board room

Magazine of the Institute of Directors in New Zealand

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Institute of Directors

A note from the editor.

In our third issue for the year, we look at the way business is changing in this globalising environment.

US-based blockchain expert Dr Tomicah Tillemann, who was a keynote speaker at the IoD's recent Leading Edge conference, talks about how the technology has the ability to "shrink distance".

That shrinking distance means that people of many different backgrounds and experiences are now coming together in the workplace. As a consequence, businesses need to think about the way they are interacting with their staff, customers and other stakeholders. Cultural intelligence, or CQ, is the ability to not just recognise diversity, but to embrace it.

New Zealand entrepreneur, Peter Beck, truly embodies the concept of globalisation. With Rocket Lab, he has built a multinational company backed by some of Silicon Valley's biggest names. He shares his insights into how he built the board that helped him turn a lifelong obsession with space into a company that is transforming access to orbit. The Invercargill-born engineer wants New Zealand businesses and boards to follow in his footsteps and think big.

We also spoke to outgoing WorkSafe chairman, and IoD Chartered Fellow, Gregor Coster, who reflects on what the workplace health and safety body has achieved in the five years since its inception.
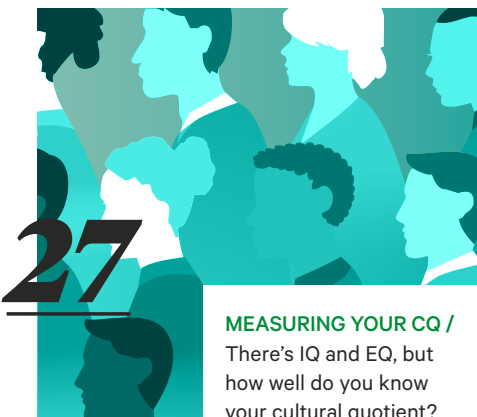
Kate Geenty
BoardRoom editor

Institute of Directors

BoardRoom is the magazine of the Institute of Directors in New Zealand **iod.org.nz**

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THINKING BIGGER /
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MEASURING YOUR CQ /
There's IQ and EQ, but how well do you know your cultural quotient?

board**room**

BoardRoom is published six times a year by the Institute of Directors in New Zealand (IoD) and is free to all members. Subscription for non-members is $155 per year.

BoardRoom is designed to inform and stimulate discussion in the director community, but opinions expressed do not reflect IoD policy unless explicitly stated.

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For a full list of branch managers, see *page 47*.

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Setting the tone from the top

KIRSTEN PATTERSON
CEO, INSTITUTE OF DIRECTORS

Throughout my career managing teams, I've often been reminded of the Māori proverb, "He aha te mea nui o te ao? He tangata, he tangata, he tangata / What is the most important thing in life? It is the people, the people, the people".

Organisations succeed or fail on the basis of their people and the culture that is created. All organisations set out to achieve objectives that can't be done by one person alone, and require the work of a team.

As any director or senior executive will attest, harnessing people to work together to excel is one of those tasks that is easy in theory but much harder in practice. Coaching people with diverse values, lifestyles, motivation and ideas to work together as a unified whole requires skilled managers and a strong set of organisational values that are clearly communicated.

To do this, we set organisational values that reflect the kind of culture we want to create in the workplace. We socialise these values with our staff, and hope that within their day-to-day interactions they embody this. However, it is how these values translate into practice that really determines the culture and potential success of an organisation. Or in, the famous words of Peter Drucker, "culture eats strategy for breakfast".

In the wake of the #MeToo and #TimesUp movements, all of us should be thinking about how well our organisational vision translates into workplace culture. From small rumblings directed at Hollywood, these movements erupted into significant social movements touching multiple industries across the world. With each day, new people come forward challenging behaviour that is not appropriate in the workplace. Back home, we have seen allegations of #MeToo moments at a number of organisations.

As directors, we play an important role in setting the tone and the values of an organisation, as well as modelling the kind of leadership that we would like to see. The board has an important role in holding management to account over breakdowns in culture, especially when the allegations are as serious as some of the cases we have seen.

That is why we released the DirectorsBrief 'Sexual Harassment and the Board's Role – #TimesUp' in March to help directors bridge the gap between strategy and culture through better reporting and processes.

The ramifications of the #MeToo and #TimesUp movements run much broader than just illegal acts of sexual harassment in the workplace. As workers take to social media to express their concerns, other behavioural cultures that can make a workplace unhealthy are also being uncovered, such as bullying.

All directors should take note of these movements, as at their heart they highlight the need for boards to create bridges between strategy and culture. The key to creating this bridge is better reporting, and making sure that boards are better able to hold management to account through asking the right questions.

The IoD is committed to continuing to provide you information on best practice in reporting, so that you can create healthy and prosperous organisations where trust between team members is maintained.

On another note, this month I will be attending the National Association of Corporate Directors Global Cyber Forum in Geneva. Targeted specifically towards boards and increasing their understanding of director obligations in an increasingly digital world, I expect this conference will provide valuable insights on how to deal with new cybersecurity demands. I look forward to passing these learnings on to our members in the coming months.

Ngā mihi nui,

Kirsten (KP)

Up**Front**

Otago Southland Branch Chair, Geoff Thomas, presenting
Bill Baylis with his Distinguished Fellow certificate.

Distinguished Fellow awarded:
Bill Baylis

Bill Baylis has been made a Distinguished Fellow of the Institute of Directors in New Zealand.

The Distinguished Fellow Award is the IoD's highest accolade, awarded to members who have sustained a prominent and distinguished career as a director, or given outstanding participation and services to the IoD or eminent and special contributions to the community or business.

A former chartered accountant, Bill has enjoyed an extensive and distinguished governance career. He has held governance roles within a wide range of SOEs, publicly listed companies and large private companies, across a range of sectors including infrastructure, agribusiness, tourism and construction.

Bill has also contributed in governance roles to a number of community organisations.

Bill has a long history with the IoD, and was one of its first New Zealand members. He was appointed chair of the IoD's Accreditation Board in 2009, and continued in that role until Accreditation was superseded by the Chartered Member Pathway in 2014. Over the years, Bill has also been a presenter at the Otago Southland Governance Development Programmes in Dunedin and Queenstown, and has been active at branch events in Southland Otago and around the country.

As well as being a Distinguished Fellow of the IoD, Bill is also a Fellow of the Chartered Accountants of New Zealand and a Fellow of the New Zealand Institute of Management.

APPOINTMENTS

Tom Campbell
Chartered Fellow, has been appointed to the board of Port Otago

Tania Simpson
Chartered Fellow, has been appointed to the board of Ngāi Tahu Tourism

Linda Jenkinson
Member, has been appointed to the board of Harbour Asset Management Limited

Steve Mander
Chartered Member, has been appointed to the board of Rawlinsons Ltd, via the IoD's DirectorSearch appointment service

Joanna Perry MNZM
Chartered Fellow, has been appointed as the independent chair of property and funds manager Oyster Property Group

Ondine Waddle
Associate Member, has been appointed to the board of Coupland's Bakeries, via the IoD's DirectorSearch appointment service

Jackie Lloyd
Chartered Member, has been appointed to the board of Naylor Love

Earl Rattray
Chartered Fellow, has been appointed to the board of the India New Zealand Business Council

Sue Suckling OBE
Chartered Fellow, has been appointed chair of the Insurance & Financial Services Ombudsman Commission

Q: The board of a company can resolve not to hold an annual meeting — true or false?

A: True. From 2017, an annual meeting is not required if:

there is nothing required to be done at the meeting, and

the board resolves that it is in the interests of the company not to hold the meeting (having regard to whether there is any particular issue that the shareholders should be given an opportunity to discuss, comment on, or ask questions about), and

the constitution of the company does not require the meeting to be called or held.

See section 120 of the Companies Act 1993.

Take part in the IoD's 2018 Directors' Fees Survey

We have just sent out our annual survey on directors' fees, in conjunction with our survey partner EY. As the professional body for boards and board members in New Zealand, the IoD recognises the importance of appropriate remuneration for directors. We strongly encourage our members to take part, as we rely on your participation to get fresh, up-to-date data that enables us to set best practice remuneration guidance. If you participated in the 2017 survey, this year's survey will have been pre-populated for you with last year's answers. Just update any details that have changed. If nothing has changed, you can simply click 'No new changes since your previous submission' button at the top of page one of the survey.

Your input is important, whether you work at a small not-for-profit, or a large corporation.

Participants will receive a free executive summary of the survey results, a $200 discount on the already-discounted IoD member report price, and the option to self-log two CPD points.

See our website iod.org.nz for more information or email **boardservices@iod.org.nz**.

Pillar Talk

Four questions with Chartered Fellow Sue Suckling on her experience of *Four Pillars* 2.4: Board composition and succession planning.

❶
How can you tell when it's time to refresh your board?

I think this is a constant question for a board and it relates to the company's strategy and challenges and the value-add that can be given by current members.

❸
How do you ensure you get the right mix of skills and experience on your board?

Two things: step one is you've got to do a critical self-evaluation of what it is you need to support the strategy and performance, as well as what you need to get the conformance requirements of good governance. Step two is you need a really robust process of recruitment.

❷
How often should the composition of boards be reviewed?

Active succession planning is as important around the board table as it is for executives. Boards must have openness in their discussions on individuals' timeframes and aspirations in regards to staying on the board. I think this is an annual open discussion, especially on large organisations' boards. For SMEs, I see it as far more dynamic and ongoing discussions.

❹
How does diversity on your board affect decision making?

Diversity is critical and you want diversity of view and experience. When I think of diversity, I think of gender, ethnicity, age, experience – in and outside the realm of the business – because outside experience can bring in really fresh views, and also exposure to technology trends and international business. Diversity is not just about the front end, where I talk about gender, ethnicity, age, it's also diversity of experience. It's absolutely critical, otherwise you do get groupthink and you need great challenge around a board table.

Getting on board with diversity
A guide to getting diverse talent on boards.
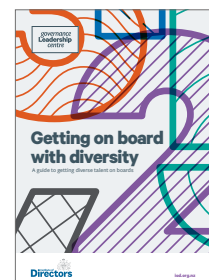
Directors

Comprehensive advice on building and maintaining an effective board can be found in *The Four Pillars of Governance Best Practice for New Zealand Directors* at chapter 2.4: Board composition and succession planning. **iod.org.nz/FourPillars.** The IoD's *Getting on board with diversity* guide also provides more information on how you can support diversity in your boardroom.
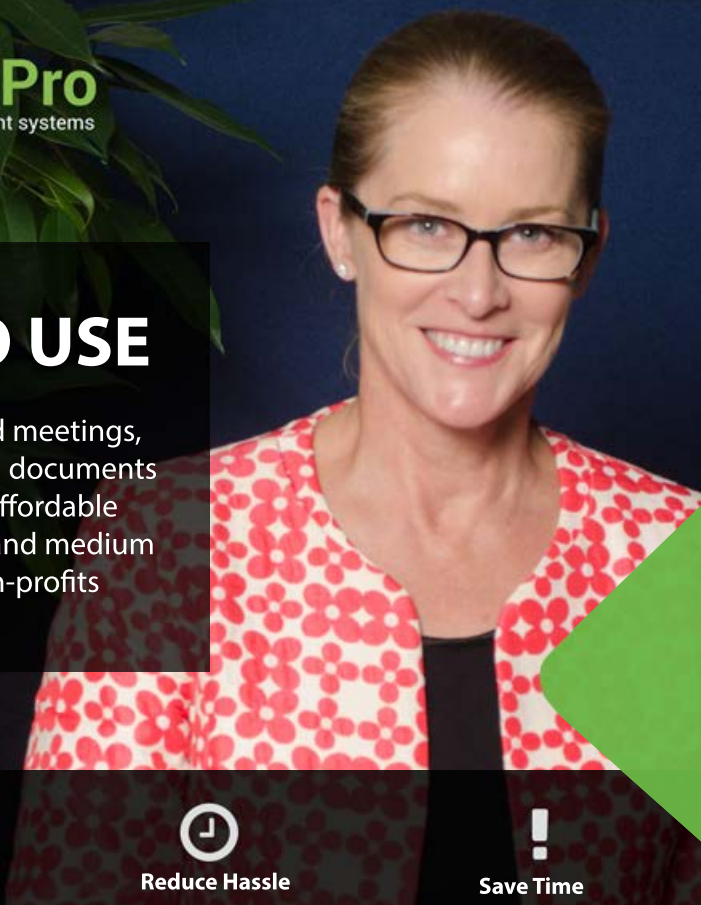
Trust levels drop

Trust levels remain low in New Zealand, according to the 2018 Acumen Edelman Trust Barometer. The informed public, which is comprised of tertiary educated New Zealanders who are in the top 25% of income earners, reported a significant drop in trust towards all institutions. Trust in business fell 14 percentage points from 2017, to 52%, trust in Government fell 6 percentage points to 57%, trust in media fell 4 percentage points to 38%, and trust in NGOs fell 19 percentage points to 56%.

