

# The COVID-19 leadership test: How effectively is your board chaired?

The chair of the board has two key responsibilities – to ensure the effectiveness of the processes the board oversees, and to create a cohesive board. To perform this role effectively, what skills and qualities does the chair need? How must they adapt for the COVID-19 environment? What does it take to chair effective online meetings? What can board members do if the chairing is ineffective? And how can the head of the board provide leadership when the future is uncertain?

The role of the chair differs to that of other board members. The chair is first and foremost a facilitator. They must be able to step back, make sure everyone participates and is heard, ensure rich discussion and questioning, tease out the different viewpoints, keep dialogue focused and on track, synthesise discussions, and bring the board to a decision. This is particularly important in the online environment.

The chair is also responsible for setting the tone in terms of what is accepted and expected of board members, the flow of information to the board and during board meetings, leading the agenda, ensuring effective meeting outcomes, overseeing internal and external relationships, and inspiring and energising leadership. Chairs also oversee board effectiveness and performance including director development, board and meeting evaluations, and board skills and renewal.

Being a chair is no easy feat. The effectiveness of a board or committee is significantly impacted by the leadership, skills and experience of its chair. As leader of the board, the chair should be chosen by his or her fellow directors based on their ability to fulfil the many facets of the role.

## The skills of an effective chair

While the chair of any board should have governance knowledge and the ability to ensure the board stays focused on issues related to governance and strategy, to perform this role effectively a chair also requires:

- Interpersonal skills: they will be a strong and effective communicator, empathic listener, good relationship builder, and will be firm but fair, tactful and diplomatic.
- Business acumen: a good chair is commercially astute and intelligent with clarity of thought and a good memory.
- The ability to engage all participants and foster a stimulating and challenging boardroom environment.
- Time management skills and a clear process for dealing with agenda items, engaging board members, and ensuring high quality discussion and decision-making.
- The capacity to make sense of, synthesise and reconcile diverse and often conflicting viewpoints.
- A clear understanding of the difference between the board and the executive, and the ability to delegate as required.
- Experience in managing conflict and handling difficult or underperforming directors.
- An appropriate sense of humour.

## Additional skills required in a COVID-19 world

As boards temporarily shift to an exclusively online environment, chairs are having to build or enhance their skills in the following areas to continue working effectively.

- Digital platforms: Chairs must be confident with technology and fully understand the platforms and functionalities available to them. In Zoom, for example, boards can breakout into separate rooms and can use virtual whiteboards and other features to aid engagement and discussion.
- Online board meetings: Chairs must be comfortable facilitating and participating in virtual meetings with the board, committees, CEO and stakeholders. This includes ensuring everyone, regardless of their use or access to technology, is brought into discussions, and encouraging those who are not competent with the technology to participate as fully as possible.
- Remote working: Chairs must now work remotely from the CEO and support teams.

## The leadership required of the chair during challenging times

A lot has been expected of boards and management during these times, however no training or previous experience with downturns prepared leaders for this once-in-a-lifetime event.

It can be easy for leaders to busy themselves with urgent issues and meetings in a crisis. But to be truly effective, the leader of the board must look beyond these distractions and display the type of leadership the organisation needs for the longer term. This includes:

- Remaining calm in the face of crisis and uncertainty; no change in tone, no sense of panic.
- Being responsive to change and open to completely new ideas; effective chairs can put the past aside when the environment requires a new approach. The chair also has a role to play in challenging the board and management to step up to this challenge.
- Being innovative in managing the rapidly evolving risks.
- Being 'seen' more – by the board, shareholders, staff, potentially even customers.
- Leading the culture in terms of how the organisation responds, acts and makes decisions during this time.
- Inspiring confidence in the board and the organisation.
- Stepping-in to support/mentor/advise the CEO and management as required.

