Take on Board Podcast – Episode 369

Transcript – The Observership Program and your board future

Hello, friends of the Take on Board community. A quick announcement before we get started on the podcast today. Today's episode is a recording of a conversation with Cathy Robinson and Reena Rehan from the Observership Program. They have asked me to do a session with their current participants around pathways to the boardroom.

So for their current participants, as they're coming to the end of their year as an Observership participant, what can they be thinking about to get on a board? And we thought we would record an introductory Q&A session for people to watch before we come together for a live Q&A session.

So that's what we've recorded today, and I'm popping it on the podcast so you can hear it as well.

I will then follow this up with Observership people with the live Q&A session. So folks, with that, let's hear from Reena, Cathy and me about pathways to the boardroom.

Good afternoon, observers. I'd like to begin by acknowledging that we are joining this session from various parts of Australia, and to pay my respects to Aboriginal and Torres Strait Islanders, to acknowledge and recognise their connection to land, sea, culture, and to welcome all Aboriginal and Torres Strait Islander people who are viewing this session.

And also to acknowledge that the Observership Program accepts the invitation in the Uluru Statement from the Heart to walk together with Aboriginal and Torres Strait Islander people towards a better future for all Australians.

I'm really excited to be here this afternoon. This is something a little bit different for the Observership Program, and I'm joined by two fabulous women who both have quite different, yet very strong and important, connections to the program.

The purpose of this session is to provide you with an opportunity to sit and reflect on questions about directorship and your role, potentially, as a director.

And we're going to do this in a way that sets up a conversation between Helga and Reena, with questions asked and answered from the perspective of what Reena, who is a former observer and is now a board member, thought she would like to have known as she approached and joined a board.

So Reena Rehan, former observer and interviewer, and the fabulous Helga Svendsen, who will be known to you all, and who's a very special member of the Observership Program community, who has, in her capacity as a director, hosted a number of observers, who runs a number of alumni-focused training programs for observers, and who today is going to share her wisdom with you in advance of the next session on the 20th of October.

So Helga and Reena, we're now in your hands. I'm going to invite you into your conversation.

So Helga, I just wanted to start by sort of framing it as, when I think about boards, I think about it from end to end. So I think about getting on a board, being on a board, and then getting to the point where you leave a board.

So I thought we'd frame it that way. And I was lucky enough to be on your Kickstarter program after I finished my Observership and got to work through a lot of these questions in some detail. I'm just going to ask you to do it all in 30 minutes, apparently, is what we're trying to achieve here today.

So with that—

We'll give it a good crack, Reena.

With getting on a board—

We'll give it a good go. Yeah.

With getting on a board, I think one of the first things that you asked us was, "Why do you want to be on a board?"

Yes.

So if you'd give us some ideas about what we should be thinking about with that.

Totally. So in thinking about why you want to be on a board, in fact, my punt is some of the people who are doing the Observership Program would have thought about why they want to do the Observership Program, because that is also, of course, joining a boardroom.

I think people want to think about, what is the value I'm going to give to this boardroom, and what is the value I'm going to get from this boardroom?

And joining a board or doing the board Observership Program, you know, governance is about the strategic oversight of an organisation, so that's got to be something that you're interested in.

You need to be interested in, I guess, everything from the strategic direction of the organisation to compliance and assurance in the organisation, and every aspect of that.

Strategy, finance, risk, people and culture, all of those sorts of things. So those are the sorts of things that are worth thinking about in terms of being on a board, and really thinking about what sort of organisation you want to be on the board of.

My punt is you're going to ask me about that as well, so I'll leave some of that for that question.

I think just make sure you want to be involved in the governance of an organisation. Being on a board is about oversight. It's not necessarily about getting your hands dirty in an organisation.

And getting your hands dirty is fine. Like, if you want to plant trees or, you know, be involved in the hands-on work, awesome, it's probably not board work.

So thinking about that contribution you want to make, and then coming up with the organisation or the industry or the type of organisation you want to make that contribution to.

Well, definitely my next question was going to be, how do I know—

Yes.

—what type of board is right for me?

Aha. Right. Well, this is the real trick, I think.

Having been on the nominations committee for a number of organisations, observers, you do not, I'm sure none of you will be this person, right? You do not want to be that person that just wants to be on a board, any board.

You want to only be applying for those boards where you care about them, where you're passionate about what they do.

