



Transcript – Insights from the Take on Board Breakfast: Developing a Board Strategy with Morgana Ryan - Part 1

Helga Svendsen 0:00

Welcome, everybody to the may take on board breakfast, I think for most of you, but we do have a couple of North Americans here I think so that may take on board event which may or may not be whilst you're having breakfast, it may be more a glass of wine for wherever you are in the world. So awesome to have you here and to be hearing from Morgana today, we will be talking developing strategy from global to local and going to have a fantastic conversation. Even though there's lots of us here, you will still get the opportunity to meet each other. It's always about building the community and you're getting to know each other as well, so there'll be plenty of opportunities for that. Before we get started, I would like to as always acknowledge the traditional owners of the land on which we variously meet. For me that is the Wurundjeri people of the Kulin nation and paying respects to elder's past, present and emerging and any First Nations people that might be here today. Let me introduce the fabulous Morgana. Ryan. Morgana is the board chair at info exchange and connecting up and the former chair of their strategy committee and eagle eyed people will have noticed that when this event first got publicized, she was the deputy chair of the board and the chair of the strategy committee and during the period, she has been made the chair so congratulations to you Morgana. And more importantly, congratulations to the Board of info exchange and connecting up for having you as their chair because I have no doubt you'll do a magnificent job in that role as well. Also, since we first put this event out there, she's joined the board of care Australia as well, so she's moving along in all of her board roles. Morgana is an internationally experienced business leader and non executive director with over 20 years involvement in the corporate and international development and not for profit sectors. She has been successful in working with leadership and boards of complex multinational organisations to achieve improved strategic technology and social outcomes. Morgana excels in building trust based relationships and teaming to maximize results. She's also the author of these two books, navigating change for international NGOs, and building a better international NGO, the links to those are over in the chat. So with that Morgana over to you. Thanks for the introduction, Helga, it's lovely to be here.

Morgana Ryan 2:18

This is a topic that I'm really passionate about. And I'm very excited to spend about 20 minutes today talking with you on the topic of strategic planning. Depending on who you talk to, you'll find people

who are really passionate about something like Porter's five forces or McKinsey, seven S's or some other strategy methodology. Today, I'm not going to be here talking about specific methodologies. Instead, I really want to focus on the elements that you need to consider both in developing your new strategy but also in how you go about implementing it, because the implementation piece is the really critical piece of actually bringing it to life. I also really want to flag at the outset that no matter how well organized you are, no matter how engaging the strategy process is, it's impossible to please all of the people all the time and nor should you try. So don't don't sacrifice, having the really tough conversations and tackling the really difficult questions. Because you think that you're trying to keep everybody engaged and on board. It's better to use this unique moment in the organisation's time to really sit down and tackle those thorny issues even when you don't know the answers. But by the nature of having the conversations, you start to move to a better place in terms of how to seize opportunities and tackle challenges. The other thing I'll flag at the outset is good strategy is about making choices and being focused. And I'll come back to this theme several times throughout my presentation. But it's really, really important that you don't try and jam everything in the kitchen sink into your final strategic plan. And that you do really try and narrow down the focus of what it's all about. So firstly, turning to strategic planning, I just like to start with a few general considerations, it's really important to understand your organisation. And that's where a few different lenses so firstly, I would say know the culture of your organisation. So I spent a lot of my career working in upstream oil and gas. And it's fair to say that in those kinds of organisations, the technical experts, the engineer is really our key. And if you don't have them in a fairly pivotal role in the strategy process, then you're going to struggle with buy in. On the flip side, I also spent a lot of time working in international development and the for purpose sector. And I think it's fair to say that this is a sector that is a strange combination of hierarchical but very consensus driven. I like to describe it as the "Why do something in two meetings if you can do it in 10" kind of approach. So if you're designing a strategic planning process for an NGO, I would recommend that you really understand the culture and the extent to which wide consultation is needed. And make sure that's factored into how you design the process. The other pieces around footprint really understanding you know, are you a multinational organisation Do you have lots of lines of business or complicated lines of business? How are they going to factor into the way you approach strategy, and also look at lessons from the past. So although you're at a different point in time, now, it's still really useful to look back and reflect what worked well in previous strategic planning processes, what was less successful and why, and how you can look to that to maximize the things that worked well, and try and reduce the things that might be a bit bumpy or challenging. So there's no perfect way to do strategy, and there's no one perfect model. And whichever process or methodology you choose, you still have to tailor it for your organisation. So again, thinking about the culture piece, consider language, if you're truly multinational, it may not be feasible to run the process just in one language. And you really need to think about how you provide opportunities for workshops, first strategy documents for the final strategy, to be multilingual to factor that in, you really need to engage the board early to get both get their buy in for the process, but also to to determine with them the role that the board members want to play. And I've seen many approaches where no board members have been involved until the sort of board strategic planning day. And I've seen other cases where it's worked really well, where you might have a smaller number of board members who have certain expertise that may actually get involved in some of the working sessions of the strategy. Again, there's no perfect answer. It's about what's right for your organisation, you really need to know how the strategy process is going to tie in with your existing business planning and business processes. It's also again, important from

