Modern Corporate Governance
Dynamic Briefing

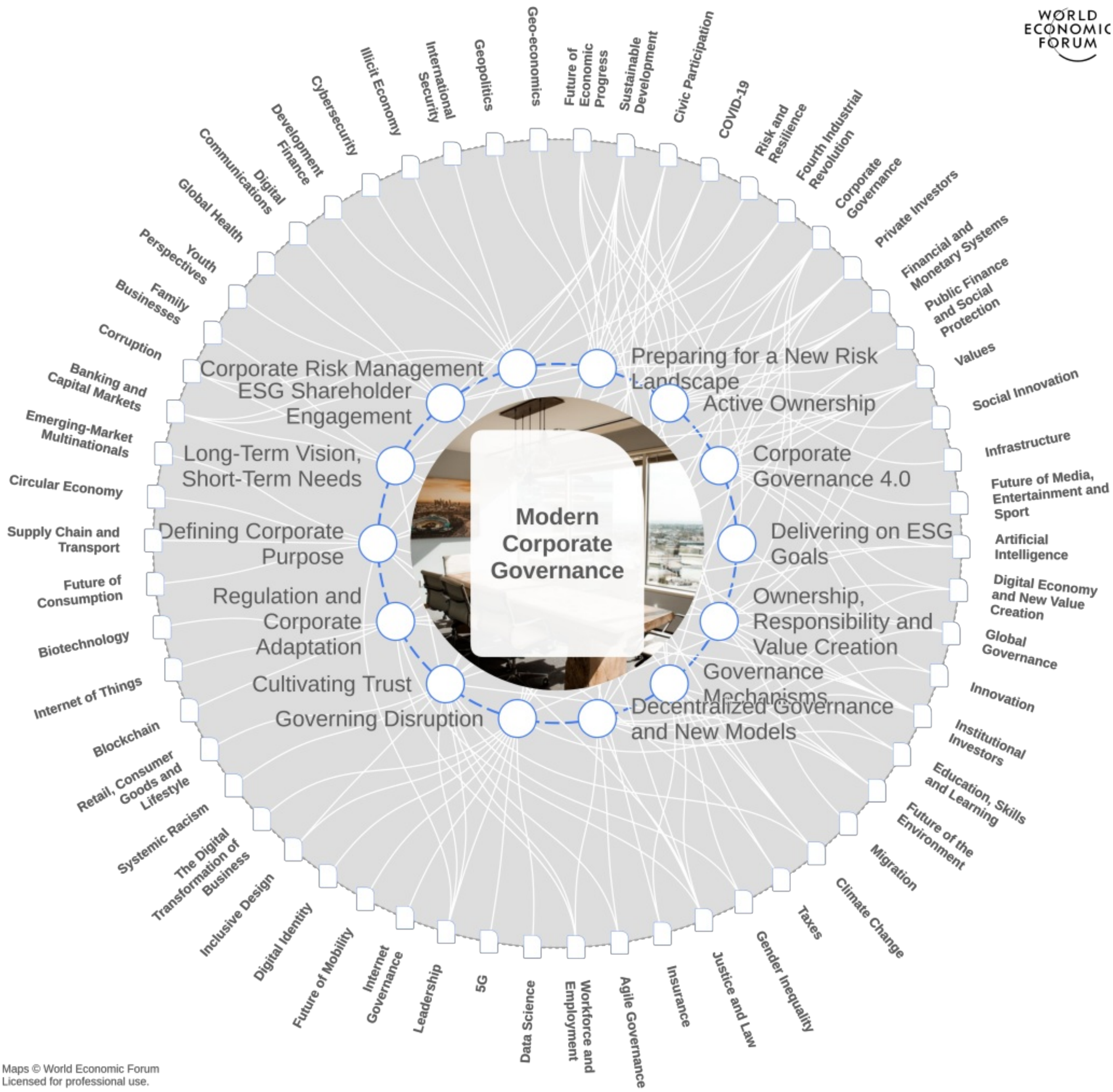
Generated 27 January 2022 for Exploring Leaders @ Digoshen

Modern Corporate Governance

Last review on Sun 02 January 2022

About

This dynamic briefing draws on the collective intelligence of the Forum network to explore the key trends, interconnections and interdependencies between industry, regional and global issues. In the briefing, you will find a visual representation of this topic (Transformation Map – interactive version available online via intelligence.weforum.org), an overview and the key trends affecting it, along with summaries and links to the latest research and analysis on each of the trends. Briefings for countries also include the relevant data from the Forum's benchmarking indices. The content is continuously updated with the latest thinking of leaders and experts from across the Forum network, and with insights from Forum meetings, projects communities and activities.



Executive summary

Modern Corporate Governance Intelligence Map - insights and perspectives curated by Digoshen via World Economic Forum Strategic insights and contextual intelligence.

1. Preparing for a New Risk Landscape

Companies have to build long-term growth and resilience strategies in an increasingly volatile business landscape.

2. Active Ownership

The shift to active ownership may help to foster longer-term value creation.

3. Corporate Governance 4.0

Family businesses can successfully renew themselves by taking a new approach to governance.

4. Delivering on ESG Goals

Companies are reorienting business strategies and operating models to deliver on their goals.

5. Ownership, Responsibility and Value Creation

Family businesses are adopting the principles and practices of responsible ownership.

6. Governance Mechanisms

Corporate governance relies on a handful of mechanisms to align executives with owners and other stakeholders.

7. Decentralized Governance and New Models

The distributed nature of blockchain can facilitate new ways of doing business.

8. Governing Disruption

Organizations must be able to evolve and adapt, as the COVID-19 crisis has illustrated.

9. Cultivating Trust

Responsible corporate governance can create a culture of mutual trust.

10. Regulation and Corporate Adaptation

Shifts in regulation can have profound corporate governance implications.

11. Defining Corporate Purpose

An organization’s reasons for being should extend well beyond financial gains.

12. Long-Term Vision, Short-Term Needs

Balancing short- and long-term pressures is one of the most difficult business leadership challenges.

13. ESG Shareholder Engagement

Environmental, Social and Governance-based engagement can help drive climate action and address public health issues.

14. Corporate Risk Management

For boards, the volatility of risk scenarios is only increasing.

Preparing for a New Risk Landscape

Companies have to build long-term growth and resilience strategies in an increasingly volatile business landscape

After the shocks and government stimulus of COVID-19, a volatile shakeout threatens the global business landscape. Protectionism, technological transformation, and social unrest had been disrupting economic activity for years, but the pandemic provided them with fresh momentum.

According to the Forum's Global Risks report 2021, business ecosystems in many countries are faced with sclerotic, regressive torpor or accelerated creative destruction. Indecisive or misguided leadership has the potential to exacerbate these trends, sending ripples through the global economy and locking in catastrophic outcomes. A disorderly shakeout would precipitate economic stagnation in advanced economies, lost potential in emerging and developing markets, greater bifurcation between major and minor companies, the collapse of millions of small businesses, greater inequality, and the attrition of long-term global sustainable development imperatives.

KEY INSIGHTS FROM THE DISCUSSIONS

Risks in the post-COVID-19 world will not be materially different than they were before the pandemic. It is urgent, however, that we emerge from the pandemic with a new mindset for managing these risks. "Our view of risk - and their potential impacts - remains too narrow, and our responses too anchored in the past."

Cybersecurity has emerged during the pandemic as the top future risk. In July 2020, CEOs had surveyed ranked it as the 5th highest risk, though it had become the top risk by early 2021.

While the risk profile faced by various industries is similar, the way they manage those risks must be approached differently.

Alongside the risks we are already facing, there are others that are poised to become more prominent in the years ahead - including the digital divide, blockchain, and climate change.

Related insight areas: Geo-economics, Sustainable Development, Economic Progress, Fourth Industrial Revolution, Risk and Resilience, Geopolitics, Civic Participation, COVID-19

The Brookings Institutions – Center for Universal Education

Global education trends and research to follow in 2022

24 January 2022

As the third calendar year of the pandemic begins, 2022 promises to be an important one—especially for education. Around the world, education systems have had to contend with sporadic closures, inequitable access to education technology and other distance learning tools, and deep challenges in maintaining both students' and teachers' physical and emotional health. At the….

World Economic Forum

This is why the private sector should support equitable vaccine R&D and manufacturing

24 January 2022

There are pressing questions about where we go next, and about the role of private companies in addressing the underlying inequities we are struggling with. The Open Society and others have joined forces to support companies committed to taking the risks involved in creating more distributed vaccine production. Global pharmaceutical executives must demonstrate in 2022 their commitment to rapidly unlock COVID-19 vaccine supplies and offer a different business model for the long term. As we approach the second anniversary of the initial COVID-19 outbreak, there is plenty of talk about how the global response, or lack of it, has exposed deep inequities in our world – above all, in access to healthcare. Yes, we have a range of effective vaccines developed and distributed at stunning speed by private companies, building often on government-supported research.

Center for Global Development

One Year of the US National COVID-19 Strategy: Assessing Progress on Pandemic Response and Preparedness

21 January 2022

Even as the fight to control COVID-19 at home is far from over, to bring an end to the pandemic, the administration must dramatically expand its global response work—and continue its efforts to rally the international community. Here we provide a rundown of the administration's progress toward achieving goal seven and offer suggestions for advancing the fight against COVID-19 and readiness to combat future global health threats.

London School of Economics and Political Science

Three pillars to strengthening health systems in African countries

21 January 2022

Africa needs, and is ready for, nothing short of a new public health order, with systems better able to prepare for and respond to the next health threat. Having engaged in outbreak response, research and capacity development in Africa for decades, it is all too clear to us how weak health systems provide fertile ground for the growth and spread of dangerous pathogens. Also growing during this time is a promising cadre of smart and skilled african health experts. Now a new health order is required to provide the networking and infrastructure for them to apply their talents for maximum impact. To attain a new health order, African governments need to bolster investment in research and development, innovation and manufacturing of health tools.

Harvard Business School Working Knowledge

3 Steps to Help Companies Rebuild Trust During the Pandemic

20 January 2022

Many workers feel battered and distrustful after almost two years of COVID-19 instability. But it's not too late for managers—even those who made damaging missteps—to repair these relationships, say Sandra Sucher and Shalene Gupta.

McGill Reporter

Protective gene variant against COVID-19 identified

19 January 2022

An international metastudy has identified a specific gene variant that protects against severe COVID-19 infection The post Protective gene variant against COVID-19 identified appeared first on McGill Reporter .

