

# BOARD PERSPECTIVES

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## VELKOMMEN

TIL DANMARKS FREMMESTE BESTYRELSESPUBLIKATION

*Board Perspectives - nyheder, tendenser og holdninger*



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## VELKOMMEN TIL BOARD PERSPECTIVES

- DANMARKS FREMMESTE BESTYRELSESPUBLIKATION

Velkommen til toogtyvende nummer af Board Perspectives fra Board Network, The Danish Professional Directors Association. Board Perspectives henvender sig til alle, som interesserer sig for bestyrelsesagendaen i Danmark, og er den fremmeste, danske publikation med fokus på Corporate Governance og Board Leadership.

Board Perspectives udkommer kvartårligt – og byder i hvert nummer på en række artikler, skrevet af førende, eksterne eksperter samt interviews, nyheder og meget andet. Fokus er på indhold over form – og på nyhedsvinkler og holdninger med kant.

I dette nummer har vi fået bidrag fra Lisa Richardson (Valcon), Martin Faarborg (Deloitte), Møryfrid Øygard (Admincontrol), Nils Randrup (AVT Business School) samt Kersi Porbunderwalla (EUGDPR Institute).

### Board Dynamics & Board Evaluations

Board Dynamics – eller bestyrelsens indre dynamik – er generelt anerkendt som den næstvigtigste faktor (kun overgået af "den rette bestyrelsesformand") i forhold til, om bestyrelsen er i stand til at skabe værdi for virksomheden i sin rolle som sparringspartner for direktionen og øverste ansvarlige for strategien. Selv "det rette mix af kompetencer" og "det rette mix af funktionel baggrund, køn, alder og nationalitet" kommer efter "board dynamics" som value driver.

Det skyldes naturligvis, at hvis ikke dynamikken er til stede, vil beslutninger enten ikke blive truffet eller blive truffet på ufuldstændigt grundlag med stor fejlmargen til følge. Personligt arbejder jeg i alle bestyrelsesrekrutteringsprocesser efter et mantra om de tre "C'er", som alle skal være til stede i en vellykket rekruttering;

1. Competencies – dvs. de faglige kompetencer og personlige erfaringer skal passe til virksomhedens strategi, situation og behov. Det er så at sige "foden i døren" – altså muligheden for overhovedet at komme i betragtning som kandidat.
2. Character – de personlige værdier, herunder etik og integritet. Hvis ikke der er overensstemmelse mellem kandidatens personlige, moralske kompas og virksomhedens historie,

grundværdier og "livssyn", så vil kandidaten aldrig kunne bidrage på en måde, som både virksomhedens aktionærer, ansatte, kunder og leverandører vil bifalde. Der vil være for stor en kløft imellem holdning og handling – og det går ikke i en tid med stigende krav til transparens, integritet og autenticitet.

3. Chemistry – grundkernen mellem kandidaten og den øvrige bestyrelse skal være til stede. Ikke at forveksle med ensartethed, hygge eller konformitet – for det skaber kun homogene bestyrelser, og reel homogenitet i en gruppe er normalt kun en styrke i krisesituationer (da ensartetheden hjælper til at træffe hurtige beslutninger og etablere stor eksekveringskraft). Ønsket må i alle andre situationer end deciderede kriser være heterogene bestyrelser, altså bestyrelser, som er sammensat af folk med "diversity of thought" – evnen til og erfaringen med at anskue problemstillinger og muligheder fra forskelligt perspektiv og på basis af en gensidigt udviklende og respektfuld dialog skabe et langt stærkere beslutningsgrundlag end summen af erfaringen reelt kunne antyde – som forskellen mellem 3 + 3 og 3 x 3. Det er kernen mellem og karakteren hos bestyrelsesmedlemmerne, som afgør om Board Dynamics er forankret i solid, nærende muldjord – eller i porøst og iltfattigt sandjord.

Derfor optager spørgsmålet om bestyrelsens indre dynamik os meget – og af samme grund gør hele emnet om bestyrelsesevalueringer. Det er nemlig ligeledes bredt anerkendt, at et af de allerstærkeste redskaber til forbedring af Board Dynamics netop er en bredt funderet og intelligent faciliteret bestyrelseevaluering.

Det er vores erfaring, at de bestyrelser, der har det største udbytte af evalueringsprocessen, evaluerer årligt, diskuterer evalueringsresultaterne og opstiller handlingsplaner for bestyrelsens fremadrettede indsats på de områder, hvor evalueringen viser forbedringsmuligheder.

En anden tendens er, at disse bestyrelser ikke lader "godt nok" stå i vejen for en stræben efter at blive fremragende. De har høje ambitioner om kontinuerligt at forbedre bestyrelsens værdiskabelse.

