

BOARD LEADERSHIP: SUPPORTING YOUR CHARITY THROUGH THE NEXT PHASE OF THE PANDEMIC

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CHAMPIONING
VOLUNTARY
ACTION

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WHAT WE WILL COVER

- The role of the chair and the board in supporting organisations in the next phase
- Challenges and opportunities which the easing of lockdown presents for trustees
- Tips and resources to help boards plan in a period of significant change.

THE ROLE OF THE CHAIR AND BOARD

Poll

What best describes your situation?

- A. In short term financial distress – services reduced or stopped
- B. In short term financial distress – services continuing or increased
- C. Short term finances OK – services reduced or stopped
- D. Short term finances OK – services continuing or increased
- E. Limited or no change – services remain unaffected

WE ARE NOT ALL IN THE SAME BOAT, BUT WE ARE IN THE SAME STORM



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WHAT IS THE BOARD'S PLACE IN THE BOAT?

- Bailing?
- Rowing/in the engine room?
- In the map-room?
- In the eagle's nest?
- At the helm?
- Adjusting course?
- Setting new direction?



Poll

What best describes your focus?

- A. Bailing – all hands on deck to survive
- B. Rowing/in the engine room – some additional involvement to add more capacity
- C. At the helm – perhaps CEO furloughed?
- D. Getting our bearings
- E. Setting a new direction

CORONAVIRUS CRISIS-IMPACT ON BOARDS AND BOARD BEHAVIOUR

1. Personal impact
2. Disorientation, loss of focus
3. Need for faster decision-making
4. Change in information needs
5. Differing attitudes to risk

CORONAVIRUS CRISIS-IMPACT ON BOARDS AND BOARD BEHAVIOUR

6. Emergence of new priorities
7. Change in board engagement
8. Changing relationship with staff esp. CEO
9. Changes in board dynamics
10. Loss of direction/momentum



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MOVING THE BOARD TO THE NEXT STAGE

1. Show emotional intelligence
2. Help the board adjust mode
3. Focus on those you serve- purpose first
4. Be strategic
5. Look for paradigm shifts
6. Decide and adjust
7. Give your CEO and team space and support
8. Attend to good governance essentials



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RELEVANT AOC RESOURCES

Coronavirus related online events on:


Personal resilience; Chair's role post pandemic;
Return to work; staff restructuring and
redundancies

Written resources:

Working with trustees series:

Working 1:1, Working as a team; Working through
difficult board relationships

IDENTIFYING CHALLENGES AND OPPORTUNITIES



‘Employee directives to work from home. Travel bans. Conferences postponed, cancelled or taken virtual. Self-quarantines. Social distancing. Stockpiling supplies.

If ever the phrase ‘VUCA’ felt appropriate to use, it’s now.’

Forbes Magazine 2020

DEFINING THE TERM

'We now live in a 'VUCA world.'

Acronym for:

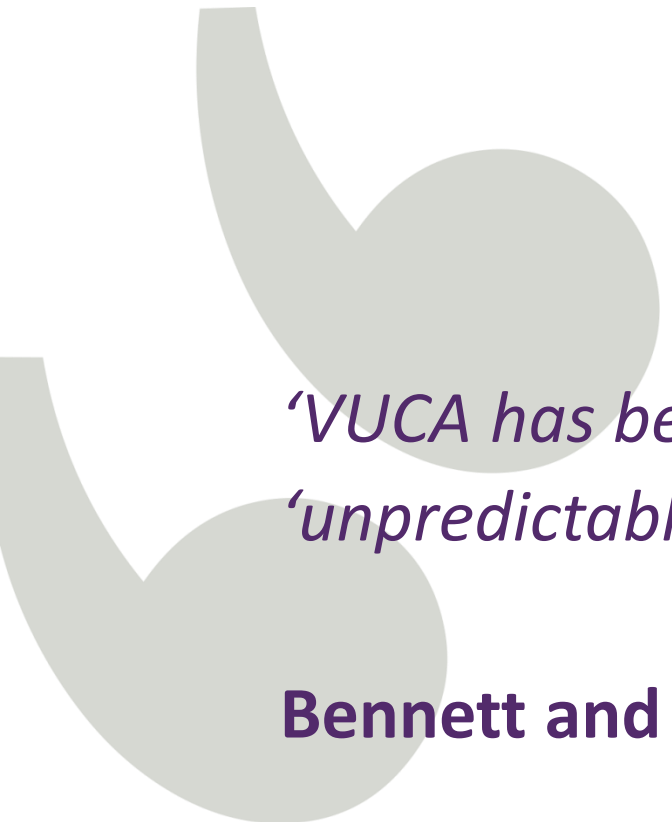
Volatile: Events happening outside your control