RAND Corporation

Changes in School Composition During the COVID-19 Pandemic

19 January 2022

The coronavirus disease 2019 pandemic has exacerbated concerns about using school-aggregate test scores to monitor school performance. In this report, researchers investigate how changes to school composition may contaminate aggregate scores.

Active Ownership

The shift to active ownership may help to foster longer-term value creation

Banks and brokers are the most widely disparaged culprits behind the financial crisis, due to their short-termism and excessive risk taking. Yet, they were acting on behalf of large institutional investors who failed to effectively monitor their investments. Pension funds, endowments, insurers, and sovereign wealth funds should therefore share some of the blame, due to their passive corporate governance. In the future, they will hopefully act as better stewards of the companies they invest in by adopting a more active stance. A broader transition to active institutional ownership is gaining momentum, largely due to the extensive shedding of debt taking place in the corporate and financial spheres. By replacing debt with equity, investment managers are likely to become less inclined to maximize short-term results and instead focus on companies' long-term value creation. Norway’s $1 trillion sovereign wealth fund, for example, has clearly stated its expectations for the companies it invests in, in terms of corporate governance, shareholder rights, social issues, and the environment. The fund’s active ownership is a tool to both protect shareholders’ rights, and to benefit the people of Norway.

Active ownership has implications for the relationship between asset owners and managers, with performance no longer hinging purely on short-term market benchmarking, but also on longer-term metrics like internal rates of return. The organizational impact of this will be profound, as layers of intermediaries are reduced, more reliance is placed on internal capabilities and in-house expertise, and fewer mandates are granted to external managers and funds of funds (a mutual fund, for example, that invests in other funds). Dedicated teams can more effectively operationalize an institution’s long-term mission, and improve corporate governance at the companies being invested in. In principle, the cost of active ownership is the increased volatility that results from more concentrated portfolios; diversification is widely considered the surest way to achieve better returns. However, institutional ownership of large stakes in companies could provide better monitoring, and more aligned incentives, without necessarily increasing risk thanks to so-called relationship investing - or actively investing for the long term, in exchange for some say in how a firm is run. Stewardship should matter to institutions that take the long view. Some asset managers may not welcome it, as it involves spending more effort and resources. However, until institutional investors start to behave like well-informed, responsible owners, managerial entrenchment will undermine the long-term prospects for finance capitalism.

Related insight areas: Financial and Monetary Systems, Infrastructure, Social Innovation, Civic Participation, Economic Progress, Values, Corporate Governance, Private Investors, Sustainable Development, Public Finance and Social Protection

Wharton School of the University of Pennsylvania - Knowledge@Wharton

The Challenge of Measuring Impact Performance

25 January 2022

Wharton's Katherine Klein interviews Maoz (Michael) Brown, head of research for the Wharton Social Impact Initiative, about a study revealing some of the problems with measurement in impact investing.

The Tokenist

2021 Has Been The Year Of ETFs, With 445 Debuting

21 December 2021

445 Exchange Traded Funds made their debuts in 2021, making it a record year for the $7 trillion industry. The post 2021 Has Been The Year Of ETFs, With 445 Debuting appeared first on The Tokenist .

Overseas Development Institute

China's role in the multilateral development banks

01 December 2021

China's growing presence in the multilateral development banks (MDBs) reflects an understudied aspect of its growing role in development finance, its engagement with developing countries, and its ambitions in global governance. This event was the second of our seminar series on multilateral development banks, looking across China's engagement with the MDBs.

Wharton School of the University of Pennsylvania - Knowledge@Wharton

How Corporate Governance Is Changing

23 November 2021

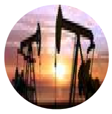
A recent "Beyond Business" panel discussion, hosted by Wharton Dean Erika James, focused on how boards can redefine corporate governance to maximize a company's social impact while balancing the needs of all stakeholders.

Centre for European Policy Studies (CEPS)

On the selling of sovereigns held by the ESCB to the ESM

15 November 2021

This paper presents an in-depth review of the proposal by Micossi (2020) and Avgouleas and Micossi (2021) to transfer a substantial share of the sovereigns acquired by the European System of Central Banks (ESCB), both during and before the pandemic, to the European Stability Mechanism (ESM). This is necessary to avoid the potentially disruptive impact of releasing these sovereigns onto financial markets once the monetary policy justifications for the ESCB to hold these sovereigns has been exhausted. Consequently, the ECB would be freed of the risk of fiscal dominance and the financial stability of the euro area would be strengthened.



Wharton School of the University of Pennsylvania - Knowledge@Wharton

Why Investor Engagement with 'Dirty' Companies Is Better Than Divestment

08 November 2021

Investors who espouse environmental, social and governance (ESG) principles will achieve little by selling their shares in ESG-unfriendly companies, according to a new research paper titled " The Impact of Impact Investing " by finance professors Jonathan B. Berk at Stanford University and Jules H. van Binsbergen at Wharton. Instead, investors could have more success if they buy those so-called "dirty" stocks and then engage with those companies' managements to adopt ESG-friendly policies, the paper contended. When ESG investors sell stock in ESG-unfriendly companies, they hope to drive down those stock prices and thus make it harder and more expensive for those companies to raise capital. The impact [of divestment] on the cost of capital is too small to meaningfully affect real investment decisions," the paper stated.

Centre for European Policy Studies (CEPS)

2021 ECMI Statistical Package

02 November 2021

Luigi Camilli (Research Trainee, ECMI) was responsible for data collection, analysis and visualisation under the supervision of Dr. Apostolos Thomadakis. The ECMI Statistical Package presents a comprehensive collection of the most relevant data on various segments of European and global capital markets * . It enables users to trace trends so as to highlight the ongoing transformation of capital markets, including the structural changes brought about by competitive forces, innovation and regulation.

Corporate Governance 4.0

Family businesses can successfully renew themselves by taking a new approach to governance

Governance needs to be optimized, rather than minimized. The four arms of governance at a family business - the owners, controlling family members, the board, and non-family executives - have to step up, as regulation piles up in response to scandals and political pressure. While there is considerable discussion about the technologies shaping the Fourth Industrial Revolution, such as artificial intelligence and robotics, there is less attention paid to the specific impact of new innovation on governance. A family business that aims to be tech-savvy and lean will struggle with an antiquated board; we therefore need to move to Corporate Governance 4.0, in order to enhance communication, better define roles, and ensure agility. Governance should provide vision and a sense of responsibility, and ensure accountability. And, in a world where compliance reports run to hundreds of pages, specific roles must be clearly defined. Family business owners and boards have to strike a balance, by understanding the business without being drawn into day-to-day management. Owners must establish a vision and standards, while giving clear direction on speed, growth strategy, ethics, and risk appetite.

With Corporate Governance 4.0, and enhanced clarity on roles, overlap between different management and oversight structures can be kept to a minimum. Communication among all levels, cohesion around a shared vision and values, and direction can all be centred on the leanest viable structure - augmented by digital systems that present data on everything from unit profitability to staff turnover. While sadly rare in practice, this sort of super-intelligent dashboard providing sophisticated information in real time is possible with existing technology. Such a tool could be liberating for boards, as around half of all board meetings are currently consumed with analyzing financial and other statements. In this way, technology can free up human intelligence to focus on what it is best at: strategic judgement, establishing and maintaining values, and setting direction. Many family businesses fail to adapt effectively when faced with unpredictability and change, especially during a time of increasing regulation. Those best able adapt will do so thanks to a willingness to adopt technology and to clearly articulate the roles set by their governing bodies.

This key issue is curated in partnership with Denise Kenyon-Rouvinez, the Wild Group Professor and Director of the IMD Global Family Business Center at IMD International.

Related insight areas: Private Investors, Future of Media, Entertainment and Sport, The Digital Economy, Corporate Governance, Artificial Intelligence, Innovation, Global Governance, Sustainable Development, Values

Science Direct - family business strategy

Bringing entrepreneurship and family business fully into a home in management departments

15 January 2022

Issues around the perception of academic disciplines, and their related journals' quality, are socially constructed over time (Astley, 1985; DuBois & Reeb, 2000). Associate and full professors today typically have a socially constructed view of their discipline and journal quality based in large part on something that some senior faculty member taught them in their doctoral program years ago (Lowry et al., 2013; Rainer & Miller, 2005). This engrained view of the positioning of disciplines and journals is particularly relevant to entrepreneurship and family business faculty as these domains are relatively new and their faculty primarily reside in management departments (Priem & Alfano, 2016).

Science Direct - family business strategy

Family business, community embeddedness, and civic wealth creation

18 December 2021

Recent events such as the Covid-19 pandemic, the refugee crisis and Black Lives Matter protests have drawn attention to the roles played by communities in providing local solutions to global problems and creating positive social change (Bacq & Lumpkin, 2021). Among the communities that are effectively achieving societal impact are those that are building coalitions of engaged stakeholders who are dedicated to civic wealth creation (CWC), that is, "the generation of social, economic and communal endowments that benefit local communities" (Lumpkin & Bacq, 2019: 384). Civic wealth itself is "a comprehensive indicator of the intellectual, affective, and material resources, capacities, and capabilities of a civic unit of analysis" (Lumpkin & Bacq, 2019: 386).

INSEAD Knowledge

The Unexpected Role of PE Firms in Reducing Within-Firm Pay Inequality

07 December 2021

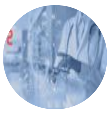
The incentives that drive PE firms have an interesting by-product: a reduction in income inequalities, such as the gender wage gap. After the global financial crisis, private equity (PE) ownership was much maligned. Among other things, it has been blamed for the demise of Toys "R" Us, Payless Shoes and RadioShack. Even pop star Taylor Swift called out "the unregulated world of private equity" when accepting Billboard's "Woman of the Decade" award in 2019. While there is ample evidence that PE firms excel in increasing the performance and efficiency of their portfolio companies, the question is: Do the benefits that accrue to shareholders come at the expense of other stakeholders, such as the workers, especially the most vulnerable ones?.

INSEAD Knowledge

Why Investors' Memories May Be Bad for Their Wealth

22 November 2021

How positive bias can lead overconfident investors to inflate the size of their wins and forget their losses. Overconfidence can be bad for markets and bad for investors. You just need to look at the recent crash in cryptocurrencies to see what can happen when investors believe they simply can't lose. It's certainly not a new phenomenon in the world of investing. From Tulip Mania in 17 th -century Holland, to the dot-com bubble of the late 1990s, history is littered with examples of investor bravado leading them blindly into big losses when their sure-fire bet goes south.



