The Director

Magazine | Where Boards Think, Challenge, and Lead

COVER STORY

The Boardroom needs more than Credentials
- Leadership, Power, Governance and Legacy
- Lessons from Mthobi Tyamzashe



AI GOVERNANCE

- AI in the Boardroom: Who's Accountable?

DIRECTOR CONVERSATIONS:

Inside the Mind of a Boardcraft Expert - A Conversation with Dr Peter Crow

POWER, BALANCE & ACCOUNTABILITY -

Ancient Wisdom for the Modern Boardroom

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Magazine | Where Boards Think, Challenge, and Lead

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Letter from the **Editor-in-Chief**

Governance must Work where it Matters



Taka Sande,
Editor-in-Chief, *The Director*

There is a dangerous comfort in believing that because governance structures exist, governance is working. A board has been appointed. Committees meet. Charters have been approved. Policies are in place. Risks are recorded. Declarations of interest are signed. Board packs are circulated. Minutes are taken. Annual reports describe the governance framework in considerable detail. And yet organisations still fail. This is one of the enduring paradoxes of corporate governance. Some of the most consequential institutional failures have not occurred in organisations without governance structures. They have occurred in organisations where those structures existed but failed to influence behaviour when it mattered. That distinction sits at the heart of this issue of ***The Director.***

South Africa enters a particularly important period in its governance journey. King V is now applicable to financial years beginning on or after 1 January 2026. It arrives after decades in which the country has developed internationally respected governance frameworks while simultaneously experiencing serious failures across listed companies, state-owned enterprises and other institutions. The challenge before boards, therefore, is not simply to implement another governance code. It is to ensure that governance lives beyond the code. Indeed, recent guidance from the King Committee offers an instructive example. In clarifying that nine years of service should not automatically render a non-executive director no longer independent, the Committee cautioned against precisely the kind of mechanical application that good governance seeks to avoid. Independence cannot ultimately be determined by arithmetic alone. It requires judgment.

This matters because
governance becomes most important
precisely where rules stop providing easy answers.
When information reaching the board appears incomplete, what does a director do? When a dominant chief executive appears successful but increasingly difficult to challenge, when does confidence become deference? When everyone around the table agrees, is that evidence of alignment, or should someone test the assumptions beneath the consensus? When artificial intelligence promises enormous productivity gains while introducing risks that neither management nor the board fully understands, how quickly should an organisation move? When a long-serving director retains valuable institutional memory, how should the board weigh continuity against renewal? And when an organisation is profitable and compliant but leaves the people, communities or systems around it weaker, can we still describe it as well governed? These are not questions that can be answered by ticking boxes. They demand judgment.Several contributions in this issue approach that challenge from different directions.

Our conversation with Dr Peter Crow takes us inside what he calls Boardcraft: governance understood not simply as structure or compliance, but as a discipline practised by human beings. His observations remind us that many board failures are ultimately behavioural. The quality of governance depends on how directors prepare, listen, question, disagree, decide and exercise power.

That concern with power runs through this issue. Michael Judin takes us much further back than the modern corporation, drawing lessons from ancient ideas about authority, balance and accountability. His argument is timeless: power without restraint eventually weakens the institution that grants it.

The Steinhoff story provides the contemporary warning. Years after its collapse, it remains worth studying not because South Africa needs another retelling of a corporate scandal, but because governance failures should become institutional memory. Complexity, dominant personalities, inadequate challenge and information asymmetry are not historical curiosities. They are recurring governance risks.

That is why critical thinking receives particular attention in this issue. Boards today operate in an environment saturated with information but not necessarily enriched by understanding. Directors have more dashboards, reports, analytics and external commentary than perhaps any generation before them. Artificial intelligence will increase that volume exponentially.

The scarce governance resource may therefore no longer be information. It may be the capacity to think independently about it. AI itself is rapidly becoming one of the defining governance questions of our time. South Africa's withdrawal and reworking of its draft National AI Policy during 2026, following concerns about the integrity of references contained in the document, provides an extraordinary reminder that AI governance is not merely about technology. It is about human accountability, verification and judgment.

For boards, waiting for regulation to settle every question is not an option. Organisations are already using AI. Directors must understand where it is being deployed, what decisions it influences, what information it consumes, what risks it creates and where human accountability ultimately resides. But governing for the future requires more than managing emerging risks.

Our exploration of regenerative governance asks whether boards should begin thinking beyond protecting organisational value towards strengthening the wider systems on which that value depends. The question is deliberately ambitious: Are we simply governing the organisation well, or are we helping to create a healthier system in which the organisation and its stakeholders can thrive together?

The same future orientation appears in our examination of board succession. Mature boards should not wait for vacancies before considering renewal. The better question is not simply who should replace a departing director, but what kind of board will the organisation need for the future it is governing?

> **"Governance is ultimately not what an organisation says about itself. It is what happens when authority, uncertainty, pressure and human judgment meet."**

And this discipline cannot begin only when an organisation becomes large. Our examination of startup governance argues that properly designed governance is not bureaucracy imposed on entrepreneurship. It is part of the operating system that enables an enterprise to scale without becoming dangerously dependent on one person.

Across all these conversations, one principle emerges. Governance must work where it matters. It must work when the information is incomplete. It must work when the chief executive is powerful. It must work when directors disagree. It must work when technology moves faster than regulation. It must work when commercial pressure tests ethical boundaries. It must work when succession becomes uncomfortable. And, perhaps most importantly, it must work before a crisis proves that it did not.

Governance is ultimately not what an organisation says about itself. It is what happens when authority, uncertainty, pressure and human judgment meet. That is where governance becomes real.

And that is where ***The Director*** intends to keep the conversation.

Taka Sande.

Editor-in-Chief, ***The Director***

The Boardroom Needs More Than Credentials

What Mthobi Tyamzashe's decades in leadership teach us about boards, power, governance and legacy.

By Taka Sande

Some leadership lessons are not found in textbooks, governance codes or board manuals. They are learned over decades, in difficult rooms, complex institutions, contested spaces and moments where judgment matters more than title. That was the central message from a recent Board Office Hours conversation with Mthobi Tyamzashe (Snr). The discussion began with boards, power and governance, but quickly became something deeper: a reflection on leadership, influence, exclusion, institutional memory, public service and the wisdom accumulated through experience.

Mthobi describes himself modestly as a 72-year-old veteran of the public and private sectors, now offering advisory and consultancy services to boards and charitable organisations. Yet his career spans sport, government, business, foundations and boardrooms. He has served in structures associated with the National Sports Council, the South African Commonwealth Games Association, The Sports Trust, Boxing South Africa and the South African Institute for Drug-Free Sport. He has been the Director-General in the Department of Sport and Recreation, a Special Advisor in government and chairperson of the Community Schemes Ombud Service, alongside roles in business and social-impact organisations. But the significance of his journey lies less in the titles than in what those experiences reveal about how leaders are formed.

Leadership before the formal boardroom

Many directors arrive in boardrooms through conventional corporate pathways: executive progression, formal director education, networks and, eventually, board appointments. Mthobi's route was different. His earliest experience of board-like decision-making came through sport administration in the Eastern Cape. Rugby was not simply a game; it intersected with community, identity, politics, transformation and influence. Through club, district and provincial structures, he learned to organise people, navigate competing interests, influence without formal authority and make decisions under pressure. This offers an important lesson for nomination committees.

Governance capability is not developed only within corporations. It can be forged in public institutions, NGOs, sport, civic organisations, foundations and community structures. Boards that look only for conventional career histories risk overlooking people who have already carried significant leadership responsibility in less conventional environments.

Understanding power beyond title

One of the most compelling aspects of Mthobi's journey concerns the role sport played during South Africa's transition. Sporting bodies had to navigate racial division, international boycotts, political change and South Africa's eventual reintegration into international sport. Different organisations had to be unified, stakeholders persuaded and competing interests reconciled.Sport administrators were not merely arranging competitions. They were participating in institutional transformation. Their authority was not always formal. Much of it came from legitimacy, relationships, trust and the ability to carry people towards a common outcome. Boards should understand this distinction. Legal authority matters, but it is not the only form of power operating within an institution. Directors must understand the relationship between formal authority, stakeholder influence, legitimacy and trust. A board can possess legal authority yet lose stakeholder legitimacy. A chairperson may have procedural authority but still fail if unable to read the room, build trust and manage disagreement. Power in governance is not simply possessed. It must also be understood, negotiated and, at times, restrained.



Mthobi Tyamzashe

Process and purpose must work together

Mthobi's movement from civic and sporting structures into formal corporate environments also revealed an important tension. In transformation environments, the emphasis was often on outcomes: What must be achieved? How do we unify organisations? How do we move forward despite imperfect conditions? Waiting for perfect processes could mean missing the moment. Formal boardrooms operate differently. They require agendas, charters, authority structures, resolutions, minutes and clearly documented accountability. That transition reinforced a fundamental governance lesson, that is, purpose and process must work together. Board discussions must end in clarity. Decisions must be summarised.

Responsibility must be allocated. Executives must understand what has been approved, and directors must leave with a common understanding of the decision. Many governance problems begin with ambiguity. People leave meetings believing different things were agreed. Management acts on assumptions. Directors later dispute decisions. Accountability becomes blurred. This is why effective chairing matters. A good chairperson does more than facilitate conversation. The chair helps the board move from debate to clarity, from clarity to decision and from decision to accountability. Process without purpose becomes bureaucracy. Purpose without process creates fragile governance.

The Boardroom's narrow gate

Perhaps the most provocative aspect of Mthobi's reflections concerned access to boards. Despite decades of leadership, public service and institutional decision-making, he questioned how private-sector boards identify directors. Many appointments, in his view, still emerge from established networks, familiar circles and informal referrals. This raises an important governance question. If boards repeatedly recruit from narrow pools, they risk reproducing the same perspectives, assumptions and blind spots. Organisations may speak about diversity while maintaining narrow definitions of board readiness. They may value formal credentials while underestimating lived experience and demonstrated leadership capability. Formal director education remains important. Directors carry serious legal, fiduciary and ethical responsibilities and must understand governance disciplines. But qualifications should not become an unnecessarily narrow gate into the boardroom. South Africa needs directors who understand communities, business, public institutions, transformation, regulation, social impact, development and institutional trust. Some of that knowledge is acquired through formal education. Some is acquired through years of responsibility and service. The boardroom needs more than credentials. It needs judgment.

Institutional memory Is a governance asset

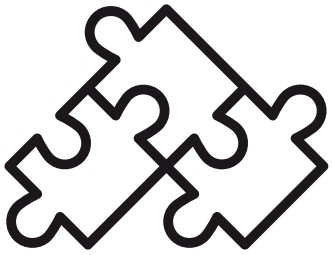
Another important theme was the disappearance of institutional memory. Many people involved in critical periods of South Africa's civic and institutional development are ageing. When their experiences are not documented, important knowledge disappears with them.

This is more than a historical concern - It is a governance concern.Institutions become weaker when new leaders know what exists but do not understand why it exists; when they inherit decisions but not the circumstances that shaped them; when organisational memory is reduced to minutes, policies and archived reports. Minutes record decisions. Stories often explain the judgment behind them. They capture context, trade-offs, mistakes, relationships and lessons that formal records cannot fully preserve. Boards should therefore regard institutional memory as an asset requiring deliberate stewardship. Leadership transitions should include not only document handovers but the transfer of insight. Experienced directors and executives should be encouraged to capture lessons before they leave. Institutional knowledge should not disappear every time leadership changes.

