

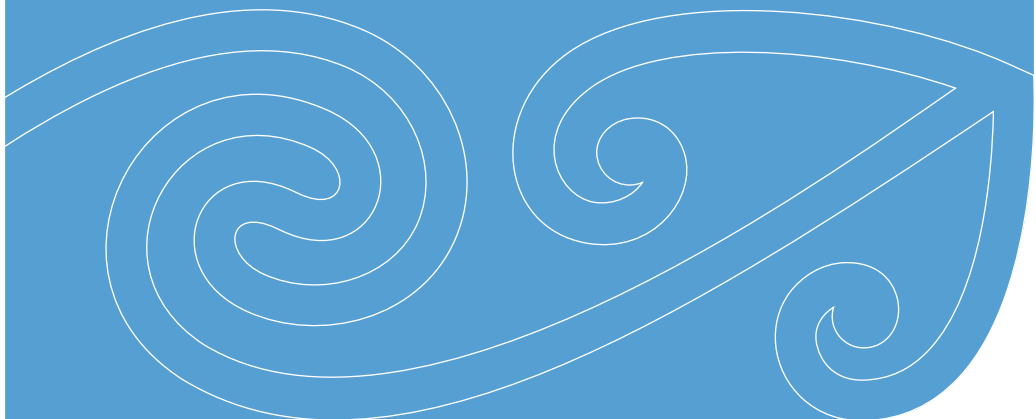


**Te Puni Kōkiri**  
REALISING MĀORI POTENTIAL

## He Whakahaere Pōari

*Chairing a board*

MĀTAURANGA KNOWLEDGE



# Ko te kai a te rangatira, he kōrero

## Talk is the food of chiefs

### REALISING MĀORI POTENTIAL



The framework above identifies three key enablers that are fundamental to Māori achieving Te Ira Tangata (improved life quality) and realising their potential. All our written information has been organised within these three key enablers or Te Ira Tangata.

1	<i>Mātauranga – Building of knowledge and skills. This area acknowledges the importance of knowledge to building confidence and identity, growing skills and talents and generating innovation and creativity. Knowledge and skills are considered as a key enabler of Māori potential as they underpin choice and the power to act to improve life quality.</i>
2	<i>Whakamana – Strengthening of leadership and decision-making.</i>
3	<i>Rawa – Development and use of resources.</i>
4	<i>Te Ira Tangata – The quality of life to realise potential.</i>

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# INTRODUCTION

Whether it is for a multinational board or a whānau trust board, the Chair of the board plays a pivotal role in taking the organisation forward. At its most fundamental, the Chair's job is to lead development of the vision of the organisation and to keep board business flowing to support that vision.



*For more detailed articles, books and websites on chairing a board, go to the resources section of [www.governance.tpk.govt.nz](http://www.governance.tpk.govt.nz)*

There are many processes and techniques which will assist the Chair to do his/her job, but ultimately, how things happen and the results achieved depend a great deal on his or her will to succeed and personal style.

It is a role that demands all of a person's abilities, particularly in fronting and managing critical board relationships: between the board and the Chief Executive, shareholders or beneficial owners, government and the media; and between board members themselves. Inevitably, these relationships do not always run smoothly.

How the Chair behaves, and the values he/she demonstrates, set the culture of an organisation and the tone of relationships and interactions for everyone doing business there. The Chair is the key role model for both board members and the Chief Executive. In turn the Chief Executive is the role model for how staff in the organisation behave.

Taking on the role of chairing a board is a challenge, and that level of challenge can bring with it great satisfaction and achievement.

This booklet aims to give an overview of the key duties of a Chair, a summary of 'best practice' for how those duties are carried out, and an outline of the knowledge and approach which will assist a Chair to be effective.

## BUT FIRST: THEORY AND REALITY

The titles 'Chair' of a board and the 'Chief Executive' of an organisation are used throughout this booklet.

For many small organisations, this does not match the reality of how the organisation is run. The Chair may well be involved in management work, the 'Chief Executive' could be a farm manager or other manager carrying out work the board needs done. In some cases there is no 'management' to pass tasks on to, and in many cases there is no administrative support for either the Chair or management.

