



Building a great board

KPMG's Audit Committee Institutes
Global pulse survey

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Building a great board: Global views on board composition

Aligning boardroom talent with the company's strategy is a key driver of many boards' increasing focus on board composition and succession planning today. Indeed, talent in the boardroom is also front and center for investors, regulators, and the media: Does the board have the skills and expertise as well as the diversity and variety of perspectives that are essential to being effective in their oversight role—and to contribute to the long-term success of the company?

To better understand the tools and approaches that directors are using to achieve the right mix of skills, backgrounds, experiences, and perspectives in the boardroom—what works, what doesn't, and what might get in the way—we surveyed more than 2,300 directors and senior executives in 46 countries around the world. We also explored these issues through interviews with board members and business leaders from six countries for the latest edition of *Global Boardroom Insights* from KPMG's Audit Committee Institutes.¹

Taken together, the interviews and survey results show that many boards are reassessing how they approach board composition from start to finish—from recruiting and onboarding to board evaluation and succession. As one director noted, "Getting the right people with the right skills, both technically and personally, is as much an art as it is a science, but board composition can be far more systematic than simple guesswork."

As our survey findings show, directors see much room for improvement; only 36 percent said they are "satisfied," and 49 percent "somewhat satisfied" that their board has the right combination of skills, background, and experiences. The survey identifies some of the key challenges or barriers to building high-performing boards, as well as steps boards are taking to overcome these hurdles and position themselves as strategic assets for their companies.

We hope these results and observations will help facilitate robust boardroom conversations about board composition and succession planning, and provide some insights to assist boards as they tackle the difficult challenge of building and maintaining the "right" board.

— KPMG's Audit Committee Institutes

¹ KPMG Audit Committee Institutes, *Global Boardroom Insights: Building a Great Board*.

Five takeaways



Board composition—and alignment with strategy—is a key priority. Given the demands of today's business and risk environment—not to mention increasing scrutiny by investors, regulators, and the media—a critical priority for most every board is to align boardroom talent with company strategy, both for the short-term and the long-term as the strategy evolves. Survey respondents identified several related reasons for this intense focus on board composition, including the need for greater diversity, and the need for directors with an understanding of the competitive environment, the pace of technology change, and the potential disruptors of the company's business model.



Significant barriers exist to building a high-performing board. The barrier most frequently cited by survey respondents was “finding directors with both general business experience and specific expertise needed by the company” (69 percent). Identifying the board's future talent needs ranked second (55 percent), followed by resistance to change due to “status quo” thinking (43 percent).



Despite wide recognition of the importance of succession planning in achieving optimal board composition, few boards have a formal succession plan in place. While the vast majority of survey respondents said that a formal board succession plan is a key mechanism to achieving the right board composition, only 31 percent reported having either a formal succession plan in place or in process.



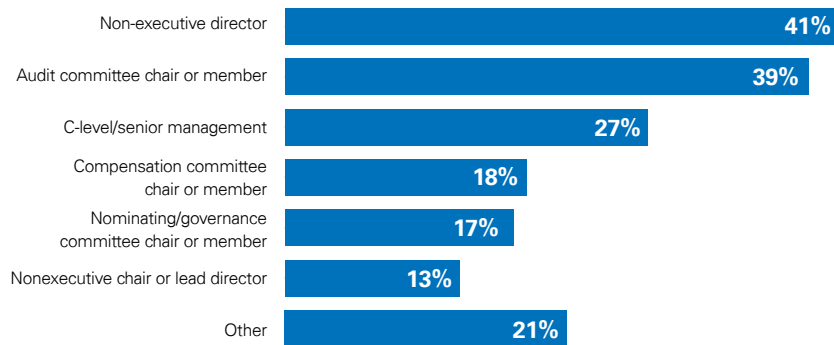
There are important mechanisms to help maintain optimal board composition—but they are often underutilized. Respondents overwhelmingly cited robust board evaluations (87 percent) and formal succession plans (77 percent) as the most effective mechanisms to achieve the right board composition. However, as noted above, few boards have formal succession plans in place, and nearly one-third cite “lack of robust board and individual director evaluations” and “difficulty in removing underperforming directors” as among the greatest barriers to building and maintaining a high-performing board.



Generating the necessary change and turnover to achieve the “right” board composition requires an active approach. The survey findings point to the need for a strategic, integrated approach to board succession planning, composition, and diversity, which should be part of discussions by the full board about long-term strategy. Of course, robust board and individual director evaluations are also critical—and a key area that requires attention by many boards.

