Is there a Dearth of Independent Directors in Sri Lanka?

The-Panellists-from-right-to-left;Messrs.-Rizvi-Zaheed,-Asite-Talwatte, -Rajendra-Theagarajah,-Dr.-Anura-Ekanayake-&-Mr.-Preethi-Jayawardena

The Sri Lanka Institute of Directors conducted the 3rd module in its series of panel discussions on 'Contemporary Views on Corporate Stewardship & Boardroom Governance' at the Cinnnamon Grand recently. This was led by Mr. Rajendra Theagarajah CEO, Managing Director of Hatton National Bank with style and finesse.

It was a full house that evening to discuss the 'Effectiveness of the Nomination and Remuneration Committees.' The panel comprised of Dr. Anura Ekanayake Chairman of the Ceylon Chamber of Commerce, Mr. Preethi Jayawardena Managing Director & CEO of Chemanex PLC, Mr. Asite Talwatte Country Manager & Partner of Ernest and Young and Mr. Rizvi Zaheed Director Hayleys PLC.

Theagarajah introducing the topic stated, "There is an assortment of legislation and guidelines in Sri Lanka which helps and assists boards to formulate effective committees. The Code on Best Practice which was developed jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities & Exchange Commission in 2008, the Continuous Listing Rules released by the Colombo Stock Exchange in 2009, the mandatory requirements imposed by the Central Bank of Sri Lanka in Direction No. 2 of the Banking Act of 2007 which was amended subsequently by Amendment Nos. 5 & 8 in 2008. These are the bare minimum and the presumption of Boards is to have these committees perform over and above that minimum."


Mr.-Rajendra-Theagarajah

Talwatte invited to commence the discussion, focused on the principle guidelines on the broader responsibilities of the Board which is laid down in the Code of Best Practices. The Board's first responsibility is to design a sound business strategy. Secondly it must ensure that the Executive Directors and Management Team possess the requisite skills and experience to implement these strategies, next to ensure an effective succession of the CEO and key management personnel, ensure that proper systems of internal control and risk management are instituted, ensure compliance with all laws and regulations, and to ensure that the interests of all stakeholders are safeguarded and the accounting policies are in accord with best practices.


Mr.-Asite-Talwatte

“The Nominations Committee” continued Talwatte “must ensure that both Executive and Non-Executive Directors have the necessary skills and experience in the particular industry and to consider the different expertise such as financial, marketing, legal and operational areas when identifying suitable candidates to the Board. Sometimes the Nominations and Remuneration Committees are combined and to assist them in their functions a subcommittee of all Non-Executive Directors is formed who will then evaluate the type of skills required. Some of the matters considered are, appointments and re-appointments to the Board, regular review of the size, structure and composition of the Board, assessing if the required knowledge is available and consider the need to bring in new blood with changing technology in the industry.”

“It is also important to review the performance of each of the Directors, both Executive and Non-Executive, firstly, on how they function collectively as a Board, and secondly, how they function individually. Other aspects such as; how were they expected to perform and how did they perform? Are there gaps in the skills required, and if so how does one fill these gaps? We need to be more mature to assess performance individually, and a scheme of self assessment should be considered. Multi-Nationals are more adept at this than our local Corporates where the ownership concentration is more” concluded Talwatte.

Zaheed, speaking of the Nominations Committee at Hayleys stated as follows. “It is very entrenched as an institution. The Company has tried to introduce processes into the method of selection, obviously with regard to Non-Executives, but in recent times there have been share holder representative Directors as well. The challenge is on how to maintain a good mix. Although we have tried hard to bring in the processes, the cultural factors too have influenced our decisions. The ideal size of a Nominations Committee depends on the size of the board and would be about 4 or 5 and the Chairman is invariably the Chairman of the Company. Ideally, the Chairman should be a Non-Executive Director as recommended in the SEC guidelines.”

Mr.-Rizvi-Zaheed

Jayawardena declared that in his view the Nomination Committee is one of the most important committees of the Board. “If the right people are on the Board and in top management, then the company should progress. The nominations committee must be fearless, independent and must participate actively. Unfortunately, this does not happen. On many boards the Chairman or CEO proposes some one who will invariably be appointed. A proper selection process is often absent for a quality Board. In my experience from the Boards I sit on, only 2 or 3 people talk and contribute to a discussion with the rest of members of the Board remaining silent. Active participation of the Board is of utmost importance.”

