

Five Questions with CHONG Chye Neo



- Independent director at:
 - Bursa Malaysia (Since 2018),
 - QSR Brands (M) Holdings Bhd (Since 2022)
 - KLCC Property Holdings Bhd (Since 2021)
 - Hong Leong Financial Group (Since 2019)
 - Hong Leong Bank Bhd (2019 – 2022)
- Member, Institute of Corporate Directors Malaysia
- Honorary Member, AMCHAM Malaysia
- Managing Director, IBM Malaysia (2015-18)
- [Chye Neo Chong | LinkedIn](#)

1. From your multiple board experiences, what are your top three observations?

The role of Independent Directors has evolved significantly over the years and is challenging in that while boards do not always have deep insights on business operations, they have fiduciary responsibilities and are expected to play an oversight role to the business and challenge management decisions.

In addition, board compositions are getting more diverse in many ways, including diverse experience, which means that there will be more directors on the board who were not from the industry. However, with a more structured board training program and rigorous attention to directors' competence and contribution, it is expected that directors from diverse backgrounds can hit the ground running sooner.

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Final observation is that the jury on board impact and effectiveness is still out and while progress has been made over the recent years, the current methods and results of board effectiveness evaluation have not been confidently associated with – or predictive of – business performance.

2. What are your comments on the robustness of debate and quality of decision-making on boards, and how can that be improved?

Robustness varies across the different boards. Generally, the directors on the boards I serve are vocal and would not hesitate to put her or his points across. A lot also depend on the quality of information provided by management. A good paper would give the board the key risk and opportunity statements and allow a healthy debate followed by good decision making. A tool I find useful to improve debate and decision making is a risk assessment matrix. A good matrix would list risk and opportunities, in addition to best alternatives.

3. What are the ways for Boards to truly understand the talent and capabilities of the Management Team and what more can be done?

We do regular reviews of critical human resources at the relevant board committees against KPIs and leverage on tools, e.g., 9-box potential vs performance. In addition, where relevant, we also facilitate the mentoring of key resources by board directors, in addition to giving the top talents opportunities to present to the board. At one of my boards, top management talent would be invited to take part in board meetings on a rotation basis.



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4. What are some practical ways to ensure diversity is leveraged to ensure better outcomes?

In my view, one of the critical success factors of diversity is to have enough critical mass to make a difference. For example, women on boards would not be effective if there is just one token woman director.

The same can be said about other aspects of diversity, not just gender. I think that a composition of at least 30% women would be needed to move the needle. In addition, the chairman plays an important role to ensure voices of the minority are not drowned out.

5. What are your perspectives on the understanding of Tech in boards for the business; and also on the impact of Tech on board work and board effectiveness?

A technology savvy board does not require many directors with tech experience. What is important is to have at least one director with tech experience to bridge the tech savvy gap between management and board.

At the boards I serve, I play that role and in two of the boards I also chair a technology board committee where a few directors and expert members are able to debate on tech issues effectively before bringing relevant issues for debate at the main board. On tools for board effectiveness, we currently leverage on widely available collaboration tools in addition to a board meeting solution which allows a paperless and secure means of storing and sharing large documents.

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