

Knight Gianella

Excellence in Executive Search and Board Appointments
Our passion since 1965



BoD Survey 2023/24

**Survey Results of the
Board Members**
in listed and large,
non-listed Swiss companies

Conclusion Knight Gianella BoD Survey 2023/24 in cooperation with IMD

“Surfing the Waves” Profitability is the most important topic. AI is entering the the BoD agenda. ESG is becoming less important.

Profitability is cited as the most important key issue in board committees. 92% of respondents consider it to be “very relevant” or “fairly relevant”.

As in previous years, strategy, the business model, and portfolio remain among the top 5 topics, as does cyber security.

The topics of digitization and technological innovation are gaining in importance thanks to AI, while ESG is losing some weight.

BoD committees are grappling with a variety of dynamic issues, such as talent shortages, corporate culture, the geopolitical environment, cost reductions, major investments and inflation.

The demands on BoD members will increase, particularly in the areas of “reputation”, “time availability” and “teamwork”.

A 30% share of women on BoD committees has been established. The assessments of women and men are becoming more equal.

The proportion of women on boards of directors has established at over 30% in the overall population and in this study. It is interesting to note that, unlike in the previous year, the assessments of women no longer differ significantly from those of men for almost all topics.

The geopolitical situation, market volatility, the strategic business model, the financial situation, and cyber issues are cited as particularly high risks.

The shortage of personnel and skilled labour is most frequently cited as a risk factor, but only rarely as the greatest risk.

BoD members attest to their own high level of expertise in new technologies and see cyber security and generative AI (Artificial Intelligence) in the foreground, while metaverse is hardly considered important.



This symbol is used to identify analyses that are particularly suitable for planning your BoD Agenda 2024.

Research partnership in the area of BoD

About IMD. Real Learning. Real Impact (www.imd.org)

Dr Stefan Michel, Professor of Strategy and Marketing at IMD, is the scientific director of this study. He will be leading the “Strategic Thinking” online programme as of 2024 (www.imd.org/strategy/st/online-course-strategy/.)

According to rankings by the Financial Times, The Economist, Bloomberg, Forbes and other publications, the International Institute for Management Development IMD in Lausanne is one of the best business schools in the world.

IMD focuses on education and training of global leaders and supports organizations in their transformation processes. Research at IMD is always application-oriented and evidence-based and is grouped into several research centers and initiatives:

World Competitiveness Center	Future Readiness
Artificial Intelligence Initiative	Luxury 2050
China Initiative	Social Innovation
Global Board	Sustainability/Business & Society
Digital Business Transformation	Venturing Ecosystem
Enterprise for Society	Venture Asset Management
Diversity, Equity & Inclusion	Workplace Wellbeing
Family Business	

About Knight Gianella (www.knightgianella.ch)

Since 1965, the executive search consultancy Knight Gianella has focused on the national and international search and evaluation of executives at management, CEO, and board level.

Founded as a member of an American consulting group, Knight Gianella has been an independent boutique partnership with a Swiss mindset since the mid-nineties. Knight Gianella is often consulted for specific and carefully designed succession plans or new appointments.

The success rate over recent years is 98%, and repeat business is over 70%. In the past years, partners Sandro V. Gianella and Dr. Fabienne E. Meier have successfully and sustainably filled around thirty key positions at executive management, CEO, and board level each year.

The partners of Knight Gianella guarantee an independent cooperation at eye level characterized by mutual trust, without conflicts of interest. They have the courage for new solutions with the goal of finding the best possible staffing for their clients.

Sandro V. Gianella, the initiator of the Knight Gianella BoD Survey, will be happy to discuss and answer your questions at office@knightgianella.ch.

Research Method and Institute for Survey Research

Description of the study

Target group and research method

The study was conducted online in German in the 3rd quarter of 2023 by gfs-zürich (Markt- & Sozialforschung AG) on behalf of Knight Gianella & Partner and in collaboration with Professor Stefan Michel, IMD. All respondents were informed in advance in writing by Knight Gianella. The responses are anonymous and it is not possible to draw conclusions about individual persons or companies.

Of the 195 participants, 69 % hold a mandate at listed companies, 35 % at companies with family/anchor shareholders and 15 % at state-related companies. The majority work on at least one audit committee (53%), remuneration committee (53%) or nomination committee (50%). In addition, 36% are represented on a risk committee and 15% on a strategy committee. Due to multiple responses and several mandates, the total number is higher than the number of all participants.

With a very high response rate of 23% of the 857 BoD members surveyed and a proportion of women of 31%, the study is representative of the population.

If the answers of women and men differ significantly and relevantly, they are marked with this symbol.



Because the average age of female participants is younger, we have used age as a control variable in the significance tests.

If the answers of different age groups differ significantly, we have marked them with the green symbol.



In the case of fewer than n=10 responses, we have refrained from using the significance test.

About GfS Zürich (www.gfs-zh.ch)



The gfs-zürich research institute can fall back on 60 years of experience. After the foundation of the holding company in 1959, gfs has established itself as one of the most renowned players in market and social research. Since January 2004, gfs-zürich has been managing its proven competencies in the field of market and social research as an independent public limited company. Thanks to its know-how and its networking with circles in science and business, gfs-zürich enjoys an excellent reputation in Switzerland as a high-quality market research institute.

gfs-zürich is at home in all areas of market research, with a special branch in social research. gfs-zürich also has particular expertise in the field of economic research.

In the quantitative field, gfs-zürich has broad experience in all types of classic population surveys (telephone, online, face-to-face, written), as well as in surveying special target groups such as B2B (especially SMEs), employees, members or customers.

In qualitative market research, gfs-zürich has proven expertise in focus groups and expert interviews. gfs-zürich has extensive experience and specially trained discussion leaders in both group surveys and individual guided interviews.

This project was personally supervised by the head of the institute, Dr. Andreas Schaub.

Surfing the Waves

Profitability

Digital Transformation

Cyber Security

COVID-19

ESG

Diversity

Supply Chain

Geopolitics

Inflation

Artificial Intelligence

Shortage of Skilled Labour

Current challenges for BoD committees in a multi-year comparison

2023: “In your opinion, what are the current challenges for BoD committees and CEOs? Please write down a few keywords.”

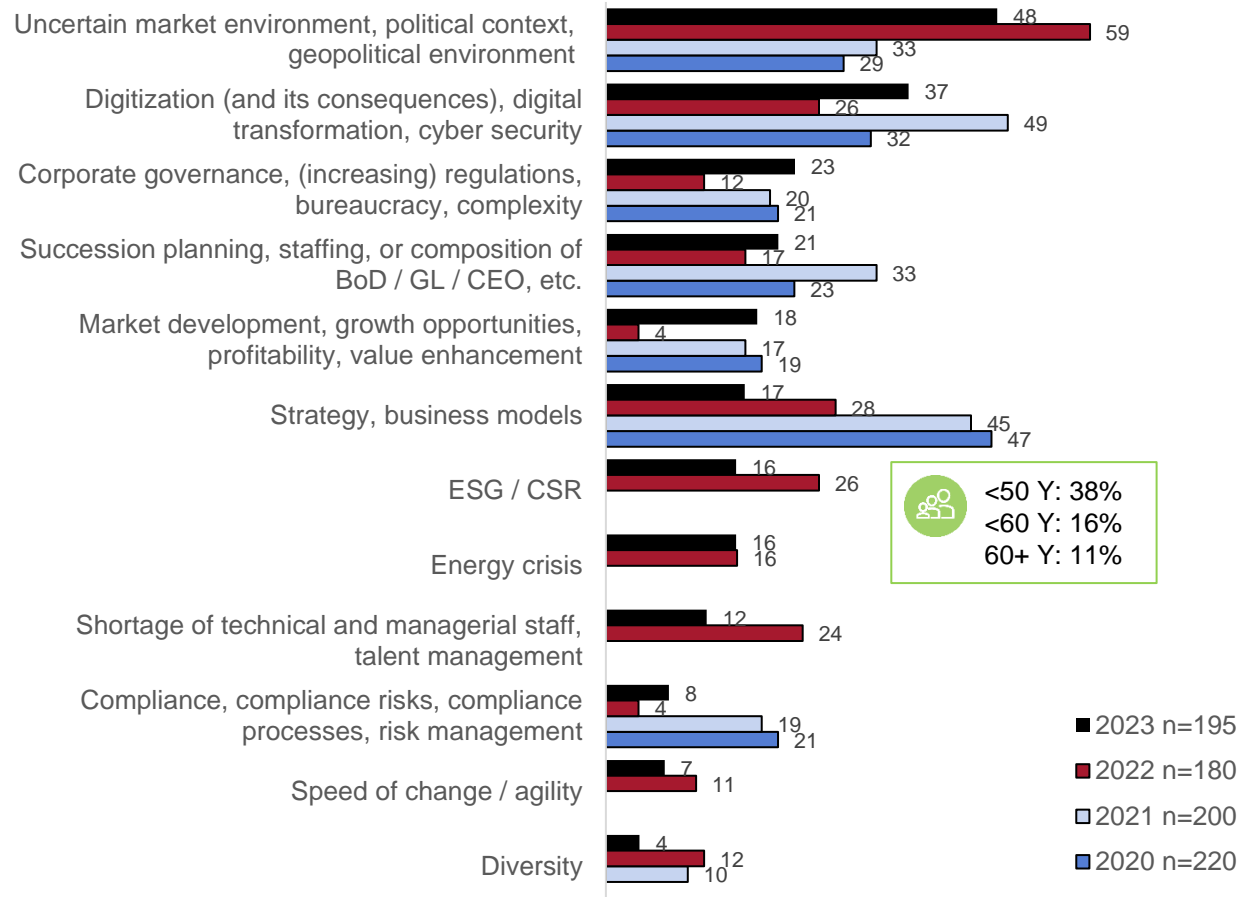
a) Challenges for board committees: ...

It is not surprising that the geopolitical environment, the political context, and the uncertain market environment are considered to be the greatest challenges. The digital topics show a U-curve, caused by the AI hype.

More general terms such as “strategy/business models” are being replaced by “market development, growth opportunities, profitability, value enhancement”. ESG/CSR is losing importance, significantly among older board members. In contrast to last year, there are no significant differences between the genders.

Note: Coded analyses of qualitative responses, thus only comparable to a limited extent.

Figures are in %, multiple answers



Current challenges for BoD committees by gender

2023: “In your opinion, what are the current challenges for BoD committees and CEOs? Please write down a few keywords.”

