

The Boardroom

SEE WHAT MATTERS



INTRODUCTION – BOARD INTELLIGENCE

Our aim is to help boards have better conversations

We provide software tools, advisory services and training to help organisations prepare reports that focus on the key issues and make informed decisions.



INTRODUCTION - QUESTION

What do you consider the **role** of
the **board** to be?

INTRODUCTION - AGENDA

1. What's the role of the board?
2. What challenges do boards face?
3. How can you influence the board?

PART ONE

What's the role of the board?



ROLE OF BOARD

Effective

- The 3 Is of an effective board:
 - Individuals
 - Infrastructure
 - Information

Entrepreneurial

- Owner-manager *vs independence*
- Calculated risk taking
- Questioning how things can be done better

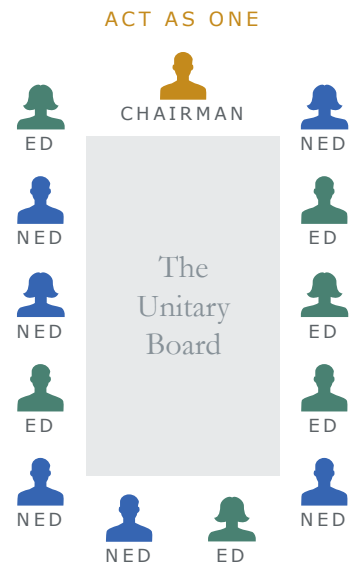
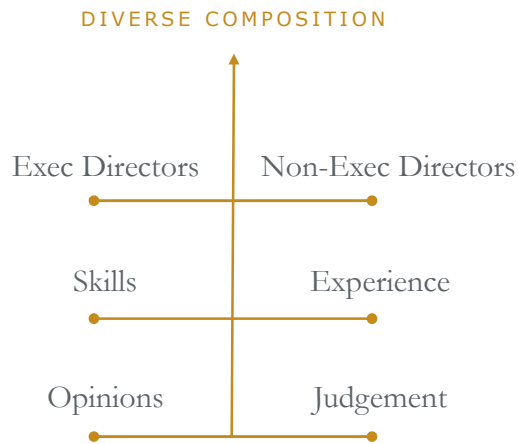
Prudent



Long term

- Going concern
- Balanced outcomes, not just financial
- Balanced interests, of multiple stakeholders

1. ROLE OF BOARD – THE UNITARY BOARD



ROLE OF BOARD – COMPOSITION

DIVERSE COMPOSITION

- Diversity of thinking
- Constructive challenge
- Support management

ACT AS ONE

- Shared purpose and priorities
- Consensual decision making
- Collective responsibility

1. ROLE OF BOARD – SIX CONVERSATIONS MODEL

6 Conversations

The ‘Six Conversations’ model helps to clarify your board’s priorities which in turn lays the foundations for an effective board pack.



1. ROLE OF BOARD – QUESTION

How much **time** do you think boards typically spend on:

% steering
% supervising

1. ROLE OF BOARD - QUESTION

How can the **quality profession** support the board
in its role?



PART TWO

What challenges do boards face?



STEERING CONVERSATIONS

What **challenges** have you seen boards face?

STEERING CONVERSATIONS

Challenges for boards:

- **Directors Duties:** Ensuring they are fulfilling their requirements under the Company's Act, Corporate Governance Code etc.
- **Consideration of wider impact:** on society, environment, the customer etc.
- **Understanding the business:** the culture, how people behave when no-one is looking.
- **Having the right information:** to see what is happening within the business.

BOARD ROLE – COMPANY'S ACT

Section 172: Duty to promote the success of the company

A director of a company must act in the way he considers would be most likely to promote the success of the company for the benefit of its members as a whole.

Directors should have regard to:

- the likely consequences of any decision in the **long term**
- the interests of the company's **employees**
- relationships with **suppliers, customers** & others
- the impact of operations on the **community & environment**
- the maintaining of a **reputation** for high standards of conduct
- the need to **act fairly** as between members of the company



STEERING CONVERSATIONS

Steering Conversations

- **Focus:** Shaping and guiding, taking the long view, decision making
- **Style:** Discursive, open-minded and constructive.
- **Topics:** Proposals, new investment, changes to policies etc.



