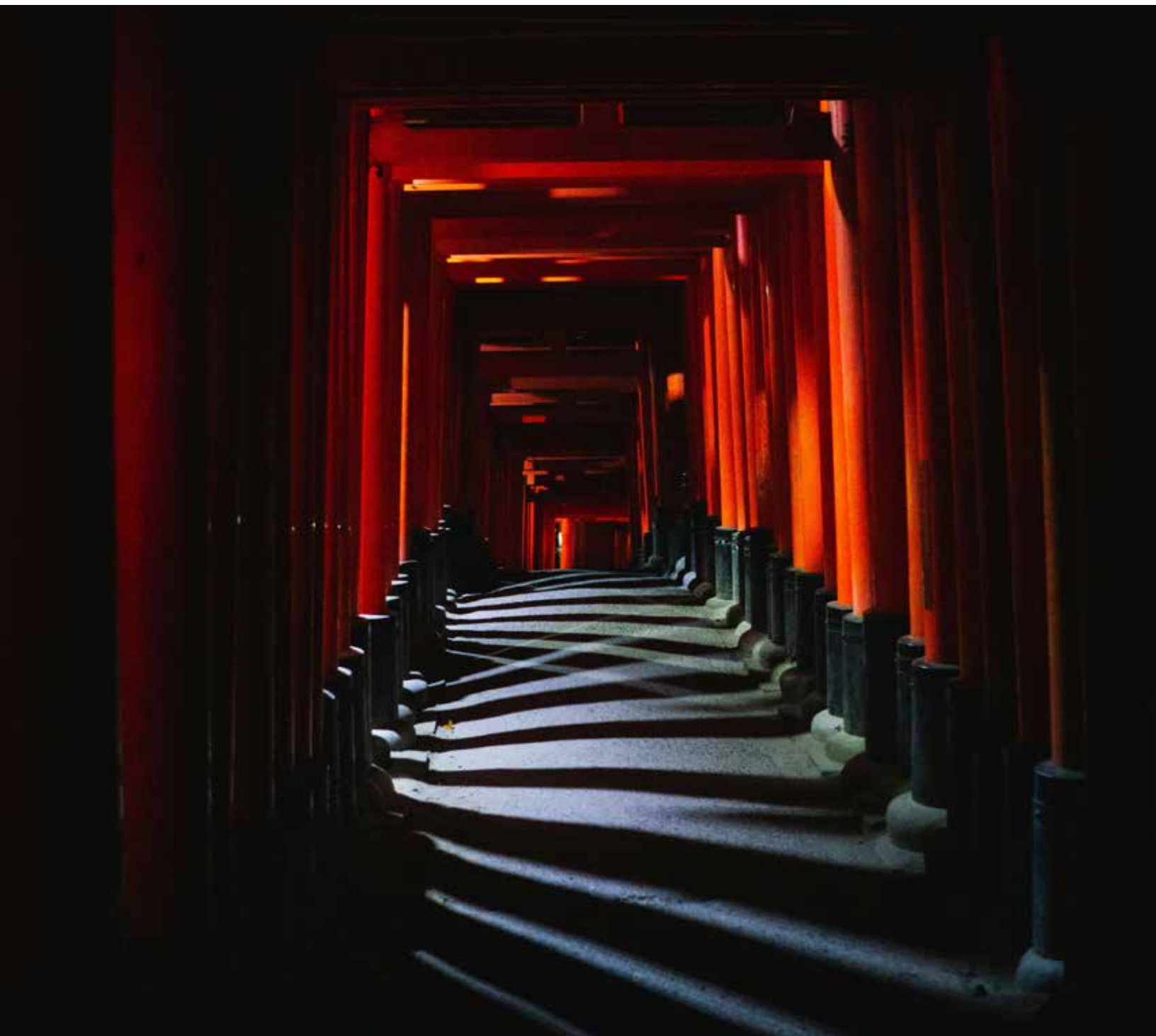
Generational Governance:
Future proofing organisations

Insights from Australia, Japan and the United Kingdom



Acknowledgements

No matter who is identified as an author of a work, the deeper truth is that it stands of the shoulders of many: it is no different with this work.

We are grateful to Meiji University in Japan who supported the questions addressed in this work, along with our home institutions Griffith University, Australia and Lancaster University, United Kingdom. We are also grateful to the approximately 3000 respondents who answered the survey that informs this report. Their responses, whether they knew it or not, are a call for change.

This work was supported by a grant from the Japan Society for the Promotion of Science (JSPS) KAKENHI Grant Number 23K12531 and an enabling grant from Griffith University.



Acknowledgement **of country**

This report was written in both Australia and the UK.

In Australia, it was written on the traditional lands of the Yugarabul, Yuggera, Jagera, Turrbal and Gubbi Gubbi peoples and in this context we would like to acknowledge the traditional owners and custodians of the lands on which we live and work and pay our respects to Elders, past, present, and future; extending that respect to all Aboriginal and Torres Strait Islander people.

Within the UK, there is no precedent for acknowledging country in the same way as it is in Australia. However, all lands have had traditional owners and custodians, it's purely a question of how far back in time one looks. As such wherever we work and live there is a history and a past that should be respected, as to some degree we are all, no matter where we live and work, walking in the footsteps of generations of humans' past.

Advance ***comments***

In advance of this report being published, it was shared with some executives and commentators. Their quotes, edited for brevity are shown below.

- *Sustainability for me is thinking in terms of the next generation, consulting with people about the decisions that affect them and limiting your footprint on the earth. Those three simple but incredibly important concepts form a philosophy that I try and apply to all the decisions I make, particularly in the boardroom. Part of the problem, of course, in the boardroom, is the lack of diversity, particularly in terms of diversity across generations. The way in which non-executive directors are traditionally recruited, particularly for government owned or listed entities - involves length as well as breadth of experience. That means we're mostly pale, potentially stale and almost always male... And going back to the why, of course, it should be obvious. It isn't just about the moral responsibility to involve these generational representatives; it's the huge and positive impact that diversity brings to boards. Diversity of thought is what makes a boardroom more functional, more efficient and more likely to identify and articulate the opportunities that might be missed... I cannot think of a better way to leave a legacy, as a board, then to prepare the governance structure of an organisation for the challenges of the future, by formally incorporating that voice of the future into the boardroom* **– Ms. Jane McTaggart – Chairperson and Board Member, Australia**

- *Stewardship in government organisations is not only about protecting what exists but preparing for possible futures... [this report]... makes the case for doing this through reimagining governance and sharing power - inviting generations 30 years younger into real and impactful conversations about today's policies and investments. By involving future generations in conversations about tomorrow, those who stand to inherit the decisions (and mistakes) of those with power, governments will have a better chance of making decisions worthy of the trust of future generations. For policy makers and advisors, younger generations can be seen as some of the best evidence we have about the needs of future citizens* **– Andrew Wills, Former Director of the Institute of Public Administration, Australia**

- *As is commonly known in international surveys, responses from Japan tend to be more reserved. However, the fact that Japanese respondents in this survey still showed a similar logical pattern (tendency) to their counterparts regarding Future Generation Governance is evidence that this issue holds universal importance beyond cultural boundaries. This finding is a vital insight for Japanese corporations and policymakers, urging them to re-affirm the long-term responsibilities embedded in their existing practices and connect them to global sustainability standards* **– Prof. Tatsuyoshi Saijo, Director of the Future Design Research Center, Kyoto University of Advanced Science, Japan**

Executive **summary**

Robust governance is critical to the sound functioning of companies. Governance becomes even more critical as we seek to understand and prepare for a future that will be different to our current times. In particular, we anticipate that the future will be more volatile than the present due to social and ecological changes that are being 'baked into' our economic system. Many organisations are seeking to understand how to face this future and this report focuses on one mechanism by which a conversation can be held between current and future corporate leaders about sustainable transitions: that of generational governance.

Generational governance describes arrangements whereby future generation leaders are part of corporate governance with two ways of realising this idea. First, a company might create a dedicated board made up of younger leaders who interact with a main board. Alternatively, main boards might self-consciously include younger members. In both cases, there is a desire to bring a more future orientated perspective to corporate governance and critical decision making by including those who will be around to see the outcomes of current decisions. In our setting, future generations are those who are around 30 years younger than the average CEO of a company. This means that we are thinking about how to include people who are around 30 years old into corporate governance routines.