McGill University

Closing the Inventor Gender Gap with John-Paul Ferguson, Lucy Gilbert, and Negin Ashouri

19 November 2021

Social inequalities are responsible for the loss of millions of ideas and inventions over hundreds of years. This loss over time is measurable today in a decline in innovation, slowing economic growth, and repercussions on all sectors, from technology to health care. The gender gap among inventors affects what gets invented—and consequently who benefits from innovation. In this episode of the Delve podcast, Desautels Professor John-Paul Ferguson investigates how women inventors may be more likely to patent inventions targeted toward women's needs and interests. We also hear the first-hand experience of surgeon and McGill professor Dr. Lucy Gilbert, who developed the DOvEEgene genetic pap-test, and Negin Ashouri, CEO of FemTherapeutics, inventor of a 3D-printed gynecological device.

Delivering on ESG Goals

Companies are reorienting business strategies and operating models to deliver on their goals

A clear consensus is emerging: for a company to enjoy sustainable value creation and long-term success, it must clearly understand who its key stakeholders are, engage with them, and bring their voice into decision-making. According to the Forum's Future of Corporation 2021 white paper, recent years have seen a clear shift towards greater stakeholder activism. Certainly, the pandemic has changed the rhetoric from "returns" to "value creation," and investors and shareholders are demanding more transparency and meaningful engagement with boards on environmental, social, and governance (ESG) issues.

The white paper also emphasizes that for a corporation to maintain its licence to operate, it must gain and retain the trust of its material stakeholders: those who can reasonably be expected to be significantly affected by its activities, products and services; and those whose actions can reasonably be expected to affect the ability of the corporation to implement its strategies and achieve its objectives.

KEY INSIGHTS FROM THE DISCUSSIONS

When asked to rank their company on its ESG journey, 38% of participants said it is in "advanced deployment" (10+ metrics), while 25% said it is at a "moderate" deployment level (5-10 metrics), and 25% described it as being in "initial" deployment (1-5). Only one participant saw his/her organization at an early stage with no deployment. 45% described their company's adoption of ESG metrics as strategically driven, while 26% deemed it culturally driven, 24% saw it as functionally driven, and only 5% as "ad hoc."

When it comes to implementing and delivering on ESG goals, companies should not wait to be perfect – but instead get started now and evolve. It is also important not to get distracted by competition over ratings. What is key is to focus on the purpose of the effort, and to communicate that effectively.

Smart incentive plans can be instrumental in the acceleration of ESG integration processes. Individual employee targets can be personalized through variable compensation.

Companies must engage with peers and join coalitions, as many contemporaries are working through the same challenges.

As companies embrace ESG-related goals, the most important issues for strategy are: diversity and inclusion, employee mental and physical health, an internal ESG narrative to get everyone on board (and explain the influence their organization can exert on these issues). Companies also need to ensure that they are credible - and deliver on their commitments.

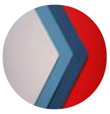
Related insight areas: Corporate Governance, Institutional Investors, Economic Progress

World Economic Forum

Here's how to choose the right fund manager for the future

18 January 2022

One of the most important decisions for investors when constructing a portfolio is to choose a fund manager. Investors tend to look at a fund manager's track record in quantitative terms – but the numbers don't tell the whole story. The most sophisticated limited partnerships look at qualitative evidence to find a manager capable of executing a proposed strategy. In constructing a future-ready investment portfolio in private markets, one of the most important decisions an investor can make is choosing a fund manager. A key element of manager selection is understanding his or her past track record.



Harvard Business School Working Knowledge

To Change Your Company's Culture, Don't Start by Trying to Change the Culture

14 December 2021

Culture change is probably on your leadership agenda. You may want (or feel forced) to create a post-pandemic culture, or become more collaborative, innovative, or aggressive. Most companies fail in this because they try to change culture directly—through speeches, training programs, or direct intervention in meetings. Twitter is a perfect example. Concerned that Twitter's "nice culture" held back innovation, Dantley Davis, the new vice-president of design, asked employees in a meeting to critique each other .

Project Syndicate

A Better Deal for the World's Workers

10 December 2021

Ultimately, boosting labor earnings and the dignity of work requires both strengthening workers' bargaining power and increasing the supply of good jobs for those who most need them. That would give all workers a better deal and a fair share of future prosperity.

Harvard Kennedy School – Journalist's Resource

Researchers use decades of Wall Street Journal articles to predict stock market returns

19 November 2021

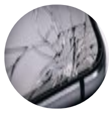
Facebook Twitter LinkedIn Reddit Email Financial news articles can be a good short-term indicator of why the U.S. stock market is doing well or poorly, finds a new working paper, " Business News and Business Cycles ," from the National Bureau of Economic Research. Based on a full-text analysis of 763,887 Wall Street Journal articles published from 1984 to 2017, the authors find that news coverage of particular topics, like signs of a looming recession, predicts 25% of average fluctuations in stock market returns. The data represent "among the most extensive text corpora of business news studied in the economics literature to date," the authors write, adding that their approach is "motivated by the view that news text is a mirror of the state of the economy." Stock markets operate like any other market.

London School of Economics and Political Science

What Next for IDA?

16 November 2021

Professor in Practice in LSE Department of International Development Mark Lowcock and Research Assistant with the Center for Global Development Bernat Adrogué look at the World Bank's International Development Association (IDA) in advance of IDA20 which will aim to support countries to recover from the COVID-19 pandemic and to transition to green energy.



Harvard Business School Working Knowledge

How a Company Made Employees So Miserable, They Killed Themselves

16 November 2021

In 2009, a 51-year-old man killed himself in Marseille, a city in southern France, leaving behind a suicide note that blamed his employer for "overwork" and "management by terror." "I am committing suicide because of my work at France Télécom," his note said. "That's the only reason." That same year, a 49-year-old technician at the same company stabbed himself in front of his colleagues after learning he had been demoted. Between 2006 and 2009, at least 19 France Télécom employees took their own lives, 12 others attempted suicide, and eight suffered from serious depression, all of which was reportedly linked to job-related misery.

Ownership, Responsibility and Value Creation

Family businesses are adopting the principles and practices of responsible ownership

Ownership can no longer be passive or speculative - and many families have begun adopting principles and practices that enable them to approach their roles as owners in a genuinely professional manner. In order to truly understand what it takes to be a responsible shareholder of a family business today, in an atmosphere of heightened expectations for corporate behaviour, it requires a specific type of education. Responsible families now understand that while they may devolve day-to-day operations to managers, they are accountable for the long-term stewardship of their business. They are promoting meaningful engagement between the board, investors, and other stakeholders, in order to build trust and promote high standards of conduct. They are also putting the needs of the business before their own short-term financial interests, by encouraging long term vision, patient capital investment that does not demand quick returns, and education and training for staff. The primary responsibility of owners is to ensure the long-term success of a business, which can in turn bolster job security and living standards for employees. Responsible owners are committed to the area where they work and live. They know that returns that come in the form of loyalty and engagement are some of the most beneficial.

These types of owners are also ideally placed to take on broader, external leadership roles - and more are starting to do so. Amid widespread concern about climate change and growing inequality, businesses are being called upon to assume more expansive social and environmental responsibilities. They can do so by not only looking after financial returns, but by also looking after communities and helping to preserve natural resources. Several studies have shown that such responsible ownership does not compromise commercial performance; on the contrary, it can actually enhance shareholder returns when measured over the long term. That is because businesses that are clearly committed to a responsible corporate vision can better create long-term value, and secure higher levels of trust and respect. Responsible practices are unlikely to stem from a business's leadership team alone. They tend to have their origins in responsible ownership, typically among family owners. These owners are long-term shareholders, and there are relatively few of them per company, so their relative influence can be considerable. Responsible family businesses can therefore serve as role models not only for other family firms, but for all businesses working towards a fairer and more sustainable economic model.

This key issue is curated in partnership with Denise Kenyon-Rouvinez, the Wild Group Professor and Director of the IMD Global Family Business Center at IMD International.

Related insight areas: Social Innovation, Future of the Environment, Migration, Global Governance, Economic Progress, Values, Education, Skills and Learning, Corporate Governance, Sustainable Development

University of St. Gallen

Do CEOs really stay in the job for too long?

20 December 2021

20 December 2021 . How long should CEOs remain in office? Do some of them stay on for too long? This is an ongoing debate among academics and practitioners, often triggered by headlines about long-serving CEOs who perform badly and destroy company value. A recent example is Société Générale's Frédéric Oudéa, who is currently the longest-serving CEO of a major European bank despite having overseen a 75% drop in the company's share price during his 13-year reign, giving it the lowest price-to-book ratio of any European bank.

Science Direct - family business strategy

Family business and business family questions in the 21st century: Who develops SEW, how do family members create value, and who belongs to the family?

11 December 2021

Family business and business family questions in the 21 st century: Who develops SEW, how do family members create value, and who belongs to the family? Author links open overlay panel Nadine Kammerlander Family firm research has made substantial progress in recent years, contributing, for instance, to knowledge on family firm succession, innovation, and performance. In this essay, it is proposed that some important – 'grand' – questions become increasingly salient and need to be answered by family business scholars. These include the following: How exclusive is socioemotional wealth (SEW) to family owners, and which elements (if any) could be transferred to other settings?.

INSEAD Knowledge

Why Allyship Is Key to Gender Balance

23 November 2021

On every continent, gender balance remains an unmet goal. Despite progress during the last 50 years, women and men continue to experience unequal opportunities, particularly in employment, politics, leadership and economic empowerment. Women are disempowered relative to men in all 162 countries measured by the United Nations Gender Inequality Index . This year, the predicted time to close the global gender gap increased from 99.5 years to 135.6 years, according to the Global Gender Gap Report 2021 from the World Economic Forum. Further, teams with gender balance tend to outperform all-male or all-female teams on challenging tasks, as gender balance enables diverse views and increases collective intelligence .

Harvard Business School Working Knowledge

5 Principles for Scaling Change from IBM's High School Innovation

18 November 2021

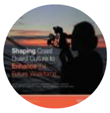
P-TECH has bolstered graduation rates for students of color while creating a new tech hiring pipeline. Rosabeth Moss Kanter and program architect Stanley Litow discuss the social impact lessons for other organizations.

Harvard Business School Working Knowledge

Can Massachusetts General Brigham Diversify Its Community of Innovators?