that cultural perspective. If you have, you know, a significantly diverse workforce or a large geographic footprint, you need to factor things like you know, is there Chinese New Year's, Ramadan, and Eid? How do these major events fall in in a cycle of your annual planning process? And will they cause issues where some parts of the organisation aren't available to engage? And then ultimately, how does it tie in with your board meeting cycles, your strategic planning, and your financial planning and budgeting cycles as well.

It's also important to remember that there's a balance, you don't want to start your strategy process with a completely blank sheet of paper. But you also want to be really careful that you don't get too bogged down in your current products and services. So it's finding a sort of a middle ground that you have some reference to where you're where you've come from as an organisation, but you don't completely become bogged down in the detail of that, that you miss the opportunity for blue sky thinking. The small note to institute perfectionist out there who may not have designed a strategic planning process before be really, really careful about not overcompensating and trying to go play the process at the expense of stakeholder management engagement. Ultimately, good strategic planning is about bringing diverse voices together, creating spaces for conversations to happen, creating spaces for prioritization decisions to be made, processes important, but it's really bringing those stakeholders together and getting their engagement that that makes a difference. And then finally, consider the pace that's right for your organisation. Again, you know, if you know that you need a lot of consensus, it may then by default mean that your process needs to take a bit longer. If you're in a situation where there's a lot of opportunities or a lot of challenge, and you need to move fast, that may also dictate the way you design your approach for for speed. resourcing is really key. So I can't emphasize enough the importance of diversity in a strategic planning process. Because the more diverse voices you have, the greater the depth of the conversation, and the more likely you are able to better address those big thorny, strategic questions and opportunities that are floating around the organisation. So you need to choose people who are knowledgeable and credible. But you want to really try and choose fairly widely to make sure that there's good representation across the organisation. There's also a good opportunity to bring in some of the naysayers or the squeaky wheels into the process as well, because often they have some really good insights. And it may also build credibility into the process. If you're saying to have some of the critics or the challenges involved as well. I can't emphasize enough the importance of having it at the table. And this is not it in the traditional sense of you know, keep people with working telephones and laptops and the lights on etc. This is really about strategic it and it enabled business. This is having a conversation, particularly in the modern world, around how you use technology to better serve your customers. If you're in development, how to have greater social impact, how to better manage the organisation via through reporting, financial management systems, etc. HR systems, so definitely you need to have it at the table. Ideally, you also have someone with IT skills in your board as well. If you don't have the luxury of having a dedicated Chief Strategy Officer or a dedicated strategic planning team Then you are going to have to think seriously about how you resource the process. Because although I said earlier, you know, it's not about gold plating the process, it's about engaging the stakeholders, it still takes time to design a process, set up all the meetings, make sure that the right inputs are available and outputs produced after the workshops and things. So as a leadership and as a board, you need to have that conversation early on about how you're going to put resources to the task. And I also think a strategic planning process is a really good opportunity to engage external consultants. Now,

