THE GOOD
BOARD MEETINGS GUIDE

Tried and tested field manual for SME businesses

ABOUT **THE AUTHORS**

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Having founded Wellmeadow to provide non-exec board support in 2010, Dave and Richard are survivors of more than 2,000 board meetings over 10 years.

They have seen the good, the bad, and the downright ugly. Here they share some advice and tips on how to get the most out of the board meetings at your company.

In 2018 they founded Magic Minutes, online minute-taking and meeting management software, to attempt to codify their experience into a tool that others could use to run more effective meetings.

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INTRODUCTION

Board meetings are both essential for the effective running of a company and universally hated for their drain on time. Here we bring together our advice on how to prepare and run effective board meetings, specifically aimed for owner-managed mid-size companies rather than PLCs or large conglomerates. We chair around 250 board meetings per year and have refined an approach which we will share with you here to adopt in your company.

KEY TAKE-AWAYS

Agree what the meeting is for, who should be there and for how long

Ensure everyone is well-prepared: make the best use of the time available

Have the right agenda and informative board reports circulated in advance

Make sure you discuss the important things, make a decision and agree actions

Follow up between meetings to get the actions done; don't wait for the next meeting.

01
BOARD MEETING BASICS

BOARD MEETING BASICS

PURPOSE

A board meeting is a meeting of the directors of a company. The Institute of Directors defines the role of the board as follows:

- Establishing vision, mission and values
- Setting strategy and structure
- Delegating to management
- Exercising accountability to shareholders and being responsible to relevant stakeholders

Companies also have regular meetings of the Senior Management Team to review day-today performance. In small and medium sized businesses, this is often the same group of people so the purpose of the meetings can be combined. There is, however, a risk that the discussions gets very detailed and the strategic view is lost. A balance therefore has to be struck and this calls for a well-designed agenda and a good meeting facilitator or chairperson.

FREQUENCY

Monthly is the most common. There may be special purpose meetings in between but, as this is the typical frequency of management information (such as the accounts) being produced, it makes sense to have the same frequency. This is also long enough for strategic actions to have progressed and be worth reviewing. If your company is in a very stable position with only one or two directors, then you might consider having meetings less frequently – but ideally at least quarterly.

"WE MEET ENOUGH ANYWAY"

It is possible that the same top team do meet regularly anyway, but there is no substitute for an opportunity to step back, take stock and review things formally.

WHO SHOULD ATTEND?

You should make sure you have all the key people in attendance so that effective decisions can be taken with all perspectives heard, but without having so many people that the meeting lasts too long, and consensus decisions are hard to reach. A good guide is 5-10 people.

For a board meeting, there will be a legal minimum number of directors required, which is called 'quorum' (the meeting is then quorate'). This number is often defined in the Company's Articles of Association. As owner of the business, you should know this number as technically any decisions taken with fewer than this can be challenged as invalid and the directors could be held liable.

BOARD MEETING BASICS

LENGTH

You are going to need at least a couple of hours to review all the aspects of the company, and probably longer for most businesses. A full agenda with several topics needing to be covered in depth could easily take up 4 hours or more. This needs careful time management and it's worth putting in regular breaks to keep attention levels up.

TIMING

We find that most meetings take place in the 2nd or 3rd week of the month. Mornings definitely have higher energy levels but can get in the way of other regular meetings. Try not to hold board meetings in the evenings or at week-ends; it is an important function of the board and is 'part of the day job' – not an optional extra.

"MORNINGS DEFINITELY HAVE HIGHER ENERGY LEVELS BUT CAN GET IN THE WAY OF OTHER REGULAR MEETINGS."

02
BOARD MEETING AGENDA

AGENDA

STRUCTURE   **There are five main parts to the meeting:**

FORMALITIES   **GOVERNANCE**   **REPORTING**   **STRATEGY**   **CLOSE**
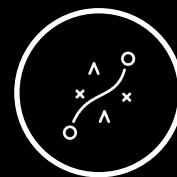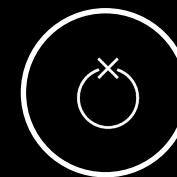
You ideally want to aim to spend no more than 15 minutes on the formalities and governance items, although issues may be raised which need more discussion later on in the meeting or in another meeting called for that special purpose.

