

## Insights from Best Boards and CEOs



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**SID  
Annual  
Corporate  
Governance  
Roundup  
2014**

## Catch up with fellow directors and on the year's happenings at the inaugural **Corporate Governance Roundup**

- Date** : Tuesday, 18 November 2014
- Venue** : Antica Ballroom, Orchard Parade Hotel
- Program** : 09.30 am Registration / coffee  
10.00 am Annual Corporate Governance Roundup  
12.00 pm Lunch  
Launch of *Boardroom Matters* Book and Directors Toolkit  
01.30 pm End of Annual CG Roundup event\*

Further details at [www.sid.org.sg](http://www.sid.org.sg)

The Corporate Governance Roundup event is for those who:

- Have come back from a long break and would benefit from a summary of what has happened on the corporate governance front in 2014
- Want a quick refresher on the year's happenings on corporate governance
- Would like to meet and network with fellow directors in a convivial atmosphere

Hot topics to be covered are:

- Regulatory Changes
- Directorship Landscape
- Diversity
- Audit
- Professional Development
- Compensation
- New Capitalism
- Information Management
- Crisis Management
- Delistings / Privatisation

\*Note: SID's Annual General Meeting for members begins at 2.00 pm

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INSPIRING BETTER LIVES

# Best practice



By **WILLIE CHENG**  
Chairman, SID

As the close of 2014 approaches, and at the threshold of 2015, I would like to hark back to a question often asked and that has permeated SID's programmes and activities: What should an effective board do?

There is no lack of wisdom "out there" but in our present context and circumstances, I would suggest that there are three distinguishing aspects of a truly effective board.

The first is an emphasis on performance, not just conformance.

Standards, legislations and regulations have increased, and some feel much energy is spent with conformance. Sadly, conformance is necessary but insufficient. A company's long-term success – which is the fundamental role of the board – does not merely depend on it staying out of trouble.

Companies exist to create value and therefore ultimately have to perform in that regard. And good performance does require some risk taking.

The second is a focus on values and value.

Traditional capitalism defines creating value as "maximizing shareholder value" but such an interpretation is increasingly unacceptable.

More and more, there is a need to satisfy the interests of multiple stakeholders, not just shareholders; and a focus on human and



## DIRECTIONS

community values rather than only economic value.

Based on value-plus-values, this new capitalism is manifesting itself in the form of extended forms of corporate social responsibility programmes, more thorough sustainability reporting, and in the type of companies that employees want to be a meaningful part of.

A company can only perform at its best if its board, management and staff are aligned in philosophy and effort. And the third pillar is a healthy relationship between board and management; in particular, between the chairman and the CEO.

The crux of that relationship is ensuring the right balance of the board supporting and yet challenging management. However, achieving the right high levels of support and challenge simultaneously is not easy.

This issue, themed on "best practices", explores the balance and tension of these three pillars of effectiveness in the board. We feature winners of the Singapore Corporate Awards, interviews with top CEOs and chairmen, and some case studies. We also cover the recently held SID Directors' Conference which is focused on the subject of the new capitalism.

Enjoy. Learn. Grow. And enter 2015 with a readiness to prosper in all you do; not just in maximising shareholder value. ■

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### PUBLISHER

**Singapore Institute of Directors**  
168 Robinson Road #09-06/07  
Capital Tower  
Singapore 068912  
Tel: +65 6422 1188  
Fax: +65 6422 1199  
Email: [secretariat@sid.org.sg](mailto:secretariat@sid.org.sg)  
Website: [www.sid.org.sg](http://www.sid.org.sg)

### EDITOR

Jeffrey Tsang

### EDITORIAL COORDINATORS

Penelope Phoon  
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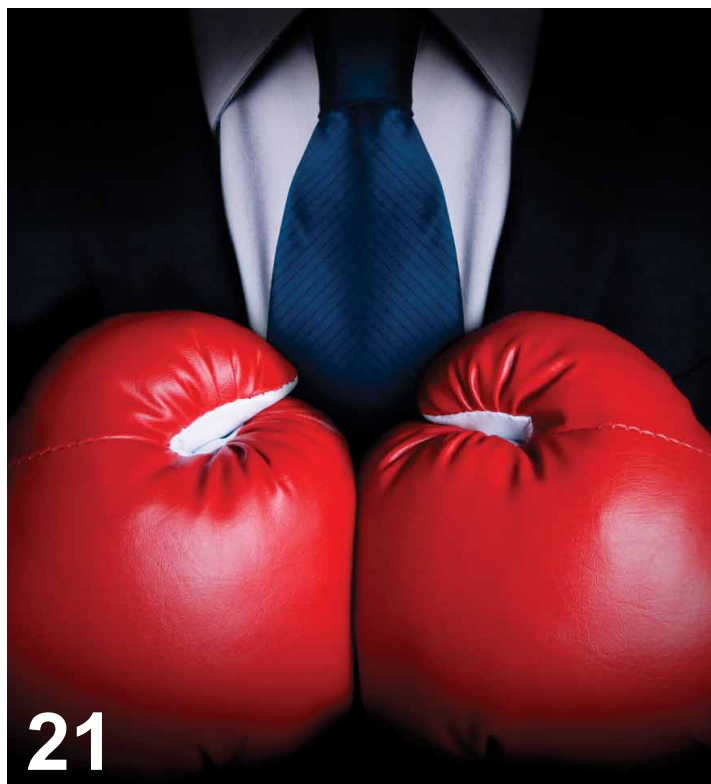
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innovation

diversity

performance

Best  
practice

trust

# Best on board

For some, the increasing regulations for all aspects of life has been a bugbear of modern times. In business as well; with many grumbling about tightening regulations and compliance requirements. But one of the Gold winners for the Best Managed Board Award at the Singapore Corporate Awards 2014 says these are looking at corporate governance from the wrong direction.

“In the context of constantly evolving requirements of disclosure and corporate governance, it is easy to see governance as a box-ticking exercise or as an ongoing legal ritual to manage directors’ liabilities,” said Chairman of Sembcorp Industries, Ang Kong Hua.

“We believe that governance is an integral part of ensuring we do the right thing, in the right way. And that good governance is in fact a source of competitive advantage and the foundation of value protection and creating when it is a living process, integrated into the business, and embraced as part and parcel of the company’s culture and DNA.”

Both Sembcorp and DBS Bank won Gold for large-cap companies; those with market cap of \$1 billion and more. Sembcorp also swept the Best CEO and Best Annual Report awards for the large-cap category.

**“We believe that governance is an integral part of ensuring we do the right thing, in the right way. And that good governance is in fact a source of competitive advantage and the foundation of value protection and creating when it is a living process, integrated into the business, and embraced as part and parcel of the company’s culture and DNA.”**

**Ang Kong Hua**  
Chairman, Sembcorp Industries

While Sembcorp Industries’ CEO Tang Kin Fei won the Best CEO award this year, DBS’ CEO Piyush Gupta took the award last year. “Success begets success,” explained SID Chairman Willie Cheng, who chaired the judging panel for the BMBA. “When the board works well with management, it all just works like a swiss timepiece.”

The close and synergistic relationship between the CEOs and the chairmen marked several of the winners, he said. “This is delicate balance. After all, the chairman was likely a CEO in another life and used to running the show. However, the role of the board is to govern, and that of management to run the show. So the chemistry between the board and management is what makes everything





tick, and in particular, the work relationship between chairman and CEO.

“DBS also gets additional credit for pushing the envelope in integrated reporting.”

Mr Ang of Sembcorp agrees. “The responsibilities of governance include determining the company’s purpose and the strategy for achieving that purpose, setting the tone of the enterprise and planning succession. However, it is for management to turn purpose into action.”

This synergy was what stood out for the judging panel. “When you look at their history, the way they have performed as a company, the stability and the way it is governed, they have outperformed these last few years,” said Mr Cheng. “In terms of business performance, Sembcorp have been able to raise their market presence in the industry they have been in for a long time. Both the board and management have taken on the different trajectory of pursuing new businesses and new markets, injecting a new lease of life to the company.”

### **Making Of Winners**

Selection of the honour for the BMBA was a rigorous three-stage process; starting with screening all public-listed companies for absolute and relative total shareholder returns, and corporate governance indices.

Working teams then visited the 10 shortlisted companies in each category to assess them on 10 criteria including board structure and composition, board functioning and performance, strategy, compensation and successions, directors development and renewal, risk management, and corporate social responsibility and sustainability.

Finally, after reviewing the findings, a panel of judges interviewed the boards to rank the final shortlisted candidates.

In general, most mid-cap (\$300 million to \$1 billion) and small-cap companies (below \$300 million) fell short in terms of corporate governance, observed the judges, presumably because these measures cost in terms of time and money. But “not all corporate governance measures have to cost money,” said Mr Cheng. For example, board diversity and getting independent directors does not cost a company any more.

It is an issue of mindsets. It should not be just meeting the letter of the Code of Corporate Governance but also observing its spirit. For example, if a CEO is closely related to the chairman such as a daughter-in-law or a first cousin, it should not be automatically defined as independent simply because the rules do not qualify them as immediate family members.

Since the Code works on the principle of “apply or explain”, others simply explain their way out rather than try to apply the principles of the Code.

Having gone through all the public listed companies, were there areas for improvement? Sustainability appears to be the area most lacking. “As a whole, Singapore companies tend to be less engaged in areas of sustainability practices, both at the board and the management levels.”

Many Singapore companies are also lagging in the area of board composition; not simply director independence but also in diversity, in terms of international directors, digital directors, and, of course, women directors. ■



Lim Ho Seng



Lim Meng Seong



Ang Kong Hua



Peter Seah

# WINNING WAYS

While the business environment is getting more complicated, with more stakeholders and activists being mixed in, there is also growing demand for higher standards of corporate governance, including compliance, transparency, accountability and diversity.