Mr.-Jayawardena

Theagarajah queried as to whether this was because of an ineffective Chairman, to which Jayawardena replied “No, this is because of the absence of a proper selection process. It is essential to have independent, fearless, mature people with proper market acceptance. I served on the Board of a foreign company whose Chairman was a retired Chief Justice of that country, and found that the participation was fantastic. There was active participation of all, arguing and debating matters, but always in the best interest of the Company, and never for personal gains. There was an absence of malice or backbiting which was not the case in some other companies.

“Often a vacancy is filled by the Chairman or CEO suggesting a name and others agree. This may lead to a situation where such an appointee may not wish to go against the Chairman or CEO even where that decision may not be in the best interest of the Company. This is why a proper selection committee is of vital importance. The right people must be on the Board and at top management as it is they, who will look at the succession of senior executives to management.”

Jayawardena addressing the question posed by Theagarajah on how one screens for appropriate candidates before their names are brought to the Nominations Committee stated as follows. “When a vacancy arises, the Nominations Committee must decide on which field it lacks expertise such as the technical or marketing fields’ etc. Then it must view the people in that category and assess them on their qualifications, maturity, experience and market acceptability, and choose the best person. Even if the company has a good system of internal control; without the right people and an effective sub-division of work through coalition there is no point."

Theagarajah asked Mr. Anil Amerasuriya CEO of Union Bank who was in the audience whether in his opinion there was an adequate stock of 'the ideal sort of candidate' in our small market in Sri Lanka today. Amarasuriya observed that in his experience the few names proposed to the Nominations Committee came from within. It is like the Chairman or the CEO proposing the names. "Hence it is people we know rather than it being broad based. It may not be the correct person that we are looking for. I don't think the process is currently carried out properly in this country."

Dr. Ekanayake observed that although skills and experiences were mentioned, the emphasis should be placed on values and the past track record. "Particularly at Board level whilst it is important to pick people with technical expertise, it is more important to pick a person with the right values who can contribute to long term business sustainability. Will this person be able to contribute to the sustainability of the business over a long term? If one examines the major disasters in terms of the corporate collapses over the past 30 years, one sees a recurring picture of CEOs and corporate Boards with men of questionable value systems who compromised the longer term interests of the Company in favour of their own self interest triggering a collapse. Enron is the most widely discussed glaring example, but there are others such as the collapse in the US Savings and Loans Industry in the '90s and the Dotcom collapse at the beginning of 2000. There are parallels in Sri Lanka as well. The point here is that in screening potential candidates for appointment to Boards, one needs to look at the individual's values, whether they stand up to those values, or would they be laid back and not speak up. There may be some who do not contribute to wrong doings, but do not speak up – may be for personal gain. You can't have that kind of person particularly amongst Independent Directors. They must be willing to contribute courageously to debate and be truly independent in thought and speech."

Dr.-Anura-Ekanayake

"I have often heard that bringing in the independent member is often a waste of time as he uses it as an opportunity to study the business, rather than to contribute. What are your responses?" questioned Theagarajah from Jayawardena.

Jayawardena disagreed, saying he would like to have more Independent Directors on his Board, and believes the lesser the number of Executive Directors, the better the governance. He observed that no Executive Director will go against a decision of the Chairman.

Zaheed elaborating on this "I believe that what matters ultimately is to have strong processes. Even in the appointment of members into a Nominations Committee as to whether he can bring an independent view, whether there will be objectivity, the skills available to the person, whether he can exercise a lot of HR qualities in being able to evaluate and so on. What we have been trying to do at Hayleys is to strengthen the processes of succession planning, in order to bring up talent from within the organization and facilitate the Nominations Committee to use that information. So we have a system where one knows the key people next year, and also have an evaluation process for current Executive Directors and even the Chairman.

Talwatte added **"**in situations where the Chairman and CEO are the same, the guidance advises to have a Senior Independent Director who conducts meetings excluding the Chairman/CEO enabling concerns to be drawn out. I will not go into whether this is right or wrong but in the USA it is quite common to have a Chairman/CEO in companies. But again, US has the most number of problems whilst at the same time they have the most number of companies. So it can be a statistical issue and not a governance issue. I don't think it is desirable to be totally prescriptive on one model or the other, but I'm concerned when there isn't adequate executive presence on the Board, as a group consisting entirely of Non Executives with the key management personnel completely outside of the Board, the responsibility is there with no knowledge or control over the business. This presents a great issue as one is responsible to the entire stakeholder group, with a very minimal understanding of the industry. This also opens the possibility of the people below one, moving out of the Company because they have little commitment. So I would hesitate to be very prescriptive of one form or the other."