16 November 2021

Can Massachusetts General Brigham Diversify Its Community of Innovators? In November 2019, Massachusetts General Brigham (MGB) was the largest recipient of National Institutes of Health funding in the world. The Innovation Office, led by Chief Innovation Officer Chris Coburn, sought to capitalize on that funding – with the goal of commercializing research done at the hospital to generate revenue and improve patient care. But CEO Anne Klibanski and other key stakeholders had a serious concern: although women comprised approximately 40 percent of the medical researchers and physicians at MGB, the percentage of women participating in innovation activities lagged behind.



RAND Corporation

Shaping Coast Guard Culture to Enhance the Future Workforce

01 November 2021

This Perspective describes organizational culture, observations made in strategic-foresight workshops, examples of other organizations addressing culture issues, and how the U.S. Coast Guard can use this information in shaping its future workforce.

Governance Mechanisms

Corporate governance relies on a handful of mechanisms to align executives with owners and other stakeholders

Corporate governance involves establishing mechanisms to align the goals of a company's executive team with those of owners and other stakeholders (customers, local communities) in the interest of fostering sustainable and long-term development. One of the main mechanisms is the board of directors. It plays a vital role in keeping the executive team both accountable, and on track relative to its stated purpose and long-term goals. There has been a lot of discussion about the most effective structure for a board - which tends to depend on the nature of the organization, its market, and its regulatory environment. For a board to be truly effective it must decide on its optimal size, the independence of its members, the means to assess potential risks, and the renewal process necessary to maintain effectiveness. There has been heated debate about how to add diversity (in terms of both skills and backgrounds) to boards, in the interest of enhancing strategic guidance. Another high-profile topic is incentives, or setting the right type of compensation for top executives in order to encourage long-term decision making that is in line with the organization's purpose.

The compensation debate revolves around not only pay levels but also structure: short-term vs long-term, preferred stock vs. options, performance vesting options as well as discretionary bonuses. Research has shown that setting variable incentives tied to long-term horizons is conducive to long-term profitability, an increase in innovation, and increases in employee and client satisfaction. One key mechanism is the ability of shareholders to engage with management and discuss material matters, and to (most importantly) vote on proposals at annual meetings. Shareholders can include anyone from founding families to institutional investors like pension funds, and a significant share will likely be participating via retirement plans. Shareholder engagement keeps managers on their toes - and while not every form of activism genuinely adds value, making managers respond to shareholder pressure helps them to avoid becoming entrenched and insulated. There has been a marked increase in corporate responsiveness to shareholder pressure related to climate and gender equality issues in recent years, as well as a greater emphasis on long-term strategic plans - reflecting the fact that many shareholders now have longer-term investment horizons.

Related insight areas: Private Investors, Gender Inequality, Insurance, Climate Change, Civic Participation, Sustainable Development, Future of the Environment, Justice and Law, Taxes, Institutional Investors

London School of Economics and Political Science

Public support for a universal basic income is dependent on the way it is funded

25 January 2022

The concept of a universal basic income has received increased attention since the start of the Covid-19 pandemic. But what do the public think about the proposal? Drawing on a new study, Leire Rincón illustrates that a key factor affecting support for a universal basic income is the way it is funded, with more people … Continued.

World Economic Forum

Stakeholder Capitalism | EP3 - Planet vs. Profit: Can Growth be Green?

06 January 2022

While the value of big tech companies has soared, what problems has that created? A lack of market competition and the impact that has on economies; data protection concerns; falling public trust. Is big tech too big, and what should be done? .

VoxEU

Socially responsible investors amplify the positive externalities of regulatory enforcement

08 December 2021

Whether socially responsible investors have any impact on the environmental, social, and governance policies of portfolio firms has become a much-debated issue. This column shows that firms reduce emissions at their local plants following enforcement actions by the US Environmental Protection Agency against nearby plants of firms operating in the same market, and that the emissions reduction is twice as large if a nearby 'socially responsible' mutual fund owns shares of the parent firm of the peer plants. The threat of exit by these funds appears to have real consequences for how the local plants respond to the enforcement action.

GreenBiz

Building Investor Trust and Credibility Through ESG

19 November 2021

Earning investors' trust and taking a multi-stakeholder approach is table stakes for companies today. However, Edelman's upcoming 2021 Trust Barometer Special Report: Institutional Investors reveals that there is skepticism amongst investors around environmental, social-impact and governance (ESG) practices and a push for greater climate action and stronger activism to win trust across stakeholder groups.

GreenBiz

13 big deals that made COP26 the 'Business COP'

15 November 2021

There were some decidedly positive developments: For the first time, nature is firmly on the climate agenda. The critical role of achieving the 1.5 degrees Celsius degree goal is now baked into the negotiations. The event recognized and advanced the role of Indigenous and local communities.

INSEAD Knowledge

A Sign of the Times: The ESG Buyback

08 November 2021

In 2020, BNP Paribas announced a financial innovation: the ESG share buyback . Buybacks and ESG are not natural bedfellows. The "E" for environment and the "S" for social emphasise the importance of stakeholder value, while the most common motivation for share buybacks is "commitment to shareholder value", i.e. returning excess cash to shareholders rather than investing in negative NPV projects . In an ESG buyback, the company commits part of the buyback profits to finance a socially responsible or green initiative .

Harvard Business Review

Research: How Management Practices Impact M&A Outcomes

02 November 2021

Common wisdom suggests that good management is good business — but actually quantifying the impact of management practices on key business outcomes such as M&As and financial performance is often easier said than done. To address this challenge, we leveraged data from the U.S. Census Bureau's 2010 Management and Organizational Practices Survey (the most recent edition available when we began our study). The survey quantified management practices at more than 35,000 U.S. manufacturing plants, providing a level of visibility into the inner workings of these companies that is difficult to come by in other industries. For example, survey questions included: How many key performance indicators (KPIs) were monitored at this establishment? What best describes the time frame of production targets at this establishment?.

Decentralized Governance and New Models

The distributed nature of blockchain can facilitate new ways of doing business

In order to make the most of blockchain technology, organizations will have to collaborate. In an acknowledgement of this fact, there has been a proliferation of industry consortia dedicated to blockchain exploration and implementation. These groups are often collaborating to an unprecedented degree, even drawing together rival businesses determined to cooperate in order to truly unlock the full potential of technology through new governance models. To-date, almost 400 such organizations have been registered, with several seeming to appear every month. The Blockchain Insurance Industry Initiative (b3i), for example, has brought together 20 key industry players such as Allianz, Liberty Mutual, and the China Pacific Insurance Company in order to explore and deploy the technology in different ways. The consortium's core activities include developing the standards and infrastructure necessary to facilitate data-sharing across separate organizations. However, collaborative models also raise new questions about intellectual property ownership, shared liability, data sharing, and more. To address such questions, consortium models generally require clear communication and alignment on roles and responsibilities.

Blockchain technology can enable decentralized autonomous organizations, also known as "DAOs" - which operate on code-based rules and are intended to be controlled by members without a hierarchical structure. These organizations are designed to provide a secure, digital ledger in a way that eliminates the need for a third party to approve or warehouse a transaction or agreement - so that parties could securely sign and execute a contractual work agreement, for example, without even necessarily knowing one another's identity. By enabling the re-thinking of the foundations of businesses and organizations from the ground up, there may be opportunities to consider new incentive structures. For example, traditional organizations have faced the "principal-agent" problem, where the decisions of front-line workers may not align with the interests of top-level decision-makers. Decentralized autonomous organizations present the opportunity to integrate demand, decision-making, and production in ways that enable an organization to adapt in a more nimble and aligned manner. However, the anonymity provided by this decentralized means of decision-making can come into conflict with corporate governance rules and regulations.

Related insight areas: Justice and Law, Innovation, Global Governance, Civic Participation, Education, Skills and Learning, The Digital Economy, Agile Governance, Public Finance and Social Protection, Workforce and Employment, Corporate Governance

VoxEU

Digitalisation and the future of banking

19 January 2022

New technologies are changing how banks produce and provide financial services. These changes have implications for traditional banks, creating novel sources of systemic risk which could in turn pose regulatory and policy challenges. This column introduces a new report by the Advisory Scientific Committee of the European Systemic Risk Board that discusses the impact that digitalisation may have on the structure of the European banking system. Based on three scenarios for the future development of European banking, the authors derive an array of macroprudential policy recommendations.

World Economic Forum

Stakeholder Capitalism | EP4 - Tech for Good: Promise & Peril | World Economic Forum

08 January 2022

While the value of big tech companies has soared, what problems has that created? A lack of market competition and the impact that has on economies; data protection concerns; falling public trust. Is big tech too big, and what should be done? Guests: Zia Qureshi, fellow at the Brookings Institute; Marietje Schaake, International Policy Director at the Cyber Policy Center of Stanford University.

The New Yorker

Money in the Metaverse

04 January 2022

Anna Wiener writes about the metaverse, and how the use of money is developing in a space that combines virtual reality, augmented reality, the Internet, entertainment experiences, gaming, and remote work.

CoinDesk

Kosovo Moves to Ban Crypto Mining in Face of Energy Crisis

04 January 2022

Artane Rizvanolli, the eastern European country's economy minister, acted on the advice of the Technical Committee for Emergency Measures in Energy Supply on Dec. 31 as part of a set of relief measures. The government declared a state of emergency in December lasting for 60 days, allowing it to allocate more money for energy imports and introduce power cuts, according to a report by the Gazeta Express. .

Asian Development Bank

COVID-19, Digital Transactions, and Economic Activities: Puzzling Nexus of Wealth Enhancement, Trade, and Financial Technology

29 December 2021

ADBI Working Paper Series COVID-19, DIGITAL TRANSACTIONS, AND ECONOMIC ACTIVITIES: PUZZLING NEXUS OF WEALTH ENHANCEMENT, TRADE, AND FINANCIAL TECHNOLOGY Muhammad Ayub Khan Mehar 1294 December 2021 Asian Development Bank Institute Muhammad Ayub Khan Mehar is an economic advisor at the Employers' Federation of Pakistan in Karachi. The views expressed in this paper are the views of the author and do not necessarily reflect the views or policies of ADBI, ADB, its Board of Directors, or the governments they represent. ADBI does not guarantee the accuracy of the data included in this paper and accepts no responsibility for any consequences of their use. Terminology used may not necessarily be consistent with ADB official terms. Working papers are subject to formal revision and correction before they are finalized and considered published.

ETH Zürich

Watch out for fakes

17 December 2021

ETH alumna Leonie Flückiger is blazing a trail through the male-dominated world of tech start-ups with her company Adresta, which uses a blockchain-based certificate to authenticate luxury timepieces. She hopes to encourage other women to follow in her footsteps.

