
PART 5

Conclusions

In conclusion, I want to highlight the implications for practice, teaching and research.

5.1 Implications for practice

The dot.com hype, the crash of financial markets, high-risk corporate strategies, the top executive value mindset and the momentous and numerous corporate crises lead to a switch from first-to-worst for many companies within a short period of time.

The experience in many countries showed that awards such as board member or executive of the year are no guarantee of future success, nor can they prevent sudden corporate failure.

The current danger consists of some sort of over-regulation in the development of laws and guidelines, as most countries have done following the recent crises.

As I described in section 4.4, I have been conducting self- and external reviews of boards for some years. I remember a case of a medium-sized, publicly listed company that fulfilled all best-practice recommendations and that was highly rated according to a university study.²⁹³ In reality, this company had a clear culture of mistrust within the board and, although it had excellent individual board members, the board as a whole demonstrated a low collective IQ.

Another listed company was a leader in its industry and had excellent board evaluations according to the 360° feedback process followed by the board. However, its management and main investors were among the “black sheep” in terms of corporate governance transparency guide lines on business report quality.²⁹⁴

What does this mean? Soft laws neglect the decisive soft dimension of companies.²⁹⁵ Successful companies have at the top of their boards and their management, human entrepreneurs (with cool heads, warm hearts and

²⁹³ Meyer (2003).

²⁹⁴ Meyer (2003).

²⁹⁵ “The governance debate is too much about ticking boxes. What really counts are skills and behaviors inside the boardroom” Carter and Lorsch (2004:220).