In order to trust business, New Zealanders want to see a focus on broader issues than simply making a profit, with protecting privacy of information, keeping people safe from harm and fostering economic prosperity all cited as priorities by respondents. New Zealanders want businesses to show a commitment to the long-term, with 44% of respondents saying that companies that only think about themselves and their profits are bound to fail.
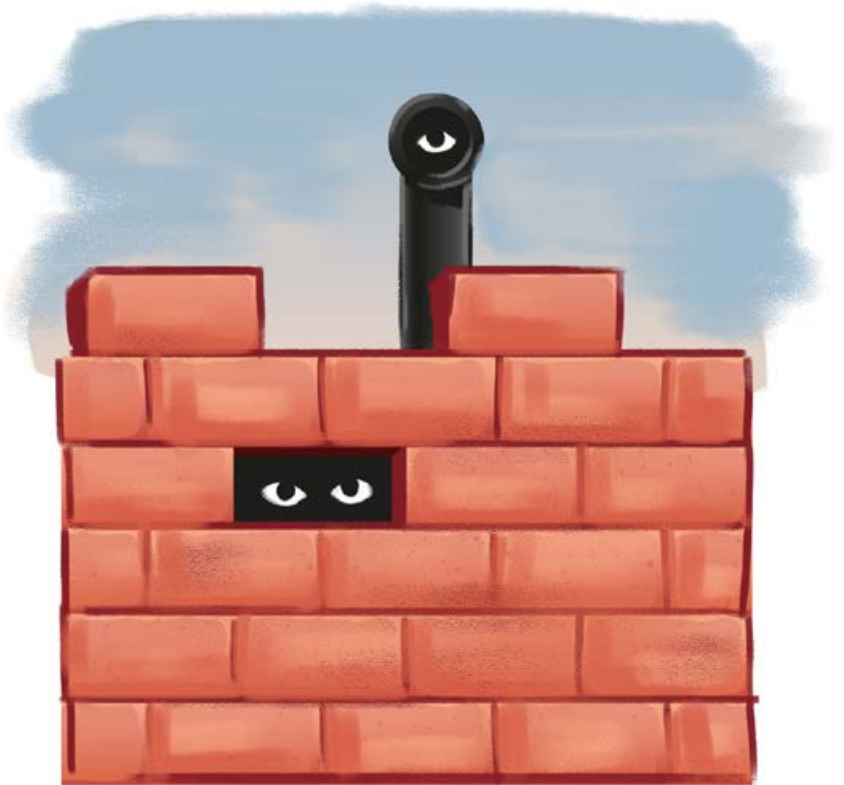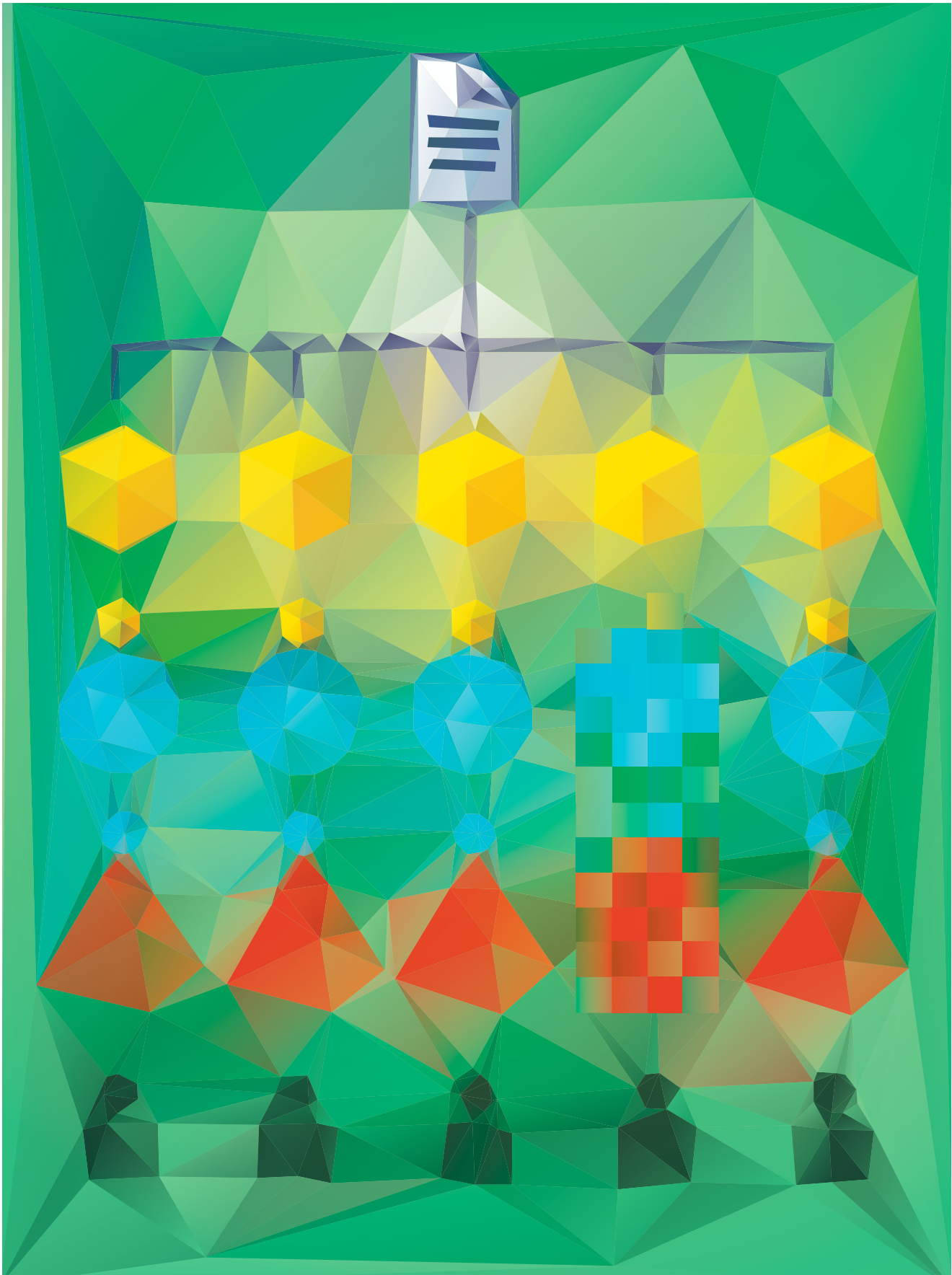
The blockchain game-changer

You may not fully understand what blockchain is yet but within the next few years it could underpin the way you do business.

Although blockchain is still in the early stages of its development, it has implications for almost every sector of society, says Dr Tomicah Tillemann, a director at New America's Bretton Woods II programme and a keynote speaker at the IoD's recent Leading Edge conference in Auckland.

Tillemann, who co-founded the BlockChain Trust Accelerator, and chairs the Global Blockchain Business Council, likens the technology to the internet in terms of its potential to be world-changing. "If you compare the pace of blockchain adoption to the process of internet adoption, realistically we are in 1994. However, it's moving far more quickly than the adoption of the internet did. This is a train that I think has picked up far more speed earlier on than the internet did, in part because people already understand the importance of global networks."

"My assumption is that within the next few years, this is going to be technology that we won't even think about that much because it's going to be in the background of many of the tasks that we participate in every day," he says.

WHAT IS BLOCKCHAIN?

At its core, blockchain is a record keeping system. It's like a decentralised database, or ledger, that is shared and maintained on multiple computers. When a user makes a change, all copies of the database are updated and reconciled almost simultaneously. No one can change the data in a blockchain without other people seeing, which Tillemann says makes it much harder to tamper with than traditional record-keeping methods. "If you think about the way we historically store information, we take all of our data and we put it inside a single house. We lock the door and hope no one can pick the lock, but if someone is able to pick the lock they get access to everything," he says. "In the case of blockchain, you would have to simultaneously pick thousands of locks on thousands of doors all over the world. This means it is very, very difficult to hack."

The other critical feature of blockchain is that the data is permanent. Once you put information into a blockchain you can update it, but you can never erase it. "What that means is that they are far more resilient against corruption, against the type of tampering and malfeasance that has sometimes caused problems in the past," says Tillemann.   >>

"There's a lot of activity around the use of blockchain for money transfers, or the transfer of assets, and there's increasingly a lot of activity around the use of blockchain to facilitate better interactions between citizens and the state, citizens and government."
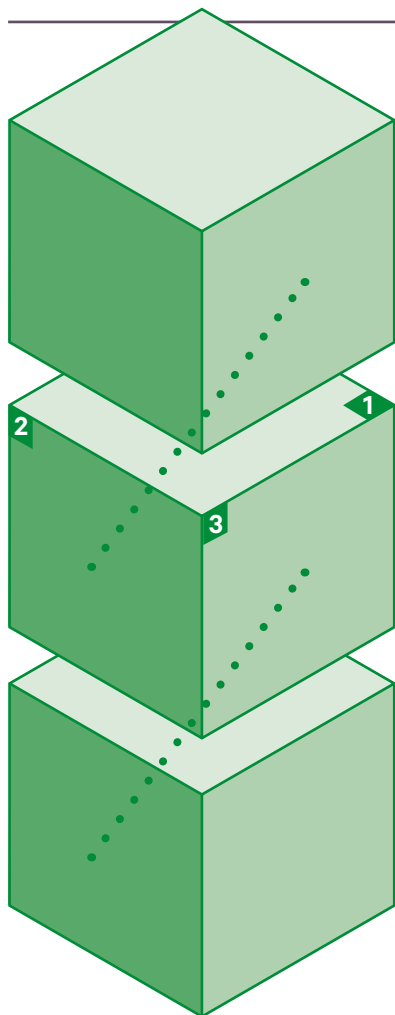
What are the components **of a block?**

1. THE DATA

This could be any type of information, from records to transactions.

2. THE HASH NUMBER

This is a unique identifier for each block, each time information is changed within the block, a new hash is generated.

3. HASH NUMBER OF THE PREVIOUS BLOCK

This is the hash of the block that came before in the blockchain, this safeguards against tampering with different blocks in the chain.

BLOCKCHAIN

bläk-chān
noun

A digital database containing information (such as records of financial transactions) that can be simultaneously used and shared within a large decentralised, publicly accessible network;

Also: the technology used to create such a database

WHAT ARE THE POTENTIAL BUSINESS BENEFITS?

In the blockchain world, payments, contracts, agreements and transactions can be stored, verified and accessed by all parties involved in a deal. As well as providing a secure record of transactions, blockchain can also make doing business much more efficient and streamlined. By storing all the records and information about a project in one place, everyone involved can easily stay across what is happening. "The ability to strip out a lot of the paperwork and uncertainty that currently characterises business operations and replace that with very streamlined, lightweight, efficient structures is going to be very important for a wide range of industries," Tillemann says.

Even something like building a house can be simplified by the use of blockchain. "Say you hired a contractor to build that house, and also a number of subcontractors to assist in the process, if all of us agree at the outset that we are going to use the same set of books

to keep track of all of the expenses and materials and everything else that goes into that project, it's going to be much easier to get things done. We're going to have a faster, more efficient process. What we're seeing in early-use-cases for blockchain is that processes that previously took days or weeks are distilled down to a couple of minutes in many instances."

WHAT SHOULD YOU BE DOING?

As a director, Tillemann says you can do one of two things – embrace the new technology and use it as an opportunity to develop new models for how your business can operate, or, wait until your competitors make the first move, and then be in a position of responding to those changes.