In a small organisation the lines can easily become blurred by the need to get on and do what needs to be done. For example, when the board reads the financial statements, questions them or makes a decision on whether to have a dividend, this is governance and the whole board is responsible. But if the board delegates to a 'treasurer' to do the books, or to put together a proposal for expenditure on a particular project, then this is management – even if the treasurer is also a board member. In organisations with a Chief Executive, the Chief Executive would be asked to carry out management tasks and would then delegate to someone on the staff.

What remains critical is that an effective Chair always knows when he or she is acting as the Chair, the Chief Executive, the administration section or any other role – and can keep the role of Chair and how they behave in that role separate from their other roles.

The terms 'Chair' and 'Chief Executive' are used throughout the booklet to keep clarity between the governance role and the management roles which are both part of running a successful organisation, no matter how big or how small.



## ROLE OF THE CHAIR

- *Governance*

# ROLE OF THE CHAIR

The Chair leads the governance of an organisation.

Fundamentally, this is the process of ensuring the organisation achieves what its owners want it to – whether their aims are commercial, social or cultural, or all of these.



In many Māori organisations, the Chair, as leader of the board, is a primary guardian of assets that have been handed down by past generations and has the responsibility during his/her term to protect and grow these assets for the benefit of generations far into the future.

Owners and shareholders, the Chief Executive, government and even sometimes the general public will hold the Chair accountable for the organisation's performance and look to the Chair to articulate the vision of the organisation and represent its values and culture.

The role requires both a thorough knowledge of what belongs to governance (and what does not) and the ability to carry a wide range of stakeholders on the organisation's journey, through times of success and times of challenge.

## GOVERNANCE

The Chair must ensure that the board is effective in carrying out its core governance tasks of:

- Appointing, monitoring and assessing the performance of the Chief Executive
- Forging a shared vision for the organisation
- Developing the strategies and plans for achieving that vision



- Monitoring the performance of the organisation
- Adding value to the organisation

Throughout this work, the Chair is the pivotal point of the organisation's critical relationships – with the Chief Executive, the owners, other board members and at times government, media and other parties who can influence the success or otherwise of the organisation as it moves towards its vision.

Smaller organisations, such as marae and whānau trusts or land trusts, may not have a full-time management team or Chief Executive. It remains important, however, to keep separation between governance activity and management activity. This can mean that trustees may make a governance level decision, and the action may also be undertaken by the Chair or one of the other board members as 'management'. For example, the board may wish to call a special general meeting to discuss a specific purchase of a piece of land. The work to gather the information and organise the meeting would be a role for management, even if undertaken by members of the board. In these situations, it is very important that the Chair is conscious of their role as Chair of the board and ensures that the governance role and decisions are separate from the management and day-to-day activities of the organisation.

*For more on  
governance, see  
the Effective  
Governance  
website at [www.governance.tpk.govt.nz](http://www.governance.tpk.govt.nz)*



STYLE, SKILLS  
AND KNOWLEDGE

- *Style of leadership*
- *Core skills*
- *Knowledge a Chair needs*

# STYLE, SKILLS AND KNOWLEDGE

Chairs can operate in very different ways, and yet be equally effective. While personal style is an important element of a Chair's success, there are also specific qualities and skills that most effective Chairs have in common.



## STYLE OF LEADERSHIP

There are many different styles of leadership that will assist a board to its best performance, but one thing Chairs all agree on for an effective Chair is: "Leave your ego at the door."

Effective Chairs can appear to be quiet and lead from behind, they can be talkative and appear to lead from the front, and anything in between, but what they all have in common is an ability to be impartial and keep focus on the kaupapa.

Notable characteristics of effective Chairs mentioned in research and literature on chairing boards are:

- *Impartiality* – people who take up the challenge of chairing a board are also often people with a strong desire to create change and views on how to create that change. An effective Chair, however, never lets their own views dominate proceedings – their role is to facilitate a discussion among equals.
- *Demonstrating the key values* of respect, patience, trustworthiness, inclusiveness and humour.

