

Corporate Governance, Sustainability and Risk: Navigating the Post-Pandemic Business Environment

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Executive Summary: Governance & Sustainability Post-COVID-19

Context

The COVID-19 pandemic reshaped global economies, organizational practices, and stakeholder expectations. It accelerated the evolution of corporate governance and sustainability, highlighting the need for resilience, transparency, and stakeholder-centric approaches. Businesses now face heightened regulatory requirements and societal pressure to integrate sustainability into core strategies.

Key Findings

- **Leadership and Compliance** Strong leadership commitment is essential to embed compliance and accountability. Failures in leadership, risk assessment, and incentive alignment remain primary causes of compliance breakdowns.
- **Regulatory Shifts** Governments introduced new sustainability regulations, such as the EU Green Deal and US Clean Energy Standard, alongside disclosure requirements like the EU Sustainable Finance Disclosure Regulation. These measures enforce transparency and environmental accountability.
- **Incentives for Sustainability** Tax breaks, grants, and loans encourage investment in renewable energy, efficiency, and sustainable technologies. Singapore's \$35 million green finance initiative exemplifies regional leadership in sustainability financing.
- **Global Governance Trends** Three scenarios are emerging: maintaining current regulatory landscapes, regional segregation, or convergence toward global standards. The Power Transition Theory of Global Economic Governance provides a framework for understanding these dynamics.
- **Risk Integration** Embedding risk appetite, tolerance, and capacity into governance ensures balanced decision-making. This integration strengthens resilience, safeguards long-term viability, and enhances agility in responding to crises.

Strategic Implications

1. **Shift from Shareholder to Stakeholder Focus** Governance must prioritize broader stakeholder interests, ensuring ethical and sustainable outcomes.
2. **Resilience and Agility** Organizations must build systems that withstand uncertainty, balancing risk management with strategic flexibility.
3. **Transparency and Disclosure** Enhanced reporting standards are critical to maintaining trust and meeting regulatory expectations.
4. **Compliance Culture** Training, communication, and leadership accountability are vital to embedding compliance into organizational DNA.

Conclusion

Post-COVID-19 governance requires a paradigm shift: resilience over short-term profits, stakeholder

interests over shareholder primacy, and sustainability as a strategic imperative. By aligning compliance, risk management, and sustainability practices, organizations can secure long-term viability and thrive in an increasingly complex global environment.

The Role of Good Corporate Governance in Enhancing Sustainable Growth in the Post-Pandemic Business Environment

Good corporate governance plays a critical role in promoting sustainable growth, particularly in the complex and uncertain post-pandemic business environment. By defining clear roles, responsibilities, and lines of accountability, an effective governance framework strengthens risk management, improves organizational resilience, supports long-term profitability, and enhances corporate value for shareholders and other stakeholders.

Corporate governance may be understood as a system of structures, processes, and rules that regulates relationships among key stakeholders, particularly shareholders, the board of commissioners, and the board of directors. Its primary purpose is to ensure that organizations are directed and controlled effectively while pursuing their strategic objectives. Howell and Sorour (2016) [60] emphasize that strong organizational performance depends on the implementation of good governance practices. Accordingly, applying the principles of good corporate governance can contribute significantly to sustainable business development.

The literature on capitalism and business systems highlights the influence of globalization in encouraging local governance practices to converge toward a dominant international model (Cuervo, 2002; Mallin, 2002; Hansmann and Kraakman, 2004) [29][30][31]. Nevertheless, some differences among national and organizational governance systems remain. Governance practices are shaped not only by efforts to maximize efficiency but also by institutional legitimacy and historical path dependence (Gordon and Roe, 2004) [27].

Effective corporate governance requires organizations to manage both risks and opportunities. From a governance perspective, failing to exploit a valuable opportunity can be as damaging as failing to manage the risks associated with it. Kodak's delayed response to the rise of digital photography is a widely cited example of how inadequate strategic oversight and an inability to capitalize on innovation can undermine a company's long-term competitiveness [6].

During the COVID-19 pandemic, organizations faced unprecedented operational, financial, strategic, and reputational risks. Good corporate governance helped companies respond to these challenges, reduce disruption, maintain stakeholder confidence, and strengthen organizational resilience. In the post-pandemic environment, governance continues to support informed decision-making, effective crisis management, and adaptation to changing market conditions.

Corporate governance and corporate sustainability are closely interconnected and essential to the continuity of modern organizations (Aras and Crowther, 2008) [61]. Shrivastava and Addas (2014) [62] argue that corporate governance can improve sustainability performance, while effective governance mechanisms help ensure that management practices align with the interests of shareholders and other stakeholders. Organizations must therefore integrate economic, social, and environmental considerations into their strategies and operations (Morioka and de Carvalho, 2016) [63]. Corporate governance can contribute not only to financial performance but also to improved social and environmental outcomes (Dočekalová and Kocmanová, 2016) [64].

Sustainability has become a central concern for governments, businesses, and civil society organizations worldwide. Its incorporation into the corporate agenda reflects a broader recognition that long-term business success depends on responsible and sustainable practices (Williams, 2010) [65]. As awareness and stakeholder expectations have increased, sustainability has evolved from a predominantly macro-environmental concern into a mainstream business priority (Laine, 2010; Milne et al., 2009) [66][67].

Organizations that align their structures and strategies with sustainable development are better positioned to achieve strong sustainability performance (Escrig-Olmedo et al., 2017) [68]. Policymakers, investors, shareholders, and other stakeholders increasingly expect companies to adopt sustainable practices that strengthen their economic position and create long-term value (Morioka and de Carvalho, 2016) [63].

Numerous studies have examined the roles of corporate governance and sustainability in improving firm performance (Young, 2003; Tornyeva and Wereko, 2012; Makki et al., 2013; Makki and Lodhi, 2014) [69][70][71]. Other studies have focused on the effects of sustainability disclosure on sustainability performance (Goyal et al., 2013; Hummel and Schlick, 2016; Rezaee, 2016) [72][73][74]. However, the findings remain mixed, conflicting, and inconclusive (Trumpf and Guenther, 2017) [75].

