

Webinar Transcript

Top challenges facing boards in 2026

So hi, everybody. Welcome to our webinar today titled, what are the top governance challenges facing boards in twenty twenty six? What's really making you sweat?

So we're joined today, by Jeremy Foster and Julie Gallen McClellan in this webinar, which is gonna be quite different from our usual format, and that you will be driving the agenda and the conversation.

Intrigued?

Well, stand by, and everything will be revealed shortly.

My name's Sean McDonald, and I shall be your moderator for the next forty five odd minutes. Firstly, thank you so much for attending today. We always appreciate the effort you make to be here for our live events, particularly with daylight saving. We know it's been a bit tricky trying to sync up your calendars, so thanks again for making the effort.

During the, session, if you have any questions, which we hope you will do, please use the or try and use the q and a button on your toolbar. We'll be answering as many of these questions as we have time for. And finally, if you stay through till the end, which, of course, we hope you will do and as is customary for our webinars, we have a special treat for you. By answering a really short one minute survey at the end of the webinar, you'll go into the draw to win one of our beautiful gift campers worth over three hundred dollars Now for those not too familiar with BoardPro, we are a board portal, board software provider.

Then we serve just about thirty four odd thousand users across the world, and we're represented now in about about thirty four different countries.

And we enable organizations to prepare for and run their board meetings more efficiently and effectively with less time and deliver more impact and value for the organization.

And as part as as as much as we are a software provider or sometimes called a board portal, part of our wider mission is to make the fundamentals of governance free and easy to implement.

And that's for all organizations, but especially those organizations with resource constraints. And one of the many ways we do this is by providing free access to hundreds of business templates, guides, and resources on our website, which you will find in the resources section of our website, funnily enough.

And these webinars that we host every week are a great way of accessing key governance knowledge without the time commitment and costs associated with in person events.

So for the next forty odd minutes, just relax and add to the discussion by asking as many questions as you would like. A full recording of the webinar along with the slide deck, not that there's much of a slide deck, and the transcript will be provided as well as the report from the session today, and I'll send that out to you tomorrow.

So without further ado, let me hand over to our team, Jeremy and Julie, who will introduce themselves starting with you first, Jeremy.

Yeah. Good afternoon. Good morning, everyone, or good evening wherever this meeting finds you. I'm a, chief catalyst, for PeakBalance, a small boutique strategy company.

The idea is being calling myself a catalyst because I think that the answers exist in the groups that I engage with. So I engage with boards and executive teams. Peak Balance is about achieving peak impact while balancing trade offs. There's always trade offs.

And, I won't tell you my life story. It's been epic and, just enjoying, coming and talking about governance issues, having recently finished the chartered membership for the Institute of Directors in New Zealand, which I've enjoyed doing.

Fantastic. Julie, over to you.

Hi, everyone. I'm Julie. I am the managing director of a newsletter, which is called the Director's Dilemma. I'm sure a few of you on this call will be readers, maybe even some contributors.

If not easy enough to find and subscribe, but I am a professional board member half the time and a consultant and adviser to boards the other half. And in my spare time, I write a newsletter.

And I'm really looking forward to this morning's event or the afternoons.

Indeed. Jeremy, back to you, sir.

Alright. So, everyone, if if you thought that this was the session where you're gonna kick back and relax and eat your lunch, this is not that session.

It's time for you to jump into this presentation with us. And so what I'd like you to invite you all to do is grab your phone, please, and take a photo of the QR code, which is in the top right hand corner, and that will parachute you into this into this session.

And what we're gonna do is we've, crafted a number of, different, classic areas which drive, challenges and, you know, we talked about the when we're discussing building up the session, the unspeakable things, the real challenges. And so we're gonna use this technique which I've developed called group wisdom, where you're all gonna participate in it. That's then going to start yielding what's really important to you. And then as we then land on some of those vital

things which are really driving, you know, creating tension and challenges for us, we're gonna lean on Julie's fantastic background and experience to talk through what are some ways of tackling these kind of issues.

