



Take on Board

Transcript – Sonya Beyers

Helga Svendsen 0:00

Today on the Take On Board Podcast, I'm speaking to Sonya Beyers about the difference between advisory and governance boards and the value added that governance boards can get from an advisory board. First, let me tell you about Sonya. Sonya is on the boards of BUSS(Q) industry superannuation fund, Affordable Housing Solutions Limited the Forde Foundation, the OzCare Governance Committee, Queensland Law Society and also a not for profit committee. Sonya is managing director of Leading Governance, consultancy and legal advisory firm governance by design. Sonya specializes in developing solutions to foster leadership from the boardroom, who combined expertise and experience supports directors and their boards to become future focused leaders for greater impact and results. Welcome to the Take On Board Podcast on Sonya.

Sonya Beyers 0:48

Thanks. Helga, good morning.

Helga Svendsen 0:50

So Sonya, before we talk about advisory boards and the difference between governance boards and advisory boards, we will as always love to a little bit deeper about you. So can you tell me a story about young Sonya that tells us a bit about how you got to where you are today?

Sonya Beyers 1:08

Thanks, Helga, I like to share the story of my father walking in when I was about 13 years of age, and handing me the book written by Daniel Carnegie called How to Win Friends and Influence People. And I can say still, at my very mature age, as a middle aged woman, I'm still learning to do that most effectively. So that book has certainly changed the way that I approach people, individuals, and particularly now, working within for boards, how to influence within a collective team.

Helga Svendsen 1:41

I was almost relieved to hear the conversation go that way. When you said I can clearly remember my father walked in, I thought, where's this going? But no, it was just with a book

Sonya Beyers 1:50

The book and it's just all related to me having to identify how I can contribute in the most effective way given my very forthright, direct and influential style that I have, which some people find quite a confronting so it's, it was around how best to speak with people respect others, roll out the other person's perspective, and yet still influence where it was necessary to do so.

Helga Svendsen 2:26

It's an oldie but a goodie. So I'll actually make sure we put a link to that in the show notes. Just want to dig a little bit more there. You said that sometimes people find your approach around that a bit of fronting.

Sonya Beyers 2:35

Yes. Oh, well often find that with language, you can be perceived to have said something that was not intended. And so having done some recent learning in this through INSEAD, and other coaching programs, it's become apparent to me that just saying something may not make other people feel that comfortable. So if you are wanting to influence then the way that you can frame the same comment will obviously result in something or different, perhaps a different outcome. So, again, going back to the principles from Daniel Carnegie, even starting someone's name is something that will influence a framing something as a question rather than making a statement. So I've found that these, that these matters are something that I have to work out. Because I'm very direct. And I like people to feel comfortable around me. And I often think being honest and upfront is the way to do that. But different styles different cultures require different communication.

Helga Svendsen 3:35

Yeah, and again, great lessons for the boardroom, because it's all about building that trust and building those relationships in the boardroom. So having or at least being aware of different communication styles can be helpful. Some people are totally upfront for the direct communication and some people are not.

Sonya Beyers 3:51

Yes and and having recently participated in the INSEAD international directors program where I was one of 40 peers. I was only one of two Australians in that group. So you are with a whole group of different cultures immersed in this education program. The book called The Culture Map has also been really important in understanding that that style shared by, you know, some different nationalities. It's actually very well received, but some other nationalities received that is quite disrespectful. And so like you say, the way that boardrooms work is to make sure that there's a

collaborative, collegial nature, and yet still a directness through that word respect. And so often, the word respect to my mind can impact a board's effectiveness because people can be too respectful. So I like to make sure that we can push through that level of respect to get to where we need to get to. However, I've got to do that, you know, sometimes more softly manner than what I'm otherwise nature.

Helga Svendsen 4:53

Well, as someone who's often also quite direct, you know what, even though it's an oldie but a goodie, I haven't read "How to Win Friends and Influence People" yet, so perhaps I need to put that on my reading list as well. So today we want to talk about governance boards advisory boards, the value that advisory boards can add, and often hear it take on board but talking about governance boards, because you know, that's the legal requirement for many organisations, whereas an advisory board is a bit more of a value add. So can you start by telling us what what is an advisory board? And what is the value they can add to an organisation?