"You need to figure out what kind of company you are, how you make your money and, to the extent possible, rethink your business model to make sure you are maximising efficiency and transparency, maximising accountability and creating
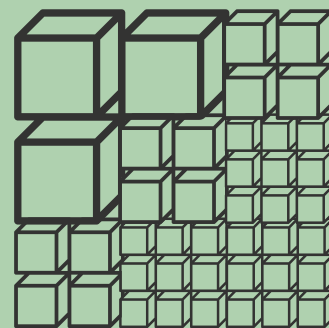
a very compelling value proposition for your customers, rather than simply profiting off the friction that characterises so many of the business activities that we engage in every day."

There are ways businesses can dip their toes into the blockchain world. "We are seeing a number of companies take steps into the supply chain space, and there's a lot of activity around the use of blockchain in sustainable supply chains, which we see as a big opportunity. There's a lot of activity around the use of blockchain for money transfers, or the transfer of assets, and there's increasingly a lot of activity around the use of blockchain to facilitate better interactions between citizens and the state, citizens and government."

Some of New Zealand's biggest companies are already exploring ways they can use blockchain-based systems in their businesses. Last year, Air New Zealand announced a partnership with Swiss travel platform Winding Tree, which is developing a travel marketplace through blockchain. At the time, Air New Zealand's >>

Tomicah Tillemann, Director of the Bretton Woods II programme at New America

"In the case of blockchain, you would have to simultaneously pick thousands of locks on thousands of doors all over the world. This means it is very, very difficult to hack. "

Chief Digital Officer, Avi Golan, said the airline was still exploring blockchain's benefits, but believed it could offer a streamlined way to retail airfare and ancillary products alongside its current channels. "In removing complexity from the sales chain, customers benefit from reduced transactional costs, and airlines benefit from swift and secure sharing of information," Mr Golan said.

Dairy co-operative Fonterra has also recognised blockchain's huge potential for both improving efficiency and helping to prove the provenance of products. In 2017, Fonterra signed a memorandum of understanding with Chinese online retailer Alibaba, aimed at developing a blockchain platform to strengthen their supply chain and to reassure consumers they are getting what they pay for. Maggie Zhou, managing director of Alibaba Group Australia and New Zealand said the project would "enhance traceability models and introduce new technologies to stop the production of counterfeit and fraudulent food products".

The potential food safety benefits of blockchain have already been harnessed by retail giant Walmart. The company turned to the technology when concerns were raised around the supply chain for pork products being carried by its stores in Asia. Documenting and tracking the process on blockchain meant the company could trace each piece of meat back to a specific section of the farm from which it originated, and then through each stage along the supply chain. Tillemann says blockchain provided a much more cost-effective way for Walmart to ensure food safety than traditional supply chain methods did. "It created a much more secure, far more efficient system, for not only understanding the various inputs in their system, but also guaranteeing if anything ever went wrong they could get the products out of the supply chain without having to pull millions and millions of dollars' worth of merchandise the way they would have had to have done previously." >>

TRADE BENEFITS

Tillemann says that trade-based enterprises or companies that are involved in import or export are some of the biggest potential beneficiaries of blockchain technology, because it has the potential to make the movement of goods, services and assets much less expensive. "For a country like New Zealand, where a substantial portion of the economy is focused around exports and engagement with other jurisdictions, this could be a big boost, if it's harnessed correctly."

BARRIERS TO BLOCKCHAIN

The biggest barrier to the widespread adoption of blockchain technology is getting people to comprehend its potential. People have to understand it before they can work out how to use it. "This is a complicated technology and while it's possible to distil it down, and we try our best to do so and to make it accessible for our audience, ultimately people do have to spend a little bit of time if they want to understand it to a point where they can put it to work in their organisation."

Once a baseline understanding has been achieved, the next potential blockage will be finding experts to implement blockchain in a business setting. "Because the technology is very much in demand amongst those who have come to an understanding of its potential, there is a limited supply of developers and a limited supply of technical talent available to build blockchain solutions. Those that can build blockchain solutions are for the most part, very hard at work already on deploying new pilot projects."

If you are worried that you don't understand the technology or have been too slow on the uptake, don't despair; even some of the best and brightest of the technology world have been slow to embrace blockchain's possibilities. Tillemann was recently speaking to the staff of what he describes as one of the largest tech firms in the world, and realised that even some of the best computer scientists in the world hadn't given much thought to blockchain's potential and capabilities. "Over the course of our conversation you could see the lights going on in their eyes as they recognised that this was a bit of a game changer." ⓑ

Snapshot of blockchain projects underway in *New Zealand*

OCTOBER 2016

Auckland-based power company Vector trialled a trading platform with Australian blockchain energy company Power Ledger that allowed consumers to trade surplus energy from solar panels and batteries directly with each other.

MARCH 2017

Fonterra signed a memorandum of understanding with Chinese online retailer Alibaba, aimed at developing a blockchain platform to strengthen their supply chain.

OCTOBER 2017

KlickEx group, a New Zealand company that provides web-based money transfer services, teamed up with IBM and the US-based blockchain network Stellar, to provide a cross-border blockchain-based payments service that reduces the time it takes for a payment to clear to seconds instead of days.

NOVEMBER 2017

Air New Zealand announced a partnership with Winding Tree, a Swiss-based start-up that uses blockchain technologies and cryptocurrencies to eliminate intermediaries in air travel and hotel bookings. The airline said it was looking at a number of potential use cases for blockchain technology, including cargo and baggage tracking, retail, distribution and loyalty programme opportunities.

JANUARY 2018

Auckland blockchain company Centrality raised US$80 million (NZ$110 million) in cryptocurrency that can be used in an online marketplace.

MARCH 2018

New Zealand financial technology advisory services provider Capital Trust Group announced it will act as the blockchain exchange advisor to lead two asset-backed token projects and a separate Mixed Martial Arts (MMA) global fighters token project.

Great health and safety **looks like this.**

So, you want to know your organisation is looking after its people and meeting its health and safety obligations. But do you know what health and safety best practice looks like – and is your business 'there'?

Firstly, put the manuals down. Health and safety has just been redefined. Gone are the days where you're able to rely on the existence of standard operating procedures – ones you know in your heart-of-hearts your people won't learn or take on board. Instead, thanks to WorkSafe, health and safety has evolved into something much more proactive (and actionable).

HEALTH & SAFETY DONE RIGHT

Does your organisation rely on its people to follow procedures correctly, leaving their wellbeing (and the wellbeing of those around them) entirely in the hands of the individual? If so, read on, because in September 2017, as part of their mission to protect your people's welfare, WorkSafe has defined what it means to do health and safety well – and it looks something like this:

Ensure and check that your workers, including contractors, have the competence and resources necessary to perform their roles.

Check that identified controls for health and safety are understood and implemented at every stage.

Where communication is provided, check there's a method to verify that it has been understood.

Ensure that workers can explain the training they've received in risk assessment, articulating safety risks and work-related health risks.

In short, you need to be highly confident that your organisation doesn't just tell its people how to do things properly, it has to actively ensure (on an ongoing basis), that staff and contractors truly understand how to perform their roles correctly and safely.

TRAINING THAT WORKS

So, now you know how high the bar is, how exactly can complicated, multi-site organisations possibly achieve this at an affordable cost? Well, that's where SimTutor comes in.

SimTutor's online training platform is the ideal tool for helping businesses meet their requirements, as it enables organisations to create their own highly effective procedure-based simulations that can be distributed among all employees, contractors and remote workers anytime, anywhere.

Using scenarios which can cost-effectively be customised for the specific conditions at each worksite, SimTutor gives you the ability to let your staff learn and apply their knowledge in a risk-free, interactive environment. SimTutor's test and track features provide a high degree of confidence that your people have the necessary competence and understanding to stay safe. The cloud-based platform is incredibly cost-effective and easy to use, meaning results can be achieved incredibly quickly compared with traditional e-Learning, without breaking the bank.

So now, with SimTutor at your side, you can rest easy knowing that you are helping keep your people safe and job-ready. To find out more, or to book a demo, simply visit www.simtutor.com or email us on info@simtutor.com to arrange to speak to a training expert.

⊘SimTutor Learn by doing. Anytime, anywhere.

Cyber security, directors and the home office

PETER BAILEY
GENERAL MANAGER,
AURA INFORMATION SECURITY

As a director who works remotely, including from home, particularly if sitting on multiple boards, you've got plenty on your mind. But there's one important thing that may have escaped your attention: the need for robust cyber security measures that are, at the very least, as good as those of the companies you guide.

When working with sensitive information it's crucial you have a solid security plan in place to protect your clients', and your own, data. However, when you leave the security of the office and work remotely, you automatically leave yourself vulnerable to security threats – especially if you don't have a plan in place.

Fortunately, taking care of the data to which you are privy doesn't need to be particularly difficult. Here Peter Bailey, General Manager at Aura Information Security, explains how.

aura INFORMATION SECURITY | POWERED BY KORDIA

START WITH POLICY
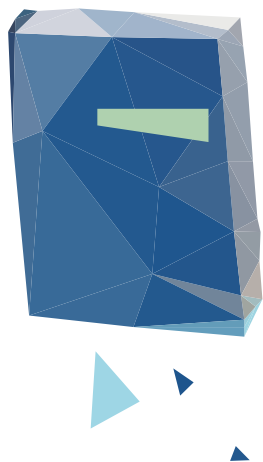
The companies that you govern should have standardised information security policies that apply to all employees. The policy should apply to you, too, even in your home office. The best place to start is to access and read the policy, before taking all measures necessary to comply. If there's no existing policy, this is something that should be addressed immediately.

If, as is the case for many professional directors, you sit on multiple boards, read and understand the security policy of each company. There should be a good deal of similarity between them (after all, good security practices aren't mysterious or unique). If there are obvious conflicts, raise them with the organisation's security officer or responsible executive, so a suitable compromise can be found.

If you're tempted to bypass the security policy because it appears to be obstructive – don't. The policies are there for a reason and they must apply equally to everyone, lest a weak link appear in the chain.

GET SET UP BY THE PROFESSIONALS
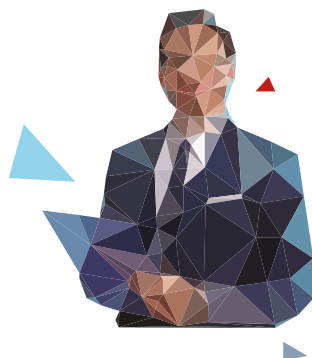
As a director, you're required to know a lot, but cyber security may not necessarily be amongst your primary talents. That's not a problem; get the company security specialist, if there is one, to help set up your devices and connection.

Smaller companies might not have such a person or they might outsource security to a specialist provider (this often applies in larger companies, too); in these cases, use the provider, or find a trusted specialist of your own to provide the necessary assistance.

Among the tasks that this person should assist you with is hardening of your device – which refers to removing all unnecessary applications, enabling encryption and password protection, and, crucially, making sure all applications are updated, including your router. >>

DEVICES

Whatever the devices you use to access company information, all of them need to be adequately protected and looked after. This starts with the setup, likely with the assistance of a professional if you aren't confident doing it yourself. But there are also measures you need to personally address.

That includes passwords, mentioned above. Choose a password that is difficult to guess. Contrary to previous advice, a password with varying capitals and numbers is not the most secure. Instead, choose a phrase or string of words, such as song lyrics.

Make sure all your devices are set to lock themselves if unattended, including your computer and your phone. Use the fingerprint sensor available on most modern devices, and Microsoft's 'Hello' face-recognition technology; these measures are effective and simple.

Don't let family members, especially kids, use the devices you use to carry out work tasks. In fact, you should try to have dedicated 'work' and 'personal' devices, where practical. And always avoid using USB drives, particularly if they are 'just lying around' or you don't know what's on them.

One thing that people often forget is to ensure their home router, crucial for connectivity, is secure. Routers are often a weak point in your network – many people simply plug theirs in, leave it with the default password, and never think about it again. Instead, you should set a unique password, enable encryption and remember that the device itself does require routine software updates. Either find out how to log on to do regular checks and updates yourself, or arrange with your security team to have it checked regularly.

