

DaringCircles

by the Women's Forum for the Economy & Society

#Women4Business

Leading through adversity: Women entrepreneurs and Covid-19

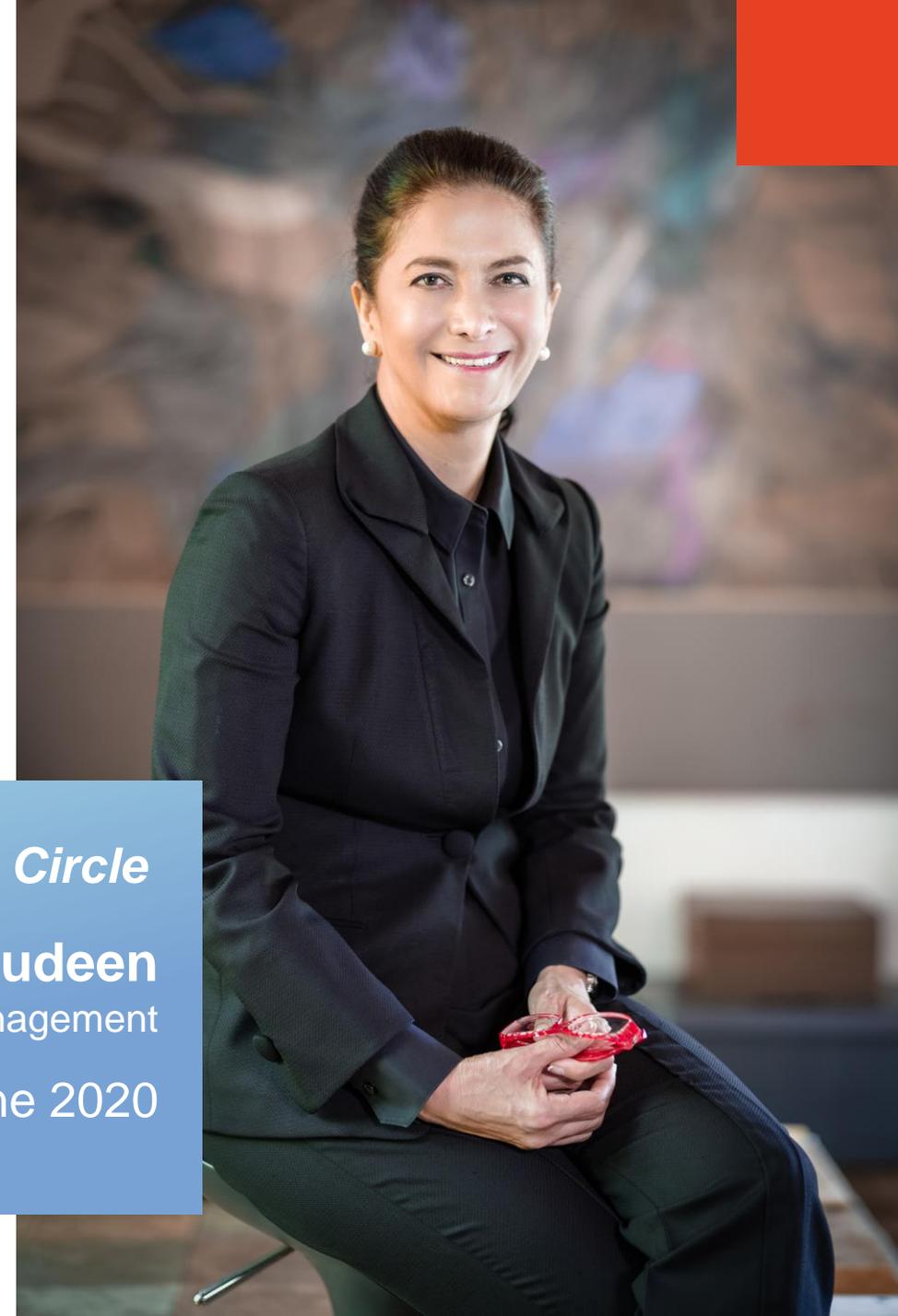
A series of interviews by the Women4Business Daring Circle

Interview with Datuk Shireen Ann Zaharah Muhiudeen

Founder, Corston-Smith Asset Management

 **WOMEN'S FORUM**
FOR THE ECONOMY & SOCIETY

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#Women4Business Interviews

How are women being impacted by COVID-19, and how are they leading to address the challenges faced by others? To learn, The Women's Forum for the Economy and Society is conducting a series of interviews with women entrepreneurs and ambassadors for women's empowerment around the world.

These interviews are unveiling unique insights into the far-reaching impacts of Covid-19, and the diverse ways these inspiring women are responding to the crisis with leadership and innovation.

Beyond recovery: designing an inclusive world

In the face of the new reality instilled by this pandemic, we are bound together more than ever. Let's dial up our solidarity as we design an inclusive recovery: for the women who continue to be disproportionately affected, and for everyone else who needs their leadership and positive impact. This crisis has reminded us of how critical our work is: of the urgent need to reshape the world together, driven by our **common purpose** to accelerate inclusive progress.

We care. We share. We dare.

Datuk Shireen Ann Zaharah Muhiudeen, Founder Corston-Smith Asset Management

Datuk Shireen Ann Zaharah binti Muhiudeen is the founder of Corston-Smith Asset Management. She set up Corston-Smith after 12 years with the global insurance company, AIG. In all, she has more than 30 years of focused fund management expertise. In recognition of her work in the industry, she was named one of the 25 most influential women in the Asia-Pacific region for asset management by Asian Investor in 2011, and she was honoured by Forbes Asia as one of the 50 Asia's Power Businesswomen 2014. Datuk Shireen is a former Non-Executive Chairwoman of Bursa Malaysia, and a member of the International Advisory Panel for Labuan International Business and Financial Centre.

