



SOUNDVIEW

Executive Book Summaries®

www.summary.com

Leadership

Leadership 2030

The Six Megatrends You Need to Understand to Lead Your Company into the Future

THE SUMMARY IN BRIEF

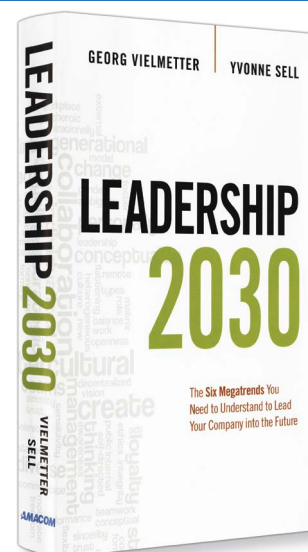
Massive global forces will reshape your business by the year 2030. Formidable competition from China, environmental pressures, talent wars and technological leaps will divide the short-term thinkers from the prudent few looking for long-range opportunities.

Drawn from research conducted by Hay Group, a global management consultancy, and Z_punkt, an international leader in strategic foresight analysis, *Leadership 2030* pinpoints six converging megatrends and provides direction for leading your organization through profound change. The megatrends are globalization 2.0, environmental crisis, individualism and value pluralism, the digital era, demographic change and technological convergence.

Thought-provoking analyses assess the transformative effects of the megatrends on leaders and their organizations. Case studies, examples, interviews and data drive home the evidence. Fictional profiles clarify the effects each megatrend has on decision-making processes. Together, they make *Leadership 2030* your most sweeping, nuanced guide to the monumental challenges ahead.

IN THIS SUMMARY, YOU WILL LEARN:

- How the six megatrends will impact every organization.
- Why leaders will need to focus on the diversity of employees and consumers.
- The importance of being an altrocentric (rather than an egocentric) leader who is prepared to face new global and environmental challenges.



by Georg Vielmetter and
Yvonne Sell

CONTENTS

Globalization 2.0

Page 2

The Environmental Crisis

Page 3

The Digital Era

Page 5

Demographic Change

Page 6

Technological Convergence

Page 7

The Altrocentric Leader

Page 8

THE COMPLETE SUMMARY: LEADERSHIP 2030

by Georg Vielmetter and Yvonne Sell

The Authors: Georg Vielmetter is a member of Hay Group's European Leadership Team and the regional director-Europe of Hay Group's Leadership and Talent Practice. He works with executives and top teams on leadership transformation, and he also publishes and speaks on these topics. Yvonne Sell is the director of Leadership and Talent-UK & Ireland for Hay Group. She also works with Daniel Goleman and Richard Boyatzis on researching emotional intelligence.

Leadership 2030 by Georg Vielmetter & Yvonne Sell. Copyright © 2014 by Hay Group Holdings, Inc. Summarized by permission of AMACOM, a division of American Management Association. 244 pages, \$27.95, ISBN-13:978-0-8144-3275-4. To purchase this book, go to www.amazon.com or www.bn.com.

Summary copyright ©2014 by Soundview Executive Book Summaries® www.summary.com, 1-800-SUMMARY. For additional information on the authors go to www.summary.com or visit www.haygroup.com/leadership2030/.

Introduction

Nobody knows what the future will look like. It is all too easy to focus on one single trend, development or incident, then extrapolate and jump to the wrong conclusion. But there comes a time when people have a feeling that change is in the air. We live in such a time. Something is in the air. But it is difficult to get a grip on exactly what is changing, how and why, and what the future will look like as a result.

Answers lie in the science of foresight analysis (sometimes called future research). Foresight analysis is a robust, cross-disciplinary, scientific research that focuses primarily on social science. After extensive research, it was decided that the most fruitful way to analyze the changes occurring would be to identify the current megatrends in global society.

It is important to understand that a megatrend is a long-term, transformational process with global reach, broad scope, and a fundamental and dramatic impact. More specifically, there are three dimensions that define a megatrend:

- **Time:** Observable over decades, megatrends can be projected with a high degree of probability at least 15 years into the future.
- **Reach:** Megatrends affect all regions and stakeholders, including governments, individuals and businesses.
- **Impact:** Megatrends fundamentally transform policies, society and the economy.