And so you can see already we've got, fifty eight of you have, parachuted into this call. As you think about the roles that you play and, Julia, I just want your reflections. What are some of the differences as you think about, you know, life of a CEO, a director, corporate secretary? What are some of the things that speak to you about these roles?

I love the roles. I I love to kid myself that I can have an impact and make a difference. And certainly, being a director is one of those ways in which you can leverage your impact across more than one organization.

Hopefully, I'm a good director and that's a positive thing.

Sometimes the boards I work with, I scratch my head and wonder whether perhaps limiting people to just one area of impact might be a better solution.

But CEOs, again, boards direct, but the CEOs actually make sure it happens.

And I often joke with my CEOs that they don't really have a job. All they have to do is make sure everyone else does theirs, but that's a full time job and then some.

Some. So CEO role, again, it's that focused impact.

And company secretaries, I think both CEOs and directors would die without our company secretaries or our governance professionals because, of course, in New Zealand, the title is less common because there's no legal requirement for certain companies to have one. So, I'm reading a fantastic book at the moment called The Secret Diary of a Company Secretary. And for anyone who thinks that, company secretarial work is boring,

It's certainly pretty exciting in secret.

So here are the results. Look at that.

So so it looks like we've got quite a lot of directors on the call, which is fantastic. Also, around about a third of us, and about fifteen percent who are really bringing that kind of CEO perspective. We're gonna box on team in the interest of time. One of the other interesting things that I've noticed, you can hear I'm a Kiwi, but I have spent ten and a half years abroad. I, lived in the Middle East for six and a half years, in Sweden for two and a half years, in the US for eighteen months. What are your reflections, Julie? What's what what are some of your international perspectives around Australia, New Zealand, or elsewhere, what'd you say?

Well, I'm I'm an inveterate traveler. I love to travel and go to new places and meet new people. I think that's just one of the joys of the job.

Obviously, we've all chosen to be or to stay where we are, and there are pros and cons with those decisions.

But I just find that Australia and New Zealand, when you look at everywhere else in the world, they are such good places to be. The quality of life here, the ability if you work hard and if you have a little bit of help, to have a good life is so much better than it is in, some other areas.

But, really thinking through some of the big benefits, of Australia, I love the compulsory voting.

Having seen places overseas where twenty percent of the population decide on behalf of the other eighty.

I love the fact that we manage to have orderly transitions.

Both boards, we have orderly elections, the corporate governance institutions and frameworks are good. The level of corruption is never acceptable, but it's much lower here than it is in some other places.

And I genuinely find that company directors are focused on building their companies and trying to make them succeed.

So it looks like on this call and, we're now gonna jump into the exciting stuff. But I think it's always interesting to get a sense of different perspectives. So we're roughly fifty fifty split for Australia and New Zealand. So let's get into the, let's get into the chunky stuff.

Now this is what, is called in group wisdom terms conditional branching, and the way this works is that you have three choices, and I should have, added that little note, but you're gonna have three votes. And so the way to use this particular slide is that, all of these areas create challenges for boards.

But what are the top most challenging ones for you? And so the way this works is if you can, choose, say your first one could be around strategy. Another one could be around artificial intelligence, technology outside of AI, so cybersecurity, those kind of things, indigenous representation. All of these things are really important things. The first one will get a slightly heavier weight than the second and the third. And so what we're gonna do is we're gonna take this group wisdom of this group that's now joining the session, and we're going to surface up where are the biggest challenges. And then what that's gonna do is gonna take us to those areas where we start to see, you know, the kind of classic challenges that fit in strategy, the kind of classic challenges that fit in people and culture and so on.

And and there, we're gonna then select, well, of these kind of challenges, which are most most challenging? And then Julie's gonna share, some short anecdotes on, you know, here's some ways that we've seen how we might tackle such things.

The demographic split will enable us to get a sense for, you know, whether one thing might be more interesting than another for one particular group. We won't spend too much time, but we'll

share that fit so that you can get a reflection on it. And then, before you know it, we'll be blinking. Suddenly, it's one forty five, and you'll be back on with the rest of your day. But we're gonna use this time really efficiently to talk to those top most important things that that you feel, you know, really need to be addressed. So I'm gonna wrap up the, the voting in a moment.