"In that perspective I would like to add that at HNB, where the Chairman is deemed non-independent as he was the former CEO, (because of the time line he is disqualified from being classified as an Independent Chairman even though he is strictly non executive), an Independent Director has been appointed as the Senior Independent Director, and regular interaction occurs between Independent Directors and key management personnel to make sure there is a balance" added Theagarajah

In reply to Jayawardena's query "If the Chairman had taken a decision at a Board meeting, about which you as CEO dissented, would you have kept quiet and not confronted him?" Theagarajah speedily responded "I beg to differ. I have confronted and continue to confront." Jayawardena replied, "You may be an exception, but it happens often. That is the reality."

"I believe that it is a gradual process. It cannot happen overnight. At HNB over a 5 year period we have brought in an element of independence, and now have more independent members than non-independent members. Today, a new culture has developed where an independent member will question, argue and dissect an issue and at the end of the meeting shake hands and walk out. There are no personal agendas. This process was probably not there five years ago and needs to be encouraged" reported Theagarajah.

"There is a minimum threshold issue currently in Sri Lanka. The corporate sector, particularly the number of registered companies and their depth and breadth is very small. Therefore there is a dearth of people who have hands on experience and a proven track record in corporate level decision making. Therefore in a sense it is a chicken and egg situation. If we talk about it and build awareness and the corporate sector widens, then the talent pool to select from will also expand. The majority of professionals and highly educated people are still in the Public sector. It's only a very small number in the Private sector. So the problems we are having here are stemming from this. More than a cultural issue we have a threshold issue in Sri Lanka and unfortunately when we start selecting people they happen to be connected in one way or another, maybe old school ties, family ties or even club ties. There maybe a greater reluctance to debate, disagree etc. than it would have been otherwise. We need to be careful of taking a culturally entrenched view" cautioned Dr Ekanayake. "

Theagarajah agreed and continuing to take this issue on club and old school tie a step further and relating it to independence, he questioned how one defined independence?

Talwatte fielded the question. **"**I suppose it is a state of mind where the Member is unable to take an unbiased independent view due to his personal relationships, for instance, the 'old school tie' or family connections which may carry 'perceived' obligations. While there would be a moral persuasive aspect of wanting to not have a conflict with that party. If you have a very close relative working in that organization, you cannot be an Independent Director on the board because it is a sort of financial involvement. The most serious would be when they have financial implications. I am sure that in such situations one can still politely and diplomatically express one's situation because there is no particular self interest or benefit one gets. According to the code financial interest is one, relationships is another. A conflict of financial interest may arise where a Director has an interest in, for instance, the supply of goods to the Company. It may also arise where the Member is a material shareholder of the Company, where he would look at maximising his return as against the best interest of all stakeholders. One should not over emphasise the old boy network! I would like to bring in this issue of egos for example the case of a Chairman who has a huge ego and associates any decision as being his own. Whereas business decisions have to be made collectively, in which a Board discusses and comes to a way forward and then one challenges it with experience, how it has achieved market acceptance or success or whatever the case maybe, and then you modify it. You must train people to work as a team."

Theagarajah questioned Zaheed "What is your view of the ideal mix of shareholder nominated Directors and independence in a Nominations Committee?"

"It should be well balanced. Referring to the subject of getting Independent Directors; traditionally people have been looking for directors who have served for a long period of time, people who are close to retirement - the people available pool so to say. It is probably because we keep looking at who is going to retire soon and see if such a person can be invited as an Independent Director. We need to try and change this. The newer companies are taking a lot of younger people which is good. Experience is respected. But I think it is a mindset change that is required where even the older, larger companies need to look at bringing in new blood to the Independent Directors.

"Coming back to the subject of shareholder representation particularly if a shareholder is coming into the Board for the first time, he will first need to secure his interest; therefore enlightened self governance is important. It is up to the Board to institute processes to ensure that there is a fair balance in the representation of both Independent, and Non-independent Directors."

Jayawardena intervened. "I wish to disagree on a small area. Yes, you need young blood. But the stature & dignity of a Board comes with maturity. If you look at most of the top Boards and look at the general age of the people, they are quite experienced, mature people. You may have young members as well but the most important composition should be maturity. That's what I think."

