

# Leadership Dynamic Briefing

Generated 27 December 2022 for Team Digoshen



# Leadership

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## 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](https://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.



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# Executive summary

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

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## **1. Access to Leadership Opportunities**

People of colour remain woefully under-represented in top political and business leadership positions.

## **2. Cultivating Trust**

Responsible corporate governance can create a culture of mutual trust.

## **3. Purpose and Stakeholder Capitalism**

Companies must exercise responsible leadership in the digital realm.

## **4. Leading on Inclusion, Sustainability and Trust**

Companies have a responsibility to deploy technology in a way that benefits everyone.

## **5. Shaping Societies**

Non-traditional players are challenging existing social structures and creating a need for bold leadership.

# Access to Leadership Opportunities

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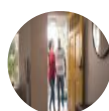
## People of colour remain woefully under-represented in top political and business leadership positions

In Canada, the reaction to the killing of George Floyd in US police custody in May 2020 included a bid to track the number of black people who have attained senior leadership positions - and to draft related targets. The founder of the effort, the Canadian Council of Business Leaders Against Anti-Black Systemic Racism, suggested publicly that when it comes to black people in executive positions and on boards in the country, there would be “a lot more zeroes than numbers.” That would not be unique. In many countries there is a dearth of leadership positions in both the private and public sectors occupied by people of colour. In 2019, Harvard Business Review and Deloitte interviewed members of 47 corporate boards in the US, and found that many cited progress in terms of gender diversity but not on other forms of diversity including race. According to data published by the Harvard Law School Forum on Corporate Governance, as of 2018 just 19.5% of board seats at Fortune 100 companies were held by African Americans, Asian-Pacific Islanders, Hispanic-Latinos, and “Others.” For the Fortune 500 as a whole the figure was just 16.1%.

A lack of racial diversity at the top can rob organizations of valuable perspectives. This applies not just to businesses but to political organizations and government institutions as well. It was not until 2012 that a major political party in France tapped a person of colour as a leader, and while an estimated 10% of the European Union’s population is made up of ethnic and racial minorities just 3% of EU MEPs were people of colour as of mid-2020 (that figure declined following Brexit and the departure of several British parliamentarians). In a letter addressed to European Commission President Ursula von der Leyen in June 2020, 120 members of the EU assembly asked that she acknowledge and condemn racism in the EU, including police brutality, and that she publicly condemn any denial of racism in the bloc. In 2019, US voters elected the most diverse Congress ever, as 22% of the incoming members of the House of Representatives and Senators identified as racial or ethnic minorities. Still, that figure remains short of the 39% of the country’s population that is non-white - and Hispanic representation in the House has been particularly lacking.

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Related insight areas: [Global Governance](#), [Civic Participation](#), [Economic Progress](#), [Entrepreneurship](#), [The Digital Economy](#), [Education, Skills and Learning](#), [Inequality](#), [Leadership](#), [Agile Governance](#), [Corporate Governance](#)



INSEAD Knowledge

## In the US, Owning a Home May Not Lead to a Better Life

19 December 2022

To many people, purchasing a home is one of life's key milestones. Having a place to call your own not only confers stability and status, it is often also a store of wealth for you and even your children. But homeownership doesn't always lead to prosperity in the United States, my colleagues\* and I found. First, some background: Although slavery, segregation and other explicitly discriminatory policies and practices have long been officially consigned to history, wealth and income disparities between Black and white Americans remain stark. White households are on average six times richer than Black ones and earn twice as much. The gap between white and Black homeownership rates is ironically wider now than it was in 1960.



Pew Research Center

## K-12 parents differ by party in how frequently they discuss certain national issues with their children

13 December 2022

Issues that have been at the center of national debates in recent months are also topics of conversation for some parents and their children. There are wide partisan divides in how often these topics come up in conversation, according to a pew research center survey of parents . Overall, a quarter of parents of K-12 students in the United States say racism or racial inequality comes up in conversations with their children very or fairly often. About one-in-five (18%) say they and their children discuss the environment or climate change with the same frequency, and the same share say this about the topic of sexual orientation or gender identity. Some 15% of K-12 parents say guns or gun policy comes up at least fairly often with their K-12 children in conversation.



