

What Makes a ‘Good Board’?

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What makes a good and effective board? Having recently conducted a Board Review for an Australian publicly listed company, I was reflecting on what, if any, consistent themes are evident in those boards that appear to operate more effectively than others.



Based on the work I have done over more than a decade with boards and other governing bodies both in public, private and not for profit sectors, I started to jot down some thoughts.

While I am not sure you would say these factors make for a ‘good’ board (whatever that might be) there are clearly some consistent elements on display by those boards that appear to operate effectively.

They include the following:

- An openness and honesty around the board table and a recognition that each director/member comes to the boardroom as an equal with a valid contribution to make (sounds obvious, but does it always happen?)
- A healthy and robust relationship between the Chair and CEO. A relationship that encourages a sharing of information, ‘no surprises’ and accountability.
- Carrying on from the above point – a Chair who possesses the capacity and insight to know how and when to let debate flow and how to pull together a group to come to a decision.
- A recognition that an effective board meeting requires a balance of governance or process and flexibility (the real skill is to know when each applies!)
- A diversity of membership (this includes not only gender, but skills, age and ethnicity).

While I would doubt whether anyone would find the above comments 'earth shattering', nevertheless I would not be surprised if many boards feel they fall down in one or other of these areas. How can your board be improved?