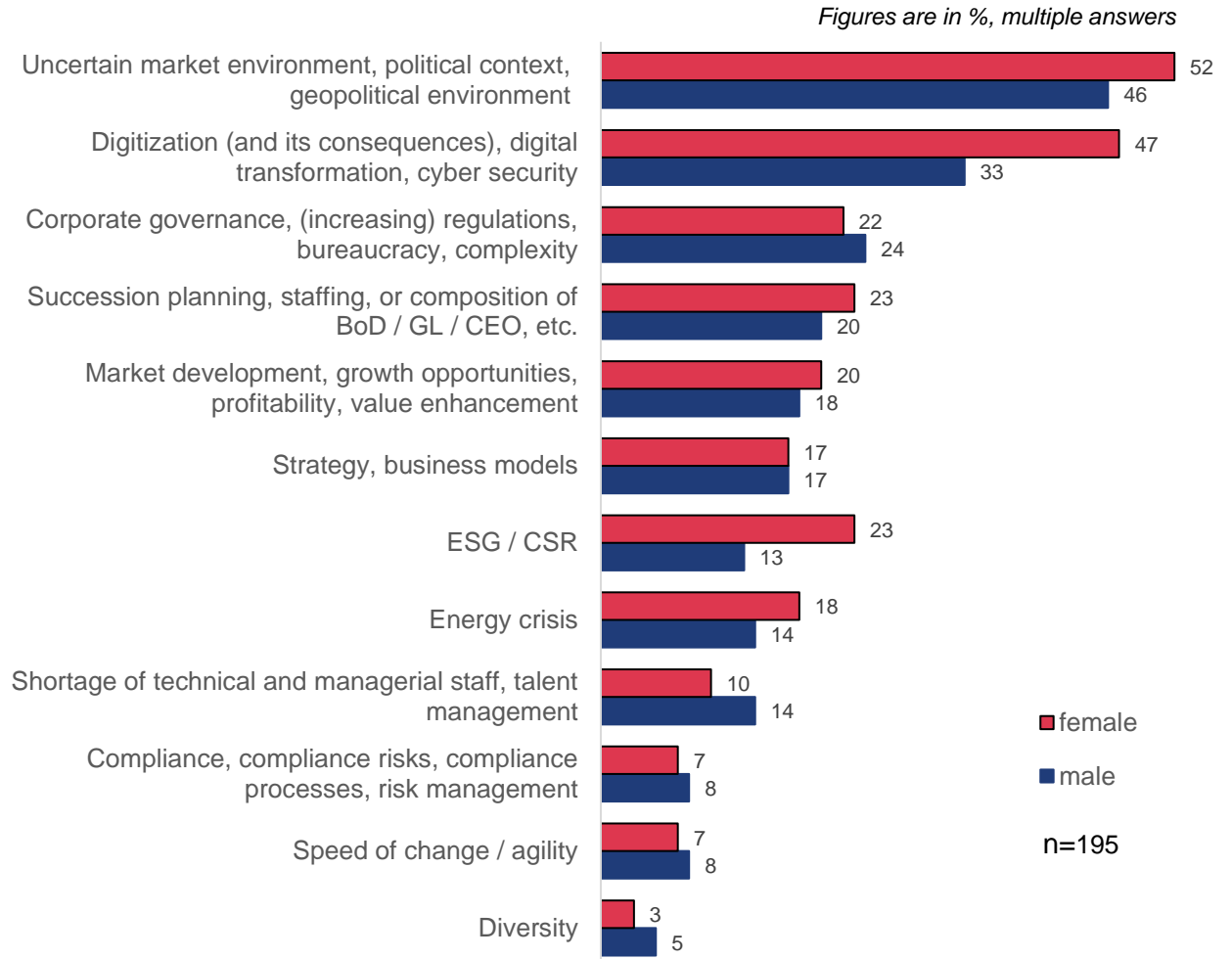
a) Challenges for board committees: ...

Compared to the previous year, it is surprising that there are no longer any significant differences between male and female respondents.

In 2022, women mentioned the geopolitical context (e.g., war in Ukraine, Brexit, EU Framework Agreement, etc.) and the uncertain market environment significantly more frequently than men. Digitalization and ESG were also mentioned much more frequently.

We can only speculate about the reasons for this convergence and the associated decline in diversity of content.

Note: Coded analyses of qualitative responses, thus only comparable to a limited extent.



Current challenges for CEOs in a multi-year comparison

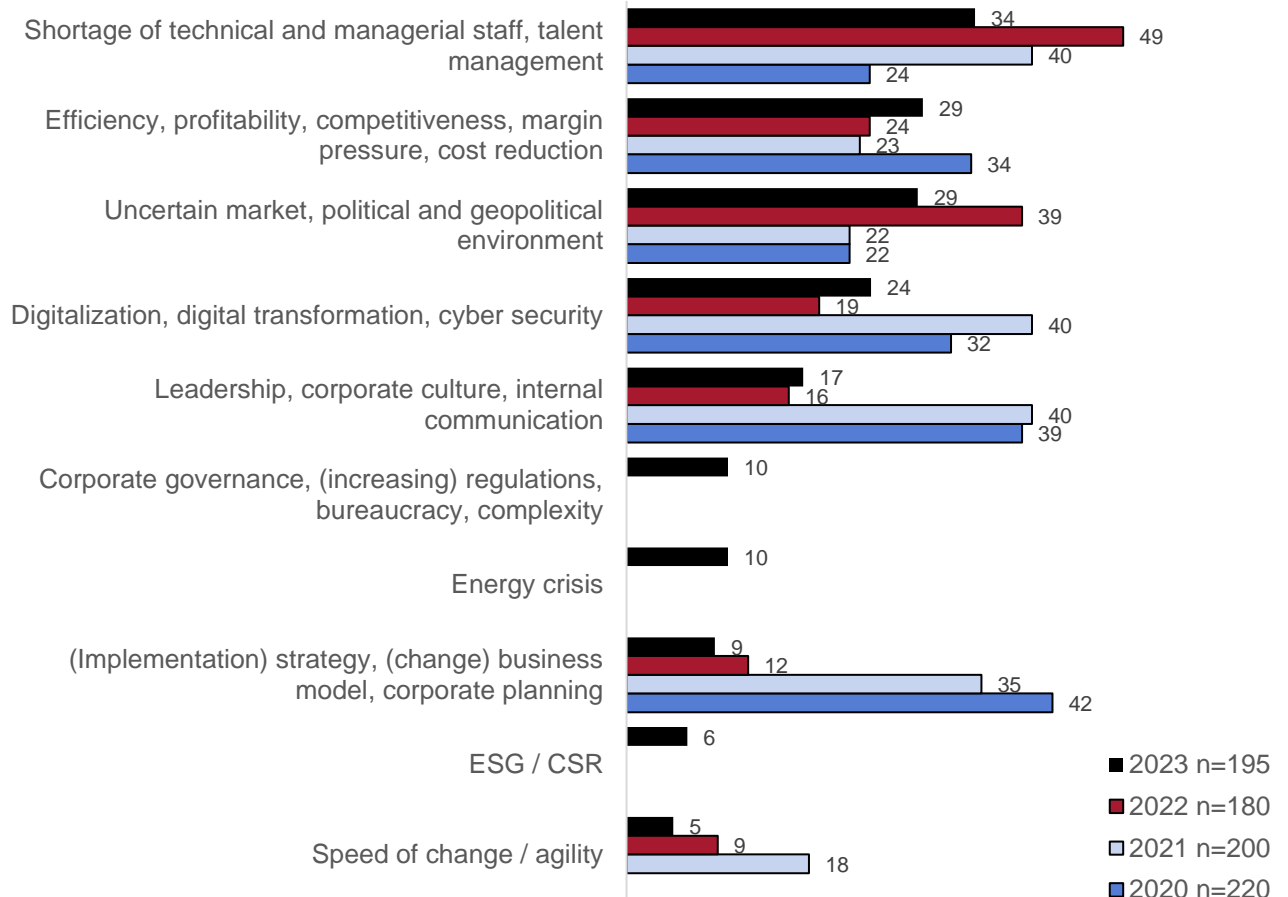
2023: “In your opinion, what are the current challenges for BoD committees and CEOs? Please write down a few keywords.”

b) Challenges for CEOs:...

When boards of directors list the challenges facing CEOs, the topics of skills shortages, competitiveness and an uncertain market and geopolitical environment remain in the top 3, even if the absolute number of mentions is declining. Taking into account the lower number of mentions, we also see a U-curve for digital topics here.

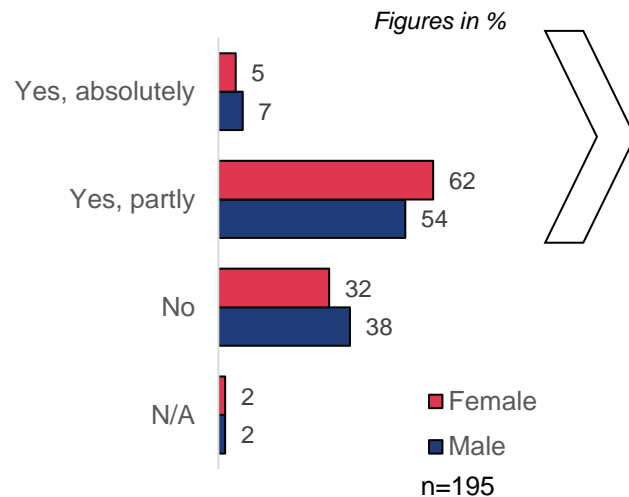
Note: Coded analyses of qualitative responses, thus only comparable to a limited extent.

Figures are in %, multiple answers, only categories with 5% or more mentioned



Current skills profile for CEOs

2023: c) Due to the challenges mentioned above, do you think that the competencies of “your” CEO will have to change in the future?



The skills profiles of CEOs do not need to change radically. One exception is change management and transformation. Younger BoD members see a greater need for these CEO skills.

2023: d) What skills will the CEO need to bring to the table more in future?



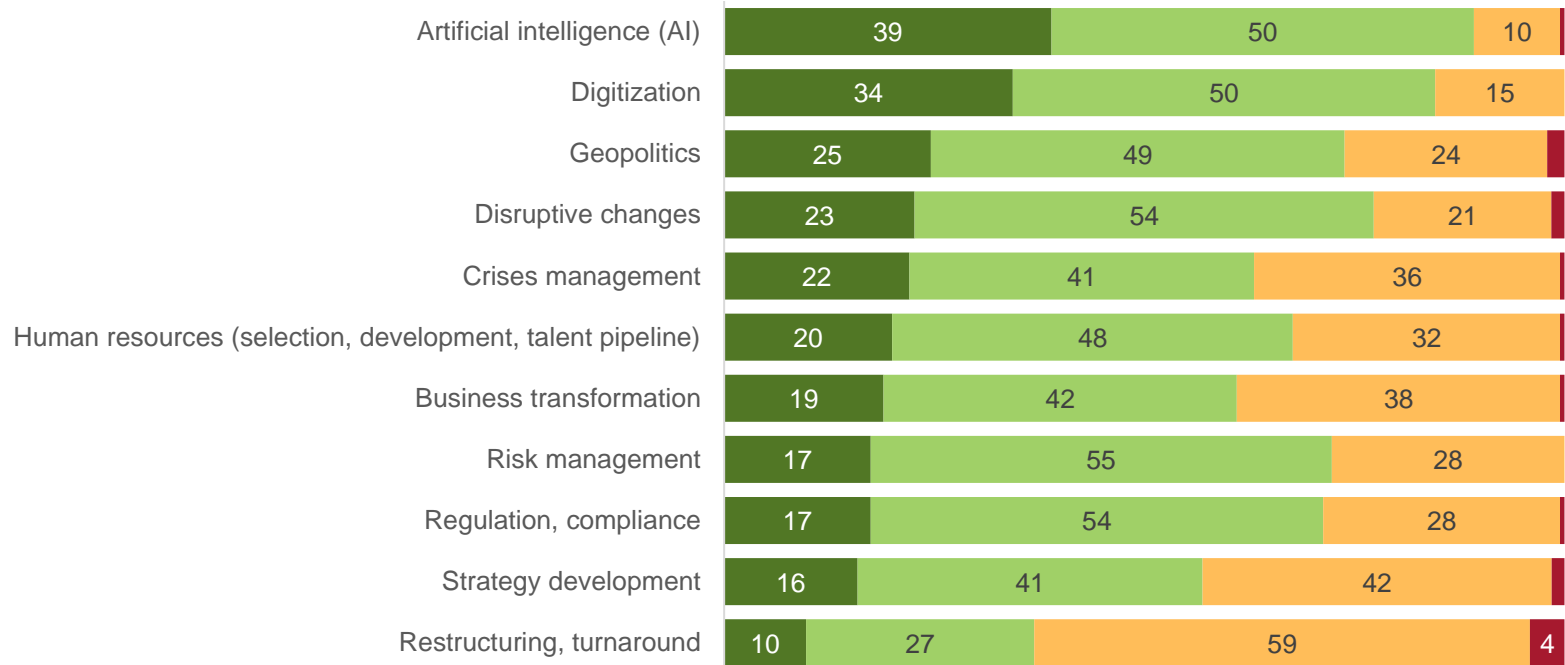


Which requirements for BoD members do you think will change in the next two years? (Topics) (1/2)

2023: “Which requirements for BoD members do you think will change in the next two years? Note: As mentioned above, CSR activities of organizations refer to sustainability.