If you can, aim to split the rest of the meeting half-half between tactical review and strategy. This is very hard to achieve in practice, especially in smaller companies where the directors are very hands-on; just don't let the strategy part get squeezed out all together.

FORMALITIES

First and foremost for a board meeting you need to establish whether a quorum exists (enough directors to make decisions). If not, then it needs to be minuted and the meeting can still go ahead, but only those decisions not requiring board approval can be made.

You should record the apologies and establish any focus for this meeting, as decided by the meeting chairperson. It is a good idea to make sure everyone knows the time expectations, so you know in advance if someone is going to have to leave early.

Next you should review and approve the minutes of the previous meeting. At this point, you can choose to review all the action points in detail, but we prefer to save these and review them in the agenda item where the action was created. This avoids the risk of discussing all the key issues before you've technically even started the meeting.

We then like to add in 'Any Other Business'. You may be used to seeing this at the end of meetings and they can be a real time-zapper. Instead of that 'one more thing' list just as you wrap up, we flush out the extra topics right at the start. Here we can then agree which items need the most time and where they will go in the running order. It may be that we agree it will be dealt with elsewhere, or perhaps covered in an existing agenda item. If the latter, then the chairperson should note this on the agenda so it is not forgotten.

Before we move on, we like to include one more 'formalities' item – 'Decisions since last meeting'. In the real world, we don't wait for a board meeting to make some key time sensitive decisions, but there is a risk they never get recorded – including the reasoning behind the decision. It is only for the board-level things but it is good practice to capture what's been agreed between meetings for future reference. You will be grateful one day.

"AIM TO SPEND NO MORE THAN 15 MINUTES ON THE FORMALITIES AND GOVERNANCE"

GOVERNANCE

There are a few things that you should be doing to demonstrate you are fulfilling your director's duties,and complying with the Companies Act.

'Conflicts of Interest' is a subject covered in some detail in the Act. It is sufficient here to note that there are no conflicts of interest to be recorded (assuming there are none).

A Risk Register demonstrates that the directors have a system for managing risk, which is one of their responsibilities. Some larger companies even have a Director of Risk Management. There is a really useful guide published by the ACCA (Accounting body) with useful templates. See the Resources section of the website.

A Hospitality Log is recommended by the Bribery Act 2010 as an effective way of demonstrating transparency in all business dealings which involves gifts or favours (above an agreed minimum amount). You should have included reference to this in your Employee Handbook or elsewhere. You can see an example checklist for relevant employees to sign on the resources page of the website.

Directors agree policies to direct the company in response to their chosen strategy and how they wish to do business. Policies are more than just what appears in the staff handbook – they could include how suppliers are paid, or a pricing and discount policy, for example. A 'Policy Review' item on the agenda allows for these to be reviewed on a rotating basis through the year, and someone needs to have ownership of this.

REPORTING

This is the section that can easily get out of hand. It is where the Senior Management Team meeting can override the normal level of review that a board would do, and get in to way too much detail. In a larger firm, everyone has to have their slot so this can take hours. You need to make sure you have all the main business functions covered, and it is worth putting them in order of importance. You might change the order from one meeting to the next depending where the urgent issues are. To help manage time in the meeting, we strongly recommend that all areas submit a report several days prior to the meeting, and that all attendees are required to read these (compiled in to a Board Pack perhaps). The reports should be concise and fit on to one page if possible. There should be an explicit statement at the bottom saying what decisions or support is required from the meeting. The areas to be covered will vary from company to company but will probably include:

Health, Safety & Environment

People

Quality / Customer Concerns

Marketing (Lead Generation)

Sales (including forecasts)

Finance (P&L, Balance Sheet & Cashflow)

Engineering/Design

Operations

With this many items, and an overall time allocation for 'Reporting' which could be 2 hours, each section needs to be limited to an average of around 15 minutes. Some will need more, some less. You can see, however, that several subjects could easily spill over in to more than this if allowed.

