

PORTUGUESE BUSINESSES INCREASINGLY RECOGNISING THE IMPORTANCE OF CORPORATE GOVERNANCE

Posted on 21/12/2018



Category: [Corporate](#)



Corporate governance is becoming a major part of the daily life of Portuguese business, as more and more companies recognise its importance, and this has resulted in a corresponding increase in work for law firms, says Anabela Gonçalves Ferreira, partner at AAA Abogados.

"Good governance must be a goal for all businesses and companies, since it is part of our citizenship and social conscience," says Ferreira. "Corporate governance, in its essence, governs this citizenship by valuing integrity, objectivity, accountability, responsibility, transparency, honesty, leadership capacity and learning by example, and that is ultimately in the collective interest."

Law firms are being contacted by an increasing number of clients that are looking to implement corporate governance procedures, Ferreira says. With increasing public awareness of the issues, clients are beginning to understand that corporate governance does not just apply to listed companies, as it has huge benefits for all businesses. By implementing an effective corporate governance framework, Ferreira argues, companies are increasing their chances of avoiding legal

and ethical missteps that could cause significant problems in the future. Taking such a step will also “boost a company's reputation and competitiveness in the market”, she adds.

So, what should lawyers bear in mind as a more diverse range of clients look to tackle corporate governance for the first time? In Ferreira's view, the need to appreciate the unique features and culture of every company and its sector is crucial. “The risk of imposing a one-size-fits-all approach is that it may potentially undermine the companies' capacity to innovate,” she says. Law firms must help to ensure corporate governance laws are thoroughly understood across the organisation and become the norm.