

10 trends for the board of 2020

The author identifies 10 major trends to watch, as boards of directors aspire to become the vital governance instrument for company management.

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By [Pedro Nueno](#)

Shortly after Twitter went public in November 2013, it began taking flak over the lack of diversity on its board of directors. Its seven members were all white males, and three of them even shared the same first name, Peter, reinforcing the impression of uniformity. Twitter responded by appointing Marjorie Scardino, formerly of the Pearson publishing group – the first of several changes it made to the composition of its board and to senior management.

Since returning to Twitter as CEO last year, co-founder Jack Dorsey has undertaken a wholesale restructuring of the board in order to give it more diversity. Important strides have been made, first with the appointment of Omid Kordestani, an Iranian-American and former Google executive, and then with the replacement of two of the three Peters with one male and another female director, who is British.

The case of Twitter is representative of a phenomenon that is occurring across more and more companies and industries. The onward march of globalization, internationalization, digitalization and regulation have made corporate governance an increasingly complex affair, demanding that board composition be a better reflection of today's needs.

Moreover, reforms introduced after the global financial crisis have put extra pressure on companies to ensure that their boards display greater professionalism and independence. Especially in key areas such as strategic oversight and risk supervision, the board's remit requires raised levels of competence, responsibility, commitment and dedication.

In my many years of participating on the boards of various companies across multiple

industries and countries, I have witnessed these trends firsthand. The transformation of the board has come up in countless conversations I have had with directors, advisers and owners of companies all over the world – from Asia to Europe to the Americas. And it is the focus of my new book, *The 2020 Board*.

The goal of this transformation is to correct some of the dysfunctional practices that contributed to the corporate scandals of recent years, which show no sign of abating since Enron and WorldCom set the bar on governance failings 15 years ago. What's happening on boards today is a direct consequence of a flagrant dereliction of duties in the past. As the changes continue apace, I identify 10 major trends going forward, as boards of directors aspire to become the vital governance instrument for company management that they were intended to be.

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