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SINGAPORE INSTITUTE OF DIRECTORS

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THE GOOD ISSUE

The Challenge of Measuring Social Impact

Purpose and Profitability: Rethinking Business-As-Usual

The Balancing Art of Social Enterprises

Do Good

By **PAULINE GOH**
Chair, SID Bulletin Committee

DIRECTIONS

In a year marked by polarising worldviews, geopolitical uncertainties and economic tensions, our closing issue of 2019 takes a step back and considers the underlying social ecosystem and what it means to "do good".

The social world and its diverse inhabitants – with labels including charities, volunteer welfare organisations, social entrepreneurs and nonprofits – are part of the national economy, alongside the public and business sectors.

Our lead article by Sharifah Mohamed offers some insights into the evolving social landscape in Singapore (page 6). Her review of the shifting trends and their impact helps to explain why the social sector is referred to as "the world that changes the world".

The impact of social change, however, cannot be measured in purely economic terms. To address the increasing demands made of nonprofit organisations by their donors and contributors, Emily Perkin takes a useful approach to explore how social impact can be measured through a combination of quantitative and qualitative data (page 18).

In the corporate sector, the push towards a more sustainable model for business has increased opportunities for collaboration and even convergence of the social and business sectors.

Laurence Lien and Stacey Choe explain why corporate philanthropy is more relevant now than ever before (page 28), and Melissa Kwee makes the case for companies to marry purpose and profitability (page 32). Alfie Othman describes the twin-driver business and social approach (page 38).

Being a director in what might appear to be the familiar boardroom of a nonprofit, with its subtle but significant differences from that of a commercial organisation, can be a challenge. Mak Yuen Teen explains that while governance principles don't change between the two types of boards, some practices and the culture can be very different (page 42).

Even accounting standards can be different (page 26). Mr Sid seeks to help a first-time nonprofit director adjust to this new environment (page 48).

Our other feature articles look at how social innovation and technology can help build resilient and enduring organisations that contribute to the social economy (pages 22 and 36), while we also consider what to look for in a director of a nonprofit organisation (page 46).

With a diverse range of perspectives and multifaceted insights into the social world, we hope the readings in this issue offer inspiration, ideas and opportunity for action and impact.

Meanwhile, continue to do good, and be well. ■

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A Changing World that Changes the World

By **SHARIFAH MOHAMED**

The world that changes the world is itself undergoing change. What does the social ecosystem look like in Singapore? How is it changing and how does it weigh on the global front?

In Singapore, we often refer to the economy as comprising three sectors – public, private and people.

The people (or social) sector contributes about one per cent to the country's gross domestic product, relatively small by global average of 4.5 per cent, according to a 16-country comparative study by the Johns Hopkins Center for Civil Society Studies.

Although the social sector may, in terms of economic numbers, appear to be a small part, it lies at the heart of the national economy, and is pervasive and important in its reach. Its impact should not be measured just in economic terms, but on how it affects and influences the daily lives of the citizens and the world. Indeed, the social sector has often been referred to as "the world that changes the world".

Ecosystem approach

The social sector is an interdependent part of the overall economy. And as with the other two sectors, it is also an ecosystem comprising interdependent components within it.

An ecosystem is a system whose members benefit from each other's participation via symbiotic relationships. With an ecosystem approach, we obtain a holistic and integrated perspective of how the different players interact with each other.

What does the social ecosystem look like?

The box, "The Social Ecosystem" provides a schematic of the key players in such an ecosystem.

At the core of the social ecosystem are three main players: the beneficiaries (the helped), social purpose entities (the helpers) and capacity builders (the helpers' helpers).

Surrounding them are the community (individual and corporate donors and volunteers), the media and the government who collectively provide the resources (time and money), support (including legitimacy) and scrutiny to ensure that the core players function as intended.

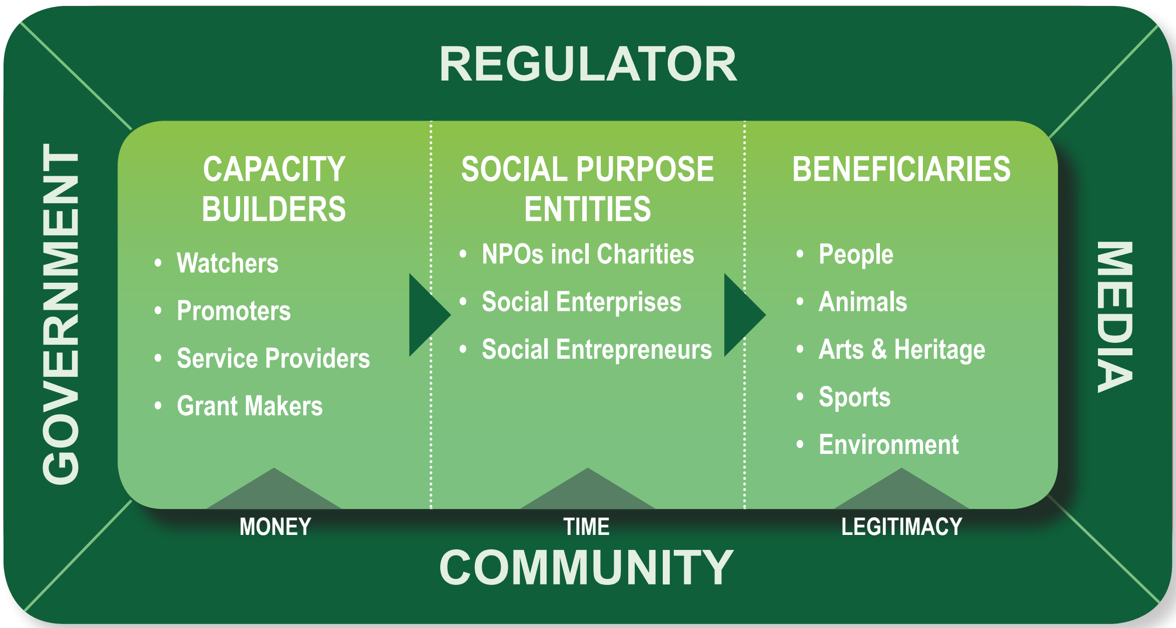
Beneficiaries

Beneficiaries and the causes are the *raison d'etre* of the social ecosystem. Yet, we sometimes lose sight of this vital group because they have the smallest voice and are not always well-defined.

Many people think narrowly of beneficiaries in terms of the poor and needy of society. Poverty alleviation does get the most attention by the nonprofit sector and the public.

For example, the greatest number of charities working on a particular beneficiary group (not including religious organisations) is in the area of social and welfare, according to the

The Social Ecosystem



Source: *The World That Changes The World: How philanthropy, innovation and social entrepreneurship are transforming the social ecosystem*, by Willie Cheng and Sharifah Mohamed (John Wiley & Sons, 2010)

Commissioner of Charities (CoC) Annual Report 2018. About one in six (17.7 per cent) charities work in this area.

From a legal standpoint, charitable purpose extends beyond the relief of poverty to include the advancement of education, advancement of religion and "other purposes beneficial to the community". The last classification has been extended over time to include causes such as the promotion of citizenship, community development, heritage, arts and science, environmental protection, animal welfare and sports.

Focus by organisations and the public may not be a good indicator of the true extent of needs. In a 2011 report, *Unmet Social Needs in Singapore*, the Lien Centre for Social Innovation identified six vulnerable groups for which there are needs and policy gaps: people with disabilities, mentally ill, poor households with single parents, low-income workers, foreign workers and new communities. Since then, more in-depth reports detailing gaps in these areas have been produced.

Meanwhile, poverty alleviation and lack of access to help continue to be a matter of discussion and debate in Singapore. Part of the issue lies with the lack of and resistance to defining a poverty line in Singapore. The Lien Centre reports indicate that as many as one fifth of the households need financial help.

Social purpose entities and capacity builders

Social purpose entities exist to directly help the beneficiaries, while capacity builders seek to strengthen the social purpose entities.

Capacity builders are needed in any marketplace to improve its efficiency. For the social ecosystem, they can be classified as service providers (provide needed goods and services), grant makers (receive money from donors and give out money to social purpose entities), promoters (grow and develop the sector) and watchers (facilitate informed giving).

Both social purpose entities and capacity builders go by various labels such as nonprofit organisations (NPOs), non-governmental organisations (NGOs), civil service organisations (CSOs), charities, institutions of a public character (IPCs), foundations and social enterprises. Among this bewildering array of entities, there are subtle differences.

There are also different legal forms in which they can be constituted. Largely, those that are legally recognised as being for charitable purposes will be registered under the Charities Act and subject to the regulation of the CoC. Some of them will have IPC status which allows them to provide tax-deductible receipts for donations.

The Charity Portal lists over 2,200 registered charities and more than 190 exempt charities, of which over 630 have IPC status. Meanwhile, the Registry of Societies has more than 7,800 registered societies, a small proportion of which are charities.

A special breed of social purpose entities are social enterprises. A social enterprise is a profit-making business with a social mission, which often includes providing employment opportunities for beneficiaries. Examples include RSVP ProGuide that provides consultancy opportunities for seniors, and Singapore Corporation of Rehabilitative Enterprises that provides employment and skillsets to prison inmates. (See more on the landscape of social enterprises, page 38).

Among the individuals working in the sector, there has been buzz in recent years on the rise of social entrepreneurs. These are people who can effect systemic, large-scale social change through innovative approaches. Ashoka, the global association of social entrepreneurs, has elected three individuals as its fellows in Singapore:

Jack Sim (World Toilet Organization), Sasa Vucinic (Media Development Loan Fund) and Bjorn Low (Edible Garden City).

Supporters

Supporting the ecosystem are the government, community and media.

The government has multiple roles in the ecosystem, as regulator, funder, promoter and even, participant.

Most would be familiar with the government's regulator role, especially through the existence of the Charities Act and the office of the CoC. The government also seeks to promote the sector through its policies and programmes, and especially its tax breaks for the sector.

In general, the government is among, if not, the largest funder of the nonprofit sector. Globally, the government contributes about 35 per cent of the social sector's global revenue, according to the Johns Hopkins' report. In Singapore, the government's spending is much more, and roughly two-thirds of the social sector receipts come from government sources.

The Singapore government provides grants from as low as 0.6 per cent of total receipts for religious programmes to as high as over 78 per cent for community focus, according to the CoC Annual Report 2018. This does not include the government contracts which would account for the significant proportion of the other receipts of the charities. In absolute terms, education receives the biggest grant amount at S$5.6 billion, followed by social and welfare at S$859 million and arts and heritage at S$810 million.

Finally, as a participant, the government can directly provide social services in the domain of NPOs, for example, the Singapore Boys' Home and Singapore Girls' Home, although this is not as common.

The community, both individuals and corporations, support the ecosystem through its giving of time (volunteerism) and money (philanthropy).

In the Giving Index put together by the UK-based Charities Aid Foundation, Singapore was deemed in 2018 to be the seventh most generous country out of a worldwide poll of 143 countries based on their giving of time, money and helping a stranger.

Based on a 2019 survey by the National Volunteer and Philanthropy Centre (NVPC), the total sum given to charity was S$2.1 billion. Donations to charities largely go to local causes partly because of the regulatory restrictions on fundraising and grants for overseas purposes.

In the same survey, NVPC estimates the economic value of volunteerism to be S$2.43 billion, based on a volunteerism rate of 29 per cent. The survey also captures a broader range in the forms of supporter engagement. For instance, two new categories – mindful consumerism and advocacy – recorded a rate of 29 per cent and 17 per cent, respectively.

Changing the World of Helping

As in politics and business, the social sector is not immune to the rapid changes that are affecting society. The world that changes the world is evolving.

In many respects, the last two decades have been transformative for the sector in Singapore. The schematic on page 11, "Evolution of the social sector in Singapore" provides a summary of the key milestones in that change in three main themes of development: ethnic, religious and individual-based benevolence; social welfare and civic activities; and social advocacy.

Moving forward, the changes are expected to be even greater. The box, "Major Trends in the Social Sector" on page 12 provides a summary of the patterns that are emerging.

Evolution of the Social Sector in Singapore

Ethnic, Religious, Private and Corporate-Based Social Giving	Social Welfare and Civic Activities	Social Advocacy

1819

Clan and religious-based philanthropy predominant

(WW2)

DECLINE OF COMMUNITY GROUPS

1945

COMMUNITY GROUPS RESUMED ACTIVITIES

1946

First multi-service agency in welfare provision [Social Welfare Department]

1949

[Children's Social Centres]

1952

[Lee Foundation]

[Community Centres]

1958

[SINGAPORE COUNCIL OF SOCIAL SERVICES]

[Shaw Foundation]

1959 (Self-government)

PEOPLE'S ASSOCIATION oversees grassroots organisations

Gradual maturing of social services arena

1980

SOCIAL WELFARE DEPARTMENT INCORPORATED INTO MINISTRY OF COMMUNITY DEVELOPMENT (NOW NAMED MINISTRY OF SOCIAL AND FAMILY DEVELOPMENT OR MSF)

[Lien Foundation]

[Community Chest]

[AWARE]

[Yayasan Mendaki]

[Feedback Unit]

[Tote Board]

1987 "Marxist Conspiracy"

SINGAPORE COUNCIL OF SOCIAL SERVICES RESTRUCTURED AS NATIONAL COUNCIL OF SOCIAL SERVICE (NCSS)

Advent of non-government organisations with greater advocacy role

1990s

[CDAC & SINDA]

[S'pore International Foundation]

SINGAPORE 21

[Community Development Councils]

[The Nature Society]

[NATIONAL VOLUNTEER & PHILANTHROPY CENTRE]

[The Working Committee]

2000s

REMAKING SINGAPORE

President's Challenge

Speakers' Corner

[Transient Workers Count Too]

DPM LEE HSIEN LOONG'S HARVARD CLUB SPEECH

NKF Saga and other scandals, Charity Law Reform, Charity Council, and Code of Charity Governance

[Temasek Foundation]

[C3A]

[MARUAH]

2010s

Social Service Sector ICT Masterplan by MSF, NCSS and IDA

Venture philanthropy and impact investing [Asia Venture Philanthropy Network]

Social entrepreneurship [ASHOKA Singapore]

[SG Enable]

SG50-S$10 MILLION FUNDING FOR 400 GROUND UP INITIATIVES

Social Enterprises [DBS-NUS SV Challenge] [SIF YSE] [raiSE]

Mandatory sustainability reporting for listed companies by SGX

Social Service Sector Strategic Thrusts roadmap by NCSS

Protection from Online Falsehood and Manipulation Bill Concerns about constraints on online advocacy

Source: Updated from research first published in *Social Space 2008*, by Sharifah Mohamed.

Major Trends in the Social Sector

1. Doing good better

For a long time, charity was viewed simply as "doing good". This changed in 2005 with the National Kidney Foundation saga and other scandals. Continuing changes to the regulatory framework and promotion of informed giving and social impact are resulting in demands on NPOs to be more transparent and accountable in their fundraising, use of funds, and in their outcomes.

2. Doing good and doing well

There is an increasing convergence of the social and business sectors at two levels: the adoption and adaptation of ideas and practices, and the cross-pollination of values. NPOs are being asked not to just do good, but to do well. Corporates are asked not to just do well, but also to do good. Resulting from this, we have social enterprises, inclusive businesses, impact investing, venture philanthropy, CSR 2.0 and an emerging new form of compassionate capitalism.

3. Ruling well the do-gooders

The state has traditionally been dominant in the social sector and will likely continue to do so. Key social sector organisations are controlled, if not heavily influenced by the government. Most umbrella organisations such as Sport Singapore for sports, NCSS for social services, etc are effectively statutory bodies. Promotional bodies such as raiSE, NVPC, C3A, SG Enable, are also set up and largely funded by the government.

4. Campaigning despite constraints

In contrast to its enthusiastic support of the charity groups that serve the poor and disadvantaged, the government is seen as resistant, sometimes antagonistic, towards civil society groups. Various tools limit the operating space of civil society. However, with social media and a more globalised world with its influences, civil society groups have emerged, championing their causes and contesting the government's practices and policies when needed. Nature Society for the environment, Transient Workers Count Too for migrant workers, AWARE for women's rights, and MARUAH for human rights, for instance, are increasingly making themselves heard.

5. Faith in action

With four out of five Singaporeans professing a religious belief, it is not surprising that religion is an indispensable part of the social sector. Nearly half (47 per cent) of the registered charities belong to the religious sector. Many religious organisations perform charitable works for the broader community, mostly those outside their faith. They often do so through spin off charities which focus on specific areas and constituencies of needs. However, the culture war of religious beliefs and that of secular groups such as the LGBT has manifested itself from time to time, and will likely continue to lead to increasing social tensions.

Source: "Doing Good in Singapore" by Willie Cheng and Sharifah Mohamed in *50 Years of Social Issues in Singapore*, edited by David Chan (World Scientific, 2015)

Yet, how the social sector will be like in the future will depend on how the key players respond to these trends as they work out their issues.

It will depend upon how NPOs and the government respond to a changing society, one that is more diverse and more active. As demographics change, who the beneficiaries and their needs are, will change. The poor will not go away, but they may be less visible and need to be sought out.

The extent and trajectory of advocacy will determine the shape of the sector. With a more vocal populace, advocacy is expected to increase significantly. Advocacy is expected to be vertical and horizontal. Vertical engagement between government and NPOs will partly depend upon the attitude and response by the government.

Horizontal engagement between civil society groups could see greater and more intense encounters. Moral and cultural issues such as LGBT and the sanctity of life issues, including the death penalty, abortion and euthanasia, provide strong points of tensions and contentions between different social purpose groups. However, there are also issues such as the environment that bring these same groups together.

Collaborations can take the sector and its organisations to new heights. The benefits are obvious, but the sector has traditionally been a fragmented one. The ultimate form of collaboration is mergers, but this had been slow in coming. Synergies can also be found in cross-sector collaborations. Unfortunately, the social sector has to do so from a weaker power position relative the government and the private sector.

Innovation is a game changer in the business world. It is in the social world too. The sector should recognise that. In the face of exponential digital change, the challenges and opportunities are plentiful.

How well and prompt the social ecosystem responds to the manifold challenges and opportunities, beyond technology, will impact each and every one of us as it is an integral part of the world we live in. In that regard, it behooves each of us to contribute in our own way to this ecosystem. ■

Sharifah Mohamed is lecturer at the Republic Polytechnic. She was formerly manager at the Lien Centre of Social Innovation. She is co-editor of The World That Changes The World*, and co-author of* Doing Good Great.

Future-Ready Social Service Agencies

By **ISABEL SIM, ALFRED LOH and TEO CHEE KHIANG**

The social service sector is being disrupted, as transformation of the nonprofit landscape evolves. Social service agencies and their boards need to rethink their approach to strategies, resource management, networks, and the board-management relationship.

Social service agencies or SSAs (previously known as Voluntary Welfare Organisations and Social Service Organisations) play a crucial role in our society. They serve the vulnerable and disadvantaged, develop strong social fabric, and create resilient and enduring communities.

The social service sector has been affected and challenged in many different ways by the rapidly changing environment. The fast ageing population, shrinking family profiles, and digital disruptions to the economy have intensified the social, financial and emotional burdens faced by individuals in society. With limited resources, SSAs will have to shift course quickly and effectively. Their directors must lead their organisations to be future ready; they need be bold, to adapt and embrace change.

In today's climate of change, yesterday's solutions will no longer meet tomorrow's needs. New challenges present opportunities for directors of SSAs to rethink how they manage their resources and networks, and transform into high-impact organisations. To adapt, SSAs must evolve. Their boards have to adopt an innovative, forward-thinking approach, and do more with less.

A paradigm shift for social service

The Singapore social service model is built on three guiding principles: self-reliance, family as the first line of support, and the "Many Helping Hands" approach.

The "Many Helping Hands" philosophy relies on the collaboration between many partners – government agencies, non-government agencies and the community – to provide a wide range of integrated services for its beneficiaries.

With changing family structures and ageing demographics, reliance on family as the first line of support is increasingly becoming unsustainable. Moreover, social needs are growing increasingly complex.

A renewed vision for the sector is paramount, to bring stakeholders together, and gear up for the challenges ahead. With this in mind, the National Council of Social Service developed a five-year sectoral roadmap (see box, "Social Service Sector Strategic Thrusts, 2017").

Social Service Sector Strategic Thrusts, 2017

Source: National Council of Social Service

While SSAs have been serving their clients through their individual expertise and services, there is a greater need for organisations to work together, to deliver more holistic and comprehensive services to those in need. SSAs have to scale up and improve productivity by embracing innovation and technology.

The role of SSA directors

Directors of SSAs play a critical role in spearheading change within their respective organisations. With the complexity of today's challenges, directors need to help SSAs respond through high-impact strategies, better resource management, new networks, and the important board-management relationship.

First, directors should ensure that SSAs develop strategies which are geared towards high-impact performance. These strategies should be based on a clear vision of the organisation's key mission and what is needed to achieve high social impact.

Social impact refers to positive, significant and lasting changes achieved in addressing complex social problems such as poverty and inequality. Through the measurement of performance and social impact, SSAs can re-prioritise the use of their resources, to do more for their beneficiaries with less resources, and better adapt their programmes to changing circumstances faster and more effectively.

Secondly, to revolutionise the SSAs' efficacy and sustainability, SSAs need to rethink how their resources are managed. This is especially relevant in the areas of fundraising, financial stewardship and human resources.

SSAs are highly dependent on external funding, such as grants, donations and fundraising income. However, the rapidly changing philanthropic landscape means tougher competition for funding. Directors of SSAs should not only look to diversify their organisation's funding streams, they should also revamp traditional methods of raising funds to engage the online crowd.

The key to long-term sustainability of SSAs is good financial stewardship through the prudent management of financial resources. Boards of SSAs have the responsibility to manage and invest their reserves prudently, not just to achieve current mission goals, but also to preserve and enhance the financial resources for the future.

In addition to financial resources, SSAs need to have high-calibre leadership and management team for sustainable growth. The social service sector is a truly people-centric industry, where staff and volunteers are driven by passion and a sense of personal fulfilment, rather than just material rewards. Hence, SSAs need leaders that can motivate professional staff and inspire volunteers at the same time.

Thirdly, in this new world, SSAs need to harness new networks. Apart from deepening their core competencies, effective SSAs should collaborate rather than compete with other SSAs. They need to come together to build a network of allies, share resources, and work on a common vision, to advance their field. This way, SSAs can create greater impact than they can achieve on their own.

SSAs should not limit their collaboration to within the social service sector. Instead, SSAs should be strategic in their outreach and build connections across public, private, and social sectors. This approach allows SSAs to leverage skills and experiences, enabling them to scale up quickly.

Fourthly, boards should reimagine their approach to leadership.

A strong board-executive director (ED) relationship is essential. In SSAs, the board is made up of volunteers while the senior management is made up of paid professional staff. The board and ED should work in partnership where both share a common interest, encapsulated in the vision and mission of the SSA. This relationship can be likened to a pair of chopsticks, where the two chopsticks are meant to work together – the greater the synergy, the more efficient and effective the working relationship.

The board sets the strategic direction of the SSA, to ensure that the organisation fulfils its mission and responds to the needs of the community it serves. The chair and the board are accountable to their stakeholders.