Humility remains a leadership discipline

Mthobi's reflections also carried an important lesson about humility. His career includes positions of considerable influence, yet his stories frequently returned to learning, adjustment and recognising that experience in one environment does not automatically provide mastery of another. This is especially relevant in boardrooms. Senior executives often arrive with impressive achievements. But executive success does not automatically translate into board effectiveness. Directors must remain teachable. A person can have led major institutions yet still need to learn the disciplines of a particular boardroom. Technical expertise does not guarantee wisdom. Influence does not remove the need for self-awareness. Board maturity requires knowing when to speak and when to listen; when to challenge and when to support; when to insist and when to persuade; when to use authority and when to restrain it. Leadership is often less a journey towards authority than a long apprenticeship in responsibility.

“A good chairperson does more than facilitate conversation. The chair helps the board move from debate to clarity, from clarity to decision and from decision to accountability.”



What directors can learn:

Mthobi Tyamzashe's journey offers several lessons for current and aspiring directors.

First, boards should recognise non-traditional leadership experience. Judgment, resilience, stakeholder intelligence, courage and influence are often developed outside conventional corporate pathways.
Second, directors must understand power beyond formal title. Boardrooms operate within systems of formal and informal influence, and effective directors learn to read both.
Third, governance processes must support good judgment rather than replace it. The purpose of governance is not procedural perfection but responsible decision-making, accountability and trust.
Fourth, chairing is a serious governance discipline. Effective chairs create clarity, manage power dynamics and help boards take ownership of decisions.
Fifth, boards should widen their talent pipelines. Reliance on familiar networks may exclude individuals whose lived experience could add significant value.
And finally, institutional stories must be preserved. The wisdom accumulated by experienced leaders should be captured, challenged, shared and passed to the next generation.

A legacy still speaking

Mthobi Tyamzashe's story is ultimately not about sport, government, business or boards individually. It is about how leaders are formed in the real world, through responsibility, service, conflict, persuasion, mistakes and learning.

His journey invites boards to confront difficult questions. Who gets recognised as board-ready? Whose experience counts? Are boards appointing only those who speak the language of formal governance, or also those whose judgment has been tested in complex leadership environments?

And are organisations preserving the wisdom of leaders who helped shape the institutions that exist today?

The future of governance will not be strengthened by credentials alone. It will be strengthened by directors who combine competence with judgment, process with purpose, authority with humility and experience with a continuing willingness to learn.

The boardroom needs more than people who know the rules. It needs people who understand responsibility.

Sidebar: Five Boardroom Lessons - *Mthobi Tyamzashe*

1. Governance is not only learned in formal boardrooms

Some leaders develop boardroom judgment long before they hold formal director titles. Mthobi Tyamzashe's journey shows that leadership capability can be built in sport, public service, civic structures, foundations and transformation environments where decisions carry real consequences.

2. Power is more than position

Influence does not always come from formal authority. Sometimes it comes from legitimacy, trust, relationships, moral courage and the ability to bring different stakeholders into the same room. Effective directors must understand both formal power and informal influence.

3. Outcomes matter, but process protects the institution

In informal leadership spaces, the focus is often on getting things done. In formal boardrooms, however, decisions must be properly governed, recorded, summarised and followed through. Boards need both urgency and discipline

4. Outcomes matter, but process protects the institution

A good chairperson does more than manage an agenda. The chair must guide discussion, manage strong personalities, summarise decisions, clarify accountability and ensure that the board leaves the room with a shared understanding of what has been agreed.

5. Boards must widen their view of talent

Boardrooms risk losing valuable wisdom when they rely only on familiar networks and conventional career paths. Lived leadership experience, public service, community impact and institutional contribution should also count when assessing board readiness.

About Mthobi Tyamzashe (Snr), MBA, BSc

Board Leader | Executive Advisor | Mentor |
Decades of leadership, service and boardroom wisdom |

Mthobi Tyamzashe (Snr) is a veteran leader with decades of experience across the public sector, private sector, sport, business and foundations. He holds a BSc degree from the University of Fort Hare and an MBA from Bowling Green State University.

His leadership journey includes senior roles in sport administration, government, corporate leadership and social impact. He has served in various capacities connected to the National Sports Council, South African Commonwealth Games Association, The Sports Trust, the 7th All Africa Games Local Organising Committee, the 2011 Rugby World Cup Bid Committee, Boxing South Africa and the South African Institute for Drug-Free Sport.

In government, he served as Director-General in the Department of Sport and Recreation and later as Special Advisor in the Department of Sport, Arts and Culture. He has also chaired the Community Schemes Ombud Service. His business and foundation experience includes involvement with Vodacom South Africa, the Vodacom Foundation, Make A Difference Leadership Foundation and other organisations. Today, he continues to offer advisory and consultancy services to boards and charitable organisations. His career offers a rare perspective on leadership, power, governance, transformation, institutional memory and the responsibilities of those who serve in positions of trust.

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Strategic Visibility for Board Members & Executives

How to Build Influence Without Appearing Self-Promotional

By Staff Writer

In the boardroom, experience matters - but visibility matters too. For non-executive directors, board members and senior executives, having exceptional expertise and sound judgement is only part of the equation. The people who influence appointments, opportunities and reputations need to clearly understand the value you bring and the impact you can make. However, board-level self-promotion must be handled with maturity. It should communicate credibility without arrogance, demonstrate contribution without breaching confidentiality, and strengthen the institution rather than elevate the individual at its expense. The objective is not to become the loudest person in the room. It is to become known for the right things.

1. Define the value you bring

Do: Develop a clear statement explaining the problems you help boards and organisations solve. Connect your experience to areas such as strategy, risk, finance, transformation, infrastructure, technology, sustainability or stakeholder governance.
Don't: Describe yourself only through titles, qualifications or years of experience.
A strong board profile should answer:
"Why should this board appoint or retain me?"

2. Communicate outcomes, not responsibilities

Do: Highlight the results, improvements and decisions you helped influence. Where appropriate, refer to strengthened governance, improved oversight, organisational turnaround, risk reduction, growth, stakeholder confidence or successful transformation.
Don't: Present a long list of duties that could apply to almost any director or executive.
Instead of saying: *"Served on the Risk Committee."*
Say: *"Contributed to strengthening enterprise-risk oversight and improving the board's visibility of strategic and emerging risks."*
Always ensure that your claims are accurate and proportionate to your actual contribution.

3. Position yourself around board-relevant themes

Do: Become associated with a small number of subjects that reflect your experience and future board ambitions. These may include:

- Corporate governance and ethical leadership
- Audit, finance and risk oversight
- Strategy and organisational transformation
- Infrastructure and project governance
- Technology, cybersecurity and artificial intelligence
- Sustainability, ESG and climate risk
- Human capital, succession and remuneration
- Public-sector and stakeholder governance

Don't: Comment publicly on every trending topic. Broad visibility without a clear area of authority can weaken your positioning.

"In the boardroom, experience matters - but visibility matters too. For non-executive directors, board members and senior executives, having exceptional expertise and sound judgement is only part of the equation. The people who influence appointments, opportunities and reputations need to clearly understand the value you bring and the impact you can make."





4. Share insight, not self-congratulation

Do: Use your experience to help others think more deeply. Share governance lessons, strategic questions, industry observations and practical frameworks.
Don't: Make every post or conversation about your achievements.
A useful approach is: Experience | Insight | Application
For example: *"A recent board evaluation reinforced an important lesson: boards do not improve simply by identifying weaknesses. Improvement happens when findings are converted into accountable actions, clear owners and review dates."*
This demonstrates experience without turning the message into a personal advertisement.

5. Protect confidentiality

Do: Share lessons in a way that protects confidential information, board deliberations, commercial interests and stakeholder relationships.
Don't: Reveal sensitive discussions, unpublished results, internal disagreements or identifiable details merely to demonstrate your involvement. Board credibility can be destroyed quickly by careless disclosure. When necessary, generalise the context, combine several experiences or wait until information is already public.

6. Give credit generously

Do: Recognise the contributions of fellow directors, executives, employees and advisers.
Don't: Present collective board or organisational achievements as though you delivered them alone.
Board leadership is inherently collective. Giving credit does not diminish your contribution; it demonstrates confidence, fairness and leadership maturity. A suitable formulation is: *"I was privileged to contribute alongside a committed board and executive team."*

7. Make your contribution visible internally

Do: Ensure that your committee work, strategic input and agreed actions are clear, documented and followed through. Chairpersons and executives should provide concise updates on progress, emerging risks and matters requiring attention.
Don't: Assume that colleagues will automatically recognise work performed outside formal meetings.
Visibility should not mean dominating discussions. It means being prepared, asking valuable questions, delivering on commitments and helping the board reach better decisions.

8. Ask questions that demonstrate judgement

Do: Ask questions that connect operational information to strategy, risk, stakeholder impact and long-term value.
Examples include:

- What assumptions underpin this recommendation?
- What could cause this strategy to fail?
- What evidence supports management's confidence?
- Which stakeholders carry the greatest risk if this decision goes wrong?
- What are we not discussing that the board should consider?
- How will the board know whether the intended outcome has been achieved?

Don't: Speak merely to demonstrate knowledge or repeat information already contained in the board papers. At board level, the quality of your questions often reveals more than the length of your contribution.

9. Develop a strong board profile

Do: Maintain an accurate, current and well-positioned biography, board CV and LinkedIn profile. Your profile should clearly present:

- Your board and committee experience
- Your executive and sector background
- Your governance and technical expertise
- Significant outcomes and contributions
- Relevant qualifications and professional memberships
- The types of boards and organisations you are equipped to serve

Don't: Use your LinkedIn profile as an online job description or list every course you have completed.
A board profile should communicate relevance, credibility and strategic fit.

10. Build thought leadership deliberately

Do: Publish articles, participate in interviews, speak at conferences, contribute to professional publications and facilitate relevant discussions.
Don't: Wait indefinitely to be discovered. Thought leadership is particularly effective when it reflects your real experience. A director writing about organisational culture should demonstrate an understanding of culture oversight. An executive discussing strategy should offer more than generic motivational statements. Depth builds authority.

11. Engage where decision-makers are present

Do: Participate meaningfully in director associations, professional bodies, industry forums, alumni networks, advisory groups and sector communities.
Don't: Join numerous networks without contributing to any of them. A thoughtful comment, useful introduction or well-framed question can create more value than repeatedly announcing that you are seeking a board position. Relationships often develop before opportunities become available.

12. Request credible endorsements

Do: Ask respected chairpersons, directors, executives, clients or professional peers to provide recommendations based on direct experience of your contribution.
Don't: Collect vague endorsements from people who cannot credibly comment on your leadership, judgement or governance capability. The strongest recommendations refer to specific qualities, such as:

- Strategic judgement
- Independence of thought
- Financial or risk oversight
- Ethical leadership
- Constructive challenge
- Stakeholder management
- Committee leadership
- Reliability and preparation

13. Put yourself forward for opportunities

Do: Express interest in board, committee, advisory, speaking, writing and mentoring opportunities that align with your expertise.
Don't: Assume that influential people know you are available. Professional self-nomination is not inappropriate when handled respectfully. A concise message can state: *"My experience in infrastructure governance, strategy and risk oversight appears relevant to the organisation's current direction. I would welcome consideration should a suitable board or advisory opportunity arise."* Clarity creates opportunity.

14. Seek recognition selectively

Do: Consider reputable awards, fellowships, professional designations and industry recognition where they genuinely reflect your contribution.
Don't: Pursue every accolade or present recognition as a substitute for substance. Recognition should reinforce an established professional record, not attempt to manufacture one.

15. Share lessons from difficulty

Do: Discuss what complex assignments, difficult decisions, failed initiatives or career setbacks taught you - without blaming others or disclosing confidential information.
Don't: Create the impression that every achievement was effortless and every decision was correct. Measured vulnerability can strengthen executive credibility. It shows reflection, resilience and the ability to learn, qualities that boards increasingly value.

16. Demonstrate continuous development

Do: Show that you remain informed about regulatory changes, governance developments, technology, geopolitical risk, sustainability and evolving stakeholder expectations.
Don't: Rely solely on past executive success as evidence of current board readiness.
Board relevance has a shelf life. Experienced directors must continue learning, questioning assumptions and updating their perspectives.