These inconsistencies demonstrate the need for a more comprehensive conceptual framework explaining the relationships among corporate governance, sustainability performance, and firm performance. Corporate governance research has often paid insufficient attention to its effects on sustainability performance (Aras and Crowther, 2008) [61] and to the potential mediating role of sustainability performance in the relationship between governance and overall firm performance (Galbreath, 2018) [76]. A better understanding of these relationships would connect previously separate areas of research and provide valuable guidance for business leaders, practitioners, and policymakers responding to evolving sustainability requirements.

Conclusion

In the aftermath of the COVID-19 pandemic, good corporate governance has become increasingly important to sustainable organizational growth. By strengthening accountability, risk management, strategic oversight, stakeholder engagement, and decision-making, effective governance enables companies to navigate uncertainty and respond more successfully to emerging challenges and opportunities. It also encourages the integration of economic, social, and environmental considerations into business strategy.

Organizations that adopt robust governance practices are therefore better equipped to mitigate risk, build resilience, improve long-term performance, and create sustainable value for shareholders and other stakeholders. Good corporate governance should consequently be regarded not merely as a compliance requirement, but as a strategic foundation for sustainable growth in the post-pandemic business environment.

Case 1: Cybersecurity Risk Management and Organizational Resilience

Recent global cyberattacks have reinforced the importance of cybersecurity risk management at board level. Cybersecurity can no longer be treated solely as a technical or operational matter; it must be integrated into enterprise risk management, corporate strategy, regulatory compliance, and business continuity planning. Governments and regulators are also introducing stronger requirements in response to the growing frequency, sophistication, and impact of cyber incidents.

Compliance is a continuous organizational process requiring regular monitoring, evaluation, and improvement. Because governance, risk management, and compliance are closely interconnected, organizations should consider adopting an integrated Governance, Risk, and Compliance (GRC) framework. This approach can improve coordination and information sharing while ensuring that cybersecurity initiatives remain aligned with strategic objectives.

The COVID-19 pandemic demonstrated the need for organizations to prepare for unexpected and rapidly evolving crises. Five principles are particularly relevant to managing cybersecurity challenges over the short, medium, and long term.

1. Foster a Culture of Cyber Resilience

Cyber threats frequently evolve faster than legislation and regulation because the digital environment is highly dynamic. During a crisis, organizations may prioritize immediate operational demands at the expense of cybersecurity, business continuity, and recovery planning. Leaders must therefore keep stakeholders informed and provide employees with regular cyber-resilience training.

Cybersecurity is a shared responsibility across the organization. Security leaders should equip employees to recognize phishing attempts, social-engineering attacks, payment fraud, and other emerging threats. Employees should also understand their personal responsibilities for protecting organizational systems, information, and digital assets.

2. Protect Critical Assets and Services

Cybersecurity leaders should maintain a comprehensive understanding of the organization's critical applications, services, data, assets, and suppliers. This enables management to assess the potential effects of a cyber incident on employees, customers, revenue, reputation, and the continuity of essential services.

Organizations should maintain an accurate and current inventory of critical digital assets. They should also implement layered security controls for remote access to prevent data leakage, identify suspicious activity, and protect remotely connected devices.

3. Make Risk-Informed Decisions During and After a Crisis

Business risks continue to evolve in the post-pandemic environment. Leaders must balance the need to respond quickly to market developments with the importance of making sustainable, risk-informed decisions.

Applications introduced rapidly during a crisis may contain configuration weaknesses, security vulnerabilities, or unresolved defects. Cybercriminals may also exploit weaknesses in an organization's supply chain, including those involving suppliers and other third parties. Organizations should therefore consider adopting a zero-trust security model, under which access requests are continuously verified rather than automatically trusted based on a user's location or organizational affiliation.

4. Update Policies and Continuity Plans

Business continuity and risk management are essential components of organizational resilience. Organizations that focus only on known risks may be inadequately prepared for sudden, large-scale crises.

Continuity plans should establish clear responsibilities across relevant functions and define procedures for managing disruptions. As digitalization expands, organizations should regularly review their cybersecurity policies and align them with applicable regulations, risk appetite, continuity requirements, and strategic priorities.

5. Strengthen Collaboration Across the Ecosystem

Public- and private-sector leaders should collaborate on initiatives that address existing and emerging cyber threats. Organizations should also engage suppliers, service providers, and other stakeholders in developing effective cybersecurity controls and strengthening third-party risk management.

No organization can guarantee complete protection against every cyber threat. Nevertheless, integrating risk management, compliance, and cybersecurity can significantly reduce exposure to fraud and cyber incidents. Cybersecurity leaders must explain how security investments support business value and ensure that cybersecurity strategy aligns with the organization's broader strategy. Effective leadership requires bridging the gap among technical specialists, senior management, employees, and other stakeholders.

Practical Example: Social-Engineering Fraud

While I was working at Huntington Search Partners, a colleague became the victim of a telephone scam and lost approximately SGD 45,000 from her bank account. The scammers offered her an attractive part-time opportunity that appeared to require minimal effort. They persuaded her to use an internet-connected computer, through which they gained access to her banking information and transferred money from her account.

Her bank eventually contacted her and instructed her to stop using the computer, but most of the funds had already been transferred. The incident demonstrated that the organization's security arrangements focused primarily on corporate computers and did not adequately address telephone fraud, social engineering, or employees' wider digital activities.

More effective communication, awareness training, and coordination among cybersecurity, risk management, and compliance functions might have reduced the likelihood or impact of the incident. The case also illustrates how cybercrime can affect employee wellbeing and workplace performance. Following the financial loss, the colleague experienced declining morale and performance and subsequently left the organization.

Case 2: Governance, Communication, and Enterprise Risk Management

Singapore's business environment is highly competitive and fast-moving. Having studied and worked in the financial sector for many years, I have learned that professional knowledge creates organizational value only when it is communicated effectively and translated into practical action.

Communication skills are particularly important for a GRC leader. The leader must understand how different departments operate, identify process and control gaps, and coordinate appropriate corrective measures.

Process-Improvement Example

At Huntington Group, I identified an inefficient practice involving the photocopying and filing of low-value receipts. The process consumed considerable time and generated unnecessary paper waste. Following discussions with management, I developed a finance policy that defined the relevant internal controls and introduced a digital recordkeeping process.