Lim Ho Seng, Chairman of Baker Technology which won the Gold for small-cap companies (less than \$300 million); Lim Meng Seong, Chairman of CSE Global which took top honours for mid-cap companies (from \$300 million to \$1 billion); and Ang Kong Hua, Chairman of Sembcorp Industries and Peter Seah, Chairman of DBS Group, both winners of Gold for large-cap companies (above \$1 billion) share their insights and best practices on leadership.

**Winners of the Best Management Board Award share their wisdom on leading boards and companies in these interesting times.**

### What do you think are the key attributes of a well-managed board?

**LHS:** Competencies and diversities aside, a well managed board is one which embodies trust and mutual respect. Board members must be able to have robust discussions on all issues while being mindful of the stewardship role which they play. Of course, each member must make the effort to bring his or her experience and expertise to bear.

**LMS:** The starting point for any board is to have capable experienced directors who are committed towards working with the management team. Each brings his or her expertise, skill and experience to the table adding value to the board's discussion and decision making. You must have board members with integrity and courage to speak their mind. The board as a whole must therefore be prepared to accept differing views and willing to work to reach consensus on key decisions. This requires mutual trust.

**AKH:** I believe that diversity in board composition is key. Sembcorp's directors bring with them a diversity of experience, skills and knowledge. This ensures that collectively, the board has the right set of competencies and balance of knowledge and experience relevant to the company and its success. In addition, each director should also bring to the board an independent and objective perspective to enable balanced and well-considered decisions to be made.

**PS:** A well-managed board is made up of a group of diverse but well-respected professionals with deep knowledge in their respective field of expertise. Boards provide a strong oversight role, but also engage and provide guidance to senior management on all facets of business. Ultimately, the mark of a well-managed board



is a management team and organisation that functions as a one team, performs and delivers.

### How is your board's composition determined? What are the guiding principles behind this?

**LHS:** We look to have a good balance of independent and non-independent directors to ensure objective and robust decision-making. Individual board directors are then identified, based on their experience and skill set, and thus ability, to provide effective oversight over business strategy and operations. We periodically refresh the board to meet changing circumstances.

**LMS:** The board must have a balance of skills, expertise and experience so it needs members with legal, financial and accounting background as well as those with industry knowledge and management skills. There should also be a balance between executive and non-executive directors as well as independent directors and those who are nominees of significant shareholders.

**AKH:** The diversity of Sembcorp's board is ensured through its nominating committee, which is responsible for reviewing the board's composition to ensure strong, independent and sound leadership for the continuous success of the company and its businesses. In succession planning, the nominating committee takes

into consideration the strategic direction of the Group, as well as the balance of skills, attributes, knowledge and experience required for the company's growing businesses.

**PS:** Over the years, banking has become increasingly complex. Regulators all over the world also expect bank boards to play a much stronger oversight role, particularly in the area of risk management. To meet these growing demands, we have board members who are well versed in risk management and various aspects of banking. Equally importantly, we have a diverse board comprising many industry stalwarts who understand the key markets in which we operate.

#### **What do you think is the optimal size for a board?**

**LHS:** There is no one-size-fit-all answer, as it will depend on factors such as complexity of business, type of industry and related riskiness, scale of operations and geographical spread. Each company should determine this based on individual factors, with the aim of achieving sound business decisions.

**LMS:** The optimal size will be achieved when all stakeholders' interests are considered and this is balanced with what is efficient and effective functioning of the board.

**AKH:** Optimal board size is dependent on company type, size, industry and factors such as the depth and complexity of the issues facing the company. Regulatory and other requirements are also a factor. As a general guide, boards have to be sufficiently large to carry out its responsibilities, without an excessiveness that would inhibit meaningful individual participation.

**PS:** There is no hard and fast rule. Boards need to be diverse and well-represented and yet at the same time, should not lose the ability to be

agile and nimble. To me, the structure and the composition of the board matter more. Among our board members, we have many seasoned and well-respected professionals including experts in audit and accounting practices, public policy and trade issues, consumer business and risk management.

#### **What are your views on gender diversity in the board?**

**LHS:** Gender diversity should be encouraged. A number of countries are already pushing for mandatory female representations on the board. The female talent pool should be tapped, and boards should embrace the fresh perspective that female directors can bring to discussions. Currently there are two female directors on our board.

**LMS:** First, each board member must be able to contribute and add value based on expertise and experience. Depending on the need and nature of its business, the company will benefit from the contributions from female board members with the necessary backgrounds, experiences and perspectives.

**AKH:** Gender diversity should be welcomed in the context of a broader diversity that is essential for board effectiveness. While women on boards should bring increased diversity of opinion and perspective, it is just as important that board appointments are made on merit and on the basis of business needs, skills and ability.

**PS:** At DBS, gender diversity in the board is a given; in fact over 20% of our nine-member board comprises of women. Our two women board members are Euleen Goh, a veteran banker, and Ow Foong Pheng, a leading civil servant. We are committed to gender diversity and in fact over 30% of our senior management team are women.

### What do think of directors holding multiple directorships? How many is too many?

**LHS:** Shareholders, regulators and other stakeholders are holding directors to ever-rising standards of governance and independence. It is therefore in everyone's interest that directors do not over-stretch themselves. Personally, I would rather err on the side of prudence.

**LMS:** We must differentiate directors who do have a primary executive full time position in a company from directors who do not or who are retirees. Hence, the latter directors should be able to take on more appointments than the former. In any case, every director must evaluate and make sure he or she is able to dedicate the time, energy, interest, passion and commitment to the management team of the company before taking up a board appointment.

**AKH:** Directors who hold multiple directorships bring with them a broad range of expertise, experience and networks. They must however ensure that they are committing sufficient time to discharge their responsibilities at each appointment adequately. Taking into consideration the total time commitment required at the board and committee level of Sembcorp, we have determined that the maximum number of listed company board representations which our directors may hold should not exceed six.

**PS:** The roles and responsibilities of the board and the chairman in all listed companies have grown extensively in recent years. In particular, bank boards are expected to play a much stronger oversight role. Against this backdrop, board members need to commit time and in turn, this limits the number of directorships one should hold.

### What is the ideal relationship between the chairman and the CEO?

**LHS:** Each should have a clear understanding

of their respective roles and responsibilities.

The chairman provides effective leadership on matters relating to stewardship, governance and business ethics. The CEO executes strategy and work plans approved by the board. There should be a high level of mutual trust and self respect between the two, which will allow for a close and complementary working relationship.

**LMS:** Good chemistry, the ability to communicate well and alignment of interests are the key cornerstones of an ideal relationship between the chairman and CEO. The chairman serves as a critical mentor and advisor to the CEO. Beyond an ability to advise on strategic decisions, the chairman provides guidance for the CEO. On his side, the CEO should communicate and build relationships with the chairman (and directors) via regular, informal interactions outside of board meetings. The CEO needs to be transparent with the chairman on the implications and risks of each strategic decision to ensure alignment of interests and build trust.

**AKH:** It should be a close partnership between two individuals, who are committed to the same vision and purpose, but who understand the clear division of responsibilities between board and management. At Sembcorp, the Chairman and CEO are not related to each other, and our roles are kept clearly separate to ensure an appropriate balance of power, increased accountability and greater capacity of the board for independent decision making.

**PS:** Teamwork and trust is essential. There needs to be solid partnership between the Chairman and the CEO, as is the case between well-managed Boards and senior management. When management knows that the Board stands behind them and there is strong strategic alignment, they can confidently go forth and deliver results on a consistent basis. ■

# A-Pac high performers

To reach the level of a high-performing board, the focus must be on the people issues, where leadership is key, says a region-wide study on corporate governance.

Corporate governance is a key to the proper functioning of a board in terms of compliance with the regulations and guidelines where the company operates. But boards become effective and high-performing when key capabilities and drivers are at a best practice level that adds value.

In *Asia Pacific Corporate Governance Report 2014: Foundations and Building Blocks for High-performing Boards*, executive search and leadership firm Heidrick & Struggles sets out to identify the best-practice capabilities boards need to develop.

The study covered six countries in Asia Pacific; namely India, China, Hong Kong, Singapore, Australia and New Zealand.

In comparison against the other countries, the survey found that:

- 59% of Singapore directors are aged between 61 and 70, indicating that our most experienced directors will be retiring over the next five to seven years.
- The expectations of board members for vision and innovation are not being matched by the performance of their boards. "There is too much focus on corporate governance, rather than the substantive issues, such as clarifying the company's strategy," one Singapore chairman was quoted as saying.
- Lack of progress on gender diversity is a big issue. Singapore has one of the lowest percentage of all the Asian nations surveyed

- While growth of global trade is reflected on Singapore boards with many international directors, more than half (54.3%) of the non-Singaporean board members are still European or American, at a time when intra-Asian trade is expanding and new marketplaces are calling for a greater mix of nationalities.

While recognising that compliance is important, the report says the debate has shifted to a greater emphasis on the effectiveness of boards.

"Common culture, behaviours, values and experience all have an influence on board effectiveness. This is requiring boards to move beyond governance to identify the dynamics of board effectiveness and what drives these dynamics to produce high-performance boards," said the report.

"Although there are common issues for board performance across the Asia Pacific region, we recognise that all boards and countries are different in some ways in their approach to building an effective board."

The biennial study, initiated in 2008, sets out to identify the best-practice capabilities boards need to develop. It also identifies nine drivers to achieve these capabilities. The Asia Pacific study is complemented by another for Europe.

The four best-practice capabilities boards need to develop are in the areas of:

- **People:** Continually reviewing top talent and engaging in succession planning;
- **Vision:** Having a clarity of vision and strategy that is both shared and understood;
- **Leadership:** Promoting the team dynamics through the leadership of the board;
- **Innovation:** Maximising the capacity of the board to consider and adapt to risk and innovation.

