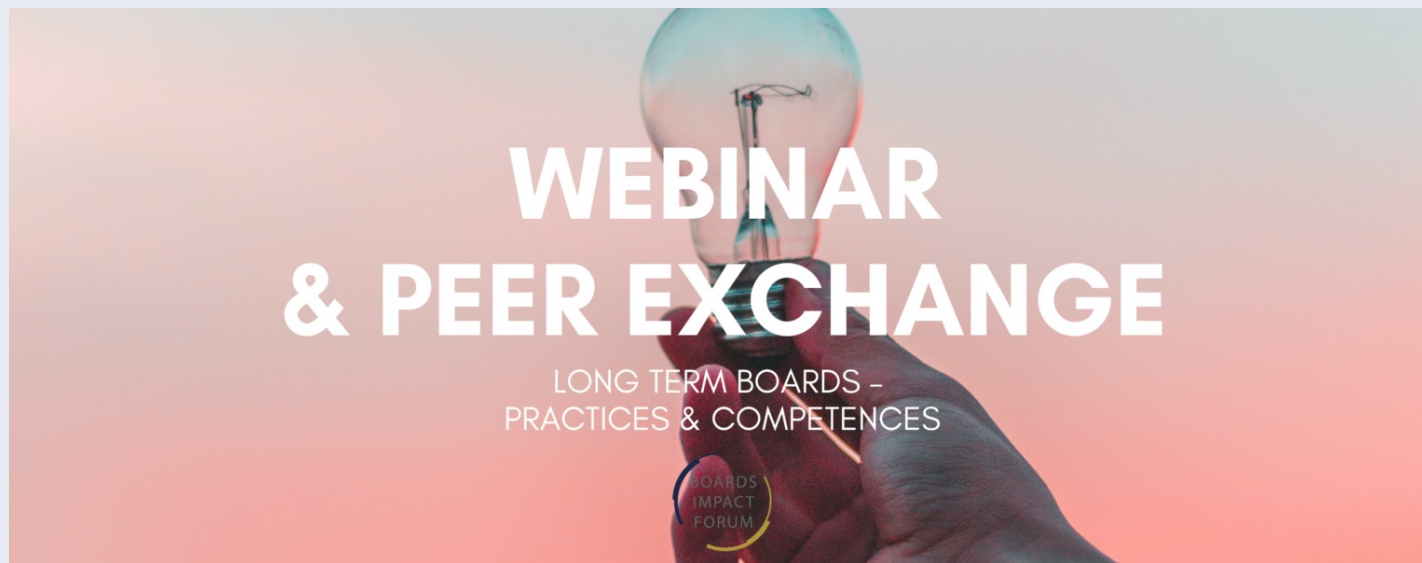


Long Term Boards – Practices & Competencies



May 4 8-9.30 CET

Moderator & Facilitators



Liselotte Engstam

Chair **Boards Impact Forum**

Board Member at Cimate Governance Initiative,
NED at TietoEvry, Zalaris, Cint, Transtema, BoardClic,
Ografy



Cecilia Widebäck West

Boards Impact Forum Operations Committee

Chair Action Aid, NED Almi Stockholm, Green Schools et al



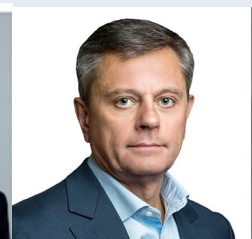
Justyna Turek

Boards Impact Forum Operations Committee

Partner Next Agent, CEO Holis

Agenda

- Welcome & Introduction
- Research insight sharing by KTH Professor Mats Magnusson & PhD Board Member Henrik Forzelius
- Perspective Sharing by INSEAD Professor Stanislav Shekshnia & NEDs Ingrid Stenmark a& Bente Sollid Storehaug
- Poll with Participants
- Breakout room discussions
- Feedback, Discussion and Q&A
- Closing Remarks
- Next



Webinar Etiquette

- Audience is muted
- **Chat Box** is open for your comments, moderated by Operations Director Fernanda Torre (*Keep to the subject, avoid marketing*)
- The first part of the webinar is being recorded
- For technical issues, email info@boardsimpactforum.com

You

53 % Nordic
47 % Rest of World
15 countries

Boards Impact Forum, part of



in collaboration with



The **Climate Governance Initiative** mobilises boards of directors, via 22 chapters in 53 countries with 100k members to address climate change in their businesses, in collaboration with **World Economic Forum**. Base our mission on the **WEF** Principles for Effective Climate Governance



