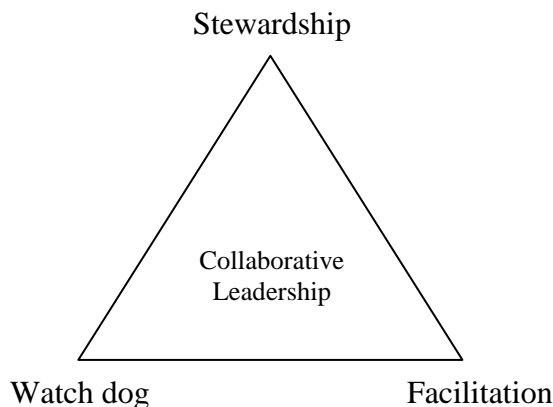


the Tavistock Clinic. The Consultancy Service applied findings from research to organisations. The presentation would cover:

- Group dynamics both between and within groups;
 - Governance;
 - Working beneath the surface – things that get in the way of good governance.
5. The presentation slides which covered the ground and gave more detail would be circulated. [*These are now on the CGGp area of the UKIPG web-site*]
 6. Boards needed to be competent in four areas:
 - Governance
 - Strategic direction
 - Business judgement
 - Relationships – which connected all three of the above.
 7. Relationships affected decisions and how decisions were communicated. A skilled board needed to get relationships right. Governance was about acting properly because it was the right thing to do, rather than just for compliance reasons.
 8. Corporate governance was '*the framework of rules, relationships, systems and processes within, and by which, authority was exercised and controlled in corporations*'. It encompassed the mechanisms by which companies, and those in control, were held to account¹. Therefore the principles of governance must be applied to the board itself.
 9. Susan Long, who writes on Board responsibilities, stated there were three separate responsibilities:
 - Stewardship
 - Watchdog
 - Facilitation
 - And that all of these were mediated by collaborative leadership.
 10. **Stewardship** – of the primary purpose and values of the organisation. The board should hold those values itself. Defining the primary purpose of the organisation laid the foundations for how the board worked. What did the organisation have to do to develop/survive?

¹ (The quote comes from Justice Owen in HIH Royal Commission, *The Failure of HIH Insurance Volume 1: A Corporate Collapse and Its Lessons*, Commonwealth of Australia, April 2003 at page xxxiii and Justice Owen, Corporate Governance — Level upon Layer, Speech to the 13th Commonwealth Law Conference 2003, Melbourne 13-17 April 2003 at page 2.)

11. At the point a discussion took place and the following points were made:
- The primary task for the board was understanding the role of the organisation, its values and vision;
 - The importance of relationships, that they were both collegial and authentic;
 - The need to pay attention to what was going on under the surface;
 - The importance of understanding what made a board a team and, associated with this, the value of incorporating this as part of board effectiveness and development.
12. The board should be a watchdog for the ethical outcomes and a model for all within the organisation. How the board conducted itself was important at all levels of the organisation. The board created a moral and ethical framework for the organisation.



13. **Facilitation** – there was a need for communication between the board, the organisation, and the outside world. The board needed a constant exchange with the outside world. This was particularly important for professional organisations. It was easy to ‘batten down the hatches’ and concentrate on internal matters.
14. **Collaborative Leadership** – paying proper attention to relationships within the board. The board must be in touch with reality and able to work as a team. There was a need for feedback within the team; a review of progress, a review of processes, and a review of board relationships, “*How are we working together?*”

Item 5 - The 'Group Leadership Team' and Future meetings

15. It was noted that this was Kristina's last meeting with the group. The future leadership of the team was in the hands of Alison Carr, Allison Howe and Patricia Peter which meant there was input from the fields of engineering, health and finance, which was a broad spectrum of the groups represented within UKIPG.
16. The July meeting was being arranged around the availability of Virginia Bottomley who had agreed in principle to speak on 'Non-Executives'. A date was yet to be finalised, and would be notified as soon as possible.

Item 6 - Arrangements for next two meetings

17. The NMC agreed to host the July meeting, and ICAEW or ACCA would host the October meeting. The dates would be arranged and communicated as soon as possible.

Item 7 - Any other Business

18. Kristina Ingate was thanked for the work she had put into the Group as its Chairman.