2016 BDO Board Survey

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OBJECTIVE:
The BDO Board Survey, conducted annually by the Corporate Governance Practice of BDO USA, was created to act as a barometer to measure the attitudes of public company directors on these and other governance issues.

METHODS USED:
Conducted in September of 2016, examines the opinions of 160 corporate directors of public company boards.

KEY FINDINGS:
- Directors are in favor of proactively addressing the issue of ‘overboarding’ by placing limits on the total number of boards on which a director may serve.
- They are increasingly frustrated with the growing number of disclosures in financial statements, but recognize disclosures about complex audit matters are meaningful to investors and they seem to find the use of non-GAAP disclosures helpful.
- In general, board members are not in favor of communicating with institutional shareholders about incentive pay packages, but those boards that are communicating with shareholders feel it has had a positive impact on their investor relations.
- Cybersecurity continues to take up more and more of board members’ time, as directors report year-over-year progress in cyber-attack prevention strategies and contingency planning for cyber breaches.

CONCLUSION:
- It seems like it has become a trend that many executives are having problems with cyber-attacks. Companies need to focus more time on securing their computers since they have become so important in the workplace.
- While executives are frustrated about the number of disclosures that are needed in the financial statements, they have become a necessity because of the many financial statement frauds that have occurred recently.

Full Report