And that doesn't matter whether it's the local childcare organisation or the local sustainability group, or whether it's a national or international global organisation, whatever it may be, or whether it's for profit or for purpose. It needs to be something that aligns to your passions, to your purpose, to your values.

Mostly, the very first question they'll ask you in an interview is, "Why do you want to be on this board? Why do you want to govern this organisation in this industry, in this sector?"

So first and foremost, yeah, you have to really care about it.

Partly because, you all know this from doing the Observership Program, there is a lot of work in being a board member.

There is a lot of responsibility in being a board member, and mostly there's not much recompense for it. So you really want it to be something that you want to spend your time in.

So I think getting in touch with your own personal purpose, your own personal values, where you want to make that contribution is key.

And then searching out those organisations, either waiting for them to be advertised or searching them out to be part of their board, rather than just applying for absolutely everything that comes up.

Amazing. That's really, really insightful about how to make that align with your personal values and your personal purpose.

I understand that the observers will be given a quiz to figure out their own personal values.

Yes, folks.

Which is very helpful. And then how do we then figure out how you align with the boards? How do we get that information before we go and apply for the boards in our research? How do we get that information about...

Sorry. How do we get that information—

The boards? Oh, about the organisation. Ah.

About the organisation, sorry, yes. How do we know, as in how do we know that they align with what we're about?

Yep, exactly.

So, you know, okay. So we've decided that our own values, our own purpose, the way we want to spend our time is, I don't know, involved in an arts and culture organisation that's maybe in growth mode, something along those lines.

You see one advertised and you're like, "Well, I don't know. Is this organisation any good?" Is this what you're asking me? How do I find out if this is—

Yes, yes.

—the sort of organisation?

Absolutely.

Okay. Due diligence, folks, is key. And the more time you spend on your due diligence about an organisation, the better, even if that means you end up deciding not to be part of their boardroom.

The very first thing is looking at the organisation's website, looking at their strategic plan, maybe looking at their annual report, looking at the types of services or products or whatever it may be that they offer, looking at who's involved.

You might be able to find key leadership roles, whether that's board or otherwise, on their website. And if not on their website, you can also find out some of this on whoever the regulator is of that organisation. So it might be the ACNC or, you know, the ASX or whoever it may be.

That's the first layer.

The second layer, which I love doing, is talking to people for that organisation. That might be board members, former board members, users, funders, former observers, whatever it may be.

So really talking to as many people as you can around that organisation. And that can definitely take some time, and it is so well worth doing, and you get just gold from having some of those conversations.

And then finally, I think it's worth thinking about the industry, whatever the industry may be, that this organisation operates in, whether it's, as I say, arts and culture, whether it's disability, whether it's financial services, whether it's whatever it may be.

Just seeing what you can find out about that industry and the state of play there, like what the challenges are, what the opportunities are for organisations who are operating within that environment.

I think the more you do around the organisation really helps, firstly, your application. It also helps your interview, because you can walk into that interview with a whole stack of insight.

And that will help you decide whether it's something that makes your heart sing or something that might drain you of energy.

I mean, some board roles, let's face it, they do drain you of board energy. Sometimes that's not necessarily a bad thing. That can actually be good as well.

Who was it? I was talking to somebody the other day about board roles, and they said, "Oh, I love a fixer-upperer."

So for them, the things that kind of take the energy are also the things that give the energy. So you want to know that about yourself as well.

Years ago, I applied for a board role, and I remember going to my first interview for it, and it was a fairly informal first interview, you know, down the coffee shop.

And I said to them, perhaps courageously, "I've spoken to your funders, I've spoken to alumni of your organisation, I've spoken to board members, I've spoken to former board members, and they've told me a lot about this organisation. And they actually tell me that this current strategy that you've got, none of them can see how you're going to achieve it.

So I'd be really interested to hear from you, the current board, on how you came to it and how you think you might deliver it."

Possibly courageous, and it also led to a really deep conversation. I didn't end up joining the organisation at that time, although I did a few years later.

So, yeah. I think the more you know about them, the more you will know whether it's, as I say, something that's going to make your heart sing or whether it's something that is going to sap the life out of you.

No, that's really interesting. And I love the story about somebody who just likes doing the tough yards.

Yeah. And you need to know that about yourself. Like, if that's what... If you're a fixer-upperer, and there are people who are, and that's awesome—

Go find those ones.

Exactly.

Okay, so now I've done all the work that I need to do on my own values, my own purpose, found the right board.

I'm passionate about it. I'm getting ready for the interview. How should I be preparing for that?

