

Resilience in times of Covid-19 Governance Tips & Tricks

GUBERNA has prepared a list of governance tips & tricks which can help organisations and their directors in building resilience to guide them through these challenging times.

The list is grouped around four key elements: agility, legal compliance, technical feasibility, and people. Scientific research and practical experience have shown that those aspects are crucial in achieving more resilient organisations, not just in present moments of crisis but also towards a sustainable future.

This list contains bullet points. You can find more detailed information in the full version of the text.

For more information on how to organise a virtual AGM, take a look at the [lessons learned](#) from the GUBERNA AGM of 24 March 2020.

Agility

A virtual board of directors

1. Establish a red phone between the chairman and the CEO to keep a close eye on things.
2. Schedule all additional board meetings needed to assist the management.
3. Determine the most urgent issues but also maintain a long-term view. Agenda the organisation of the annual meeting in the (very) short term.
4. Based on the challenges at hand, conduct a brief evaluation of the capabilities and knowledge needed in the board of directors to meet these challenges.
5. Make optimal use of the diversity within the board (knowledge, experience, gender, age).
6. Be aware of the limits of your board's knowledge and ability and, if necessary, call upon external experts.
7. If necessary, set up a crisis committee or divide the tasks among smaller teams within the board.
8. Shorten reporting cycles between the various governance bodies.

A virtual Annual general Meeting (AGM)

9. If possible, maintain the predetermined date for the general meeting as everyone has already made time for this in his or her agenda.
10. If possible, provide an interim report to the shareholders/members by means of a "letter to shareholder".

Legal compliance

A virtual board of directors

1. By law, only written decisions may be taken, subject to unanimity among members, but shall preferably be limited to simple and unambiguous agenda items which do not require debate.
2. It is good practice to stipulate in the articles of association what the conditions are for a remote board of directors.
3. By law, at least half of the directors must also be present in a virtual board of directors.
4. Understand that, even though these are exceptional circumstances, directors are still accountable for their decisions.

A virtual AGM

5. The annual general meeting must be held within 6 months after the end of the financial year. This is the responsibility of the board of directors.
6. In addition to an amendment to the articles of association, a fully written AGM is legally possible, even if this is not provided for in the articles of association. However, this requires unanimity among all shareholders/members.
7. Except for the written AGM, a valid meeting requires actual deliberation between those present. Moreover, the shareholders/members are legally entitled to ask questions to the board of directors during the AGM, which in turn is obliged to answer. According to GUBERNA, an interactive meeting via electronic means is therefore a better option than a purely written general meeting.
8. It is important that all shareholders/members can participate in the meeting simultaneously, directly and continuously. In order to limit possible technical breakdowns, it is currently still permitted for a very small team to be physically present (provided sufficient distance is kept).
9. Normally the holding of a virtual general assembly must be mentioned in the articles of association of the organisation, but in the light of the current situation an exception can be made (force majeure). A point of attention here is to ensure that you reach all your shareholders/members with certainty during the process of invitation and login. It is also advisable to request explicit permission from the shareholders/members even if they would prefer not to participate.

10. Follow the latest government measures/adaptations regarding the legal aspect. *Update: As of April 9th, 2020 a [new royal decree, related to the organisation of AGM's during covid-19 times](#), has officially come into force.*
11. As a plan B, written proxies can be used.

Technical feasibility

A virtual board of directors

1. As a board of directors, devote extra attention to cybersecurity and GDPR.
2. Use secure video conferencing tools within the board itself and pay attention to email traffic (phishing) and passwords.
3. The chairman and secretary preferably test out the practical application of the chosen digital platform before the first board meeting.
4. At the start, the chairman gives a clear explanation of how the digital deliberation will proceed.
5. Put cybersecurity for the entire organisation on the board's agenda.
6. Use tools tailored to the decision-making process of the boards of directors (e.g. IBABS)

A virtual AGM

5. The network may become overloaded, please think carefully about the time (date & hour) you want to organise the AGM.
6. A combination of video and audio live streaming is required.
7. Provide technical support before and during the AGM.

People

Stay connected within the organisation

1. Stick to the values of the organisation, even at difficult moments and underline these values when possible in internal and external communication. More than any other governance body, the board of directors has the responsibility to adopt a long-term vision.
2. As a board of directors, take the initiative in communicating with management. Without accurate, up-to-date information, the board cannot perform its leadership, strategic and monitoring role.
3. Adapt existing communication flows so that urgent information flows more quickly from management to the board of directors.
4. Be prepared for making decisions, even when it is impossible to have all the information available.

5. Plan daily and weekly fixed moments of consultation and limit non-urgent communication to these moments. In other words, deal consciously with e-mails.
6. Really listen to the other person, even in between the lines. Take care of the physical but also the mental health of everyone around you, starting with yourself.

Stay connected outside the organisation

7. Do not build walls around the organisation but keep in touch with other entrepreneurs, the customers/members of the organisation, the government...
8. Stay tuned!
9. Use tools that scan the news for you based on themes or keywords you establish.
10. Find out which support measures of the government are available for your organisation and advice, support the management in the application process.

A virtual board of directors

11. Avoid disturbance as much as possible, e.g. someone dialling in later, technical malfunctions, background noise ...
12. Not only at the end of the meeting but also during it, summarise the conversation into key points so that really everyone is up to speed. The chairman plays an important role in this.
13. Video conferencing is preferred. In case of important files or sensitive issues, all participants should be able to see each other. Non-verbal communication (e.g. facial expression) is an essential part of any communication.
14. Making eye contact, facial expressions and reading body language are more difficult digitally. Do not underestimate the impact of this. Some people are more dependent on this in their communication than others. This can significantly change the dynamics within the board of directors.
15. Aim for an atmosphere of equality, collegiality, also in a virtual space.
16. Have confidence in each other but also be careful with confidentiality (who is listening along during a skype call?).

A virtual AGM

17. Be aware that you will need different internal profiles for the organisation of a digital AGM meeting compared to its physical version (mainly digital profiles).
18. Be aware of uncertainty and even stress among both those who organise it for the first time (internally) and those who participate in such a virtual AGM for the first time. Therefore, communicate clearly and in a timely manner which tools (of which partners) you are going to use.