- *Conducting business not just efficiently, but effectively* – although keeping discussion moving and finishing meetings on time is critical, an effective Chair knows when to slow proceedings down so that the full meaning of decisions and discussion can emerge.
- *The ability to deal with dynamics* at board and shareholder meetings. As the Chair is the representative of the board, he/she may be the person to whom criticism is directed, and some issues may even become public through the media, requiring the Chair to be resilient.
- *Integrity* – successful Chairs are trusted inside and outside the boardroom.
- *Always being seen to act in the best interests of the organisation as a whole* – Chairs may well have been elected by a sector of beneficial owners, however their duty as Chair is to set a 'no bias' culture from the top and be a role model to other board members in this regard. The board must always consider the good of the whole organisation rather than favouring the interests of particular groups of owners.



## CORE SKILLS

Every Chair brings a wide range of skills to their role. Some of the core skills common to all effective Chairs are:

- *Relationship building* – the Chair of a board sits at the centre of a network of relationships that support the organisation on its journey.
- *Acute listening skills* – the ability to understand what people actually mean when they speak, and the ability to ask the right questions to make sure that a board member can fully express their view.
- *An ability to genuinely make every board member feel part of the team* – making every board member feel that their contribution is valued.
- *Assertiveness* – chairing a board requires strength at times, whatever the personal style of the Chair. There will inevitably be times during board meetings, or dealing with stakeholders, that the Chair needs to firmly take control of proceedings and discussion.
- *The ability to work easily with formal meeting processes* – even Chairs that appear to run a relatively informal meeting ensure that the processes around decision-making are observed so that decisions are legal, and properly documented and communicated.
- *Flexibility* – the Chair of a board will sometimes be required to change tack in the middle of discussion to get an issue ‘unstuck’, or even change the entire meeting structure on the spot to accommodate changed circumstances.

- *The ability to keep the role of chairing the board separate from other roles* – people who take up the role of chairing a board are also often people who lead in other spheres. Effective Chairs make sure there is no intrusion of their other interests or roles.
- *Maintaining an effective relationship with the organisation's Chief Executive* – this is an absolutely key relationship for the health and success of any organisation. See the section "The Chair and the Chief Executive" further on in this booklet.
- *Summarising* – a powerful tool that can be used to end a discussion and move to decision-making, to keep a discussion on track or to keep emotive discussion under management. In summarising, the Chair states concisely and impartially what has been said and ends with a clear statement about what is to happen next.
- *Awareness of public perception* – public perception can influence the success of an organisation, and how shareholders view the board and management. An effective Chair has the ability to understand how matters will be seen by others and to use this awareness to minimise media/public risk.



## KNOWLEDGE A CHAIR NEEDS

Experience builds a Chair's knowledge, but no matter how experienced a Chair, they are never going to know everything. An effective Chair always knows what they don't know, and buys, borrows or finds knowledge as the need arises.

There are however, some absolute basics that every Chair should know for their role:

- *Governance: what is board business, and what belongs to management* – the Chair must have a solid understanding of the responsibilities of the board and enough knowledge in each of these areas to be sure the board is doing its job.
- *The organisation's founding document* – whether it is a trust deed for a trust, a constitution for a company or another kind of document, the Chair needs to know this document fully. This knowledge will assist the Chair in knowing what is board business, and what is not, helping keep the roles of the board and management clear and functioning well.
- *Conflicts of interest* – the Chair needs to know rules around what constitutes a conflict of interest, and how conflicts of interest are dealt with. Further, the Chair should also be able to consider how potential conflicts of interest will be viewed outside the boardroom – for example by owners or media.
- *Legal responsibilities* – the Chair must know what the legal requirements are for both the board, and the Chair personally.

- *Finance* – the Chair should have a general knowledge of finance and the language of finance. The Chair of the board is expected to have a good grasp of the financial situation of the organisation and may well be called upon to explain any financial issues.
- *Tikanga* – a knowledge of tikanga is essential for the Chair of the board of a Māori organisation, and increasingly important for Chairs of all types of boards. If the Chair is not well versed in tikanga or te reo, he/she often calls on another board member for that knowledge.
- *Knowledge of whakapapa and history* – in many organisations whānau and hapū history in relation to a block or organisation greatly affect current discussion.





## LEADING RELATIONSHIPS

- *Leading the team*
- *The Chair and the Chief Executive*
- *Monitoring Chief Executive performance*

# LEADING RELATIONSHIPS

The Chair of a board often takes the lead in the board's relationships, representing the organisation to owners, shareholders, media, the government and other stakeholders.



