The Changing Face of Boardroom Competencies

Transitioning Out: Skills & Traits

Traditional Financial Acumen

Overemphasis on Specific Education and/or Sector Experience

Overreliance on C-Suite and/or Legacy Experience

- Narrow Legal Skills
- Traditional Administration Skills
- Hierarchical Leadership
- Lack of Diversity
- Ethical Misconduct
- Short-term Orientation
- Traditional Networking Skills

Transitioning In: Future Competencies

ESG & Sustainability Acumen

Digital & Technological Proficiency

Future-Oriented & Values-Driven Leadership

- Inclusive Leadership
- Strategic Thinking
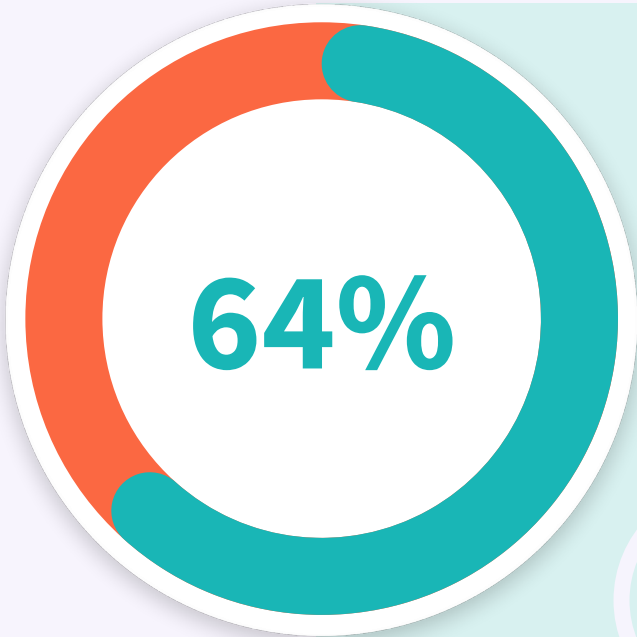- Adaptability & Generalist Skills
- Talent Insight
- Risk Assessment
- Global Geopolitical Acumen
- Regulatory Understanding

Source: The Future Boardroom Survey 2023

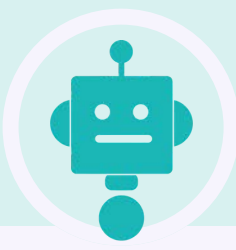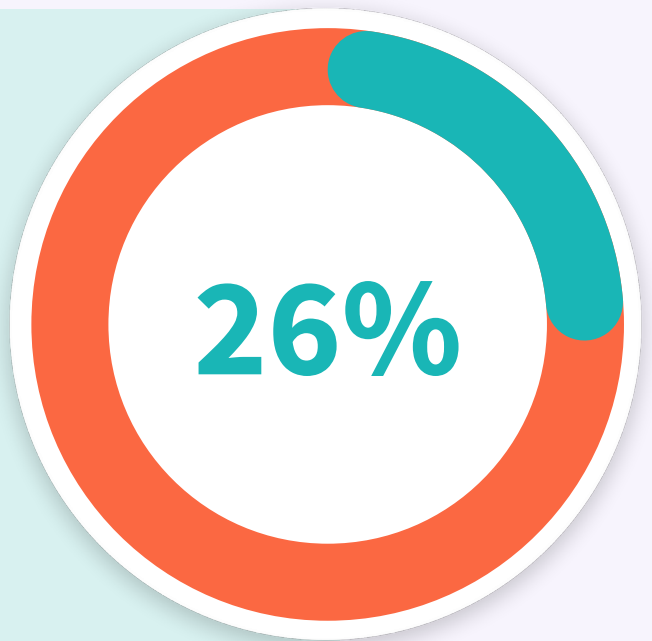# The Crucial Balance of Skills