The ED acts as the interface between the board and staff. The ED is responsible for translating the board's decisions into on-the-ground action and measurable outcomes. The ED plays an important role in leading the organisation and the ED's performance has direct impact on the confidence of the board and stakeholders, especially donors.

Change and trust

SSAs must embrace change. Directors of SSAs play a critical role in helping the organisations transform and remain relevant.

The board is responsible for the SSAs and the directors are accountable to their organisations' stakeholders. They have to be transparent and open on what they have achieved in relation to their mission, how they have managed their resources, and how their organisational cultures are aligned to their organisation's mission.

For an SSA to thrive, directors have to continually ensure that the SSAs build up public trust. Trust affects the public's willingness to support charities. The success of any SSA is ultimately dependent on the maintenance of public trust and effective stewardship of resources provided by stakeholders, be it donations, grants or contributions from volunteers. ■

Isabel Sim is the managing consultant at BoardXcellence. Alfred Loh is Associate Professor and Teo Chee Khiang is former Practice Professor, both of the Department of Accounting at the National University of Singapore. This article is a synthesis of ideas from their book Doing Good in Singapore (Part I: Adapting to the Future and Part 2: Resourcing for the Future).

The Challenge of Measuring Social Impact

By **EMILY PERKIN,** Director, Just Cause

Many philanthropic funders are asking for more clear-cut evidence of impact, but nonprofit organisations often struggle to respond. Funders should recognise the challenges of imperfect data and help by supporting their grant partners to share a more nuanced and transparent picture of programme performance.

Social impact measurement is a problematic buzzword in the nonprofit sector these days. Nonprofit organisations (NPOs) acknowledge that they need to know if they are really making a difference – although that is easier said than done.

The basic challenge is around the cost and complexity of collecting meaningful data. In reality, nonprofits are often dealing with imperfect data which they may feel pressurised to over-simplify in their reporting.

According to the *State of Research and Programme Evaluation in the Social Service Sector (2015)*: "Research and programme evaluation were conducted at a low intensity, although the Ministry of Social and Family Development and NPOs regarded them as being important".

Show me bang for the buck

Over the past decade, nonprofit funders in Singapore and across the world have shown an increasing appetite for more clear-cut data on impact. In the past, it may have been sufficient for nonprofits to report a few insightful success stories, but now there is much greater pressure to present hard numbers.

For example, many have expressed interest in a methodology known as Social Return On Investment (SROI), which sets out to calculate social impact as a single dollar value. Based on a web of assumptions, this approach boils down the data into claims such as: "I will generate five dollars' worth of impact for every one dollar I invest".

In several ways, this "bang for buck" trend has arguably given a healthy boost to the sector. Nonprofit boards are fine-tuning their strategies and prioritising resources more clearly around "making a difference" (outcomes) rather than simply "doing good" (outputs). Meanwhile, fundraisers are developing more and more compelling stories of impact, which in turn attract a new generation of savvy online donors on platforms such as giving.sg.

Painting a messier, but more nuanced picture

But the reality remains that for many nonprofit programmes, it is neither cheap nor easy to measure impact in black-and-white terms. Consider, for example, what metric could feasibly capture the impact of a community development programme that aims to build social capital over a 10-year timeframe; or a theatre group staging a new performance by a local playwright.

It is often said that the "gold standard" for impact measurement is the Randomised Controlled Trial (RCT). Typically implemented at significant cost by third-party researchers, this approach not only rigorously tracks the change that took place pre- and post- intervention, but also compares that against a randomly selected control group of people who were not involved in the programme. Very few Singapore NPOs to date have had the capacity or resources to commission such a study.

A more common approach is to use frontline staff and volunteers to collect a range of less rigorous data – both quantitative and qualitative. For example, a dementia caregiver support programme might run a simple annual survey to track its clients' level of "caregiver burden" as well as to solicit their feedback on the service. The organisation may also collect staff observations and anecdotal feedback from referral partners.

Individually, each of the data points may not tell the whole story, but layered up together, they can help to paint an emerging picture of whether and how a programme is really succeeding.

If done well, this "layering up" approach can drive a culture of continuous reflection, learning and improvement. But such a mindset also requires significant commitment and transparency from the nonprofit. Meanwhile, it does not provide funders with the black-and-white key performance indicators (KPIs) they might be hoping for. As a result, only a minority of nonprofit boards in Singapore have truly embraced and invested in this way of thinking.

Unintended negative impact?

To some extent, there is a mismatch between funder pressure for KPIs versus the complex reality of many nonprofit programmes. This dynamic may even be fuelling some unintended negative consequences.

How Funders Can Help with Measuring Impact

Funders in Singapore can support their nonprofit partners to measure impact more meaningfully by taking three key steps:

1. Allocate a significant portion of any programme funding to support both data collection and learning.
2. Take time at the start of each funding relationship to build up trust and mutual understanding between funder and grantee so that the NPO feels safe to report a realistic and nuanced picture of progress.
3. Work with grantees to agree a data collection plan that layers up an honest and insightful picture of the programme, both quantitatively and qualitatively.

For example, there is a risk that funders could be incentivising nonprofits to over-simplify their claims about impact. Given the lack of an industry or protocol for "impact audit", the market is effectively open for any nonprofit to claim any big impact number that might sound impressive to an over-credulous funder. At the same time, those who acknowledge their failures, data weaknesses and learnings are not necessarily rewarded.

There is also some indication that funder demand for clear-cut impact numbers is prompting nonprofits to shift investment away from upstream work where the impact is potentially deep but also harder to pinpoint. For example, in the arts world some groups report focusing less on producing new artwork and instead undertaking more measurable work such as providing training. (*Giving for Art's Sake: an introduction to the Singapore arts sector for prospective donors*, Just Cause, 2019).

The future remains bright

The future remains bright despite these challenges.

Increasingly, funders are acknowledging the cost of impact data collection and adopting a policy of allocating a tranche of each donation for this work (we have seen a range of around 2–30 per cent). To some extent, there is also more funding available for training and capacity-building in this area.

At the leading edge, some funders are starting to move beyond KPIs towards a more nuanced model of partnership based on trust and learning. This new mindset re-frames the power dynamic so that nonprofits are no longer under pressure to consider over-simplifying their data. Instead, both funder and grantee work together over time to test, iterate and build up a successful programme, underpinned by continuous and open reflection on the nuances of what is working and what is not. ■

“I Care, Therefore I am”

AI and Robotics in the Social Sector

By **OLIVER TIAN,** CEO of HutCabb Services and Honorary Advisor to Asia Pacific Assistive Robotics Association

Human intelligence and machine learning are collaborating in a wide range of industries. Impact-focused organisations, such as those in the social sector, must consider how best to deploy and optimise such technologies within their teams to advance their missions.

Artificial intelligence (AI) brings with it a promise of genuine human-to-machine interaction. When machines become “intelligent”, they can carry out tasks in ways that we consider “smart”, such as understand requests, connect data points and draw conclusions. AI and robotics researchers are now employing advanced algorithms to automate and aid in tasks as diverse as driving cars, diagnosing medical conditions, and screening job candidates, for instance.

These applications raise a number of complex, if not necessarily new, social and ethical issues.

Why does it matter?

Considering the fact that projects are now blending AI with robotics, it is likely that the day will come when we will see an android robot that has the ability to think, evolve and learn from experience.

Elizabeth Christopherson in “The Future of Listening: How AI can help us connect to human need” (*NonProfit* Quarterly, November 2018) noted that when AI is used poorly, it can automate bias and disconnection, rather than support community resilience. In the well-concerned social sector, a values-driven, human-centred, inclusive process of development can help to mitigate the ethical risks of developing applications in AI and robotics.

Today, a number of organisations are already starting to use AI to access and analyse massive amounts of open source data to address social concerns. For example, applications to report and rate experiences with public officers, or to identify "high-risk text messages" to dramatically shorten the response time for crisis counselling and suicide prevention.

In light of such developments, there is an urgent need for social scientists to think quite differently about applications developed for clients, suppliers, employees, partners and the wider community. The respective interactions of civil society with intelligent technologies are even more pressing in the nonprofit space, given that it is about "doing good". How then, should the engineers who write algorithms handle the social and ethical dilemmas of their creations?

Ethical issues and social science

For a long time, people have been grappling with the social and philosophical consequences of technology. In the 19th century novel *Frankenstein*, a young scientist creates a hideous sapient creature in an unorthodox scientific experiment. Similarly, AI has been perceived to be borne out of and associated with this kind of fascination. Such a notion has very deep roots and connotations in the social sector. Nonetheless, these technologies should permit humans to elevate our cognition functions towards the benefits of creativity, curiosity, beauty and joy.

Another factor is the shift in the background of the people who dominate the field of AI research today. While academic institutions such as Massachusetts Institute of Technology, Stanford University, and Carnegie Mellon University once served as research powerhouses for the most central AI research, there is a gradual and increasing likelihood of commercial entities, like Google and Microsoft, taking an interest in such research activities.

That might help explain the growing disconnect between AI and the social sciences. As such, the concentration of AI research in private industry could be contributing to the weakened relationship with the social sciences.

The plan has to go both ways, for society to reap optimal benefits from the advances in technology and the sciences. AI has to pay more attention to social sciences, and social scientists have to pay more attention to AI.

Future of AI and robotics in society

Advances in AI and robotics is not about to stop here.

In a study on the future of work, researchers found that generally, society accepts the adoption of AI and robotics. However, this comes with the expectation that such technologies augment the human workforce in the coming years, with 69 per cent among those surveyed expecting the term "workforce" to eventually embrace both human employees and intelligent machines.

Ideally, there is also the assumption (and hope) that AI will allow human employees to perform more varied and sophisticated roles. Improved technologies should enable companies to find solutions to problems which previously had to be referred up the chain of command. This will result in more meaningful work.

Technology can help improve the social sector in many ways, but there is still hesitancy towards practices of adopting AI and robotics in such a human-oriented sector. These are genuine concerns indeed, when the stakes are so high.

While such technologies are still at their infancy stage in the social sector, significant inroads can be made. Human functions in the care and services industries have seen big leaps. For instance, in Japan, care robots are prominent in in nursing homes, and "study buddies" are becoming more prevalent in the education sector.

Creativity and innovation, when combined with compassion, can be a powerful tool in engineering solutions to real, human issues in the social services sector. ■

Business Leaders' Philanthropic Role in an Age of Co-Creation

By **USHA MENON,** Director, Usha Menon Management Consultancy

Nonprofit organisations provide services, goods and resources to meet urgent and vital community needs. But they rely on philanthropic donations in addition to grants and self-generated earnings. Business leaders should rise to collaborate and co-create with nonprofits to engender positive social impact.

Certain Forbes-listers may come to mind when recalling business philanthropists. However, across all sectors, there is a growing conviction that businesses ought to cultivate more meaningful connections with their communities besides generating profits.

As companies are scrutinised for their values, integrity and trustworthiness, it is increasingly common to find them adopting strategies that enhance their corporate performance and brand value through collaborations that address community needs and contribute to enhancing the quality of life.

Here are three ways business leaders can collaborate and co-create with stakeholders to engender positive social impact.

1. Become a philanthropic business leader

The "3 Ps" of investment – Philosophy, Process and People – are relevant to philanthropic portfolio management.

First, the company's philosophy – beliefs, values and goals – will indicate its direction and strategy. Whether it is about touching individual lives or making an impact on society, or the environment, the philanthropic mission must resonate with the company's core values.

Second, the process of crafting the community engagement plan requires an understanding of the social issues to be addressed. Whether relying on external inputs (through a charity or intermediary) or undertaking in-house research through personal contacts and experiences, corporate leaders must know the potential risks (e.g. impact, reputation risk or operational risks) in engaging with the social service sector and how these may be mitigated.

Third, people and social networks are the key pillars of any philanthropic outreach. Corporate giving, often in the form of direct cash donations, foundation grants, stock donations, product donations and other gifts, is built on relationships. Internally, the company may consider initiatives that involve employee participation. Matching gift programmes, for instance, allow the company to match the donation made by an employee to a charity. Volunteer grant programmes, on the other hand, offer financial grants to charities where the employees volunteer.

2. Join a nonprofit board

The output of the nonprofit sector has significant public good elements and a transformative influence on the lives of the underserved and vulnerable. Yet resourcing their critical work through fundraising from the community is repeatedly identified as a challenge for nonprofits. Business leaders have a vital role to play in addressing this through their participation in nonprofit boards and sub-committees.

Effective leadership can bring vision to strategy. A primary role of the nonprofit board is to ensure the provision of adequate resources through fundraising strategies and programmes. Board members have the responsibility to evaluate and decide on effective, efficient and relevant strategies, and to support the management in creating fundraising programmes that are not mere transactional events, but which build a sustained relationship with the donors.

The board's leadership role includes encouraging a spirit of entrepreneurship and risk-taking so that the nonprofit stays relevant and improves its mobilisation and deployment of resources.

Setting a good example for the staff, volunteers and other donors and stakeholders, board members can demonstrate their commitment to the nonprofit and its fundraising efforts by making regular donations to the organisation themselves. At the same time, their donations provide the gift of voice and influence to mobilise much-needed resources. By walking the talk, board members can reinforce the mission and reliability of the organisations they serve.

At the heart of stakeholder engagement is the acknowledgement that organisations are impacted by, and have an impact on those with whom they interact. The supporter, volunteer and donor base are a critical stakeholder group for a nonprofit. By actively engaging stakeholders, business leaders can influence and add value to the social capital of the nonprofit organisation. Board members' social networks can support fundraising efforts, e.g. through outreach meetings, appreciation events, and meeting current and potential donors in person.

3. Co-create fundraising innovations

Board members can play a role in helping the nonprofit sector to adopt technology and innovate for social good. Successful innovations are about partnerships, and corporate leaders can collaborate to creatively develop ways to promote products, services, events or experiences to raise funds for the nonprofit. At the same time, this helps create business value. A culture of innovation engenders digital, nondigital, or hybrid solutions, increasing social mission impact and enhancing the competitiveness of the organisation.

To solve the problems of our time on the scale and at the speed required, it is crucial to mobilise resources in ways that look beyond the traditional charity fundraising and business sector divide. It is also important that technology and social innovations are put to effective use to support the objectives of both the commercial and nonprofit sectors.

Co-creation is an emerging trend across sectors and business leaders can have a pivotal role in inspiring and raising visibility. Projects co-created by nonprofits and business corporations offer a powerful means to build brand value and enhance employee engagement and job satisfaction while meeting social needs. ■

Charities Accounting Requires Charity

By **WILLIE CHENG**
Immediate Past Chairman, SID

COUNTING BEANS

While it has been some years since the simplified Charities Accounting Standard was introduced, most Singapore charities still use the well-weathered Financial Reporting Standards in their financial reporting. Is it time to make a change?

Charities in Singapore may choose to adopt either Financial Reporting Standards (FRS) or Charities Accounting Standard (CAS) for their financial reporting.

FRS is the major accounting standard that most companies in Singapore use. It is largely based on the International Financial Reporting Standards (IFRS). Other adaptions of FRS apply to small and medium enterprises and statutory boards.

Using FRS as the baseline but adapting it to the needs of the charities sector, the Accounting Standards Council introduced CAS in 2011.

Adoption of CAS

Although CAS was meant to be a simpler and more relevant financial reporting framework, the majority of charities still use FRS, according to a study, *The Social Service Sector in Singapore* by the Centre for Social Development Asia, National University of Singapore in 2015.

The reasons for the low uptake of CAS include: auditors are familiar with FRS, parent organisations use FRS, high administrative cost of transition, and CAS being perceived as being of a lower standard.

To encourage greater take-up, several bodies have organised CAS training, much of it subsidised by funding provided by the VWOs-Charities Capability Fund (VCF) administered by the National Council of Social Service. However, the education may not lead to greater adoption – perhaps because the more one learns about it, the conclusion could be that, in its current form, CAS is not necessarily the better option.

CAS vs FRS

The big benefit of CAS is that it is a hugely simplified version of FRS, which currently comprises 41 standards – each of which is a standalone document, usually accompanied by other documents (Interpretation, Illustrative Example and Implementation Guidance). CAS reduces the 107 documents in the current FRS to a single document that comprises less than 7 per cent of the FRS's total number of pages.

One major change is the way results are presented. CAS replaces FRS's profit-and-loss and the statement of changes in equity with a statement of financial activities (SOFA).

Charities tend to have different funds (restricted and unrestricted) for different sub-causes. To ensure accountability to donors, CAS requires the use of fund accounting where the income, expenditure and balance for each fund is tracked and reported separately. Using a column for each fund can result in an elongated SOFA, and having the current and previous years on separate pages makes comparisons between years less convenient.

However, charities that adopt FRS can also use fund accounting and the SOFA format. Indeed, the charities regulations emphasise this option [Second Schedule of the Charities (Accounts and Annual Report) Regulations 2011].

CAS also creates new terminologies to describe charity-related activities, which may not be intuitive to the layperson. For example, "voluntary income" is essentially "donations", and "cost of generating funds" is "fundraising costs".

Donations-in-kind

Perhaps the most controversial aspect of CAS is its treatment of donations-in-kind.

Para 86 of CAS requires the value of donations-in-kind to be recorded as income. Para 87 then specifies how assets which are gifts-in-kind for the charity's own internal use, distributed to beneficiaries, or converted to cash should be accounted for.

The standard does not, however, mention sponsorships-in-kind, the goods and services that charities habitually use to survive and power their fundraising and charitable activities.

Purists have interpreted the ambit of Para 86 to include sponsorships-in-kind, insisting that these must also be accounted for by reflecting their value in the income and expenditure section. But this creates other issues.

Apart from the near-impossible task of capturing and valuing every sponsorship-in-kind, such a position does not reflect how charities function. For starters, sponsorships-in-kind are usually of the take-it-or-leave it variety. For example, many charity events (dinners, golf tournaments, etc) are held at (premium) venues because they are specifically sponsored. To account for such venues as if the charity actually receives a cash donation and then independently decided to apply the cash to purchase the goods or service (provided in-kind by the donor) is not an accurate representation.

While the two accounting entries of income and expenditure cancel each other out, the purist position means that a charity's absolute costs and, in many cases, the fundraising ratio, are inflated. As most charities work hard to keep costs down by getting sponsorships-in-kind, inflating their costs is an undue penalty, especially for charities that are successful at getting good sponsorships that are higher in value.

All charities and Institutions of a Public Character (IPC) are expected to keep their fundraising efficiency ratio below 30 per cent, commonly known as the 30/70 rule. The Commissioner of Charities has since clarified that in computing the fundraising ratio, sponsorships-in-kind need not be included unless the donor seeks a tax deduction.

In practice, most charities have simply ignored sponsorships-in-kind in their financial statements, and auditors have passed them as being in compliance with the accounting standards. However, this lack of clarity has resulted in many unnecessary debates in audit committee and board meetings of charities.

This also explains why some charities have chosen to bypass the debate by sticking with FRS where there is no need to account for sponsorships-in-kind, which is also common in the commercial world.

Updating the standards

The lack of clarity of CAS arises partly because there has not been a mechanism or concerted effort to receive feedback and update the standards.

Every year, there are several new releases of FRS standards, interpretations and guidance which are issued after an extensive process of analysis, feedback and consultations. In contrast, CAS has not been updated since it was introduced eight years ago. It is time to do so.

Meanwhile, it does make good sense for a charity to continue applying FRS. ■

Corporate Philanthropy: Why Businesses Must Do Good

By LAURENCE LIEN and STACEY CHOE

In a hyper-connected world, businesses have to put in greater resources to ensure that corporate social responsibility and community engagement are more than just window dressing. Corporate philanthropy is wider and more relevant than ever for businesses in the new world order.

Shifts in value patterns, consumption behaviours and the rising class of affluent millennials in a fast-changing market have seen a rise in consumer consciousness and shareholder activism. Corporates are now, more than ever, forced to ask themselves how to stay relevant in this new paradigm.

The goal posts are shifting. The changing profile of consumers is driving demand for more ethical and sustainable business practices.

Brands and products like Impossible Foods have captured the market with their plant-based substitutes for meat and dairy produce. Aggressive marketing and eager investments (including Temasek Holdings') have boosted the company's valuation to over US$2 billion (S$2.7 billion) in May 2019. The company's mission is simple. It aims to give people the taste and nutritional benefits of meat and dairy without the negative health and environmental impacts associated with livestock products.

Ripples of change

In markets that are at times flooded with options, the socially aware, highly educated and well-heeled groups look to make decisions that help them do their part to make the world a better place.

Impossible Foods is not an exception. Increasingly, we see people having expectations of corporate responsibility not only in the case of consumer goods, but also from institutions like banks and even business-to-business companies. As consumers demand more ethical supply chains, the call for accountability has widened. Consumer activism no longer rests with a few non-governmental organisations (NGOs) or advocacy groups, but the wider public too.

The social contract between the business sector and consumers has evolved. No longer is it enough for companies to just produce good products alongside good service, but this should be done ethically and sustainably. In other words, it is not just the outcome but the process that is under scrutiny by ever-vigilant consumers.

Corporate social responsibility (CSR), which has now become "how you make your money" and not just "what you do with your profits". This subtle shift is becoming a huge factor in leading consumer behaviours.

From a purely commercial and economic concern, the focus is increasingly on the human and social condition. For instance, companies are facing tough questions.

Are we paying a living wage so that each employee is able to afford a basic but decent standard of living? Are we producing products that genuinely enhance human progress and the human condition, and doing so in a socially responsible way? Are we treating our suppliers fairly? Are we uplifting communities in the areas that our businesses operate in?

Doing good makes good business sense

Philanthropy, done right, provides us with the correct moral compass to address these questions. It galvanises everyone along a single purpose – a more meaningful, higher purpose beyond money-making. This involves the creation of the right corporate culture – where what your company stands for and means, is also meaningful. Such a corporate culture will have a positive impact not only with consumers and the market, but also with staff. This ultimately helps increase shareholder value.

Mark Kramer and Michael Porter coined the approach of "Creating Shared Value", which focuses company leaders on maximising the competitive value of solving social problems in new customers and markets, cost savings, talent retention, and more.

As an example, the Philippines-based conglomerate, Ayala Corp, has restructured itself to adopt this management strategy, tackling issues like providing quality education and talent into the business sector, which benefits communities, and addresses gaps in the market, while earning sustainable profits.

Incorporating philanthropy into business strategy can also be something that is quite apart from good business practices. When companies like Coca-Cola get their corporate foundation to work on providing water access to communities that they work in and undertake financial literacy programmes for women that set up small "sari-sari" stores, the foundation is practising active stakeholder management on behalf of the company. When a problem does turn up, they will be able to turn to the NGOs and government agencies that they have been partnering with on all their social impact projects to help give to the public more balanced viewpoints and testimonies on their behalf.

How a company is perceived by the market affects its brand value and, more important, its actual value to society. Corporates have to take the initiative to be the active corporate citizens that society now expects them to be. It is no longer enough to just be good at providing a service and product. Businesses have to be good at how they do it too.

Integrating philanthropy into business strategy

It is not just about incorporating philanthropy as a by-product of CSR activities, but to align the outcomes that one wants to achieve with business objectives and strategy. For this to succeed, there must be focus and alignment.

Take Thomson Reuters Foundation, the philanthropic arm of the international media and information company. The foundation, Trust.org, builds on the company's expertise and core business, providing information, research, and access to legal volunteers. The company's slogan is that it is "the answer company", and it seeks to empower civil society through transparency and justice.