of course, coming from a management consulting background, I have a bias and I'll declare upfront here, but I do think there are a few different ways in which you can use consultants, definitely, if you're considering new areas for your organisation to go and you don't have the skills in house, then bringing in some experts. Getting research on key topics is a really good use of time. You can also in the absence of a dedicated Chief Strategy Officer, or strategic planning team, use consultants to help run the process. But a word of warning if you go down that path, you still need to make sure that you have staff from your organisation who are working in partnership with those consultants because you need institutional ownership, you can't outsource strategy entirely. It's not effective. So how, what are the key steps in a strategic planning review. And I would say no matter which methodology you use, there will always be some component of the following four pieces. So there is a context and consultation piece where you're looking at the internal and external contexts. Then there's sort of an analyze key strategic questions and make choices. Then there's a

further narrowing down where you go to making integrated strategic recommendations and pro choosing priority areas. And then finally, you come out with an integrated strategic plan that contains directions and goals. So going back to the first the context and consultation, this really needs to assess the current organisational context, your organisational environment, that's your processes, people, systems, etc. The core competencies of your organisation's so fundamentally, what is your organisation good at. And usually, there's only about three to four of these. So this is not your products and services. But these are the underlying capabilities that you then build your products and services on top of. And a really good example I can give this is if you look at the World Food Program, they have a really strong core competency in supply chain management. You also want to learn from progress and success of the past, not just in strategic planning process, but in terms of your organisation and how it operates and where you've been able to, you know, maybe go into new markets or operate in innovation and other areas where you struggled. You also want to review the external environment and key stakeholder trends. And this is where you may look to customer surveys, again, getting some external help really looking at what's happening outside of your organisation, and challenging yourself to better understand what's going on who your competitors are, etc. At this point in your strategic planning process, through looking at the internal and the external, you should be able to develop what I would call a long list of strategic questions. So this is kind of the big list of questions, challenges, opportunities that you want to deal with, as you go through the strategic planning process. I would also just flag in this stage as much as possible, you want to use data. So that's you know, staff surveys, customer surveys, monitoring, evaluation, information, external reports, internal reports, wherever you can get quality strategic analysis, try and use it, try and make this the real kind of analytical stage, so you get a good solid understanding of where you're at and where the opportunities might lie. So in the second phase around analyzing key strategic questions and choices, this is your chance to really bring together the brains of the business and to start to figure out, you know, what are the most important strategic areas or opportunities and to tackle and carry out further level of analysis, debate, scenario planning, modeling, including financial modeling on those. And then in the third stage, you start to make choices. So you really need to narrow down your focus and start to think about what those choices are going to be for the next three to five years, depending on the time horizon you've chosen for your strategy. And you may even want to look, even over the 10 year view, even if your strategy is only three or five years just to help you sort of look aspirationally and then come back to what you

need to tackle in a shorter term timeframe. At this point, you really need to articulate the choices with clear goals and targets. It has to be measurable, it has to be connected. And then in the final stage, stage four, you come out with your integrated strategic plan with absolutely crystal clear directions and goals for the organisation. Now, I just want to make a quick note at this point around prioritization because it's particularly relevant as you go through the stages of your strategic planning process because you need to narrow down but it's also important as we get into the next phase, which I'm going to talk about, which is implementation. So the thing around prioritization is it's actually really hard. And I've seen very, very large multinational corporates. And I've seen very large international NGOs. And I've seen very small organisations all struggle with making prioritization choices. And my key takeaway is that when people have to make decisions that they're uncomfortable with, then they'll find ways to avoid making that decision. And one of the most common tactics is to basically throw stones at the process they're being asked to engage in. So instead of making choices about what to prioritize, they'll talk about why the options are being asked to prioritize on right, it's comparing apples and pears. And it becomes a very, very frustrating and unproductive conversation. So my insight from years of doing this is try and frame your prioritization conversations as a positive, not a negative. So instead of asking people to D, prioritize and choose what they're not doing, put their focus on what are the top four to six things that as an organisation, we absolutely must do? What are our top priorities. And by putting all the focus there, you put all the energy there, and it starves oxygen for the lowest priority things. But it also gets people really inspired and excited about the important stuff, which helps create momentum. So are we there yet? How do we know if our strategic planning process is successful? There's a couple of key questions to ask yourself.