Under the revised policy, paper copies were no longer required for transactions below an approved threshold. Electronic copies were retained in the organization's system instead. This change improved administrative efficiency, reduced paper consumption, and maintained an appropriate audit trail.

Accountability and Delegation

An effective compliance framework requires structures, policies, and procedures suited to the organization's activities and circumstances. Responsibilities should be assigned clearly to departmental heads, who may delegate specific tasks to their employees while remaining accountable for their departments' overall performance.

Employees responsible for key performance indicators should ensure that assigned work is completed accurately, monitored appropriately, and reported to management. This distinction is important: tasks and responsibilities may be delegated, but accountability remains with the designated owner.

Hierarchy of Organizational Objectives

Organizational objectives may be structured across four levels:

1. Corporate and strategic objectives
2. Departmental and functional objectives
3. Portfolio objectives

4. Project and operational objectives

Risk assessment generally proceeds from the top downward, beginning with strategic objectives and identifying the risks that could affect their achievement. Risk management and performance reporting operate from the bottom upward, as operational information is consolidated and communicated through the organizational hierarchy.

Enterprise risk management connects risks at each organizational level with the objectives they may affect. Establishing this structure can be challenging because it requires more than technical risk analysis. It also demands effective communication, sensitivity to employee concerns, and careful management of organizational relationships.

Case 3: Compliance Responsibilities and Organizational Culture

All employees are expected to comply with internal policies and applicable laws and regulations. However, this does not mean that every employee carries the same degree of responsibility for compliance.

Line managers are responsible for establishing appropriate incentives, providing relevant training, and ensuring that employees have the support needed to behave in a compliant manner. The board retains ultimate responsibility for overseeing the compliance-management framework, supported by the compliance function where one exists.

When an employee behaves non-compliantly, the cause may not rest solely with that individual. Non-compliance may result from ineffective management, inadequate training, poorly designed incentives, unclear procedures, or weaknesses in the organization's compliance arrangements.

The Importance of Organizational Culture

Organizational culture comprises the values, attitudes, and behaviors reflected in a company's activities and relationships with stakeholders. The board must promote a culture that supports ethical conduct, sound risk management, regulatory compliance, and long-term sustainability.

A weak risk culture can contribute to organizational failure. Behavioral risks, including misconduct, criminal activity, negligence, and poor decision-making, may result in:

- Fraud and direct financial losses.
- Breaches of laws and regulations.
- Reputational damage and loss of stakeholder confidence.
- Operational disruption and reduced productivity.
- Investigations, enforcement action, and lengthy legal proceedings.

Organizational Assessment in Thailand

In a recent assignment involving a loss-making company in Thailand, the principal shareholder had invested approximately USD 8 million over several years. Assessing the situation required more than a review of financial results. It also involved examining the organization's culture, leadership practices, operating performance, and the chief executive's professional background.

This comprehensive assessment supported a more informed evaluation of the company's challenges and contributed to the successful resolution of the assignment. The experience demonstrated that financial underperformance may reflect deeper weaknesses in governance, leadership, accountability, and organizational culture.

Case 4: Risk Appetite, Risk Tolerance, Risk Capacity, and Strategic Decision-Making

Organizations must understand their risk appetite, risk tolerance, and risk capacity to improve strategic decision-making, governance, internal control, and resource allocation.

Concept	Definition
Risk appetite	The types and overall level of risk an organization is willing to accept while pursuing its objectives.
Risk tolerance	The acceptable degree of variation around objectives or limits established for specific risks and indicators.
Risk capacity	The maximum level of risk an organization can sustain without threatening its long-term financial viability.

Risk Appetite

A clearly articulated risk appetite provides a benchmark for decision-making and helps management balance risk-taking with control. It enables the organization to direct resources toward exposures that exceed acceptable limits and identify situations in which it may be taking insufficient risk to achieve its objectives.

An effective risk-appetite framework can also improve support for risk-management activities because it clarifies the consequences of inappropriate risk exposure and provides guidance for both risk-reduction and risk-taking decisions.

Risk Tolerance

Risk tolerance complements risk appetite by defining acceptable limits for particular risk categories, objectives, and performance indicators. Tolerance thresholds may be established for areas such as health and safety, employee turnover, customer complaints, control effectiveness, financial performance, and operational disruption.

These thresholds provide early warning signals and help management determine when corrective action or escalation is required.

Risk Capacity

Risk capacity represents the maximum level of risk an organization can sustain without jeopardizing its long-term viability. The strength of the balance sheet is an important determinant of risk capacity. Organizations with substantial reserves, stable cash flows, or low debt may generally be able to assume more risk than organizations with limited resources or high leverage.

Risk capacity establishes an outer boundary. An organization's risk appetite should remain within that boundary.

Governance and Strategy

Risk management and corporate governance are closely connected. An effective risk-management framework supports strategy development by helping leaders understand stakeholder expectations, business opportunities, and external threats.

Management is responsible for developing and implementing strategy, while the board must provide appropriate oversight and challenge. The board should not delegate all responsibility for strategy and risk management to executive directors.

An organization's purpose, expressed through its vision, mission, strategic goals, and governance framework, must be clear and widely understood. This clarity enables:

- Employees to understand what they are working toward.
- Investors to evaluate what they are supporting.
- Management to allocate resources effectively.
- The board to oversee strategy and risk appropriately.

Risks, Issues, and Opportunities

It is important to distinguish among risks, issues, and opportunities.

Concept	Meaning
Risk	An uncertain event or condition that may positively or negatively affect organizational objectives.
Issue	An event or problem that has already occurred and requires a response.
Opportunity	A favorable circumstance that may be exploited to create value or improve outcomes.

Understanding these distinctions enables organizations to select appropriate responses and, where possible, transform uncertainty into organizational benefit.

Event-Management Example

While working at KIB, I helped organize an outdoor lunch for customers and guests. Weather forecasts indicated a possibility of light rain, which represented a risk to the event. Preventive measures included installing tents and producing raincoats featuring the company's logo.

When rain began on the day of the event, the potential risk became an actual issue. The contingency plan was activated, and guests were moved under the tents, where refreshments and live music were provided.