ESG refers to criteria that measure CSR activities of organizations.” a) Topic expertise

Figures in %, responses from 10% in “much higher requirements”



n=195

■ Much higher requirements ■ Somewhat higher requirements ■ No change ■ Lower requirements

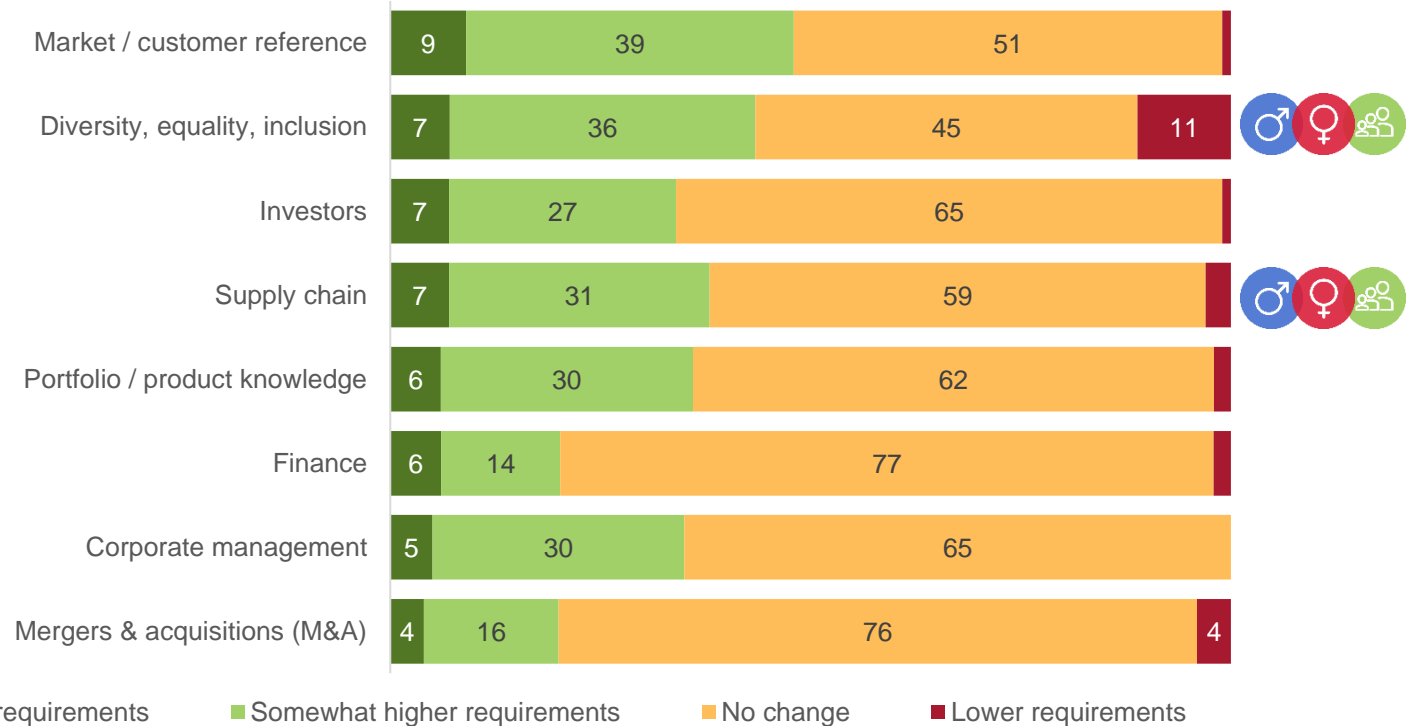
Artificial intelligence is unsurprisingly the biggest change for the requirements profile of BoD members, not in isolation but in the context of digitization. The next three topics address external changes (geopolitics, disruption, crisis management), followed by three internal requirements (HR, transformation, reputation). Women place a significantly higher weighting on the HR requirements for BoD members.



Which requirements for BoD members do you think will change in the next two years? (Topics) (2/2)

2023: “Which requirements for BoD members do you think will change in the next two years? Note: As mentioned above, CSR activities of organizations refer to sustainability.

ESG refers to criteria that measure CSR activities of organizations.” a) Topic expertise



n=195

Men are significantly more likely to vote for “lower requirements” for diversity, equality and inclusion than women (14%; 3%). Women (13% to 5%) and younger board members (25% to 5%) demand “much higher requirements” regarding supply chain.

Which requirements for BoD members do you think will change in the next two years? (Topics)

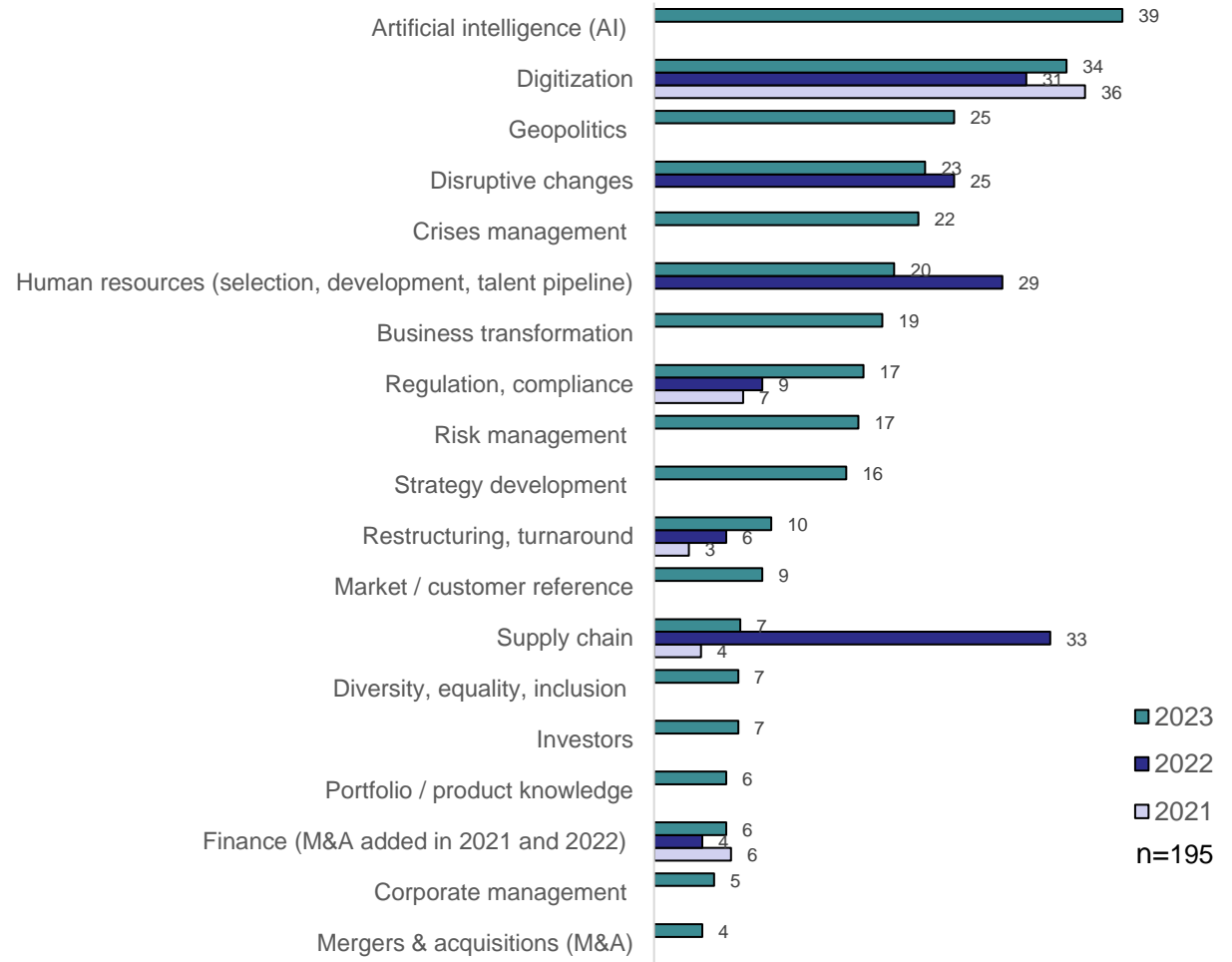
2023: “Which requirements for BoD members do you think will change in the next two years?” a) Topic expertise

Note: “As mentioned above, CSR activities of organizations refer to sustainability. ESG refers to criteria that measure CSR activities of organizations.”

The need for further training for the BoD committee and possible areas of expertise for new BoD candidates are firstly digitization, including AI, and secondly an understanding of the geopolitical situation.

For this evaluation, "some higher requirements" were not taken into account. New topics are proposed every year, meaning that direct comparability with previous years is only possible to a limited extent.

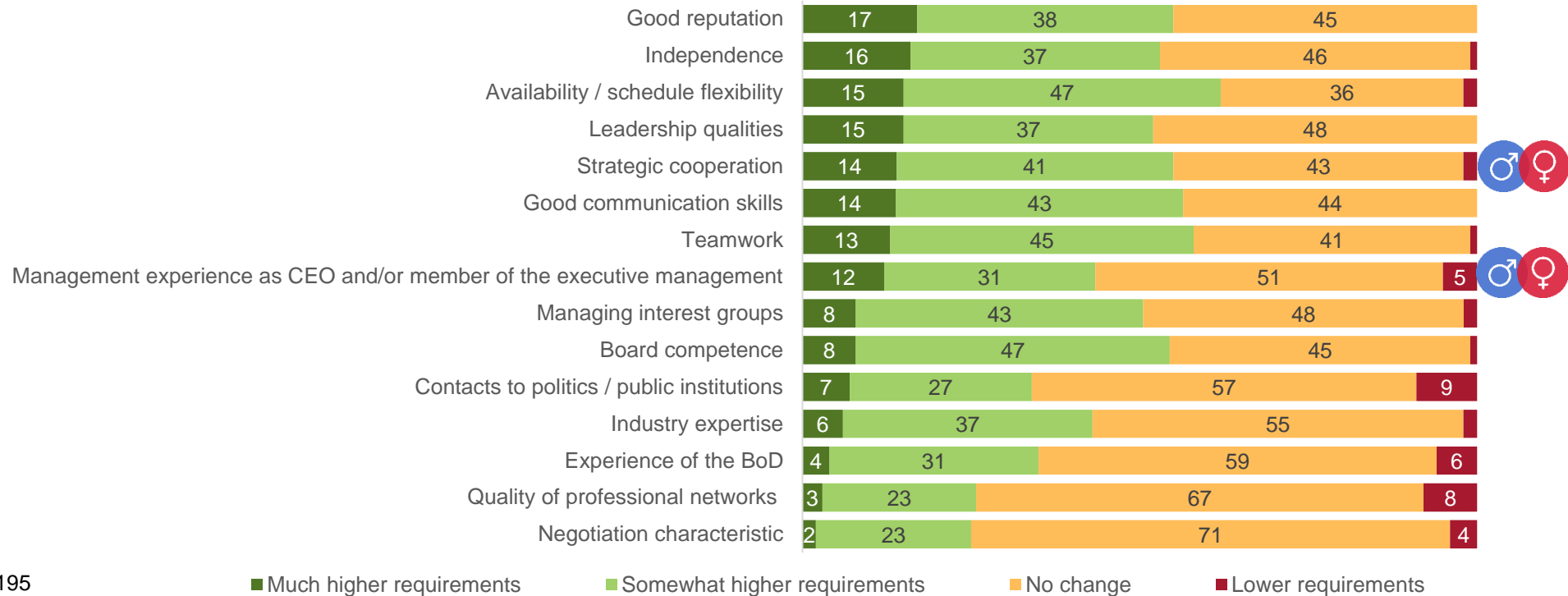
Figures in % of those who responded “Much higher requirements”





Which requirements for BoD members do you think will change in the next two years? (Properties)

2023: “Which requirements for BoD members do you think will change in the next two years?”
b) Properties of the BoD



The requirements for BoD members will increase, particularly in the areas of “reputation”, “availability” and “teamwork”, but will remain broadly diversified. The differences are interesting. Men vote for “somewhat higher requirements” for strategic cooperation and management experience.

