



Take on Board

# Transcript – Insights from the Take on Board Breakfast: Developing a Board Strategy with Morgana Ryan - Part 2 - Q and A

Helga Svendsen 0:00

So folks last week on the Take On Board Podcast you heard from Morgana Ryan about developing strategy at one of our special Take on Board events. There were so many questions we didn't get to go through all of them at the event. So Morgana has very kindly given us some additional time to answer some of those questions. We're going to do them in a bit of a quick fire fashion so we can get through all of them. So thank you to those that came and asked some of those questions and Magana. Hello, and welcome back. Thank you for being here and taking the time to answer some of these questions. Again, okay, so let's go through Jane Bogue asks, what happens if the chair and therefore the tone isn't strategic, or if the chair doesn't value true future thinking, Morgana, what are your thoughts there?

Morgana Ryan 0:49

It's a tough one. The chair, it probably depends if you're a fellow board member, then initially started with a one on one charity with the charities in Sweden. and subsequent work, I've considered talking to some of my fellow board members today, what their view is and to see whether collectively and with the turn of the conversation, there's potentially an opportunity to suggest setting up a strategy committee or strategy working group and volunteering decided, if you're the CEO, and you have this frustration, I think if you're a strategic to a tackle it from the why I wrote the board papers, and the wireframe, the board papers to the board, trying to pose some of those strategic questions. But I do think there's also something around trying to raise awareness of the risk of not having those hard strategic conversations, and helping the board chair to just open your thinking a little bit to, you know, the opportunity cost of not looking to the future, even when you don't know the answers. It's a bit like scenario planning. When you scenario plan, the chances that the actual scenarios and considered play out happens. almost negligible. But the fact that as an organization we've gone through that process means you've started to flex the muscles, thinking in a different way and lifting the case into a different level. And that's quite powerful. Yeah,

Helga Svendsen 2:08

Great, great suggestions. It's really an influencing piece, isn't it? So trying to influence the chair around that. I think the only other thing I would add to that is sometimes a board evaluation might bring some of these things to light as well. So it would be unusual for a board evaluation not to have some questions about how the board deals with strategy. So that might also be a way of bringing it to light. Fabulous. Thank you. Next question is from Fiona. And she asks, Can you change the strategy along the way when the environment or needs change? Morgana? What are your thoughts there?

Morgana Ryan 2:41

Yeah, you can and you should, insofar as the strategy is at a point in time, and it's looking at the very high level direction that the organization is traveling. And it should give you kind of goals and direction in line with your vision and your mission. If something comes on the horizon, that you didn't feel, say at the time when you had your strategy conversation, but that it absolutely aligned with your vision and your mission and your direction, you should jump on it. And you need to recalibrate and that's where the strategic business planning comes in. Okay, because you have a number of strategic change initiatives that the organization is probably in flight. And you need to think about how you're going to new opportunities, and possibly have to do prioritize something else to fit it in, and give it some space. And I think as board members, you also need to think about how you help to save or fund his space to really save new opportunities and not get so bogged down.

Helga Svendsen 3:38

Jenny Selway asks, How do organizational structures and strategic frameworks differ between major multinational corporations and international NGOs? Do the two sectors learn from one another Morgana, we're giving you have worked in both What are your insights there?

Morgana Ryan 3:55

There's a different common factor around people's behaviors, and particularly when you have to have hard conversations about difficult strategic questions and about prioritization. So there are definitely overlaps of similarities, not perfect, but the culture in which they operate, draw different answers. At the end of the day, it's often about power and control. And the extent to which your organizational environment and structure enable your a fair degree of control and power in the way that the strategies set and rolled out across an organization versus a more consensus driven organization where you have to consult much more widely. I would say, in international NGOs, you have a huge amount of complexity where you have international Secretariat. So you think of Oxfam as a global brand, but fundamentally, you've got a small Secretariat. And then you have there might be up to 20 affiliates now. So you know, me chaos and America and Australia. Each of those have their own local board, their own local strategy. Then you have the country offices in which they program as well. So Just thinking about how you do something at a global level that resonates with those other levels is challenging, whereas oil and gas, which is my other big area of experience in upstream oil and gas, you know, an organization like shell or something, they have a lot of control.

But there are certain countries in which they're enjoying venture, even if they're a majority share customer consent, majority share. And there are a lot of different cultural nuances in that country context, that can be quite challenging. So there was straightforward, and it's really important for each organization that you understand differences. But having said that, there's no question you know, James, and I wrote a chapter on strategy for international NGOs, we were heavily influenced by what we've seen in the commercial sector. And we then took the basic bones of that, and then overlaid it with our insights and our experience from development, to create something that was tailored. And I do think going the other way, with the focus on Sustainable Development Goals, ESG, climate cetera, there's a lot more opportunity for businesses to bring some of the full purpose experience and thinking as I go through their strategy processes, so they can stop and think about how you can do what I would call sort of business and developmental beyond CSR. But you actually start to just deliver your corporate your core business in a way that has a positive social impact. Absolutely.