"REPORTS SHOULD BE CONCISE AND SHOULD FIT ON ONE PAGE IF POSSIBLE"

STRATEGY

As noted above, in a meeting with lots to cover and several hot issues that need air time, this section can easily get squeezed out at the end. It is always easier to focus on the short term and not worry about what's round the corner. It is clear with this approach though that you never fix the longer term issues and you don't stand much chance of delivering on the strategy.

Ideally, pick the top three to five 'Strategic Projects' to review and ask for reports prior to the meeting, just like with the section above. It is not intended that this becomes a strategy workshop, or that this meeting 'works the issues' of the strategic projects; that should be happening elsewhere. You do need enough detail though to make sure the project is on track and for everyone to be aware of key areas that they need to support.

If you consistently get project owners declaring a nil report, then it is appropriate in this meeting to ask whether this project really is as critical as was thought, or maybe whether the right person is in charge of it.

If you never review anything strategic then you need to admit you are running the company from down in the engine room rather than up on the bridge of the ship. Watch out for those icebergs.

CLOSE

At the end of the meeting, just as everyone has had about Enough and wants to rush off, it is important to close things properly. First agree the date of the next meeting while you have everyone's attention. Doing this later can be very difficult and require several repeated attempts, by which time you may find a longer gap has elapsed between meetings than you planned – or worse you forget altogether and it is months later before you realise.

Then in the interests of continuous improvement, ask the meeting attendees what they thought of the meeting. Did we have enough time? Did we spend it on the right things? Were we missing any key people? Was the preparation OK? It is the chairperson's role to take a note of this feedback, add it to their own, and then to deal with problems outside of the meeting in one-to-one sessions with each of the directors and other attendees.

"IT IS ALWAYS EASIER TO FOCUS ON THE SHORT TERM AND NOT WORRY ABOUT WHAT'S ROUND THE CORNER."

03
MEETING PREPARATION

BOARD MEETING BASICS

THE KEY ELEMENTS

These are the main areas we have found where you can make a real difference to the effective running of the meeting, and you need to start at least a week before the meeting.

Agenda

Reports

Action Progress

Board Pack

AGENDA

The elements of the agenda were discussed in Chapter 2, but now we have to set the meeting up so that it all works. Firstly, you need to agree some approximate timings per agenda item. You won't hit these times exactly so don't over think it; just a rough guide to see if your three hour meeting has six hours of content. See Chapter 6 on meeting software for ways to make this easier. Then, allocate an owner to each agenda item. They may do no more that give a brief verbal update, but it's better to be clear who is leading the discussion at each stage and it stops the chairperson being the main one who does the talking It's worth at this stage being clear about the main topics that will be discussed in each agenda item this month, and adding that as a subheading on the agenda. This gives the attendees advance notice of the main topics that will come up and allow them to prepare.

REPORTS

Now this is the part where you get the agenda item owners to write their reports prior to the meeting. You want to circulate them in advance and you don't want to have the authors reading them out to the audience. We can all do that in our own time beforehand. This has the advantage of giving you time to gather your thoughts on a subject and ask any clarifying questions.

We would advise trying to get everyone to adopt a common template or format. When you are reviewing several, one after the other, it can be a lot easier if you are familiar with the general layout so your eye knows where to go to get the key points or the decisions required. See the next chapter for tips on how to write a good board report.

ACTION PROGRESS

Rather than waiting for the meeting itself to name and shame those who haven't done their actions, do this in advance. It is less embarrassing for the action owner if they haven't made progress, and they still have the opportunity to complete it. Go through all the open actions in the previous meetings and contact the owners for an update.

BOARD PACK

Lastly, compile the agenda, the open action statuses and the reports in to one long PDF document and circulate to attendees at least a day in advance of the meeting. See Chapter 6 on meeting software for ways to make this easier to do.

"YOU NEED TO AGREE SOME APPROXIMATE TIMINGS PER AGENDA ITEM."

"GET **EVERYONE** TO ADOPT A COMMON **TEMPLATE** OR **FORMAT**"

04
WRITING A GOOD BOARD REPORT

GOOD **BOARD REPORTS**

OVERVIEW

Do not confuse data with information. So many reports we see present the same graphs or tables of data each month. They leave the reader to do the analysis by eye to work out what is going well or badly and what needs discussion. This is not good practice.

