

Webinar Transcript

Board roles and responsibilities

So, welcome everybody. Welcome to our webinar today titled Board Roles and Responsibilities with Margo Foster and Linda Carroll. My name's Sean McDonald, and I shall be your moderator as per usual for the next forty odd minutes in the background.

Firstly, thank you so much for attending today. We always appreciate the effort you make to be here for our live webinars.

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So that's enough for me. Let me have the team introduce themselves starting with you first, Margo.

Well, thank you, Sean, and thank you everybody for joining us this morning, this evening, this afternoon wherever you may be. I'm Margo Foster. I'm delighted to be with you today for this session and with Linda. And I might be described as an experienced or a seasoned director. I've had lots of experience on boards of various sorts over many years. I run a consultancy, Boardroom Excellence Australia, and also run a training program, a governance training program.

So I'm a former lawyer. I'm very happy being an ex lawyer and governance is the thing that I do now with much enthusiasm and much relish. So it's a pleasure to be here as I said.

And I look forward to your many questions as Linda and I step you through today's session. So thank you, Linda.

Thank you, Margo. Yes, kia ora. I'm Linda Carroll. I'm in Wellington, New Zealand. I'm the chief executive of Align Group, which is a consulting company that assists organizations to align their strategy, culture, governance, and performance.

So we may run governance framework reviews and governance fundamental programs and so on. I've been a company director for over twenty five years now. I'm a chartered fellow of the IOD. And I'm also an accredited foresight practitioner through the Institute for the Future in Sao Paulo, California.

So I love playing in the strategy and foresight space. Thank you.

Thank you.

Over to you now, Margo.

Thanks, Sean. So today we are going to step through our topic of roles and responsibilities. It's one of those things that directors need to know often take for granted sometimes aren't even properly inducted, aren't even properly trained. So we're hoping that we can sort of start with some basics including directors' duties and then link it back to your responsibilities as directors individually and board as collective responsibilities.

And again, quite often people aren't reminded often enough of their fundamental director duties from which all obligations spring and which are so important. As we read about in the paper every day, someone's breaching a director duties. They're disqualified, they're fined and in some instances even jailed. So duties are really important. A lot of the cases don't make the business pages but there are certainly plenty stories with the fundamental duties, the ones we talk about or the more prescriptive ones aren't complied with leading to many, many problems. So our director obligations are founded in legislation, our organisation's constitutions and then the documents, policies, charters, terms of reference that are created by the board pursuant to the constitution as a general practice.

Duties are obligations imposed by the law and responsibilities are those tasks that fall to directors in order to achieve organisation outcomes. And I think it's quite useful to keep in mind the distinction. So the duties are the legal ones and the responsibilities are everything you do to ensure that your organisation is run smoothly, effectively and properly. Linda, any comments on any of that?

No, think it's a great distinction to make because I think sometimes we know what we do, but we don't necessarily know why we're doing it. So that's great.

Yes.

So the obligation of a director is as a fiduciary and it's an old Latin word and sometimes you say it to people and they look particularly quizzical about it. But I think that this is quite a good definition arising from a court case way back in nineteen ninety eight. A fiduciary is someone who is undertaken to act for and on behalf of another in a particular matter in circumstances which give rise to a relationship of trust and confidence. So in effect directors are trustees.

We're all in our roles to act in the best interests of the organisation and to therefore be the trustees for its welfare and its future and its successful functioning and operations.

This is sometimes spoken about as the duty of loyalty. And I was having an interesting conversation about loyalty in an International Sports Federation constitution the other day and what it actually means. But I think for simplicity's sake, trust I think we all understand what a trustee is. So that's our starting point of our duties.

So directors' duties derive from the common law or judge made law and most of them are now codified into legislation. So wherever you are in Australia or New Zealand, in Australia we have the Corporations Act which operates at a national level.

