

Brussels, April 29, 2016- At its annual conference, the European Confederation of Directors' Associations (ecoDa) questioned if ***European Directors are Ready for a Digitalized World?***



Digitalization changes business models. There is a clear need for boards to respond with strategic decisions based on understanding of how digitalization affects their business model. Digitalization has also impacts on the way boards should be shaped.

PRESS RELEASE
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ecoDa's conference addressed those issues from different angles while pointing out concrete corporate examples.

All the speakers agreed that there is a need for the European Union to foster the creation of innovating companies and to generate an environment in which European companies dare to take risks.

As pointed out by Turid Elisabeth Solvang, ecoDa's chair, *"With the speed of change these days, the amount of information can appear as fathomless as the multitudes of opportunities – and threats. For while we consider the opportunities, we need to also keep in mind that the wake of such successes as Uber and AirBNB is also littered with shipwrecks... Which is all the more reason to stay awake and alert on our board watch. As corporate directors we need to retain our curiosity and apply it on an ongoing basis. We need to make sure we stay updated and on top of digital developments. Wise board members are attuned to the times in which they serve. Wise board members are willing and able to adapt their operation to navigate changing circumstances, whilst also understanding that to have a future, they must also dare invest in areas of unknown potential."*

At the conference, a [report](#) from the business school INSEAD and thisfluidworld based on real perceptions and experiences of managers on the ground was issued. Apparently companies need to be clear what digital means for them. There is not one digital solution that fits all companies. On the contrary, it is a true opportunity to personalize the strategy of each organisation.

The survey reveals that a disconnect is emerging between board members and the digital changes underway in organisations. Another survey conducted by Digoshen confirmed that board members are often suffering from competence gap; they need insight in digital developments. As highlighted by Ludo Van der Heyden, INSEAD Chaired Professor of Corporate Governance, *"a disconnect from digital is a disconnect from the business, and thus undermines the board's competence in the governance sphere"*.

To respond to this situation, the solution is not to move in a direction where the boards would be composed of technical experts. As stated by Roger Barker, Senior Consultant, Institute of Directors, *"we need people on boards with business awareness, not digital experts"*.

“What is relevant is to see boards much more tied up in digital and strategic issues. They should not be confined in a compliance exercise” concluded Turid Elisabeth Solvang.

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Notes to editors

About the European Confederation of Directors Associations

The European Confederation of Directors Associations (ecoDa) is a not-for-profit association founded in December 2004 under the laws of Belgium. Through its national institutes of directors (the main national institutes existing in Europe), ecoDa represents approximately 55,000 board directors from across the EU. ecoDa's member organisations represent board directors from the largest public companies to the smallest private firms, both listed and unlisted.

Our membership comprises:

Full members:

- The British Institute of Directors (IoD) <http://www.iod.com/>
- The Belgian “GUBERNA” <http://www.guberna.be/>
- The French “IFA” <http://www.ifa-asso.com/>
- The Luxembourgish “ILA” <http://www.ila.lu/>
- “The Directors' Institute of Finland” <http://www.dif.fi/>
- The Spanish institute “Instituto de Consejeros – Administradores” <http://iconsejeros.com/>
- “The Slovenian Directors' Association” <http://www.zdruzenje-ns.si/>
- “The Polish Institute of Directors” <http://www.pid.org.pl/>
- “The Norwegian Institute of Directors” <http://www.styreinstitutt.no/>
- “The Swedish Academy of Board Directors” <http://www.styrelseakademien.se/>
- “Vereinigung der Aufsichtsräte in Deutschland e.V.”, VARD <https://www.vard.de/>
- The Dutch “Nederlandse vereniging van Commissarissen en Directeuren” <http://ncd.nl/>
- The Italian “Nedcommunity” <http://www.nedcommunity.com/>
- “The Croatian Institute of Directors” <http://www.cid.com.hr/index.aspx>
- The Portuguese “Forum de Administradores de Empresas” (FAE) <http://www.faeonline.pt/>

ecoDa affiliated members:

- The Macedonian Institute of Directors, <http://www.iod.org.mk/>
- The Corporate Governance Institute Albania (CGIA), <http://www.cgi-albania.org/>

Corporate Associates:

- The Danish Board Network <http://www.boardnetwork.dk/>

Correspondents :

- The Malta IoD Branch
- The Cyprus IoD Branch
- Prof. Bistra Boeva (Bulgaria)

ecoDa organized also in close cooperation with AIG and FERMA webinars on [Data Protection, 23 February 2016](#) and [Cybersecurity – 24 March 2016](#)