So some of that work you've done in due diligence will absolutely stand you in good stead for the interview.

I should've said, and maybe it doesn't need to be said, and maybe that's why I didn't, in terms of thinking about the value that you can give to a board, the other thing to think about is, of course, your own skills.

I would say you want to identify for yourself the three key skills that you can give to the boardroom. Like, what are the three key skills? And thinking about, you know, the value you're going to get as well.

So in thinking about the interview, if these are my three key skills, for me, my three governance skills are governance, stakeholder engagement, strategy and planning.

So if I'm having an interview with a board, I want to think about the governance examples that I can provide that showcase my governance skills.

So, yeah, you want to think about those achievements from your own board experience.

And again, everyone here in the Observership Program is in such a good position for their, I'll put it in heavy inverted commas, "first board role", because you've been in the boardroom for a whole year before you get your first board role.

So you've got stacks of experience that lots of people who haven't had a board role before don't have.

So think about your board experience, think about your achievements, think about the challenges and the opportunities within the sector, within that organisation. Be familiar with all of the documents and all of the issues that might come up.

Think through how you're going to answer the question about what are the challenges and opportunities.

Think through how you're going to answer the question, why do you want to be on the board of this organisation in this industry?

Think through what are the key skills you can give to this organisation. Have some examples for all of those.

Maybe think through your risk and risk appetite. You might want to ask for that from the organisation as well. I think they're probably the key things to think about.

So now we've taken all your advice and I'm on the board, and it's my first meeting. What are your top three unwritten rules for me to know stepping into that boardroom the first time as a board member?

I think the... I don't know if they're unwritten rules or written rules, to be honest, although one thing for you to know as you join this board is you've been chosen for a reason. You've got a contribution to make.

They have chosen you in what was likely a very competitive process. So contribute from day one.

You are responsible from day one. Your duties and obligations apply from day one, and as I say, you've been chosen.

I don't subscribe to the theory, "Oh, just get on and for the first six months or 12 months, sit back and listen and see what's going on." That is not my view of the world.

Get in, ask questions, make your contribution, and be part of it from day one. So that would be one thing that I would say.

Secondly, I would say, and again, I don't know if this is an unwritten rule or it should be a written rule, being on a board takes time, particularly when you're new to the board.

So if the organisation hasn't organised an induction for you, ask about that, and that induction should involve, you know, an overview of the strategy, meeting some of the key people, meeting other board members, maybe getting a board pack from one or two meetings ago so you can see what the big issues are.

It might involve going into the organisation and being shown around the services or products or whatever it is that they offer.

So know that the induction phase is really important to get across what is going on in the organisation, what is going on in the sector, and who the key people are, and that will take a bit of extra time.

The other thing I would say is that being a board director is about using your brain predominantly. It is giving your time. It is about using your brain.

So whilst there is a lot of work in being a board director and you want to take the time to do the induction, by the same token, make sure you take your breaks.

Your brain works better if you take a bit of a break, if you look after yourself.

So occasionally get away. Well, and this applies to your day job just as much as it does to your board role.

Make sure you get away every now and again and step away, because it is amazing what comes to you when you get away from the day-to-day and how that really helps you exercise your judgement as a board director and helps you think about the important things as a board director as well.

So just thinking about boards, and obviously you're trying to act as a group, as a collective unit, they're all individuals on this board, and you're coming in as a new person.

So I think one of the big questions that I always think about is how do you respectfully interrogate a problem that you may identify as that new pair of eyes coming in—

Yes.

—so it's adding value and it's not there as a gotcha moment?

Totally. Curiosity. I think curiosity is key.

Fresh eyes are such a gift to the board, and you only get one shot at fresh eyes.

So you will only get one shot at looking at the financial papers or the financial position or at the strategy or at some of the challenges and opportunities.

You only get one shot at looking at it with those fresh eyes.

So again, I think it's your role to make sure you communicate what you are seeing and communicate with curiosity, and often it is just about starting a question with, rather than saying, "Well, why have you done it this way?", which can sound ever so slightly accusatory.

"I'm curious if you can tell me more about why the organisation has chosen to do it this way and perhaps not others. I'd really like to understand it. Can you give me some context around it?"

So using those, "I'm curious to know", "I'm wondering if you can tell me more", "Is there any context you can give me about how this was done this way?"

Asking open questions rather than closed questions.