RAND Corporation

## Accounting for Black-White Wealth Differences

07 December 2022

This report presents a stylized model of wealth accumulation that accounts for patterns in income and wealth shown in prior research to illustrate how various factors contribute to Black-white wealth differences.



RAND Corporation

## Overcoming Compound Racial Inequity

07 December 2022

The wealth gap between Black and white Americans is the result of inequities compounded over time. Using Survey of Consumer Finances data, the authors analyze the wealth gap and the potential impacts of disparity-reducing wealth-allocation policies.

# Cultivating Trust

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## 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.

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



## Eco-Business

# Lego and the Toy Makers: How Sustainability Comes to Play Land

14 October 2022

In this report, we aim to research LEGO's ESG performance when compared with other toy makers in the industry by examining their environmental (including carbon emissions), social and governance initiatives. We evaluated LEGO's ESG performance by referring to our ESG framework, which covers 18 initiatives of ESG reporting. Overall, we found LEGO takes the lead in ESG reporting. In particular, LEGO has voluntarily published its sustainability since 2007 and started following GRI (Global Reporting Initiative), and assured its reports by a third party since 2009. We also found LEGO has an ambitious goal of reducing GHG emissions and controlling landfills. However, we do find that its disclosure on pollutants and risk management is missing, and overall disclosures on corporate governance are weaker than other sections.

# Purpose and Stakeholder Capitalism

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## Companies must exercise responsible leadership in the digital realm

Businesses are increasingly being challenged on the role they play in society. About three-quarters of the people surveyed in the 2019 Edelman Trust Barometer expect CEOs (rather than the government) to “take the lead on change.” Historically there has been a disconnect between public expectations and business leadership. But now the concept of stakeholder capitalism, where companies serve society as a whole and not just shareholders - first articulated in 1973 in the Davos Manifesto - is becoming mainstream. For example, in 2019 the Business Roundtable, an organization that includes CEOs of the biggest US companies, changed its definition of a company’s purpose from just serving shareholders to include a commitment to all stakeholders. Technology is enabling inclusive business models that support this shift. Uber, for example, has said it will integrate public transportation options into its popular ride-sharing app, while Alphabet’s Loon project aims to provide internet connectivity to underserved areas. Meanwhile Apple has integrated anti-tracking privacy protections into its devices, Hewlett Packard is developing ways to reduce the energy consumed by supercomputers and data centers, and Twitter has banned political campaign ads with the stated aim of preserving civic discourse by avoiding the spread of micro-targeted misinformation.

Apart from potentially enabling stakeholder capitalism, digital technologies have added new dimensions to corporate responsibility. Inclusion and empowerment in the digital economy, and the need for responses to related automation and job losses, in addition to online safety, privacy, and responsible data management issues, are at the heart of the so-called “techlash.” This materialized in response to events like the 2018 Cambridge Analytica scandal, which triggered greater distrust in companies with business models that depend on monetizing personal data, and it has taken the form of worker-organized protests at major technology companies such as Google and Amazon against their approaches to #MeToo, climate change, immigration, and national security. While some techlash-related issues can be addressed through legislation and regulation, the lag between the policy-making and technology development means businesses can move beyond their basic legal obligations to experiment with new approaches to digital leadership. This kind of initiative can be seen in corporate commitments like the GSMA’s Digital Declaration on behalf of mobile network operators, the World Wide Web Foundation’s Contract for the Web, and the UN Secretary General’s High-Level Panel on Digital Cooperation, which issued its report in 2019.

Priorities for collaboration:

- Define, align and apply principles of digital stewardship.

- Identify, experiment with, and scale up new technologies, partnerships and models that serve the interests of all stakeholders.

- Mobilize business leadership to champion agendas and enable action and investment in responsible digital leadership.

