

INSEAD Directors Forum, 26 April 2021

Q&A for Academic Panel

S/N	Question	Asker Name	Answer(s)
1	1. How do you see Tax harmonisation in Europe?	Kees van der Vleuten	(JLA) slow...but the train has left the station
2	2. I miss remarks concerning Cyber Security and governmental M&A protection in EU	Kees van der Vleuten	(JLA) They are certainly important
3	Is it not unethical, even potentially illegal, for organizations to use financial assistance from govts. for share buybacks, executive bonuses, sometimes coupled with staff reductions / rehiring at reduced conditions & anti-union measures? After all, those funds are typically coming from tax revenues, a source that major corporations are relentlessly avoiding to pay!	Hugh Penri-Williams	(JLA) Corporate governance codes, and the laws, should take care of your well taken concern
4	To Jose-Luis Alvarez: With increasing demands on NEDs, higher complexity and increased time involved, how is this reflected in NED's remuneration in the future?	Doris Albisser	(JLA) See answer to Luca Artesi
5	Can you discuss inflationary pressures after the pandemic which would affect board decision making and strategy	PENELOPE KENNY	(JLA) Sorry no economist faculty in the IDF...
6	The trend of being on fewer boards will imply higher pays?	Luca Artesi	(JLA) professionalization should bring compensation but the current sensitivities about the salaries of senior executives
7	Morning! Question to Henning Piezunka please - what are the founders' governance gaps and how plugging those gaps can help them with growing their startups?	Natalia Blagburn	(HP) The two key things that venture CEOs need to get right is who to put on their board - and how to manage the interaction with the board. Obviously, there are lots of things to get right and wrong (I normally teach a few hours on the topic), but the most simply thing is probably that most venture CEOs do not take sufficient ownership of the process.
8	I would have thought that the role of the Board is to manage the CEO and the other way around...?	Adam Slater	(HP) Your way of thinking about is NOT wrong. It is in fact both - but in particular in a venture context, venture CEOs must find ways to leverage the board to help the firm.
9	Question regarding Unique Characteristics of Venture Boards- would we improve on success by having more increased diversity (sector wise) in Venture Boards?	Scott Newton	(HP) I am not sure if there is explicit research of diversity on venture boards, but research on diversity in teams generally shows that diversity fosters performance. I see not reason why that research should not apply also to ventures.
10	thanks jose, I see both a changed way of doing strategy, and an increased involvement of board, but still in development, we should continue to explore	Liselotte Engstam	(JLA) Yes, let's follow this topic
11	Great insights from Henning, many of the points is increasingly valid for also private and public boards as well, —henning , how do you see the boards involvement in strategy development for scaleup ventures	Liselotte Engstam	(HP) Answered during the live webinar
12	... to elaborate, a CEO in a start up rarely has the experience and the knowledge of how to manage the board and/or put the board to work for his benefit.	Adam Slater	(HP) That may be true - but then it requires to CEO to learn how to do so. The board can play a role in educating the CEO in how he/she can make better use of the board.
13	Building on the point of "making the Board work/treat it as subordinates" and the relationship between the CEO and the Board, to what extent should a CEO lead the strategy and, if there is some misalignment on this, to what extent should he try to "convince" the majority shareholder on following his view	DANIEL LOUREDA	(HP) I strongly believe in the value of a controversial discussion. I am, of course, biased. A lot of my teaching is focussed on how to design jointly a good strategy. So, I believe the CEO should not sell a strategy to the board or convince a strategy to the board. By contrast, the CEO can present a strategy, but then work with the board to assess it.
14	Q? for JOSE-LUIS: Each director of Danone has been requested to present to the General Meeting of the SH the following: 1) its strategic vision for the group and in particular its opinion on the Local First plan and its developments in economic and social terms; 2) its position on maintaining the status of a mission company (purpose); 3) its approach to environmental issues. Is it the end of the Board as unified entity to the external world?	PHilippe MOSCHETTA	(JLA) Very interesting question Philippe. The Danone case is fascinating. My guess is that it is an example of the type of corporate governance we are moving into. Is it transparency? Displacement of (even more) power from boards to shareholders?