Governing Through a Crisis



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This week the Auditor General wrote to a range of public agency Chief Executives reinforcing the need for strong governance in this time of crisis. In his letter he talks about 'The pace, scale, and complexity of responding to the pandemic mean that getting the fundamentals right becomes even more important'. He went on to highlight a number of governance matters that should be top of mind for Chief Executives.

The messages from the Auditor General resonates with us. As a company we work with a range of public sector agencies to support strong governance at the organisational, portfolio, programme and project level.

We understand that it can be easy to confuse your role during a crisis. Particularly, in smaller organisations where resources are usually tight. Your instinct is often to provide advice or to "do" and "manage", but your role is much more subtle than that.

TIPS THAT HAVE PROVEN USEFUL WHEN GOVERNING IN A CRISIS:

- Listen, listen, listen to the CEO and the executive team.
- Support the CEO by asking questions rather than
 providing advice. Ask the questions that cover the areas
 that he/she may have overlooked. If they ask for advice
 give it, but don't take control. Your role is to support.
- If needed, change the delegation to the CEO so that he/ she can make decisions that the Board is comfortable with. Let the CEO know what decisions the Board wants to take and what decisions the Board simply wants to be informed of.
- Allow yourself the time to get into the headspace that allows you to digest and process the implications of the decisions you are having to make. You will have gone through the initial panic by now, which will be eventually followed by calm and acceptance, and then you are in the headspace to make good creative decisions.

- This might sound a luxury, but in your own mind determine whether your strategic intent remains sound, despite the changing market conditions. If so, then use the strategy to be the beacon for your decision making.
- Who will step up if the CEO is unable to work, or worse, if 2 or 3 of the executive team are unable to work? Have a plan in mind. We don't know who this virus will impact.
- The CEO should lead the communication to the
 organisation and to external stakeholders. The chair
 could be visible in their support (i.e. on some of the
 organisation wide conference calls or by co-signing key
 email messages), but let the CEO do their job.
- By now we should be starting to plan for the future.
 Have in mind what the new normal will look like
 immediately after lockdown, but also 6 months later. Start
 thinking now what needs to be done to survive in that
 environment. Air NZ has done a great job of pivoting their
 thinking from a growing international airline, to a very
 small domestic one. That can't have been easy.
- Ensure all of your board is engaged, through weekly conference calls. Keep communication high on your list of priorities.
- Don't try to take learnings yet. Take notes of the key
 things every day that delighted or surprised you, your own
 thoughts and ideas. Use these at a later date for your own
 and your board/s retrospective learning when we are
 through the worst of this.
- These are challenging times, but support is there reach out if you need it.

Finally, and most importantly stay well and stay strong.

An Associate of Tregasksis Brown, <u>Janie Elrick</u> is a highly skilled senior executive who brings deep financial expertise and an insightful understanding of organisational dynamics to the organisations she works with.

If you are need of assistance, we are here to help. Call us on 04 499 9363 or email <u>info@tregaskisbrown.com</u>.