

How to make a presentation to a Board of Directors

By Edouard Gruwez,



This article is a guideline for anyone who prepares a presentation to them.

A Board of Directors is a particularly demanding audience because time pressure, information quality and unanimity are more important to them than to any other management team. A presentation to the Board should be to the point: short and complete, simple and substantiated, persuasive and factual, confident and honest.

Don't talk like TED, be TO THE POINT.

The answer to this challenge is NOT to make a TED-like presentation. Directors and Executives are not seeking entertainment. They want to make the best possible decision in the shortest possible time, while taking all information and risks into account.

The answer to this challenge is a good preparation, laid out in 4 steps on the next pages:

1. Understand and focus on the essence.
2. Build a concise, solid narrative.
3. Convenient and detailed documentation.
4. Prepare to be your honest self.

Time Squeeze.

Time is money, especially in Board Meetings. Directors want to get directly to the heart of the matter. If you don't do so, they will interrupt you from the very start, derailing the story you had in mind.

Information Gap.

Directors want to base their decisions on reliable facts and solid reasoning. Information that reaches them might be biased in many ways. So, they need to check. With their experience, they 'feel' if something is right or not. Both checking facts and getting that feeling, requires looking into the details.

Team Dynamics.

Boards seek decisions by consensus. Aligning such a group of intelligent, authoritative individuals with many, often conflicting, priorities is a subtle process of information, discussion and persuasion.

STEP 1 - Understand and focus on the essence.

In most cases a person from the audience is at the origin of your invitation. Use your sponsor as sounding board throughout your preparation and consider talking to some Board members.

a. Understand the purpose and stick to it.

The Board has invited you for a purpose. Make sure that this purpose is crystal clear. If it isn't, ask your sponsor or check with the Board Secretary. What is the exact scope? Is it an item for information or decision? And if so what decision? If not done by the chair, consider reminding the audience of the purpose at the beginning of your talk.

Don't have a hidden agenda! Stick to the purpose of your presentation. Any attempt to achieve a hidden purpose will only weaken your presentation and credibility.

b. Know the Board members and understand their needs.

Ask your sponsor about the Board members, their background, their knowledge, their opinions, their formal and informal roles.

Make sure to understand what they are looking for. Boards generally watch over the long-term value and risks of the company. Understand what 'value' means to them: contribution to society, sustainability, well-being, or legacy can be as important as monetary value. Find out if there are specific worries. The more you can build your presentation around what really matters to them, the more you will capture their attention.

Typical Board questions are:

- Have we looked at all alternatives?
- Is the data reliable and is the methodology solid?
- Can we secure the resources?
- What are the risks?
- How does this create value in the long run?
- Is it a well-grounded strategy that fits the mission and goals?

And understand their background. Non-executive board members might be less familiar with some industry-specific technicalities

and acronyms. Either avoid these items or give enough background information.

c. Know the process and prepare the ground.

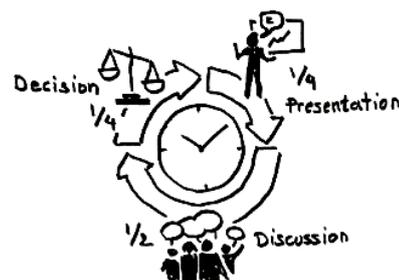
Every Board has its way of doing things. Formally and informally. Find out.

Contrary to a management team, a Board has no hierarchical structure. Important decisions are preferably adopted unanimously.

Given the little time in the Boardroom, most of the work is done beforehand. Directors want to be well-informed and create consensus prior to the meeting. Discussions in the Boardroom aim at completing that consensus and fine-tuning the decision. So, if you are asking for a board decision, make sure to provide all necessary information upfront and secure a broad support before the meeting starts. Find an opportunity for you or your sponsor to talk to the Board members, for example asking feedback on the pre-reading materials.

The meeting process is mostly fixed and fairly simple: short presentation (25% of the time), discussion (50%) and decision (25%). But it is not uncommon that the discussion starts immediately without formal presentation.

