

PRESIDENT'S CORNER



I hope and trust that everyone is having a productive and refreshing summer. Many folks within the ICGS are working hard and meeting frequently to make your society as value-added as possible.

Our fifth annual conference will be held at the University of Essex in Colchester, England – a bit north of London. In light of all the governance upheavals going on in the United Kingdom and the ease of flying into and out of London, it is our judgment that this year's conference is timely and more important than ever. The conference organizers, Doug Cumming, Claudia Girardone, and Cynthia Clark, have done a great job preparing for the event which will entail an opening and closing reception on Friday and Sunday night, with a gala dinner wedged in between on Saturday night. Once again, the Geneen Institute is serving as a major underwriter of this conference, providing value to you, the attendee, well beyond the nominal amount that we charge for registration. In addition, Dame Inga Beale, former CEO of Lloyd's of London, will serve as our distinguished keynote speaker. Furthermore, the World Bank continues to support us and the consulting editor for Wiley and CGIR will be in attendance. Finally, we will be awarding five-year attendance pins to those who have attended all five ICGS conferences thus far. I look forward to seeing new and old friends in October!

Our societal journal, the *Annals of Corporate Governance*, continues producing interesting review monographs in a wide variety of topics and disciplines. Most recently, we have a review of the Norwegian law requiring a quota of female directors. This controversial and pioneering legislation needs to be

understood by all governance scholars, and I commend its contents to you even if you aren't involved with gender diversity issues. Please note that all reviews are posted to your private member's area if you missed a previous publication.

In the interest of expanding the value of ICGS to its members, one of the committees on the board is investigating obtaining archival comparative corporate governance data for your use. We currently are in negotiations with several data vendors and hope to make an announcement of one or several datasets available to you at no additional charge in the very near future. I am pleased to announce that we have recently agreed to partner with BoardEx, the premiere provider of corporate governance data, for their "rest of the world" database. More details will be coming soon on this exciting new membership benefit.

Since many of our members at ICGS are also members of the editorial board at CGIR, the new co-editors will hold another editorial board meeting at the conference. While this is a closed meeting for editorial board members at CGIR, know that CGIR is always looking for new talent for its editorial board. Relatedly, kudos to CGIR for the great new two-year impact score of 3.49! Clearly, Alessandro Zattoni and Praveen Kumar are to be commended for their leadership of that journal for the past six years, which is now an elite journal indexed in the (1) Business (General), (2) Management, and (3) Finance journal categories.

Finally, I want to give a shout out to Till Talaulicar, the Chair of the Board for ICGS since its founding. I continue to be impressed with his integrity and dedication to the well-being of the society. We are indeed fortunate to have a "servant leader" in such an important position.

Bill Judge

WHAT TOP TALENT LOOKS FOR IN A BOARD

By Patricia Lenkov

We hear so much about boards of directors seeking whatever they are desiring, whether it be a superstar CEO, or the digital expertise they



sorely lack. We also know that board directorships are an aspiration for many, the pinnacle of a stellar career, the capstone of years of hard work.

What we do not hear much about though is what the best board candidates look for in a potential board they are thinking of joining. Those who are running the most successful companies, developing the newest technologies or otherwise changing the world are a hot commodity. They often have many opportunities. Just as we may want them on our board, so do many others. They are in demand and as such, will be very selective about where they spend their time. Here are some of what they look for in the boards they elect to join.

A Healthy Board Culture

There is almost nothing more draining than trying to contribute and get things done in an unhealthy culture. Things such as low engagement, gossip, poor communication, noncommunication, and competition are signs that the board is sub-optimized. Of course, culture can be changed; however, it may be beyond the scope and interest of the in-demand board candidate. Culture is also nebulous and hard to ascertain which may lead the very best board candidates erring on the side of staying away if there is even a hint of concern.

A Working Board

Yes, all boards are supposed to work. Unfortunately, there are still some, even today,

that are ceremonial rather than functional. Thankfully, these boards exist less frequently than ever before. The best talent wants to contribute, to make a difference, to make progress. Joining a board simply to say yes to everything will not go over well with these executives. Along with this is an interest in being part of a board that understands the most pressing issues in the world of corporate governance. Be it engagement with shareholders or new diversity initiatives, board candidates will assess whether the board they are considering joining is on the leading edge or simply reactive.

Somewhere they can Learn and Grow

In addition to the desire to contribute, the most in-demand board candidates want to learn and develop themselves through their board service. They look to understand a new industry or to improve and be taught by those other esteemed and accomplished directors with whom they will serve. Continuous improvement and lifelong learning are hallmarks of outstanding executives.