And, yeah, in a way that is exploratory, because there may be some excellent reasons why the organisation has done certain things which, on the surface, may not make sense to you and may not seem the right thing.

And I think that's important whether you've been on a board for a nanosecond or whether you've been on a board for 27 years.

Not that anyone should be on the same board for 27 years in a row.

Although, you know, whether you're a new board director or one who's very experienced, curiosity and exploration and asking to understand and listening to understand is absolutely key.

And that ties back in really nicely to what you said earlier about you have to contribute from day one, and you're there for a reason.

Yes.

So use that reason.

Absolutely. Yeah. Yeah, yeah, yeah.

And I suppose, you know, talking about board dynamics, we don't want this to happen, although obviously it does from time to time.

With a whole lot of people in a room, there can be personality clashes or interpersonal issues that arise.

How do you deal with that, particularly if there's a chair who's not super engaged on the personality front or is a bit hands-off in that sense?

I would love to say that boards, as groups of people, just like every team, all operate beautifully together, always, without any effort whatsoever.

Of course, people, right? People are people.

Boards are groups that have robust, or should have robust, conversations and make decisions.

We know from all of the evidence that diverse groups make better decisions, and that is partly because of the robustness of those conversations.

It's more difficult, all right? It is much harder, and groups often feel less confident in those decisions or, you know, they feel a bit tested out because diverse groups are asking all those curious questions, and people are like, "Oh God, for the love of God, can we just make a decision?"

So it can get tricky.

So I think you should remember that firstly, decision-making by diverse groups is better, yet can take longer and can be harder and can have less confidence in it. So all of that is completely normal with diverse groups making decisions.

Secondly, to build psychological safety, one of the key aspects of psychological safety and inclusion is building that connection with your co-directors.

So get to know them. Get to know them outside the board meetings. Go for a coffee, go for a walk, whatever it may be.

Get to know them, be curious about them, because that will help those robust conversations within the boardroom.

Maybe say to the chair, depends on what the chair's like. It's a bit hard to say to the chair, "You know what? I think your chairing's crap, and I really wish you would lift your game in terms of managing these difficult dynamics."

It might be a bit difficult to do that, although again, maybe exercise curiosity.

"Hello, Chair. I'm interested to hear from you how you think we're going as a board, how you think my contribution is going, how we might be able to, you know, have robust yet inclusive conversations."

See if you can open the conversation.

If you've really got a board chair who doesn't want to engage in that, who else on the board might be your ally on this and have those conversations?

I mean, you don't want to be factionalised. That's not good board work. You do want to be able to have a boardroom that has strong conversations.

So maybe, who are your allies and how can you work that around?

And some of the tools that are really useful, like getting a board evaluation. You can do that internally. It doesn't always expose the sorts of things that you need it to expose if it's done internally.

You might get it externally done, externally facilitated.

You might have some 360s done of each of the board members, including the chair.

Certainly in a board evaluation, there should be some feedback on the chair by the board.

It is tricky. It is particularly tricky when it's the chair, and I don't think I've got a magic wand for you that just means it'll all be smooth sailing.

It is part of being a board member that can kind of back-lead, for want of a better word, some of those things with the chair or with other board members.

I think I'm also hearing in there that we should assume good faith from other board directors as well.

Totally.

So challenging and robust conversations and that kind of headbutting is actually not necessarily negative.

Yes.

So it shouldn't be taken personally in that room.

Absolutely. Oh, look, I love that. Assume positive intent from all of your board directors.

Like, people aren't in the boardroom because they want to be deliberately problematic.

If there's headbutting, as you say, headbutting's actually good if it's done inclusively and robustly and respectfully and all of those sorts of things.

It's actually good. It's a sign of diverse views being considered, so it's a good thing.

It just needs to be done inclusively. I think some of those separate conversations, hopefully with your board colleagues, maybe with your board chair. Yeah.

And I'd also say, you know, thinking about your due diligence before you join an organisation, also do your due diligence about the inclusiveness in the boardroom.

Because if it is the sort of board where those sorts of conversations can't be held respectfully, is it the board you want to join?

So you want to see if you can find some of that stuff out before you join as well.

So now that sort of brings me to my questions about how you leave a board.

So barring term limitations, when do you know that it's time to pack up and finish up with the board that you're on?

Yeah. Well, first up, I'm a strong believer in term limitations, and there should hopefully be term limitations on most boards.

And in my humble opinion, kind of six to nine years is a good period as a maximum term on the board.