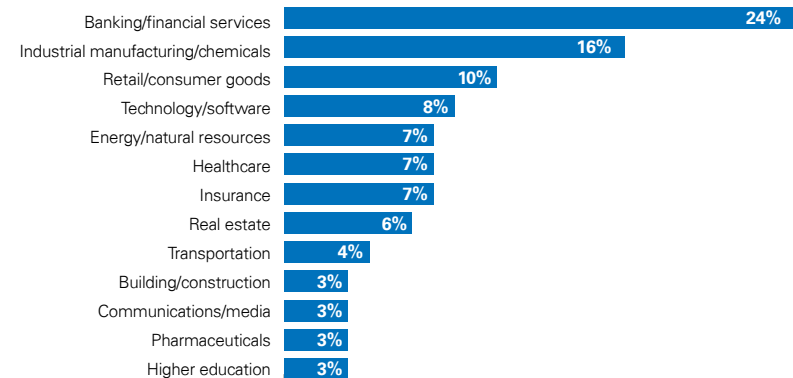
Survey respondents

By title/role



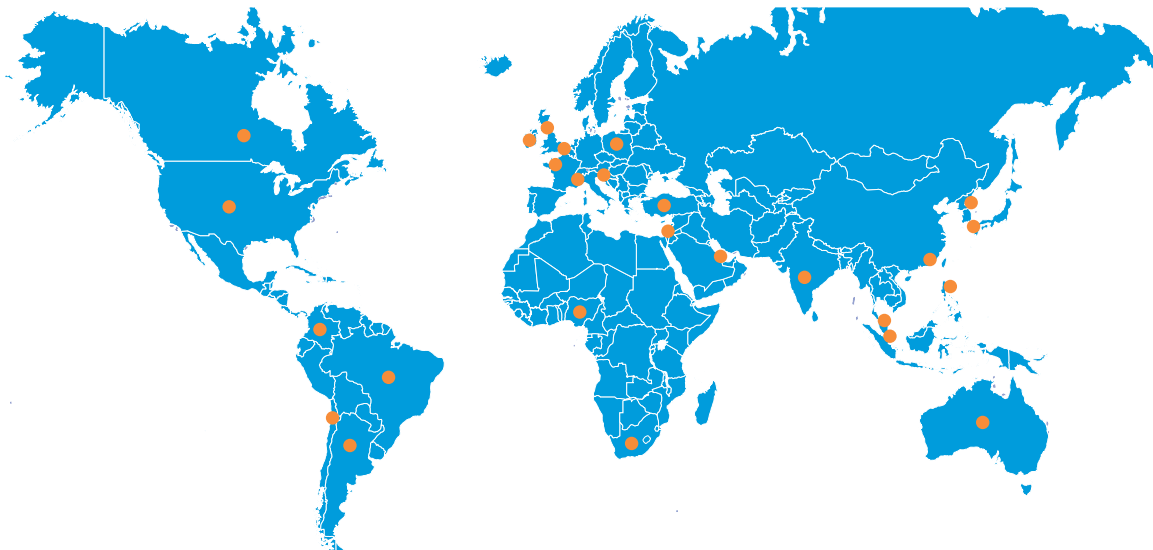
Multiple responses allowed

By industry*



* Note: Those who selected "Other" have been excluded.

Participating countries



Angola	Ghana	Poland
Argentina	India	Portugal
Australia	Indonesia	Qatar
Austria	Ireland	Saudi Arabia
Bahrain	Israel	Singapore
Belgium	Italy	South Africa
Bermuda	Japan	Spain
Brazil	Korea	Switzerland
Canada	Luxembourg	Taiwan
Chile	Malaysia	Turkey
China/Hong Kong	Malta	United Arab Emirates
Colombia	Mexico	United Kingdom
Denmark	Netherlands	United States
Finland	New Zealand	Vietnam
France	Nigeria	
Germany	Philippines	

● = 20 or more responses



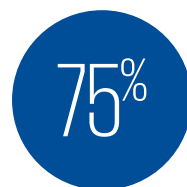
What challenges or concerns are most influencing how your board is thinking about its current and future composition — skill sets, backgrounds, experiences, and perspectives?

Board composition—and alignment with strategy—is a key priority.

