

Take on Board Podcast – Episode 247

Transcript – My AICD Australian Governance Summit 2024 Day 2 Recap with Special Correspondents



Helga Svendsen 0:00

All righty, let's embark on day two. Hi, folks. Welcome to the second episode in relation to the Australian governance Summit. This covers day two. Again, a fantastic set of sessions that the wonderful Take on Board community allowed me to crowdsource their contributions. So let's get on with it, shall we? So first up, we are hearing from Kate Waterford, on the keynote around artificial intelligence challenges and opportunities. Can I just say, Kate, you are a superstar for being at the Australian Governance Summit and being able to do this and the final contribution. Kate as a young baby, she was on crutches because she busted her ankle and yet she was still there doing all of the amazing governance stuff. So nice work, Kate. Now let's hear your reflections.

Kate Waterford 0:50

Hi, I'm Kate Waterford, the managing partner of Maliganis Edwards Johnson in Canberra, and a non executive director working across a range of organisations. I'm also a divisional councillor for the AICD'S ACT division. At the AICD's recent annual Australian Governance Summit, the keynote international speaker was Dr. Ayesha Khanna, co founder and CEO of Addo. Dr. Khanna talked about the remarkable opportunities and significant governance challenges presented by emerging artificial intelligence technologies. Dr. Khanna acknowledged the huge sea change in AI recently through the release of ChatGPT and other large language models. Globally, we're facing a massive scaling in AI technologies, which will give companies and governments incredible new opportunities, all sorts of innovations. Boards should be actively exploring this new world of possibility, and ultimately, their customers and stakeholders will expect them to but how the directors who are not themselves experts in AI govern effectively in this space. First, board directors must be aware of the risks and limitations of AI technologies. For example, directors should get across key concepts like AI hacking, data poisoning, retrieval, generation, automation, and hallucination. And sometimes those risks inherent in AI like other types of risks aren't necessarily bad, but they do need to be understood and managed. Directors should be pushing their executive teams to engage with the board around actively setting risk appetites for use of AI products. The board may also need external advice and services when it comes to AI. Rather than relying on internal IT expertise. Dr. Khanna said that directors should inform themselves about how their organisation is storing, using and analyzing data. They should be asking questions of their executive team about how the data is stored, how

confidential information is kept safe, which AI technologies are accessing that information, and how data architecture will be protected and modernized. They need to closely consider the risk of bias associated with applying AI to historical data sets and push for strategies to avoid entrenching bias through the use of AI products. They should be interrogating their procurement strategies so that they can ensure AI vendors have acceptable security and risk strategies in place. And that confidential data is only shared with trusted secure partners. Boards should also be thinking about how to invest in upskilling their workforce when it comes to cybersecurity and AI. Finally, directors should be setting up a range of different ways to stay on the cutting edge when it comes to this rapidly changing area. That means setting up news alerts, subscribing to updates, attending events, and finding other ways to continuously improve your AI knowledge. It might not be long until governments start imposing mandatory reporting on the use of AI. We'll see. So directors should start getting across the issues now. In short, there's a lot to be excited about and a lot to find out about in this space for all directors, not just those who regard themselves as tech experts. They're directors and the companies who don't get across the opportunities and risks of AI and who don't start integrating AI into their operations while actively mitigating the limitations of that new technology will fall behind. This was such a rich and interesting presentation. I found it very hard to narrow down on some key takeaways. So would encourage you to follow Dr. Aisha Khanna on social media and elsewhere. Thanks, everyone.

Helga Svendsen 4:44

Thanks, Kate. As I say you are a superstar for doing that contribution. I was actually sitting with Kate for this session. And it was was such a great session. There was so much I got out of it. So there was just one thing I wanted to add and that was Dr. Aisha Khanna provided a whole stack of really useful resources. Again, I haven't got their PowerPoint presentations yet, but if we do, we'll pop them in the show notes. But some of the things that she suggested in terms of great resources, and some newsletters looking at 'Ben's Bytes', or 'Last Week in AI', she suggested setting up Google alerts on your own company, but also on AI. The magazines that she suggested that were good resources, MIT Technology Review, The Economist, WIRED and The Information. She suggested Perplexity AI, which I have been playing with since the Australian Governance Summit. And she described it as Google and ChatGPT getting married, which was enough for me to go and have a play with it. And it's been quite useful. And she talked about some courses that could be accessed, including through Coursera and Open University, I think is the other one for free courses. So AI For Everyone with Andrew Ng. Again, this was a fantastic presentation. I really enjoyed it and got a lot out of it. So thank you, Kate, for sharing your reflections there. Next up, we have Ruth Faulkner, who reflects on the Joe Longo session. Joe is the chair of the Australian Securities and Investment Commission and generally does a presentation at the Australian Government Summit. So Ruth take it away for your reflections.