This report provides insight into attitudes of 3,000 leaders to the idea of generational governance, drawn equally from Australia, Japan and the United Kingdom. Survey participants believed that their employers were making decisions that consider future generations but that they would make better decisions if they had some form of generational governance in place. Respondents perceived challenges of enacting generational governance were that existing leaders would have to cede power and that there would need to be investment to ensure younger leaders were able to contribute effectively to governance.

The findings of this report pose more questions than answers. Building on interest from survey participants, the report highlights some examples of generational governance that can be found in political as well as corporate settings. An interest in generational governance along with some models of existing practice is a great place to start this conversation.

CEO Age and Climate Policy

Future Generations Boards: Back to the Future - Your Kids are Gonna Love It

Future Generation Boards Part II - We Have the Almanac

Future Generation Boards: No Time Travel Needed

エグゼクティブサマリー

健全な企業運営の実現には、強固なガバナンス体制が不可欠である。さらに、将来 に向けて多様な変化が生じていくことを理解し、その到来に備える必要性が高まる につれて、ガバナンスの重要性が一層増す。とりわけ、社会と環境の変化がすでに 経済システムに組み込まれつつあることを踏まえると、将来は今よりも不確実性の 高い不安定な状態となるだろう。こうした将来への対応を模索する中で、多くの組 織が新たな統治のあり方を検討している。本稿では、持続可能な移行（sustainable transition）についての対話を現世代と次世代の企業リーダー間で促進する一つの制 度的手段として、「世代間ガバナンス（generational governance）」に着目する。

世代間ガバナンスとは、企業統治の枠組みに次世代のリーダーを組み込む仕組みで ある。これを実現する方法として、以下の二つが想定される。第一に、若手リーダ ーによって構成される専用のガバナンス機関を設置し、これと主要な取締役会とを 連携させる方法。第二に、主要な取締役会自体に若手メンバーを意図的に加える方 法。いずれの方法においても、将来の結果を自ら経験する世代を企業統治や重要な 意思決定に関与させることで、企業統治に未来志向の視点をもたらすことを目的と している。本稿では、「次世代」を企業の平均的なCEO年齢より30歳ほど若い人々とする。本稿では、これを踏まえ、約30歳前後の人材をいかに実際の企業統治に参 画させるかを主たる論点とする。

本稿では、オーストラリア、日本、英国の三か国から均等に抽出された3,000名を対 象とするサーベイを行い、世代間ガバナンスに対する認識および姿勢を分析した。回答者の多くは、自社が次世代を一定程度考慮した意思決定を行っていると認識し ていたものの、世代間ガバナンスの仕組みが導入されれば、意思決定の質はさらに 向上するとの見解を示した。また、導入に向けた主要な課題として、現在のリーダ ーによる一部権限の移譲が必要となる点に加え、若手リーダーがガバナンス（意思 決定）に効果的に参加できるようにするための投資が必要となる点について指摘が あった。

本稿で得られた結果は、明確な結論を示すというよりも、むしろ新たな研究課題を 示すものであった。本稿では、サーベイ参加者が何に関心を持っているか、を踏ま え、政治の場だけでなく企業活動の場でも見られる世代間ガバナンスの例をいくつ か紹介している。こうした世代間ガバナンスへの関心と、すでに存在する実践例（モデル）は、この対話を始めるうえで良い出発点となるだろう。

Pentland Centre for Sustainability in Business reflections on longevity

Podcast on future normal

Podcast on generational governance

Contents *page*

Acknowledgements 2

Acknowledgements of country 2

Advance comments 3

Executive summary 4

Contents 6

Introduction 7

Setting the wider context for this research 8

Conducting the research 8

Survey results 11

Discussion 18

- Implications 19

- Next steps 19

Appendix 20

- Further demographic data for different questions 20

- Average and Median Values Data for Different Questions 21

Author biographies 24

End notes 25

Introduction

This report begins with a brief outline of our wider human context and a discussion of some of the philosophy behind sustainable development. It will foreground a central element of the sustainability debate: time. Specifically, sustainability thinking invites businesses to develop a longer-term focus than might otherwise be the case. Prior work of the Pentland Centre for Sustainability in Business identified five enabling aspects possessed by some organisations that have the potential to build business resilience in the face of volatility.[1] These aspects focus on long-term thinking, draw from and reinforce each other. They are:

- **Organisational purpose, encompassing wider-than-financial outcomes guide to actions**
- **Stewarding assets/institutions drives thinking, with a goal of preserving the best of what has come before**
- **Keeping values and culture alive through inter-generational storytelling**
- **Longevity is a 'team sport' with buy-in from key business partners**
- **Protections against losing one's way exist such as 'in perpetuity' thinking and knowing what is non-negotiable**

The work also identified that some businesses were formally including future generations in their corporate governance processes. In this way the perspectives of those who are going to be around after the current generation of decision-makers retire, can be represented in boardrooms. This report builds on these observations by reporting on a formal survey of individuals' views about 'generational governance'.

Prior to presenting the results of the survey, it is worthwhile setting the stage somewhat. In this work, we consider a generation to be around 30 years. Hence future generations of corporate leaders are alive and working in business. Further, generational governance refers to either younger individuals (c25-30 years old) joining the main board of a company, or them influencing the main board through some formal means, such as a dedicated future generations advisory committee to the main board.

The main body of the report describes the research that sought views on generational governance, with 3,000 respondents surveyed across Australia, Japan and the UK. At the time of writing, we believe that this study is the first to attempt to understand individuals' perceptions regarding potential generational governance in the organisations they work for. As well as presenting the results, implications and practical next steps that organisations can take are offered.

Setting the wider context *for this research*

Much has been written about the challenges we, or those that come after us, might face in the coming decades and beyond. The challenges are multiple and range from climate change, habitat loss, biodiversity loss, ocean degradation, income inequality, migration, and desertification to the threats posed by the rise of Artificial Intelligence. Any list of challenges is almost endless and perhaps true to our survivalist nature; we continue to make such lists as issues to ponder and consider.[2]

However, such a future is not an inevitable destination. Rather, it is often argued in the reports that highlight these possible outcomes, that they are avertable if changes to our current actions are made. This is an acknowledgement that the options for those that come after us are the product of our choices.[3] This said, any one individual has limited degrees of freedom regarding their actions not least because of constraints that result from wealth, position and beliefs about the world. However, organisations do have greater degrees of freedom and in turn their decisions and actions have relevance, not least because the acts of organisations shape our world, our hopes, our dreams, our desires and more. Hence, if an intent is to change the course of our future, one approach is to change the strategies of organisations. Notwithstanding other possibilities, we suggest that implementing generational governance in organisations might be a way to forge a different future. To help explain this argument it is worthwhile stepping back in time.

During the 1960s, predictions about the future state of the earth began to arise. The argument put forward was that there needed to be a shift in our central philosophy towards an approach that is more sustainable. This led to the call for sustainable development:[4] codified in 1987 when the United Nations published Our Common Future. It defined sustainable development as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".[5]

Much has been written about this definition, but stripped back it is a philosophy that is about making decisions that focus on now humans and future humans. So far, so simple, and going a little further, the ethic embedded in sustainable development can be encapsulated in the notion that we should pass on a world to those that come after us one that we would be happy to inherit ourselves.[6] There are, however, problems with operationalising this idea, not least of which is defining future generations: who are these people?

In response to this question, the 2024 United Nations Declaration on Future Generations argued that future generations are those who do not yet exist.[7] The 2023 Maastricht Principles on the Rights of Future Generations takes a similar position.[8] There are challenges to giving a human not yet born equivalence to those alive now,[9] the most evident of which is that the unborn have no agency in the present and those alive today have no ability to talk to them. Hence, if we are to enact sustainable development based on an understanding of future generations being those not yet born, we must imagine what they might want. While our imaginations can perhaps identify some key relative non-negotiables such as clean air and water; there is also some absurdity to such imagining. An absurdity that arises through us considering how our parents could not imagine our needs.[10]

An alternative way to think about future generations is to take a practical turn and use everyday examples such as the socially constructed categories of generations x, y, z[11] and so forth. Or alternatively consider a set number of years, for example thirty.[12] A focus on a timeframe of 30 years is a not untypical age difference for parents to children. This more practical turn is recognised by the UN Declaration and the Maastricht Principles as a pragmatic way forward. In this research we take 30 years as being a generational timeframe to think in a grounded way about future generations. As a result, we all live in societies that are populated by future generations: a future generation member for a 57-year-old is a 27-year-old.