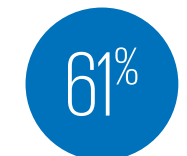
A prior KPMG survey² showed that the board’s involvement in strategy has increased in the last three years, and that is supported by this latest pulse survey, but from a board-talent perspective. Given the demands of today’s business and risk environment—not to mention increasing scrutiny by investors, regulators, and the media—it comes as no surprise that a critical priority for boards today is to align boardroom talent with company strategy, both for the short-term and the long-term as the company’s strategy evolves. The directors we interviewed agreed. As one board member told us, “Whether it’s addressing a gap around technology or finding people who have international experience, talent needs to be part of the strategy discussion.” Another said, “Strategy is the number one reason that boards are looking at their skill sets and composition. Where are the board’s gaps in relation to the company’s strategy?”

More than half of those polled cited the need for greater diversity in backgrounds and perspectives. One director noted, “Diversity in terms of the ‘background’ of board members is important, both in terms of technical knowledge or specialty and in terms of business knowledge and international experience.” Survey respondents identified several other reasons for this intense focus on board composition, including the need for directors with an understanding of the competitive environment, the pace of technology change, and the potential disruptors of the company’s business model. One board member told us, technology is “about staying competitive,” and finding directors with “seasoned business experience and an understanding of technology is a real challenge.”

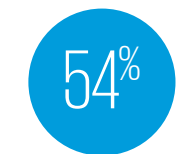
² KPMG Pulse Survey, “Calibrating Strategy and Risk: A Board’s Eye View,” 2015.



Alignment of board talent with the company’s 3- to 5- year strategy



Need for greater diversity of viewpoints/ backgrounds



Business model disruption and other competitive threats

34% Pace of technology change

30% Need for international perspective/experience

21% Investor focus/concerns about board composition

17% Cyber risk

8% Other

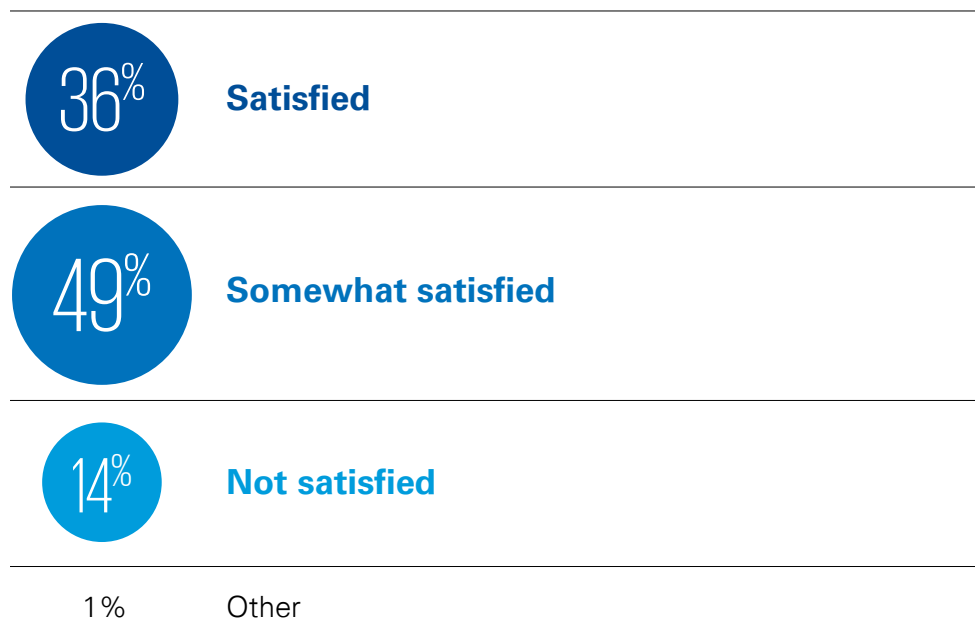
Multiple responses allowed



How satisfied are you that your board has the right combination of skill sets, backgrounds, experiences, and perspectives to probe management’s strategic assumptions and help the company navigate an increasingly volatile and fast-paced global environment?

One-half of directors polled see room for improvement when it comes to the board’s overall ability to challenge management and help steer the company through uncertainty. Just 36 percent of those surveyed said they are satisfied that their board has the right combination of skills, backgrounds, experiences, and perspectives to probe management’s strategic assumptions and help the company navigate an increasingly volatile and fast-paced global environment, while the majority said they are only somewhat satisfied (49 percent) or not satisfied (14 percent).