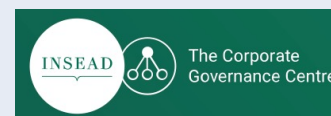
Boards Impact Forum, the Nordic Chapter, focus the broader Sustainability Agenda, **partner** with majority of **Nordic Board Networks**, in 5 countries reaching 10k board directors, in addition to the approx 30% international directors



BOARDMAN

BOARD NETWORK

styreinstitutt



INSEAD
IN-BOARD Nordic Academy



Meet Presenters



- ✓ **Mats Magnusson**, Professor KTH Royal Institute of Technology and at Luiss School of Business and Management, Chair CiNET
- ✓ **Henrik Forzelius**, Doctoral Student, Experienced Business Executive and Board Member.

The challenge – coping with disruption



Board Practices for Long Term Value Creation

Academic Research

Exploring Fast & Slow Disruptions governance by boards and identify good practices

- *Building on Research SISU Boards findings*
- *Literature Revisit*
- *Survey (n=39 - AU, DK, FI, IRE, MY, NG, NO, SE, TR, UK)*
- *Exchanges and Workshops*
- *Interviews*
- *Analysis & Chapter Writing for Book “Corporate Governance in Turbulent Era”*

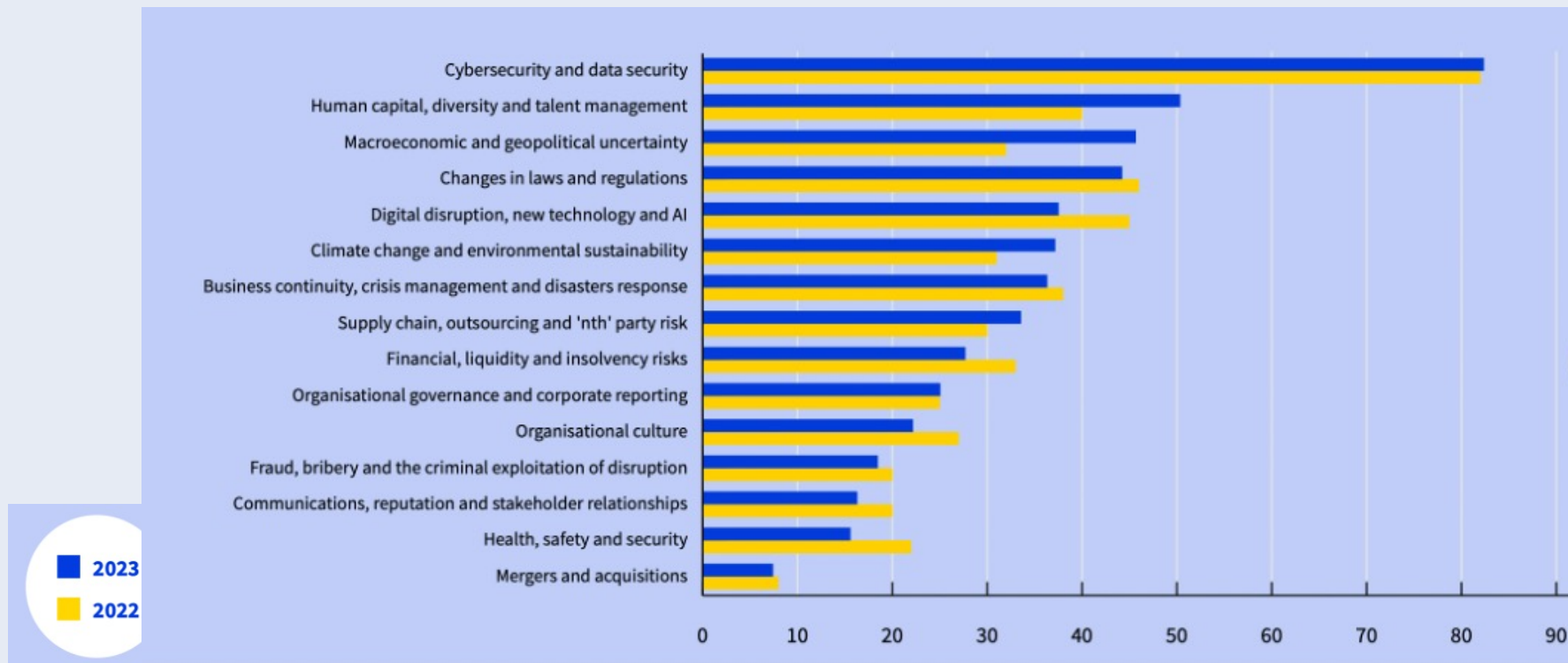
KTH Royals Institute of Technology Professor Mats Magnusson