Check upfront what the dynamics are and prepare yourself accordingly: Will they interrupt your talk? Who leads the discussion? Who asks what kind of question? Do some people have more power than others? Should you participate in the discussion?



STEP 2 - Build a concise, solid narrative.

Prepare a concise, well-structured story that tells the message quickly and clearly. It should allow you to go in detail when asked and remain high level when needed.

a. Have a clear key message.

You must summarize your talk in one or two clear, precise sentences. This is very difficult for a complex subject, but it is essential.

Here's a tool that helps, "CIA" for Context-Issue-Answer: List everything your audience knows about the subject; that is the context. Within that context there is always an issue. That issue is the reason why they invited you, a problem that exists, or an opportunity that you have discovered. Every issue raises a question. Write down the answer to that question. "Et voilà!", there's your key message. The difficulty lies in finding what the real issue is and how your involvement helps to solve that issue.

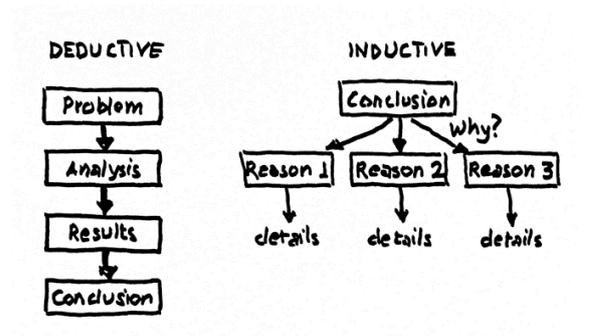
b. Structure your narrative inductively around that key message.

Don't make it deductive: don't take them through the complete analysis. Such a structure starts with details, numbers and findings, and gradually summarizes into conclusions. It feels the natural thing to do, but it's wrong. You think that they need to understand the details before seeing the big picture, because that is how YOU came to the conclusion. But in this way, you might lose their attention long before you even come close to that conclusion.

Make it an inductive narrative: start with the conclusion. Then give 3 to 5 key arguments or elements that you want them to remember. And gradually add further detail. In this way you start with the most important thing and only go into the details in which they are interested.

I'm not arguing to leave detailed data out. Board members want hard facts. They need to check the robustness of your

methodology and the reliability of the data. But present your methodology and data as a supporting argument for the conclusions, not as a long introduction to the conclusion.



Structure all information in an orderly hierarchical manner as a Q&A (from most to least important). Make sure to have answers to all the questions they might have. The answers to the most important questions become part of your narrative. Answers to less important questions will become part of the attachments.

c. Sparingly add numbers, examples and details to the narrative.

In order to give flavour to your narrative, add some data to prove your point. Put in some examples so that they can picture things. And add some detailed stories that will speak to their imagination. Select story elements that radiate the enthusiasm, pride, or whatever the emotion is that you would like to convey.

But like spices, when used too abundantly, details, numbers and emotion can ruin everything. The bulk of detailed data and information must go into the attachments (see next step).

STEP 3 – Create convenient and detailed documentation.

Create a documentation that provides both the big picture and the details. Prepare a slide deck that visualises the headlines and a few speaking details. Exile the bulk of the details to the attachments. All documents should be easy to navigate and to read.

Pre-reading documents aren't slides.

If you present an item for decision, the Board will (should) require a pre-read. In my opinion a pre-read should never be a copy of the presentation slides. Slides are a mere visualisation of your story without full sentences. Pre-reads are self-standing documents and therefore must have a narrative in full text.

a. Highly structured documentation.

Make the pre-reading document highly structured. The length depends on the importance and complexity of the subject and will typically consist of 3 parts:

1. Executive summary (3-7 lines).
2. Narrative (1-5 pages).
3. Attachments (1-50 pages).

Overall weighted Evaluation

	Sudbury	Ottawa	Toronto
Financial			
Land	2.5	3.1	3.5
Building	30.8	31.6	34.2
Subsidies	-7.8	-7.1	-5.6
Financial Recurring			
Labour	25.6	26.1	26.1
Supply	78.5	78.4	78.1
Energy	4.8	4.8	4.8
Transport	6.8	2.9	3.3
Operational			
Lead time Supply	8.5	6.5	7.2
Delivery	12.2	9.8	8.9
Possible extension	250	75	50
Intangible			
Government	4	3	3
Unions	3	2	2
PR/Commercial	2	4	5
OVERALL WEIGHTED EVALUATION	76	65	64

With a well-structured documentation the reader sees the big picture immediately and easily finds those details (s)he would like to check.