# BOARD PERSPECTIVES

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Selve evalueringen gennemføres ofte ved hjælp af et spørgeskema, med såvel kvantitative som kvalitative spørgsmål, suppleret med individuelle interviews, hvor bestyrelsesmedlemmerne får lejlighed til at eksemplificere, uddybe, kommentere samt fremkomme med detaljerede forbedringsforslag.

Generelt giver bestyrelsesevalueringer mest værdi, når de er tæt koblet til virksomhedens virkelighed, det vil sige tilpasset den enkelte virksomheds strategi, planer for fremtiden og risikoprofil, bestyrelsens arbejdsform og bestyrelsesmedlemmernes individuelle bidrag til bestyrelsens arbejde, herunder også formandens rolle og evne til at lede bestyrelsen.

Og endelig er det vores klare holdning, at den allerstørste værdi af en evaluering fås når denne er eksternt faciliteret. Dette tilsikrer nemlig langt højere grad af anonymitet, uafhængighed, tryghed og konsekvens i både afgivelsen / indhentningen af svar og i de konklusioner, som drages på baggrund heraf. Hvad sker der f.eks. i de bestyrelser, hvor formanden selv foretager evalueringen i form af en kammeratlig samtale med hver enkelt af de øvrige medlemmer – og hvor formanden i øvrigt samtidig måske hverken er særligt vellidt eller respekteret? Det er næppe i disse "kammeratlige samtaler", at man som menigt medlem rigtigt åbner for posen med saglig og konstruktiv feedback og kritik – for enten bruges den slet ikke – eller også rammer ens egne input som en boomerang direkte tilbage i hovedet på én selv.

Af denne grund, har vi fundet det rigtigt at sætte nyt fokus på begge elementer ved vores næstkommende medlemsmøde, som finder sted onsdag d. 29. maj under netop overskriften "Board Dynamics & Board Evaluations".

Vi præsenterer vinkler på emnet fra både investor-side, nogle af de førende rådgivere på området fra både UK og Danmark - samt ikke mindst førstehåndserfaring fra bestyrelseslokalerne i både Sverige og Danmark:

- **Dr Hans-Christoph Hirt**, Executive Director & Head of Hermes Equity Ownership Services
- **Gillian Karran-Cumberlege**, Head of Chair & Board Practice, Fidelio Partners

- **Jens Witttrup Willumsen**, Best.fmd. SKAKO, INDEX, Mediehuset Ingeniøren, VL-grupperne samt best.medlem i Billund Lufthavn, FDM Travel
- **Lena Hofsberger**, Best.fmd. Ambea Group, Leos Lekland, PharmaRelations samt best.medlem i Doro, Max Hamburgers
- **Martin Faarborg**, Partner & Corporate Governance Leader, Deloitte DK

## KOMMENDE ARRANGEMENTER

Vi er meget stolte over at kunne præsentere en perlerække af talere og nye aktuelle temaer i løbet af resten af 2019:

- Torsdag d. 5. september, 2019 med temaet "Bestyrelsens rolle ved ejer- og generationsskifte"
- Mandag d. 25. november med temaet "Boards and Cyber Risks"

Vi glæder os til at se alle vore medlemmer igen – næste gang onsdag d. 29. maj kl. 08.30 – 13.00 på Crowne Plaza Copenhagen Towers i København.

Hermed igen velkommen til toogtyvende nummer af Board Perspectives. Rigtig god læselyst.

Jakob Stengel  
**Founder & Chairman**



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BOARD  
MENTORS

# THE MISSING ELEMENT IN BOARD ASSESSMENTS; TO ENHANCE BOARD EFFECTIVENESS, AND MAXIMISE STRENGTHS, IS THROUGH IT SECURITY AND CHALLENGES REGARDING CYBERSECURITY



**By Kersi F. Porbunderwala**  
President and CEO The EUGDPR Institute and the Information-Security Institute

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*Board behaviour and effectiveness are becoming increasingly visible to investors and other stakeholders. In the past few years, all stakeholders incl. The European Commission has reinforced its focus on corporate governance matters, issuing several rules and guidelines in this regard. Most of these global mandates raise, among other aspects, the issue of increased board accountability to the stakeholders and responsibility in the corporate governance framework through better functioning and more appropriate structures.*

The board plays a crucial role in ensuring that the company is adequately managing its cybersecurity risk. The first task is that the board must appropriately prioritise cybersecurity and ensure cybersecurity policies and procedures are in place and appropriately funded. There is no such thing as cheap data.

Companies have various approaches to board evaluation, in terms of methodology and objectives. In setting up the framework. However, in connection with the missing IT, Data and Cybersecurity element each board evaluation must contain;

- whether the exercise will identify the IT and data skills in the board composition
- Is there a commitment to IT governance and the cybersecurity training and awareness as a compliance exercise,
- Will added IT, and data knowledge sustain the performance of the board.