Centre for European Policy Studies (CEPS)

Central bank digital currencies

16 December 2021

The discussion about central bank digital currencies (CBDCs) has gained impressive momentum. So far, however, the main focus has been on the macroeconomic implications of CBDCs and the narrow perspective of developing a digital substitute for cash. This paper adds the microeconomic dimension of CBDCs to the discussion. We provide an overview of the existing payment ecosystem and derive a systemic taxonomy of CBDCs that distinguishes between new payment assets and new payment systems. Using our systemic taxonomy, we are able to categorise different CBDC proposals. In order to discuss and evaluate the different CBDC design options, we develop two criteria: allocative efficiency, i.e. whether a market failure can be diagnosed that justifies a government intervention, and attractiveness to users, i.e.

Governing Disruption

Organizations must be able to evolve and adapt, as the COVID-19 crisis has illustrated

A board of directors has the responsibility to drive the continuous reinvention of an organization - in a way that ensures it is fit for purpose relative to shifting customer demands, social expectations, and unexpected calamities. Technological innovation at the core of the Fourth Industrial Revolution is changing the way we live, work, and relate to one another - and forcing the decision-makers guiding organizations to rethink how they can create value and reinvent the ways they function. As the global economy weathers the impact of the COVID-19 pandemic, for example, many organizations that had previously focused on maximizing resilience through technologies like cloud computing may find themselves in better shape than others. Innovation impacts many of a board's core responsibilities, including long-term planning, fostering a corporate culture, executive compensation, setting strategy, and making investments and acquisitions. While established incumbents are at risk of lacking sensitivity to evolving technology needs and responsibilities, younger players need the financial resources and data enjoyed by their older counterparts - and each can gear their corporate governance efforts towards sharing resources in a way that creates value.

New collaborative models may require entirely new corporate governance approaches that are much less based on traditional vertical control and siloed mechanisms - while still maintaining accountability to shareholders. The United Nations has emphasized the critical potential for breakthrough innovation to help achieve the Sustainable Development Goals, which are designed to enable a more sustainable global economy by 2030. It is a matter of corporate governance to consider how this innovation can both enable sustainable economic growth and help fulfil a specific organization's purpose. In terms of investor stewardship, for example, shareholders must be engaged on the topic of innovation in order to better understand long-term prospects both for the business and for society as a whole. Some organizations have specific board committees dedicated to technology and innovation, while others bring on consultants or other external advisors. Boards at the most forward-looking companies consider the long-term prospects of a business alongside its internal capabilities - essentially looking into the future in order to assess whether a company might be impacted by a paradigm shift in technology and business models, or a global crisis, and whether there are related opportunities and risks.

Related insight areas: Internet Governance, Data Science, Digital Identity, Fourth Industrial Revolution, Leadership, Sustainable Development, Institutional Investors, The Digital Transformation of Business, Private Investors, The Digital Economy, 5G, Diversity and Inclusion, COVID-19, Mobility

Wharton School of the University of Pennsylvania - Knowledge@Wharton

How Risk-shifting by Underperforming Funds Distorts Stock Prices

18 January 2022

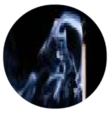
As fund managers of laggard mutual funds try to catch up with their peers, they tend to pursue high-risk stocks that may give higher than average returns. In the process, they push the prices of those risky stocks disproportionately higher than what the returns may justify, according to a new research paper by experts at wharton and elsewhere. The research explored the relationship between risk-shifting by underperforming mutual funds and “risk anomalies” such as subpar risk-adjusted performance of stocks with high market betas, or high volatility.

Harvard Business Review

The Secret Ingredient of Thriving Companies? Human Magic.

10 January 2022

There is no longer much debate that companies must be about more than maximizing profits. Yet while many companies are articulating their purpose, much remains to be learned about how to create environments that can help turn intentions into reality. Nothing grows in bad soil, no matter how good the seeds and water are. Similarly, no company purpose, regardless of how well it is defined , can materialize unless the company environment is fertile. A fertile environment is one where employees have a spring in their steps in pursuit of a noble purpose, and where everyone can become the best, biggest, most beautiful version of themselves.



Wharton School of the University of Pennsylvania - Knowledge@Wharton

High-performing and Resilient Teams: Preventing Burnout

30 November 2021

Nano Tools for Leaders® — a collaboration between Wharton Executive Education and Wharton’s Center for Leadership and Change Management — are fast, effective leadership tools that you can learn and start using in less than 15 minutes, with the potential to significantly impact your success as a leader and the engagement and productivity of the people you lead. Contributor: Paula Davis, JD, MAPP, founder and CEO of the Stress & Resilience Institute, and author of the book Beating Burnout at Work: Why Teams Hold the Secret to Well-Being and Resilience from Wharton School Press. Improve team resilience and performance and reduce burnout by relying on less obvious sources of support. Much has been said (and written) about the importance of individual resilience as critical to success.

Wharton School of the University of Pennsylvania - Knowledge@Wharton

Layered Leadership and Apple’s Rise to the Top

23 November 2021

In an excerpt from the revised and updated edition of their book ‘The Strategic Leader’s Roadmap,’ Wharton’s Harbir Singh and Michael Useem explore how Apple’s approach to leadership has contributed to its success.

Wharton School of the University of Pennsylvania - Knowledge@Wharton

Driverless Deliveries: How Close Are We?

15 November 2021

In the race for retail customers, Walmart is closing in fast on the middle mile. The company announced earlier this month that it is operating driverless delivery trucks from a distribution center to a Neighborhood Market store in Bentonville, Arkansas, where Walmart is headquartered. The deployment is a first because there are no other driverless deliveries along the so-called middle mile of the supply chain anywhere in the world. The achievement brings Walmart closer to using autonomous vehicles (AVs) to traverse the challenging last mile of getting goods straight into the hands of customers. Wharton management professor john paul macduffie said technology still has some distance to go before it catches up to the aspirations of retailers chasing the speed and cost-efficiency that avs can offer.

Harvard Business Review

Sanofi CEO Paul Hudson on Company Culture in a Distributed Office

12 November 2021

Paul Hudson, head of one of the world’s largest pharmaceutical companies, says leaders need to sit back and listen more often. HBR editor in chief Adi Ignatius sat down with the Sanofi CEO in the third episode of our new video series “The New World of Work,” to talk about: How to drive a strong corporate culture in a dispersed, hybrid era What the office of the future might look like Why companies have a duty to help employees achieve their best selves. Talented employees, Hudson says, “expect to tell you exactly what they think on any given day,” and that’s great. .

Cultivating Trust

Responsible corporate governance can create a culture of mutual trust

Trust is crucial for the long-term success of companies - especially at the board level. Genuine trust is underpinned by personal integrity, and by putting the interests of the organization (and of society) above those of individuals. Boards need to be able to trust that management will bring full transparency into the boardroom, and that will only happen thanks to shared integrity. There is a strong sense of pessimism about leadership in both the private and public sectors, and anxiety related to job security is high - due to a general lack of training and increasing automation, and not least due to the global pandemic. This threatens to fuel the growth of nationalist and protectionist movements. According to the Pew Research Center, as of 2019 only about one-third of adult Americans had a great deal or fair amount of confidence in elected officials to act in the public's best interests, and less than half said the same about business leaders (attitudes were far more positive when it came to the medical professionals now grappling with COVID-19). In addition to the general public, employees increasingly expect their employers to do the right thing and take action on issues related to inequality, the environment, and climate change.

As people lose faith in their political leaders, it appears that they have higher expectations for CEOs. According to the 2019 Edelman Trust Barometer, more than three-quarters of the general population, or 76%, want CEOs to take the lead on necessary social and economic change rather than waiting for governments to act. While organizations must comply with legislation and regulation on everything from taxes to consumer protection, competition, corruption, and environmental protection, they can also be positively influenced in terms of corporate governance and trust by industry self-regulation and voluntary practices - such as a code of conduct. Most cases of fraud and breach of trust among stakeholders can be traced to corporate governance failures, and so corporate leaders have the ultimate responsibility for creating an organizational culture that supports trust - and ensures that management and employees embody and act on the stated values and mission of their organization. Particular areas of increased social expectations that require the attention of boards of directors include diversity (including gender diversity), transparency, equal opportunity, and eliminating all forms of harassment.

Related insight areas: Values, Systemic Racism, Diversity and Inclusion, Leadership, Climate Change, Public Finance and Social Protection, Civic Participation, Agile Governance, Artificial Intelligence, Workforce and Employment, Retail, Consumer Goods and Lifestyle, Gender Inequality, Future of the Environment, COVID-19

Australian Institute of International Affairs

The World's Oldest Democracy Debates How It Functions

19 January 2022

President Biden's speech to Atlanta last week saw a renewed focus on protecting the "heart and soul" of American democracy – voting rights. What does this strategy reveal about Biden's plans for 2022?.

Harvard Business Review

How Brands Can Enter the Metaverse

03 January 2022

There are quite a few people who believe that the latest paradigm shift for the internet is already well underway: the metaverse, they say, is almost here.

Project Syndicate

Building a One-Earth Balance Sheet

30 November 2021

While all politics is local, it is shaped by a fast-changing global landscape. Only a one-Earth balance sheet – a bottom-up reset of how we measure global wealth – can ensure that countries work toward a better future for all.

GreenBiz

From whether to how: Creating the sustainable organization of the future

17 November 2021

Shareholders and stakeholders alike are demanding exponentially more from businesses on sustainability. Not just on disclosure and reporting, but tangible actions and clarity on their environmental, social and governance issues (ESG) strategies and quantifiable results. It's no longer just at the margins — it's now in the mainstream. Our research and experience at Accenture with thousands of clients on sustainability over the last decade shows that the "whether" and even "what" are becoming much easier questions to answer for CEOs and top executives. The pressure mounts on the "how" of reconciling business and sustainability goals in a way that reinforces competitiveness.

IMD Business School

We are all for ESG! Until it's time to measure it...

16 November 2021

Everybody appears to be in favor of ESG efforts on first glance, but these goals often are at odds with the profitability of a company. So what do we need to do to incentivize individuals and companies to act in a responsible way? Christos Cabolis, Chief Economist, IMD World Competitiveness Center and Karl Schmedders, Professor of Finance tackle these issues in this IMD webinar.

