



# Continuous Learning and Training: Basis for Directors' Competencies

6th Meeting of the OECD Network on Corporate  
Governance of State-Owned Enterprises in Asia



# Table of Content

---

- ▶ Why Is It Necessary to Develop Training for Directors ?
- ▶ What Should Be Covered in the Training Programs ?
- ▶ How Should the Training Be Offered ?

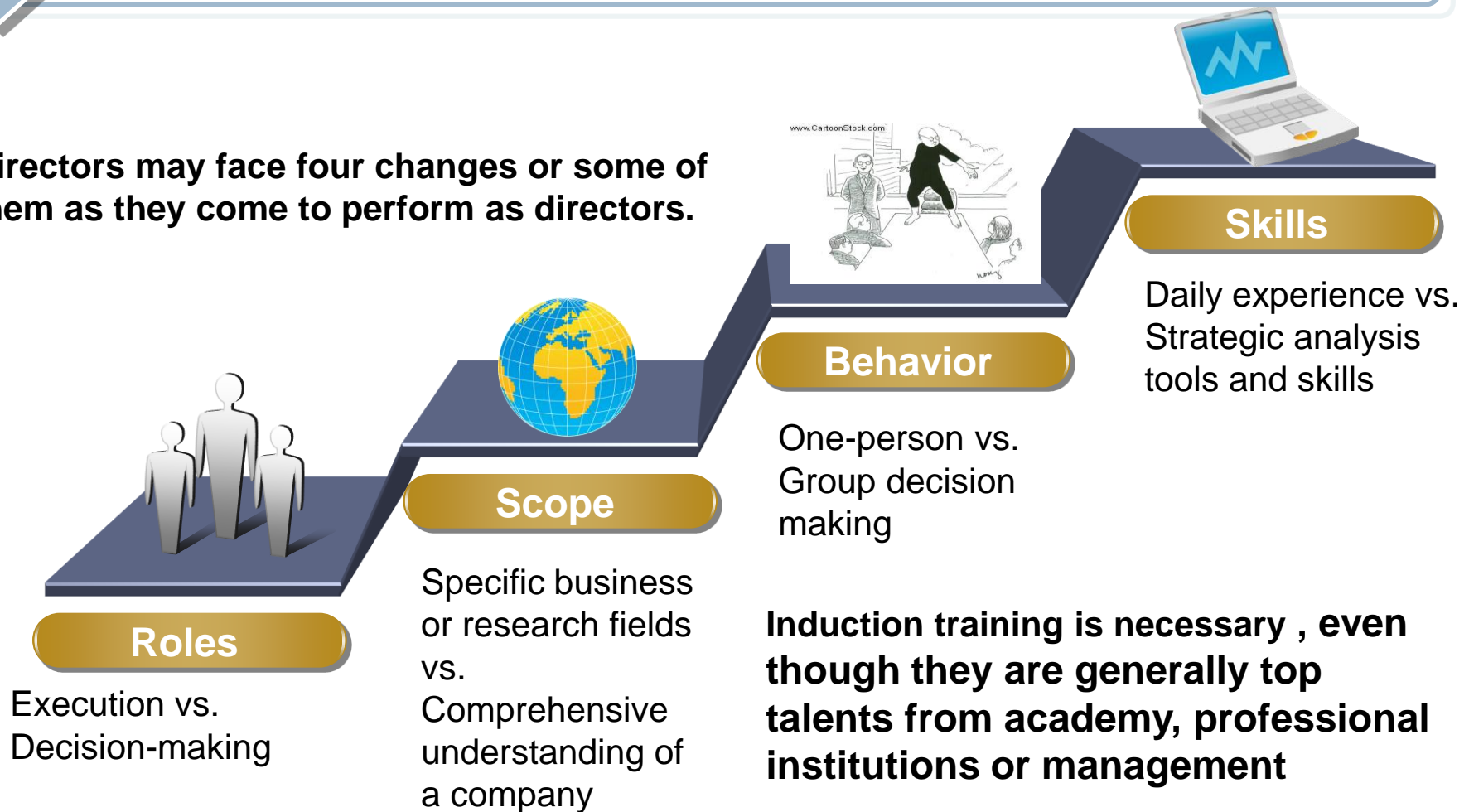


# Why Is It Necessary to Develop Training for Directors?

1