Theagarajah invited comments from participant Mr. Pravir Samarasinghe who agreed that experience and expertise were relevant. As long as a person maintained his judgement, an infusion of new talent including younger persons of both sexes could contribute to better decision making as a result of the diverse talents and points of view, he observed.

"Is there any research done which links effectiveness of these committees to share price?" questioned Theagarajah from participant Mr. Adrian Pereira of RAM Ratings.

Pereira replied "In rating a company, we go through the Board Committees, minutes and in the case of financial institutions, even the Central Bank documentation is examined. I agree there are insufficient Independent Directors in Sri Lanka which is a small country and every one knows every body. The appointment of Independent Directors just for the sake of it does not serve the purpose, no matter how mature or how qualified that person is. We rating a financial institute we found that the bulk of the profits came from one company. On going through the audited accounts we found it to be basically insolvent. Both companies were audited by the same auditor, and he was also an Independent

Director and was also the Financial Director of the Company! So as far as the Central Bank is concerned Independent Directors are there. Whether they are complying with the regulations is a different matter.”

Theagarajah confirmed that this supply & demand gap is a problem in Sri Lanka. “What could be done? I see the representation of various professional bodies here. I see the ICASL, CIMA & SLID. Could any of these bodies act as a coordinating point to identify a potential pool of Independent Directors? In the UK I know that the Institute of Directors has this sort of service.”

Talwatte agreed “It’s a good idea to have a pool of available Independent Directors. I suggest the SLID plays a role, while not recommending, it can classify according to skill, so that potential seekers of Independent Directors may do their own due diligence and select. This will enable the process to be more structured and organized. Currently, the choice is the first name one comes across, and that might be a person one meets often.”

“This is likely to be an acute problem in the future especially as we hope for more professionalism in the state sector too” observed Theagarajah.

Addressing yet another participant Mr. Michael Brightmore, Managing Director of Associated Motorways PLC “You represent a very large family owned U.A.E conglomerate which has now strategically invested in Sri Lanka. How do you look at finding this pool of effective directors in markets like ours?” queried Theagarajah.

Mr. Brightmore replied “It is interesting.” He believed that there is a small almost self perpetuating pool from which Directors are chosen. “I am trying to get young blood in and really encourage them to join this big pool. The older one gets the greater the chance of losing their ‘stature.’ I suggest introducing good processes together with objective measurements that the Nominations Committee may use to judge potential Directors. There is a massive amount of talent here, and I would like to bring in more young people as the next set of active Directors. There is always space for age and experience, and these people will not get to the level you want them to get to without people like yourselves to give some guidance.”

“The answer is that it is up to all of us here to make that first move and give the required encouragement” summarised Theagarajah. Addressing Mr. Anil Amarasuriya again from amongst the participants, “you are on a board that is becoming more and more multicultural. From a non-Sri Lankan perspective how do you see that as a challenge?” he asked.

Amerasuriya replied “It is a great opportunity because one learns best practices in other markets. They bring a lot of experience from other parts of the world, and they are more professional. We have a Director who is supported by 3 or 4 qualified people under him. So it is not a ‘one man show.’ The Strategic Plan is most important to them. The other corporate culture and values they bring with them are also important.”

Dr. Ekanayake adding another dimension queried the depth to which the Nominations Committee should go. “As per the Code, it is about the Board, Executive Directors and the CEO level. I am a member of some of these committees who go below that level. If you go further down, are you taking away the discussion, the quick decision making etc of the CEO and his team?”

Theagarajah felt that the Code was a bare minimum and that the Board may go beyond if it felt it enriched the process and it provided valuable results. “Often the Board will not have an in depth knowledge of the available pool of talent below CEO level. Therefore, it will be good idea to look at the next level from both a succession and continuity perspective."

"That is an excellent idea. At HNB, the terms of reference of the Remunerations Committee, requires looking into not only one level below CEO but goes down 3 levels. They also not only look at people coming up for retirement within the next 12 months, but also look at the mid thirties, and they look at how the CEO manages this pool and how they are moved up. This shared responsibility avoids the possibility of a strong CEO scuttling this process. As long as the pool of sub committee members are there to be constructive and willing to spend time on this process. We are already seeing the value of this through experience from our side" observed Theagarajah.

