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Feng shui – the Chinese art of creating harmonious surroundings that enhance the balance of yin and yang – is essential to board dynamics and the effective functioning of boards. A key role of chairmen and company secretaries is creating a good atmosphere at board meetings. Board dynamics are heavily influenced by basic considerations such as the location and layout of boardrooms, seating arrangements, room temperature etc. As these considerations are frequently overlooked, Niamh Brennan highlights the issues.

Feng Shui in Boardrooms

Board meeting planning in text books deals with issues such as agendas, frequency and timing of board meetings. The purpose of this article is to point to some more basic considerations relating to human comfort that might ensure a good atmosphere which can contribute to positive board dynamics and the flow of board meetings.

So important are considerations such as the physical layout of boardrooms that the Financial Times weekend magazine recently ran a story on “Top Tables” containing photographs of the boardrooms of some of Europe’s biggest multinationals. Jacqueline Hassink, the artist/photographer/writer of the piece labelled boardroom tables “Tables of Power”. Photographs of seven boardrooms were reproduced in the FT article, variously described as “a spaceship with tall narrow windows”, “the boardroom entrance...creates an incredible silence”, “...surrounded by office chairs with bright red Shell-coloured fabric. Only one chair was yellow – the seat of the chairman...”, “the room was very large, and because of that gave a feeling of true power”, “...and faces the 18-hole corporate golf course on one side...”.

Lucy Kellaway responded with an article titled “Ban the boardroom!”, saying boardrooms should no longer exist or else should not look like the ones in the photographs. Commenting on her own experiences on a board, Kellaway says “...where we are, and what we’re sitting on makes a difference”. The boardrooms photographed, she opined, shout of power, self-importance, isolation, pomposity, uniformity, complacency and extravagance. She recommends Goldilocks chairs – not too big and not too small – and that directors should sit on the same chairs occupied all day long by company employees.

Kellaway says the elephant in boardrooms is obsolescence. Another way of putting this is that boardroom norms and behaviours need to be challenged, when those norms and behaviours are dysfunctional and are relics of the past.

Boards carry out important legal duties, and those duties demand a certain amount of formality in terms of how the work of boards is executed. That formality does not have to extend to excessive physical formality. For boards to operate at their best, the work of boards needs to be formally executed, but the conduct of meetings needs to be informal, relaxed, professional, collegiate, encouraging and supporting full and frank discussion of the key issues.
Location of boardrooms

Board meetings generally take place in company headquarters, often in custom designed boardrooms. Companies constantly emphasise the importance of employees. So why then are boardrooms mostly on the top floor, isolated from the rest of the building, with directors having little opportunity to meet and interact with ordinary staff? One of Jacqueline Hassink’s boardrooms was on the 12\textsuperscript{th} floor and one on the 33\textsuperscript{rd} floor. Surely the board should be seen by staff. If the board is to create the tone at the top in an organisation, how can it do this if not observed by the staff? Is the location of boards on the top floor to keep board members out of harms away? Does it create the impression the board doesn’t know what is going on in the business? Is it a gate-keeping tactic by management?

On occasion, location may vary, particularly on board away days, for example, taking place in hotel rooms. This presents particular challenges for the company secretary.

Maybe all board meetings should take place outside corporate headquarters, getting the directors out in the field, increasing their knowledge and visibility. If well structured and organised, varied locations can be enjoyable and mutually beneficial for boards and managements.

Layout in boardrooms

Basic physical issues are worth attending to. Is the room comfortable? Is the temperature and lighting conducive to good meetings? Is there an irritating source of noise (e.g., air conditioner)? Does the layout and furniture in the boardroom encourage/discourage interaction/discussion? Does it create stiff a formal atmosphere or a relaxed informal collegiate atmosphere? Does the boardroom layout create polarisation – a them (executives) and us (non-executives) dynamic?

Few authorities in the literature address these issues. Important considerations for chairmen and company secretaries are summarised in Table 1.

Seating arrangements are critical. If executives and non-executives sit facing each other across the table, does this (subtly) create an atmosphere of conflict or collaboration? Round or oval tables might reduce this problem. Some might argue that boardroom seating should never be random/optional/open plan – to do so might imply insufficient planning and preparation. Seating arrangements may need to be discussed between the chairman and company secretary.
Table 1: Issues to consider to promote “Feng Shui” in boardrooms

<table>
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<th>Issue</th>
<th>Considerations</th>
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| Seating arrangements:        | • Managed – using name plates?  
|                              | • Random seating?  
|                              | • Executives on one side, board/non-executives on the other side?  
|                              | • Chairman at the head of the table or amongst the group, *primus inter pares*?  
|                              | • Is seating available for those joining the meeting for an agenda item?  
|                              | • Round or oval?  
|                              | • Can everyone see everyone else?  
| Shape of the table:          | • U shaped?  
|                              | • Conference or boardroom style?  
|                              | • Hollow design (centre open)?  
| Layout of the table:         | • Small and cosy, creating a one-team feeling?  
|                              | • Large and isolating, creating artificial formality?  
| Size of the table:           | • Comfortable?  
|                              | • Too big for small people?  
|                              | • Uncontrollable lean back chairs – leading to embarrassing incidents?  
| Size/functionality of the chairs: | • Audio microphones – physical barriers hiding board members?  
|                              | • Laptops – physical barriers hiding board members?  
|                              | • Laptops/mobile phones – distracting board members from the discussion?  
| Equipment on the table:      | • Too cold?  
|                              | • Too hot?  
|                              | • Stuffy?  
| Heating and Ventilation:     | • Warm and welcoming?  
|                              | • Harsh, over-bright?  
| Lighting:                    | • Should microphones be necessary?  
|                              | • Does it suggest the boardroom is so big, people can’t be heard without microphones?  
| Audio microphones            | • Harsh, metallic?  
| Colour/finish                | • Warm, wood?  

Technology and Gadgetry in boardrooms

Technology in boardrooms should be strictly controlled by chairmen who should clearly set the etiquette at the beginning of their tenure. A laissez-faire approach may result in board members not paying adequate attention at meetings.

Should board members bring iPhones, iPads, laptops and mobile phones to board meetings? Should board members and executives text-message, reply to emails and read day-job papers during board meetings? Or should they be listening carefully to what is being said at board meetings? Some boards supply board members with iPads to facilitate efficient distribution of board papers running “to hundreds of pages”. While this approach may be effective, it is wise for board members (especially non-executive board members) to facilitate distribution of
lengthy board papers, given the legal risk of being found negligent in exercising due care and
skill if they do not read every page in the board pack (see my article in the December 2011
issue of Accountancy Ireland)? How do board members take notes if they do not have their
papers in hard copy? Security may also be an issue.

Does technology and gadgetry enhance board meetings or are they a distraction? Boards
should agree on protocols and chairmen may need to set the tone and standards of conduct
concerning these issues.

Role of the company secretary

The company secretary is key to effective meetings. Boards depend on their company
secretaries for delivery of papers, knowledge transfer and ultimately the board dynamics. An
effective company secretary will deal with “feng shui” in a quiet efficient manner (reflecting
the Latin term “Gubernare” meaning to steer – “He that governs sits quietly at the stern and
scarce is seen to stir” (Cicero, De Senectute)). The company secretary may also provide
continuity, regardless of changes in chairman and board composition.

Planning arrangements down to the last detail is common at family weddings. Boardrooms
deserve the same attention.

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