And for many not for profits they're incorporated as companies limited by guarantee under that legislation. And then we have the state associations in corporations act, which are all same, same but all have slight differences. Linda, did wanna make a comment about your New Zealand legislation?

No, I think that the Companies Act is the one that we are most familiar with in terms of Go To. However, if you're a trustee in a trust, then you need to be aware of the Trust Act twenty nineteen, I think it came into force. And then of course, the Charities Amendment Act, we should probably be aware of in addition to the Incorporated Societies Act. So there's been a few changes recently that has meant that a lot of the organisations that may be here today are busy reviewing their constitutions and the like.

Yes, and certainly we have other legislation in Australia, the Charities Act, ACNC Act and other legislation that deals with trade unions, registered organisations act, cooperatives legislation as well.

But legislative duties are enshrined in these acts.

They're personal, ongoing and can't be overlooked.

So duties can apply to directors obviously and also to other persons including de facto directors who is a person who acts as a director without formal appointment but may be involved in day to day management and participation in governance and decision making. Or shadow directors who are also not formally appointed but has an influence over and input into discussion and decision making. They're not involved in day to day management and don't hold themselves out as directors. And also people whose instructional direction the board might follow.

So as with the answer to everything in governance, the answer to who is involved and when will be it depends. It depends on the role that they play on a particular board. Which is why having people as directors, observers of board can sometimes implicate them as being shadow directors or de facto directors because they are sitting in and participating in discussion even if they're not formally appointed. Linda, is there any comment you want to add to that?

Yeah, just think it's really important. We have a number of people nowadays being appointed as intern directors or associate directors where they're coming on with their trainer wheels on, so to speak. And it's really important that their letter of appointment makes it clear what type of director they are and whether they're actually employed and are going to be engaged in decision making because of exactly what what you've said. And also I think with regards to I meant to mention this before with regards to legislation.

If you are on a on a subsidiary board being being very clear about who you're acting in the best interest of as a director is really important. So going back and looking at your constitution and making sure whether you are acting in the best interest of the subsidiary or whether you're acting in the best interests or whether you can act in the best interests of the parent company. So those sorts of things, be aware of the legislation, but also don't forget your constitution.

Yes. I think that's a really important point because you're always and we'll come to conflicts of interest as we step through these slides. But you can really only wear one hat at a time to avoid those sorts of problems and being clear on the distinction is essential.

Michael, would a CEO be considered a de facto director?

CEOs employed by the board pursuant to a contract of employment.

Yes, potentially, and I'm not giving any legal advice here, not a happy ex lawyer.

But and someone else on the call might have another view. But in the US particularly rather more than here though, certainly at ASX level companies often the CEO is also a member of the board. So would in that circumstance definitely be liable as a director making decisions. But in a circumstance where a CEO is not voting but merely providing advice and information to the board, no. It might be implicated for other reasons but probably not if anything went pear shaped but probably not as a director.

So one of the most important of the duties that applies to directors is to act with reasonable care, skill and diligence. And this can cover almost everything that you do.

And when it comes to the crunch and court cases certainly make this clear, the objective standard by which you will be judged is against that of a reasonable person in the circumstances.

So if you're a director of a not for profit, a small not for profit, you'd be judged against the standards of that type of organisation in an industry. Obviously if you're an ASX listed company director then you'll be held to a higher standard.

You're expected to have sufficient financial skill and a lack of skill doesn't reduce your duty. And again, this is clear from court cases that you can't say, oh look, I'm a financial dummy therefore I can't make any useful contribution but I'm happy to approve the financial reports anyway. That doesn't get you out of jail. It's not a get out of jail free card at all. So one of the reasons why when I do a lot of my workshops I ask a question about who's responsible for the finances. And a lot of organisations have treasurers and people say, Oh, the treasurer is responsible. And in fact, no, that's not the case.

The title treasurer might fill a role pursuant to the constitution, whatever, but it doesn't absolve everybody else on the board from having a responsibility to know and understand the financial reports particularly.