SOFTWARE AND SERVICES, INCLUDING BACKUP
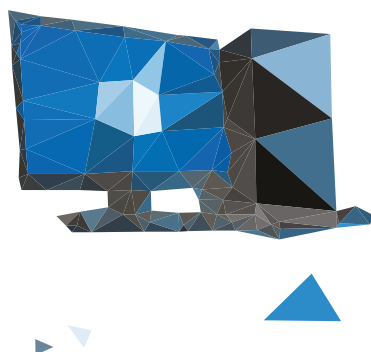
A good automated backup solution that takes data offsite and stores it in the cloud is a great option for directors. Typically, you'd want to use the service that is used by the company you're working with; such services should be set up to back up only those folders where you store information for that specific company.

But beware: there are multiple personal services that typically run on your devices, and you could be automatically backing up company data to your own OneDrive or Google Drive. That could present a potential weak point. Have this

checked against the company policy, as well as physically checked by your security expert, to make sure you are compliant and secure.

One of the major sources of insecure systems is outdated software. With a hardened device, the number of applications and services on your machine will be minimised, but it is still necessary to routinely check for and install updates. Your software should be configured for automatic updates, or to alert you when an update is available. A great many updates are purely to

address newly-discovered vulnerabilities, so at the earliest convenience, install them. Don't put it off, because while it may be a mild annoyance or disruption, falling victim to an attack that should have been prevented will be a much bigger one.

And here's one that should go without saying – your devices should all have a reputable internet security package, including antivirus, installed and up-to-date. This is an absolutely fundamental requirement for anyone on the internet, but especially for directors.

WHAT TO DO IF ALL ELSE FAILS
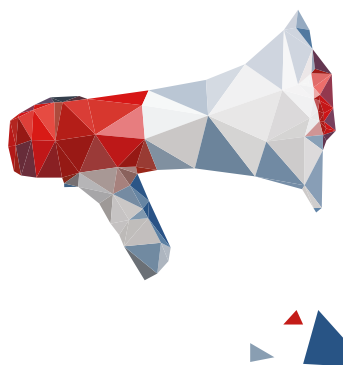
If you have done all of the above, you have taken reasonable and responsible precautions to mitigate against the possibility of an attack or malware compromise. However, that's not to say it couldn't happen anyway. As a director, particularly if serving on multiple boards, you are more likely to be targeted and a sufficiently motivated attacker can get past even rigorous security measures.

If you think you have been breached, don't keep it to yourself or try to solve the problem on your own. Alert the companies you are working with. Let them know what information or data might be compromised. Get your security team on to it as soon as possible; the faster a breach is identified, the faster it can be shut down, fixed and resolved.

And if you recognise that the response is inadequate, that could be an item for the next board meeting. ⓑ

"As board members are we just sitting here to be comfortable and worried about the P&L this month, or are we actually sitting down and really talking strategy and really setting a vision for the founders or senior managers about how we can truly be the biggest and the best at this in the world?"

01: Peter Beck stands in front of Rocket Lab's flagship spacecraft, the Electron

The sky is
not the limit

Rocket Lab founder Peter Beck wants New Zealand boards to reach for the stars — maybe not in as literal a sense as he is doing – but in terms of ambition and scale. As far as he's concerned, why aim to build a million dollar business when you could build a billion dollar one? It's something the Invercargill-born engineer has managed, turning his childhood dreams of conquering space into a commercially viable, multinational rocket company.

"I remember the reaction when I started Rocket Lab and I said I wanted to build a billion dollar company and build rockets. I get [scepticism about] the rockets bit — it's fair enough that that can sound absurd — but it shouldn't sound absurd that you want to build a billion dollar company. That should just be seen as standard. But in New Zealand, it's not standard. If you're standing out there saying you want to build a billion dollar company, then you're kind of weird."

His number one message to businesses and boards is to think big and go big. "I think this is one of the things where New Zealand lets itself down, both from a company perspective, but also in the boardroom. Where are the board members who are pushing the CEOs to think much bigger? In New Zealand we get to a certain size and then it just sort of stops. It just blows my mind."

Merely looking to dominate the local market, or to cross the Tasman, doesn't cut it for Beck. "The definition of success seems to be 'we're selling in Australia now'. That's the definition of failure, we're only selling in Australia now, why aren't we selling in the UK and Europe, and actually, take it a step further and why aren't we the most dominant in that particular industry in the entire world? As a board, those are the questions that really should be asked of senior leadership... I won't go on the board of any company unless they show me a roadmap towards a billion dollar company. Unless I see that then it holds absolutely zero interest for me."

No one could accuse Beck of thinking small. After securing backing from some of the biggest names in Silicon Valley he has turned Rocket Lab into a multi-national company that is revolutionising the way the world accesses space. Rocket Lab is able to put a satellite in space using roughly the same amount of fuel as it takes a jetliner to fly between Los Angeles and San Francisco, and for a fraction of the cost of traditional launches.

After completing two successful launches of the Electron rocket from the company's pad in Mahia Peninsula in May 2017 and January 2018, Beck says flights are now fully commercial. The company is "just starting to chew through a big backlog of customers" now. Those customers include NASA, commercial satellite providers looking to collect weather or maritime data, internet providers, and companies that provide GPS or earth imaging services to space. >>

01

ROCKET LAB'S BOARD

Peter Beck has built a board comprised of a who's who of Silicon Valley.

David Cowan

A partner in Bessemer Venture Partners' Silicon Valley office. Bessemer was an early investor in companies such as LinkedIn, Pinterest and Fuze. Beck said the reason he went with Bessemer was to get David Cowan on the board. "He is just such an enormous powerhouse in Silicon Valley, I mean there are TV shows after him. To have that kind of calibre was important, much more important than the money," says Beck.

Sven Strohband

A partner and chief technology officer at Khosla Ventures, who describes himself as "an engineer at heart". He holds a PhD in mechanics and computation from Stanford University.

Scott Smith

An operating partner at Bessemer, where he advises on space technology investments. He is also the chief operating officer at satellite communications company Iridium Communications. His previous roles include engineering and management positions at Lockheed Martin.

Matt Ocko

A managing partner of venture capital fund Data Collective, he has 30 years of experience as a technology entrepreneur and venture capitalist.

DON'T FOLLOW THE MONEY

Despite Beck's billion-dollar ambitions, he has focused on people, not money, to get there. He has concentrated on building a team of high quality people, who he knows will help him reach his goal of "fundamentally changing" the way we access space. "I think, especially in start-ups, what people tend to do is look at the money. For me, it wasn't about the money, it was about who can grow our business the best. From a board perspective, who can we have on the board to make sure that the business succeeds?"

If fellow New Zealanders are hoping to follow in Beck's footsteps and build a multi-national company, they need to take a very strategic view of what they're trying to achieve and then work out who the best people are to help them achieve that. "Get on a plane and get over to Silicon Valley, or New York, or the UK, wherever makes the most sense for you, go and get on the ground," he says.

That's exactly what Beck did back in 2013. "I decided we were going to do the Electron programme, woke up one morning, jumped on a plane and went to America. I gave myself three weeks to either come home with a cheque or be run out of town."

He wanted to get in front of "Tier 1" investors, "the firms that are looking for the next Google or Facebook." Beck's first week in Silicon Valley was spent visiting start-up companies that had attracted these kind of investors, learning how they had gone about it, and also helping secure some all-important introductions.

Being a New Zealander helped when it came to setting up meetings. "Usually if you want a meeting with these [Tier 1 venture capitalists] guys, people wait months. I used it as an advantage to say 'oh sorry, I'm leaving for New Zealand on Friday, do you reckon we could squeeze in a lunch meeting on Thursday?' and people tended to bend over backwards, because they think you've travelled a very, very long way to get there."

Once he was in front of the right investors, he quickly found that a traditional business plan and set of financials weren't what they were after. "They need to see a clear kind of direction and roadmap, but the formalities of business plans and big financial models, especially in the early stages of Silicon Valley venture capital, nobody is interested in because they are always wrong."

The trip State-side worked, and Beck left town having signed a term sheet with Khosla Ventures, which ultimately invested in the company. Rocket Lab is now headquartered in the US, but maintains a subsidiary and launch pad in New Zealand.

ATTITUDE AND VISION

Beck says New Zealanders and Americans have different attitudes to both ambition and success. In the US it's okay to fail. In fact, Beck says it's almost expected that a successful CEO will have at least one failure under their belt. "You can go to Silicon Valley, you can raise a chunk of cash, you can have your best crack at an idea and if it fails, a week later you can go back to the same investors and raise another chunk of cash and do something again. Whereas in New Zealand if it tanked, then it's time to go and crawl in a hole."

Beck says the US is a country where you can go and do anything. "But if we want to compare the cleverest ideas, then New Zealand punches above its weight. We're just not always great at commercialising them."

He believes boards can help turn that around, and create world-leading businesses.

"My biggest goal is that all board members go and sit in the bath, or stand in the shower, and reflect on why aren't they asking the big questions? As board members are we just sitting here to be comfortable and worried about the P&L this month, or are we actually sitting down and really talking strategy and really setting a vision for the founders or senior managers about how we can truly be the biggest and the best at this in the world?" ⓑ

"In New Zealand, it's not standard – if you're standing out there saying you want to build a billion dollar company, then you're kind of weird."

01: *Still Testing* launches from a platform in Mahia, Hawke's Bay

02: Electron rocket at the test complex

03: Getting to the launchpad during the *Still Testing* launch

04,06: *Still Testing* launch on 21 January this year

05: Viewing the earth from the onboard cameras

07: Electron on the launchpad

08: Checking conditions for launch day

09: Aerial view of the launch complex in Mahia, Hawke's Bay

ERICA MILES
*DIRECTOR, BETTER
BUSINESS REPORTING, KPMG*

IAN JAMESON
*ASSOCIATE DIRECTOR, BETTER
BUSINESS REPORTING, KPMG*

The changing reporting landscape

Directors may find navigating the various reporting frameworks and standards overwhelming. Environmental, social and governance issues are becoming business issues for organisations to report on and disclose. Is there no approach that can bring this all together to relieve the reporting burden? The reality is – this should not be a burden – but rather an opportunity for an organisation to tell their story. Investors are eager to listen – so tell them.

Today, for organisations to remain relevant, there has to be a focus on explaining value creation. This is the one aspect within the reporting landscape that provides context to the myriad of reporting obligations and frameworks and focuses communications on what is important to investors and other stakeholders. This is a better approach to business reporting that provides a platform for organisations to have a strategic conversation with investors and key stakeholders (including employees) on how the organisation intends to create value and what are the possible significant risks and opportunities that need to be considered to support its ongoing ability to create value. This approach is critical to facilitate integrated thinking in the organisation.

Warren Allen, CEO of the XRB captured the message perfectly in a recent IoD DirectorsBrief, where he said "integrated reporting is not as much about the reporting – it is a paradigm shift into integrated thinking that starts in the boardroom."

There is a growing appreciation in the reporting landscape that directors need to be more vigilant about how their organisations are going to be affected by global issues and (possibly more importantly) what their strategic response is to address some of these global issues – within a local context. The UN Sustainable Development Goals (SDGs) are the global response to curtail some of the world's biggest sustainability challenges. At a local level, they require an integrated and strategic business response by directors to ensure these goals are achieved by the 2030 deadline. Interest from the investment community in tracking an organisation's performance against the SDGs will aid in facilitating these responses.

THE UN SUSTAINABLE DEVELOPMENT GOALS – AN OPPORTUNITY FOR BUSINESS REPORTING

Most of the world's leading companies are not reporting the business case for taking action on the SDGs, according to a new study from KPMG.

The study – entitled How to report on the SDGs: What good looks like and why it matters – reviews corporate reporting on the SDGs from the world's largest 250 companies (G250) and assesses it against nine SDG reporting quality criteria.

KPMG's research finds that within two years of the SDGs being launched in 2015, four in 10 (40%) of top companies acknowledged the global goals in their corporate reporting. Of these, 84% identified the SDGs they consider most relevant to their business.

However, less than one in 10 has reported a business case for action on the SDGs (8%) or has set specific and measurable (SMART) business performance targets related to the global goals (only 10%).

Adrian King, a lead author of the study and KPMG's Global Lead for Sustainability Reporting & Assurance, said:

"There are huge business opportunities inherent in tackling the world's toughest problems, but so far only a handful of big companies have shown they understand that. These few leaders stand to benefit from recognising the SDGs as a powerful catalyst for the innovation, partnerships and market transformations that build businesses. They will also be at an advantage when communicating with the many investors, governments and other stakeholders who are taking an increasing interest in the contribution of business to the SDGs."