The nine drivers – four “core” and five supporting – for achieving best-practice levels, that boards need to examine and develop are:

- Balance of skills, knowledge and experience. Build the right mix of skills, experience, behaviours, values, and a common culture that allows for constructive and informed debate and balanced judgment
- Empowered support of committees. Empower committees to help the board make decisions and share the workload
- Regular board evaluations. Engage in objective and regular assessments of directors to evaluate existing skills and those needed in the future
- Identifying board improvement opportunities. Develop a culture that encourages and motivates directors to continually identify improvements on the board.
- Balance between executive and non-executive directors. Achieve the right balance of non-executive and executive directors in the context of the corporate jurisdiction in which the company operates
- Regular board meetings. Achieve the correct balance of the number of board meetings by looking critically at those that need face

## STATE OF SINGAPORE BOARDROOMS



Are Singapore boards fully equipped to meet the challenges of business disruption and structural change sweeping the globe?



### EVALUATIONS

**57%**

Internal

**43%**

External (every 2 yrs)



### CEO EXPERIENCE

**26.9%**

Directors with previous CEO employment experience



### BOARD EXPERIENCE

**23.9%**

Directors holding 3 or more non-Executive Director roles in public companies



### MEETINGS PER YEAR

**5.8**

Singapore

**8.7**

Europe



### COMMITTEES SUPPORTING THE BOARD

**4.6**

2014

**4.3**

2011

Source: Heidrick & Struggles

time and those that can be done by phone or electronic means

- Clear criteria for board member replacement. Establish clear criteria for board member replacement that relate to the future direction of the company
- Diverse gender and nationality mix. Develop a broader focus on diversity that creates a true diversity of thinking on the board
- Representative number of independent directors. Create a culture that values integrity, shareholder interests and the freedom to challenge the views of others, which results in independence being an output, not an input. ■

# EXECUTIVE VALUES



Glennle Sim



Patrick Chew



Tang Kin Fei, Patrick Chew and Glennle Sim, winners of the Best CEO Award in their respective market cap categories, share the keys to their success.



Tang Kin Fei

**N**avigating a company through changing tides, maintaining profitability while exploring new areas of growth and managing a growing clamour of stakeholders, the role of the chief executive has grown ever more complex.

Three of the best of them are Tang Kin Fei of Sembcorp Industries, Patrick Chew from Midas Holdings, and Glennle Sim of Mencast Holdings.

They each won the Best CEO Award at the Singapore Corporate Awards 2014, Mr Tang in the category for companies with market cap of \$1 billion and above, Mr Chew in the market cap category of \$300 million to \$1 billion, and Mr Sim for companies under \$300 million.

*Directors' Bulletin* caught up with them to mine their thoughts and wisdom on leading companies in these times.

**Among the many demands of your job, what are your top 3 priorities?**

**Sim:** Setting strategy and priorities, making sure these are communicated and understood by our management and staff, and making sure we have the right people in the right positions.

**Chew:** As a supplier, one of our top priorities is to be constantly ahead of our competition.



Singapore's top CEOs. From L to R: Patrick Chew of CSE Global, Tang Kin Fei of Sembcorp Industries, Glennle Sim of Mencast Holdings.

We need to keep abreast with the latest market developments and trends in order to meet the evolving dynamic changing needs of the market. Then, it is to manage workplace challenges and yet ensure timely delivery of products that are of the highest quality and standards. Finally, diversification: branching into new product sectors like aluminium alloy plates, sheets, strip and foil products.

**Tang:** First and foremost, it would be to ensure that our existing businesses are performing well and delivering results. We cannot think about growing a business if it is not doing well as it is. Next, with businesses that are successful and performing well,

the priority would be to focus on growth. Lastly, it is to develop a common culture, a global mindset and a deep pool of talent within the organisation to support Sembcorp's growth globally.

**To meet these priorities, what are the 3 most important to-do items in your work?**

**Sim:** First, it is to have a clear and compelling vision for what to do and why we do it. Then to build a strong culture that values integrity, teamwork and creating value for all stakeholders. Third, to make sure we are constantly recruiting, aligning and retaining the talent we need to sustain growth.

**Chew:** In my work, the three most important items are:

- Track global news flow to keep abreast of industry developments, technological developments and changes, socio-political developments in current and target markets, etc;
- Drive innovation, identify areas for improvement, overcome challenges and mitigate potential issues while maintaining

regular interaction with both customers and employees and customers.

- Proactively seek strategic collaboration with prospective customers so as to increase value and drive long-term growth while balancing prudence in investment and cost management in pursuing growth.

**Tang:** Firstly, it is to ensure that we have sound business models, robust governance and

## Winning viewpoint

Sifting through the performance records of the CEOs of all 1000 public-listed companies in Singapore is no easy task, especially when the process is confidential and the judges are not permitted to interview the CEOs. In this way, the selection can be completely unbiased and based purely on public record as well as performance.



“In the selection we don’t just look at one year’s performance,” said John Lim, Immediate Past Chairman SID who chaired the judging panel to select the best

CEOs. “You should be in the CEO position for at least three to four years as, sometimes, a project of a previous CEO might reach fruition during your tenure.”

On the winner of the large-cap category, Tang Kin Fei, Mr Lim said: “He has built Sembcorp’s utilities business even from the days that he was not the CEO. Today, Sembcorp has a very strong twin foundation

and delivers consistently good returns to shareholders sustainability.”

About Patrick Chew, CEO of Midas Holdings Ltd, who won the award for the mid-cap category, Mr Lim gave kudos to Mr Chew for recognising early on the need to diversify the business and reduce dependence on the China market. “Today, the company has additional businesses and new markets.” Such moves could affect short-term profitability, “but the time to invest in the future is when you are strong.”

Although there tends to be less public-domain information on small-cap companies, making judging more difficult, Glendle Sim was a shoo-in for the Best CEO in this category. “He inherited the business yet when he listed, he brought on a majority of independent directors,” said Mr Lim. “He had a vision to grow the company and pursued that vision doggedly with acquisitions and mergers. He has been at the forefront in quite a few areas.” ■

standardised systems and processes. These are critical as they serve as a firm foundation for us to deliver on our promises and achieve business excellence.

Thereafter, to grow the company, we need to have a clear strategy so that everyone in the organisation knows where we are heading, why, and what we all need to do to grow sustainable businesses.

Finally, a company's success rests on its people. Hence it is important to nurture, motivate and retain talent and develop our people's capabilities so that they can not only help grow the company globally, but also grow with the company.

### **In your work/company, what is the biggest contribution the board makes?**

**Sim:** A good Board is comprised of professionals with diverse experience and expertise and drawing on their broad perspectives and complementary skillsets can significantly improve decision making and enhance corporate governance.

**Chew:** Our diversified Board provides invaluable insights and collective leadership in helping to steer Midas' strategies while keeping oversight on the Group's financial policies and risk management.

**Tang:** Our Board's most significant contribution would be their focus on maintaining high standards of corporate governance, and the leadership and guidance they provide to management focused on strategy, prudent risk-taking and value creation.

### **What is the most important advice for the board directors to work better with the C-suite?**

**Sim:** We are fortunate to have a very effective Board at Mencast. The key ingredients for a good Board are engaged, committed and proactive directors with an independent mindset and a commitment to acting in the best interests of the firm.

**Chew:** Communication is the cornerstone of corporate success. Embracing open communication, both at the C-level and in manager-employee engagements, is crucial to building a positive work environment that is efficient and united. This, in turn, enables the organisation to work as a cohesive unit.

**Tang:** Knowing the company and trusting its management are two key elements. Our directors have extensive knowledge and experience and provide valuable insight and knowledge to our strategic planning and decision making. Their trust in the management team allows us to take initiative and execute business plans efficiently and effectively, and encourages us to seek advice and have candid discussions. Management has to earn the trust of the Board by having a clear strategy, making sound investment decisions and delivering results.

### **What is the most important key to your success?**

**Sim:** Focus – what we do is important. What we do not do is critical.

**Chew:** Putting our vision to work – staying ahead of competition amidst dynamic changes and challenges in addition to competitive pressures.

**Tang:** A mindset that is always focused on value creation and on the long term. By this I mean always be thinking about sustainability, embarking on projects that have a good commercial structure and growing businesses that would deliver long-term value and growth. ■

# DYSFUNCTIONAL DYNAMICS

## BEHIND BOARDROOM CONFLICTS

By JEAN-FRANCOIS MANZONI  
INSEAD

Boards must strike the right balance between supporting chief executives and challenging their performance if the relationship is to deliver the best results for the company.

**I**n 15 years of research into difficult relationships in business, it has become clear that cognitive and behavioural mechanisms are often behind conflicts in the boardroom and C-suite. My investigations with colleagues of the relationships between bosses and subordinates have led to an understanding of the complex dynamic that can unwittingly create a vicious circle.

It often starts with something simple to describe though not as easy to tackle: labelling. Human beings categorise continuously, effortlessly and often unconsciously. It is the way we make sense

of our surroundings and the people we interact with. We spontaneously assign traits to people, often labelling them on the flimsiest of evidence. In English it is referred to as judging a book by its cover.

At work, we especially label others in terms of competence and performance, but these labels create expectations that can have a profound and lasting influence on that individual: The process affects not just the behaviour of the labeller, but that of the person who has been labelled. It becomes self-fulfilling.

Over years of working with various boards, I have found that the inter-personal dynamic identified in boss-subordinate relationships is relevant to board performance: Among board members and in the relationship between the board and the chief executive.