KTH PhD & Board Member Henrik Forzelius

INSEAD Professor Stanislav Shekshnia

Boards Impact Forum Chair & Affiliated Researcher Liselotte Engstam

Boards Current Challenges – A Perfect Storm



Transformational Boards Engage better in three areas



SENSING – *for faster increased market insight*

The Challenge: internally fed information, low digital & business model competence, real implication assessment

- > **Foresee possible changes**
- > **Ensure purpose-driven focus**



PIVOTING – *inno engagement for renewed strategy formulation*

The Challenge: agree long term material risk factors, identify & explore value creation challenges/opportunities, timely pivots

- > **Take balanced risk for opportunities**
- > **Combine strategy and innovation**



ALIGNING – *decision for resource allocation*

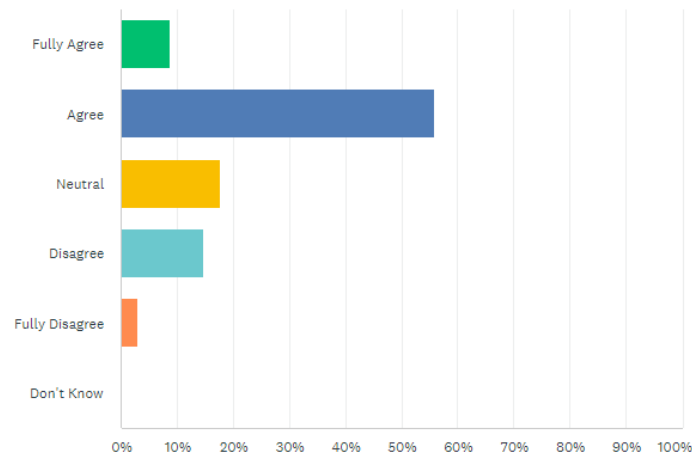
The Challenge: balance long & short term, re-allocate resources, innovation for several horizons, stakeholder communication

- > **Balance short- & long-term value creation**
- > **Monitor & govern the innovation system**

SENSING- Boards are capable to sense and understand changes in the **current** market situation

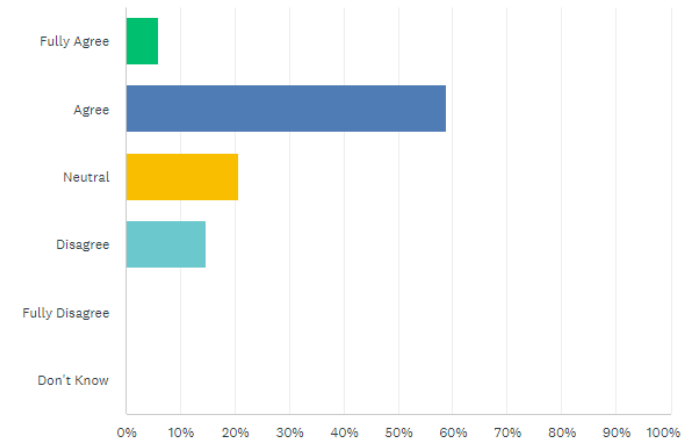
Our board has excellent understanding of the firm's strengths and weaknesses compared to competitors

Answered: 34 Skipped: 3



Our board has a good way to stay up-to-date on the current market situation, and is rarely surprised