The weather also created a commercial and reputational opportunity. A booth was established to sell branded umbrellas and raincoats, with 50% of the proceeds donated to charity. This initiative promoted the company's brand, strengthened its public reputation, and contributed to increased sales during the year.

The example demonstrates how effective risk management involves not only preventing losses but also identifying opportunities arising from uncertainty.

Financial-Planning Example

During my decade in the insurance sector, I was responsible, as Head of Finance, for the annual budgeting process and its related accountability requirements. Revenue forecasts were used to evaluate the company's risk appetite. Where customers requested lower premiums, sensitivity analysis helped determine whether the resulting reduction in brokerage income remained acceptable within the company's risk tolerance.

The expense budget incorporated an appropriate contingency buffer and established the maximum exposure the company could accept. In financial services, risk management is an ongoing process requiring continuous regulatory monitoring, environmental scanning, financial analysis, and attention to

emerging developments.

Case 5: Risk Culture and Organizational Accountability

An organization's risk culture forms part of its broader organizational culture. It reflects collective values, attitudes, and behaviors relating to risk-taking, risk management, compliance, and control.

Elements of Risk Culture

Risk culture encompasses:

- Risk-taking preferences: The level of risk considered appropriate in pursuing organizational objectives.
- Risk perception: How different types of risk are identified, assessed, and prioritized.
- Control expectations: The degree of control and oversight considered necessary.
- Purpose of risk management: Whether it is viewed as a value-creating activity or merely a compliance exercise.
- Governance priorities: The importance assigned to risk governance and regulatory compliance.
- Risk awareness: Employees' understanding of the risks facing the organization.
- Attitudes toward controls: Whether policies and procedures are seen as useful safeguards or unnecessary bureaucracy.
- Organizational learning: Whether risk events are treated as learning opportunities or occasions for assigning blame.
- Openness and reporting: Whether employees feel able to report incidents, emerging risks, and control weaknesses.

Risk culture and risk appetite are closely related. An organization's culture can significantly influence the amount and type of risk it is willing to accept. A highly risk-averse culture will generally establish a lower risk appetite, while an organization that is more comfortable with uncertainty may accept greater exposure.

Neither approach is inherently appropriate in every circumstance. The organization's risk culture and appetite should be consistent with its objectives, obligations, operating environment, and risk capacity.

Climate-Related Risks

Climate change presents financial, strategic, and operational risks. These may arise from physical effects, such as extreme weather and rising sea levels, or from the transition to a lower-carbon economy, including regulatory changes, technological developments, and changing market expectations.

Regulators increasingly expect organizations to identify, assess, manage, and disclose climate-related financial risks. A strategic response is necessary to protect long-term resilience and financial stability.

Allocation of Compliance Responsibilities

Although all employees must comply with organizational policies and applicable laws, their responsibilities vary according to their roles. Line managers must provide appropriate incentives, training, supervision, and support. The board must oversee the compliance-management framework, while the compliance function provides specialist advice, monitoring, and challenge.

Risk management involves employees, managers, functions, and committees throughout the

organization. Although risk management is often described as everyone's responsibility, this statement is meaningful only when specific responsibilities, reporting lines, and levels of accountability are clearly defined.

Recruiting employees with the appropriate competence, integrity, and attitudes is also essential. Employee behavior shapes organizational culture and may either strengthen or undermine the organization's risk and control environment.

Internal-Fraud Example

In 2011, a newly appointed Human Resources Manager reported unusually high printer-toner usage and missing supplies. Each toner cartridge cost approximately SGD 400, making the unexplained consumption a material concern.

I reviewed workplace practices and analyzed three years of toner usage, employee numbers, and printing volumes. The analysis indicated that toner cartridges had been removed without authorization. The investigation identified an Information Technology Officer as responsible. The employee admitted the misconduct and subsequently left the organization.

The case demonstrated how weak oversight, workplace relationships, and ineffective controls can create opportunities for misconduct. It also highlighted the importance of:

- Objective, evidence-based analysis.
- Clear ownership of organizational assets.
- Segregation of duties.
- Inventory records and periodic reconciliation.
- Exception reporting and supervisory review.
- Protected channels for reporting suspected misconduct.
- A culture that encourages concerns to be raised without fear of retaliation.

Risk Perception and Communication

Risk perception is particularly important in health and safety, cybersecurity, compliance, and financial decision-making. Individuals may assess the same risk differently depending on their knowledge, experience, incentives, responsibilities, and personal circumstances.

Effective risk communication should present relevant information clearly, explain potential consequences, and establish appropriate escalation procedures. This helps employees and leaders make more consistent, evidence-based decisions.

Conclusion

These five cases demonstrate that effective risk management depends on the integration of governance, leadership, communication, organizational culture, and internal control.

Cybersecurity resilience requires board oversight, employee awareness, and coordination across the digital ecosystem. Enterprise risk management requires a clear hierarchy of objectives and responsibilities. Effective compliance depends on leadership, incentives, training, and culture rather than employee conduct alone. Strategic risk management requires a practical understanding of risk appetite, tolerance, and capacity. Finally, a strong risk culture requires clear accountability, ethical conduct, open communication, and a willingness to learn from incidents.

Together, these principles enable organizations to manage uncertainty more effectively, protect stakeholder interests, strengthen resilience, and pursue sustainable long-term performance.

Case 6: Corporate Governance, Sustainability, and Board Effectiveness

In November 2022, the Huntington Group, a Singapore-based private equity firm, announced its decision to acquire Futuready Thailand, an insurance broker previously owned by Aegon. The financial terms of the transaction were not disclosed [28]. Separately, Futuready's Indonesian insurance-technology business officially ceased operations, although the reason for its closure was not publicly disclosed [28].

These developments demonstrate the importance of effective governance, risk management, and strategic oversight during acquisitions, business restructuring, and operational transitions.

Leadership Accountability for Risk Management

Organizational leaders are responsible for designing and implementing an effective risk-management framework. They may delegate specific responsibilities to departmental heads, but they remain accountable for the framework's overall effectiveness and outcomes.

Leaders must clearly communicate the importance of risk management and demonstrate their commitment through their conduct and decisions. This principle can be summarized as follows: responsibility may be delegated, but accountability remains with leadership.

