

Actuaries in the boardroom - is it for you?

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Good boards and bad boards

Why a Board?

Why you?



Good boards, bad boards

Good

- Trusted CEO
- Experienced Chair
- Clear, sensible and achievable strategy for business
- Good mix of skills and experience on board
- Well run company – performance & risks

Bad


- Controlling dominant CEO
- Dysfunctional board and/or board members
- Insufficiently experienced board members on the business
- Independent vs expert!
- Company resources insufficient or not fit for purpose




Why a board?



Broader perspective gained



Interest/passion for the business?



Great contribution to a broader career portfolio



What's required of a director?

Understand the role of a board member vs management

- Need both strategic and governance input, not just governance
- Diligent and constructive approach to meetings and issues
- Skilled, value added input (as judged by other board members and management)
- Right cultural fit, lead from the top and understand all stakeholders
- Puts in the effort especially when going gets tough
- Physically and mentally present!
- Shows good judgement

AICD qualification



Collective decision making traps?

Groups are smarter than individuals except where:

- Group think / false consensus
- Confirmation bias – weighting information that supports beliefs
- Optimism – over state the opportunities
- Past beliefs and/or sunk costs
- Inappropriate framing of the issue
- Indecision



Why you?

What would you bring to their board that they do not already have?



GM CHAIR 1956

“ gentlemen.....

I take it we are in complete agreement on the decision here.....

Then I propose that we postpone further discussion to give ourselves time to develop disagreement and perhaps gain some understanding of what the decision is about”

Q&A....