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Related insight areas: [Fourth Industrial Revolution](#), [Risk and Resilience](#), [Sustainable Development](#), [5G](#), [Values](#), [Corporate Governance](#), [Climate Change](#), [Innovation](#), [Agile Governance](#), [Global Governance](#), [Digital Communications](#), [Internet Governance](#), [Leadership](#)





UN Women

**In the words of Salma\*: “We, as women and girls, deserve better.”**

22 November 2022

Salma\*, 26, a Lebanese mother of 3 girls, was 13 years old when she eloped with her 16-year-old next door neighbor. Looking to escape her abusive stepmother, she thought marriage would offer her liberty. Instead, it opened a door to further abuse and violence.

# Leading on Inclusion, Sustainability and Trust

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## Companies have a responsibility to deploy technology in a way that benefits everyone

Businesses must address growing concerns about how technology affects inequality, personal freedoms, and access to decent jobs. Many company leaders are faced with calls from their own customers and employees to make a more positive contribution to society. In 2019, the Business Roundtable, an organization that includes the CEOs of some of the most prominent companies in the world and once defined a company's purpose as serving shareholders, re-defined that purpose to include a commitment to all stakeholders. COVID-19 has underlined the risk of leaving half the world cut off from the internet and the digital economy - at a time when schools have closed, many people have lost jobs, and social media has been needed to both expose racial injustice and rally efforts to confront it. In a digital-first world, there is an opportunity to fundamentally redefine business and reinvent models with renewed purpose. Technology can help ensure the health and well-being of often-remote workforces, increase the transparency of supply chains, reduce carbon emissions, responsibly handle personal data, promote racial equality, and accommodate a more diverse array of potential customers and users.

Many companies have deployed digital tools to support the response to COVID-19. A smartphone app developed by South Korea's KT Corporation, for example, can inform users of outbreaks near their location, and educate them about symptoms and prevention. IBM has meanwhile provided access to its artificial-intelligence-powered technologies to help researchers develop potential treatments for the disease. Other companies have used technology to look after their own employees, such as Bank of Ireland's increased employee access to a wellness program that includes an app and interactive courses on mental, physical, and financial health. Companies can also advance digital transformation in ways that reduce environmental impact, and provide a means for more people to gain access to important information and services. Though roughly half of the global population still does not use the internet, businesses and governments have an opportunity to collaborate in a way that better addresses this digital divide. Ultimately, research suggests that those companies that orient their digital transformation plans around a higher purpose are likely to better gain the trust of users, and to be more competitive.

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Related insight areas: [Workforce and Employment](#), [Leadership](#), [Internet Governance](#), [Digital Communications](#), [Risk and Resilience](#), [Fourth Industrial Revolution](#), [Innovation](#), [Systemic Racism](#), [Climate Change](#), [Corporate Governance](#), [The Digital Economy](#), [Sustainable Development](#), [Circular Economy](#), [COVID-19](#)



INSEAD Knowledge

### Twitter's Remarkable Mission in a Divided World

23 December 2022

While the world continues to hotly debate climate change, there's another change that should be on our radar: a "societal climate change" fuelled by people and technologies, mainly the internet and artificial intelligence (AI) that can spin truth from fiction and erode trust in each other as well as our political institutions. What if a global "digital town square", as Elon Musk calls Twitter, divides us further and erodes civilisation towards its demise? To liberally paraphrase the Chief Twit: It no longer matters whether our existence is threatened by climate change if civilisation has already collapsed. A collapse may happen, not because of AI killer machines or another bad tech as many fear, but because people are losing sight of reality.



Harvard Business School Working Knowledge

### The 10 Most Popular Articles of 2022

19 December 2022

The most-read stories about Harvard Business School faculty research and ideas point to a year filled with pandemic soul-searching, but also conviction to move forward with business priorities, such as digital transformation.



