The high performing board – a checklist for a “pulse check”

Directors want to be associated with a high performing board, so a key question for every director is: “What are the things that outstanding boards do more frequently, and more effectively than their poorer performing counterparts?”

Whilst there are several differentiating factors, perhaps a key one is the way in which the board focuses on continuous improvement. According to research undertaken by the Australian Council of Superannuation Investors (ACSI) (see HERE),

“...good boards tend to go through a process of continuous self assessment – discussions that have been had throughout the year ought to be fed into the formal evaluation process”.

So how should a board gather regular, ongoing feedback about its performance? And what is the best way to feed this into an annual board evaluation?

One approach involves undertaking a board ‘pulse check’... a quick review of what went well and what could have been done better at the end of each meeting. Many boards and committees take 5 or so minutes at the end of the meeting to check for common understanding of meeting outcomes, and to review their performance. But this practice frequently suffers from several limitations, including:

- Checking for common understanding can result in a rehash/repeat of information discussed at the meeting, and not add much value
- May not hear from every director (more vocal directors may dominate)
- Directors may not feel comfortable sharing negative
feedback
  - Feedback may not be formally captured or recorded
  - Feedback is rarely fed into the formal board evaluation process

So what is the best way to undertake a board pulse check that contributes to continuous improvement of board functioning?

The following checklist includes the key elements of an effective board pulse check: