DIRECTORS’ CONSORTIUM

A world-class university partnership providing corporate board members with innovative insights on leadership

DirectorsConsortium.com

CHICAGO BOOTH
September 25–28, 2018: Program Dates
August 10, 2018: Application Deadline
As the role of the director becomes more challenging and demanding, the Directors’ Consortium offers a research-based, comprehensive approach to the complex decisions facing corporate board members. The product of an unparalleled academic partnership between two world-class universities, this program blends powerful ideas and strategic insights to deliver a unique, high-quality learning experience for both new and experienced board members.

Faculty from University of Chicago Booth School of Business, Stanford Graduate School of Business, and Stanford Law School focus their knowledge, research, and expertise to provide a dynamic, cross-disciplinary program about the role of directors in driving and sustaining corporate success in uncertain times. The program addresses the fundamental issues surrounding corporate governance and delivers the latest thinking and empirical research in corporate law, accounting, finance, and board management, offering an integrated approach to investigating governance at both new and established companies. Participants will gain leading-edge strategies, frameworks, and best practices for making crucial board decisions.
WHY YOU SHOULD ATTEND

In the wake of regulatory changes and declining public confidence in corporations, becoming an educated board director has become a necessity, not an option. Now more than ever, directors need to understand their fiduciary, legal, and ethical oversight responsibilities. The bar has been raised for all directors, and boards must now focus on performance, not conformance. Led by world-class faculty, experienced directors, and other experts, participants will examine real-world scenarios and formulate action plans enriched by peer group interactions.

PARTICIPANT PROFILE

This program is designed for current board members of public companies, board members of companies that may be taken public in the near future, or board members of foreign corporations that are or may be listed on U.S. exchanges.

This program offers an engaging, hands-on environment where participants learn about best practices and exchange ideas that will influence the advancement and understanding of corporate governance practices in their organizations.

KEY TAKEAWAYS

- Understand essential questions that board members should be asking management and outside experts about financing, disclosure, governance, succession planning, compensation, and litigation
- Develop frameworks for prudent legal strategies that help boards navigate in litigious environments
- Learn what audit committee members should know about revenue recognition, off-balance-sheet financing, other comprehensive income, and accounting methods and disclosures
- Assess the role of the board in strategy development, evaluation, and evolution
- Understand and benchmark against best practices in corporate governance
- Develop strategies for managing CEO succession and evaluating executive compensation
EXECUTIVE COMPENSATION
To set appropriate compensation plans for corporate executives, directors must understand how incentive structures impact the economic performance of the firm. This session will review typical executive compensation plans and discuss the various factors that compensation committees should consider before approving remuneration arrangements.

DIRECTOR LIABILITY RISK
Serving on a board may expose directors to liability risk. This session is designed to clarify the sources of liability risk for directors, the degree of liability risk they face, and the ways in which they can reduce their risk. Participants will become equipped to ask the critical questions necessary to determine whether their company’s D&O insurance policies and indemnification arrangements will protect them.

LEGAL ASPECTS OF CORPORATE GOVERNANCE
Directors’ legal duties traditionally consist of the common law fiduciary duties of care and loyalty. This session will focus on the application of these obligations in three principal areas of decision making: executive compensation, sale of the company, and conflicts of interest.
FINANCE
Regardless of their areas of expertise, board members must be prepared to ask the right questions concerning financial issues. This session presents financial tools and concepts that directors can use to assess a company’s performance, analyze financing decisions, and understand issues surrounding a company’s valuation.

SHAREHOLDER ACTIVISM
In this session, participants will examine the recent increase in shareholder activism and the associated controversies. It will provide a historical examination of activism and establish whether activists have a short- or long-run orientation in their investment. Using cases, participants will explore some of the choices companies have made.

BOARD OVERSIGHT AND MANAGEMENT: FAILURE AVOIDANCE
Providing oversight of corporate strategy and the business leader’s execution of that strategy is a core board function and key to preventing unhappy surprises. Boards need to know what to monitor and which warning signs require attention in order to avoid brewing failures. This session will help directors spot the strategic, cultural, organizational, and leadership signals that trigger oversight probes and discussions.