## Personal qualities of an effective chair

To gain the respect of the board and other stakeholders and carry out their duties effectively, a chair must display integrity, honesty and trustworthiness. They must act respectfully and show courage in tackling difficult issues, having tough conversations, closing down unhelpful or harmful conversations, and have the ability to ask board members to stop, regroup and refocus if required. Other personal qualities include:

- A willingness to commit to the role
- The ability to collaborate, influence, lead by example and bring out the best in others.
- Be open-minded, engaging and transparent. (An ineffective chair on the other hand might attempt to create an illusion of open mindedness when they in fact have bias and favouritism.)
- Have clarity of thought, be goal oriented and decisive.
- Holds themselves and others accountable.

- Politically astute yet diplomatic.
- Humble and self-reflective.
- Has patience and empathy with others facing challenges and change.
- Knows their limitations, and understands and defers to the expertise of the board when required.

## Personal qualities of an effective chair during COVID-19

It is no longer business as usual and chairs must have the ability to work effectively and manage stress in the face of uncertainty. Qualities include:

- Ability to maintain a sense of calm, particularly in dealing with the CEO and management who are under more pressure than normal.
- A team player: there is a greater requirement in times of crisis to work “below the line” with the CEO and management.
- Ability to get the most out of the board in an online environment; there may be an increased a requirement to connect outside of board meetings.
- Open to new ideas and ways of doing things; prepared to be a change advocate.
- A life-long learner
- Lack of ego

## Tips for chairing an effective meeting

For an effective meeting, chairs should focus on the “3 P’s”:

1. Purpose – the chair is the chief flag-bearer for the purpose of the organisation
2. Preparation – preparation before board meetings is an essential role of the chair
3. People – achieving consensus with your fellow directors is more art than science, but vital nonetheless.

It is the chair’s responsibility to:

- Ensure clear meeting protocols are in place.
- Control the agenda and decide who speaks next.

- Ensure all members have the opportunity to comment; monitor who is contributing, who needs to be drawn into the discussion, whether anyone is dominating; talk beforehand if you think it will be difficult for someone.
- Encourage probing and insightful questions, healthy scepticism and debate.
- Avoid groupthink – if you think you see it, spend time debating the decisions that have been made.
- Maintain a culture of respect, encourage listening, know when to intervene and adjourn/reconvene.
- Ensure any elephants in the room are tackled.
- Summarise areas of agreement and possible disagreement; summarise key decisions and actions.
- Ensure all actions are captured along with clear follow-up steps for taking things forward.
- Keep the meeting on track and to time; but use judgement around cutting off valuable discussions – extending the length of the meeting with consensus may be an option.

### Chairing effective meetings in the online environment – Preparation is key

While online meetings can be more efficient, there is often less engagement and active participation from directors. It is easier to miss the subtleties, the side comments and the back and forth, meaning chairs need to work harder at getting the basics right – managing the meeting, ensuring participating from members, and getting clear resolutions.

In order to make this happen, chairs must know how to use the technology and the tools available and ensure appropriate meeting policies and protocols are in place. Preparation is absolutely key.

#### **Tips for chairing an effective online meeting include:**

- The chair should host the online meeting.
- The chair must test the technology beforehand and ensure it works for all participants, including those technically challenged.
- One on one communications with board members prior to the meeting can help the chair understand their circumstances and how they might interact.
- Ensure a strong and focused agenda with timings allocated to help manage the flow.

- Ensure board papers are delivered on time with recommendations noted for each session. The chair then knows what decisions need to be made and can keep the board on track.
- Prepare more questions than usual to facilitate good discussion.
- Consider the value of consent agendas for improving efficiency.

### **At the beginning:**

- Welcome board members and stakeholders upfront, confirm agreed protocols (are cameras left on for example), acknowledge the situation, put everyone at ease, and invite engagement.
- Ensure everyone can use the technology or if any assistance is needed.
- Ideally use two screens – one for the meeting, one for papers (mobile/laptop etc).