Going further, this practical turn has immediate utility to those who make decisions now, as making decisions that meet the needs of the present without compromising future generations becomes a conversation between individuals who have a thirty-year age difference. Taking this practical turn and applying it to organisations means that boards and c-suites merely need to converse with individuals 30-years their junior. Given the average age of a CEO is 57 years old[13] and a board member is 60 years old and rising[14] such a conversation should be relatively easy to establish in any organisation.

All of us make decisions based on our cognitive representations of the world[15] and, as might be expected, age correlates to the types of decisions made. For example, the age of a CEO matters to whether an organisation has a climate change policy and emissions targets or not, with older CEOs being less likely to run companies that have such policies in place.[16] Similarly, as age increases, decision-makers are less likely to adopt innovative technologies or make what they consider to be risky investments.[17] Hence, age matters to the decisions made.

At this point it is worth noting that at the time of writing, the current crop of leaders was on average born in the same decade, the mid-to-late 1960s. Since then, the global population has risen from approximately 3 billion people to 9 billion, a threefold increase.[18] Further, when they were born, climate change was not a problem, wealth inequality was relatively low, and the internet and smartphones were mere twinkles in someone's eye.[19]

On the other side, the younger generation, are as evidenced by global surveys increasingly anxious about the future impacts of climate change[20] and the concurrent environmental degradation.[21] The next generation of leaders do not appear to be comfortable with the world they will inherit. Yet to a large degree they are shut out of formal decision making in organisations. This situation highlights a challenge, wherein given the scale of change we now effect through our world via the decisions made by organisations, there is arguably an inequity of sorts that could, at least partially, be addressed through a generational expansion in governance. An expansion in age diversity that may well be complementary to other diversity initiatives for board representation that have shown positive results in terms of corporate effectiveness.[22]

As indicated earlier, we frame this work as 'generational governance'. This might mean, first, boards and c-suites could become more representative of a wider age range. Alternative, a board and c-suite could be formally advised by future generations advisory committees populated by individuals who are 30 years younger than the average age of the board members (typically 60).

Prior to outlining the terms of this research, it should be noted that considering future generations in decision making is not without precedent: in other terms it is not that this type of future is not evident, more that it is not evenly spread. For example, the country of Wales has a Future Generations Commissioner,[23] the United Arab Emirates has a Minister for Youth Affairs,[24] Finland has a Parliamentary Committee for the Future,[25] Malta has a Guardian of Future Generations,[26] and Hungary an Ombudsman for them.[27] Further, some companies have youth or next generation advisory boards, for example Good Energy in the UK,[28] the Port of Amsterdam,[29] TYF,[30] the Britain's Energy Coast Business Cluster[31] and Hugo Boss.[32] In addition, entities have been created to support shifts, for example in Australia the Foundations of Tomorrow[33] initiative aims to support long-term thinking and has supported a bill being presented to the government on the establishment of a Wellbeing of Future Generations bill.[34]

All this being said, at the time of writing it appears that no research has been done on individuals' perceptions of such shifts to a form of generational governance. This research addresses this gap with the intent of surfacing perceptions of generational governance. It aims to help develop a sense of understanding that is informative and directional regarding the possibilities for organisations that might wish to embrace generational governance.

This said, it should be noted that this research cannot answer the question of how effective such governance structures are: that is for another time. Rather, the findings of this research can elucidate the possibilities for generational governance and to some degree the beliefs and hopes embedded within it as evidenced by individuals' responses.

In closing, if we take a generation to be 30 years, we have a more practical basis to understand future generations. Further, organisations with models of generational governance exist, even though this is not widespread practice. However, perceptions of generational governance are lacking, and it is into this gap that this research steps. It surveys more than 3,000 individuals from Australia, Japan and the UK and explores their perceptions of generational governance and the possible benefits of it for the organisations they work for.

Conducting *the research*

To gather individuals' perceptions of generational governance, data was gathered via an electronic survey administered by the research company Qualtrics. This survey was designed by the authors of this report and contained 30 questions of which roughly half covered demography and half perceptions.

Survey respondents were introduced to the concept of a generation being 30 years and to the possibility of organisations having a form of generational governance, as described earlier. Namely generational governance could be the main board being populated by individuals that range in age from 30 to 60 years old or alternatively consist of committee that advises the main board, populated by individuals in their 30s.

The survey was open to individuals aged 18 years and older and was distributed in Australia, Japan and the UK between November and December 2024. In total, 3,338 individuals completed the survey with approximately a third from each country. The average age of a respondent was 43 years old, and 55% were male, 45% female. The respondents tended to have relatively high levels of educational attainment with around 60% having a bachelor's degree or higher. All the respondents worked full time, with 70% working in for-profit companies and the remainder in the not-for-profit and public sector. Roles within organisations and industry sector varied, with 30% of respondents being on the board/c-suite of their organisation.

Further to demography questions, the first group of questions asked individuals to rate on a scale (0, no, to 100, yes) as to whether the organisation they worked for:

- **...is making decisions that considered future generations.**
- **...is leaving a positive legacy.**
- **...is making decisions that enable a just society.**
- **...is making decisions that are compatible with reaching net-zero by 2050.**
- **...would make different decisions if it had a form of generational governance.**

Further to this group of questions, the second group of questions asked individuals whether the organisation they worked for:

- **...would make decisions, if it had a form of generational governance, that were less (0) or more socially just (100).**
- **...would make decisions, if it had a form of generational governance, that were less (0) or more compatible with net-zero by 2050 (100).**
- **...would benefit from developing generational governance – 0 (no benefit) to 100 (a lot of benefit)**

Following these scale questions, the third group of questions explored what individuals considered the possible outcomes of and barriers to adopting generational governance. Possible outcomes included, but were not limited to, enhanced company reputation, long-term value, and the ability to attract talent. Possible barriers included, but were not limited to, reluctance on the part of leaders to cede power and the ability of younger people to handle governance responsibilities.

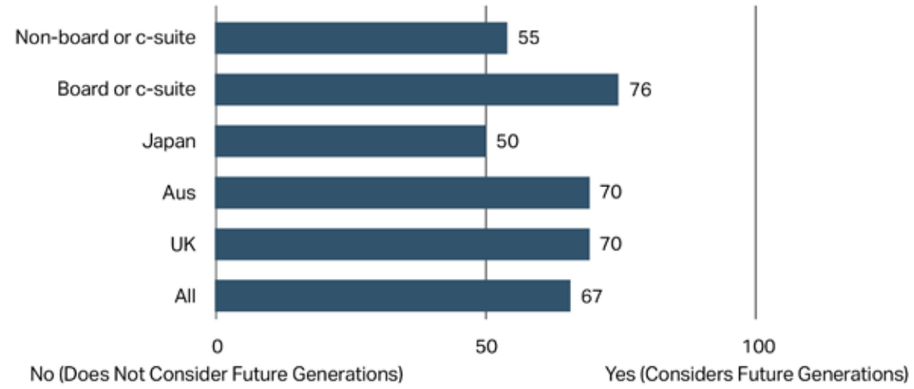
The next section of this report presents the results from the survey and then the final section offers discussion, implications and next steps.

Survey *results*

From analysing the results, the demographic variables which yielded insight were at a country level and whether a respondent was a member of the board or c-suite of their company or not. Hence, these demographic variables are the axis upon which the results are presented. In addition, for those questions where a scale (0 to 100) was used, the median value of the responses is shown (the median value is the middle value in a set of data with the same number of responses below or above the median). For questions where a scale was not used, the % of respondents is shown.

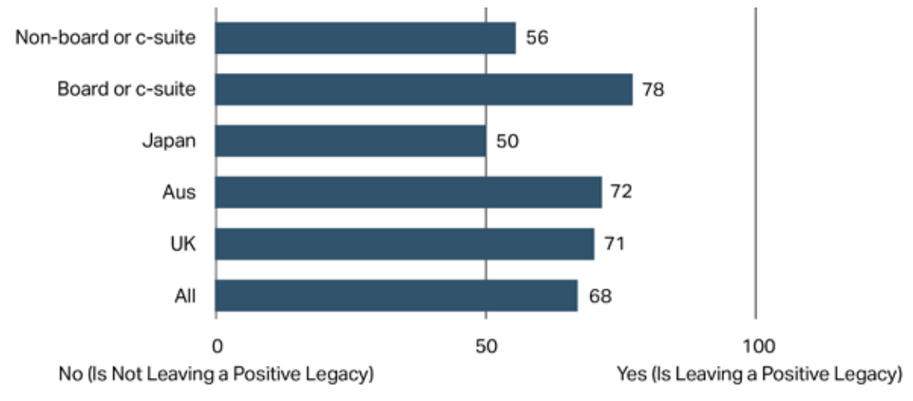
Figure 1 shows individuals' perceptions of whether the organisation they work for makes decisions that consider future generations. As can be seen, the median values of the responses indicate that those on the board and c-suite of their organisation or from the UK and Australia are most positive in their response. In contrast, those not on the board or c-suite or from Japan are least positive. However, all respondent groups believe that the board of their organisation does consider future generations.