Zaheed noted that "the issue of how far down the Nominations Committee goes is very situational. The Nominations Committee can determine whether the amount of information available in order to determine & decide on succession and nomination from amongst the board. However, if there is a lack of information, the Committee must ensure that the board processes are in place to look at a talent pool. For example in Hayleys now we have a talent pool available below the board of directors and there are processes that go further down which is tied up to a performance management system that throws up people from a level just below the board. The Nominations Committee has access to this and it helps to look at whether there are people as well as the various remuneration issues, retention, career paths for these people. This talent pool is useful and all Nominations Committees should have access to see that everything is well amongst the succession."

Theagarajah discussing the depth of the Nominations Committee, "We spoke about screening, selecting, recommending and reappointing. Let us move onto removing, for ineffectiveness and non-performance. What does the panel feel about the role of the Nominations Committee in identifying ineffectiveness and having the courage for removal?"

"Unless someone wants to retire or leave, or there is some glaring instance of an act of omission and pressure brought on by the directors, in my experience I haven't seen this" replied Zaheed.

"Except for Executive Directors, who are employees, there is no evaluation process. The question is, do you automatically re-elect or go through a rigorous process of discussion to decide whether the person "adds value". Another important criteria, is whether a person consistently attends Board meetings" added Dr Ekanayake.

Theagarajah reported on an important development that had occurred in the Banking Industry where a "fit and proper" test had been put in place and some members had not been re-elected. "In such instances one might ask what the Nominations Committee has been doing. Have they done what they should have been doing according to their terms of reference?

"When discussing numbers on the Board, it should be viewed in the light of the evolving strategy of the company and the evolution of requisite skills. Some old skills may be redundant." Theagarajah then opened the discussion to the floor for any comments on the role of the Nominations Committee of private companies?

Ms. Shiromal Cooray Managing Director of Jetwing Travels responded. "Ironically family companies are most interested in this process and in getting the teams right. They are genuine about it, whereas most of the listed companies do it for the sake of getting over the requirements of the Central Bank or the listing requirements. Whereas the family owned companies it is not requirement, but they do so because they need good governance. They may not have a separate Nominations Committee, but they make careful selections, and they may not be known parties. They are also more open to younger people. They are more courageous and adventurous because they don't have to answer to many people and are willing to take the risk."

Theagarajah opening the discussion on the concept of two tier Boards, of which Indonesia provides the best examples. "In Sri Lanka we have a few examples where the apex is entirely supervisory and non-executive, with a very strong management at the next level. Any thoughts on its effectiveness here?

Dr.Ekanayake stated that he was aware of one multinational which has a two-tier Board. "This has a statutory Board, and there is a Management Committee which conducts operational aspects. There are global multinationals having a non-executive Chairman and a predominantly non-executive Board with only the CEO of the Company on that Board. However, the actual management is at operational level, and it may be too cumbersome with too many structures."

Talwatte on the two-tier Boards; "Perhaps the larger conglomerates have the Executive Management Committee which drives the business, and the Board which is statutory, with functions reserved for it by law which can be delegated. We have this to an extent in the larger conglomerates, but with a larger presence of executives on the main Board."

Moving on to the Remuneration Committee, Talwatte was invited to comment. This Committee is intended to be entirely non-executive. Its functions are to set the remuneration philosophy, strategy, policies and practices. In terms of philosophies; whether you going to be a market leader and lead this process or are you going to be in the medium end of the market, in terms of strategy; whether it will be fixed, variable, mix of that; and on policies, it would be evaluating the performance etc. It must ensure that the CEO and other Executive Directors' packages are in line with these established philosophies, strategies and practices and if not so it needs to be set up and ensured that they are complied with. The terms of employment also comes within the purview. Super evaluation benefits, anything outside of what is legal, remuneration of the non-executives are also included. How do you evaluate, the terms of employment, contractual governance, notice period and what if they join a competitor? These are things that need to be talked about as well as the non-executives."

Jayawardena adding to the above "In a nutshell the Nominations Committee decides on selecting people. The Remuneration Committee lays down the procedures and the guidelines in order to decide on how we can retain these people. You need to compensate these people adequately. So the main part of the Remuneration Committee is to look around and see if you have selected the right people and to retain them, which is more difficult. They need to see if the proper performance evaluation schemes are in place, the market conditions, the salary service etc. "

Theagarajah perceived two elements from the Executive and the Non-Executive side. "On the Non-Executive side we could link the contribution of the Independent Directors to an effective Board to look at their compensation. Is there any benchmarking done to say what a good Independent, Non-Executive Director should be paid in the local market? The SEC guidelines, say an Independent, Non-Executive Director should not be entitled to performance related pay or compensation. That itself poses a different challenge. On one side you drive them to contribute to the betterment of the board which eventually transcends into better performance. Then the question arises 'are you compensating enough?' How do you do that when you are technically guided by not linking it to the performance of the organization?"