64%

Interpersonal Skills

Emphasizing Emotional Intelligence, Adaptability, Strategic Thinking, etc
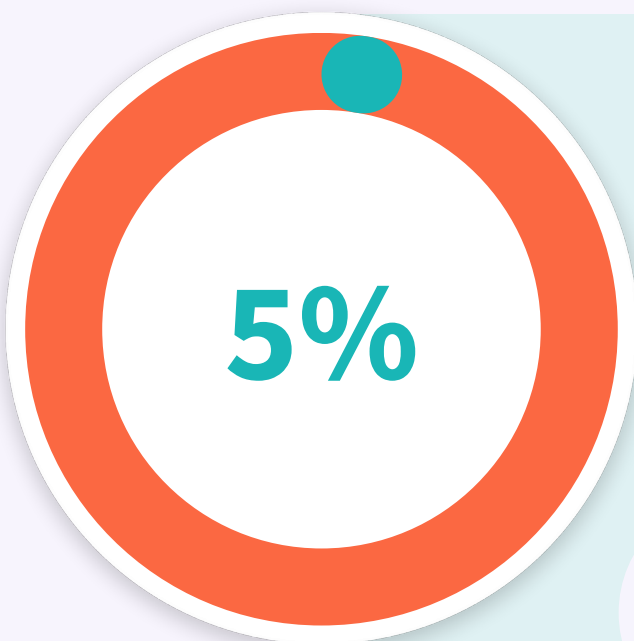
Technological Proficiency

Highlighting AI, Machine Learning, Blockchain, Cybersecurity, etc.
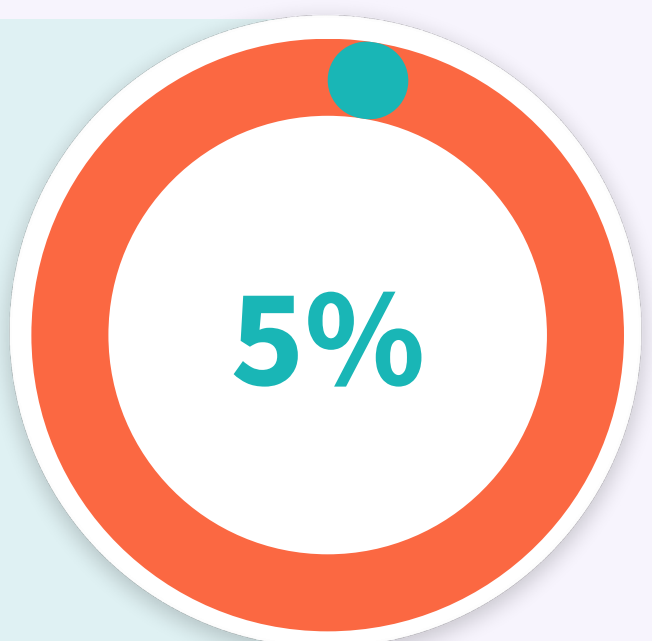
26%

5%

Traditional Competencies

Focusing on Financial Acumen, Legal Knowledge, Industry-Specific Skills, etc.

Other

Additional Categories such as ESG Proficiency, SDGs, Climate Action

5%

ESG Integration and Continuous Education

Challenges in Integrating ESG Factors

Knowledge Gap

73%

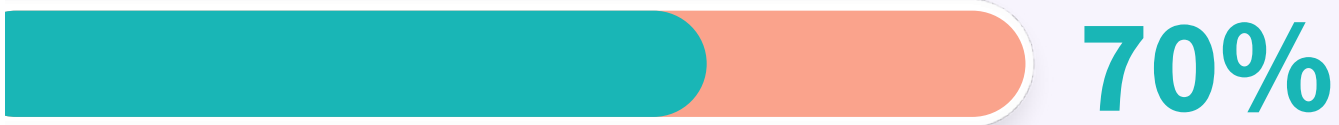**Lack of Prioritization by CEO & Shareholders' Buy-in**

42%

Other Challenges*

15%

*Strategic Prioritization • Knowledge and Data • Stakeholder and Governance Leadership and Cultural • Individual and Organization-Specific