Sonya Beyers 5:29

So the advisory board is what I would consider perhaps as a new model, others would suggest has been around for some time, I think it's coming to the attention of governance boards now. And it's it's a group of experienced people who come with a range of wisdom and expertise, who are appointed to give advice, make recommendations, or to provide counsel to either the business directly through to the executive team or through the governance board itself. So the Advisory Board has been no binding decision making authority, nor do they have any executive function in the business, they're there to provide a different lens. So as we know, a governance board has a lot of work to do in a very limited time. And so it's providing another opportunity for that collective team called that governance board to hear from a range of different perspectives. And perhaps that advisory board might be limited to a particular project, or perhaps it's to hear from a group of stakeholders that that business is connected to, but its intention is to inform the governance board and for the governance board to then take that information and use it as it sees fit. So we often hear questions around well, isn't this what board committees do? Where's the distinction? board committees are often comprised of the governance board members and others that may be populated onto those committees. Whereas in a advisory board is established with a clear purpose. And its composition is set around that purpose. So it is more tailored and can offer different solutions. Or perhaps, as I said earlier, just different perspectives on an issue.

Helga Svendsen 7:16

So you say it's established around a clear purpose, and then the composition around the purpose. What are the sorts of purposes that you've seen advisory boards be set up around?

Sonya Beyers 7:26

So there are some industries where there are even mandated advisory boards. So for example, some of the hospital and health service boards have advisory committees to hear from stakeholders. Some of the leading governance boards in Australia now and internationally, are setting up advisory boards around particular projects. So it might be for example, if there's a digital transformation piece within the business, what that transformation ought to look like and then in assisting in scoping up that project, what those parameters should be that that governance board needs to consider. So there's often areas within the business that the governance board is accountable for and needs to drive. And yet another doesn't have the full time or capacity, or perhaps the wisdom to be able to identify what those parameters are. And this advisory board is, is put in place to assist in perhaps that project based task of identifying what that looks like. So I'm seeing it across a range of areas where it might be that is a level of engagement required. There might be a disconnect, perhaps it's his shareholder or member engagement.

Helga Svendsen 8:41

You mentioned in some areas, it's mandated like hospital boards, and as the take on board community knows I'm on one of the hospital boards here in Melbourne. Although it's it for a hospital board, at least for our hospital board. There are three directors from the governance board who also sit on the community advisory committee. So is that that comment I think I heard before you set up the purpose and you bring people in who have experience around that particular purpose. Is there often crossover between the governance board and the advisory board?

Sonya Beyers 9:12

That is one model that might assist the governance board in understanding the advisory committees purpose. And so, yes, it might be that you have some commonality of composition might be there for a couple of reasons. Perhaps it's the only way the governance boards got line of sight to how effective the advisory board is. Perhaps it's because the communication lines have been more effective. If the advisory board, however, is set up by the governance board to assist the executive or perhaps to ensure that a project is running effectively, maybe then it's an executive team member that sits there. So the benefit of this advisory board model is it's not it's developed fit for purpose for that business. There is a lot more flexibility and agility around an advisory board then there is a governance board, because we know that the governance board is entrenched in an organisation's constitution. And the board may have the capacity to appoint directors itself, but it may not. So if it can't, and it doesn't have the wisdom coming from a shareholder or member pool, then this provides the board with a level of flexibility, and so they may retain some connection through to it. Alternatively, the advisory board may have the chair that attends the governance board meetings to provide an update on what mats that Advisory Board has considered.

Helga Svendsen 10:40

What was your first advisory board?

Sonya Beyers 10:43

The Forde Foundation, which is an advisory board, it's a trust fund established following the first review into institutional sexual abuse of minors and care leavers and it was established 20 years ago after the Forde Foundation review in Queensland. This is an interesting landscape to be in, because now we've obviously had the Royal Commission. And we've got that into aged care and will soon have disability. So 20 years on, we're dealing with the same matters. This is an advisory board established under statute. So it is a trust fund held by the public trustee. And the Secretariat is through a Queensland Government Department. So we have various stakeholders that our board of advice needs to consider. And yet with no decision making authority, make recommendations around where grants should be spent, and how that a very limited amount of money in held in trust should be used for forgotten Australians. So I've been sitting on that for four years now. And we are still navigating our way through stakeholder engagement because this is the distinction between it governance and an advisory board, you can only influence so much. You're only making recommendations, the decisions are left to others and consensus by our statutory bodies.

Helga Svendsen 12:11

And for that, the decision makers in that one, I think you said it was a public trustee. Is that an individual or is it a board of trustees?

Sonya Beyers 12:20

So it is the public trustee through an individual. However, as we know, that's normally through delegated authority across arranging tools working for that public trustee. So we've had a range, we've had one consistent person that we've been connected with through the public trustee. But since I've said on this board of advisors, we've actually had two or three public trustees. So there's been a range of incidences that occurred and so we've had leadership changes for those that we're making recommendations to which of course, as we know in the government setting results in different policy perspectives.

Helga Svendsen 12:56

Right so you know, role when you're an influencer those changes of decision maker, I'm guessing have a bit more impact, because you need to go back to square one to build those relationships, build the influencing role and so on. Which similarly, I guess for an organisation that is an advisory board for whether it's an executive team or a board of governance, it's building those relationships

that is key. So it sounds to me like being on advisory board, one of the key skills is influencing, which is likewise to a governance board in many ways. Can you give us an example from your advisory board experience around how that has played out in practice?