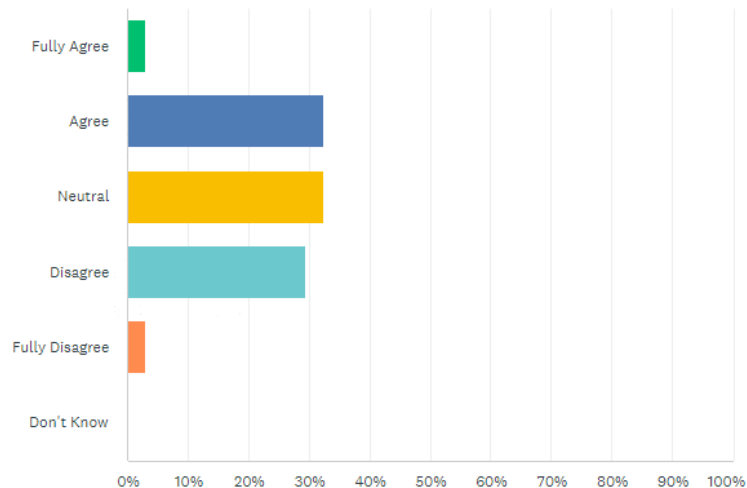
Answered: 34 Skipped: 3



But, The extent to which boards proactively search and explore new trends varies substantially

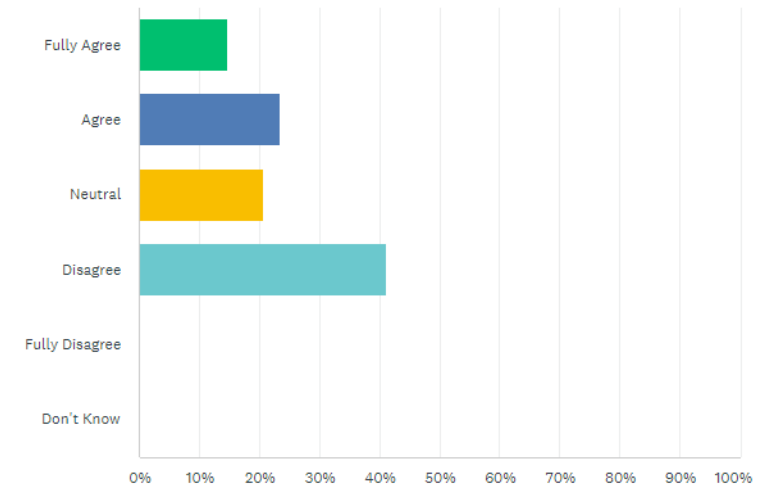
Our board actively explores potential business opportunities and new technologies in a structured way

Answered: 34 Skipped: 3



Our board proactively and systematically searches for trends and future developments in the market.

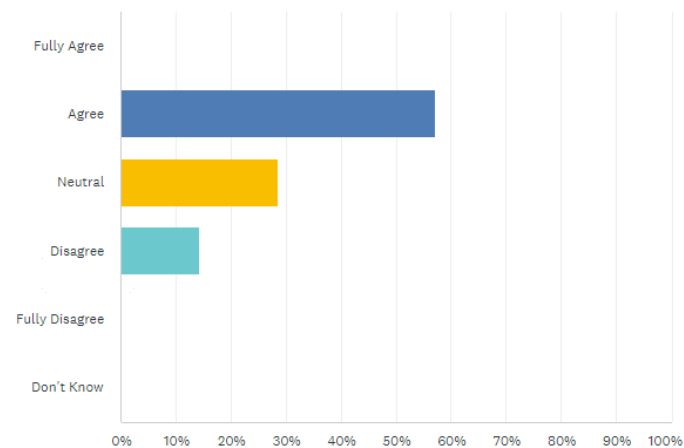
Answered: 34 Skipped: 3



PIVOTING - Boards are highly capable of addressing changes in current market

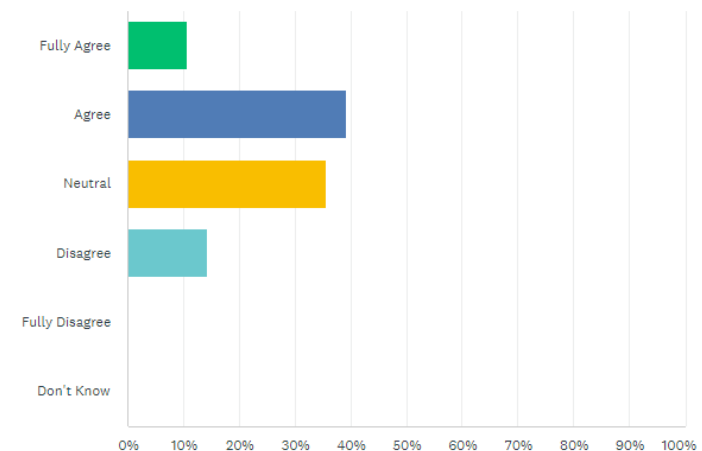
Our board reacts ambitiously initiating timely changes to business and offerings to maintain market leadership