KEY FINDINGS FROM KPMG'S STUDY INCLUDE:

The SDGs most commonly prioritised by leading companies are Climate Action (SDG13), Decent Work & Economic Growth (SDG8) and Good Health & Wellbeing (SDG3)

The SDGs least commonly prioritised are Life on Land (SDG15), Zero Hunger (SDG2) and Life Below Water (SDG14)

Three quarters (75%) of companies that report on the SDGs discuss the impact their business has on the goals, but reporting is largely unbalanced with most companies discussing their positive impacts but not the negative

Four in 10 (39%) companies that report on the SDGs include the global goals in their CEO and or chair's message

One in five reporting companies reports on any of the 169 individual SDG targets set by the UN

How to report on the SDGs: What good looks like and why it matters can be downloaded from **kpmg.com/sdgreporting**

For more information on Business Reporting and reporting on the Sustainable Development Goals (SDGs) contact Erica Miles or Ian Jameson.

SIMONE ROBBERS
DIRECTOR OF STRATEGY
AND RISK, FMA

Can you regulate for **good corporate governance?**

Failures in corporate governance fundamentally damage investor confidence and overall confidence in New Zealand's financial markets.

The FMA's refreshed *Corporate Governance Handbook* was published in February. It is a practical guide to corporate governance that companies and organisations of various sizes can apply to their business.

These principles, when combined with the NZX *Corporate Governance Code* and IoD's *Four Pillars of Governance Best Practice*, set out good practice standards that directors and executives can adopt and report on to investors, shareholders and stakeholders. >>

POOR CORPORATE GOVERNANCE DAMAGES INVESTOR CONFIDENCE

The practical implications of poor corporate governance have been in the public eye in recent months. Where we have seen high-profile public corporate failures, many of the issues can be linked to poor governance and culture. All have the effect of damaging investor confidence in New Zealand's financial markets.

Corporate governance is not a compliance exercise. We can't regulate board oversight in a prescriptive way, because there is no 'one-size-fits-all' set of rules. This is why our newly refreshed *Corporate Governance Handbook* is based around a set of fundamental principles. Adopting the principles — or those that are appropriate for your company — can mitigate the risks of poor management decisions and business risks.

The FMA views everything, including corporate governance, through the lens of good conduct. Our role as a market supervisor and monitor of conduct in financial markets and services means we place high importance on governance and culture within firms. It is one of our strategic priorities. In practical terms, a lax approach to corporate governance can be an indicator of poor controls and oversight in other areas. Where the FMA does find conduct or compliance issues (for example, in disclosure or financial reporting) within a business and there is a direct link to weak corporate governance practices, we are likely to reflect on that in any public comments we make.

SO WHAT DOES GOOD CORPORATE GOVERNANCE LOOK LIKE?

Good corporate governance supports investor confidence. A robust governance approach allows information to flow back and forth between the business and board members, ensures the right mix of skills are being deployed around the board table, and enables directors to ask the right questions of management and hold them to account.

It is not about processes and systems, or a box-ticking compliance exercise. It's about companies and directors recognising what must be done to support strategic objectives and take a business forward, and adapting to circumstances where necessary.

It is noticeable that in our refreshed *Corporate Governance Handbook*, the principles remain largely unchanged. That is because fundamental elements such as ethical behaviour, risk management, conflicts and independence, and integrity of reporting and audit should always be front and centre for any well-run company. Increasing trends towards transparency of remuneration arrangements for directors and executives should also be considered as part of building trust and confidence with stakeholders.

Corporate governance in New Zealand

Principles and guidelines

A handbook for directors, executives and advisers

FMA
FINANCIAL MARKETS AUTHORITY

ALIGNING WITH NZX

Our Corporate Governance Handbook was first published in 2004 and was last updated by us in 2014. Last year the NZX used the handbook as the basis for its new *Corporate Governance Code*. The code is now the primary corporate governance guide for listed companies.

This year's refreshed *Corporate Governance Handbook* has been updated to move the focus away from listed issuers to avoid any overlap with the NZX code, and also to incorporate developments domestically and offshore. The principles can easily be adopted by smaller to mid-size companies.

Aligning with the principles will be of particular benefit to companies seeking to raise capital or list on the NZX in the future. This is because it will be less of a leap to the listed corporate governance environment if they have already adopted,

or are working towards, the fundamentals contained in the principles.

For small and medium-sized businesses, working towards embedding the handbook's principles will give them a solid base for future growth. For all businesses, adopting the principles will help to build long-term sustainable value for shareholders, stakeholders and customers.

KEY UPDATES

The updated handbook emphasises the importance of non-financial and environmental, social and governance reporting. Financial reporting and non-financial reporting are often interconnected, providing a comprehensive understanding of overall performance. Non-financial reporting helps investors and stakeholders understand the relationship between an entity and the community it affects.

We have also placed shareholder relations and stakeholder interests in the same principle. Boards should consider how to keep both groups engaged and informed, and should regularly review their approach and strategy.

Our updated guidance on auditors will help companies ensure audit integrity, auditor independence and appropriate use of audit committees. We have also updated our guidance on audit committees to state that an audit committee chair should not have a prior or existing association with the company's external audit firm.

LESSONS LEARNT

Recent issues, although primarily in the listed space, should give boards some pause for thought. Now could be a good time to review your corporate governance practices and approach, and ensure they are still appropriate for the stage and nature of your business. Structures, processes and the overall approach of boards need to stay under almost constant review in order to meet the changing demands of a business and mitigate risks of poor conduct or management decisions. If sound foundations are in place then boards, their management teams and investors can have confidence in the company and its prospects for growth and long-term sustainability. 🅑
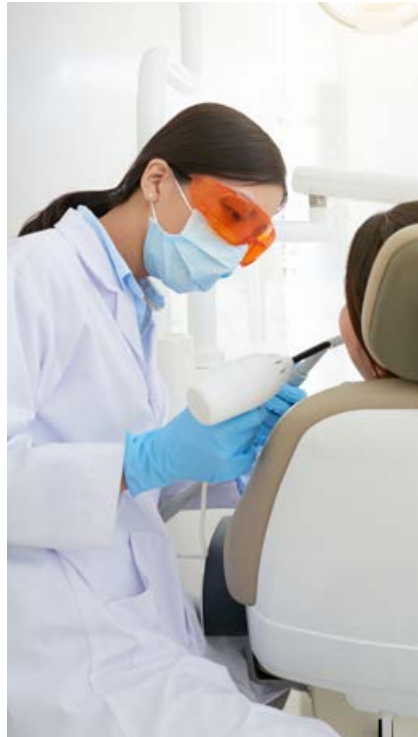
What key risks could harm your workers?

Seventy-three people died in New Zealand last year in workplace accidents. That's on top of the estimated 600 to 900 New Zealanders who die each year from occupational diseases such as asbestosis. Getting those numbers down has been a key goal of Professor Gregor Coster, Chartered Fellow, during his five-year tenure as the chair of the Crown agency WorkSafe New Zealand.

ASKING THE RIGHT QUESTIONS AT BOARD LEVEL

Directors are responsible for making sure that the people who come to work for their companies make it home safely at the end of each day. Speaking to *BoardRoom* just before he stepped down from the WorkSafe chairmanship in mid-March, Coster said he wanted board members to spend more time on systems-thinking that

would identify risks and prevent harm and less time focused on things like work time lost to injuries. "Boards need to ask their management what are the 10 key risks in your business that are likely to kill or harm workers and what are the controls that you have got in place to manage those? Not every business will have up to 10, but many do, they just haven't thought about them,"Coster said.

WORKER ENGAGEMENT

A key to getting the right health and safety systems in place is engaging with workers. Coster said directors need to get out of the boardroom and talk to staff to get a true picture of what life is like on the shop floor. "Businesses need to get workers' views around the key risks that they see, because actually they are in the business every day. They are the ones that are putting themselves at risk,

or others at risk, and they are a great source of information, help and advice. By working closely with your workers and getting them engaged in it, you can actually improve your health and safety systems within your business. You need to be asking your management teams how they're doing this, and importantly, what they're doing about what they're hearing."

This also means board members need to make the occasional site visit to see for themselves how strategies are being put into practice. "Directors should be familiar with the business," said Coster. "I'm not saying they are there to manage the business, that is quite different. Directors direct and managers manage, that is the mantra. But directors should be sufficiently familiar with the business to be able to make decisions as to what happens in the health and safety space, on the advice of health and safety professionals." >>

Snapshot

73

FATALITIES

in the workplace in New Zealand for 2016/2017

600 to 900

PREMATURE DEATHS

each year from occupational diseases like asbestosis

$3.5b

EACH YEAR

the costs of work-related injuries and death

$600k / 5 yrs

FINE AND/OR **IMPRISONMENT**

The maximum penalty for a serious breach of a director's due diligence duty

The Health and Safety at Work Act 2015

The core piece of legislation governing health and safety practices

GROWING TRUST

When WorkSafe came into existence it was greeted with a business world that was somewhat fearful of what the new regime would mean for them. "When I started out, I visited some 50 boardrooms, many of them NZX-listed companies, and I found that I was following the lawyers around, and more often than not, pouring a little bit of calm oil on the water," said Coster.

The introduction of the Health and Safety at Work Act 2015 brought with it stiff penalties for directors who are found to have breached their due diligence duties, including potentially a maximum prison term of up to five years and/or a fine of up to $600,000. But Coster said WorkSafe is more interested in changing behaviour than imposing penalties. "It's about businesses saying, actually we do need to own our health and safety, and make the changes from within and we'll do that because we choose to ensure worker health and safety."

This carrot rather than stick approach has seen an attitudinal shift towards the health and safety body over the last five years, said Coster, with WorkSafe now seen not just as a regulator, but as a harm preventer and educator.

CULTURAL CHANGE

New Zealand still ranks worse than Australia and the UK when it comes to workplace fatality and injury rates, and Coster said this is partly due to our culture. "I think we've come from a number eight wire history, where we just get up on the roof and fix things… It's part of us being Kiwis, but we've got to change that, and we've got to think before we do things, actually what is the risk here? What do I need to do to own the risk and find a different way of doing things that doesn't put either me or my colleagues at risk? And as directors we need to identify the risk and put in place the controls to manage it."

WHERE TO NEXT?

Having stepped down from his WorkSafe role, Coster is now concentrating on his position as Dean of the Faculty of Health at Victoria University in Wellington. He will be drawing on his WorkSafe experience to usher in a new postgraduate diploma in workplace health and safety, which should be rolled out early next year. Ross Wilson has stepped up from deputy chair to acting chair of the WorkSafe board until the Government appoints a permanent replacement. ⓑ

SafePlus, a new approach to **health & safety**

WorkSafe New Zealand, ACC and the Ministry of Business, Innovation and Employment (MBIE) have joined forces to develop SafePlus — a voluntary health and safety performance improvement tool that focuses on health and safety best practice. This new educative tool involves a behavioural and consultative assessment approach, and is a deliberate move away from traditional compliance audit approaches focused on documented management systems, policies and procedures. It assesses businesses' health and safety performance and provides them with tailored guidance and advice on what they need to do to improve.

SafePlus is aimed at businesses striving for health and safety excellence; businesses meeting or exceeding minimum legal compliance. It's an opportunity to demonstrate leadership and boost their reputation as an employer of choice. It also increases productivity through an improved workplace health and safety culture.

Its framework is drawn from international best practice health and safety research, and built on three pillars: leadership, worker engagement and risk management. These pillars are supported by 10 performance requirements, fundamental to achieving good health and safety. Each requirement has a maturity scale that measures a business's performance initially, and over time. ⓑ

SafePlus is available in three separate initiatives:

SAFE+
MAKING HEALTH AND SAFETY WORK

❶ SafePlus Resources and Guidance – define best practice health and safety; explain the performance requirements, their maturity scales and how they look in practice. They are freely available, to be utilised by anyone, from senior leaders, health and safety staff, and market practitioners.
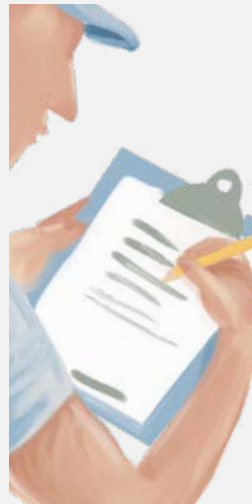
❷ The Onsite Assessment and Advisory Service is delivered by SafePlus Accredited Assessors. The service provides a qualified and independent view of current health and safety performance, as well as tailored 'how to' advice and best practice guidance.