### **The assets that can be compromised in the event of an IT or Cyber threat or breach?**

The traditional evaluations based on best practice laid out in the global corporate governance codes do not address the new risks and threats when listed companies are conducting board performance evaluations. Board evaluation must develop as a vital process for improving board performance and dynamics, whatever the size, status or type of organisation by focusing on the enterprise-wide IT risk management framework to address the issues on inadequate staffing and resources to ensure awareness and oversee multiple organisational risks including IT- and cybersecurity

Most evaluations typically do not include a vital component, and that is the increasing need to understand that IT security, Data Protection, Data Privacy and cybercrime is a risk management issue that affects the entire organisation and not only does it require the board oversight but it is a board responsibility. Although the Board of Directors are aware that they need to



stay informed about cybersecurity, keeping up with it in the complex, rapidly evolving world of IT. Data Privacy and IT Security is often a challenge. Almost all Governance survey of the board or IT or audit committee members found that only approx. 20% per cent of directors approve that their company has cybersecurity risk well under control.

Therefore ensure that the following 10 IT- and Cybersecurity components have a place in the next board evaluation;

1. Cybersecurity risks are well under control
2. IT executive (CISO) occasionally reports to the board
3. Identify the key questions directors should be asking – both of themselves and management
4. Highlight the board's role in overseeing cyber risk and cyber threats
5. Has the board information on how to acquire and monetise information on personal data?
6. Identify the issues on Business Continuity and IT and cyber threats that can disrupt the business, deliver reputational damage and impair the value of the enterprise
7. Categorise the areas of regulatory investigations, loss of intellectual property and financial risk from fraudulent transactions
8. Have the Boards ensured that there is executive ownership on IT security also relating to decisions about new programs and products?

9. Recognise that cyber risk cannot be eliminated, and breaches are inevitable even with the best plans have flaws.
10. Review the IT and cyber risk intelligence and mitigation plan and the response plan in the event of a breach.

### **Allocate resources based on the Data and IT risk appetite and strategic assets**

During the evaluation potential vulnerabilities that the company has to its IT network environment so that the BoD is aware who can connect and infiltrate the systems, which third parties have access and who approves it and how is the mobile and social media handled as a policy from the board.

Therefore, the board must start the IT, Data and Cybersecurity journey so that it has the technical capabilities and does not panic or is uncertain when a malicious cyber event in real time is identified. It must be aware how the penetration testing and response plan in the event of a breach/attack is working and how often is the response plan tested to avoid black screens as many companies have experienced.

With the above, IT and Data focus the board will meet the regulatory requirements and may even be part of the motivation behind the IT security exercises as the primary driver as part of the tone-from-the-top and become a high-performing board, well-suited to anticipate, meet and overcome the challenges ahead.

## EFFECTIVE GROUP DYNAMICS HOW TO ENSURE YOU GET THE MOST OUT OF YOUR TIME SPENT IN BOARD MEETINGS



**By Lisa Richardson**

Director, Valcon

Let me ask you: as a board member – how many times have you left a board meeting with one or more of the below feelings about the meeting?:

1. The meeting was ineffective, time was wasted going in circles, resulting in going way over time or ending before the entire agenda had been addressed
2. The decisions made were mediocre but necessary due to compromise, politics, conflicting agendas
3. There are resources and knowledge in the room that do not come to the surface due to per-sonal styles and possibly conflicting agendas
4. You are uncertain about the degree of commitment behind the decisions made

Group dynamics are always challenging, but boards face a particular challenge because of the limited contact. This makes it even more crucial that board members are able to get the most out of the time spent together

Can you imagine if your life depended on the effectiveness of your board's ability to solve problems? What would you do if that were the case? And what is holding you back from doing that now? Maybe it's not life-or-death decisions being made, but they still have the potential to impact many people's lives. Boards have a powerful impact on the organisations they serve, but how much attention is paid to team effectiveness? In my experience, little or none.

We assume that, by putting the right composition of knowledge and political agendas in a room, the best solutions will come out of it. Not true! All research into effective team dynamics indicates that the most effective teams are not those with the smartest people, but those with the ability to bring the collective knowledge into play.

I use the below model to measure and develop the effectiveness of teams. The most effective teams create solutions with the highest QUALITY solutions with the highest level of ACCEPTANCE.

Take a moment to evaluate how your board measures up to this definition by answering the following questions:

On a scale of 1 to 5, when 1 is never, and 5 is always...	Score (1-5)
1. We analyse the situation before discussing solutions	
2. We define the objectives or success criteria for a given issue we set out to solve	
3. We simplify the problem by breaking it down into sub-issues	
4. We consider many alternatives before jumping to conclusions	
5. We discuss the consequences of each possible solution before choosing one	
<b>TOTAL (Q)</b>	

The sum of your answers is your "Quality" score called "Q".