Figure 1: *Individuals Perceptions of whether the organisation they work for makes decisions that consider future generations – median values shown*



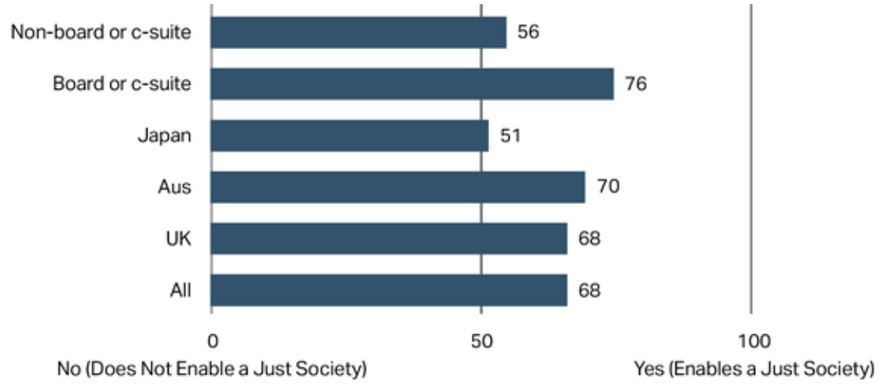
Moving from whether future generations are considered, Figure 2 highlights responses regarding perceptions of whether the organisation the respondents work for is leaving a positive legacy. The response profile is similar to the previous result, wherein those who are on the board and c-suite, or from the UK and Australia, are more certain about their organisation leaving a positive legacy. Those not on the board or c-suite or alternatively from Japan are least certain about this aspect.

Figure 2: *Individuals Perceptions of whether the organisation they work for is leaving a positive legacy for future generations – median values shown*



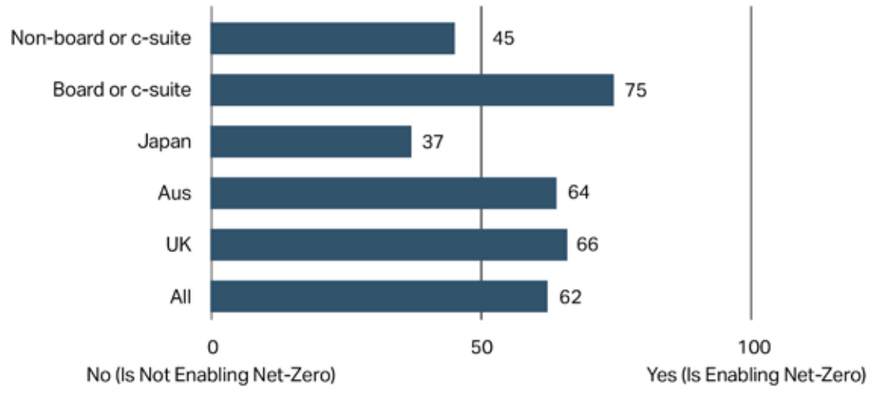
The survey then asked whether respondents believed their organisation is enabling a just society, Figure 3 highlights how those on the board and c-suite of their organisation or from Australia and the UK are most convinced their organisation is making decisions that enable a just society. Whereas those not on the board/c-suite or from Japan are less convinced.

Figure 3: *Individuals Perceptions of whether the organisation they work for is making decisions that enable a just society – median values shown*



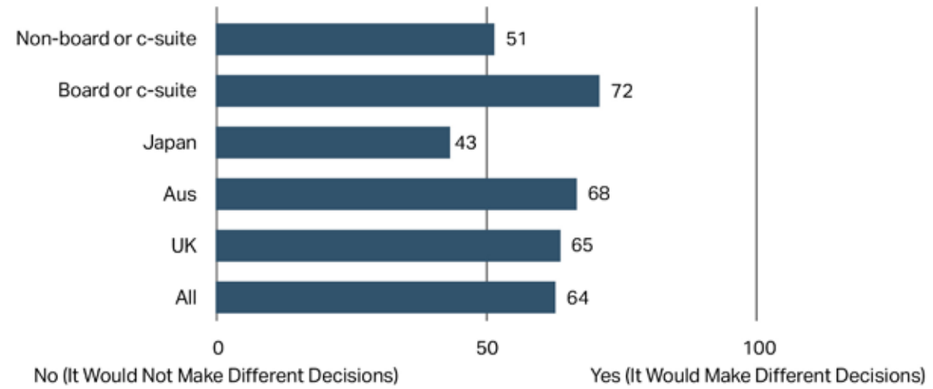
Respondents were then asked whether the organisation they work for is enabling net-zero emissions by 2050. Figure 4 below highlights, again, that those on the board/c-suite are most convinced their organisation are making decisions compatible with net-zero. Whereas those not on the board/c-suite or from Japan are least convinced. For the first time, the responses for some of the respondents fall below the 50 median value.

Figure 4: *Individuals Perceptions of whether the organisation they work for is making decisions that will enable net-zero emissions by 2050 – median values shown*



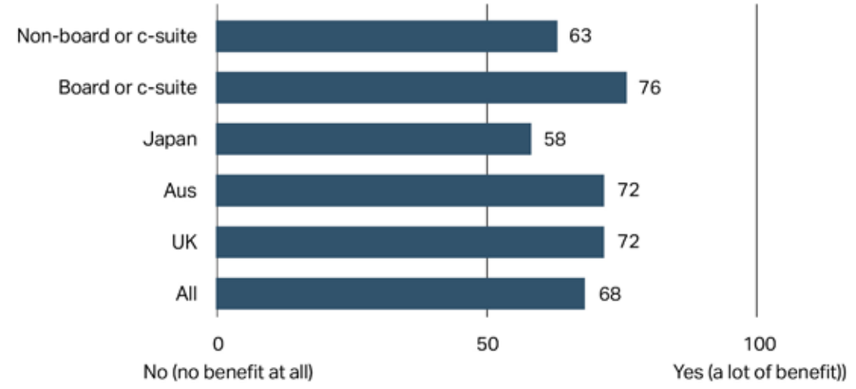
With this baseline in place, the survey moved to questions about the perceived impact of generational governance. Figure 5 highlights how those on the board/c-suite are most convinced their organisations will make different decisions if it has some form of generational representation in its governance. Whereas those not on the board/c-suite or from Japan are least convinced different decisions would be made.

Figure 5: *Individuals Perceptions of whether the organisation they work for would make different decisions if it had an all-generation board or some form of generational representation in its governance – median values shown*



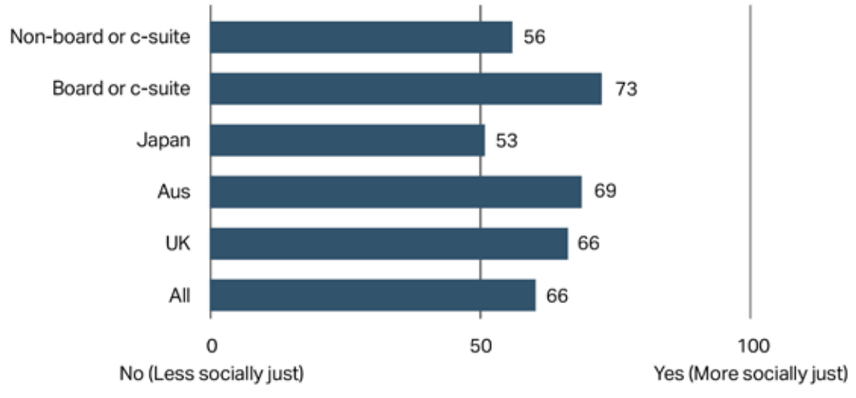
Then exploring whether their organisation would benefit from developing generational governance. Figure 6 highlights how those on the board/c-suite are most convinced their organisations would benefit and those not on the board/c-suite, or from Japan are least convinced. As before, Australian and UK respondents are in broad agreement.