### The CEO And The Board

On the relationship between the board and the CEO, the key issue is whether the board has confidence in the chief executive. Board members develop initial impressions that steer their interactions with the CEO: Competence, trustworthiness, openness, communication skills, openness to feedback and others. These impressions then lead directors to make decisions about how much to support their chief executives, and how much to challenge them.

At the same time, the CEO also forms impressions of individual board members: Who can be relied upon for advice on the workings of the board; who is resistant to change; and who has strong views based on previous experience. If CEOs see the board as supportive, they may be able to establish a constructive partnership. If the board is seen as controlling and critical, the CEO may become defensive and unwilling to listen to it. Quite often, the CEO-Board relationship falls off the straight and narrow, and it can be a steep drop on either side.

On one side is the control trap. A good example of the control trap is provided by Nike, whose founder Phil Knight recruited outsider Bill Perez to be CEO. The aim was to bring some rigorous controls to a company known for its entrepreneurial, creative culture focused on the consumer. But a year later, Perez stepped down after the board concluded that he did not understand Nike's creative mind-set, and was replaced by a veteran insider.

Knight and the board began to suspect that Perez might be a poor fit when he brought in

consultants to review operations and tried to reduce the number of meetings. Perez, on the other hand, came to view Knight as "unable to let go" and "unreceptive to outside ideas".

As Perez sensed the growing mistrust, he found it increasingly hard to remain open to the feedback he was receiving, though not always very explicitly. Once boards lose confidence in their chief executives, they start trying to exert control, and it becomes hard for the CEOs to put a foot right. And the reasons why the board selected a new chief executive are often the very same reasons why they later fall out with them—the qualities they hired them for become seen as their faults.

The support trap waits on the other side of the tracks. In 2000, Home Depot appointed as CEO Bob Nardelli of General Electric. Although he had no retail experience, Home Depot board was thrilled to have landed an executive of Nardelli's calibre to bring his focus, discipline and execution skills to a company that needed them after years of exuberant growth.

Nardelli's relationship with shareholders became increasingly antagonistic, with attacks on company performance, strategy, Nardelli's management style and his compensation package. The board supported him throughout and even when he decided to call it quits in 2007, the board regretted his departure.

**At work, we especially label others in terms of competence and performance, but these labels create expectations that can have a profound and lasting influence on that individual: The process affects not just the behaviour of the labeller, but that of the person who has been labelled. It becomes self-fulfilling.**

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In this case, the board had failed to see that the chief executive's relationship with the shareholders had become dangerously dysfunctional because it believed the CEO was doing the right things. The doubling of revenues and profits made it easier to discount negatives such as an exodus of senior executives and customer complaints about service.

These cases illustrate the labelling issue: boards that believe their CEOs are good performers will treat them as successes and screen out any evidence to the contrary. But if boards begin to have doubts, they ignore evidence of success and treat their CEOs as failing. In either case, the chief executive reacts to the labelling in ways that confirm the board's perceptions.

### Effective Feedback

CEOs tend to be reasonably forceful people, which is how they got to the top in the first place. They are driven individuals who are often not the best receivers of feedback, making it difficult for the board to balance support and challenge. CEOs often decide to go against the grain, believing in their own experience and insight.

This is not all bad; CEOs need to have solid egos to succeed. In some instances, CEO may even need to pursue a strategy against loud negative feedback. Boards also need to understand that it is acceptable for CEOs to press the "mute button" to deliver results, but it must not stay depressed for too long. If the chief executive has become deaf, the board must intervene.

A complicating factor is the fact that even when individual board members have doubts, boardroom dynamics may make it difficult or even impossible to voice these thoughts. Boards are rightly becoming increasingly diverse, but maintaining communications between board members is not easy: in their relationships with

each other, directors often label one another – one may be seen as abrasive or another as the CEO's crony. It is chairman's job to manage such interpersonal dynamics and to ensure that the Board optimises the individual and collective contribution of Directors.

Filtering decades of research, here are some ways of making feedback easier to accept:

- The receiver of feedback must trust the giver—if CEOs feel that the board is on their side and trusts them, it is easier to accept feedback.
- The feedback must be well informed— not based on gossip or hearsay.
- The feedback must be balanced— talking only about faults causes the receiver to stop listening.
- The communication process must be respectful and the receiver's point of view must also be seriously considered.

If the relationship between the board and the chief executive has already broken down, it is very difficult to establish these conditions. So it is important to create the right relationship from the start.

Replacing a chief executive is a costly process for businesses, as recent high-profile cases have shown. The chances of avoiding these failures can be enhanced if boards strike the right balance between supporting CEOs and challenging them. The chief executive's job is one of the loneliest roles in business, so boards must not just evaluate their performance but also help them to avoid mistakes and improve. ■

*SID has partnered INSEAD for its International Directors Programme. Email [IDP@sid.org.sg](mailto:IDP@sid.org.sg) for more information.*

# Non-profit lessons



By **ROBERT CHEW**  
SID Council Member



**RESPONSIBLE BUSINESS**

**Revenue and profit drive an overwhelming majority of the world's businesses. For these businesses, profit – the “bottom line” – has been the final arbiter. The greater the profit, the happier the shareholders, the greater the reward for board and C-suite alike.**

These days, with the rise of “new capitalism” – a more balanced and conscience-driven form of capitalism – parameters of success are changing for both the board and C-suite. Companies are being judged on more than just revenue and profit, but on issues like social contribution, sustainability, environmental impact, etc.

How can boards and C-suite alike navigate companies successfully through these new “uncharted” waters?

They might take a leaf from the book of nonprofit organisations.

We in for-profit businesses inadvertently think that those in the nonprofit sector have much to learn from us. We have a phrase to tell them so – “Doing good well”. Good intentions are no substitute for effective management, efficient processes, accountability, performance and results. We know better how to get all these done. Most for-profit companies also do not see what nonprofits do as relevant to making a profit and creating shareholder value.

Twenty five years ago, Peter Drucker, one of the best known and most influential thinkers on management, wrote an article in the *Harvard*

*Business Review* entitled “What Business Can Learn From Nonprofits”. With the need to engage and satisfy stakeholders beyond regulators and shareholders, it is timely to revisit this.

My experience in for-profit and not-for-profit sectors suggests that there is an area from Peter Drucker’s article that is well worth revisiting: the humble and often-forgotten mission statement which most only give lip service to and scant attention.

The not-for-profit organisations, or nonprofits, have this down pat. Nonprofits are, by definition, not known for turning a profit. They do not base their strategy on profit, nor are their plans driven by it. Their performance is not measured in terms of money made and their “bottom line” is not one in dollars and cents.

Instead, nonprofits exist to make an impact on society. So new capitalists might learn a thing or two from them.

A mission statement defines the purpose for the existence of an organisation. It is the organisation’s *raison d’être*. The best nonprofits devote a great deal of thought to formulating their mission statement. The mission statement focuses the organisation. The best ones have inspiring goals: such as “to turn society’s rejects – alcoholics, criminals, derelicts – into citizens” by the Salvation Army; and “to help all people lead healthy, productive lives”, the mission statement of the Bill & Melinda Gates Foundation.



A well-defined mission statement serves as a reminder of the need to look outside the organisation not only for “customers” (or beneficiaries), but also for measures of success.

High performance nonprofits have mission statements that define the cause (who, what, where), actions, and the impact desired. An example of a great mission statement is that of *Charity: Water* – “to bring clean and safe drinking water to people in developing countries”. This is a New York based nonprofit, founded in 2006 and as at end 2012 funded 11,771 water projects in 22 developing countries, where 4.1 million people can have access to clean water.

A mission statement also focuses the organisation on actions and helps to define the broad strategies. Take the Bill & Melinda Gates Foundation’s mission statement “to help all people lead healthy, productive lives”. This statement is further defined in two parts: In developing countries, “it focuses on improving people’s health and giving them the chance to lift themselves out of hunger and extreme poverty”. In the United States, “it seeks to ensure that all people – especially those with the fewest resources – have access to the opportunities they need to succeed in school and life”.

These two broad segment strategies are executed through three grant making areas:

- the Global Development Program, which addresses polio eradication, family planning and agriculture development in developing countries;
- the Global Health Program, which invests in vaccines to prevent infectious diseases such as HIV, polio and malaria, and
- the United States Program, which is to get students to graduate from high school and have the opportunity to earn a post-secondary education with labour market value. The scope of the mission statement and its decomposition into three segments are clearly structured.



Finally, a mission statement could foster innovative ideas. When the mission statement is so audacious, you are by necessity freed from convention, since you are unlikely to address such unmet needs and create such a huge impact by making only incremental changes.

When Mohammad Yunus wanted to make credit a human right, to make credit accessible to the poor so as help them overcome poverty, he could not use conventional banking facilities. Hence, the origin of microfinance and the formation of Grameen Bank. For this work, he was awarded the 2006 Nobel Peace Prize.

There are, of course, for profit companies that are driven by such higher order purposes and game changing missions. Google is a good example: Its mission is “to organise the world’s information and make it universally accessible and useful”. It has been said that when Larry Page and Sergey Brin walked into Sequoia Capital’s office, they explained their mission. This was so key to Sequoia’s decision to invest in Google, Sequoia now requires all the entrepreneurs to state the company’s purpose that defines the business in a single declarative statement, before they even get a meeting.

As we move into the era of the new capitalism, and with a new generation of knowledge workers entering the workforce, companies would do well to take heed of Peter Drucker’s advice for businesses and closer study successful nonprofit organisations. ■

# CHANGING MINDSETS



By **NG KIAN BEE**

With changes in the business environment and the drive toward “new capitalism” a new mindset is required: from the conventional value of maximizing profits to meeting broader societal needs. How can management and board change the way they approach business? Mindfulness is a discipline that would help.