Uncertain: An unclear and unpredictable future

Complex: Dynamic environment, interconnected parts, confusing and conflicting information

Ambiguous: A lack of certainty of causality and the outcome

- Intended to reflect forces of change that affect organisations
- Informs leadership skills, approaches and behaviours for different scenarios



*‘VUCA has become a cute, trendy way of saying
‘unpredictable change’.*

Bennett and Lemoine 2014

How well can you predict the result of your actions?

<h2>Complexity</h2> <p>Lots of information, interconnected and dependent parts.</p> <p>Approach: Restructure or bring on specialists, build up resources to address complexity.</p>	<h2>Volatility</h2> <p>Unexpected or unstable. Challenge possibly for unknown duration. Not always hard to understand.</p> <p>Approach: Build capability to be flexible, devote resources to preparedness.</p>
<h2>Ambiguity</h2> <p>Causal relationships are unclear. Very little precedents exist. Unknown, Unknowns!</p> <p>Approach: Experiment to build understanding of cause and effect.</p>	<h2>Uncertainty</h2> <p>Basic cause and effect are known. Change is likely but not certain.</p> <p>Approach: Invest in information and building understanding.</p>

How much do you know about the situation?

WHAT DOES VUCA MEAN FOR YOU?

1. Capitalising on opportunity requires understanding the changes and what they mean for your organisation and context.
2. Each VUCA term means different things and requires different leadership approaches.
3. Lumping them together ‘we live in a VUCA world’ can lead to an absence of planning.

Volatility, uncertainty, complexity, and ambiguity all require their own separate responses.

IDENTIFYING THE OPPORTUNITIES OF UNCERTAINTY

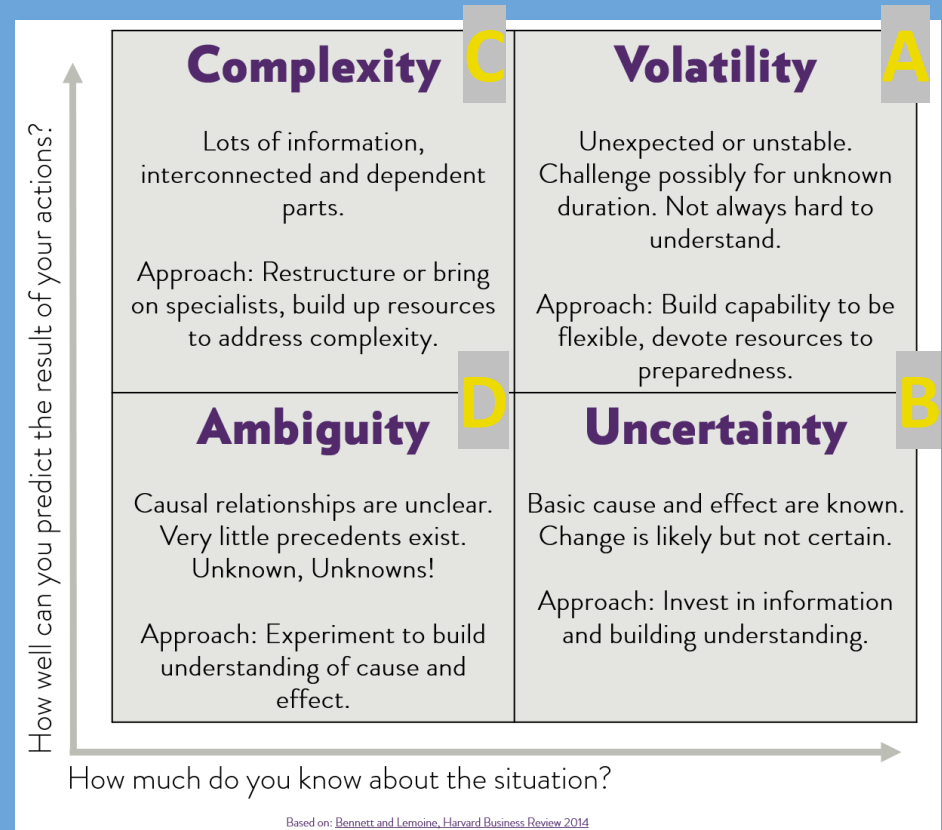
- The components of VUCA often present in combination
- Carefully diagnose and label a situation for what it is based on your context and situation

