



INSTITUTE OF DIRECTORS-GHANA

**INDUCTION CEREMONY OF NEW DIRECTORS
- INSTITUTE OF DIRECTORS-GHANA**

**ADDRESS BY ROCKSON KWESI
DOGBEGAH THE PRESIDENT OF THE
INSTITUTE OF DIRECTORS, GHANA, ON
THE 14TH APRIL, 2021 VIA ZOOM.**



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INDUCTION SPEECH

Council Members, Fellows and Management of the Institute of Directors, Ghana, our dear inductees, invited guests, ladies and gentlemen, I want to warmly welcome you to this special virtual induction ceremony for our new directors.

On behalf of the Governing Council and Management of the Institute of Directors Ghana and on my own behalf as President of the Institute, I wish to congratulate you all the inductees for successfully completing the training and the orientation program which is a key requirement in becoming a member of the institute.

In a few minutes I will be inducting you into membership of the Institute of Directors- Ghana.

It's always a great joy for me and members of the Institute, anytime we have the opportunity to induct new directors. Not just because it is increasing our membership but more importantly because we are nurturing more professionals to play important roles in the boardrooms and in management positions. Your induction today will increase our membership by 42 new members bringing our total membership to 1,192.

The world is getting sophisticated and high-quality human resource is becoming the number one tool to turnaround companies and



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countries. Companies and countries who have no place for such high-quality human resource in charge of affairs, continue to retrogress. So, if companies in Ghana and Ghana itself, will develop, then we need to place emphasis on getting quality people to be in charge of affairs, otherwise we are going nowhere. Meritocracy is therefore very critical in achieving organizational objectives.

Dear inductees, ladies and gentlemen, Good Corporate Governance is unfortunately rear in our part of the world. Both companies and governments only pay lips service to this all important enabler. So as you get inducted today, consider yourselves as not just advocates but crusaders of Good Corporate Governance. You must be shining examples and also seek to convert as many people as possible to be advocates and practitioners of Good Corporate Governance. Remember as directors, you must create an environment, which gives the employees and managers, the encouragement to fly.

In the part of the world where Corporate Governance is not toyed with, they are taking the conversation a notch higher, by proposing reforms that will make non-executive directors more accountable for what happens to firms, by increasing their exposure to regulatory action. It means that even if you are a non-executive



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director, you could land in jail for actions and inactions of a company on whose board you sit.

I recently read from The Times, the head of the Financial Reporting Council, Sir Jon Thompson, saying that non-executive directors cannot “simply turn up” and “take your fees”. He believes non-executive directors are as responsible as the executive directors. From the article, it is clear that new reforms will soon be made, where directors both executive and non-executive, will be a lot more answerable for the misconduct of companies.

It is therefore crucial, ladies and gentlemen, that we all have a clear understanding, that sooner or later, when someone calls you on phone that he or she wants you to be on a board, it has a far-reaching consequence. Those of us who are on boards only at the Registrar General’s Department records, with absolutely no idea what the firm or company is engaged in, may soon find ourselves on the wrong side of the law.

As an Institute, we will continue to push for Good Corporate Governance and we will also continue to aggressively grow our membership, because we need that critical mass, to change the conduct of business in this country for the better. We also remain



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committed to our strategy and will position the Institute as the foremost when it comes to corporate governance. Specifically, we provide corporate governance services in the areas of training for new and old board members, help organizations to perform board performance appraisals, we provide suitable directors to serve on both public and private sector boards and we advocate for good corporate governance through policy interventions and reforms.

As Directors its important to be aware of some of the key highlights of the New Companies Act that you must comply with;

1. Directors must receive approval for major transactions from share holders.
2. Board Meetings should be held at least once in every six months
3. Directors should ensure that an interest register is kept.
4. Directors' report must include steps taken by the board to build capacity of directors in the discharge of their duties.
5. Directors must appoint qualified persons as secretaries of the company.
6. Directors must ratify pre-incorporation contracts within 18 months after incorporation.
7. Directors are to ensure that Auditors do not hold office for a term of not more than six years.

So, as we congratulate you on this great feat of being inducted as directors, just know the responsibility you carry. As Sir Thompson



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said, you cannot just simply turn up and take your fees, or send your details and be registered as a member of a board, you must be involved in what the company does and be responsible for its actions and inactions.

As you get inducted today, I want to leave you with two admonitions- firstly, to be crusaders of Good Corporate Governance wherever you find yourselves and secondly to know that the world is seeking more accountability from you and you can no longer be a passive board member or director.

On this note, I wish you well in your new and privileged positions and I pray that you will be light and salt to Corporate Governance.

May God bless the Institute of Directors Ghana, and our dear country Ghana. Thank You.