When software company Salesforce first started, it integrated the company's strategy for philanthropy into its business model, adopting the now famous 1:1:1 model of setting aside 1 per cent of its equity, 1 per cent of employee time, and 1 per cent of its products as a basis for the foundation. The benefits reaped from this include employee satisfaction, increased subscription for its non-profit package, and growing impact from the company's programmes on STEM (Science, Technology, Engineering, Mathematics) education.

Outcome of Senior Management Participation in Corporate Giving

	Companies WITH senior management support and/or participation	Companies WITHOUT senior management support or participation
Participated in regular giving (i.e. weekly, monthly, quarterly, bi-annually)	**27%**	**19%**
Median number of employee volunteers	**10**	**2**
Median donation amount	**$5,000**	**$1,500**

Source: *Corporate Giving Survey 2017*, National Volunteer & Philanthropy Centre

This is not merely a marketing exercise. Purely re-packaging a product or corporate culture that is otherwise toxic without actual underlying transformation will be even worse than not trying. The market will be able to call out disingenuous efforts and the results can be disastrous.

Leveraging on business and resources

In designing and deciding on a company's corporate philanthropy focus, the board should consider *all* the resources available – including human capital, networks, and expertise. These, when used well and combined with financial aid, will help the mission go much further. For example, a public relations consultancy could consider helping a nonprofit organisation with their communications and outreach.

Corporate philanthropy is also about engaging the heart and the hands, as well as the mind. Companies need to tap into the common interests and passions of their employees. Employees should be empowered to steer giving programmes. Their own giving can also be matched by the employers/companies. And they need to be encouraged and recognised.

The best form of encouragement is when top management are role models. When directors demonstrate their buy in, that is half the battle won. The findings of Singapore's National Volunteer & Philanthropy Centre (NVPC) *Corporate Giving Survey* 2017 found that management interest and engagement were cited as a key reason for volunteerism (42%) and philanthropy (49%). In addition, the level of corporate giving by employees went up significantly when senior management participate or not (see box, "Outcome of Senior Management Participation in Corporate Giving").

Businesses must make a concerted effort to ensure that corporate philanthropy is an integral part of the company's mission.

In order to save an ailing world beset by climate change issues, social divisions and political polarisation, corporates have to be part of the solution and not be seen as part of the problem. By making sure that corporate philanthropy is on the table during the next corporate annual retreat and board strategy session, companies can be a better stakeholder within the community and weather the storms ahead better. ■

Laurence Lien is Co-Founder and CEO, and Stacey Choe is Director of Asia Philanthropy Circle.

Purpose and Profitability: Rethinking Business-As-Usual

By **MELISSA KWEE**
CEO, National Volunteer & Philanthropy Centre

Changing societal needs and expectations demand a rethink of business-as-usual. Corporate leaders have to re-evaluate their responsibilities to stakeholders and create new opportunities for competitive advantage.

"*Divine discontent" – always dissatisfied with where we are; always driven to do better*. The warning against complacency comes with an exhortation to do better and strive for improvement.

While Singapore's Prime Minister Lee Hsien Loong's public address was aimed at building social awareness of the state of the nation, this excerpt from his National Day speech in 2016 can be applied to business. Corporate leaders today must rethink and reimagine their business and responsibilities to shareholders and stakeholders in society.

Every business exists to create value for customers and society. Without customers and a permission to operate, a business will fail. Today, issues of purpose, social, environmental or governance impact increasingly intersect with customer, brand, talent, regulators and investor issues.

What are some of the factors that are accelerating and amplifying the criticality of businesses to express and demonstrate clear social purpose?

Social media and consumer power

First, social media and changing customer preferences are shifting the balance between consumers and producers. Every business wants good customers who support them, give good feedback, and will recommend them. Today, with social media, customer experiences can reach thousands instantly, attracting "likes" or "dislikes" with a multiplier effect.

Digital-savvy millennials are driving this momentum. Building affinity with them means caring about what they care for or receiving the brunt of their dissatisfaction. Millennials care about social causes and the environment, and millennial entrepreneurs are more likely to incorporate social causes into their businesses. They have growing purchasing power and are shaping consumer trends.

Sometimes, a groundswell of customer and citizen support can lead to system changes. The recent campaign against single-use plastics and plastic straws, for instance, was driven by millions who shared images of the poor sea-turtle whose nostrils were obstructed by a straw.

At the industry level, coal-financing was halted by all major banks; while at the country level, the campaigns for divestment in apartheid-era South Africa shifted a regime. Customer citizens are voting with their voices and wallets.

Trust and brand value

Second, trust and brand value are powerful tools when harnessed. Brand value is a measure of trust and positive feeling towards a product, service or organisation. With trust in society on a global downturn, there is renewed focus on trust within one's personal networks and information sources.

The *2019 Edelman Trust Barometer* reveals that trust has changed profoundly in the past year, and people have shifted their trust to the relationships within their control, most notably their employers. Globally, 75 per cent of people trust "my employer" to do what is right, significantly more than non-government organisations (57 per cent), business (56 per cent) and media (47 per cent). This points to vast opportunities within the employer-employee relationship. Today's corporate leaders are expected to take the lead on change and not wait for governments.

Corporate leaders can build trust through consistently aligning and communicating with customers, suppliers and partners what a business says and does, in a way that creates a win-win for all rather than a win)ner takes all situation. Trust helps the bottom line when people choose a particular business over less reliable or more damaging or irresponsible options. Trusting business partners are a business's life-blood, and having consistent standards of fairness and integrity makes a business more likely to survive the bad times.

Focus on talent

Third, for many, work and life are different things: you earn a living to make a better life. But increasingly, the two are becoming one, driven by social and environmental needs and millennial employees.

According to the *2019 Deloitte Millennial Survey*, only 48 per cent of millennials believe businesses behave ethically (versus 65 per cent in 2017) and 47 per cent believe business leaders are committed to helping improve society (versus 62 per cent in 2017). Millennials also believe that responsible companies are more successful, have more stimulating work environments and develop talent better.

To attract talent across all levels, competitive employers are now focusing on their employer value proposition and promoting the good they do. Many companies, including the likes of DBS, also seek out management associates who are both competent and purpose-driven. They are also expected to lead social initiatives in their organisation, such as Jardine Ambassadors, brought together from all parts of the Jardine Matheson Group in Singapore to plan, develop and drive activities under the group's registered charity, MINDSET Care Limited.

But it is not just millennials who are questioning the significance of work and asking, "What's next"? Talent retention at the senior levels also means offering meaningful work where financial incentives may no longer suffice as the reason professionals and executives miss their children's birthdays, neglect their spouses or have no external hobbies or friends.

People and purpose

Fourth, leading organisations are also discovering the value of employee volunteering. Team members who can operate in cross-sector environments and rally others without formal power are high-potential future leaders. Some companies utilise volunteer opportunities to build leadership in technically-strong talent who can benefit further from sharper inter- and intra-personal skills.

Globally and locally, there is a lot of cash looking for good investments. Investors want a solid business plan with intimate market and competitor analysis, a passionate and committed top team, conservative projections and access to expertise and resources to help open doors and close deals. But what drives passion at scale is purpose. To build a sustainable team and company, there usually has to be something more than a profit motive.

Then there is the surge of impact investing. According to the *2019 Sizing the Impact Investing Market* report by Global Impact Investing Network, the current size of the global impact investing market is estimated at US$502 billion (S$695 billion), based on the assets under management for more than 1,300 impact investors around the world. Business grounded on purpose and impact will attract more attention.

Shifts in regulatory requirements

Finally, regulation, although the least compelling reason for the change in attitudes and business practices, has potential to encourage meaningful change, if implemented well. Regulatory requirements and corporate governance can push companies to better track their long-term performance and accountability to stakeholders.

Regulation in Singapore tends not to lead but follow trends and consumer preferences. For instance, this "stick" has been implemented for sustainability reporting by all listed companies on the Singapore Exchange. However, without a clear sense of purpose and connection to the impact of the action, such efforts remain part of annoying compliance devoid of the power

The Four "I"s Framework

INVESTMENT
How extensively and strategically a company gives

INTEGRATION
How giving is integrated with business functions and supports business interests

INSTITUTIONALISATION
How giving is supported by policies, systems and incentives

IMPACT
How mechanisms have been put in place to measure impact

The Company of Good Four "I"s Framework is designed to help companies assess their state and opportunities to give back in more strategic, sustainable and impactful ways.

It is based on these principles:
1. Every business has resources and assets (beyond cash) which can be deployed for greater purpose and impact. This includes talent and expertise, space, excess product or capacity.

2. A business can make simple impact quickly by auditing basic procurement and purchasing from business suppliers who are clean, green or add value to society, e.g. practise inclusive employment and offer jobs and career development for marginalised groups.

3. The most effective and strategic giving is where win-win propositions are developed and core resources leveraged (e.g. Visa, as an e-payments company, supports seniors through introducing them to cashless payment methods to navigate Singapore's Smart Nation)

4. Corporate leadership is critical to starting and sustaining impact, offering strategic direction, providing legitimacy and moral support, and institutionalising practices and policies to support effective implementation.

5. Social impact must be treated with the same professional consideration as commercial impact: using data, setting aspirational but achievable goals, planning and evaluating results, recognising and rewarding positive contributions and behaviour.

it could awaken in employees, customers and investor community.

The hardest part of change is always the beginning. The second hardest is sticking with it and the third hardest is having to change again because of new conditions. However, if learning is designed into the process, these three steps become part of the so-called "agile organisation" characterised by rapid action and learning cycles. Marrying purpose and profitability is not for the faint-heated, but the rewards are immense. ■

Corporate Boards and Social Innovation

By **CALVIN CHU YEE MING**
Managing Partner, Eden Strategy Institute

As companies diversify their markets and invest in innovation and technology to respond to the challenges of a shifting economic landscape, long-term sustainable growth is key to building resilient and enduring organisations. Social impact must be considered an integral component of the bottom line, alongside profitability.

Organisations are increasingly experiencing pressures to respond to external discontinuities, such as economic volatility, technological displacement, consumer fickleness, unexpected supply chain risks, and disruptive business models.

Yet, customers and employees are continually demanding that companies create greater social impact through their core business processes, products and services. Research shows that customers prefer to patronise socially-responsible companies, and are willing to pay more when buying from them. At the same time, such firms enjoy lower staff turnover rates, higher productivity returns, and higher growth in market value.

Businesses today no longer celebrate maximising profit at all cost; business leaders should therefore seek to *optimise* profits. Take, for instance, GE's work in bringing better access to higher quality, affordable healthcare; Unilever's efforts to reduce its environmental impact, improve well-being, and enhance livelihoods; or Ikea's latest push into furniture rental in line with the growth of the circular economy.

Social innovation can help optimise profits. Taking the longer-term view, operating more transparently, partnering with a more diverse group of stakeholders, introducing more inclusive, human-centric products, and ensuring the financial, social, and environmental sustainability of the organisation, are examples of socially-innovative strategies. Social innovation is a more effective strategy that drives vastly superior shareholder returns.

High-profile CEOs such as Blackrock's Larry Fink, Virgin's Richard Branson, and Unilever's Paul Polman are flagbearers of this movement. These are some ways boards can relook their roles to foster greater social innovation in their organisations.

Exercising stewardship

Boards identify future threats, supervise good governance, and safeguard organisational reputation. A starting point for social innovation is for boards to recognise non-traditional sources of risk. Consumer backlash over data privacy, employees protesting company ethics, or governments clamping the growth of companies perceived to be "too successful" are examples of shifting trends.

Companies are very much a part of the fabric of society, and board members have an obligation to represent the expectations of increasingly activist shareholders, analysts and communities. As stewards of the company and, by extension, of society, board members must demand that management works for shareholder returns as well as long-term stakeholder value in concert.

Developing leadership

The board has a role to nurture a strong leadership bench, and ensure smooth succession of both the senior management and board. Yet, the decline in CEO tenures in contrast to the length of board tenures indicates that neither are CEOs well-managed, nor are boards sufficiently refreshing themselves.

Embracing greater diversity in leadership teams offers fresh perspectives and ideas. This may extend not only to featuring minority groups on the management team, but even to recruiting representation from employees, suppliers, customers, and members of the local community onto the board itself either as directors or in advisory capacities. Boards can role-model true empowerment when engaging with management, which could pave the way to an organisation-wide ethos of trust and innovation.

Boards should also encourage management teams to pursue organisational goals that inspire personal purpose, and facilitate fertile spaces for social innovation.

Setting direction

Boards should offer a big-picture, long-term view when discussing strategic issues with management and ratifying their key decisions. To help a corporation stay relevant, directors can draw on their span of experience from issues faced in other companies and industries, to raise broader unmet needs, such as in healthcare, education, income inequality, climate change, or ocean waste.

Board members should challenge the management to address these issues as part of the firm's core strategy. In offering guidance towards meaningful objectives, a board helps the organisation forge an institutional identity, brand, and culture that will resonate more distinctively with investors, customers, employees and partners.

Overseeing growth

Boards hold the ultimate fiduciary duty to shareholders, monitoring organisational performance against agreed goals. When directors are involved in corporate social responsibility initiatives, they may set aside their traditional rigour used to deliberate on strategy, operations, or finance. In fact, when developing social innovation strategy, board members need to ask robust questions.

For instance: Why is the company best-placed to address this particular societal challenge? How should it design the right social business model to go to market? What is the quantum of value flows that will sustain such 3P partnerships? Which are the right impact and commercial metrics it needs to track to progress on the company's Theory of Change?

Investors, management teams, employees, and partners are carefully looking at the role that companies are playing in society. Boards are pivotal in breaking the perceived trade-off when firms drive profit and create impact. By offering permission for companies to contribute meaningfully to the most existential issues of our time, boards can play a vital role to truly unleash social innovation upon the world. ■

The Balancing Art of Social Enterprises

By **ALFIE OTHMAN,** CEO of Singapore Centre for Social Enterprise, raiSE

The Singapore social enterprise sector comprises a distinct variant of companies. Going beyond the traditional bottom line (of financial performance) to an alternate performance scale based on social outcomes, social enterprises are forging a new economic model that actively engages the local community and takes into account the wider social impact on civil society.

A social enterprise is a business entity set up with (a) clear social goals, where there is (b) strong management intent and (c) dedicated resources allocated to fulfil its social objectives. (See box, "Defining social enterprises").

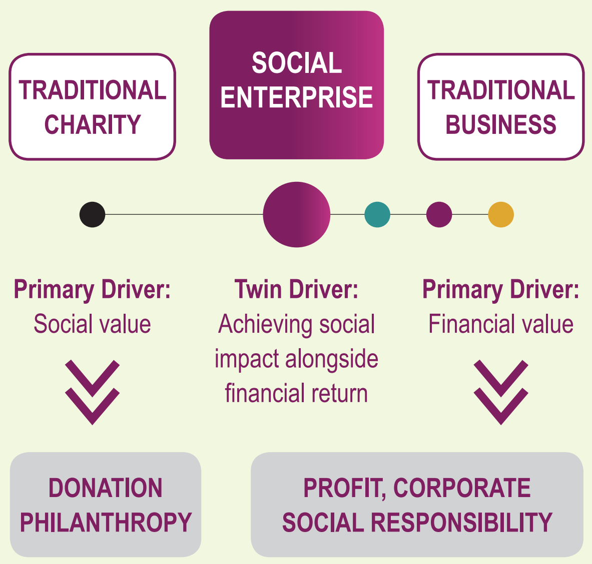
The twin-driver approach differentiates social enterprises from the nonprofit traditional charity models that they are often confused with. By way of being business-first, social enterprises generate the majority of their revenue from the provision of goods and services as opposed to being dependent on donations and other philanthropic means.

RaiSE's social enterprise members account for approximately 350 small and medium-sized enterprises in Singapore. Their collective contribution to creating an inclusive society is substantial. (See box, "The social enterprise landscape").

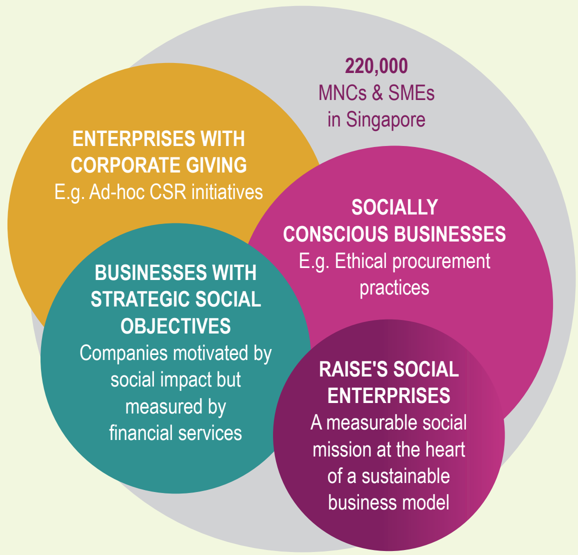
Going beyond minimising negative effects

While companies in the past may have cited the financial bottom line as an excuse to ignore social values, these days businesses are more likely to consider corporate social responsibility as part of their sustainability reporting. From adopting socially responsible methods to mitigate the negative impact brought about by their

Defining Social Enterprises



The Social Enterprise Landscape



Source: Annual Report 2017, Singapore Centre for Social Enterprise

business models on the environment or society, the conversation these days is turning to how corporations can actively contribute to positive social outcomes instead.

As social enterprises prove to be viable businesses with commercial sustainability and social value, they attract a new generation of investors, suppliers, partners, discerning customers and employees. This creates a virtuous cycle, and the blended value proposition can be a positive catalyst for social change.

Part of the sustainability journey

Increasing awareness of climate change and social inequality have put pressure on key decision makers across the globe to consider sustainable solutions on all fronts. A larger sense of purpose that puts people and the environment first, has spurred the growth of social enterprises.

While there is tremendous opportunity for corporations to play a central role in strengthening the social enterprise ecosystem, similarly social enterprises can be a source of inspiration and innovation. This opens up potential socially responsible investment opportunities, which can pave the way to a win-win partnership. Governments, corporations and social enterprises, in working together to achieve sustainability goals, are moving the engagement from a business-to-charity approach to a business-to-business model.

Riding on the new Singapore Exchange listing regulations on sustainability reporting, more corporations are coming forth to integrate social enterprises as part of their business operations. From supply chain management to procuring sustainably from and investing in social enterprises, there is a gradual shift in the conversation. This will gain traction as social enterprises demonstrate they can offer not only quality products and services to corporates, but also add to the double value of contributing to the sustainability goals.

The Singapore social enterprise sector is leading the way toward a new economic model that is compelling and well-worth supporting, one that is not only dynamic and robust, but also mindful of its larger social impact on the fabric of the local community. ■

The Role of NonProfit Boards in Driving Innovation

By **FERMIN DIEZ**

Innovation has become a buzzword for corporations, governments and social enterprises.

In a survey conducted at the Social Service Institute's Board Members Network Session in October 2017, CEOs and chairs of social service organisations in Singapore cited innovation as a major area of concern. Specifically, respondents felt that more could be done to leverage technology to increase efficiency within their organisations and create new solutions.

It is a given that resource constraints may limit the capacity of nonprofit organisations (NPOs) to innovate, given their different operating model from for-profit organisations. However, innovation – when done right – can lower the per client operating cost of NPOs, resulting in outsized benefits which free up resources for growth in other areas.

Put simply, organisations can do more with less. Innovation can be used to make organisations more efficient, deliver better service to users, and change paradigms in society. The continuum of innovation ranges from incremental change to radical transformation.

The need and reason to innovate is often not discussed at the board level, and this forms a major barrier to understanding the models of innovation that are best suited to the organisation.

For NPOs, their priorities may not push innovation to the top of the agenda. As a result, many NPOs are reactive in their approach to innovation. They would innovate only when there is a pressing, unaddressed need among their service users, or when their donors or the regulators stipulate innovation requirements and targets.

Why do NPOs find it so difficult to be innovative and what can NPO boards do about it?

Challenges in NPO culture, structure and capacity

The first challenge is the organisational culture of NPOs, which is largely shaped by their missions, and these are often related to service to the community. Through self-selection, people who join NPOs, or their boards, typically have a passion for the cause and a service orientation. Even if they have a commercial background, they do not necessarily bring this business mindset into the boardroom. Over time, the culture and mindset in the NPO could inhibit risk taking and openness to change.

Second is the organisational structure of NPOs which tends to be task-focused. People operate within programmes and seldom seek out other individuals for problem solving. While focus on the client is important, NPOs often lag in the area of cross-collaboration and coordination amongst their staff. This situation becomes more acute if there is no strong leader in the organisation to bring all the different functions together and focus on the big picture.

Third is the lack of capacity, expertise and resources in NPOs to innovate. For example, technological innovation would require people with specific skillsets and experience. Consultants and outsourcing require long-term resources that are not necessarily available or a priority for NPOs. The planning and implementation of new systems and change management require a different approach.

Setting the tone for innovation

NPO boards thus have a relatively big role in setting the tone for innovation. For a start, the NPO board has to state its risk appetite for innovation and experimentation. Together, the board and management should set the agenda for innovation within the organisation.

At the broadest level, the NPO leadership should be looking to encourage a spirit of entrepreneurship and risk taking. It involves changing the mindset from one of "how can we afford the change" to "how can we afford not to change". To stay relevant, organisations have to be ahead of the curve, in terms of new and better ways of social service delivery.

To make NPOs more entrepreneurial and risk tolerant, there are a number of best practices that boards should seek to inculcate in their management and staff.

Becoming an innovative organisation

For innovation to be part of the culture, NPOs should have a mindset that is open to change. Internal feedback and suggestions should be encouraged, not avoided. The board should also set performance measures linked to data gathering on services and client outcomes, perform gaps analyses, brainstorm methods for improvement, and gather feedback from service users, clients and stakeholders.

To further incentivise staff and to encourage behavioural change, boards should implement a system where being innovative is shared and rewarded. Remuneration targets can be re-designed to acknowledge the efforts to implement innovative changes.

The board should help management seek solutions to problems, gain access to resources and information, and provide mentorship and guidance. One way may be to plug the NPO into the relevant networks which encourage and support social innovation, such as the board level and senior leadership courses run by the Social Service Institute.

The board may also need to connect management to technology partners in order to develop new technical capabilities in-house.

Last, and certainly not least, the board could drive innovation by developing jointly with management an annual action plan with department-specific key performance indicators related to innovation.

At the end of the day, limited financial resources should not prevent any NPO from considering greater innovation. This is because it is less the money required but the entrepreneurial skills within the organisation that will make any change in the NPO a sustainable one. That would be truly innovative. ■

Fermin Diez is a member of the NonProfit Organisations Committee of the Singapore Institute of Directors.

Boardroom Matters is a regular column by SID in The Business Times *and its online financial portal* BT Invest*, where this article was first published in December 2018.*

A Tale of Two Sectors

By **MAK YUEN TEEN,** Associate Professor, NUS Business School, National University of Singapore

While there are differences in governance practices between the for-profit and not-for-profit sectors, there are also practices that can be applied across the board. With regulatory changes and an evolving compliance landscape, each sector can learn from the other.

Interestingly, there are a number of differences in corporate governance practices in the commercial and nonprofit sectors. Some practices seem to have evolved and remain relatively resilient. Not all the differences, however, seem to be necessitated by differences in the nature of the two sectors or regulation.

