Effective Board Reporting
- The Findings
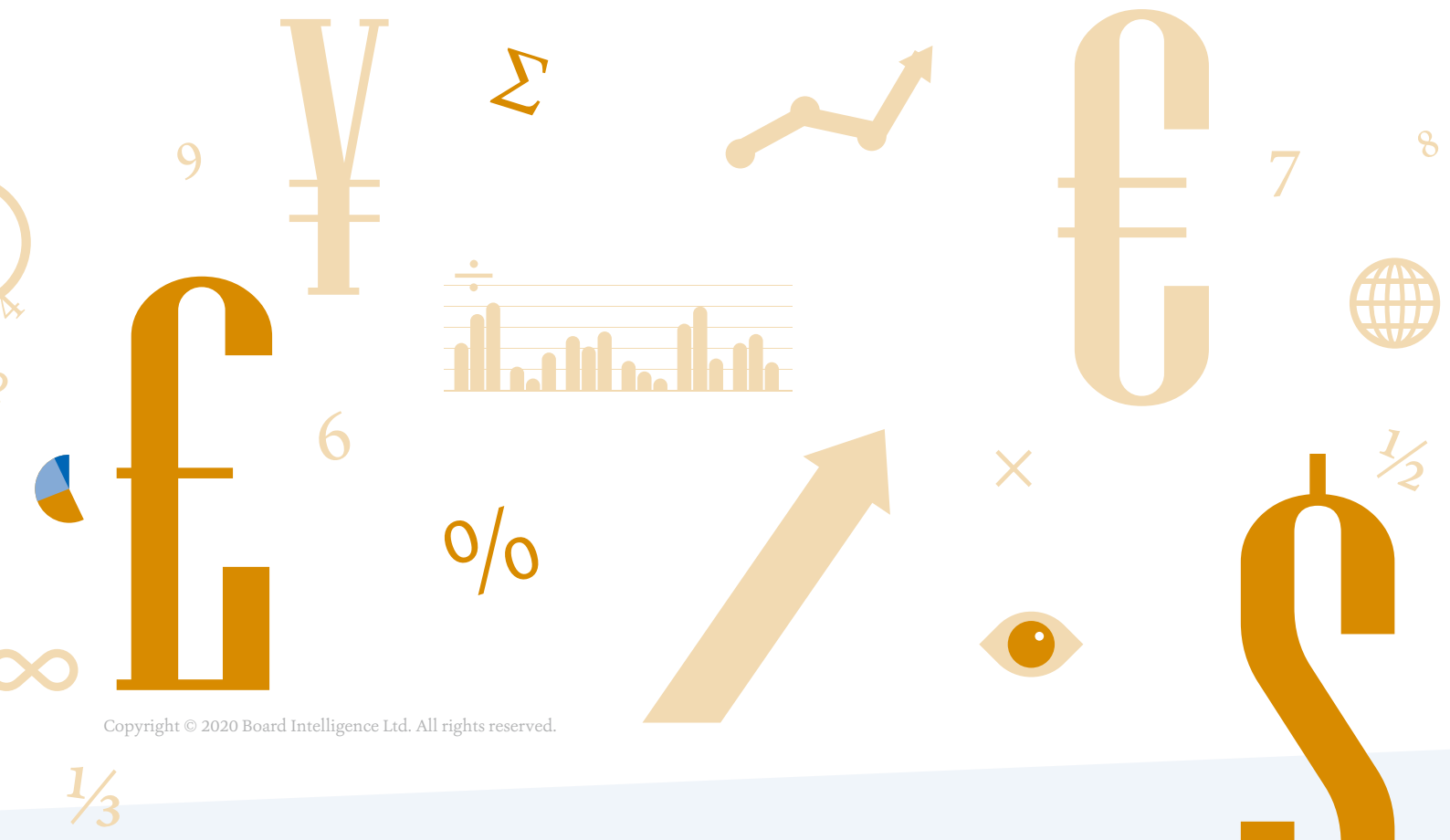
BOARD
INTELLIGENCE

Introduction

At Board Intelligence, we have worked with organisations of all sizes and analysed what works well in effective board packs, from the volume and structure of the content of the pack to the process used to create it.