One board member emphasized the importance of diversity of industry and entity in the boardroom, e.g., recruiting directors with backgrounds in academia, government, civil society, as well as entrepreneurs and those from family businesses. “It goes back to talent,” she noted. “A talented person will raise alternatives and scenarios. They’ll do it in a collegial way that gets the board thinking about different possibilities. Real diversity of thought requires diversity of experience ... so diversity is a much larger issue than just gender or age. There’s a broader strategic context and importance to diversity that boards need to consider.”





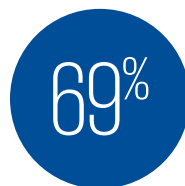
In your view, what are the greatest barriers to building—and maintaining—a high-performing board?

Significant barriers exist to building a high-performing board.

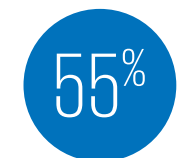
The barrier most frequently cited by survey respondents was “finding directors with both general business experience and specific expertise needed by the company” (69 percent). Identifying the board’s future talent needs ranked second (55 percent), followed by resistance to change due to “status quo” thinking (43 percent).

“Companies should be forward-looking when appointing directors, otherwise the composition and expertise of the board may not be in line with the company’s current stage of development,” agreed one director we interviewed. “A ‘status quo’ bias is a huge impediment to maintaining a high-performing board.”

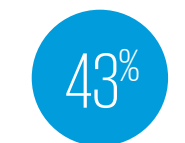
A number of survey respondents highlighted the importance of effective director recruitment and selection, and “including the board as an element of the company’s strategic plan” as keys to building an effective board and positioning the board for the future.



Finding directors with both general business experience and specific expertise



Identifying the talent the board will need in 3–5 years



Resistance to change due to “status quo” thinking

32%	Board culture that does not encourage questioning and open discussion
31%	Lack of robust board and individual director evaluations
29%	Difficulty in removing underperforming directors
21%	Gradual loss of independence (real or perceived) of long-serving directors
11%	Lack of effective onboarding for new directors
10%	Other

Multiple responses allowed

Q

To what extent has your board addressed board succession planning?

Despite wide recognition of the importance of succession planning in achieving optimal board composition, few boards have a formal succession plan in place.

As shown on page 9, 77 percent of those polled cited a formal board succession plan as an effective mechanism to build the “right” board composition—second only to board evaluations. However, 33 percent of respondents reported little or no discussion about board succession, and another 36 percent reported only informal discussion, when a seat needs to be filled. Just 17 percent reported that robust succession planning discussions were “in process,” and only 14 percent reported having “a formal succession plan, aligned with future needs, in place and periodically reviewed.” While boards generally have become more focused in recent years on their critical role in succession planning for the chief executive officer, it appears many may be lagging in terms of their own succession plans. A director recruitment specialist noted that boards in recent years “have taken an increasingly rigorous approach to the succession of the executive leadership team, with human resources most often the owner of a succession talent map which is reviewed regularly by the board.” Boards can apply a similar approach to their own composition.



Informally or when seats need to be filled



Little/no discussion



Robust board discussion, succession planning in process

14%

Formal succession plan, aligned with future needs, in place and periodically reviewed



In your view, what are the most effective mechanisms to achieving the right mix of skills, backgrounds, experiences, and perspectives on the board?

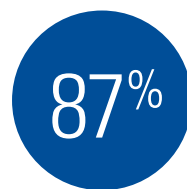
There are important mechanisms to help maintain optimal board composition—but they are often underutilized.

Respondents overwhelmingly cited robust evaluations (87 percent) and formal succession plans (77 percent) as the most effective mechanisms to achieve the right board composition. However, as noted previously, few boards have formal succession plans in place, and nearly one-third cite “lack of robust board and individual director evaluations” and “difficulty in removing underperforming directors” as among the greatest barriers to building and maintaining a high-performing board. As one director recruitment professional noted, “Board evaluations can be a useful tool, especially at the start of a change program or when the board is about to go through a period of profound change. In cases where there are ongoing difficulties around the boardroom table that aren’t resolved or if the company has changed significantly since the core members of the board were appointed, a good board evaluation should flush this out.”

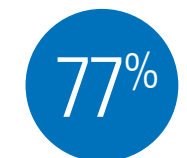
Nearly half of the respondents ranked tenure limits for individual directors as an effective mechanism to maintain optimal board composition. However, recent board surveys indicate that director tenure limits are not currently widely adopted,³ and investors’ views on tenure limits are mixed.⁴ One-third of survey respondents said that “monitoring the board’s average tenure” was important, and we note that some institutional investors have recently adopted policies that consider average board tenure.

