

The ultimate guide to modern board efficiency

Board work insights
for directors,
secretaries and
the C-Suite





Introduction

What makes a truly efficient board? In the last few years, this has become a critical question as directors have grappled with the difficult tasks of improving corporate resilience, overseeing rapid digital transformation and managing increasing geopolitical and other ESG related risks, in addition to the more traditional tasks of financial oversight and representing shareholders.

What's become clear throughout this time is that boards don't just need to spend more time on their board responsibilities to address these urgent challenges. They need to make the most of the hours they work to provide the clarity and support their organisations need.

In this guide, we address this issue by looking at how boards of directors can maximise their efficiency by exploiting the benefits of board portal technology.

We also look at the various job functions that interact with the board, including secretaries and C Level executives, and examine how they can adopt new technology-driven practices to streamline their collective interactions.

Ultimately, we seek to show how this can drive a more productive and efficient working relationship that is required for effective governance in today's complex world.

1 Board directors: A complex web of new challenges

If the last few years have taught us anything, it's that boards are now under more pressure than ever before to visibly prove their value. By and large, they have responded. According to a recent article by McKinsey, "Boards have implemented new structures and processes, become more flexible in their agenda setting, doubled down on strategy, focused on corporate resilience, and, at the director level, committed more time to board-related work."¹

The story doesn't end there though. Having dealt with the shock of a global pandemic, boards are now overseeing organisations that are having to confront a raft of new and ongoing challenges. These include rising energy costs, climate change directives, cyber security risks, skills shortages, a cost

of living crisis, a senior level talent drain and economic volatility related to many different factors. At the same time, they are being tasked with demands from shareholders and other stakeholders to deliver more sustainable and purposeful business models.

66% of European C-suite leaders and board members believe the pandemic has increased stakeholders' expectations that companies will drive societal impact, environmental sustainability and inclusive growth.

EY Long-Term Value and Corporate Governance Survey, 2022



So how are boards responding?

According to more research by McKinsey: “The most common change has been structural: investing in technology and tools to enable more digital collaboration and establishing ad hoc crisis committees. After that, directors most often cite changes to the ways that boards and management teams work together and the flexibility of their agendas.”²

In other words, on a practical level, boards have recognised that the efficiency of their response to present challenges rests on their ability to:

- ▶ Use technology to collaborate more effectively and securely with management teams
- ▶ Be more responsive and agile (and not bound by fixed physical meetings at pre-defined points in the calendar)
- ▶ Run super-efficient, focused and more agile ad hoc meetings (whether they are virtual or face-to-face)

With a board portal, directors can get easy access to both current and historical information from wherever they are located. This is critical for meeting preparation and enabling more effective and decision focused meetings.

Within a board portal, all information is also digital and searchable. This provides board members with the tools to research issues, gather insights, share those insights with other directors and make collaborative decisions more quickly.

Board portals are also important post-meeting and for facilitating ongoing communication that enables organisations to respond to fast-moving situations. At any time, directors can communicate securely with other directors and the management team within a portal.

Use of board portals to increase board director efficiency

What most boards have also now realised is that they now need to use specialist productivity and collaboration technology – specifically, board portals – to deliver the efficiency and adaptability they need to meet these key priorities.

The reasons for this are becoming increasingly clear - especially to those that were previously used to working with inefficient paper-based processes.





Additionally, they can sign-off minutes and define and agree actions on new issues whenever the need arises.

By working this way, board members can become more efficient in ways that help them work more closely with management teams and address the multitude of issues they face.

They can also improve security. Boards routinely oversee an organisation's most confidential information – leaving them potentially more vulnerable to a high-impact attack. For these reasons, many boards and management teams are also adopting board portals to move away from insecure communication channels like email.

