



Resilience Checklist

Is your organisation equipped to navigate change?



Resilience is part of business as usual – are you ready?

Boards and governance professionals play a vital role in how organisations approach change. Whether you lean into uncertainty and strive to become better than before, or bunker down hoping for the storm to pass will determine the success and survival of your organisation.

Victory under pressure

The 2020 Tokyo Olympic Games saw athletes from Australia and Aotearoa New Zealand produce medal-winning performances in sailing. They were among many highlights from both teams, who each achieved their best ever Olympic performances.

It's all the more remarkable given the challenges they overcame to get there. Athletes competed without their families, with no audiences to boost their morale. They endured weeks of isolation, and had training and event schedules disrupted by the ongoing COVID-19 pandemic.

Many of us, living in lockdown, watched them from our sofas and cheered them on. Their performance is a testament to resilience.

Resilience closer to home

The pursuit of sporting glory is rarely a goal for boards and governance professionals.

However, we share a drive to deliver the best possible performance, whatever the obstacles along the way. We influence culture, set priorities, make decisions and provide the resources our organisations need for sustained success.

Resilience needs to begin with us. This checklist provides a range of indicators to assess resilience across eight key dimensions:

Organisation —

Environment —

Relationships —

People —



— **Culture**

— **Leadership**

— **Decision-making**

— **Systems**

Lay a strong foundation

The board and leadership team establish the tone from the top which permeates the entire organisation. That starts with creating a sense of unity and purpose that is shared across every level. It's supported by the overall approach and values demonstrated in the boardroom, the corner office, on site and online. Resilient leadership is clear and authentic. It builds trust by fostering open communication and sets the standard for ongoing improvement.

Resilient organisation

- We have a clear purpose which is understood across the organisation.
- We understand our customer value proposition.
- We understand the biggest challenges facing our organisation.
- We have an organisation-wide approach to governance, risk and compliance.
- We connect governance, risk and compliance priorities to our organisational goals.

Resilient culture

- We encourage everyone to contribute to a better future.
- We lean into change and uncertainty as part of learning and making progress.
- We encourage people to ask questions, make suggestions, and raise concerns.
- We welcome diversity at every level and have an active inclusion program.
- We value a clear, straightforward approach which reduces unnecessary complexity.

Resilient leadership

- We lead by example, demonstrate courage and humility, and aren't afraid to roll up our sleeves.
- We have a board engagement and education program, including site visits, informal meetings with staff, guest speakers, and focused training sessions.
- We share regular updates from senior leaders with people across our organisation in face-to-face meetings online or in person.
- We foster wide-ranging discussions in our board meetings which share insights and encourage strategic questions.
- We have set targets to increase our diversity, including at board and executive levels.
- We conduct 360o feedback for senior leaders, including the CEO and executive team and are receptive to addressing its findings.
- We consider our current impact and the legacy we seek to leave.
- We incorporate conduct, culture, environmental, social and governance metrics into our criteria for remuneration, including variable pay.

Use information and systems effectively

A strong decision-making framework helps maintain momentum when facing uncertainty. It provides a compass to guide timely, balanced action when it isn't possible to obtain all the information, and helps identify when to change course. This needs to be accompanied by effective systems that enable people to focus on the key issues. This is critical to support longer-range planning, cross-functional collaboration and expand our capabilities.

Resilient decision-making

- We have clear lines of authority to empower our people and underpin accountability.
- We explore a range of possible options and develop backup plans.
- We consider probabilities and risk ratings to make balanced decisions amid uncertainty.
- We challenge information overload and focus on key metrics and relevant insights.
- We actively monitor external conditions and changes and consider their potential implications.
- We challenge assumptions and 'the way things are done around here'.
- We track ongoing progress and adjust course as changes occur.
- We recognise the importance of what we stop doing, not only what we start and continue.
- We conduct robust reviews of major projects to identify insights for future improvement.

Resilient systems

- We have processes to share information across the organisation and break down divisional silos.
- We invest in improvements that support greater efficiency, insight and collaboration.
- We capture and share organisational knowledge and develop our internal capabilities.
- We have systems and processes that help our people find solutions to emerging challenges.
- We can obtain the information we need to run our organisation without long delays or manual processes.
- We have identified our most valuable data assets and know where they are held, who can access them, and how they are protected.
- We monitor our defences against cyber threats and other disruptions and conduct practical exercises to test our recovery capability.
- We keep computers, devices and systems up to date and have a program to replace them before they reach their end of life.

Empower people to make an impact

Everybody benefits from organisations investing in greater resilience – investors, employees and communities. Giving people the support to develop and recover from setbacks helps them thrive under pressure. This maintains strong morale and high performance. Organisations need to extend this focus to their external stakeholders and make a positive difference to their customers, communities, and our environment.

Resilient people

- We provide people with autonomy, accountability and clear expectations.
- We have enough people to work sustainably across our organisation and achieve our goals.
- We conduct employee engagement surveys and pulse checks to review morale and address the issues they reveal.
- We focus on people's progress and outcomes above their time at work.
- We support all genders balancing work, family and personal life.
- We appreciate the need for psychological as well as physical safety.
- We care for our people and have programs to recognise their value and protect their wellbeing including avoiding overexposure to stress.
- We set aside time for deep work and to reflect, plan and improve.
- We challenge inappropriate behaviour wherever we encounter it and demonstrate unacceptable conduct has serious consequences.
- We reward people for showing initiative, being accountable, and driving innovation.

Resilient relationships

- We listen to our people, customers, suppliers and communities.
- We consult in advance with people and organisations our decisions will affect.
- We build connections across industry, government and academia to support innovation.
- We have constructive relationships with regulators and engage with them regularly.
- We give back to our community through donations, partnerships and volunteering with not-for-profit organisations.
- We contribute to important social and environmental causes to reduce disadvantage and improve sustainability.

Resilient environment

- We consume physical resources responsibly, limit our waste, and seek ways to repurpose and recycle what we don't need.
- We have set goals to reduce our environmental impact, including reaching net zero emissions.
- We have taken steps to address the risks across our supply chain, including in relation to ethical business practices and ending modern slavery.



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About Diligent

Diligent leads the way in modern governance. We empower leaders to connect and share insights that enable them to make the best business decisions.

Our integrated cloud-based solutions enable organisations to enhance their governance framework and streamline their processes so that directors, executives and governance professionals can concentrate on the key issues.

With our origins in New Zealand, Diligent has grown to become a global company with clients in more than 90 countries. We've come a long way, but local expertise and award-winning service paired with rigorous security are still at the heart of our business.

Diligent is here to help you thrive.

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