**I**n essence, mindfulness relates to an individual being totally “in the present” and not absorbed in the past or worried about the future. How might being “in the present” help? When faced with a decision, individuals tend to use past experience as a basis to project future outcomes when deciding a course of action. While this is natural, it allows biases and the decision-maker loses objectivity.

Mindfulness is being recognised as a useful practice in this regard. Indeed, Google even has a head of mindfulness – Chade-Meng Tan, a Singaporean – tasked to develop the company through mindfulness training. This effort likely contributed to Google being ranked top company to work for by *Fortune* in 2014.

General Mills, the company behind Häagen-Dazs ice cream, promotes positive emotions by encouraging its employees to practice mindfulness via yoga or meditation. This results in a less stressful environment and helps improve productivity.

William George, a board member of Goldman Sachs and former Chairman and CEO of medical technology giant Medtronic, is a strong advocate of mindfulness in corporate life. He has written in *Harvard Business Review* on how the practice of mindfulness could make an individual more aware of the present job, thus able to focus on what is important, make better decisions, and be a more effective leader. The University of Oxford even set up a Mindfulness Centre whose goals include enhancing “human potential through the therapeutic use of mindfulness”.

Mindfulness has numerous applications at work. Through mindfulness training, a bus driver who has just gone through a traumatic event – say a near accident or a violent passenger – would better return to full concentration as he drives, rather than be distracted or pre-occupied. In sport, mindfulness training helps top competitors focus all their attention on the here and now, enabling them to excel in the heat of competition.

In the boardroom, mindfulness can enable directors to set aside petty differences and focus on the matter at hand on an even keel. When deliberating issues that may be uncharted – say, issues of sustainability or corporate social responsibility – mindfulness can help directors and managers set aside past biases and experiences to explore new ideas and thoughts.

### **Board Mindfulness**

From the board chairman perspective, mindfulness among board members can be inculcated with a few steps.

First, members may be asked to exercise more sensitivity in their exchanges. Instead of immediately shooting down an out-of-the-box idea as unfeasible based on past experience, ask members to pay more attention towards the trivial but new information and context. Actually spend time to ponder and process an idea. This is

similar to meditation where you close your eyes and learn to pay attention to the details of how you breathe so that you can be sensitive towards the rhythm of your body and thus attain optimal control of your emotions.

Second, members should be prepared before board meetings. Provide the agenda and documents well in advance to give every member ample opportunity to digest and ponder over issues. A well-prepared board member is one who has already processed ideas and thoughts pertaining to issues on the agenda. This way, he or she is able to stay focused during the discussion and not get distracted by new trains of thought.

Finally, apply counterfactual thinking in the discussions, creating different alternatives to discuss the issues at hand. For example, even though A had happened and B was the answer, by considering “what if A did not happen, would B still be the answer?” the board may arrive at a different conclusion. This would open up solutions and strategies that may be more effective and relevant than what used to be practised before.

Mindfulness may seem a flippant practice. However, in times of crisis, as noted by Daniel Goleman in an article published in *Harvard Business Review*, it is often difficult to stay focused and attentive when emotions are running high and company resources are running thin. Mindfulness may be the discipline the company and its board need to remain relevant and get past turbulences with effective stewardship. Even if it does not contribute directly to the economic wealth of a company, it would certainly improve the mental wealth of its people. That may be the first step towards the new capitalism and other paradigm changes that work, business and life may bring our way. ■

*Dr Ng Kian Bee is a neuroscientist by training.*

# Time for a stewardship code for Singapore



By **ADRIAN CHAN**  
SID Council Member

**SID**  
SINGAPORE  
INSTITUTE OF  
DIRECTORS

**BOARDROOM**  
**MATTERS**

**Deputy Prime Minister Tharman Shanmugaratnam recently spoke about Singapore's general regulatory environment, emphasising the need for balance between the three "pillars" of market governance - government regulation, market-based disclosure and discipline, and investor responsibility. In Singapore, this last pillar of "investor responsibility" has yet to be fully developed.**

This gap is evident from the results of the 2013 Asean Corporate Governance Scorecard. Led by the Asian Development Bank and the Asean Capital Markets Forum, the regional exercise compared the level of corporate governance of companies in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

It was telling that Singapore companies actually finished second last (Vietnam was last) in the area of "role of stakeholders", and scored a paltry 58.3 per cent in the area of "rights of shareholders", as compared to 86.2 per cent for Thailand. These are not scores we can be proud of.

However, Singapore is not without examples of proactive shareholders who take up the cudgel and seek to influence matters in an effort to increase shareholder value.

This can be done through open confrontation, such as when the hedge fund, Laxey Partners, requisitioned an extraordinary general meeting

of the then SGX-listed United International Securities Ltd in 2010 to demand that its board take steps to reduce the discount to net asset value at which its shares were trading and to remove four directors from its board.

Alternatively, it can be done without too much fanfare such as when the long-serving chairman of Robinsons & Co was surprisingly booted out of office at the 2006 annual general meeting with the help of the votes of Aberdeen Asset Management.

Both examples demonstrate that it is the institutional investor that usually makes the difference. Unlike the typical retail investor, the institutional investor is sophisticated, has resources at its disposal, as well as the international experience and the investing clout to push for change and improve governance in their investee companies.

For this reason, the UK Financial Reporting Council (FRC) developed the world's first Stewardship Code in 2010 to improve the quality of institutional investor engagement. Because it targets institutional investors, the Stewardship Code differs from other corporate governance codes which are aimed at listed companies.

The UK Code is not prescriptive. Rather, it sets out broad principles and guidelines that encourage institutional investors to (among other things):

- actively monitor their investee companies;
- establish clear guidelines on when, and how, they will escalate their activities as a method of protecting and enhancing shareholder value;
- be willing to act collectively with other investors where appropriate;
- have a clear policy on voting and disclosure of voting activity; and
- report periodically on their stewardship and voting activities.

The impetus for this initiative was the failure of institutional investors to adequately engage with their investee companies, a failure which was seen as a significant contributory factor to the cataclysmic financial crisis of 2008.

The Stewardship Code functions on a voluntary basis, with asset managers, insurance companies, pension funds and institutional investors registering with the FRC as signatories to the Code. While the decision on whether to apply the Code is voluntary, the UK securities regulator requires licensed funds and asset managers to state whether they apply the Code, and if they do not, to explain why they consider it inappropriate for their investment strategy.

This “comply or explain” approach is largely similar to that of Singapore’s own Code of Corporate Governance for listed companies.

One challenge to increasing the level of investor responsibility in Singapore is the structure of our legal system: our shareholders have no duties or obligations, only rights.

Under Singapore law, it is the board of directors that has the burden of managing the company and the fiduciary duty to act in the best interest of the shareholders as a whole. Shareholders, on the other hand, are free to consider their own selfish interests, and to

exercise their votes in whichever manner they choose, without being accountable to the company or other shareholders.

This dated view is changing in the developed world. It is now recognised that larger shareholders should play their part not just in supporting the performance of their investee companies, but also the broad markets in which they invest so as to help foster sustainable growth and job creation.

Ever since the UK blazed the way with its Stewardship Code, South Africa, Canada, the Netherlands, Switzerland and others across the European Union have followed suit. Asia is not far behind, with Japan issuing its version in February this year and Malaysia launching a consultation paper on its inaugural Code for Institutional Investors in January.

In Singapore, our 2012 Code of Corporate Governance introduced, largely as an afterthought, a one-page statement on “the role of shareholders in engaging with companies in which they invest”. The problem was that the statement included an express qualifier that it did not form part of the Singapore Code proper, making it less effective than it could have been.

A stewardship code is a key missing piece of the governance jigsaw puzzle in Singapore. It is a useful instrument to help build a critical mass of engaged institutional shareholders as responsible members of the corporate governance ecosystem with a longer term mindset. It is time that Singapore stopped playing catch up and take the lead in this part of the world in this area of corporate governance. ■

*Boardroom Matters is a weekly column by SID for The Business Times and its online financial portal, BT Invest, where this article was first and recently published.*

# CPD: Not for me?



By **GRAHAM OWENS**  
Head, Professional Development, SID



**EXPANDING HORIZONS**

**“Education is the kindling of a flame, not the filling of a vessel” ~ Socrates**

Members have raised some interesting questions since the CPD, or continuing professional development, requirement was introduced at the start of this year. “My boss is very senior and experienced, does he need to do CPD?” “SID is not a professional qualification like law or accountancy, so why do I need CPD and maintain a record it?”

Socrates so eloquently describes the fundamental ideals behind CPD. “Education is the kindling of a flame, not the filling of a vessel.” With ever-changing demands on companies and directors, CPD can ensure SID members maintain a healthy outlook with regards to their own learning journey and the needs of the companies they serve.

Being appointed as a director is an accomplishment in itself, but as in any dynamic role, there is a need to keep abreast of developments and issues, or risk falling behind in terms of knowledge, application and expectations. This is true even for a seasoned campaigner. It is an on-going process that continues throughout a director’s professional career. There is no destination.

At SID we have spent time pondering the broader spectrum of current and future members – including directors and other corporate leaders – and their needs in the short and longer term. Perhaps the most important conclusion is

that there is no one-size-fits-all solution. Each member has to manage his or her own learning and development agenda. SID will supply as many of the tools as possible, but ultimately the underlying responsibility and accountability lies with the individual.

The CPD programme at SID is mandatory for all Ordinary Members and Fellows. Whilst the policy stipulates that members must attain at least 60 CPD hours over three years, with 24 hours of verifiable or structured learning, the selection of CPD programmes should be based on variables such as quality, purpose and focus.