Perhaps there is a presumption that the corporate sector, with its more developed ecosystem and checks and balances, will tend to have the better practices. Or conversely, that the not-for-profit sector, with its more altruistic motives, will develop better practices that are not driven by economic self-interest.

In general, there are certain practices that are predominant in one sector that the other sector may benefit from adopting.

Separation between board and management

In the corporate sector, it is still quite common for companies to have either an executive chairman or a chairman who is also the chief executive officer (CEO). Combining the roles of chairman and CEO leads to a concentration of powers and lack of segregation of duties. With the Code of Corporate Governance for listed companies recommending the separation of the chairman and CEO roles and the appointment of more independent directors if the chairman is not an independent director, more companies are separating these two roles and appointing independent chairmen.

In the nonprofit sector, it is rare to have an executive chairman or a chairman who is also the CEO (more commonly called the "executive director" or "ED"). This was the case even before the Code of Governance for Charities and Institutions of a Public Character (IPC) stated that staff should not chair the board. In fact, the code states that where board members may be directly involved in operational decisions and matters, a clear distinction should be made between their board role and their operational work.

However, there is another difference here. In the nonprofit sector, the CEO/ED is often not even a member of the governing body but attends meetings by invitation (usually as an ex-officio).

In contrast, it is rare in the corporate sector in most countries for the CEO not to be a director. In two-tier board structures found in many European countries, the CEO is often not a member of the supervisory board. In Singapore, only about a dozen out of the 700-odd listed companies have CEOs who are not appointed to the board.

Some directors say that they would be hesitant to be a director of a company where the CEO is not a board member. They want the CEO to be subject to the same legal liabilities as directors. This is relevant here because the Companies Act in Singapore does not specifically include the CEO for many of the duties specified in the Act – such as the most basic duty of all, the duty to act honestly and use reasonable diligence.

Although a CEO can be considered a director even if not formally a member of the board because he is deemed to be a "shadow" or "de facto" director, proving liability under the Act may be a challenge because there is a need to prove that the CEO is indeed a "shadow" or "de facto" director and that he has breached his duties. Offences such as those relating to breach of duty, loyalty and diligence are criminal in nature, so the burden of proof is high.

There is, however, another reason for putting the CEO on the corporate board. This is to make the CEO feel that he is part of the decision-making process in the boardroom and taking greater ownership in decisions, rather than being just an "administrator" or a passive implementer of the board's decisions.

So, should the nonprofit sector move towards this line of thinking? A good number of charities are companies and therefore the same point about the CEO/ED not being directly subject to legal duties of a director applies. The Charities Act and regulations make reference to "governing body members" when it comes to duties and liabilities so it seems there may be the same question as to whether the CEO/ED will be held to the same standard of duties and liabilities if he is not a member of the governing body.

Further, as the sector professionalises and seeks to attract better talent to be CEOs/EDs, perhaps they should also have a proper seat in the boardroom.

Board committees

Most listed companies have audit, remuneration and nominating committees which are required or strongly recommended by regulators, and some will have additional committees for risk, strategy, and so on.

In the nonprofit sector, especially in the large organisations, there are sometimes too many committees and it is often unclear whether a committee is a board or management committee. Some board committees are more appropriately constituted as management committees as otherwise, oversight can become overreach.

In such cases, the CEO/ED may indeed feel like an administrator with little decision-making authority. Too many committees can also lead to a dilution of oversight and communication as the board places reliance on these committees and may not be well informed about their work.

In the corporate sector, board committees are made up of board members only – certainly, those committees that are prescribed by the code or rules. However, in the nonprofit sector, it is common for even the key committees, such as the audit committee, to co-opt external members who are not board directors.

There may be a case for the corporate sector to consider such a practice too. Corporate boards today are increasingly struggling with demands for additional specialised skills and expertise, such as technology and risk management, on top of the traditional ones. At the same time, there are constraints on the size of the board and the concern to maintain the right balance between generalists and specialists.

Co-opting some non-board members with specialised skills into committees with specialised responsibilities can improve the competencies of the committees, while preventing the board itself from becoming too large or too specialised. It can also help address conflicts of interest of committee members essentially recommending their own re-appointment, assessing their own independence, deciding their own remuneration as non-executive directors, and so on. Of course, this would require rule changes in the corporate sector.

On the issue of size, large charities and IPCs in Singapore are required to have at least 10 board members. In the corporate sector, the average board size is between six and seven members. The regulations require large charities and IPCs to have at least 10 board members based on the belief that there is better oversight with more board members.

Research on the whole does not support this as it finds that, in general, smaller boards tend to be more effective – although they should not be too small either as small boards can be easily "captured". In the corporate sector, many large global companies have nine to 11 board members, and institutional investors tend to prefer smaller boards.

It is important for nonprofit boards not to fall into the trap of thinking that having more board members is necessarily better, or that having a larger board can compensate for "absentee" board members who are not committed.

Board commitment

Lack of commitment of directors is a concern in both sectors, but perhaps more so in the nonprofit sector. In the corporate sector, the fact that directors are remunerated, and often paid meeting fees, provides a monetary incentive for them to be more committed – or at least to turn up for meetings.

While it may not be in the interest of nonprofit organisations to remunerate nonprofit board members to improve their commitment, it is important to highlight the importance of commitment. In fact, anyone who agrees to serve on a board or committee of a nonprofit organisation should be fully committed and give it the same priority as serving on a corporate board.

Despite the differences between the nonprofit and commercial sectors, the fundamental principles of corporate governance – transparency and accountability – should be applied across the board. Against a backdrop of changing legislation and greater collaboration between the public, private and people sectors, it is increasingly clear that each sector has something to learn from the other. ■

Serving on NonProfit Boards

By JANSSEN ONG
Deputy Director,
Centre for Non-Profit Leadership

An effective partnership between a new board member and a nonprofit organisation entails having the right fit, or chemistry. Key considerations in leadership volunteering at the board level are a combination of passion, commitment, skills and personality.

As the nonprofit landscape grows in size and complexity, the search for leaders in the nonprofit sector becomes more urgent. What should organisations look for, in a nonprofit director?

For the answer, it might help to take a step back and ask what motivates nonprofit board members to volunteer in this capacity. The common response would be the desire to positively influence and shape the charity's mission and vision. Indeed, serving as a nonprofit board member can be a rewarding way of giving back to the community, both personally and professionally. While this role can be a meaningful experience, it may also end up in frustration if one is not a good match with the organisation.

A nonprofit board member is expected to exercise independent judgement, provide fiduciary oversight, and act in the best interests of the charity. Hence, it is important to ascertain his or her state of readiness before embarking on the journey. A useful self-assessment tool to aid this process is the Centre for Non-Profit Leadership's "5Cs of Effective Matching Framework", outlined below.

Cause

Choosing a suitable cause, and being passionate about the cause, is crucial. This will determine the amount of effort a candidate is willing to put in for the organisation and by extension, how much the organisation will benefit.

Today, there are more than 2,200 registered charities cutting across eight different sectors in Singapore. Among these charities, there are various causes that one can connect to, based on personal interests, beliefs, life experiences or influences by family and friends.

Competency

Competencies are sets of measurable behaviours that come from experiences, attitudes, knowledge, values and beliefs. An evaluation of a candidate's skills and talents, and how these will complement the existing board or lead to the formation of a well-diversified board, can help assess the suitability of the candidate to meet the organisation's needs.

Contribution

Volunteering at the board level gives individuals the opportunity to participate in strategic conversations and challenges. As such, the role on the board should help to enhance a person's professional skills such as strategic planning, critical thinking, effective communication and problem-solving.

To contribute at the optimal level, it is vital to have clear understanding of board member roles. This can be done by reading up on the terms of reference which set out the authority and duties of the board and each of its board committees.

Directors and officers are personally exposed to unlimited financial liability, and the organisation and board of directors share the responsibility for ensuring they have the highest possible level of protection. It is thus important to be familiar with the directors and officers liability insurance. The conflict of interest policy is also important in understanding what constitutes a conflict of interest, and how one can ensure the avoidance of conflicts of interest where necessary.

Commitment

Directors must be aware of the responsibilities the role entails. Typically, board members serve a minimum term of two years, and the term of service can vary according to the constitution of the charities. The Code of Governance for Charities and Institutions of a Public Character (IPC) stipulates certain guidelines including term limits for specific roles on the board. While it is common for individuals who are going through a career transition to fill the gaps through volunteering, they should be able to continue to fulfil their board responsibilities after taking on new roles.

Collaboration

Regardless of the specific role, being a board member entails teamwork, working well with others, reaching mutual decisions and working out disagreements. On a good board, this means interacting with other board members who collectively have a wealth of experience across different industries. In addition, board members will also be asked to occasionally host major donor events and meet prospective donors.

Chemistry

Notwithstanding the "5Cs" above, it all boils down to chemistry.

As psychologist Carl Jung noted, "The meeting of two personalities is like the contact of two chemical substances; if there is any reaction, both are transformed." It is the underlying special connection of shared interest towards certain causes that binds people together, which translates into a strong working relationship in the long run.

The journey as a nonprofit board member may be challenging, but it can certainly be fulfilling and meaningful. Nonprofit leaders are agents of change, and can make a positive difference through influencing and shaping the sector. Their credibility is enhanced, and professional network broadened. Most important, nonprofit leaders experience valuable personal growth while connecting with the causes they care about. ■

Dear Mr Sid

Re: No Profit, Much Work

I am really confused. And a bit annoyed. Please help me with some guidance.

I have been a non-executive director of a listed company for a couple of years now, and I have really enjoyed the experience. The demands on my time are not great. The board follows the principle of “noses in, but fingers out”, and allows management to get on with the job and run the company. Best of all, I feel that I am pretty well paid for just attending a board meeting and a couple of committee meetings every quarter.

Recently, I was approached to join the nonprofit board of a charity for disadvantaged children. I like the idea of working to improve children’s welfare. And to be frank, I was rather chuffed about this, because I took the offer to mean that my reputation as a capable director was spreading, and so I accepted the opportunity.

And then the surprises began.

Given the philanthropic nature of the organisation, I can accept that the role is unpaid, but what I had not anticipated was that I would be paying for the so-called privilege! I’m faced with lots of expenses (travel, lunches, printing costs, and so forth), for which I would expect to be reimbursed, but I am told that nothing is reimbursable. And even worse, the organisation has asked me to donate my money to the cause!

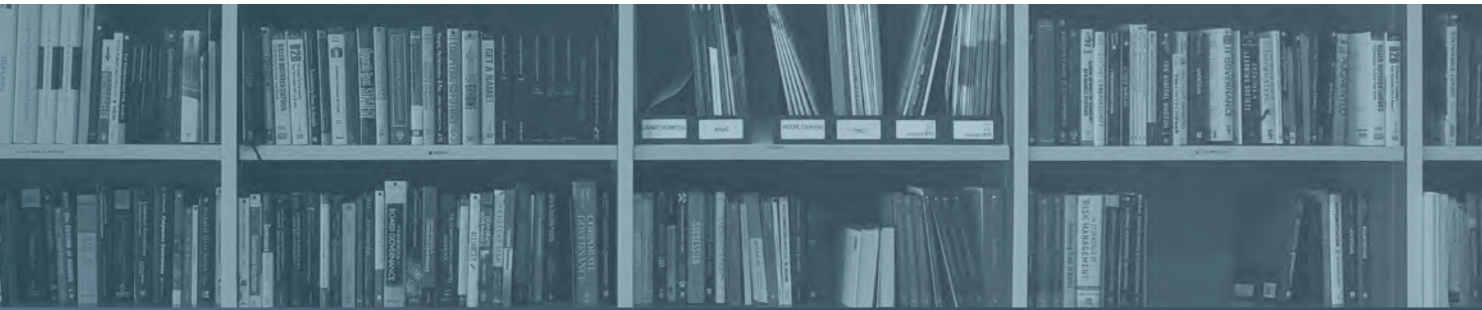
And there’s more. Contrary to the principle of “directors direct and managers manage”, I find that I am expected to roll up my sleeves and help with the day-to-day activities, as if I’m an (unpaid) staff member with unlimited time to devote. Moreover, I have the staff telling me – a board member – what to do!

In summary, I think I have made a big mistake. I like the status, schedule and remuneration that comes with being a corporate director, but little of that seems to apply to this nonprofit role. I ask myself, why should I do this? Why would anyone want to be a nonprofit director?

Mr Sid, am I being unreasonable?

Yours sincerely

Not-Cut-Out-To-Be-NP-Director



Dear Not-Cut-Out-To-Be-NP-Director

Yes, your expectations of the role of a nonprofit board member are, in my view, not reasonable.

There are distinct differences between nonprofit and for-profit organisations. Consequently, there are also differing expectations of their directors.

When directors are appointed, an important aspect is their fit with the organisation. That works both ways: for the organisation and the individual director. It should be an informed decision by each party.

As an individual director, you should always make sure that you are comfortable with the sector (in this case, the nonprofit sector and its practices) and the specific organisation (people, cause, operations, financials, etc).

Governance principles do not change

Before I get into the differences between your listed and nonprofit boards, it is important to highlight that the principles of good governance apply to both.

Two key principles are transparency and accountability. These are even more important when the nonprofit is a registered charity, as is the case here. Charities, like listed companies, are public interest entities, and therefore subject to a slew of regulations to ensure that public confidence is maintained on every front, especially in the way money is raised and spent.

Governance environment is different

At SID, we say that the dual role of the board is to ensure the organisation's conformance and performance. This applies equally to both for-profit and nonprofit boards. But how an organisation conforms and performs differs between the two sectors due to their structural and cultural differences.

A clear difference between the two sectors is the regulatory environment. Regulations for commercial companies tend to be clearer and more comprehensive than those for nonprofits, which are more diverse and less granular.

To start, charities have to comply with the rules under their constituting legislation (e.g. Companies Act, Societies Act, Co-operatives Act) as well as the requirements of the Income Tax Act, Charities Act, Sector Administrators, and other fundraising legislation. Note that regulation of the charity sector has evolved over the years. In the past decade, these have been considerably strengthened after several charity scandals.

Compliance with these arguably more complicated and multi-faceted rules is made more difficult with the limited support available to many nonprofit organisations. While for-profit organisations have professionals – sometimes an army of lawyers and accountants – to ensure regulatory compliance, a nonprofit would count itself lucky to have even one staff dedicated for this purpose.

This lack of staff capacity is, of course, not restricted to support for regulatory compliance. It cuts across nonprofits for most corporate functions. The nature of nonprofits is to keep costs down and rely on volunteer labour, a subject I will expand on later.

Another major difference between the two sectors is how the board discharges its role of performance. For commercial companies, performance is fairly straightforward and the measures widely accepted. It often boils down to financial returns and an agreed balanced score card.

In the nonprofit sector, performance should be assessed relative to the mission of the organisation. How this, and social impact, should be measured is a nascent science fraught with theories and only emerging consensus. In the meantime, nonprofits struggle or cruise by – depending on their boards and other stakeholders – when reporting their results.

Board and volunteers

All nonprofits depend on volunteers compared to their for-profit counterparts. There are two main reasons for this: keeping costs low and engaging the community.

In line with this philosophy, board members are also volunteers. First, they usually do not get paid to be on the board. In addition, they should also be volunteers in other areas in the organisation. Apart from the additional (free) labour provided, such volunteering helps the board member develop empathy for the work of the organisation and other volunteers and, hopefully, inspire more volunteers to contribute.

For many board members and staff, this non-governance volunteer role of board members can be confusing. Who calls the shots – the board member who directs the organisation, or the executive director or staff member who controls the function? For this reason, board members should be clear about which hat they are wearing: board member or volunteer. When they are functioning as a volunteer, they should function as other (non-board) volunteers and abide by the directions of the staff.

That said, it is common for nonprofits to have a diffused power structure, where everyone (board volunteers, other volunteers, donors and even, beneficiaries) have a say in how every little thing gets done. To the extent that you, as a board member, can set the tone and example, it would help the staff function more effectively.

Board, donors and funds

Nonprofits and charities rely on donations. Board members are expected, though not required, to help with this major source of funding. This usually means extending their pockets and their networks, as well as being volunteers, in fundraising campaigns. If you are not prepared to help out with fundraising, you should be clear about this with the charity upfront as it can be a key criterion for appointment to some charity boards.

Also, as you are starting to realise, given their limited funds and the theme of charitable giving, some charities do not reimburse board members for out-of-pocket-expenses in board and volunteer work, even if other volunteers may be reimbursed. This is a practice that differs among charities.

The policy of not reimbursing nonprofit directors avoids potential conflict of interest. For example, should a board member be reimbursed for travel expense to go to an international conference to represent the charity? If so, it raises many other questions: Is there a need to represent the charity? Who should be the representative(s)?

Moving on

I have covered here only the essential governance aspects of a nonprofit director. Perhaps you might want to attend the "So, you want to be a non-profit director?" briefing that the SID conducts periodically.

If, after all this, you find you are unable to reconcile yourself to the expectations in the nonprofit sector, you may prefer to bow out. You need not worry about leaving a hole in the organisation. There generally is no shortage of people who want to get involved with boards in the charity sector.

One graceful way of stepping down after a short time is to donate your director fees from one of your listed companies to the charity. That way, you are using your talents (in the commercial sector) while still contributing to the charity sector.

Yours in charity

Mr Sid ■

Who is Mr Sid?

Mr Sid is a meek, mild-mannered geek who resides in the deep recesses of the reference archives of the Singapore Institute of Directors.

Burrowed among his favourite *Corporate Governance Guides for Boards in Singapore*, he relishes answering members' questions on corporate governance and directorship matters. But when the questions are too difficult, he transforms into Super SID, and flies out to his super network of boardroom *kakis* to find the answers.

Mr Sid's References (for this question)

Board Guide

Section 1.1 Introduction

Section 5.16: Rewards of Directorship

Boardroom Matters

Vol 1, Chapter 35: "Learning from NonProfits – Mission Focus" by Robert Chew

Vol 3, Chapter 7: "Becoming a NonProfit Director" by Usha Menon

SID Courses

"So, you want to be a NonProfit Director"

S-GOOD 1: Essentials of NonProfit Leadership

S-GOOD 3: Board and Management Dynamics

Building Data Trust in the NonProfit Sector

By **EVELYN GOH,** Director, Trustmark, Infocomm Media Development Authority

Good governance and trust are the two pillars upon which the nonprofit sector is built. Breaches of personal data would erode that trust. Nonprofits can guard against such breaches to ensure that they continue to win support for their causes.

Organisations today operate in an increasingly connected digital economy where individuals' online and real-world activities generate a burgeoning amount of data. In such an environment, a compliance-based, box-checking approach to handling personal data is increasingly impractical and insufficient to keep pace with developments in data processing activities.

This is especially so in the nonprofit sector, where good governance and trust are the two pillars upon which the sector is built. With the collection and possession of large amounts of personal data of a sensitive nature, such as health and socio-economic data, nonprofit organisations (NPOs) must be able to demonstrate accountability and inspire confidence in the way they handle the personal data of not only their donors, but also their beneficiaries.

As more organisations collect and retain stakeholders' personal data for business needs, the likelihood of these data sets being compromised increases. Instances of breaches of personal data are also becoming prevalent. And it is no longer a matter of "if", but "when", data security may be compromised.

Personal data breaches can exact a high toll on organisations. In the immediate term, it would cost them a great deal of resources and time to manage the data breach, such as performing service recovery. In the medium to long term, corporate reputation can be adversely affected, possibly impacting the income sustainability of NPOs.

Shifting from compliance to accountability

An organisation that is described as accountable should be able to demonstrate proper management and protection of personal data through its Policy, People and Processes.

Good accountability practices begin with an organisation's leadership and involvement of its board and senior management. With the tone set by senior management, an organisation's personal data protection policies will chart how the organisation and its staff treat personal data and approach to managing data protection risks and breach incidents. As part of corporate governance, it is important for an organisation to ensure that all its employees and volunteers, regardless of roles, functions and hierarchy, are aware of and adhere to its data protection policies and processes.

A practical approach is to embed data protection-related topics as part of staff training and development throughout the employment journey. An accountable organisation not only develops and communicates its data protection policies, but also puts in place effective processes to operationalise its data protection policies throughout the data lifecycle (i.e. from collection

Validation of data protection standards, a case study

One of the ways NPOs can be assured of good data protection standards is by attaining the Data Protection Trustmark (DPTM) certification by the Infocomm Media Development Authority. The DPTM is an enterprise-wide certification programme with a visible badge demonstrating an organisation's accountability and responsibility on its data protection standards.

The DPTM framework was developed based on the Personal Data Protection Act (PDPA) and incorporates elements of international benchmarks and frameworks such as the Privacy Principles of the Organisation for Economic Co-operation and Development. The DPTM can help organisations validate, uncover gaps and improve their data protection regime. It can also help strengthen the certified organisation's reputation, inspiring confidence in the way it manages and safeguards personal data.

The Tan Tock Seng Hospital (TTSH) Community Fund, the charity arm of the hospital, was an early adopter of the PDPA and the first nonprofit organisation to obtain the DPTM. Taking proactive steps to protect personal data as early as 2014 when the PDPA came into force, TTSH Community Fund started with the review and development of policies, standard operating procedures and templates for personal data protection.

For example, before featuring patients in any of its publicity materials, the staff learnt to be mindful about getting their permission, explaining to them exactly what would be collected and why, and how it was going to be used. Regular updates through weekly meetings ensured that staff are kept up-to-date with the latest PDPA related policies and guidance.

The TTSH Community Fund embarked on developing its own personal data protection manual which set out the processes concerning data handling. The next step was to validate its data protection standards through the DPTM certification, strengthening its reputation as a trusted charity.

to disposal of personal data) and across business processes, systems, products and services.

Communication plays a critical role as well in ensuring good data protection standards. Regular touch points such as staff training and volunteer briefings should be conducted so that everyone, from the frontline staff to the CEO, is aware and aligned to the organisation's data protection policies, processes and practices.

As individuals become increasingly aware of their personal data protection rights, there will be a growing demand for businesses, in particular NPOs, to be able to demonstrate accountability and have robust data protection standards in managing personal data. Being accountable in managing personal data helps NPOs strengthen their relationship with donors and beneficiaries. ■

2019 Singapore Corporate Awards

CELEBRATING THE EXEMPLARY IN CORPORATE GOVERNANCE

The 2019 edition of the Singapore Corporate Awards honours the best in the various aspects of good corporate governance, with a special recognition award going to DBS Group Holdings for the second year in a row.

The annual black-tie gala dinner for the Singapore Corporate Awards (SCA) was held on 23 July 2019 at the Resorts World Convention Centre. Deputy Prime Minister and Minister for Finance, Mr Heng Swee Keat was the guest of honour.

The event was co-organised by the Singapore Institute of Directors, the Institute of Singapore Chartered Accountants, and *The Business Times*. It was supported by the Accounting and Corporate Regulatory Authority and the Singapore Exchange. The presenting sponsor was Standard Chartered Bank and co-sponsor Jardine Cycle & Carriage Group.

Ms Wong Su-Yen, Mr Kelvin Tan and Mr Wong Wei Kong were co-chairs of the awards steering committee. The emcee-hosts for the evening were Ms Elaine Yew, Senior Partner, Egon Zehnder, and Mr Terry O'Connor, Executive Adviser and former Group CEO of COURTS Asia Ltd.

