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**Increasing Board Effectiveness**

Our CEO Diarmaid Ó Corrbuí recently participated in a BoardEffect webinar on the topic of Increasing Board Effectiveness. You can listen to the webinar [here](https://learn.diligent.com/BDE-Q1-Increasing-Board-Effectiveness-OnDemand.html).

These are Diarmaid’s tips and advice on:

* Defining board effectiveness,
* Board member recruitment, onboarding, and annual reviews,
* Information sharing structure and processes and
* Board member communications and engagement.

Defining board effectiveness

1. **How would you define board effectiveness?**

* **You need something to measure against. This requires goals and objectives with metrics to measure effectiveness which should be linked to the mission and strategy of the organisation.**
* **The board needs understand the business of the organisation, its purpose and the environment within which it operates.**
* **The board needs to have clear understanding of its role and responsibilities. What are they required to do and achieve against which its effectiveness can be measured and evaluated?**

1. **What are the characteristics of an effective board? What is the most important aspect of board effectiveness?**

* **Clarity of purpose/mission.**
* **Clear goals and objectives with KPIs that can be measured, tracked and assessed.**
* **Clarity and understanding of the roles & responsibilities of board members, both individual and collective.**
* **A range of relevant skills and experience and the board has an awareness of gaps, the need for diversity and a focus on continuous renewal and growth.**
* **A programme of ongoing development and upskilling of board members aligned to the assessed needs of the organisation.**
* **Strong focus on and commitment to evaluation and assessment of board performance and effectiveness.**

1. **What does an effective board look like to you?**

* **It has an appropriate governance architecture and support systems in place. This includes:**
* **A board calendar mapping out the key governance events over the course of the year.**
* **Board papers/pack that enable and support the board in performing its roles effectively, particularly, in the areas of strategy, oversight and control.**
* **Board sub committees with clear terms of reference and focus that support and enhance the work of the board.**
* **A high performing and skilled Board Chair that harnesses and leverages the individual and collective skills and experiences of the board members.**
* **An effective Board Chair – CEO relationship.**
* **Strong, knowledgeable and trusted Company Secretary.**
* **Good use of technology and board portals.**
* **Focus on succession planning, renewal and nominations.**
* **Regular objective board evaluation and assessment.**
* **Format of the board meetings and meeting agenda that are conducive and supportive of an effective board.**
* **A good mix of both in-person and online board meetings.**
* **Good board culture and dynamics with healthy challenge and debate.**
* **Focus on continual improvement.**

1. **In your experience how would you recommend Board effectiveness is measured?**

* **Set goals and targets aligned with purpose and strategy.**
* **Look at the key components of the governance architecture and assess the current state against a desired state.**
* **Start a board conversation about what effective would look like and how it would be measured and evaluated.**
* **Develop, implement and evaluate a plan to improve the board’s effectiveness.**

1. **In your experience, what are some of the most common reasons boards are not as effective as they can be?**

* **Lack of clarity or understanding of roles.**
* **No board objectives or performance targets set.**
* **Asleep at the wheel – board members not fulfilling or understanding their roles in the current and evolving business environment. Not holding the executive to account and providing constructive challenge.**
* **Out of their depth – they don’t have or no longer have the range and depth of skills needed. Some or all board members have gone past their “best before” date.**
* **Lack of diversity and/or focus on renewal and ongoing development of the board.**
* **No reviews or evaluations of performance or effectiveness. Don’t know or don’t care that they are not being effective as they should be.**

Board member recruitment, onboarding, and annual reviews

1. **Is there any advice that you would give in terms of planning, or necessary steps prior to recruiting new board members?**

* **Assess current board skill profiles against desired/needed profiles aligned to the future strategy of the organisation.**
* **Identify gaps (skills, diversity, etc.) and prioritise.**
* **Look at how and where the board normally recruits its new board members and assess if it is fit for purpose for future recruitment.**
* **Make a strong and clear case to potential candidates on why they should join the board.**
* **Think about the selection process, who is going to be involved, what are the criteria for shortlisting and selecting the preferred candidate, how will the process will be managed and coordinated?**
* **Look at your induction and on-boarding processes and assess if they are fit for purpose or could be improved.**

