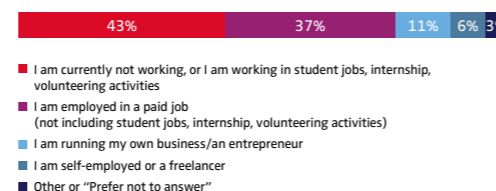
COUNTRY OF RESIDENCE BY UN SUB-REGION



AGE



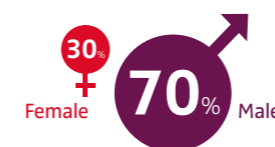
EMPLOYMENT STATUS



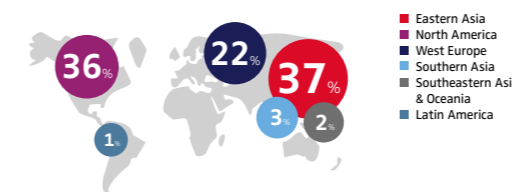
SENIOR EXECUTIVES (n = 250)

Numbers are percentages of cases.

GENDER



COUNTRY OF RESIDENCE BY UN SUB-REGION



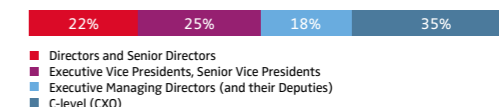
AGE



MANAGEMENT EXPERIENCE



JOB TITLE



ABOUT

NUREMBERG INSTITUTE FOR MARKET DECISIONS

The Nuremberg Institute for Market Decisions (NIM) is a non-profit research institute at the interface of academia and practice. NIM examines how consumer decisions change due to new technology, societal trends, or the application of behavioral science and what the resulting micro- and macroeconomic impacts are for the market and for society as a whole. A better understanding of consumer decisions and their impacts helps society, businesses, politics, and consumers make better decisions with regard to "prosperity for all" in the sense of the social-ecological market system.

The Nuremberg Institute for Market Decisions is the founder of GfK.

ST. GALLEN SYMPOSIUM

The St. Gallen Symposium is one of the world's leading initiatives for cross-generational dialogue on economic, political, and social issues and developments. For more than 50 years, established executives and visionaries and young talents have come together in St. Gallen, other locations around the world, and in online formats. Together, they address the challenges of our time and develop solutions. The Symposium is a student initiative. Under the strategic direction of the St. Gallen Foundation for International Studies, the International Students' Committee – a team of around 30 University of St. Gallen (HSG) students – organizes numerous events of international significance to promote cross-generational dialogue.

During the Symposium in May, they will be supported by 500 other HSG students.



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VOICES OF THE LEADERS OF TOMORROW 2024

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