

Interview with Carolyn Barker by David Fishel

Carolyn Barker, AIM FAIM

Carolyn Barker is an experienced CEO and Company Director with over twenty years of experience in not for profit, private and publically listed companies, and with government enterprises. She is currently the CEO of Higher Education Vocation Limited. She is also Chair of Brisbane City Council – Brisbane Transport, a Member of Brisbane City Council's Audit Committee, a Director of Shine Corporate and a Director of MIGAS Pty Ltd. Carolyn was previously a Director of TheCyberInstitute Pty Ltd. She has held the positions of: Chair, Brisbane City Council Business Advisory Board; Chair, Griffith Business School Advisory Board; Chair, Queensland Orchestra Pty Ltd; Deputy Chair, Brisbane Powerhouse Pty Ltd. She is a Life Fellow of the Australian Institute of Management. In 2005 Carolyn was awarded a Member in the Order of Australia for her service to management and education organisations and the arts.

How do you see the leadership role of the board?

The board needs to work out what type of board it is in relation to the non-profit entity it is governing, in order to work out its style of leadership. There are many approaches to leadership and you use different leadership styles in different situations, so the board collectively needs to figure out who they are, and what stage that the organisation is at, to determine what their leadership style should be.

Having said that, some context is important; you can't just come in with your kit bag of leadership tricks and apply them uniformly to every non-profit board. You have to look at where the need is most. So if you have a steady-state non-profit organisation then the leadership role would be helping to look into the future and talking about strategy, while checking the usual things such as risk, evaluation of the CEO, and making sure that everyone understands the direction in which the organisation is going and why. If, however, the non-profit is in distress or has had discontinuous change, for example new management, a new CEO, or something has not worked, then the role of the board could be quite hands on, especially where your board members have specific skills that could help that organisation. The problem is knowing when to be hands-on and when to be arms-length.

Do you draw a distinction between the board role in the for-profit and non-profit sectors?

I used to, when I had less experience, and now I don't. In fact, I get quite bemused and sometimes angry when I see non-profit Director colleagues think that they should give less time or importance to their role on a non-profit board than on a for-profit board. Particularly when there is a fee involved. I get bemused because when you sign up as a director, you sign up! You don't sign up because of the size of the fee you may get.

It seems to be difficult for people on non-profit boards to give feedback to fellow board members or to the Chair. I don't understand why, but my observation is that if a Chair isn't performing appropriately, or in a timely manner, there seems to be a reticence to talk about that. Much more so than on for-profit boards anyway.

There are some really good people out there who would make terrific board members. They may have a lot of for-profit experience, but if they believe that serving on a non-profit board is an add-on or an after-hours gig, or a favor, then they are not the right directors. After 20 years on for-profit boards and non-profit boards, and as an experienced CEO, I believe that there should be no difference.

How do you see the relationship between CEO and Chair?

It is the single most important relationship in the whole governance framework. To have a strong Chair and a weak CEO can be dysfunctional because the CEO can be overridden by the Chair. Having a weak Chair and a strong CEO can result in management anarchy, and a weak Chair and a weak CEO is a recipe for disaster in terms of any future liability of the organisation. The ideal is to have a strong Chair and a strong CEO who have mutual respect and understanding for each other, including an understanding of what each brings to the table, and who are able to have robust discussions. It is critical that the Chair and CEO understand each other's style, that they spend enough time together, that they take things like agenda construction really seriously, and that they look at what the board has to do from a governance perspective. They need to plan, and they need to spend time on things such as agenda setting, board planning, and committee inputs, but they should also spend time over lunch or a coffee just getting to know each other.

What is the board's role in strategic planning?

The strategic plan is a joint document. I don't believe the board should decide what the strategic plan is and give it to management to implement operationally. Neither do I believe that management should decide what the plan will be and then dictate this to the board during one 20-minute presentation at a board meeting. The most effective strategic planning is done by both parties in a programmed way. So, for instance, the board might have a discussion at one of their scheduled board meetings about the direction of the organisation for the next 12 to 24 months, and they might come up with three or four general directions or priorities. Management and CEO might then take the results of that meeting back to their executive team or consultant, or whoever is helping them do the planning, and use it to guide the strategic plan. The plan should be aspirational, that is, framed by the board looking ahead, but it should also be practical, and informed by management's knowledge of the business side of the organisation. It should be a collaborative document that is shaped by thorough discussion between board and management. To me that is the healthiest approach.

And what do you think the board's role in fundraising should be?

The general American view is 'give, get, or get off.' What that means is, if you choose to be on a non-profit board, and you don't give funds or get funds at some time, you are expected to get off that board. This is not the expectation in Australia. Our attitude to giving is very different and we don't have a cultural expectation that, if you go to a good school or university and you do well financially, you will become a philanthropic giver to that institution. I do think that it is incumbent, even in Australia, that board members in non-profit boards should use every single one of their contacts in any programmed fundraising effort. The number of times I've heard 'woulda, shoulda, mighta, gonna,' and then nothing emerges. Getting a table together is not hard, talking to your colleagues and encouraging each to donate \$1000 is not hard, and putting people in contact with other people where there can be sponsorship or cause-related marketing is not hard. I don't see enough board members really digging into their contact base in the non-profit world. This needs to be taken seriously. Being on a not-for-profit board is not a hobby or a favor. A non-profit board is as important as any for-profit board you may sit on, or aspire to sit on.

What changes have you observed in the sector?

I think the sector has professionalised. People understand the role of a board member better. There are still a number of perennial issues, such as the board not turning over as much as it should, especially in the more heart-string charities. I have a view that, for board members, it should be a maximum of seven years and then out. First year: learn about the organisation, what the business is, and what the culture is. Second and third year: get on some committees,

understand what your role is, and make a real difference. Fourth and fifth year, add some value yet to be determined. Sixth and seventh year, perhaps help find your successor and prepare to move on. I think this is a really good contribution timetable. I know that in statutory or political boards you are often appointed and re-appointed, but I still think the individual should have a view about length of service.

Another issue with boards is their uptake of digital technology and their understanding of it strategically. I think that it is an area that all boards, but particularly non-profits, need to focus on.

I don't think the sector needs more regulation. I think the sector is capable of more self-regulation. We already have corporations law and associations law, as well as laws and compliance regarding financial obligations and fundraising. There are many great programs out there to educate people. I don't think there needs to be another layer of regulation to "look after" all those thousands of non-profits, large and small. They have enough compliance. If a small minority are not doing the right thing then find a way to talk to and address the issues within that small minority. More compliance is overkill and is not going to help the individual entity find its own identity, flourish, merge or roll up.

This interview was conducted in preparation for the 3rd Edition of *The Book of the Board* by David Fishel.

About the Author

David Fishel is co-Director of consulting firm, Positive Solutions. He has been a board member of several cultural and educational organisations and Chair of three including, most recently, Brisbane Writers Festival. In 2010 David founded BoardConnect, a non-profit firm dedicated to providing support and advice to the board members of non-profit organisations, and the CEOs who serve them.

David has provided consulting services and governance advice for non-profit organisations, government agencies and private sector organisations, working in Australia, New Zealand, Hong Kong, UK, India, South East Asia and North Asia.



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