

## **Davos Reflections and the Road Ahead**



The official theme of the World Economic Forum's annual meeting in Davos last week was "Rebuilding Trust."

At BCG, we believe trust starts with delivering on promises. So what will it take for business leaders to deliver on many of the commitments shared at Davos: driving impact through AI, responding wisely to geopolitical and macroeconomic concerns, and taking action on climate?

**Driving Impact Through AI.** AI, especially GenAI, was at the heart of so many conversations at Davos. After a period of experimentation, it's now time to translate the potential of the technology into tangible business impact and return on investment. Getting there will be mostly about people—talent, training, incentives, leadership, processes, and organizational setup. Our research shows that 9 out of 10 CEOs rank AI as a top priority, but only 1 out of 10 lead companies that have trained more than one-quarter of their employees on GenAI tools—a misalignment we need to correct.

The other critical part of realizing AI's potential is making sure we use the technology responsibly. We have to build greater transparency and accountability and avoid hallucination, bias, misinformation, and the undermining of societal values. If we can demonstrate a strong commitment to responsible AI, our employees, customers, and society will feel they can trust the change that happens.

**Responding to Geopolitical and Macroeconomic Unknowns.** Half the world's population lives in countries holding nationwide elections this year, and the results of some are likely to alter geopolitics, trade, climate commitments and policies, and

more. Ongoing wars and conflicts—with highly unpredictable outcomes—are causing enormous human suffering. While the US-China relationship has improved in recent months, uncertainties remain high. And, of course, there are still major macroeconomic unknowns in every part of the world around growth, inflation, and interest rates.

It's important for business leaders to focus on what they can control. Setting up our organizations and running processes in a very cost-efficient way will allow us to best adapt and react to short-term discontinuities, while also maintaining room to invest in the future. Regular scenario planning along key factors of uncertainty affecting our respective businesses is also essential.

**Going from climate agreements to climate action.** Many companies and governments have made commitments to tackling climate change, but progress overall has been too slow. Building on a successful COP 28, much of the conversation at Davos centered on how to translate a host of agreements and a strong negotiated statement into faster action.

At the Alliance of CEO Climate Leaders, with 80 CEOs present, this centered on how climate leaders can be catalysts for broader systemic change by focusing on five areas: accelerating supplier decarbonization, enabling customers to make greener choices, driving change with peers in your sector, engaging in cross-industry partnerships, and advocating for—and supporting—bold and pragmatic government policies.

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Davos is always an important opportunity to reflect on the challenges we're facing and engage with a wide range of senior leaders for positive change. The conversations this year were practical yet full of possibility.

But talk only goes so far. We're excited about the year ahead, getting down to work to deliver on promises and [“unlock the potential of those who advance the world”](#) jointly with you.

Until next time,



**Christoph  
Schweizer**

Chief Executive Officer

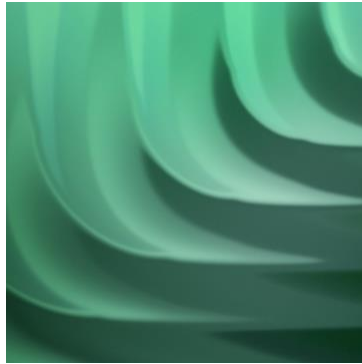


**Rich  
Lesser**

Global Chair

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