³ 2015 Spencer Stuart Board Index, stating that 13 S&P 500 boards (3 percent) set explicit term limits for non-executive directors, 66 percent state in their corporate governance guidelines that they do not have term limits, and 31 percent do not mention term limits.

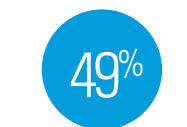
⁴ Cam C. Hoang, “Institutional Investors and Trends in Board Refreshment,” Dorsey & Whitney LLP via Harvard Law School Forum on Corporate Governance and Financial Regulation, April 8, 2016.



Robust board evaluations



Formal board succession plans



Tenure limit (years or terms) for individual directors

33% Monitoring the board’s average director tenure

22% Age limit

17% Expanding the size of the board

15% Other

Multiple responses allowed

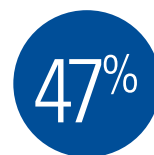


What steps is your board taking to position itself for the future?

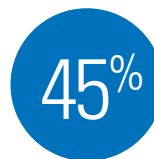
Generating the necessary change and turnover to achieve the “right” board composition requires an active approach.

What steps are boards taking now to position themselves for the future? Nearly half of survey respondents reported that their board is assessing its future needs, and 45 percent said their board is actively recruiting for specific expertise/skills. Other actions include improving both board and individual director evaluations to help identify gaps, as well as improving director onboarding/education. Underscoring one of the major barriers boards are facing, only 16 percent of those polled reported removing underperforming directors. One board member interviewed highlighted the importance of taking action in that respect, noting, “If a director is no longer making a meaningful contribution for whatever reason, the board should address that directly and respectfully.”

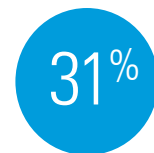
The key takeaway from the survey is that a strategic, integrated approach to board succession planning, composition, and diversity is required and should be part of discussions by the full board about long-term strategy. Of course, robust board and individual director evaluations are also critical—and a key area that requires attention by many boards. For many boards, this is a significant challenge, and there is work to do.



Currently assessing board’s future needs



Actively recruiting for specific expertise/skills/ perspectives



Improving board and individual evaluations to identify gaps

31% Improving director onboarding/education

29% Actively casting a wide net to enhance diversity

16% Removing underperforming directors

15% None of the above

2% Other

Multiple responses allowed

Around the world: Notable country and industry trends

Globally, the survey data reflected some notable variations.

By country

Most satisfied that the board has the right combination of skill sets, backgrounds, experiences, and perspectives to probe management's strategic assumptions: **Israel, Singapore, Australia, Chile**

Least satisfied that the board has the right combination of skill sets, backgrounds, experiences, and perspectives to probe management's strategic assumptions: **Korea, Japan, Nigeria**

Highest percentage reporting little/no discussion about board succession: **Poland, Japan, Brazil, Turkey, Bahrain, Colombia, Chile**

No respondents reporting a formal board succession plan: **Belgium, Canada, Chile**

Highest percentage reporting a formal board succession plan: **Nigeria, Switzerland** (38 percent)

By industry

Cited cyber risk as a key driver in thinking about board composition: **banking/financial services sector** (29 percent, versus 17 percent overall)

Highest percentage citing the need for international perspectives/experience: **industrial manufacturing/chemicals sector** (45 percent versus 30 percent)

Highest percentage citing alignment of board talent with strategy: **healthcare industry** (85 percent, compared with 75 percent overall)

Least satisfied that the board has the right combination of skill sets, backgrounds, experiences, and perspectives to probe management's strategic assumptions: **retail/consumer goods sector** (28 percent, compared with 36 percent overall)

Highest percentage reporting only informal discussion of board succession planning: **tech/software sector** (44 percent versus 36 percent overall)

Benchmark your own views on building a high-performing board

Q1 What challenges or concerns are most influencing how your board is thinking about its current and future composition—skill sets, backgrounds, experiences, and perspectives? (select three)

- Alignment of board talent with company's 3- to 5-year strategy
- Need for greater diversity of viewpoints/backgrounds
- Business model disruption and other competitive threats
- Pace of technology change
- Need for international perspective/experience
- Investor focus/concerns about current board composition
- Cyber risk
- Other

Q2 How satisfied are you that your board has the right combination of skill sets, backgrounds, experiences, and perspectives to probe management's strategic assumptions and help the company navigate an increasingly volatile and fast-paced global environment?