Guests were entertained throughout the evening by lively banter between the emcees. They weaved a super hero theme around the awards, linking the Best Managed Board Award to *The Avengers* (the ultimate team), and the Best Annual Report Award to the late Stan Lee (the godfather of the Marvel comics universe, with a knack for making a good story come alive).

A new award – the Best Risk Management Award – was created this year, to give due recognition to companies that have established and disclosed adequate and effective risk management practices

Deputy Prime Minister Heng Swee Keat.

Co-Chairs (L-R): Wong Wei Kong, Wong Su-Yen, Kelvin Tan.

Event Host (L-R): Terry O'Connor and Elaine Yew.

Victor Lai and the Deloitte Singapore band.

Winning Companies and their Guests

Far East Orchard.

Frasers Property.

DBS Group.

Global Investments Ltd.

to support their respective strategic directions. A total of eight companies were honoured in this new award category.

Mr Victor Lai, an independent consultant to Boardroom Limited, together with the Deloitte Singapore band, performed three songs later that evening, to warm applause.

The Special Recognition Award was presented to DBS Group for its all-round excellence in human capital, and specifically for its commitment to innovation and excellence in advancing its people agenda to meet the challenges of a digital future.

Four groups of companies led the winners pack, with multiple awards under their belt. They are the CapitaLand, DBS, Keppel and United Overseas groups of companies. A total of 38 companies and six individuals were honoured at the Awards night.

The evening ended with all winners and presenters gathered on stage for a group photo and a confetti cannon send-off.

Your hosts for the evening:


Best Annual Report Award: Sin Boon Ann and Adeline Sim.


Best Managed Board Award & Special Recognition Award: Kyle Shaw and Elizabeth Kong.


Best CEO Award: Colin Low and Goh Swee Chen.


Best Investor Relations Award: Jeannie Ong and Gabriel Yap.


Best Risk Management Award: Koh Kah Sek and Chia Kim Huat.


Best CFO Award: Lester Wong and Lim Cheng Cheng.

The winners:


Best Managed Board Award – Big Cap Companies (L-R): Panote Sirivadhanabhakdi (Frasers Property Ltd), Wee Ee Cheong (UOB Ltd), Ng Kee Choe (CapitaLand Ltd), Ooi Sang Kuang (OCBC Ltd).


Best Risk Management Award – Big Cap Companies (L-R): Ong Pang Thye, Adrian Chan, Tan Teck Long (DBS Group Holdings Ltd), Ong Chong Tee.


Best CEO Award (L-R): Daniel Cullen, John Lim, Lee Sze Leong (Sing Investments & Finance Ltd), Goh Choon Phong (Singapore Airlines Ltd), Lui Chong Chee (Far East Orchard Ltd), Kwa Chong Seng.


Best Annual Report Award (L-R): Eleanor Lee, Jennifer Luy (Del Monte Pacific Ltd), Tan Cheng Han.


Best CFO Award (L-R): Lee Boon Teck, Mary Lee (Vicom Ltd), Ho Kiam Kong (Wilmar International Ltd), David Leung (iFast Corporation Ltd), Ong Khiaw Hong.


Special Recognition Award (L-R): Tham Sai Choy, DPM Heng, Lee Yan Hong (DBS Group Holdings).

CONGRATULATIONS TO ALL THE WINNERS

Best Managed Board

Market cap of $1B and above
- GOLD — CapitaLand Ltd
- GOLD — Oversea-Chinese Banking Corporation Ltd
- SILVER — United Overseas Bank Ltd
- BRONZE — Frasers Property Ltd

Market cap of $300M to <$1B
- GOLD — Banyan Tree Holdings Ltd
- SILVER — Far East Orchard Ltd
- BRONZE — Tuan Sing Holdings Ltd

Market cap of less than $300M
- GOLD — Frencken Group Ltd
- SILVER — Global Investments Ltd
- BRONZE — Avi-Tech Electronics Ltd

Best Chief Executive Officer

Market cap of $1B and above
Mr Goh Choon Phong
Chief Executive Officer
Singapore Airlines Ltd

Market cap of $300M to <$1B
Mr Lui Chong Chee
Group CEO & Managing Director
Far East Orchard Ltd

Market cap of less than $300M
Mr Lee Sze Leong
Managing Director
Sing Investments & Finance Ltd

Best Chief Financial Officer

Market cap of $1B and above
Mr Ho Kiam Kong Stephen
Chief Financial Officer
Wilmar International Ltd

Market cap of $300M to <$1B
Ms Lee Peck Kim Mary
Group Chief Financial Officer
VICOM Ltd

Market cap of less than $300M
Mr Leung Fung Yat David
Chief Financial Officer
iFAST Corporation Ltd

Best Risk Management

Market cap of $1B and above
- GOLD — DBS Group Holdings Ltd
- SILVER — United Overseas Bank Ltd
- BRONZE — Oversea-Chinese Banking Corporation Ltd

Market cap of $300M to <$1B
- GOLD — China Aviation Oil (Singapore) Corporation Ltd
- SILVER — United Overseas Insurance Ltd
- BRONZE — Tuan Sing Holdings Ltd

Market cap of less than $300M
- Merit — Miyoshi Ltd
- Merit — Sing Investments & Finance Ltd

Best Investor Relations

Market cap of $1B and above
- GOLD — Sembcorp Industries Ltd
- SILVER — DBS Group Holdings Ltd
- BRONZE — SATS Ltd

Market cap of $300M to <$1B
- GOLD — Far East Orchard Ltd
- SILVER — Riverstone Holdings Ltd
- BRONZE — China Sunsine Chemical Holdings Ltd

Market cap of less than $300M
- GOLD — Geo Energy Resources Ltd
- SILVER — Frencken Group Ltd
- BRONZE — iFAST Corporation Ltd

REITS & Business Trusts
- GOLD — CapitaLand Mall Trust
- SILVER — Keppel DC REIT
- BRONZE — Frasers Hospitality Trust

First-Year Listed Companies
- Merit — Asian Healthcare Specialists Ltd
- Merit — SLB Development Ltd

Best Annual Report

Market cap of $1B and above
- GOLD — Singapore Telecommunications Ltd
- SILVER — Olam International Ltd
- BRONZE — Keppel Corporation Ltd

Market cap of $300M to <$1B
- GOLD — Halcyon Agri Corporation Ltd
- SILVER — QAF Ltd
- BRONZE — Centurion Corporation Ltd

Market cap of less than $300M
- GOLD — Del Monte Pacific Ltd
- SILVER — Japan Foods Holding Ltd
- BRONZE — Singapore O&G Ltd

REITS & Business Trusts
- GOLD — CapitaLand Mall Trust
- SILVER — Ascendas REIT
- BRONZE — Mapletree Logistics Trust

First-Year Listed Companies
- Merit — Keppel-KBS US REIT

Special Recognition Award

DBS Group Holdings Ltd

SINGAPORE CORPORATE AWARDS 2019

CO-ORGANISED BY: ISCA · SID · The Business Times
PRESENTING SPONSOR: Standard Chartered
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SUPPORTED BY: ACRA · SGX

AWARD PARTNERS: NUS Centre for Governance, Institutions & Organisations, NUS Business School · Deloitte. · EY · Heidrick & Struggles · KPMG · pwc · IHRP · Korn Ferry
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The 2019 SGTI Rankings

Singapore Governance & Transparency Index Forum 2019

All-time high results for 2019 Singapore Governance and Transparency Index reflect continued engagement and commitment by Singapore-listed companies.

SID, in collaboration with CPA Australia and the Centre for Governance, Institutions and Organisations (CGIO) of the NUS Business School, launched the results of the 2019 Singapore Governance and Transparency Index (SGTI) on 7 August 2019. About 200 directors and senior management of companies converged at the SGX Auditorium for the unveiling of the results.

Singtel topped the annual ranking in the general category for the fifth consecutive year, while CapitaLand Commercial Trust overtook CapitaLand Mall Trust to lead the REIT and Business Trust category.

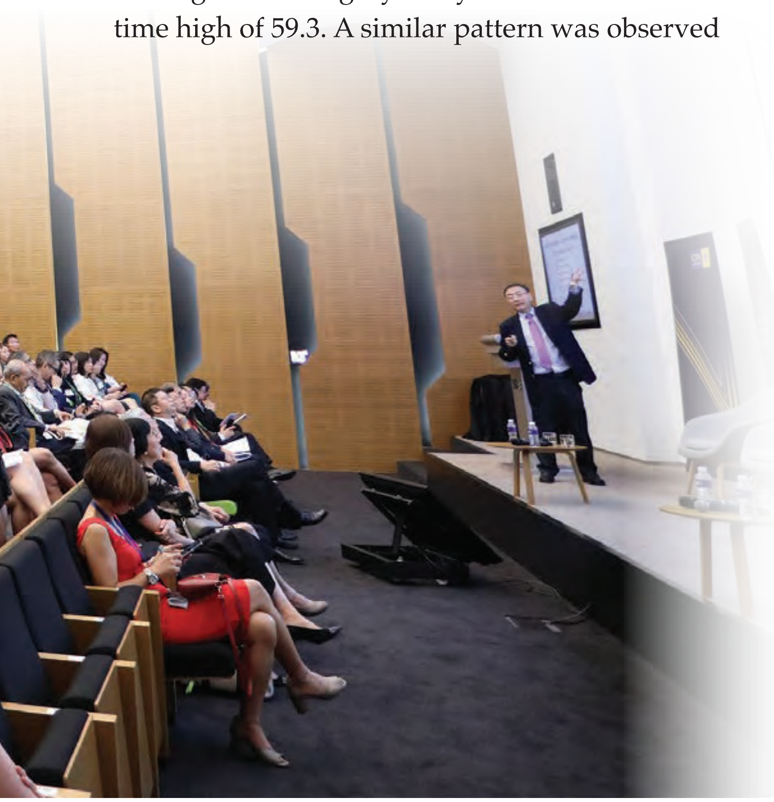
The SGTI, now in its 10th year, is a benchmark for assessing listed companies in Singapore on their corporate governance disclosures and practices. The survey instrument reviews the timeliness, accessibility and transparency of companies' financial results announcements.

Mr Adrian Chan, Vice-Chairman of SID, in his opening address, congratulated the award winners on their sustained efforts to achieve better governance. The results show greater board diversity, independence and board renewal, with a notable overall improvement in stakeholder engagement.

Guest of Honour Mr Tan Boon Gin, Chief Executive Officer of SGX RegCo urged companies to build on the idea of community, with a shared purpose and common goal. Offering the analogy of the Neighbourhood Watch programme, in which communities step up to self-regulate through "peer pressure, scrutiny and advocacy", Mr Tan noted that trust is key to building a stable community.

Beyond compliance to rules and regulations, a collective interest to preserve market integrity would ensure that standards are kept high. For its part, SGX RegCo would be enhancing the manner of handling whistleblowers and how it conducts inspection of market professionals, starting with Catalist sponsors.

Dr Lawrence Loh, Director, CGIO, presented the key findings of SGTI 2019. Underscoring the fact that this is the first survey to measure the impact of the revised Code of Corporate Governance and amended SGX Listing Rules, Dr Loh noted that the mean score for Singapore-listed companies in the general category this year was at an all-time high of 59.3. A similar pattern was observed for companies in the REIT and Business Trust category with a mean score of 78.6 this year, up from 74.5 in 2018.



Notwithstanding the improvement in shareholder engagement and corporate sustainability, companies should pay heed to board composition and board structures. In particular, ensuring the independence of directors and enhancing practices in business integrity, were key pillars of good governance.

Mr Tan presented awards to the top five companies overall, as well as the top company in each of the REIT and Business Trust category, Small-Cap (under S$300 million) category and Mid-Cap (S$300 million to S$1 billion) category.

A panel discussion, with Mr Melvin Yong, Country Head, Singapore CPA Australia as the moderator, closed the session. The panellists were Ms Rachel Eng, Managing Director, Eng and Co LLC, and Member, Advisory Panel, SGTI; Mrs Goh Mui Hong, Director, Global Investments Limited; Mr Leong Kok Ho, Chief Financial Officer, Tuan Sing Holdings Limited; Professor Andrew Rose, Dean, NUS Business School, National University of Singapore, and Ms June Sim, Senior Vice President and Head, Listing Compliance, SGX RegCo.

The theme, "Evolving Business Corporate Governance: Purpose or Pragmatism", evoked a robust discussion on how companies can enhance their corporate governance practices amid the new normal of geopolitical uncertainty and technological disruption.

Mr Chng Lay Chew, Divisional President, Singapore CPA Australia concluded the forum with a reminder to leaders and directors to build up their knowledge and flexibility and provide the moral compass to steer companies forward, in the drive to cement Singapore's reputation as a global financial centre.

SPEAKERS

"[We have to start] thinking of the market as a community first, and not just an ecosystem. Unlike an ecosystem, a community has a shared purpose and common goal. Members of the community rely on each other and are able to trust one another because they all have a stake in the community. And because Singapore is small, the impact of just one thing, one wrong-doing, one incident, can affect everyone. Just as a single event can affect an entire community…

First and foremost, we need to agree on our shared purpose and common goal, which is preserving the integrity of the market. It is in our collective interest that standards are kept high and everyone is doing what he or she is supposed to be doing. Within such a community, we can build a regulatory presence that goes beyond rules and regulators."

"It is impossible to legislate chapter and verse against every single permutation of conflicts of interest. But a sponsor can step in to ensure that a company considers not just the form but also the spirit behind the rules governing conflicts of interest. The other professionals advising the company can do the same.

The result of this shift in thinking from ecosystem to community enables the whole mindset to change. Instead of focusing on the transaction in front of us and haggling over the technical rules, we can take a step back and think about the precedent we are about to set, the signal we are going to send to the rest of the market and the long-term impact on our shared goal of a safe and trusted community."

Mr Tan Boon Gin
Chief Executive Officer, SGX RegCo

"Not only is change the new constant, but the confluence of globalisation and technological advancements has accelerated the pace of change. On the political and socio-economic front, uncertainties vis-à-vis Brexit, the ongoing trade friction between China, Europe and US, the rise of terrorism and greater polarisation of societies are threatening existing global rules. So then, how should companies navigate this VUCA (or volatile, uncertain, complex and ambiguous) world?

We believe that companies have to go beyond pragmatic tokenism and compromise to truly embrace the profound changes occurring around us. And good corporate governance provides the means and the framework to do that. Good governance should be the lodestar for these times, guiding us forward towards true north, and giving companies meaningful purpose."

Mr Adrian Chan
Vice-Chairman, Singapore Institute of Directors

"With disruption being the new normal, corporate governance has to evolve. Achieving a high level of corporate governance is especially important as the fast-changing business landscape brings many new and ongoing complexities for boards and senior management. Corporate governance is not a destination. It's an ongoing journey where all stakeholders have a part to play. This includes regulators, directors, management, investors, industry groups and professional bodies.

The continuing challenge is for boards and management to embrace the highest standards of governance to meet the increasing expectations of stakeholders – not just in letter but also in spirit. Leaders and, especially, directors of corporations need to have the strength knowledge and flexibility to provide the moral compass for companies to function and excel."

Mr Chng Lay Chew
Divisional President, Singapore, CPA Australia

PANEL DISCUSSION

L-R: Melvyn Yong, Rachel Eng, Leong Kok Ho, Goh Mui Hong, Andrew Rose, June Sim.

What the SGTI results mean for boards

"Beyond the Code, the onus also falls on the companies themselves to feel that corporate governance is a sufficiently important issue to pay attention to."

Mr Melvin Yong
Country Head, Singapore CPAA

"The thing that stood out for me [in the SGTI results] is the vast improvements in stakeholder engagement. In my capacity as member and sub-committee chairman of the Corporate Governance Council, we added a Principle to emphasise engagement of stakeholders and expanded some provisions of the Code too. I'm encouraged to see that even before the Code comes into full force, there is a marked improvement in stakeholder engagement."

Ms Rachel Eng
Managing Director, Eng and Co LLC

"With disclosure and transparency at 58 per cent, there is much room for improvement. As regulators, we focus on the low percentages. What stood out for me is the improvements in disclosure of internal controls and I am sure with the revised Code where we had codified the internal control requirement, we will see an increase in percentages in the near future with regard to disclosure and transparency."

Ms June Sim
Senior Vice President and Head, Listing Compliance, SGX RegCo

"While I am heartened by the all-time high score for SGTI 2019, we need to work much harder. Businesses are evolving rapidly and we need to work harder to improve the business processes, and improve the risk framework and stakeholder engagement."

Mr Leong Kok Ho
Chief Financial Officer, Tuan Sing Holdings Limited

"Given that many companies are listed with the goal to grow their businesses and tap the capital market, I think disclosure and having good corporate governance are very important and so I am surprised only 20 per cent of listed companies chose to disclose their Codes of Conduct. It is important to do so as investors would want to know how a company looks at things and how they are going to manage certain situations and the Code of Conduct is the closet proxy to how a company manages its businesses and culture."

Mrs Goh Mui Hong
Director, Global Investments Limited

"I am surprised at the wide variations in scores across different areas and companies. This reveals that companies do not really care about the result – perhaps they are slowly starting to care more. If the percentages do improve, it is clearly because companies are compelled to do so via regulations and not because it is in their interests to do so."

Prof Andrew Rose
Dean, NUS Business School, National University of Singapore

When the CEO and Chair are the same person

"I'm not sure if the alarming high numbers of companies where the Chairman is also the CEO is because we are looking at Asian companies. We should learn from the UK Corporate Governance Code, where an exception arises when the CEO is also the Chairman. Should that be the case, companies are expected to provide reasons and also state accordingly on their websites."

Ms June Sim

"It is important for the Chair to challenge the CEO's views especially on remuneration-related issues, and that may not be feasible to do so if they are the same person."

Ms Rachel Eng

"Even though the Chair is deemed non-independent, if he is not involved in the daily activities of the company and he has a wealth of business knowledge, he could still be effective."

Mr Leong Kok Ho

"For family firms that are listed, the founders or owners may feel it is their right to be the Chair and it may be difficult to change their mindsets but with the revised Code, the issue of CEO doubling up as Chair will change with time."

Mrs Goh Mui Hong

On sustainability reporting

"From the perspective of a mid-cap company, I observe that as management matures in this aspect, so do departmental heads who are more than eager to share their views on how to improve in this area."

Mr Leong Kok Ho

"To guide companies to write sustainability reports to better engage stakeholders, SGX has come up with an Investors' Guide as well as online training for companies."

Ms June Sim

"This is an important issue but clearly, companies have not felt the impetus to improve on this front until recently. The push from public policy is hence a move in the right direction."

Prof Andrew Rose

"There are presently more touch points for shareholders to engage the companies. For some companies, upon receiving the annual reports, their shareholders are able to pose questions for which they have to respond."

Mrs Goh Mui Hong

Stakeholder engagement

"What can we do to ensure that stakeholder engagement is not just about compliance but truly embracing the spirit of doing so?"

Mr Prem Prakash
CEO, Inventrik Pte Ltd

"Nowadays, shareholders are more educated and informed and ask more questions and sometimes, there isn't enough time to answer all their questions at the AGM."

Ms Rachel Eng

"We should not leave all discussions at the AGM. Companies should strive to disclose information as and when it is necessary to do so in the course of the financial year and engage stakeholders regularly instead of waiting for the AGM to do so."

Ms June Sim

KEY FINDINGS

Some of the key takeaways on the results of the 2019 SGTI are as follow.

- SGTI studied 624 companies that released FY 2018 annual reports by 31 May 2019. In addition to annual reports, website information, company announcements, media coverage and companies' investor relations responses were used in the assessment.
- 124 companies were excluded including newly listed companies without a full year's financial reports, secondary listings, companies that complied with another code of corporate governance, companies suspended from trading and companies that did not release annual reports for two years.

Trends

- Since 2011, there has been a steady upward trajectory, and the 2019 SGTI is at all-time high of 59.3 (see Table 1).
- The findings reveal a significant improvement in the disclosure figures, in the areas of health, safety and welfare policy; internal control and risk management; and internal audit head or name of firm if outsourced.
- Companies in the REIT and Business Trust category are also on a steady upward trajectory, with mean score of 78.6 in 2019 (see Table 2).

Areas for improvement

- The following areas for further improvements were noted:
  a) Only 39% had IDs as majority on boards when chairman is non-ID.
  b) One-third (32%) had more than one ID serving more than nine years.
  c) One-fifth (20%) disclosed code of ethics.
  d) Only 50% described company's anti-corruption programmes and procedures.
  e) Only 52% adopted whistleblowing policy with anonymous reporting.

- Forging ahead in light of the revised CG Code, companies should pivot their focus towards instituting the foundation of board structures in place, reviewing the pillar of IDs and enhancing the practices in business integrity.