It is the job of the report author to distil the essence of it all in to easy-to-digest points which trigger meaningful debate.

There are clearly some areas of the business which are more data rich than others, but that is no excuse to present it in its raw form. This can all be added as an appendix and be available for a deeper dive in the meeting if needed. This is one of the reasons we strongly recommend having a common report template which forces the author to think their way through the story they want to tell and tee up the discussion.

HEADLINE

Think like an advertising copywriter: the headline is the ad for the ad. Summarise the whole page in one sentence. Keep it short (like a tweet – 140 characters?) Something like 'A great month overall, but disappointing to lose out on the Paris tender. A big month coming up with 4 large bids closing.'

REPORT FORMAT

We recommend a simple one-page format with the following sections:

HEADLINE
KPIS
LAST MONTH
NEXT MONTH
KEY DECISIONS/DISCUSSION

And that's it. All the remaining supporting information can come in subsequent pages for support, but you should be able to see the key points on this first page.

KPIs

Everyone has KPIs, in fact we all have loads of them. People seem to have forgotten what the 'K' stands for. So for the truly key KPIs, put a small graph or two in the report, showing the trend against target and last year. Maybe include a YTD cumulative chart as well if relevant.

Only include the KPIs though that are part of the story this month. If one measure is way off target and the others are OK, just include the one we all need to talk about. Don't bury the ad news in a page full of data. Don't use the same set of measures every month out of habit. Remember, you are telling a story.

LAST MONTH

What happened, compared with what should have happened? Refer to last month's report and remember you are writing the sequel, not a completely new book. Bullet points are good to list the headlines, but don't make it so cryptic that no one will be any the wiser from reading it – this has to be a standalone document that makes sense.

NEXT MONTH

Get everyone ready for what is coming and announce your priorities for the next month. They can then offer support, or suggest different priorities if they disagree. To start with you may find yourself being way too ambitious but this will soon settle down with experience.

This is where you can include a forecast, or alert people to challenges ahead. It also helps to trigger a discussion on what is not being done. If there are more things to do than hours in the week then talk about increasing resources or re-prioritising. There is nothing heroic in all storming off expecting to do the impossible when you know it can't be achieved. That's not management, that's just reckless.

DECISIONS/DISCUSSION

This is the key point. If nothing else, a reader in a hurry should be able to read the headline in this section and know all they need to know. Be honest about what will need to be discussed by the board. This isn't a competition to get finished the fastest, or 'get it over and done with'. If that's how some of your board feels, then you've probably got them on the wrong seats in the bus.

TEMPLATE

We have developed a template to include all the above with some examples. See the resources section on the website to download it.
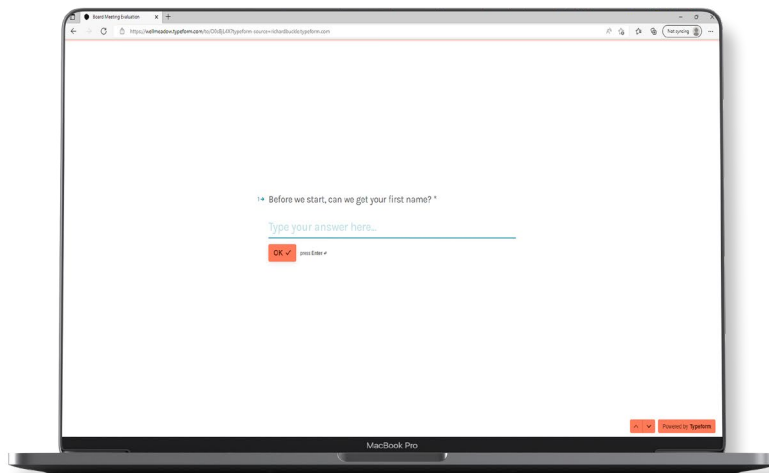
"THINK LIKE AN ADVERTISING COPYWRITER: THE HEADLINE IS THE AD FOR THE AD. SUMMARISE THE WHOLE PAGE IN ONE SENTENCE."