Again, on a scale of 1 to 5, when 1 is never, and 5 is always...	Score (1-5)
1. We listen to each other	
2. We support each other	
3. We are open and curious about our differences	
4. We all participate	
5. We strive for consensus	
<b>TOTAL (A)</b>	

The sum of your answers is your "Acceptance" score called "A"

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## EFFECTIVE BOARD DECISIONS



**Figure 1: Effective board dynamics require both Quality and Acceptance, inspired by Human Synergistics International, Synergistic Problem-Solving Model**

What did you discover? Which score is the highest/lowest? Most will discover an imbalance between their Quality and their Acceptance scores. This indicates where to start. However, the bad news is – you do need both Quality and Acceptance to be high if you want your board meetings to be effective and to get the most out of the effort you put into them.

The question you are probably asking now is – great – but WHAT can we do about it? Figure 1 illustrates the elements required to ensure an optimal Quality and Acceptance in your efforts as a board.

In the following, I will share the three first steps I believe will move most boards towards greater effectiveness, addressing both Quality and Acceptance.

Build strong relationships between board members. This is the foundation on which the "Acceptance dimension can grow. Constructive\* relationships are open, honest and free from politics. Trust is built on the foundation of constructive relationships. This requires spending time together and exchanging honest feedback. This can be achieved in different ways. Some prefer to actually take time out and engage in traditional teambuilding. Others regard the actual challenges at hand as real-time teambuilding activities. In many cases, this requires outside help – as old patterns are hard to spot from the inside and even more difficult to address. The outside intervention can help keep the conversation constructive. One thing is for sure, although sharing a nice bottle of wine is a great way to get to know each other, it rarely leads to a deepening in

the quality of relationship in a way that will positively impact the quality of cooperation.

CONSTRUCTIVE STATEMENTS	NON-CONSTRUCTIVE STATEMENTS
"You have a different viewpoint than me. Tell me more"	"I am right – you are wrong." "I agree with you – to keep the peace"
"I am curious what I can learn from you."	"I can teach you a few things"
"I don't agree with you"	"You should respect me and my opinion"
"I will tell you what I think and feel even if it might hurt."	"I will keep my opinion to myself, just in case it's not shared"
"Differences and tensions are an opportunity to learn."	"I avoid differences and tensions."

So why develop constructive relationships? The key building blocks to "Acceptance" are listening, supporting, exploring differences, broad participation, consensus-seeking. Constructive relationships are the foundation of all of these behaviours.

**Establish a shared ambition** as the next step. Once you have established constructive relationships, and the trust builds, a lot will start to happen. I recommend that once you have an open and trusting climate – it's time to revisit the conversation on ambitions and objectives. Do you actually share your ambitions for the company? And do you have a shared view of the objectives for this year, this quarter and for your impact as a board?

In my experience, this is a crucial conversation to have, and it will only have the quality and depth needed once you have established an honest, trusting and constructive environment.

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I encourage you to set aside time and have each member write down in specific terms what he or she wishes the company to achieve this year. Be as specific as possible – so hopefully there will be many post-its. Then prioritise them – first individually and then share from the top down. Where do you agree – where do you disagree – on ambitions and priorities? Are there any important conversations needed here? Invest the time to actually deal with the misalignments. Once you have a common picture and either agree or at least know where you don't agree, it is time to make a plan for how to close the gaps and how to deal with the issues that require the gaps to be closed. This conversation will only end well if there is a constructive group dynamic.

Finally, **clarify motivation**. So many boards have gone awry due to conflicting personal or political agendas. By making personal agendas overt, you can deal with them. Many can be embraced within the realm of the board's mandate, and few

cannot. So let's get them out in the open. I encourage you to have the same conversation as above, only this time make it about what each individual's personal ambition is for being on the board. Asking "What do I want to get out of my work on this board?". You can do this in the same way as before – writing lots of post-its, then prioritising and sharing. This will not only surface similarities and differences and make them overt, but it will also reveal the motivation of the individuals and give some clues as to when and why members will tend to be more or less engaged. This is usually good information to have. It not only allows for differences in engagement throughout the year, it also allows for members to help each other achieve his or her goals while doing their board work.

Board work is challenging. Nothing indicates that the role of the board will become less important or easier in the near future. On the contrary. Honing your team dynamics is therefore a crucial lever for maximising your impact.



# TÆNK LANGSIGTET: SKAB EN BÆREDYGTIG FREMTID



**Af Martin Faarborg**  
Corporate Governance leder i Deloitte

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*Bestyrelsen er i en unik position til at sætte kursen for organisationens langsigtede visioner. Alligevel har mange bestyrelsesmedlemmer tendens til at fokusere på de kortsigtede mål.*

I en foranderlig verden, hvor nye forretningsmodeller og produkter hele tiden ser dagens lys, hviler der et konstant pres på ledelsen og bestyrelsen om at tage store beslutninger her og nu. Men et for kortsigtet fokus kan ende med at blive dyrt på sigt. Sådan lyder budskabet i Deloitte's globale rapport 2019 Directors' Alert - den tiende udgave af vores globale analyse af bestyrelsesarbejde.

