



Common challenges emerging from Board Reviews – *and what to do about them*

This two page guide outlines the most frequent challenges identified in board effectiveness reviews across key areas of governance. For each, we've suggested practical actions boards can take to deliver meaningful improvement and sustained organisational impact.

1) Composition

Challenges:

- Overlap in director skills and experience
- Gaps in future-relevant capabilities (e.g. digital, ESG)
- Lack of cognitive or experiential diversity

Actions:

- Conduct regular skills matrix assessments aligned to strategy
- Refresh board composition using clear renewal criteria
- Prioritise diversity of thought, experience and background

2) Chair leadership

Challenges:

- Lack of clear leadership or facilitation in board meetings
- Over-dominance or passivity from the Chair
- Weak follow-through on board decisions

Actions:

- Provide structured feedback to the Chair (e.g. via Director 360) via a trusted Senior Independent Director
- Clarify Chair role expectations and succession planning timeframes with the board
- Encourage periodic self-review by the Chair

3) Board culture

Challenges:

- Low levels of trust or candour
- Groupthink or deference to dominant voices
- Ineffective debate or low participation



Actions:

- Use external facilitation for culture conversations
- Include culture as a component of board evaluations
- Rotate committee memberships to shift dynamics

4) Stakeholder management

Challenges:

- Limited insight into stakeholder sentiment or expectations
- Reactive rather than proactive engagement
- Unclear stakeholder ownership within the board

Actions:

- Map stakeholders and define board engagement priorities
- Use stakeholder feedback as input into strategy and risk
- Assign responsibility for stakeholder themes to specific directors

5) Board / Management relationship

Challenges:

- Blurred boundaries between governance and operations
- Over-reliance on management for insight or challenge
- Friction or misalignment with CEO and executives

Actions:

- Clarify governance vs. management roles and protocols
- Encourage board-only discussions for critical reflections
- Establish regular, structured CEO–Chair check-ins

6) Strategic oversight

Challenges:

- Insufficient time spent on forward-looking issues
- Lack of alignment on long-term direction
- Strategy discussed, but not actively shaped by the board

Actions:

- Set clear expectations for strategic input from directors
- Allocate board agenda time for horizon scanning and innovation
- Track progress against strategic milestones and pivot points



7) Risk management

Challenges:

- Focused on compliance rather than emerging risks
- Fragmented view of enterprise risk
- Infrequent or inconsistent risk discussions

Actions:

- Review board risk appetite statements regularly
- Integrate ESG, cyber, and geopolitical risk into board discussions
- Conduct deep dives into material risks at least quarterly

8) Board processes and papers

Challenges:

- Overly long or unclear board packs
- Meetings lack clear objectives or prioritisation
- Reactive agendas driven by management

Actions:

- Streamline board papers for clarity and relevance
- Introduce executive summaries and decision framing
- Use an annual board agenda planner to shape forward focus

9) Monitoring Executive team performance

Challenges:

- Limited visibility into executive capability and impact
- Performance reviews focus solely on financial outcomes
- Lack of succession planning for executive roles

Actions:

- Introduce structured executive performance reporting
- Use CEO and executive 360 reviews
- Request talent insights from HR or Chief People Officer

10) Committee effectiveness

Challenges:

- Variable performance across committees
- Poor reporting back to full board
- Lack of clarity on delegated authority



Actions:

- Evaluate each committee annually
- Clarify committee charters and authority
- Rotate committee membership and leadership periodically

11) Talent, succession and remuneration

Challenges:

- Board not deeply engaged in succession planning
- Remuneration frameworks misaligned with strategy
- Talent pipeline visibility limited to top 2–3 roles

Actions:

- Integrate talent and succession into board agendas
- Review alignment between performance, pay, and values
- Engage with management below executive level periodically