❸ The free Online Self-Assessment tool, will be available mid-2018. The first version is being designed for small to medium-sized businesses, with further development for larger and/or higher risk sectors. Businesses will be able to reuse the online tool to measure their performance over time, as well as targeting different business divisions or locations. The information entered is secure, and only available to the government in an anonymous and summarised format, maintaining your commercial privacy.

Business leaders play an integral role in improving health and safety culture, and are encouraged to view their health and safety as a key part of their business strategy. SafePlus gives businesses confidence they are managing health and safety risks while following a credible, government-endorsed performance standard.

To access the Resources and Guidance and more information about the SafePlus toolkit products, visit **safeplus.nz**.

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boardservices@iod.org.nz

Institute of
Directors

How culturally intelligent are you?

The business world is comfortable recognising the importance of IQ, and even EQ, but the key to running a sustainable, successful business in an increasingly globalised environment could lie in something called CQ.

While IQ measures intellect and EQ gauges emotional intelligence, CQ, or cultural intelligence, looks at the ability to relate to others who are not like you. It's more than just being able to recognise diversity, it's the ability to embrace difference, adapt to diverse mind sets and to function effectively in multicultural situations.

You don't need to be a certain colour or gender to have cultural intelligence, you just need to be open-minded and to draw on the cultural capability you have learned from things like working and living overseas, working with tangata whenua in New Zealand and from the different cultural backgrounds of those in your extended family, says managing partner of Chen Palmer Partners, Mai Chen. "If you've always looked at the world as an insider, try looking at the world as an outsider. Don't presume everyone you meet has the same background as you. Be more curious and be more open to the fact that people might be different, but different isn't bad. The 2013 Census tells you that New Zealand is superdiverse and that you will be dealing with customers/ staff from a range of ethnic and cultural backgrounds and languages."

Chen, who is also a Chartered Member of the Institute of Directors and chairs the Superdiversity Centre, cites research showing that CQ is good for the bottom line and creates the "diversity dividend". This represents the opportunities businesses have to appeal to a wider customer-base, create a more engaged workforce, discover new markets and improve customer service. "There are huge business opportunities that flow from it. It is a huge market advantage for businesses that have the cultural capability to connect with more groups in our increasingly diverse society, like ours and do business in the Asia Pacific. You should be able to achieve beyond business-as-usual results, because you have a greater capacity to understand those market segments which are fastest growing. The demographic statistics show that the main population growth in New Zealand is in the ethnic and migrant segments."

Julia Middleton, of the UK-based not-for-profit leadership development organisation Common Purpose, says there are also creativity and innovation benefits that come from having a diverse team that can utilise their CQ. "Because great ideas come out of difference."   >>

JULIA MIDDLETON
COMMON PURPOSE

MAI CHEN
CHEN PALMER PARTNERS

ROB HENNIN
NIB NEW ZEALAND

BOARD-LEVEL CQ

Creating a diverse and culturally intelligent organisation starts at board level. "The real governance challenge lies with the chair," says Middleton. "You can recruit an incredibly diverse board, but unless you have a chair who is rich in CQ then the board will be diverse in brand only and homogeny will set in. A chair with good CQ will allow a diverse board to thrive and innovate."

"A company, or a board, with cultural intelligence should feel like one where conversations go wherever they need to go, where generations talk to each other and where the board doesn't just sit in rooms but gets out into the business. When a board with CQ gets out into the company, it will get a deeper sense of the culture and changing culture of the business, not just the statistics of the business," says Middleton.

While gender and ethnicity have long been discussion points when it comes to diversity, Middleton says boards need to be broader in their thinking. "As an example, my generation has a totally different attitude to AI (artificial intelligence) and digitisation than the younger generation. We're also more likely to associate with one culture, rather than multiple cultures as our younger counterparts increasingly do. So I think there's a very important need to bridge the gap in generations across boards."

Rob Hennin, CEO and Executive Director of health insurer nib New Zealand, recently put the company through CQ training with the Superdiversity Centre. He sees cultural diversity as all-encompassing. "It's race, it's ethnicity, it's sexual orientation, social status, age."

Looking at the issue through a board lens, Hennin says understanding the cultural diversity within your organisation is an important step in understanding if you have the right people in place. "From a people point of view, have we got the right talent in the business to have a sustainable, successful business? We want a diverse talent pool, because our customer pool is diverse, our stakeholders are diverse and we want to be relevant to our customers and also have a very open, creative working environment."

Hennin believes that cultural intelligence also helps create a healthier, more engaged workplace, with employees feeling like they can "bring their whole selves" to work. "With CQ, we think about workplace health and safety, mental health, employee engagement, the strategy piece of being relevant to our customers and just representing our stakeholders at a board level and also at a management level." >>

In the *Handbook of Cultural Intelligence (2008)*, Soon Ang of Nanyang Business School in Singapore and Linn Van Dyne of the Eli Broad Graduate of Management developed a four-factor measure of CQ.
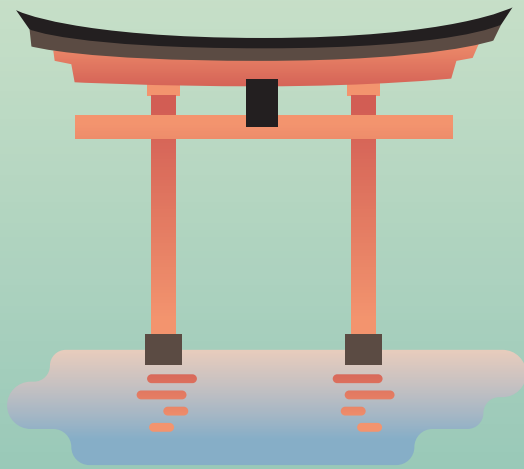
1 Motivational CQ: A person's interest and confidence in being able to function effectively in culturally diverse settings. They enjoy, and gain benefits from, culturally diverse experiences.

2 Cognitive CQ: A person's knowledge about how cultures are similar and how cultures are different, including knowledge about economic and legal systems, social norms, religious beliefs, rules of language and body language.

3 Meta-cognitive CQ: How a person makes sense of culturally diverse experiences. They are aware of their existing cultural knowledge, they strategise before a culturally diverse encounter, they check their assumptions and adjust their thinking when experiences differ from expectations.

4 Behavioural CQ: A person's capability to adapt verbal and nonverbal behaviour, such as gestures and facial expressions and accent and tone, to make it appropriate to diverse cultures. >>
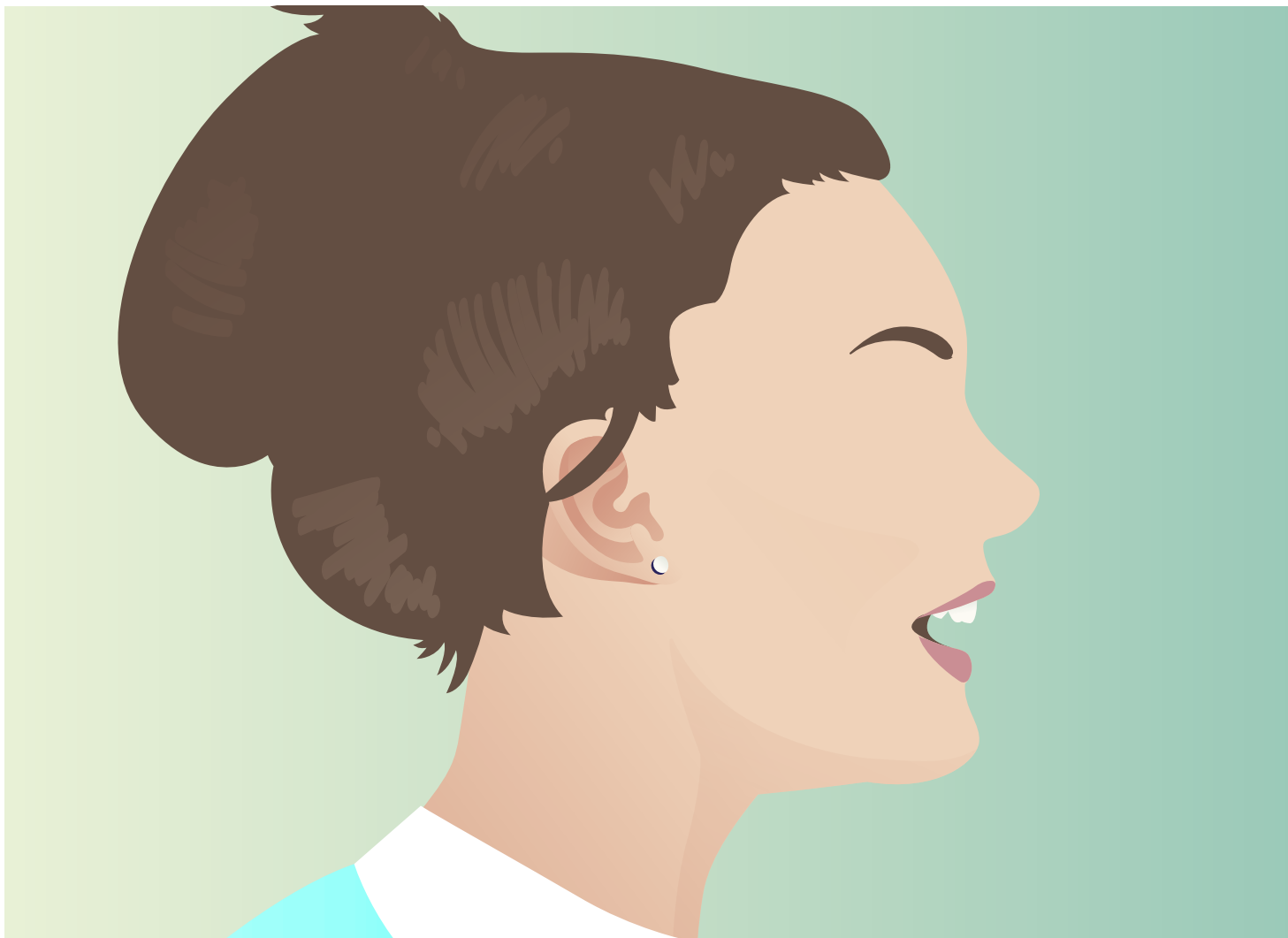
THE CHANGING FACE OF NEW ZEALAND

New Zealand is changing and businesses need to change with it to keep market share and continue to provide relevant goods and services. The 2013 Census found that more than a quarter of New Zealand's population were not born here. "Imagine what the 2018 Census will find?" Chen says.

She adds that although Auckland is home to more than 200 different ethnicities and almost 50% of its population is Maori, Pacific or Asian, many businesses are still geared at attracting the "stereotypical European New Zealander". She says given the average age of Pacifica is 22 years of age, Māori 24, Asian 30 and Anglo-Saxon is 41, the younger demographic of millennials and generation Z (both customers and staff) will disproportionately be ethnic and migrant.

Health insurer nib has around 180 staff in New Zealand, and Hennin says its employees reflect the cultural mix of the Auckland marketplace in terms of diversity. "We've got about 50 different ethnicities, almost half of us weren't born in New Zealand, we speak more than 50 languages, for one in five of us English isn't our first language, we're religiously diverse."

Hennin said that understanding nib's identity had been important in being able to engage and empower staff. "If you want to be a challenger in the marketplace then you want a challenging culture internally. How do you do that with 50 different ethnicities, religiously diverse people coming from different backgrounds? It is quite important to look at the way you communicate, the way you interact. It is very important to treat people with respect and try and tap into the fact that people think differently and they behave differently."

Being more culturally aware has helped nib identify leadership qualities in staff who might otherwise have flown under the radar. "One of the things that we recognised from the diversity survey feedback was that some of our people did not feel comfortable bringing their whole self to work. So for example, perhaps they didn't feel that we valued their cultural background. What we've been able to do is identify some of those segments and provide opportunities for those people to express their backgrounds."   >>

The changes have also allowed workers to move outside their lanes on occasion. For example, if an employee speaks Mandarin and sees something in nib's product offerings in that language to new migrants they can feel comfortable offering feedback, even if they're not on that team. "They are picking things up, just noticing things that other people are doing and just saying things like 'hey, that doesn't look or feel quite right, maybe you should get a second opinion on that'. And that's been really helpful," says Hennin. "We've picked up – I wouldn't say potential errors – but we've picked up some things that wouldn't be as culturally powerful as they could be."