I en omskiftelig verden må ethvert bestyrelsesmedlem derfor stille sig selv spørgsmålet, hvordan man bedst bedriver ledelse og tager velovervejede beslutninger. Hvorfor udvikle et produkt, der kan vise sig overflødig om seks måneder? Hvorfor investere i medarbejdere, der måske ikke er i virksomheden næste år? Hvorfor afsætte ressourcer til at opbygge kompetencer, der er brug for i dag, men ikke om ti år?

Selvom mange bestyrelser har tendens til at kigge på de udfordringer, virksomheden står overfor her og nu, kan det være en god investering at tænke mere langsigtet. Men hvad bør det lange lys rettes mod i 2019?

### **Bæredygtighed i fokus i 2019**

Ifølge vores eksperter er der fire specifikke områder, som bestyrelser med fordel kan rette fokus mod i 2019.

- Det første område er industri 4.0 og de teknologiske muligheder, denne udvikling skaber for forretningen.
- Det næste område er håndtering af stakeholdere og investorer og at undersøge deres præferencer.
- Det tredje område er det skattemæssige område og de udviklinger, der sker her.
- Endelig er det fjerde – og måske vigtigste – område at holde sig for øje i 2019 et stigende fokus på social ansvarlighed og bæredygtighed.

Virksomheder har en vigtig rolle at spille, når det gælder om at afhjælpe klimaforandringer og løse andre af de udfordringer, verden står overfor – men det er ikke løst på fem år. Det kræver langsigtede investeringer i alt fra opbygning af nye kompetencer til innovative løsninger og omlægning til grøn produktion.

På en bæredygtig rejse spiller bestyrelsen en vigtig rolle og har pligt til at assistere ledelsen, når det handler om at prioritere og forfølge en bæredygtig strategi. Det bliver afgørende at kigge i denne retning, hvis man vil følge med en af de helt store tendenser i 2019.

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## Dette års rapport

Som bestyrelse kommer man ikke uden om, at de langsigtede investeringer skal sikre virksomhedens fortsatte vækst – ikke bare om fem år, men om 30 år. Stort set alle beslutninger, der ender på bestyrelsens bord i dag, har langsigtede implikationer, hvad end det er investeringer i cybersikkerhed, innovation eller kompetencer. Hvis ikke bestyrelsesmedlemmer tør tænke langsigtet, risikerer virksomheden at falde bagud på vigtige områder såsom bæredygtighed, digitalisering og udnyttelse af nye teknologier.

Det kan du læse mere om i dette års rapport. Her får du også:

- Erfaringer fra andre bestyrelsesmedlemmer omkring deres strategiske prioriter
- Indsigt i den fjerde industrielle revolution og de potentialer, der følger med
- Råd til at håndtere relevante stakeholders og investorer
- Råd til at sætte strategisk fokus på bæredygtighed og social ansvarlighed
- Opdateringer og gode råd på skatteområdet

[Læs mere i rapporten](#)



# BOARD NETWORK



Board Network – The Danish Professional Directors Association er Danmarks mest eksklusive bestyrelsesnetværk, og er det foretrukne forum for erfarne bestyrelsesmedlemmer. Organisationens formål er at sætte fokus på Board Leadership samt at øge kendskabet til bestyrelsernes betydning for værdiskabelsen i og udviklingen af virksomhederne. Desuden uddeler Board Network den årlige hæderspris, The Corporate Governance Award, samt udgiver bestyrelsespublikationen, Board Perspectives hvert kvartal. For mere information, se [www.boardnetwork.dk](http://www.boardnetwork.dk) eller kontakt os på 21282882.

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# OUR FUTURE **DEPENDS** ON THE **QUALITY** OF DECISIONS



**By Møyfrid Øygard**  
Managing Director at Admincontrol

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If you take a closer look at successful companies and their strategies, you'll find they have made some good decisions along the way. Yet, decisionmaking is not easy today, in fact, I would argue it's harder than ever before.

Hundreds of emails every day are cluttering our inboxes, 24-hour news cycles, a constant flow of social media updates and smartphones always at hand. The information overload is paired with megatrends such as globalized competition, disruptive technologies and new threats in the form of cyber-attacks, fake news and more. I'm sure we can agree that our decisions are influenced from left, right and centre, and that decisionmaking is in fact hard.

### **Bad decisions – big consequences**

In this day and age, it should be no surprise that bad decisions

are as common as good decisions. When McKinsey surveyed 2207 senior executives, 72 per cent of respondents said they thought bad strategic decisions were about as frequent as good ones or were the prevailing norm in their organisation. Can you imagine the impact this can have on crucial areas such as growth, revenue and culture, not to mention the very future of the company?

History is full examples of bad business decisions. I'm sure you have heard of many. One example is Kodak, which actually had the inventor of the first digital camera on its payroll but decided not to continue developing it.