So if your organisation doesn't have term limits and you're coming up to the kind of six to nine years, that should be your own personal prompt, even though you don't have to step down.

Am I still delivering the value that I can deliver in this boardroom?

So that might be one prompt, simply the time served.

The other prompt might be around when the organisation gets a new strategy.

So I think when a new strategy is put in place, the board should always review their skills matrix to make sure the skills that they are seeking in the boardroom are still the skills that are required.

And it might be that the skills you brought onto that board are not required into the future, and that's okay.

You know, if, I don't know, for whatever reason, I can't imagine it being technology, although I'm going to use that as the example.

If you're brought onto the board for your technology skills, and then the next strategic direction doesn't have tech involved in it, can't imagine that would be the case, as I say, then it might be your time to think about moving off the board.

And that's okay, you know? I think we shouldn't be thinking that being on a board is, you know, the role that we keep forever.

You can go and make your contribution on another organisation, and that's okay.

So, yeah, thinking about the strategic direction, thinking about the time served, thinking about whether it's right in your life at the time.

There might be things in your life that have changed as well. Those are the sorts of things.

And one of the boards that I was on, I had been, shall we say, banging on about a bit more diversity in that boardroom for a while.

I was at the eight-year mark, and I could have applied for a final year, and I said to the chair, "I am very happy to do my final year on this board.

The organisation is awesome. I think there is still value that I can add, and this board needs more diversity.

So if there is a candidate out there that brings more diversity to the boardroom than me, I will fall on my sword in a heartbeat."

And that is exactly what happened, and it was an awesome outcome.

I could not have been prouder to step down from that board to make way for this other candidate who, oh my lord, had exactly the right skills, had exactly the right experience, and brought the diversity to the boardroom.

So I think we should also just think about, is there somebody else who can be making this contribution better than I can?

And that's okay. You know? It's not our board role. It's not your seat. It's who can deliver the best value to this organisation.

It's part of that self-awareness in what sort of board do I want to be on? What's the value I can give, the value I can get? And that applies as you're thinking about what sort of board to be on.

It applies while you're in the boardroom, and it should apply to prompt you to think about when it's time to leave.

Well, that brings me very nicely to my last question, which is about how you maintain a relationship with the organisation.

And based on what you've been saying, if your values align and you're proud to be part of that organisation, my assumption is you want to continue being—

Totally.

—involved in some capacity.

Yes.

So the question is, how do you do that once you step off a board?

Oh, look, different organisations might work that differently.

If I think about, depending on how you count it, one of the first boards that I was on was the YWCA in Victoria.

And in two weeks' time, I think it is, the board alumni of that organisation are coming together to have drinks, and we do that about once a year.

It's just the board members. We've got this WhatsApp group that new people get added to, and we just catch up once a year or so.

I am still a member of that organisation. I still attend the AGM of that organisation. I still donate to that organisation. I've been a volunteer for one of their programs.

I joined their board because I loved what they do, and loving what they do didn't finish when I stepped off the board.

It just continues to show up in a different way.

So the only challenge is, the more boards you're on, the more awesome organisations you've got that you have to carry through.

You know, another organisation where I was the CEO, we have dinner together once a year with the board.

And that's continued, I don't know, 12 years or something after we all worked together.

So, you know, if you love the organisation, you are going to find ways to be involved in it, whether it's being a member, whether it's being a volunteer, whether it's catching up with your former board directors, whatever it may be.

That's certainly been what I've done. And, you know, I encourage others to do it as well because you're in love with the organisation.

I love how you put it, continue to show up in a different way. That's just such a...

Like, if you do the work at the beginning and pick the right organisation—

Yes.

—you're set.

Yeah. Being on a board is just one way of showing up, and it's not the best way of showing up. It's just a different way of showing up that might align with what you want to do because you want that strategic oversight or you want to have that big-picture view.

There's plenty of ways to make a contribution, so you just mix and match until you've got the right mix for you.

What a brilliant place to finish what's been a fascinating conversation.

It's been so interesting to hear you both reflect on the beginning and the middle and the end of a particular board journey.

So thank you both, and thank you both for showing up and contributing to the program.

Observers, there are loads of questions answered in there. There's probably also loads of questions that have been set off in your minds as a consequence of listening to Reena and Helga's exchange.

So come to the session on the 20th with those questions because we will do our best to get to probably not all of them, although a goodly proportion of them.

And we're going to be so fortunate in having Reena join us at that session as well, so this fantastic conversation can continue.

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