"A company, or a board, with cultural intelligence should feel like one where conversations go wherever they need to go, where generations talk to each other and where the board doesn't just sit in rooms but gets out into the business."

CORE AND FLEX

In order to understand people who are different from you, you also need to understand yourself. To do this, you need to reflect on what Middleton calls your core and your flex. Your core represents beliefs and behaviours that are intrinsic parts of who you are, the bits you would never change regardless of where you are or who you are with. Your flex represents the parts of yourself that you are willing to adapt to different circumstances. These concepts can also extend to a company or board. "A company or board that truly understands and values CQ will sufficiently understand what its core is, so that it can be tremendously flexible and innovative in other areas," says Middleton. 🅑

Trust you to disagree

Trust is a crucial aspect of the relationship between a board and its chief executive, but rather than blind trust, it's a faith that's formed by robust questioning and a culture that challenges ideas.

D r Pieter-Jan Bezemer, a senior lecturer at Auckland University of Technology (AUT), has spent years researching behavioural governance and understanding board dynamics. He says trust fosters dissent between a board and its chief executive in a constructive way. "As a director, you're expected to ask questions in a critical way, and management should be aware that this is your role in the governance process. I think that trust enables that. If management gets tough questions, but know that people are asking them with the right attitude, they're probably not going to take it personally."

Prior to joining AUT, Bezemer worked as a post-doctoral research fellow at the QUT Business School in Queensland and was part of a large board observation research project aimed at better understanding micro-dynamics in the boardroom. The research looked at how boards make strategic decisions, how individual directors contribute to the group and which chair behaviours contribute to effective governance.

At a recent board observation, Bezemer saw a good questioning culture where the board wasn't afraid to ask its chief executive tough questions, and in turn, the chief executive was open to the questioning. "The chair was sitting back and the CEO was answering all of these questions diligently, and also taking suggestions into account."

When trust is absent from the board/management relationship, Bezemer says it's clear to see. "Management acts defensively, feels a bit offended or bruised by questions and you can feel the tension in a boardroom. This means people can find it difficult to actually speak up and give their views on things, and I think ultimately, that doesn't lead to the best kinds of decisions." >>

DR PIETER-JAN BEZEMER
SENIOR LECTURER AT AUCKLAND UNIVERSITY
OF TECHNOLOGY (AUT)

BUILDING TRUST

Building trust depends on a lot of variables, including the personalities of the people involved, their history, the performance of the organisation and the quality of the chief executive and chair.

A key aspect of building trust between a board and its chair is to have plainly defined roles. "There needs to be a clear distinction between management and governance, so that people don't venture into areas where they're not supposed to, because that will create trouble," says Bezemer.

Norms and expectations also need to be established, so that chief executives get used to being challenged and questioned by their board. "So that management don't take it personally, but see it as something directors are supposed to do," Bezemer says. Boards also need to learn how to question management in a professional, respectful way that doesn't feel like an interrogation. "I think it's a mutual process you want to create, that will lead to trust."

The Dutch-born researcher shares a saying from the Netherlands that warns, "trust comes by foot, but goes by horse". "It's something that you really need to build and nurture over time, and you really need to be careful with it, because if something untoward happens it can be gone in an instant."

DIFFERENT PERSPECTIVES

Relationships are subjective and people can often become blinkered to the part they are playing when things are not going well. As part of his board observations, Bezemer recorded board meetings, and says that watching those recordings was sometimes eye-opening for participants. "Videos can objectively capture what is happening. Often directors have all kinds of ideas around what is happening in a meeting; then, when you show them the data they can be quite startled. They might say 'oh, this director is not contributing at all,' but then when you start looking at the footage you see that every time the director tries to contribute the group is actually shutting that person down."

CONTROL VERSUS CO-OPERATION

The best way for a chair to build and maintain trust with management will depend not only on personalities, but also on the organisation itself. A recent US study looked at the CEO/chair relationship. The study, called *Being the CEO's Boss: An Examination of Board Chair Orientations* was undertaken by Ryan Krause of Texas Christian University's Neeley School of Business. It examined how outcomes differ between a chair who takes a controlling approach to their relationship with a CEO versus a chair who takes a more collaborative approach, giving advice and viewing the relationship as a partnership.

"Interestingly, the study showed that the control orientation worked really well when the company wasn't doing well, but the collaborative process worked better when a company was doing well. That highlights the variation in how a chair should approach a CEO," Bezemer says. "But I would say in both cases, trust still needs to underpin that relationship." 🅑

Four Pillars:
More advice on board dynamics

The Four Pillars of Governance Best Practice for New Zealand Directors has more information on building an effective governance culture. The second pillar of the guide covers the chair/CEO relationship, pointing out that while they must work closely together a "healthy professional distance" is also necessary. "A combination of a chair and CEO in lockstep can be a significant force but if the roles are too close a board may find itself inadvertently (or deliberately) excluded from meaningful decision-making."

The third pillar looks at the importance of the board holding management to account "through informed, astute, effective and independent oversight of performance and conformance". Robust delegation policies should ensure that the CEO feels empowered to carry out their role, within clearly defined boundaries. The chair should focus on the tenure and professional development of the CEO, including setting and monitoring performance measures.

For more information on board dynamics see **iod.org.nz/ FourPillars**.

New Zealand perception of cyber risks

FRED BOLES
HEAD OF SPECIALTIES,
MARSH NEW ZEALAND

Businesses of all sizes and in all industries are increasingly relying on data and electronic processes to operate effectively. This makes them susceptible to cyber-incidents which are not only increasing in frequency, but are also becoming more severe, diverse and complex, with significant consequences. In New Zealand, cyber was ranked as the third biggest risk according to the WEF[1] Global Risk Report.

Sixty percent of New Zealand respondents also ranked cybersecurity amongst their top five risk management priorities according to a new report from Marsh and Microsoft, *The Global Cyber Risk Perception (GCRP) Survey*. This figure is double compared to the 2016 survey.

The GCRP,[2] released in February, was discussed at an OECD meeting in Paris in February 2018 where issues such as the essential role of cyber insurance within the risk management process

were featured. The survey provided insights to identify, develop and implement best practices in managing cyber risks.

WHAT WORRIES NEW ZEALAND ORGANISATIONS?

The term "cyber risk" covers a broad range of potential exposures.

Eighty percent of New Zealand respondents to the GCRP survey cited business interruption (BI) as the most worrisome consequence of a cyber-attack. Sixty-eight percent of those also stated that they have not developed a response plan in case of a cyber incident. The second-most cited concern, reputational damage, is considered to be more impactful in New Zealand, than in the rest of the world, with 73% of respondents mindful of the brand damage a cyber event can cause. How an organisation responds can minimise the reputational fallout.

The cost of a breach of personal information is considered by New Zealand respondents to have great potential impact,[3] but there is no compulsory disclosure of data breach framework in New Zealand. Almost 10% of New Zealand respondents didn't know whether they conducted activities that are subject to GDPR[4] or any other overseas regulations. For those who knew they had exposure to GDPR, 25% had not developed a data breach response plan – despite the requirement for notification in the event of data breach.

In today's world, cyber-attacks may be perpetrated by a broad range of actors, including those backed by nation-states. New Zealand respondents were predominantly worried about financially motivated attackers, but considered human error a higher threat than the global respondents. >>

MARSH | 60 YEARS SERVING NEW ZEALAND

With regard to a cyber-attack that delivers destructive malware, which threat actors concern you the most?

43% Financially motivated threat such as organised crime and/or hacktivist groups

25% Human error, such as employee loss of mobile device

10% A malicious, rogue employee and/or contractor

10% Operational error

7% Politically motivated threat such as state-sponsored attacks or their proxies

5% A third party with authorised access to your IT resources
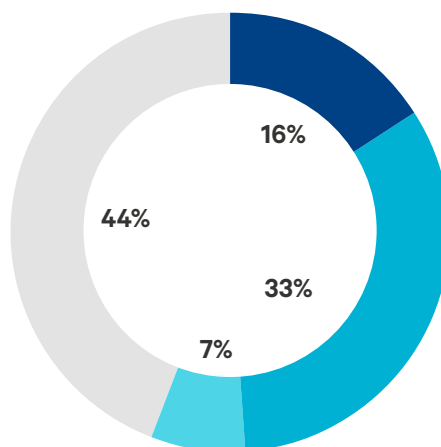
The cyber insurance available in today's market:

16%
33%
7%
44%

- Meets all of my organisation's needs
- Meets some of my organisation's needs
- Does not meet my organisation's needs
- Don't know

MANAGING CYBER RISK IN THE NEW ZEALAND CONTEXT

Like everywhere else in the world, cyber risk management in New Zealand requires a comprehensive approach. GCRP's New Zealand respondents are more confident in their organisation's ability to understand and assess cyber risk than to mitigate or respond to it. The primary owner and cyber decision-maker for most New Zealand organisations responding to the GCRP survey is the IT department. New Zealand CEOs and boards are cited more often as primary stakeholders in cyber-risk decisions than their global counterparts. In fact, boards are twice as aware of key cyber issues and events in New Zealand than anywhere else in the world.

The recognition of cyber risk as a top concern has led most organisations to boost investments in a range of assessment tools and resiliency measures. Nearly two-thirds of [New Zealand] GCRP respondents said their organisation will increase spending on cyber risk management practices, including risk mitigation and risk transfer. Sixty percent of New Zealand respondents implemented enhanced phishing awareness training for employees, improved patch management and more than half conducted penetration testing. However, 43% of New Zealand respondents don't assess cyber risks posed by vendors or suppliers and 20% do not know if they are exposed to any risks from their supply chain.

ASSESSING THE COST OF CYBER RISKS

The WEF estimates the economic loss of cyber incidents is between US$1.5 and four trillion a year. Transferring cyber risks to insurers is therefore an appropriate risk management strategy. Organisations need to better understand the value at risk to effectively decide how much insurance to purchase. But 40% of New Zealand respondents have no methodology to measure or express cyber risks. Only 11% quantify their estimates in economic terms. Almost 50% of New Zealand respondents estimated the potential financial loss below US$10m, but almost 40% had not estimated the financial impact.

TRANSFERRING CYBER RISK TO INSURERS

The 2016 Norton SMB Cyber Security Survey of New Zealand's small to medium businesses stated that 6% of SMEs buy cyber insurance (versus 14% for Australian SMEs). Almost half of the Marsh and Microsoft survey respondents said their organisation already purchases cyber insurance. In 2017, Marsh saw almost a 50% increase in the cyber insurance premium placed in New Zealand. For 2018, more than 20% of global GCRP respondents planned to purchase or increase their cyber insurance.

However 40% of New Zealand respondents didn't know whether cyber insurance met their organisation's needs. In 2017, in excess of 500 cyber-attacks were notified to insurers and the loss

ratio of cyber insurance in New Zealand was above 100%. It meant payout of cyber claims was exceeding premiums collected.

WHERE TO FROM HERE?

Cybersecurity risk should be pro-actively managed, but cannot be eliminated. The scale and complexity of the challenge is too great for a "silver bullet" solution. Overall, the GCRP survey reveals that New Zealand companies are relatively underprepared in the event of a large-scale cyber event.

As cyber risks have grown for organisations in all sectors, so has the complexity of managing them. Organisations are looking for advice and solutions to improve their readiness for the inevitable incident. Organisations can more effectively manage cyber risk by applying a holistic, comprehensive approach that emphasises proven security practices, such as updating systems regularly, along with other preventative measures, including planning that engages key stakeholders. Governments also have a critical role to play towards providing guidance against threats because of their regulatory capabilities.
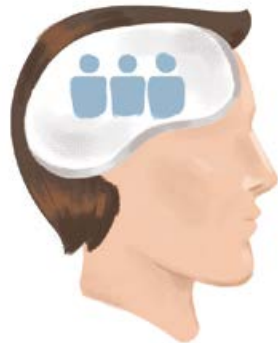
Effective adaptation and coordination is required to remain resilient against these significant and dynamic threats.