**Capabilities to be a competent director are not possessed by nature**

**Directors may face four changes or some of them as they come to perform as directors.**





# Why Is It Necessary to Develop Training for Directors?

2

**Any once-for-all solution to cope with the changing world?**

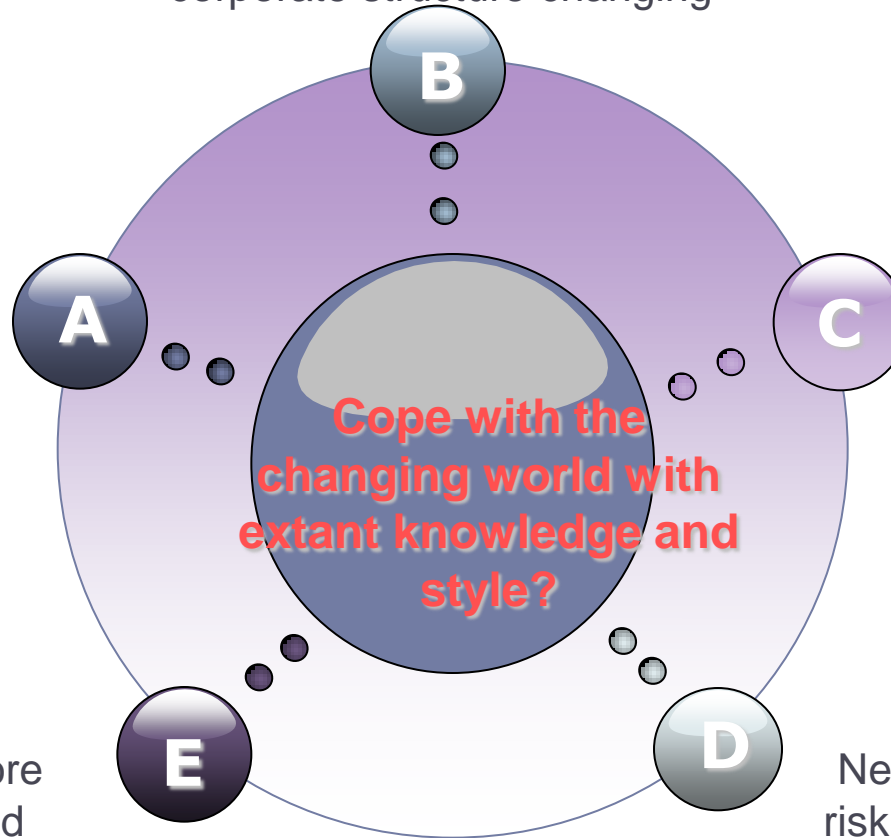
Changing business scope and corporate structure changing

An evolving external environment including techniques, skills and regulations.