17. Be visible through service

Do: Mentor emerging leaders, support professional initiatives, facilitate board-development programmes, contribute to non-profit organisations and share useful opportunities with others.
Don't: Treat networking as a purely transactional exercise. Service creates reputation. People remember those who create value before asking for anything in return.

18. Maintain an evidence portfolio

Do: Keep a private record of significant achievements, board contributions, committee work, presentations, publications, testimonials and development activities.
This portfolio can support:

- Board applications
- Director evaluations
- Award nominations
- Interviews
- Biography updates
- Succession discussions
- Annual performance reviews

Don't: Rely on memory when an opportunity arises.
The portfolio must respect confidentiality and should not contain board documents or sensitive organisational information that you are not authorised to retain.

19. Manage your digital reputation

Do: Review your online presence regularly. Ensure that your public comments, photographs, affiliations and professional claims support your board-level positioning.
Don't: Assume that nomination committees will assess only the CV you submit.

Your digital footprint may influence perceptions of your judgement, professionalism, independence and suitability for leadership. Before posting, consider: *"Would I be comfortable explaining this to a board chair, regulator, shareholder or journalist?"*

20. Let consistency build your reputation

Do: Communicate your expertise consistently over time through useful contributions, professional conduct and dependable delivery.
Don't: Appear only when you need a board appointment, promotion or business opportunity.

Credibility is rarely created by one impressive post, speech or introduction. It develops through repeated evidence of sound judgement, ethical conduct and meaningful contribution.



The board-level test for self-promotion

Before sharing an achievement or insight, ask:

1. Is it accurate?
2. Is it relevant to the audience?
3. Does it respect confidentiality?
4. Have I appropriately recognised others?
5. Does it demonstrate value rather than seek attention?
6. Is it consistent with the reputation I want to build?

If the answer is yes, share it confidently.

Final thought

Self-promotion at executive and board level should not be about making yourself appear important. It should help others understand the value of your experience, judgement and contribution.

Be visible but remain credible. Be confident, but stay grounded. Share your achievements, but protect the institution. Build your profile, but let substance lead.



Beyond ESG: Is Your Board Ready for Regenerative Governance?

By Taka Sande

What if the true test of governance was not simply whether an organisation survived, but whether its people, communities, institutions and environment became stronger because the organisation existed

"Regenerative" is rapidly entering conversations about climate, ESG, leadership and the future of business. As happens with many promising ideas, it risks becoming a fashionable word before boards have agreed on what it actually demands of them. Yet behind the new language lies an important challenge. For decades, governance has concentrated on protecting the organisation: safeguarding assets, controlling risk, ensuring compliance and preserving value. Those responsibilities remain fundamental, but they may no longer be sufficient.

The board of the future must also ask what condition the organisation leaves behind. Does it merely extract value from employees, communities, ecosystems and institutions? Does it reduce the damage it causes? Or does it actively help renew the systems on which its own success depends? That is the promise, and the test, of regenerative governance.

> **"Regenerative governance is not a substitute for fiduciary duties, compliance, risk oversight or financial discipline. It builds on them."**

What is regenerative governance?

Regenerative governance is an emerging governance orientation in which a governing body seeks not only to protect the organisation and limit harm, but also to restore, renew and strengthen the wider human, social, institutional, economic and natural systems that sustain it.

It regards an organisation not as an isolated machine, but as a participant in a living system. Every company, public institution, sports federation, university and non-profit depends on relationships, knowledge, legitimacy, communities, infrastructure and natural resources that it did not create alone. The central boardroom question therefore changes:

Are we simply governing the organisation well, or are we helping to create a healthier system in which the organisation and its stakeholders can thrive together? Regenerative governance is not a substitute for fiduciary duties, compliance, risk oversight or financial discipline. It builds on them. An organisation cannot credibly claim to be regenerative while tolerating corruption, exploiting workers, misleading stakeholders or destroying the natural resources on which others depend.

From compliance to regeneration

The evolution can be understood through three broad governance orientations:

Orientation	Central question	Primary objective
Compliance governance	**Are we obeying the rules?**	**Prevent misconduct and avoid penalties.**
Sustainable governance	**Are we reducing our negative impact?**	**Do less harm and remain viable over time.**
Regenerative governance	**Are we leaving the surrounding systems stronger?**	**Restore capacity and create net-positive value.**

The stages are cumulative - Regeneration without compliance is irresponsible. Sustainability without sound governance is fragile. The aspiration is to move from governing merely to avoid failure towards governing in ways that build enduring capacity.

A global movement with African roots

Regenerative governance connects with several global movements. Net positive thinking challenges companies to put more into society, the environment and the economy than they take out. Doughnut Economics asks how humanity can meet everyone's essential needs while remaining within the ecological limits of the planet. Its approach to enterprise design reaches beyond products and operations into purpose, networks, governance, ownership and finance.

But Africa should not approach regeneration as an imported management fashion. Its moral foundation is deeply familiar to us.

Ubuntu reminds us that no organisation prospers alone. Its wellbeing is inseparable from the wellbeing of the people and systems around it.

Ubuntu shifts governance away from a narrow contest between shareholder and stakeholder interests. It encourages the board to understand interdependence: the organisation needs healthy communities, capable institutions, dignified work, social trust and functioning natural systems in order to flourish over time.

This is also consistent with the direction of South African corporate governance. King V, released by the Institute of Directors in South Africa in September 2025, gives renewed attention to impact, sustainability, stakeholder inclusivity and Ubuntu. The governance conversation is moving beyond what affects the organisation towards how the organisation affects the world around it.

Five shifts for the regenerative board

1. From protection to contribution

Traditional governance rightly asks how value will be protected. Regenerative governance adds another question: What value is the organisation contributing to the systems that make its success possible? The board must examine both sides of the relationship.

2. From short-term performance to intergenerational stewardship

Quarterly results remain important, but their time horizon is too short for many board decisions. Land degradation, institutional decline, loss of skills and weakened public trust develop over years.

Boards should consider whether today's gains create costs that future leaders, communities or generations will be forced to carry.

3. From stakeholder consultation to meaningful participation

Stakeholders are often consulted only after management has already shaped the decision. A regenerative approach brings relevant voices and knowledge into the decision process earlier.

This does not mean surrendering the board's authority. It means exercising that authority with a fuller understanding of who will experience the consequences.

4. From reducing harm to restoring capacity

Reducing emissions, waste, injuries or inequality is necessary. But regeneration asks what the organisation is rebuilding. Is it restoring ecosystems? Developing local suppliers? Renewing employee capability? Strengthening grassroots institutions? Rebuilding trust? The ambition moves from a smaller negative footprint to a larger positive contribution.

5. From reporting activity to measuring outcomes

Boards are frequently shown impressive activity figures: money spent, people trained, meetings held or trees planted. These measures do not prove that a system has improved. A regenerative board asks whether skills increased, livelihoods became more resilient, biodiversity recovered, institutions became stronger or stakeholder trust measurably improved.

Regeneration is not only an environmental issue

The concept becomes useful when it is applied to the organisation's real operating context:

- A mining company rehabilitates land while helping to establish viable local economies that can survive beyond the life of the mine.
- A construction company delivers infrastructure while developing local contractors, transferring skills and strengthening future maintenance capacity.
- A financial institution expands access to capital without creating harmful indebtedness or extracting value from financially vulnerable customers.
- A healthcare organisation treats illness while strengthening prevention, community health capability and the wider healthcare ecosystem.
- A sports federation develops elite athletes while renewing grassroots clubs, volunteer capability, safeguarding practices and public trust.
- A non-profit solves immediate problems while deliberately building community agency rather than permanent dependence on the organisation.

In each case, the regenerative question is not simply, *"What did we deliver?"* It is, *"What capability remains after we leave?"*

The danger of regenerative washing

The language of regeneration is inspiring, but that is precisely why boards should treat it carefully. Vague claims can quickly become the next form of greenwashing or purpose-washing.

A company cannot compensate for serious harm in one material area by advertising a positive project in another. Nor should the board confuse philanthropy with regeneration. Donations may be valuable, but regeneration requires the organisation to examine its core strategy, operating model, incentives, supply chain and allocation of capital.

Directors should therefore ask difficult questions:

- Can our organisation claim to be regenerative while its core business model remains materially extractive?
- Who determines what a positive impact is, and whose evidence counts?
- Are the claimed improvements additional, measurable and durable?
- What trade-offs are being concealed by an attractive headline or aggregate score?
- Would affected communities describe the outcome in the same positive terms?

Regeneration must be demonstrated through outcomes, not declared through language.

Eight questions for the next board meeting

A board does not need to create a new committee before beginning this conversation. It can start by asking:

1. Which human, social, institutional, economic and natural systems does our organisation depend upon?
2. Which of those systems are we strengthening, and which might we be weakening?
3. What are we extracting that we are not adequately restoring or renewing?
4. Are our positive contributions greater than our material negative impacts?
5. Whose interests and knowledge are absent when major decisions are made?
6. What would a net-positive outcome look like for our most affected stakeholders?
7. What indicators would demonstrate that the surrounding system is becoming healthier?
8. Will future generations regard today's decisions as responsible stewardship?

The boardroom of the future

Regenerative governance is still an emerging idea. It is not yet a settled governance standard, and boards should resist treating it as a new label to place in an annual report. Its value lies in the challenge it presents to conventional thinking.

Good governance has traditionally been concerned with control, accountability, ethics, performance and sustainability. Regenerative governance asks boards to extend that responsibility: from preserving organisational value to renewing the wider capacity from which value is created.

This does not require directors to abandon commercial discipline. Stronger communities, trusted institutions, capable employees, resilient supply chains and functioning ecosystems are not peripheral to long-term performance. They are part of its foundation.

The board of the future will not be judged only by what it protected, prevented or preserved. It will also be judged by what it renewed, and whether the organisation left its people, communities, institutions and environment stronger than it found them.

The question for every governing body is therefore no longer simply, *"Are we governing well?"* The deeper question is: Are we governing for regeneration?

Regenerative governance is still an emerging idea. It is not yet a settled governance standard, and boards should resist treating it as a new label to place in an annual report.

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Inside the **Mind** of a **Boardcraft Expert**

A Conversation with Dr Peter Crow



Dr Peter Crow

Boardrooms have never been more structured, regulated or compliance-driven. From listed companies to family-owned enterprises, governance frameworks continue to grow in sophistication. But behind the policies, processes and checklists lies a far more important question: Are boards truly effective - or simply well governed on paper?

In this conversation, Taka Sande sits down with Dr Peter Crow, an internationally-respected governance advisor, board chair, and thought leader who has worked with companies across five continents. With a doctorate in corporate governance and strategy, decades of real-world boardroom experience, Dr Crow brings a rare combination of academic depth and practical insight.

The discussion moved beyond the familiar language of compliance and best practice, into "Boardcraft," the term he coined to describe the discipline, judgment, and behavioural dynamics that truly define high-performing boards.

From the hidden causes of board failure, to the critical role of the Chair, to the uncomfortable realities facing boards in emerging markets, this interview challenges conventional thinking and reframes what it means to govern effectively.

If you serve on a board, or aspire to, this is not just an interview. It is a rethink.

The Journey into governance

Taka Sande (TS): Peter, you have worked with boards across multiple continents, from private enterprises, to listed firms, state-owned enterprises. And, you have advised institutional investors too. What initially drew you into governance and board advisory?

Dr Peter Crow (PC): My interest in governance stems from a broader fascination with organisations: how they function, perform, and endure over time. I grew up in a dairy farming community, where the default path was to go farming . However, my exposure to business and technology in the United States around 1979 changed my outlook. What intrigued me most was that the most consequential decisions in any organisation are made at the top, in the boardroom. That naturally led me to ponder the work of boards and what we now call governance. At the time, I did not really appreciate the significance of that path, but in hindsight, it has been deeply rewarding.