This enables them to:

- ▶ Ringfence communication via secure communication channels
- ▶ Securely store and share all current and historical documents
- ▶ Sign-off board documents securely and remotely with e-signatures
- ▶ Restrict access and ensure stringent user verification
- ▶ Comply with important data protection regulations like GDPR

This is an important factor, because it means that board portals also help directors to ensure that their accelerated collaboration and productivity doesn't come at the cost of an expensive or damaging data leak.

Efficiency checklist:

Not all board portals have the same level of functionality. For board directors, it's important to ensure that the technology you use enables you to:

- ▶ Easily search and navigate board information archives
- ▶ Work on or offline on any device
- ▶ Communicate securely through dedicated channels for board work
- ▶ Safely store and restrict access to confidential documents
- ▶ Sign off documents with secure e-signatures

2 The expanding role of board secretaries

The role of the board or company secretary has changed significantly in recent years – and not just in response to the pandemic. According to a recent article by Integrity Governance:

“One of the biggest changes in recent years has seen company secretaries take on the responsibility for developing, coordinating and implementing processes to promote and sustain good corporate governance. Nowadays, they provide a valuable service as a repository of corporate knowledge, regulations and good governance to the board.”³

As new challenges continue to emerge and demand new responses, the need for board secretaries to discharge these responsibilities even more efficiently and effectively has come into sharper focus.

Using board portals to boost efficiency and meet these demands

Board portals can enable board or company secretaries to facilitate more effective board collaboration around key issues, regardless of where board members and other parties involved are located.

For example, secretaries can use a board portal as a central repository to collate information on emerging ESG and regulatory risks and share them with board and management teams. This is key to helping drive the implementation of policies and practices that help safeguard corporate reputation and increase efficiency and security.

Secretaries can also easily extend the use of board portals to aid secure communication and collaboration between committees, auditors and shareholders. Nothing needs to be sent via email, paper or any other insecure medium.

Board portals also help secretaries to onboard new directors – which is increasingly important as boards look to refresh and diversify their ranks with new knowledge and experience. When a new board member is appointed, secretaries can hand over a complete digital board archive with just a few clicks. For their part, board members who may well have been recruited to advise pressing issues like cybersecurity are able to get up to speed much faster.