Showcasing ESG Knowledge

Evidencing Formal Education/Experience

70%

Through Self-Declaration

39%

Unsure

9%

Other*

3%

*Achievement of Business Goals • Regulated Disclosures • Stakeholder Interactions Humility • Alignment of Values

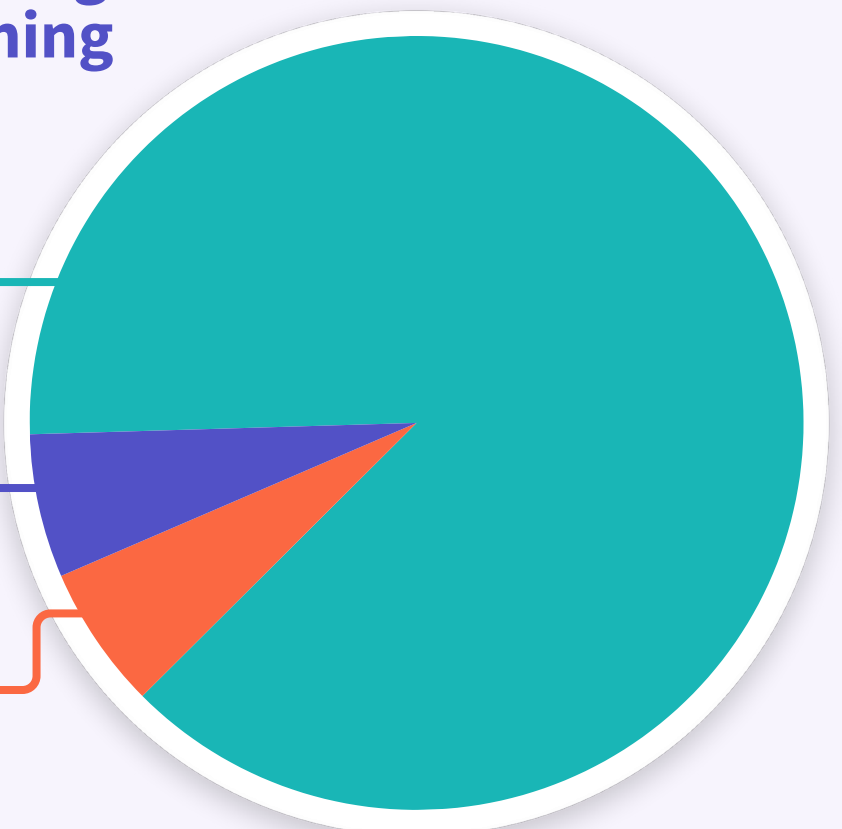## Importance of Ongoing Education and Training
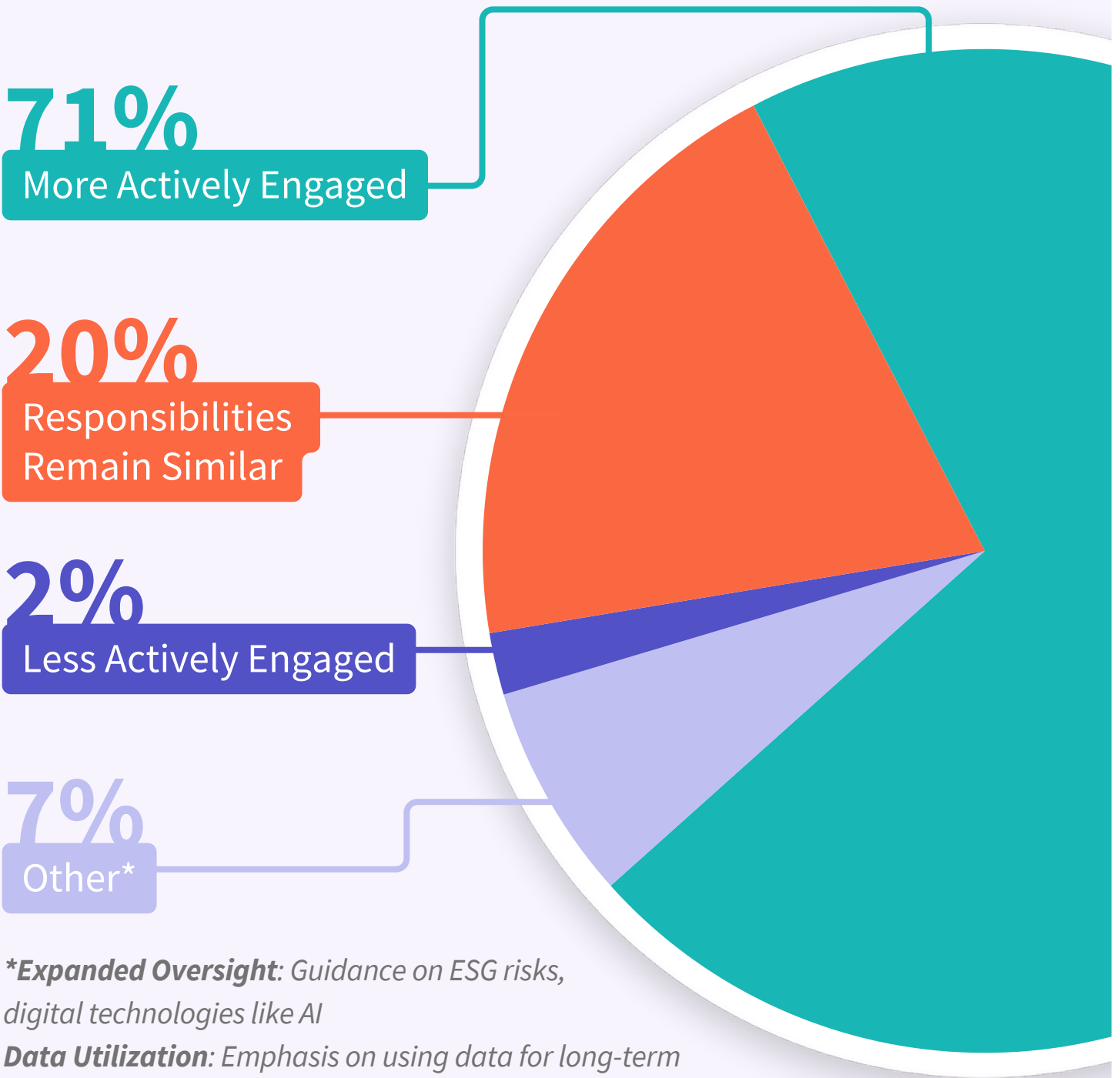
88%
Very Important