The role of the board: What is often misunderstood

TS: Your work focuses on how boards influence performance outcomes, not just structure. What do you find most misunderstood about the role of the board?

PC: One of the most common misconceptions is the emphasis on compliance. Many directors and advisory firms begin with the assumption that "best practice" governance is, in effect, about compliance frameworks. This is limiting. Compliance is necessary, of course, but governance is not just about compliance; it is about steering the organisation into the future. Boards must balance both compliance and performance. The real challenge is understanding how these elements interact over time.

What separates effective boards from those that only look good

TS: What distinguishes a board that looks good on paper from one that is genuinely effective?

PC: Truly effective boards demonstrate three key characteristics:

1. Clarity: Directors share a consistent understanding of what governance is and the board's role.
2. Alignment: That the board and management are pulling in the same direction, but there is a clear distinction between oversight and execution.
3. Mastery of core tools: Effective boards excel at asking great questions, and making sound decisions.

Great boards are also unified. Once a decision is made, directors accept the decision and they move forward together. These are defining features of high-performing boards.

Why boards fail: The behavioural factor

TS: From your experience, what is the primary cause of board failure?

PC: The most common cause of board failure can be summarised in one word: [mis]behaviour. This includes lack of preparation, low engagement, poor collaboration, hubris and misplaced confidence. In many cases, directors underestimate the discipline required to function effectively as a board. Governance failure is rarely technical, it is usually behavioural.

Boardcraft: Moving beyond compliance

TS: You use the term "Boardcraft." What does it mean?

PC: "Boardcraft" is a way of describing the practice of governance as a craft, rather than a rigid set of rules. You could call it a mindset, even a philosophy. While the core principles of governance are universally applicable, the practice of governance varies depending on context. Much like a trade or a craft, governance requires judgment, skill, and adaptation - the application of principles to a situation. Boardcraft and the associated Strategic Governance Framework provide a useful architecture to think about governance as something dynamic and evolving. Importantly, Boardcraft emphasises the board's primary responsibility: sustained organisational performance.

The most powerful questions in the boardroom

TS: What are some of the most important questions directors should be asking?

PC: Three critical questions stand out:

1. "Are we doing what we said we would do?"
   This ensures accountability and execution discipline.
2. "Is this the right strategy?"
   Boards must ensure that strategy and strategic decisions align with purpose and long-term goals.
3. "Are we achieving the intended benefits?"
   Boards often neglect to track whether expected outcomes materialise.

Beyond these, directors should prioritise open, probing questions. Effective governance is driven by inquiry and discovery.

The role of the Chair

TS: What role does the Chair play in board effectiveness, and where do Chairs get it wrong?

PC: The Chair's role is to facilitate, not dominate, and to draw the directors towards consensus. Common mistakes include acting as the "boss" of the board, speaking first and influencing direction prematurely, limiting diverse perspectives. Effective Chairs draw out different viewpoints, encourage participation, promote a culture of trust, and guide the board toward clear decisions. Ultimately, the role is to convene, facilitate, and conclude, not control.

Governance in Africa: Observations and opportunities

TS: You have worked across Africa. What stands out to you?

PC: Many things, but two contrasting dynamics stand out. One one hand, there is a strong ambition and desire to create impact, driven by a young population. On the other, a strong compliance mindset, which can sometimes limit innovation. There is also a structural challenge, many boards in Africa meet only quarterly, which may not be sufficient in a fast-changing environment. Africa's approach to governing with impact should not simply replicate Western frameworks. It must evolve in a way that reflects its unique context, opportunities, and challenges.

A Personal reflection on leadership

TS: What has your journey taught you about leadership?

PC: Leadership is about continuous learning, curiosity, and humility. We must remain open to new ideas, read widely, and engage with others. Importantly, we must recognise that what appears to be true may not always be the case.

Final reflections: Advice to directors

PC: Directors need to remember directing is a privilege not a right. There is no entitlement in governance. Like any discipline, it requires learning, effort, and progression over time. We must remain thoughtful, reflective, and disciplined in how we approach the role. But board work can be deeply fulfilling. Boards make decisions that affect many lives, that should be energising.

About Dr Peter Crow, PhD CMInstD

Dr Peter Crow is an internationally-respected board advisor, accredited director and chair, author, and creator of the Boardcraft philosophy. He has worked with boards across private companies, family businesses, institutional investors, and government organisations on five continents, helping them move beyond compliance to achieve meaningful strategic impact.



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> From a corporate success story to one of the biggest financial scandals in South African history, Steinhoff's spectacular collapse sent shockwaves through the business world, leaving billions in losses, shattered livelihoods, and a trail of unanswered questions.

Steinhoff: A Timeline of Governance Failure - How a Global Empire Unravelled

By Staff Writer

From a corporate success story to one of the biggest financial scandals in South African history, Steinhoff's spectacular collapse sent shockwaves through the business world, leaving billions in losses, shattered livelihoods, and a trail of unanswered questions.

What was once celebrated as a global retail powerhouse became a cautionary tale of corporate greed, questionable leadership, and failed governance. Pensioners watched their savings disappear, investors suffered devastating losses, and public confidence in corporate accountability was deeply shaken. The scandal's consequences extended far beyond the boardroom, with its human toll underscored by the tragic death of a former CEO. But how did a company that appeared to have it all unravel so dramatically?

To understand the full extent of the Steinhoff scandal, we take a closer look at the defining moments behind its extraordinary rise, catastrophic downfall, and lasting impact on corporate governance in South Africa. The timeline below traces the events that turned a business empire into a scandal that continues to raise questions about transparency, accountability, and trust.

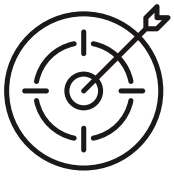
Steinhoff Collapse Timeline: Key Events

1998 - 2007: Foundation & Early Growth

- Steinhoff International expands aggressively, acquiring furniture and retail businesses across Europe and South Africa.
- Markus Jooste's leadership style is established early, charismatic, dominant, and largely unquestioned.
- The board's reliance on Jooste begins to increase, creating a culture of deference rather than oversight.

2007 - 2014: Rapid Global Expansion

- Steinhoff pursues large cross-border acquisitions, including Conforama (France), Kika-Leiner (Austria), and other retail giants.
- These acquisitions introduce complex financial structures, some involving related parties and offshore entities.
- Audit and oversight bodies begin to struggle with the scale and opacity of transactions.



2014: Listing on the Frankfurt Stock Exchange

- Steinhoff relocates its primary listing to Frankfurt to attract European investors.
- The move enhances global credibility but also adds regulatory complexity.
- German regulators later become central in uncovering accounting irregularities.

2015 - 2016: Warning Signs Emerge

- German authorities launch investigations into suspected accounting irregularities involving Steinhoff subsidiaries.
- Publicly, the company denies wrongdoing, and the board continues to back Jooste.
- Internally, questions arise about the authenticity of asset values and intercompany transactions.

December 2017: The Collapse Begins

- 5 December 2017: Markus Jooste abruptly resigns as CEO.
- Steinhoff issues a public notice acknowledging accounting irregularities.
- Panic hits the markets.
- Within days, Steinhoff's share price plummets nearly 90%, wiping out more than R200 billion in value.

December 2017 - 2018: Immediate Aftermath

- Investors lose massive amounts; pension funds, especially the PIC and GEPF, suffer severe losses.
- Employees and suppliers face uncertainty as liquidity dries up.
- Jooste faces public scrutiny, but charges are slow to materialise.
- The board initiates an internal investigation.

2018: PwC Forensic Investigation

- Steinhoff commissions PwC to conduct a forensic audit.
- The full report is never publicly released, fuelling controversy and frustration.
- A summary reveals over €6.5 billion in fraudulent transactions linked to a small group of executives.
- Findings confirm that Steinhoff had become a "cult of personality", enabling Jooste's unchecked authority.

2019–2021: Lawsuits, Settlements & Restructuring

- Class-action lawsuits and regulatory investigations intensify.
- Steinhoff negotiates a complex global settlement with investors and creditors.
- The company restructures billions of euros in debt to avoid liquidation.

2022 - 2023: Public Anger & Transparency Demands

- Calls intensify for the full PwC report to be released.
- Governance experts highlight systemic failures across:
  - Board oversight
  - Audit assurance
  - Culture and ethics
  - Counterbalance to CEO power

2023 - 2024: The Steinheist Documentary

- Steinheist, a three-part documentary, is released on Showmax.
- It exposes:
  - A culture of intimidation ("MSS - Markus Se So")
  - Board paralysis
  - Investor naivety
  - Auditor reluctance to challenge a powerful client
- Public debate reignites around accountability and governance reform.

March 2024: Markus Jooste's Death

- Jooste dies by suicide.
- His death sparks widespread emotional reaction, sorrow, anger, empathy, and unresolved questions.
- Families, friends, and former colleagues mourn privately while victims publicly grapple with the consequences of the scandal.

2024–2025: Aftershocks Continue

- Investors continue to pursue legal claims.
- Governance bodies and professional institutes revisit key issues:
  - Director independence
  - Auditor rotation
  - Culture as a governance system
  - Ethical leadership and personal accountability
- Regulators acknowledge the need for stronger oversight and cultural reform across the corporate sector.

Governance Analysis: What Went Wrong?

Steinhoff's collapse was not caused by one failure, it was a systemic breakdown across multiple layers:

1. Over-concentration of power
- Jooste's dominance overshadowed the board.
- Directors relied on the CEO rather than interrogating the CEO.

2. A culture of intimidation and loyalty
- "MSS – Markus Se So" became the unwritten rule.
- Dissent was discouraged, and compliance was rewarded.

3. Willful blindness across assurance functions
- Auditors, regulators, and even some directors avoided confrontation.
- Loyalty and client retention outweighed ethical courage.

4. Complexity used as a shield
- Transactions were deliberately structured to be opaque.
- Directors struggled to understand financial flows, and failed to demand clarity.

5. Stakeholder trust taken for granted
- Many believed Steinhoff was "too big to question."
- This complacency allowed misconduct to continue unchallenged.

The Human & Economic Impact

Financial loss
- Billions wiped out within days.
- Pensioners and institutional investors severely affected.

Loss of livelihood
- Employees, suppliers, and communities faced financial instability.

Loss of trust
- Governance codes were questioned.
- Confidence in corporate leadership suffered.

Loss of life
- Markus Jooste's suicide added a tragic human dimension, reminding us that governance failures have emotional and psychological consequences beyond financial numbers.

Lessons for Boards and Directors

1. Governance is a culture before it is a structure.
2. Courage is a fiduciary duty. Silence is complicity.
3. Audit quality must be independent of commercial pressure.
4. Boards must challenge complexity - not admire it.
5. Ethical leadership requires humility and transparency.
6. Directors must always remember the human cost behind decisions.

"Steinhoff: How an Empire Collapsed - A Governance Timeline (1998 - 2025)"

Growth | Collapse | Investigation | Lessons

1998 - 2007: Early Growth
Formation & Expansion
Steinhoff expands aggressively in Europe and South Africa.
Governance Signal: CEO influence grows; board culture becomes deferential

2007 - 2014: Rapid Global Expansion
Major acquisitions in Europe - Conforama, Kika-Leiner, Mattress Firm (later).
Financial structures become increasingly complex.
Governance Signal: Complexity begins masking true performance.

2014: Frankfurt Listing
Steinhoff lists on the Frankfurt Stock Exchange.
Governance Signal: Increased international scrutiny, but little internal reform

2015 - 2016: Warning Signs
German regulators raise concerns about irregularities.
Board reassures investors publicly; internal doubt grows.
Governance Signal: Early red flags ignored.