New roles of and higher expectation for directors and the board

Challenges in more transparency and CSR

News issues on risk management in post-crisis time





# Why Is It Necessary to Develop Training for Directors?

2

**Any once-for-all solution to cope with the changing world?**

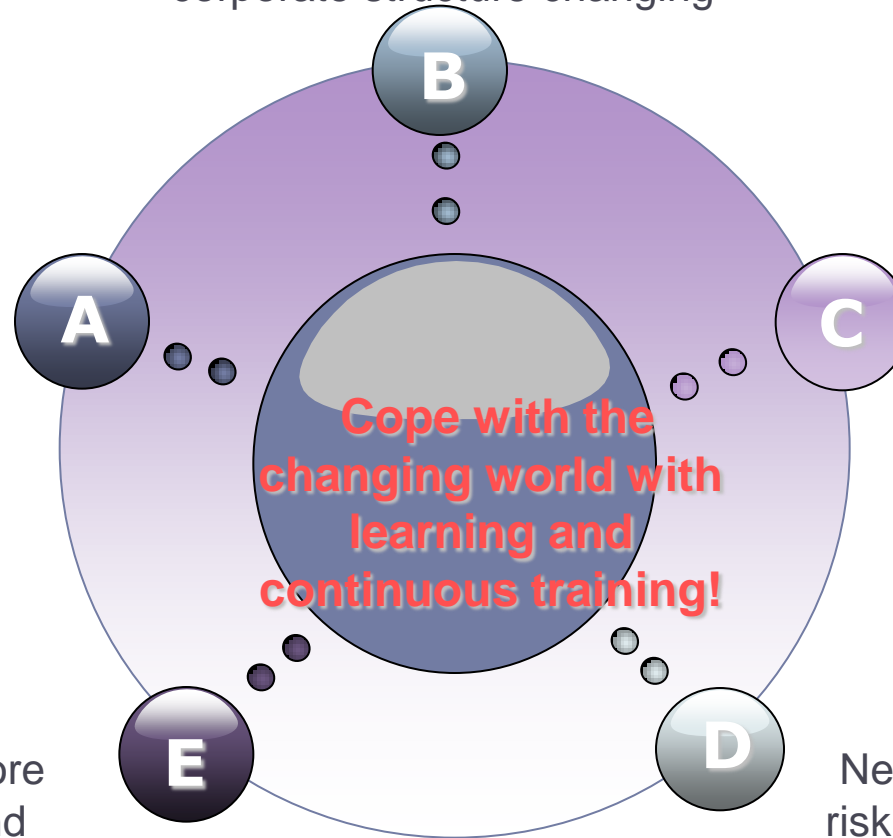
Changing business scope and corporate structure changing

An evolving external environment including techniques, skills and regulations.

New roles of and higher expectation for directors and the board

Challenges in more transparency and CSR

News issues on risk management in post-crisis time





# Why Is It Necessary to Develop Training for Directors?

3

## Case study

Case 1

Induction & continuous training:  
Practice in China

Case 2-1

Not to make decision: Lessons from  
Nortel Networks

Case 2-2

Unable to make decision: Lessons  
from Lehman Brothers

Lack of  
continuous  
training might  
leads to two  
negative ends



# Table of Content

---

- ▶ Why Is It Necessary to Develop Training for Directors ?
- ▶ What Should Be Covered in the Training Programs ?
- ▶ How Should the Training Be Offered ?



