

Leadership starts with board of directors

By Rosalind Jackson

Every time I hear commentators, usually sports commentators, say John Doe (maybe the captain) “led from the front” I think where else can you really lead from?

In well-structured organisations – for-profits, not-for-profits, statutory organisations, government ministries etc. - the role of the board is very much to set the vision and direction for the company. The board of directors (BOD) also, whether consciously or subconsciously, sets the tone for the culture of the organisation. Therefore, the question arises – how can organisations maximise board effectiveness if this body is so pivotal?

I like to begin with WHY. Why have a BOD? In my experience, the few truly effective BODs that I had the pleasure of interacting with addressed four critical areas.

These are:

1) Work with the executives to clearly articulate and publish the mission of the organisation.

2) Agree on what the acceptable behavioural standards are for all by presenting the organisation’s values in a practical way to ensure that the culture of the organisation is knitted into its operational fabric.

3) Work to ensure that there is robust accountability across the organisation. The hallmark of genuine accountability is a solid framework of expectations at all levels. They lead by holding themselves accountable to all the stakeholders.

4) Help drive performance as the organisation goes into the future, changing as needed to stay relevant.

Improve selection

Clarity about direction and strategy is essential as the BOD works with the executive management team to prioritise initiatives and resources to achieve goals in a timely manner. Their focus must be sustainable profitability or sustainability if the organisation is a “not-for-profit.”

Having established the WHY of a BOD, I now turn to the HOW of a BOD. In the private sector, the not-for-profits and in statutory corporations, we must seriously examine and improve how individuals are selected to sit on the BOD.

BODs need to value three very specific characteristics in their mix. While we often value “grey hair” and a half-century in the corporate arena and replicate this on boards, we must also consider what each director actually



Caribbean Catalyst Inc. managing director Rosalind Jackson. (FP)

brings that adds value to the board.

The energy, potential, innovation and commitment of members of the Board are the things that will really dictate how the Board stays ahead of the competition, recognises and goes after new business opportunities and collaborates effectively with the organisation’s executive team.

Linked to the above articulated expectations of a board member, one of the most important WHATs is the selection of members of the BOD. Policies and due process must be well established for the recruitment and selection of directors. Many BODs do not seriously vet potential new board members. Often it is a businessperson who someone on the BOD happens to know. Or in government related boards, it may be as basic as someone who the minister knows.

There needs to be an objective way to recruit and select board members, even if it is a voluntary position. The starting point is understanding what skills are needed on the board, the specific knowledge, skills and attitudes/attributes needed to propel the organisation in the right direction, et cetera for these important positions.

Apart from character we should expect a new director to bring the following “to the table”:

- Relevant business knowledge and skills which should complement the skills of the current board and add value.

- An understanding of their role on the board/accountability.

The board of directors sets the tone for the culture of the organisation. (Internet image)

- A strong business network to bring new opportunities to fruition.

Once we believe we have the “horses for the courses” we must reiterate the need for genuine participation and accountability by this group of ultimate leaders in the organisation. Directors should not be meddling in the day-to-day operations of the organisation. They must ensure that competent people are hired for the executive management positions and leave them to get on with their jobs.

Progressive practice

An enlightened reporting framework needs to be agreed with the chief executive officer/ managing director to extend beyond the financial results, which quickly become history, and focus on the strategic matters that help improve the financials, for example, talent development, process improvements, being truly value centric, et cetera.

Another progressive practice which ensures that your BOD is really providing the strategic direction and each member is staying focused on contributing to the future sustainability of the organisation is, to at agreed intervals (I suggest every other year), have a 360 degrees feedback by all colleagues for each board member.

This may be a bit awkward at first and it requires honest, constructive feedback. The areas that would typically be “surveyed” are:

- Preparation and participation.
- Adds value in matters of responsible fiscal oversight.
- Industry/business knowledge and development.
- Teamwork and communication.
- Individual behaviours/ambassador.

In conclusion I quote “Hendrith Vanlon Smith Jr, “A good board of directors team is one where ideas are flowing fluidly – and where each idea is met with an initial welcome, an intellectual challenge, an expression of gratitude, a rigorous scrutiny and a readiness for action.”

We at Caribbean Catalyst Inc. look forward to working with leaders to help you ensure that you have a truly effective board to lead your organisation confidently into the future.

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