Sonya Beyers 13:40

So I think as you say, the influencing word is key to any directorship. And again, I'm gonna reference one of the most recent learnings that I've had through INSEAD, which is the reminder that directorship is 80% political and 20% decision making and I think it's sort of to start to really reflect on that, that you realize it doesn't matter if you're in a body that makes recommendations or a body, collective team that makes decisions at all points in time, you've got to understand what it is that you think is in the best interest for that organisation and those who you are they to govern for and even as an advisory board member, you still should have, at first, your first vested interest should be that organisation success. So once we stop and think about that, and we take away our own personal agendas and what we might like to achieve, what is it that we can do to influence so that this organisation is there for the long term sustainability, and that the recommendations or the decisions we take are in the best interest for those who are here to support so on that board, for example, we're on and we're having ongoing conversations around that we now have an aging demographic that was established, remember 20 years ago, the Forgotten Australians are now pretty much at aged care year levels. So they're they're looking to be supported either in home or in institutions again, and these individuals have had significant trauma in institutions. Can you make recommendations around suggesting that support be provided for in institution care, which is not what they want? So we're constantly grappling with? What is it that is in the best interest for those people? And how do we make recommendations if it was established for Forgotten Australians should be one should we make a recommendation that that trust funds should be wound up now to support just those people? Because at the time this trust fund was established, it wasn't anticipated that we'd still have care leavers. 20 years on but we do still have a number of people leaving foster care that we are now supporting. So the next level of calibers have come through. So how do you make recommendations But when you're in a grants round, you make a recommendation that someone who's just come out of care who's 18 shouldn't miss out for somebody who needs a hearing aid who's 78. These are really difficult decisions to make. And for us, they're only recommendations. If you sit on Vasari board, you kind of take that to the next stage of how is it in the best interest of one and not the other for us and just say, well, we recommend this person or this this kind of this grant for this purpose. And perhaps next time we'll think about that differently. So it's a constant, constant discussion. I think.

Helga Svendsen 16:37

It does, as you're describing it, it does sound for some organisations, it sounds like some of the, whilst it's only recommendatory. Only the decisions that have been made that is the decision on who to recommend is very similar to some of the decisions made in the boardroom, in a governance boardroom.

Sonya Beyers 16:57

Absolutely. And I think the distinction that I learned through The Advisory Board center course was very much probably the Advisory Board does the road testing. A governance board does the decision making now like you've just said, when you're having the discussions about road testing ideas and recommendations, you are ultimately thinking while you're doing that road testing, someone else has to make this decision. So in in road testing these ideas, what is still going to lead to the best outcome. So you are having you're doing all of that detailed work and coming at that with an informed different perspectives, bringing all the wisdom and all the knowledge and then you're allowing somebody else to synthesize that information, which is what we would then do at the governance board table, and then say, okay, having regard to all of that road test, what is the best path for this business take? So actually, yes, you know, if they, the governance and the advisory board roles work very well together, as I think you realize that when you're in an advisory board role, at some point, you have to concede that what you might think is in the best interest may not be the path that's chosen. So, if that happens, you just have to accept that someone else has to have that decision making authority. And you leave that, you walk out, you road tested it, that's where you're rolling, you walk away. And on board, we have to reflect on that. As you know, we walk out of the boardroom. We spend some time we question our peers, we just we talk about further. Well, once that's done on the advisory board table, you walk away from them.

Helga Svendsen 18:33

You're a certified Chair of advisory boards, tell me what's key for a chair of an advisory board to know and to be and to be on the lookout for.

Sonya Beyers 18:46

So, the learnings that I've taken away from that is that we have a role to ensure like around every board table, that the opportunity to discuss and hear and to more importantly have us actively listen is provided. And so the connection through to the business and the business, driving the information through to the advisory board also is the role of the chair. But again, the role of the chair of an advisory board is different in the sense of the governance board chair holds the business or the CEO to account in a more stringent way advisory board, that business wants you there. So they are driving a lot of that platform themselves. You are the facilitator in the boardroom, you are the enabler to ensure that road test is done most effectively. So there are there is a distinction in the roles because although you might touch point once a month with that business owner, and you might hold them to account to understand if a decision has been taken. You're not ensuring it's implemented into the business. You're not checking back on that you're job is done once it once that business owner takes that decision for themselves, whereas the governance chair very much has as you and I know that role of holding that executive to account for performance of the decisions.

Helga Svendsen 20:13

So as somebody who sits on governance boards and really enjoys those kind of strategic big picture conversations, sounds a bit to me like the advisory board is taking all the fun out of it. They get the fun side and we get the compliance side. How does that sound?