Ruth Faulkner 6:21

This is Ruth Faulkner. I'm a board chair of Neami National and independent director of the Australian Physiotherapy Association. I recently attended the AICD Governance Summit in Melbourne and listen to the keynote presentation by Joe Longo, the chair of ASIC some of the key questions he

posed to the audience included: Are you acting honestly putting the company first acting with care, diligence and in good faith? Do you really understand how your company makes money? The key drivers of your profitability, key customers and inherent risks? Are you challenging management to ensure your understanding of the organisation is well founded? In short, are you paying enough attention and asking the right questions? The three key takeaways for me from the whole session were number one: Director duties are principles based so rely on judgment. This principles-based approach is key to balancing our approaches directors to good governance. It requires us to be constantly curious and have a continuous commitment to learning. Compliance is not a tick box exercise, and we must always be alert. Number two, sustainability is a challenge. The new sustainability standards have yet to be translated into Australian law so as directors we cannot yet determine whether we are compliant. The only approach we should take should be consultative because we're all going to have to work together to get it right, 1000s of entities will be impacted, including many that have not yet developed any capability to assess and report. So this area is going to be a challenge for the next few years. Number three, cybersecurity is not an isolated risk, it's foreseeable. And it should therefore continue to be a priority for all our boards. As cyber awareness increases, we should be expanding our understanding of our cyber footprint and our eco structure that we work within. For example, third party cyber resilient is now getting a lot more attention. So suppliers to big business need to become more cyber resilient. And to leave you with a final reflection - if you're not ready to accept the liability associated with being a director, then don't be a director.

Helga Svendsen 8:44

Thanks, Ruth. For me, like Ruth reflected, I really enjoyed the reflection by Joe that we have a principles-based structure, not a you know, you must do this based structure. And that means that directors need to rely on their judgment. I mean, judgment is such a key skill for board directors. And I've said that a number of times in conversations I've had with people. So I really liked the way he talked about that principle based structure. And I'll use it in future when I'm talking to people about how important judgment is. So again, Thanks, Ruth for providing that summary of that session. Next up we hear from Jane Andrews, who provides her reflections about building a successful relationship with management.

Jane Andrews 9:30

Hello, it's Jane Andrews, here. I'm a non executive director on Technology One and in InfensaBioscience, and I was just going to give you a brief update on a session that I attended on the second day of the summit on 'forging successful relationships with management'. It was a really interesting session. And for me, there were three key takeaways, those related to the importance of alignment between the board and exec. Trust and finally demystifying the board. With respect to alignment, it was noted that alignment was absolutely critical between management and the board, particularly on issues around strategy, aspirations, what the key risks the company are facing are, culture and values and priorities, noting that it's as important to know which priorities you're not going to focus on, as well as the ones that are a key focus. It was noted that there were several ways

of building alignment, they referred back to an earlier session where Katherine Livingston had discussed the idea of having an agreed strategy on a page, which seemed like a really good clear way of ensuring that everyone was focused on the same issues. The second way of building alignment that was discussed was making sure that there was really regular and deep conversation between executives and the board. The second key focus area was around trust. And this is probably the one that was explored most deeply in the session. It was some great quotes about it, it was described as being one in drops and lost in buckets, which I thought was a great metaphor. And also that from the perspective of the board, there's a great desire to hear good news fast. But to hear the bad news faster. Again, there was some discussion about how best to build trust, and it was noted that face to face meetings really are so much easier to build trust than via teleconference. The timing of building trust was also discussed and the necessity to really build it before you need it. So before you're in a time of crisis, because it makes those situations much more difficult to deal with. It was noted that trust was particularly important when you consider the relationship between the chair and the CEO. And it was noted that once trust was lost, it was really, really difficult to restore. But also that if people start a relationship with a sense of dignity, and giving people the benefit of the doubt, then it's much easier to continue on in a trusting way. The final topic that I found interesting was on demystifying the board. And it basically was around the idea of trying to establish relationships with executives, perhaps a little bit lower than the senior leadership team, particularly noting how valuable it can be to have interactions with emerging talent to identify potential successes for some of the key roles in the organisation. But also, using informal events to provide an opportunity to affirm that you are on the same team. One suggestion that was made that I thought was interesting was to open meetings with a very open session from the executive team and board with everyone having an equal voice to discuss any emerging issues that the company was confronting. Anyway, I hope you enjoyed the update. It was a great pleasure to meet you the other night, and I look forward to hearing other people's summaries of the sessions that they attended. Thank you.

