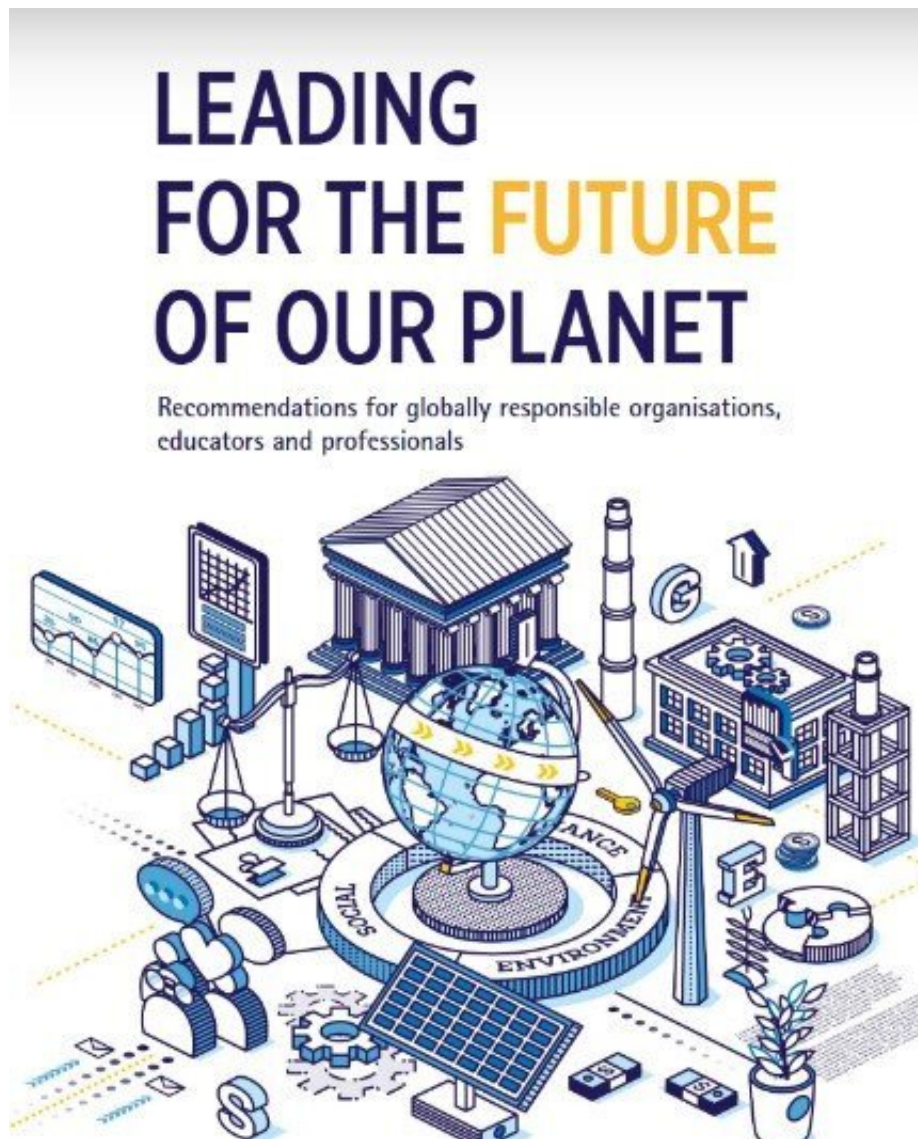


Environment now the greatest concern for business leaders

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Credit: CEMS

A new report built on findings from a survey of 4,206 professionals across 75 countries has revealed that the environment is the single greatest concern facing modern-day business leaders, overtaking technological advancement.

Reliance on a wise "guru" leader or "hero CEO" endangers progress in tackling the environmental crisis by delaying action, according to the new report from CEMS—a [global alliance](#) of leading [business](#) schools.

Instead, all leaders and individuals need to adopt a culture of "collective" responsibility, making choices and acting with a long-term generational outlook if real change is to take place.

The report—[Leading for the Future of Our Planet](#)—features in-depth insights and recommendations from a range of experts across the CEMS Global Alliance in Management Education, including Dirk S. Hovorka, Professor in Business Information Systems at the University of Sydney Business School.

"One common mistake, made by many business schools, is the promotion of the 'guru' leadership philosophy. The great leader who has a clear vision, can stand on stage and motivate people. The only issue is that while we wait for the guru leader to solve our [environmental problems](#) and lead us to the promised land of profitability and [corporate responsibility](#), nothing else happens—no one needs to do anything," writes Professor Hovorka.

"As companies, we must also move away from the idea that growth is the ultimate goal and that the world's resources are infinite. Sustainable growth is an oxymoron, as you cannot grow indefinitely—there is going to be an end to growth in a finite planet.

"Leaders need to recognize that if they want their organizations, people

and biodiversity—the world—to thrive in the future, they have to change their ideology. It must shift away from the primary purpose of profit and prioritize other values."

Environment overtakes technological change

Recommendations were developed after a CEMS survey found that the environment was the greatest concern facing modern-day business leaders. This overtook technological advancement, which was identified as the greatest challenge in 2018.

The survey of 4,206 professionals from 75 countries revealed that 43% of respondents believed the environment was among their greatest challenges, with technology a distant second (26%). Both issues were considered more urgent to [global business](#) than shifts in world economic and political power centers (14%), political instability (6%) and global pandemics (3%).

Survey participants were from sectors including consulting (19%), tech and financial services (17% each), consumer packaged goods (10%) and health care (5%), and pointed to a significant shift in business priorities in recent years.

Report highlights include:

- Averting environmental catastrophe will require a completely new set of business beliefs, behaviors, objective setting, and modeling which assigns value to sustainability and a cost to inaction.
- Leaders must move from short-term, finite thinking focused solely on profit, to longer-term thinking focused on outcomes for future generations and other living beings.
- This will require leaders at all levels who can speak up, lean into

the unknown, challenge the status quo and not be afraid.

- Business leaders will need to engage their external stakeholder ecosystems to drive transformation. They need to understand their organization's place in the societies within which they operate and build alliances across government, businesses and civil societies to effect lasting change.
- A deep knowledge of ESG issues must be woven into business education, throughout the entire curriculum, not just specialist modules. This must include partnerships with market practitioners to create platforms for students to practice theory.
- Early career professionals must leave business school with sustainability skills and competencies in their "toolbox" as well as a deep knowledge of the subject. They must believe that they can make a difference, challenge the status quo and see themselves as agents of change.

Provided by University of Sydney

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