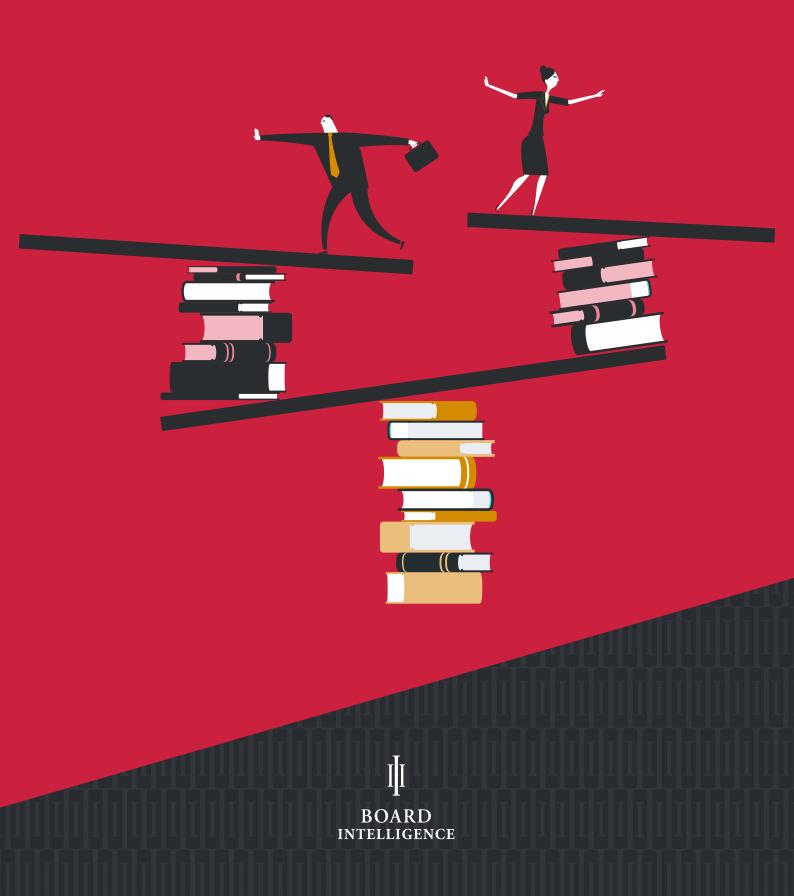
Are You Making These 7 Costly Board Pack Mistakes?



Introduction

We all know the power of an effective board pack. With the right information, boards are able to have the right conversations; without it, they are blindfolded.

Do you feel that your board packs somehow fail to hit the mark – but you aren't sure why, despite the time and effort that goes into producing board papers? Here are 7 common (but costly) mistakes your organisation might be making.

7 Costly Mistakes

1. PRIORITISING INFORMATION OVER INSIGHT

For the executives writing board papers, it can be tempting to demonstrate their mastery of the topic being discussed. This leads to reports that cover a lot of ground but fail to draw out the "So what?" or make clear what matters. As board members often comment, "Don't tell me everything you know, tell me what I need to know."

2. REPORTING FOR THE SAKE OF IT

Papers for recurring agenda items can quickly become routine — with reports reappearing in front of directors with just a few details or figures changed. Over time, they become disconnected from the new questions the board needs answers to. Rather than wonder "What sections need updating since the last meeting?", report authors should ask "What's on the board's mind that I can bring clarity to?"

3. TOO BACKWARD-LOOKING

Papers with too much backward-looking information are only telling half of the story. Boards need to know future risks and opportunities just as much as they need to understand past performance—and that's something that can't be inferred from financial data alone.



4. TOO LONG TO READ

In a War and Peace-style board pack, it's easy for boards to be blinded by the volume and miss critical information. Research shows most board members spend just a few hours reading their papers before the meeting, often leading to almost half the pack — and the information it contains — going unread.

5. NO CLEAR SENSE OF MATERIALITY

Without an Executive Summary to draw out the context of the paper, the key questions it addresses, the conclusions reached, and the input sought, board members — and non-executive directors especially — do not know why they are receiving each report in the first place. Is it just to update the board on a minor project, or is it a crucial new development that requires thorough preparation?

6. NO CLEAR ASK

Once board members have been informed of the purpose of the material, your pack should be addressing the question of "What's needed from me, the reader?" Asking clear questions is the surest way to get clear and considered recommendations from the board.

7. NOT ENOUGH STRATEGIC DISCUSSION

Strategy is a key part of any board's mandate, yet papers often lack strategic insight and rarely cover the options considered and options rejected. It's difficult for boards to have effective strategic discussions or challenge decisions if they have only conclusions to work with.

So What?

We see these 7 mistakes being made time and again when we review board papers. But what's their impact?

Research jointly conducted with The Chartered Governance Institute indicates that the size of the average board pack is ballooning — and so are the investments required to produce it.

For large companies, the average cost of preparing, distributing, and reading the board pack is £3m a year, rising to an average of £7.5m for the very largest firms.

In other sectors, the time commitment required is perhaps even more concerning: small charities devote an average of 525 days a year to the board pack — a significant share of their resources — while for large public sector bodies it eats up a staggering 4,000 days a year.

These are substantial amounts of money and time. And yet, there's little to show for it: two-thirds of organisations assess their packs as being "weak" or "poor" overall.

Luckily, these mistakes are easily addressed — a few low-hanging fruits can quickly improve your board packs while keeping their associated costs down.

Read our e-book, <u>5 Simple Steps to</u> <u>Board Pack Success</u>, to find out how.

About Board Intelligence

Board Intelligence is the world's only platform that enables boards and leadership teams to focus on what matters most, ensuring smarter meetings, decisions, and actions. We work with a variety of organisations, from FTSE 350 businesses to public sector and government departments, to help create better reports that resonate with board members.

Get in touch with us and book a free demo to discover how your organisation can be transformed by better decision-making in the boardroom.

WHO DO WE WORK WITH?

We review hundreds of board packs every year and support listed, privately owned, and public-sector clients, including:

- Over 15% of the FTSE 100.
- Over 20% in financial services.
- Central government departments.
- Health and education organisations.
- Almost every governance model (mutual, partnerships, trusts, corporates) and in multiple geographies.

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