

# TIME FOR **ANNUAL EVALUATION** **OF BOARD!**

**MAKARAND M. JOSHI**

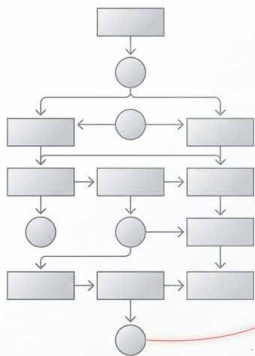
Founder Partner

MMJC



- Board effectiveness is not defined only by processes
- Often, it is shaped by **subtle behavioural patterns** that go unnoticed
- This is the right time to reflect. Many boards follow structure
- But do they deliver **true governance?**

Here are some **patterns** that may be weakening your board. ➤



# ECHO CHAMBER BOARDS

- Chairman and Managing Director (CMD) - One person. However - Two powerful roles
- CMD shares Proposal - Other directors stays silent considering the role as advisory rather than Governing
- Directors limits themselves to advise instead of active participation
- The Chairman's voice bounces back as the Board's decision.



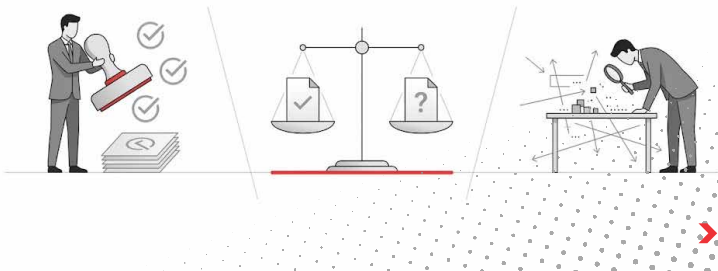
# SILOED BOARD

- Everyone speaks... but no one builds on each other's thoughts
- Result- A bunch of good thoughts Not a discussion. Not a decision. Just opinions in a room
- Chairman speaks last and that automatically becomes the decision
- Decision recorded.... Never followed... Never updated.
- The governance exists on paper — not in practice.



# RUBBER STAMP VS. MICRO MANAGEMENT

- Two extremes. Both risky
- **Extreme 1:** Blind trust (no questioning)
- **Extreme 2:** Excessive interference (no delegation)
- Both extremes are dangerous Governance lives in the balance — not at either end
- Effective boards practice- **Constructive skepticism.**



# TWO TIER BOARD

- Pre-board meetings are good practice. Unless they're only for some Directors
- What's happening in many boardrooms? Management selectively engages only influential Directors before the meeting
- These directors makes the Inner Circle and the rest are kept out
- These inner circle directors make the rest of the board as a rubber stamp board
- It's a governance failure.



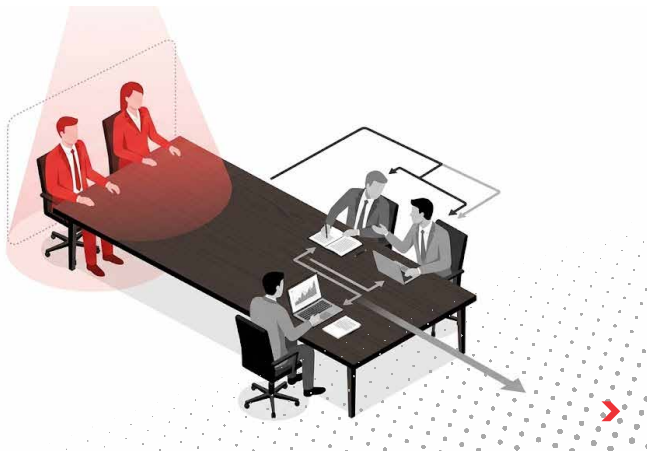
# CHEMISTRY AT THE BOARD!

- When “collegiality” and “getting along” matters more than questioning
- Where Critical questioning is viewed as "being difficult" or "breaking the harmony”
- The real test - How the **Chairman and Management** handle difficult questions - Constructively to make it more effective
- The Governance requires the courage to ask — and the maturity to answer.



# GHOST BOARD

- Some Directors add pride to the companies. But do they add value?
- Presence without participation
  - Limited preparation
  - Minimal contribution
  - Low engagement
- Capability and Availability are two different aspects and both matter when the individual occupy the position of Director.



# IS YOUR BOARD SUFFERING FROM ANY OF THESE?

- Even a slight feeling is a signal — not to ignore, but to reflect
- Chairman. Management. Company Secretary. Each Director. The Board as a whole
- Everyone has a role in making governance meaningful

**Board Evaluation is not a compliance checkbox — it is a mirror. Look into it.**