AUDIT COMMITTEE FINANCIAL LITERACY
What does “financial literacy” mean in the context of the board audit committee? Is your audit committee financially literate? Are you? This session will explore the levels of independence, financial literacy, and financial expertise required for serving on the audit committee and the mechanisms for achieving those levels, as well as their certification.

STRATEGY
In the high-stakes game of today’s global marketplace, business leaders must successfully navigate a constantly changing and complex environment to ensure that their organization is winning. Board members have the influence to help the leadership team shape, evolve, and sustain competitive advantage.
Enhance your Directors’ Consortium experience with a solid grounding in finance and accounting fundamentals in advance of the program. This optional, full-day session is designed for those with a limited financial background or those who would like a concentrated refresher from a board-level perspective. Participants will acquire a working knowledge of finance and accounting for more informed decision making and gain an understanding of the theoretical and practical principles of accounting and finance in relation to corporate governance. Those who are unfamiliar with basic accounting principles, such as the relations among the balance sheet, the income statement, and the statement of cash flows, should consider attending the Optional Finance and Accounting Day.

The morning sessions are focused on accounting basics, examining the elements and terminology of financial reporting and the various financial statements that define firm performance. The afternoon sessions offer a foundation in the theory and principles of finance and its implications for corporate governance and board decision making.
Program Faculty

This extraordinary partnership between two world-class institutions provides access to the foremost faculty in corporate governance, with a leading-edge curriculum custom-crafted to provide the most current expertise, guidance, and insights for board directors.

Kathleen Fitzgerald

Kathleen Fitzgerald is known at the University of Chicago as a superb educator. She brings a remarkably wide array of experience as an educator and a practitioner to the classroom. She has taught courses in Investments, Corporate Finance, Financial Accounting, Money and Banking, International Finance and Financial Management.

Kathleen also holds the position of Director of Academic Support at the University of Chicago Booth School of Business in Chicago, London and Hong Kong in which she prepares students of Chicago Booth Executive MBA program for the rigors of Chicago’s quantitative approach to finance, economics, statistics, and marketing.

Her professional experience includes auditing and tax consulting at Ernst & Young, LLP and forensic accounting consulting at Chicago Partners.

Steven N. Kaplan

Neubauer Family Distinguished Service Professor of Entrepreneurship and Finance, University of Chicago Booth School of Business

Professor Kaplan teaches advanced MBA and executive courses in entrepreneurial finance and private equity, corporate financial management, corporate governance, and wealth management. He has consistently been ranked as one of the best instructors at Chicago Booth, and Bloomberg Business week named him one of the top 12 business school teachers in the country. Professor Kaplan is the faculty director of Chicago Booth's Polsky Center for Entrepreneurship and Innovation. He is also a research associate at the National Bureau of Economic Research, an associate editor of the Journal of Financial Economics, and serves on the boards of Morningstar and Zayo Group.
Douglas J. Skinner

*Deputy Dean for Faculty and Eric J. Gleacher Distinguished Service Professor of Accounting, University of Chicago Booth School of Business*

Professor Skinner is a leading expert in corporate disclosure practices, corporate financial reporting, and corporate finance, with a focus on payout policy. His research addresses (1) the causes and capital market effects of managers’ corporate disclosure choices; (2) how the legal and regulatory environment affects managers’ corporate disclosures; (3) managers’ incentives to use their discretion in the financial reporting process to manage reported accounting earnings; (4) how stock prices respond to earning releases, especially for high-growth companies; and (5) the determinants of firms’ payout policies. Professor Skinner also has research interests in Japanese accounting, auditing, and corporate governance practices.

Anne Beyer

*Associate Professor of Accounting, Stanford Graduate School of Business*

Professor Beyer’s research focuses on corporate disclosure, information economics and corporate governance. Her recent work examines the properties of financial analysts’ and management’s earnings forecasts, as well as investors’ reaction to earnings forecasts and other forms of corporate disclosures. This work includes studying managers’ and analysts’ incentives to bias forecasts and investors’ inferences about firms’ performance based on earnings forecasts.

