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From Nice Word to Powerful Action: The Board's Role in Creating a Resilient Organization

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PART 1

Resilience is a Nice Word

Behind it are hard work, tough choices, and a meaningful shift in how boards approach their work.

Have you been to a revolving restaurant? In the moment, you barely perceive that you are moving, but sometime between your appetizer and dessert, you'll look up to find a whole new view.

Over the past few years, we've been slowly rotating to bring more foresight into the board's view, including increasing our emphasis on the board's role in strategy, risk, and human capital (including leadership, talent, culture, diversity and inclusion). As the view continues to change, we are now asking boards to safeguard the future of organizations in a time of volatility, complexity, and sudden shocks.

Yes, boards have long played a role in preparing for and recovering from shocks. But now we are asking them to embed the systems, processes, and behaviours that help the organization win at the game of recovery and opportunity, regardless of what might come its way. It is no longer just about predicting, recording, and mitigating the risks we can envision, but about building an organization that can navigate the unforeseen.



An evolution in future-thinking

To some extent, this topic is a natural evolution of a governance conversation that started even before COVID. Governance thinkers have long been exploring how expectations for boards and directors are shifting and how they can navigate those shifts. For example, the [TMX/ICD Chart the Future report](#) and the [NACD Future of the American Board report](#) both provide thoughtful and informed perspectives on where governance needs to evolve, taking a broad look at the future. The evolution of thinking here has been accelerated by the many concurrent shocks and shifts that organizations are weathering. We now aspire not only to great governance, but prescient and protective governance. And we are using a new word: *resilience*.

At Watson Board Advisors, we've been immersed in the topic of resilience and what it means for the work of boards. As our clients try to turn leading thought into practice, they are looking to understand what to do, how to work, and how to think in practical terms to help foster resilient organizations: organizations that can withstand and even find opportunity in adversity and shocks.

A nice word

As a word, “resilience” has such nice associations. We think of the willow that bends but does not break; the rock that lets the water smooth its surface but not shatter its core. For many of us, resilience has associations with wellness and leadership development; helping people learn habits of mind and health that allow them to keep moving forward when the unexpected and unpleasant occur. There's a sense of smoothness, softness, inner strength, determination, optimism.

But if we ask ourselves what it takes to make an organization resilient – to prepare it for whatever may come so that it can continue to deliver, and maybe even grow its impact, in the face of the next pandemic, international conflict, inflationary cycle, climate event, executive scandal or other shock – that is tough work. Behind a soft word are systems, practices, and priorities that require strategic, dedicated, and accountable directors and executives, with allocated resources to bring it to life.

Those contributors to resilience must also find alignment and set a shared pace. Increasingly we see how conversations about resilience can feel essential to some, and ungrounded or esoteric to others; sometimes this leads to misalignment or polarization within the group. Often, finding common ground in action is key; taking practical and meaningful action on resilience, with relevance and understood ROI, brings people together in a way that abstract language does not.

So, what does it mean to turn this nice word into real business? In Watson's research and experience, there are eight factors that boards and leaders can review and monitor to understand the current state of governance for resilience. If your organization is new to this lens, we recommend prioritizing three main areas to get started and gain the greatest early impact. To learn about Watson's 8 Resilience Factors, read the next part in our series on resilience: **The Resilient Board**.

Reach out to explore how your board can advance resilience. We embed resilience factors in board evaluations and governance reviews, director feedback processes, board education, and advisory projects. We find and place resilience-ready directors and executives. Let's talk.



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About Watson

At Watson, we help boards be more effective so they can positively shape the future of their organizations.

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As the most experienced board advisory firm in Canada, we've supported more than 500 boards, across the full spectrum of sectors, organizations, and stages of evolution. In partnership with our clients, we are tailored and practical in helping recruit and select the right directors and CEO, strengthen governance, and navigate strategy and risk in a rapidly changing world.

Founded in 2005, Watson is a fully independent Benefit Company. We do this work because we believe boards play a uniquely critical role in shaping a better world.