05

HOW TO RUN A BOARD MEETING

RUNNING A **BOARD MEETING**

OVERVIEW

Running meetings is a whole subject in its own right. By the time you read this we may have published an e-book on that as well. For now, let's focus on some of the main points:

The chairperson
The facilitator
The minute taker
Timekeeping
Minutes
Action recording
Presentations
Laptops
Interruptions

THE CHAIRPERSON

The board chairperson is a specific formal role and there may be provision in the Articles of the Company defining how one is appointed. Whilst you will try to manage by consensus wherever possible, should a decision come down to a vote, then often the chairperson will have a casting vote for use in stalemate situations. This will also be defined in the articles. It is particularly critical in small boards where votes are more likely to be evenly split.

The chairperson owns the process and is responsible for getting the right outcomes from the meeting. It is 'their meeting'. This doesn't mean they have to facilitate the meeting though, and often it is better if they don't (see below).

THE FACILITATOR

As noted above, this could be the chairperson but can also be delegated to another member of the meeting who has particular skills at this. It is not everyone's strong suit.

The facilitator's role is to act on behalf of the chairperson to get through the business in a timely fashion, to get the right discussion and the right actions agreed. They will call each agenda owner in turn to give their report and to lead the discussion.

It is also important that the facilitator can command the room and isn't talked over. They will need to be able to interrupt and ask the meeting to consider 'taking an issue offline', or maybe pointing out that the timing is running over and asking if everyone can support a later finish.

They should check that previously agreed actions are discussed and closed or commented on. It's a tricky job sometimes. It's what we do when we attend board meetings and the owners (chairperson) at our clients are relieved to have someone else doing it for them. They don't feel they lose power – they have more time to observe and contribute.

THE MINUTE TAKER

Sounds simple enough but minute taking is an art-form. You either want a verbatim transcript like a court recorder, nor a simple action list.

This is a board meeting and as a director you may one day be relying on these minutes to defend you when you are sued by a disgruntled shareholder, creditor, customer or whomever.

The minutes need to capture the essence of a discussion and the rationale for any decision taken. They must demonstrate that the impact on all stakeholders has been considered, and what range of views were expressed. They should also be careful to word certain exchanges sensitively, mindful that one day they may be read out of context.

Remember, board minutes are a legal document. Not many directors realise that all discussions of company directors are legally required to be minuted.

Under the Companies Act 2006, every company is required to take minutes of all proceedings of its directors, which must then be retained for 10 years from the date of the meeting. Also don't forget 'The Power of the Pen'. History is written by the victors or, more accurately, the minute takers of the victors.

Those really on their game can facilitate and take minutes at the same time. This is a rarer skill than you'd think but can be perfected with practice.

IT'S ANOTHER PART OF WHAT WE DO FOR OUR CLIENTS.

TIMEKEEPING

Some people like the sound of their own their voices and need to be politely reminded from time to time that we need to move on. It can be done quite professionally and is often met with cooperation. If an item really needs more time, then it is best to have a quick process 'time out' before continuing to ask whether we are going to drop another agenda item or run over. It also helps if you start on time. If you have late arrivals we suggest making a start anyway and letting the late arrivals catch up.

MINUTES

Lots of sets of minutes are taken as draft notes during the meeting and then typed up later. Sometimes a lot later. This has a number of disadvantages, including the opportunity to misrepresent the discussion, miss a key point that was made or miss an action. You have no opportunity then to ask for clarification.

The alternative is to write complete minutes live in the meeting, project them on a screen for everyone to see and send them out at the end of the meeting. This is what we do in our meetings and it is incredibly effective. It's not easy to do though, and the most proficient typists have been known to freeze as soon as the results of their key bashing is visible to all. You soon get used to it though and it becomes invisible once the novelty has worn off.

ACTION RECORDING

It is critical that actions are recorded explicitly, with a clear description of what needs to be done with its context, an owner and a due date. It is amazing how often we see minutes with very unclear actions, and yet one could argue this is the only real output of the meeting that will change anything.