Using these dimensions and working with research partner Z_punkt, six megatrends were identified that are creating — and will continue to create — the greatest

shifts in the business environment: Globalization 2.0, Environmental Crisis, Individualization and Value Pluralism, The Digital Era, Demographic Change and Technological Convergence. ●

Globalization 2.0

Five Essential Points of Globalization 2.0

1. Globalization 2.0 is fundamentally different from version 1.0. The East will progress from just being the workplace of the West; Western companies will still operate in the East, but under different circumstances. Goods, people and capital will flow in multiple directions, not just from West to East, but also very much from East to West.

2. Traditional trade patterns will be disrupted. As economic power shifts eastward, trade between emerging markets will flourish. The East will rely less and less on the West for goods and services. Organizations will need to think differently about marketing.

3. Beware of “glocalization.” New middle classes will emerge in more and more countries, each with its own set of consumer demands, thereby “glocalizing” the market. A single, centralized strategy and operating model will no longer be adequate for multinational organizations.

4. The burden of complexity will intensify. Globalization 2.0 will demand a complexity of thinking that few organizations or leaders have encountered — significantly intensifying the cognitive and, in particular, the conceptual and strategic demands on already overstretched leaders.

5. Contextual awareness will be critical. Organizations will need to be more adaptable and encourage diversity



1-800-SUMMARY
service@summary.com

Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 511 School House Road., Suite 300, Kennett Square, PA 19348 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions starting at \$99 per year. Copyright © 2014 by Soundview Executive Book Summaries®. **Available formats:** Summaries are available in several digital formats. To subscribe, call us at 1-800-SUMMARY (240-912-7513 outside the United States), or order online at www.summary.com. Multiple-subscription discounts and corporate site licenses are also available.

Rebecca Clement, Publisher; Sarah Dayton, Editor in Chief; Ashleigh Imus, Senior Editor; Amanda Langen, Graphic Designer; Elizabeth Van Woert, Contributing Editor

of thought in order to enhance their contextual awareness and ensure that communications is truly two-way.

Globalization 2.0 is characterized by two unique and interrelated attributes: the shift in the economic balance of power to Asia and the rapid expansion of the middle class in the emerging nations.

Out of the Loop

A side effect of the shifting balance of economic power under Globalization 2.0 will be a sea change in world trade patterns. Increasing levels of commerce between emerging nations will present another significant threat to Western economies and corporations. Business relationships, strategic alliances and economic agreements that exclude the West altogether are increasingly being struck.

With dizzying economic expansion and strengthening corporate success comes the growing wealth of the local population. Under Globalization 2.0, this means improving purchasing power for hundreds of millions of people in low- and middle-income economies. However, it's important to recognize that we are not talking about a globally homogenous group of increasingly affluent workers with identical consumption patterns. Significant cultural differences and unique local preferences will drive demand for different products and services in each local market.

The Demands of Globalization 2.0

Organizations and their leaders are grappling with unprecedented complexity in the macro-business environment brought about by Globalization 2.0. Here is a summary of the key challenges businesses are facing and the demands these challenges will place on leaders.

- *Contextual awareness and conceptual thinking.* More agile structures will be necessary to enable localized strategic decision making in order to take advantage of globalization. Strategies, business models and operating models will need to be adapted to the demands of different markets. Leaders will require highly developed contextual awareness and conceptual thinking to identify and implement the right structures for their organizations.

- *Cross-collaboration.* Deeper and more frequent collaboration will be required between functions and across regions and countries to fine-tune businesses' local radars. And not only internal collaboration. Glocalization will demand more collaboration with external partners in order to enter local markets. For leaders, this means being able to manage effectively across multiple functions, regions, countries, nationalities, cultures and markets.

- *Diversity.* Stronger contextual awareness, improved local sensitivity and greater cross-country collaboration will

necessitate more diverse teams. And they must be diverse in all senses of the word: nationality, ethnicity, culture, age, gender, function, career background, etc. Intercultural sensitivity and adaptability will be essential attributes in leaders.

