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Interview with Lily Fang, Dean of Research and Acting Academic Director of INSEAD Corporate Governance Centre



Lily Fang

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As we moved into the new academic year starting 1st September 2022, Professor Jose-Luis Alvarez had stepped down from the role of Academic Director, INSEAD Corporate Governance Centre (ICGC) after a successful four-year term and passed over the torch to Professor Lily Fang, Dean of Research at INSEAD. Together with Sonia Tatar, Executive Director, the team at ICGC, and contributing faculty members of the Centre, Lily is inspired to drive continued excellence of the Centre in delivering top-rate pedagogy for the directors' market and to define ICGC as a premier global centre of excellence on governance.

In this interview, we invited Lily to share her INSEAD journey, vision for the Centre and views on the strategic priorities for effective corporate governance.

1. Warm welcome to the INSEAD Corporate Governance Centre! Can you tell us more about yourself and your professional experience leading to the Dean of Research at INSEAD?

I joined INSEAD nearly twenty years ago as one of the first faculty members based in Singapore. My first twelve years at INSEAD were spent in Asia campus. I witnessed and contributed to the growth of INSEAD's Asia campus. I then spent a couple of years at MIT Sloan. Since 2017, I have been based in the Europe campus in Fontainebleau. My PhD training is in finance. I am the first tenured female finance professor at INSEAD, and the second female full professor promoted from within the school across all academic disciplines. Since becoming a senior faculty member, I have increasingly taken on leadership roles, such as chairing the Faculty Evaluation Committee in charge of faculty evaluation and promotion decisions. I was also involved in the Faculty Guidelines Revision. For those unfamiliar with academic governance, the Faculty Guideline as an academic institution is like the constitution for the academic life. So it's the most important academic governance document. From these roles, I learned a lot about different areas of academic research, and also about governance. They prepared me well for the Dean of Research role.

2. What is your vision concerning the development and direction of the Centre?

As the Acting Academic Director for the ICGC and the Dean of Research which gives me the mandate to oversee all our centres of excellence, I think for all our centres, including the ICGC, it is of utmost importance to define our mission; to clarify to whom do we owe the duty of care – As Tim Rowley taught me in the IDP programme. (Yes, I am an alum of the IDP program.) At INSEAD we care about the rigour and relevance of our work. Centres play an important role in bringing out that relevance. It's where academic insight meets reality. It should be where academic work gets translated to drive real-world impact. For ICGC, concretely this means creating, and innovating



on educational programmes in the realm of corporate governance that makes an impact in real-world board rooms. Centres should also be a safe place to experiment, to take some risks, with new forms of pedagogical delivery and engagement in respective discussions and debates about important topics related to governance.

3. In your capacity as the Dean of Research at INSEAD, can you share your vision and how research is pivotal to advancing Corporate Governance?

Since my Dean of Research role mandates me to oversee all our centres of excellence, I have a broad portfolio view of our activities. I see many areas of potential overlapping interest across various centres. For example, ICGC would have common interest with our Sustainable Business Initiative, with our Gender Initiative, with our new Negotiation and Conflict of Resolution Initiative. This is just to name a few. It clearly also has a lot of overlapping interest with our Hoffmann Global Institute of Business and Society. So one of my goals is to foster collaboration across our centres, bring dialogue between the members of each of these centres, to take on a few ambitious projects that have big impact. Research is important in informing practice because it is through research that data becomes insights. Without research, corporate leaders and boards would be relying on their own experiences and judgments. Research-based insights provide them a window to the broader world and allows leaders to reflect. I think in leadership and governance, the value of reflection and introspection cannot be overstated.

4. In what ways does the Centre contribute to the role of INSEAD driving "Business as a Force for Good"?

Business as a force for good is the uniting theme of all our centres and initiatives. Some initiatives, such as the Sustainable Business Initiative, directly relates to certain key values of sustainable development goals. So it's easy to see how it relates to business as force for good. The link between ICGC and business as a force for good is more subtle, but extremely important and fundamental. Ultimately, whether businesses act as a force for good or not, depends on decisions and actions companies take. Boards, and the corporate governance function, are at the very heart of making those decisions and defining the value proposition of a business. Boards should not impose its (or its members') own value on the company, but boards and their processes are absolutely critical in engaging in those discussions and obtain legitimacy and commitment to the goals companies agree on and adopt.

5. What do you see as the strategic priorities for Boards of Directors today and the imperative for Corporate Governance effectiveness?

We live in a complex and challenging world with heightened economic and political uncertainty today. Given the heterogeneity of the challenges, it is impossible to have a one-size-fit-all answer to the question of the strategic priority. Each company, each board, each country faces unique challenges. But what everyone has in common is the need to understand the fundamental question of "to whom do we owe the duty of care". If you put that question front and centre, boards with a high level of integrity and with the right combination of skills from its various members, will be able to identify the right strategic priorities and finding the right path to achieve those goals.

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