- Satisfied
- Somewhat satisfied
- Not satisfied
- Other

Q3 In your view, what are the greatest barriers to building—and maintaining—a high-performing board? (select three)

- Finding directors with both general business experience and specific expertise (e.g., technology/cyber security)
- Identifying the talent the board will need in 3–5 years
- Resistance to change due to “status quo” thinking—i.e., “what has worked in the past will continue to work in the future”
- Board culture that does not encourage questioning and open discussion
- Lack of robust board and individual director evaluations
- Difficulty in removing underperforming directors
- Gradual loss of independence (real or perceived) of long-serving directors
- Lack of effective onboarding for new directors
- Other

Q4 To what extent has your board addressed board succession planning?

- Formal succession plan, aligned with future needs, in place and periodically reviewed
- Robust board discussion—succession planning in process
- Board's future needs discussed only informally or when a board seat needs to be filled
- Little or no discussion about board succession

Q5 In your view, what are the most effective mechanisms to achieving the right mix of skills, backgrounds, experiences, and perspectives on the board? (select three)

- Robust board evaluations—including a process to address gaps and underperforming directors
- Formal board succession plan
- Tenure limit (years or terms) for individual directors
- Monitoring the board's average director tenure
- Age limit
- Expanding the size of the board
- Other

Q6 What steps is your board taking to position itself for the future? (select all that apply)

- Currently assessing board's future needs
- Actively recruiting for specific expertise/skill sets/perspectives, e.g., technology, cyber, international
- Improving board and individual director evaluations to identify gaps
- Improving director onboarding and ongoing education
- Actively casting a wide net to enhance diversity
- Removing underperforming director(s)
- Other
- None of the above



Appendix: Country results

This appendix contains detailed data from 26 countries that received at least 20 survey responses. Survey data from all 46 participating countries are included in the TOTAL column.



What challenges or concerns are most influencing how your board is thinking about its current and future composition – skill sets, backgrounds, experiences, and perspectives? (select three)

	TOTAL	United States	China/ Hong Kong	United Kingdom	Brazil	Japan	Colombia	India	Poland	Switzerland	Ireland	Israel	South Africa	Austria	Singapore	Belgium	Canada	Korea	France	Philippines	Chile	Turkey	Australia	Argentina	Malaysia	Nigeria	Bahrain
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Alignment of board talent with company's 3- to 5-year strategy	75	77	77	79	81	82	88	72	66	75	83	58	81	53	68	56	91	52	85	84	67	54	96	83	71	52	81
Need for greater diversity of viewpoints/ backgrounds	61	58	63	58	69	62	64	52	56	56	64	49	62	58	71	66	63	72	42	68	71	67	58	71	57	48	81
Business model disruption and other competitive threats	54	55	52	63	52	46	36	65	38	67	54	64	49	61	68	44	47	55	50	72	38	58	67	38	71	57	71
Pace of technology change	34	34	30	34	33	31	31	48	34	43	25	47	38	53	21	38	25	38	23	24	25	46	29	33	29	38	24
Need for international perspective/ experience	30	18	34	29	20	58	44	35	34	37	27	34	27	28	44	47	28	48	58	20	50	46	25	54	14	29	24
Investor focus/ concerns about current board composition	21	21	31	12	25	12	24	17	47	8	17	15	24	25	15	19	22	14	23	16	21	4	8	13	19	43	19
Cyber risk	17	26	8	17	10	4	4	4	12	10	25	26	14	19	12	22	9	17	12	4	8	21	8	4	29	24	0
Other	8	11	4	10	10	4	10	7	13	6	3	6	5	3	3	9	16	3	8	12	21	4	8	4	10	10	0
TOTAL n	2354	798	158	126	105	74	72	71	68	63	59	53	37	36	34	32	32	29	26	25	24	24	24	24	21	21	21

Multiple responses allowed



How satisfied are you that your board has the right combination of skill sets, backgrounds, experiences, and perspectives to probe management’s strategic assumptions and help the company navigate an increasingly volatile and fast-paced global environment?