So first, does it provide a future vision for the organisation that is both unifying stretching and inspiring? does it provide guidance, and in some case, answers to the really important strategic issues and opportunities? does it provide guidance for prioritizing investment choices? And this piece is particularly important when we move to implementing a strategy which I'm about to talk about. Does it have high level goals across the lifecycle of the strategy, and this is where we talk about potentially three horizons. And looking at sort of the short, the medium, and the longer term of your your strategic plan isn't understood and endorsed by governance boards. Now, this is really important when you're dealing with multinational organisations, or if you're dealing, say, in Australia, and you've got state based entities as well, and they all have their own local board, you have to think about how this strategy plays out across all those levels of the board. Is it easy to understand and articulate? Is it meaningful for other entities within the family, whether it's a confederation, a federation, or conglomerate, etc. Having that clarity is very important. And from a perspective of is it understood on a really big fan of strategy on a page. So if you can articulate your strategy in a single summary page, that is fantastic. Be very wary of what I saw when I first went into international development, which was an international NGO, which had an executive summary that ran for nearly 20 pages and a strategy that ran over 50 pages. That's a case of jamming and everything in the kitchen sink, it's hard to implement a strategy like that, because there's not enough focus, and it's just too much information. And then your final check point is does it bring the organisation together intellectually and emotionally. And James Crowley and I, when we wrote our book, we flagged the concept of motivating glue, and enabling glue. So the motivating glue, the pieces in the organisation that really get staff excited, it's your vision, it's your mission, it's your employees, the enabling glue is

the not very sexy stuff. But the stuff that's often vitally important, and it's your IT systems, it's your business processes, it's your leadership behaviors, etc. Often strategies will get very bogged down in the enabling glue, because they're pieces that need to happen, especially when organisations have been through a period of rapid growth. But if you don't have the right balance between the motivating and the enabling glue, then it can be quite hard to keep the momentum and the energy behind the changes that need to be implemented for the strategy. So it's really important for boards and for leadership to really think about that balance of the motivating and the enabling glue. So for the last couple of minutes, I just want to talk about implementing a new strategy. And really to do that, you want to start with things that the board should be thinking about. If your board doesn't have a risk appetite, now is a really, really great time to develop a risk appetite statement. If they do, now's the time to revisit it. It's the opportunity for the board to set the tone for where they have zero or low tolerance for risk, and where they have an appetite for organisations to go out and be a bit more experimental, a bit more innovative and take some risks. If that risk appetite statement isn't calibrated to your new strategy, it's going to make conversations at the board level very confusing, and it's going to make it very difficult for leadership because they've got a strategy that says one thing, and they've got a board endorsed risk appetite statement that says something else. The other big metric lever for boards is CEO performance metrics. So what gets measured is what gets done. At this point where you've got a new strategic plan, it's a great time to sit down as a board and revisit, what are the performance metrics we're giving the CEO. And then to think about, actually, for the CEO, how those performance metrics flow through the organisation as well. The next piece is culture, you know, that the board sets the tone for culture at the top. So they really need to think about what are some of the key messages from the new strategy? Are there certain behaviors or things that they need to be really encouraging at the board level, that then sets the tone to flow through the organisation around the culture that they want to say, board succession is also really important. So ideally, you've got a skills matrix and a view of the current board members. What you also want to do at this point is revisit that skills matrix and say, okay, so knowing what's in the new strategic plan now vision for the next three to five years? Do we need different skills at the board level? Or do we need different emphasis on the current skills that we have? So update that skills matrix, ask the the current board members to revisit their mapping against the updated matrix. And then if you do have the opportunity to do board recruitment, make sure you're doing it with a new strategy in mind, not kind of with the history of where the organisation's being.

