



## BOARDWORKS *International*

### **‘Quiet Time’ – When the Board Meets Alone**

The term ‘quiet time’ is used by one board that we work with to describe the time spent alone without management present prior to each board meeting. Another spends half an hour at the front end of every board meeting going over the agenda to agree outcomes to be achieved and to discuss the priority issues for the meeting. Directors also discuss their individual responses to the papers to be presented and discussed, sharing initial thoughts and agreeing how the board should respond to management when papers are presented. The Chairman uses these discussions as a means for designing his meeting management priorities. Yet another board uses the time to ‘catch up’ on a number of fronts mostly, but not entirely, related to board business. Directors discuss visits to sites and share outcomes or learning gained from governance related reading or meetings that they have attended since the previous meeting.

The practice of directors periodically even regularly meeting alone is increasingly being used by boards in all sectors. Different boards use this time for different purposes. One of its most important benefits is to act as a ‘buffer time’ – a transition from the previous activities members have been engaged in (including travel to the meeting) to the board meeting itself.

When boards create ‘quiet time’ together it is important that this is not used to address matters that should be discussed with management. Directors should not ‘caucus’ to form set positions prior to dialogue with management or outsiders although it can be useful to discuss in a preliminary way how it will tackle certain issues on the agenda.

Under normal circumstances the focus of this time should not be a discussion of matters regarding the CEO’s performance. There is considerable potential for a defensive response from management, particularly the CEO, when boards meet alone. So that the trusting relationship between the board and the CEO is not damaged, the CEO needs to know that things are not being said behind his or her back that should be said face-to-face.

There is a trend world-wide for boards to meet alone. Many of the recent major corporate collapses have occurred as the result of board’s ‘losing the plot’ due to over deference to their CEO or because the board had no independent mind. The concept of ‘quiet time’ allows directors the opportunity to discuss governance issues and to ask ‘dumb’ questions of each other without feeling judged by the ‘critical ear’ of management. This time also reinforces the notion of the board as an accountable and liable ‘team’, recognizing of course that the CEO is an essential player in most board decisions and actions.

The other thing we should emphasise is that, to be most useful, this time should be found before the meeting starts, not at its end. Then its value in easing members into board meeting mode can be realised and any issues that are raised can be dealt with during the meeting.