Table 1: Mean Score Trend - General Category

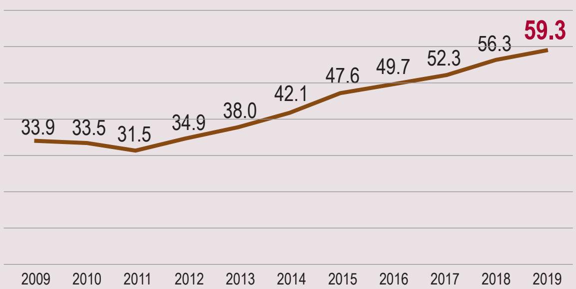
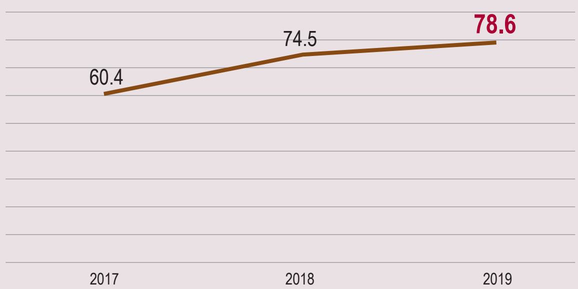
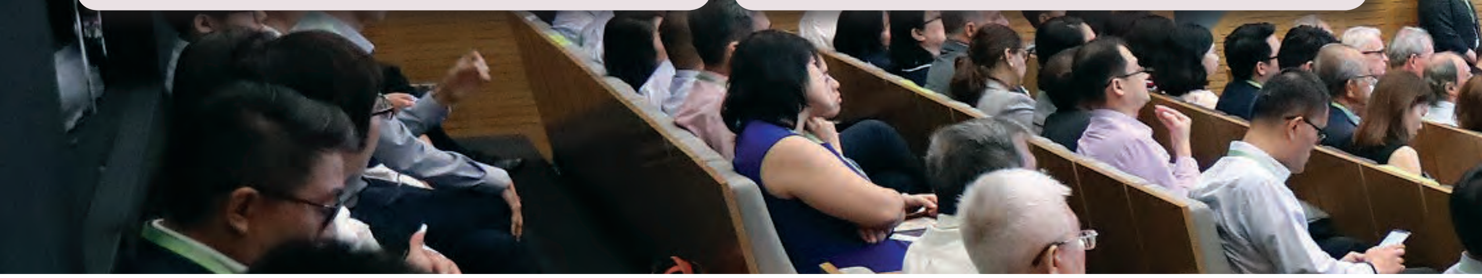


Table 2: Mean Score Trend - REITs & Business Trusts





AWARD WINNERS

Category: **REITs and Business Trusts**
Winner: **CapitaLand Commercial Trust**

Category: **Small-Cap** (market cap of less than $300 million)
Winner: **Global Investments Ltd**

Category: **Mid-Cap** (market cap of between $300 million and $1 billion)
Winner: **Tuan Sing Holdings Ltd**

Category: **General**
Winner: **Singapore Telecommunications Ltd** (1st)

DBS Group Holdings Ltd (2nd)

CapitaLand Ltd (3rd)

Singapore Exchange Ltd (4th)

City Developments Ltd (5th)

CapitaLand Ltd
Michelle Koh, General Counsel

DBS Group Holdings
Teoh Chia-Yin, Group Secretariat

Singapore Telecommunications Limited
Sin Yang Fong, Vice President, Group Investor Relations

Tuan Sing Holdings
Leong Kok Ho, Chief Financial Officer

Singapore Exchange Ltd
Chng Lay Chew, Chief Financial Officer

City Developments Ltd
Joanne Yeo, Vice President, Corporate Secretariat Dept

Global Investments Limited
Goh Mui Hong, Director

CapitaLand Commercial Trust
Ho Mei Peng, Head of Investor Relations

SGTI RANKINGS

Listed Companies

RANK 2018	RANK 2019	COMPANY NAME	OVERALL SGTI 2019 SCORE
1	1	SINGAPORE TELECOMMUNICATIONS	129
2	2	DBS GROUP HLDGS	125
3	3	CAPITALAND	122
3	4	SINGAPORE EXCHANGE	121
7	5	CITY DEVELOPMENTS	117
9	6	OVERSEA-CHINESE BANKING CORP	115
5	6	SATS	115
6	6	SEMBCORP INDUSTRIES	115
8	9	UNITED OVERSEAS BANK	111
9	10	SINGAPORE PRESS HLDGS	110
17	11	GLOBAL INVESTMENTS	106
12	11	TUAN SING HLDGS	106
13	13	DEL MONTE PACIFIC	104
17	14	COMFORTDELGRO CORP	103
13	15	OLAM INTERNATIONAL	102
21	15	YOMA STRATEGIC HLDGS	102
43	17	GUOCOLAND	101
23	17	MICRO-MECHANICS (HLDGS)	101
17	17	STARHUB	101
17	17	VICOM	101
43	21	KEPPEL CORP	100
15	21	PERENNIAL REAL ESTATE HLDGS	100
15	21	SINGAPORE TECHNOLOGIES ENGINEERING	100
25	24	GREAT EASTERN HLDGS	99
21	24	SINGAPORE AIRLINES	99
27	26	HONG LEONG ASIA	98
29	27	FRASERS PROPERTY	97
38	28	HONG LEONG FINANCE	96
26	29	SING INVESTMENTS & FINANCE	95
27	30	QIAN HU CORP	92
32	30	SIA ENGINEERING CO	92
32	32	SINGAPORE POST	91
30	32	WILMAR INTERNATIONAL	91
43	34	FRASER AND NEAVE	90
30	34	HAW PAR CORP	90
38	34	JAPAN FOODS HLDG	90
60	37	TEE LAND	89
67	38	MTQ CORP	88
60	38	SILVERLAKE AXIS	88
46	40	MIYOSHI	87
40	40	SBS TRANSIT	87
54	42	BAKER TECHNOLOGY	86
35	42	GEO ENERGY RESOURCES	86
57	42	JARDINE CYCLE & CARRIAGE	86
67	42	MDR	86
46	42	TEE INTERNATIONAL	86
67	42	UNITED OVERSEAS INSURANCE	86
34	48	BANYAN TREE HLDGS	85
46	48	CHINA AVIATION OIL (S) CORP	85
110	48	NERA TELECOMMUNICATIONS	85
46	51	ASL MARINE HLDGS	84
67	51	AXCELASIA INC	84
119	51	HEALTH MANAGEMENT INTERNATIONAL	84
NA	51	SLB DEVELOPMENT	84
67	55	AVI-TECH ELECTRONICS	83

RANK 2018	RANK 2019	COMPANY NAME	OVERALL SGTI 2019 SCORE
35	55	DYNAMIC COLOURS	83
46	55	FAR EAST ORCHARD	83
40	55	HO BEE LAND	83
67	55	LHN	83
67	55	SINGAPORE O&G	83
64	55	YEO HIAP SENG	83
54	62	FIRST RESOURCES	82
90	62	HONG FOK CORP	82
100	64	HL GLOBAL ENTERPRISES	81
78	64	IFAST CORP	81
119	64	JUMBO GROUP	81
NA	67	APAC REALTY	80
100	67	ASIA ENTERPRISES HLDG	80
64	67	CENTURION CORP	80
NA	67	CLEARBRIDGE HEALTH	80
150	67	HOTEL ROYAL	80
67	67	RIVERSTONE HLDGS	80
83	67	TAI SIN ELECTRIC	80
380	67	WING TAI HLDGS	80
119	75	AEM HLDGS	79
130	75	INNOTEK	79
83	75	INTRACO	79
46	75	SEMBCORP MARINE	79
141	79	COSMOSTEEL HLDGS	78
130	79	HALCYON AGRI CORP	78
100	81	ANCHUN INTERNATIONAL HLDGS	77
83	81	ECOWISE HLDGS	77
95	81	ES GROUP (HLDGS)	77
67	81	SOILBUILD CONSTRUCTION GROUP	77
46	81	THE TRENDLINES GROUP	77
60	81	VENTURE CORP	77
130	87	CHINA SUNSINE CHEMICAL HLDGS	76
67	87	FRENCKEN GROUP	76
57	87	HG METAL MANUFACTURING	76
46	87	INDOFOOD AGRI RESOURCES	76
95	87	ISOTEAM	76
NA	87	UNION GAS HLDGS	76
130	93	CHINA JINJIANG ENVIRONMENT HLDG CO	75
164	93	DELFI	75
83	93	GENTING SINGAPORE	75
57	93	GRAND BANKS YACHTS	75
54	93	KODA	75
78	93	MEGACHEM	75
NA	93	NAM CHEONG	75
119	93	SP CORP	75
78	101	ASTAKA HLDGS	74
208	101	AVIC INTERNATIONAL MARITIME HLDGS	74
110	101	CSE GLOBAL	74
83	101	FU YU CORP	74
110	101	ISEC HEALTHCARE	74
150	101	OKP HLDGS	74
208	101	SECOND CHANCE PROPERTIES	74
169	101	TIONG SENG HLDGS	74
64	101	UOL GROUP	74
150	110	AF GLOBAL	73

Notes:

[1] Abbreviations: CO - COMPANY; CORP - CORPORATION; HLDG - HOLDING; HLDGS - HOLDINGS; PTE - PRIVATE; S - SINGAPORE.

[2] SGTI 2019 assessed companies based on their annual reports for Financial Year 2018 released by 31st May 2019. Exception was made for 20 companies which did not have their Annual Report published, in this case, these companies are assessed based on their annual report for Financial Year 2017.

[3] A total of 123 entities listed at SGX were excluded from the SGTI 2019 ranking. They are: 1) Newly-listed companies that do not have a full year's financial report (14 Cos.); 2) Companies that are listed as secondary listing on SGX (30 Cos.); 3) Funds (8 Funds); 4) Companies that are suspended from trading (60 Cos.); 5) Companies which did not released their annual reports for the past 2 years (1 Co.); and 6) Companies which were delisted between 1st Jan 2019 to 31st May 2019 (10 Cos.).

REITs and Business Trusts

RANKING 2018	RANKING 2019	TRUST NAME	OVERALL SGTI 2019 SCORE
2	1	CAPITALAND COMMERCIAL TRUST	100.5
1	2	CAPITALAND MALL TRUST	99.5
3	3	ASCOTT RESIDENCE TRUST	98.0
9	4	CAPITALAND RETAIL CHINA TRUST	96.2
12	5	FRASERS COMMERCIAL TRUST	91.9
35	6	FAR EAST HOSPITALITY TRUST	90.4
10	7	BHG RETAIL REIT	89.5
5	8	ASCENDAS REAL ESTATE INV TRUST	88.4
5	9	KEPPEL DC REIT	87.3
5	10	CDL HOSPITALITY TRUSTS	86.9
17	11	FRASERS LOGISTICS & IND TRUST	86.5
15	12	MAPLETREE LOGISTICS TRUST	85.9
22	13	MAPLETREE NORTH ASIA COMM TRUST	85.8
4	14	KEPPEL REIT	84.8
20	15	FRASERS HOSPITALITY TRUST	84.5
23	15	MAPLETREE INDUSTRIAL TRUST	84.5
8	17	STARHILL GLOBAL REIT	84.0
15	18	FRASERS CENTREPOINT TRUST	83.6
13	19	SPH REIT	83.5
21	20	OUE HOSPITALITY TRUST	83.1
24	21	AIMS APAC REIT	82.9
14	22	MAPLETREE COMMERCIAL TRUST	82.0
11	23	IREIT GLOBAL	81.6
18	24	ESR-REIT	81.4
36	25	SUNTEC REAL ESTATE INV TRUST	80.3
30	26	CACHE LOGISTICS TRUST	79.8
32	27	ACCORDIA GOLF TRUST	77.7
29	28	ASCENDAS HOSPITALITY TRUST	77.4
25	29	ASCENDAS INDIA TRUST	77.2
NA	30	DASIN RETAIL TRUST	77.0
18	31	KEPPEL INFRA TRUST WEF 2015	76.6
26	31	PARKWAYLIFE REIT	76.6
38	33	MANULIFE US REIT	74.7
NA	34	NETLINK NBN TRUST	73.3
NA	35	KEPPEL-KBS US REIT	72.3
NA	36	CROMWELL EUROPEAN REIT	71.3
31	37	OUE COMMERCIAL REIT	70.8
33	38	LIPPO MALLS INDO RETAIL TRUST	70.3
33	39	EC WORLD REIT	68.8
27	40	SOILBUILD BUSINESS SPACE REIT	64.5
39	41	FIRST REAL ESTATE INV TRUST	64.3
37	42	ASIAN PAY TELEVISION TRUST	63.2
40	43	HUTCHISON PORT HOLDINGS TRUST	60.1
42	44	FIRST SHIP LEASE TRUST	48.0
NA	45	SASSEUR REIT	45.2
43	46	SABANA SHARI'AH COMPLIANT REIT	44.5

*Base is the addition of SGTI Base Score and Trust-Specific Score

Notes:
[1] Abbreviation: REIT - Real Estate Investment Trust
[2] SGTI 2019 assessed trusts based on their annual reports for Financial Year 2018 released by 31st May 2019. However, 1 cash trust was excluded.

SID Directors Conference 2019

Transformation: When Extraordinary Becomes Ordinary

SID capped a year of change and corporate governance initiatives with its 10th Directors Conference on 11 September 2019. The flagship annual event, which attracted well over 800 participants, was held at the Suntec Singapore Convention & Exhibition Centre.

The theme of the conference was "Transformation: from Ordinary to Extraordinary". More than 30 business change and transformation speakers shared their views on transformational leadership and the future of work in one of the largest gatherings of corporate leaders in Singapore.

The Conference was supported by the Accounting and Corporate Regulatory Authority, Enterprise Singapore, Singapore Accountancy Commission and Singapore Exchange Limited.

Innovative leadership amid change

Mr Tham Sai Choy, Chairman, SID, delivered the welcome address, and urged participants to consider how innovation and creativity have transformed not just companies but business and society. Extraordinary companies – the likes of Microsoft, Apple, Amazon, Alphabet and Facebook – have now become Ordinary, a part of our lives.

Mr Ong Ye Kung, Minister for Education, the guest of honour, delivered the opening address. Highlighting the importance of governance and trust in a changing world, he said good governance is about inclusive growth, achieving the right balance between short-term benefits and long-term goals.

Perspectives from the field

Professor Chan Kim, the BCG Chair Professor of INSEAD Business School, and the first plenary speaker, made the case for nondisruptive creation. He explored how companies can expand their strategic thinking to go beyond competitive growth as an alternative path to innovation without disruption.

Mr Chris Wei, Chairman of Aviva Asia, gave his take on how corporate transformation can occur from within, from his vantage point as head of a global company with more than 300 years of history.

Mr Charles Ormiston, Partner of Bain & Company, followed with a lively presentation, discussing the types of transformation that corporates go through. Expanding on the topics of innovation, customer intimacy, operational excellence and board leadership, he highlighted how companies can reinvent and adapt to changes around them.

The three speakers were then joined by industry practitioners, Ms Jocelyn Chng, CEO of JR Group and Mr David Low, CEO of Futuristic Store Fixtures, who shared their own personal stories on steering their organisations through transformational growth. Mr Ormiston moderated the panel discussion and took questions from the floor and via the live Conference application provided by Boardroom Limited.

Transforming lives

Lunch was served concurrently with a brief presentation by mediatech sponsor Unity, and an address on “Goodbye Digital, Hello Fusion Era” by Mr Charlie Ang, Founding President of Innovators Institute and Ambassador of SingularityU Singapore. Bain, Diligent, Heidrick and Struggles and Enterprise Singapore each hosted a separate, private luncheon.

The breakout tracks in the afternoon featured corporate leaders in the various industries and deep-dived into various dimensions of transformation: NCS in the Technology track; Google Cloud and SAI Global, with KPMG and PwC, in the Strategy track; and Huawei International in the Connectivity track. Exhibits to showcase the work of the organisations were featured at the breakout tracks.

The SID campaign on Transforming Lives also featured three local charities: Assisi Hospice, Handicaps Welfare Association and Methodist Welfare Services. Conference participants were encouraged to pledge the value of the SID Conference door gift to the charity of their choice from among the three organisations.

Welcome and GOH

"… Good governance is about achieving a wise balance. It applies to companies, and also to countries. It is not about Left versus Right, Capitalism versus Socialism, shareholders vs stakeholders, and so on. Instead, we must recognise both sides – this is not a fight of good and evil or right and wrong – but both sides have their strengths and virtues. We need a combination of both, a good balance, to help us run good companies and live together as healthy and cohesive societies."

"A well-run company is one that is able to engage stakeholders. In this process, stakeholders may have to trade-off and consider how to balance short-term benefits and long-term goals. Such discussions are only possible when the relationship amongst stakeholders is governed by trust, and a strong spirit of working together for the common good."

"In Singapore, we have institutionalised the concept of stakeholder engagement in our fairly unique model of Tripartism, where unions, employers and the Government work together to enlarge our economic pie, and then share it fairly. If you are focused on just dividing the pie all the time, before you know it, the pie disappears. When times are bad, and due to external forces, the pie is shrinking, the leaders of companies take the lead to tighten their belts, and then we save jobs by cutting costs, rather than cutting jobs to save costs."

"There are no short cuts to good governance, only a ceaseless – I would say, extraordinary – journey, to bring all stakeholders together, earn their trust, and work with them to build a brighter future, for company or for country."

Mr Ong Ye Kung
Minister for Education

"… Ordinary companies blindly following the footsteps of Extraordinary companies will not find themselves on an automatic path to success… When these Extraordinary companies become ordinary, it is the last call for … ordinary companies to create their own Blue Oceans of opportunities. This is not about blindly following someone else's strategy but about identifying new customer needs, that are within one's own strengths to deliver, and with that create new markets they can dominate."

"Risk used to be about doing something new, about departing from the tried and tested. Businesses are now realising that risk is just as much about doing something old and still doing it. As our companies look at the need to massively transform their business just to defend what has always been theirs, it is instructive for us as board members to consider at this conference what this means for the board agenda."

"Even as we absorb the lessons from this tidal wave of technology disruption, the news headlines every day remind us of the next tidal wave that is coming – from geopolitical developments on the two sides of the Pacific Ocean. What started as a trade war has grown into a full-scale strategic competition between two superpowers, again with the potential to have implications for billions of people everywhere around the world. Again, the tidal wave of change poses risk and brings opportunities, and again it challenges the boards of our companies to transform our companies systematically to be agile and remain relevant ahead of the wave of disruption."

Mr Tham Sai Choy
Chairman, SID

Plenary Speakers

"Business and society must be on the same platform, and not pitched against each other. Business growth is not a zero-sum game. It is not about competing with and beating your rivals… To be the best in the existing market space is not good enough. You need to create new markets… More importantly, while disruption may be what everyone focuses on today, you don't have to disrupt and displace others to create. Nondisruptive innovation where innovation happens without disruption offers a way to achieve growth for both business and society."

Professor Chan Kim
The BCG Chair Professor, INSEAD Business School

"For successful business transformation, you need clarity of focus on your goals and the conviction to carry your plans through. I would like to think that at Aviva, we have transformed the insurance experience, once akin to that of a visit to the doctor, to a pleasant and seamless one. The key is to make the complex simple. In that, we look to data science and analytics to be able to speak the same language as the customer... We find that companies that do the right thing do much better in profits and returns."

Mr Chris Wei
Chairman, Aviva Asia and Aviva Digital

"There used to be a tradeoff between being low cost or highly differentiated. Now, you have to be both…

Great companies have great practices. All companies need to have the capability to innovate, and customers are almost always the best source of ideas for both incremental and breakthrough innovation… They know from first-hand experience the needs that are unmet by companies – either you act upon them and meet their needs, or your competitors do. Those companies with high customer intimacy and innovative mindsets, which are able to leverage scale with operational excellence, I call them the 'Godzilla competitors'."

Mr Charles Ormiston
Partner, Bain & Company

Plenary Panel

L-R: Chan Kim, Chris Wei, David Low, Jocelyn Chng, Charles Ormiston.

On where ideas and change initiatives come from

"You can't simply impose transformation on people. People have got to want to change and transform. There has to be a mindset change."

Mr Charles Ormiston

"You start by listening to every customer, you learn through the pain points. The team has to have a vision, and the leadership needs to keep everyone on board to realise that vision. It is a long journey."

Ms Jocelyn Chng
CEO, JR Holdings

"Changes are triggered from within. The cornerstones of our success are three focal points, i.e. consistent quality that builds trust, timely delivery that builds reliability; and right price point that builds our reputation as a company of integrity."

Mr David Low
CEO, Futuristic Store Fixtures

"Sometimes, inspiration can come from the most unlikely sources. In the 2017 National Day rally speech, when PM Lee Hsien Loong noted that diabetes was one of the three key long-term issues for Singapore, we worked on enhancing our insurance coverage with regard to that."

Mr Chris Wei

"Companies must take a holistic approach, to look for opportunities in new markets. Existing customers and more importantly noncustomers, those that do not use your industry's offering, are all part of the ecosystem. To create new demand, you need to solve existing pain points and/or address new needs that previously did not exist."

Prof Chan Kim

On the role of the board in pushing innovation

"What is the role of the board in pushing innovation? How can boards keep up with rapid changes in the corporate world?"

Mr Charles Ormiston

"The starting point and end point should always be customers. Boards focus too much on the bottom line. There is no strategy to point companies in the future direction they should be going, which is what boards ought to do."

Prof Chan Kim

"The board chair plays a critical role in getting the right talent. Boards also need to be aware of how much funding the company has for investment in order to make the right decisions."

Mr Chris Wei

"Boards have to manage expectations, in particular the need to strike a balance between short-term initiatives and long-term goals."

Mr David Low

"Boards play an important role in asking the right questions, and in the process, provide greater clarity of the way forward. They give diverse views, pointing out loopholes and challenges, and help management strike a balance and keep focused."

Ms Jocelyn Chng

On getting the right talent on board

"With the focus on people, everyone has to be fully energised and engaged, for the company to succeed. How do you attract, train, retain and motivate the right talent for a digital economy?"

Mr Charles Ormiston

"It is sometimes a difficult thing to get directors who are experienced and comfortable with digital platforms, as well as possess the domain knowledge. There are too many digital platforms and it is a rapidly evolving area. It is a constant learning process. If nothing else, we could keep learning from our children and our grandchildren."

Mr Chris Wei

"Transformation is about being proactive, not reactive. To take the common example of the bad apple that spoils the entire batch of apples, you must have a leadership that is not afraid to step in and get rid of the bad apple, even if that person has many strong points. This is so that the good apples are not affected."

Prof Chan Kim

"We conduct a needs analysis and actively seek young talent that we assess can help us achieve our goals. Apart from identifying the right talent, there is also a need of mindset change among all in the company, be it management or board, to learn to let go of their pre-conceived notions of millennials."

Ms Jocelyn Chng

Breakout 1: Technology

L-R: Thierry Jakircevic, Quek Choon Yang, Steve Lee, Ng Kuo Pin, Poh Mui Hoon.

The breakout track on Technology saw speakers from diverse industries, such as information technology, aviation, manufacturing and tourism, sharing insights on how their companies embarked on the digital transformation journey, with the twin objectives to enhance returns and performance, as well as to optimise customer experience. There was general consensus that a mindset change among staff and continuous iteration of the processes were integral elements.

Embracing the NEXT wave of digital: Purpose-driven transformation

"It is important that we remember that 'Digital' is but a means to realise the objectives of 'Transformation', which is almost always a journey to be navigated. We believe that companies who want to be successful in their digital transformation must start with clarity on their WHY ("purpose") of transformation, as this allows them to navigate their digital journey with a confident sense of where they are; where they want to go; and the pace and direction they are heading towards."

Mr Ng Kuo Pin
CEO, NCS

Building Smart airport capabilities: Creating a truly data-driven organisation

"Innovation is hard work. I think it is 5% inspiration and 95% perspiration; but with a 100% focus on the customer. In this journey of innovation, we do not just focus on the head (through mindset change), but also on the hands (through new ways of working), and most importantly on the heart of everyone involved!"

Mr Steve Lee
Chief Information Officer and Group Senior Vice President Technology, Changi Airport Group

Putting IoT and digital at the core: Optimising operations

"Successful digital transformation coalesces around three focal points: people, processes and solutions. For people, we believe in building trust among all, approaching change management with transparency and consistency; and training a pool of digitally literate workforce. Our strategy for processes is to involve all departments in this journey such as HR and finance. All these will lead to sustainable and successful solutions."

Mr Thierry Jakircevic
General Manager, Digital Solution Centre, Bridgestone Corporation

Transforming tourism experiences and business

"Key milestones in our transformation journey included setting up a technology transformation group, establishing structures to support the digital strategies that we introduced and ultimately bringing them to the industry and consumers. The journey is an ongoing one and we continuously strive to enhance our processes."

Mr Quek Choon Yang
Chief Technology Officer, Technology Transformation Group, Singapore Tourism Board

Panel discussion: What's NEXT in digital transformation?

"It is important to have a clear outline of a long-term plan and obtain board's buy-in."

Ms Poh Mui Hoon
Council Member, SID and Track Facilitator

Breakout 2: Strategy

L-R: Oliver Broich, Francis Wan, Mark Bookatz.

The track was facilitated by Mr Robert Chew, Council Member, SID. Mr Andrew Bissett, APAC Head of Advisory for SAI Global kicked off with an overview of the linkages between business strategy, environmental risk drivers and the need for integrated risk management. He explained the need to apply the principles of good management. Among them: clearly defined strategy, understanding the organisational culture, embedding risk management within existing processes and the business operating model, and leveraging technology and data so that the right information is available to the right people to assist in making better risk-based decisions.

The presentation was followed by a panel discussion led by Mr Mark Bookatz, Senior Vice President, SAI Global, together with Mr Oliver Broich, Senior Director APAC, SAI Global, and Mr Francis Wan, Partner, Risk Assurance, PwC.

