



How to Write an Excellent CEO Report & Delight your Board



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Why do you need a CEO Report

You need a CEO Report in your papers just as you need a CEO in your organisation. In theory, there is no reason why the senior managers and executives should not report directly to the board and the CEO role be considered superfluous; in practice, the board lacks the constant and continuous leadership and supervision that a good CEO will provide.

Your board pack should contain everything that the directors need to discharge their duty of diligence, understand the circumstances of the organisation, and responsibly make decisions. Each paper in the pack has a specific function. Some papers call for a specific decision, others encourage discussion and contribution about a specific issue or opportunity, still others provide information for the directors to note and (hopefully) remember if needed in future. The CEO Report provides the high-level context within which the other papers should be read. It also allows the board to effectively understand the challenges facing their only direct employee, The CEO. A good CEO Report builds confidence, support and the foundation for future success.

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“A great CEO report gets the Board up to speed and guides the directors to where the discussion should focus.”

Ruth Medd AO, Former Chair and Founder, Women on Boards

It is often said that the Board Minutes are a letter to a future judge, and may send the directors and officers to jail, or may exonerate them and allow them to resume their lives with unsullied reputations and intact fortunes. The CEO Report is similarly important. It is a letter to your board that should give them insight, hindsight, and foresight so that they can confidently position your company and guide your management team to success.



How can you create a CEO Report that adds value?

CEO Reports are not the easiest documents to write; plenty of well-educated, clever, honest CEOs get them wrong and plenty of boards (full of well-educated, clever, honest directors) struggle to give meaningful feedback on how to improve.

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“The Board is not there to meet; the Board is there to make the choices to create the future for the communities they serve and if they’re going to make choices that create the future, they better have their eye on what the future might be or what it could be.”

Steven Bowman, Managing Director, Conscious Governance

The best place to start is by considering your governance framework and the reports that sustain it.

- ✓ What decisions are reserved for the board and what decisions are delegated to the CEO or beyond?
- ✓ What are the key elements of the strategic plan and how will the board know that they are being delivered?
- ✓ What are the priorities and how does the board focus on these?
- ✓ What matters are handled by committees and reported to the board for key decisions and what does the board need to be made aware of directly?
- ✓ What are the key strategic risks and how is the board kept alert to the fluctuating levels of risk?



Considering the answers to these questions will help you to decide what needs to go into the CEO Report to give the board a consistent view of the items that are high on their list of priorities.

You should also consider your board's annual work plan.

- ✓ What items are on the agenda for each meeting?
- ✓ Do those items also merit a mention in the CEO report, or can they simply be referred to 'elsewhere in this pack' or 'covered by a dedicated paper at agenda item'?
- ✓ What external disclosures is the board required to make in the coming period and what disclosures will management make that the board would want to know about in the preceding meeting?

Finally consider what has happened since the last board meeting

- ✓ What are you currently working on, and what will you start to work upon next?
- ✓ Do you want the board's guidance or support with any of those things?
- ✓ Is there any bad, or troubling, news that the board should know?
- ✓ Is there any good news that the Board would want to know and that is not covered by the progress reports elsewhere?
- ✓ Do you perceive any trends that the board would wish to take into account when deciding on future directions?
- ✓ Are there any changes in the operating environment that require the board to change their policy settings?

Considering these questions will give you a good grasp of the items that should be in your CEO Report and those that can safely be excluded either because the board has no need for the information or because they are adequately covered elsewhere.





You are now ready to design a CEO Report that will add value for your board.

Directors often lament that their boards' CEO reports are often backwards-looking; if you consider the forward-looking elements as well as the current and previous elements, you should be able to strike a balance that pleases your board. More important – you will position your board, and hence your company, for better decisions and more success.

Where does your CEO Report go in the Board Pack and Agenda?



There are three principal ways to structure your board pack:

1. In the order in which items arise on the agenda for discussion
2. In an order that places like papers together – grouping decisions, discussions, and noting papers
3. In an order that considers the importance of each item and the relationships between each of the items

Each structure has its own pros and cons.

When your CEO Report sets the strategic context for the decisions that will be made at the meeting it is best to discuss it briefly at the beginning of the meeting and ensure that the directors are strategically aligned and agreed on the environment in which their decisions will be made. If, having considered the recommendations above, you have chosen to have a CEO Report that is predominantly backward-looking, then it need not be discussed in the front half of the meeting and can be placed at the rear or even in a consent agenda (if your board uses one).

An alert and engaged board will ask questions about the CEO Report if they feel these are needed to unify their perspectives or to complete the information in the report. This is not a criticism of the way the CEO Report has been structured. It is, instead, a clear sign that the report is provoking thought and generating a deeper understanding.

Make sure your pack goes out with plenty of time for directors to read and think deeply about the contents. This will help your chair and directors to manage their agenda and to raise any substantive questions with sufficient time between asking and the meeting to allow you and the management team to gather the information required to provide a good answer.

What should go into the CEO Report

The CEO Report must add value, it should give the directors everything they need to know to help them make better decisions but no extraneous information. Keep it relevant. Directors are more likely to miss important information if it is buried in a mass of obfuscating detail. Aim for clarity and use tables, charts and graphs where these would make information more easy to identify and understand.

Avoid the temptation to show everything in the most positive light possible. The aim of your report is to delight directors by giving them what they need, not to give false comfort or hyperbole.



“Reporting to the BOQ Board and to Board committees was overly positive and failed to highlight material issues. This impacted the BOQ Board’s ability to oversee and make sufficiently informed decisions on risks.”

