



OPPORTUNITY #15

What if generational diversity was a must in the board room?

ALL-GENERATION DIRECTORSHIPS

Company, public sector and civil society boards of directors and trustees systematically include people of all generations as a principle of corporate governance embedded in all legal, regulatory and international standards.

MEGATREND

Future Humanity

TRENDS

Generational & Cognitive Diversity
Community-based Solutions

SECTORS AFFECTED

Agriculture & Food
Materials & Biotechnology
Automotive, Aerospace & Aviation
Chemicals & Petrochemicals
Communication Technologies & Systems
Consumer Goods, Services & Retail
Cyber & Information Security
Data Science, AI & Machine Learning
Education
Energy, Oil & Gas & Renewables
Financial Services & Investment
Health & Healthcare
Immersive Technologies
Infrastructure & Construction
Insurance & Reinsurance
Logistics, Shipping & Freight
Manufacturing
Media & Entertainment
Metals & Mining
Real Estate
Travel & Tourism
Utilities
Government Services
Professional Services



WHY IT MATTERS TODAY

The global average age of a corporate board member has been rising in recent years and stood at nearly 60 in 2021.³⁴³ In the United States, the average age of a member on the boards of the S&P 500 in 2022 was higher than the global average at nearly 63, with women directors making up 46% of new independent director appointments. In 2022, people aged 50 or younger accounted for 18% of new directors and 6% of all directors on the boards of the S&P 500.³⁴⁴

As the average life expectancy is expected to increase from 72 years³⁴⁵ in 2022 to 77 years by 2050,³⁴⁶ more experienced workers will want to work beyond retirement or opt for flexible retirement.³⁴⁷ In parallel, young people aged between 15 and 24 currently make up close to 23% of the global population and this proportion is expected to grow to around 37% by 2050.³⁴⁸ Young people aged between 15 and 29 make up 24% of the population in the Middle East and North Africa (MENA) compared to 19% in Europe.³⁴⁹ By 2050, young people in the MENA region will account for around 23% of an increasingly youthful population³⁵⁰ compared to 15% of a decreasing young population in Europe.³⁵¹

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YEARS**

in 2021

THE OPPORTUNITY

Multigenerational workforces increase resilience and productivity in workplaces.³⁵² Even though there is a risk of conflict due to potentially vastly differing opinions, multiple generations can learn from each other and as a result come up with better solutions to problems.³⁵³

The inclusion of multiple generations on a board can provide greater insight into how an organisation's strategy might affect long-term prosperity and well-being for itself and the wider society. Including young people on boards brings increased legitimacy to their views, making their status as future stakeholders a real and present concern for strategic decisions. Equally, including people with more experience brings long-term views and outlooks of which those with less experience may not be aware, making potentially better decisions due to increased understanding of their potential implications.

By viewing issues through a multigenerational lens, organisations can avoid unintended consequences, such as negative environmental or social impacts and the direct and indirect losses and reputational risks that may emerge from them. The outcome could be more resilient companies with better growth prospects today and in the future.

BENEFITS

Greater diversity of thinking and long-term vision. Improved outcomes for business and society, and reduced risk of negative economic and social impacts of goods and services.

RISKS

'Multigeneration-washing' or 'youth-washing', where organisations try to broadcast their belief in older or younger populations by inviting them to join boards but without fully integrating them into decision-making.



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