

Opinion

The Board's Role in Strategy

Date: July 2007

BoardProcessValue® methodology promotes the active, business-oriented role of the board of directors of listed companies towards their shareholders on the one hand, and towards the CEO and his executive management team, on the other. Companies and their shareholders benefit from the value of board process that is active in these two respects. Our clients invest considerable resource and time in maximising the opportunity to shape those relationships. They do so by the Chairman refreshing the board's understanding of shareholders views on long-term issues affecting value. They also achieve it by: i) crafting very carefully the division and balance of authority and tasks between the board and the CEO; ii) by the mode of board delegation to CEOs; and, iii) by ensuring that monitoring, strategy and CEO performance are at the centre of board process.

This BPV® Opinion focuses on three key areas of relevance to the Board and its role in strategy:

- An optimal approach to strategy appropriate to the Board.
- Process obstacles to achieving organisational clarity around strategy.
- The impact of board-management engagement on strategy development.

Other areas considered include:

- Strategy-setting and Board monitoring.
- Risk management and board planning.
- Market competitors and delivery of shareholder value.

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