STEERING EXAMPLE

Steering: Example

You are presented with a proposal to invest in a new Warehouse Management System.

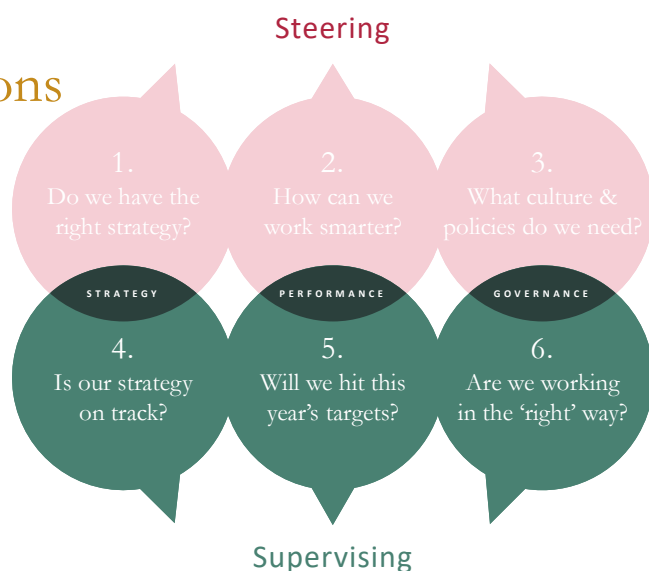
What questions might you ask?

- *Have you considered all the risks and options?*
- *How will this proposal affect customers, suppliers, members?*
- *Something I've seen work well elsewhere is... could that apply here?*
- *How is... trending? What other factors could affect it?*
- *How confident are you in our ability to deliver this? Why?*
- *What can we do to help this land well?*
- *Do you have the right resources to execute effectively?*

SUPERVISING CONVERSATIONS

Supervising Conversations

- **Focus:** Monitoring, seeking assurance, delivering the in-year plan
- **Style:** Supportive & challenging, the “critical friend”
- **Topics:** Financial and non-financial performance etc.



SUPERVISING EXAMPLE

Supervising: Example

You are presented with last month's trading report.

What questions might you ask?

- *Are we on track; what has changed?*
- *What is the forward trend?*
- *What is driving any under- or over-performance?*
- *What are the implications for the business?*
- *What actions are being taken?*
- *Is management confident in the outlook?*
- *Are we doing enough?*

PART THREE

How can you influence the board?

INFLUENCE THE BOARD

1. The board agenda
2. Your interaction with the board
3. The information you provide



INFLUENCE THE BOARD - AGENDA

The board agenda

1. Getting your item on the agenda
2. Where in the agenda it is discussed
3. The minute taking



INFLUENCE THE BOARD - INTERACTION

Interaction with the board

1. Informal interaction
2. Presenting your paper
3. Q&A



INFLUENCE THE BOARD - INTERACTION

Board Pack

1. Scope – what information is included
2. Style – the way information is presented
3. Systems – how to achieve best practice



INFLUENCE THE BOARD – BOARD PACK

“Our packs are too long, it’s hard to extract the key points”

CONCISE & FOCUSED

“I often wonder why I am reading this?”

PURPOSEFUL

“Lots of words & numbers but little ‘so what?’”

INSIGHTFUL

“Tell me what I need to know, instead of everything you know”

RELEVANT

“I worry what we are missing”

COMPREHENSIVE

“We lose hours drafting & redrafting”

EFFICIENT

2. BOARD PACKS – SCOPE | STYLE | SYSTEMS

Board pack coverage

A board pack should give assurance that duties have been fulfilled.

1. Include Steering and Supervising papers
2. Ensure there are no blindspots
3. Reflect on order of agenda items



BLINDSPOTS

2. BOARD PACKS – SCOPE | STYLE | SYSTEMS

APPLY CQC TO...



1
A plan for stakeholder
comms post VW's
emissions scandal



2
A paper outlining
whether we should
raise the retirement
age



3
A pre-Christmas
trading update for
John Lewis

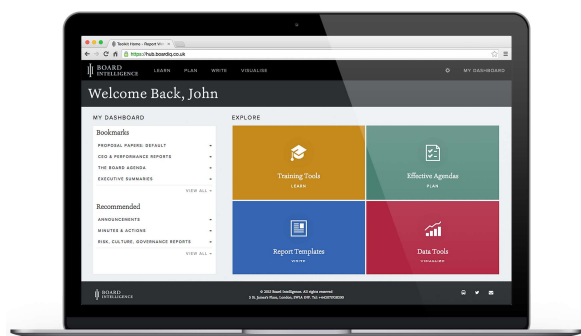
2. BOARD PACKS – SCOPE | STYLE | SYSTEMS

Clear, concise & compelling writing

Great writers use all sorts of devices that can be utilised when writing a paper for the board.



