

# Global trends in energy

February 2007

## Abstract:

Energy and materials companies face a demanding future. They must start preparing for it now.

The world's providers of energy and energy-intensive commodities face a decade of unprecedented change and uncertainty as a combination of six macroeconomic, social, and business trends reshapes the competitive landscape. These trends include booming demand for energy and basic-materials resources, particularly in developing economies; the shift of supplies of oil, natural gas, and basic materials to ever more remote (and often geopolitically unstable) locations; heightened scrutiny of the environmental effects of the production and consumption of energy and materials; and increasingly large capital investments needed at a time of regulatory uncertainty.

To understand the nature of the forces affecting global energy and materials markets, executives in these sectors will have to confront difficult strategic, organizational, operational, and technological choices. In an environment of growing competition, ever-higher resource costs, and significant price uncertainty, for instance, how should energy and materials companies manage their performance in order to improve productivity constantly? How can big corporations expand their global footprint while maintaining a local presence in the markets they serve? Dealing with such questions will prove increasingly important.

Given the essential role of energy resources in the global economy, executives in all sectors—particularly energy- and materials-intensive ones—must come to terms with changing circumstances...

## Table of contents:

The world's providers of energy

- 1) The shape of things to come
- 2) The shape of things to com
- 3) Shifting centers of economic activity
- 4) Rising demand, rising environmental concerns
- 5) A changing consumer landscape
- 6) The battlefield
- 7) The battlefield for talent
- 8) Emerging industry structures
- 9) Business in the spotlight

## Order information:

- Price: Free
- Link: [http://www.mckinseyquarterly.com/Global\\_trends\\_in\\_energy\\_1923](http://www.mckinseyquarterly.com/Global_trends_in_energy_1923)