Another example is the former video rental giant Blockbuster. The board and management at Blockbuster were failing to see how the industry was shifting, first when Netflix disrupted the market by launching its DVD-by-mail business, and later on, as Netflix moved on to streaming. It does not stop there; did you know that Blockbuster early on had the opportunity to buy Netflix but decided against it?

Blockbuster filed for bankruptcy in 2010, while Netflix's estimated value today is \$159.57B, which is more than 10 times what Blockbuster was worth at its peak.

While we are on the topic of mergers and acquisitions, deciding to buy another company is not always a smart decision. According to Harvard Business Review, the failure rate for M&A sits between 70 per cent and 90 per cent. You should do your due diligence thoroughly and make sure you're getting these decisions right.

### **Great responsibility being a leader and a board member**

This brings us back to the fact that being a leader, or a board member is a big responsibility. The decisions taken at C-suite- and board level, shape the company's future profoundly. Hence, enabling and empowering the decision-making process at this level is crucial for the very existence of the company.

The Boeing 737 Max crisis is a good example of how important the decision within the boardroom can be – also to the outside world.

When the Boeing's board of directors were approving the plans for a new jetliner called the 747 MAX, they talked about how quickly and cheaply it could be built to compete with a rival – but the members didn't ask detailed questions about safety, according to Washington Post.

Apparently, it was only after the plane crashed into the Java

# BOARD PERSPECTIVES

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Sea 29th of October in 2018, that the board members heard about a Boeing software system that pushed the plane's nose down, Washington Post claims.

In hindsight it seems CRAZY that the board didn't ask questions about how the plane's safety was tested, but they didn't. Their lack of examination cost many lives.

This tragic incident highlights the power and responsibilities the management and board members have. It is of uttermost importance to be thorough and to do research when you take decisions on the behalf of the company, and not at least – to make sure you are taking the right decision.

## How do we facilitate good decisions?

So, how exactly can companies increase the speed of decision-making and the quality of decisions made?

When it comes to making good decisions, there are many factors that come into play. Much is, of course, depending on the quality of the decision maker(s), that they are able to analyze, reflect and adapt. It is also about timing, guts and sometimes luck.

And not to forget, the ability to act. Having the ability to make decisions quickly and effectively is a trait many successful decision-makers have in common. Research from Harvard Business Review finds that people who were described as "decisive" were 12 times more likely to be high-performing CEOs.

Some even go as far as to say that it's better to make a decision, good or bad, than not to make a decision at all. "Fail fast" has become a mantra in the startup-world.

Ultimately it is often about information at hand.

## The board and management need information and tools

At Admincontrol, we are working with many of the most successful companies in the Nordics and in the UK, and we see

how important it is to facilitate the decision-making process well. Collaboration and access to the right information are key to be able to take good decisions.

The digital revolution has changed how we communicate and interact – also in the board room. Today, most successful companies have implemented a board portal as a platform for easy sharing and collaboration for the board and management. A board portal gives board members and executive management the ability to communicate and share documents related to business-critical issues – even outside of board meetings.

Accessing the right information at the right time gives the directors the opportunity to make more informed and timely decisions for the company. It might also help them to capitalize a new opportunity.

Board members and leaders are no longer tied to the office and dependent on access to equipment such as printers and scanners. Decisions can be made quickly and, most importantly, implemented while directors are on the move – without becoming a bottleneck in the decision-making process. In other words, a board portal can help the overall decision-making process for directors that can ensure long-term success for the company.

## «Crazy about decision-making»

At Admincontrol we are passionate about decision-making. It is in our DNA, it is at the core of our company. Our philosophy is simple: if what we do doesn't enhance the moment of a decision, we don't do it. Because we believe that our future depends on the quality of decisions and our ambition is to be a world-class enabler of decision-making. We offer a smart and secure collaboration platform for boards, management and other key stakeholders, where they can access, share, discuss and process information efficiently.

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# BIG DATA BØR HAVE BESTYRELSENS BEVÅGENHED



### Interview med Nils Randrup (af Nikolaj Henum)

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Big data er et varmt emne på ledelsesgangene i disse år, og emnet har også fundet vej til bestyrelseslokalerne. Og de steder, hvor bestyrelserne ikke endnu har taget stilling til big data, bør det ske omgående, for ellers kan det få alvorlige konsekvenser, advarer Nils Randrup, der er Adjunct Professor ved University of California og AVT Business School, hvor han blandt andet underviser i faget "Leading Big Data and Advanced Analytics".

«Bestyrelsens rolle i forbindelse med big data er at vurdere, hvor meget og hvorfor den pågældende virksomhed skal investere i teknologierne - på samme måde som man som bestyrelse skal kunne vurdere og agere filter over for ledelsen i forhold til, hvor meget der eksempelvis skal investeres i medarbejdere og maskiner,» forklarer Nils Randrup.