Even though performance related bonuses are not allowed, the board may decide to increase the fees for the Non Executive Directors if the company's performance improves. Conversely when in a bad way, it can decide that 'we are not going that far, and we will come down.' But there is a bigger fundamental issue in fixing the Non-Executive Director's remuneration in that if you make it too small, a person may wonder 'is it worth the while.' If you make it too big 'it might displease the Board, rock the boat too much and you will be asked to go away.' A balance needs to be struck, and the careful selection of the right people must be made. There could be some who will not care about the money but stand up for their principles which is not a problem, but that risk is there" observed Dr Ekanayake.

"At a meeting I attended presided by ADB, observed Jayawardena, "the ADB representative said that ideally a non executive director's fee should be 20% of the salary of the CEO, as the responsibility and risks taken by them are enormous under the Companies Act, some of which cannot be quantified. There is a need to put a value to this. Most companies pay between 10% - 15% of the CEO's salary. Some of the big companies even go up to 30% because of the responsibility that they bear. For this reason we need vibrant directors and not those who would just come and sit at a board meeting and say 'yes sir' or 'no sir'. They need to contribute. The Nominations Committee must see that the right people are there and the best decisions are taken in the best interest of the company, and they need to be compensated adequately.

Theagarajah suggested increasing the awareness of these benchmarks so that shareholders and institutional funds have a better understanding to support such compensation packages and to have a process of regular review.

"The committee that decides the CEO's salary has to be independent. Or else they might put the CEO's salary up in order to increase the salary of the Independent Directors" observed Jayawardena. The ultimate objective is to retain and recognize their good performance in order to perform even at the higher levels. It has to be linked to market mechanism and a system of performance appraisal.

"Most multinationals have well articulated clear appraisals of Executive Director performance, giving a very clear indication as to whether the person is adding value. But the more problematic is the matter on Non-Executive Directors, because at the end of the day the real measurement is the overall corporate performance. Segregating the contribution of the Non Executive Directors, Executive Directors and the CEO who will normally also be an Executive Director will be extremely difficult. So you have this 'free rider problem' observed Dr Ekanayake.

Commenting on another role expected by the Non- Executive Directors; the 'gatekeeper role', Theagarajah suggested that their principal interest should be that of the minority shareholder. The panellists agreed that this indeed was a critical point which not only deals with the shareholder value measures, but also with compliance and risk and failures if any. This is where the role of the non-executive directors as well the sub-committee structure of the bard becomes very important and aspects such as whether you have a risk committee as much as you have the nominations remuneration and audit committees will need consideration.

On being queried on assessment processes prevalent in their respective organisations, Zaheed stated that a comprehensive performance management system runs right through Hayleys, with a system to determine executive performance at the different levels. This is ultimately based on business performance as well as the current year's performance and also the long term behaviours exhibited by directors which influence the remuneration of the said people.

Finally commenting on small and medium enterprises, the panellists felt that there needs to be specific guidelines laid down by the Securities & Exchange Commission for these corporates as well. It was also suggested that the Ceylon Chamber of Commerce could step in to fill this vacuum by creating awareness by getting the regional chambers of the country also involved.

On the whole, the panelists and their leader, Rajendra Theagarajah, handled the session with confidence and style, actively involving the participants comprising of Directors and Senior Managers of Colombo's largest and most powerful firms. Judging by their feed back it was obvious that the team had created a resounding impact on them on the importance and the effectiveness of the Nominations and the Remunerations Committees.

The next module in this series is scheduled for Thursday 24th February on "The Critical Issues for the Board of Directors" at the Cedar Room of the Cinnamon Grand. This module will be lead by the President of the Sri Lanka Institute of Directors Mr. Mahen Dayananda, Former Chairman Ceylon Chamber of Commerce and a very prominent personality in the tea trade, currently Chairman of Total Tea Concepts (Pvt) Ltd, supported by a very high calibre team with Ms Dilani Alagaratnam, President, Legal, HR & Secretarial John Keells Holdings; Ms. Marise Decker, Managing Director Astron Ltd; Mr. Suren Rajakarier, Partner Audit Services KPMG and Mr. Samantha Ranatunge, CEO, Managing Director of CIC PLC.