Helga Svendsen 6:18

You know, if I reflect about governance, you know, and some of the Royal commissions that we've had in Australia, the financial services, Royal Commission, and so on, you know, the for profit versus for purpose sector, have a lot to learn from each other. Okay. Carla Coombs, asks, How do we recognize the lessons of the past without seeming negative? How much time do you give it to this step?

Morgana Ryan 6:39

Yes, it's a very good question. I think it depends on the size of your organization, the amount of resources you have, to some degree, I definitely think it's worthwhile for whoever is designing the strategy through process to reflect back for a couple of reasons. One, you can really take the bits that have worked well, and think about how you amplify them this time around and also less successful, how to avoid them. But there's also something around stakeholders, you know, people will often talk about, that was not great the last time around. So you want to be aware of that context and history, so that when you present the new current approach, you can kind of circumvent some of those negative comments, I think, and we've factored in this film before. And this is how we're dealing with the sixth time. So you can basically take the negative and make it a positive by showing that you're productively on the front porch, and something different this time. But as I said at the outset, strategy, the process and the actual strategic plan that comes out of it, you cannot please all the people all the time, and you shouldn't try. So you have to accept that there will always be some dissenting voices. Interesting, either both the process or what comes out of it. Jenny Selway asks,

Helga Svendsen 7:53

Can you speak a little on the role or tips for influencing in strategy implementation, particularly in joint ventures, which I think you mentioned before, can metrics be used to track.

Morgana Ryan 8:04

Metrics should absolutely be used to track the pace I didn't talk about in my presentation. So really, if you're embarking on a significant change program to implement your strategy, you really want to think about using business cases, to put together the quantitative and qualitative case to change. So through the exercise of preparing us to have a much better detailed understanding of our strategic financial risk, and the timing and complexity to implement those changes. So a method and documents that, depending on the level of detail can be reviewed by the board as well. So they've got visibility, visibility, large commitment. So I would say, recalibrating your standard reporting. So it's showing the right information to judge how these strategies are being implemented using our strategic business planning as a sort of an annual process that would probably minimum quarterly review, reset point, having a business cases to support those strategic changes you have before you kick them into implementation. And I think whether joint ventures involved, it's really about that cycle of management, dependable lot on the relationships you have. I went to the Middle East a bit in Nigeria that year with various combinations, and it varies widely, depending on context, political leadership, or

Helga Svendsen 9:27

Here's a doozy for you Morgana. Karen Percy asks, how do you make the case for diversity when the older white men resist and drag out the mirror argument? I need some strategies to push back. Can you give Karen some strategies

Morgana Ryan 9:42

Very good question. I'd like to reflect back on the fact that academically women do as well or better than men at school. So I when you bring out the merit argument, there's a reason things are different in business and I don't believe in intellectual capabilities. Look what really resonates in And I think this is a challenge for the more traditional view of boards, which is, you know, you do it later in your career, you're well established you probably even beyond. And that's kind of profile of what it needs to look like. But I would ask the question, how many people in that profile really understand cyber risk, really understand IT, really understand customer engagement and enabled by IT, etc. So I definitely think there's a lens there where you can open a conversation, which hasn't got the full complement of skills and capabilities that we need at the board table for Where are organizations going? And that maybe then opens the door. But it's a hard one, you know, it's the feeling right when you have a powerful group, but it has a particular culture salt demographic.

Helga Svendsen 10:52

I'm going to put a shout out, and I'll make sure I'll put a link to this in the show notes. I listened to a podcast recently, Julia Gillard's podcast, A Podcast of One's Own and she interviewed and I'm

probably pronouncing this badly to Tomas Chamorro-Premuzic, who has written a book called *Why Do So Many Incompetent Men Become Leaders*, brackets, and "How to Fix It". And in the podcast, he talked exactly about the merit argument and when people say, but what about merit? And his response is yes, can we use merit? Please, that would be fantastic if we used merit, because, as you say, plenty of the studies show that having that gender equality and having women exactly merits merit, depending on her merit is defined within, you know, systemic, unconscious bias. So I'm extra put a link to that particular podcast, but also to that book in the show notes. I thought it was also worth noting that he is the only male she has had on her podcast. And it's because she read the book and thought it was so well, well worth sharing. So there's some tips there for you, as well. So there's some tips in that for you, Karen.