The executive summary contains your conclusion and the 3 the 5 key arguments or take-aways. The narrative is your core story. It should be structured around those key arguments. It contains the answers to the key questions and a few selected details and numbers as explained earlier. The answers to all other questions, the bulk of the infor-

mation, goes into the attachments, possibly as Q&A. These that should be structured in such a way that the reader can easily retrieve specific details.

As things tend to change quickly, it might also be wise to send intermediate reports.

b. Visual presentation slides.

Since Directors will have read your conclusion upfront, keep your talk short (5-15 minutes). Only repeat the conclusion and headlines of your narrative with a few selected details. If information has changed since you sent out the pre-read, point that out. But avoid highly surprising new information. To make your talk impactful, draw their attention to some interesting details or a telling example that wasn't in the pre-read. Visualise this story on 1-7 slides.

People can't read and listen at the same time. So, on the slides, put keywords, rather than long sentences. Where possible, visualise the concepts and the data. Bring clients, products or employees to life with pictures. It makes your story memorable and impactful.

Sudbury is the best location

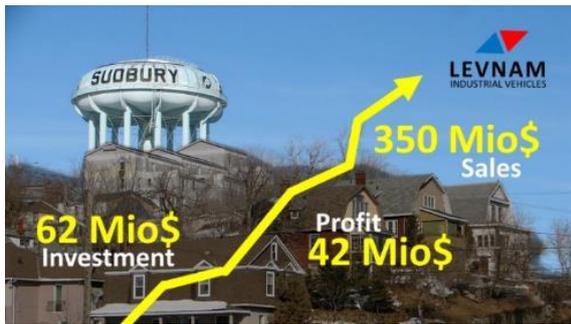
according to overall weighted evaluation

		Sudbury	Ottawa	Toronto
Financial	Land	2.5	3.1	3.5
	Building	30.8	31.6	34.2
	Subsidies	-7.8	-7.1	-5.6
Financial Recurring	Labour	25.6	26.1	26.1
	Supply	78.5	78.4	78.1
	Energy	4.8	4.8	4.8
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	Unions	3	2	2
	PR/Commercial	2	4	5
OVERALL WEIGHTED EVALUATION	score on 100	76	65	64

A presentation slide with simple messages and easy to interpret data gives a feeling of professionalism.

But don't exaggerate. This isn't a TED talk. Pictures and keywords alone won't do the job. Numbers and details reassure the Directors. They can easily interpret a balance

sheet on a slide, while any attempt to put it in a graph would lead to oversimplification.



Too many slides with only a picture and few numbers make your presentation feel puffery.

c. Backup slides.

Put all other information in the backup slides that you can pull up depending on the questions you get. Don't put too much effort in making them look fancy. The objective is that you and your audience can easily find the necessary data, when a specific question arises.

STEP 4 – Prepare to be your honest self..

Rehearse your introductory presentation and make sure that you can easily retrieve information from supporting documents or backup slides. Be prepared for what might happen in the boardroom. Accept that you won't be perfect.

Check the room and feel at home.

We all feel less stressed in a place we know. So, take time to check the room upfront. Take a seat, stand where you will present and imagine the Board members in the room.

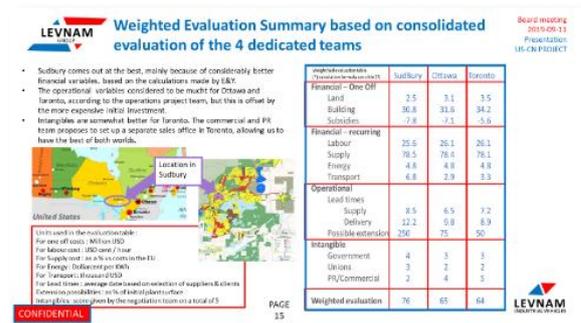
Focus on the start and stick to the point.

