



10 Questions to Ask About Board Portals

Just as technology has completely transformed how we access and share information at home and at work, it has also changed how we share information and collaborate in the boardroom. But board materials are often confidential and highly strategic – making many online tools and apps insufficient for the job. This need has given rise to the board portal, a digital platform designed to handle the demands of today’s boards.

Here are some of the most commonly asked questions about board portals and how they can help directors and company secretaries be more effective and secure in how they communicate.

1. WHAT IS A BOARD PORTAL?

It is a subscription-based service that allows boards to share information and collaborate. It provides secure digital storage of the documents used by an organisation’s board of directors, including reports, spreadsheets and exhibits for the next board meeting; archives from past meetings; board resources such as the bylaws, committee charters and succession plans, and board calendars and directories. Directors can access these resources on their tablets or laptops. Because the files can easily be kept up to date by the board secretary, directors are always viewing the most recent version. Permissions can be set so that particular documents are accessible only by certain members, and access can be rescinded by the board secretary. Board members can comment on documents privately or with other members of their choice, and vote on resolutions or questionnaires.

2. WHAT ADVANTAGES DOES A BOARD PORTAL HAVE OVER PAPER?

Organisations that are still sending out hard copy board packs will find immediate savings when they no longer have to assemble and courier large packs of board materials. Directors will also find that the design of high quality board portals mimics many of the characteristics that make paper copies easy to use, like left-to-right scrolling, section tabs to organise material and the ability to insert virtual book marks and sticky notes. In addition, company secretaries can communicate with directors about updates and logistics while directors can use the portal to facilitate their discussions.

3. WHAT ADVANTAGE DOES A BOARD PORTAL HAVE OVER EMAILING PDFS OR USING FILE-SHARING PLATFORMS?

Many organisations have taken a step toward the digital boardroom by emailing PDFs of board documents or having members access a file-sharing or public cloud service (compared to a privately hosted board portal service). But this is less of an improvement than it appears. Because PDFs are not optimised for on-screen reading, many directors end up printing them out – thus shifting the responsibility for printing and version control from the board secretary to the individual directors.



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Furthermore, recent high-profile security breaches with well-known cloud services underscore the fact that they were not designed for the sort of sensitive documents boards routinely handle. Organisations employing these approaches will appreciate the enhanced security, version control and customer service that a board portal provides.

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4. WHAT TYPES OF ORGANISATIONS USE BOARD PORTALS?

When board portals first appeared over a decade ago, they were used primarily by large public corporations looking to adopt best practices in handling board information. Since then, board portals have become increasingly user friendly and are now used not just by public corporations, but by organisations of all sizes, including private companies, charities and government agencies and bodies like city councils. Any organisation made up of members based in different locations can benefit from using a board portal, as can those with large amounts of board information.

5. WHAT ABOUT DIRECTORS WHO ARE LESS COMFORTABLE USING TECHNOLOGY?

A board portal provider should provide extensive customer care that includes one-on-one training customised to each director's experience and comfort level. In addition, the board secretary can continue to provide those directors who request them with hard-copy materials while the rest of the board begins to use the portal. Once the late adopters see from watching their peers how easy board portals are to use, they invariably make the transition at their own pace.

6. HOW DO BOARD PORTALS KEEP INFORMATION SECURE?

Hard copy papers can be lost, personal emails are not secure and if a director leaves a board a company may want to withdraw information previously provided. Best-in-class board portal providers use a number of strategies to keep information secure. They have their own servers in locked enclosures within highly secure data hosting facilities, and each client's material is segregated from that of other portal users. All data is protected by widely used encryption technologies. The portal's operations are certified to conform to international industry standards for handling sensitive information, and data centers employ carefully screened staff and physical security methods such as biometric security and closed-circuit monitoring. And because access to each client's portal is centrally controlled by the company secretary or other authorised personnel, they can revoke access if a director's device is lost or stolen.

7. HOW DO BOARD PORTALS IMPROVE THE EFFICIENCY OF BOARD MEETINGS?

While most organisations initially adopt board portals because of the increased efficiency they bring to the board secretary's task of distributing and managing board information, users often discover that board portals can make the board more efficient as well. Because directors can easily navigate to specific items and can view all of their notes at a glance, meetings move more quickly and members are not distracted from the conversation at hand. The ability to add comments to documents that other members can read in advance allows directors to make their points of view known before meetings so that more of the actual discussion can be spent on reaching consensus and tackling non-routine issues.

8. HOW DO BOARD PORTALS FOSTER BETTER MEETING PREPARATION?

Board members can always access the most current version of board documents from their tablet or laptop whether online or offline. And board portals make it easy to navigate through the many reports, spreadsheets and exhibits that board packs often contain. So directors will find it easier to prepare for board meetings when using a portal than when using hard-copy board packs or documents retrieved from emails or file-sharing services, because they can get information and updates earlier, search current and archived materials faster and discuss with other members in advance.

9. DO BOARD PORTALS RAISE ANY DISCOVERABILITY CONCERNS?

The ability to discuss sensitive matters confidentially is essential for many boards. Best-in-class board portals do not track how members use the portal or which documents are opened. Directors therefore can use portals knowing such use remains private. Also, because central control of board materials and notes is retained by the board secretary, an organisation's document retention policies can be facilitated by the board portal.

10. WHO WITHIN AN ORGANISATION IS INVOLVED IN THE SUCCESSFUL ADOPTION OF A PORTAL?

Portals are usually advocated by the board secretary or the assistant to the chief executive officer or executive director. But the chairman, chief executive officer or executive director should champion the portal to ensure successful adoption as the rest of the board will take its cues from those leaders. The organisation's chief information officer should also be included in the planning, as well as the legal officer in charge of compliance, when applicable.

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