The third one there is you must obtain the information necessary to be informed to objectively assess it and ask questions to ensure you understand the information.

And I think one of the things that directors don't do well all the time is ask questions of the information they get or challenge the quality or quantity of it so that they can be properly informed to make those decisions again in the best interests of the organisation.

And the last one is you can't take a backseat to or outsource your responsibility to management. So for instance, if you've got a set of financial reports that you need to approve and if management comes back and says well they're fine and you sign off on them and they've got an error of some sort that has implications for the company or the corporation or even the compliance with legislation, then you can't blame management. So it's up to you to have a full and clear understanding of what you're doing and what you're deciding. So Linda, you've probably got some thoughts on these too.

Yes, I mean, I think that it is really important. I'm sure we've all been sitting in board meetings where it's clear that people are taking a back seat and leaving the people who are the accountants or the financial whizzes in the room take the lead on this. But it's really important as you say that you actually understand what you're signing off.

And also it's really important that enough airtime is given for everybody around the table to be able to ask the questions. So it's one of those things where as chair you really do need to create space.

Because some people may actually have questions but they're not given the airtime. So it's the the question of actually giving people space. Yeah. Look I do see a question here. I'm wondering whether I can I can ask? Because I think that it's saying would a voluntary not for profit director be held to the same standard by law versus a paid director? And I think personally that I've been on not for profits and I have been in paid directorship roles and I think the standard that you hold yourself accountable to has to be the same.

And you might have different laws that govern you, but just because you're not paid doesn't mean that you're not going to be held accountable if things go awry.

Have another question in the Q and A, Margo, which I'll just read out now, if you don't mind. Yes. If I used to be an appointed director and resigned, and my line manager continues to be an appointed director and asks me to undertake work for him, that would make me a de facto director, would I be personally liable?

As I understand it, that would be a paid arrangement, undertake work. So I would be making it very clear on whatever arrangement is entered into, exactly what you were doing and what the expectations were. I don't think on the basis of my understanding of that question that if you were a former director that you would be held responsible for anything you did in future, though you would remain liable for any decisions you had made during the time you were an appointed director. Is that your reading of it too Linda?

Yeah I think that's what it's saying. Yeah. That you wouldn't be.

No. No.

So the other duties and you're probably all familiar with these to act in good faith and for a proper purpose, to avoid conflicts of interest or conflicts of duty, to not improperly use your position or information and to avoid insolvent trading.

Insolvent trading is a creature of statute and I'm sure we're all familiar with companies that go under because they have traded knowing or reasonably being expected to know that they couldn't pay their debts as well when they fell due.

It's also a responsibility to comply with the law and the constitution which is what that says ignorance is no excuse for no knowledge of the law. So you can't pretend you don't know, as we were saying before, with respect to financial reporting. So we'll come back to these in a bit more detail with some examples about responsibilities and how they play out vis a vis these duties.

So director responsibilities. There's an endless list of responsibilities but these are some of the main ones I think that are really important to remind ourselves about. And again, these are director responsibilities, the individual ones that we are all responsible for. So I think attending meetings and contributing is really essential. You're not on a board not to attend meetings. You're not on a board to put it on your CV though I have seen that.

And you are there to contribute.

I don't ever see a reason why a director has no view on anything. And I have sat through meetings where people from meeting to meeting say almost nothing, next to nothing. Don't know whether they're not interested. It's taking up their time.

They haven't read the papers which is a whole other problem.

But you're certainly there to contribute not on everything but on the things that you can usefully contribute to.

Be familiar with the organisation's activities including key risks and compliance obligations, oversee and monitor affairs including the CEO and management to a degree with management. But increasingly, and Linda might speak to this about the role of the board and management vis a vis its responsibilities to know what's going on. Ensure policies are in place and up to date. And one of the things boards do very well is create policies.