Harvard Business Review

How to Foster Healthy Disagreement in Your Meetings

09 November 2021

We often consider ourselves lucky if we're on a team with little conflict and minimal office politics. When a team works together for a long time, they find a rhythm of collaborating and fall into regular patterns of behavior, minimizing disagreements. Over time, this habitual way of working can limit the team's performance. We don't often step back to assess if the team dynamics that we consider "good" are getting in the way of generating breakthrough ideas and results.

Harvard Business School Working Knowledge

How Long Does It Take to Improve an Organization's Culture?

01 November 2021

If organizational culture is so important, why do so many companies struggle to change? James Heskett looks at the role of leaders—like Microsoft CEO Satya Nadella—in challenging a company's collective mindset.

Regulation and Corporate Adaptation

Shifts in regulation can have profound corporate governance implications

A wide variety of legal and regulatory environments have been constructed around the world; the OECD Corporate Governance Factbook contains information about nearly 50 different national institutional, legal, and regulatory frameworks. Some institutional and legal settings have proven to be more conducive to effective corporate governance than others. Enhancing governance reform in the many places where it is lacking is a potential source of value creation both for individual companies and broader economies. One example of legal governance reform is 2002's Sarbanes-Oxley Act in the US, which expanded disclosure and auditing requirements and the responsibilities of the boards at all publicly-traded companies. Sarbanes-Oxley triggered similar reforms around the world: Australia in 2004, India in 2005, and Japan in 2006. Since then, other important reforms have been put in place - such as the Dodd-Frank Act enacted in 2010, in response to the banking industry excesses that resulted in the financial crisis, and the Jumpstart Our Business Startups, or JOBS Act, which was designed to facilitate the funding of small businesses in the US by exempting them from certain regulatory requirements.

The right mix of legislation, regulation, and self-regulation depend on a country's specific circumstances, history, and culture. The corporate governance structures developed in response typically cover the ownership of publicly-listed companies and stock exchanges, shareholder rights and responsibilities, takeover rules, board structures and composition, and information disclosure. Technological progress has created situations where regulatory needs are not necessarily black and white. Services like Uber and Lyft, for example, have made it unclear if drivers should be treated like regular employees or contractors under the law. Legislation passed in California in 2019 requires these ride-sharing platforms to treat drivers in that state as employees when it comes to wage and benefit protections, creating uncertainty about the financial prospects of the broader "gig economy" amid the possibility that other states and countries might follow suit. This shift could impact many boards and the ways they approach compliance, risk management and corporate strategy. Other areas of technological development with significant corporate governance implications include artificial intelligence, blockchain, the Internet of Things, and biotechnology - all of which are likely to trigger new regulations and corporate governance needs.

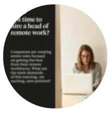
Related insight areas: Artificial Intelligence, Blockchain, Workforce and Employment, Biotechnology, Internet of Things, Financial and Monetary Systems, Institutional Investors, Fourth Industrial Revolution, Global Governance, Justice and Law

World Economic Forum

Stakeholder Capitalism - EP.5 | Stakeholder Capitalism at Work | World Economic Forum

13 January 2022

In this concluding episode we ask how can the idea of 'stakeholder capitalism' work in the real world. Joining hosts Peter Vanham and Natalie Pearce are: Emily Bayley, project lead of the World Economic Forum's ESG Initiative Jonas Prising, CEO of Manpower Group Geraldine Matchett, CFO and co-CEO of Royal DSM .



Raconteur

Is it time to hire a head of remote work?

20 December 2021

Talent management is totally different from how it looked only two years ago, with some level of remote working becoming essential in many industries, rather than the nice-to-have option it was before.

World Economic Forum

Why failing can help build business - Lessons from 9 entrepreneurs

30 November 2021

It is widely known that the default state of a startup is failure. 90% of startups and 75% of venture-backed startups fail . Failing doesn't mean losing: here are the lessons from 9 entrepreneurs on why failure can help build business. The reasons vary from wrong product market fit, depletion of capital, bad partnership, regulatory hurdles to bad hiring and many more. These factors often function as multipliers in the startup world.

World Economic Forum

Why diversity within your organization matters – Lessons from 11 entrepreneurs

18 November 2021

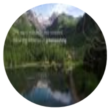
Diversity leads to creativity and resilience, but to implement it in businesses can be challenging. Through diversity, deliberation and unconventional solutions can be found. Here are the lessons from entrepreneurs from the World Economic Forum's Technology Pioneers on why diversity is so crucial in organizations. Diversity brings in new ideas and acts as a pathway to unlock creativity. The business world is no exception.

VoxEU

Covid-19 and investment fund portfolio rebalancing

15 November 2021

Covid-19 had a substantial impact on financial markets around the world. This column uses granular worldwide data to assess mutual fund portfolio responses to the crisis. The authors find that mutual funds divested from assets considered in most trouble at the time – i.e. those issued in countries and by industries most affected by the pandemic – but with several dimensions of heterogeneity according to asset type, investment policy, and performance. The findings corroborate the existence of an unconventional monetary policy channel acting through mutual funds that could be used to stabilise the funds themselves.



Refinitiv

Data Moment | Sustainable Finance: ESG on Overload

04 November 2021

#Refinitiv data shows the emerging trends in #SustainableFinance and how #GreenWashing can be challenged through further transparency measures.

Defining Corporate Purpose

An organization’s reasons for being should extend well beyond financial gains

The Business Roundtable, an association of CEOs of the largest American companies, has departed from a longstanding view that corporations exist solely to serve their shareholders. In 2019, the organization declared that companies should benefit all stakeholders, including customers, employees, suppliers, and communities - in addition to shareholders. This strongly reinforced the idea that profits are not the sole purpose of a business, and that corporations should exist to solve problems and provide services. If they are successful at doing this, long-term shareholder returns can increase, as society in general is better served. Establishing purpose is not an abstract exercise; it has proven to be essential for guiding decision making and for establishing priorities. London Business School Professor Alex Edmans has noted that as virtually all of the major decisions a company makes involve trade-offs, one of the main benefits of having a strong purpose is to guide these trade-offs. Purpose must not only be explicitly defined, however - it must also be implemented. Shareholders must understand the organization’s purpose, and be able to identify the metrics (both quantitative and qualitative) related to delivering on it.

Some of these metrics incorporate the traditional concepts behind corporate social responsibility (CSR), such as maintaining positive working conditions and employee satisfaction, cultivating workforce diversity, and focusing on client satisfaction and product quality. But purpose can go well beyond CSR - one example is the clothing company Patagonia, which states that its reason for being is to help protect life on Earth. This is (presumably) understood by its investors, and implemented by designing, producing and selling products in the most environmentally sustainable way possible, and by building its supply chains and customer service around the circular economy ideas of repairing, reusing, and recycling. Responsible corporations create value for society and are motivated by the desire to do so. Survey results published by researchers at Stanford Graduate School of Business in 2018 showed that 65% of Americans believe CEOs at large companies should use their positions to address broad social, political, and environmental issues. That is to say, most Americans realize that corporations need to be committed to providing solutions and value to everyone - and that businesses have a responsibility to society.

Related insight areas: Institutional Investors, Future of Consumption, Supply Chain and Transport, Taxes, Sustainable Development, Circular Economy, Values, Financial and Monetary Systems, Justice and Law, Emerging-Market Multinationals, Leadership

World Economic Forum

Fast-Tracking Circular Solutions for Net-Zero Industries | Sustainable Development Summit 2021

09 January 2022

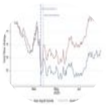
To reach net-zero emissions from heavy industry sectors by 2050, new approaches and solutions will need to be deployed at scale across supply and demand-side industries. This session explores collaboration models, policies and pathways that hold the greatest promise to fast-track circular economy solutions and accelerate the race to net zero. .

Wharton School of the University of Pennsylvania - Knowledge@Wharton

Beyond Business: Humanizing ESG

13 December 2021

Smart firms are listening, learning, and changing longstanding practices that have caused decades of harm to people, according to participants in a recent "Beyond Business" panel discussion, hosted by Wharton Dean Erika James.

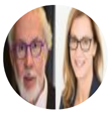


VoxEU

Bank leverage constraints and bond market illiquidity during the COVID-19 crisis

27 November 2021

The onset of COVID-19 led to heightened uncertainty and a ‘dash-for-cash’, particularly in the mutual fund sector which faced fire sale pressure. Typically, banks trading securities absorb such pressure and support market liquidity, but regulation may limit their ability to do so. This column analyses the role of bank leverage constraints as an amplifier of bond market illiquidity. It concludes that leverage ratio regulation can have negative side effects by increasing bond market illiquidity in times of economic distress, suggesting that the optimal leverage ratio is procyclical.



GreenBiz

Bob Eccles and Jean Rogers on ISSB and the future of ESG reporting

17 November 2021

Whatever your take was on COP26, a key takeaway at the intersection of capital markets and climate was the formation of the International Sustainability Standards Board (ISSB).

Asian Development Bank (ADB)

What are Policy-Based Lending and Sector Development Program?

13 November 2021

ADB offers its developing member countries different types of financing modalities to support governments in boosting economic growth and solving development challenges. Responding to the evolving needs of countries and the Asia and Pacific region as a whole, ADB's range of public sector loans and grants differ in purpose, focus, financing and disbursements, and implementation arrangements. This videc explains ADB’s policy-based lending (PBL) modality and the sector development program (SDP). PBL provides general budget support to public sector borrowers, helping countries that are facing a financing gap in their annual budget. PBL is disbursed only when the borrower completes policy reforms or actions that have been agreed with ADB.

VoxEU

Place-based policies and the geography of corporate investment

08 November 2021

Growing spatial inequality has led policymakers to offer firms tax breaks to attract investment and jobs to economically peripheral regions. This column examines a place-based bonus depreciation scheme in Japan which granted high-tech manufacturers immediate cost deductions from their corporate income tax bill. The policy generated big gains in employment and investment in building construction and in machines at pre-existing production sites. This response was driven by firms which rely on costly but long-lived capital inputs like industrial machines. How firms react to spatially targeted tax incentives ultimately depends on their internal network and their composition of intermediate capital inputs.