Big data er et varmt emne, og derfor kan det godt undre Nils Randrup, at der stadig findes bestyrelser, der er tilbageholdne med at rette radaren mod emnet, men det er der en forklaring på, mener han:

«Jeg oplever ofte, at bestyrelsen er skeptiske i forhold til, om de skal investere i big data, men som regel handler det simpelthen om, at de ikke har nok viden og indsigt i, hvad man faktisk kan anvende big data til i virksomheden,» siger Nils Randrup og sammenligner problemstillingen med dengang, internettet holdt sin indmarch på forskellige markeder – og særligt i hele detailbranchen:

«Dengang internettet skyllede ind over markederne, var mange bestyrelser - særlig inden for detailindustrien - tilbageholdne med at investere i onlineplatforme. Det var blandt andet fordi, investeringerne i mange tilfælde indeholdt muligheden for at disrupte deres eget marked, og måske mest af alt fordi, mange bestyrelser simpelthen manglede indsigt i, hvilken betydning internettet ville få, og hvilke konsekvenser det ville få, hvis de ikke investerede i den teknologi – og resten af historien kender vi jo godt,» siger Nils Randrup og tilføjer:

«Jeg tror faktisk, at hvis bestyrelserne er skeptiske i forhold til at investere i big data på samme måde, som mange var skeptiske over for internettet, at så bliver konsekvenserne endnu mere fatale, end de var dengang,» siger han.

#### Viden

Og det er ikke fordi, bestyrelsesmedlemmerne skal kunne forstå samtlige finere detaljer i forhold til, hvordan og på hvilke måder big data kan erhverves og genereres i virksomheden, men det er afgørende, at de præsenteres for de muligheder, som det kan give virksomheden ikke bare på den korte bane men i høj grad også på den lange bane, mener Nils Randrup.

«Jeg mener, at det er afgørende, at bestyrelser søger viden omkring, hvilke muligheder big data kan give for virksomheden særligt i et fem til tiårigt perspektiv. Big data handler om "value proposition" - altså den værdi der kan lægges oven i det fysiske produkt - og det er særligt her, at de konkurrencemæssige fordele vil kunne erhverves i fremtiden,» forklarer Nils Randrup.

Han understreger dog samtidig, at graden af fokus på investering i big data også skal ses i lyset af, hvilket marked befinder man sig i:

«Som udgangspunkt vil alle på sigt skulle forholde sig til big data som en konkurrencemæssig fordel. Men det er klart, at hastigheden, hvormed big data vil få indflydelse, vil være meget afhængig af hvilket marked, vi befinder os på,» forklarer han.

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»På et marked, der i den grad er blevet disruptet i forhold til den teknologiske udvikling, vil hastigheden, brugen og ikke mindst værdien af big data være langt hurtigere, end vi vil se det i et mere konservativt marked. Men når det er sagt, så vil big data alt andet lige være at finde på markeder fremover på lige fod med AI (red: kunstig intelligens), som vi ser det i dag,« siger Nils Randrup.

## Meget at hente

Ved at give bestyrelsen indsigt og viden i big data kan man ifølge Nils Randrup rykke sig markant i markedet.

»Big data har så stor betydning i dag og vil have det i årene fremover, at hvis man som bestyrelse holder fokus herpå - ikke mindst i et investeringsperspektiv - så kan man skabe nogle unikke konkurrencemæssige fordele særligt på den lange bane,« fastslår han.

## Nils Randrup peger på tre grunde til, at bestyrelser bør fokusere strategisk på big data:

Det første grund til, at bestyrelsen bør fokusere på big data, er, at det muliggør store kostbesparelser for virksomheder - forstået på den måde, at det bliver muligt at gøre tingene på en smartere måde.

Den anden grund har at gøre med muligheden for at tage smartere og hurtigere beslutninger og forbedre kvaliteten omkring de beslutninger, som ledere og mellemledere træffer.

Den tredje grund er, at big data giver virksomheden mulighed for at øge kvaliteten og lave mere innovative produkter, hvilket

igen giver konkurrencemæssige fordele. I tillæg hertil skal man ikke glemme, at udviklingsomkostningerne i forhold til big data måske nok er høje i starten, men at de efterfølgende falder markant, da der så kun vil være vedligeholdelsesomkostninger tilbage.

## Fakta: Big data

Big data dækker over indsamling, opbevaring, analyse, anvendelse og fortolkning af enorme mængder data.