It's easy to do. It's equally easy to let them sort of fester on a list without being reviewed regularly.

Maintaining a list of policies and keeping them up to date for review is really essential.

Setting strategy clearly.

Reading and understanding financial statements and board papers as we've said and to make further inquiries when necessary which is again saying what we said before about being informed and asking questions. So if you don't understand then please ask questions. And this is particularly the case with financial reports I find that sometimes that they're presented in a way that doesn't make sense to a director. And for me personally, I really like a narrative around my financial reports that make them more easily understood. I'm not a finance person by background. I'm a lawyer.

Yes, asking questions and getting the information you need and clarifying what you need to make those decisions. Linda, you got some thoughts on these?

Yeah, I think that there's a couple of points I make. I agree with you completely about the financials and being very clear about what information you want from from management.

And for me, comparative data is really, key. If I get all this information for this year, but I don't know how it stacks up against the same period last year, or how we're tracking against forecast, then the numbers are almost meaningless. So it's really important you get the data that you need to make sense of what you're looking at. The other thing I'd just mention is when we talk about setting strategy, there's so much jargon around in terms of well, what is strategy and what's the board's role? And so I really like the way Margo, you've got here about it's the board's role has a responsibility to set strategy, but of course they do that with management.

And what do we mean by strategy? I think we mean, for me, we mean the purpose of the organization. There's the jargon around vision and mission that could be included in strategy.

It might be then taking the long term strategic plan might be included in your terminology. And for me I include when I'm running strategy and foresight sessions I include the the values and the risks in that process. The critical risk to strategy. So it encompasses all of that. And then, Margo, you've got that written in there around the importance of the board's role in providing oversight of the implementation of strategy, which is the whole reason for the entity's existence. Yeah. Yes.

And Sean, we've got a couple of questions.

We do. Over to you.

Yes. So this is if a CEO participates in board meetings, but I'm not officially appointed as a director and doesn't make formal decisions. Am I a de facto or shadow director? No. No, you're an employee.

CEO, COO, CFO, CISO, all the Cs are employees. And your job is to provide information to the board, going back to what we said before, the information that they want, the information that you need to inform them about, but no.

And the second one is what about the liability of officers opposed to directors? Yes, officers can have a wide definition which goes back to what we said before about directors, shadow directors and de facto directors. And you need to look at the legislation to see who constitutes an officer in jurisdiction.

I know in the Australian legislature, state associations and corporations legislations, there's no officer provision. But there is in the Corporations Act.

Linda, same for you in New Well, this person is referencing health and safety.

And we definitely have a wider definition under our health and safety legislation. Margo Malcolm is wanting to know your thoughts on the chair's role if directors are attending meetings but not contributing.

Well, host of order and all that sort of stuff. But as I said before, you're not there to not contribute, which is why equally when you're having a Zoom meeting, you don't have your microphone off and your camera off because you're not sitting under a table. But I think it's the chair's role to set the standards and the expectations.

And I think the board from time to time, if this is a problem, needs to have a bit of a sit down with itself and work out how it's going to work together and what are the mutual and collective expectations each have of the other directors about participation.

Some people speak more than others. Some are more garrulous than others. Some are more governance conscious familiar than others.

Some are new. But I think there's a reasonable expectation that everyone contributes. And one way for the chair to do it is to go around the table and make that a practice and ask everybody for their opinions. It can take a bit longer, but at least it will set an expectation that participation and contribution is required. Because if not, else could take that seat and be way more effective.

Yeah. One other way to do that too, setting those expectations which is so key is to actually have a charter for your board that everyone signs up to.

Yes.

And have that set out very clearly.

Yes.

I did have one board I was on a while ago. We had a session at the beginning of the year, one board meeting. And the chair told us how we were all going to behave. That didn't go down very well. So I'd suggest that you have a conversation about it and then back it up with your charter. And a charter is something too that should be a live document, not just another policy that sits on the shelf.