Helga Svendsen 13:22

Thanks, Jane. They were some really valuable reflections. And I thought it was interesting the focus on trust, I thought it might be useful to pop in the show notes to old episodes of Take on Board. One done way back in March 2021. So three years ago, an interview I did with Fiona Kerr about interactions online versus interactions in person which Jane referred to about, you know, the power of those face to face ones. So that Episode 90, okay, my brain does what while I'm on a zoom board meeting, so I thought that might be a useful one to link if you're interested in further exploring trust. And the second one that I will link there is Episode 108, recorded back in July 2021. With Sandra's Sucha as on why the power of trust is so important. So I'll put the link to both of them in the show notes. Thanks again, Jane for that fabulous summary. And likewise, it was really great to meet you at the Australian governance summit and I look forward to keeping in touch. Alrighty. Next up governance, government boards and the public sector. This time we'll be hearing from Susie Thora. Val Susie, take it away.

Suzie Thoraval 14:31

This is Suzie Thoraval. I'm the independent chair and a member of two finance audit and risk committees and a previous chair of a not for profit board. I attended the government boards and the public sector session on day two of the AICD conference. The three key takeouts for me were firstly there's a difference between public sector and private sector boards in that on a public sector board you're a steward for something that government owns the minister and ultimately the public is your shareholder. Being able to deliver community value is at its core what you need to achieve as a board. Transparency and accountability is entwined with efficiency and effectiveness as key principles you need to uphold. Secondly, on a public sector board is often established under legislation with its purpose and sometimes composition baked into legislative requirements. Because of this board members may be selected for their specialist expertise, or the stakeholder group they represent. And not necessarily for the board acumen. This makes Board education essential so that each board member understands their board responsibilities. And for this reason, the chair's role is essential in mentoring new board members. And the last key point was that government boards and particularly the chair need to ensure they meet with the minister and the bureaucracy regularly as the board are there to deliver community value based on legislation and the priorities of the government of the day. So if a board needs to know more about an issue, they should call for a brief from the bureaucracy who are well placed to help them understand the policy environment, so that they can ensure they make well informed decisions, there should be no surprises, so that the minister is well informed of any key strategies and risks the board is facing in case they're asked about it by the media and Parliament, colleagues or their leader. And the session ended with a discussion on the need for diversity on government boards to ensure that reflected the community they served.

Helga Svendsen 16:45

Thanks, Suzie, for that summary. As many of you will know, I am on two Victorian government boards, the chair of one and a board member of another. And I wasn't able to go to this session as I was offered one of the other ones. So it was really great to hear and reflect on those takeouts around public value and community value on purpose. And of course, no surprises. Yep, ministers definitely don't like surprises. So thanks, Suzie, for those reflections about government boards, oh, and particularly the last one about diversity in the boardroom. As you know, that is something that is dear to my heart. So I'm really pleased that governments are doing more in this space. Now speaking of diversity, the next session was around building more accessible and inclusive workplaces. Emma Olivier provides her reflections here. Emma Olivier to you.

Emma Olivier 17:42

Emma Olivier, here, board member of Wannon Water and Leadership Victoria, and CEO of Twenty Percent Disability Inclusion Advisory just left the building accessible and inclusive workplaces section of the conference and a couple of takeaways. Number one, don't assume, always a good reminder in every context, but particularly with people with a disability, make sure that you have the policies

procedures in place to allow for any member of staff, including board members to ask for reasonable adjustments. And don't assume that people are comfortable sharing their disability. It's always difficult. And my last point is there are qualified board members with disability in the board member community already, if a board is seeking a member with a disability, which should be every single board, in my opinion, we are here waiting to be asked, just look harder, and you'll be surprised what you can find. And one more thing, when asked what the AICD could do better. The panel reflected that they could do a much better job with matching members who have a disability with boards that are seeking board members with a disability. So hopefully that will be a change that will come in the future. Thanks.