Answered: 28 Skipped: 9



Our board has an excellent ability to quickly evaluate consequences of new market situations or disruptions

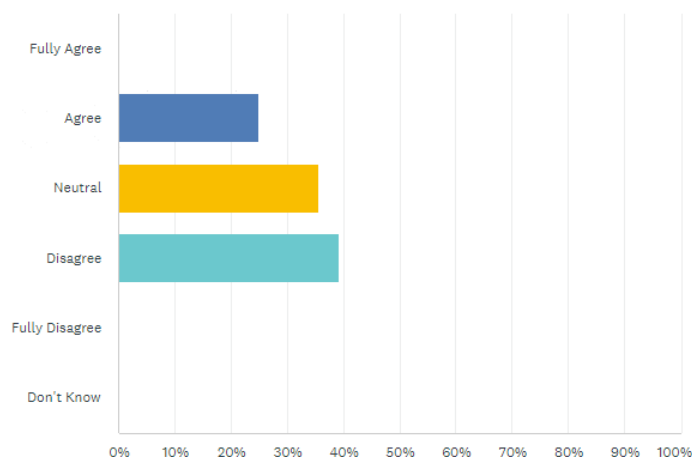
Answered: 28 Skipped: 9



However, Boards differ in terms of proactivity and in having an active role in strategic change

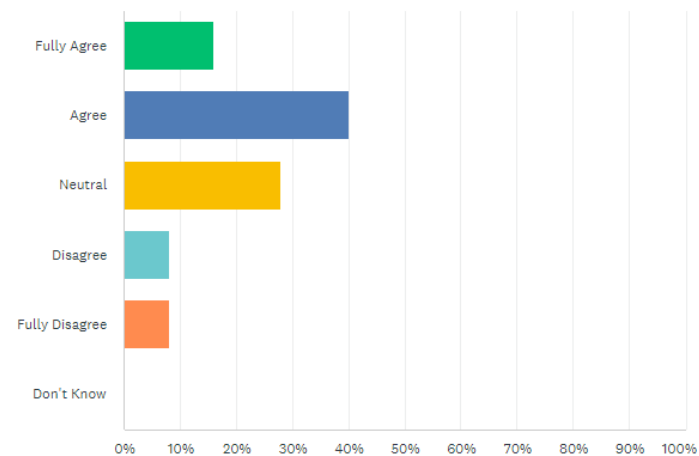
Our board has a proactive approach reassessing our assumptions to ensure strategy renewal for a market leading position

Answered: 28 Skipped: 9



Our board has an active role in communicating what innovation and renewal actions are needed in the company's long-term strategy

Answered: 25 Skipped: 12



Four discontinuities

Intentionally chosen to represent disruptions with different characteristics

- Covid, Russian war on Ukraine - Recent, ongoing, rapid
- AI, Sustainability – Ongoing, long term

