

Press release

The next generation of leaders is aware of its strengths and demands respect

Date:
8 May 2015

Sandra Lades
GfK Verein
Head of PR
Tel. +49 911 395 3606
sandra.lades@gfk-verein.org

Dr. Andreas Neus
GfK Verein
University Cooperation
Tel. +49 911 395 3382
andreas.neus@gfk-verein.org

GfK-Nürnberg e.V.
Nordwestring 101
90419 Nuremberg
Germany

Tel. +49 911 395-0
Fax +49 911 395-2715
hello@gfk-verein.org
www.gfk-verein.org

Managing Director:
Prof. Dr. Raimund Wildner

Executive Board:
Prof. Hubert Weiler
(President)
Ralf Klein-Bölting
Prof. Dr. Nicole Koschate-Fischer
Prof. Dr. Raimund Wildner
(Vice President)

Chairman of the Shareholders'
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Register of associations:
VR200665 Nuremberg district
court

The "Global Perspectives Barometer 2015" reveals how leaders of the digital generation think

Nuremberg/St. Gallen, May 8th, 2015: There are many myths about the generation of "digital natives" that apparently cannot live without the internet. But do these myths hold true for the next generation of leaders? The study "Global Perspectives Barometer 2015: Voices of the Leaders of Tomorrow" asks more than 1,000 top talents about their ideas and wishes about work in general – and also about their opinions on today's executives.

There are many stereotypes and myths about the "digital natives." Allegedly they are a self-involved, conflict-averse, social-media-addicted generation of selfie collectors lacking the will to lead. Traditional concepts of hierarchy, structures and loyalty are said to be alien to them. Whether these stereotypes actually hold true for the top talents of this generation, the so-called "Leaders of Tomorrow," is a question that GfK Verein and St. Gallen Symposium examine in their joint study "Global Perspectives Barometer 2015." More than 1,000 students and young professionals from 100 countries were interviewed for this study.

Myth 1: Social media is a basic need

/// NOT TRUE

One key insight: the next generation of leaders does not conform to a stereotype. Many of the stories circulating about "digital natives" do not really apply to the Leaders of Tomorrow, like having to be constantly online and active in social networks. Almost half of the study participants would give up social media at work on employer's request. On the other hand, 30 percent of the top talents would not be prepared to renounce social media at work. "As companies won't want to forego three out of ten top talents, they should reconsider their stance on social media and provide clear

guidelines," notes Dr. Andreas Neus, Deputy Managing Director of GfK Verein and author of the study.

Myth 2: Hierarchy is obsolete

/// NOT TRUE

It has been often claimed that "digital natives" consider hierarchical structures to be an obsolete concept. But the study shows a need for more differentiation: two thirds of the young top talents consider a clear leadership and responsibility structure to be important in the context of project work. This includes a designated project leader who must be able to take decisions on behalf of the team. But Leaders of Tomorrow place a lot of demands on leaders. They consider a leader's most important task to inspire a team and communicate a vision which motivates the team and orients it towards a common goal. While a leader is expected to consider the team's opinion - at the same time swift decisions and a clear communication are demanded.

Myth 3: Values are more important than a company car or fringe benefits

/// TRUE

The Leaders of Tomorrow use different criteria to measure a "successful career" than their predecessors. Asked which three criteria they would use in 10 years' time to determine whether their career was successful, about half indicated that a job with a positive impact on society would be a main criterion. Fascinating projects are a key factor for a third of the future leaders. In contrast, attaining a high level of salary is much further down the scale and rated as important by only 14 percent. And traditional power-oriented factors are even less important: only 5 percent would see leading a large team as an important criterion to judge career success. And when choosing employers, ethical aspects are important: six out of ten participants would not work for a company with values they don't share.