To help with managing your own CPD process, here are 10 thoughts that a CPD plan should aim to incorporate:

1. Get the basics right – what are the absolute fundamentals you need to know to ensure compliance with the regulatory environment?
2. Focus on outcomes and results, rather than on time spent or things done.
3. Keep pace with specialist knowledge and skills to deliver professionalism that meets the expectations of stakeholders.
4. Ensure your competency outstrips, or at least keeps pace with, others in your field.
5. Provide solutions that can be implemented in the real world.
6. Deliver a deeper understanding of what it means to be a professional and a greater appreciation of the result of your work.
7. Add effectiveness in leadership to companies that you work with.

8. Open up new possibilities and experiences that keep you interested and interesting, avoiding the tendency to simply do what we have done before.
9. Avoid “group think” and keep asking questions to maintain a debate that helps advance the body of knowledge within the governance related fields.
10. Deliver increased public confidence in individual directors and the profession as a whole.

Like other personal goals, CPD is a matter of setting your own objectives for development and then charting your progress towards achieving them. In the short term it is about what you need to know. In the longer term CPD is about where you want to be and the plan to get there.

CPD should be engaging and fun too. SID has taken a number of steps to further broaden the CPD offerings so it would be easier for directors to find topics that are relevant and of interest as well.

Ensuring opportunities for everyone at all levels of experience, we have introduced a range of new CPD events. The Chairmen’s Conversations series for more senior directors has been held several times, focussing on board chairmen and chairs of the Risk, Nominating and Audit Committees.

SID’s partnership with INSEAD for the International Directors Programme began with

the first two modules in Singapore in June and September this year, whilst at the other end of the spectrum the first run of the 2-hour introductory So You Want to Be a Director? presentation was held in May.

In the next few months, we will be launching another three new courses on Directors Compliance, Board and Directors Fundamentals, and Financial Reporting Essentials.

Aside from the formal courses on offer, CPD can also be achieved by sharing your knowledge with others. I receive many offers of help and ideas on what would make an interesting and useful addition to our programmes. Contributing articles is another way of gathering CPD hours, as is keeping up with the latest debates in journals and other publications.

Our courses aimed at compliance and basic ideas are well subscribed, but the take up is less impressive when events focussed on other subjects or in other formats. To allow SID to make CPD more varied and interesting, please join us on these different programmes and let us know what you think is missing or can be improved.

As Doris Lessing succinctly put it, “[this] is what learning is. You suddenly understand something you’ve understood all your life, but in a new way.” There is no end. It is about the process. ■



# Revenue recognition standards



By **CHALY MAH**  
SID Council Member

The largest overhaul of revenue recognition standards was completed in May 2014 by the International Accounting Standards Board (IASB). Although the standard is effective only from 2017, companies need to prepare early and establish an implementation roadmap as it contains many wide-ranging changes.

The new standard replaces a host of existing requirements and interpretations related to revenue recognition. Amongst others, the principle of recognising revenue on transfer to the buyer significant risks and rewards of ownership of the goods – a principle in existence for more than 20 years since the issuance of IAS 18 Revenue – will soon be a thing of the past.

The new IFRS 15 *Revenue from Contracts with Customers* also introduces a five-step, principles-based approach: 1. Identify the contract(s)



**COUNTING BEANS**

with a customer. 2. Identify the performance obligations in the contract. 3. Determine the transaction price. 4. Allocate the transaction price to the performance obligations in the contract. 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also provides a framework and additional guidance in respect of contract modifications, variable consideration, time value of money, capitalising costs of obtaining a contract, warranty, licensing, sale with a right of return, and consignment and bill-and-hold arrangements.

Financial statement preparers can also expect expanded disclosure requirements surrounding nature, amount, timing and uncertainty of revenue and cash flows arising from contract with customers.

## Widespread Impact

The impact of the new standard will vary across industry and the types of contracts but it is safe to say that all non-dormant entities will be impacted.

Consider an entity providing multiple elements, now referred to as performance obligations, within its sales contract. For example, it might be involved in the delivery and installation of equipment, testing, maintenance and upgrades. IFRS 15 requires the entity to identify the performance obligations within the





contract and then allocate the transaction price to each performance obligation based on relative standalone selling prices (or other appropriate bases) of the separate performance obligation.

Consider another entity that is in the business of providing long-term services or construction work. IAS 11 *Construction Contracts* requires the allocation of contract revenue and costs to accounting periods by reference to the stage of completion of contract activity where the outcome can be estimated reliably and therefore revenue is recognised over time. It is a different consideration under IFRS 15, which permits revenue to be recognised over time only if any of the following conditions are satisfied: Seller's performance creates or enhances asset controlled by customer; Customer receives and consumes benefits of the entity's performance as the entity performs; or Seller creates an asset that does not have an alternative use to seller, and the seller has the right to be paid for performance to date.

### Roadmap For Change

It is imperative, then, that companies start the evaluation exercise of how the standard will impact them.

First and foremost, be aware of all relevant changes. Consider whether those involved in the preparation of accounting records and financial statements have sufficient and up-to-date knowledge of the standard, including disclosure requirements or if additional training is required.

Then, perform an impact analysis. Consider whether any changes would be required to be made to existing customer contracts, IT and performance measurement systems, processes and internal controls of the company.

Finally, identify necessary action plan to comply with the new requirements. Consider whether additional resources (manpower, monetary, systems) would be required for the

implementation, monitoring and evaluation of the change.

The implications of IFRS 15 extend far and beyond, including:

- **Contracts.** Terms and conditions within contracts with customers may be reviewed with advice from legal counsel to assess if criteria to recognise revenue over time continue to be met.
- **Systems.** Systems changes would be necessary in order to cope with the volume of calculations required. For example in unbundling contracts to identify separate performance obligations, and allocating transaction prices to each performance obligation based on relative standalone selling prices of the separate performance obligation.
- **Financing arrangements.** Financial covenants based on revenue numbers could be impacted. Borrowers and lenders alike may want to revisit the basis to which such covenants are derived or calculated.
- **Key performance metrics.** Performance measures and metrics for commission and bonus plans may likely be impacted by timing of targets being achieved and likelihood of targets being met. In that regard, management may revisit existing performance monitoring and evaluation systems to assess need for update.

**Profit distribution.** Timing and amounts of revenue recognition, and hence profit recognition may change, affecting availability of profits for dividend policies.

The journey to adoption of the new revenue recognition requirements seems rough, but the tunnel is not complete darkness if companies start the journey early. ■

## New Capitalism

Changes in the physical, economic and social environment are seeing growing impact on the business environment. Investors, customers, suppliers, employees and the community are demanding more from companies than simply profits and growth.

For-profit corporations need to realign their activities to fit the new paradigm if they are to survive and thrive. Recognising this, the SID-organised Annual Directors' Conference with the theme *Towards the New Capitalism* saw a record turnout of over 650 participants.



To remain competitive in the changing economic landscape, Guest-of-honour Ms Grace Fu, Minister in the Prime Minister's Office, said businesses would need to practise responsive

and responsible capitalism, built upon three key principles of adaptability, diversity and sustainability.

Keynote speaker John Elkington, Co-Founder of Volans and originator of the Triple Bottom Line, spoke of the coming "Breakthrough Decade" when companies embrace responsible business, calculate real economic returns, and break through to "Tomorrow's Bottom Line".

Magnus Böcker, CEO of SGX observed that boards need to have a more cohesive mindset to strike a balance between economic growth and sustainability. He called on directors to instill a governance culture and imbibe sustainable values in order to sustain corporate health in the long run.

Two plenary panels vigorously debated issues such as gender diversity, quarterly reporting and sustainability reporting of Today's Capitalism; and the imperatives, challenges and implications of Tomorrow's Capitalism.

Besides Mr Elkington and Mr Böcker, the conference featured notable leaders including Ambassador-at-Large Professor Tommy Koh;





Ms Euleen Goh, Chairman Singapore International Foundation; Temasek Chairman Lim Boon Heng; Securities Industry Council Chairman JY Pillay; DBS Group Chairman Peter Seah; Ms Susan Stautberg, Founder of WomenCorporateDirectors; and Peter White from World Business Council for Sustainable Development.

### **Social-Business Hybrids**

The Conference also featured, for the first time, a Social Enterprise Marketplace, where 28 local social enterprises showcased their products and services, new business models and social impact in a marketplace setting.

SID council member Robert Chew, who is a board member of the National Council of Social Services

introduced these “harbingers of a new economy” to the audience and discussed the impact they are already having in Singapore.

Meanwhile, five shortlisted social enterprises made their pitch for support on stage, after which the audience were asked to vote electronically for one. ECOSOFTT, a specialist in delivering decentralised water management systems, wastewater recycling and environmental services to the rural areas walked away with the prize money of \$10,000. ■

[Ed: Check out Robert Chew’s column on “Non-profit lessons” on page 24]

## Chairmen's conversation



Anecdotal evidence suggest that Singapore directors are increasingly in demand from foreign companies seeking an Asian perspective on their boards.

This and other nuggets were shared at the recent Chairmen's Conversation, on the Nominating Committee, co-organised by SID and Russell Reynolds Associates (RRA). Entitled "Board Building: Creating High Performance Boards", the discussion covered topics such as succession strategy and planning, and board evaluation.

Some participants felt that board evaluation was often merely an exercise in ticking boxes. Seeking

external advice was also discussed; generally viewed positively though some questioned the cost of such an exercise.

Peter Drummond-Hay of RRA also shared research on board diversity and the its effect on board dynamics.

There was general consensus that the best nominating committees were those that play a key role in challenging, monitoring and advising on leadership, with one eye on the present and the other on the future. Strategies for diversity and succession planning are still evolving in Singapore. ■

## EBL four-in-one

Responding to popular demand, SID conducted a four-in-one training on EBL, or Effective Board Leadership. This core SID programme, comprising four half-day modules of Effective Board, Board & Fund Raising, Enterprise Risk Management and Financial Governance, is usually spread over a few months.

