

You call that a “Board Report”?

Have you ever been guilty of looking at a Board report and thinking it doesn't do justice to the label? Too often of course it is not just one or the odd Board report that wears an ill-fitting description. Is it time for your Board to revisit its accepted Board reporting standards and ask the tough question of what the Board considers is important for any of the reports it receives?

What is a Board report really for?

If you asked each Director on your Board what it is that they value most in their Board reports, don't be surprised if there is little common agreement. In fact, there is often quite a lot of confusion about what is the true purpose of your Board reports.

So, have each Director complete the words “in my view, the point of a board report is to communicate.....

What?

When?

Why?

How?

What commonly occurs is for the Board report's format and / or content to reflect the interest and personal preference of one of the key players –CEO, CFO or Board Chairman. That may be how it begins, however over time as various director requests happen, reports also change.

Unfortunately many of these changes, while possibly valuable as a one-off inclusion, all of sudden become a more permanent feature in reports.

Folklore is passed on over time and the reports take on a look and feel achieved via the efforts of “multiple cooks”. Today's Board report is a little, or even much, longer, less structured, lacking focus, often near impossible to read and understand, limited, in some cases, without any links to the organisation's strategy and or vision and purpose, and what is worse, accepted politely by everyone, to be repeated again at the next Board meeting.

Why is it that no-one calls it out? Why is this sacred cow so much of an untouchable topic?

Does this sound familiar?

So what may be some elements that go to making your Board reports better?

In our view some of those elements include:-

✓ **Approved Template**

- The lay-out of each report needs to have a clear, logical flow, and immediately communicate the reason for why it is placed within the director's attention and consideration space.
- Remember less is more, and presume that directors do not have time to spare to simply read data that may be interesting to some-one looking for things to do but a competent director is quickly turned off.
- Focus on including the key salient points and ensure always that the critical core area(s), issues, risks, opportunities, and actions are addressed.
- Include succinct commentary that may highlight: -
 - what the report's author has been doing in relation to the organisation's strategy or
 - how a project or program or campaign has been positively progressed or
 - details of operational matters and a summary outline the level of complexity or exemplary collaborative teamwork or
 - knowledge and learnings to educate directors in key areas of the business
 - what ought to be an ongoing business focus and monitoring of what is important to the organisation or
 - issues for special director's attention or
 - new and or updated risks facing the organisation from time to time or
 - new projects/PR and or the successes of existing projects/PR campaigns or
 - particularly good news items which facilitates its circulation and helps others to promote the organisation and its influence.

✓ **Anticipate and address the Director's questions**

- Board reports need to both anticipate and answer those core questions which would be raised by a group of competent directors.
- In other words matters which go to questions including –
 - What do you expect me to do with this report?
 - Why is it important that I read it?
 - Are there specific aspects that you particularly require me to consider; and
 - If so, what is the nature of the feedback that is expected of me?

✓ **Provide a coherent context**

- As an excellent rule of thumb, provide a clear and relevant reference, or anchor point, for the report. In other words, link the report to the organisation's budget, or its strategy, or corporate plans.
- Including in particular one or more "outcome performance measure", at least the finance implications, but generally also lead indicators are vital.

✓ Projections

- Commentary that acknowledges whether there are implications for the future of the organisation i.e. for a specific program, or project, or for particular stakeholder(s), or publicity-wise, and or PR, is very important also.
- Where possible there ought to be a comment with a forward-looking bias, whether that is the author's opinion, and or the trends of the sector, and or an expert's prediction.
- Position the topic or subject-matter as to whether this is a one-off, or more likely to be a continuing area for the interest of directors.

Finally, while it is unreasonable to expect a report to address all of the likely questions and issues in the minds of the Board, at least to cover-off those that are top of mind goes a long way to not only dramatically improve the many types of Board reports that are in circulation, but it will more successfully engage directors in their important consideration and feedback role.

Oh, and don't be too surprised if the atmosphere and demeanour of your Board meetings begin to change in a really positive way too!

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