Have a strong opener to catch their full attention. Tell them how you will proceed and how much time you will take. Then go straight into the heart of the subject and deliver your short presentation. Ask for questions and let the discussion unfold. The chair or your sponsor will probably lead the discussion. He or she oversees the process, not you. Focus on providing short, clear and correct answers. Don't elaborate on things beside the point.

Minimize the cognitive overload.

Above all, minimize the effort necessary to read and understand documents and slides.

Do not overload the slides. Take out unnecessary elements, colours, lines, boxes and decoration. Use short, simple sentences and plain language. Only use acronyms they know or put the full wording next to it. Visually guide the attention to make it clear what to look at first, second and third.



Slides with a high cognitive load are impossible to understand while listening to the speaker.

Be your honest self.

It is normal to be stressed in front of the Board. Just be who you are. You are well prepared; you know your stuff. Nobody expects you to be infallible. If you need time to look something up, say so. If you didn't understand the question, ask for explanation. If you don't know the answer, say so. Don't beat around the bush.

Mark a clear end to your presence.

If nobody else did, summarise the conclusion. And thank your audience for giving you the time and the opportunity. Even if things didn't go as you expected, consider it a priceless learning exercise.

Example

STEP 1 :

Purpose.

Imagine that you are in charge for a project that analysed an investment in a potential new manufacturing plant. For the Board of your company, ‘LEVNAM industrial vehicles’, this project is part of a larger strategy to expand the business into North America. You have been asked by the Board to present the conclusions of your analysis.

Their purpose behind this request could be one of many:

- Assess the feasibility of the overall North America strategy.
- Decide on the investment location, budget and timing.
- Find out if you are a valuable candidate to run the new North American operation.
- Etc...

Depending on what their purpose is, your presentation can (should) be structured differently. Be aware that different board members might have different agendas.

Understand their needs.

The Board might be particularly worried about the company’s long-term exposure to exchange risks, because of the recent evolutions on financial markets. In that case, make sure to explain how your proposal for the overseas investment will also reduce the global exchange risk exposure.

STEP 2 :

Key Message.

Here are two different key messages for the same story:

“The new Canadian factory will reduce COGS by 20% and increase our NA sales volume by 75%” or

“The new Canadian factory is our bridge-head for a North American expansion over the next 20 years”.

Which is better depends on what the major focus is for your audience.

Deductive versus inductive.

Deductive story :

1. We have made a team to research locations for the new plant. The team consists of people from finance, strategy, commercial, operations, purchasing, and consultant XYZ.
2. We have used these selection criteria:
(overview of all selection criteria and why those were selected)
3. Each of the criteria has been given a weight:
(overview of the weight given to each criteria and why)
4. We have identified these possible locations:
(Overview of all locations with their characteristics)
5. This is the ranking of the locations, based on the selected criteria:
(table of locations with the overall evaluation & score)
6. Conclusion: Sudbury comes out on top, followed by Ottawa and Toronto.

Inductive story :

1. Sudbury is the favourite location – With Ottawa in 2nd and Toronto in 3rd place
2. Reasons why :
 - a. Sudbury is the better choice in overall investment cost, labour cost and tax advantages.
 - b. It is only slightly behind Ottawa in transport lead times.
 - c. For government relations, Toronto or Ottawa would be better, but we could solve this by locating the sales office in Toronto.
(summary table of locations with the overall evaluation & score)
3. Attachments (for Q&A):
 - a. Details about evaluation criteria
 - b. Details of weights given to each criteria
 - c. Details of the locations
 - d. Details of the evaluation team

Story elements.

In the example of the Ottawa plant, you might add following details and story elements to your narrative:

- Detailed calculation of investment cost per site
- Labour cost & tax advantages per location.
- Pictures of the location scouting.
- Map with transport distances & times per location.
- Picture of the team negotiating with the local government.

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September 2019

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