2. BOARD PACKS – SCOPE | STYLE | SYSTEMS

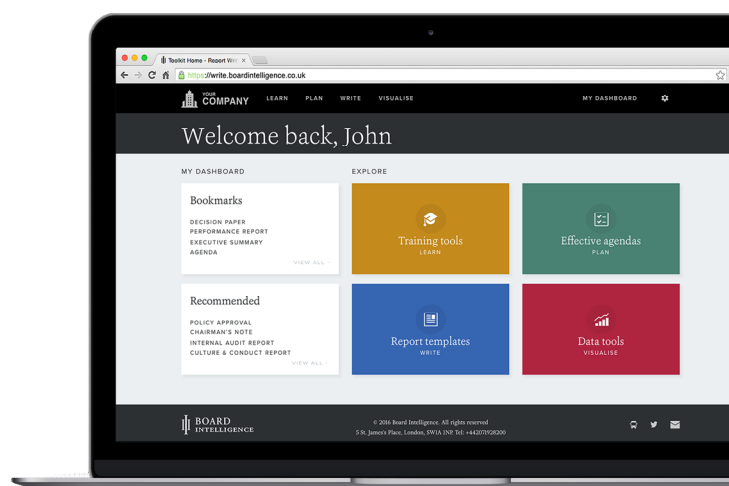


2. BOARD PACKS – SCOPE | STYLE | SYSTEMS

Write

REPORT WRITING TOOLKIT

An online set of tools to help report writers produce high quality papers.



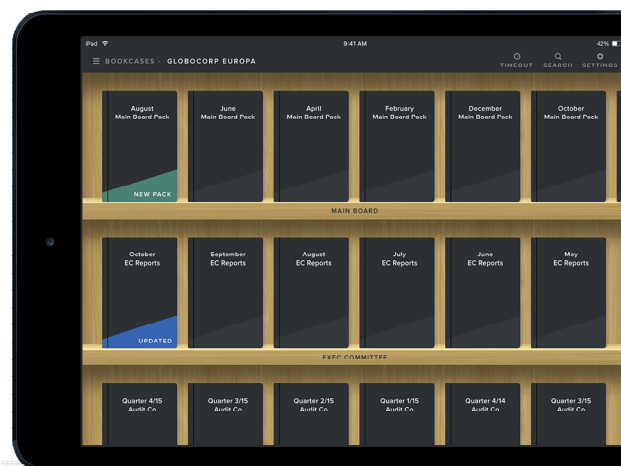
2. BOARD PACKS – SCOPE | STYLE | SYSTEMS

Read & Manage

BOARD PORTAL

Read allows directors to securely access all their packs in one place – anytime, anywhere.

Manage is a board pack builder, which saves time and money.



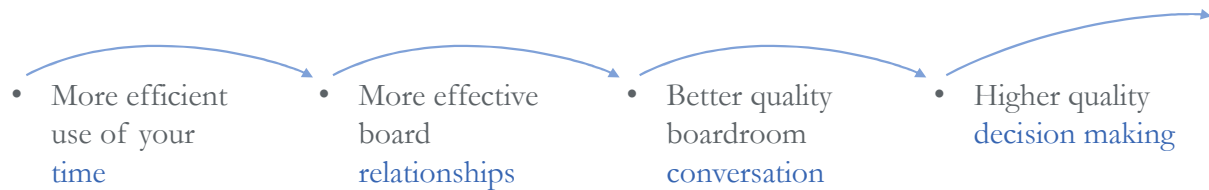
PART FOUR

Summary

4. NEXT STEPS - SUMMARY

Summary

Understanding the board will enable:



4. NEXT STEPS - QUESTION

What can you do to encourage the focus on quality within the board?

4. NEXT STEPS - QUESTION

What had the most *impact* for you?



THANK YOU

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