

It's Your Business; Your Opinion Counts - The Results



Company Secretarial Services Alert

An overwhelming vote for the Chairman!

We were delighted with the level of response to our recent online Quick Question; it's obviously a subject that Company Secretaries feel strongly about!

Over half of you believe that the Company Secretary should report to the Chairman but CEOs should not be unduly concerned, as some 25% considered that this should be the reporting line, and many of those who voted for the Chairman also felt that there should also be a dotted line to the CEO. And - where the Chairman is a non-exec - there is support for a stronger link to the CEO.

In both cases, many responses mentioned that the remit of the Company Secretary should be taken into account, with the report being to the Chairman on corporate governance matters, and the CEO on operational matters. To put this into context, a significant number of respondents made it clear that the remit of today's Company Secretary should cover – indeed, focus on - key corporate governance responsibility, taking the role beyond that of corporate administration.

However, one – perhaps controversial - response commented that “Normally the Head of Legal, Finance or Compliance to heads up the Governance department so it makes sense for the Company Secretary to report to one of these Heads; the Company Secretary is meant to provide board support in an independent manner and reporting to the CEO or Chairman will blur this.”

On the other hand, several voiced the opinion the Company Secretary should be a stand-alone board-level position, and many commented that the primary imperative is to ensure that the Company Secretary – as the ‘conscience of the company’ - is properly supported in being an effective and influential independent voice.

Thank you to all who contributed.