Which requirements for BoD members do you think will change in the next two years? (Properties)

2023: “Which requirements for BoD members do you think will change in the next two years?”

b) Properties of the BoD

The question about the requirements for BoD members in the next two years shows the importance of the "good reputation" and independence.

Topics such as leadership qualities, teamwork and communication on the one hand, and availability and schedule flexibility on the other.

The low number of mentions of board competence does not mean that it is unimportant: It simply means that “much higher requirements” are not to be expected in the next two years.

Figures in % of respondents who answered "Much higher requirements", responses from 3% upwards



Which competencies do you think will change in the BoD in the future?

2023: c) “Personal assessment: Which skills do you think will become even more important on the BoD in the future?”

The question about the skills required of the BoD body confirms the expectations: Strategy and leadership are mandatory and also legally indispensable. Technological expertise is becoming increasingly important, as has already been shown in both the open and closed questions. It remains unclear whether individual BoD members must contribute this technological expertise or whether each member must develop their own technological expertise.

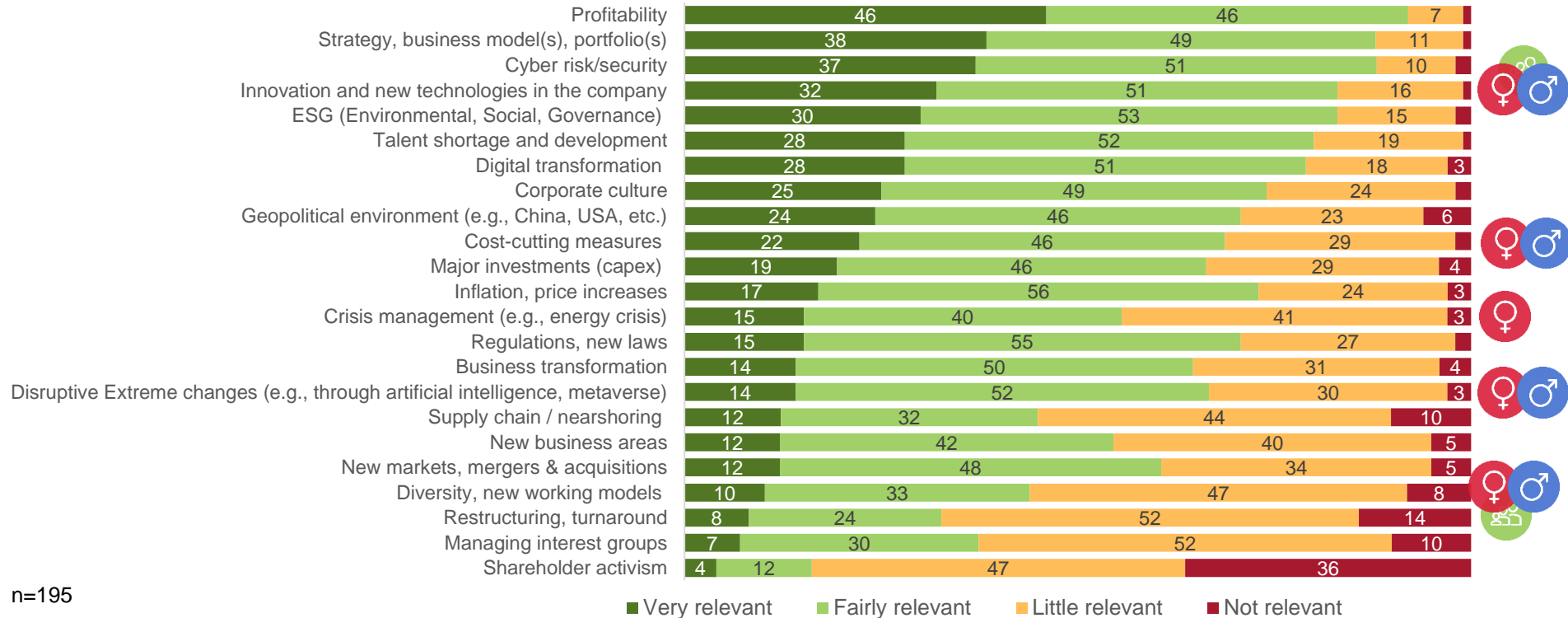




Current key topics in BoD work

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they being discussed in “your” board?”
a) Topics

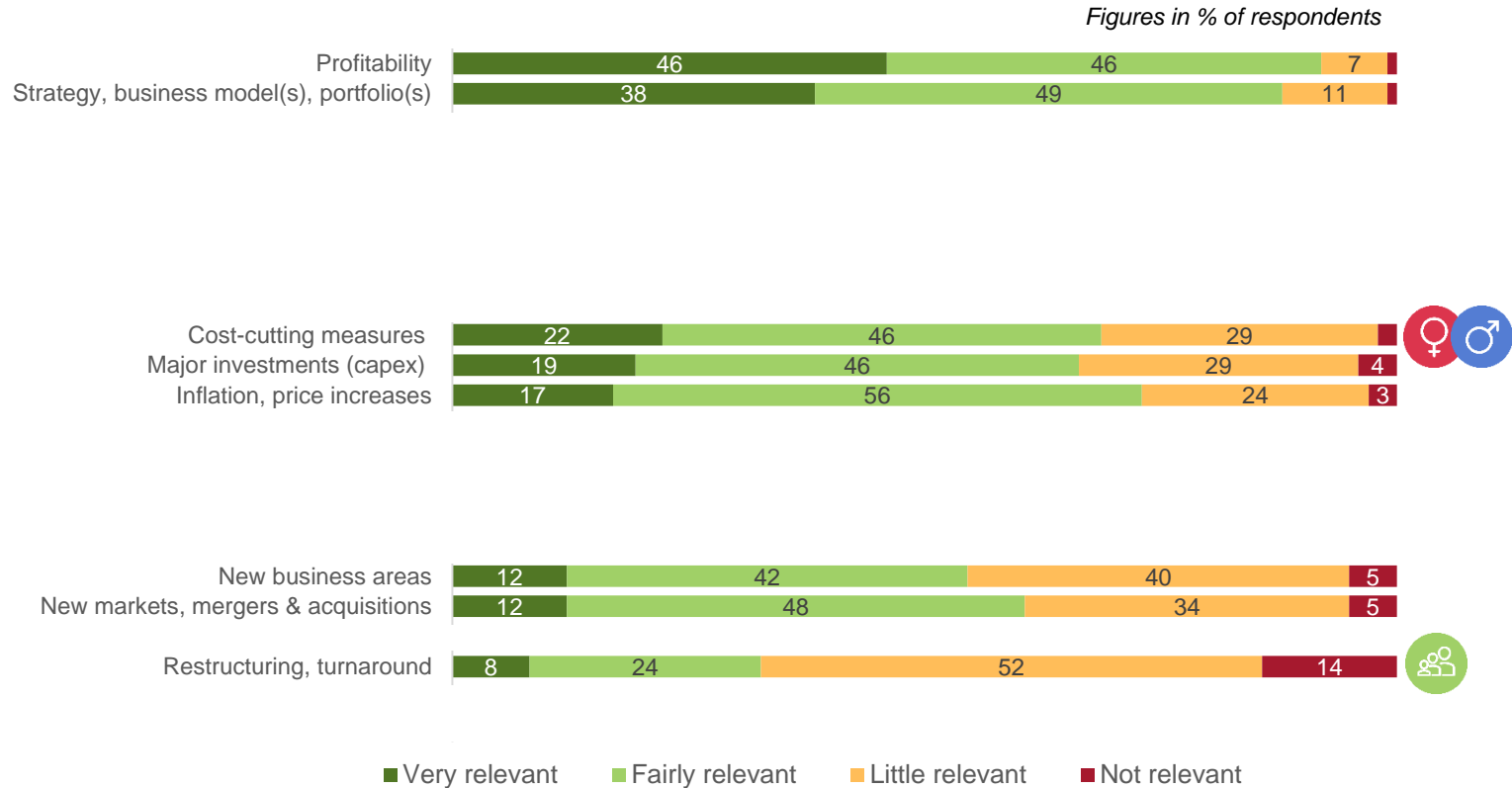
Figures in % of respondents



The top topics can be divided into four areas: 1. Profitability (economic efficiency, strategy, business models, cost reduction, capex, inflation/price increases, new business areas, new markets, mergers & acquisitions and restructuring). 2. Digitization (cyber risk, security, innovation and new technologies, digital transformation, disruptive changes such as AI, metaverse, etc.) 3. People/Organization (talent shortage, corporate culture and transformation, diversity and new working models). 4. Environment/external factors (ESG, geopolitics, energy crisis, laws and supply chains).

1. Thematic Block Profitability

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they being discussed in “your” board?”
 a) Topics

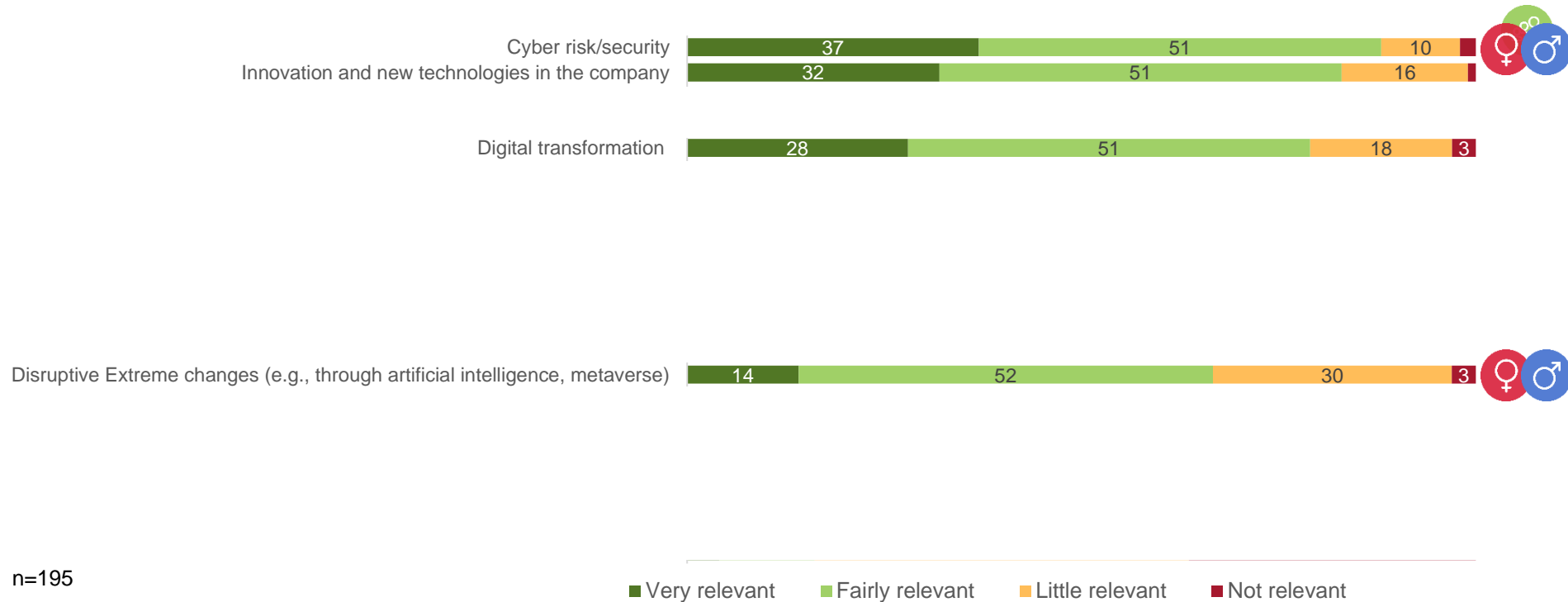


Women consider cost-cutting measures to be “very relevant” or “fairly” relevant significantly more often (82% to 61%).

