

BOARD

Board meeting agenda

The purpose of a board meeting agenda is to improve the effectiveness of board meetings. It is the tool the chair uses to keep boardroom discussions focused. Although each board will have an agenda that reflects specific topics of relevance to a company at that time, a number of general items will be included on most agendas.

A good agenda alerts directors about issues that will be discussed at the meeting. It can help executives prepare to discuss issues with the board and to develop related board papers. An agenda helps the chair ensure that all issues are dealt with in an appropriate order and depth during the meeting.

A well-designed agenda allows directors to add value and avoid trouble by better contributing to the organisation's long-term strategies by adding future-oriented topics to the agenda. For example, in a time of rapid change, increased complexity and uncertainty, boards worldwide are faced with issues such as how they can effectively monitor corporate culture, digital disruption, cyber security, the implications of artificial intelligence and the need for innovation. The question is, when does the board get time to discuss these matters; the answer is by adding them to their annual calendar and meeting agendas.



An agenda helps the chair ensure that all issues are dealt with in an appropriate order and depth during the meeting.

An important part of designing an agenda is the screening process. Given the range of issues and limited time that most boards will have to deal with them, it is important for an agenda to include only those items that are ripe for productive discussion, and where some decision can be reached. If the item is not developed enough for productive discussion and more information is needed, it may be appropriate to delay inclusion until a later meeting. Similarly, if there is insufficient time to prepare accompanying documentation to aid decision-making, it is often better, if at all possible, to leave the item until another meeting.

Deciding what to put on the board meeting agenda is a process that commences as soon as the previous meeting ends. Apart from the standard items included in every agenda such as director conflict of interest disclosures and the CEO's report, the agenda and minutes from the previous meeting should be consulted so that any items that were carried over are certain to be included.

The agenda is usually prepared by the chair with assistance from either the CEO, the board secretary or both. Sometimes the chair will draft the agenda and the others will review it, sometimes it is done in a meeting with all contributing and sometimes it will be drafted by an executive with the chair providing comment or revising the draft.

Most chairs will invite the other directors to contribute ideas for the agenda. This may happen annually, before each meeting or both. The chair, however, has the final say on what appears on the agenda.

Points to consider

- The following should always be recorded:
 - Who was invited to the meeting;
 - Any person who will not be present for an item on the agenda (important for managing conflicts of interest); and
 - The meeting start-time, location and expected end-time.
- Some companies identify each meeting with a unique number. If the board adopts this practice the agenda should include this number. If a numbering system is not used, the date will suffice.
- A good agenda will list all the items of business and also specify the expected outcome of the discussion: a decision, a discussion, formal acknowledgement that an item has been before the board (usually referred to as *noting*) or an information session.
- It is helpful to note any decision-making requirements; some decisions cannot be deferred and therefore directors should come prepared to act.
- The most important items on the agenda should be given priority. For example, the following sample agenda focuses on decision making early in the meeting under 'Matters for Decision'. Good design allows sufficient time for directors to focus on future-oriented, strategic decisions when energy and concentration is high. At the same time, it ensures important but typically more routine matters, such as compliance and fiduciary responsibilities, are discharged in an appropriate manner.
- Allocating a certain time for each item helps to ensure that each issue receives appropriate attention.
- The inclusion of an in-camera session in the agenda allows the non-executive directors to raise or explore any issues of concern or clarification prior to the meeting without the presence of management. When an in-camera session is included as a regular agenda item it becomes less threatening to management. It should be noted that in-camera sessions should not become decision-making meetings; decisions are dealt with elsewhere in the agenda.
- Many boards have an annual agenda (set out in the board calendar). This can balance the workload by spreading major topics as evenly as possible across the year and also helps the chair to design the agenda for an individual meeting.
- In the sample agenda that follows, the agenda has been divided into six stages. These stages are the boundaries to show how the agenda can be used to manage time and focus the discussion.
- To improve the efficiency of board meetings, a starring system can be used to separate non-controversial agenda items in 'Other Matters for Discussion' and 'Matters for Noting'. Starred items are those items that require discussion. These items are designated with an asterisk (*) in the agenda. Any director can request a paper for decision or paper for noting to be starred. Un-starred items are approved in accordance with the relevant draft resolution, without discussion. The starred items on the agenda are discussed individually at the appropriate point in the agenda. All un-starred items in the agenda will then be taken to be approved or noted in accordance with the draft resolution, which appears in the relevant board paper.

Good design allows sufficient time for directors to focus on future-oriented, strategic decisions when energy and concentration is high.



A SAMPLE BOARD AGENDA

[Name of Company]

Board Meeting Agenda

[Date and Time]

[Location]

NO	ITEM	ESTIMATED TIME
1.	In-Camera Session	30 minutes
2.	Meeting Opening	30 minutes
	2.1 Apologies	
	2.2 Director Conflict of Interest Disclosures	
	2.3 Previous Minutes	
	2.3.1 <i>Confirmation</i>	
	2.3.2 <i>Matters Arising/Action List</i>	
	2.4 Starring of Items	
3.	Matters for Decision	60-120 minutes
	3.1 Major Strategic Decisions	
	3.2 Routine Decisions	
4.	Matters for Discussion	60-120 minutes
	4.1 Chief Executive Officer's Report	
	4.1.1 <i>Current Significant Issues</i>	
	4.1.2 <i>Matters for Approval</i>	
	4.1.3 <i>Update on Strategic Plan Implementation</i>	
	4.1.4 <i>Major Key Performance Indicators</i>	
	4.1.5 <i>Risk and Compliance Update</i>	
	4.1.6 <i>Matters for Noting</i>	
	4.2 CFO's Report	
	4.3 Discussions Concerning Forthcoming Strategic Decisions	
	4.4 Committee Minutes	
	4.4.1 <i>Audit and Risk Committee</i>	
	4.4.2 <i>Nomination Committee</i>	
	4.4... <i>Other</i>	
	4.5 Other Matters for Discussion	
	4.6 Chair's Update	
	4.7 Presentations by Management	

A SAMPLE BOARD AGENDA *continued*

NO	ITEM	ESTIMATED TIME
5.	Matters for Noting	10 minutes
5.1	Major Correspondence	
5.2	Common Seal, if applicable	
5.3	Updated Board Calendar	
5.4	Other Matters For Noting	
6.	Meeting Finalisation	10 minutes
6.1	Review Actions to be Taken	
6.2	Decisions/Items for Public Disclosure	
6.3	Meeting Evaluation	
6.4	Next Meeting	
6.5	Meeting Close	

Source: Kiel, Nicholson, Tunny & Beck, *Directors at Work*, 2012, Thomson Reuters Australia Ltd, p. 472.

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