Google Cloud and KPMG gave a joint presentation on how a customer centric focus helps leading companies build long-term customer relationships and strategic alignment. Participants gained insights into customer driven trends with Google's latest technology and KPMG's Customer Experience Excellence survey.

Aligning strategy and risk management

“Risk is inherent in everything that we do. For us to be effective we must understand the risk that will cause us to be not successful. Risk can be positive or negative so understanding the risk event is important.”

Mr Andrew Bissett
Head of Advisory APAC, SAI Global

Supercharge your marketing with Cloud

“Start with a simple, high value use case, with a few data sources; get initial learnings and insights quickly and then iterate and expand with more data sources and advanced use cases.”

Mr Mohamad Sukkar
JAPAC Strategy Lead, Cloud for Marketing, Google Cloud

Panel discussion: Digitalising risk management

“The question now is not ‘Do I have the data’ but ‘Where is the data sitting, and how do I get the right risk data’. Management and boards of directors should consider how each alternative strategy maps to the organisation's risk appetite, and how each alternative will drive the organisation to set business objectives, allocate resources, and develop coherent, distinctive capabilities.”

Mr Francis Wan
Partner, Risk Assurance, PwC

Transforming your customer experience

“Today's customers are better informed, better connected and more demanding than ever before. Many organisations are investing record amounts on customer related initiatives. High-performing organisations recognise they need to get connected.”

Mr Guillaume Sachet
Partner, Management Consulting, KPMG

Breakout 3: Connectivity

The breakout track on "Connectivity: Business without Borders" saw speakers from a range of industries, including telecommunications and digital marketplace, share insights on how their companies have harnessed digital technologies to connect global markets across borders and tap on a mobile workforce through real-time digital communications. Speakers discussed connectivity in terms of the infrastructure network, market development, customer relationships, talent acquisition and development, and financial capital. The track was facilitated by Mr Howie Lau, Council member, SID.

L-R: Howie Lau, Brandon Wu, Sim Jian Min, Tan Yen Yen, Nicholas Ma, New Soon Tee, Javier Gonzalez.

Connectivity

"Intelligence originated from connectivity, and connectivity drives human civilisation. Over the years, information and communication technologies have promoted the internet evolution from consumer to industry. Connectivity brings more possibilities through collaborations and networks."

Mr Nicholas Ma
CEO, Huawei International

The future of connected things

"We will see an explosion in the number of connected devices and our everyday lives will be transformed. In just 20 years, the number of things connected to the internet is projected to jump from just 500 million in 2000 to 50 billion in 2020. And the future of connected things will affect almost every part of our lives."

Ms Tan Yen Yen
President, Vodafone Business Asia Pacific

Unlock transformation challenges in an agile business landscape

"Connection is the key first step in linking teams, devices, knowledge and businesses, for a more people-centric experience. In connecting online and offline resources for multichannel access, information and knowledge can be pushed out to power scenario-driven and fast business connections."

Mr Brandon Wu
CTO, Huawei Enterprise Group, Southern Pacific Region

Frontier technologies: The era of new technologies and innovations

"The amount of data processed by servers is equivalent to uploading the English Wikipedia every 90 seconds… With the amount of data being processed and managed, the ability to predict outcomes through artificial intelligence in a range of industries opens up huge new possibilities."

Mr Javier Gonzalez
Head of Telecoms Asia, Oliver Wyman

Digital enabled trade

"Trusted digital document exchange can help to reduce non-tariff related trade barriers, and improve supply chain efficiency and cost. TradeTrust is a set of governance and legal frameworks, standards and future-ready infrastructure, that can enhance international trade connectivity, underpinned by the principles of openness, interoperability and multilateralism."

Mr New Soon Tee
Cluster Director, Trade and Connectivity, Infocomm Media Development Authority

Transform your businesses into B2B marketplaces

"It used to be a world where tech companies which have less resources utilise technology to achieve a fairer playing field against traditional businesses. In today's world, not only do tech companies have the tech know-how, they also have more resources than in the past and are slowly moving to traditional businesses and achieving an unfair advantage. We need to bring fairness back."

Mr Sim Jian Min
CEO, SourceSage

Networking and Lunch

“We are presently experiencing the 4th Industrial Revolution. It is characterised by a fusion of technologies that is blurring the lines between the physical, digital, and biological sphere. Also known as the Fusion Era, it constitutes hybrid experience amid an autonomous environment and distributed economy.

When compared with previous industrial revolutions, the Fourth is evolving at an exponential rather than a linear pace. Moreover, it is disrupting almost every industry in every country. And the breadth and depth of these changes herald the transformation of entire systems of production, management, and governance.”

Mr Charlie Ang
Founding President, The Innovators Institute & Ambassador, SingularityU Singapore

“For the last several years, SID has given all Conference delegates a gift: a pen, a wallet, a plant…. This year, we want to give you something much more transformative than a pen; we want to give you the wonderful feeling that comes from contributing to a worthwhile cause.

And so, we invite you to direct the budget that SID has traditionally allocated to gifts, to the fine charities we’ve decided to support this year. One provides palliative care, the Assisi Hospice; one is an organisation of the disabled, the Handicaps Welfare Association, and one focuses on alleviation of poverty, the Methodist Welfare Services.”

Mr Philip Forrest
Council Member, SID and Emcee

Lunch.

Unity motion capture demonstration.

Perfume bar.

Methodist Welfare Services.

Assisi Hospice.

Handicaps Welfare Association.

Networking.

Learning the SGOOD Way

By **THERESA GOH**

Nonprofit organisations play an increasingly important role in the social and economic well-being of Singapore. They provide goods and services to meet community needs. Stakeholders, including professional bodies, government agencies, donors, volunteers and beneficiaries have to come together to uplift and uphold governance standards in the non-commercial space.

In Singapore, there are over 12,000 nonprofit organisations (NPOs), of which over 2,200 are registered charities.

Some are businesses, some are enablers while others offer direct services. Most, if not all, pursue a purposeful cause in health, education, social welfare, community advancement, arts, sports, environmental protection, animal welfare, and others.

These NPOS take the form of societies, social enterprises, charitable organisations, statutory boards, co-operatives and trusts. They are governed by different institutions, depending on their legal incorporated status. Those that are charities additionally come under the Charities Act under the purview of the Commissioner of Charities (CoC) and its sector administrators.

NPOs are increasingly required to become more effective, taking into account the perspectives of multiple key stakeholders, such as government, beneficiaries, community partners, private donors, board members, management, volunteers, and staff. Learning and development are necessary to equip directors with the capabilities and skills to govern the complex landscape well, over and above compliance with the law.

EXPANDING HORIZONS

As the national association of directors, SID has been supporting governance in the nonprofit space with its "So, you want to be a non-profit director" and the seven-module "NonProfit Director" programme organised jointly with Social Service Institute (SSI), Centre for Non-Profit Leadership (CNPL) and the Charity Council.

Focus on charities

A year ago, SID decided to expand its programmes in the nonprofit sector, starting with the charities.

The over 2,200 charities in Singapore collected a total of S$2.65 billion in donations in 2017. The CoC has tightened the rules on fundraising as well as equipped the office with more powers to deal with delinquent charities.

Taking a collaborative approach, SID worked closely with the CoC, CNPL, SSI and Singapore University of Social Sciences to map out directors' needs and reduce duplication in service offerings to directors.

In April 2019, SID launched an inaugural NPO Forum, "In Conversation with CoC: Board Culture, Ethics and Governance" (see "NonProfit Organisation Forum" on pages 68 to 73, in the Q3 2019 issue of the *SID Directors Bulletin*).

Participants who attended the Forum were polled on their perspectives and perceived gaps in directors' learning and development needs. The theme is "Leading with Purpose and Presence" and covers four main aspects of good governance: board composition and structure, board duties and responsibilities, leadership culture and dynamics, and board impact on organisational performance.

Singapore Governance for Outstanding Organisation Directors - Curriculum Framework

1 Essentials of NonProfit Board Leadership

Board Dynamics	Board and Management Dynamics	Talent and Volunteer Management	Strategy and Board Performance	Financial Management and Accountability	Fundraising, Outreach and Advocacy
2	3	4	5	6	7

8 Social Trends

In May 2019, SID launched the Singapore Governance for Outstanding Organisation Directors (SGOOD) programme to cater to the developmental needs of charities. This replaces the "NonProfit Director" programme.

SGOOD comprises eight modules that cater to the needs of existing and new directors. It covers topics such as the charity landscape, board dynamics, board-management dynamics, talent and volunteer management, strategy and board performance, financial management and accountability, fundraising outreach & advocacy and social trends. We are into our fourth module of the first run and it is heartening to see many new directors turning up, asking the difficult questions and earnestly wanting to apply the learnings in practice.

New SID NPO advanced modules target new and experienced directors and focus on enterprise risk management, digitisation and innovation, cyber security, and branding and advocacy. There are three basic modules catering to aspiring and new directors and they cover Director Fundamentals, Director Financials and Director Compliance.

All modules are anchored by experts with nonprofit experience and include the teaching of concepts, applications through case studies and panel discussions for holistic coverage. At the end of each stage in basic, essential, and advanced training, a group conversation facilitated by SID will allow for shared and cross-learning.

By year-end, the results of the SID survey of nonprofit directors, together with feedback from participants of the SGOOD for Charities programme, will be collated and evaluated. This will help track outcomes and needs of nonprofit boards to make an informed decision for improvements and complementary programmes.

To further enhance experiential and continuous learning for charities, SID will create networking opportunities for commercial organisations interested in incorporating stewardship philosophies into wealth creation, with directors of small charities so that they can do good together. Other forms of shared learning such as conversations around hot topics and conversations with Chairs are in the progress of being conceived.

Beyond charities

Further down the road, SID plans to launch another SGOOD series for nonprofits that are not charities. We will continue our collaborative approach with umbrella bodies and governing institutions to reinforce the need for directors' professional education.

Over and above what we offer to charities, we may offer MasterClasses and hot topics for nonprofits, including charities, similar to the course of programmes provided for the corporate sector. This could also include a conference on effective nonprofit board leadership. Watch this space for exciting new developments in the nonprofit sector. ■

Spotlight on NonProfits

Following the launch of the Singapore Governance for Outstanding Organisation Directors (SGOOD) programme in May, the subsequent modules on board dynamics, the board-management relationship, and talent and volunteer management were rolled out to a warm reception on 12 June, 17 July and 14 August 2019, respectively. A repeat run of SGOOD3 was held on 20 August.

Between 25 and 30 participants from the social services sector attended each of the sessions. The series of courses is targeted at board directors of nonprofit organisations and those supporting them.

Presenters include Mr Kitson Leonard Lee, Head of the Centre for Non-Profit Leadership, Dr Fermin Diez, Deputy CEO, National Council of Social Service and Ms Theresa Goh, Chairman of SATA CommHealth and member of the governing council of SID.

Each session featured a case study presentation and discussion on scenarios based around a specific theme. Representatives from TOUCH Community Services, Rainbow Centre, Association for Persons with Special Needs, Association of Muslim Professionals, Boys' Town Singapore, and SQI International, were invited to take questions from the floor, as part of a panel discussion.

Course participants were encouraged to raise issues of concern during the panel discussion at the close of each session. They sought clarification on the role of the nomination committee and the process of succession planning, the differences between a board committee and management committee, the relationship between the board chair and directors, and the dynamics between the board and management.

During the group discussions, it was generally agreed that board diversity, open communication, transparency and accountability are key traits of an effective board, whether in a commercial or nonprofit organisation. ■

(L-R): Kelvin Phua (SATA CommHealth), Francis Yeoh (NUS), Theresa Goh (SATA CommHealth), Keith Goh (Make a Wish Foundation).

(L-R): Kitson Leonard Lee (CNPL), Mohd Heikal Bin Mohd Yusope (SQI International), Abdul Hamid Abdullah (AMP), Roland Yeow (Boys' Town Singapore).

(L-R): Robert Chew (ex-TOUCH Community Services), James Tan (TOUCH Community Services), Evangeline Chua (Rainbow Centre), Fermin Diez (NCSS).

(L-R): Mohd Heikal Bin Mohd Yusope (SQI International), Kitson Leonard Lee (CNPL), Abdul Hamid Abdullah (AMP), Christopher Tay (APSN).

"Clarity of roles and responsibility of chairman and board is very important. Discuss, debate on it, and put it in writing."

Mr Abdul Hamid Abdullah, Immediate Past Chairman and Board Member, Association of Muslim Professionals

"Keep the dialogue going. Once the dialogue stops, everything else stops."

Mr Christopher Tay, CEO, Association for Persons with Special Needs

"Innovation is about how we do better what we do."

Dr Fermin Diez, Deputy CEO, National Council of Social Service

AC Pit-Stops

Financial Reporting Fraud in China

More than 120 participants attended the AC Pit Stop on "Financial Reporting Fraud in China" held in collaboration with the Singapore Exchange Regulation (SGXRegCo) at the SGX Auditorium on 13 June 2019.

Questionable financial practices in companies operating in China have resulted in a growing trend in pervasive and sophisticated financial reporting fraud. Mr Mark Bowra, Partner and Head of Forensic of KPMG China and Hong Kong, attributed this to added pressure on firms to meet their financial goals while facing the prospect of an economic slowdown

Highlighting common "red flags" that warrant further investigation, Mr Kevin Jin, Partner of KPMG Forensic, Shanghai, China, used two case studies involving a global appliance manufacturing company and a retail company listed in Hong Kong.

In the panel discussion that followed, Ms June Sim, Senior Vice President and Head of Listing

Compliance at SGX RegCo, Mr Mark Liew, CEO and Executive Director of PrimePartners Corporate Finance and Mr Aaron Lee, Partner of Allen & Gledhill LLP joined the speakers on stage to take questions from the floor. The panel was moderated by Mr Lem Chin Kok, KPMG Head of Risk Consulting and Forensic at KPMG Asia Pacific.

Participants wanted to know more about the processes and practices of special audits, as well as the pitfalls and challenges met by regulatory authorities in investigating frauds in China. ■

The New Insolvency Regime

The Insolvency, Restructuring and Dissolution Act 2018 was passed by the Singapore Parliament on 1 October 2018. Mr Jonathan Tang, Associate at Morgan Lewis Stamford LLC, shed more light on the material changes to Singapore's insolvency regime under the new Act.

The Act clarifies the licensing and regulatory regime for insolvency practitioners, and sets out specific voidable transactions in corporate insolvency. Out-of-court appointment of judicial managers are provided for, as well as restrictions on *ipso facto* clauses. Finally, a new "wrongful trading" provision has been added.

Close to 30 participants attended the session at Ocean Financial Centre on 26 June 2019. The sharing session was well received. ■

Chairman's Conversation

Transformation Lessons for Board Chairs

AT Kearney hosted 15 Board Chairmen on the topic of "Transformation Lessons for Singapore Companies". The lunchtime session was held on 27 June 2019 at The Ritz-Carlton, Millenia Singapore.

Mr Alex Liu, Chairman and Managing Partner, AT Kearney, gave an overview of the key challenges facing companies, vis-à-vis the geopolitical tension between US and China and technological disruption.

Drawing successful references from Asian companies, he crystallised fundamental lessons for companies to navigate the fractured world order. Single, integrated transformations perform three times better than serial, decentralised ones, he noted. Outlining milestones of the transformation journey and what boards should achieve at

each stage, Mr Liu touched on governance, buy-in, execution, enhancement, embedding new capabilities and evaluation reviews.

The Board Chairs engaged in a robust discussion on other factors influencing transformation, such as engaging millennials and middle management, and restructuring the education system. It was an insightful session for all. ■

Best NEDs for High Performing Boards

Heidrick & Struggles hosted 15 Chairmen of Nominating Committees (NCs) on the topic of "How to Nominate the Best Independent Non-Executive Directors to Create a High-Performing Board of Directors". The lunchtime session took place on 4 July 2019 at Shangri-La Hotel, Singapore.

Mr Alain Deniau, Managing Partner, Heidrick & Struggles, underscored the need for NCs to ensure the optimal board composition, including having sufficient independent directors. Mr Deniau underlined that diversity in educational background and experience are instrumental in building up a world class board. Other aspects of diversity, such as gender, tenure, business model impact, and nationality, are also vital to boards with plans for internationalisation.

Diversity being the key driver to steer long-term growth, the ensuing robust discussion saw NC Chairs reaching a consensus that board diversity should be meaningful and tailored according to each company's specific needs. Similarly, diversity is equally crucial to make for a competent management team. ■

Chairman's Conversation

Trends in Executive Remuneration

On 21 August 2019, Mercer hosted 22 Chairmen of Remuneration Committees (RCs) to discuss the topic "Executive Rewards: Trends and Effectiveness" at Marina Mandarin Singapore.

Mr Nishant Mahajan, Head of Executive Remuneration (Singapore) and Frontier Markets Leader, Mercer, presented. Offering an overview of local director fee trends, he noted that specific disclosure is on the decline. The RC Chairs concurred that apart from responsibilities, other factors such as time spent and skillsets should also be considered in determining director fees.

Highlighting local trends in executive remuneration, Mr Mahajan advised that the fixed component should reflect a company's complexity, the executive's experience and role requirements. He also shared global trends in executive remuneration, including the emergence of alternative remuneration structures in the form of restricted share and bonus deferral plans.

The session concluded with a discussion on how RCs could work effectively in boards of family firms to optimise their business performance. ■

INDUSTRY NEWS

ASEAN Scorecard Briefing

The SGX Auditorium was filled to capacity on 21 June 2019, with over 150 senior corporate leaders turning up to get an update on the structure and evaluation methodology of the benchmark ASEAN Corporate Governance Scorecard. The event was jointly organised by SID and the Centre for Governance, Institutions and Organisations, NUS Business School.

Ms Phua Wee Ling, Director and Head of Department, Markets Policy and Infrastructure, MAS, welcomed the participants and highlighted the positive correlation between good corporate governance and profitability and long-term growth of companies.

SID and NUS CGIO are jointly appointed by MAS as the domestic ranking body for the Singapore results of the Scorecard. Mr John Lim, past chairman, SID and Dr Lawrence Loh, Director, CGIO, NUS Business School, walked participants through the major changes in the scoring system and urged companies to refresh their disclosure practices and general approach to transparency in reporting.

Launched in 2011, the ASEAN Scorecard assesses the corporate governance practices and disclosures of the top 100 listed companies by market capitalisation in six ASEAN countries: Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. The industry benchmark is an initiative of the ASEAN Capital Market Forum and is supported by the Asian Development Bank. ■

Listed Entity Director Programme in Mandarin

Following the launch of the core modules of the Listed Entity Director programme in Mandarin, SID rolled out the four elective modules, focusing on the work of the four main board committees: the Audit Committee, Board Risk Committee, Nominating Committee and Remuneration Committee.

Close to 20 directors and senior management based in China and Singapore attended the training sessions held at the Marina Mandarin Hotel in Singapore from 7 to 8 August 2019.

The Listed Entity Director Programme (Mandarin) is jointly organised by SID and SGX, and is a joint effort to promote good corporate governance. The course is designed especially for China-based senior management and board of directors of listed companies, to enhance their understanding of Singapore's regulatory environment. ■

Startup Director Fundamentals

Some 25 participants attended the course "Startup Director Fundamentals" on 16 August 2019 at Capital Tower.

Mr Bernie Neo, Director, Infinitus Law Corporation, outlined the roles and responsibilities of startup founders and board directors, including their legal obligations and liabiliities that may arise throughout a startup journey from incorporation, funding, development, commercialisation to exit.

He highlighted common mistakes made by startups that include not appointing a company secretary, appointing the sole director as the company secretary, contributions in cash or in kind, reflecting unpaid share capital as paid and issuing preference shares without first setting out rights in the Constitution.

Mr Hian Goh, Founding Partner, NSL Ventures, described the different board compositions at key stages of a typical startup journey. He emphasised the importance of good corporate governance and best practices that startups could adopt, as well as pointed out what directors and founders should not do.

To close the session, Mr Lim Soon Hock, Founder and Managing Director, Plan B ICAG Pte Ltd, led an engaging panel session as the moderator. Mr Neo and Mr Goh were joined by Ms Anna Gong, CEO and Founder, Perx Technologies, Singapore on the panel. Participants asked about challenges facing startups, such as board-CEO dynamics, putting together a competent budget and remuneration of startup board members. It was an insightful session on what it takes to be a startup director. ■

Current Topic Series

Business Transformation through Design Thinking

On 23 August 2019, 30 participants turned up to listen to the latest trends on business transformation through design thinking at its current topic session co-hosted by DesignSingapore Council. The half-day event was held at Capital Tower.

Mr Mark Wee, Executive Director of DesignSingapore Council and Mr Matthew Durack, Expert Associate Partner, McKinsey Design Partner shared their experiences and insights on how design tools and processes can be applied to reimagine and transform businesses and shape company culture for the better.

Presenting an industry case study on using design to pioneer regional bank United Overseas Bank's digital banking business TMRW, Mr Stuart Smith,

Executive Director and Head of Regional Engagement Platform, UOB, conducted the closing session on how design outcomes can be measured and harnessed to make informed strategic business decisions.

The recent launch of a new national framework for the design industry has boosted Singapore's push to be an innovation-driven economy. ■

Executive and Directors Remuneration

A total of 28 participants attended a session by SID and Mercer on "Executive and Directors Remuneration" on 31 July 2019 at Capital Tower.

Mr Nishant Mahajan, Head of Executive Remuneration (Singapore) and Frontier Markets Leader, Mercer shared insights into trends in director and executive remuneration in Singapore. Fees for non-executive directors averaged around S$250,000 for the top 50 listed firms in Singapore.

Commenting on the decline in specific disclosure on executive remuneration, he pointed to the inclination for band disclosure. The fixed remuneration component should reflect a company's complexity, the executive's experience and role requirements, he said.

Mr Mahajan drew the distinction between short-term variable pay and long-term incentives. He urged

companies to ensure governance regarding target-setting, and to consider if standard financial measures are sufficient to motivate targets to ensure performance and strategic alignment.

Anticipating the structure to lean towards evidence-based performance measures, he shared key tests for selecting key performance indicators selection and target-setting. The session concluded with a robust discussion on the merits of specific disclosure and long-term incentives. ■

Up Close with ESM Goh Chok Tong

Members of SID were invited to take part in a dialogue session with Emeritus Senior Minister Goh Chok Tong, in the first of its Fireside Chat series organised by SID. Singapore's second Prime Minister engaged the audience of over 120 senior corporate leaders at the closed-door session on 19 July 2019 at One Raffles Link. The event was sponsored by Credit Suisse, Evercore and Heliconia.

The topic of the discussion, "SG100: Tall Order – Keeping Singapore Ahead", gave a flavour of the broad range of issues that was raised during the two-hour session. In a series of frank and open exchanges, participants were invited to engage ESM Goh on issues close to their hearts.

ESM Goh kicked off the dialogue with an informal poll of the audience's top three concerns. Geopolitical environment, job disruption, fears of an economic downturn, an ageing society, access to healthcare and social inequality were among the issues highlighted.

Mr Tham Sai Choy, Chairman, SID, moderated the discussion. He asked if Singapore had progressed to become a "gentler, kinder" society, since ESM Goh was Prime Minister in the 1990s and early 2000s. Acknowledging that Singapore had improved significantly in the past

in 30 years, ESM Goh stressed that individual acts of kindness and contribution in terms of volunteering time and care, were important.