To outsiders, the Chair carries the mana of the board into discussion about the organisation and where it is heading. The Chair is also effectively the manager of the board, making sure that each board member can contribute their best, and that the board functions as a team with a common purpose.

Key points on relationships are:

## **Representing shareholders/owners to management**

The board is the key link between shareholders/owners and an organisation's management. At times, the Chair of the board may need to represent the interests and views of the shareholders/owners persuasively to management and, in turn, take the views of management back to the board and owners.

## **Representing the organisation to external stakeholders**

The Chair may be required to speak on behalf of the organisation to media, government, customers, the general public and other organisations. In doing so, they should be sure they speak only on matters agreed by the board.



*For many Māori organisations, offering a sense of inclusion is critical to the success of an organisation that will last for generations.*

Chairs must prepare thoroughly and be fully briefed for interviews and meetings with outside stakeholders to make sure that they can clearly communicate the vision of the organisation, and know all the facts and details about any issues that may come up. An effective Chair ensures that what he/she says does not create any surprises for either the board or management.

If external communication is going to be a significant part of the role, Chairs should seek media or presentation training to make sure they are confident of performing well.

#### **Communications with owners/shareholders**

The Chair of the board is responsible for making sure that owners/shareholders are with the board on the journey the organisation is taking. For many Māori organisations, offering a sense of inclusion is critical to the success of an organisation that will last for generations. The Chair should ensure that a comprehensive communications plan is in place to keep shareholders well informed. This may include such mechanisms as a website, hui, consultations or newsletters.

A critical element of stakeholder communication each year is the annual general meeting (AGM). Whether it is a whānau meeting for a trust or a large meeting with wide-ranging shareholders, the aim of the Chair is to convey the vision of the organisation and the progress towards that vision. The AGM is the primary opportunity to explain to owners the journey the organisation is on, and for many small trusts, it may be the only time owners now living in other parts of the country ask about and discuss what is being done on their behalf.

The AGM may also be a time when the Chair and the board face strong questioning from owners/shareholders on the organisation's performance. How the Chair manages these questions, both in terms of what he/she says and how he/she puts it across, sets the tone for the ongoing relationship between the board and owners/shareholders.

### **Crisis communication**

From time to time, there is a need for a fast response to an issue or situation and the Chair is likely to be the visible face of the organisation. Good strategic communications planning, which includes risk planning and procedures and delegations for crisis communication, can help deliver a well thought out response at short notice.

## **LEADING THE TEAM**

A crucial task for the Chair of a board is to create a cohesive team from board members who have a diversity of views, skills and experience. A strong understanding of the vision for the organisation, and the ability to communicate that vision with clarity and engage others, is key to creating a team of people working to a common goal.



An effective Chair also aims to support each board member in giving their best contribution. As well as including all board members in discussion Chairs can work outside the boardroom to support the performance of directors and trustees through:

- *Induction* – making sure all new board members fully understand what the organisation is about and what is expected of them in their role on the board. In larger organisations, management will generally run the induction programme, but it remains the Chair's responsibility to establish and review the programme.
- *Training* – ensuring the board has a performance review process in place that regularly reviews the performance of all board members, and identifies development needs of individual board members which can then be addressed with training.
- *Mentoring* – one-on-one support for board members.
- *Feedback* – advising individual board members on their performance and potentially asking non-performing board members to step down.
- *Succession planning* – ensuring that when a board vacancy arises, analysis of the skills required is undertaken to ensure an appropriate person is found.
- *Regular contact between meetings* – this will ensure the Chair is aware of board members' views and priorities.
- *Looking for opportunities to create a strong team dynamic* – such as dinners or site visits.

## THE CHAIR AND THE CHIEF EXECUTIVE

Of all the relationships a Chair must lead, the relationship with the Chief Executive is the most critical. The Chief Executive and the Chair work together as partners in many respects, which requires a clear understanding of each other's roles. Conflict between the board and the Chief Executive, or the Chair and the Chief Executive, can severely affect the performance of an organisation.

Interviews with Chief Executives and Chairs show that mutual trust and respect, open communication and explicit clarity about roles underpin effective Chair/Chief Executive relationships.

There is no set way of managing the relationship between the Chair and the Chief Executive. Each board will decide on the relationship they will have with the Chief Executive and then make that relationship explicit. The Chief Executive may become a member of the board as an executive director and may, or may not, be accorded voting rights. In some cases the Chief Executive is expected to be accountable to the full board, in others much of the relationship may be delegated to the Chair.

