

## Press Release

### Leaders of Tomorrow: Experience Does Not Prevent Decision Failures

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The “Global Perspectives Barometer 2016” shows what is important to future managers

**Nuremberg/St. Gallen, May 12, 2016 – When it comes to good decision-making, experience from the pre-digital era is much less valuable in the eyes of the “leaders of tomorrow” than openness to new ideas and the ability to manage the flood of digital information. In order to keep their best employees, companies must involve them more closely than before in the decision-making process and delegate more decisions. This was revealed by the study “Global Perspectives Barometer 2016: Voices of the Leaders of Tomorrow.” In conducting the study, the GfK Verein and the St. Gallen Symposium surveyed around 800 future leaders from more than 70 countries.**

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The digital transformation poses new challenges to companies. The leaders of tomorrow have grown up as “digital natives.” They are used to the increasing complexity and dynamism of digitalization. They demand that the current generation of leaders radically rethink their decision-making behavior and consciously resolve to change how they make decisions. In order to do so, they must overcome past experience and “best practices” from the pre-digital world. These were the findings of the study “Global Perspectives Barometer 2016,” for which the GfK Verein and the St. Gallen Symposium surveyed around 800 academics and young professionals from the generation of “digital natives.” Three key theses can be derived regarding how future managers envision decision-making processes..

**Thesis 1: Urgent decisions that are being neglected pose the greatest risks. Mistakes primarily arise in the preparation phase for decisions.**

More than two-thirds (68 percent) of the surveyed leaders of tomorrow believe that decision failures of today’s managers typically

happen in the initial stages of decision-making. For example, 39 percent say that today's managers are unable to identify all possible solution paths or to analyze and weigh various options adequately. They rely too much on past experience instead of radically questioning their assumptions in order to arrive at better decisions. "One of the largest problems in the view of future managers is that companies are blind to innovation and cling too much to what has worked in the past," says Dr. Andreas Neus, Deputy Managing Director of GfK Verein. "This should provide food for thought for today's managers. After all, the future of every organization depends on making sensible and timely decisions in rapidly changing markets."

**Thesis 2: Managers make the wrong decisions when they are operating in their "comfort zone" and do not actively invite their team to challenge their ideas.**

Half of the respondents regard it as essential for managers to insist that especially young employees question their ideas during the decision-making process. Challenges should be actively invited. "Managers should examine their own ideas critically and not be alarmed if their own proposal is discarded in favor of another solution," says Dr. Fabian Buder, project manager and author of the study.

**Thesis 3: Involve your employees in decisions – or the best ones will leave.**

A successful company needs committed employees. However, a quarter of the surveyed Leaders of Tomorrow indicate that they would rather switch jobs than work for someone who does not consult them when making decisions or overrules their ideas and objections. The preparation of a decision is crucial – this is where the serious errors are most common. Here the Leaders of Tomorrow

all agree: Up to 90 percent of future managers want their team to take over major parts of the preparation.

The "Global Perspectives Barometer" shows: Digital natives demand that companies fundamentally change the way in which they make decisions. As to the question of "how," the Leaders of Tomorrow provide specific suggestions: They want to work in an information-driven and decentralized organization, which is managed by setting clearly defined objectives instead of hierarchically. For 62 percent, this means a shift in decision-making authority: They demand that decisions are made by those who have the closest contact with the market and customers. Free access to internal information by all employees of an organization is the foundation basis for the long-term success of companies, according to 79 percent of the Leaders of Tomorrow. "Therefore, many companies faced with increasingly digitalized and fast-paced markets will have to ask themselves what they would rather do without: traditional information and decision privileges of the established management hierarchy or the ideas and creativity of the top talent among the digital natives," states Dr. Johannes Berchtold, COO of the St. Gallen Symposium.

#### **About the "Global Perspectives Barometer 2016" study**

For the "Global Perspectives Barometer 2016: Voices of the Leaders of Tomorrow" study, a total of 802 up-and-coming talents from 76 countries were surveyed from December 2015 to February 2016. The participants in the online survey were generated from the worldwide network of the St. Gallen Symposium and personally invited to take part in the study (the selection is not representative). Most of the respondents are full-time students. The rest study part-time or are already employed. The study is a collaboration of the GfK Verein and the St. Gallen Symposium. The respondents had an interview time of 15 to 20 minutes in which to consider the topics in depth. The study evaluated more than 7,500 open answers.

The study's report is available for download from the homepage of the GfK Verein and the St. Gallen Symposium.

### **About the St. Gallen Symposium**

For the 46th time, 600 international decision-makers from the worlds of business, politics and science will meet with 200 top talents from around the globe at the St. Gallen Symposium on the campus of the University of St. Gallen from May 11 – 13, 2016. This year the theme of the conference, which is organized every year on a voluntary basis by students at St. Gallen University, will be "Growth – the good, the bad, and the ugly." At the St. Gallen Symposium, high-level experts such as Tidjane Thiam (Chief Executive Officer Credit Suisse Group AG), Professor Wolfgang Reitzle (Chairman Continental AG) and Marcela Escobari (Executive Director Center for International Development, Harvard University) will discuss how economic growth could look in the future.

*Additional information at [www.symposium.org](http://www.symposium.org)*

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### **About the GfK Verein**

The GfK Verein is a non-profit organization founded in 1934 to promote market research. It is comprised of 550 companies and individuals. The purpose of the Verein is to develop innovative research methods in close cooperation with scientific institutions, to promote the training and continuing education of market researchers, to follow fundamental structures and developments for private consumption in society, the economy and politics, as well as to research their impact on consumers. The results of the studies will be made available to the members of the Verein free of charge. The GfK Verein is a shareholder in GfK SE.

*Additional information at [www.gfk-verein.org](http://www.gfk-verein.org).*

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