



## The Bare Necessities

One crucial factor is often missing from all those guides on board effectiveness... the essential practicalities. Whether the environment you're having to spend hours in is helping or hindering your meeting. Whether basic needs are met to help make sure attention doesn't drift. Whether people can actually enjoy the meeting or can only engage with it through intense willpower and self discipline...

You might think that we're stating the obvious - but you'd be surprised. When we're doing board reviews, we often have to deal with the ridiculous as well as the sublime. Here are some of the everyday practicalities that often get overlooked because everyone is busy looking after more important things



THE CHAIRMAN SEES NO NEED FOR A BREAK

### Good practices to consider...

Take a break! Board and committee meetings can go on a long time and take a lot of concentration. Directors' individual effectiveness shouldn't be dependent on their bladder capacity... Not to mention stuff going on in the directors' other worlds – if they aren't allowed to get to their iPhones and Blackberries legitimately every now and then, they will be distracted by doing it illegitimately.

Ensure that the Chairman has a good "line of sight", so that he or she can be very aware of the body language around the table. You need to notice if someone's looking frustrated, simply trying to make a point or squirming after two-and-a-half hours of non-stop meeting... This means sitting in the right place. Being at the head of the table has fallen out of fashion, but it works better.

Work out carefully who you want to have sitting where. Is the positioning right for the dynamic you want? For example, in a unitary board you might want executives and NEDs to be mixed up; but in an audit committee, which could be more of a them-and-us occasion, you might want the NEDs to be seated together.

Move people around to change the dynamics. That can help avoid a natural tendency to gravitate to the same seat each time. Shaking it up can help refresh the dynamics – and give you an opportunity to help make sure that all voices are being heard.

If you have to chair from the long side of the table, make sure that the people who sit opposite you aren't always the same – and certainly not always the executive directors.

### Things to avoid...

Carrying on regardless. It's tricky for the Chairman: there's a lot to cover, probably some catching up needed after an earlier overrun, and people need to get away on time. But that very sense of purpose means that the Chairman is operating at a higher energy level and with a greater awareness of progress than the others in the room. Don't expect others to share the Chairman's enthusiasm – or capacity – for hunkering down and grinding relentlessly through the agenda until it's all done.

Chairmen often sit in the middle of the long side of the table in order to avoid appearing overly formalistic or hierarchical by sitting at the head. But it means the body language (for example, signs of wanting to participate) of those on the same side as the Chairman are not so readily noticeable. And if people have to put their hands up to ask permission to speak, it reintroduces the formality you might have been hoping to avoid by sitting at the side.

Allowing a free-for-all approach. You'll probably not allow that for a pitch meeting, a business lunch... or even a dinner party at home... and a board meeting's no different (well, perhaps more sober than the dinner party at home). There are dynamics and personalities at play so they need constant consideration.

Letting things stay static can result in, at best, predictability and, at worst, domineering individuals sitting themselves in dominant positions and sidelining the quieter ones.

Allowing the CEO and executive team to occupy the Chairman's central field of vision. Yes, it's a unitary board – but the board meeting's the main forum for the NEDs, so the Chairman has a big responsibility to ensure they can question and contribute fully.

## Good practices to consider...

Avoid grouping. That means making sure that the same people don't always sit together – something which can affect the dynamics and discussion. So you may well want to work it out for each meeting. Place cards might seem old-fashioned but they can be useful to stop people seating themselves with soulmates or others with the same political agenda. Just make sure that place cards aren't put out in the same place every time, thus fossilising the seating plan.

Keep the Company Secretary close to the Chairman (ideally the next seat so that words of advice can be discreetly whispered into the Chairman's ear). That helps them work together to keep the agenda on track and make sure the formalities are properly covered. And if clarification is needed on a decision or point for the minutes, it's easier to pick it up quickly.

Consider carefully the physical layout. If it isn't helpful, get it changed – don't just accept whatever you happen to get. The table size should mean that there's enough elbow room to be comfortable. The room's acoustic must be matched to the size of table so people can hear one another without amplification. This might mean spending a bit of money on quieter air-conditioning... money well spent. And ensure there's plenty of natural light, which makes a real difference to everyone – not only the jet-lagged.

If someone's on the end of a line or a video conference, have someone test the setup beforehand to ensure it works. And have that someone stay within reach during the meeting, so that when things stop working they can be fixed with a minimum of fuss. And check from time to time that the person who's thought to be on the end of the line is actually there!

Make sure you have enough seats... It's only polite to offer attendees a chair, after all. It's also a courtesy to give attendees a clean glass or fresh bottle of water, rather than the dregs left by the previous lot.

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

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## Things to avoid...

Letting mini-cabals develop. This can happen unintentionally, especially if the board's big or when some directors have known each other for a long time. And where the membership includes directors drawn from different stakeholder groups (eg pension fund trustee boards) it's important to mix them up, to reinforce the point that all board members' primary duty is to the company/organisation and not to whoever nominated them.

The Company Secretary is down at the far end of the table and so can only communicate with the Chairman by semaphore. That makes it difficult to give the Chairman a subtle nudge, or even to raise points without making a big deal of it.

The list of bad basic practices that we've seen is long! The table's so long that microphones have had to be installed, which means that discussion is replaced by a series of statements as directors take it in turns to speak. Or the background noise is so loud that directors are straining to hear anyone who doesn't bellow. Or the table's so crowded that water glasses keep being tipped over iPads. Windowless, badly ventilated underground meeting rooms designed for the express purpose of sending the travel weary to sleep. We could go on... but by now you've probably got the drift.

Assuming that the technology will work perfectly first time, every time and will never let you down half-way through (astonishingly, this triumph of hope over experience persists). And assuming that you know who is on the line – and who isn't.

Starting the meeting late because the Company Secretary has been rushing around a hotel trying to find additional seats, after a PA organised only enough for the board members themselves.

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