

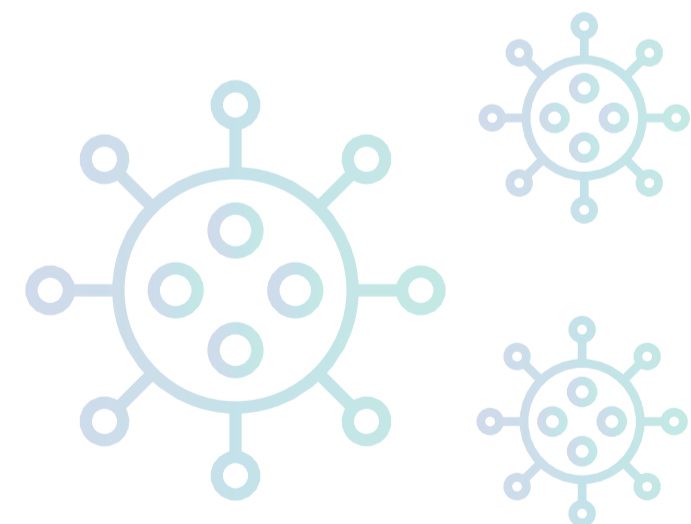
BOARD RESPONSIBILITIES

Amidst COVID-19
and Beyond

Shaping a New Operating Model for Boards

The role of the Board continues to evolve due to COVID-19.

Let's take look at what boards should consider in light of the crisis and explore how the board's operating model might change beyond the COVID-19 era.



Working Through The Crisis

Some considerations for how boards should
continue to respond to the crisis.

01

Consider the well-being of employees.

Together with management, the board should:

- ✓ ensure the safety of employees
- ✓ develop plans for extended remote work as well as for the eventual return to the workplace
- ✓ review health and safety procedures

02

Place succession planning on the agenda.

The likelihood that a key leader might fall sick or be unavailable for an extended period of time is highly probable.

The board should:

- ✓ openly discuss succession risks of positions
- ✓ establish transition plans

03

Establish board reporting & communication procedures.

Transparency is key.

Appropriate disclosures should be made concerning operating status and future operational and financial plans.

The board should:

- ✓ consider forming an ad-hoc COVID-19 committee to address important issues cited by management
- ✓ work with management to assure stakeholders (e.g. *customers, suppliers, partners, investors or key donors*) of continuity

04

Evaluate business impact and risk interdependencies.

The board should review:

- ✓ management's scenario analysis along with their assumptions
- ✓ capital allocation, expenses, and evaluate strategic plans for preserving liquidity
- ✓ dividend policy (given the challenging environment and liquidity concerns), the impact on debt and risk interdependencies, e.g. cybersecurity, supply chain, etc.

05

Continue to develop strategic plans for the medium and long-term.

Longer term plans should be revisited and reassessed as the pandemic's impact becomes clearer.

The board should ask the questions:

- ✓ are our plans still aligned with the organisation's culture, purpose, and values?
- ✓ are we preserving brand equity?

06

Understand the special role of the Chair.

The Chair:

- ✓ becomes a sounding board to the CEO
- ✓ plays the role of advisor and “critical friend” in navigating this crisis
- ✓ sees to it that the board and committees meet as often as needed
- ✓ ensures that governance duties continue on even as meetings are moved to virtual platforms and solutions

Normalising the “New Normal”

As organisations slowly move into the recovery phase, boards will have to adopt a new operating model.

Board Composition

- ✓ Enhancing board diversity should become a priority
- ✓ Boards with diverse experiences, skillsets, and backgrounds will have an edge over organisations with homogenous composition

Board Agenda

- ✓ Should evolve to have items focused on medium to long-term strategy development
- ✓ Management will appreciate the input as well as the challenge

Time Commitment

- ✓ Amount of time boards need to spend addressing the crisis might translate to directors sitting in fewer boards
- ✓ Greater time commitment due to formation of ad-hoc committees
- ✓ May affect director remuneration

Team Dynamics

- ✓ Increase in interaction between the board and the management team should lead to more informal information channels and exchanges

Virtual Board Meetings

- ✓ Lockdowns, quarantine requirements, complex travel logistics and other similar constraints will continue to limit face-to-face board interactions.
- ✓ Boards will continue to recognise the need and significance of virtual board meetings.
- ✓ Going virtual may become the norm rather than the exception.

Modernise Meetings with a Board Portal

- ✓ As boards meetings go virtual, there is a need to digitise meeting workflows from end to end. This is possible with a board portal solution.
- ✓ A board portal is a centralised, highly secure, online hub designed for board administrators and directors to organize and manage meetings, access materials, and communicate with each other.

Transform Your Board with Praxonomy

- ✓ Praxonomy is a practical, affordable, and secure board portal solution.
- ✓ By eliminating paper-based processes, Praxonomy lets you streamline meetings and operations across your board and committees. Board members can review accurate and timely information, collaborate, and obtain decisions in real-time in a highly secure environment.
- ✓ With Praxonomy, boards are able to focus on strategic leadership and good governance.

How Praxonomy Can Help

Praxonomy offers:

- ✓ Meeting agenda and board pack builder with instant sharing and updating
- ✓ Intuitive board pack reader with private and shared annotation tools
- ✓ Minutes-taking, attendance tracking and reporting
- ✓ Meeting notifications
- ✓ Digital signatures for board document approvals
- ✓ Granular information access control and flexible user role permissions
- ✓ Easy configurations and quick implementation
- ✓ Unlimited implementation support
- ✓ Enterprise grade data security
- ✓ Affordable and flexible pricing
- ✓ AND much more..

Learn More

Contact us: sales@praxonomy.com

Schedule a [demo](#) today.

SOURCES:

1. [Stepping in: The board's role in the COVID-19 crisis](#)
2. [COVID-19: 10 ways boards can help guide the business during the crisis](#)
3. [A Checklist for Boards in the New Normal](#)
4. [Boards in the time of coronavirus](#)