Long-Term Vision, Short-Term Needs

Balancing short- and long-term pressures is one of the most difficult business leadership challenges

There is a commonly-held view that investors pursue short-term profit at the expense of long-term value. According to the results of a survey published by the Rock Center for Corporate Governance at Stanford University in 2019, 70% of CEOs and CFOs at S&P 1500 Index companies were facing pressure to maximize short-term returns at the expense of long-term growth. When firms focus on the short term, it often translates into lower investment in the long-term sustainability of a company at the expense of other stakeholders. Management has to be able to both articulate a long-term strategy and deliver sufficient short-term returns in order to ensure support and continued investment. Consistent metrics for measuring the success of long-term strategies are important. Corporate governance can play an important role in this regard by implementing incentives and pay aligned with these long-term metrics. Another means to tilt the balance towards a longer-term approach has been the increased adoption of Environment, Social and Governance (ESG) criteria in corporate strategies and investment decisions - which can draw the attention of shareholders zeroing in on firms with a longer-term, socially-conscious approach.

According to a white paper published by the World Economic Forum in 2019, quarterly reporting requirements are not the sole reason for short-termism - though corporate leaders describe them as a “necessary evil.” According to the white paper, these leaders must become better storytellers about their companies, by framing each quarter as a step in a longer-term story. Management and their boards must engage in constant conversation about how the company will grow, and the risks it will take to get there. Leaders of global companies have been signing a World Economic Forum compact for responsive and responsible leadership, committing them to ensure that their boards oversee the definition and implementation of corporate strategies that pursue sustainable long-term value creation, to encourage the periodic review of corporate governance, long-term objectives and strategies at the board level, to promote meaningful engagement between the board, investors, and other stakeholders that builds mutual trust and promotes the highest possible standards of corporate conduct, and to implement policies, practices, and long-term strategies aimed at cultivating sustainable growth for the benefit of all stakeholders.

Related insight areas: Leadership, Family Businesses, Sustainable Development, Private Investors, Values, Corruption, Institutional Investors, Banking and Capital Markets, Future of the Environment

Project Syndicate

Capital Is Not a Strategy

06 January 2022

After years of central banks keeping interest rates low and pumping liquidity into financial markets, asset valuations are at historic highs. While entrepreneurs and venture-capital founders tell themselves that "capital is a strategy," bubble finance is no substitute for a business plan that can achieve positive cash flow.

Harvard Business School Working Knowledge

The Popular Stock Metric That Can Lead Investors Astray

06 December 2021

What if a bedrock method that investors have relied on for decades to find cheap-but-promising stocks to buy low and sell high no longer works well? The book-to-market ratio has been used since at least the Great Depression to identify undervalued stocks. It has become so detached from a modern economy driven by research and intellectual property that it no longer accurately signals so-called value stocks, suggests new research from charles c.y. Wang, Harvard Business School's Glenn and Mary Jane Creamer Associate Professor of Business Administration. Investors use book-to-market ratios to spot potentially underpriced stocks, and major stock indexes and institutional investors lean on the metric as well.

Chatham House

How can the investor community address the 'S' in ESG? – the role of social purpose values

24 November 2021

This webinar highlights the crucial relationship between an open civic space and a profitable business environment. 2020 was a tipping point for investors to think and act more responsibly, galvanized by catalysts like the killing of George Floyd and the pandemic. There is increasing investor support for social and environmental causes. Younger investors are placing increasing emphasis on values and social issues in their investment decisions. The 'S' in the Environment Social and Governance (ESG) agenda is clearly gaining traction, but how far does it extend to civil and political liberties i.e.

Wired

Activision Blizzard Employees Are Done With CEO Bobby Kotick

17 November 2021

Employees at Activision Blizzard walked out Tuesday to call for CEO Bobby Kotick's resignation.

Project Syndicate

Finance Must Combat Climate Change – or Else

09 November 2021

Despite the increasing urgency of the climate crisis, many of the world's most powerful financial actors have continued to invest in the fossil-fuel industry. But a new trend in the law is forcing institutional investors to decarbonize their portfolios – or be held legally accountable.

Refinitiv

ESG Data from Refinitiv

04 November 2021

Listen now and hear from James Faulkner, Account Manager, Refinitiv as he highlights the key ESG data concerns for market participants and the latest offerings from Refinitiv.

ESG Shareholder Engagement

Environmental, Social and Governance-based engagement can help drive climate action and address public health issues

In addition to shaping their portfolios through ESG integration, investors may choose to actively drive related improvements at companies through greater shareholder engagement. Evidence suggests this is a far more effective way of shaping corporate behaviour than simply buying and selling stock. The ways in which investors can approach this depends on asset class, however. Private equity investors, for example, are likely to have relatively large ownership stakes and therefore more direct access to management teams (large PE funds like KKR and TPG regularly engage with senior and middle managers, as well as front line workers, to identify ESG issues and encourage development of related strategies, measurement, disclosures, and operational practices). For buyers of public equities, the style of engagement depends on their scale and objectives. Large asset managers with long-term investment styles are likely to have greater and more prolonged access to management teams, similar to what is afforded to private equity backers. Meanwhile activist hedge funds tend to take large stakes in firms for short periods of time, through leveraged capital and borrowing - and then use that time to mount aggressive campaigns.

Examples of ESG-centred shareholder engagement include Aviva Investors' push for Apple to address youth smartphone addiction, and Engine No. 1's campaign to drive stronger climate action at Exxon Mobil by replacing board members. Smaller, socially-responsible asset management firms like Boston Trust Walden, and values-based asset owners like religious pension funds, often engage firms by initiating shareholder proxy votes that call for stronger ESG strategies. Individual retail investors can join campaigns mounted by larger activists, though most delegate their voting power to index fund managers like BlackRock or Vanguard (which tend to follow shareholder voting guidance from firms like ISS and Glass Lewis). ESG shareholder action tends to focus on three objectives: disclosure, target setting, and governance. Disclosure, the most common, relates to the frequency of, quality of, and auditor assurances behind ESG information. Target setting can occur once ESG data is made available, and can be used to improve things like greenhouse gas emissions. Ir terms of governance, investors may simply ask for more rigour from a firm - both for its own sake, and as an enabler of the greater good through instruments like aligning executive compensation with sustainability goals.

Related insight areas: Institutional Investors, Digital Communications, Climate Change, Youth Perspectives, Global Health, Banking and Capital Markets, Corporate Governance, Sustainable Development, Private Investors

Harvard Business School Working Knowledge

How Footwear Startup Allbirds is Decarbonizing Fashion

25 January 2022

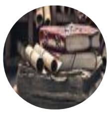
In 2021, the footwear startup Allbirds was extending its product range into apparel and expanding beyond its online store to open more retail stores around the world. It was also freely sharing its know-how and material innovations with its competitors to try to scale its efforts to decarbonize fashion, by substituting natural materials for conventional petroleum-based materials and leather. But the company also had to find ways to remain differentiated, based on design and comfort. Professor Mike Toffel and Allbirds co-founder and CEO Joey Zwillinger discuss the growing environmental impact of the fashion industry and how the company managed the tension between advancing its environmental mission and staying ahead of competitors in the case, Allbirds: Decarbonizing Fashion.

Eco-Business

Steel industry: the decarbonisation imperative

12 January 2022

As days pass, there is increased evidence and response to GHG emissions and global warming leading to climate change. The Paris Agreement, 2015, has set the framework for a global response to climate change among world leaders to strive for keeping atmospheric temperature increase well below 2 °C and to pursue efforts to limit it to 1.5 °C. The 194 national governments and the European Union have signed the agreement which include some of the world's biggest polluting industries. Every manufacturing sector is exploring ways and means to reduce the carbon footprint of their operations. The steel industry, the backbone of all infrastructural developments, is tipped to play a major role in the above decarbonization agenda.



GreenBiz

We read this 130-page report on climate regulation so you don't have to

12 January 2022

In October, the Financial Stability Oversight Council (FSOC) — an oversight body for federal financial regulators — chimed in on the climate conversation by way of a dense, 133-page report. The FSOC Report on Climate-Related Financial Risks examines how U.S. regulators are already addressing climate-related financial risks, discusses ongoing challenges in assessing those risks, and offers more than 30 recommendations for regulators to improve the resilience of the U.S. financial system to climate change. While the highly anticipated report has been critiqued as a missed opportunity that didn't go far enough , the effort, led by U.S. Secretary of the Treasury Janet Yellen, laid down a marker on an issue of critical importance.

World Economic Forum

Putting capital markets into stakeholder capitalism

07 January 2022

Capital markets have a key role to play in building a more equitable and environmentally sustainable economic system. ESG assets under management reached $35 trillion in 2020 and are forecast to exceed $50 trillion in 2025. Capital markets must facilitate and promote transparent and reliable ESG disclosure to prevent greenwashing from stalling the global transition to a low-carbon economy. As we build our way out of the COVID-19 pandemic, the world is working together to make a more resilient and sustainable global economy. At a national level, we see initiatives like “Build Back Better” and “Levelling Up”, while COP26 has united the world around goals on such things as halting deforestation, phasing out coal power and reaching net zero by 2030.

The Conversation

World economy in 2022: the big factors to watch closely

04 January 2022

Will 2022 be the year where the world economy recovers from the pandemic? That's the big question on everyone's lips as the festive break comes to an end. One complicating factor is that most of the latest major forecasts were published in the weeks before the omicron variant swept the world. At that time, the mood was that recovery was indeed around the corner, with the IMF projecting 4.9% growth in 2022 and the OECD projecting 4.5%. These numbers are lower than the circa 5% to 6% global growth expected to have been achieved in 2021, but that represents the inevitable rebound from reopening after the pandemic lows of 2020.

World Economic Forum

We must embrace green energy, says Jane Goodall | UpLink

03 January 2022

Jane Goodall says we must embrace more green energy or the future for the children will be very dark. .

Corporate Risk Management

For boards, the volatility of risk scenarios is only increasing

Every organization is confronted with some type of risk - operational, financial, technological, environmental, regulatory - which can have devastating consequences. Effective corporate governance requires continuous and systematic management of all types of risk, both current and anticipated. First, risks must be prioritized, and here the board of directors can play a key role by deciding in what priority they should be addressed, what is to be deemed simply unacceptable, and how they should be addressed from a structural perspective. For example, evidence gathered from the 2007 global financial meltdown indicates that banks with boards that had identified a need to establish a separate risk management committee managed the crisis better than those with integrated committees. The benefits of this type of separation have become only more evident as fiduciary duties have come to include oversight of a broad range of matters, including compliance with international accounting rules and stability measures that require banks to set aside capital in case of potential losses. Implementing a robust risk management system requires the integration of different parts of an organization, including the board’s risk committee, internal auditing, finance, legal, and operations.