2. Thematic Block Digitization

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they being discussed in “your” board?”
 a) Topics

Figures in % of respondents

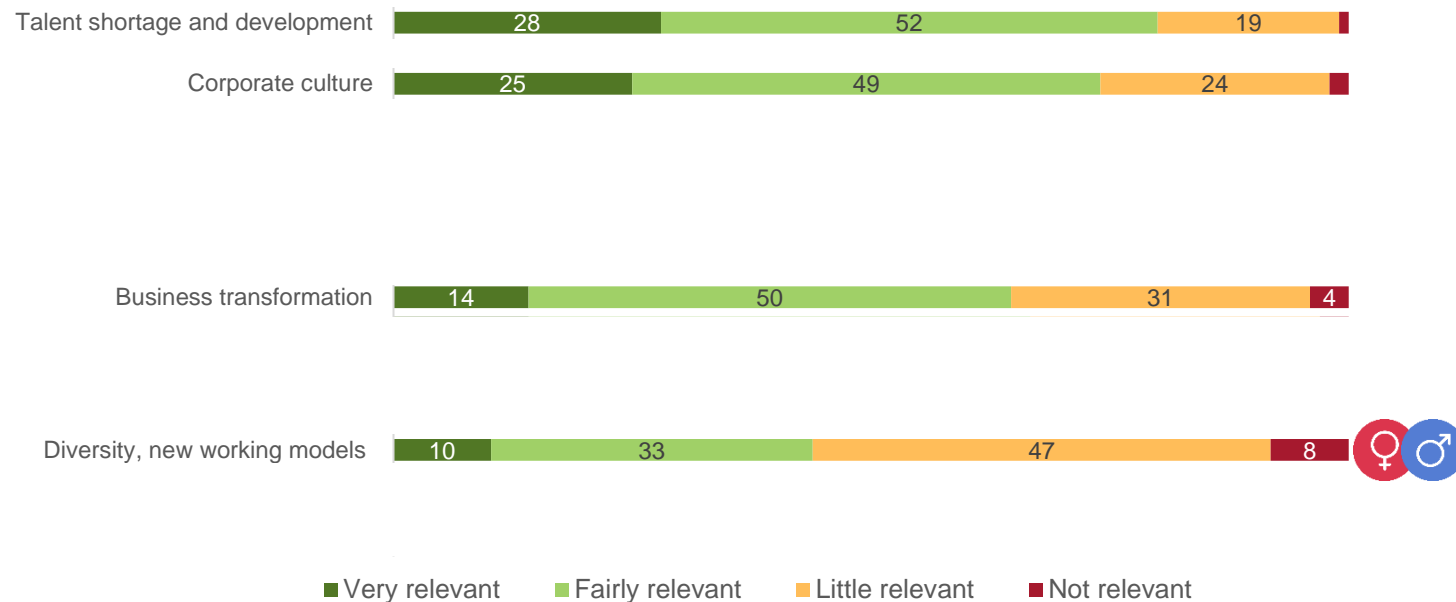


Men (43% compared to women at 23%) and people over 60 (52%) are significantly more likely to view cyber risks as “very relevant”. Men are also significantly more likely to consider the disruptive changes brought about by AI and metaverse to be very relevant (18% to 7%).

3. Thematic Block: People/Organization

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they being discussed in “your” board?”
a) Topics

Figures in % of respondents

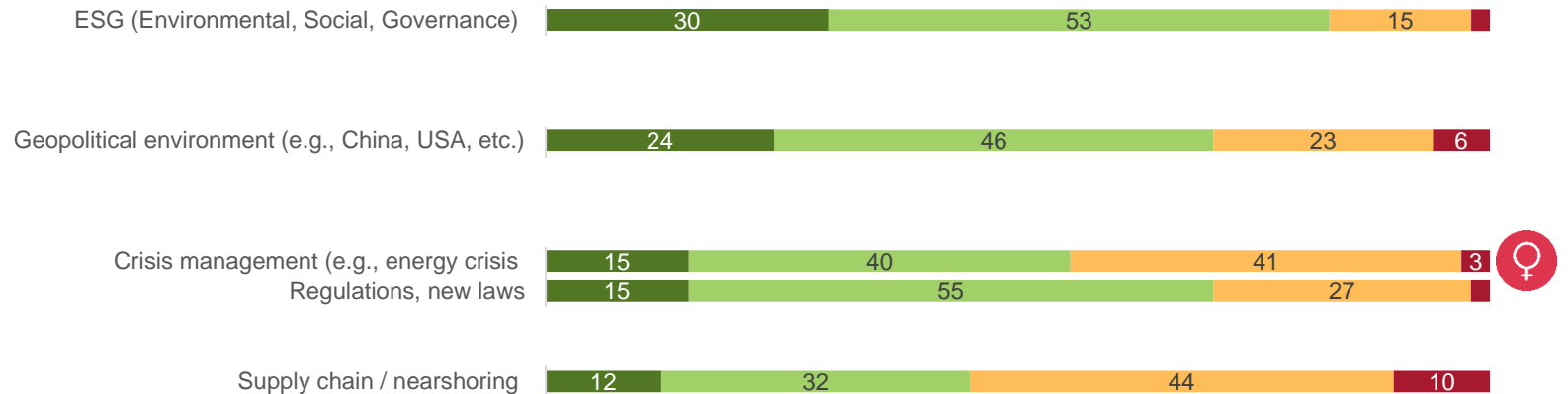


The shortage of talent and corporate culture are each rated as “very relevant” by a quarter and “fairly relevant” by a further half. Women rate the topic of “diversity and new working models” significantly higher than men.

4. Thematic Block Environment/External Factors

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they being discussed in “your” board?”
a) Topics

Figures in % of respondents



n=195

■ Very relevant ■ Fairly relevant ■ Little relevant ■ Not relevant

The majority of women are less likely to consider crisis management to be “very relevant” or “fairly relevant” (46% to 58%).

Show me the profit!

Profitability

Digital Transformation

Cyber Security

COVID-19

ESG

Diversity

Supply Chain

Geopolitics

Inflation

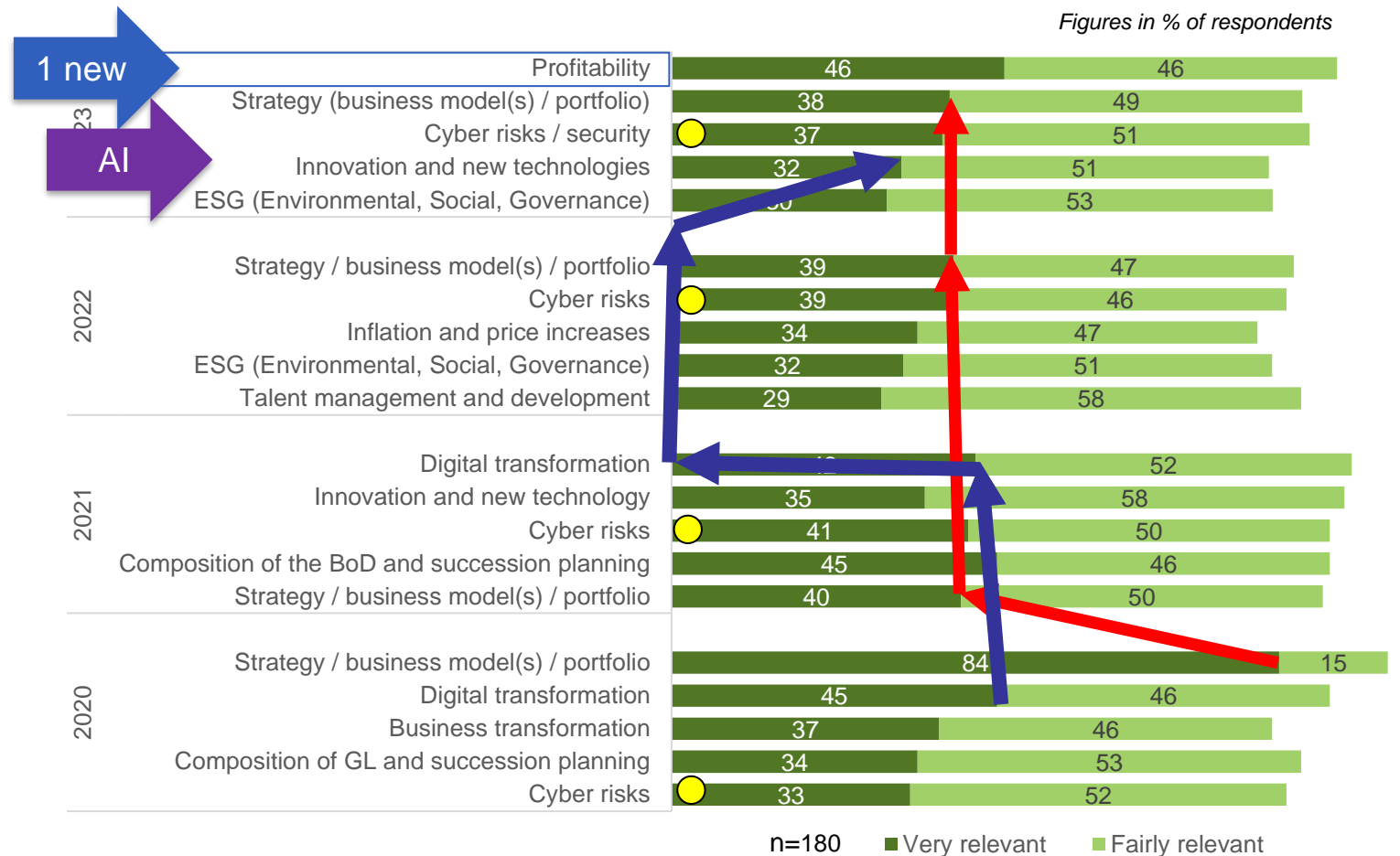
Artificial Intelligence

Shortage of Skilled Labour

Current key topics in BoD work

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they discussed in “your” board?” a) Topics

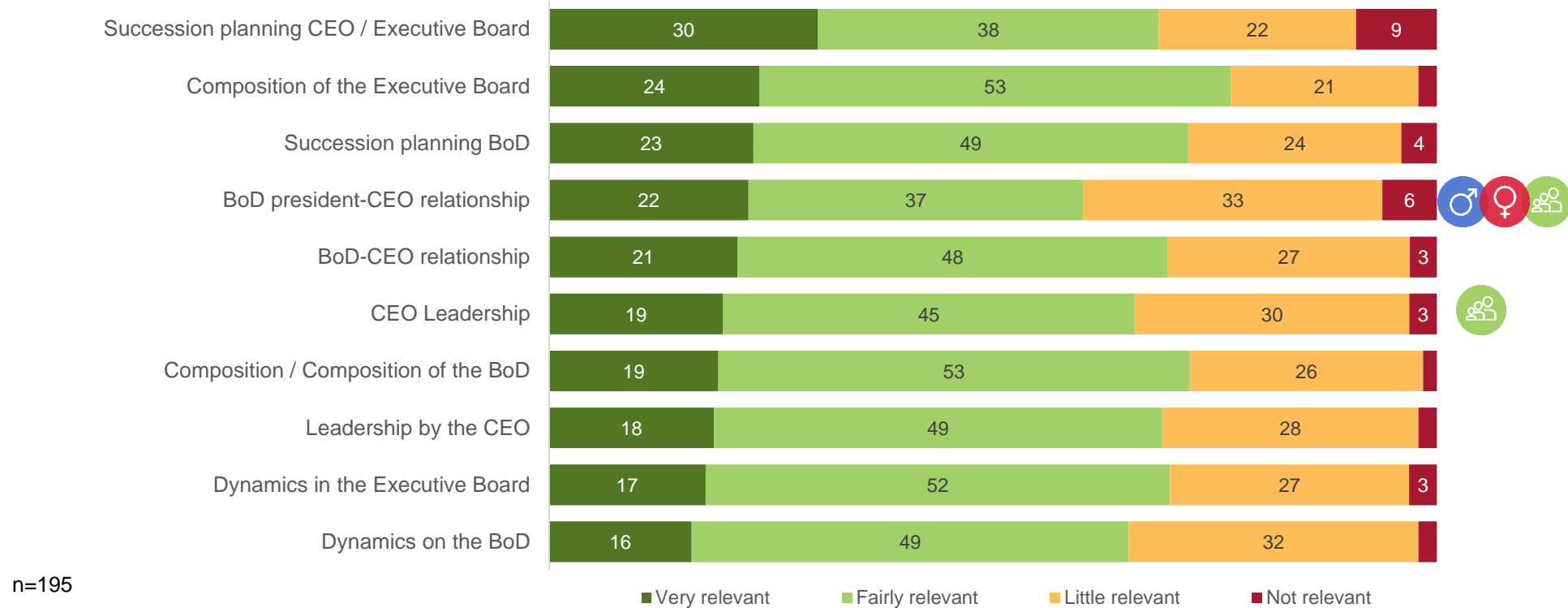
Profitability is named in the top 5 for the first time and takes the number one spot. We are seeing a wave in digital topics. The exception is cyber risks, which remain an ongoing topic, as do strategy and business models.