Sonya Beyers 20:30

Like looking for Big Sky thinkers, entrepreneurs, people who like being in that performance focus outside of, you know, setting the strategy and thinking about big picture policy and policy setting future direction. Thinking advisory board is a really provides a really good opportunity for you if you're that type of thinker. I think there's opportunities that also build your thinking as a governance director to hold an advisory board role because you are thinking through a different lens, and you are bringing different ideas to discussions, which then can influence how you think as a governance director. So I think it's a good suite to have in in your portfolio to look to what can I do to add value in an advisory board setting? I think there's been a bit of a thinking that an advisory board role doesn't have the same level of kudos as a governance board role, to my mind, recognizing the level of compliance and legal liability associated with governance performance boards. I think that there'll be a few that will lean towards the advisory board model, because you get all the fun like you say, with limited responsibility provided you're forming during your ratings and attending meetings. That's pretty much what's expected of you and of course think big bringing, you know, your connections and Communities back to that business, because that's what we do in any form of directorship is use our network to leverage for the organisation's success. I think my view is, yes, go for it.

Helga Svendsen 22:14

Yep, it certainly sounds that way. So we've covered so much in this conversation. What are the main points you want people to take away from the conversation that we've had today?

Sonya Beyers 22:25

I think keep in mind that directorship across either advisory or governance performance focus board. They all they both positions require you to understand who you are to bring your wisdom, different perspectives to be inquisitive. And an advisory board model is your only road testing and someone else makes a decision. The governance model is your road testing and you have responsibility and accountability for the decisions. So having those roles together will help build the way you can influence around all tables.

Helga Svendsen 23:01

And is there a resource you would like to share with the take on board community?

Sonya Beyers 23:05

Well, in keeping with that influence topic I've particularly liked and have been using for some time now Max Planck statement, which is, "if you change the way you look at things, the things you look at change", and certainly as directors, that's what we do. We are not, for example, like myself, a lawyer with a governance background, I am not a lawyer at the board table. I'm somebody that looks through the lens of that legal training, and then identifies how we can do things differently. So I changed the way that I look at things so that the things that I need to look at will change - I highly recommend that.

Helga Svendsen 23:42

Fantastic, well, we'll make sure we put a link to that in the show notes as well. And I'm actually cheekily, I'm gonna add another question, just to see how that flies. Um, what's, what's your proudest moment in the boardroom, whether it's the advisory board or a governance board, can you tell us about a time in the boardroom where you felt very proud?

Sonya Beyers 24:03

This is one that I, I often think, as directors, we ought to be proud when there's a relationship between the board and the executive team that feels like we are on the same team. And when you have moments like that, where you have a heart around the table, and everybody feels like we are all aligned, that's quite a proud moment for me. Because I it may be maybe it's certainly the experiences I've had here. And I'm interested in your thoughts that you have to share. That sometimes feels very far and few between, it's often the case even though we are all on the same team, that is matters that I get to be dealt with effectively, or we've got to work our way through some issues so that we're all aligned and when that happens, it feels like that organisation is On the right journey, and we achieve what we are there to do as directors, which is to add value system gardens and a challenge effectively.

Helga Svendsen 25:07

Have you ever felt that aha moment? I'm thinking of it, as you know, on the board of a hospital. And I'm actually trying to think of the topic, you know, I can actually remember that aha moment very recently. But fascinatingly, the topic itself isn't coming to my mind, but I, it was something around, you know, we're obviously in the middle of a global pandemic. I'm on the board of a hospital. And whilst we are not a, we're a specialist hospital, so we don't have an adult intensive care unit. So we

are not quite as impacted as some of the others. And it was something around that. And our CEO has just fabulous empathy, and warmth and strength. And it's not often that those things go together. And something had come up. I cannot recall what honestly, I can't I'm not just avoiding naming it. I honestly can't remember the topic, but I recall her reporting on it and just thinking well, like that is exactly as I would have liked you to have done. And that was the reaction of the rest of the board as well. So, yeah, it's those moments,

Sonya Beyers 26:14

So when it happens? Yeah, I think that's where you think we're all doing. Okay, here.

Helga Svendsen 26:19

Everything's fine. Like I can remember that feeling of it. I'll look at you turning the microphone around on me. Thank you. I needed your response to check that we're aligned. All good. Thank you so much for being on the Take On Board Podcast today. Sonya. It has been really fascinating to hear some different perspectives around advisory boards and what they're about and what they mean and hoping that we have. I'm sure we have provided some food for thought for the take on board community around advisory boards and governance boards. So thank you for spending your time with us here today.

Sonya Beyers 26:54

Thank you, Helga, thank you for the opportunity. Lovely to speak with you.