UNICEF

### Accessible and inclusive digital solutions

01 December 2022

This brief provides evidence-based insights on the development of digital tools and platforms inclusive of and accessible for girls with disabilities. It explores disability and how it intersects with gender to exacerbate the digital divide for girls with disabilities. The brief explains the concepts of assistive technology, accessibility and digital inclusion. It then describes how careful design can enable tools to be inclusive and accessible for people with disabilities and provides recommendations for creating them with and for girls with disabilities.



Cities Today

### Global cities join forces for a bigger say on telecoms

24 November 2022

Photo: Busakorn Pongparnit | Dreamstime.com Global cities join forces for a bigger say on telecoms 24 November 2022 by Sarah Wray A new network aims to foster better collaboration between cities and the telecommunications industry.



World Economic Forum

### To the G20: It's time for universal connectivity and to digitalize small enterprises

17 November 2022

Without connectivity people miss out on access to education, jobs and social activities, while micro-, small- and medium-enterprises lose their competitive edge. The B20 Digitalization Taskforce has focused its message to G20 leaders on universal connectivity, digital skills and the digitalization of enterprises of all sizes. To accomplish its goals, networks need to be put in place at scale, fast and affordably. Just as electrification transformed the world in the 20th century, digitalization is shaping the 21st century. It is a global engine of sustainable economic growth, a lever to fight climate change and a powerful enabler of social inclusion.

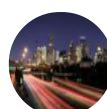


South African Institute of International Affairs (SAIIA)

### Driving Digital Inclusion Within the AfCFTA Framework

10 November 2022

- A country has a digital divide when its population is split into the data rich and the data poor, ie, those who have access to the internet and those who do not and are therefore unable to leverage the power of the digital economy. - Women and the youth, particularly in rural and poor areas, are the most vulnerable to digital exclusion in Africa. - There are many compelling reasons why African governments and other key stakeholders need to address the digital divide in their countries.



Cities Today

### Closing the digital divide is a marathon and a sprint for cities

07 November 2022

At the recent Cities Today Institute City Leadership Forum in Dallas, US Chief Information and Innovation Officers discussed their progress with addressing the digital divide – something that shot to the top of priority lists as the pandemic laid bare stark inequities in internet access and the effect this has on people's lives.

## **Non-traditional players are challenging existing social structures and creating a need for bold leadership**

Mobile chat applications like WhatsApp and social media platforms like Twitter have created tremendous opportunities for people to cooperate, and for businesses to promote themselves. But they have also atomized societies, and made entire communities vulnerable to political manipulation. A need to manage the resulting impact will likely be an enduring policy challenge for government decision-makers. The Fourth Industrial Revolution brings with it opportunities to challenge and change existing assumptions behind policies, cultures, and values. The technology developments driving this industrial era can be designed in ways that either bolster inclusion of the traditionally underrepresented, or exclude vast swathes of the population and amplify existing problems. While sharing economy services ranging from ride-hailing to home repair have outmanoeuvred regulators by leveraging technology, and transformed many thousands of unemployed or under-employed people into small-scale entrepreneurs, this model has also displaced regulated, relatively well-paid and secure jobs in transportation and other sectors.

An ability to look beneath the surface of attractive statistics like productivity increases, or increased values for investor portfolios, is therefore a key leadership trait. Leaders must try to assess how it is that major technological advances are shaping societies in less-than-obvious ways, creating potential long-term problems with inequality, driving new or increased consumer needs, producing market inefficiencies, and feeding on policy gaps - in order to help uncover the new and disruptive ideas that can positively shape economies, societies, and governments. One way to encourage people to reconsider values that feed inequality, and to foster a wider, systemic impact is to build a more inclusive global economy. In its World Economic Outlook report published in late 2018, the International Monetary Fund cited rising inequality is among the most prominent obstacles for global economic growth. Low-income countries in particular require greater investment in physical infrastructure, and an enabling environment for competition and trade, according to the report. A willingness on the part of both private sector and public sector leaders to engage with actors who have differing views on these issues is critical in the midst of the Fourth Industrial Revolution, which demands careful, consensus-based responses to best shape governance in a way that takes diverse values into account.