Helga Svendsen 19:11

Thanks, Emma. I was in this session. And it was interesting. At one point they were doing the Q&A. And there was the facilitator of the session said oh, we've got somebody who's put a question in but it's probably more a comment. And that is that people with a disability already are experienced board directors and already have a whole range of governance skills and experience. So go and find them and put them on the boards. And as soon as they said that as a comment I kind of looked around the room because I knew it would be Emma from somewhere. I knew that that's all it would be. So thanks, Emma for your ongoing advocacy and your insights today sharing the reflections. Alrighty, next up, we are hearing from Chaman Sidhu. Again, you might remember her reflections last week about Katherine Livingston this week, which is summary of day two, she's talking about securing your next board role. So Chaman over to you.

Chaman Sidhu 20:08

Hi. I'm a director at the Wheeler Centre in Melbourne. And I'm summarising the panel session from day two, which was securing your next boardroom, all the panellists were company directors, Naomi Edwards, and Vivian Siu, and executive search consultant, Renee Johnson from Pacific Search Partners. The first key thing the panel talked about was how to stand out from the crowd. They brought in the concept that Catherine Livingston talked about on day one, which was the value out of bringing strategic situational awareness to a board. So really, how are you going to contribute beyond the papers? How does your experience enable you to bring that value add, think about what stands you apart, don't mimic others be yourself. They also talked about networking. And this was interesting, because really, they talked about making it purposeful network in areas that you have interest and expertise in, don't fall into the trap of only networking up network widely and stay authentic to your own personal networking style. Also, always remember to offer help to others and follow through on that. The tips from the panel on finding your first board role was really that be cognizant that it's hard to get that first board, it can take a little time. And so really think about having a very targeted project of identifying companies and organisations that you can add value to. And then make sure that you systematically contact those entities, because they're not going to come to you for your first board. On the topic of search firms. They suggested that some search firms do but some search firms don't take Meet and Greet meetings. So just have a go. But make sure to add your X factor to the conversation and make contact through these entities through warm

introductions. Endorsed seeking board like structures such as advisory boards as an as a way to get started, and making sure that you articulate your board level experience if you don't have actual board experience. So what do you have that is board-like in terms of your experience? And finally, really think about the due diligence on a company and its board if you're had the opportunity to join one, have a real passion for that company, do your financial due diligence. Don't be afraid to ask to talk to an auditor, general counsel or whoever else is relevant to really make sure that you have found the right fit. Good luck in finding your next board role. Thanks.

Helga Svendsen 22:34

Thanks, Chaman, some great reflections. They're great tips for people about finding your next board role building the board portfolio, it's all about the network's folks, which is what I heard a little bit in there. And can sometimes be tricky dealing with recruiters. Side note I did meet I won't say who yet. But I met one of the recruiters whilst I was at the Australian Governance Summit and she has agreed to come on the podcast. So that will come up at some stage as well little kind of be tips from the recruiter about how to deal with recruiters. Anyway. Thanks, Chaman. That was fantastic. Next up solving board dysfunction. No, there's never dysfunction in the boardroom. Is there never or perhaps occasionally. So this session, we will be hearing from Zivit Inbar who provides her reflections on this session for us. Is it over to you? Hi,

Zivit Inbar 23:27

This is Zivit Inbar. I am on the board of Rural Northwest Health, NCJWA Victoria, and Harvard Alumni Entrepreneurs Australia. I attended the solving the board dysfunction session, which was absolutely fantastic. My three main takeaways from the sessions are: One, board the dysfunction is not just about the team dynamics, behaviours of even one board member reduced the functioning of the entire board. Two, the chair and the CEO relationship is crucial for the Board's functioning. And three, external reviews of the board are a must. The session started by stating that most directors had the unfortunate situation of sitting on at least one dysfunctional board. Now, dysfunction is a strong word. And there are different levels of non optimal behaviours that stop board members from doing their governance job. The number one dysfunction of individual board members is those who try to do the CEO or executives work. Other individual behaviours that were mentioned is creating these functions or directors not reading the Board Papers not coming prepared or not engaging in between the meetings, telling, yelling, toxic behaviours and directors not admitting conflicts of interests. The chairman CEOs behaviour and relationships are crucial. The chair's role is to help the CEO but also to keep an eye on and question the CEO. When the relationships are dysfunctional, we see CEOs selecting information, not giving the board the right information, exhibiting a lack of respect or dismissing the board's questions and advice. When the chair and CEO are too close, we often see chairs blocking criticism of the CEOs performance and decisions. The chair CEO relationships are essential in creating trust between the board and the executives. And it is the chairs role to lead the dysfunction out. The third takeaway for me was that boards should discuss what success looks like regarding board functioning. Good boards have open and transparent discussions about these functions, has regular board evaluations, Chair conversations with each

