



## Getting out more

Boards have become a lot more mobile over the past few years. Directors are keen to see what's happening out in the business. They know that "the smell test" is key to gauging the quality of management, environment and morale. But it's not that easy to make site visits work well: time is short, travel is tiring and there's a limit to what you can see and who you can meet. So what works well?



THE BOARD MEETS THE STAFF

### Good practices to consider...

Have a plan for site visits – not only by holding board meetings in various locations, but also by encouraging individual directors to make visits. The two sorts of visit – collective and individual – have different benefits and aren't interchangeable.

For site visits by the whole Board, think about what you'd like the trip to achieve in making you as a Board work better together. Well coordinated trips give you time together help you get to know each other and build up trust as a team. You might even have some fun – it shouldn't be the main objective, but it's a desirable side-benefit.

Think about what you want to achieve from the visit – as a Board and as an individual. Is it for education? For morale boosting? A temperature check? All of these? Discuss the trip with the Board before-hand to make sure the visit has some focus and you get to see the right things and the right people.

The Chairman stays involved in board visit planning, keeping an eye on the schedule and agenda to make sure that the visit actually achieves the board's objectives and isn't simply tourism round some interesting operations.

### Things to avoid...

Giving individual directors no encouragement to make personal visits, and instead allowing it to look as if one board meeting a year in a hotel near a foreign subsidiary's head office is quite enough adventure for anybody.

Haphazard planning resulting in uncoordinated arrivals and departures, crammed schedules with little scope for the social side, and missed opportunities for that extra bit of bonding.

Regarding it as simply having the board meeting in a different place with little forethought as to why you're going. That way the agenda and itinerary end up with management and the Company Secretary – they'll do their best to anticipate what you want but they might not get it quite right.

Leaving it up to others. You can end up spending too much time in rooms listening to PowerPoint presentations on the operations instead of getting out and about seeing them. Or you spend too much time with senior management instead of the locals.

## Good practices to consider...

Be well-briefed ahead of time. Ask management for a pack on the performance of the place you're going to or what they are doing. Ask the Head of Audit to send a short summary of audit points. Ask the Head of Risk about any specific risks. Get a briefing on compliance, safety failures, HR issues, whistleblowing. Anything that helps you ask informed questions and look at the right things.

Do a bit of planning between you. So when you meet the staff, each director has a particular area of interest to follow up. It could be about asking about risks or the risk management processes, the effectiveness of internal audit, the support from Head Office, people management, clarity of strategy, health and safety... There's a whole range.

Pack some "healthy scepticism" in your bag. Of course the people you meet will be on their best behaviour and it can be tricky to avoid a "royal visit" effect. But try to look underneath the sheen. Genuine enthusiasm and commitment should be easy to spot – as are underlying cynicism and despondency. And around health & safety, check for cobwebs that might have been missed.

Afterwards share your views with your director colleagues. That might be in a wrap up session or dinner. Or a specific item on the agenda of the next board and/or committee meeting. Even if it's just you "walking around" the office, look for an opportunity to share your impressions with your board colleagues and the executives.

Individual visits are encouraged by the Chairman and the CEO. There is an explicit expectation that non-executives will spend some time out in the business on their own, and they are given a few minutes on the board agenda to report back after visits.

If you have any questions on the issues covered here, please contact Richard Sheath at [richard.sheath@independentaudit.com](mailto:richard.sheath@independentaudit.com)

## Things to avoid...

Turning up and relying on the on-site briefing. That may not be enough for you to think in good time about what you want to ask. It's not likely to cover weaknesses (audit points, compliance issues...) And prior briefing helps avoid information overload.

Just turning up and, having a "meet the staff" session or walkabout, but failing to use it as an opportunity to build a picture about specific aspects. A general impression is certainly worth having – but bringing a particular focus will give you even more value.

Taking it all at face value. You have to get under the skin. Of course things will have been cleaned up. There may have been a pre-briefing. And hard hats will for sure be 100% in evidence. So look for other indicators – usually in the things people say or the looks on their faces.

Finishing the visit, dashing away and then failing to reflect together on what was seen and what it might mean. It's all too easy – there's a plane, train or automobile to catch. But at least jot down your thoughts and then come back to them when you're next together as a board.

Feeling that you'll be intruding, interrupting daily work, upsetting the CEO... It's easy to find reasons not to do it. Obviously you'll need to check that the CEO's happy for you to do so...but if the answer's "no" that begs another question.

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