- *Loyalty.* The global war for talent will be transformed by Globalization 2.0. Loyalty will be at a premium. Talented employees and future leaders will be able to take their pick from among employers the world over, as competitors spring up throughout the emerging regions to challenge established Western corporations. Only the most compelling and inspiring leaders will be able to attract, retain and engage the best people in a talent market devoid of loyalty. ●

The Environmental Crisis

Five Essential Points of Environmental Crisis

1. Climate change is real and almost irreversible. Global warming as a result of economic activity has caused extreme weather events around the world, leading to death, displacement and considerable economic damage. The earth's temperature is approaching catastrophic levels.

2. Critical resources are being depleted. Peak oil supply from conventional sources was reached in 2006. Yet global energy consumption is rising as millions of consumers worldwide join the ranks of the middle class. Water shortages are becoming increasingly drastic. Rare earth minerals — essential to modern technology — are becoming scarcer, more expensive, and more difficult to reach.

3. The implications are potentially catastrophic. This creates a recipe for, at best, drastically reduced margins for organizations, and, at worst, deep global recession, famine and widespread social turmoil.

4. Carbon footprint moves from corporate social responsibility to the bottom line. Carbon reduction will become essential to market competitiveness. Organizations will need to embed environmental awareness into their processes and decision making in order to create a culture and operations that minimize environmental impact.

5. Transformational thinking and operations will be necessary. Leaders will need to think transformationally to achieve this, communicate a clear rationale for such radical change, and ensure that they execute the vision. New kinds of collaboration, including joint ventures with competitors, will be required to find innovative solutions.

The environmental crisis is perhaps the most profound of the six megatrends. It calls into question the very fundamentals on which economic prosperity and development are based. And at its heart are grave implications for

Summary: LEADERSHIP 2030

global society and prosperity and, therefore, for businesses and their leaders.

The environmental crisis facing the earth comprises a complex web of factors. Two of these are the changing climate due to global warming and a growing scarcity of natural resources (principally oil, water and rare earth minerals).

Moral Dry Ground?

Clean technologies will present new opportunities for organizations to operate more sustainably. But ultimately, businesses will be driven by one of two clear motives: inherent eco-ethics or the laws of market economics.

Some businesses are undoubtedly driven by the desire to operate as sustainably as possible, minimize ecological impacts, and safeguard the future of the planet. Eco-ethics are the founding norms of these companies. To them, environmental protection is a guiding principle, not a CSR exercise or market response.

But it would be naïve to expect every company to be motivated by inherent eco-ethics — tantamount to asking them to forsake the rules of capitalism. The moral case alone is not sufficient for most businesses. Until society accepts a different kind of market economics, where profit motive is no longer all-consuming, the market will determine the need for sustainable operations for most companies.

The Demands of the Environmental Crisis

How do leaders create sustainable operations and cope with rising costs as resources dry up? Here is a summary of the main challenges for businesses and their leaders.

- *Transformational thinking.* Strategies, structures, decision making, operations, cultures, processes and procedures must all evolve to minimize environmental impact. Innovation will be necessary on a massive scale. Creative, strategic and conceptual thinking will be critical leadership skills.

- *Execution.* Change initiatives rarely fail at the conception stage; successful execution is what so often eludes organizations. Leaders with a track record in delivering business change will be prized.

- *Visionary communication.* Organizations invariably suffer from a natural state of inertia. As agents of transformation, leaders will need to inspire employees to strive to achieve the new, sustainable organization. And they will need to spell out with total clarity what it means in practical, everyday terms for individuals' roles and performance.

- *New forms of collaboration.* The intellectual power to deal with climate change will be beyond any one leader

or even organization. Collaborations across functions and with external partners will become essential. Competitors will be forced to come together to find shared solutions. ●

Individualization and Value Pluralism

Five Essential Points of Individualization and Value Pluralism

1. Mounting affluence will drive growing individualism in emerging societies. Greater income levels will give people easier access to cultural influences, which will expose them to a wider range of life and career options.