Current topics of your BoDs work (composition and dynamics)

2023: “How relevant are the following topics currently on the agenda of “your” BoD and are they discussed in “your” board?” b)
Composition and dynamics

Figures in % of respondents



Women and younger male BoD presidents consider the relationship between BoD president and CEO to be “less relevant” than older, more experienced men. Younger BoD members also find the “leadership of the CEO” less relevant than older BoD members. This raises the question of whether there is a different understanding of roles and leadership.



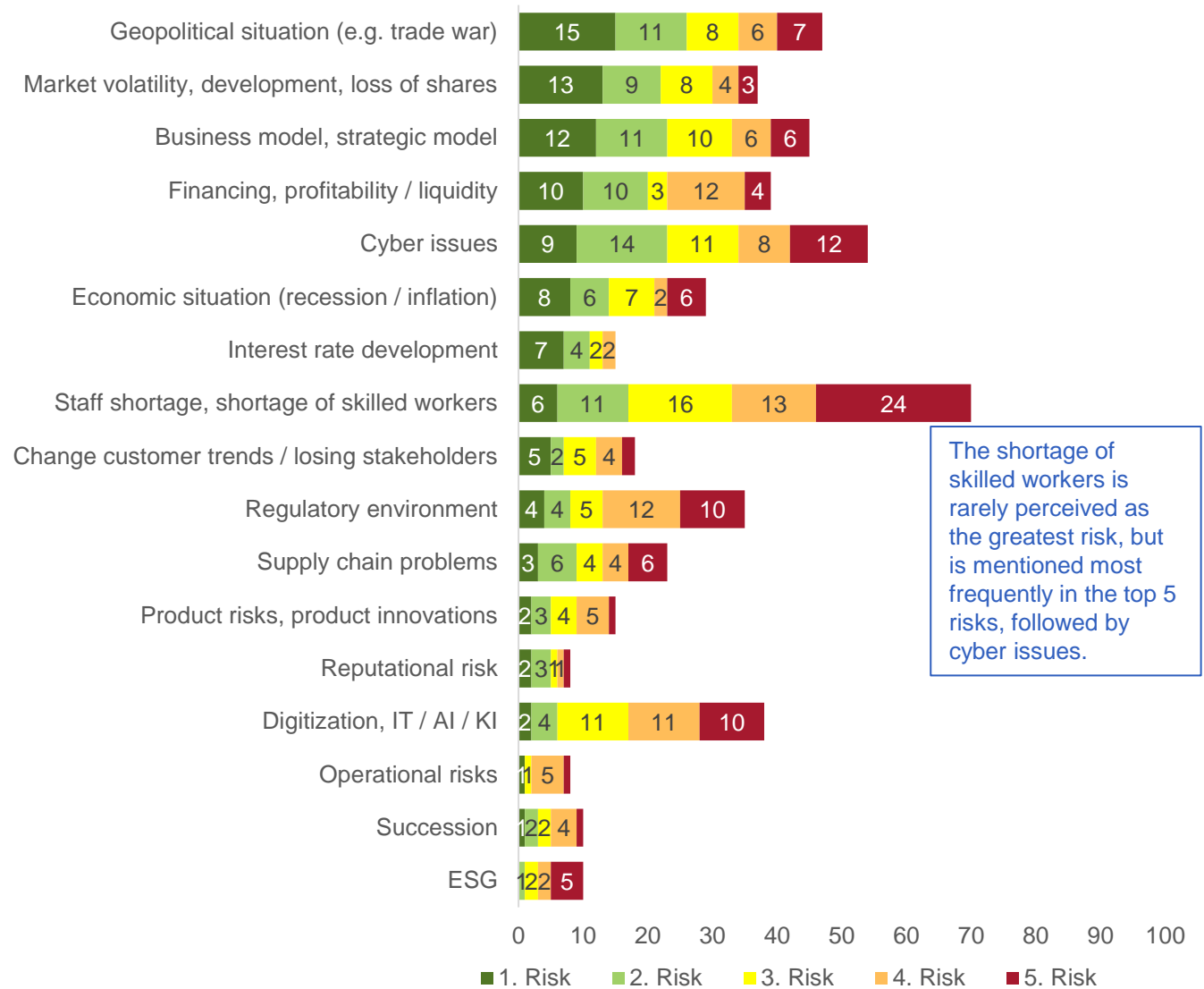
BoD Risk Cockpit

2023: “Risks are the possibilities resulting from the unpredictability of the future, caused by “random” disturbances, to deviate from planned target values. A risk cockpit integrates those risks that need to be identified, assessed and monitored at an early stage in order to ensure the security of your company.”

a.) What are the 5 risks that your BoD currently has to deal with? List them in order of importance.

The geopolitical situation, market volatility, the business model, profitability and cyber issues are perceived as the greatest risks, but not digitization with AI and ESG. Due to the ordinal scale with small numbers of cases, no significance tests were carried out.

Figures in %, only categories with 1% or more mentioned

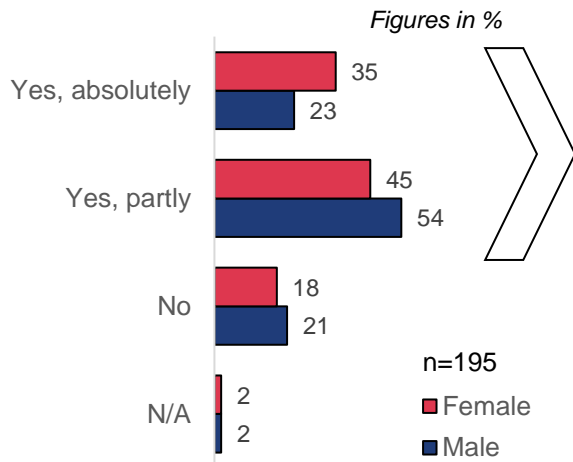


The shortage of skilled workers is rarely perceived as the greatest risk, but is mentioned most frequently in the top 5 risks, followed by cyber issues.

BoD Risk Cockpit — BoD

2023: “Risks are the possibilities resulting from the unpredictability of the future, caused by “random” disturbances, to deviate from planned target values. A risk cockpit integrates those risks that need to be identified, assessed and monitored at an early stage in order to ensure the security of your company.”

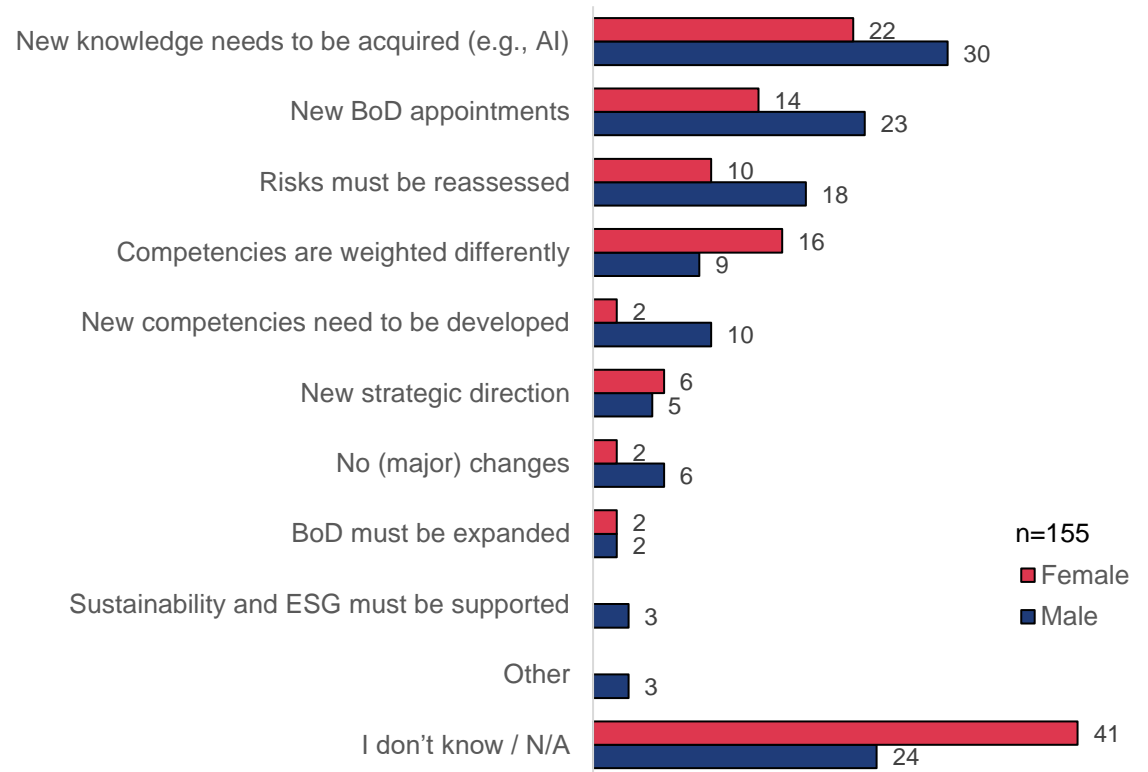
b.) Do the risks have an impact on the composition of your BoD?



The risks change the composition of the BoD body, as new knowledge has to be built up and new BoD members elected. Risks and competencies must also be weighted differently. The differences between the genders are not statistically significant.

c.) How do the risks change the composition of your BoD?

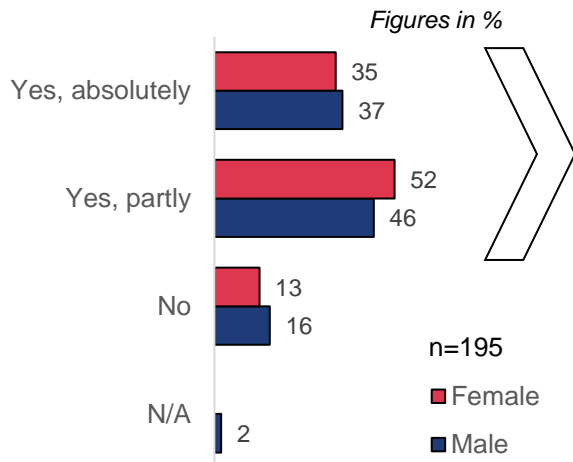
Figures are in %, multiple answers possible



BoD Risk Cockpit — CEO

2023: “Risks are the possibilities resulting from the unpredictability of the future, caused by “random” disturbances, to deviate from planned target values. A risk cockpit integrates those risks that need to be identified, assessed and monitored at an early stage in order to ensure the security of your company.”

d.) Do the risks have an impact on the profile, role, and tasks of the CEO?



The identified risks require new skills and expertise from the CEO, explicitly in team and talent management. The differences between the genders are not statistically significant.

e.) How do the risks change the profile, role, and tasks of the CEO?