This discontinuity has
a great impact

This discontinuity has
been handled well



AI has a great impact

AI has not been
handled very well

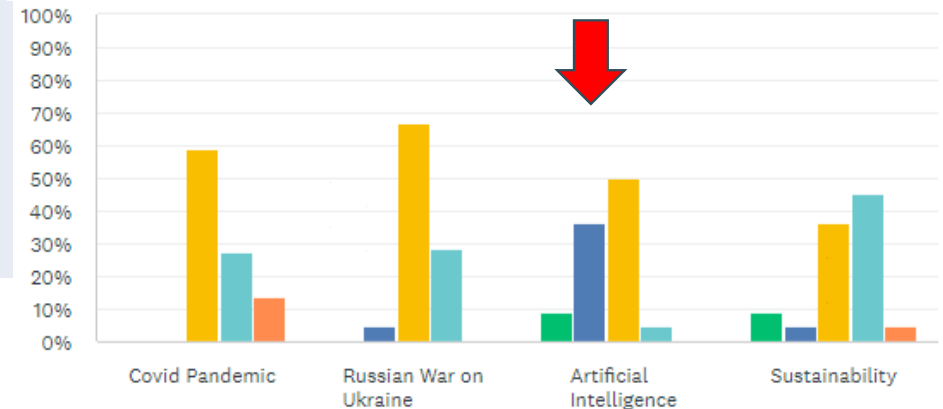
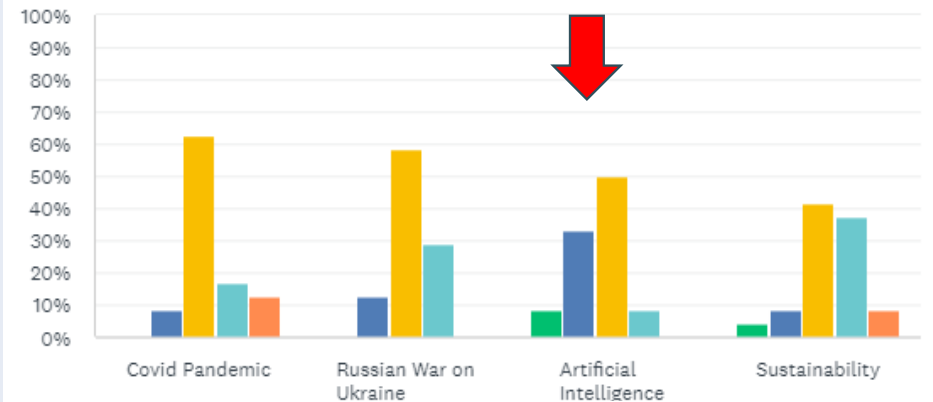
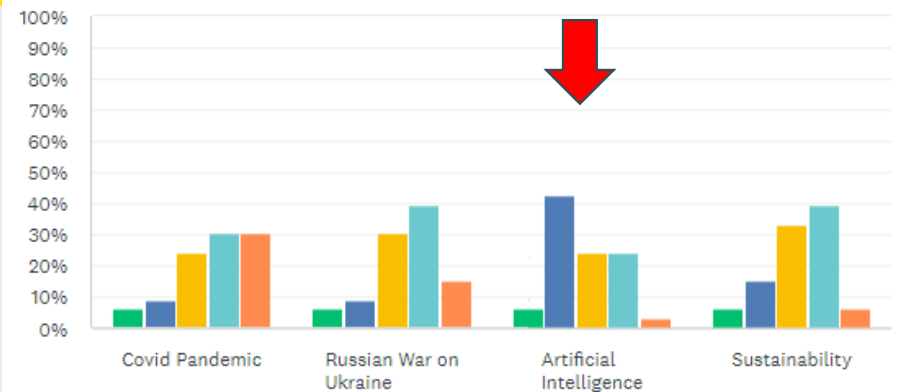
AI is a slowly evolving
disruption, picking up...

What is hindering the
boards from attending
to AI?