So I'll give you another couple of seconds.

So the first is a slightly heavier weight than the second than the third, so the order does matter.

I can see that we've just had someone join our session.

That's okay.

So it looks like, strategy, risk and resilience has floated to the top, and then people and culture, so we're gonna crack into strategy momentarily. Before we do that, though, it's sometimes interesting to look at this the, the difference of, demographic splits. So we can see just to look around the slide, CEOs represented in the darker blue at the top, then director corporate corporate secretaries corporate secretaries are quite interested in governance. We can see that, amongst the director level, artificial intelligence feels like it's important. And the other key one, risk and resilience is is a is a common thread. So we start to see the difference of perspectives, which is quite interesting.

The second thing, to look at is, you know, what do we think between Australia, New Zealand, and elsewhere? So because we only have a few, from elsewhere, that's why they're, strongly represented here. Governance risk and resilience is Flow Top. So we're gonna talk to certainly this one. And the rest of us are fairly even in terms of our Australia and New Zealand perspective, a little bit more on governance for Australia, a little bit more on artificial intelligence for the Kiwis. And it's not that anything is right or wrong. It's just, these are just interesting, perspectives to have.

So let's let's jump into strategy.

And, again, I know that you all thought that you were going to, rest and chill out through the session, but we, crafted some really sticky issues that face us as boards, you know, when we consider strategy.

And so here we can see that, again, it's the same drill as before. Your first vote will have a slightly heavier weight than your second and third. And so the first sticky thing, directors outwardly agree but hold divergent interpretation. So, you know, we kinda don't have that clarity or maybe avoidance of conflict suppresses robust debate. So this is where, you know, we're we're trying to tease out those those challenging choices that we're trying to make.

Maybe, maybe there's a, critical gaps in board expertise. Maybe there's, you know, around, having domain knowledge or perhaps the execution progress is poorly measured so we're not having those right measures. Or it could be that there's something else that we haven't, but all of these things are challenging challenging issues. And in a moment, we're gonna put Julie on the

spot who's faced all of these, I'm sure, and share a couple of insights as to what you believe as a cohort on this session today are the stickiest aspects of strategy.

And, Sean, if there's any questions that pop up, I look forward to hearing you jump in and share any insights.

Yeah. None yet.

Will do. I'll keep my eyes open.

Alright.

What is what's top of mind for you, Julie, when you, when you look at this list? I'll close the voting when we get to close to eighty because that seems to be the the larger number. What's what floats the top in your mind?

Gosh.

It differs with every board, but I think the outwardly agreeing and the avoidance of conflict and the critical gaps, that Dunning Kruger model

Of boards that, oh, for those of you, Dunning Kruger, they plot ability and experience or perceived ability and experience. And so you get somebody who thinks, oh, this is wonderful and I've read an article about it, and they believe they know something. And then they get to read a few more articles, and they start to realize that there's a whole heap of nuance, and their confidence drops until they realize just how little they know. And they read, and they they learn, and they they experience, and they go back up.

And I love the way, they've annotated this lovely curve with the, the highest point is the peak of Mount Stupid, which is what you haven't got in Nafix. I I know. I couldn't make this up. But the peak of Mount Stupid, then you go down into the valley, the pit of despair, and then you climb up the slope, until you reach the plateau of productivity, which is always lower than the peak of Mount Stupid.

So directors, when we think we know, are actually going, well, have I been through the pit of despair?

Because if I haven't, I'm probably just overconfident and under experienced.

So what we're seeing here, just to jump in, Julie, and and, keeping an eye on the time. So immediate pressures outweigh long term positioning. You must have come across this. This is, you know, float at the top. Then we can see avoidance of conflict, which is one of the ones you raised up. Maybe, you know, immediate pressures outweigh long term positioning. The short long term tension, how how does that play out for you, and what are some of the things that you've seen, be practically useful to help, overcome this challenge, which is a sticky, ugly piece of that governance have to worry about?