And then the final piece that I think is so critical is what I call the triangle of integrated planning. And James and I talked about this in our book, it's the idea that at the top, you've got your strategic plan with your strategic goals. On the other corner, you've got the business and financial planning. And this is the piece that people most often think about when they think about strategic business planning. So we've got a new strategy, how do we make sure that the business processes and the financial planning and budgeting follows the strategy. But I think the third pillar is critically important, and it's the one that often gets forgotten. And that's the individual performance management. This is the way that you actually motivate your staff to also live and breathe a strategy. And it's about thinking of the metrics and the performance behaviors that you want to, to judge people's annual performance on, and how that relates to the new strategy. So as a board, you want to be thinking about what sort of reporting Are you getting? What kind of conversations are you having, that makes sure you look at the implementation of the strategy across those three pieces, the strategic goals, the

business and financial planning, and then the individual performance management. And then finally, when it comes to strategic business planning, you're thinking about the strategic change initiatives that you need to implement. And James and I talk about the half life in the book. So it's this idea that you want to try and implement half of the major changes in the strategy in the first 12 to 18 months, even if the strategy runs for five years, because you're trying to get that momentum as quickly as you can. But at the same time, it's really important to be aware of how long change takes to flow through an organisation. And I think this is particularly critical for multinational organisations, organisations that might be national, but have a footprint spread all over the country. And if you think about it, in its simplest sense, you've got a board, you've got senior leadership. Underneath that you've got sort of headquarters staff, and then you might have some sort of regional staff regional offices, and then staffing levels, partner organisations, etc. So at the board level, you have a package of change initiatives that you're looking at, and you're endorsing. And you say, Yep, go, this is our real focus. And as a board, you might talk about those for 12 months. And then you get to the end of the 12 months, and you think, oh, yep, that is done. But in reality, it may have only flowed halfway through the organisation. So it might be Yep, it's all happened at headquarters. But the regions, and the countries are only just starting to hear about this kind of Change Package, even though at a board level, we've been talking about it for 12 months. So again, for the board, you really need to think about what measures and reporting Am I getting to understand how the changes are flowing through the organisation? And how do we make sure as a board that we're not moving too quickly on to the next tranche of changes, before the first lot have really had a chance to embed thoroughly through the organisation. And again, at this point, it's all about making prioritization choices and putting the emphasis and the focus on where you can have the biggest impact where you, you have the greatest need for action and making sure that those things get prioritized first. Excellent, thank you. It's really hard to fit strategy and implementing strategy in 20 minutes. So I've gone through a fairly fast pace, but hopefully that's given everyone a flavor of the sorts of things to think about whether you're a very small organisation or whether you're a huge multinational. There's some fairly common things to consider. Thank you.

Helga Svendsen 24:45

Absolutely awesome. There is there is fabulous stuff in there. I always feel bad keeping people to time but I want to make sure that we will get an opportunity to discuss as well so thank you Morgana. That was absolutely fabulous. I'm about to put you into breakout rooms to have a chat about what you just heard and to come up with questions, breakout rooms are open. Alright, Welcome back, everybody. I think we now have everybody returned to the main room. Feel free to stay in slido continue to add as we have the conversation and continue to upvote questions because we will go through them in the order that they appear. And if we don't get through them all, which is likely because there's quite a few here. The plan is that Morgana and I will continue recording after this event is finished. And there might appear as a special q&a podcast on take on board for those that we don't manage to get through here today. So Jane, I can't see you on my screen. But hopefully you are there, Jane Bogue, if you can take yourself off mute. You have the first question here around risk appetite statements. Can I ask the people say their name, what boards they're on, if any, and then ask their questions. So Jane, over to you,

Jane 26:01

I'm Jane. I'm currently on the board of Winteringham, which is a specialty homeless aged care provider in Victoria, and about to be in Tasmania. So my question is around risk appetite. It seems to be a very popular topic at the moment, given Victorian regulatory changes requiring organisations from the first of July, to have a risk appetite statement. And so that's Victorian public sector organisations. How do we keep them current? How do we use them to make decisions? And are there tips and hints I'm certainly encouraging boards to ask for them to be attached to agendas, or to business cases when they are being asked to make a decision. But if you've got any other tips and hints that I can share more broadly, I'd really appreciate it Morgana.