5 December 2017: The Collapse
Markus Jooste resigns abruptly.
Steinhoff announces "accounting irregularities."
Share price drops nearly 90% in days.
Governance Signal: Total breakdown of oversight, trust, and integrity.

2018: PwC Forensic Report
PwC uncovers €6.5 billion in fraudulent entries.
Only a summary is released.
Governance Signal: Transparency gaps continue post-collapse.

2019 - 2021: Lawsuits & Restructuring
Class actions begin, settlements negotiated.
Company restructures massive debt.
Governance Signal: Fallout broadens across markets and pension funds.

2022 - 2023: Public Pressure & Debate
Calls grow to release full PwC report.
Governance community critiques systemic board failure.

2023 - 2024: Steinheist Documentary
Documentary exposes the culture of intimidation ("MSS – Markus Se So").
Board, auditors, and regulators scrutinised.
Governance Signal: Cultural failure at centre of scandal.

March 2024: Markus Jooste's Death
Jooste dies by suicide.
Governance Signal: The enormous human cost becomes undeniable

2024 - 2025: Aftershocks
Reforms, lessons, and governance debates continue.
Case becomes a teaching tool globally.

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> **Artificial intelligence is no longer a technology issue sitting somewhere inside the IT department. It is becoming a board-level governance issue because it affects strategy,risk, ethics, compliance, stakeholder trust, competitiveness and long-term value creation.**

The Governance of **Artificial Intelligence:** The Board's **Oversight Function**

Equipping directors for competent oversight in the age of artificial intelligence

By Staff Writer

Artificial intelligence is no longer a technology issue sitting somewhere inside the IT department.

It is becoming a board-level governance issue because it affects strategy, risk, ethics, compliance, stakeholder trust, competitiveness and long-term value creation.

For directors, the central question is not whether management is using AI. In many organisations, employees are already using it, formally or informally.

The more important question is: Does the board understand how AI is being adopted, governed, assured and aligned with the organisation's purpose and risk appetite?

AI governance is not simply about approving an AI policy. It is the system through which an organisation directs, controls and monitors the development, procurement and use of AI so that it remains lawful, ethical, secure, commercially sound and accountable

Why AI Governance Belongs in the Boardroom

AI creates significant opportunities: productivity improvement, predictive analytics, better customer insight, automation, fraud detection, scenario modelling and innovation. But it also introduces risks boards cannot delegate away, including discrimination, privacy breaches, cybersecurity vulnerabilities, misinformation, intellectual property exposure, poor automated decisions, regulatory non-compliance and excessive dependency on third-party technology providers.

The board's role is not to become an AI engineering team. Directors do not need to understand every algorithm or model architecture. They do, however, need enough competence to ask intelligent questions, understand the governance implications, challenge management and demand appropriate assurance.

AI should therefore be integrated into the board's existing oversight of strategy, enterprise risk, ethics, technology, information governance, compliance and assurance.

A Rapidly Changing Governance Landscape

Several international frameworks are shaping expectations around responsible AI. The OECD AI Principles provide an influential foundation for trustworthy AI. The NIST AI Risk Management Framework offers organisations a structured approach to managing AI risks. ISO/IEC 42001 provides a formal artificial intelligence management system standard.

The EU AI Act has introduced a risk-based regulatory regime, with implementation occurring in phases. Its significance reaches beyond Europe because organisations increasingly operate across jurisdictions, use international platforms and vendors, and process data across borders. For South African boards, this means waiting for comprehensive domestic AI-specific legislation would be a mistake. The governance expectation is already emerging. Boards should view AI governance not merely as future compliance preparation, but as a current strategic resilience issue.

The Board's Core AI Responsibilities

Several responsibilities should sit clearly within board oversight.

1. Set the Direction for Responsible AI

The board should establish the organisation's position on responsible AI. This should address lawful and ethical use, human accountability, fairness, privacy, cybersecurity, transparency, intellectual property, stakeholder impact and alignment with organisational purpose. AI should not be adopted simply because competitors are using it. The board should continually ask: What value are we trying to create, and what risks are we prepared to accept in doing so?

2. Define AI Risk Appetite

Not all AI use cases carry the same risk. Using generative AI to summarise internal documents is fundamentally different from allowing an algorithm to influence recruitment, credit approval, disciplinary decisions, healthcare outcomes or customer eligibility. Boards should establish where experimentation is encouraged, where stronger controls are required and where AI use is unacceptable. They should also define which decisions require human review. Efficiency should never become an excuse for abandoning accountability.

3. Require Visibility

A board cannot govern what it cannot see. Management should maintain an AI register covering material AI systems and applications used across the organisation. It should identify each system's purpose, business owner, vendor, data sources, affected stakeholders, risk classification, human oversight, known limitations, incidents and assurance status. This becomes especially important as AI capabilities are increasingly embedded within software that organisations already use. The greatest AI risk may not be the technology the board has formally approved, but the technology employees are using without anyone knowing.

“AI should therefore be integrated into the board's existing oversight of strategy, enterprise risk, ethics, technology, information governance, compliance and assurance.”

4. Integrate AI Into Enterprise Risk

AI should not sit outside the organisation's risk framework. It should be considered within strategic, operational, compliance, cyber, conduct, reputational and third-party risk. Board reporting should focus on material AI exposures, high-risk use cases, incidents, data weaknesses, employee misuse, regulatory developments, stakeholder complaints and remediation actions. But governance must also recognise opportunity. The objective is not to eliminate innovation. It is to enable innovation responsibly.

5. Human Accountability Must Remain Clear

One of AI's most serious governance risks is the diffusion of responsibility. "The algorithm recommended it" cannot become an acceptable explanation for a poor organisational decision. Every material AI system should have a responsible human owner, and high-impact applications should have defined accountability for approval, implementation, monitoring and correction. AI can support human judgment. It should not erase human accountability. That principle should run through the entire organisation.

6. Data Is the Foundation

AI governance is impossible without effective data governance. Poor-quality data, biased datasets, unclear data rights, weak privacy controls and insecure systems can turn AI into a risk multiplier. Boards should understand whether management has adequate controls over data quality, provenance, privacy, retention, access, cybersecurity and the use of sensitive information. A sophisticated AI model built on weak data will not produce sophisticated governance outcomes. It will simply produce errors faster.

7. Govern Third-Party AI Risk

Many organisations will not build their own AI systems. They will rely on software vendors, cloud providers and specialist platforms. This introduces significant third-party risk. Boards should expect AI-specific due diligence covering data use, confidentiality, cybersecurity, regulatory compliance, intellectual property, audit rights, subcontractors, incident notification and exit arrangements. Vendor dependency also requires strategic scrutiny. If a critical organisational process depends on an AI platform that the organisation cannot properly understand, audit or replace, the issue is no longer merely technological. It is a governance risk.

8. Require Independent Assurance

For higher-risk applications, management reporting alone may not be enough. Boards should consider independent assurance through internal audit, external technical assessment, privacy reviews, cybersecurity testing, bias testing, model validation or legal and compliance review. The level of assurance should be proportionate to the potential harm. AI affecting customers, employees, financial decisions, public safety or legal rights deserves significantly stronger scrutiny than a low-risk productivity tool.

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9. Build AI Literacy in the Boardroom

Directors need AI literacy, not AI hype. They should understand enough about generative AI, machine learning, data, cybersecurity, regulation, limitations and major use cases to exercise informed oversight. Board education should therefore become ongoing. Directors should understand:

- where AI is being used;
- which applications create material risk;
- what the organisation prohibits;
- what data is involved;
- how human oversight works;
- who the major vendors are; and
- how high-risk systems are independently assured.

Directors do not need to become AI engineers. They do need to become AI-literate fiduciaries.

Where Should AI Governance Sit?

There is no single correct committee structure. The full board should retain responsibility for overall direction, risk appetite and strategic priorities. The risk committee may oversee AI risk and resilience. The audit committee should consider controls and assurance. Social and ethics structures may focus on fairness, stakeholder impact and responsible use. Remuneration committees may need to consider AI's workforce implications, while nominations committees should assess whether the board itself has adequate digital and AI capability. Some organisations may establish a dedicated technology or digital committee. Whatever structure is chosen, responsibility should not disappear into committee architecture. The full board remains accountable.

The Questions Directors Should Be Asking

The quality of AI governance will often depend on the quality of board questions. Directors should ask:

- What are our most important AI use cases?
- How do they support strategy and create value?
- Which applications could materially harm customers, employees or other stakeholders?
- Have we identified prohibited uses?
- Who is accountable when AI contributes to a wrong decision?
- What data is being used, and do we have the right to use it?
- Are employees uploading confidential information into public AI platforms?
- How dependent are we on external AI vendors?
- What contractual and cybersecurity protections exist?
- Which systems require independent assurance?
- How will AI affect jobs, skills and workforce planning?

And perhaps most importantly: What evidence would we provide to a regulator, investor, court or stakeholder if one of our AI decisions were challenged?

Common Board Failures

Several predictable mistakes are already emerging.

- The first is delegating AI entirely to management or IT.
- The second is allowing invisible AI use across the organisation.
- The third is confusing automated decision-making with automated accountability.
- The fourth is trusting vendors without sufficient due diligence.
- The fifth is neglecting data governance.
- And the sixth is insufficient board literacy.

A board that understands too little may either block innovation unnecessarily or approve risks it does not comprehend. Neither represents effective governance.

AI Governance as a Test of Board Maturity

AI will test whether boards can govern innovation, uncertainty, ethics and risk simultaneously. The strongest boards will respond neither with panic nor passivity. They will approach AI with disciplined curiosity. They will encourage innovation while insisting on accountability. They will support management while challenging assumptions. They will demand appropriate assurance without attempting to run technology themselves. Most importantly, they will recognise that AI does not replace governance judgment. Technology may transform how organisations operate, compete and make decisions. It does not remove the board's responsibility for the consequences. The essential boardroom question is therefore straightforward: Is AI being used in a way that advances organisational purpose, protects stakeholders, preserves trust and creates sustainable value?

That is the heart of AI governance.

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The Governance **Advantage:** Why **Startups** must **Build the Boardroom** before they Scale

By Taka Sande

Corporate governance is often treated as a concern for mature companies. Yet for a startup, the absence of clear authority, disciplined oversight and credible information can destroy value long before the business reaches scale. Startups are built for speed.

Founders move quickly, experiment boldly and make decisions with incomplete information. In the early stages, formal structures can appear unnecessary. Governance, by contrast, is often associated with bureaucracy, lengthy board papers and slow decision-making. That perception can be costly.

Properly designed governance is not an administrative burden. It is an operating system that enables a startup to make better decisions, manage risk, attract capital, retain talent and scale without becoming dependent on the instincts or authority of one dominant individual. The real question is therefore not whether a startup is large enough to require governance. It is whether its governance is capable of supporting the growth its founders are pursuing.

Governance does not have to Slow Growth

Founders often resist governance because they fear losing agility. In practice, unclear governance is frequently a greater source of delay. When authority is uncertain, decisions repeatedly return to founders. Executives hesitate because they do not know the limits of their mandates. Directors revisit matters because the information previously presented was incomplete. Disagreements become personal because no agreed process exists for resolving them.

“Corporate governance is often treated as a concern for mature companies. Yet for a startup, the absence of clear authority, disciplined oversight and credible information can destroy value long before the business reaches scale.”

Good governance replaces uncertainty with clarity. It establishes who may decide, who must be consulted, what information is required and which matters must be escalated. It should protect management's authority to run the business while reserving the most consequential decisions for board oversight. The distinction is fundamental. The board directs and oversees. Management executes strategy and manages operations. Where that boundary is unclear, directors may become excessively operational or management may dominate the board. Neither supports a scalable business.

Investors assess more than the product, market opportunity and financial forecast. They also assess whether the company can be trusted with capital.

