

9 Tips For Better Board Culture

“Don’t tell me how hard you work. Tell me how much you get done.”

— Michael Josephson

The Governance Solutions Group

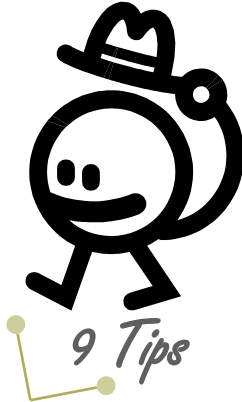
Simply getting better, at getting better ...

A board reference tool.

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Board effectiveness is a “live” process, not a check-the-box compliance activity. It requires active participation by all board members, all the time. It’s about asking questions and dialoguing about answers.

The most important question the board can ask is, “what if?” What if something unexpected happens to the CEO, what if that new venture doesn’t meet financial expectations, what if things don’t go as planned?



In order for directors to effectively ask the “what if” questions, and to constructively challenge one another, they must foster a “good board culture” environment.

Good culture happens when directors respect the skills and experiences that each person brings to the table and trust one another to actively listen, to be engaged and to understand each other’s perspective. Directors have to know and like one another. Culture is a “live” process that needs continual cultivation.

1. *The board should make time to meet informally before the meeting.* It is common for boards to have dinner together the night before the meeting. It’s not about the food—this time allows directors to learn about one another’s experiences. It helps to build relationships and aids dialogue and teamwork during meetings.
2. *Directors must actively participate in meetings.* This might mean asking everyone in the meeting to not take “sneak peaks” at their email and twitter accounts, and to not leave the meeting early (because they have to “take a call,” or catch a flight). Ask that phones and tablets be put on “airplane mode” during meetings.
3. *Board members should constructively challenge one another.* Directors typically say this happens—but can you recall the last time there was a true debate on an issue in the boardroom? Ask the “what if” questions.
4. *The opinion of all board members should be heard on most matters.* The chair might go around the room and ask each person directly if “there’s anything else that should be on the table” concerning a particular matter. Sometimes directors have an additional thought, but it gets lost in the debate for various reasons. It’s good to ask.
5. *The make-up of the board must allow for different perspectives.* Good board discussions come from having a diversity of views, background and skill in the room. Diversity comes in the form of expertise, age, gender, race, economics, geography - but too much diversity can be distracting. Find an effective balance.
6. *Directors must be clear on their role.* It is not the board’s job to manage the company. Except in rare circumstances, don’t let an individual director pull the board down into the operational weeds.
7. *The board should play a role in setting the meeting agenda.* It’s common for management to meet prior to a board meeting and decide what items should be on the agenda. To encourage board involvement in agenda setting, ask that a draft be distributed to the board six weeks before the meeting. Then, read the draft and offer timely input.
8. *During meetings, do not allow managers to read slides.* Require materials to be sent prior to the meeting, so that directors can come prepared and the stage is set for management to initiate discussions and seek direction.
9. *Periodically check the board-management dynamics.* Talk with the CEO and management in “off-meeting” times, and solicit candid comments on whether they view the board as a strategic asset.



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