

Rethinking Leadership in a G-Zero World

BY **TONI SCHOENENBERGER**, Founder and Executive Chairman of stars



In an era defined by disruption and uncertainty, boards can no longer rely on the governance models of a predictable, rules-based world. The emergence of a G-Zero order, characterised by fractured geopolitics, rapid technological shifts, and systemic volatility, demands a new kind of leadership. To navigate the unknown, directors must cultivate agility, diversity of thought and a culture that prizes imagination and resilience.

The world has always been plagued by crises, conflicts, and wars. Just think of the Black Death, a bubonic plague from 1346 to 1353, killing half of the European population. Wars have been a constant part of human history. Indeed, periods of peace of 50 years were the exceptions.

The present is no different. We live in a complex system characterised by geopolitical and geoeconomic tensions, climate change, mass migration and rapid technological developments.

In an increasingly fractured world, two developments stand out.

First, the Covid-19 pandemic was an inflexion point for institutional governance. It was the first time in modern history that the entire world faced the same crisis at the same moment. The global pandemic was a wake-up call for leaders, and a stark reminder of the importance of staying agile and adaptable in the face of disruption.

Second, artificial intelligence (AI) is emerging as a force with the potential to disrupt everything. Today's corporations, universities, bureaucracies, the defence industry and the establishment seem hardly prepared to cope with the impact of disruptive technologies.

No doubt, we face a "*Zeitenwende*", a turning point. In a G-Zero world without a dominant leader or group to coordinate global geopolitical and technological governance, how can we respond?

Law of the jungle

The previous world order was characterised by predictability. Large economies were more or less aligned on standards for trade, finance, climate and security. Multilateral institutions existed to enforce

norms, and leaders operated in a rules-based, trusted and stable framework.

Today, the G-Zero world order has no dominant coalition or enforcing authority. Multiple power centres, such as the US, China, the EU, Russia and regional blocs, pursue their own interests. Fragmented regulations, competing standards, regionalised trade and high volatility are marked by a rapid realignment of alliances.

The shift from a rules-based world order to a G-Zero world order has happened in a relatively short period of time.

Or, as Joerg Wuttke, President Emeritus EU Chamber of Commerce in China, puts it: "The transition from straight-line globalisation and rules-based economic relations to decoupling and 'law of the jungle' has proved to be too fast for many boards to grasp, prepare and act upon."

Indeed, the past is a poor guide for the future.

Blind spots

Corporations and institutions are not prepared to navigate their organisations in a G-Zero world full of disruptions and uncertainty. President Trump's tariffs on imports into the US have further accentuated disruption, economic uncertainty and multipolarity. This presents governments, executives and corporate boards with even greater challenges in making decisions on future directions in times of increased uncertainty.

Disruption is not an anomaly; it is the new operating environment. The new world is non-linear, full of contradictions, undetermined and volatile.

Despite the increasing frequency and intensity of global shocks – pandemics, war, supply chain crises,

Rethinking Skills for a G-Zero World

Reducing unknown unknowns is mostly about creating conditions where surprises surface early, cheaply and safely. You cannot eliminate them entirely, but you can make them less likely to hurt you when they appear.

Diversity of perspectives



Unknown unknowns often hide inside a group's shared blind spot. Outsiders may see what you do not. Boards can bring in people with different backgrounds, expertise and assumptions. The most effective governance bodies are not those stacked with financial or legal expertise alone, but those that integrate insights from cyber risk, AI and automation, energy systems, climate science, labour movements, global diplomacy, global supply chain fragility, pandemics and health threats and crisis management.

Board members must cultivate political literacy and cultural intelligence. Operating in a multipolar world means navigating shifting norms, regulatory divergence and competing values. That requires a diverse board setting composed of industry, financial, geopolitical and technological insiders who are unprejudiced in their analytics. This includes the ability to connect the dots to shifts in the external environment.

In a G-Zero world, executive development is of utmost importance. To develop the leaders of the next generation, high-level exposure of younger talent (e.g., 35 to 45 year-olds below the C-level) to futures scanning and global networks with experienced leaders from political, academic, military and other industries can help.

cyber attacks, political polarisation – many boards remain underprepared. While they may excel at regulatory compliance, audit oversight and fiduciary duties, most have not yet adapted to the nature of disruption in a multipolar world.

Traditional board governance models are optimised for stability, not systemic volatility. In most boardrooms the current disruptions are perceived as isolated events and treated as “black swan” anomalies instead of the new strategic baseline. This misalignment creates blind spots.

In good times, you do not need boards; in bad times, they are useless. While this might be an exaggeration, it contains a kernel of truth. Yesterday's successful executives, trained and experienced in a rules-based and stable world order, are not geared up for this G-Zero world. Some boards are prepared for a world full of disruptions, but many are not. They underestimate non-financial risks.

Unknown unknowns

Scenario-thinking is a kind of brain-jogging, thinking about the known unknowns. But in

Agility and resilience



Resilience must become the new bottom line. That means moving beyond quarterly metrics to consider the organisation's ability to absorb shocks, maintain continuity and adapt through systemic change. Resilient organisations invest in robust ecosystems, build trusted partnerships and develop internal agility – not just operational efficiency.

Resilient boards are comfortable with ambiguity, respond to multiple contradictions and make decisions under uncertainty. To guide the organisation through complex, non-linear challenges, boards must put concrete solutions above conceptual convergence. Boards with strategic agility will transform turbulence into competitive advantage.

Company culture is key



Future-ready boards evolve not just in structure, but in spirit. Board leaders need imagination and vision to spot opportunities rather than mechanically implementing a goal. In doing so, they will transition from defenders of the past to navigators of the unknown future, the unknown unknowns.

Establishing a company culture that is sensitive to political, economic and technological changes requires a continuous learning mindset that is willing to challenge assumptions.

The key lies in instilling a corporate culture of innovation, creativity, enterprise and agility. An openness to ideas (and to failure) can equip the company to deal with the unanticipated and the unknowable. This requires courage in leadership and a board with an acute sense of responsibility for the survivability and the sustainability of their company.

times of major disruptions, the challenge is the unknown unknowns, which are things you do not even realise you do not know until they suddenly show up. They are tricky because you cannot plan for them directly; they usually only become visible after experience, exploration or a mistake reveals them.

Effective boards not only need to assure ongoing good results through competent operational leadership, but also set the strategic direction for the company despite continual change, both expected

and unexpected (see box, “Rethinking Skills for a G-Zero World”).

Expect the unexpected

We are used to planning by way of reacting to what we anticipate the major future challenges to be. However, planning based on the known knowns and the known unknowns is no longer good enough. The successful company has to work out how best to navigate the unknown unknowns when, by definition, we cannot know what we do not know. ●