What effective relationships have in common, however, is that they are agreed, well understood and clearly documented. The board should set the delegations and boundaries that the Chair and Chief Executive will work within, providing clarity about when it is appropriate for the Chief Executive and Chair to act together without involving the full board.

*The Chief Executive and the Chair work together as partners in many respects, which requires a clear understanding of each other's roles.*



Initial handling of crisis situations or pursuing fast-moving business opportunities, for example, are situations boards may be happy to delegate to a Chair/Chief Executive partnership. The relationship between the Chair and the Chief Executive, however, should never mean that the board becomes removed from its leadership role or feels at all sidelined.

No matter what the parameters set by the board, the ideal relationship between the Chair and Chief Executive is one of mutual support and respect. It is likely that there will be regular informal communication between the two and that a Chair may at times be asked to act as sounding board or even mentor for the Chief Executive. This in no way means that the Chair will become involved in management matters.

### **Recruitment**

The appointment of a Chief Executive has great influence on the future success of an organisation. It is possible that during the Chair's term, there may be a need to recruit a new Chief Executive. It is highly likely that the board will want to seek professional assistance in recruitment for this role.

## **MONITORING CHIEF EXECUTIVE PERFORMANCE**

The Chair generally has formal responsibility for coordinating the process for evaluating the Chief Executive's performance. A formal performance review will monitor the targets that have been set and form the base for an open, constructive discussion. Often boards will set up a Chief Executive performance review committee, although in smaller organisations, the Chair may carry out the review by him/herself.

In small organisations, where it is more difficult to keep management and governance roles completely separate, formal discussion will assist in maintaining role clarity for all parties.



## CHAIRING MEETINGS

- *Setting the annual schedule of business*
- *Managing the meeting process*
- *Managing discussion*

# CHAIRING MEETINGS

Boards do most of their business through meetings and effective meetings are vital to achieving better outcomes.



The central aim of each meeting is to arrive at decisions that will take the organisation forward. The process of coming to a decision is a core aspect of good governance and underpins the fiduciary duties of board members. An effective Chair ensures discussion is focused while allowing all perspectives and relevant matters to be canvassed. The Chair also ensures decisions are based on adequate information and on clear reasoning.

Central elements of ensuring effective meetings are:

- Setting the annual schedule of business
- Managing meeting process
- Managing discussion at meetings
- Reaching decisions and recording clear resolutions
- Follow-up actions.

## SETTING THE ANNUAL SCHEDULE OF BUSINESS

A key way to ensure that the correct flow of board business happens during the year is to plan an annual schedule of business.

Setting the schedule means that there is less risk of board business being diverted by a particularly large or difficult project during the year, or simply by day-to-day business, and ensures decisions are made on the key matters that will help the organisation move ahead.

When looking ahead, the Chair may also recommend that major tasks or projects be undertaken by a committee so that board meetings do not need to focus on the full detail of the project, but only on the areas that require decisions.

An annual schedule of meetings should be proposed, discussed and agreed at a meeting of the board and later confirmed.

Changes to this schedule should only be made under extraordinary circumstances as changing meeting dates can reduce attendance and therefore the fullness of board discussion. And, as with all annual planning, it is important to check what else is on. A board meeting during a major national or local event is unlikely to get good attendance.



*Well-planned meetings have a better chance of being well-run meetings, and are easier for the Chair to manage on the day.*

## MANAGING THE MEETING PROCESS

Board members appreciate well run meetings and rely on the Chair to keep discussion to the point, give everyone a fair hearing, facilitate the board to reach decisions and finish meetings on time.

Well-planned meetings have a better chance of being well-run meetings, and are easier for the Chair to manage on the day.

Preparing for a good board meeting can involve a considerable amount of work. Planning is generally done by the board Chair working with the secretary of the board and the Chief Executive of the organisation. Much of the actual process will be managed by the secretary or, in smaller organisations, by the management team.

Planning for a board meeting includes:

### **The agenda**

This is a critical piece of meeting planning. The Chair, working with the Chief Executive, sets out each item for discussion at the meeting.