We are also sticklers for recording the update on old actions, even if it is to say 'No Progress'. If an action is several meetings old then it can be illuminating (and often motivational) to the owner to see several comments listed saying that nothing has been done. There is nowhere to hide.

PRESENTATIONS

With all the preparation that went in to the reports, agenda item owners often want to have them projected to the front of the room. This can help the speaker to have something to refer to while talking and allow for certain parts to be highlighted.

It also allows the other attendees to cope with not having their Board Pack with them or not having read it in advance.

On balance we agree that the presentation material needs projecting. We just try to stop the presenter from reading it out to us (we can read it on our own, thanks) and to focus on the discussion it is triggering instead.

You may see there is a conflict in what we have described now as we will be using the projector to show the minutes taking shape in real time and we also need to display the reports. You can get round this with split screens (using two windows side by side) or using meeting software. Inevitably you will want one window to be enlarged when there is a lot of detail to be read, but this is possible by maximising that window when needed.

LAPTOPS

Opinions vary on whether it is a good thing to have laptops in the meeting room. On the one hand it means that participants can view their copy of the meeting pack on their own device and, if needed, they can also use it to get more detailed data when the discussion calls for it. You have probably witnessed the problem though. Less engaged attendees tend to check their email during the meeting, or put the finishing touches to their presentation instead of listening to the presenter and taking an active part in the meeting. On balance we prefer those meetings where there are no laptops, or at least they are kept closed unless needed. Tablets are good for displaying the board pack instead, and they are less likely to be used to type an email on or finish a late presentation.

INTERRUPTIONS

It's very rude but at several companies there is a culture of accepting phone calls in meetings, responding to texts or of having the meeting interrupted by a visitor.

We have found the best way of dealing with this if you can is to stop talking and typing, and wait for the interruption to pass. The guilty party soon gets the message and leaves the room.

"THE MINUTES NEED TO CAPTURE THE ESSENCE OF DISCUSSION AND THE RATIONALE FOR ANY DECISION TAKEN."

MEETING SOFTWARE

MEETING SOFTWARE

OVERVIEW

Meeting software has been mentioned several times in these chapters. It was the challenges we describe here that led us to commission bespoke software to help us to manage our meetings. Apologies in advance if this chapter reads like a bit of an advert. The software we have written and use daily is called Magic Minutes. We are sure you can achieve something similar using other software packages, so even if our software isn't for you, it will hopefully give you some ideas of ways you can improve your own meeting process using technology.

BENEFITS

We can honestly say that we couldn't run our meetings without using dedicated software. There is just too much going on. The main benefits are:

Automated emails to chase report submissions

Automated emails to chase action status updates

Automatic Board Pack creation

Action status comments

Powerful search and sort to show all actions owned by any one person, by status

Easy minute taking using snippets of common text and importing text from reports in to the minutes

Time tracking of each agenda item which can be reviewed to refine the timing estimates

Split screen to present reports and minute taking at the same time

Easy reference to previous minutes

THE SOFTWARE MARKET

There are a number of dedicated meeting management and minute-taking products on the market. To get a good overview of what is available it might be helpful to visit Capterra to see what each product offers. The scope of product is broad with prices ranging from £30k per year solutions to £5 per month options. Many of the products on offer focus on board pack creation and are designed to address the needs of boards of directors who are geographically distributed and need to share sensitive documents. With a desire to run highly effective meetings but minimise meeting admin, we struggled to find the right solution. The result was to write our own software to help us run the types of meetings we wanted to be involved in.

SUMMARY

Using dedicated minute-taking software can help you run more effective meetings with regards to preparation and facilitation, Ancillary benefits such as time spent discussing topics, action/task completion metrics, and attendee tracking, can all provide another level of insight into your meeting culture. We do hope though that you have gained some insights into how meeting software can be used as an effective tool to help you run action-focused, productive board meetings.