A Company without Scandal

If a company has a history of maleficence or wrongdoing this will certainly be a deterrent to board candidates. It may be in the form of legal troubles, poorly impacting the environment or even a history of #MeToo type complaints. Board candidates with options will simply stay away. A board role is a significant undertaking in the best of circumstances, but scandal and other wrongdoing will exponentially increase the risks associated with the role.

A Purpose Beyond Profits

Larry Fink, the Chairman and Chief Executive Officer of BlackRock, the world's largest asset manager, writes an annual letter to shareholders and CEOs. This letter is viewed as a leading indicator of what businesses need to be thinking about and focused on. In his letter earlier this year, Fink stated that businesses need to be clear about their purpose and that "purpose is not the sole pursuit of profits but

the animating force for achieving them.” We will continue to be implored to think about corporations beyond their mere profit producing potential. As such, board candidates who are in-demand may use a company’s track record in this regard as a determining factor for joining a board.

As corporations compete in ever-more complex environments, with the speed of change increasing exponentially, having the very best board directors will continue to be a competitive advantage. Boards need to be cognizant of the fact that the right team at the top can facilitate innovation and growth in unimaginable ways.

Patricia Lenkov is a Senior Managing Director with Teneo’s Talent Advisory Team. She formerly headed up Agility Executive Search, a boutique firm she founded in 2008. She has extensive board and C-suite search experience having worked in the board of directors’ practice at Spencer Stuart and Heidrick & Struggles. She is widely regarded as a thought leader on board recruiting, corporate governance, composition, and succession. To date, Patricia has conducted over 300 board searches for corporate clients, as well as, having worked with some of the world’s leading activist investors to recruit board directors.

The **International Corporate Governance Society** (ICGS) is a nonprofit, educational organization formed to provide an academic forum for corporate governance scholars that enhances research, teaching, and consulting on corporate governance systems, practices, and outcomes throughout the global economy. Its focus is the global economy and its constituent societies, so governance scholars and government officials from every economy of the world can find value in this association. It is governed by an internationally-representative board of directors and supervised by its officers. We attempt to think and act consistent with our society's values.

New Publications

Professor Steen Thomsen (a current ICGS Board Member) has published a new book with Professor Martin Conyon entitled “**Corporate Governance and Board Decisions**”. The book takes the reader on an exciting journey through the principles and practice of corporate governance. Written by two internationally respected experts, this book explains how corporate governance contributes to value creation for both business and society, and how transparency, checks and balances, incentive alignment, and stewardship are essential when trying to reduce decision errors and opportunism. The book combines academic rigour with practical recommendations in an informal style.

Steen Thomsen has with his new book “*Corporate Governance and Board Decisions*” updated the fundamental theory and experiences on best practice Board work as well as the focus on new trends in the area, which characterizes the firm’s and the Board’s agenda at the moment.



Don't forget to visit our website at www.icgsociety.org

CAN'T MISS SPEAKER FOR THE UPCOMING 5th ANNUAL ICGS CONFERENCE & REGISTRATION REMINDER

Once again, the upcoming ICGS Annual conference in October, 2019 has an outstanding keynote speaker lined up for conference attendees. Dame Inga Beale, former CEO of Lloyd's of London will deliver her talk: "Putting Theory Into Practice: Boardroom Governance For Real." Dame Inga was President of the UK Chartered Insurance Institute from 2017–2018, a member of the Geneva Association Board from 2014-2018 and member of the UK Government's Financial Services Trade and Investment Board from 2015-2018. She is currently Patron of Insuring Women's Futures, a member of the London First Board, and on the London Mayor's Business Advisory Board.

A reminder that **July 31, 2019** is the conference registration deadline for regular registrations. Registration for Faculty is \$400 (USD), registration for practitioners is \$350 (USD) and registration for students is \$150 (USD). In order to register for the conference, you must be a member in good standing of ICGS. **Be sure to register now as conference rates increase as of August 1, 2019.** To register for the conference and to renew your membership, please click [this link](#).

Special Issue: British Journal of Management

The British Journal of Management (BJM) in partnership with ICGS will publish a special issue dedicated to the topic "**Corporate governance in extreme institutional environments**" in 2021. They welcome theoretical, conceptual, review, comparative, as well as empirical contributions that explore corporate governance systems in extreme cultural, political and legal environments. The goal of this issue is to present research that will help reflect on and provide recommendations for how governance structures around the world should support the next technological revolution in an equitable, inclusive and sustainable way and to protect future generations. The special issue aims to advance the thinking on corporate governance, moving beyond the traditional conceptual and methodological approaches, and exploring new perspectives that will allow society to respond more effectively to contemporary corporate governance challenges at a global level.