director in the director's evaluating the chair. However, the speakers on the panel mentioned, they never met dysfunctional board members who thought they are dysfunctional board members. Hence, the panel recommended an external board review every few years, based on interviews with all the directors to deliver results and recommendations. The questions from the audience in these sessions were excellent, funny, and covered some personality types like narcissism, paranoia, etc. I will leave you with one question I never considered before attending this session. Should the board dysfunction be on the board's risk register? The answer was no. That's all for me. Thank you, Helga for the opportunity, and I look forward to next year's conference.

Helga Svendsen 27:21

Thanks, Zivit. I look forward to next year's conference too. And oh, how interesting is that question? Should or dysfunction be on the risk register? Again, I wasn't at this one. So I didn't hear the rest of the conversation. I'll be interested to hear more about that. You would hope that managing the risk would be such that it wouldn't need to be on there. It was certainly wouldn't be a high strategic risk. But thank you, Zivit, for your reflections there. It sounds like a cracker of a session. Alrighty, next up or next up is me. Alrighty, let's go. The next session was what do STEM professionals bring to the boardroom? So it was facilitated by Naomi Edwards, an actuary chair and non Executive Director and the panel was Professor Ellen Duffy from Swinburne, Nick Fleming from Engineers Australia and Southeast Water and Mikaela Jade known as Mick from Indigital. So I will just say at the outset, Naomi was such an engaging facilitator, she had such kind of life and flamboyant was fantastic. So I really enjoyed this session. And in opening, she reflected that in Australia, there is less STEM people involved in leadership and in government. She said that in Australia, only 6% of Parliamentarians have STEM in their training, stem being science, technology, engineering and mathematics. So yeah, in Australia, 6% of Parliamentarians have that in their background yet in Singapore 34% of Parliamentarians have that in their background. So it's interesting just to reflect on I wonder why that is in Australia, that it's not part of the makeup of our parliament so much. I don't know what their systems are for finding parliamentarians. Maybe there's something in that. So the first conversation was around, you know, what is the value that STEM professionals can add to the boardroom? And there was a couple of points made here. Firstly, STEM professionals are able to rapidly create a model for what's been discussed. Secondly, STEM professionals have years of experience swimming in ambiguity. So they're in a good spot to start to describe the challenge and reflect on them as new problems. Thirdly, STEM professionals know how to scaffold discussions. How does this piece of information help us arrive at a conclusion? And STEM professionals? They're used to dealing in complexity, so and separating the complexity from the noise. So they're discerning about what is the noise and what is the complexity. Mick's contribution here she's a First Nations woman. And she reflected that as a First Nations woman and a Western trained scientist, that the coupling I guess of the oldest living culture with that Western science lens means that she and others from the First Nations community can really help to care for country. Because nobody knows country like First Nations people do. The next conversation was about how STEM professionals can help see and explore and mitigate risk. Some of the points made there were that all businesses are tech businesses and STEM professionals have particular insights around technology, which is often connected to risk. Secondly, that long term horizon scanning really feeds into risk management. And again, this is something that STEM professionals and First Nations people are really good at, as she