Morgana Ryan 11:58

Women on boards did a review of board recruitment, and obviously, it was very skewed. Because it was their membership base. But one of the observations that really resonated with me is that in both recruitment, there's a real tendency to do a walk the walk, you know, we had a really good down accountant with this set of skills on our board. So when American, you know, they're getting Cheney they're leaving, so we have to work on guard. So when we go out to recruit, we're gonna look for someone who looks exactly why. And that's why it's so important to recalibrate your skills matrix for where you are today, that organization and where you're going with your new strategy, and try and use that to influence the discussion about co-creating for

Helga Svendsen 12:42

Susan Slattery asks, How can a board effectively measure the implementation of a new strategy in the organization and the temperature of the staff without delving into operations? What are your tips there?

Morgana Ryan 12:55

Yeah, there's a there's an enhanced dimension to that I think, I'm a big fan of straight 50 anonymous surveys, to really see what's going on. If your organization uses Net Promoter Score, to track staff as a board, you want to ask to see not just the stats, but you want to have access to the comments, as well, because they're often sometimes very insightful. Now, I think board members having an opportunity to engage with them very clearly, not in a management phase, at events, walking into shops, or depending on the nature of business. And then the other is reporting, ideally, you know, really good quality reporting is coming from the lower levels and rolling up. So that's the sort of consistent information they need to draw the strategic. So what are the insights that then let us make decisions about what's the right way to govern?

Helga Svendsen 13:45

And Ingrid asks, what sort of research is recommended in the pre strategy development stage?

Morgana Ryan 13:52

Look, the bulk of the research, I would say it's in that Thursday, we're looking at the internal and external context, depending on how you've done the strategy in the past, and again, you're whether you have a chief strategy officer and Strategy Team or a group that's regularly managing strategic business planning. If they aren't, and it's a company setup, then you do want to spend a bit of time looking at what happened previously thinking about the resourcing you're going to need. And again, it's simply about the culture of your organization, if you're a very consensus driven organization, and you're going to need a lot of workshops and consultation throughout your process and lots of then you really have to think about the resourcing requirements that in shaping some sort of document for leadership and the Board of staff to commit to that level. And you may step up and take notice, you might shake up, you know, faster scenarios along the scenario, the pros and cons of quicker but less consultation, but more drawn out, etc. So it's kind of, it's more around figuring out the shaking in the process, and you may also start to draft up some initial thoughts around what some of the questions are, as an input to help guide Some of the analysis that may happen, accepting new, new and other ones will come up during pregnancy.

Helga Svendsen 15:06

Right. Okay. Ah, final two questions out. Fiona asks, What if half the board likes the strategy? And the other half? Don't? How do you navigate through that?

Morgana Ryan 15:21

It depends what stage you are in the associated planning process. For me, if you've got to a difficult scenario, I would say, involve them or engage them on. Because you do expect to have a degree of dissent in different teams. And that's great, because that's the diversity we want to bring to the conversation. But if it's quite conflicted, and you know, it's evenly spread, one person, not sure, if I have a different view, then you need to involve stakeholders, and need to try and figure out what is that point of disagreement? Is it the overall strategic direction? Or is it a particular component of it? Is it because some of them feel the process hasn't adequately looked at information from as they call the birth order, or do a bit of debugging, and then think about what you can do to bring them on the journey more, give them more opportunities to discuss debate and, and timelines?

Helga Svendsen 16:13

Which probably answers the final question that we have here as well. What if the strategy falls flat and doesn't capture the passion? Or it's not well received by stakeholders? Probably some of what you said is really relevant there as well.

Morgana Ryan 16:25

Yeah, yeah. And I think in a scenario like that, if it's not resonating with stakeholders, then you might have undercooked your, your kind of external analysis, or if it's internal psychological internal analysis, and imaginative trick. So in that case, I would consider as much as you can across resources and time constraints, going back out to better understand why it's not resonating. And think about what can change although I will shout out to Clayton Christensen in the innovators dilemma, how to price your whole book, he initially looked at the floppy disk market, and the few that know the incumbents had happy customers, happy suppliers, sickness, assuming everything is great. And it's huge disruptions have kind of come from behind, but they didn't take coming. So you know, when you're engaging with your stakeholders, and they're unhappy, you have to also look at it in the context of what you're trying to do, and are you trying to be a market disruptor, then that might be slightly different.

Helga Svendsen 17:26

And as you'd said much earlier, you can't keep everyone happy all of the time. So as long as the board I would say, as long as the board's aware of what stakeholder views are, and have strategically made that decision, just because people are unhappy, it doesn't make it the wrong decision, as long as you're aware of that and taking all of that into account. Fabulous Morgana that brings us to the end of our listener questions or participant questions at the breakfast from last week. There is a goldmine of information in there for people in developing strategy. So thank you for sharing your thoughts last week around developing strategy and bring it together and then continuing the conversation this week. With all of that q&a. It's been absolutely fabulous. So thank you for being with us on the Take On Board Podcast today.

Unknown Speaker 18:12

Thank you. Helga. And I love I love what you do. Thank you for all your efforts to keep them connected and to share all these guiding patrimonio different speakers.

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