Increasingly complex and rapidly changing economic, environmental, social, and technological conditions have multiplied potential risk scenarios. Worsening climate change, geopolitical tensions, trade wars, and social upheaval like the protests that spread in Hong Kong in 2019 require corporate governance that is proactive when it comes to identifying risks and addressing them. Determining an appropriate board structure and approach to risk management will depend upon both a company’s industry and stage of its life cycle; risk exposure is very different for financial institutions than it is for petrochemical firms. Even within the financial sector, different approaches are required - from insurers exposed to extreme weather events related to climate change, to retail banks making loans to small businesses during volatile periods. Organizations are dealing with complexity and litigiousness like never before, forcing their boards to assess current and past organizational exposure. Still, there are some strategic advantages to taking risks; after all, achieving sustained growth requires some degree of risk-taking. Incorporating risk management into corporate strategy is therefore crucial.

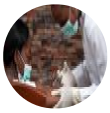
Related insight areas: Illicit Economy, Cybersecurity, International Security, Financial and Monetary Systems, Development Finance, Climate Change, Corruption, Risk and Resilience, Civic Participation, Insurance, Justice and Law, Banking and Capital Markets

London School of Economics and Political Science

Senate opposition means Democrats will struggle to pass voting rights bills.

10 January 2022

Democrats have begun 2022 with a renewed effort to pass voting rights legislation. And while President Joe Biden and senior Senate Democrats have been pushing for two key voting rights bills and changes to Senate rules to enable them to pass, they continue to be blocked by Republicans. Julie Norman discusses the context and content of the bills, the options […].

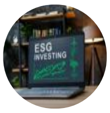


Social Europe

Tax justice—a crucial tool to advance human rights

10 December 2021

Magdalena Sepúlveda is executive director of the Global Initiative for Economic, Social and Cultural Rights and a member of the Independent Commission on International Corporate Tax Reform (ICRICT). From 2008 to 2014 she was United Nations rapporteur on extreme poverty and human rights.



VoxEU

Mutual funds' loyalty helped to stabilise ESG stocks during COVID-19

23 November 2021

How did the stock market crash caused by Covid-19 affect different asset classes and fund types? This column studies the trading behaviour of actively managed equity mutual funds in the US during the crisis and finds that funds with high environmental, social, and governance ratings helped to stabilise the market, but other funds also provided support for ESG stocks. All funds experiencing inflows increased their net purchases, but this behaviour was stronger for ESG funds. Non-ESG funds experiencing outflows increased their net sales, but this was limited to their holdings of non-ESG stocks.

Center for Global Development

Optimism and Advice for Advancing USAID's Vision for Locally-led Development: A Conversation With Randy Tift

19 November 2021

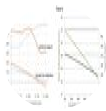
I sat down with Randy Tift who, between 2017 and 2021, co-led USAID's Effective Partnering and Procurement Reform (EPPR) process and launched the New Partnerships Initiative (NPI), under the leadership of then-USAID Administrator Mark Green. Randy is currently a Senior Associate at Oxford House. He's also working on an in-depth paper on the past and future of USAID's reform agenda, which CGD will publish in early 2022. Randy is optimistic about what he sees taking shape at the agency and has some ideas for how to advance Power's vision.

London School of Economics and Political Science

As states redistrict, the Gerrymandering Wars continue but technology allows more public involvement than ever.

05 November 2021

This year, state legislatures across the country are creating new maps for congressional and state legislative elections. Michael Latner, Alex Keena, Anthony McGann and Charles Anthony Smith give an overview of the current redistricting, writing that gerrymandering is often still the outcome where lawmakers are responsible for the process. They also draw attention to the increased role of technology in allowing the public and nonprofit groups to be part […].



VoxEU

Carbon tax recycling and popular support in Germany

02 November 2021

Carbon pricing disproportionally hurt poorer households, but cash disbursals from the revenue it raises can compensate these households and lower income inequality. This column evaluates the effects of carbon taxes by employing utility-based measures of whether a household is better off. The transparency of such a policy increases political support if a substantial majority of the population benefit from the carbon tax plus cash disbursal. However, endogenous behaviour blunts the effectiveness of such transfers; for Germany, it diminishes political approval from 60% to 30%. Using revenue for lowering income taxes as well for dividends increases popular support back to above 50%.

References

1. Preparing for a New Risk Landscape

- Global education trends and research to follow in 2022, The Brookings Institutions – Center for Universal Education, www.brookings.edu
- This is why the private sector should support equitable vaccine R&D and manufacturing, World Economic Forum, www.weforum.org
- One Year of the US National COVID-19 Strategy: Assessing Progress on Pandemic Response and Preparedness, Center for Global Development, www.cgdev.org
- Three pillars to strengthening health systems in African countries, London School of Economics and Political Science, blogs.lse.ac.uk
- 3 Steps to Help Companies Rebuild Trust During the Pandemic, Harvard Business School Working Knowledge, hbswk.hbs.edu
- Protective gene variant against COVID-19 identified, McGill Reporter, reporter.mcgill.ca
- Changes in School Composition During the COVID-19 Pandemic, RAND Corporation, www.rand.org

2. Active Ownership

- The Challenge of Measuring Impact Performance, Wharton School of the University of Pennsylvania - Knowledge@Wharton, knowledge.wharton.upenn.edu
- 2021 Has Been The Year Of ETFs, With 445 Debuting, The Tokenist, tokenist.com
- China's role in the multilateral development banks, Overseas Development Institute, www.youtube.com
- How Corporate Governance Is Changing, Wharton School of the University of Pennsylvania - Knowledge@Wharton, knowledge.wharton.upenn.edu
- On the selling of sovereigns held by the ESCB to the ESM, Centre for European Policy Studies (CEPS), www.ceps.eu
- Why Investor Engagement with 'Dirty' Companies Is Better Than Divestment, Wharton School of the University of Pennsylvania - Knowledge@Wharton, knowledge.wharton.upenn.edu
- 2021 ECMI Statistical Package, Centre for European Policy Studies (CEPS), www.ceps.eu

3. Corporate Governance 4.0

- Bringing entrepreneurship and family business fully into a home in management departments, Science Direct - family business strategy, www.sciencedirect.com
- Family business, community embeddedness, and civic wealth creation, Science Direct - family business strategy, www.sciencedirect.com
- The Unexpected Role of PE Firms in Reducing Within-Firm Pay Inequality, INSEAD Knowledge, knowledge.insead.edu
- Why Investors' Memories May Be Bad for Their Wealth, INSEAD Knowledge, knowledge.insead.edu
- Closing the Inventor Gender Gap with John-Paul Ferguson, Lucy Gilbert, and Negin Ashouri, McGill University, delve.mcgill.ca

4. Delivering on ESG Goals

- Here's how to choose the right fund manager for the future, World Economic Forum, www.weforum.org
- To Change Your Company's Culture, Don't Start by Trying to Change the Culture, Harvard Business School Working Knowledge, hbswk.hbs.edu
- A Better Deal for the World's Workers, Project Syndicate, www.project-syndicate.org
- Researchers use decades of Wall Street Journal articles to predict stock market returns, Harvard Kennedy School – Journalist's Resource, journalistsresource.org
- What Next for IDA?, London School of Economics and Political Science,

5. Ownership, Responsibility and Value Creation

- Do CEOs really stay in the job for too long?, University of St. Gallen, www.unisg.ch
- Family business and business family questions in the 21st century: Who develops SEW, how do family members create value, and who belongs to the family?, Science Direct - family business strategy, www.sciencedirect.com
- Why Allyship Is Key to Gender Balance, INSEAD Knowledge, knowledge.insead.edu
- 5 Principles for Scaling Change from IBM's High School Innovation, Harvard Business School Working Knowledge, hbswk.hbs.edu
- Can Massachusetts General Brigham Diversify Its Community of Innovators?, Harvard Business School Working Knowledge, hbswk.hbs.edu
- Shaping Coast Guard Culture to Enhance the Future Workforce, RAND Corporation, www.rand.org

6. Governance Mechanisms

- Public support for a universal basic income is dependent on the way it is funded, London School of Economics and Political Science, blogs.lse.ac.uk
- Stakeholder Capitalism | EP3 - Planet vs. Profit: Can Growth be Green?, World Economic Forum, www.youtube.com
- Socially responsible investors amplify the positive externalities of regulatory enforcement, VoxEU, voxeu.org
- Building Investor Trust and Credibility Through ESG, GreenBiz, www.greenbiz.com
- 13 big deals that made COP26 the 'Business COP', GreenBiz, www.greenbiz.com
- A Sign of the Times: The ESG Buyback, INSEAD Knowledge, knowledge.insead.edu
- Research: How Management Practices Impact M&A Outcomes, Harvard Business Review, hbr.org

Acknowledgements

- Cover and selected images throughout supplied by Reuters.
- Some URLs have been shortened for readability. Please follow the URL given to visit the source of the article. A full URL can be provided on request.

Continue the experience online

Explore the collective intelligence of the World Economic Forum

In today's world, individuals and organizations can find it difficult to keep up with the latest trends or to make sense of the countless transformations taking place around them.

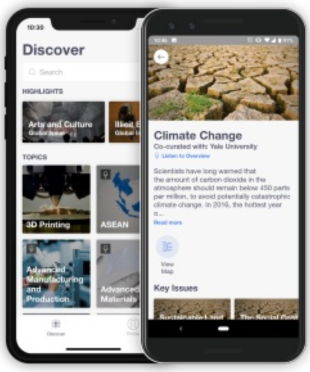
How can you decipher the potential impact of rapidly unfolding changes when you're flooded with information—some of it misleading or unreliable? How do you continuously adapt your vision and strategy within a fast-evolving global context?

Leaders require new tools to make better strategic decisions in an increasingly complex and uncertain environment. The World Economic Forum developed Strategic Intelligence to help you understand the global forces at play and make more informed decisions.

Connect to Strategic Intelligence

Visit Strategic Intelligence on the web or download the Strategic IQ app on your mobile device to learn more.

intelligence.weforum.org



wef.ch/si

WORLD ECONOMIC FORUM

Download on the App Store

GET IT ON Google Play

COMMITTED TO IMPROVING THE STATE OF THE WORLD

The World Economic Forum, committed to improving the state of the world, is the International Organization for Public-Private Cooperation.

The Forum engages the foremost political, business and other leaders of society to shape global, regional and industry agendas.

World Economic Forum
91-93 route de la Capite
CH-1223 Cologny/Geneva
Switzerland
Tel.: +41 (0) 22 869 1212
Fax: +41 (0) 22 786 2744
contact@weforum.org
www.weforum.org