Yeah. Well, the sad fact is that we need to remain solvent. And if we can't remain solvent, we damn well have to go into administration before we start getting into serious trouble for trading whilst insolvent.

So, yes, I can understand those immediate pressures do need a good and considered response.

So I'm not saying don't respond. If you've absolutely got to respond and it's not just insolvency.

If you're in the government sector, I was gonna say put your hands up and give me a wave in the government sector, but you can you can pop a wave into the chat.

Budgets get cut, and suddenly you have to find, five percent efficiency dividend or you have to reduce headcount.

And they're just it's not that you're gonna become insolvent and the board are going to go to jail, but you have to comply. That is the directive that comes to you from your sole shareholder. For anything else, one of the things I love to do is to say, let's imagine we've solved that.

Now what are the key things? And so you can start to put those long term things onto the agenda. I love that Stephen Covey plot of urgent versus important.

Right.

And making sure that, yes, you deal with the truly urgent, even if it's not important, but that you constantly have the important on the agenda and that you make sure that you find the time to address it. And certainly, strategic planning, director education, reporting to your stakeholders, and investing in your staff are four of the things that I would put in that really important box. You need to do them.

Before we move off this one, the second was avoidance of conflict suppresses robust debate. What are some things, some tools that you might have brought into boards to help, have robust debate and overcome this particular sticky challenge? What what would you say?

Certainly, a tool like this one is a great one where you give people a range of options and you could actually get to the decision without having the debate. But it hasn't been suppressed. It's just been neatly bypassed.

So that's that's sort of like building a road around Albury so you don't have to go through all the traffic lights and stuff up the middle of town. And for those of us that don't live in Australia, it's a lovely bypass, and I'm an engineer.

But the other things you can do is for particularly the chair.

If you are a chair, this is your job.

Your job is to make sure that board has good discussions and makes good decisions.

Tricks, actually asking people, okay. Say what's good about this. And then go round the table and now say what you're worried about.

Now say what are some of the potential underlying weaknesses that we need to address before we can do this.

Now say what are some of the strengths that we could apply.

And it's that making everybody have a balanced view Right.

And making people aware that it's not that they're saying we can't do this. They're saying there are issues with doing this, and let's have the conversation before we make the decision, and not defacto drop into a decision because we didn't have a proper conversation.

Right. Super helpful. Thank you so much for that, which leads us nicely into risk and resilience. Risk and resilience was the second, classic area where our group that's joined us today have have bumped into.

So, let's see now. Let's look at some of the risk and, risky challenges that, we are starting to be concerned about. So things like, is it cyber vulnerabilities as we start to say same drillers before team? Your first one will have been slightly heavier than your second and third.

Is it things like, climate? Do we are we acknowledging, but we're not really integrating, for example? Or is there some geopolitical exposures that are downplaying in our discussions? Maybe there's risk registers exist, but they lack real ownership, for example.

Or maybe there's, you know, a lack of expertise in this. It could be insurance issues. Maybe that could be a a challenge, or, maybe there's something more, kind of upstream in terms of suppliers or partners, and we're overreliant on them. This is not an exhaustive list.

But as we started to craft thinking, what are some sticky, ugly things that that might exist in the risk and resilience challenge? These were the ones that came together when we're crafting the session. So just while we wait for the next, thirty or forty votes to come in, Julie, what was the, just quickly, the the top one that that picked your interest as you looked at this risk and resilience?

I really worry about, cyber vulnerabilities.

Nothing makes me worry more than IT people who tell me not to worry.

That's like really frightening.

My response is Harrison Ford response from Air Force One. Don't be afraid. Be very afraid.

But I'm just gonna insert a little rule. If you pick j something else, you must type in the chat or in the q and a what that other thing is.

Yeah. That's a great point.

We we did our best to come up with a list of, options for you, but we're not you. We don't know what you're facing.

And there's another ten to go before Jeremy's gonna tick over or no? No.

