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Interview with Annet Aris, Academic Director of INSEAD Corporate Governance Centre



Annet Aris

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As we ushered in the new year, the INSEAD Corporate Governance Centre (ICGC) is delighted to announce the appointment of Professor Annet Aris as the new Academic Director taking over the helm from Professor Lily Fang, Dean of Research and Acting Director of ICGC. Starting from 16 January 2023, Annet will work closely with Sonia Tatar, Executive Director, the team at ICGC, and contributing faculty members of the Centre, to continue driving excellence of the Centre in delivering top-notch education portfolio for the directors' market and to position ICGC as a premier global centre of excellence in the forefront of corporate governance thought leadership.

In this interview, we invited Annet to share her vision for the Centre and views on the shifts in board directors' role and their 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?

In a nutshell, I'm a Dutch by origin, an engineer by training and a proud INSEAD MBA alumna. After my studies, I joined McKinsey and was elected as a partner in the German office. Over the 17 years as a consultant, I gained extensive experience across industries. During my last years at McKinsey, I was leading the media and entertainment practice in Germany which was one of the first sectors to be hit hard by the waves of digital disruption.

In the mid-2000, I decided to make a switch in my career track and started teaching at INSEAD as an adjunct professor focusing on first in the media industry specifically and later on increasingly digital transformation in general. In parallel, I was also developing other activities on and around my expertise in this field. I was invited to join the board of one of the biggest media companies based in Portugal which became a stepping-stone for me to build my board career. By now I have been in board roles for the past 19 years and I had the privilege to contribute to 15 other boards across European companies in Finland, Portugal, United Kingdom, and Germany. Presently, I am a supervisory board member of ASML NV, Randstad NV, and Jungheinrich AG.

As my board career grows over time, I expanded my teaching focus to corporate governance related topics such as executive remuneration and management of multi-stakeholders.

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

First, I want to acknowledge that that the INSEAD Corporate Governance Centre has done a

fantastic job in trailblazing board directors' education with a rich portfolio of programmes catered to board directors with different levels of experience. The International Directors Programme (IDP) is a testament of the enormous success thanks to the Programme Directors, Faculty, and the team behind who had put the programme together.

Going forward, I see the Centre as the crossroad between academic research and practice and the unique value it can bring by engaging academics and board directors for dialogues to exchange ideas, enrich learnings and insights. Currently there is still too big a gap between the academic research and the use that is being made of it in practice. Also academics can profit by getting more direct access to experienced board members. I see the potential of engaging very senior board members and connecting our alumni community with new innovative offers such as academic-practitioner conferences, board retreats, masterclasses and permanent education subscription models. For that I am exploring and formulating the plan with the team and INSEAD's academic community.

Our aim is to position the Centre in the forefront of corporate governance thought leadership, thus leading the "G" pillar of the ESG and continue to add value to the development of new academic research that translates to real world impact for practitioners which includes board directors, regulators, and other actors in the governance ecosystem.

3. What do you see as the strategic priorities on board's agenda today?

One of the strategic priorities on board's agenda is the shift from the notion of corporate social responsibility (CSR) to the integration of sustainability into the core of the business where secondary effects on society and environment are accounted for. Boards need to lead the way by pro-actively addressing the key dilemmas this transition poses, for example with regard to the speed of transformation and upfront investments needed.

Another big topic that boards need to grapple with is the growing demands on governance. The scope and amount of work expected from board members has doubled over the past 5 to 6 years. The Centre wants to stimulate interaction between boards and regulators to avoid unnecessary bureaucracy whilst at the same time increase the effectiveness of regulation.

In addition to these, technological advancement continues to evolve rapidly, and these developments have deep and major impacts on traditional businesses. Boards need to stay curious and keen to build knowledge and awareness on such developments to understand how these are going to impact the industry in the future.

Last, but not the least, crisis management and dealing with 'black swan' events have become an imperative for boards. We have seen how the global pandemic and the Ukraine war have impacted global businesses. Ensuring organisational resilience and effective crisis management has become a core area of attention.

4. With growing uncertainties marred by macroeconomic instabilities, recession fears, geopolitical tensions, mounting changes in regulations and more, how can boards stay on top of their game to effectively govern the businesses under their stewardship?

This is a very interesting question. For boards to stay ahead of the curve in turbulent times, one thing they must pay attention and scrutinise is the board composition itself – there need to be a good process in place to evaluate the effectiveness of the board, understand the gaps before identifying the profile for board member recruitment. Having the right diversity of expertise, insights and experience on the board is definitely going to be great enabler for effective governance. Boards should regularly invite external experts to share fresh perspectives and to learn more about specific topics of interest to the industry. Another point that I would like to point out is education, board directors need to take ownership in their personal development to invest time to exchange, learn and engage with various stakeholders of the company.

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