	TOTAL	United States	China/ Hong Kong	United Kingdom	Brazil	Japan	Colombia	India	Poland	Switzerland	Ireland	Israel	South Africa	Austria	Singapore	Belgium	Canada	Korea	France	Philippines	Chile	Turkey	Australia	Argentina	Malaysia	Nigeria	Bahrain
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Satisfied	36	36	35	39	31	5	40	41	25	48	34	62	38	36	62	31	31	17	46	48	50	42	54	42	29	33	38
Somewhat satisfied	49	48	58	52	52	53	39	44	59	51	56	30	46	56	38	47	53	38	46	40	25	38	33	54	57	29	57
Not satisfied	14	15	7	9	16	41	19	15	16	2	10	8	16	8	0	22	16	45	4	12	21	17	13	4	14	38	5
Other	1	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	4	0	4	4	0	0	0	0	0
TOTAL n	2354	798	158	126	105	74	72	71	68	63	59	53	37	36	34	32	32	29	26	25	24	24	24	24	21	21	21

May not equal 100% due to rounding



In your view, what are the greatest barriers to building – and maintaining – a high-performing board? (select three)

	TOTAL	United States	China/ Hong Kong	United Kingdom	Brazil	Japan	Colombia	India	Poland	Switzerland	Ireland	Israel	South Africa	Austria	Singapore	Belgium	Canada	Korea	France	Philippines	Chile	Turkey	Australia	Argentina	Malaysia	Nigeria	Bahrain
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Finding directors with both general business experience and specific expertise (e.g., technology/cyber security)	69	71	63	82	52	69	61	70	59	81	85	72	84	83	88	72	66	72	42	68	58	33	67	63	81	62	76
Identifying the talent the board will need in 3–5 years	55	60	46	67	56	62	49	49	31	56	58	51	41	31	76	56	66	45	58	64	54	33	75	58	38	24	43
Resistance to change due to “status quo” thinking, i.e., “what has worked in the past will continue to work in the future”	43	40	55	37	42	42	40	61	47	38	34	53	38	44	35	31	31	34	50	32	33	63	29	63	48	38	57
Board culture that does not encourage questioning and open discussion	32	27	39	35	32	28	25	35	26	29	41	26	38	39	21	41	38	34	50	24	21	50	33	29	43	48	48
Lack of robust board and individual director evaluations	31	24	37	17	44	55	40	23	53	25	22	28	32	28	26	31	22	34	19	24	25	58	17	38	29	43	24
Difficulty in removing underperforming directors	29	33	27	17	32	12	33	25	18	32	17	36	24	33	24	25	44	31	54	28	38	29	21	17	24	38	29
Gradual loss of independence (real or perceived) of long-serving directors	21	18	23	17	30	11	24	20	49	21	25	17	27	17	15	13	9	24	19	24	46	29	21	17	14	24	19
Lack of effective onboarding for new directors	11	11	8	10	6	19	21	13	9	8	12	13	3	19	9	13	13	21	4	24	8	0	8	17	10	19	5
Other	10	15	3	17	5	1	7	4	9	11	7	4	14	6	6	19	13	3	4	12	17	4	29	0	14	5	0
TOTAL n	2354	798	158	126	105	74	72	71	68	63	59	53	37	36	34	32	32	29	26	25	24	24	24	24	21	21	21

Multiple responses allowed



To what extent has your board addressed board succession planning?

	TOTAL	United States	China/ Hong Kong	United Kingdom	Brazil	Japan	Colombia	India	Poland	Switzerland	Ireland	Israel	South Africa	Austria	Singapore	Belgium	Canada	Korea	France	Philippines	Chile	Turkey	Australia	Argentina	Malaysia	Nigeria	Bahrain
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Formal succession plan, aligned with future needs, in place and periodically reviewed	14	14	15	21	9	3	7	7	1	38	17	17	5	14	12	0	0	7	8	16	0	8	17	21	19	38	14
Robust board discussion—succession planning in process	17	23	11	37	10	3	14	13	1	25	14	25	24	8	9	16	31	17	8	0	4	4	29	8	10	10	0
Board's future needs discussed only informally or when a board seat needs to be filled	36	37	35	33	25	36	33	41	29	30	39	17	49	56	50	44	38	55	58	52	50	33	33	29	48	19	38
Little or no discussion about board succession	33	25	39	9	56	58	46	39	68	6	31	42	22	22	29	41	31	21	27	32	46	54	21	42	24	33	48
TOTAL n	2354	798	158	126	105	74	72	71	68	63	59	53	37	36	34	32	32	29	26	25	24	24	24	24	21	21	21