As a woman working in the finance industry - a sector reputed to be very male dominated - have you faced any gender-related challenges in your career?

I have more than 30 years working experience in the Finance sector, so the answer is a firm yes. I have faced many gender-related challenges in my career, which I know only happened because I am not 'one of the boys'. I am quite sure I am not alone in this. There are many of us women who have been penalised just because we are firm in our views and we want more discussion - which generally is tied to being a woman. However, I do emphasise the word *generally*, because I have also met and worked alongside many outstanding men colleagues.

How did you overcome these challenges in your profession?

As a woman who has moved into various leadership roles, I learned how to keep focused on the issues at hand. My approach has been to take the personality out of the equation and look only at what is being discussed at the table.

I find this helps to ensure there is 100 percent focus on what needs to be done. This leads me to the next aspect which is being flexible and adaptive in your decision making. At times, you do need to be flexible enough to tweak your decisions and do as best as you can to adjust these quickly.

Finally, I recommend having a few key individuals with the required expertise that you can depend on. Having accountants, and legal counsel is always a must. You can expand your circle to include other specialists depending on what specific industry you are in.

One of the areas that I have spent more than two decades looking at is how certain companies are run better than others, not only more profitably but as better corporate citizens. My interest has been focused on Environmental, Social and Governance (ESG) investing since the late 90's, during the 1997-98 Asian Financial Crisis. I could see why certain companies survived and why certain companies and sectors did not. This taught me a huge number of lessons on corporate survival, which helped me steer through the subsequent crises that world markets have had to face over the decades.

Soon after the Asian Financial Crisis, I started exploring the leadership roles of corporate boards, embarking on three research projects on companies listed in South East Asia. Together with my team, we reviewed over 3000 companies, exploring eight variables and evaluating performance. The evidence that emerged was clear; the way to mitigate the downfall in companies is to avoid 'groupthink'. Following on from that, avoiding groupthink on corporate boards means each of your board members must have the right skillset, diversity and relevant experience to ensure the strategy for the company going forward is viable. The time to have generalist board members is over. That is not good enough in the competitive environment of today.

The research project on women participation's on corporate boards, as a strategy to avoid groupthink, took on a life of its own. I shared the results of the research project in my popular newspaper column, and this was picked up in 2011 by the then Woman's Ministry that understood the merits of having more women on corporate boards. The research findings were also presented at the Johns Hopkins University Global Conference on Women in the Boardroom, and at the 2012 World Bank General Meetings of the IFC, and the World Bank Group in Tokyo. My views on the avoidance of groupthink continues, as it fits within my wider view that we need to raise the bar for ESG investing and compliance by companies. I must highlight that I do not believe in the boilerplate or the template approach that many companies have adopted as part of their ESG compliance today.

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How are markets in Malaysia being impacted by COVID-19, and what do you see as the biggest challenges emerging now and in the future?

My guidance would be to assume that this economic environment is not like 1997-'98 Asian Financial Crisis, or the 2000 dot com crash, or the 2007-'08 Global Financial Crisis. I had to reflect when I was asked if I thought that this was going to be like the '07-'08 Global Financial Crisis. The answer is a clear no. This crisis is far deeper and wider.

Covid-19 is also an economic pandemic, which is best understood by breaking the issues down. I will start with Environmental, Social and Governance (ESG) issues that all companies will face with this economic shutdown. In this situation, you have an E (Environment) faced by the challenge of not being able to gather people together. You must list down all those sectors and companies that will be impacted by this new normal. Certain sectors will never recover due to the length of time it will take to have a vaccine well entrenched into our global family. Then you have the S (Social) issues which are of course the impacts on workers themselves. These would be under the wide umbrella of health costs, and legal costs for many reasons.

Finally, the G (Governance) issues which is of course the building block for E and S. Governance will have multiple issues. Strategic planning, cost controls, having to say goodbye to R&D as the focus will be survival and cash operating activities. The list is quite long but I am sure you know where I am heading. Cost to income ratio (CTi) will be the core theme for survival, which I learned in the '97-'98 Asian Financial Crisis that is how you will survive the economic disruption this pandemic brings.

There will be of course the opportunity to improvise if you have a unstretched balance sheet. And the key to surviving this virus is that you need to be flexible enough to reinvent yourself quickly, looking for 'first-mover' advantage. This situation will not be forever, and we must remember that investors have short memories.

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What key message would you like to share with other women leaders at this time?

My message to other women leaders is that during this time of uncertainty - especially in areas where there is not enough protection for women – is that we have to do more to act together. Not just have platforms or conferences to highlight the issues, we need to have some ‘muscle under the bonnet’ to start making some serious changes. So that at times of crises like COVID-19 women do not become the natural collateral damage. We all need to stand together, stronger and louder, to ensure that more thought goes into any decision that will impact women around the world.

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The Women4Business Daring Circle is a global coalition of partners, with an ambition to promote and accelerate women's economic empowerment in business and supply chains.

The Daring Circle is led by P&G, in collaboration with BNP Paribas, Bouygues, Exxon Mobil, Johnson & Johnson, L'Oréal and Publicis Groupe. The Circle is supported by Knowledge Partner AT Kearney, Insight Partner Clifford Chance, and Institutional Partners WEConnect International and UN Women. Expert Partners include Accenture, BY.O Group, founder of Catalyst at Large Suzanne Biegel, HEC, senior expert in gender Meg Jones, and founder of the Global Business Coalition for Women's Economic Empowerment Linda Scott.