5TH ANNUAL ICGS CONFERENCE

October 11-13, 2019

Colchester, United Kingdom

The 5th Annual ICGS Conference will be held at the Colchester Campus of Essex Business School, University of Essex to discuss how effective corporate governance systems can prevent future financial crises. The conference is led by 2019 Conference Chairs Professor Geoffrey Wood, and Professor Claudia Girardone both from Essex Business School. The conference has a theme of **Corporate Governance in Changing Institutional Environments**. The Harold S. Geneen Institute of Corporate Governance at Bentley University will again be the primary corporate sponsor of this conference.

The event will take a comparative and interdisciplinary approach to critical corporate governance topics and enable delegates to build connections with experts working in the area. Additional information about the conference, including how to register can be found by clicking [this link](#). You must be an ICGS member in good standing in order to register for the conference.

In conjunction with the 5th Annual Conference, on October 11, 2019, there will be a pre-conference and doctoral consortium which is chaired by Dr. Silvia Gaia from the University of Essex. The **ICGS Doctoral Consortium** provides an opportunity for doctoral students to get detailed and constructive feedback on their work from senior corporate governance scholars. Participants will discuss opportunities and challenges in the field from an international and interdisciplinary perspective. The consortium is open to both doctoral students who have completed approximately two to three years of their PhD program as well as junior faculty not well experienced with publications in an international journal.

Looking ahead to next year, the **6th annual ICGS conference** will be held in Tempe, Arizona and will be hosted by Arizona State University. The conference will be held on November 6-7, 2020 with a pre-conference on November 5, 2020. The conference co-chairs are Dr. Christine Shropshire, Dr. Mathew Semadeni and Dr. David Zhu.

SUMMER SCHOOL: CORPORATE GOVERNANCE AND THE EFFECTIVENESS OF BOARDS

University of Groningen, the Netherlands
July 8-12, 2019

Understanding how corporate boards are formed and how they act has become an important topic. Corporate failures and scandals such as Enron and Parmalat in the early 2000s and, more recently Volkswagen and Toshiba, have heated up debates in policy circles and media, as well as in academia, with respect to the role of boards in these scandals. Research on boards focuses on examining how they influence firm strategic decisions and outcomes. Traditionally, this research focuses on linking board and/or individual characteristics to measures of firm decision-making and performance. At the same time, part of the research on boards has been directed toward researching cognitive and behavioral aspects of teams' and boards' decision-making processes. Studies in this field aim at opening the so-called "black box" to find out how interactions between individual team and board members affect decision making, team and board effectiveness and, ultimately, also organizational performance.

The aim of this summer school is to discuss the strength and weaknesses of both research pillars and their contribution to our understanding of how boards are formed and how they work in order to effectively perform their roles. Our approach is multi-disciplinary, that is, research from economics, finance, management, sociology, and psychology will be discussed. We will also deal with measurement issues and discuss datasets and methodologies to use these datasets in research. Participants are invited to present their own research (ideas) in the field of board effectiveness.

Dates and location: 8-12 July 2019, Groningen, the Netherlands

Target level: Research master students, PhD students, Postdocs, academic staff members, and practitioners with relevant academic background

Fees: €655 (excluding housing) or €900 (including housing)

ICGS NEWSLETTER EDITOR

Dr. Karin Schnarr is an Assistant Professor of Policy (Strategic Management) at the Lazaridis School of Business and Economics at Wilfrid Laurier University in Waterloo, Canada. Her research spans corporate governance and healthcare management.

If you have contributions for our next newsletter (Volume 6, Issue 1) which will be published in January 2020, please contact Karin Schnarr (kschnarr@wlu.ca) by **December 1, 2019**. We welcome information on upcoming book publications from ICGS members or conferences/events that will be of interest to other ICGS members. We especially would appreciate information about activities in which ICGS members may be involved given the global community of scholars that comprise the ICGS.

UPCOMING EVENTS

August 9-13, 2019: Academy of Management Annual Meeting, Boston, U.S., Various PDW, Panel and Paper sessions on Corporate Governance.

October 11-13, 2019: International Conference on Corporate Governance hosted by Essex Business School and held in Colchester, U.K. . The 5th annual ICGS conference theme is 'Corporate Governance in Changing Institutional Environments.'

October 19-22, 2019: Strategic Management Society Annual Meeting, Minneapolis, U.S., Strategic Leadership and Governance Interest Group.

October 24, 2019: The 2019 ECGI Annual Members' Meeting at IESE Business School in Barcelona, Spain.

June 2020: 6th Annual Global Corporate Governance Colloquia Annual corporate governance conference which will be hosted by Seoul University, South Korea (*Invitation only*)