Figure 6: *Individuals Perceptions of whether the organisation they work for would benefit from developing generational governance – median values shown*



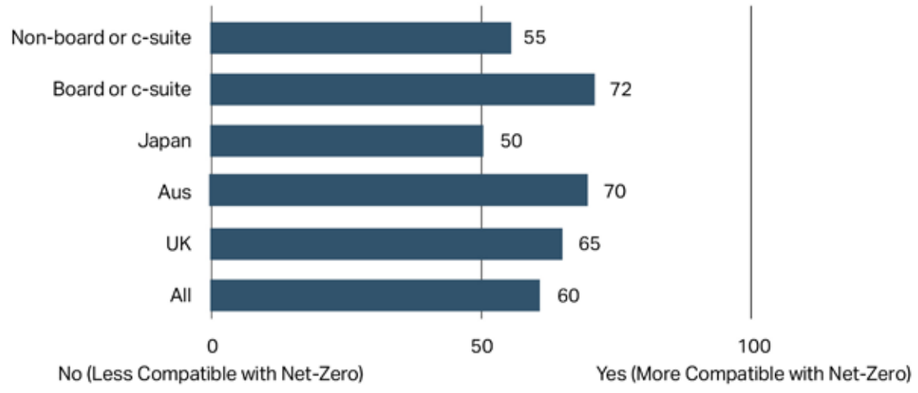
Linking back to the question of social justice, respondents were asked if generational governance would be likely to result in decisions that were more or less socially just. Figure 7 below highlights how those on the board/c-suite are most convinced their organisations will make decisions that are more socially just if it has some form of generational governance, whereas those not on the board/c-suite or from Japan are least convinced.

Figure 7: *Individuals Perceptions of whether the organisation they work for would make decisions that were more or less socially just if it had an all-generation board or some form of generational representation in its governance – median values shown*



Finally, respondents were asked their views regarding their organisation would make decisions more or less compatible with net-zero by 2050 if it had some form of generational governance. As shown in Figure 8 those on the board/c-suite are most convinced their organisations would make decisions that are more compatible with net-zero if it has some form of generational governance, whereas those not on the board/c-suite or from Japan are the least convinced.

Figure 8: *Individuals Perceptions of whether the organisation they work for would make decisions that were more or less compatible with net-zero by 2050 if it had an all-generation board or some form of generational representation in its governance – median values shown*



Following the scale questions, respondents were also asked to consider the possible outcomes of and barriers to adopting generational governance in their organisations.

Figure 9 and Figure 10 report on responses regarding barriers. As can be seen all the barriers offered were cited by roughly 40% of respondents, with the most popular barrier being a lack of desire for existing leaders to share power and younger people having the skills required. The least cited barrier is the concern about pressure on younger people. What is also evident is that generally the board and c-suite respondents are more likely to cite barriers relative to non-board and non c-suite respondents.

Then when reviewing the barriers by country, it becomes evident that the Australians and British are more likely to cite a barrier than the Japanese, with the exception of one barrier, the pressure the role would put on young people.

Figure 9: *Percentage of Respondents citing a Possible Barrier of Implementing Generational Governance in their organisation by Board and C-Suite and Non-Board and C-Suite*

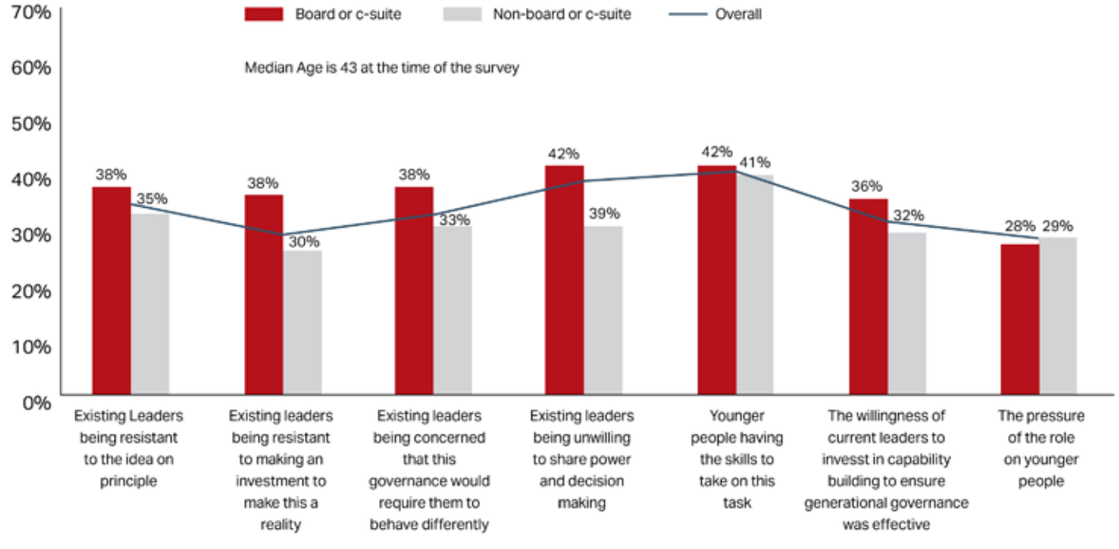


Figure 10: *Percentage of Respondents citing a Possible Barrier of Implementing Generational Governance in their organisation by Country*

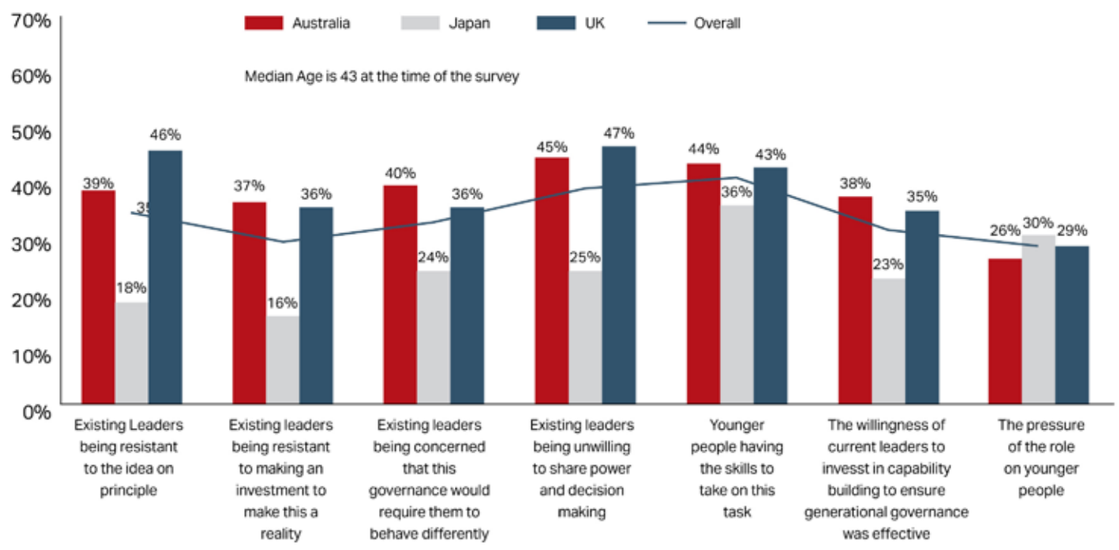


Figure 11 and Figure 12 report on the possible outcomes of adopting generational governance. Respondents indicated that there are positive outcomes to organisations implementing generational governance with the most popular being an ability to attract younger talent, followed by enhanced long-term value and enhanced company reputation. Board and c-suite members are more likely to cite benefits than non-board and non c-suite members. The data by country yields a similar pattern. However, noticeably a lower percentage of Japanese respondents cite outcomes relative to Australian and UK respondents.

