Each year, the world’s leading scientists, politicians, thought-, and business leaders assemble in Davos to discuss the most important economic, social and political trends. &samhoud’s higher goal is *Together we build a brighter future*. For this reason, every year we follow the World Economic Forum closely. In this article, we have summarized the four major problems discussed during the Forum, followed by the most important lessons that leaders can take away from the Forum and use in their daily practice. A more extensive summary of the sessions, speeches and white papers can be requested at &samhoud as well.
The Growing Social Inequality and its Economic and Political Consequences

This year’s theme was: *Creating a Shared Future in a Fractured World.* Although the economy is booming, the participants of the Forum have great concerns. The common agreement is that the economic successes are, at best, superficial and very vulnerable. The optimistic numbers hide a couple of serious problems that can severely damage humanity if not acted upon soon. The four major risks are:

The forgotten people – laborers – are central. These are the people who are (threatened to be) left behind by technological advancements and did not share in the benefits of the economic growth, despite their hard work. With increasing populism as a direct result. A lot of people don’t receive the benefits from their hard work. To counter social unrest, we must at least make sure that the social system works very well. People need to be protected. We need to share the economic benefits more and create equal opportunities for everyone. There is common agreement on the need of the redistribution of wealth. The other social inequality that is discussed, is the gap between men and women. Women should be given much more, or at least equal opportunities, as men. Organizations should see an equal share of woman in leadership positions. Not because it is the ethically right thing to do, but because it is the smart thing to do.
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Climate Change and Natural Disasters

We have been pushing our planet to the brink and the damage is becoming increasingly clear. It is not going well, but we still have time to take back the control over our environment. But not much time. To realize the climate goals of the Paris Agreement and the Sustainable Development Goals, a sprint is needed. We must decompose our big ambitions into smaller operational parts so that we can bring them into action. Businesses need to work together with governments to take concrete steps.

3

Cybersecurity Breaches

Cybersecurity risks are also growing, both in their prevalence as well as in their disruptive potential. Attacks against businesses have almost doubled in five years, and incidents that would once have been considered extraordinary are becoming more and more commonplace. The financial impact of cybersecurity breaches is rising, and some of the largest costs in 2017 related to ransomware attacks, which accounted for 64% of all malicious emails. Most hacks are the result of human failure due to a lack of digital knowledge.

Cyberwarfare, espionage and (foreign) interference in democratic processes (fake news, for example) are also causing great concerns. Solutions can only be realized with international collaboration and to educate people on internet security.

4

Geopolitical Tensions

The world has moved into a new and unsettling geopolitical phase. Multilateral rule-based approaches have been fraying. Re-establishing the state as the primary locus of power and legitimacy has become an increasingly attractive strategy for many countries, but one that leaves many smaller states squeezed as the geopolitical sands shift. There is currently no sign that norms and institutions exist towards which the world’s major powers might converge. This creates new risks and uncertainties: rising military tensions, economic and commercial disruptions, and destabilizing feedback loops between changing global conditions and countries’ domestic political conditions.
2. Take Responsibility for Sustainability

To not care will cost much more than to care. Therefore, you need to take responsibility for sustainability. Sustainability concerns both our natural environment as well as the employability of people. The first means creating solutions to deal with your waste and damage to our planet, the latter demands that you invest in your people to educate them and to continuously educate them. This will not only protect them, it also ensures your organization with much needed skills.

Also, investors need to be educated to ask the right questions to companies. They need more knowledge.

1. Develop a Long-term Vision

You need to develop a long-term vision and strategy and, at the same time, have the ability to change continuously. A long-term vision with a focus on sustainability. This is something that society demands and therefore, it will deliver better returns. What impact do you want to make on the world? How will you help people who are left behind? What will you contribute to the Paris Agreement?
3. **Unleash the Potential of Women**

Unleash the potential of women. The biggest potential lies in the untapped talents of women, especially in leadership positions. Women should be given much more, or at least equal opportunities as men, and organizations should see an equal share of woman in leadership positions. Not because it is the good thing to do, but because it is the smart thing to do. A board of a large company with 50% women has a 50% boost in profits. Women are much better at answering the demands of a service-driven digital economy in a society that demands care. Leaders who are capable to get women into their companies and know how to keep them there, will possess important keys to success. These leaders will probably be women.

4. **Invest in Cybersecurity**

The digital economy is based on the trust of consumers. A hack (at the moment, about one hack per second is taking place) can be devastating for an organization. Therefore, invest in cybersecurity. Invest 50% of your budget in the right soft-, and hardware, the other 50% in training your people on digital hygiene (update regularly, how to deal with fishing mails, etc.).

5. **Always Be Curious**

Always be curious. Keep informing yourself on the latest technological developments. Know what trends are happening in society and what is on the mind of your customers, as well as your competitors.
6. **Keep an Open Mind and Prepare for Radical Change**

Keep an open mind and prepare for radical change. Realize that the meaning of work will change radically. It is more likely that our children will function in a 4-hour workweek instead of a 4-day one. Machines (AI and Big Data) will take over our work, also from leaders! Machines are much better at risk management and making decisions. In the very near future, compared to a manager, a plumber will have much more job security. Learn how to work with machines and how to compliment them.

7. **Develop Your Own Thinking about the Ways You Want to Use Technology**

To wait for regulation on new technologies means that you will miss a lot of opportunities. Therefore, develop your own thinking about the ways you want to use technology. Develop your own ethical discourse. Guard the balance between love and tech. Tech must never damage the warmth and affection that are the roots of a service economy.

8. **Be Extremely Transparent**

Be extremely transparent, in particular in the way you use technology. Build and protect the trust of your customers by being very clear about what will happen to their data; who owns it? How will you use it to create value?

9. **Engage Yourself into Partnerships**

In an increasingly complex world, it will be nearly impossible to solve problems by yourself. Hence, engage yourself into partnerships with people and parties that can complement or strengthen your qualities. The tech giants will play a key role in this. In a digital economy, it is natural that a few huge companies completely dominate their markets. How will you deal with this? Will you compete with them? Will you engage in a partnership with them to speed up your own growth?
10. **Invest in the Mental Well-being of Your People**

The mental health of employees is a growing concern. Mental illnesses like depression are killers, of people, of productivity and of generosity in society. For some reason we have separated mental health issues from all the other issues as though they are not as important. Yet from a ‘killer perspective’ and incapacitating perspective, and economic perspective - the cost of lack of productivity - this has a big impact. There’s no ROI if you don’t take care of the well-being of your workforce. Hence, invest in the mental well-being of your people and create a mentally healthy and mentally friendly environment.

These lessons show that leaders face large and complex challenges. Not only do they have to respond to a constantly changing environment; they also must keep the long-term perspective in mind. Not only do they have to keep up with various new technological developments and their possibilities for their organization; they also must give sincere attention to their people. Once again, the WEF shows us the importance of investing in (future) leaders who can make organizations excel in these turbulent times and this ‘fractured world’.

It is clear that these lessons are connected by an underlying theme, that is, the ability to care. Taking care of the success of your organization, your people, society and our natural world. It is widely argued that the most important and most powerful tool to care is through education. By caring for the education of people you can create the preconditions to create a brighter future for everybody.

It is because of exactly this that, a year ago &samhoud formulated its new motto: **Who cares wins.**