HARCOURT
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TOP WEEKLY BUSINESS & BOARDROOM UPDATES

DECEMBER 24 - 30, 2016

1. Your Company Needs a More-Radical Board of Directors

For an organization's governance model and its business strategy to be in lock step, CXOs need to help directors understand and meaningfully engage in setting the company's strategic direction. This means the C-suite must be able to develop productive relationships with board members—even have the skills to 'coach' directors on how to manage conversations with shareholders. Directors in turn need to monitor the company's operational heartbeat closely so they can make informed decisions about when to play it safe and when to dare to deviate.

https://hbr.org/2016/06/your-company-needs-a-more-radical-board-of-directors

2. Evaluating Performance

Boards are not always clear about what success looks like and what they expect the end result of the process to be – nor do they have tools for measurement. If monitoring mechanisms are not implemented to ensure board members are completing the process at appropriate times in the review cycle, or if appraisals are implemented at short notice without proper preparation, they are not robust and become ineffective. The appraisals for the chair and chief executive must reflect the objectives set in the corporate plan so that assessments are based on the skills outlined in the respective role descriptions.

https://www.icsa.org.uk/knowledge/governance-and-compliance/features/december-2016-evaluating-performance

3. On the Board's Agenda: Framing Strategic Risk in the Boardroom

Identifying and managing strategic risks can be a difficult task. To add to the challenge, many companies have traditionally separated their risk and strategy functions and think of risk as more of a compliance responsibility rather than a dynamic tool for value creation, business performance management and growth. And, while the strategy setting process has begun to factor in the many changes occurring in the world, risk management is still often considered to be a narrowly defined core activity. However, companies that align strategy and risk can be better served to allow for a process of "strategic resiliency," which involves anticipating, knowing and acting on risks when introducing or executing new strategies as a way of increasing the chances of success in spite of uncertainty.

http://deloitte.wsj.com/cfo/2016/11/04/risk-and-compliance-considerations-in-the-wake-of-the-panama-papers-2/

4. Corporate Governance Should Combine the Best of Private Equity and Family Firms

The public corporation is typically bedevilled by the gap between managers' and shareholders' interests. Over the years, governance has attempted to close that gap by aligning incentives with measures of performance. These attempts have often failed. But where they have succeeded, they have left public corporations increasingly swayed by short-term results (which are easy to measure) at the expense of future success. Over the last 30 years, the private equity model has risen to the fore as a solution to the governance problem. In private equity, managers and shareholders are closely connected. Typically, there is a very clear medium-term investment thesis that downplays short-term pressures, with a view to an exit within three to five years. The great strength of the classic private equity model is the clear-sighted medium-term focus on strategy. The weakness is the generation gap, losing continuity of purpose as ownership passes through successive private equity houses and new cadres of top management.

http://pwc.blogs.com/ceoinsights/2016/11/why-a-bigger-boardroom-can-make-for-a-better-boardroom.html

2017

عام سعيد
Buon anno
Godt Nytt År
Bonne année
Feliz año nuevo
Happy New Year
Frohes neues Jahr

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WEEKLY STATISTICS

During the last week 51 business & boardroom updates were published.

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