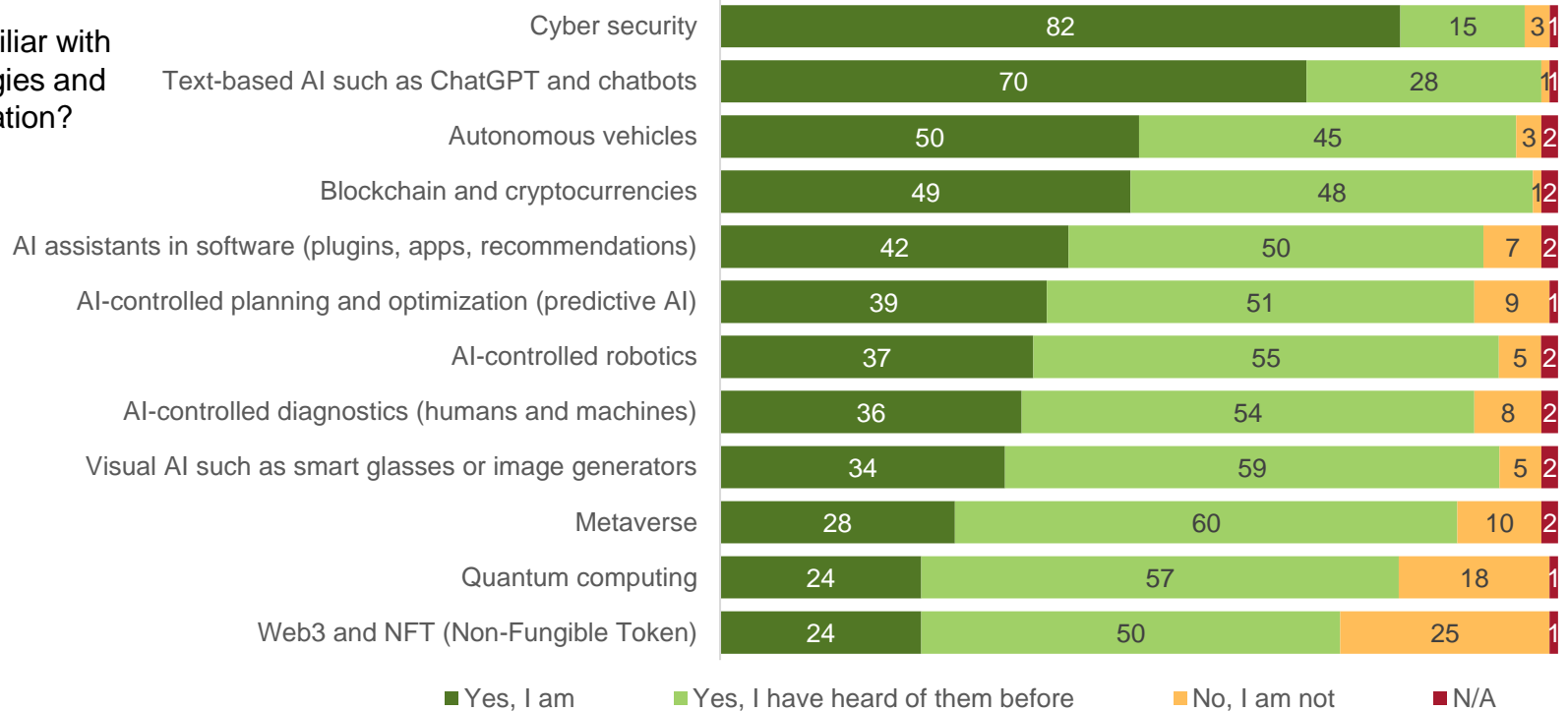


Technologies and areas of application

2023: “By AI (artificial intelligence) we mean all applications in the field of machine learning, natural language processing, computer vision and expert systems. AI can be used in a wide range of applications, from chatbots and voice assistants to self-driving vehicles and medical diagnostic systems.”

a.) Are you familiar with these technologies and areas of application?

Figures in %



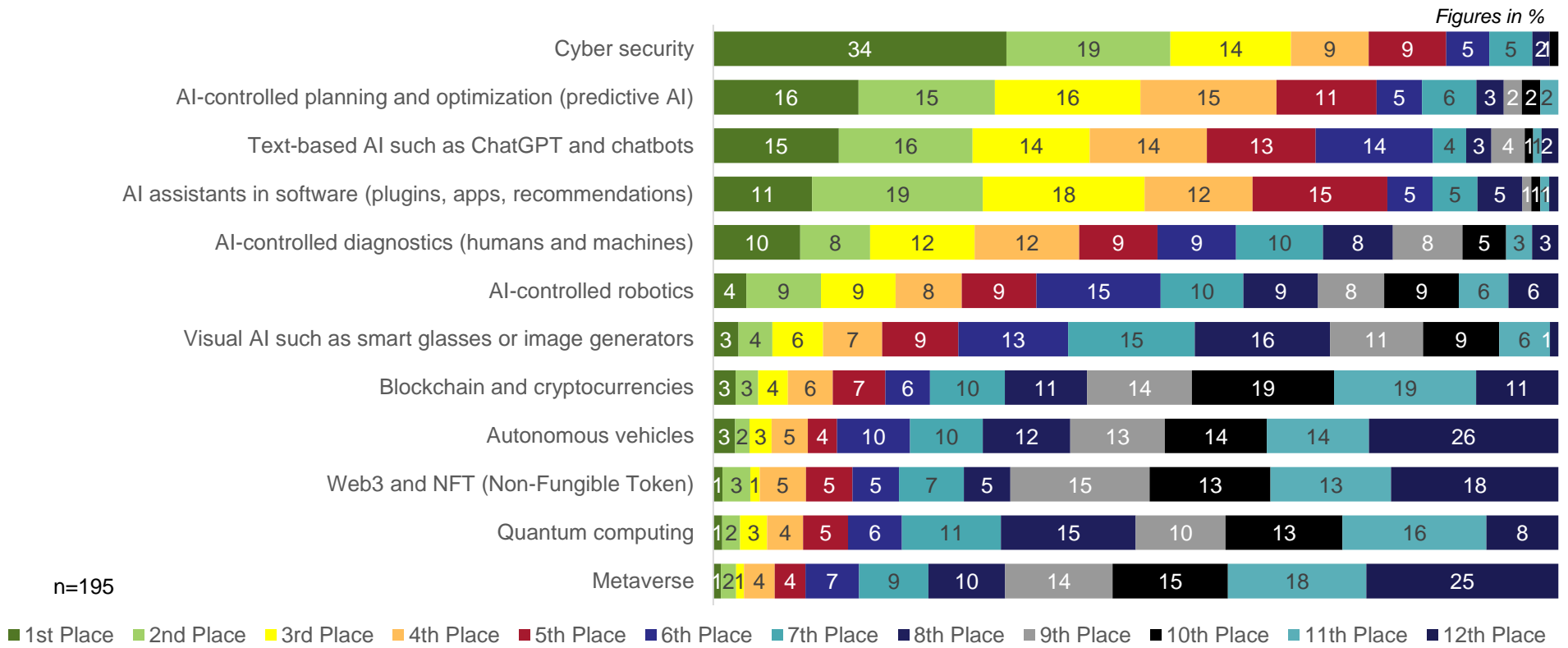
n=195

Half of the respondents state that they are familiar with the topics of cyber security, ChatGPT, autonomous vehicles, blockchain, and cryptocurrencies. For most other topics, the majority stated that they had “heard of them before”. Surprisingly, a quarter of respondents are familiar with “quantum computing” and “Web 3 and NFT”.

Influence of technologies on strategy

2023: “By AI (artificial intelligence) we mean all applications in the field of machine learning, natural language processing, computer vision and expert systems. AI can be used in a wide range of applications, from chatbots and voice assistants to self-driving vehicles and medical diagnostic systems.”

b.) Which of the following technologies do you think will have the biggest impact on “your” company’s strategy in the next 5 years?

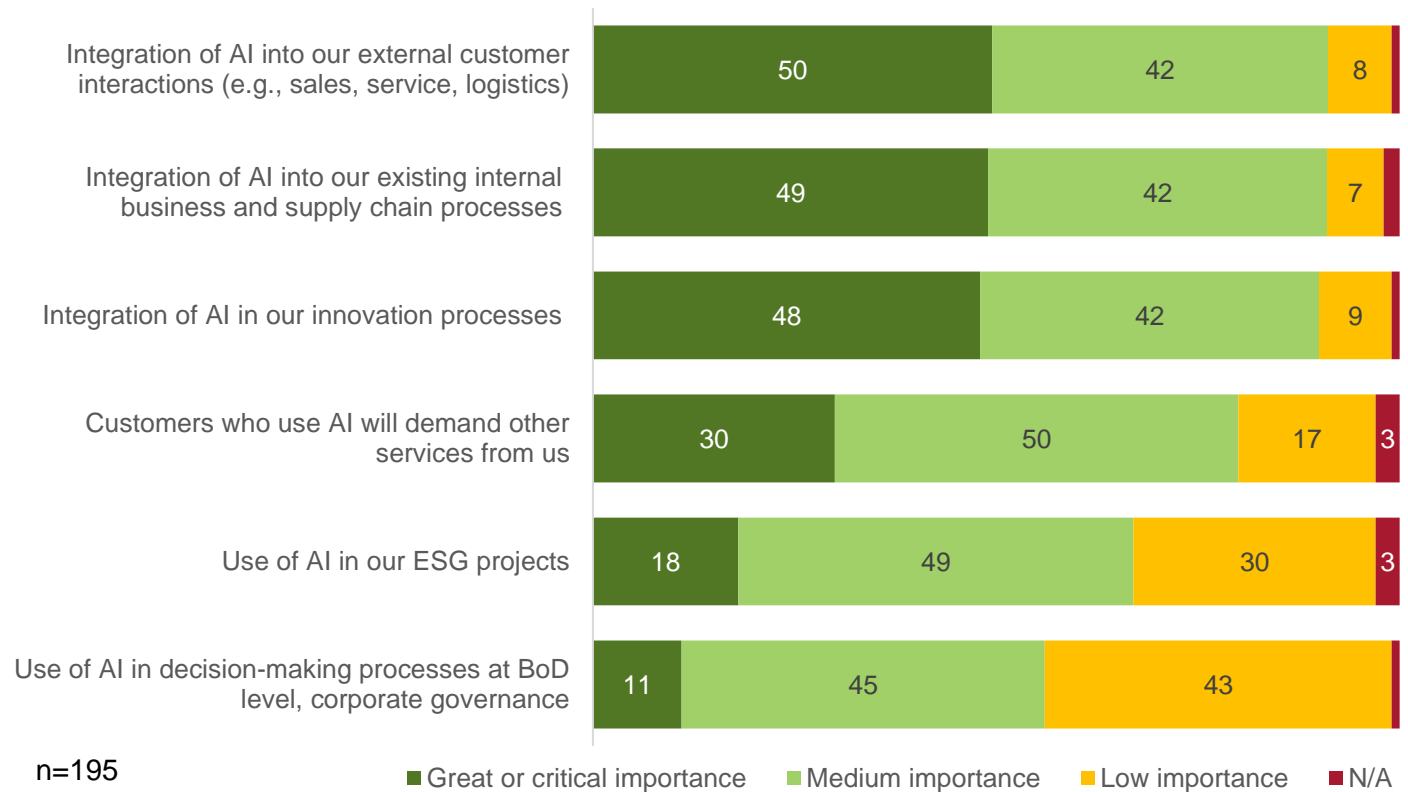


Importance of AI applications

2023: “By AI (artificial intelligence) we mean all applications in the field of machine learning, natural language processing, computer vision and expert systems. AI can be used in a wide range of applications, from chatbots and voice assistants to autonomous vehicles and medical diagnostic systems.”