Figure 11: *Percentage of Respondents citing a Possible Outcome of Implementing Generational Governance in their organisation by Board and C-Suite and Non-Board and C-Suite*

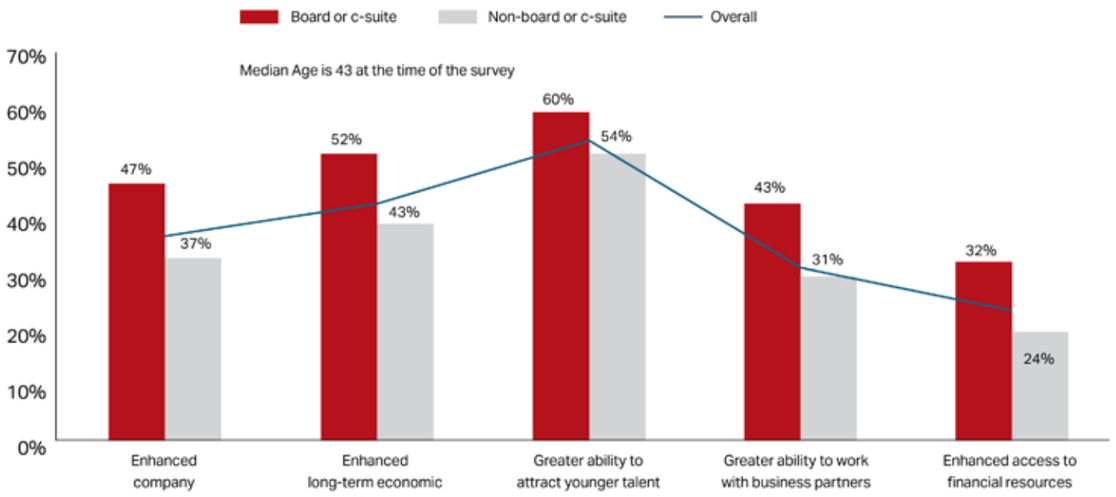
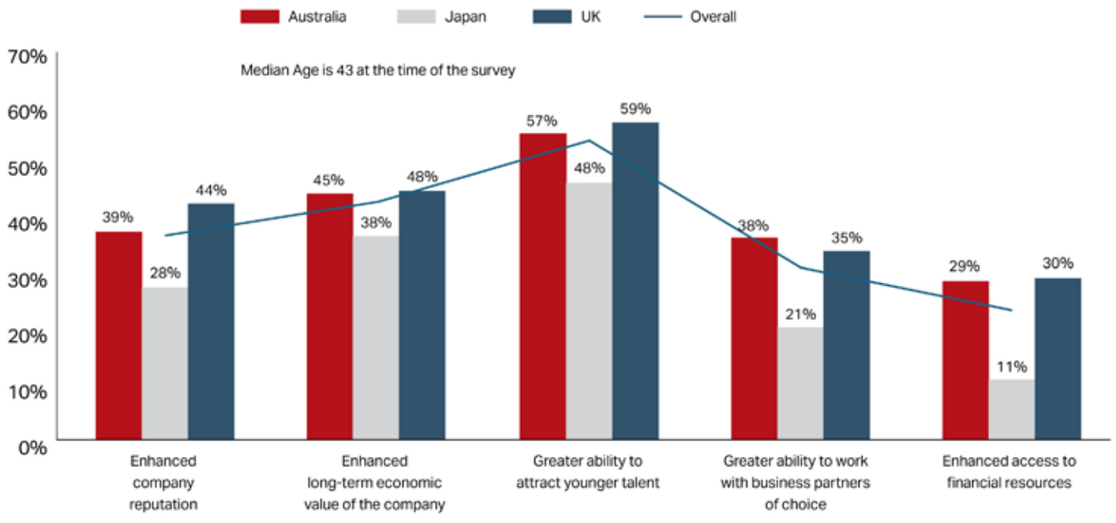


Figure 12: *Percentage of Respondents citing a Possible Outcome of Implementing Generational Governance in their Organisation by Country*



To summarise, it is evident that, in general, respondents seem to believe their organisation is already considering future generations, leaving a positive legacy, enabling a just society and realising net-zero by 2050. At the same time, respondents also believe that if their organisations had generational governance, it would be better on all these aspects. In addition, responses indicated that they believed that their organisation would benefit from generational governance through enhanced long-term value and better reputation for the company. They do, however, see barriers to implementing generational governance, namely that there may be a lack of desire from existing leaders to share decision making power and the need for younger people to have the skills to be involved in generational governance.

In addition, whether respondents are members of the board/c-suite affects responses as it is these individuals who are more likely to see their organisation both doing well now in terms of considering future generations and from benefitting from implementing generational governance. Finally, the country respondents are from impacts their answers, to the extent that Japanese responses are less positive towards generational governance and less likely to view their organisations as making decisions that benefit to society.

It is important, to provide a caveat to these results with respect to the Japanese responses. Research has shown that Japanese respondents are culturally predisposed to avoid firmly stated choices (e.g., Strongly Agree / Strongly Disagree), leading them toward more moderate/neutral answers. Further, it is arguable that when presented with the concept of generational governance, Japanese respondents may be implicitly assuming that existing long-term mechanisms that are already present in Japanese business are already sufficient.[35] Therefore, they may lack enthusiasm for a new governance model because of their quiet confidence that the responsibility is already being managed.[36] We have been unable to quantify the effect that this may have had on the survey. The general observations, however, remain relevant for discussing the results.

Discussion

The premise of this research is that the future is not an inevitable destination, it can be shaped. In addition, organisations have a role in shaping the future through the decisions they make. In our view, organisational decision making to support development that "meets the needs of the present without compromising the ability of future generations to meet their own needs"[37] would be supported by a move towards embracing generational governance. This might be in the form an all-generation board, wherein the board of an organisation has a wider age representation than is typical. Alternatively, a future generations advisory committee, made up of younger people, with a formal advisory role for the main board might achieve a similar outcome. We also propose that a generation is 30 years and if the average age of a board member is 60 and the age of those who might provide generational governance is approximately 30 years old. As indicated in the introduction of this report, forms of generational governance are not without precedent. There are organisations, government entities and policy frameworks that use and or advocate for generational governance (Figure 13 provides a high-level outline of two organisational examples and Figure 14 outlines the principles for Parliamentary committees for the future, agreed in January 2025).

Figure 13: *Examples of enhancing main board decision making in the Netherlands*

The Port of Amsterdam started the Future Proof Governance program in 2022 with the aim of future proofing decision making through bring new perspectives to the main board as well as widening the pool of people available for the main board to 'think along with' on substantive sustainability issues. To achieve this task, members of the Young Board receive focused training on topics such as how to give advice to the main board, how to understand and navigate team dynamics and how to develop Board members' skills. For more information see here: ***https://werkenbij.portofamsterdam.com/over-ons***

The ABN AMRO Future Generations Board, founded in 2023, has similar aims, namely: to ensure that the impact of decisions made today on future generations is given proper consideration; improve the alignment of the bank's strategy with its governance and steering; and third, raising awareness – first internally, then externally – of the importance of young people having their voices heard and integrated into decision-making. For more information see here: ***https://www.abnamro.com/en/news/future-generations-board-gives-young-people-a-seat-at-the-table***

Figure 14: *Principles for bringing the future into Parliamentary work*[38]

Affirming … commitment to embedding anticipatory governance.

Concerned … by range if issues that could have critical impact of our planet and society … need to address these issues in a systematic manner.

Emphasizing … need to include forward-thinking and innovative ideas in governance.

Underscoring … role of parliaments play through constitutional mandates, oversight and representation.

Convinced … need to embed strategic foresight and future-orientated thinking, recognizing the challenges of a rapidly evolving world.

Affirming … anticipatory governance is essential.

Welcoming the United Nations Pact for the Future, The Global Digital Compact and the Declaration on Future Generations and reaffirming out commitment to the Sustainable Development Goals.

To the best of our knowledge, this research is the first survey conducted on individuals' perceptions of generational governance in organisations. As detailed in previous sections of this report, the research was conducted in late 2024 and involved just over 3,000 people from across Australia, Japan and the UK. The responses these individuals gave revealed a mixed picture, depending on the country of citizenship and whether the respondent was on the board/c-suite of their organisation or not.

What became evident is that, in general, respondents (especially members of the board or c-suite) believe their organisation makes decisions that consider future generations. However, this is less so when the respondent is from Japan (with the proviso offered as to why cultural factors is likely to have depressed the Japanese responses). Then more specifically, when respondents are asked to consider if their organisation is leaving a positive legacy or making that decisions that enable a just society or enable net-zero emissions by 2050; again those on the board or c-suite are more positive that such outcomes are being enabled than those who do not hold such positions.

When considering the potential difference that generational governance could make, a similar pattern of response was found. Board and c-suite respondents are the most confident about their organisation making decisions that consider future generations and leaving a positive legacy. They are also the most confident that their organisation would make different decisions with a form of generational governance. However, respondents who are not on the board/c-suite or from Japan are most ambivalent about different decisions being made if their organisation had some form of generational governance.

