



Who remembers?

A board's eye view with **Anna Bateson**

These simple but critical board questions need to be answered promptly and accurately:

- 'Have we looked at this issue before?'
- 'What options did we consider?'
- 'What did we decide?'
- 'What happened?'

churn that impacts the ability of the board to make decisions which recognise learning from the past.

What happens?

Good board processes seek to ensure that fact is recorded and can be easily accessed. Board papers record agendas, submitted options and

Even the best board processes may fail to capture the richness of discussion in the formal meetings. That social memory resides in the individuals who were present at the events and is difficult to codify.

The strategic issues that preoccupy boards are likely to be complex. The time between information gathering, decisions, implementation and results may be significant. Multiple sponsors may track the pathway. Maintaining collective understanding requires significant effort. Both facts and perceptions may need to be revisited in order to develop a rich picture of the context. All this must be achieved in a world of instant, global connectivity where external stakeholders watch closely and remember.

So, where does the corporate memory reside?

Who remembers the subtext to the decision taken?

Who remembers what actually happened when the strategic decision was implemented?



Technology assists in the collation of pathways.

Every board is tasked with creating systemic change. Its discussions should focus on the future and not get stuck in the past. The past provides critical lessons but can reinforce legacy thinking. New board members bring fresh thinking, but need to understand the context in which they are discussing and deciding. Experienced board members may bring real or perceived hindsight.

Regulations that refresh boards and stipulate maximum time in post can result in the loss of corporate memory within the boardroom. An unintended consequence of director movement has been a revolving door on some boards, with a level of

decisions taken. Tracking significant decisions through time allows a board to determine the outcome of its decisions. Technology assists in the collation of pathways, which show information, decisions and results.

These processes assume that the board reviews all options and that decision-making takes place within the formal board events. In reality, executive working parties or board committees frequently filter options, formally or informally. There may be limited recording of the reasons why options were not pursued. Filtering may be deliberate and protect the interests of particular stakeholders, or it may be unconscious.

How company secretaries help

Company secretaries occupy a privileged position, as they are able to observe board process in operation and also see executive implementation. They maintain the records which track a factual account of information requested, decisions taken and results achieved. They are able to point to evidence that answers the critical questions raised by their boards.

The wise company secretary also recognises that they are a powerful possessor of corporate memory. In addition to factual recollection, they may be able to recall the context in which decisions were discussed and taken, while retaining a level of independence.

This understanding can be applied in a number of ways for individual directors and the whole board. Developing the ability to present the rich picture to the chair, as they return a perennial issue to the board agenda, enables the chair to anticipate and orchestrate contributions to the discussion. Providing a potted history during the induction of a newly appointed director, enables the individual to bring new insights to board debate while understanding legacy.

Mark Twain advised us that: 'We should be careful to get out of an experience only the wisdom that is in it.' ■

» About the author

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