

TRANSCRIPT OF ONE QUESTION PODCAST

EPISODE:	8
TITLE:	How can the Secretary support the Board in its ongoing oversight of the implementation of strategy?
DESCRIPTION:	In our last episode, we talked about the Board's engagement in the development of strategy. Here, we expand that topic by considering its oversight of progress against that strategy.

Will ([00:00](#)):

Welcome to the One Question Podcast from O'Brien Governance Design, who specialise in corporate governance for the public and not-for-profit sectors, I'm Will Francis, and in each episode I ask Trish O'Brien a different question about corporate governance. So in the last episode, we talked about the involvement of the Board in strategy development in this follow-on episode, we're talking about how the Board might engage with the strategy after it's been agreed. And so the question is: How can the Secretary support the Board in its ongoing oversight of the implementation of strategy?

Trish ([00:36](#)):

Yes. That's right Will. We have an agreed strategy and we discussed that at the last episode and, you know, we hope that the Board has engaged with the development of that strategy. We know that the Board has strategy responsibilities, and so it needs to know how things are progressing.

Will ([00:53](#)):

And if a strategy is for three or five years, I presume the Board is expecting that it will be broken down into annual plans?

Trish ([01:02](#)):

Yeah, I think that that's really the first step and, you know, in truth, this is where the design of the strategy continues to matter. If the strategy includes objectives or goals that say something rather than being overly generic and if they're supported by actions included in the strategy that indicate how the organisation intends on achieving those objectives, then that provides a really clear pathway to a more detailed annual corporate plan. The difficulty is if the content is too generic, then the annual plan won't be getting much assistance or direction from the strategy.

Will ([01:36](#)):

So taking it then that the executive is putting together an annual plan or a corporate plan. Is this something that the Board also needs to approve?

Trish ([01:46](#)):

Well, again, that kind of depends on the organisation. In some, the Board approves and in others, they receive it for noting and discussion. And you know, that's something that the Secretary and I think the Chair need to be clear on.

Will ([01:59](#)):

Well, which do you think is better?

Trish ([02:01](#)):

Well, if we go back to the idea of keeping the Board strategic, rather than operational, then you could argue that if they have been involved in the development of the strategy and have approved the goals and the overarching actions that are in that strategy, then really it's up to the CEO and staff to develop and agree a plan that will deliver on the strategy. But again, this comes down to the strategy providing a strong enough framework of direction for the plan. So, you know, if the Board feels that it needs to become overly involved in corporate planning in detail, that suggests to me, at least that there might be a problem with the strategy itself.

Will ([02:41](#)):

And if they're not getting into the detail, what is the Board doing when it's given the annual plan?

Trish ([02:47](#)):

Well, I think they're having a discussion with the executive to assure themselves that certain things have been considered and have been taken account of in that plan. And, you know, that's with one eye to the role they're going to have to play in overseeing its implementation. So there's a few things, I think, again, putting ourselves in the role of the Board member, being presented with the plan, there's a few examples of things that I think that they're looking for. A basic one is just, can they understand the plan, you know, is it clear to them sitting there looking at it, is it clear to them what actions are going to take place? Is it clear to them how that plan links to the strategy? So you've got a strategy for three or five years, and then you've got a, a plan for maybe a year, maybe for 18 months

Trish ([03:34](#)):

obviously that plan should be delivering on the strategy, but is it clear to you? Has that been illustrated for you as to how that's going to happen? Does it strike you that the priorities of the strategy are actually reflected in the plan that's going to be executed for the following year? Because you know, you could find that perhaps certain things are being avoided, you know, certain less important actions are being prioritised over others. I think also just very importantly, planning and resource planning is always very difficult, but asking the questions, you know, has the CEO and have the executive considered the resources that are going to be required to implement that plan? Are they confident that, you know, budget is one thing, but do they have the human resources and other resources needed?