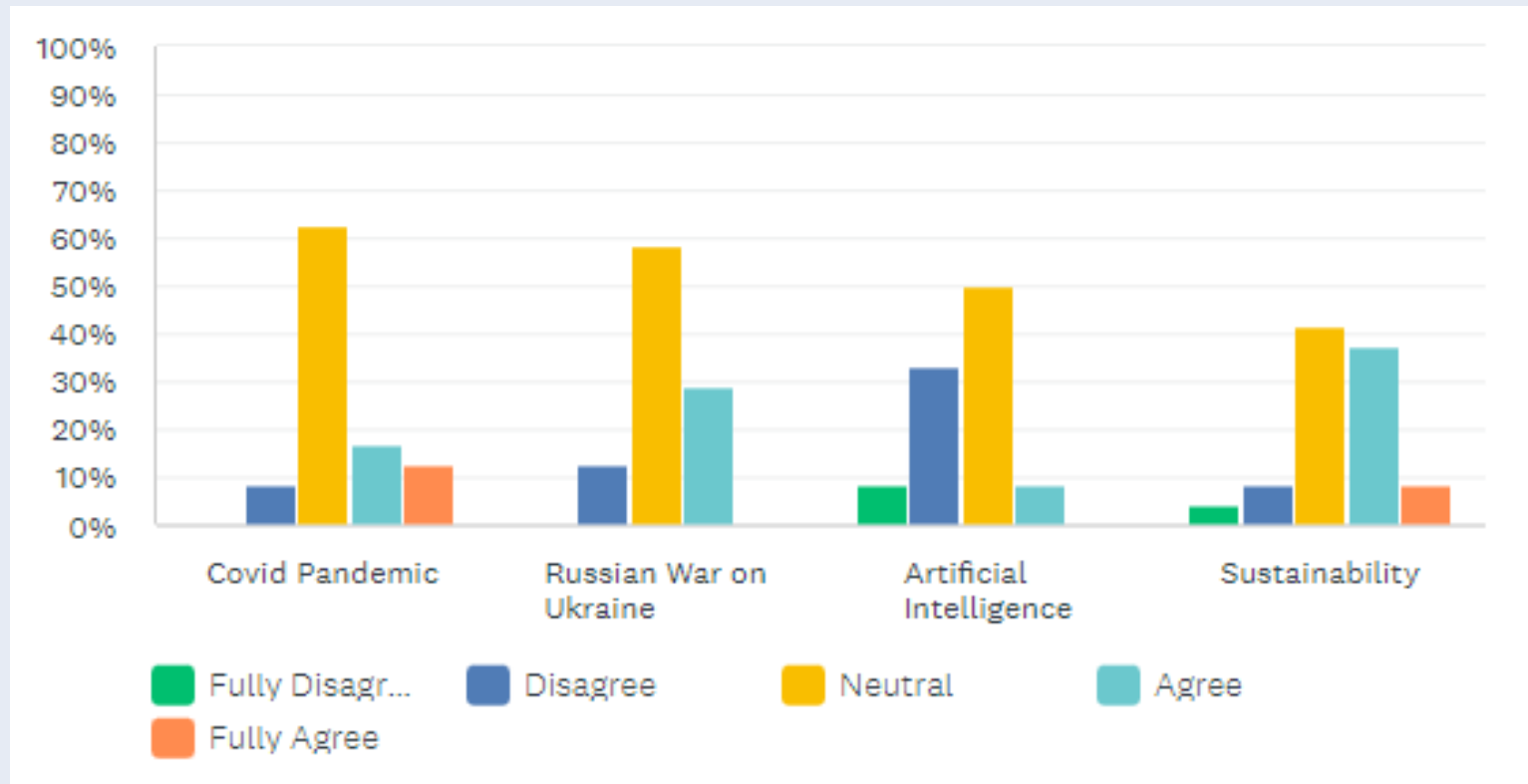
Sensing

Pivoting

Aligning



Our board decided earlier than competition on renewed strategies to handle the disruption



Theories on boards are expanding

- Uncertainty calls for new **board practices**
“Creating an innovation culture where risk-taking is embraced must start at the top.”
(HBR)
- Boards need to act as **strategic leaders** and supra-management
(Kurzahls et al, 2020)
- Different approaches for distinct or wicked problems. Wicked problems call for **close interaction** and collaboration with management
(Morais et al, 2020)
- **Board chair** is a key driver of renewal and open climate

Examples of emerging Board Practices

Sense

- * *Boards contribute more to monitoring trends*
- * *Continued revisit on market situation during most board meetings*
- * *Broader focus on value chain in sensing*

Boards process & structure

- * *Rethink roles and Increased collaboration board and management*
- * *Diversity, Entrepreneurs at board*
- * *Temporary committees*
- * *Board eval at end of every board meeting*

Pivot

- * *Focus on long term versus primarily short term in strategic decisions*
- * *Ensure clarifying and differentiating Purpose in strategy development*
- * *Integrate sustainability in strategy and strategy development*
- * *Clarify company position and strategic partners in strategy development*
- * *Monitor experiments and innovation several times during board year*

Align

- * *Monitor strategy progress versus only operational status at most board meetings*
- * *Monitor organisation resilience and culture several times during board year*
- * *Reporting adjustment of both financial and non financial measures at most board meetings*

Meet Professor Stanislav Shekshnia



✓ **Stansilav Shekshnia,**

Professor INSEAD Entrepreneurship and Family Enterprise, Director of INSEADs Leading from the Chair and Scandinavian Executive Institute Executive Board and Advanced Board development programs,

Independent chair and NED experience from companies in USA, France, Russia, Ukraine, Holland and Serbia.

Meet NED Ingrid Stenmark

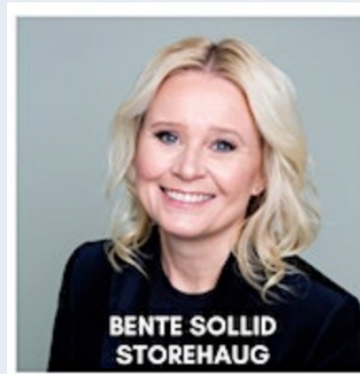


✓ **Ingrid Stenmark,**

NED, advisor and investor. NED Board Director at Transtema, Eurofiber Group, Combilent, Truecore , Fiberaccessbolaget Sweden and Myrspoven.