2. People's values will increasingly pluralize. Higher incomes will also grant individuals the freedom to follow their unique priorities and tastes when choosing between these new options.

3. Niche opportunities will emerge in local markets. Societies will individualize at different paces. Agile businesses will be able to identify and capitalize on local market opportunities created by individualization.

4. Organizations' internal and external environments will fracture. As the expectations of individuals are transformed by increased wealth, companies will need to consider every employee and every customer as an individual. Failure to do so will mean loss of talent and business.

5. Greater flexibility and sensitivity will be essential. With loyalty at a premium, organizations must get closer to their markets and workforces than ever before. More flexible, less centralized and flatter structures will be needed to understand and respond to customers' and employees' needs.

As societies industrialize and their citizens become wealthier, everyday life becomes increasingly governed by more individualized choices and decisions.

With more money in their pockets, people find that they can leave behind the economic strictures of the past. Prosperity frees a society from scarcity of the basic requirement of human existence, such as food and shelter. As a result, people's priorities move up through Maslow's hierarchy of needs as they look to improve other aspects of their lives. People are driven by more profound values, like humanism, religious faith, social justice and protection of the environment. And they are at liberty to indulge in more emotionally fulfilling activities, seeking intellectual challenge and pursuing their aesthetic preferences.

As a society's wealth grows, so does its citizens' access to education and a diverse range of media. Exposure to this cultural capital opens their eyes to new lifestyle options.

A Shattering Effect

On the surface, growing wealth and increased freedom of choice for billions of people around the world would seem to be a wholly positive development. But for organizations, the consequences are likely to be deeply perplexing. Individualism and value pluralism will fracture companies' external and internal environments, shattering established structures and existing market dynamics.

As the emerging middle class flexes its newfound financial muscle, freedom of choice will splinter demand patterns, creating the need for an ever expanding array of products and services to satisfy increasingly varied tastes. Individualization will give rise to niche opportunities — some fleeting, some more sustained — on an unprecedented scale.

While playing havoc with the external environment, individualization will also skew the internal landscape for organizations, bending attitudes to work and careers and changing the structure, quantity and quality of people's relationships — with each other and with their employers.

Changing expectations among workers lead to accelerated staff turnover, as workers move around in search of their life goals. Changing expectations also attract more people to careers in professional, service and creative industries, which are perceived as being more fulfilling — as well as more lucrative.

Individualization also drives the desire to shape not just our careers but our entire working lives as we see fit. The traditional three-phase life cycle — youth, professional life, retirement — is no longer the rigid template it once was.

The Demands of Individualization and Value Pluralism

Individualization and value pluralism will likely lead to fragmenting employee and customer values, more diverse teams, less centralized structures, flatter hierarchies, flexible working practices and greater employee turnover. As a result, organizations and leaders will need to

- *Display intellectual openness and curiosity.* Sensitivity to individuals' needs and the flexibility to respond accordingly will be crucial to generating loyalty. Leaders will need to be curious about and open to employees' and customers' pluralistic drivers, so as to understand what motivates people and be able to attract, engage and retain them.

- *Provide bounded autonomy to unite diverse teams.* Leaders will need to draw on the appropriate leadership styles in order to make staff members appreciate each other's strengths while respecting differences and to manage and engage diverse teams and highly individualized team

members. Providing autonomy within a clear set of boundaries to create stability and direction will be necessary to foster the right conditions for teams to perform.

- *Redefine loyalty and manage extended networks.* When staff retention can no longer be expected, loyalty will depend on leaders' ability to develop and maintain lasting relationships with current and former employees within and beyond the organization. ●

The Digital Era

Five Essential Points of the Digital Era

1. The digitalization of our lifestyles is becoming the norm. With ubiquitous Internet connectivity, the proliferation of mobile devices, and the popularity of social networking, we are now “always on,” at home and at work. This is eroding traditional boundaries between our personal, private and professional lives.