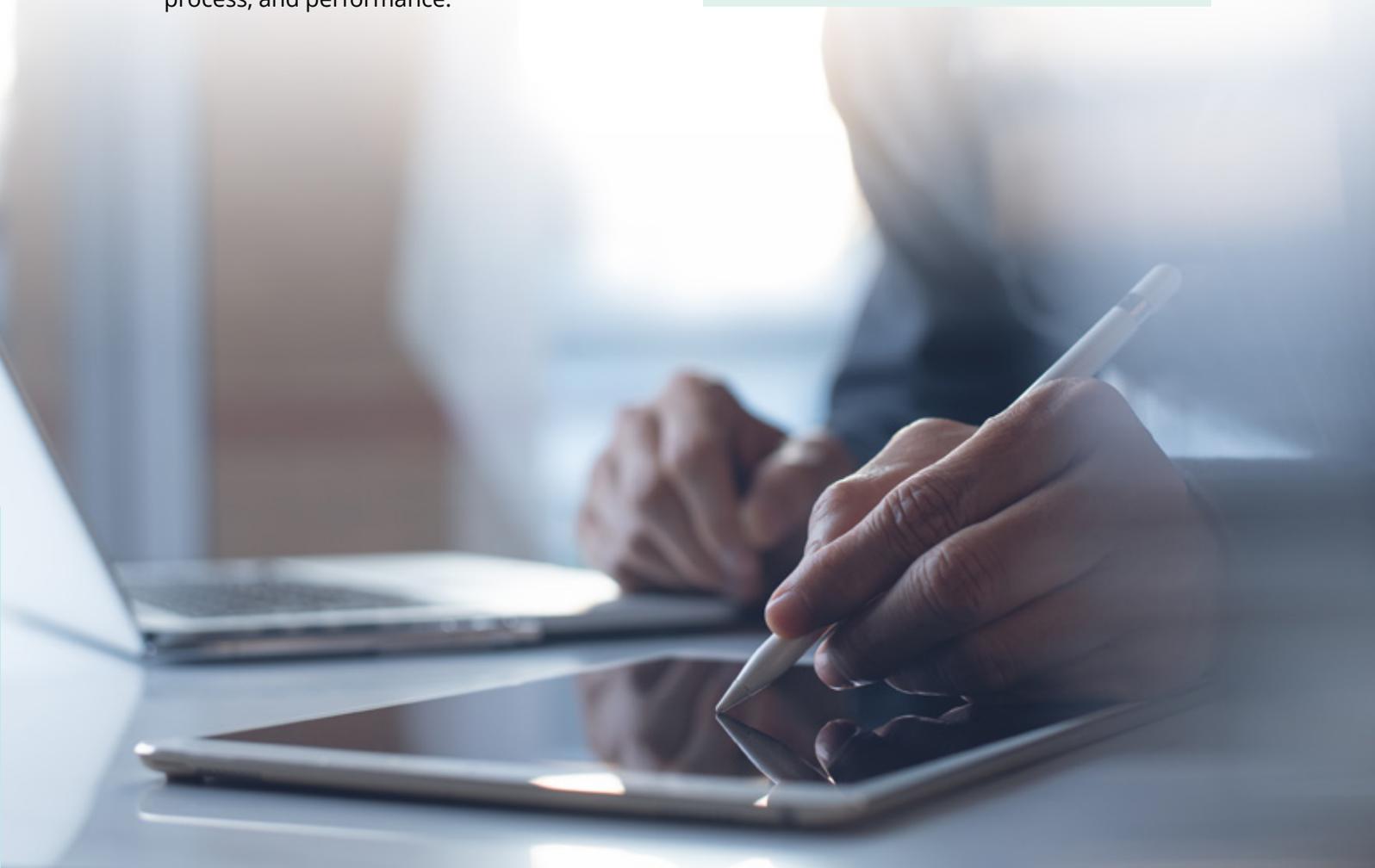
Just as importantly, board portals can empower secretaries to speed up their own processes. For example, working with a digital board portal enables secretaries to organise meetings more efficiently, regardless of whether those meetings are virtual or face-to-face. They can create meeting minutes, get minutes signed off and compile board packs more quickly. All within the portal itself, and without laborious manual processes.

Being as productive and efficient as possible is all important right now. By using board portals, secretaries can save time and make sure they stay focused on fulfilling their expanding responsibilities. In particular, they can free up the valuable time they need to focus on strategic issues such as ESG factors and the 4 Ps of governance – people, purpose, process, and performance.

Efficiency checklist:

As a board or company secretary, the board portal you use should enable you to:

- ▶ Collate and share guidance on new regulatory or ESG governance requirements in one place
- ▶ Organise pre and post-board meeting processes more easily
- ▶ Accelerate board decision-making with electronic sign-off
- ▶ Onboard new directors more quickly
- ▶ Reduce time on meeting-related tasks and free up time for expanding responsibilities



3 Bringing the C-Suite into the loop

Alongside board members and secretaries, pressure is also ramping up on C-Level leaders from all sides.

Governments are asking them to solve major issues such as global warming. Employees want significant pay rises despite rising business costs and ongoing economic volatility. Shareholders want more sustainable and purposeful business models, but not at the cost of revenue and profit.

It's not surprising that leaders need more support to work through this maze of conflicting challenges. As McKinsey put the situation in a recent article:

“Never before have CEOs and their teams been more in need of the foresight and seasoned judgement that a well-functioning board of directors can provide.”⁴

McKinsey Global Survey of executives

Using board portals to make the relationship work

Board portals are key to making this closer collaboration happen because they are not just aimed at board directors – they are also designed to facilitate more efficient

communication between the board and the management teams they support.