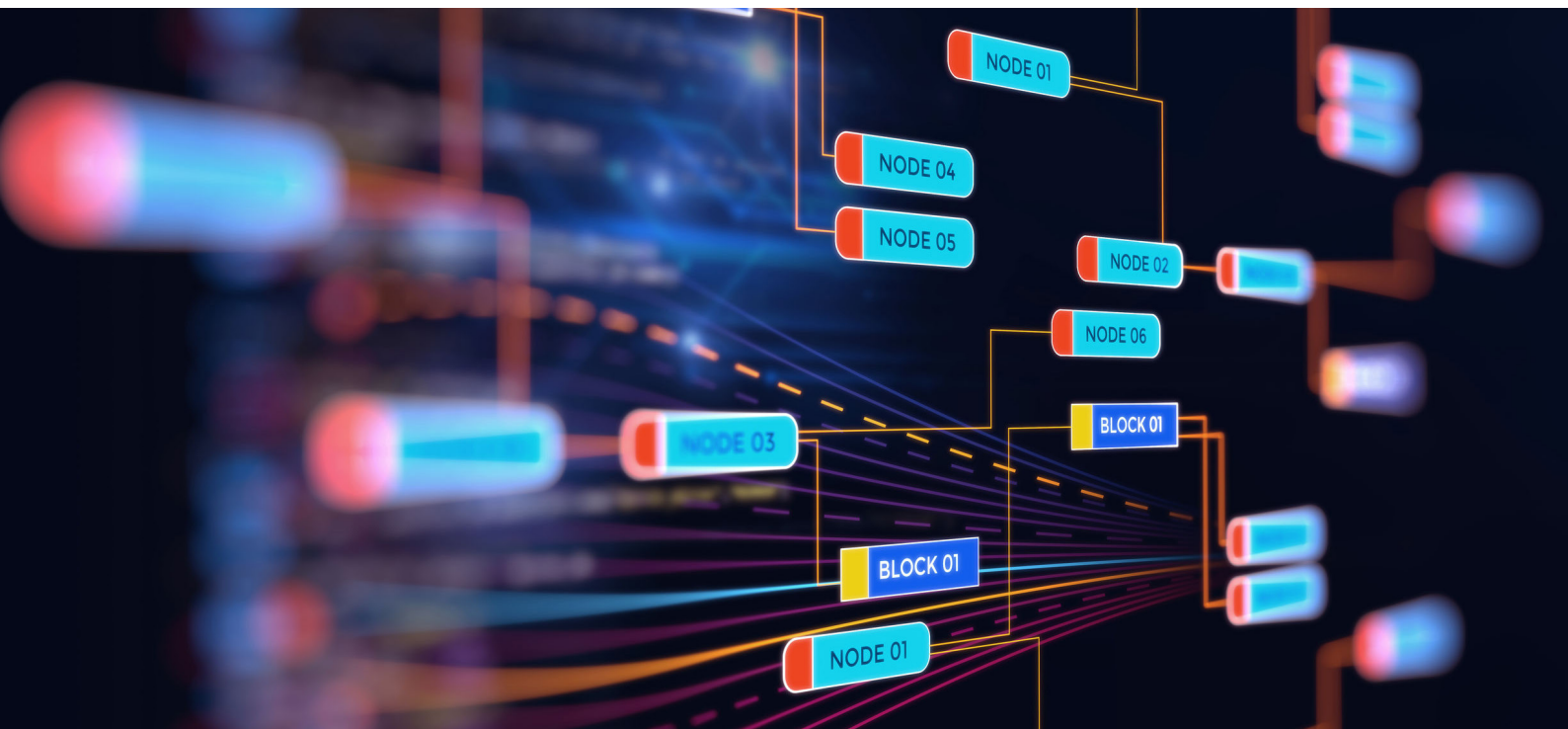
Grænserne for big data har rykket sig meget de senere år - fra gigabyte og til nu petabyte og exabyte, når man taler mængder.

Nils Randrup sonder mellem to begreber, når man taler big data, nemlig henholdsvis mængden af data, herunder hvor struktureret den er, og hvor den kommer fra - og så den mere konceptuelle definition som blandt andet handler om, hvad man kan anvende big data til gerne i forhold til AI.

## Fakta: Nils Randrup

Nils Randrup er Adjunct Professor ved University of California og AVT Business School samt senior partner for Rockwave Group. Nils Randrup startede med at undervise i 1992 sideløbende med en række konsulentjob.

Han har siden 2012 været tilknyttet AVT Business School, hvor han underviser på skolens Executive Programme blandt andet i modulet "Leading Big Data and Advanced Analytics". I modulet får den studerende en dyb indsigt i begrebet big data, der gør ham eller hende i stand til at gennemskue brugen og effekten af anvendelsen af big data.



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# BOARD PERSPECTIVES

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**Jakob Stengel**, cand.jur., har i 20 år beskæftiget sig med Corporate Governance samt ledelsesrådgivning, først 10 år i den finansielle sektor, og de seneste 10 år som konsulent og partner hos flere af headhunterbranchens mest fremtrædende, internationale aktører, i dag i regi af Case Rose / InterSearch ([www.caseroose.com](http://www.caseroose.com)), hvor han er Managing Partner og Global Head of Board Practice. Jakob er grundlægger af og formand for Board Network - The Danish Professional Directors Association, og virker tillige som bestyrelsesformand og -medlem i en række danske bestyrelser.