Michael Klausner

*The Nancy and Charles Munger Professor of Business and Professor of Law, Stanford Law School, Stanford University*

Professor Klausner teaches and writes in the areas of corporate law, business transactions, and regulation of financial institutions. He has conducted in-depth empirical studies of securities class actions, SEC enforcement, outside director liability, and takeover defenses. He also has done theoretical work on the overall structure and function of corporate law. Prior to entering academia, Professor Klausner served as a White House Fellow in the Office of Policy Development and as a law clerk to Judge David Bazelon and Justice William Brennan. He also worked as an attorney in a private law practice.
“Our program is distinctive because we address issues beyond compliance and analyze critical strategic issues that affect board behavior. Drawing expertise from our unique partnership of business and law schools, we examine the most current issues facing board members today and then develop frameworks to align finance and strategy with decision making and organizational structure.”

— David F. Larcker, Professor, Stanford Graduate School of Business

David F. Larcker

The James Irvin Miller Professor of Accounting, Stanford Graduate School of Business; Professor of Law (by courtesy), Stanford Law School; Senior Faculty of the Arthur and Toni Rembe Rock Center for Corporate Governance at Stanford

Professor Larcker has published many articles and book chapters on topics such as executive compensation, corporate governance, measurement of intangible assets, and strategic business models. He is the coauthor of a recent book, Corporate Governance Matters: A Closer Look at Organizational Choices and Their Consequences. He serves on the editorial boards of the Journal of Accounting and Economics; the Journal of Accounting Research; Accounting; Organizations and Society; and the Journal of Applied Corporate Finance. Professor Larcker received the Notable Contribution to Managerial Accounting Research award in 2001. In 2012, he was named to the NACD Directorship 100 as one of the most influential people in the boardroom and corporate governance community.

For a complete listing of all participating faculty, please visit DirectorsConsortium.com.

“I found the program extremely valuable. The content is current and thought-provoking. The participants are incredibly accomplished. I highly recommend this course to fellow board members.”

— Sophie-Charlotte Moatti, Director of the Board, Opera Software (OPERA:Oslo)
The ideas and strategies that will shape the business environment tomorrow are being formulated and taught at the University of Chicago Booth School of Business today.

Since 1890, the University of Chicago has been a leader and innovator in business research and education. It was the first business school in the U.S. to offer a PhD program, the first to publish a scholarly journal, and the first to offer an executive MBA program.

Since Sweden’s central bank, Sveriges Riksbank, established the Nobel Prize in Economic Sciences in 1968, nine Chicago Booth faculty members have won the award. The most recent winner is Richard H. Thaler, Charles R. Walgreen Distinguished Service Professor of Behavioral Science and Economics, for his contributions to behavioral economics, a field that bridges the gap between economics and psychology. The University of Chicago has 90 Nobel laureates who’ve had some affiliation with the university, either as teachers, researchers, or students.

Booth’s executive education programs offer a blend of academic excellence, rigorous scholarship, and real-world application, providing participants with unparalleled opportunities to expand their horizons and gain competitive advantage.
PARTICIPATING UNIVERSITIES

STANFORD GRADUATE SCHOOL OF BUSINESS
STANFORD LAW SCHOOL
March 26–29, 2019
Optional Finance and Accounting Day: March 25, 2019

Stanford has produced many of the world’s greatest innovators in business and law, including U.S. and State Supreme Court Justices; the founders of companies like Google, Nike, Charles Schwab, HP, Capital One, Gap, and Cisco; and the general counsels of companies like Microsoft, Genentech, eBay, Oracle, and Apple. Participants attending a Stanford executive education program immerse themselves in the vibrant entrepreneurial culture only found in the heart of Silicon Valley. The intentionally intimate learning environment at Stanford is a distinct advantage, enabling faculty and students to interact more closely than at larger schools, while the unique partnership between Stanford’s top-ranked business and law schools offers opportunities to understand broader dimensions of operating in today’s complex business and regulatory environment. Globally renowned for their pioneering research and theory, the faculty members of Stanford Graduate School of Business and Stanford Law School include three Nobel laureates, five members of the National Academy of Sciences, 19 members of the American Academy of Arts and Sciences, and three recipients of the John Bates Clark Medal in economics. Both Business School and Law School faculty have broad experience working successfully with organizations from many different industries and geographies.
Directors’ Consortium

For more information about the program or registration details, please contact Rebecca Meyer, Associate Director, at +1.312.464.8732 or rebecca.meyer@chicagobooth.edu.