

# The digital habits of resilient boards

A guide for 2021 and beyond





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## Introduction

# Evolving to embrace a new normal

In the past year, the global Covid-19 pandemic has driven businesses to accelerate digital transformation faster than ever before. Initially for most businesses this was a necessity; digital was the only way to carry on operating as premises were shut down. Now however, something else is happening.

As the year has progressed, businesses have realised the long term benefits they're gaining – such as being more effective and agile. They have become more efficient by collaborating online (and from afar) successfully.

They have eliminated the security risks associated with paper-based working, and improved decision-making thanks to vital information being more available.

In this guide we investigate whether boards – which in the past have tended to work in more traditional ways – now also need to evolve their ways of working to adapt to this new normal. We look at the challenges they are facing, and the habits they must develop to stay resilient and effective.

We also consider the job functions that work in conjunction with board members, including secretaries and C Level executives, and examine whether they also need to adapt to collaborate with the board ongoing.

## Board directors

There's no doubt that board members need to adapt the way they work in light of the current pandemic. The demands on them are unprecedented.

According to McKinsey<sup>1</sup>, *"never before have boards needed more carefully to balance providing support to management teams operating in highly stressful conditions, with challenging them to ensure that they make the best decisions throughout a crisis for which no playbook exists. This may well turn out to be the moment when your board proves its value."*

**76%** of board members are spending more time on Covid-19 items.

Not surprisingly this had led to a significant increase in workload. According to research by PwC<sup>2</sup> carried out this year, more than three-quarters of board members (76%) said they're spending more time on board responsibilities to deal with Covid-19 related fallout. About 30% say they're spending twice as much time or more.

Pressure is also increasing because many board members sit on multiple boards, or are located in different countries – and obviously can't meet face to face.

### So how do boards overcome these challenges?

To a certain extent, boards and management are already overcoming this challenge with

increased use of video and conferencing technology. Going forward however, it won't be enough to simply use Zoom or Teams.

The board of the future will need to make more efficient use of specialist technology, like board portal platforms to support them in their roles. Specialist tools do far more for their users (and productivity levels) than a simple digital tool does. For example, with a board portal, directors can gain easy access to both current and historical information from wherever they are located. If they sit on multiple boards, they can also access all the information they need using a single login. There is also an emphasis on security given the nature of board proceedings.

With board portal platforms, all information is also digital and searchable, so board members can research issues and make decisions more quickly. They can also communicate with other directors within the portal, sign off minutes, and agree actions on the go.

By working this way, board members can address the new shortfalls in time that they have to carry out their roles while complying with company security policies.

1. McKinsey & Company, Boards in the time of coronavirus, April 2020 | 2.PwC, 2020 Annual Corporate Directors Survey



## Board secretaries

Even before Covid-19, the work of the board secretary was evolving.

As a Grant Thornton report explained in 2018:<sup>3</sup> *“What was once traditionally viewed as an administrative role is now expanding in some sectors, with the company secretary viewed as accountable for embedding effective governance practices within the organisation.”*

*“Increasingly, the chair of the board looks to the company secretary to advise them not only on matters of compliance but effective working of governance practices at board level, how these are manifesting in the organisation and their impact on stakeholders.”*

Now the pandemic has hit, this responsibility is expanding even further. Secretaries are now charged with ensuring all new ways of working function seamlessly, compliantly and securely.

### **The question now is – what habits do they need to develop to make this a success?**

Specialist systems like digital board portal platforms again provide the answer. They can enable secretaries to facilitate more effective board collaboration around key issues, regardless of where board members are located. For example, secretaries can easily extend the use of board portals to aid secure communication and collaboration between committees, auditors and shareholders. Nothing needs to be sent via email, paper or any other medium.

Board portals also help secretaries to onboard new directors – increasingly, without having met them. When a new board member is appointed, secretaries can hand over a complete digital board archive with just a few clicks. There’s no need for paperwork. And new board members – who have perhaps been brought in to deal with specific crisis management issues – are able to get up to speed much faster.