Court Enforceable Undertaking between Bank of Queensland Ltd and Australian Prudential Regulation Authority (APRA), May 2023

There are numerous templates for CEO reports and you may like to download the [BoardPro CEO Report Template](#) which gives a suggested structure for a report that you can adapt to suit your board. Regardless of the order of the information in your report, make sure that it:

- ✔ **Communicates clearly to the board how you expect the company to grow and develop compared to the endorsed strategic plan. Highlight any over- or under-achievement.**
- ✔ **Mentions any achievements or disappointments. Be clear about which team members have been involved in these events and how you are leading the team's ongoing development.**
- ✔ **Reports on the 'big picture' financial outcomes and expectations. The Finance Report may provide additional detail but should not repeat your summary. As CEO you are accountable for the financial performance.**
- ✔ **Covers management's plans for the upcoming period. Engage with the board for their input on these.**
- ✔ **Shares any perplexing or novel developments in the economy, industry, or sector and invites consideration of what these developments may mean for the strategy.**

Ensure that you engage with the Chair and (after that) whole board to gain their ideas about what should go into the report and the correct order and granularity of the information. Every board is unique, and your report must suit the needs of your unique team of directors.



A suggested structure

Although your report should be tailored to your Company's needs and your Board's preferences, there are a few elements that are commonly found in CEO Reports and which might suit your circumstances.

Every board paper should be referenced with a meeting and agenda item number so that directors can easily retrieve past reports when they want to revisit any issues contained within them. A title or topic is often also helpful.

You should indicate what you want the board to do with the paper. For a CEO Report this may be for 'noting' (especially if it is contained in a consent agenda) or for 'discussion' if you are encouraging the board to engage with strategic issues under your report rather than under separate specific papers elsewhere in the pack.

A clear statement of the purpose of the paper is essential for helping the directors to 'frame' the information and engage effectively. Much as a picture frame can highlight or distract from the picture, how you frame a board report can either encourage your board to sit up and read carefully to extract meaning or to slump and skim through the paper as quickly as possible. Machiavellian writers will often use positive or negative 'frames' in an attempt to guide the board's decisions. A good CEO will use the frame to engage rather than corral the board. E.g. you might state that the purpose of your CEO report is to "provide the directors with the information required to discharge their duty of oversight and add value to Company's strategic decision-making". Note that this purpose statement provides both a call to duty and an encouragement to thought (or a stick and a carrot).

The first substantial item in the CEO Report should be your brief assessment of the status of the company. Keep this succinct; one or two paragraphs that set the scene for the information that follows. Beware of the temptation to characterise the facts as positive or negative here. If you need to state an opinion, be sure that you identify it as opinion, rather than fact, by statements such as "I believe ..." or "My interpretation is ...". Stay

away from adjectives that are not quantifiable; say "20% better" rather than "better" and "important" rather than "very important".

This is often followed by a brief summation of the key performance data. This can be presented as a dashboard of charts and graphs, or a set of tabulated data, or a few dot points with numbers and performance levels. The choice of presentation style or format is very much influenced by your personal preferences and those of your board.

Refer next to the annual board work plan and highlight the key decisions and discussions that are on the agenda for this meeting. Mention the strategic issues that the board is requested to consider and the action that is desired for each item.

Give the board some useful information on how the company is progressing with its plans by including a section on key achievements and disappointments in the reporting period covered by this CEO Report. This is a good way to keep the board briefly informed of matters that otherwise might not get mentioned. If the item is the subject of a specific board paper, just name it, give a one sentence summary, and refer to the full report in the agenda.

Follow this with the key financial performance data. There will usually be a finance report later in the agenda, but it is important for the board to see that their CEO has a firm grasp of the financial implications of recent developments and the adherence to (or deviation from) the budget.

Follow this with a section on the future plans and expected activities and developments so that the board is looking forward and thinking strategically, rather than distracted by the historical performance.

End with a section on 'what's exercising my mind right now'. This is your opportunity to engage the board in considering the implications of any economy, national, sector, industry, or company developments that may or may not have some bearing on the company's future performance.

Some suggested headings

There is no single 'correct' way to structure your CEO Report, however these headings may provide some guidance which you may customise:

- ✓ Date
- ✓ Meeting Number
- ✓ Agenda Item number
- ✓ Title/Topic: CEO Report
- ✓ Purpose
- ✓ For: (tell the board if this is for noting or discussion)
- ✓ CEO Overview of strategic position
- ✓ Key performance metrics dashboard
- ✓ Key decisions/discussions
- ✓ Achievements/Disappointments
- ✓ Key Financials
- ✓ Future plans
- ✓ Top of mind/CEO concerns
- ✓ Big wins/Key learnings
- ✓ Board comments or questions
- ✓ Recommendation: (that the board either note or discuss the report)



Reviewing and agreeing your report format

Although the CEO Report is very much the CEO's creation and should provide the overview and requests for input that you would like to give your board, it is always a good idea to review any prospective change to the report format, content or layout with your Chair (first) and the rest of your board. You may also wish to go through your board's governance committee, if your company has one.

When the CEO and board are agreed on what needs to be communicated, and in how much detail, the board and company are prepared for excellent decision-making which should provide a reliable foundation for your future successes.



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Julie Garland McLellan is a confidential expert advisor to boards and directors, with a focus on improving practical governance and boardroom effectiveness. She has been CEO at The Director's Dilemma since February 2004. Julie has qualifications from the Australian Institute of Company Directors, I E Business School, and The Wharton Business School, and has served on over 23 boards. Her skills include business strategy, decision-making, and board service.



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