Morgana Ryan 26:52

Having a dedicated session with the board to kind of come up with that first that he has a risk appetite is really important. So it's a really focused discussion. It's not being distracted by other board matters. But once you come up with it, again, it's not that set and forget to bring it to life. And here's, I guess the minimal assumption is you're getting regular reporting updates on the Restore, set and how the organisation is performing against that to really bring it to life. I am increasingly a fan of cover sheets on board agenda items. And the idea that your cover sheet for each topic tells you which either strategy it relates to, and which bit of a risk appetite segment it relates to, and then also clearly say that promoting decision making, if it is the decision making, what's the decision. So it's very clearly signposting for board members. This is what we need you to decide on. This is how it relates to our strategy. And this is, you know, what you've said as a board is your risk appetite for this topic. So then it should anchor the board conversation in the right level of risk rather than individual board members. Our own risk appetite, unduly influencing the conversation? Again, I think that you know, when we talk about diversity, we so often talk about more physical diversity like gender, ethnic backgrounds, etc. But diversity of risk appetite on the board is really, really important. And worth considering when during board recruitment, how you manage that. And sometimes, depending on how you do risk appetite process, if you survey the board members, before you have that initial workshop, keep the data anonymous, but you get to see actually the spread of risk appetite within your board as well, which is quite constructive.

Helga Svendsen 28:35

Fantastic. Thanks Morgana. Awesome. Next question are fantastic from our north and one of our North Americans here today. Caitlin. Caitlin, I'm going to call on you to ask your question about disgruntled voices in the room. Caitlin, over to you.

Caitlin 28:51

Thanks, Helga. Hi, everyone. I'm Caitlin. I'm on the board of an organisation which is focused on gaining employment for women in the Greater Toronto Area in Ontario. And my question we're gonna is, yeah, I love your comment about bringing the disgruntled voices into the room for these conversations. But wondering if you have any advice or any practical tips on how you can do a constructive way or in a way that, you know, gets those perspectives but without derailing the process.

Morgana Ryan 29:18

Yeah, and I, I'll confess, I was heavily influenced by my experience in international development on this one, I think it's relevant in all industries. But that is a sector that has suffered particularly strong opinions, particularly on the programmatic side of what good development practices like when you choose the team, you can't get away from the fact that the people have to be credible and knowledgeable. So sometimes, you know, there's a disgruntled voice, which is just a disgruntled voice, it's just, it's not productive. But if it is someone who's respected in the organisation, and has some really valuable knowledge, but their style is a bit awkward or difficult, you still absolutely want them as part of the process and sometimes that actually helps for more credibility to the process. I'm a big believer that if you create the right framing and process, it will create an environment for the right conversation. So again, it's some of those points are saying about your framing, a positive conversation about prioritization rather than negative. Thinking about the stakeholder you've got in the discussion. And as much as you can try to frame it in a way that will allow the voices to come out but not allow individuals to write it and it is quite heavily dependent. And this is also why having dedicated resource or resources to run a strategy process can be very valuable. Because Yeah, having structure around the compensation to help, sorry, perfect answer, but it's actually it's a hard, it's a hard question. And sometimes, you know, you look at the stakeholders, and you just think, with the combination of other people I've chosen to involve, I don't think of the work. And so I'm not going to go with it. But in other cases, you think actually looking at the other people I've got in the room, this dynamic could actually work quite well, it's worth it's worth doing. It's also relevant for your board members. So if you have particular voices in the boardroom, that you know, are going to be difficult, challenging, problematic, then there can actually be value if they're willing to engage them in the strategy processes at the outset and all the way through, particularly if they've got networks or insights to the value of what we're willing to make the time. And I think this is probably more relevant for, for purpose organisations and for commercial organisations. But you know, if you give them a seat at the table, and they have a sense of ownership or engagement, then it's a chance to bring out their issues through the process, and not at the very end when you need need often for the actual strategy in the boardroom.

Helga Svendsen 31:48

Thank you. Thanks for the question, Caitlin. And thanks, Morgana. Leanne, you're up next. You've got a question about flags on the strategy. So Leanne I yes, I can see you and you're off mute. Fantastic. So again, if you can introduce yourself, your name, what boards you're on. And then if you could ask the question, and

Leanne 32:07

My name is Leanne Williams, and I'm on an independent school board and a hospital board. And I'm a CEO reporting to a board and our group was talking about what happens when your strategy midway through isn't working. And our group talked about the risk appetite and how that comes to the ball, which would be one indicator of flags of strategy not going in the right direction. And the same is the Performance Reporting. But we were interested to hear your perspective on whether there's any other indicators outside of those two, that would be an indicator that the strategy needs reviewing, or it's not on track for what should be happening.