Absolutely.

Yes.

James asked us another question. If I sit on a board as CEO and the board makes a decision that I strongly oppose based on my operational knowledge but I'm still bound by collective report responsibility, how do I navigate the conflict between my duty to implement the decision and my fiduciary duty?

Oh, so I'm not sure whether Jane you are just the CEO or director or both?

Jane a managing director, which means she's actually sitting on the board? Or is she a CEO, which means she's employed by the board?

Yes. So if you're both, then you might have a problem with your inclination and your duty.

But as we said before, if you're just a CEO then no.

And I think it's a bit like being a director. You don't win them all.

You're still by the board decision if you are a CEO obviously and then obliged to implement it. Will that be your reading of that Linda?

Yeah, think if you're a CEO the board's telling you to do something then you do it. You can share why you're not happy about it. But yes. But yeah.

I agree with you, Margot. Yeah.

Thanks.

Probably a bit off point about these regarding I don't have section 251A of the Corps Act immediately to hand.

Perhaps we can take that one on notice.

Reviews for board members undertaken by the chair.

Again that's a policy decision for the board about how it wants to review itself.

360s, externally done, whatever.

Quite often a good one is end of meeting immediate reviews as well. Just quickly on that one. If you have an issue, I would be asking for the minutes to record an objection.

Yes, can have your objections. You vote against things recorded in the minutes.

And following on from that maybe, if as a board member a decision is taken that you'd strongly do not agree with. The only other option apart from having it noted in the minutes is to resign. Yeah. So if you've had all the opportunity to gather as much information as possible to change your mind and still you are philosophically determined that this is not the right decision, then apart from having it noted in the minutes, really the only other option you have is to resign.

Yes. So it's a question of what you can live with or not.

And go out and support publicly. Because it's not just keeping mum when you go out the door. You actually have to go out there and promote the decisions of the board.

Yes.

Question here. What are directors' responsibilities when it comes to declaring interests real or perceived? So again, this is in legislation and can be in your constitution about what's required.

And it's also the policy of your board.

And increasingly, and I'm sure you agree with this Linda, it's everything and then the board can then decide if there is a conflict with that interest at any time in the future or a particular matter or a matter arising from the minutes.

Certainly the practice on the boards that I'm on and have been on recently to pretty much declare everything. The board can have a discussion if you say I'm on the board of a particular company but I also chair the local kindergarten committee. They might decide, we don't need to have that on a register because the likelihood of a conflict is so remote. So it's up to the board to decide.

I mean, I completely agree.

And so I call them interest registers rather than conflict register to adhere it to that.

Because I have been in situations where it's been a conflict of interest register and individuals make the decision whether or not some things are perceived, a real, or a potential conflict themselves. And there have been times when they have not made the right call through whatever reason. And then they've had to wear that and the board has to. So it's much better throw everything down. Doesn't matter. You might never have that as something that you have to even discuss or make a management plan for. But better to have it out there and the board makes the decision rather than the individual.

Well, the other thing I'd say on that too, Linda, is to on your agenda, you don't call it conflicts of interest either. You call it declarations of interest. So that speaks to your point, Linda, about it's about the interest. It's not that it is a conflict.

However real or remote or perceived.

So as we said before, there's director responsibilities that we all have individually and then those we share collectively.

So just quickly through these shape the organisation's strategic direction, steer decision making and key initiatives, guide the organisation's overall performance and accountability, champion good governance practises which is essential, frame and assess risks and opportunities, ensure the organisation's legal and ethical compliance and also business compliance, and manage stakeholder member engagement and reporting. And just on this, I put stakeholder and member as separate. There's an increasing tendency to conflate members or shareholders and stakeholders. And for mine, think it's really essential to keep them separate in your mind because different obligations, different contractual relationships apply to each group. So your member or your shareholder is a different animal from your sponsor or your third party contractor of some sort or other.

Linda?