May not equal 100% due to rounding



In your view, what are the most effective *mechanisms* to achieving the right mix of skills, backgrounds, experiences, and perspectives on the board? (select three)

	TOTAL	United States	China/ Hong Kong	United Kingdom	Brazil	Japan	Colombia	India	Poland	Switzerland	Ireland	Israel	South Africa	Austria	Singapore	Belgium	Canada	Korea	France	Philippines	Chile	Turkey	Australia	Argentina	Malaysia	Nigeria	Bahrain
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Robust board evaluations—including a process to address gaps and underperforming directors	87	85	84	93	95	95	85	86	91	79	88	81	92	92	88	91	81	86	92	96	83	96	92	83	95	90	71
Formal board succession plans	77	78	75	87	80	84	81	77	50	75	85	83	76	72	88	72	75	79	81	76	71	67	83	63	62	76	76
Tenure limit (years or terms) for individual directors	49	42	47	64	48	51	36	61	47	49	71	38	62	36	59	38	63	34	73	44	42	42	58	46	33	71	43
Monitoring the board's average director tenure	33	33	41	19	31	18	40	21	44	38	32	38	22	44	24	53	28	28	19	28	25	33	25	50	33	24	57
Age limit	22	25	19	6	15	22	33	34	16	38	8	9	16	39	15	25	31	21	12	20	25	25	8	17	24	14	29
Expanding the size of the board	17	18	30	11	15	15	13	13	26	6	8	36	16	14	18	3	6	41	4	20	13	29	17	17	19	19	14
Other	15	19	4	20	15	16	13	8	25	14	7	15	16	3	9	19	16	10	19	16	42	8	17	25	33	5	10
TOTAL n	2354	798	158	126	105	74	72	71	68	63	59	53	37	36	34	32	32	29	26	25	24	24	24	24	21	21	21

Multiple responses allowed



What steps is your board taking to position itself for the future? (select all that apply)

	TOTAL	United States	China/ Hong Kong	United Kingdom	Brazil	Japan	Colombia	India	Poland	Switzerland	Ireland	Israel	South Africa	Austria	Singapore	Belgium	Canada	Korea	France	Philippines	Chile	Turkey	Australia	Argentina	Malaysia	Nigeria	Bahrain
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Currently assessing board's future needs	47	57	48	56	44	31	24	48	37	52	56	23	41	47	38	28	44	31	35	52	38	29	54	29	33	33	24
Actively recruiting for specific expertise/skill sets/perspectives, e.g., technology, cyber, international	45	53	37	57	25	23	51	38	31	52	37	47	49	33	29	31	38	52	54	28	42	38	42	42	29	38	10
Improving board and individual director evaluations to identify gaps	31	28	31	37	47	19	25	38	29	29	41	19	41	33	35	53	28	34	31	32	38	25	21	8	43	43	19
Improving director onboarding and ongoing education	31	28	35	29	28	19	50	42	34	21	34	43	27	39	29	34	50	34	27	36	42	8	21	25	33	48	19
Actively casting a wide net to enhance diversity	29	31	34	34	20	30	13	32	10	25	22	28	46	39	21	19	19	55	31	24	13	33	29	8	24	38	29
Removing underperforming director(s)	16	19	6	14	18	16	19	7	22	17	8	9	14	17	6	9	22	24	19	12	13	17	17	0	10	10	19
Other	2	2	1	2	2	1	3	1	4	3	0	6	3	3	0	3	0	0	0	4	13	4	8	13	0	0	0
None of the above	15	12	15	3	21	28	21	13	21	14	12	15	16	6	24	13	13	0	8	28	17	29	13	33	19	10	33
TOTAL n	2158	798	158	126	105	74	72	71	68	63	59	53	37	36	34	32	32	29	26	25	24	24	24	24	21	21	21

Multiple responses allowed



Additional reading

[Global Boardroom Insights: Building a Great Board](#)

[Global Boardroom Insights: Calibrating Risk Oversight](#)

[Global Boardroom Insights: The Future of Audit](#)

[Pulse Survey: A Board's-Eye View on Strategy and Risk](#)



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Sponsored by more than 35 member firms around the world, KPMG's Audit Committee Institutes (ACIs) provide audit committee and board members with practical insights, resources, and peer exchange opportunities focused on strengthening oversight of financial reporting and audit quality, and the array of challenges facing boards and businesses today – from risk management and emerging technologies to strategy and global compliance.

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