Trish ([04:23](#)):

And again, we've talked about risk on several occasions, trying to embed that: has a connection been made between the actions in the plan and how risk is being managed. So, you know, there's no point having a risk register that has nothing to do with your planning, nothing to do with your strategy, these things need to connect. So again, a Board member raising that, just reminds the executive of the connections between these things. So that's not an exhaustive list, but it's just some of the things I think that a Board member might be looking out for and asking about.

Will ([04:53](#)):

Yeah. So even if they're not approving the annual plan, the Board members can still assure themselves that it's an effect plan by asking themselves and the CEO and management, those kinds of questions.

Trish ([05:06](#)):

Yeah. I think asking the right questions is one of the most important roles of any Board.

Will ([05:12](#)):

So there's a strategy and a plan for how that's going to be progressed over a certain period of time, maybe a year or longer. So what happens then and how can the Secretary support the next stage?

Trish ([05:25](#)):

Well, the next part is about keeping oversight of the implementation of that corporate plan. And if the Board can do that effectively, then they are kind of in turn, fulfilling their responsibilities for the delivery of the strategy. So, if the plan is being executed properly and the plan is linked to the strategy, then obviously you're fulfilling your role in terms of oversight of that strategy. And one of the most effective ways of doing that is to create, with the support of the Secretary, a reporting template that will go to the Board at agreed intervals, and that will provide them with an overview of progress.

Will ([06:03](#)):

So it's the Secretary that kind of manages that review process.

Trish ([06:09](#)):

I think if the Secretary can work with the Chair. If you get a good Chair and a good Secretary working together, then they can kind of anticipate these things, you know? And then I think they can also make sure not only are they done, but they're done in the right way and they're done well. And they're done in a way that sort of makes information accessible to the Board, because you can have a lot of reporting to the Board, but it can be very, inaccessible, very detailed, and I think just, just putting some thought in, and the Secretary proactively putting some thought into how to manage information going to the Board, can be really, really effective.

Will ([06:45](#)):

Yeah. Because it strikes me, it's not a process that would naturally and organically go really well. It sounds like one that needs quite a bit of proactive stewardship.

Trish ([06:56](#)):

Yeah. For it to be effective. Definitely. It will probably always happen. You know, it would be unusual for a Board not to get updates, but it doesn't mean that they're good updates and it doesn't mean that they're being particularly informed by those updates.

Will ([07:09](#)):

So this reporting template, for the benefit of a Secretary to the Board, trying to support the Board by creating one, what kinds of information might be in that template?

Trish ([07:22](#)):

Okay. So I think for the Board member to feel that they're getting a good oversight of things, there's a few pieces of information that will be particularly helpful to include in that template. So first of all, you've got the actions being pursued over the period of time. So if it's 12 months or whatever, what are the actions? You want to see what those actions are. You want to see which strategic objectives the actions are linked to. So presumably if an action is in the plan - now, it won't always link to a strategic objective, there are things that happen in an organisation that happen annually, let's say the development of an annual report, so those things are just part of good corporate governance, they're not necessarily connected to a strategic objective. But on the whole, most of the big actions taking place will be linked to a strategic objective.

Trish ([08:12](#)):

So a Board member, I think, wants to see where there is a connection and what is the connection. Just, spell that out. And then I think they want to see the owner of each action and that's probably the person with overall responsibility. Who is going to be accountable to the Board? It's not necessarily the member of staff who is doing the business, but it's probably somebody a bit more senior who is accountable to the Board for it. So actions are they linked to the strategic objective? If so, which ones? And then the owners of each action, making that clear. So that's three pieces of useful information. Then again, against each action, you might have some columns that are of interest to the Board. So for instance, I think I'd want to know as things were going on, you know, that if there was an agreed budget for the action, I'd want to know, well, is it being delivered within that agreed budget?

