

THE 5TH GHANA CEO SUMMIT



KEYNOTE ADDRESS

**DIGITAL TRANSFORMATION: RESETTING CORPORATE
GOVERNANCE AGENDA FOR A POST-PANDEMIC BUSINESS AND
ECONOMIC RESILIENCE**

BY

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His Excellency the President of the Republic of Ghana,

Honourable Ministers of State,

Fellow Chief Executive Officers and Business Leaders,

Members of the Media,

Distinguished Ladies and Gentlemen,

1. I deem it an honour to address this august gathering of business leaders and industry giants from across the world. It

is always a great joy to deliberate with fellow CEOs and business leaders on ways of improving the administration of businesses to achieve corporate success.

2. For reasons that are obvious to us all, we meet today in circumstances that are not entirely normal, circumstances that have prompted intense discussion on adapting to a changing world, and how to leverage the lessons learnt from this 'new world' to our advantage.
3. I am certain that we all marvel at how the COVID-19 pandemic has led to a paradigm shift that affects all aspects of our lives, including how we manage and administer our businesses. The pandemic has, by no means, provided numerous lessons to business managers and prompted businesses and institutions to take a second look at the way they do things to ensure their survival.
4. At the core of the lessons learnt from the pandemic is the need to transform our business models and processes using digital

technology and for this agenda to be initiated by corporate Boards and Management. In as much as the need for digitization in business preceded the pandemic, the pandemic served as the unsolicited needed catalyst for targeted action and implementation.

5. Countries still struggle with how to manage the crisis and its after-effect effectively. If businesses are to recover from the shocks of the pandemic, there will be the need to reset the corporate governance agenda to build business resilience and ultimately sustained economic growth.

6. The corporate governance structure of our businesses is key to building economic resistance to meet our contemporary challenges. Good corporate governance is needed to ensure the proper running of enterprises to engender investor confidence that attracts required equity and risk capital. Good corporate governance ensures economic growth as micro-enterprises deliver good results. The governance structure of

most businesses has been on auto-pilot, but now, with the COVID-19 pandemic, we cannot do business as usual.

7. The pandemic has revealed the importance of business to society and demonstrated the power of technology in striving to meet the needs of all stakeholders. It has also become increasingly clear that to run productive and profitable businesses, digital transformation is critical. Under the current circumstances and beyond, there is no doubt that the corporate governance agenda should embrace digital transformation for businesses to achieve resilience.

8. A vision of employing digitization for business must be set by Boards for implementation by Management. Technologically literate Boards and Management are a must-have for all businesses in today's world. A Board that recognizes and appreciates the essence of technology will be of immense benefit to the administration of businesses. This is so because the Board will understand the need to digitize the business and

retrain staff to meet the needs of the contemporary technological marketplace.

9. A corporate governance agenda that promotes post-pandemic business and economic resilience will require a more in-depth look at how seriously our Boards and Executives consider digitization. Suppose the Board and the Management appreciate that technology will lead to revenue growth and improved return on assets, among others, they will reset the agenda from the top and ensure that it is replicated at all levels of the organisation. It may even be necessary for the Board and Management to receive training.
10. A Board committee may also be formed to deal with digital transformation and digital innovation. To enhance the work of the committee and that of the Board, it may also be beneficial to appoint external experts to such a committee.
11. As we recognize the essential role of technology in business, we should be mindful of and swiftly deal with accompanying

threats, such as cybercrime, terrorist activities, and intellectual property theft, among others. These are serious issues and threats to technological innovation to which we must be responsive.

12. Distinguished Ladies and Gentlemen, as we deliberate on leading our businesses into post-pandemic resilience, we cannot ignore the monumental and commendable work done by the Government of Ghana to digitize the economy. The creation of the Ministry of Communication and Digitalization is a pointer to the resolve and commitment of our government to ensure that our dear country is not left behind in the global technology and digital revolution. But one may ask: is the government's effort enough to ensure success?

13. I reckon that good corporate governance in both the private and public sectors is needed as well. As I have indicated already, the Board of Directors and Management would have to take appropriate measures to ensure that a successful technology and digital revolution is achieved.

14. Distinguished Ladies and Gentlemen, I must add that resetting the agenda to achieve business and economic resilience may not rely on only digitization. There are other issues of importance in corporate governance, which I wish to offer some thoughts on.

15. I would like to talk briefly about four of them. These are:
 - making choices to reflect the right Board and business cultures,
 - undertaking meaningful Corporate Social Responsibility initiatives,
 - ensuring reasonable gender balance on Boards, and
 - committing resources to procure requisite technological infrastructure and for training and retraining of staff.

16. It is time for us to reset our choices to reflect a good business culture. Pre-COVID-19 times, I had the opportunity to serve on several Boards in Ghana and abroad. Most boardroom culture, from my observation, has lost lustre. Some Boards also tend to

be captured by Management or a few board members. Other Boards do not function well because top Management withholds information from the Board members, thereby limiting meaningful boardroom debate. There are also those Boards that have members who have no interest in the business of the Board because they lack competence, confidence, experience, qualification, and perhaps, lack understanding of their role or obligations as board members.

17. I have also seen Boards where group alliances based on ethnicity, politics, or religion have led to the colouring of debates, breeding of conflict among board members, and a lack of cooperation in delivering the Board's business. Directors need to be appointed based on competencies rather than political, ethnic or religious considerations.
18. Ladies and Gentlemen, at this time, we cannot manage boardroom business the same and expect that we will achieve economic and business resilience. We need to reset the boardroom culture with faithful, objective, healthy and critical

debates to speak to the needs of our contemporary post-COVID-19 business world. Certainly, the days of sleeping, snoring and agenda pushing directors should be over!

19. I would also like to remind you that our businesses have social responsibility to the good people of Ghana and specifically in the communities in which we operate. In recent times, the mantra has been Corporate Social Responsibility. But the question is, how committed are we to take up this responsibility of ensuring that the communities benefit from our activities? I invite corporate Ghana to give generously and meaningfully to society because it is a business imperative to do so and not a favour! The Board must not fail in this regard.

20. I would also like to emphasize the need to include a reasonable number of competent women on Boards. I have had the privilege of working with some wonderful women, such as Mrs. Cecilia Cofie (Domod Industries) on the Tema Oil Refinery Limited Board; Mrs. Villars (Camelot Ghana Limited) on the Merchant Bank Limited Board; Mrs. Helen Lokko on the Ghana

Commercial Bank Board, and Ms. Nana Adjoa Hackman on the GNPC Board.

21. I have come to one happy conclusion. Based on my experiences, generally, it is an excellent asset to Boardroom culture to have competent women on Boards. They are a moderating influence when debates are heated. They provide cautious approaches to issues and deliver their positions gracefully. They engage in pre-meeting consultations to generate consensus but are not easily convinced to support motions that they do not believe in. Overall, they are extremely fair and firm on disciplinary issues.

22. Ladies and Gentlemen, I am not talking about single female representation or mere tokenism, but the inclusion of a reasonable number of competent women on our Boards. The wonderful women I listed above were not just women but competent, knowledgeable and skilful. I encourage you to balance gender in your Boardrooms and you will find, as

established by empirical research, that your business will grow to achieve the resilience we all need.

23. Committing resources to technology infrastructure and for the training of user employees is a necessity; else, digitization will only be lip service. Some businesses are not very keen on spending money to retrain staff, sometimes for the fear that after acquiring skills and knowledge, such trained employees may leave the business for greener pastures. But, friends, we cannot work with this dangerous posture. We need to invest in improving the skills set of our workforce so that our business will grow and achieve the resilience required.

24. We should remember that COVID-19 changed how we live, work and do business. If our staff are not retrained to do business using technology, and if they lack the necessary equipment to work with, our business will lose its significance in the world. Work is now by a touch of a button, and we should give our working staff the opportunity to engage in the business. Budget and commit financial resources to procure technology

and retrain your workforce to achieve business and economic resilience.

25. Ladies and gentlemen, Digitization is key to the future of businesses and our society at large. Resetting the corporate governance agenda post-Covid-19 will require strong, fearless and competent leadership. I would like to take this opportunity to implore all business leaders to initiate this discussion in their various workplaces. Business leaders must become more proactive in adopting and implementing digital solutions. On this journey, we should ensure the right board culture, maintain a commitment to society, install a board with diverse competencies and a decent number of female representations, provide financial resources to acquire the needed technological infrastructure, and train employees.

26. I encourage us all to freely share ideas in the various discussions we will have at this Summit, and to remember at all times, that the success of our organizations depends, to a large extent, on us. Now is the time, more than ever, to encourage

dialogue among the various organs of our institutions and to ensure that our dialogue produces results that are favourable to all.

27. I wish us all fruitful deliberations. Thank you for your attention.