The Founder's Governance Paradox

Founders usually possess the deepest understanding of the business. Their influence is therefore natural and, in the early stages, often essential. But as the organisation grows, the same concentration of authority can become a constraint. A founder who is simultaneously the controlling shareholder, board chair and chief executive may initially provide unity of direction. Over time, however, this can weaken challenge, blur accountability and make succession more difficult.

Ownership, directorship and executive management are different roles. A shareholder exercises ownership rights. A director owes duties to the company and participates in collective board decisions. An executive manages the business within authority delegated by the board. The same individual may perform all three roles, particularly during startup stage, but should understand which capacity they are acting in. This creates the founder's governance paradox: the individual whose vision created the company can, without appropriate structures, eventually become an obstacle to its institutional growth.

Governance as an Investment Signal

Investors assess more than the product, market opportunity and financial forecast. They also assess whether the company can be trusted with capital. Weak ownership records, undocumented equity arrangements, unclear shareholder rights, unresolved conflicts and unreliable financial information all increase perceived risk. Investors want to know who owns the company, whether shares have been properly authorised, how minority shareholders are protected, how related-party transactions are managed and whether the board possesses the capabilities needed for the next stage of growth.

Governance demonstrates that the business is not entirely dependent on informal relationships. Transparency does not eliminate investment risk. It makes that risk more understandable. For startups competing for scarce capital, that distinction matters.

Minimum Viable Governance

A startup does not need the governance architecture of a listed company. Attempting to introduce excessive structures too early can create unnecessary cost and bureaucracy. The appropriate model is proportional governance, that is, structures and disciplines aligned with the company's stage, complexity, ownership and risk profile. This can be described as minimum viable governance.

At founding stage, priorities should include accurate ownership records, a shareholders' agreement, clearly defined founder roles, appropriate banking controls and a process for approving and recording significant decisions.

A concise governance handbook can capture board responsibilities, matters reserved for board approval, delegated executive authority, conflicts of interest, meeting protocols and reporting expectations.

As external capital enters, senior executives are appointed and contracts become larger, governance should become more disciplined. Board meetings should become regular, management reporting more structured and significant risks clearly assigned and monitored. At scale-up stage, greater board independence, stronger controls and additional non-executive expertise may become necessary.

The principle is straightforward: Governance should evolve before the company outgrows its existing arrangements.

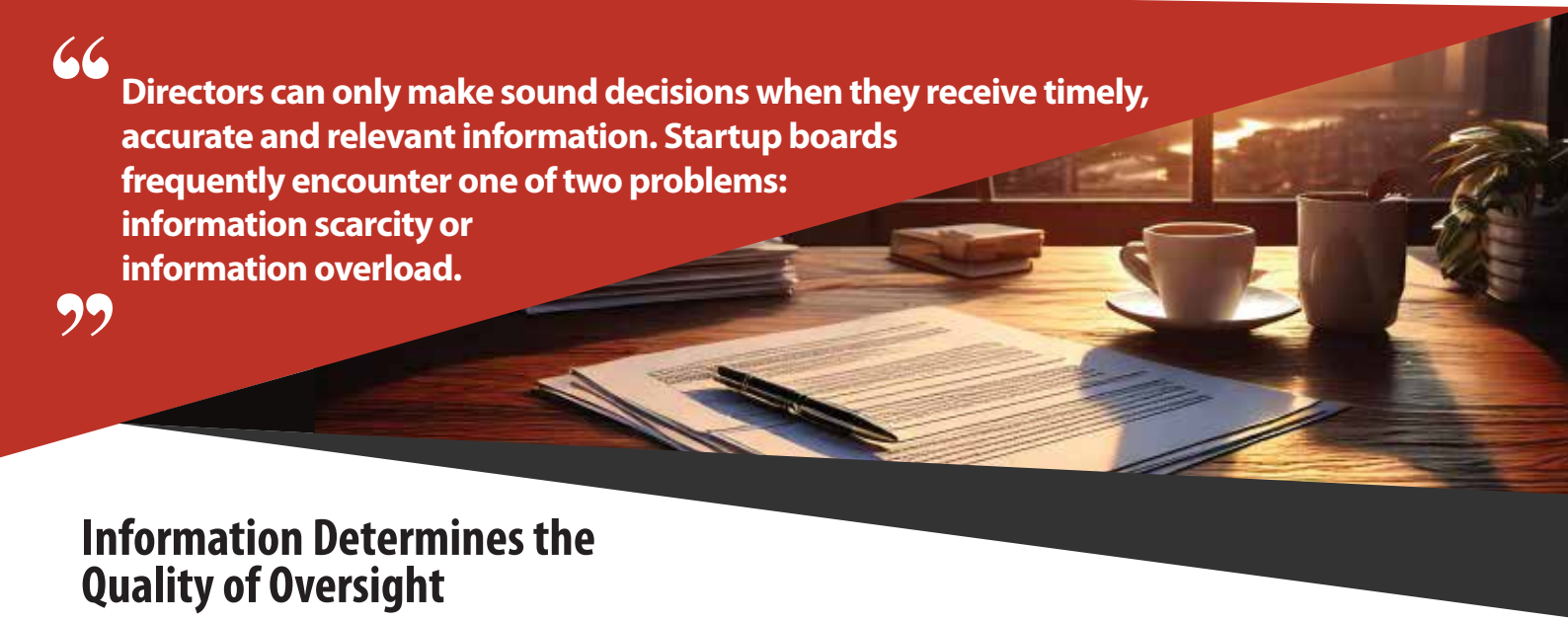
Clarify What the Board Decides

One of the most valuable governance tools available to a startup is a clear schedule of matters reserved for the board. These may include strategy, budgets, changes to capital structure, new share issuances, significant borrowing, major expenditure, acquisitions, executive appointments, remuneration, related-party transactions and decisions that materially change the company's risk profile. Everything else should be delegated to management within defined limits. The purpose is not simply control. It is to allow executives to act confidently without repeatedly seeking board approval for operational matters. Well-designed delegation strengthens both oversight and execution.

The Board's Duty to Challenge

Startup environments are naturally optimistic. Founders must believe in the opportunity. Investors are attracted by potential growth. Executives are expected to inspire employees and customers. But optimism can also discourage bad news. Directors must create an environment in which difficult information can surface early. They should ask: What assumptions underpin the business model? What could cause the company to run out of cash? Where are the concentration risks? What has management failed to achieve? What evidence might demonstrate that the current strategy is wrong? Challenge should not be confused with hostility. The board's role is to improve decision quality by testing assumptions, examining evidence and considering alternatives. A board that agrees with management on every significant issue may not be performing its role effectively.

> **"Directors can only make sound decisions when they receive timely, accurate and relevant information. Startup boards frequently encounter one of two problems: information scarcity or information overload."**



Information Determines the Quality of Oversight

Directors can only make sound decisions when they receive timely, accurate and relevant information. Startup boards frequently encounter one of two problems: information scarcity or information overload.

- With information scarcity, directors receive incomplete financial statements, outdated metrics or overly optimistic reporting.
- With information overload, management provides extensive operational detail without identifying the decisions, exceptions or strategic issues requiring board attention.

Neither supports effective oversight. A startup board pack should therefore be concise, forward-looking and decision-oriented. It should cover cash and runway, financial performance, key metrics, commercial pipeline, significant risks, people issues, strategic milestones and, importantly, decisions required from the board. The chief executive's opening question should effectively be: What does management require from the board at this meeting? This helps prevent board meetings from becoming lengthy presentations in which directors receive information but contribute little to meaningful decisions.

Conflicts and Culture Matter Early

Conflicts of interest are common in founder-led companies. A founder may own a supplier. An investor may have interests elsewhere in its portfolio. A director may have relationships with customers, advisers or competitors. The governance failure is not necessarily the existence of a conflict. It is allowing that conflict to remain hidden or unmanaged. Boards should maintain declarations of interests and properly document how conflicts are dealt with.

Culture deserves equal attention. Employees watch what leaders reward, tolerate and ignore. A board may approve a code of conduct emphasising transparency and accountability, but if it tolerates misleading reporting, punishes people who raise concerns or excuses poor behaviour from a successful founder, those actions, not the written policy, define the organisation's culture. Governance is therefore also about the signals the board sends.

The Non-Executive Director as a Strategic Asset

The first non-executive appointment should begin with strategy, not prestige. What must the company achieve over the next 18 to 36 months? Which capabilities are missing? Which risks are becoming more significant?

A startup preparing for international expansion may need market-entry experience. A regulated business may require sector expertise. A company preparing for institutional investment may benefit from someone who understands capital markets and investor expectations.

The value of a non-executive director lies not only in expertise. It also lies in independence. A capable non-executive can challenge assumptions insiders may have stopped questioning and help distinguish founder preference from company interest.

A prestigious name without time, commitment or relevant capability creates little value.



Build the Boardroom before the Business Outgrows it

Startup governance failures rarely begin with dramatic events. They often begin with ordinary ambiguities that are allowed to persist: an undocumented founder agreement, an undeclared conflict, unreliable information, unclear authority, a dominant founder who cannot be challenged or a culture in which bad news is unwelcome. By the time these weaknesses become visible to investors, regulators or the public, significant value may already have been lost.

The objective is not to burden entrepreneurial companies with unnecessary procedure. It is to establish enough discipline around the decisions that matter most.

Good governance should preserve agility while reducing dependence on informal authority. It should give executives room to operate, directors the information and independence needed to oversee, investors confidence that capital will be responsibly managed and employees confidence that leadership decisions are accountable.

Most importantly, it should enable the company to become an institution rather than remain an extension of its founders. Startups do not need perfect governance from day one. They need governance that is intentional, proportional and capable of evolving.

Governance is not the price a startup pays for becoming successful. It is one of the systems that makes sustainable success possible.

“The value of a non-executive director lies not only in expertise. It also lies in independence. A capable non-executive can challenge assumptions insiders may have stopped questioning and help distinguish founder preference from company interest.”



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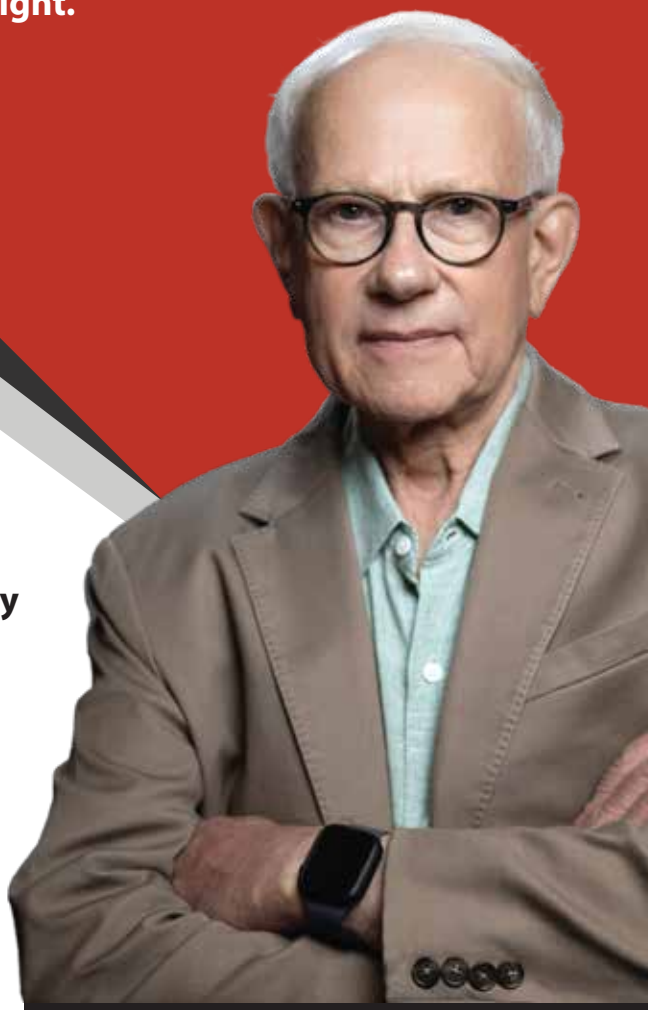
> **The question is therefore not only where power sits, but what keeps it in balance when those who possess it are convinced that they are right.**

Governance **Power** **Accountability**

Power without Balance

What ancient ideas about power and accountability can still teach the modern boardroom?