[1] WORLD ECONOMIC FORUM

[2] THE FULL GLOBAL REPORT CAN BE FOUND AT MARSH.CO.NZ

[3] $19,000 ACCORDING TO 2016 NORTON NZ SMB SURVEY

[4] THE EU GENERAL DATA PROTECTION REGULATION

GLC Update

FELICITY CAIRD
*GENERAL MANAGER,
GLC*

Keeping directors informed of topical governance issues in early 2018 has been a priority for the GLC, together with submitting on new Governmental policy affecting directors and governance in New Zealand.

INTEGRATED THINKING – A PATHWAY TO GREATER STAKEHOLDER ENGAGEMENT

Increased consumer and stakeholder demands for clear communication about organisational performance and intentions are driving more holistic reporting beyond the financial bottom-line. This requires organisations to think and engage more broadly with stakeholders. Integrated thinking involves much more than changing the way organisations report – it is a change process that compels organisations to focus on how they create value over time and it results in better articulation of strategy throughout the organisation. Our February 2018 DirectorsBrief discusses developments and trends and shares insights from leaders in this space on their organisations' approaches to integrated thinking.

SEXUAL HARASSMENT AND THE BOARD'S ROLE #TIMESUP

As high-profile instances of sexual harassment in the workplace continue to dominate news headlines, directors need to take note: you are accountable for sexual harassment in the organisations you govern. This DirectorsBrief examines the board's role in how directors can create a safe workplace. Issued to members in March, this DirectorsBrief was also released publicly.

FMA REFOCUSES CORPORATE GOVERNANCE HANDBOOK

The Financial Markets Authority has published its refreshed Corporate Governance Handbook (last updated in 2014) to ensure it is up to date with developments and trends in corporate governance. The handbook has been refocused to apply to non-listed and public sector entities, moving away from listed issuers which are covered by the NZX Corporate Governance Code. Key revisions in the handbook are around non-financial reporting, remuneration, risk management and auditors. Many of the IoD's suggested revisions from our submission have been included and the handbook also links to IoD resources including our Conflicts of Interest Practice Guide. The IoD and Chapman Tripp have updated our Corporate Governance Codes Compared guide to reflect the handbook's revisions. *(see more on page 22)*

Legislative reform on the horizon

ARE YOU A TRUSTEE?

How is your role and trust affected by the Trusts Bill? This is the most significant trust reform in 60 years and it impacts commercial, charitable and family trusts. The Bill will replace the Trustee Act 1956 and aims to improve accessibility to the law of trusts and help parties better understand their rights and obligations. The Bill includes mandatory and default trustee duties and sets out trustees' obligations to retain records and provide information to beneficiaries. We generally support the Bill in our submission and encourage government guidance for trustees especially in relation to any new requirements. Look out for a new DirectorsBrief explaining the Bill.

STATE SECTOR AND CROWN ENTITIES REFORM

Changes are on the way for Crown entity boards and CEOs. Key changes include:

a requirement for boards of all statutory Crown entities to gain consent from (rather than the current requirement to consult with) the State Services Commissioner before finalising the terms and conditions of employment of CEOs. This includes remuneration at appointment and annual reviews.

the introduction of a five-year fixed term of appointment for statutory Crown entity CEOs

a requirement for the State Services Commissioner to set standards of integrity and conduct by applying a code of conduct to board members of Crown entities that are subject to a code of conduct (currently employees are covered).

The IoD's submission on the State Sector and Crown Entities Reform Bill is available on our website.

CRIMINALISATION OF CARTELS

The Government has introduced a Bill to criminalise cartel conduct, targeted at individuals who are the decision makers for the cartel and their legal entity. The penalty for individuals will be up to seven years imprisonment or up to $500,000 (or both). The Institute of Directors submission advocates against criminalisation because we consider that the current civil regime prohibiting cartels is a sufficient deterrent and introducing a criminal offence may be detrimental to business and New Zealand as a whole.

WHISTLEBLOWING UNDER REVIEW

The State Services Commission is reviewing the Protected Disclosures Act 2000 to ensure it is fit for purpose and in line with international practice. The IoD, with other relevant stakeholders, attended a workshop with the Commission to discuss key issues with the current regime and look at potential areas of reform and how to build public confidence in the integrity of government and business in New Zealand. This is an important matter we will continue to monitor and update members on.   >>

LARRY FINK'S 2018 LETTER TO CEOS

We recommend all directors read Larry Fink's annual letter to CEOs around the world. Fink, CEO of the world's largest investment firm BlackRock, highlighted the importance of purpose to companies:

"...the public expectations of your company have never been greater. Society is demanding that companies, both public and private, serve a social purpose. To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society. Companies must benefit all of their stakeholders, including shareholders, employees, customers, and the communities in which they operate. Without a sense of purpose, no company, either public or private, can achieve its full potential. It will ultimately lose the licence to operate from key stakeholders."

Fink also called for a new model of shareholder engagement, where there is deeper communication between shareholders and the companies, and a year-round conversation about improving long-term value. What BlackRock expects to see around strategy is also discussed, including the responsibilities of boards and directors. His letter is available at **blackrock.com**. ⓑ

GOVERNANCE UPDATE

Our first GovernanceUpdate of 2018 was emailed to members recently to keep you abreast of the latest governance and director-related developments. It includes:

key matters in data governance

whistleblowing and other legislative reform on the horizon

international corporate governance developments and trends

recent thought leadership research and reports.

All submissions, guides, DirectorsBriefs and other governance resources are available at **iod.org.nz**.

DirectorVacancies

DirectorVacancies is a cost-effective way to reach our extensive membership pool of New Zealand director talent. We will list your vacancy until the application deadline or until you find a suitable candidate.
» Contact us on 0800 846 369.

Unless otherwise stated, the following positions will remain open until filled.

GLAUCOMA NEW ZEALAND
Role: Voluntary board members (2x)
Location: Auckland

**VILLAGE COMMUNITY TRUST
T/A WORKSTAR**
Roles: Chairperson, treasurer, general members
Location: Nelson

SUMMIT POINT SCHOOL
Role: Chairperson
Location: Auckland
Closes: 30 April 2018

YMCA AUCKLAND
Role: Director
Location: Auckland CBD
Closes: 30 April 2018

TE AKA TOITŪ TRUST
Role: Chairperson
Location: Whakatāne
Closes: 29 May 2018

TENNIS OTAGO INCORPORATED
Role: Board position
Location: Otago

AKINA FOUNDATION
Role: Trustees (x2)
Location: National

**UNITED FIRE BRIGADES' ASSOCIATION
OF NEW ZEALAND**
Role: Appointed Director
Location: Wellington
Closes: 26 August 2018

Future
Directors

futuredirectors.co.nz

A fresh perspective

Host a future director on your board

Benefit from a fresh outlook, gain new insights and enable your board to look at issues and decisions differently.

To get involved email Stella at stella.lawson@iod.org.nz

Institute of
Directors

Out & **about**

01

Canterbury
Rob Frost, the Head of Business Risk for Marsh New Zealand, was the speaker at a lunch event about Governance and Risk Management hosted by the Canterbury branch on 9 March.
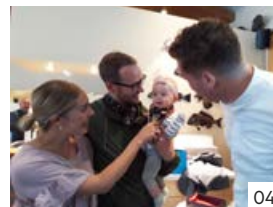

02

03

Nelson Marlborough
Daniel Flynn, author of the book *Chapter One* and co-founder of the social enterprise Thankyou, spoke at a networking event in Nelson on 22 March. He shared insights he gained from starting Thankyou at the age of 19 and how those lessons translate to personal development and governance of any organisation.

04

05

06

07

Canterbury AGM March 22

The Canterbury branch held its AGM on 22 March. Grant Jarrold, Chair of the Crusaders, was the guest speaker.
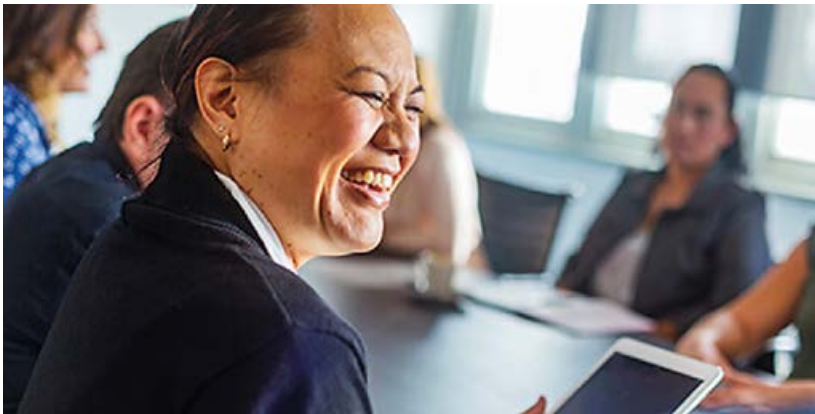

08

IoD Chief Executive Kirsten Patterson (KP)

took part in an online project called #myidentity. The initiative got high-profile New Zealanders to talk about themselves, their friends and their families and was aimed at increasing acceptance of the diverse identities of New Zealanders.

01   Rob Frost presenting.

02   IoD member Judene Edgar gets her copy of *Chapter One* signed by Daniel Flynn.

03   Darren Mark from Crowe Horwath receives his copy of Daniel Flynn's *Chapter One* from Elly Bray.

04   Getting an early start on her governance career – Tim and Michelle Williams' daughter was full of smiles for guest speaker Daniel Flynn.

05   Vincent Pooch (outgoing Branch Chairman), Geordie Hooft (incoming Branch Chairman from 1 May).

06   Colin McGeever, Jamie Macgregor.

07   Dr Anthony Brien, Mark Rogers, Cam Brinsdon.

08   Simon Markham, Geoff Cranko, Lucy Powell.

Events **diary**

For more information visit **iod.org.nz**, contact the director development team or contact your local branch manager.

AUCKLAND
MAY

10
Finance Essentials
(North Shore)

11
Breakfast with Icehouse, Andy Hamilton and colleagues

16
Welcome cocktails – invitation to all branch members

BAY OF PLENTY
MAY

2
Evening event with Allan Scott

30
ASB lunch – Leadership in business

NELSON / MARLBOROUGH
MAY

2
Health and safety – critical risks

9
Lunch with Steve Anderson, Foodstuffs

OTAGO / SOUTHLAND
MAY

23
Finance Essentials

24
Strategy Essentials

30
Company Directors' Refresher Course

WELLINGTON
APRIL

27
Lunch with Thankyou co-founder Daniel Flynn

MAY

15
Board Dynamics Intensive

17
State Sector Governance

22
Master Disruption

Company Directors' Course

Drive your governance career with this five-day course for directors and senior executives with governance experience.

06 MAY
Wellington *FULL*

13 MAY
Queenstown *FULL*

21 MAY
Auckland *FULL non-residential*

10 JUNE
Auckland

17 JUNE
Queenstown *FULL*

9 JULY
Wellington *non-residential*

19 AUGUST
Auckland

26 AUGUST
Wellington

02 SEPTEMBER
Auckland

16 SEPTEMBER
Queenstown

30 SEPTEMBER
Auckland

14 OCTOBER
Queenstown

28 OCTOBER
Queenstown

04 NOVEMBER
Wellington

11 NOVEMBER
Waiheke Island

BRANCH EVENTS

» FOR INFORMATION ON MEMBER EVENTS IN YOUR AREA, SEE **IOD.ORG.NZ**

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Webinars

Live webinars are facilitated by subject matter experts, and themes from your questions and comments are addressed live during the sessions.

19 JUNE
Chairing fundamentals
Are you new to the chair role or thinking about taking that next step? Join our experienced chair facilitator who will provide you with fundamental knowledge of the chair role.

9 JULY
Risk trends
This interactive webinar focuses on how directors can gain a better understanding of risks in their organisation.

Online Learning

Any time, anywhere. Offering convenience and flexibility, our self-paced courses provide focused online learning. Progress through the course slides, interactive diagrams, videos and reflective exercises at your own pace.

Health and safety governance
Three CPD points

Ethics – how directors do business
Three CPD points

Directors' and Officers' insurance
Two CPD points

Not-for-profit fundamentals
Three CPD points

Cybersecurity
Three CPD points