NOTES
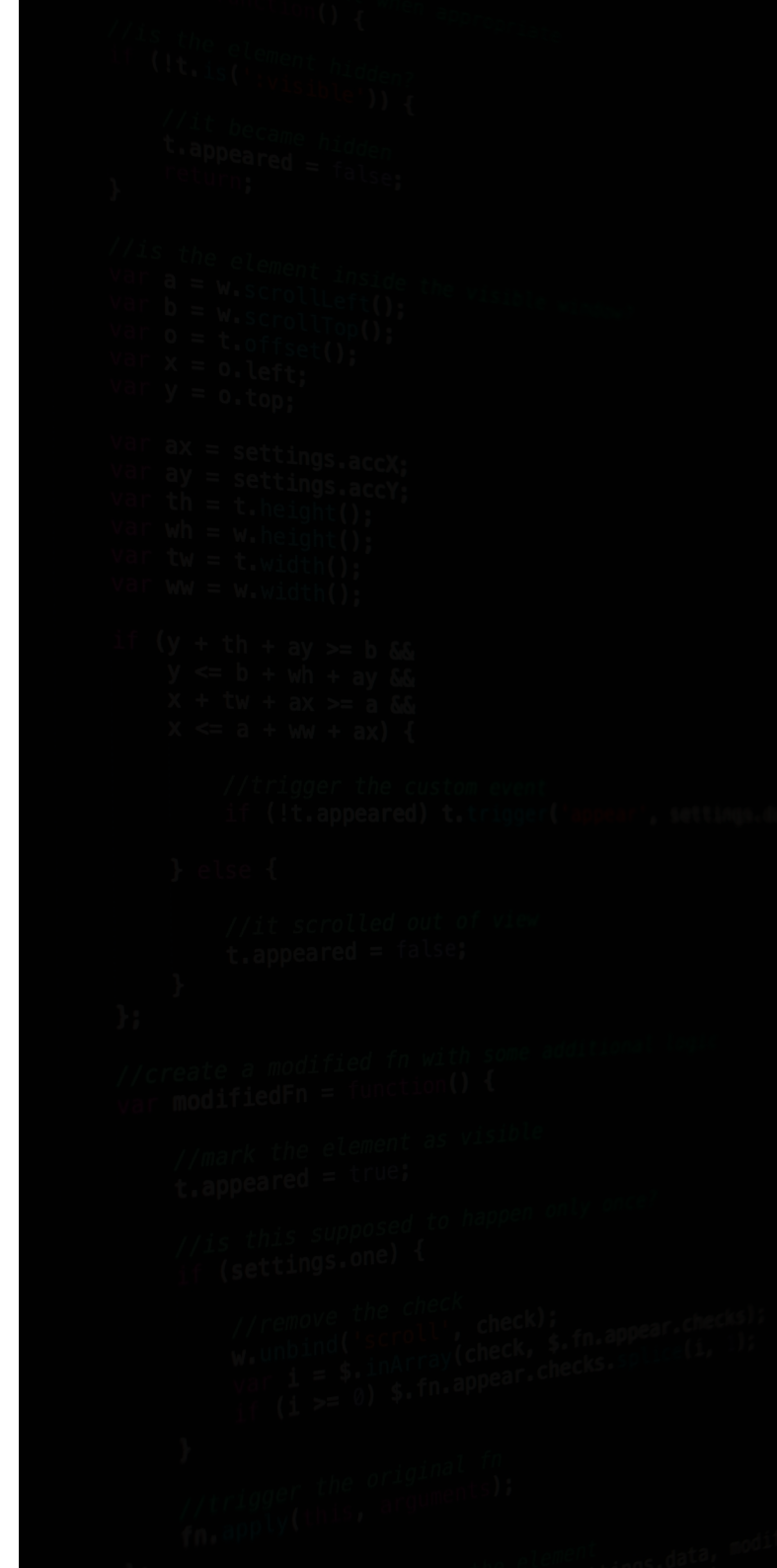
WHAT'S NEXT

So that's the theory of running a good board meeting. Now you need to put it into practice. If you want to bounce ideas off us, ask any questions or give some feedback on a better way, then please get in touch.

If you'd like to discuss having us chair your meetings for you, in person or over Zoom, then we are here to help. We provide this service as part of our non-exec board support.

When you are ready, scan the QR code below or click here to book a half hour meeting to talk about the pros and cons.

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