In a complex business environment, effective corporate governance is essential for preventing corruption, costly scandals, organizational failure, and systemic breakdowns that could harm shareholders, employees, customers, regulators, and other stakeholders. International governance standards support sustainable economic growth by promoting fairness, accountability, transparency, and responsible organizational conduct.

Strong governance may also improve access to international capital markets and support an organization's long-term sustainability. Sustainable value may take several forms, including profits, operational surpluses, environmental protection, employment, and broader social benefits. Organizations create such value by managing risks and exploiting opportunities that support their purpose and strategic objectives.

The Triple Bottom Line

Corporate sustainability is commonly associated with the triple bottom line, which requires organizations to balance three interdependent dimensions rather than concentrate exclusively on maximizing shareholder wealth.

Dimension Organizational responsibility

People	Protect employee rights, promote fair labor practices, maintain safe working conditions, and contribute positively to society.
Planet	Minimize environmental damage arising from the organization's operations, products, services, and supply chain.
Profit	Create sustainable, long-term economic value for shareholders and other stakeholders.

These dimensions should be incorporated into organizational strategy, risk management, performance measurement, and decision-making.

Ethics and Corporate Responsibility

Organizations should establish clear ethical values and adopt a formal code of ethics to promote responsible conduct. Business ethics, sustainability, and corporate social responsibility should be integrated into the organization's strategy rather than treated as separate compliance exercises.

When an organization establishes an effective governance framework, it is more likely to achieve its strategic objectives and sustain strong performance. To determine whether this is occurring, the organization should define its critical success factors during the strategic-planning process and develop appropriate measures for evaluating progress.

The board is responsible for overseeing corporate social responsibility, sustainability, and business ethics. Directors must consider the organization's long-term viability when making decisions. Where governance weaknesses are identified, the board should address them through director-development programs, performance evaluations, succession planning, and improvements to governance processes.

Common Causes of Board Dysfunction

Based on my experience serving on the boards of insurance companies in Thailand and Indonesia, dysfunctional boards commonly arise from four principal causes.

1. Lack of a Clear and Agreed Vision

Directors must share a clear understanding of the organization's vision, purpose, goals, and strategic objectives. Without agreement on the organization's intended direction, board decisions may become inconsistent, fragmented, or driven by competing priorities.

2. Insufficient Board and Director Experience

Board members should possess appropriate knowledge and experience in corporate governance, strategy, risk management, finance, and the organization's industry. Directors must understand the organization's past performance, current challenges, and future direction. They should also be prepared to participate actively and make meaningful contributions.

3. Misalignment Between Governance and Organizational Complexity

Governance arrangements should evolve as an organization grows. A framework that is adequate for a small business may become ineffective when operations expand across products, jurisdictions, technologies, and regulatory environments. Board composition, committee structures, internal controls, reporting systems, and risk-management processes should therefore remain proportionate to the organization's size and complexity.

4. Conflicts of Interest and Self-Interest

Individuals may join boards for different reasons. Some are motivated by public service or philanthropy, while others may seek professional opportunities or personal benefits. Problems arise when directors allow personal, financial, or other interests to interfere with their duties.

Boards should manage these risks through transparent appointment processes, conflict-of-interest declarations, independent oversight, ethical standards, and appropriate procedures for directors to recuse themselves from relevant decisions.

Future-ready Thailand

Following the acquisition from Aegon in November 2022, Future-ready Insurance Broker in Thailand came under the Huntington Group's control, with Johnson Oh serving as a director involved in its operations. The transition highlights the importance of clear governance, effective leadership, appropriate board expertise, and robust risk management when ownership and operational responsibilities change.

Case 7: Leadership, Emotional Intelligence, and Collaborative Problem-Solving

Leadership style refers to the way a leader directs, motivates, supports, and manages a team. Its effectiveness is influenced by the leader's personality, values, skills, emotional intelligence, and professional experience. Leadership style also affects how strategies are developed, plans are implemented, organizational change is managed, stakeholder expectations are addressed, and employee wellbeing is protected [88][89][90][91][92].

Leaders should regularly assess their leadership style and its effect on others. Employee feedback can help leaders understand how their conduct is perceived and identify areas for improvement. This reflective process enables leaders to strengthen the behaviors required to perform their daily responsibilities more effectively.

Team leaders inevitably encounter operational challenges, interpersonal conflict, and resistance to change. Their ability to respond constructively provides an important test of leadership maturity. Collaborative problem-solving is especially important because most organizational projects require contributions from people with different expertise, responsibilities, and interests.

Throughout my career in finance and business analytics, I have participated in projects involving financial information, insurance-policy data, and analytical systems. These experiences have demonstrated that successful outcomes depend heavily on effective teamwork, clear communication, and the willingness of participants to cooperate.

Consulting Challenge

During one consulting engagement, the team encountered resistance from an employee referred to as Tom. He had developed a data-extraction and transformation process containing substantial business knowledge and logic, but he was unwilling to share the underlying information with the consulting team.

Understanding and improving this process was central to the success of the engagement. However, the brokers had no direct authority over Tom, and his immediate supervisor was unable to resolve the situation. Although meetings were arranged, Tom shared only general insurance code rather than the complete material required by the project.

I decided to address the situation by applying the Behavioral Change Stairway Model (BCSM). The model consists of five progressive stages:

1. Active listening
2. Empathy
3. Rapport
4. Influence
5. Behavioral change

1. Active Listening

Active listening begins with open-ended questions, careful attention, and paraphrasing to confirm understanding. Its purpose is to identify the other person's concerns and emotions without immediately judging or challenging them.

I invited Tom to lunch, where we began with an informal conversation before discussing his reluctance to cooperate. Tom explained that he had worked for the company for ten years and feared that automation would make his role redundant. As the sole provider for his family, he was deeply concerned about losing his employment.

This conversation revealed that his behavior was driven primarily by insecurity rather than hostility or a

deliberate intention to obstruct the project.

2. Empathy

The second stage involves demonstrating a genuine understanding of the other person's circumstances, perceptions, and feelings. Tom's concerns were understandable because the project appeared to threaten his livelihood and family responsibilities.

I acknowledged his concerns and demonstrated an interest in finding a solution that would address both the project's requirements and his employment security.