Moving to the possible outcomes of generational governance and the barriers to its embrace. The most popular possible outcomes respondents perceive are that their organisations will attract younger talent and have enhanced long-term value and company reputation. While when considering barriers, the most cited was younger people having the skills to execute their duties if involved in generational governance and existing leaders being unwilling to share power and decision making.

Implications

Prima facie, the implications of this research are that in the main, individuals believe organisations currently consider future generations in some way and are leaving a positive future legacy from their activities. At the same time, respondents also indicate that they believe implementing some form of generational governance would improve such outcomes, both in general terms and specifically with respect to creating a more just society and the realisation of net-zero by 2050. In short, respondents see the benefits to our society of organisations having generational governance. What is also evident is that the benefits of generational governance in organisations are not purely considered a 'nice to have'. Rather perceived benefits translate to the top and bottom lines of an organisation; attracting younger people, enhanced long-term value, enhanced company reputation, an ability to work with preferred business partners, and enhanced access to financial resources. However, there are barriers including whether younger people have the capability to engage in generational governance, and the willingness of those currently in power to share it. This observation suggests that generational governance is not simply a case of adding to existing governance structures. Rather, there would need to be a change in how individuals in existing governance roles thought about how they exercised their responsibilities.

As the survey did not ask respondents why they held the views expressed in the survey, rationales can only be postulated. However, it is not unreasonable to hypothesise that the benefits of generational governance were perhaps built on a rationale that it would help organisations make decisions for the long-term. Conversely, the barriers identified speak for themselves, in that they point to challenges of power sharing and perceived ability. This said, in Wales for example, there is a capacity building program that has been developed by the Future Generations Commissioner for Wales, the Future Generations Leadership Academy.[39] In this example, it is important to note that they are considering generations (plural) in their remit, not only those alive today

In terms of the potential for realising generational governance, it was promising that respondents who were on the board/c-suite were especially attuned to the possible benefits of generational governance, especially when compared to non-board/c-suite respondents. This suggests that those with power currently can see the potential for a different approach.

Next Steps

In exploring the perceptions of a thousand individuals from across three countries (Australia, Japan and the UK), this research provides a foundation from which to develop future research into generational governance. The strength of this research is that it highlights there is broad support for generational governance in organisations.

Consequently, we would encourage leaders (on boards and c-suites) to experiment with generational governance approaches, regardless of whether their organisations are public or private sector. Notwithstanding this call, this research also provides general support for those that are at the leading edge on enacting generational governance. For example, organisations that have already implemented generational governance or are pressing for change such as Foundations for Tomorrow[40] or other youth orientated action groups.[41]

As always, there is a need for further research in this area. Using this work as a foundation, getting to the why of responses would provide useful insight. Further, developing a best practice charter would more fully allow lessons and practices to be shared. Last, research on the lessons from family businesses (where a generational perspective is more likely to exist) would add to knowledge about generational governance in general.

To close, organisations are forms of community and are also the tools we use to shape our world. The future of the next generation, and beyond, is to some degree the fated product of decisions made today. To de-risk the future, enhance the long-term value of organisations and pass on a world that those that come after us that we would be happy to inherit, generational governance is an appropriate approach to adopt.

Appendix

Further demographic data regarding respondents

As indicated in the body of the report, the survey was administered electronically by Qualtrics. They collected data between the 12th November and 2nd December 2024, in Australia, Japan and the UK. The total number of respondents was 3,338, with 1,038 from Australia, 1,092 from Japan and 1,208 from the UK. In terms of response times to complete the survey, the average was 11 minutes, the median just over 6 minutes and the mode (most frequent time) was also just over 6 minutes. The average and median age of respondents was 43 years with the modal age being 34 years. The youngest responded indicated they were 18 years old, the oldest respondent indicated they were 104 years old. 1,850 respondents were male, 1,481 were female, with the remaining 7 indicating an alternative orientation. 2,094 respondents had a bachelor's degree or higher, the remaining having studied to various levels before tertiary education.

In terms of employment, all respondents were employed full-time across a range of organisational types.

Table 1: *No. of Respondents relative to the Types of Organisation they were Employed by*

For Profit – Not Listed	1,611
For Profit - Listed	746
Public Sector	564
Not for Profit	206
DNK/Other	211

Respondents came from several industries.

Table 2: *No. of Respondents relative to Industry*

Communication Services	138
Consumer Discretionary	225
Consumer Staples	135
Energy	116
Financials	242
Healthcare	402

Respondents job roles were varied.

Table 3: *No. of Respondents by Job Role*

Administration	553
Engineering	155
Finance	276
HR	199
IT	447
Manufacturing	247
Marketing	98
Research	165
Sales	446
Strategic Management	191
Other	561

The average years of experience of respondents was 13 years, the median 10 years, the mode 5 years, with a range of 40 years to 1 year.

Table 4 below presents data on c-suite/board membership.

Table 4: *No. of Respondents by Board/C-Suite*

C-Suite/Board Member	No. of Respondents
C-Suite	866
Non-C-Suite	2,472
Board Member	798
Non-Board Member	2,540
Board/C-Suite	997
Non-Board/C-suite	2,341

Average and Median Values Data for Different Questions

Table 5 below outlines the average and median responses for the survey questions.

Table 5: *Median and Average Values for Scale Questions*

Question	Median	Average
Individuals Perceptions of whether the Organisation they work for makes decisions that consider Future Generations		
All	67	62
UK	70	66
Australia	70	65
Japan	50	54
Board/C-suite	76	73
Non-board or C-Suite	55	57
Question	**Median**	**Average**
Individuals Perceptions of whether the Organisation they work for is leaving a Positive Legacy		
All	68	63
UK	71	68
Australia	72	67
Japan	50	53
Board/C-suite	78	74
Non-board or C-Suite	56	58
Question	**Median**	**Average**
Individuals Perceptions of whether the Organisation they work for is Making Decisions that Enable a Just Society		
All	68	63
UK	68	66
Australia	70	67
Japan	51	56
Board/C-suite	76	73
Non-board or C-Suite	56	59
Question	**Median**	**Average**
Individuals Perceptions of whether the Organisation they work for is Making Decisions that will enable Net-Zero Emissions by 2050		
All	62	58
UK	66	64
Australia	64	62
Japan	37	46
Board/C-suite	75	71
Non-board or C-Suite	45	52

Question	Median	Average
Individuals Perceptions of whether the Organisation they work for would make different decisions if it had an All-Generation Board or Some Form of Generational Governance		
All	64	60
UK	65	63
Australia	68	65
Japan	43	50
Board/C-suite	72	68
Non-board or C-Suite	51	56
Question	**Median**	**Average**
Individuals Perceptions of whether the Organisation they work for would benefit if it had an All-Generation Board or Some Form of Generational Governance		
All	68	66
UK	72	70
Australia	72	69
Japan	58	58
Board/C-suite	76	74
Non-board or C-Suite	63	62
Question	**Median**	**Average**
Individuals Perceptions of whether the Organisation they work for would make decisions that were more or less socially just if it had an All-Generation Board or Some Form of Generational Governance		
All	60	62
UK	66	66
Australia	69	67
Japan	51	54
Board/C-suite	73	71
Non-board or C-Suite	56	59
Question	**Median**	**Average**
Individuals Perceptions of whether the Organisation they work for would make decisions that were more or less compatible with net-zero by 2050 if it had an All-Generation Board or Some Form of Generational Governance		
All	60	62
UK	65	66
Australia	70	68
Japan	50	50
Board/C-suite	72	70
Non-board or C-Suite	55	58

Table 6 describes the average number of barriers and outcomes chosen by respondents.

Table 6: *Number of Barriers or Outcomes Chosen by Respondents in regard to their Organisation Implementing Generational Governance.*

	Barriers	Outcomes
Average No. Chosen from Range	2.4	2.2
Median No. Chosen from Range	2.0	2.0
Min No. Chosen from Range	1.0	1.0
Max No. Chosen from Range	7.0	5.0
Mode No. Chosen from Range	1.0	1.0

Author ***biographies***

Prof. Nick Barter is an academic specialising in Strategy and Sustainability and the founder of Future Normal. As a professor, he teaches sustainability and systems thinking on the No.1 MBA in the world for sustainability, supervises PhD students and conducts research on next-generation governance and organisational philosophy. As the founder of Future Normal he assists organisations in becoming exemplars that deliver value over the long-term and in turn have amazing legacies. This involves working with boards, executives and the wider teams to help them reconsider their organisation's possibilities and potential.