Morgana Ryan 32:51

Particularly hard to think in organisations that have a large geographic footprint, you know, referencing my loss diagram, because it's actually quite difficult to see what's happening. In remote locations are cost more for the purposes of things. I'm a bit of an advocate for directive, the noses in hands out, insofar as you know, to really know what's going on in the organisation, you need to have some feel. So you're just the CEO and the executive. And I know in the I said a conference in March, there was quite a bit of discussion from a number of the panelists about someone from a large supermarket chain and actually spending some time on the cash register, store or now doesn't necessarily have to go to that level. But opportunities for board members, I think, to engage with the organisation without getting into the management space, obviously. But to get a real sense of what's happening on the ground is very valuable. I will also say you know, as a board, you need to look at the quality of reporting you're getting, and particularly in international NGOs is a challenge. And if I may jump on my hobbyhorse for one minute, one of my greatest frustrations for the for-profit sector is the obsession with admin and overhead. I think it is the worst metric ever. And you would never tell a large bank that they can't afford to spend money on, you know, IT systems or their people. But by telling for-purpose organisations that they have to limit to 10% or less how much they spend on themselves as an organisation, you actually inhibit them from putting in place, the systems and the processes that allow them to see how the organisation is performing. And I'm always using any opportunity. I speak to a donor or even a mom and dad supporter of not-for-profit to really challenge them on that mindset. Sorry, it's a slight tangent. But I do think there's something there for purpose organisation, with your strategy around. It's the reporting is not giving you the information you need to see, as a board, you need to challenge leadership, to look at how you can change that. And even if you can't, if you don't have the systems and processes and not the way because it's also been an interesting challenge to say well as a leadership team, what reporting we're looking at is your decision making about how the organisation is running, because ultimately reporting should be rolling out through the various levels of the organisation and the board. Using a snapshot of what everybody else is looking at, managed. Fabulous. Thank

Helga Svendsen 35:05

Leanne. Thanks Morgana. The next one, I'm going to go to one from Christie. Christie, you've got a question here about tips on how you scale your approach in smaller organisations.

Christie 35:17

Thanks, Helga. I'm Christie Robertson. I'm on three boards. I sit on a hospital board on the New South Wales / Victorian border, a regional health service and I also sit on two regulation health regulation boards under opera and also under the hpca in in Sydney. And my question is that we were discussing around, we found Morgana a lot of the stuff that you were talking about was really great, but it's it felt like it was sort of targeted around for that sort of larger organisations. And we were just wondering whether you had some tips around how you could potentially scale down the approach to say organisations that had mainly just the board and a few paid staff or minimally paid staff, particularly when you didn't have lots of staff that were able to generate reporting and data and those sorts of things to be able to give you that information to effectively make that that strategy. So I suppose it's around, does a large organisation strategy? look the same processes? A smaller organisation?

Morgana Ryan 36:24

Yeah, good question. Um, my first point was they actually think prioritization for small organisations is even more important because you have such limited resources. And it's really important for boards or small organisations to constantly challenge to feel about, you know, where, where are you going to get the most impactful feel investment of your time, depending on the type of your organisation, I would say, if you're kidding, community, environmental organisation, you've got a network of really young, engaged supporters, I've reached out to that network, because it's amazing the number of skills and capabilities that exist in those networks of people who might be willing to volunteer their time and bring in their their expertise on, would you trends in excellent trends and why. And it's great opportunity for them to engage with the organisation. So I would go, I would go out, I would also go up to the board, to look at the board in terms of the skills and capabilities and the network. Particularly if you've got links into any of the big or to medium sized consulting firms quite often, you'll be able to get pro bono support from from some of those if you have the right networks and the right conversations. And that can be quite powerful and useful. But yeah, I think you still need to do the fundamentals of, you know, where's our organisation at? What are our organisational strengths? What are some of the trends in the market, even if you can't do really, really detailed analysis, but at least having those conversations so the board is aware and the staff are aware? And so framing up the big questions. Because without those big questions, it's very hard to know where to go. And whether you're a big organisation or a small organisation, you still fit on a number of fundamental challenges and opportunities, and without talking about them, then you just drift. So you obviously don't need all the working groups, and then the big structure and the WooCommerce, or whatever to run the process. But the basic bones of the thing should still happen. And I think you'll probably use your board more for those conversations in the absence of the wider stock group. And again, I would look at supporting the organisation to