3. Rapport

Active listening and empathy help establish trust. Once Tom recognized that his concerns were being taken seriously, the conversation became more constructive.

He explained that he did not wish to prevent the project from succeeding but felt compelled to protect his position. Identifying this underlying concern enabled us to focus on our shared interest in producing a successful outcome while retaining the value of his expertise.

4. Influence

Once trust had been established, it became possible to discuss potential solutions. Rather than imposing an outcome, I encouraged Tom to propose alternatives and participate in assessing their advantages and disadvantages.

This collaborative approach gave him a greater sense of control and allowed the discussion to move from resistance toward constructive problem-solving.

5. Behavioral Change

The final stage involves agreeing on a practical solution that encourages the desired change in behavior. We decided to involve Tom closely in the project so that he would become highly familiar with the new data system.

This arrangement recognized his existing expertise while allowing him to develop the skills needed to support the new system. It also reduced his fear that automation would eliminate his role.

Later that day, Tom provided the consulting team with the complete code and table extracts. The team could continue its work, the brokers obtained the required outcome, and Tom became an important subject-matter expert for the new data system.

Leadership Lessons

The case illustrates several important principles:

- Resistance may conceal legitimate concerns. Leaders should seek to understand the reasons behind uncooperative behavior before imposing corrective measures.
- Active listening creates useful information. Tom's concerns became apparent only when he was given an opportunity to explain them.
- Empathy supports problem-solving. Acknowledging another person's position does not require abandoning organizational objectives.
- Trust enables influence. People are more likely to consider proposed solutions when they believe their concerns have been understood.
- Participation strengthens commitment. Involving affected employees in designing solutions can reduce resistance and improve implementation.

- Change should preserve valuable knowledge. Tom's expertise was incorporated into the new system rather than lost during automation.

The BCSM can be useful when a leader needs to secure cooperation, manage resistance, or rebuild a difficult professional relationship. However, it should be applied ethically and respectfully, not as a method of manipulation.

Emotional Intelligence and Teamwork

Leaders represent their organizations through their conduct and decisions. A lack of emotional intelligence can weaken employee engagement, increase conflict, reduce trust, and contribute to higher staff turnover.

Effective teamwork supports efficient and successful project delivery. Organizations need teams whose members possess appropriate technical skills, communicate clearly, understand their responsibilities, and work toward common objectives. Leaders are responsible for creating the conditions in which this cooperation can occur.

Case 8: Global Corporate Sustainability Disclosure

The *OECD Global Corporate Sustainability Report 2024* examined sustainability-related disclosure among listed companies worldwide. The report covered approximately 43,970 listed companies with a combined market capitalization of USD 98 trillion [122].

Almost 9,600 companies disclosed sustainability-related information in 2022 and 2023. Although this represented a minority of listed companies by number, the disclosing companies accounted for approximately 86% of global market capitalization [122].

The report also identified 479 listed state-owned enterprises, representing a substantial share of market capitalization within that category. Of these enterprises, 441 disclosed sustainability-related information in 2022 [122].

Indicator	Reported figure
Listed companies worldwide	43,970
Combined market capitalization	USD 98 trillion
Companies making sustainability-related disclosures	Approximately 9,600
Share of global market capitalization represented by disclosing companies	86%
Listed state-owned enterprises	479
State-owned enterprises making sustainability-related disclosures	441

These findings indicate that sustainability disclosure is especially prevalent among large listed companies and state-owned enterprises. They also demonstrate that sustainability reporting has become an important component of corporate governance and capital-market transparency.

However, the difference between the total number of listed companies and the number providing sustainability-related information suggests that significant disclosure gaps remain, particularly among

smaller companies. Organizations may face difficulties involving cost, limited expertise, fragmented reporting standards, weak data systems, and uncertainty about which sustainability indicators are material.

Effective sustainability disclosure should be:

- Relevant, addressing the environmental and social matters that could materially affect the organization and its stakeholders.
- Reliable, supported by appropriate evidence, controls, and governance oversight.
- Comparable, enabling stakeholders to evaluate performance across organizations and reporting periods.
- Consistent, applying stable methods and definitions unless a justified change is disclosed.
- Connected to strategy, showing how sustainability risks and opportunities influence corporate objectives and resource allocation.
- Balanced, reporting challenges and adverse effects as well as achievements.
- Subject to board oversight, with directors accountable for the integrity of material disclosures.

Conclusion

Cases 6 to 8 demonstrate that effective governance and leadership depend on more than formal policies. Organizations require capable boards, clear accountability, ethical decision-making, integrated sustainability considerations, and leaders who can address human concerns during periods of change.

Case 6 highlights the importance of board effectiveness, risk oversight, and the triple bottom line during corporate transitions. Case 7 demonstrates how active listening, empathy, trust, and collaborative problem-solving can overcome resistance and preserve valuable organizational knowledge. Case 8 shows that sustainability disclosure has become a significant feature of global capital markets, particularly among large listed companies.

Together, these cases illustrate that sustainable organizational success requires the integration of governance, risk management, ethical leadership, stakeholder engagement, and transparent reporting.

Sustainability, Paper Reduction, Digitalisation and Risk Management

Singapore's Climate Challenge

Singapore faces distinctive climate-policy challenges as a densely developed city-state with limited land and natural resources. In the cited data, Singapore ranked 21st among 155 countries and territories for per-capita carbon dioxide emissions in 2021.

Its urban density, dependence on imported resources, and limited potential for some forms of renewable energy constrain its available options. Nevertheless, Singapore can contribute to global climate action through stronger emissions policies, energy efficiency, green finance, sustainable transport, technological innovation, regional cooperation, and climate-resilient urban planning.

Conclusion

Global warming is the long-term rise in Earth's average temperature, while climate change encompasses this warming and the broader transformation of environmental and weather systems. Both are closely connected to major environmental challenges, including pollution, deforestation, biodiversity loss, ocean acidification, food and water insecurity, and soil degradation.

Addressing these challenges requires coordinated action by governments, businesses, communities, and individuals. Effective governance, credible regulation, responsible corporate conduct, sustainable production, technological innovation, and international cooperation are essential. Climate action must combine mitigation, which addresses the causes of climate change, with adaptation, which reduces vulnerability to its unavoidable effects.