Previously NED at telecom companies Turkcell, MegaFon and Kcell. Ingrid has twenty years of experience in telecom, IT and media in the Nordics and internationally, including seven years in group management at Telia Company.

Meet NED Bente Sollid Storehaug



✓ **Bente Sollid Storehaug,**

NED and advisor Chair Placewise Group and Ocean Visioneering.

NED at Polaris Media, Europris, Motorgruppen, Nortel, Lumi Group, Questback, Increo and Orgbrain.

Founder and over 10 years ast CEO of a now listed company Bouvet.
Lecturer BI.

Share your perspective! Answer the Poll

Our Board is good in responding to fast disruptions as Covid and Geo issues like war

Our Board is good in responding to slow disruptions as Sustainability and AI

Our chair is a key driver of our renewal response, strategy and actions

Fully agree – fully disagree + don't know

Breakout room discussions

Agree a **Chair to lead** discussions, a **Vice Chair** to take notes and **report back**

*Introductions. Anything that surprised you or confirmed your views on the poll results? (max 1 min each)

- Discuss - ***How is the board clarifying the future and guiding the strategic response?***

Share a board practice that seem effective or worth trying?

Feedback, Discussion & Q&A

Thanks to all Presenters, Advisors & Partners

Thanks to our Presenters

Mats Magnusson

Henrik Forzelius

Stanislav Shekshnia

Ingrid Stenmark

Bente Sollid Storehaug

Thanks to **The Audience**
Operations Committee & Board

Service based on a business model supported by sponsorships.

We extend our **deep gratitude to our Partners & welcoming additional support**



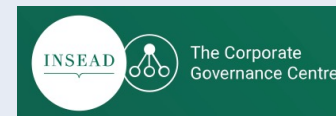
BOARDMAN

BOARD NETWORK

styreinstitutt



**THE SWEDISH ACADEMY
OF BOARD DIRECTORS**



**INSEAD
IN-BOARD Nordic Academy**



Join Boards Impact Forum

BIF Webinar & Peer Exchange

May 16 8-9.30 Experience from Revisiting & Revising Sustainability Plans –

Chair Birger Steen, Chair Asthildur Otharsdottir

In August BIF Online Sustainability Program & Peer Exchanges

Sept 7 12-13.30 CET - Board & ESG Pulse Check with INSEAD, BCG, Heidrick & Struggles, NEDs

Partners

May 25-27 Rethinking Global Strategies & Disruptions - Behavioural Perspectives on Corp Gov. INSEAD Academic - Practitioner Conference. For experienced, large Co NEDs, apply via info@boardsimpactforum.com

Aug-Nov INSEAD IN-BOARD Nordic Academy - 4 modules incl Corp Gov incl ESG, Strategy & Sustainability, Legal, Crisis, Comm, Leadership & HR. Read more & register www.insead.no/in-board

CGI Webinars, examples



Tue 9th May 1:00pm - 2:00pm (BST)

Financial Sector Hub: Assessing Corporate Clients' Climate Transition Plans



Thu 11th May 11:00am - 11:15am (CEST)

Strategy and Leadership in the Age of ESG

"Company leaders should see the



Incentivising for Success: The role of remuneration in climate transition plans

25 May, 13:00 CEST

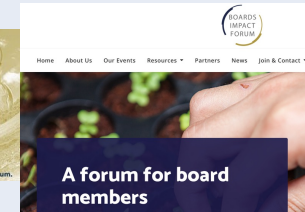
Thu 25th May 12:00pm - 1:00pm (BST)

Incentivising for Success: The role of remuneration in climate transition plans

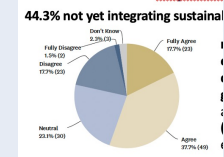


**Webinars,
incl CGI Chapters**

**Website w Guides, Peer Group
Blog, Events Exchanges**



**Surveys,
Research**
Survey findings on cc
Areas for improve



**Online
Programs**



**Partner
events**



BoardsImpactForum.com



[@ImpactBoards](https://twitter.com/ImpactBoards)



[@Boards Impact Forum](https://www.linkedin.com/company/boards-impact-forum)



[Boards Impact Forum](https://www.youtube.com/boardsimpactforum)

THANK YOU!