Myth 4: The traditional top executive career has lost its attraction

/// TRUE

The young talents want to shape things, have a positive impact and apply their expertise. But for most of them formal leadership authority does no longer look like the right pathway for this. For the majority of the Leaders of Tomorrow, the "top level executive" is not any more the first choice of career goals. Instead, 44 percent would define success as becoming a well-known expert in their field. Only a quarter finds a traditional top management career attractive. A further quarter would prefer to become a successful project manager. Thus companies should give their young talents more space to shape and determine their own definitions of career success beyond the traditional management career path. Otherwise young talents

may decide to turn their backs on the “old guards” and focus on shaping their own companies instead. “The Leaders of Tomorrow are no longer all aspiring to get into top management, but they certainly want to make a difference. This is underlined by the fact that two thirds are planning to become entrepreneurs within the next five years. This may be driven because they see this as a better chance to make their ideas and innovations a reality,” says Dr. Johannes Berchtold, COO of the St. Gallen Symposium.

Myth 5: Passion for an idea is more important than experience

/// TRUE

Young leaders bring passion, fresh ideas and knowledge into companies. These are also the qualities the Leaders of Tomorrow are looking at when they decide whom to recruit for a project they would have to lead. Nine out of ten participants would choose their team members according to a shared vision and passion for the project idea. General experience in project work is an important recruitment factor for almost half of the participants. Leaders of Tomorrow showed much less interest in previous experience in the industry or having graduated summa cum laude from a top university when picking members for their project team. “These results are in line with the open answers of the next generation of leaders: they demand that today’s top managers become better at differentiating between “expertise” and “seniority”. According to the Leaders of Tomorrow, today’s managers are overestimating the value of their “analogue” experience in a digital world that is increasingly functioning under a new set of rules,” as Andreas Neus from GfK Verein explains.

Dear Leaders of Today: let’s have a dialogue at eye level

The desire for an exchange of ideas, openness and change is also clear from the comments the Leaders of Tomorrow made about mistakes of today’s generation of leaders. Among other things, they accuse current managers of being small-minded (28 percent) and egoistic (24 percent). The young top talents also consider many of the prevailing business models to be outdated.

Decision processes are seen as too unstructured and not rational enough. Their urgent recommendation to today’s top managers is to seriously engage with new technology, if they hope to understand the new digital world. “Leaders of Tomorrow would be happy to share their knowledge with companies or organizations – but in return they want to be taken seriously,” says Andreas Neus. “So companies would be well advised to seek an eye-level dialogue instead of resting on their past laurels.”

About the study "Global Perspectives Barometer 2015"

For the "Global Perspectives Barometer 2015 – Voices of the Leaders of Tomorrow," 1,095 young talents from 100 countries were polled through the St. Gallen Symposium's global network (non-representative sample). The majority of the respondents are full-time students, the rest study part-time or have already started working. The study is a cooperation between the St. Gallen Symposium and the GfK Verein. In about 30 minutes the interviewees had time to reflect the topics. More than 21,000 open answers were collected and evaluated.

The report is available for download on the homepages of the GfK Verein and the St. Gallen Symposium.

About the St. Gallen Symposium

At the 45th St. Gallen Symposium on 7–8 May 2015 600 leaders from business, politics and academia meet 200 young talents from all over the world in order to discuss the topic "Proudly Small."

The conference is organized annually by the International Students' Committee (ISC), a team of students from the university of St. Gallen that take a voluntary leave of their studies to focus solely on the Symposium for one year. This year's guests include leaders such Nick Hayek (CEO Swatch Group), Wolfgang Buechele (CEO Linde AG), Ulrich Spiesshofer (CEO ABB Ltd) and Paul Polman (CEO Unilever N.V.).

Further information: www.symposium.org

Facebook: St. Gallen Symposium

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About the GfK Verein

The GfK Verein was established in 1934 as a non-profit organization for the promotion of market research. Its membership consists of 550 companies and individuals. The purpose of the Verein is to develop innovative research methods in close cooperation with academic institutions, to promote the training and further education of market researchers, to observe the structures and developments in society, the economy and politics that play a key role in private consumption, and to research their effects on consumers. Survey results are made available to the membership free of charge. The GfK Verein is a shareholder in GfK SE.

Further information: www.gfk-verein.org

Twitter: GfK_Verein

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Responsible according to press laws:
GfK Verein, Press Office
Sandra Lades
Nordwestring 101
90419 Nuremberg
Germany
Tel. +49 911 395-3606
sandra.lades@gfk-verein.org