2. Digital natives have increasing influence. The inexorable progress of digital technology is creating a divide between younger, tech-savvy “digital natives” and older generations. Younger people have a technological edge over their more senior colleagues, yet in many cases lack the attitudes and social skills expected in the corporate world and tend to challenge authority. Organizations must find ways to accommodate and cross-skill both groups.

3. Virtualization is disrupting power relationships between companies, customers and employees. The digital era has given rise to new virtual business models and platforms, enabling consumers to pick and choose more easily and trade among themselves instead of with commercial providers. This gives customers unprecedented levels of choice. In addition, reputations are at risk as disgruntled employees can publicly hold employers to account online.

4. The workplace is fragmenting. When employees are always on, the concepts of work and the workplace become fluid. Often employees can perform tasks anywhere, anytime, challenging the need for a central, bricks-and-mortar location and traditional organizational hierarchies. This will appeal in particular to digital natives, who readily embrace virtual working methods and tools and have little respect for orthodox structure and hierarchy.

5. Leadership will need to “go remote” and prioritize loyalty and reputation management. Leaders need to get a grip on managing diverse, loose-knit teams whose members are dispersed around the world and have varying degrees of digital competence. In order to create loyalty, leaders must foster a sense of unity, engagement and collaboration among people who rarely meet, and ensure that

Summary: LEADERSHIP 2030

there is effective decision making among these groups. Openness, integrity and reputation management will be key in a transparent, virtual world.

Digitization is a booming worldwide phenomenon. It is not only changing the way we communicate; it is also transforming the way we work and the nature of our professional and personal relationships. It is opening up new divides, blurring long-established boundaries, and turning traditional hierarchies upside down.

This state of technological affairs is producing a new breed of digital citizens. Younger generations have never known life without the Internet and mobile technology. Living life in such a public and always-on manner breaks down the barriers that traditionally divided people's personal, social and professional lives.

The digital era is also disrupting conventional power relationships between companies and their customers, fragmenting traditional market structures and value chains, and creating a constantly shifting kaleidoscope of opportunities and threats.

In an inescapably digital environment, younger employees gain a clear competitive edge in the workplace, contrary to traditional organizational hierarchies. Younger, tech-savvy individuals find themselves with more influence and able to have more impact than 50-something managers, who may lack technological skills and essential knowledge of the sphere in which so much business is done.

The Demands of the Digital Era

- *Bridging the gap.* Organizations will need to address the digital divide between younger and older generations in the workplace, as well as digital natives' less traditional attitudes toward corporate life and leadership roles. Organizations will need to embrace the creativity, curiosity and innovation that digital natives bring, while providing frameworks, guidance and coaching to help them cope with corporate life and acquire the necessary social skills.

- *Virtual working.* New structures, hierarchies and IT infrastructures will be required to enable work to be carried out anywhere in the world, at any time, and to allow dispersed teams to collaborate effectively. Organizations will also need to figure out the infrastructure and security implications of an ever-increasing proliferation of devices, many of them owned by employees rather than the company.

- *Digital wisdom.* Leaders will face the challenge of making decisions on and rolling out programs that they may not fully comprehend. They will need to understand

the implications of these decisions in terms of structures and processes and the skills and abilities required.

- *Remote leadership and loyalist management.* Leaders must find ways to organize, manage and motivate teams that rarely meet and are located all over the world. Leading disparate groups will demand new decision-making processes and new ways to foster loyalty.

- *Integrity and reputation management.* In a transparent world, where reputations can be publicly trashed at the click of a mouse, organizations will need to behave impeccably. For leaders, this will demand high levels of openness, sincerity and integrity, which will mean consistency of values, words and deeds. ●

Demographic Change

Five Essential Points of Demographic Change

1. The world's population is expanding and aging in parallel. The global populace is expanding, particularly in developing and emerging markets, and rapidly maturing, especially in the industrialized world. Both trends are forecast to continue and even intensify well into this century. International migration is also on the rise and will be magnified by an array of "push" and "pull" factors in the coming decades.