1. **From your experience is there any specific advice you would give somebody who was recruiting for new board members?**

* **Be clear about the who, why and how.**

1. **What should we be thinking about regarding the onboarding process of a new board member and what should be included to make them as effective as possible?**

* **Needs to be structured and planned – not a once off event but a series of coordinated events and activities.**
* **The new board member needs to understand their fiduciary duties, their role on this board, what is expected of them.**
* **They need to get an understanding of the nature of the business, its strategy and its performance including financial performance – organise site visits, meetings with key management, staff and stakeholders.**
* **Need to get an understanding of the organisation’s governance architecture and how the different components operate and interact.**
* **Need to identify if there are any specific information or development needs for the new board member.**
* **Look at allocating the new member a buddy/mentor to aid the on-boarding.**

1. **What recommendations would you give to boards looking to obtain the right tools to enable effectiveness?**

* **Start with getting an understanding and agreement on what board effectiveness means for your board.**
* **Set out the goals and targets you wish to achieve.**
* **Define the metrics and process you will use to evaluate effectiveness.**
* **Look how the process can be supported and managed – roles, support systems and technology.**

1. **What are some quick fixes that can make any board more effective?**

* **Set goals, metrics and conduct an evaluation.**
* **Review and discuss the findings from the evaluation and recalibrate where necessary the goals, metrics, evaluation process and support systems.**

1. **How do you ensure that board effectiveness lasts?**

* **Must be embedded – it needs to be part of the board culture of continuous improvement.**
* **Review and reflect on the evaluation findings and make the necessary changes to improve effectiveness. Don’t treat it as a tick box exercise.**

Information sharing structure and processes

1. **How would you recommend important documents be shared with the board?**

* **Seriously consider using a board portal – we implemented BoardEffect during Covid and it has made a big difference to the task of communicating and sharing documents with board members.**

1. **What should a board book include to ensure board meetings are as effective as possible?**

* **Alignment with the Board/Governance Calendar.**
* **Agenda with timings for items.**
* **Clear distinction between items for information, review and decision with supporting documentation clearly identified and assessable.**
* **Information presented in a format that enables board members to ask the right questions, encourages effective debate and challenge and enables the board to make good decisions.**

Board member communications and engagement

1. **In your experience, what does a successful board meeting look like?**

* **Prepared**
* **Engaged**
* **Focused**
* **Organized**
* **Participatory**
* **Constructive**
* **Enjoyable**
* **Positive dynamics & behaviours**
* **Productive**
* **Starts and ends on time.**

1. **When it comes to board member communication, are there any best practices that you would recommend?**

* **Use a range of communication methods.**
* **Don’t over rely on one method – mix it up.**
* **Get feedback on what works or what are the preferred communication approaches from each of the board members and customised accordingly.**
* **Define the roles, who is responsible for what in terms of board communications – the Chair, Company Secretary, CEO etc.**
* **Look at how technology can support and improve communication.**
* **Timely communications – board pack, minutes, etc.**

1. **How do you ensure that board members remain engaged, and do you have any tips on how to measure engagement?**

* **Effective onboarding**
* **One to one check ins with board members by the chair or senior independent director at least once a year**
* **Include engagement as part of the board evaluation**
* **Training, development, upskilling**
* **Refresh the members’ understanding of roles and responsibilities**
* **Revisit/renew purpose and mission regularly**
* **Regular Board renewal with new board members coming in to replace members who have completed their term**
* **Mix up meeting formats and agenda topics – avoid a “groundhog day” scenario where every meeting looks and feels the same – have special meetings, deep dives, spotlight reviews, annual retreats and social events**
* **Have Board buddy system in place.**

**Measures of engagement**

* **Participation in board meetings and committees**
* **Attendance**
* **Being on time and prepared for meetings**
* **Turnover, board members stepping off the board before completing their term**