The structure of this agenda determines what the board focuses on as most important. Generally speaking, it is best to put major strategic items at the beginning of the meeting, rather than items like regular reports. This ensures the major items requiring decisions get the time and attention they need.

In setting the agenda, the Chair notes for him/herself how long each item is likely to take and how contentious an item is likely to be. The aim is to be sure that the proposed business for the meeting can be carried out without board members feeling that discussion has been cut short, or having the meeting run over time.

Items such as staff turnover reports, for example, can often be left until the end of the meeting, unless they include significant matters for discussion. As long as the report has been sent out before the meeting, it can be 'taken as read'. Unless a board member wishes to raise an issue, it may be most efficient to formally note that the report was received and read.

In setting up the agenda, the Chair will also note any outside speakers to be invited to the meeting and ensure arrangements are made for their attendance.

Careful planning does not always ensure a perfectly timed and productive meeting. There may be new developments, new speakers or urgent other business. The agenda provides a base for the Chair to be flexible and, with the agreement of the board members present, to change priorities and even postpone some agenda items until the next meeting.

Items usually included on a meeting agenda will be:

- Confirmation of the minutes of the last meeting
- Matters arising from the minutes
- Strategic decisions
- Future plans
- The Chief Executive's report
- Reports on major projects
- Financial report
- Risk report.

### **Board papers**

Board members need to be well-prepared for the meeting so that discussion and decision-making at the meeting is founded on a common understanding of the situation/issue. Papers should be well-researched, well-presented and easy to understand. Most organisations use a standard format for board papers.



These papers, along with the meeting agenda and any other necessary information, should be sent to board members in an information package early enough for them to prepare – usually one week before the meeting.

All papers should have clearly set out recommendations, either at the start or end, that describe exactly what the board is being asked to do.

### **Notification of meetings**

Board members will already have meeting dates and times for the year in their diaries, but it is also important to remind them of the venue, time and date in the information package before meetings.

Outside speakers who have been invited to the meeting need to be notified not just of the venue, date and time of the meeting, but also of the exact time they are expected to be in attendance. This means that outside speakers do not have to be present for the whole meeting, and that any confidential board discussion can take place without having to ask guests to leave.

## MANAGING DISCUSSION

Style and technical skills are equally important in making sure board members feel they have participated in a productive meeting. Experienced Chairs agree that the biggest hazards at a meeting are diversion, and discussion straying off topic.

Some of the key elements for managing discussion effectively are:

### **Protocol and formal process**

An effective Chair makes sure the right level of formality and protocol is observed. Meetings of boards for Māori organisations may start with a karakia or mihi and finish with a karakia. The level of formality during the meeting depends on the Chair's style and how the board works best together. Meetings are generally based on standing orders or other agreed protocol with the rules applied more or less strictly depending on the size of the meeting, how cohesive the group is and the Chair's own personal preference.

Whatever level of formality is used, the process for reaching decisions must be clear, and the decisions themselves clearly stated and recorded. For example some Māori organisations may make decisions by consensus rather than by voting, and this needs to be shown in the meeting notes. Having the minute-taker read out the record of decisions made at the meeting is good process, especially in complex decisions.

### **Inclusivity**

During the meeting, the key skill of the Chair is to be inclusive while always keeping the discussion on the kaupapa or take (subject) and moving the team towards a decision. As with any group, there

*Whatever level of formality is used, the process for reaching decisions must be clear, and the decisions themselves clearly stated and recorded.*



*The Chair should encourage board members to acknowledge their collective responsibilities to help find a way through conflict to a decision.*

will be people who talk more readily than others – effective Chairs engage silent board members by inviting them to speak and share their opinions, or by asking questions.

In Māori organisations, there may also be the challenge of chairing bilingual meetings. Working from the principle of inclusivity, the Chair can keep the meeting flowing by summarising in English the main points that have been raised in te reo Māori.

### **Ensuring all aspects are considered**

Although the Chair has an impartial role, if he/she feels that discussion among board members has not fully canvassed all the issues around a matter, he/she can ask questions or invite comment to explore these areas.

### **Managing conflict**

Although conflict at a board meeting can be a challenge to manage, it can also be very productive. An effective Chair can work to make sure that all views on an issue are aired, and that board members can still reach a decision they can all support.