I'm just looking at the time, and you're all gonna, wanna finish on time. So with that, it looks like, so the top one risk registers exist, but they lack real ownership. And then in line with your thinking cyber vulnerability. So let's talk about risk registers.

What's your experience on, exactly this issue? They exist, but they lack ownership. How have you overcome such a a challenge at that a board level, Julie, with yeah. What'd you say?

Yeah. That's a difficult one because the risk registers themselves are a repository of information that should drive you to other things.

And, ideally, the people who own those other things should be really aware that this risk register is gonna bring attention to them from above and around and even from below as people get access to it. One of the things I find that absolutely undermines real ownership is when the mitigation strategies for the risks wouldn't really work in practice.

Nobody's invested in them. Nobody's practiced the, the actions and the plans that that sit behind them. They're not properly, resourced.

Or also where the risk register looks lovely, but because there's pressure from above, risks are always brought down to a moderate level. They're not. There are some risks which are extreme. I have a sneaking feeling risk a cyber is much higher than most boards know and want to think about. But if you put it down as moderate on your risk register, you're just training people to ignore your registers and think your risk management's all a bit of a furphy.

Right.

You already talked a little bit about cyber vulnerabilities. I can see that the third thing that popped up here is, the there's a second and bottom one. Boards lack resilience, expertise to challenge management. So this is this is kind of starts to speak to the, the board management relationship here.

So how do you see like, where are some healthy activities to to make sure that that dialogue, acknowledging that both the board and government and and and management have different perspectives on the business. So what are some healthy things that you've seen which can drive up that ability to have a dialogue? Because it is a dialogue is challenge, but it's a discussion. What what what have you seen?

What would you say?

Yep. The I mean, most of us as directors are already out of date. We got to be on boards because we'd already been good as being managers and executives.

So, yeah, having the expertise to challenge management who are current and still honing their knowledge is daunting, but it's kind of our job. We've just got to do it. And I find the how questions.

Asking them, how would you handle this?

What exactly would you do?

Who would you tell?

At what point might you need external resources? What's the process for getting them? Those questions that invite the executives to invite you in. You've almost got to be like the vampires in Sinner. You you've got to get them to invite you over the threshold, just so that they can then share with you, this is really what we would do, and this is really what we expect to be the result, And to understand that it's okay for you to be scared and it's okay for you to trust, but your trust must be reasonable. And for that to happen, you've got to have those conversations.

Super.

People and culture was the, the third sticky area.

And and, again, non exhaustive group, list of of sticky things, team, but, here are some things. So CEO succession plans, one of the biggest, probably the most important job of the board is choose a CEO.

So that's, that's, a number one. Maybe toxic behaviors at the top go and challenge, so maybe that becomes a people and culture issue. Board diversity is discussed but not acted upon. So we we talk about how we need diverse perspectives, but we don't do anything about it. Burnout and well-being risks are underplayed. It'll be fine. Everyone can work eighty hour weeks.

Maybe there's, a misalignment around culture, but it hasn't been addressed.

Or what about pain equity issues, that they you know, we've we've wake up with a whole raft of one on one, arrangements and deals. And I think, just in the interest of time, I'll, I'll finish a little bit early. So get don't eat into those sandwiches, Tammy. You need to, to make your choices. Julie, top of mind for you around people and culture. Which one peaked your interest coming into this this this one? This this one?

I think culture misalignment.

And sometimes it's not even seen because the board don't get out there and experience the culture in action.

So I worry about that one.

I worry about the, succession plans. They're often fine for the CEO going on holiday. But if the CEO got hit by a bus or eaten by a great white shark, they just might not work.

And the board diversity, actually having that discussion about what sort of diversity do we need, and how uncomfortable would that be for us to bring that diversity into this room with us.

That doesn't always happen. It's very often more well we've got to have a lawyer and we've got to have an accountant and Oh, look at that CEO succession. Wow.

So so what are some good, some good steps that you've seen to, to make sure that, the CEO succession plans are solid, that, you know, what would be, maybe, you know Oh, let me just get rid of that. Okay.