Scenario 1	An advice service charity which offers face to face support to vulnerable users is not able to deliver services in person.
Assessment	<p>Volatility: This has happened quickly meaning users are not getting advice, may end up in a position of crisis and it is unclear how long it will last.</p> <p>Ambiguous: There is no evidence to suggest alternative services will be taken up, or that users would have the means to access them. It's unclear how long the pandemic will last and how long before the office can reopen.</p>
Response	<p>Build slack and plan for preparedness: Review your reserves policy, protect sustainable income sources and speak with funders about longer term support. Consider investing in the skills or tools you will need to deliver services differently in the long term.</p> <p>Experiment: Trial some different approaches to delivering advice in different ways.</p>

IDENTIFYING THE OPPORTUNITIES OF UNCERTAINTY

Scenario 2	A national charity who cannot run major events which generate all their income wants to change business model to seek grant funding to cover core costs and charge less for remote events.
Assessment	<p>Complexity: The grant funding world is very different from the charity's current operating model. It involves lots of interconnected relationships with funders which the charity doesn't understand. Different funders have different priorities and restrictions. Funding bids need to be tailored.</p> <p>Uncertain: Although the charity are clear that if they received grant funding they would be more sustainable (cause and effect). They are not yet clear on if their work is fundable or even which funders would be interested.</p>
Response	<p>Restructure and invest in specialists: Review your current structure to reflect that of an organisation focused on attracting grant rather than commercial income. Employ grant funding specialists or bring on a new trustee with this experience.</p> <p>Research: Undertake a project to understand the funding environment, join networks and establish relationships.</p>

Poll:
If you had to choose one, which of VUCA best describes the context and environment for your charity and its services?



Source: Bennett and Lemoine, Harvard Business Review 2014

USING VUCA IN BOARD PLANNING

Five steps for responding to the VUCA environment:

1. Brainstorm the challenges and changes which Coronavirus has presented.
2. Diagnose if the situation you are in is the result of: Volatility, Uncertainty, Complexity, Ambiguity or a combination.
3. Consider what kind of leadership and governance responses are required as a result.
4. Overlay your objectives and values to tailor the response.
5. Consider the value in scenario planning in helping to decide a course of action and identify potential opportunities.

Poll:

Have you undertaken any scenario planning on multiple potential options for decisions as a result of coronavirus?

A. Yes

B. No

SCENARIO PLANNING

Once you have assessed your environment it can be helpful to plan various responses. Scenario planning is making assumptions on what the future is going to be and how your operating environment will change overtime.

It is impossible to be certain but mapping various scenarios can help plan for different outcomes.

Scenario planning steps:

1. Mapping the environment
2. Identifying scenarios
3. Developing plans and continually reviewing

Important considerations

- Use of evidence
- Complexity
- Who to involve
- The human element
- Risk management

QUESTIONS

THANK YOU

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