By Michael Judin



Michael Judin

Power without balance eventually destabilises the system that granted the power in the first place. Boards often speak about power as though it were a piece of architecture: allocated through constitutions, statutes, shareholder agreements, board charters and delegations of authority. Yet power is never merely structural. It is exercised by human beings, under pressure, with loyalties, fears, ambitions and imperfect information. The question is therefore not only where power sits, but what keeps it in balance when those who possess it are convinced that they are right. That question is ancient. Long before the modern company, civilisations wrestled with the relationship between authority and order, personality and office, and judgement and self-command. Ancient Egypt, Rome and the Stoic tradition do not offer us a corporate governance code. Instead, they offer something more enduring: ways of thinking about why power loses legitimacy, why institutions become fragile and why accountability must begin before a crisis.

Ma'at: power must answer to a larger order

In ancient Egyptian thought, Ma'at represented truth, justice, balance and right order. It was not simply a private virtue. It described the condition that made an ordered society possible and against which the exercise of authority could be judged. The familiar image of the heart being weighed against the feather of Ma'at captures a powerful idea: power is never self-justifying. It must be capable of being weighed against something greater than the interests of the person exercising it.

The modern boardroom has its own scales. On one side sit personal interest, factional loyalty, short-term advantage and the desire to prevail. On the other sit the purpose, duties, values and long-term interests of the institution. Governance fails when those scales are treated as irrelevant because the person acting has the formal authority to act.

This is the first lesson of Ma'at for contemporary governance: legality and power are necessary, but they are not sufficient. A decision may be technically available and still be institutionally destructive.

The responsible question is not merely "Can we do this?" but "What order are we preserving by doing it, and what imbalance might we create?"

Rome: office must remain larger than personality

The Roman Republic understood that durable institutions require competing centres of authority, defined offices and limits on the concentration of power. Its history also demonstrates the opposite lesson with brutal clarity: institutions become vulnerable when allegiance migrates from the office to the office-holder, or when personal loyalty begins to outrank constitutional restraint. That danger is not confined to states. It appears in founder-led companies, family enterprises, professional organisations, trusts and listed corporations whenever an individual becomes so closely identified with the institution that disagreement with the person is treated as disloyalty to the organisation itself. Strong leadership is not the problem. The problem arises when leadership weakens the very structures that must outlast it. A board should therefore ask whether authority is genuinely distributed, whether independent judgement can survive proximity to power and whether succession will transfer an office or trigger a struggle over an inheritance. The Roman warning is simple: when personalities become greater than institutions, formal structures may remain on paper long after their governing force has disappeared.

The Stoics: governing others begins with governing oneself

The Stoics move the argument from institutional design to human conduct. They distinguished between what lies within our control and what does not. We cannot command another person's judgement, guarantee agreement or determine everything that happens around us. What we can control is how we respond – with discipline, reason and character. That distinction is intensely practical. when governance is under strain. A director cannot compel a controlling shareholder to be calm or to act in a particular way. A chair cannot guarantee that every participant will act in good faith. An executive cannot prevent a board from reaching a conclusion with which management disagrees.

Each can still decide whether to retaliate, humiliate, distort, conceal or inflame - or whether to remain purposeful, candid and disciplined. Restraint is not passivity. Stoic self-command does not require a director to become agreeable, silent or weak. It requires the courage to challenge without becoming consumed by the challenge, and to exercise power without becoming possessed by it. In governance, composure is not etiquette. It is a form of institutional risk management.

King V: outcomes matter more than ornaments

South Africa's King tradition brings these ancient insights into a modern governance language. King V emphasises ethical and effective leadership and a principles-and-outcomes approach rather than governance as a mechanical compliance exercise. That matters because an organisation may possess every visible ornament of good governance and still govern badly. Independent directors are not enough if they are afraid to be independent. A conflicts policy is not enough if conflicts remain concealed. A board charter is not enough if participants weaponise procedure. A deadlock clause is not enough if the protagonists destroy every possibility of working together before they invoke it. Governance is about more than the architecture. It is how human beings behave inside the architecture when the weather turns bad.

Constitutionalism: agree on the rules before knowing who will win

Corporate governance and constitutional law are not the same. Constitutionalism nevertheless offers a profound governing idea: principles are most valuable because they bind participants before those participants know whether the principles will favour them in the dispute to come. It is easy to support independence when the independent director agrees with us, due process when it delivers our preferred result and transparency when it exposes somebody else. The real test is whether we remain committed when the same principle protects an opponent, delays our victory or requires us to explain our own conduct. A principle supported only when it produces the outcome we want is hardly a principle at all. For boards, the practical implication is clear: the commitments that will govern disagreement must be made before the disagreement arises, before loyalties harden and before anyone knows which side they may eventually occupy.

AI: a new instrument, not a new conscience

Artificial intelligence gives the modern board analytical capabilities that ancient rulers and philosophers could scarcely have imagined. Properly governed, it can help directors interrogate large bodies of information, identify inconsistencies, reconstruct decision histories, model competing scenarios and separate evidence from assertion.

That makes AI especially valuable when disagreement has become factional and each side is tempted to select the facts that support its position. A well-designed system can challenge assumptions and widen the range of possibilities considered. It can help the board ask better questions. Used uncritically, however, AI can just as easily reinforce flawed assumptions, incomplete information or existing bias. But AI cannot inherit the board's accountability. It cannot become the director, the chair or the conscience of the organisation. Data may illuminate a choice; it cannot accept the moral and legal responsibility for making it. The ancient problem therefore remains: however sophisticated the instrument, human beings must decide how power will be exercised and what will keep it in balance.

The boardroom test

These traditions converge on a demanding proposition. Good governance is not proved by the absence of conflict. It is proved by the institution's ability to contain power, preserve judgement and remain accountable when conflict arrives.

A board might therefore place six questions beside every major exercise of authority:

- Is the decision lawful?
- Is it directed towards the institution's purpose?
- Is the relevant power balanced by responsibility?
- Can independent judgement operate without retaliation?
- Can the process and evidence withstand honest scrutiny?
- Will the institution remain governable after the decision is taken?

Those questions will not eliminate disagreement, nor should they. Their purpose is to prevent disagreement from becoming a contest in which the organisation itself is the prize. Ancient Egypt placed the heart upon a scale. Rome warned against allowing the person to become greater than the office. The Stoics located the first discipline of leadership within the leader. Modern governance adds statutes, charters, codes, data and intelligent systems - but it has not escaped the old truth beneath them all. Power endures only when it accepts balance. Institutions endure only when those who govern them remember that they are custodians, not owners, of the authority they exercise.

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When the **Board** is Kept in the **Dark:** what **Directors** must do when Management **Withholds** Information



By Staff Writer

A board can only govern what it knows. When directors suspect that the CEO or executive team is withholding information, the issue is not merely a communication problem. It goes to the heart of fiduciary responsibility, risk oversight, ethical leadership and institutional trust. The board does not run the organisation day to day. That is management's role. But directors are responsible for direction, oversight, accountability and stewardship. They therefore require timely, accurate and sufficiently complete information to exercise informed judgment. The central question is not simply, "Is management hiding something?" It is: Is the board receiving enough reliable information to govern independently and responsibly?

The Duty to Be Informed

Directors are not expected to know everything happening inside the organisation. They are, however, expected to take reasonably diligent steps to become informed before making decisions. A board cannot later rely on the explanation that "management did not tell us," if warning signs were visible and directors failed to probe. The duty to be informed does not turn directors into operational investigators. It requires them to ask proper questions, challenge inconsistencies, insist on adequate reporting and escalate when the information environment becomes unreliable.

Poor Reporting or Deliberate Withholding?

Not every information gap indicates misconduct. Weak reporting systems, unclear expectations, poor agenda planning, executive inexperience or inadequate data may all produce incomplete information. Boards should diagnose the problem before attributing motive. The information may not exist reliably. Management may not understand what the board needs. Information may be deliberately filtered to avoid scrutiny.

"A board can only govern what it knows. When directors suspect that the CEO or executive team is withholding information, the issue is not merely a communication problem. It goes to the heart of fiduciary responsibility, risk oversight, ethical leadership and institutional trust."

Or it may be actively concealed because it reveals misconduct, regulatory exposure, fraud, financial distress or executive underperformance. The first two situations require better systems and clearer reporting protocols. The latter two require governance escalation. Repeated delays, inconsistent narratives, overly optimistic reporting and defensiveness when directors ask for evidence should never be dismissed as administrative irritations.

Recognising the Red Flags

Information withholding is often visible as a pattern rather than a single event. Boards should become alert when packs arrive too late for proper review; known operational stress is absent from reports; material legal, financial or compliance matters lack supporting detail; executives avoid direct answers; or management repeatedly undertakes to revert and does not. More serious warning signs arise when directors learn about significant matters first through the media, auditors, regulators, whistle-blowers or stakeholders, or when the CEO discourages access to the CFO, company secretary, internal audit or compliance functions. Perhaps the most dangerous phrase in a boardroom is: "There is nothing material to report." Where directors have reason to suspect otherwise, silence itself becomes information.

Reassert the Board's Information Rights

The response should be institutional, not personal. The chair and board should clarify what information must be provided, when, by whom and with what supporting evidence. This may require reviewing the board charter, delegation of authority, matters reserved for the board, reporting calendar, committee mandates, internal audit reporting lines, whistle-blowing processes and access to independent advice. The principle is simple: delegation is not abdication. Management receives authority from the board. The board does not depend on management's discretion to decide what directors are entitled to know.

Use the Chair, But Do Not Create Another Bottleneck

In most cases, the chairperson should be the first line of intervention with the CEO. The concern should initially be framed around governance rather than accusation: the board is not receiving sufficient information to discharge its responsibilities, and clearer expectations are required.

That conversation should be documented. If the pattern continues, the matter should move to the full board. The board must also guard against allowing the chair to become another information filter. The chair facilitates board effectiveness; the chair does not replace the board.

Ask Better Questions

When directors suspect withholding, vague questions are rarely useful. Instead of asking, "Is everything okay?", ask whether any material legal, regulatory, financial, operational, cyber, people, safety, procurement or reputational matters have arisen since the previous meeting that were not included in the board papers. Instead of asking, "Are there any risks?", ask which risks have worsened, what has changed and what evidence supports management's assessment. Instead of asking whether a major project is on track, ask which milestones have slipped, what costs have changed, what disputes have arisen and what matters now require board attention. Questions, responses and undertakings should be properly minuted. This creates accountability and shows that directors took active steps to become informed.

Do Not Rely on the CEO as the Sole Source of Truth

A healthy board should not depend exclusively on one executive for information. The CEO remains the primary interface between board and management, but directors should have structured access to the CFO, company secretary, chief audit executive, risk and compliance functions, external auditors, legal advisers and executives responsible for material areas. This is not an invitation to interfere operationally. It is about legitimate channels through which the board can verify information and exercise oversight. No CEO should be able to block the board from accessing the assurance, risk, finance, legal or governance functions it needs.

Use Committees and Independent Assurance

Board committees often identify information gaps before the full board does. They should deepen scrutiny, request exception reporting, review unresolved findings, meet assurance providers where appropriate and escalate unresolved matters.

Where confidence in management information deteriorates materially, the board may need independent assurance, including an internal audit review, legal opinion, forensic investigation, governance review or independent financial, procurement or project assessment. If the CEO is part of the concern, the review must report to the board or relevant committee, not back through the CEO. Whistle-blowing channels should also be capable of bypassing management where senior executives are implicated. A system that reports only to the person who may be the subject of the allegation is structurally weak.