For the training session of 8 and 9 October, all four modules were combined into a two-day session. From 2015, the EBL programme modules will be conducted in both formats: spread out over several months, as well as offered at one-go.

For EBL and other SID courses, check out Upcoming Events on Page 40-41. ■

## What's brewing for SID members?



Coffee has been credited with facilitating the industrial age, since it helped people work longer and irregular hours.

For pleasure and not to drive the next industrial age, SID members were treated to an evening of coffee brewing. After some five centuries of known coffee drinking, coffee is now one of the most popular beverages drunk in virtually every country of the world.

Members were introduced to the various origins, roast and brewing methods of coffee and they also enjoyed a “live” demonstration of espresso and latte art by Terence Tan, second runner up at the FHA Barista Championship 2014.

The networking event also provided rare opportunity for members to have hands-on experience to create their own latte art while they sampled the various kinds of freshly-brewed coffee over friendly chit chat. After all, many a business deal has been signed sealed and delivered over a cuppa. ■



*Reports by Penelope Phoon and Chia Yi Hui*

## Past events (Aug 2014 – Oct 2014)

DATE	TYPE	EVENT DETAILS
6 Aug 2014	PD	Nominating Committee Chairmen's Conversation
11 - 12 Aug 2014	PD	SID-SMU Module 5: Strategic Corporate Social Responsibility and Investor Relations
21 Aug 2014	Social	Members' Night: What's Brewing on 21 August 2014?
3 Sep 2014	Conference	SID Directors' Conference 2014: Towards the New Capitalism
8 - 9 Sep 2014	PD	SID-SMU Module 6: Effective Succession Planning and Compensation Decisions
17 Sep 2014	PD	LCD Module 2: Audit Committee Essentials
18 Sep 2014	PD	LCD Module 3: Risk Management Essentials
23 - 25 Sep 2014	PD	SID-SMU Module 1: The Role of Directors: Duties Responsibilities and Legal Obligations
8 Oct 2014	PD	EBL Module 1: Effective Board
8 Oct 2014	PD	EBL Module 2: The Board & Fund Raising
9 Oct 2014	PD	EBL Module 3: Enterprise Risk Management
9 Oct 2014	PD	EBL Module 4: Financial Literacy & Governance
15 Oct 2014	PD	LCD Module 4: Nominating Committee Essentials

# Enriching marriage



By **DANIEL EE**  
SID Vice-Chairman

**Some devote time to hobbies, others check off “bucket list” items. Daniel and his wife Shelley have a more unusual After Hours passion: investing in marriage, theirs and others as well.**

I have one wife, but two weddings. After marrying Shelley in 1977, we decided to have another wedding ceremony, this time in India. We even exchanged vows in Hindi before a pundit (actually a Catholic priest) and both sides of the family exchanged floral garlands and carried us on their shoulders and we had to throw garlands over each other!

It was beautiful, though it was only a skit. We were in Mumbai to celebrate the 40th anniversary of the Worldwide Marriage Encounter in India.



**AFTER HOURS**

Shelley and I, married for almost 37 years, have spent 24 years serving in Worldwide Marriage Encounter, a movement springing from the Catholic Church dedicated to enriching marriages. This year, we were elected to be the International Ecclesial Team (world leaders) together with a Catholic priest from the Philippines. Our role is to lead the movement, which has spread to 91 countries around the globe.

For us, it began in 1981 when we attended our first Marriage Encounter Weekend. It taught us the value of investing in and building our marital and family relationship. Communication is key and faith is the foundation. We were so blessed that we went a second time in 1990 when Shelley was expecting our second child.

In Singapore, Marriage Encounter conducts 10 to 12 Marriage Encounter weekends each year. These are conducted in English but we also run three Weekends in Mandarin each year. It is a residential programme stretching from Friday night to Sunday evening.

The Weekends are open to all – to couples from all walks of life and our “clients” include CEOs and politicians. Each Weekend also attracts participants from other faiths – including Christians, Buddhists, Hindus and free thinkers. Lodging and meals are provided and the only requirement is that both must attend the programme together. Registration is \$50.

The aim is to build strong, stable marriages, which would then result in solid well-functioning



families. One of our guiding precepts: “The best gift parents can give to their children is to have a strong, loving spousal relationship with each other.”

Over the Weekend, three couples and a priest present a series of talks, followed by discussions for the couples to work on in the privacy of their rooms. There is no group sharing; the Weekend is a private retreat for the couple.

One reason for my passion is the pleasure of watching couples grow closer, chattier and more loving over the Weekend. We believe this is the starting point. As they continue to develop their relationship, the family will benefit from the closer spousal relationship, leading to a stronger family. In fact the concepts at the Weekend can be applied to other relationships – extended family, friends and even in the office.

Many ask how I fit it in. It is about prioritising life’s goals. For us, making a difference to others’

lives ranks very highly. Then time spent watching TV or playing golf become less important.

Our role in Marriage Encounter has indeed taken on a more rigorous path over the last seven years. We served as Singapore leaders (with a priest) for four years and were then moved on to be the Asian leaders. In the new role, we will chair the World Council comprising leadership teams from six continents. Together we will deal with the more strategic issues for the Movement. The experience gained in chairing boards, board committees and being a director will certainly help as we take on these responsibilities.

In spite of having had this experience sitting on boards, we have our work cut out for us. But we are encouraged by this verse in Matthew 19:26: “With men this is impossible, but with God all things are possible.” ■

[Ed: For more information on Marriage Encounter, go to [www.wmesg.org](http://www.wmesg.org)]

# Upcoming Events

## Core Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
LCD Module 1: Understanding the Regulatory Environment in Singapore	17 Oct 2014	0900 – 1730	Marina Mandarin Hotel
LCD Module 6: Investor & Media Relations	21 Oct 2014	0900 – 1230	Marina Mandarin Hotel
LCD Module 5 – Remuneration Committee Essentials	29 Oct 2014	0900 – 1230	Pan Pacific Singapore Hotel
SID-SMU Module 2: Assessing Strategic Performance: The Board Level View	29 – 31 Oct 2014	0900 – 1700	SMU Campus
LCD Essentials Programme in Mandarin	20 – 21 Nov 2014	0900 – 1700	Kerry Hotel Pudong, Shanghai
SID-ACRA Directors Compliance Programme	27 Nov 2014	1300 – 1730	Capital Tower
So, You Want to be a Director?	28 Nov 2014	1100 – 1230	Capital Tower
SID-ACRA Directors Compliance Programme	9 Dec 2014	0900 – 1330	Capital Tower
INSEAD International Directors Programme Module 3: Director Effectiveness and Development	15 – 18 Dec 2014	0900 – 1700	INSEAD Campus, Fontainebleau, France
SID-ACRA Directors Compliance Programme	16 Dec 2014	1300 – 1730	Capital Tower
SID-ACRA Directors Compliance Programme	8 Jan 2015	0900 – 1330	Capital Tower
LCD Module 1: Understanding the Regulatory Environment in Singapore	15 Jan 2015	0900 – 1730	Marina Mandarin Hotel
SID-ACRA Directors Compliance Programme	17 Jan 2015	0900 – 1330	Capital Tower
SID-ACRA Directors Compliance Programme	22 Jan 2015	0900 – 1330	Capital Tower
Board & Director Fundamentals	27 Jan 2015	0900 – 1730	Capital Tower
SID-ACRA Directors Compliance Programme	29 Jan 2015	1300 – 1730	Capital Tower
SID-ISCA Directors Financial Reporting Essentials	30 Jan 2015	0900 – 1730	To be advised
SID-ACRA Directors Compliance Programme	5 Feb 2015	0900 – 1330	Capital Tower
SID-ACRA Directors Compliance Programme	12 Feb 2015	1300 – 1730	Capital Tower
SID-ISCA Directors Financial Reporting Essentials	27 Feb 2015	0900 – 1730	To be advised
SID-ACRA Directors Compliance Programme	28 Feb 2015	0900 – 1330	Capital Tower
So, You Want to be a Director?	3 Mar 2015	1100 – 1230	Capital Tower
SID-ACRA Directors Compliance Programme	5 Mar 2015	0900 – 1330	Capital Tower
LCD Module 1: Understanding the Regulatory Environment in Singapore	11 Mar 2015	0900 – 1730	Mandarin Marina Hotel
SID-ACRA Directors Compliance Programme	14 Mar 2015	0900 – 1330	Capital Tower
SID-ISCA Directors Financial Reporting Essentials	17 Mar 2015	0900 – 1730	To be advised
SID-ACRA Directors Compliance Programme	24 Mar 2015	0900 – 1330	Capital Tower
LCD Module 2: Audit Committee Essentials	25 Mar 2015	0900 – 1230	Mandarin Marina Hotel
LCD Module 3: Risk Management Essentials	26 Mar 2015	0900 – 1230	Mandarin Marina Hotel
SID-ACRA Directors Compliance Programme	31 Mar 2015	1300 – 1730	Capital Tower
LCD Module 4: Nominating Committee Essentials	2 Apr 2015	0900 – 1230	Capital Tower
SID-ACRA Directors Compliance Programme	7 Apr 2015	0900 – 1330	Capital Tower
LCD Module 5: Remuneration Committee Essentials	8 Apr 2015	0900 – 1230	Mandarin Marina Hotel
SID-ACRA Directors Compliance Programme	14 Apr 2015	0900 – 1330	Capital Tower
LCD Module 6: Investor & Media Relations	15 Apr 2015	0900 – 1230	Mandarin Marina Hotel
SID-ISCA Directors Reporting Essentials	16 Apr 2015	0900 – 1730	To be advised
SID-ACRA Directors Compliance Programme	21 Apr 2015	0900 – 1330	Capital Tower
EBL Module 1: Effective Board	23 Apr 2015	0900 – 1230	Mandarin Marina Hotel
SID-ACRA Directors Compliance Programme	25 Apr 2015	0900 – 1330	Capital Tower
Board & Director Fundamentals	28 Apr 2015	0900 – 1730	Capital Tower
SID-ACRA Directors Compliance Programme	30 Apr 2015	1300 – 1730	Capital Tower
LCD Module 1: Understanding the Regulatory Environment in Singapore	6 May 2015	0900 – 1730	Mandarin Marina Hotel