Just as importantly, board portals can empower secretaries to speed up their own working. For example, working with a digital board portal also enables secretaries to organise virtual meetings that are not ‘just’ video conferences more efficiently. They can create meeting minutes, get minutes signed off, and compile board packs more quickly. All within the portal itself, and without laborious manual processes.

Being as productive and efficient as possible is all important right now. By using board portals, secretaries can save time (and money) plus make sure they stay focused on fulfilling their increasing responsibilities.



## CEOs, CFOs and CIOs

Alongside board members and secretaries, pressure has also increased on C-suite leadership teams during the Covid-19 crisis. CEOs, CFOs and CIOs all needing to make rapid decisions to protect employees, address customers' needs, and secure the long-term future of their organisations.

They also need more support to make this happen - especially from their boards. As McKinsey<sup>4</sup> put the situation in a recent article: *"Never before have CEOs and their teams been more in need of the foresight and seasoned judgment that a well-functioning board of directors can provide."*

In the past, this hasn't always happened because boards typically only work with any particular business for 8-10 days a year. CEOs, CFOs or CIO/CTOs have also found it hard to spare the time to cultivate individual relationships with board members.

Times are changing though, and as we have already noted board members are now spending significantly more time on their roles to help organisations.

CEOs and their leadership teams need to capitalise on this by using specialist digital solutions like board portals to open up communication with board members. This will enable them to share knowledge securely with the board members, and also instill greater knowledge around current business challenges.

By doing so, CEOs will not only create a better and more effective way of working and communicating with their boards - they will also encourage greater contribution from boards to strategies that will define how business will be run in a post-pandemic world.

# Concluding thoughts and next steps

As we enter a critical and unprecedented year for global business, boards that want to stay fit for purpose simply can't rely on outdated approaches.

To be effective in the future, boards will need to catch the current wave of Covid-19 inspired transformation and make better and more efficient use of technology to carry out their own roles.

In practice this will mean going beyond the digital transformation they have already achieved with generic collaboration tools.

*Boards need to consider deploying platforms like digital board portals to share information more closely with other key stakeholders...*

Instead, boards need to consider deploying platforms like digital board portals to share information more closely with other key stakeholders.

This will help boards to transform their way of working with more efficient ways to prepare and distribute board documents, increased security and enhanced collaboration.

Perhaps just as importantly, digital portals will also help to engage and support the wider network of people – the secretaries, the leadership teams – that work around directors and are crucial to the fulfilment of their role.

## **In summary – the key benefits of a board portal for administrators and management teams are:**

- User-friendly collaboration with the board and other stakeholders
- Full control and protection of confidential information
- Easy extension of communication to subsidiaries, committees and shareholders
- Secure distribution and storage of sensitive documents
- Common digital archive for board and management documentation

## **For the board members and board chairs, the key benefits of a portal are:**

- The ability to work paperless and efficiently
- All information is easily searchable in one place
- Permanent access to board papers on the go
- Shared login for positions in different companies
- The ability to sign documents anytime, anywhere using electronic signing

## Further reading

For more on the future of boards and the challenges they face we recommend:

→ The boardroom in 2021: what boards need to know and how they need to adapt.



If you would like to find out more about digital board portals, we also recommend:

→ The buyer's guide to board portal platforms.





Admincontrol's mission is to provide the ultimate solution for decision-makers. The company offers a smart and secure collaboration platform for boards, management and other stakeholders, where they can access, share, discuss and process information efficiently. Admincontrol has over 80,000 active users worldwide.

The company is growing rapidly and is headquartered in Norway with local offices in the UK, Denmark, Sweden, Finland and the Netherlands. Admincontrol is part of the successful Visma Group, a leading European software company.

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→ [www.admincontrol.com](http://www.admincontrol.com)

**Sources:**

1. McKinsey & Company, Boards in the time of coronavirus, April 2020
2. PwC, 2020 Annual Corporate Directors Survey
3. Grant Thornton, Is the role of company secretary fit for the future?, 2018
4. McKinsey & Company, Boards in the time of coronavirus, April 2020