Helga Svendsen 38:38

Fabulous, thank you. Thanks, Christy. Thanks, Morgana. Susan, I'm going to come to you, Susan Slattery, you've got a question about integrity of feedback. So, Susan, wherever you are, can I come to you to introduce yourself and to ask the question. Hi, everyone.

Susan 38:56

Yeah, so I'm Susan, I am on a board of a small NGO, international aid NGO, so really relevant discussion. But similar to Christie's question. We were discussing in a smaller organisations, you know, when we're getting feedback from teams, so we talked about the idea of how it's resonating with the staff, when there's feedback coming in from the teams, how do you ensure the integrity of that feedback in relation to change or strategy, particularly when we're looking at small teams, and it might be really obvious who is giving what feedback and particularly concerned about negative feedback around the change of strategy

Morgana Ryan 39:32

A couple of different ways you could go at it. First is, you know, the board setting the tone from the top that in the strategic planning process, there was no hierarchy. So I was involved in sort of working groups and the discussions and the shaping of the strategy all have an equal voice, regardless of who they report to. So it really sets the tone that this is about trying to bring out diverse voices, having open discussions challenging each other, because it's in the best interest of the organisation to really kind of flesh it out and bring the collective strength of the mind. If that still doesn't work, I repeat, you know, there's options like anonymous surveys. But obviously that's more complicated. You've got to set it up. And even a lot of surveys in a small organisation, you can still sometimes tell. Digitally wash. But yeah, I think I definitely think there's something about setting the tone, but there is actually an expectation that there will be dissenting voices in the strategy process, you don't want everybody agreeing because you weren't get the best outcome out of them.

Helga Svendsen 40:30

We're going to do one more quickly. If we can Morgana, I'm going to go to the anonymous one that's at the top there. Can you explain your half life theory for that that is implementing 50% in the first 12 to 18 months?

Morgana Ryan 40:44

Yeah, I am actually talking on the weekend about three time horizons with a strategy. And I think it is really important when you have any strategy, you're looking at the lady at the medium and long

term. And at the start of a new strategy, that long term feels really, really far away. And it's not where you're going to put a lot of the resources initially, but it's definitely where you want to turn your mind to in leadership focus, but in the short term, to really bring the new strategy to life and to set yourself off in the right direction, we want to move quite fast. And it's a combination of factors. One is to make sure you don't lose momentum from what is sometimes a very long drawn out strategy process. So you want to kind of keep it fresh, keep the momentum going and move very quickly from strategy and strategic business planning. And the strategic business planning, you're then really setting out often a three to five year view of the change initiatives that are going to happen. Recognizing that particularly those identified the later stages probably won't happen, anything like that when you eventually get to it. But the stuff in the first 12 months is really critical theory quickly and you want to jam as much as the significance in change early as you can. There's also there's, you know, trying to fail fast and some of the stuff as well. So there's often some interesting ideas in your new strategy that the organisation is not really quite sure if they're gonna work or not. So get them going test on once on them and recalibrate as you go along.

Helga Svendsen 42:09

Fantastic. Thanks, Morgana. There is a stack of other questions still to be answered. And as I say Morgana and I have set aside some time directly after this to continue to go through them. So folks, firstly, Morgana, thank you so many amazing insights. Our work here is done. Thank you so much for being part of it Morgana if you can stay on the line. But everybody else, thank you so much. What a magnificent way of starting the day. Thank you for being here. And we'll see you at the next take on Board of event at some time in the next couple of months. Hurray. Thank you