Take the example of digital transformation programmes that many management teams and boards are currently working on in partnership:

There is a growing requirement for boards to go beyond their traditional role of assessing, approving and reporting. In today's fast moving landscape, it's increasingly important that boards work collaboratively with their CEOs, CFOs and CTOs. Setting milestones, allocating resources strategically and creating a framework for digital change that establishes clear criteria for whether decisions on initiatives should be accelerated or paused.



70% of boards want their businesses to increase investment in technology for risk management

CEOs must also work closely with boards to ensure that the pace of transformation doesn't run out of control or create new cybersecurity risks. Partly this means they need to be fully transparent with their boards on all potential risks.

On top of this, CEOs need to be aware of the boards' thirst for data on all issues – not just those related to digital and security. This was highlighted in the EY 2021 Global Board Risk Survey that found that 70% of boards want their businesses to increase investment in technology for risk management to give them up to date data on both emerging and atypical threats.



Improving the efficiency of information flow

On a practical level, board portals are critical to making this two-way flow of information and knowledge exchange happen.

With a board portal, directors can get easy access to both current and historical data from wherever they are located. CEOs can also use portals to share information securely with the board at any time, accelerate approval and sign off new initiatives.

This kind of digital flow is key to facilitating long-term partnerships between boards and CEOs.

Ultimately, it will help CEOs to not only create a better and more effective way of working and communicating with their boards – but also one that will encourage greater contribution, from boards to strategies, that will define how the business operates for years and decades to come.

Checklist:

As a CEO, CTO or CFO, the board portal your company adopts should enable you to:

- ▶ Share critical up-to-date data on current challenges in a secure central repository
- ▶ Facilitate secure communication between board meetings
- ▶ Drive more efficient meetings with rapid decision-making and sign-off
- ▶ Keep communication on sensitive ESG matters secure
- ▶ Reduce the time it takes to search for previous minutes and board packs

4 Bringing it all together – the anatomy of a perfect three-way relationship

As organisations move forward into another critical period, it is vital they maximise their use of technology to transform operations at every level from decision makers to the front line.

At the most senior level, board portals enable directors, company secretaries and C-Level leaders to boost their individual productivity and streamline their interactions with each

other – so they can save time, share insights and accelerate decision making on the issues that matter most.



Board directors

A more efficient way to run meetings and work collaboratively:

- ▶ Easier prep for meetings
- ▶ Easily searchable archives
- ▶ E-signatures for remote and rapid sign-off
- ▶ Secure communication with other directors and management



Board secretaries

A more efficient way to coordinate meetings and facilitate good governance processes:

- ▶ Streamlined process for creating board packs and ESG guidance
- ▶ Automated creation of minutes
- ▶ Faster onboarding of new directors
- ▶ More time to focus on implanting new governance processes



C-Level leaders

A more efficient way to work with the board:

- ▶ Secure ringfenced communication
- ▶ One place to share critical up-to-date data on live issues
- ▶ Faster processes for setting up ad hoc meetings
- ▶ Easier access to board reports and updates

Find out more

At Admincontrol, we are dedicated to helping boards, the company secretaries and management teams so they work to adapt and thrive in the digital age. Discover how you can accelerate decision-making and collaboration with our secure and easy-to-use board portal on our website

admincontrol.com

Admincontrol's mission is to provide the ultimate solution for decision-makers. The company offers a smart and secure collaboration platform for boards, management and other stakeholders, where they can access, share, discuss and process information efficiently. Admincontrol has close to 130,000 active users worldwide.

The company is growing rapidly and is headquartered in Norway with local offices in the UK, Denmark, Sweden, Finland and the Netherlands. Admincontrol is part of the successful Visma Group, a leading European software company.

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Sources:

- 1 McKinsey & Company, How boards have risen to the Covid-19 challenge and what's next, 2021
- 2 Ibid
- 3 Article by Integrity Governance for Ethical Boardroom, The changing role of the company secretary, 2022
- 4 McKinsey & Company, Boards in the time of coronavirus, 2020