### Core Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
SID-ACRA Directors Compliance Programme	7 May 2015	0900 – 1330	Capital Tower
EBL Module 2: Board & Fund Raising	14 May 2015	0900 – 1230	Mandarin Marina Hotel
SID-ACRA Directors Compliance Programme	15 May 2015	1300 – 1730	Capital Tower
EBL Module 3: Enterprise Risk Management	19 May 2015	0900 – 1230	Mandarin Marina Hotel
EBL Module 4: Financial Literacy & Governance	26 May 2015	0900 – 1230	Mandarin Marina Hotel
So, You Want to be a Director?	28 May 2015	1100 – 1230	Capital Tower
IDP Module 1: Board Effectiveness and Dynamics	14 – 17 Jun 2015	0900 – 1730	INSEAD Campus
SID-ISCA Directors Reporting Essentials	24 Jun 2015	0900 - 1730	To be advised

### Other Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
Audit Committee Chairmen's Conversation	16 Oct 2014	1100 – 1300	The Fullerton Hotel Singapore
SID-ACRA: Changes in Companies Act	14 Nov 2014	0900 – 1100	SMU Auditorium
Remuneration Committee Chairmen's Conversation	25 Nov 2014	0900 – 1100	The Fullerton Bay Hotel
SID-ACRA: Audit Committee Seminar	13 Jan 2015	To be advised	To be advised
SID-KPMG: Cyber Security	20 Jan 2015	To be advised	To be advised
SID-Hay Group: Directors' Remuneration	28 Jan 2015	To be advised	Mandarin Marina Hotel
SID-Moore Stephens: Financial Reporting Standards	3 Feb 2015	To be advised	Mandarin Marina Hotel
SID-IP Academy: Intellectual Property for Directors	10 Mar 2015	To be advised	Mandarin Marina Hotel
Board Chairmen's Conversation (MidCap)	13 Mar 2015	1100 – 1300	To be advised
Tax Evasion/Avoidance	9 Apr 2015	To be advised	Mandarin Marina Hotel
SID-PwC: Financial Crimes	4 May 2015	To be advised	Mandarin Marina Hotel
Board Chairmen's Conversation	19 Jun 2015	1100 – 1300	To be advised
SID-Watatawa: Strategic Communication	26 Jun 2015	To be advised	Mandarin Marina Hotel

### Major Events

EVENT	DATE	TIME	VENUE
Launch of the SID-ISCA Singapore Directorship Report	4 Nov 2014	0900 - 1100	Carlton Hotel Singapore
Annual Corporate Governance Roundup	18 Nov 2014	1000 – 1200	Orchard Parade Hotel
SID Annual General Meeting	18 Nov 2014	1330 – 1430	Orchard Parade Hotel

### Socials

EVENT	DATE	TIME	VENUE
Members' Night: Mindfulness	21 Nov 2014	1800 – 1900	Capital Tower
Members' Night	12 Mar 2015	1800 – 1900	Capital Tower
Members' Night	12 Jun 2015	1800 – 1900	Capital Tower
Golf Tournament	28 Jun 2015	1100 – 2100	Sentosa Golf Club

Course schedule is subject to change. Please refer to SID website at [www.sid.org.sg](http://www.sid.org.sg) for the latest updates.

# Welcome to the Family

## August 2014

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Adams Stephen  
 Ang Kong Hua  
 Ang Peng Koon, Patrick  
 Baptista Deanne  
 Benjamin Eli Manasseh (Nash)  
 Chai Kwok Choy, Gerard  
 Cham Tao Soon  
 Chen Seow Phun, John  
 Cheng Wai Keung  
 Chew Leong Chee, Tony  
 Chin Wei Jia  
 Chin Yoke Choong, Bobby  
 Drummond-Hay Peter  
 Duigan Vance Michael  
 Elliott Robert  
 Eng Yaag Ngee Rachel  
 Eu Yee Ming, Richard  
 Foo Lily  
 Kuok Oon Kwong  
 Lee Boon Yang  
 Lee Hock Leong, Dennis  
 Lee Melissa Pei Yu  
 Liaw Lisa  
 Lim Gunawan Hariyanto  
 Lim Tai Wah  
 Livingstone Jim  
 Loh Max  
 Lwi Tong Boon, Steven  
 Marican Mohamed Salleh  
 Ng Lip Chi, Lawrence  
 Ng Poh Keen, Milton  
 Ong Eng Chian, Kelvin  
 Ong Lay May, Apple

Or Kim Peow  
 Poh Beng Huat  
 Seet Chor Hoon  
 Tan Chiang Huat, Edward  
 Tan Kim Heng, Alex  
 Tan Sunn Suan, Peter  
 Tan Wah Yeow  
 Tang Kin Fei  
 Teo Soon Hoe  
 Tham LaiLeng  
 Whiteford Leslie  
 Wong Heng Ning, Kevin  
 Wong Meng Meng  
 Wong Yuen Kuai, Lucien  
 Woo Peiwei

## September 2014

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Baptista Winston  
 Chang Alan  
 Chee Mei Ying  
 Cheng Wai Wing, Edmund  
 Ho Kevin  
 Kattoulas Velisarios  
 Kwek Leng Joo  
 Lau Yan Wai  
 Lee Ren De  
 Lim Cheok Peng  
 Lim Ming Hui, Andrew  
 Lim Ming Seong  
 Loh Hock Seng Harry  
 Low Irving  
 Lum Olivia  
 Mak Chung Yee

Ng Soh Yong  
 Ong Yew Huat  
 Soon Ai Kwang  
 Wigmore Gary  
 Wong Fong Fui  
 Wong Kwong Shing, Frank  
 Yew Wen Suen, Elaine

## October 2014

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Andresen Frank Bruun Maintz  
 Berger Stephen  
 Bhalla Dev Inder  
 Boeren Mathys  
 Chakraborty Arijit  
 Chan Hong Wai  
 Ho Meng Kit  
 Hong Shiung Cheong, Vincent  
 Jeyaretnam Philip  
 Kochhar Alok  
 Koh Soo Keong  
 Koh Yoke Har  
 Lewis Richard William  
 Low Colin  
 McNeil Andrew  
 Ng Eng Leng  
 Pavey Paul Martin  
 Rajamanickam Ramachandran  
 Teoh Leong Kay  
 Thoh Jing Heng, Jean  
 Tng Soon Chye  
 Yeo Tze Khern  
 Yoong Yoon Liong

## SID Governing Council 2014

### CHAIRMAN

Willie Cheng

### FIRST VICE-CHAIRMAN

Adrian Chan Pengee

### SECOND VICE-CHAIRMAN

Yvonne Goh

### TREASURER

Soh Gim Teik

### IMMEDIATE PAST-CHAIRMAN

John Lim Kok Min

### COUNCIL MEMBERS

Kala Anandarajah

Robert Chew

Wilson Chew

David Conner

Daniel Ee

Kevin Kwok

Lim Chin Hu

Elaine Lim

Chaly Mah

Andy Tan Chye Guan

Tan Yen Yen

Richard Teng

Wong Su-Yen

Yeoh Oon Jin



# International Directors Programme 2015

The Singapore Institute of Directors has partnered leading business school INSEAD to bring the acclaimed International Directors Programme to Asia. The 2015 conduct of the programme will take place in June, September and December in Singapore and Fontainebleau (France).

## Excellence In Board Practices

The International Directors Programme seeks to develop more effective directors for the increasingly-complex governance challenges presented by dynamic global markets.

The programme consists of three modules: Board effectiveness and dynamics, Board decision making and oversight, and Director effectiveness and development. They are designed to take directors to the next level by going beyond compliance and focusing on excellence in board practice. Participants may apply for the INSEAD Certificate in Corporate Governance, the first truly international qualification for board members from an academic institution.

### Module 01 Board Effectiveness and Dynamics

- The governance challenge
- Fundamentals of director and board effectiveness
- Evaluating and formulating strategy
- CEO oversight: selection, evaluation, succession
- CEO-Board dynamics and conflicts
- Compensation at the top: C-suite and board members

**Dates:**  
14–17 June 2015

**Location:**  
Singapore

### Module 02 Board Decision Making and Oversight

- Effective decision-making
- Fair process leadership - in the boardroom and beyond
- CFO oversight
- Financial oversight: solutions to pitfalls in judgements
- Effective Audit Committees
- Red flags in financial reporting

**Dates:**  
21–23 September 2015

**Location:**  
Fontainebleau, France

### Module 03 Director Effectiveness and Development

- Crisis and performance management
- Challenges of diversity on multicultural boards
- Board simulations - 'playing the role' and reflecting on it
- 360° evaluation of director strengths and development opportunities
- Coaching for director improvement in small group settings (with professional facilitation)

**Dates:**  
15–17 December 2015

**Location:**  
Singapore

## CONTACT US

For further information and applications forms on the International Directors Programme, please contact:

### SID Secretariat

Email: [IDP@sid.org.sg](mailto:IDP@sid.org.sg)  
Tel: +65 6422 1188  
Fax: +65 6422 1199  
[www.sid.org.sg](http://www.sid.org.sg)

## Join Our Network Of International Directors

Each cohort comprise of participants from a mix of countries across the world, representing the settings of today's global boards. Since its launch in 2011, some 300 directors from more than 30 countries have completed this world class programme from a world class educator.

Course Fees: €15,900 or S\$26,500 (5% discount available to SID members)

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