2. Demographic change is placing great pressure on social structures and (especially Western) companies. National welfare systems are being stretched to the breaking point by growing populations as well as by faltering support ratios (numbers of working-age adults to dependent citizens) as a result of aging. In addition, many Western societies (and also China) are maturing beyond the point at which they will begin to perform less effectively in socioeconomic terms.

3. The war for talent will intensify. An aging global population will mean a shrinking global workforce, stepping up the competition for specialized skills, high performers and effective leaders. Corporations and even nations will find themselves in a global war for key talent.

4. Workforces will diversify as companies adapt. Successful organizations will need to develop an increasingly diverse workforce to ensure an adequate talent pipeline. This will mean recruiting men and women of all ages and from a variety of cultural backgrounds, relying on migration where necessary. Working practices, employment conditions and HR procedures will evolve to reflect the varying needs of different ages, ethnicities and genders.

5. Managing diversity will be a core leadership competency. Leaders will need to display exceptional sensitivity

Summary: LEADERSHIP 2030

to their employees' needs and abilities to earn the loyalty and maximize the performance of diverse teams. This will demand a thorough knowledge and depth of understanding of their teams.

Demographic change is primarily a combination of three concurrent phenomena: population growth, aging societies and increasing migration. As these trends alter the dynamics of the world's populace, they will wreak havoc on organizations' product and employment markets.

Organizations will have to work harder to attract, integrate and develop an adequate pool of potential star performers, which will include international migrants, older workers, a higher proportion of women, and employees with eldercare as well as childcare responsibilities. This will mean finding new approaches to recruiting and identifying talent.

The Demands of Demographic Change

Here is a summary of the key challenges leaders face from demographic change:

- *Enabling new levels of diversity.* Loyalty and commitment — not to mention performance — will depend on an organization's ability to let each team member thrive, whatever his or her nationality, cultural background, gender, age, personality, approach to work, experience, skills or abilities. Organizations will need to provide the structures, policies and environment to harness such considerable diversity.

- *Connecting generations and cultures.* By fostering understanding, collaboration and knowledge exchange, leaders will play a pivotal role in overcoming divisions between generations and cultures, and ensuring that they all work productively together.

- *Managing and motivating diverse teams.* A challenge for leaders will be to understand what is and what is not negotiable from each individual's cultural and personal perspective. Considerable listening skills and empathy will be required to identify what motivates each team member. A single rallying cry to the whole team will no longer suffice. Leaders will have to learn to live with ambiguity and base decisions on conflicting trends and demands. ●

Technological Convergence

Five Essential Points of Technological Convergence

1. Technological progress is likely to transform many aspects of our lives. Advanced scientific disciplines — nanotechnology, biotechnology, IT, cognitive science and

robotics — will drive major innovations in important areas such as healthcare, logistics and nutrition.

2. Convergence will drive the greatest innovations. The coming together of these scientific fields will make possible the greatest leaps forward, transforming some industries, threatening others, and creating a myriad of new product markets.

3. R&D will take center stage. Research and development will become an interdisciplinary function, requiring an even higher skill base. Making sure that R&D has the right mix of skills will be a key leadership responsibility.

4. Convergence will necessitate new levels and forms of collaboration. Diverse scientific disciplines, businesses, academia and even competing companies will need to work together on pioneering research programs. Meanwhile, companies will need to do away with conventional organizational boundaries to enable unprecedented levels of collaboration and knowledge sharing.

5. Societies will debate the ethical boundaries of technological advancement. Societies will need to question the rights and wrongs of some areas of innovation — for example, the potential to slow aging and enhance human cognition — and set a framework for acceptable progress. Businesses will need to respect this debate.

Nobody knows what the future will look like. What we can be certain about is that people will grasp the opportunity to enhance their knowledge and capability. Also certain is, as technological convergence progresses, it has the potential to create new industries, transform sectors, and threaten the very existence of some business models.

The Demands of Technological Convergence

In summary, leaders will need to

- *Learn to live with uncertainty.* The outcomes, implications and applications of technological convergence are highly unpredictable. Leaders will need to be comfortable with uncertainty and ambiguity, and they will have to keep constantly abreast of progress and its consequences for their customers and staff.