While Singapore has evolved to become a more forgiving society with room for failure and different pathways, however, as a small nation it cannot rely on second chances in the wider context of geopolitics. In the current climate of economic and trade tensions, and growing polarisation of world views, it is even more urgent that Singapore thinks big and punches above its weight in the international arena.

As a global city, Singapore cannot afford to shut itself off from the rest of the world. Competent leadership is key to steering the country into the next 50 years and beyond. Capability, integrity, adaptability and diversity are some of the values that contribute to making a good leader, whether in the corporate, nonprofit or political sphere. ■

A Great Game of Golf at Sentosa Golf Club

SID held the 19th edition of its annual golf tournament on Friday, 28 June 2019 at the Sentosa Golf Club. Blue skies greeted the 120 golfers who gathered at the New Tanjong Course to enjoy an afternoon of golf and camaraderie with their golf kakis. Mr Lim Boon Heng, Chairman of Temasek Holdings, was guest of honour at the event.

A packed programme awaited all golfers and guests at the end of the game. Guests were treated to a sumptuous Chinese dinner, live entertainment and a lucky draw.

Mr Tham Sai Choy, Chairman, SID thanked the event sponsors and partners for their unwavering support over the years and acknowledged the new supporters to this year's event. In particular, Maybank Singapore Limited was singled out for its sponsorship of the Team Challenge Shield for the second consecutive year. Daimler and Singapore Airlines were also mentioned for their Hole-in-One prizes, which were unfortunately not claimed.

The SID golf tournament is not only an annual fundraiser but also a great networking platform for its members. Mr Lee Chong Kwee, Chairman of the SID Golf Organising Committee and Council Member of SID, stepped up to warm applause for organising the event.

Mr Lim presented the trophies to the top three individual winners, while Mr Amos Ong, Head of Global Banking, Maybank Singapore Limited and Mr Lee jointly presented the Maybank Challenge Shield to the champion team from Allen & Gledhill LLP. ■

Individual Winners

Champion	1st Runner Up	2nd Runner Up
Ivan Chua	Darryl Wee	Samir Bedi

Team Winners

Best Team (Maybank Challenge Shield)

Ho Chien Mien, Koh Kim Meng, Edward Tiong Yung Suh, Loo Choo Leong

Novelty Winners

Nearest to the Line

Desmond Lim; Camelia Dejeu

Individual Winners

L-R: Samir Bedi, Lim Boon Heng, Darryl Wee.

Maybank Challenge Shield

L-R: Amos Ong, Edward Tiong Yung Suh, Loo Choo Leong, Ho Chien Mien, Lee Chong Kwee.

Fellows Evening Under the Big Tent

Over 150 guests comprising SID Fellows and their partners gathered for the annual Fellows Evening organised by SID and generously sponsored by PwC. The exclusive event was held on 15 August 2019, to thank stalwarts of SID for their continuing support.

The reception was warm, and the atmosphere convivial. The event, which took place on a balmy evening, was an opportunity for guests to renew old acquaintances and establish new connections.

Guests were treated to a delectable spread of mouthwatering snacks and drinks at the Yardbird Southern Table and Bar, before adjourning to the Big Top at Bayfront Avenue, next to Marina Bay Sands. The evening's entertainment was provided by touring group Cirque du Soleil, with its acclaimed international show, *Kurios: Cabinet of Curiosities*.

The electrifying performance was accompanied by upbeat jazz and electro punk, along with jaw-dropping acrobatic feats, aerial stunts and human pyramids. All in all, it was an evening to remember. ■

Members Networking

Guests at the networking evening for audit committee members were presented with an interesting talk and interactive demonstration on how to spot fake news, by Mr Ryan Lim, Founding Partner of QED Consulting. The event was organised by SID on 18 July 2019 at One Farrer Hotel, attracting 30 members.

"Cyber attacks are bad for business but information attacks (or fake news) are way worse. Unlike cyber attacks, information attacks can be executed by almost anyone, at very low cost, done at scale, and requires almost no programming skills. Moreover, they are often difficult to detect, hard to contain, and almost impossible to attribute," said Mr Lim, highlighting the risk implications for organisations.

Separately, on 22 August 2019, around 40 new SID members attended a welcome session at Capital

Tower, which also served as a good introduction and networking event.

Mr Tham Sai Choy, Chairman, SID and Mr Edwin Lee, Head, Membership and Board Appointments, SID, introduced the guests to the benefits and privileges afforded by an SID membership. Various SID committee members were also on hand to share their experiences and to answer questions on how to get the most out of their SID membership. ■

Director Appointments

SID members appointed as directors of listed companies during the period 1 June to 31 August 2019.

COMPANY	PERSON	DESIGNATION
Advanced Holdings Ltd	Lim Yeow Beng	Independent Director
Alpha Energy Holdings Limited	Max Ng Chee Weng	Independent Director
ASL Marine Holdings Limited	Tan Huay Lim	Independent Director
Breadtalk Group Limited	Soh Chin Hua	Non-Executive Director
Bukit Sembawang Estates Limited	Ong Sim Ho	Independent Director
Eneco Energy Limited	Colin Peter Moran	Executive Director
Global Investments Limited	Tan Mui Hong	Non-Executive Director
InnoPac Holdings Limited	Henry Lim Heng Lin	Independent Director
Isetan Singapore Limited	Victor Yeo Chuan Seng	Independent Director
JEP Holdings Ltd	Irene Lee Sook Wai	Independent Director
Katrina Group Ltd	Tan Kong King	Independent Director
Koon Holdings Limited	Yee Kit Hong	Independent Director
KTL Global Limited	Chong Eng Wee	Independent Director
Magnus Energy Group Ltd	Wee Liang Hiam	Independent Director
NGSC Limited	Ng Hsian Pin	Non-Executive Chairman
Nordic Group Limited	Andrew Lee Kok Keng	Independent Director
Old Chang Kee Ltd	Lance Tan Han Beng	Independent Director
Pacific Star Development Limited	Bob Low Siew Sie	Independent Director
Pine Capital Group Limited	Andrew Lee Tze Wee	Executive Director
PSL Holdings Limited	Lee Chee Tak	Independent Director
Regal International Group Ltd	Lau Kay Heng	Independent Director
SK Jewellery Group Limited	Cheng Leung Ho	Independent Director
Tuan Sing Holdings Limited	Richard Eu Yee Ming	Independent Director
Transcorp Holdings Limited	Victor Lai Kuan Loong	Independent Director
United Overseas Bank Limited	Steven Phan Swee Kim	Non-Executive Director
USP Group Limited	Er Kwong Wah	Non-Executive Chairman
XMH Holdings Ltd	Khoo Song Koon	Independent Director

NATIONAL DAY AWARDS 2019

Congratulations to the following SID fellows and members on their National Day Awards.

The Order Of Temasek (With Distinction)
J Y Pillay

The Order Of Nila Utama (With High Distinction)
Lim Chee Onn

The Distinguished Service Order
Ang Kong Hua
Gerard Ee Hock Kim

The Public Service Medal
Chow Chew Seng
Johnny Heng
Lee Suan Hiang
Petrus Huang Yen San
Soh Gim Teik

The Public Service Star (Bar)
Chua Sock Koong
Giam Chin Toon
Kai Nargolwala
Kok Pak Chow
Lim Chap Huat
Ng Boon Yew
Tony Phua

The Long Service Medal
Liew Li Lian

The Commendation Medal
Lim Eng Hong

The Efficiency Medal (Military)
Lim Kian Sing

The Long Service Medal (Military)
Ng Chee Wee

The Public Administration Medal (Silver) (Military)
Ng Ying Thong

For Arts' Sake

By **HOWIE LAU**
Council member, SID

AFTER HOURS

"Modernism is perhaps a response to Modernity".

I had first heard this statement during one of the night classes organised by LaSalle College of the Arts on the history of Southeast Asian art. It was part of an introductory seven-week course on art forms and history in our region. As eager students, we asked about the definition of modern art. The professor replied with this statement which has stuck in my head.

As art forms evolved from cave paintings to gothic to renaissance to modernism and contemporary, they have always been closely linked with culture and history. That is perhaps part of the intrigue that has kept me learning about and collecting Southeast Asian art over the last 14 years.

I bought my first painting in 2005 during a business trip to Ho Chih Min City. It was a typical Vietnamese oil painting with Hanoi houses, ladies in traditional long flowing *ao dais* and luscious trees. Over time,

Some of the questions people ask of my hobby are:

Q1: What do you collect and why?
It's been generally Southeast Asian art. For the past couple of years, we have focused on Singaporean and Malaysian first- and second-generation artists. I am still learning about contemporary and conceptual art, finding it too confusing. My wife, Teresa, and I have agreed to focus 80 per cent on pieces which have a good chance of retaining its value. And 20 per cent on pieces that are purely appealing. It is tempting to think of it as investable asset but unfortunately the art market is too opaque and not liquid enough.

Q2: Where are good places to learn about Singaporean/Southeast Asian art?
I would recommend the National Gallery of Singapore. The DBS Singapore Gallery there traces our art from the late 19th century, to the emergence of our Nanyang and social realist art reflecting our early nation building days, high points of modernism and contemporary Singapore pieces. There is also a gallery for Southeast Asian art. There are approximately 8,000 art works under the National Gallery, the largest collection of Southeast Asian art in the world. The National Gallery organises regular talks.

Q3: Any advice for first time buyers/ collectors?
Don't rush, learn as much as possible first. Spend time visiting the museums, exhibitions, art auction previews and talking to gallerists. Gallery owners in Singapore are generally very friendly and very willing to share advice and information. And when you're ready, buy what you like and what appeals to you either visually or emotionally. Since you're going to be seeing it on your wall every day, the only opinion that matters would be yours (and perhaps that of your family members).

At the book launch of *The Art of Chua Mia Tee: A Portrait of a Life's Work*.

Weekends at galleries with friends.


Taking photographs of paintings is a very tedious task, it is important to capture the right colours and tones.


National Gallery has a great collection of Singaporean art.


Interview and research on wood cuts with Singaporean artist Mr Ong Tian Soo.

I meandered into the rest of Southeast Asia to learn about their art and their artists. It is fascinating how art is a mirror for society and a capture of the psyches and norms.

For instance, you don't have to look very hard to trace some of the Philippines' art influence from 333 years as a Spanish Catholic colony. Indonesian first- and second-generation artists would have been influenced and inspired by European oil masters during the days of Dutch East Indies. And Singapore's unique Nanyang art style is a combination of Chinese art styles combined with western oils and techniques as Singapore was a trading port of many cultures.

Today, this hobby is my escape from the hustle and bustle of the tech world. Perhaps it's a balancing mental tool between the bits and bytes of technology and the ebb and flows of art. There's always books to be read, art kakis to consort with, artists to meet, galleries to saunter around, auctions to bid at and exhibitions to attend. It has been an exciting sojourn so far. ■

SID-INSEAD International Directors Programme Module 1 - Board Fundamentals • 16-19 June 2019


Governance, Risk Management and Compliance Professional Training Programme • 17-19 June 2019


So, You Want to be a NonProfit Director & So, You Want to be a Director • 19 June & 10 July 2019


Board and Director Fundamentals • 26 June 2019



Listed Entity Director Programme Modules 1 to 8 • 22-26 July 2019



SID's Q3 Events (Jul 2019 – Sep 2019)

DATE	TYPE	EVENT DETAILS
3-5 Jul 2019	PD	SDP 1: The Role of Directors
4 Jul 2019	PD	BDC 4: Nominating Committee Chairman's Conversation
9 Jul 2019	PD	SGD 1: Essentials of NonProfit Board Leadership
10 Jul 2019	PD	SYD: So, You Want to be a Director
10-12 Jul 2019	PD	SDP 2: Assessing Strategic Performance
17 Jul 2019	PD	SGD 3: Board and Management Dynamics
18 Jul 2019	Event	AC Members' Networking
19 Jul 2019	Event	Fireside Chat with Emeritus Senior Minister Goh Chok Tong
22 Jul 2019	PD	LED 1: Listed Entity Director Essentials
23 Jul 2019	PD	LED 2: Board Dynamics
23 Jul 2019	PD	LED 3: Board Performance
23 Jul 2019	Event	Singapore Corporate Awards
24 Jul 2019	PD	LED 4: Stakeholder Engagement
24 Jul 2019	PD	LED 5: Audit Committee Essentials
25 Jul 2019	PD	LED 6: Board Risk Committee Essentials
25 Jul 2019	PD	LED 7: Nominating Committee Essentials
26 Jul 2019	PD	LED 8: Remuneration Committee Essentials
31 Jul 2019	PD	CTP 6: Executive and Director Remuneration
31 Jul-2 Aug 2019	PD	SDP 3: Finance for Directors
7 Aug 2019	Event	Singapore Governance and Transparency Index Forum
7 Aug 2019	PD	LEDM 5: Audit Committee Essentials (Mandarin) – Elective
7 Aug 2019	PD	LEDM 6: Board Risk Committee Essentials (Mandarin) – Elective
8 Aug 2019	PD	LEDM 7: Nominating Committee Essentials (Mandarin) – Elective
8 Aug 2019	PD	LEDM 8: Remuneration Committee Essentials (Mandarin) – Elective
14 Aug 2019	PD	SGD 4: Talent and Volunteer Management
15 Aug 2019	Event	SID Fellows Evening
16 Aug 2019	PD	SDF: Startup Director Fundamentals
20 Aug 2019	PD	SGD 3: Board and Management Dynamics
21 Aug 2019	PD	BDC 2: Remuneration Committee Chairman's Conversation
21 Aug 2019	PD	SMU-SID Directorship Programme Graduation Ceremony 2019
23 Aug 2019	PD	CTP 7: Business Transformation through Design Thinking
23 Aug 2019	PD	SEF: Social Enterprise Director Fundamentals
29 Aug 2019	PD	DFF: Director Financial Reporting Fundamentals
11 Sep 2019	Event	SID Directors Conference
12-13 Sep 2019	PD	SDP 4: Risk and Crisis Management
16 Sep 2019	PD	SGD 5: Strategy and Board Performance
17 Sep 2019	PD	ACP: Managing Tax Disputes and Controversy
17-19 Sep 2019	PD	IDP 3: Developing Directors and their Boards
18 Sep 2019	PD	SYN: So, You Want to be a NonProfit Director
24-26 Sep 2019	PD	IDP 2: Board Dynamics, Efficiency and the Role of Committees
25 Sep 2019	PD	BDF: Board and Director Fundamentals
26 Sep 2019	PD	BFS 2: Cyber Security for Directors

Upcoming Events

Core Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
SGD 6: Financial Management and Accountability	3 Oct 2019	0900 to 1300	National Volunteer & Philanthropy Centre
LED 1: Listed Entity Director Essentials	9 Oct 2019	0900 to 1700	Marina Mandarin Singapore
LED 2: Board Dynamics	10 Oct 2019	0900 to 1300	Marina Mandarin Singapore
LED 3: Board Performance	10 Oct 2019	1330 to 1730	Marina Mandarin Singapore
Webinar: Creating Value over a Family Business Life Cycle	10 Oct 2019	1600 to 1700	Online
LED 4: Stakeholder Engagement	11 Oct 2019	0900 to 1300	Marina Mandarin Singapore
LED 5: Audit Committee Essentials	16 Oct 2019	0900 to 1300	Marina Mandarin Singapore
LED 6: Board Risk Committee Essentials	16 Oct 2019	1330 to 1730	Marina Mandarin Singapore
LED 7: Nominating Committee Essentials	17 Oct 2019	0900 to 1300	Marina Mandarin Singapore
LED 8: Remuneration Committee Essentials	17 Oct 2019	1330 to 1730	Marina Mandarin Singapore
SGA 2: Digitisation and Innovation for NPOs	22 Oct 2019	0900 to 1300	Social Service Institute [TBC]
SGD 7: Fundraising, Outreach and Advocacy	31 Oct 2019	0900 to 1300	Social Service Institute
SDP 5: Strategic CSR and Business Valuation	31 Oct-1 Nov 2019	0900 to 1730	SMU Campus
NFF 1: Nonprofit Financial Reporting Fundamentals: Financial Governance for Charities	5 Nov 2019	1300 to 1700	Social Service Institute
CTP 10: Being a Board Director in the Age of Social Media	8 Nov 2019	0900 to 1100	CapitaGreen
SGA 1: Enterprise Risk Management for NPOs	15 Nov 2019	0900 to 1300	Social Service Institute [TBC]
NFF 2: Nonprofit Financial Reporting Fundamentals: Financial Reporting for Charities	20 Nov 2019	0900 to 1100	Social Service Institute
DFF: Director Financial Reporting Fundamentals	27 Nov 2019	0900 to 1730	Capital Tower
SGD 8: Social Trends	28 Nov 2019	0900 to 1300	National Volunteer & Philanthropy Centre
SDP 6: Effective Succession Planning and Compensation Decisions	28-29 Nov 2019	0900 to1730	SMU Campus
NBF 1: Nonprofit Board and Director Fundamentals: The NPO Building Cycle	3 Dec 2019	0900 to 1300	Social Service Institute [TBC]
NBF 2: Nonprofit Board and Director Fundamentals: Care and Feeding of Your NPO Board	6 Dec 2019	0900 to 1300	Social Service Institute [TBC]
SGA 3: Branding for NPOs	10 Dec 2019	0900 to 1300	Social Service Institute

Core Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
IDP 3: Developing Directors and their Boards	10-12 Dec 2019	0900 to1730	INSEAD Campus
So, You Want To Be A Director	12 Feb 2020	1030 to 1300	Capital Towr
So, You Want To Be A NonProfit Director	10 Mar 2020	1800 to 2100	Catholic Centre
Board And Director Fundamentals	18 Feb 2020	0900 to 1730	M Hotel
Director Financial Reporting Fundamentals	25 Feb 2020	0900 to 1700	Capital Tower
LED 1: Listed Entity Director Essentials	4 Mar 2020	0900 to 1700	PARKROYAL on Marina Bay
LED 2: Board Dynamics	11 Mar 2020	0900 to 1300	PARKROYAL on Marina Bay
LED 3: Board Performance	17 Mar 2020	0900 to 1300	PARKROYAL on Marina Bay
LED 4: Stakeholder Engagement	19 Mar 2020	0900 to 1300	PARKROYAL on Marina Bay
LED 5: Audit Committee Essentials	25 Mar 2020	0900 to 1300	M Hotel
LED 6: Board Risk Committee Essentials	27 Mar 2020	0900 to 1300	M Hotel
LED 7: Nominating Committee Essentials	31 Mar 2020	0900 to 1300	M Hotel
LED 8: Remuneration Committee Essentials	31 Mar 2020	1330 to 1730	M Hotel

Other Professional Development Programmes

PROGRAMME	DATE	TIME	VENUE
BDC 3: Audit Committee Chairman's Conversation	1 Oct 2019	1200 to 1400	St Regis
BDC 6: CEO Conversation	30 Oct 2019	1200 to 1400	Flutes Restaurant
ACP: Navigating Through a Financial Fraud Investigation	21 Nov 2019	0900 to 1100	AXA Tower
SID-INSEAD International Directors Programme Preview Cocktail	31 Mar 2020	1700 to 1900	Capital Tower

Major Events

EVENT	DATE	TIME	VENUE
Singapore Board of Directors Survey Launch	7 Nov 2019	0900 to 1100	Marina Mandarin Singapore
Corporate Governance Roundup	19 Nov 2019	0900 to 1300	Orchard Rendezvous Hotel
ACRA-SGX-SID Audit Committee Seminar	16 Jan 2020	0900 to 1100	PARKROYAL on Marina Bay

Course dates and venues are subject to change. Please refer to www.sid.org.sg for the latest updates.

Welcome to the Family

June 2019

Sanjay Anand
Vyasa Arunachalam
Dominic Stephen Barton
Johan Aksel Bergendorff
Cheung Leung Ho
Angeline Chng
Emily Choo
Chua Sher Lin
Dale John Cook
J Cowley
Rosy Goh
Abdul Razak Hassan Maricar
Murari Kalyanaramani
Christian Lamprecht
Lee Guan Liu
Andrew Lee Kok Keng
Tanguy Lesselin
Ryan Lim
Lim Wee Kiat
Sylvia Lim Woon Cheng
Stephens Lo Wai Onn
May Loh
Loo Hock Leong
Alexander John MacKinnon
Charu Mahajan
Iolanda Meehan
Krishnankutty Nair
Suresh Lilaram Narang
Ng Ying Thong
Oon Jin Teik
Wilson Sam
Thomas Heiner Schmidt
Kenny Sim
Jonathan Sobey
Bayone Souvannavong Sisombat
Tan Seak Sze
Garry Taylor
Charles Tee
Vivienne Teo Wi Huang
Didier Von Daeniken
Joseph Yap Cheng Hwa
Yong Yean Chau

July 2019

Santosh Ambike
Greg Blackwood-Lee
Enric Casals Brufau
Caroline Chan
Deborah Chen Shun Zu
Alvin Chew
Chua Ai Ling
Chuah Jern Em
Benjamin Ee
Bernard Christopher Emby
Jeremy John Figgins
Robert Honerkamp
Hong Shyh Yun
Shawn Ingkiriwang Wei Zhong
Johan Munir Kamaruzaman
Kenneth Koh Kin Chai
Waltery Law Wang Chak
Lee Chun Fun
Ronnie Lee Kar Hoe
Karen Lee Kwee Foong
Andrew Lee Tze Wee
Bernard Lim Eng Chuan
Lenny Lim Lian Ee
Ling Hee Keat
Loh See Moon
Richard Mitcham
Ashwini Mudgal
Sherroy Ong Beng Chwee
David Ong
Sharon Joanne Ooi
Gurtaj Singh Padda
Christian Soendergaard Pedersen
Anupam Sahay
Parikhit Sarma
Ishan Sen
Sanjoy Sen
Stanley Sia Swie Kean
Siu Yow Wee
Dellen Soh Chin Hua
Steven Tan Boon Heng
Flora Tan Nyuk Choon
Tan Pang Toon
Michael Tan Wee Sin
Thio Tse Chong
Karen Wee
Winston Paul Wong Chi Huang
Yeo Chor Khai
Emilda Zakaria

August 2019

Aniruddha Basu
Gonzalo Cabrera
Serene Chan
Chia Yoke Heng
Edward Chow
Chua Zi Jian
Fan Xianyong
Ricky Foo
Bryan Goh
Goh Geok Teck
Simon Herron
Michael Hilb
Kevin Ho
Celine Koh I-Lyn
Judy Lee
Bill Leung Wing Biu
Danny Lien
Lim Er Lin
Lim Iris
Low Cherng Chiat
Paul Stanley Monk
Sharhan Mohamed Muhseen
Ng Keok Chai
Ong Chee Beng
Graeme Donald Read
Florian Schneemann
Seah Jeng Wee
See Kwong Ee
Farhanah Sidik
Vivek Singhal
Yang Iskandar Suratty
Tan Chay Kee
Tan Chee Wei
Jason Tan Kim Song
William Toh Thiam Siew
Cynthia Wong
John Yong Tiong Hwee

Modern Governance

Turn governance into a competitive advantage

The practice of empowering leaders with the technology, insights, and processes required to fuel good governance.