When Withholding Becomes a CEO Accountability Issue

If evidence indicates that the CEO deliberately withheld material information, the matter moves beyond reporting quality. It becomes a trust, ethics and performance issue. The board may need to issue a formal request for disclosure, convene a special meeting, meet without management, seek legal advice, commission an investigation or consider appropriate disciplinary consequences. In serious cases, suspension or termination may become necessary. If the CEO prevents the board from governing, the executive is not merely underperforming; they are interfering with the governance architecture of the organisation. Boards must nevertheless act with due process, evidence and proportionality. Suspicion is not proof, and strong governance requires fairness even when trust is under strain.

Confidentiality Is Not a Shield Against Oversight

Management may resist disclosure by citing legal privilege, market sensitivity, labour matters, regulatory confidentiality or ongoing negotiations. Some restrictions may be legitimate. They do not justify keeping the board uninformed. The solution may be controlled access: in-camera sessions, restricted board portals, confidential legal briefings, redacted documents or committee-level review. The more sensitive the matter, the greater the need for disciplined governance.

Avoid Passivity, and Avoid Overreach

Directors face two opposite risks: passivity and overreach. Passivity means accepting management explanations despite visible gaps.

Overreach means directors inserting themselves into operations, issuing instructions directly to staff or creating parallel management structures. Neither is appropriate. The board's role is not to run the business. It is to ensure that the business is properly run. The correct posture is disciplined insistence: govern the information environment through which management is held accountable without becoming management.

The Board Must Examine Its Own Culture

Boards should also ask whether their behaviour contributes to information suppression. If executives are humiliated for delivering bad news, difficult issues will eventually be sanitised. If the CEO is expected to appear flawless, uncomfortable realities may be buried. If directors do not read papers but ambush executives in meetings, openness will deteriorate. Effective boards create an environment in which truth can travel upward.

This does not excuse concealment. It recognises that information quality is influenced by board culture as well as management conduct. A useful question for every board is: Have we made it safe for management to tell us the truth?

Trust, but Verify

Governance depends on trust between the board and executive management. But trust cannot replace verification. It must be supported by clear delegations, reliable reporting, independent assurance, effective escalation channels, proper minutes and consequences for deliberate concealment.

When management provides balanced, timely and accurate information, the board can govern without unnecessary interference. When that trust breaks down, the board must act.

A board that is denied information is a board being disabled. Directors do not need to know everything. They do, however, need to know enough to govern responsibly, challenge management intelligently, oversee risk and act in the best interests of the organisation.

When information is withheld, the board's duty is not to complain. It is to govern.

Servant Leadership: **The Quiet Power** Behind Sustainable Success

By Staff Writer

In an era of volatile markets, fragile trust, and heightened scrutiny of leaders, one leadership model continues to outperform the rest, not through force, charisma, or authority, but through service. Servant leadership is often misunderstood as soft leadership. In reality, it is one of the most demanding and disciplined forms of leadership there is. It requires emotional intelligence, moral courage, and a deep commitment to the long-term success of others. The most respected leaders in organisations, boardrooms, and institutions today are not those who command the loudest voices, but those who create environments where others can thrive.

Here are the ten unmistakable signs of a true servant leader.

1. They Put Others First, Consistently

Servant leaders do not lead to be served. They lead to serve. Their decisions are guided by a simple but powerful question: "What is in the best interest of the people and the organisation?" This does not mean avoiding tough calls. It means making difficult decisions with fairness, empathy, and transparency, without sacrificing human dignity for short-term gain.

2. They Listen Before They Lead

Servant leaders listen deeply and intentionally. They seek to understand before being understood. They value frontline insights, encourage dissenting views, and recognise that wisdom is rarely concentrated at the top. Listening is not a courtesy, it is a strategic capability. In governance terms, this is the difference between oversight and insight.

3. They Lead with Humility, Not Ego

Humility is not weakness, it is strength under control. Servant leaders are comfortable admitting uncertainty, acknowledging mistakes, and learning from others regardless of rank or title. They share credit generously and accept accountability without deflection. In contrast to ego-driven leadership, humility builds credibility, trust, and legitimacy.

4. They Empower Rather Than Control

Servant leaders do not micromanage. They create space. They empower others with authority, clarity, and confidence to make decisions. Their focus is on building capable, independent thinkers, not loyal followers. Empowerment is how organisations scale leadership capacity beyond a single individual.

5. They Practice Genuine Empathy

Servant leaders recognise that people do not leave their humanity at the door. They acknowledge personal challenges, mental wellbeing, and individual circumstances without compromising performance standards. Empathy allows them to balance results with responsibility. In high-performing organisations, empathy is not an emotional indulgence, it is a leadership skill.

6. They Act with Uncompromising Integrity

Integrity is the cornerstone of servant leadership. Servant leaders align words with actions. They do the right thing even when no one is watching, and especially when it is costly or unpopular. Ethical shortcuts are not an option. In governance environments, integrity is what protects reputation, trust, and long-term value.

7. They Are Intentional About Developing Others

Servant leaders are builders of people. They mentor, coach, and sponsor others with deliberate intent. They invest in succession planning and capability building because they understand that leadership is temporary, but institutional strength must endure. Their legacy is measured by how many leaders they leave behind.

8. They Create Psychological Safety

People thrive where they feel safe to speak. Servant leaders foster environments where questions are welcomed, mistakes are treated as learning opportunities, and challenges to ideas are encouraged, not punished. Psychological safety fuels innovation, risk awareness, and ethical courage, especially in boardrooms and executive teams.

9. They Think Long-Term, Not Just Quarterly

Servant leaders resist the temptation of short-term wins that erode culture, trust, or sustainability. They think in decades, not reporting cycles. They prioritise organisational health, stakeholder confidence, and future generations over personal legacy. This long-term orientation is what distinguishes leadership from mere management.

10. They Lead by Example

Perhaps the most defining trait of servant leadership is modelling behaviour. Servant leaders do not demand what they are unwilling to demonstrate. They embody accountability, discipline, respect, and service in their daily conduct. Culture is not what leaders say, it is what they consistently do.

The Real Measure of Leadership

Servant leadership challenges a deeply ingrained myth, that leadership is about control, authority, or personal brilliance. In truth, leadership is about responsibility.

A servant leader measures success not by how many people report to them, but by how many people grow because of them. In organisations, boards, and societies facing trust deficits and ethical complexity, servant leadership is no longer optional. It is essential.

The future belongs to leaders who serve first, and lead as a result.

addmath
ADVISORY + ACCOUNTING

Who is Addmath?

Addmath is a boutique financial advisory firm providing expert financial advisory services in Botswana, South Africa, Zimbabwe and Namibia. Our main focus is on empowering SMEs by enabling access to outsourced critical financial services for growth.

We are committed to excellence and innovation, positioning itself as a trusted partner for sustainable growth. We pride ourselves in efficiently and effectively providing exceptional service to a diverse clientele base spanning different sectors of the economy.

Our service Offering

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- Financial advice
- Capital raising
- Due diligence
- Business valuations
- Business health checks
- Performance reviews
- Deal structuring
- Mergers and acquisitions

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- Tax registration
- Tax Clearance Certificate,
- Tax planning
- Tax filing
- PAYE calculations and submission

Internal Audit:

- Risk assessment and mitigation
- Identifying internal control weaknesses
- Formulating effective internal controls

Project Management:

- Strategic decision-making process
- Budgeting, implementation and monitoring

ESG Services:

- Change Management
- Strategy Formulation
- Reporting

Company Secretarial:

- Company registration
- Statutory returns
- Change of directors
- Share transfers

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The **Director Magazine 2026** Rate Card

About The Director **Quarterly Magazine**

The Director is a premium governance, board leadership, and executive insight publication focused on the individuals responsible for shaping strategy, overseeing risk, governing institutions, and creating long-term value.The magazine exists to elevate governance conversations across Africa by providing practical insight, thought leadership, and boardroom perspectives relevant to directors, executives, governance professionals, institutional leaders, and aspiring board members.

The Director magazine is not merely a magazine, it is a platform for influence, insight, and meaningful governance dialogue among those shaping the future of institutions.Unlike traditional business publications that focus primarily on markets, entrepreneurship, or corporate news, The Director focuses on the quality of leadership, governance, stewardship, and decision-making within institutions. The publication is designed for readers who carry responsibility at the highest levels of organisations.

Who is **Our Reader?**

Aspiring Non-Executive Directors

Experienced executives and professionals actively preparing for board appointments.

This audience is particularly engaged with:

- Board readiness
- Governance education
- Director development
- Board CV positioning
- Director mentorship

Emerging Leaders

High-potential managers preparing for executive and board-level leadership responsibilities.

High Influence

Readers are often decision-makers, advisors, or individuals who directly influence:

- Strategy
- Governance
- Risk
- Procurement
- Leadership appointments
- Investment decisions

High Professional Credibility

Most readers possess:

- Senior management experience
- Professional qualifications
- Executive responsibility
- Governance accountability
- Chairperson
- Director
- Non-Executive Director
- Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer
- Company Secretary

Advertising and Editorial

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Editorial deadlines

December 2026 issue 20 November 2026

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Prepare for the Responsibility of Directorship

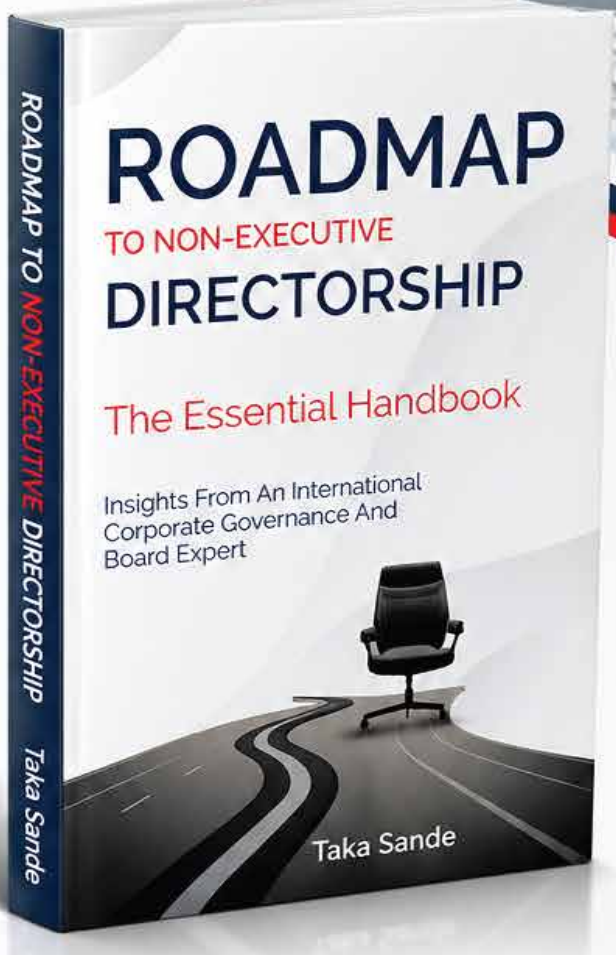


Board roles demand more than experience.

The boardroom is not a continuation of executive work.
It is a different level of leadership — defined by oversight, accountability, and independent judgment.

Yet many approach it without a clear roadmap.

Roadmap to Non-Executive Directorship – The Essential Handbook provides the structure, insight, and perspective required to approach board roles with intention.



INSIDE THIS ESSENTIAL GUIDE

- What defines **board readiness**
- How to **position** for non-executive roles
- **The expectations** placed on directors
- The **strategic role** of governance in leadership

A premium guide for professionals preparing to **operate at board level.**

> **The boardroom does not reward assumption. It rewards preparation.**

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