Yeah, I completely agree with you on that. And just looking at the steer one decision making and key initiatives, some of the tools that you have to help you with it are the values of the organization and also your risk appetite. So really important when you're dealing with making decisions that you get that information as part of any decision making paper so that you know if you're moving outside of the bounds of what you've agreed at a strategy level.

Yeah, but other than that, I think there's a very good guidance.

Yes, and certainly values came into the fore with cold play KISCam.

Dear.

An astronomer.

Question from Amy. What level of detail should the board be given in review on health and safety practices?

As much as you want, as much as you think you need to do your job as a trustee, as a fiduciary of the organisation and a person with director responsibilities. And I always think of dream world when I think of this question and I haven't read the judgment. I only know what I read in the paper. But what was the board asking or not asking? What was the board given or not given vis a vis the facilities of Dreamworld when the accident happened those years ago?

I don't know the answer but you think now that boards in those sorts of industries would be asking a lot of hard questions about the safety of their equipment.

Yeah and I also would have been on a utility company we would go out every second board meeting to site to talk to the workers because it's not just the rear vision mirror that you're looking at in terms of how many near misses or accidents or whatever. You actually want to talk to people. You want to feel satisfied that they have had good training. That they are aware of the policy and practices. So for me you know, if you're in a recycling business, I would suggest that you want to go out and you actually want to talk to the workers, do site visits now and then. Because you're going to be held, I don't know where you are, if you're in New Zealand or Australia, so different legislation applies, but you can't walk away from your health and safety obligations.

No, no. So I might come back to your question in a minute, Fabian.

Board responsibilities, established culture building and organisational values as Linda was just saying.

Employ, manage and support the CEO and his or her performance.

Hire and fire.

Align and coordinate the organisation's overall performance and accountability. These are very generic as you can tell but then they encompass a multitude of issues.

Plan for succession. Sometimes boards don't do that very well. That's a hard conversation to have sometimes.

It also includes having nominations committee depending on the size of your organisation. Ensure the organisation's financial performance and viability key.

Create an environment for risk aware decision making which Linda mentioned before. Risk is essential and I think having board papers that have a risk heading to get the paper right and to think about the risks of what they're proposing is one way to sort of up the ante on that approach.

And drive continuous improvement and accountability in all board processes. And again, it's not a non exhaustive list, but these are just some of the things that are the board responsibilities. Linda?

Look, think that's really true.

I'm aware of time and I'm aware we've got some questions. So, yeah, I think you've covered it well, Margo.

All right. So responsibilities and duties in action. So reviewing and approving financial reports as we touched on earlier. So the duties that are attached to that are care and diligence, taking the time to know what's in the financial reports, asking the questions and not pretending that you're not responsible. It's also about acting in the best interest in making the decisions about the money that you're going to spend, earn, whatever. Approving a major contract or purchase of duties here are you doing it for a proper purpose and is there a potential conflict of interest in that arrangement.

Hiring a new CEO, again, best interests of the organisation is this person the right person and your fiduciary duty of trust to make sure that that person is going to be the best person.

Thanks, next one. Thanks, Sean.

Dealing with poor performance or internal conflict.

Everybody's obliged to act with good faith and for a proper purpose and also be diligent about how they behave personally.

Speaking up in meetings, again, care and diligence, it's about making sure that you've got the information, that you're contributing and it's that duty of trust to make sure that you are again acting in the best interest by virtue of your questions. They're not self serving.

They're not designed to confront, confuse whatever.

And approving minutes, also care, diligence and the duty of trust. Linda, was there anything you want to add to those?

No, look, I think again, linking it back to why are you doing these things is key.

Yes.

Should we have the final questions? How much time?

We've got about five, six minutes. So should we go to the question? So Fabian, what is the now accepted practice when recording minutes? Should board members names be noted against expressed views or should discussions be generic? Linda, do want to have a go at that one?