reflected, as Mick reflected, First Nations people are highly attuned to risk. She said, as a First Nations person, I have a high risk appetite, because I know what rock bottom is, she was a fantastic speaker as well. Heads up, I've reached out to her to get her on the podcast as well. It was also reflected in this session about, you know, risk that engineers are the guardians of risk, engineers might look at risk and think about not just the threats, but also the opportunities, and that their training of engineers is in understanding risk. He reflected that one of the graduates that he had worked with, went into banking as a risk manager, like they were qualified as an engineer, but they went straight in as a risk manager because they understood risk. So well. There was a conversation about skills matrices, and whether there's unconscious bias about STEM inclusion that is not having STEM inclusion. And one of the panellists, Alan reflected on how tech is beginning to appear on risk matrices, how health is often on risk matrices, climate is on risk matrices. And he said, all of these things are really just shorthand for having STEM professionals in the boardroom. Mick reflected how skills matrices are a terrible tool, as they often exclude women, First Nations people and people with a disability and so on. She said, they often ignore other ways of knowing, being and doing and that at her company, they recruit for capability that don't look at skills so much, they just look at capability. And they've had great success, based on that. One of the other contributions from Mick was about using that First Nations knowledge and shaping a review. So she said that they used cultural knowledge and systems to shape a review. And she reeled off four questions that First Nations people use, and it's a strength based approach. So firstly, what are you proud of? So thinking about the board or the company or whatever it is you're reviewing? What are you proud of? Secondly, what are you most afraid of if you get this wrong? So if you get this strategy wrong, or this approach wrong or whatever, what are you most afraid of if you get this wrong? Thirdly, what's your most pressing need? And fourthly, and what are you doing to help? And I might borrow some of those for either board evaluations or workshops that I'm running or whatever it may be. Finally, they're asked for final reflections on what STEM professionals bring to the boardroom. Alan reflected that STEM professionals bring an ability to navigate in uncertain times, unpack challenges and work with the team and come up with solutions. Nick reflected that STEM professionals bring thinking awareness of risk and very often, as he put it, beautiful, authentic honesty. Make reflected that First Nations STEM professionals are really well placed to provide gravitas to ESG issues, as no one knows country better than we do. So that was the STEM professionals in the boardroom. I am not a STEM professional, but I really enjoyed the conversation about STEM professionals and may will prompt this at some of the boards that I'm on or other boards that I'm working with around this as well. Our next session was how to be an effective chair. Sarah Brindley provided some insights here, for a variety of reasons. Sarah was unable to send her voice memo on this. So I will share her reflections. And just imagine this is in Sarah's voice. Let's just say Sarah is on the board of Alpine Health and she attended the how to be an effective chair session. Her key takeouts were firstly listen to your CEO more than you speak to your CEO. So I guess it's the two ears one mouth listen more than you speak. Secondly, the work you do with the board outside the boardroom getting to know each other as individuals wheels and so on is so important to have a solid foundation in place for the times where harder decisions or conflict situations may arise within the boardroom. Sarah's third takeout, there are many voices and discussions within a boardroom. Once a decision is made, there should only be one voice. This is back to me now Helga, this is not Sarah's reflections anymore, both in being the chair of a board and working with other chairs who I found to be effective, they really put in the time to build the relationships so that you've got that petrol in the tank maybe for tough times. So thank you, Sarah, for those reflections about how to be an effective chair. Alright, folks, we're on the

homestretch. So the next session, how and when should boards take a position on social issues? We're hearing from Sarah Anderson here, Sarah, take it away.

Sarah Anderson. 35:54

My name is Sarah Anderson, I am on the board of Scope Australia. I am the chair of Disability, Sport and Recreation. And I'm also on the board of the Australian Orthotic and Prosthetic Association. And on day two of the Australian Governance Summit, I went to a very interesting panel session on social issues, how and when board should take a position. There were some really key speakers who spoke at this. And I think, rather than giving my takeaways from the overall session, there was some sort of takeaways from each speaker, there was the things that really hit home. And Patrick Langos, sort of spoke about the changing role of values. And he suggested this matrix of social contestability versus business alignment, and actually looking at the matrix of how those two things might fit together and align for your organisation, and the potential impacts of that for the specific organisation. There was a really interesting insights who really talked about ethics value, and mission critical issues for your organisation. And potentially, that's a really interesting way of looking at whether or not the organisation should make a stand. Is it aligned with the mission? would it impact your mission critically if a change happened either way, she brought up some interesting things about expectations. So shareholders and stakeholders becoming much louder and much more connected, and often more vocalized, and potentially more mobilized in the way they approach social issues, and how they use that we've got a variety of stakeholders that that we interact with, and they don't all have an equal voice. And it's really important to understand where that influence invoice is coming from. And if it's representative, she talks about having a robust framework about assessing the stakeholders. And I think that lines up really well with with the previous one. And she used the voice as an example about how it really shows us a really broad spectrum of positions that corporations on industry will take. And potentially this is going to be the new norm, which may change the way we address things further on. And the other speaker, Sally Freeman was also really insightful, and really talked about the fact that we're no easy answers for directors. But the best thing to help us understand where and why we should speak is where we've got an authentic reason to speak where we've got a credible person, or a credible concept to speak to, because the issue relates closely to purpose and strategy. If it's not, if we're just being noisy and making, saying we align with something because we think we should potentially, there's sort of areas for cynicism, and almost a negative impact of of trying to support something. The values of the organisation are really key. And often these are sort of quite high level quite a theory. But actually making sure that we've got good solid values that an organisation or a corporation aligns to, will make it easier to make that assessment as to whether it's appropriate to take a position on a social or political or divisive issue. It was a really respectful and well argued argument. And I think, really, by the end of it, we probably had more questions and answers. But the idea of assessing against values and purpose, at least gave sort of a framework, we could start to think about these ideas.