Trish ([09:02](#)):

I think that's a reasonable question. If, that action is connected to something on the risk register, I'd probably like to know, well, is it featuring in the risk register? Is it in there with a low, medium, or a high risk? You know, that's going to be of interest to me. And I'd also like to know if we've anticipated that an action will be completed within a certain period of time, I'd like to know, is it on track? Is this happening as it was intended to happen. And a really quick way of communicating that information to the Board is simply by using just a color scheme, the old green, amber red. So if you can imagine a template whereby you have the action, just even like an A3 page. You've got the action, you've got the strategic objective, you've got the owner of the action.

Trish ([09:56](#)):

You've got, you know, a column that says budget, a column that says risk register, a column that says agreed timeframe. All I really need to know, as a Board member, is whether or not we're keeping within our anticipated plans. And you know, I can see that very clearly if something is a green dot things are going okay, if it's amber, maybe things have shifted a bit, if there are red dots, maybe I need to be looking at them. And that's not to be negative, or to suggest that the Board only wants to know when things aren't going to plan, but really if you've agreed a strategy and a set of actions, if things are progressing as intended, then really the Board and staff should probably just be focusing on the exceptions. And then, finally, to sort of preempt Board questions, just a column in our template could be included that allows the executive to provide a couple of sentences, to explain where things are off track

Trish ([10:53](#)):

and if they're going to come back on track or if there's a more serious issue arising. So if the budget is at amber and I've got an amber dot against budget, it means that, you know, maybe things are slipping a bit in terms of what was expected. That may just be a minor issue that's going to be resolved. It could be

more serious. So a couple of lines, not a big narrative, but a couple of lines can help to explain that to me as a Board member. And then they could also flag for Board members if the risk status linked to actions has changed recently and explain why. So if something went from not being an action linked to something that wasn't particularly a big deal in terms of the risk register, and then suddenly has become something that's really been looked at in terms of risk, I would want to know that.

Will ([11:39](#)):

Yes. And I'd imagine that using that kind of summary template can be a much more effective approach for Board members than reading lengthy papers of text, right?

Trish ([11:50](#)):

Yeah. It, can prove very useful and it can give the Board members the confidence they want that they're on top of things without getting into unnecessary detail. And that summary can be, it can be supplemented with more detailed reporting on specific issues as needs be. And that might be the request of the Board, or indeed the request of the executive, you know, particularly if things are going according to the plan, they might want to talk about that in more detail with the Board members and document that and in terms of, you know, showing progress for the record and for public consumption that can happen through annual reporting. So, you know, there'll always be a detailed record at the end of a planning cycle and before the next one starts,

Will ([12:36](#)):

Right. So taking the approach that we are describing to overseeing progress against those agreed plans, is that something that the Secretary can assist with?

Trish ([12:47](#)):

Well, I think actually the Secretary could really drive this kind of initiative in conjunction with the Chair. You know, because Boards, every time we speak with them, they always say they get too much documentation and you have these really conscientious members who try to get through it all, but they don't necessarily feel better informed at the end of it, or even know why they've received papers. And we've talked a little bit about that in episode 5. I think if a sort of a less is more approach could be taken to reporting on progress against strategy, I think that could be very helpful, not only to the Board, but also to the CEO and to the staff. And ultimately it's going to increase the transparency of information, which is a fundamental objective of good governance.

Will ([13:33](#)):

Okay. So some useful suggestions there on helping Board members to oversee strategy, and that followed our discussion in the previous episode where we talked about the Board's role in developing strategy. So where do we go next?

Trish ([13:47](#)):

Well, I mentioned earlier that one of the most important roles of the Board is to ask questions and I really think that. So I'd like to talk a bit more about that and to think about the Board, having maybe an agreed set of questions and using them like decision-making criteria that they can refer to when they've got, you know, a substantial or a difficult decision to make.

Will ([14:12](#)):

Great. I'll see you then look forward to it.

Trish ([14:14](#)):

Great. Thank you Will.

Will ([14:16](#)):

You can find out more, access resources, templates and the full One Question Guides at obriengd.ie.
Thanks for listening. Goodbye.