Well, I was enjoying Energy Cloud for Windows. Thank you very much for asking.

Thank you, Matt. Let me get rid of that off the screen. Okay. So coming back to CEO succession plans, yeah, what are some actions that you've seen that's been good?

I think the first thing is, you know, boards aren't supposed to be comfortable places. If you are a little not for profit or, a very efficient government enterprise, you probably don't have budget to have a CEO in waiting, sitting in your executive team, able to just step up into that role.

You might have some people who would be good CEOs in waiting in a few years' time, and you're investing in developing them. But if one of them steps up for more than just a holiday period, you're going to need to bring in external help, maybe some interim support in the role they've left. The board's going to have to be more active in their mentoring. Your CEO succession plan doesn't have to be like, oh, well, if a left, b would step up, and we'd carry on like nothing happened. It's like, you've got to be kidding me. You you don't replace people. People are unique and irreplaceable.

You only fill the gap they leave, so that you, you need to be thinking about, well, if this CEO goes and this replacement steps up into the gap, here are the extra things we get with that new person, but here are the things that we used to have with the previous person that we've got to backfill from somewhere else, so the role design has to flex a little, The support has to flex. Maybe your delegations have to be reduced until the new person has proved themselves capable, which means the board has to step up.

But when I see a CEO succession plan and it looks easy and simple, or when I'm dealing with a small listed mining company that says, oh, well, if we lost our CEO, we'd have to recruit externally.

It's like, okay. That can take up to three to six months because anybody good possibly might be working, possibly might have a notice period or a non compete period, possibly might want a holiday before they started with you.

What's your plan for getting across that gap in time? It's not just gaps in skill. So that, I think, is, enough to get you started, and there are some great headhunters and other consultants out there to help you get all the way to having a plan that you think you can rely on.

Now you mentioned earlier about culture misalignment, but I just wanna draw attention to the third one, burnout and well-being risks are underplayed.

Is that, how again, just before we leave this, this slide, what are some, some classic strategies that you've seen to help us tackle this particular issue, burnout and well-being risks and being underplayed? What would you say?

Yep. I'm just gonna pick up on Gemma's com comment in the chat.

Worry about money is something that if you've got any burnout happening, concerns about financial viability, concerns about the ability to get your pay rise so that you can keep up with the cost of living. I know. If it keeps rising any further, we won't be able to see it, let alone afford it. But underplaying those risks is dangerous because then something goes bang when your normally affable CEO suddenly snaps at somebody.

So just thinking through and sometimes naming the elephant is also taming the elephant. When you tell people I know this is a huge ask, we really appreciate it, but be real about things.

As directors, there's a lot of directors on the call, do not send people questions at ten o'clock at night without underneath saying, I've sent this when it suited me in my spare time. You don't need to answer until it's your work time. Just the fact that I'm on your board doesn't mean everything I ask is urgent. In fact, some of it will be stupid, so, don't treat it as urgent.

Of course it will. Nice. Yeah. Ninety percent of the time, I'm not stupid, but every so often.

And that goes for all of us. So, again, addressing the burnout, doing what you can, treating people with respect, And if you see somebody looking different to how they normally look, have that are you okay conversation.

Right. I know it's uncomfortable. I'm an engineer. I wish there was a numerical answer for all this.

But actually saying to someone, look, you look really stressed, and I noticed that you were a bit short when you answered that question in the meeting.

How are you going?

I mean, say, oh, I'm good, and you think, no, you're not.

Actually saying, really? Do you have time for a coffee?

Yeah. I think you're absolutely right, Julie. I think it's, the burns on us to create that space, isn't it, as leaders? And, so I've jumped into it was a great segway to come into governance in general.

So governance was the the fourth thing, and here are some, some sticky, things, not an exhaustive list, but, you know, directors lack clarity in their true role. One of the things I do with a wonderful organization in New Zealand is, I work with school principals with the Springboard Trust. And, one of the classic things that, that I find as attention is around school principals working with their boards. And, you know, sometimes people jump onto a board because they believe their job is to tell the principal what to do.