The scale of the challenge is global, but meaningful progress depends on decisions made at every level. Delayed action will increase environmental, economic, and social costs, whereas timely and well-governed intervention can strengthen resilience and support a more sustainable future.

1. Introduction: Global Warming, Climate Change and Paper Consumption

Global warming and climate change are having significant effects on the natural environment. Rising temperatures contribute to warmer oceans, melting ice, sea-level rise and increasing concentrations of greenhouse gases. These developments reinforce the need for governments, organisations and individuals to consider how everyday operating practices affect environmental sustainability. [106]

The paper industry is economically important, but paper production and consumption also create environmental pressures. The source material reports that the industry generates more than US\$400 billion in production value and that more than 400 million metric tonnes of paper are produced annually. It also highlights the continuing importance of paper and paperboard packaging and high levels of per-capita consumption. These figures illustrate the scale of global dependence on paper and the potential environmental benefit of reducing avoidable consumption. [106]

2. Paper Usage in Offices and Other Settings

Office environments are major consumers of paper. The recurring benchmark used in the source is approximately 10,000 sheets per office worker per year. The source also states that an average office employee uses about 1.5 pounds of paper per day, while an average American business wastes approximately 21% of the paper it purchases. An office worker in the United States is further reported

to discard around 180 pounds of paper annually. [106]

The source identifies five sectors as consistently generating substantial volumes of printed documents: real estate, finance, healthcare, law and education. Legal work is described as particularly document-intensive, while schools are reported to use approximately 2,000 sheets per day, equivalent to about 320,000 pages over a school year under the calculation used in the source material.

3. Trees, Paper Production and Environmental Cost

The relationship between paper consumption and forestry is central to the environmental argument. The source cites estimates ranging from approximately 8,333 to 10,000 sheets of paper from a standard tree, depending on the assumptions used. It also states that an average office's annual paper consumption may be equivalent to one tree and that different paper products require different quantities of timber. [109]

The source further reports that paper usage has increased substantially over recent decades and cites an estimate of approximately two million trees being cut down daily, with a stated annual total of four billion trees. These figures are presented as evidence of the need to reduce unnecessary paper consumption and strengthen sustainable forestry and recycling practices. [109]

4. Office Printing: Cost, Waste and Operational Efficiency

Office printing creates both direct and indirect costs. According to the source, an average employee prints approximately 10,000 pages per year, or about 27 pages per day, and approximately 17% of those pages may not be used. The source estimates a printing cost of US\$725 per employee for 10,000 pages annually. [110]

Printing also creates hidden operational costs. The source describes printing as a major business expense and reports that document-management inefficiencies can affect revenue, staff productivity and compliance. It further states that many organisations do not adequately track printer fleets or printing expenditure, while print-related support issues consume a meaningful share of IT help-desk time. [110]

Improved print governance can therefore produce financial and environmental benefits. The source cites potential savings of 10-30% from better print-cost management and presents Managed Print Services as one method of reducing hardware costs, output waste, energy use and toner consumption. [110]

5. Illustrative Organisational Analysis Using SGX Data

The source document applies paper-consumption assumptions to selected SGX Group figures for 2023 and 2024. The financial values and employee counts below are retained as presented in the source material. The calculations are illustrative and depend on the assumption that each employee prints 10,000 pages per year at an estimated cost of US\$725 per 10,000 pages. [110]

6. Sustainability Strategy: Moving from Paper-Heavy to Paper-Lite Operations

A realistic sustainability strategy does not necessarily require the immediate elimination of paper. The source supports a 'paper-lite' approach in which organisations reduce unnecessary printing, digitise suitable workflows and retain hard-copy documents where legal, regulatory or operational requirements make them necessary.

A practical sustainability programme should link environmental outcomes to operational and financial data. Management can establish a baseline for paper consumption, set measurable reduction targets, monitor monthly performance and report cost savings alongside environmental indicators.

7. Global Paper Consumption and Climate Risk

The source cites global paper and paperboard consumption of approximately 417 million tonnes in 2021 and a projection of approximately 476 million tonnes by 2032. Packaging is identified as the largest component of global paper and paperboard production. Containerboard is described as the most consumed paper and paperboard type, with 178 million tonnes consumed in 2021 and demand projected to exceed 220 million tonnes by 2031. [121] [111]

The source notes that China became the leading producer of paper and paperboard after the United States had previously held that position. Other major producers identified include Japan, Germany and India. [111] Paper production is associated with deforestation, high energy and water use, air pollution and waste; the source states that paper accounts for around 26% of landfill waste. [112]

8. Climate Adaptation, Renewable Energy and Net Zero

The climate-related material emphasises that global warming creates increasing risks to ecosystems, infrastructure, food and water security, coastal settlements and human wellbeing. It highlights the need for accelerated adaptation and deep reductions in greenhouse-gas emissions, together with stronger protection and restoration of natural ecosystems. [113]

Cities are both centres of climate risk and important areas for climate action. Measures such as green buildings, clean-water systems, renewable energy and sustainable transport can improve resilience while supporting more inclusive development. [113]

The source's net-zero discussion describes a future energy system increasingly dominated by renewable energy. It cites a pathway in which wind, solar, bioenergy, geothermal and hydro provide approximately two-thirds of total energy supply by 2050, with electricity playing a much larger role across transport, buildings and industry. [116] Major investment is also described as necessary for electricity networks, electric-vehicle charging, batteries, hydrogen infrastructure and carbon capture, utilisation and storage. [114]

9. Digitalisation and the Paperless Workplace

Businesses are increasingly adopting digital workflows to reduce dependence on physical documents. The source argues that digital document-management systems can improve efficiency, productivity, accessibility and control while reducing the cost of handling and storing paper records. [124]

A fully paperless environment may not yet be practical for every organisation. Regulatory requirements, customer needs and operational realities can still require printed records. Accordingly, the more achievable objective is often a paper-lite environment: print only where necessary, digitise routine workflows, and use recycled paper and controlled printing practices for remaining physical documents.