# What Should Be Covered in the Training Programs?

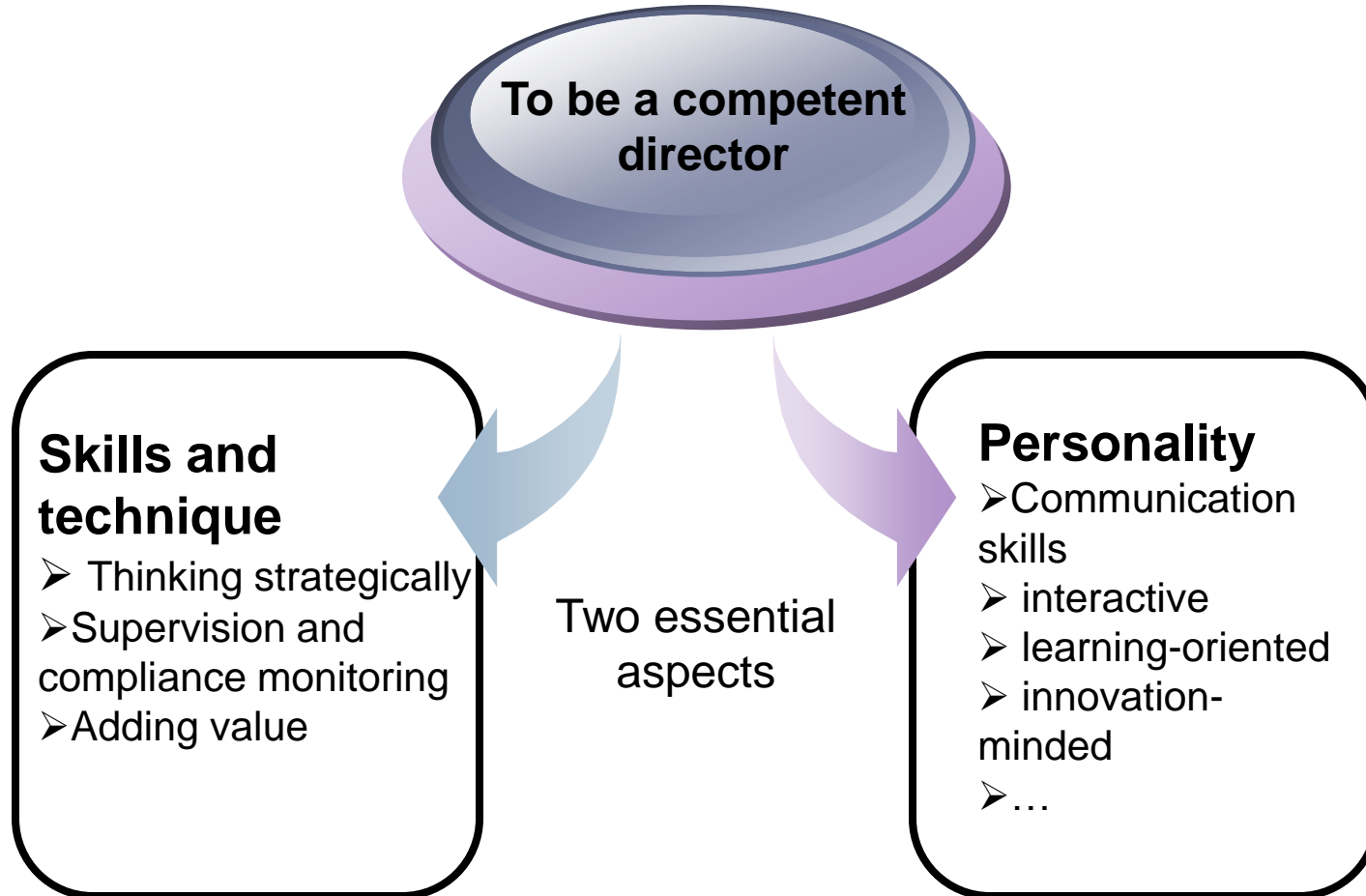


**Training programs should fit demands with different emphasis.**





# What Should Be Covered in the Training Programs?





# What Should Be Covered in the Training Programs?

The training programs for directors should cover, but not limited to

The diagram features a large, light blue upward-pointing arrow in the background. Below the arrow, five circular nodes are arranged horizontally. Each node is a sphere with a gradient and a highlight, resting on a light blue oval shadow. From left to right, the nodes are: a blue sphere with 'Roles of directors', a purple sphere with 'Strategic thinking', a dark blue sphere with 'Skills and techniques', a dark purple sphere with 'Intangible abilities', and a light blue sphere with 'Function of the Board'.

Roles of directors

Strategic thinking

Skills and techniques

Intangible abilities

Function of the Board



# Table of Content

---

- ▶ Why Is It Necessary to Develop Training for Directors ?
- ▶ What Should Be Covered in the Training Programs ?
- ▶ How Should the Training Be Offered ?



# How Should the Training Be Offered?

1

## Be various in forms (1)

### 1) By course

- Professional institutes or consultants
- Academy of Directors or similar associations

## Certification Teaching Courses for Directors

### Course Content

- ▶ Corporate governance
- Professional skills
- New development of the market and industries
- New issues and trends in corporate governance

### Faculty

- ▶ Professors from top universities
- Consultants
- Faculty from director academy

### Certification

- ▶ Director Certification

### Organization

- ▶ Institute of Directors

course



# How Should the Training Be Offered?

1

## Be various in forms (2)

### 2) Self participation

- Directors should participate in designing of training programs
- Training through practice
- Learning from best practice and peers

Learning organization

- Make each director participate in designing training programs to inspire their passions and to build a learning organization

Best-fit director

- Combine professional or general management skills with the business and characteristics of the company

Adapt to changing

- Build a information cycle of “ Application- Feedback- Evaluation –Improvement” by applying theories and professional competencies in daily practice



# How Should the Training Be Offered?

1

## Be various in forms (3)

### 3) Learning from and communications with peers

- Board / corporate governance forum : Platform for directors with different background
  - ❑ Network on corporate governance
  - ❑ Company circle
- Communication and interaction
  - Among the directors and the board of SOEs
  - Between the directors and the board of SOEs and their counterparts in private sectors



• Enhance understanding of roles of directors and the board and improve the efficiency of the board through in-width communication and interaction.



*Thank You!*

中国诚通控股集团有限公司  
China Chengtong Holdings Group Ltd.

[www.cctgroup.com.cn](http://www.cctgroup.com.cn)