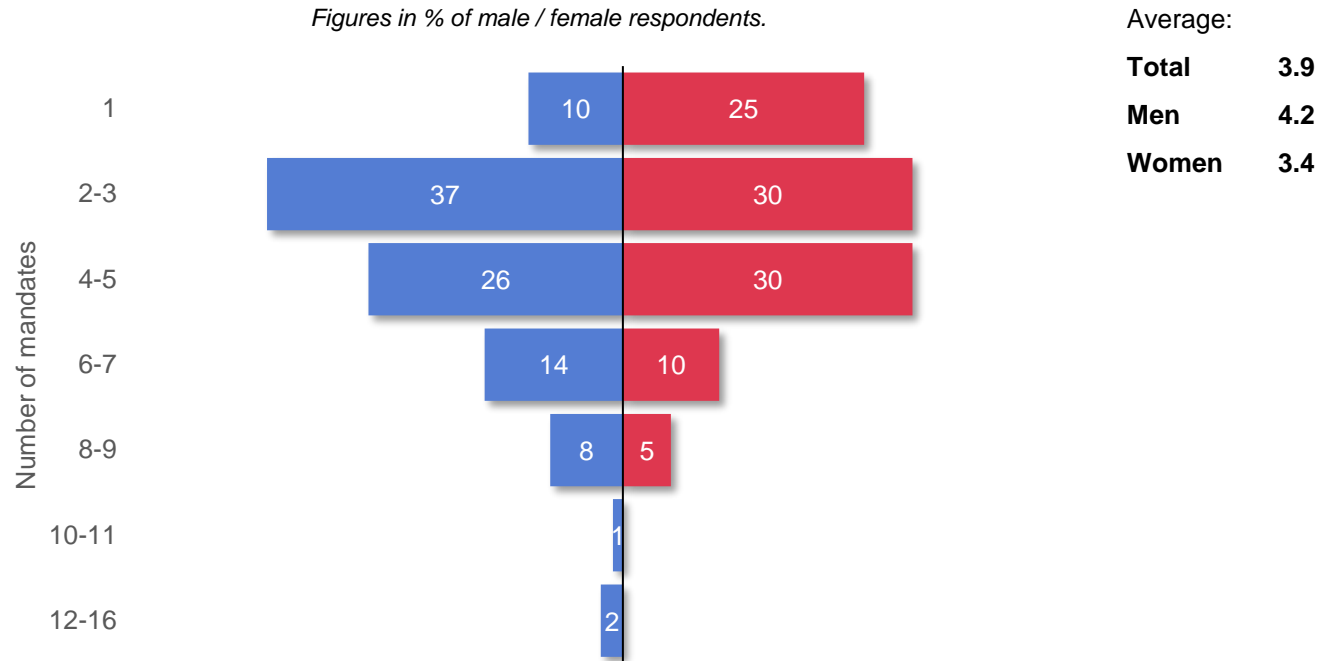
c.) Please estimate how important the following AI applications will be for your company in the next five years.

AI is currently seen primarily as a “tool” for the own company. The fact that customer needs are changing and AI is being used in ESG projects is of medium importance. Only a few think that AI will be used for decision-making processes at BoD level in the next five years.



Number of BoD mandates

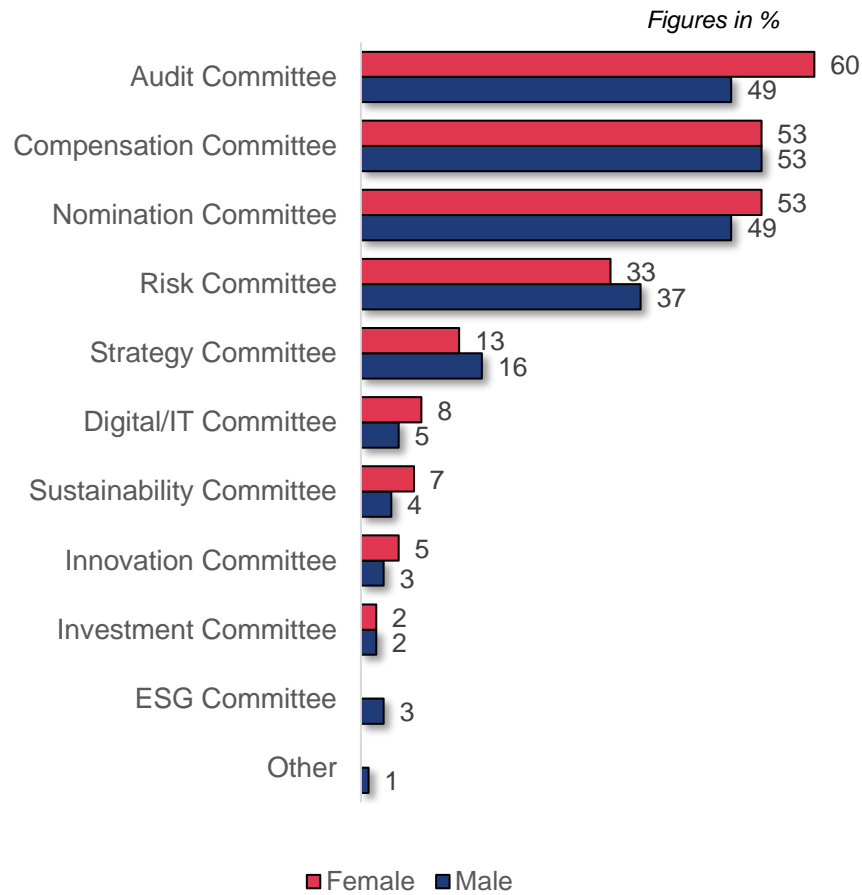
2023: “a) How many BoD mandates do you have?”



n=195

Company typology of BoD mandates

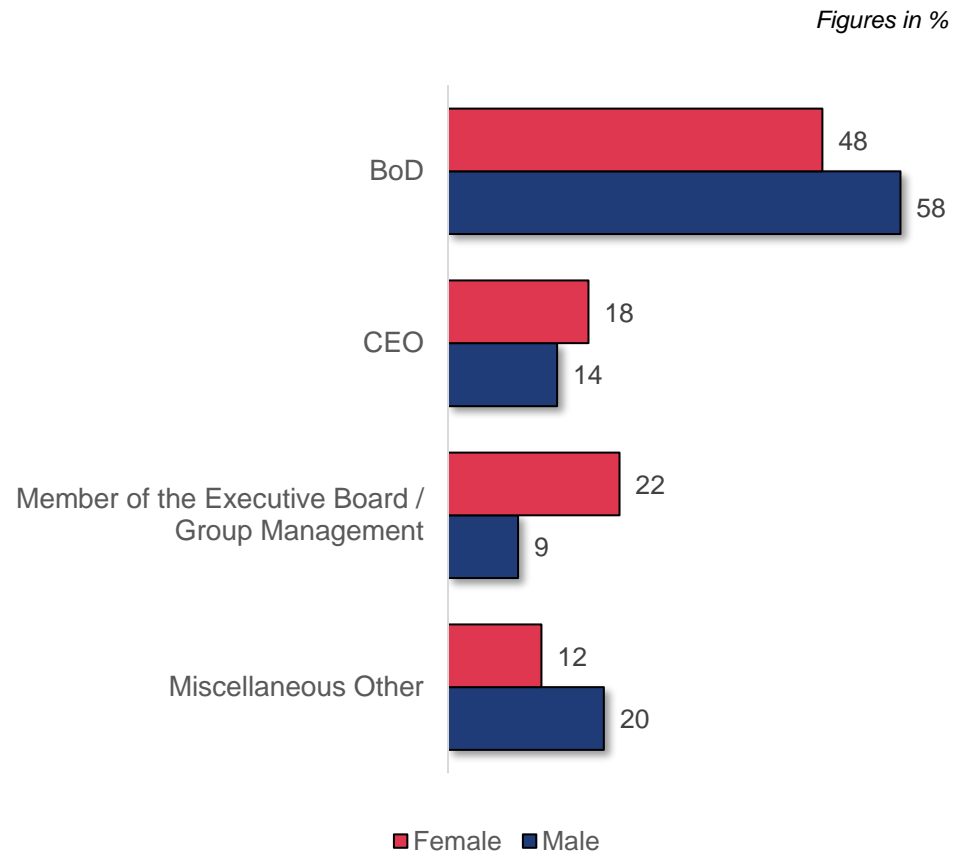
2023: b) In which BoD committees are you active (all BoD mandates)?



n=195

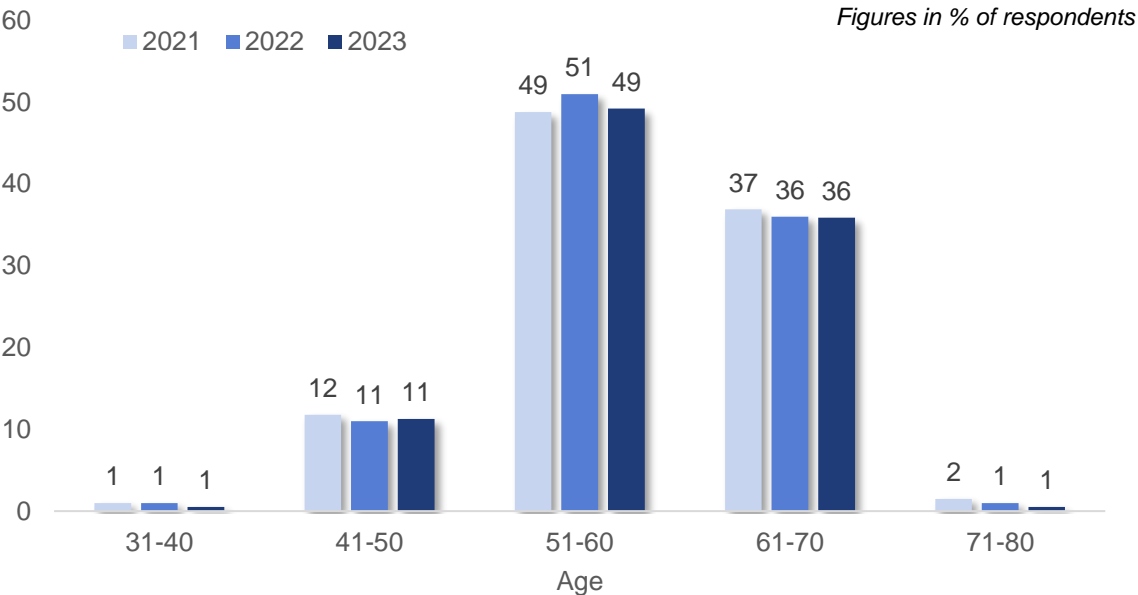
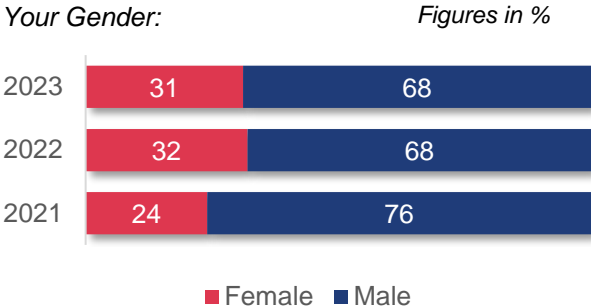
Company typology of BoD mandates

2023: c) In my main activity, I am:



Demographics of the respondents

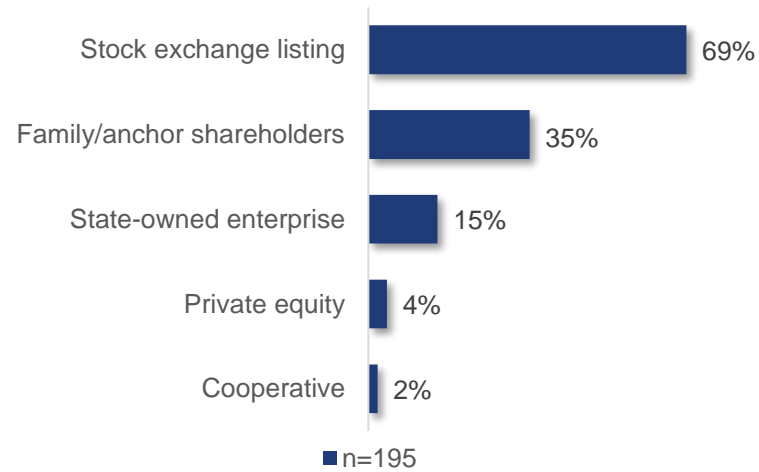
2023: e) Demographic information



n=195

Demographics of the companies

Company type



Challenging what is and inspiring what could be.

We develop leaders who transform organizations
and contribute to society

IMD / Real learning
Real impact