10. Employee Behaviour and Financial Impact

Employee behaviour is a major factor in paper consumption. Unnecessary printing increases paper, toner, maintenance and support costs while also increasing waste. The source reports that a significant proportion of support cases are printing-related and that IT teams may spend approximately 15% of their time responding to printing issues. [118]

Behavioural economics can support a paper-reduction programme by making the financial and environmental consequences of printing more visible. Employees should understand that each printing decision contributes to operating cost, resource consumption and waste. Clear default settings, print quotas, approval rules, awareness campaigns and management reporting can help convert this understanding into measurable behaviour change.

11. Business Risk and Governance Risk

Business risk concerns the possibility that an organisation will achieve lower earnings than expected or

incur losses. The source identifies factors such as sales volume, pricing, input costs, competition, economic conditions and government regulation. It also discusses reputational risk, competition risk, business-environment risk and liquidity risk.

Governance risk relates to the structures, processes, information and people through which an organisation is directed and controlled. Effective governance requires clear boards and steering arrangements, sound policies and business models, reliable reporting, defined risk appetite, accountability, transparency and constructive relationships with regulators.

12. Cybersecurity Policy and People-Related Controls

Digitalisation increases the importance of cybersecurity. A cybersecurity policy should address physical security, personnel management, hardware, software, network configuration and the safe use of technology. Physical controls may include secure facilities, locks, surveillance and alarms. Personnel controls should cover password management, confidentiality, personal-data protection, internet use and removable media.

People-related controls are essential because many cyber incidents involve human behaviour. Recruitment controls, HR policies, training and awareness can reduce risks such as phishing, password sharing, loss of confidential information, data theft, unauthorised use of systems and cyberbullying or harassment.

Cybersecurity risk management is an ongoing process. The source recommends integrating governance, risk management and compliance so that organisations can respond proactively to changing threats, regulations and business requirements.

13. Cybersecurity Leadership Principles

The source draws on cybersecurity leadership principles that emphasise organisational resilience, protection of critical assets, risk-informed decision-making, continuity planning and ecosystem-wide collaboration. [127]

First, organisations should foster a culture of cyber resilience in which leaders and employees understand their responsibilities. Second, critical applications, services, assets and suppliers should be identified and protected. Third, management should make risk-informed decisions and prepare for unforeseen crises. Fourth, policies and business-continuity plans should be reviewed as the organisation and its technology change. Finally, public and private stakeholders should collaborate to strengthen the broader ecosystem against emerging cyber threats.

14. Compliance, Risk Management and AML

Compliance should be monitored continuously and integrated into organisational processes. Governance, risk management and compliance are interdependent: weaknesses in one area can increase exposure in the others. Leaders should establish effective risk-management frameworks, delegate operational responsibilities and retain accountability for outcomes.

The source highlights several benefits of an effective compliance programme, including protecting the business, reducing waste and misconduct, improving communication, identifying regulatory changes, supporting reassessment of risk and demonstrating that the organisation has taken reasonable steps to prevent and detect violations. [127]

The source also states that businesses should assess money-laundering, terrorist-financing and transfer-of-funds risks. A risk-based AML assessment can help an organisation understand risks associated with customers and business relationships, establish proportionate policies and controls, make informed decisions, identify exposure to higher-risk or sanctioned jurisdictions and evaluate risk-reduction measures. [126]

15. Conclusion

Global businesses are moving towards increasingly digital operating models, but the transition from paper-based processes is unlikely to occur uniformly across all industries. Education, corporate services, legal work, finance and other sectors may continue to require printing for operational or regulatory reasons. The practical objective should therefore be to eliminate unnecessary printing while retaining controlled paper processes where they remain necessary. [124]

Digital document management can improve efficiency, productivity and accessibility while reducing the financial and environmental costs associated with paper. A successful transition requires organised files, controlled scanning and migration, appropriate cybersecurity, clear retention and access policies, employee training and measurable sustainability targets.

Paper reduction should be treated as part of a broader governance and sustainability strategy rather than as an isolated environmental initiative. Organisations should connect paper-use data with financial reporting, risk management, compliance, cybersecurity and employee behaviour. This integrated approach can help reduce waste, improve operational control and support long-term sustainability.

The central principle is straightforward: understanding environmental and operational risks is not sufficient on its own. Meaningful improvement requires action, accountability, measurement and continuous review.

Appendix A. SGX Figures Retained from the Source

Measure	2024	2023	Source note
Net profit	316,220	285,935	SGX page 11 of 27, point 7
Total assets	3,984,962	3,781,339	SGX page 13 of 27, point 9
Return on assets (ROA)	0.079	0.076	As presented in source
Current assets	2,247,017	2,179,476	SGX page 13 of 27, point 9
Current liabilities	1,238,479	1,638,347	SGX page 13 of 27, point 9
Liquidity ratio	2	1	As presented in source
Company size	1,166	1,123	SGX page 5 of 27
SRD	73	49	As presented in source

Appendix B. Illustrative Printing Calculations Retained from the Source

Measure	2024	2023
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Employees	1,166	1,123
Pages at 10,000 pages per employee	11,660,000	11,230,000
Estimated cost at US\$725 per 10,000 pages	US\$845,350	US\$814,175
Trees (original source calculation)	52,470	50,535

These calculations are illustrative and should not be interpreted as audited measures of SGX Group's actual paper consumption.

Appendix C. Recommended Paper-Lite Implementation Controls

IT policy and procedures: update policies to reflect business structure, regulation, cybersecurity and network requirements.

IT maintenance and cloud services: establish managed storage, backup, recovery and technical-support arrangements.

Business structure and approvals: use authorised digital signatures and controlled repositories for agreements, while retaining hard copies where required.

Finance, HR and compliance: embed document-management requirements into claims, expenses, personnel records, retention schedules and compliance monitoring.

Sustainability reporting: report paper usage, reduction targets, cost savings and environmental indicators alongside monthly management information.

Transition management: organise existing files, create standard templates, scan appropriate hard-copy records and apply access controls before migration. [124]

Appendix D. Citation Numbers Preserved from the Original

The supplied document uses numbered references including [103], [106], [109], [110], [111], [112], [113], [114], [116], [118], [121], [124], [126], [127] and [131]. This rewrite preserves those identifiers where they were associated with the relevant claims. Because the supplied text does not provide a complete, consistently formatted bibliography for every citation number, no missing bibliographic details have been invented.



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