

## **Internal Corporate Governance: What SOX doesn't say, SEC won't know & ISS can't see**

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Abstract: In the wake of Enron and SOX there is considerable attention placed by corporations and corporate Boards to ensuring good corporate governance. But much of it has been focused on external corporate governance dealing with policies, procedures and actions that are needed to either comply with regulatory requirements or attain good scores from rating agencies that monitor companies and advise investors. While such external corporate governance is essential and advisable, they mostly pertain to ensuring that shareholder value is preserved and not destroyed.

In contrast, we will focus on internal corporate governance, a concept whose goal is to create shareholder value through good governance practices. Our focus will be on the kind of practices and culture that Boards, the CEO and the senior executive team should put in place in public corporations so that transparency and stewardship are promoted throughout the organization. We will offer specific tactical tools that can be implemented by the CEO and/or the Board. We will demonstrate how such transparency actually creates shareholder value.

Internal Corporate Governance is about what SOX doesn't say, SEC won't know and ISS can't see. Yet, it is the logical next step for corporations that wish to create shareholder value through corporate governance.