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Related insight areas: [Values](#), [Economic Progress](#), [Trade and Investment](#), [Digital Communications](#), [Workforce and Employment](#), [Social Justice](#), [Fourth Industrial Revolution](#), [Agile Governance](#), [Social Innovation](#), [Sustainable Development](#), [Internet Governance](#)



World Economic Forum

## Here's what 120 interviews with female leaders can teach us

24 November 2022

Do women bring different skills to leading companies - and if so, what can we learn from them? Julia Boorstin interviewed over 60 female CEOs for her book, *When Women Lead*. Here, Boorstin explains that the differences we see in women executives offer lessons in leadership for everyone.

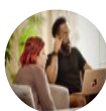


Raconteur

## 3 ways to help staff through the cost-of-living crisis

16 November 2022

3 ways to help staff through the cost-of-living crisis With UK inflation reaching a 40-year high of 11.1%, it is fair to say that everyone is feeling the pinch. As companies decide their budgets for 2023, they must be mindful of not only the economic realities they are facing, but also of those faced by their employees. Deciding on a budget is difficult at the best of times. Against the backdrop of a cost-of-living crisis, it is even harder.



World Economic Forum

## The most effective leaders are advocates for their employees - here's how to become one

09 November 2022

The most effective leaders are advocates of their co-workers, and the best way to understand a co-worker is to truly listen to them, an inclusivity expert explains. Listening and seeking to understand allows advocates to avoid making hasty assumptions about co-workers' needs, she says. From building inclusive processes to taking responsibility to gain understanding of an issue, here are four behaviours of an effective advocate at work.



Raconteur

## The CEO salary gap - Raconteur

27 October 2022

As the cost of living soars in the UK, business leaders' salaries are back in the spotlight. After a contraction in the immediate aftermath of the Covid lockdowns, the gap between the average worker's pay and that of the average CEO is growing once again, presenting difficult questions about fairness during hard times. Eyebrows were certainly raised by the Bank of England's governor, Andrew Bailey, when he urged ordinary workers not to demand substantial pay rises for fear of triggering an inflationary spiral.

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- Lego and the Toy Makers: How Sustainability Comes to Play Land, Eco-Business, [www.eco-business.com](https://www.eco-business.com)

## 3. Purpose and Stakeholder Capitalism

- In the words of Salma\*: "We, as women and girls, deserve better.", UN Women, [www.unwomen.org](https://www.unwomen.org)

## 4. Leading on Inclusion, Sustainability and Trust

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## 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

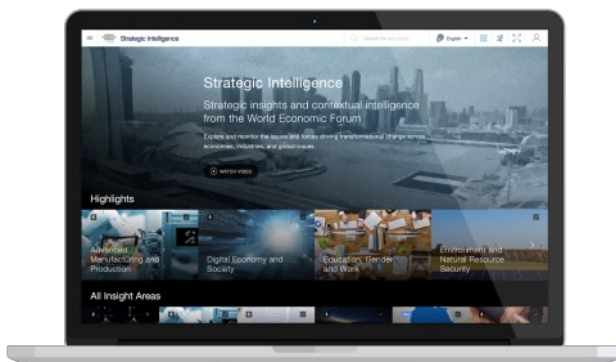
In today's world, individuals and organizations can find it difficult to keep up with the latest trends or to make sense of the countless transformations taking place around them.

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?

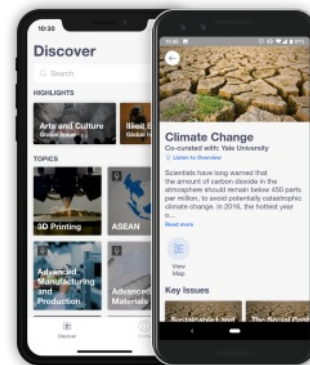
Leaders require new tools to make better strategic decisions in an increasingly complex and uncertain environment. The World Economic Forum developed Strategic Intelligence to help you understand the global forces at play and make more informed decisions.

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IMPROVING THE STATE  
OF THE WORLD

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

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