Helga Svendsen 39:03

Thanks, Sarah. What an interesting session. I only caught the tail end of this, but I like Sarah really noted the connection of purpose to using your voice on some of these social issues. Thanks, Sarah for that contribution, the final session of day two. So the final session of the Australian Governance Summit 2024 was the next generation of directors and again, I'm going to say the fabulous Kate Waterford stepped up to the plate but she hobbled up to the plate because as I said earlier, she was on crutches. So Kate provides our summary of this session. Thanks, Kate, over to you. Hi,

Kate Waterford 39:38

Hi, I'm Kate Waterford, the managing partner of Maliganis Edwards Johnson in Canberra, and a non executive director working across a range of organisations. I'm also a divisional councillor for the AICD'S ACT division. I enjoyed the panel presentation on the topic of the next generation of directors. The panel consisting of Matthew Everett, Bianca Gooble, and Lauren Williams explored the topic of how an upcoming generation of board directors is adapting and thriving in our constantly evolving governance landscape, and how boards can bring new people on to encourage different thinking and better outcomes. There are three key takeaways for me from this session. First, boards need to create a pipeline of new and diverse thinkers with a solid grounding in governance and other skills. This means exploring options such as observership programs, youth advisory committees, and other committees as training grounds. It also means setting expectations with executive search firms that they'll source new people for board applications, not just look at the same narrow set of candidates. A lot of ASX boards, the panel members said, are only looking to appoint people with previous experience in ASX which significantly restricts their prospects of bringing in new fresh ways of thinking. Second, from an individual director perspective, directors looking to elevate their expertise and secure new roles need to look at developing their professional networks, reaching out to potential contacts and building their governance skills wherever they can. In joining a board they should settle in, build relationships with the chair to understand the context and work on how to align and position their thinking within the board context. They could seek feedback from the chair or others about their contributions and the effectiveness of their participation strategies as they settle in and afford mentor can also be very helpful. Third, boards need to do work to unbundle their board dynamics to create a safe space and accessible environment for discussion around any new directors. They need to jointly create the environment where next generation directors can contribute effectively. And the whole board should be open to hearing those new perspectives being brought in. Other directors on the board should be listening, assisting, helping to elevate and explore the ideas helping to confirm and nurture that new generation of directors don't make the person bringing a new form of diversity into the mix, do all the work of change. All the panel members commented on the significant potential for the up and coming generation of board directors to contribute to the effectiveness of boards and the governance landscape, drawing on their own values, experiences and perspectives. There's a lot to look forward to in this space.

Helga Svendsen 42:45

Thanks, Kate. There is indeed a lot to look forward to in this space. Yeah, and it was interesting to hear, you know, don't make the next gen of directors do all the hard work. I heard that theme a couple of times in the accessibility session about people with disability. And likewise, from Mick in reflecting on First Nations people in the boardroom and don't make them do all the cultural work and the cultural load as well. So thank you, Kate, for sharing.

Folks, that is a wrap on the Australian Governance Summit 2024. I think the AICD achieved what they set out to do in terms of directors at the forefront and exploring contemporary governance moving away from traditional governance to contemporary governance in some of the themes that were explored. I really enjoyed the conversations both in conference and outside conference. Of course, I love being a connector and meeting people. So it was fabulous, again, to be in touch with the Take on Board community by our private WhatsApp group, and also to do the meet up on the Wednesday night. So again, a huge thank you to our correspondents for today. Kate Waterford, Ruth Faulkner, Jane Andrews, Suzie Thoraval, Emma Olivier, Chaman Sidhu, Zivit Inbar, Sarah Brindley and Sarah Anderson. Thank you for all your magnificent work, and to those that also provided insights for last week's episode. That's it until next year.

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