- *Foster new forms of collaborations.* Intensive cooperation within the company, with other companies and with academic institutions will be essential. To enable this to occur, organizations will need to dismantle the boundaries between disciplines and departments. Leaders will need to promote and manage knowledge exchange internally and with partner organizations, including competitors.

- *Innovate ethically.* Products that overstep the boundaries of acceptable progress will not be tolerated. Businesses and their leaders will be expected to act with integrity and respect the societal debate on technological advancement. ●

Reinforcers, Dilemmas and the Perfect Storm

Each individual megatrend will create tough challenges and enormous complexity for organizations and leaders. However, the megatrends do not develop in isolation. They develop together, and as such, they will greatly intensify the difficulties for business leaders.

The megatrends combined will result in a set of five key reinforcers (consequences driven and strengthened by several megatrends at once) and four significant dilemmas.

The five reinforcers are

1. *Stakeholder proliferation.* Leaders must be sensitive to the expectations of a rapidly expanding network of stakeholders, which will increase complexity just at the point where leaders are looking to create simplicity.
2. *Power shift.* Leaders' power will shift to their various stakeholders, reducing the authority of leaders to lead organizations through the challenges presented by the megatrends.
3. *New working practices.* A new "social practice" of work will emerge as work and the workplace go mobile, the boundaries between personal and professional life break down, and a resistance to formal authority takes hold among younger generations.
4. *Cost explosion.* The costs of businesses will explode as a result of a scarcity of talent and natural resources; the research into, development of, and use of advanced technology; and the demands of globalization.
5. *Ethicization of business.* Concerns over the environment and NBIC technology, combined with the transparency of the digital era, will demand the highest ethical standards of organizations and their leaders.

The four dilemmas relate to

1. *Mobility.* While globalization will drive a greater need and desire to travel, environmental concerns will demand that travel is seriously reduced.
2. *Resources.* Scarcity of natural resources will coincide with spiraling demand for them.
3. *Hierarchies.* Complexity tends to generate more intricate structures, yet growing individualism will call for flatter organizations.
4. *Horizons.* The immediacy of the digital era is at odds with the need for long-term solutions to climate change. ●

The Altrocentric Leader

Leadership in 2030 will call for individuals who choose not to see themselves as heroes, as headlines or as patrons and who do not put their egos first. The leaders of the future will not be egocentric. They will be altrocentric. The defining characteristic of altrocentric leaders is a primary focus on and concern for others rather than themselves. They see themselves as just one integral part of the whole. Altrocentric leadership is based on a firm grasp of the relational, contextual and shared nature of leadership.

Good leaders — great leaders — will understand that the key source of their power is other people. And they will use this to empower those around them. Ideal behavioral competencies of the altrocentric leader are

1. **Inner strengths:** ego-maturity, intellectual curiosity and emotional openness, and empathy.
2. **Values:** ethical standards, concern for diversity.
3. **Strategic business thinking:** contextual awareness, stakeholder recognition.
4. **Stakeholder interaction:** meaning-making, cross-boundary partnering.
5. **Execution:** bounded autonomy, senior team leadership.

Developing altrocentric leaders will require considerable time, energy and investment. Leaders need to start thinking differently about how they will operate. They will need to think outside the box, the building, the organization and sector. They will need to think out of the ordinary if they are to stay afloat amid the megatrend storm. ●

RECOMMENDED READING LIST

If you liked *Leadership 2030* you'll also like:

1. ***Leaders Make the Future* by Bob Johansen.** In a VUCA world — one characterized by volatility, uncertainty, complexity and ambiguity — traditional leadership skills won't be enough.
2. ***The Leadership Pipeline* by James Noel, Stephen Drotter, Ram Charan.** Three experts show companies how to build their leaders by understanding the critical passages a leader must navigate and by providing the appropriate development for navigating those passages.
3. ***The Leadership Challenge* by Barry Z. Posner, James Kouzes.** This updated version is grounded in research and interviews with a diverse group of leaders at all levels in a wide variety of organizations around the world.