A key technique to take the heat out of a discussion but keep it on track is an impartial summary by the Chair of key points made so far. If discussion becomes extremely heated, the Chair can also call for a break in proceedings, or suggest that the matter be taken up again either later in the meeting or at the next meeting. Postponement should not, however, be used to avoid tough decisions.

The Chair should encourage board members to acknowledge their collective responsibilities to help find a way through conflict to a decision. Often this will be by breaking down the problem into parts, asking members to undertake specific tasks, or to reframe the questions for seeking further advice and information from the Chief Executive.

### **Minutes**

The Chair must review the minutes to make sure they accurately reflect discussion and show clearly what decisions have been made.



TAKING UP  
THE ROLE

- *Due diligence*
- *Induction*

# TAKING UP THE ROLE

Even for experienced directors and trustees, taking up an invitation to chair a board, whether by appointment or election, is a major transition from being a board member.



Three essential steps are:

- Ensuring you can commit the time
- Taking a good look at the organisation (due diligence)
- A good induction into the role

## **Time**

The role of a board Chair involves considerably more time and energy than being a board member. Anyone considering taking up the role of Chair must be sure that they have the time to commit to ongoing activity such as planning, liaison with the Chief Executive, board members and key stakeholders, and to intense periods of activity such as crisis management.

## DUE DILIGENCE

Chairing a board is a high profile position and not one that can simply be walked away from when the going gets tough.

A thorough look at an organisation before accepting an invitation to Chair a board is essential so the Chair can be certain of their full commitment for the duration of their appointment.

Absolute essentials are:

- Reading the annual report and accounts
- Reading any press clippings or online reports
- A detailed look at the organisation's website
- Establishing what insurance cover is offered to board members and the Chair
- Assessing your own suitability for the role, and the time you have available.

It is also advisable to build a picture which includes:

- The board's past performance as a governance body
- The level of internal control within the organisation
- The level of performance monitoring by the board
- The ownership structure and the organisation's relationship with the owners
- A view of the level of risk presented by business activities
- Any legal action being taken, or likely, either by or against the organisation
- The culture of the board and the organisation.



## INDUCTION

Every new Chair wants to be effective quickly, and a good induction process can help make a smooth and speedy transition.

Induction will generally be managed by the Chief Executive with assistance from the departing Chair and should include:

- A debrief from the departing Chair
- A thorough brief on the current strategic and business plans
- An explanation of the Chief Executive's key performance indicators
- A full brief on the organisation's accounts
- An outline of the legislation that is particularly relevant to the organisation's operation
- The Code of Conduct for board directors/trustees (if one exists)
- Either the standing orders for board meetings, or an explanation of protocol that has been used to date
- An organisation structure with explanations of the key roles
- An overview of internal processes and controls
- A brief on any issues of interest/concern to beneficial owners, media, government or other key stakeholders
- Site visits to operations
- One-on-one meetings with board members.



TRAINING /  
DEVELOPMENT

- *Training*
- *Development*

# TRAINING/DEVELOPMENT

There is increasing acknowledgement of the critical role the Chair of a board plays in leading an organisation successfully.



## TRAINING

Several organisations offer courses specifically for Chairs of boards, and there are other types of training that can be of great assistance to Chairs in carrying out their role, such as:

- *Presentation training* – this is offered by many firms who specialise in working with Chairs and Chief Executives to help them develop an effective personal presentation style.
- *Media training* – highly recommended for anyone who may be dealing with the media in their role as Chair. Several companies offer intensive media training that covers preparing for media interviews and techniques for speaking, to print, radio and television media.
- *Specialist subject training* – such as financial management or strategic planning.

## DEVELOPMENT

Two key processes that can provide a Chair with development are:

- A board self-evaluation which shows the areas that need improvement and can indicate areas the Chair could manage better
- A formal, annual evaluation of the Chair either just by board members, or as '360° feedback' which would involve board members, the Chief Executive and selected external stakeholders.



**Te Puni Kōkiri's [www.governance.tpk.govt.nz](http://www.governance.tpk.govt.nz)**

*offers extensive information on the practice of effective governance. As well as covering the main topics relating to governance, the site has a full glossary of terms and references to useful resources both online and in print.*





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## GOVERNANCE

WEB *Paetukutuku* [www.governance.tpk.govt.nz](http://www.governance.tpk.govt.nz)