Yeah, I firmly believe they should be generic. One of the key things about good governance is that we have collective responsibility to name individuals in minutes cuts right across that. And the board does not make decisions. Individual board members do not make decisions. The board makes the decision. So I firmly believe they should be generic. Yeah.

Yeah. I agree. I mean, obviously, if you do want your vote against something recorded then you can have your vote recorded. You can ask for the minutes to expressly record that you said this about that if you want to. But the general principle is generic. In the olden days it used to be chapter and verse verbatim.

And I remember writing them like that, he said, she said, but no more. So generic is good. Board members review, there needs to be for Chair review. Absolutely, that's part of it.

But make sure that if you do a Chair review, you don't ask the Chair to receive those reviews. That happened to me once when I was on a Board. So obviously no one was going to be particularly honest.

Linda?

I agree. I agree. Yeah. And often, and I as chair have had my performance reviewed as part of the board evaluation.

So they evaluated the board and then they evaluated the chair. Very helpful. And the interest of continuous improvement.

Oh yes, yes. And you have to be prepared for the good and the bad, or the not so good.

How do you deal with a non performing chair? Well, needs a whole other session.

Yeah.

I think we can sign up to that one.

Yeah.

That that is a long conversation.

Yeah. Yeah.

So if we can take that on notice for another session.

For unpaid board work non profit, how do you balance the need for more volunteers? The fact that board members actually have quite a lot of responsibility and liability as you outlined.

That's a problem for so many not for profits is getting board members to put their hands up. And I think part of it comes back to meetings.

That if you have a well run meeting and there's plenty of resources on BoardPro to help you with that. If have well run meetings you can attract people because they know the meetings aren't going to go twice as long as they should or you're not going to have ad hoc meetings. You're to have papers and a lot of small organisations don't have papers.

So yeah, I think that the better you can run your meetings, the more efficient they can be, the more properly serviced and you're on your way.

Linda to you for how does a CEO deal with poor board performance?

Oh, influence. Try to get alongside the chair and influence the chair to have a board evaluation.

And then through that process, which has to be run independently, you can have feedback to to the board as a whole about where they sit in terms of against what good practice looks like. Something I've done a lot of in the moments. Because often it's not that they don't they they just don't know what they don't know. So I think having a good board evaluation is the key. And if you can't get alongside the chair, then you will have some people within the board who you'll be able to work with to get that across the line.

Or send the chair off to chair training. That's another option.

Carol, yes, a board member can be asked to be identified in the minutes, and I have done that on occasion.

And no confidence votes, probably a bit more than we've got time for. Board subcommittees, how involved in operational management should they be? Oh, all I can think of is golf clubs there.

Yeah. They, I mean, they they subcommittees are useful because it enables people to do deep dives.

But they should not actually be involved in operation management in my view. They're still governors.

Yes, yes. And golf clubs have a lot of committees which blurs the line between management and the board that can impinge on the board's decisions and its functioning. You've got to be really clear about that relationship.

And not for profits inevitably you end up getting pulled into doing things because you don't have staff to do it. Yes.

Well, think Sean has called time on our time together. And we've covered a lot And I hope that that's been useful to everybody, but there's certainly no shortage of questions that can be asked and answered when it comes to governance roles and responsibilities and everything that hangs off being a good and effective director. Linda?

Yeah, look, they're great questions, really great questions and a fabulous presentation. Thank you, Margo, for inviting me.

It's been a pleasure. Thank you.

Thank you, So everybody, you shall receive an email from me tomorrow, which will include a copy of the recording, the full transcript and the presentation slides.

Just as you leave the webinar, don't forget to complete our one minute survey. Go into the draw for our hamper. I'll announce the winner of that tomorrow as well.

Thank you again for your attendance, everybody. I hope you enjoyed this session with Linda and Margo. Thank you for the great conversation team. I look forward to seeing you everybody at our next webinar. Have a great day.