### **During the meeting:**

- Use calming language and tone.
- Invest time in monitoring who is contributing and who needs to be drawn into the discussion. Going ‘around the table’ can be effective.
- At the end of each agenda item, read the recommendations so directors are certain what they are voting for, and specify agreed actions and what needs to be recorded in the minutes.
- Use decision making tools. A visual thumbs up or down can be a simple way to do this.
- Check in with participants during the meeting and provide a recap.
- As with in-person meetings, the chair controls the discussion and decides when appropriate discussion has been had and when to move towards a decision. The chair can control who is muted and who can talk.
- Manage time effectively. For longer online meetings, build in break times to improve concentration or break the meeting into more manageable sessions with time allocated for members to work on items, reflect and report back.
- Challenge groupthink by taking the time to argue against consensus.
- Use group language – “we” and “us” rather than “me” and “I” to build the collective.
- Consider maintaining in-camera sessions, with the CEO asked to leave the online meeting.

### **At the end of the meeting:**

- Invite feedback about the meeting. Topics could include the technology, new processes, participation level, quality of the discussion, quality of board papers, improvements, how the meeting helped the organisation achieve its goals etc. This could be held in camera if appropriate. Ensure recommendations are added to the action list.
- Ensure minutes are distributed as quickly as possible (within 2-7 days) with a timeframe for amendments. Include the action list.
- Reflect on own performance.
- Reflect on board member and CEO/management performance – is any gentle coaching or encouragement required? Should anyone be congratulated for performing particularly well?
- Address items in the meeting evaluation that need action.

### **Working effectively with the CEO**

The chair's relationship with the CEO is a critical one, with the chair often acting as mentor. For this relationship to be successful, the chair and the CEO must have an honest and respectful relationship, open and transparent discussions, have a healthy level of respect for each other's abilities and experiences, and be visibly aligned. To maintain this relationship, it is recommended that the chair:

- Ensure at least weekly catch ups with the CEO; more urgent matters will require more frequent conversations; in extreme cases it may be up to several times a day.
- Create space for the CEO to share concerns.
- Ensure the relationship is kept professional. Beware becoming too close, 'friendly but not friends'. The chair needs to be comfortable maintaining the accountability of the CEO and directing the CEO on behalf of the board when required.
- Have clear performance standards that ensure CEO performance is objectively assessed and monitored.

In the current environment where everything is heightened, it is important the chair is prepared to work much more closely with the senior management and support the CEO as required. Having a strong pre-existing relationship can help when the board may need to step in and be more involved in the operational aspects of the business.

## Dealing with an ineffective chair

“You can’t get a good board out of a poor chair.”

It is challenging to sit on a board with an underperforming or difficult chair and it’s a situation that can be difficult to change. It is recommended you speak to peers to test your own bias and perspective, and if necessary, confront the issues and be prepared to step away from the board.

Undertaking performance reviews of the chair and other directors can help shape the conversation; this works well if a culture of performance reviews has been built in advance.

## More information on effective chairing

It is a challenging to be the chair or an organisation going through uncertain times. It is important to take care of yourself and find the time for simple daily routines that preserve your mental and physical stamina and ensure your judgment is not clouded and you can display empathy for yourself as well as others.

Chairs have many challenges ahead, and hybrid meetings combining in-person and online attendance may become more commonplace, and chairs (and other directors) will need to adapt.

The information in this article was taken from the AICD’s ***The effective chair in 2020 webinar***. For more detailed information on being an effective chair, including chair succession planning, chair and director inductions, the relationship with the CEO and other stakeholders, the role of the chair inside and outside the organisation, and a closer look at chairing family business meetings, indigenous meetings and multicultural meetings, please access the complementary recording of this webinar.

*Please also refer to the following AICD Director Tools:*

### **The role of the chair** & **Position description for a chair**

([HTTPS://AICD.COMPANYDIRECTORS.COM.AU/RESOURCES/COVID-19/HOW-EFFECTIVELY-IS-YOUR-BOARD-CHAIED](https://aicd.companydirectors.com.au/resources/COVID-19/how-effectively-is-your-board-chaired)) **Accessed February 8, 2021, at 13.45pm**)