Whereas, of course, you know, then you've had to figure out that dynamic. So we can see directors like Clarity as as one of the sticky things. How about compliance, overshadows? So sometimes, you know, we can be just so compliance driven because we're worried about, you know, all of the, responsibilities and and and so on that comes with being in governance.

Maybe it's around succession. We talked a little bit about that with CEOs, so maybe that's a classic issue.

Perhaps our reporting needs to be improved.

Diversity, again, we mentioned this diversity of thoughts and ideas. How do we, if we if we think that we can just bring diversity by bringing a particular demographic or or someone from a particular area? Is it really diversity, or do we need to, you know, make sure that we're bringing fresh thinking as part of all of that, maybe underperformance?

Maybe that's a key sticky thing that needs to be navigated or, coming back the chair. The chair dominates limiting balance to participation.

And to your point around, you know, getting the the real things out on the table, that's why I find, you know, this technique of using, this kind of interactive technology is quite helpful because you can say I I call them the unspeakable things, and then we can see whether they would in fact be an issue. So as we wait for the last couple of votes to come in, what what was top of mind for you on this board governance? What's the what's the number one thing you said, Julie? And I'll wrap this up in a few moments.

I find all of these, and it's that question of which one is most important for this board and is that because it's important or just because it's become urgent because it's preventing us from being able to do a good job with something.

So thinking through in terms of the, the long ones, the board succession, and, yeah, directors who don't know what they're doing, and Dunning Kruger applies here too, doesn't it? They think they know Or they'll say things like, I was elected.

Therefore, I know everything I need to know because I know enough to get elected.

Right.

So, yeah, that whole question of this is what got you the job, But what's going to keep you the job is this minimum standard of director and then what's going to make you excel in the job so that the company thrives is this extra standard of director skill and capability.

And so having that conversation and if you want your board to know what their role is, instead of complaining about them, actually educate them. If it's important, invest in it. And it doesn't mean you have to spend money, but tell them you want them to watch a free webinar from one of the ones that's on the website and to report back to the next board meeting, I watched this one. This is why I thought it was relevant to this board, and these are two big ideas that I picked from it.

Just that conversation going around the table. Yeah, it's going to take time, but it's really gonna supercharge you later. It's cost you zero, and it's woken the board up.

So I find that one is a good one. And compliance, you've just got to get so efficient, because ideally, as a director, all you want is one indicator that says we comply with everything we need to comply with, and then you can go back to the strategy stuff. Right. I know that's Pollyanna ish, and you actually need lots more because you want the nuance to really understand where are we choosing to exceed our requirements because there's benefit in it for us, where are we choosing to meet them comfortably, and where are we struggling to meet them and it's uncomfortable because we've got to address that. It's starting to become urgent even if it's not important.

Really nice. Nice. You've touched on all of these. I'm gonna jump back. I'm keeping an eye on time.

I think artificial intelligence has floated to the, the next one. We've probably got enough time to crack on this and then crack into our summary.

So which are these board AI challenges?

AI and you know, my friends tell me that I'm an AI denier. I call myself an AI skeptic, but, nevertheless, it's a rabbit hole that we could tumble down. Which of these challenges are most, sticky for us in this group? Is it around, understanding of AI's capabilities or limits?

Is it the risk appetite?

Things like ethical implications.

Are we being over reliant on management so we're not really, you know, bringing our own perspectives to the party because we don't have the skills maybe, which talks the literacy?

Is it treated as hype, not a strategy? Or maybe is it, you know, potential of reputational damage for some kind of AI misuse?

Which are the ugly things that are top of mind? And while we wait for the next few votes to come in, Julie, what's the number one top of thing for you top of mind item for you around artificial intelligence as it stands today?

I think with AI as it stands today, I am quite happy to admit I'm down the bottom of that peak of a pit of despair.

I've done a few courses on AI for directorship.

I've done a few courses on understanding and using AI, but understanding what it's really capable of and where it's getting the information it's giving me. I was talking with one of my mentees the other day. She had applied for a board role and she popped her CV into an AI and said, this is the role I'm applying for. Here's my CV.

