

AT & T's Corporate Governance

AT&T's board of directors adopted specific corporate governance guidelines to create a united front on how its board should perform its functions. The guidelines dictate board composition and selection, director responsibilities, committees and their responsibilities, compensation, continuing compliance education, management succession, public interaction, and a stringent code of ethics policy. Specifications include elements such as board size and specifics on how and when nominees are to be selected, which also include qualification requirements. AT&T believes that individual accountability means having well-defined plans in place to ensure that each position in the company has appropriate accompanying descriptions and duties.

Additionally, AT&T's Code of Business Conduct policy provides guidelines to enable employees to make responsible and ethical decisions. Annually, employees are required to sign an acknowledgement stating they read and understood the code. Violations to the code may result in disciplinary action, including dismissal. Under the Code of Business Conduct, Employees are expected to comply with applicable laws and regulations governing the industry in every country of operation. Employees are required treat customers with courtesy and respect, while maintaining consumer and employee privacy, as required by law. At all times, employees are expected to provide full and accurate disclosure of corporate data, including financial results. They must also ensure that company property is used appropriately and only for the benefit of AT&T, its customers and stockholders. Finally, employees are required to adhere to federal securities laws and refrain from buying or selling AT&T stock, including the stock of any other company, based on information that is not yet disclosed to the public (AT&T, 2007).

Companies can learn from this example, and can restructure its board to effectively absorb and accommodate regulatory compliance standards and keep up with impending changes. The development of corresponding committee assignments, agendas and reports will create a system of checks and balances that will alleviate compliance issues.

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