Prof. Jan Bebbington is the Director of the Pentland Centre for Sustainability in Business at Lancaster University. Using her discipline background in accounting, she examines how organisations establish organisational routines for sustainability outcomes as well as how companies discharge their accountability for sustainability outcomes.

Dr Akihiro Omura is a senior lecturer in finance at Griffith University. He obtained his bachelor's degree at the University of Queensland and PhD at Griffith University. He possesses a rich experience in the finance industry as an equity analyst. In particular, before joining academia, he worked as the equity analyst at Mitsubishi UFJ Morgan Stanley Securities and SMBC Nikko Securities.

End ***notes***

1. See this link for further information - : ***https://www.lancaster.ac.uk/pentland/activities/cross-cutting-capability/transition-and-transformation/longevity-and-resilience/***
2. For discussion see this article - Norris, C. J. (2019) *'The negativity bias, revisited: Evidence from neuroscience measures and an individual differences approach'*, Social Neuroscience, 16(1), pp. 68–82. doi: ***10.1080/17470919.2019.1696225***
3. See the following text for a fuller description of this principle - Jonas, H., 1984. *The imperative of responsibility: In search of an ethics for the technological age.* University of Chicago press.
4. Barter, N., 2016. *Strategy textbooks and the environment construct: Are the texts enabling strategists to realize sustainable outcomes?.* Organization & environment, 29(3), pp.332-366.
5. See page 8 of the following text for the quote - *World Commission on Environment and Development. (1987). Our common future.* Oxford, England: Oxford University Press.
6. This is a perspective that draws upon Rawl's arguments regarding the original position and the veil of ignorance. The veil of ignorance draws upon Rawl's philosophy regarding the original position and imagining that choice is made behind a veil that prevents individuals from knowing their gender, social status, ethnicity and so forth. Then from this point the challenge is to consider what decisions would be made. Applying this through generations assumes that one would treat the next generation as those present would like to be treated by the previous generation. More on Rawls can be found here - ***https://en.wikipedia.org/wiki/Original_position***
7. The UN Declaration on Future Generations was released in September 2024 and can be found on this website and document - ***https://www.un.org/sites/un2.un.org/files/sotf-pact_for_the_future_adopted.pdf***. The statements about who future generations are and the special place of children can be found on page 52.
8. See the following website - ***https://www.rightsoffuturegenerations.org/***
9. For example, see - MacAskill, W., 2022. *What We Owe The Future.* Simon and Schuster.
10. Research has found that representative of future generations will make compromises in the now to benefit those generations, for discussion see - Bogacki, J. and Letmathe, P., 2021. *Representatives of future generations as promoters of sustainability in corporate decision processes.* Business Strategy and the Environment, 30(1), pp.237-251. And Nakagawa, Y. and Saijo, T., 2020. *Can individuals caring little about future generations serve as their representatives?.* Futures, 124, p.102626.
11. For an explanation of generational categories see this website - ***https://en.wikipedia.org/wiki/Generation***
12. For discussion of a generation see the following article - See Berger, B.M., 1960. *How long is a generation?.* The British Journal of Sociology, 11(1), pp.10-23. Alternatively through analysing whole-genome date over the past 250,000 years, the average period of a generation has been calculated as 27 years; see Wang, R.J., Al-Saffar, S.I., Rogers, J. and Hahn, M.W., 2023. *Human generation times across the past 250,000 years.* Science Advances, 9(1), p.eabm7047.
13. For discussion see this article - Barter, Nick and Omura, Akihiro, *Corporate Climate Policy and CEO Age: Age Matters* (March 31, 2024). Available at SSRN: ***https://ssrn.com/abstract=4767698*** or ***http://dx.doi.org/10.2139/ssrn.4767698***
14. For further discussion see this link - ***https://ccbjournal.com/articles/global-boardroom-diversity-trends-and-updates-from-the-diligent-institute***
15. For discussion see - Lakoff G. (2010). *Why it matters how we frame the environment.* Environmental Communication, 4, 70-81.
16. For discussion see this article - Barter, Nick and Omura, Akihiro, *Corporate Climate Policy and CEO Age: Age Matters* (March 31, 2024). Available at SSRN: ***https://ssrn.com/abstract=4767698*** or ***http://dx.doi.org/10.2139/ssrn.4767698***
17. For example, see - Orsato, R.J., 2006. *Competitive Environmental Strategies: When Does it Pay to Be Green?* California Management Review 48, 127-143
18. See this website for reference to this data - European Environment Agency (n.d.) *'Historical and projected global population'*. ***https://www.eea.europa.eu/en/analysis/maps-and-charts/data-visualization-40*** (retrieved 10 November 2026)

19. For discussion see this website - ***https://www.brookings.edu/articles/rising-inequality-a-major-issue-of-our-time/***

20. Hickman, C., Marks, E., Pihkala, P., Clayton, S., Lewandowski, R.E., Mayall, E.E., Wray, B., Mellor, C. and Van Susteren, L., 2021. *Climate anxiety in children and young people and their beliefs about government responses to climate change: a global survey.* The Lancet Planetary Health, 5(12), pp.e863-e873.

21. For example, see - Boluda-Verdu, I., Senent-Valero, M., Casas-Escolano, M., Matijasevich, A. and Pastor-Valero, M., 2022. *Fear for the future: Eco-anxiety and health implications, a systematic review.* Journal of Environmental Psychology, 84, p.101904.

22. For example, see - Creary, S.J., Foutty, J. and Mitchell, K., 2023. *How diversity can boost board effectiveness.* MIT Sloan Management Review, 64(3), pp.1-4.

23. See the following website - ***https://futuregenerations.wales/***

24. See the following website - ***https://u.ae/en/about-the-uae/the-uae-government/the-uae-cabinet***

25. See the following website - ***https://www.eduskunta.fi/fi/kansanedustajat-ja-toimielimet/valiokunnat/tulevaisuusvaliokunta***

26. See the following website - ***https://sustainabledevelopment.gov.mt/guardian-of-future-generations/***

27. See the following website - ***https://www.ajbh.hu/en/web/ajbh-en/***

28. See the following website - ***https://www.goodenergy.co.uk/the-good-future-board/***

29. See the following website - ***https://sustainableworldports.org/project/port-of-amsterdam-future-proof-governance-program/***

30. See the following website - ***https://www.tyf.com/news/future-generations-advisory-board/***

31. See the following website - ***https://www.becbusinesscluster.co.uk/about-the-cluster/shadow-board***

32. See the following website - ***https://group.hugoboss.com/en/newsroom/stories/nextgen-board***

33. See the following website - ***https://www.foundationsfortomorrow.org/our-work***

34. See the following website - ***https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r7315***

35. See the following reference for more discussion - Deakin, Simon, and D. Hugh Whittaker (eds), *'1 On a Different Path? The Managerial Reshaping of Japanese Corporate Governance'*, in D. Hugh Whittaker, and Simon Deakin (eds), *Corporate Governance and Managerial Reform in Japan* (Oxford, 2009; online edn, Oxford Academic, 1 Feb. 2010), ***https://doi.org/10.1093/acprof:oso/9780199563630.003.0001***, accessed 19 July 2025.

36. For further discussion of the cultural tendencies of the Japanese in surveys it is worthwhile reviewing the following article - Harzing, A.W., Brown, M., Köster, K. and Zhao, S., 2012. *Response style differences in cross-national research: Dispositional and situational determinants.* Management International Review, 52(3), pp.341-363.

37. See page 8 of the following text for the quote - *World Commission on Environment and Development. (1987).* Our common future. Oxford, England: Oxford University Press.

38. *Third World Summit of the Committees of the Future. Outcome document 14 January 2025.* ***https://www.ipu.org/event/third-world-summit-committees-future***. The Inter-Parliamentary Union was established in 1889 and is the global organization of national parliaments. The Union facilitates parliamentary diplomacy and empowers parliaments and parliamentarians to promote peace, democracy and sustainable development around the world. See: ***https://www.ipu.org/about-us***

39. See the following website - ***https://futuregenerations.wales/explore/leadership-academy/***

40. See this website - ***https://www.foundationsfortomorrow.org/our-team***

41. For example, see this website - ***https://www.fya.org.au/***



Pentland | Lancaster University

The Pentland Centre for Sustainability in Business
Lancaster University
Lancaster
LA1 4YX

+44 (0)1524 510694
www.lancaster.ac.uk/pentland
pentlandcentre@lancaster.ac.uk
@PentlandCentre