Please, suggest a text for a good cover letter. And in her cover letter, it came out with, well, in my experience as CFO of this company.

And she went, I never worked there. And I went, Yeah, but the guy who was CFO of that company has possibly applied for this job.

So understanding, and you cannot read the terms and conditions. They're too long and they're too complicated, and you can't really think through what they really mean in practice.

But be cautious.

It's like jumping onto a powerful horse.

You might know how to ride, but you don't know this horse, and you don't know what it's going to be startled by and what it's just gonna trot happily past. So I'd be careful of that, and I think that's strongly linked to the, the ability to ask questions.

And that ability to say, look, I don't really know enough about this, but here's a question.

Asking permission to take things offline, having the conversations and getting that risk appetite, actually telling staff this is the sort of thing we don't want you to do.

Would have been nice if they'd thought about that before Robodebt, but yeah it's it's hard and if it weren't AI it would be something else and I think as well don't leap just to AI. If you haven't got your data and information governance right, you cannot possibly do well with AI.

And most of us, if we are honest, we don't have databases.

We don't even have data lakes. We have data dumps.

They are sludgy swamps with the occasional nugget of useful stuff. And so no matter how good your AI, if that's what it's using, the garbage in garbage out approach, is a very wise one.

Now, Sean, I wanna respect your time. So I'm gonna, so we've now covered off, strategy, risk and resilience, people and culture, governance, artificial intelligence. These float at the top of this group. And, and I think we'll now just jump into the, summary so we can keep everyone on time for the next meetings.

We thought as this is the first time we've run such an interactive discussion and, to harvest that group wisdom of this cohort, The question that we wanted to put in here is after how many months should we rerun the session, because the world changes quite quickly, but maybe not that quickly. So is it after one month, two months, three months, four, five, six? Is it kind of twice a year kind of thing? Is it four times a year?

What would you say, dear colleagues on the call would be and this is you just choose one of these, and, and then that will be good guidance for us as we think about, you know, preparing for the next session when we run such an an interactive session.

How fast do you think the world is changing, Julie? What do you think is gonna float to the top as being the the logical amount of time for us as a as a battle rhythm to have these chats?

I really don't know. I mean, I am a governance junkie.

So I am already in my mind thinking how excited I'm going to be to, read the two different Otter dot ai summaries. And again, anyone who wants to look, there's two people who put summaries in the chat, and the summaries are actually slightly different.

Because even though they're using the same AI platform, it has chosen based on its experience of what those people have liked in the past to highlight or downplay certain areas. So I think having the information to know how, how am I impacting the speed with which things come up and what am I doing here? I think just really think through and I've been completely distracted by the fact that fifty two percent of you want it at six monthly intervals and twenty six at three months, which I think is is good but yeah in six months you've got time for things to really change.

You have to ask yourself how strategic am I being if I need to refresh every three or two months And Sean is giving me a big nunch and saying, Julie, get out of the data. And he's not saying goodbye. So thank you so much. This has been a really fun session.

Thanks. I have cut you both off. My apologies for that. That, but we are over time by a few minutes, and I am respectful of people's time. So thanks very much.

So please feel free to connect with our presenters on LinkedIn today, everybody. I'm sure they'll look forward to your connection. If you'd like to be put in touch with Julie or Jeremy, please indicate your interests, on the survey at the end of the webinar as you exit.

And you will receive an email from me tomorrow, which will include, hopefully, because the recording stopped, and I'm not sure what happened there. But hopefully, it'll it'll include a recording of today's webinar along with the, the slides, the transcript, and the report from today's

session. So as you leave the webinar, don't forget to complete our really short one minute survey going to the draw for our beautiful gift hamper. I'll announce the winner for that tomorrow as well.

Thank you again for your attendance, everybody, over the last forty five minutes. I hope you enjoyed this session with Jeremy and Julie. I know I did. Thank you very much for the both of you.

I look forward to seeing you all at our next webinar, everybody. Have a great day.