We partnered with ICSA: The Governance Institute to collect data from over 1,500 governance professionals and assess how much time and budget organisations spend on board packs.

The Findings

Board packs are getting longer

Our research was the first to quantify how much time and money organisations spend on preparing and distributing board packs. The evidence from the our Board Reporting Calculator is that costs are soaring, and the length of the board pack is growing at a worrying rate. Our analysis banded organisations by turnover size and, for each band, the average board pack is at least 50 pages longer than it was a year before. The board packs of organisations with a turnover of more than £500 million are now over 300 pages long, and even those of the smallest organisations are a hefty 180 pages.

Board pack costs are soaring

The analysis also shows that the resources that go into preparing, distributing and reading the board pack remain high. The average cost for large companies is £3 million a year, rising to an average of £7.5 million for the very largest companies. In other sectors, the time commitment required is perhaps even more concerning than the cost. Small charities devote an average of 525 days a year to the board pack — a significant share of their resources — while for large public sector bodies it eats up a staggering 4,000 days a year.

These are substantial amounts of money and time. So is the investment paying off in terms of the quality of the board papers and the enhanced effectiveness of boards? Judging by the data gathered from our 'Assess Your Board Pack' online tool — it would appear not. Nearly two-thirds of those organisations assessed their packs as being 'weak' or 'poor' overall.

Board papers miss the point

As the primary purpose of board papers is to enable boards to have focused conversations about priority issues, it is very concerning that 64% of users felt that their own board papers are not currently meeting that purpose and that over half felt that the key messages in their papers did not stand out clearly.

The 'Assess Your Board Pack' tool asks users whether their organisation follows various practices relating to the board pack. Their answers suggest there are parts of the process of producing board packs to which boards might want to pay particular attention.

Board packs are not improving

Less than half the organisations surveyed provide any formal feedback on whether their agendas are hitting the mark. Doing so would be an easy win. And a third of respondents don't receive a brief on what the board wants covered in their paper. This is one of the largest complaints we hear from management and is often the root-cause of hugely time-consuming rewrites late in the day.

Management teams and boards that we speak to are keen to prepare high-quality papers that support the directors discharging their duties yet nearly 60% of organisations provide no formal training on how to write effective board papers. In addition, nearly 30% do not use templates that could ensure essential issues are covered.

Conclusion

More time and money spent on creating longer board packs doesn't mean better board reporting and more efficient decision-making.

In order to make better decisions, boards need the ability to get straight to what matters most. An efficient board pack can be a powerful tool enabling boards to stay focused on what's important rather than what's most urgent.

From identifying the information boards need, commissioning and writing papers to collating and distributing the board pack and continuously improving its quality, each step of the board pack creation process impacts the final product.

Building a more streamlined board pack production process can slash the time taken to plan agendas, brief, write, edit and share board papers, save considerable cost and most importantly enable better decision-making in the boardroom.

Who are Board Intelligence?

Board Intelligence is the world's only platform that enables boards and leadership teams to focus on what matters the most, ensuring smarter meetings, decisions and actions. We work with a variety of businesses, from FTSE 350 organisations to public sector and government departments, to help create better reports that resonate with board members.

Get in touch with us and book a free demo to discover how your organisation be can transformed by better decision making in the boardroom.

WHO DO WE WORK WITH?

We review hundreds of board packs every year and support listed, privately owned and public sector clients. Including:

- Over 15% of the FTSE 100
- Over 20% in financial services
- Central government departments
- Health and education organisations
- Every governance model (mutual, partnerships, trusts, corporates) and in multiple geographies

WE ARE TRUSTED BY:

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