6%
Somewhat Important

6%
Unimportant/Unsure/ No Response

Future of Board Governance

How do you envision the role of board directors evolving in the future?

71%
More Actively Engaged

20%
Responsibilities Remain Similar

2%
Less Actively Engaged

7%
Other*

Expanded Oversight: Guidance on ESG risks, digital technologies like AI

Data Utilization: Emphasis on using data for long-term decision-making

Governance Focus: Greater involvement in governance, less on performance and operations

Technological Transformation: Utilizing AI for traditional oversight roles, focusing on foresight and insights

Shift in Engagement: Active engagement during shifts like ESG, transitioning to less oversight with tech advancement

Source: The Future Boardroom Survey 2023

Survey Demographics

The research reflects insights from a diverse and experienced cohort

Sample size: 66 respondents

Professional Background: Majority hold leadership or advisory roles, many specializing in ESG/sustainability

Board Membership: 2 in 3 respondents are current company board members

Geographical Distribution: Global representation with the largest respondent groups from North America

Industry Representation: The most represented sector is Banking, Finance, and Insurance

Age Demographics: The majority of respondents fall within the 55-64 age range

Gender Distribution: A balanced male/female gender distribution, with a few identifying as non-binary

Educational Background: Most respondents hold a Master's degree or a Doctorate/professional degree