

EY Center for Board Matters

Charting the course: The EY framework for board effectiveness

The better the question. The better the answer. The better the world works.

Shape the future with confidence

Introduction

Setting the direction for board effectiveness

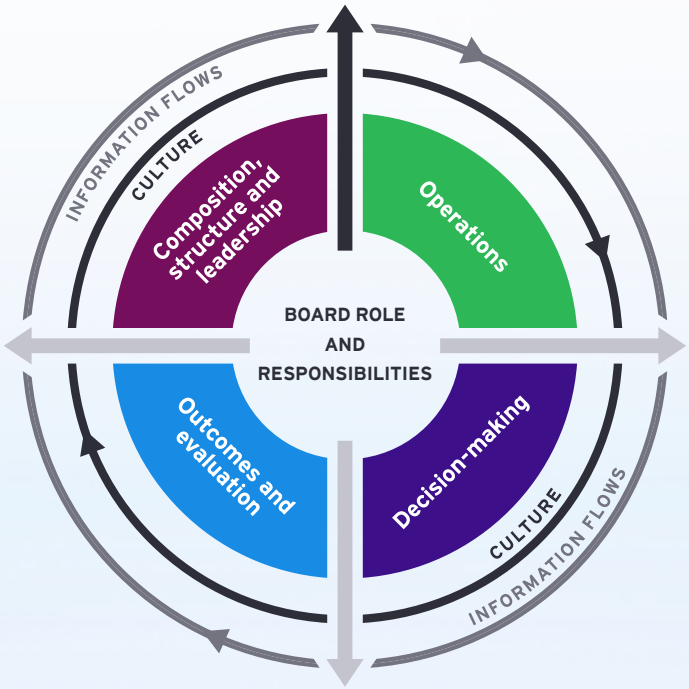
Board agendas have grown faster than the scheduled quarterly meeting cycle. In this environment, board effectiveness depends on sharpening the fundamentals that enable rigorous oversight and sound decision-making, even as priorities change and complexity grows.

The EY Center for Board Matters developed this board effectiveness framework as a practical, principles based lens to support reflection and targeted adjustments that improve impact. It is grounded in our experience working with boards and enriched by insights drawn from our latest survey (URL TK) of more than 100 directors and in-depth interviews with veteran board leaders. It is anchored in the board's role and responsibilities, and it elevates two foundational levers that consistently shape performance across every other domain: information flows and board culture. The framework is intended to layer on top of baseline compliance with statutory, regulatory or fiduciary requirements, which remain essential responsibilities of every board.

The framework is designed to support ongoing calibration rather than a one-time or linear maturity journey. It is also grounded in the reality that there is no one size fits all model: boards differ in context, maturity and priorities, and may pursue effectiveness in different ways. The framework pairs leading-practice perspectives with reflective questions to help boards surface potential blind spots, prioritize where to focus limited time and attention, and translate insights into practical actions.

Boards can use the framework to support candid dialogue within the board and committees, align expectations with management (including around the quality and flow of information), strengthen onboarding and ongoing education, and enhance evaluation and continuous improvement — including in areas that directors often cite as harder to tackle, such as composition, succession planning and feedback.

Board effectiveness





Board role and responsibilities



In alignment with directors' fiduciary duties, the board's core role is to provide informed, independent oversight and strategic direction on behalf of shareholders, while responsibly considering stakeholder interests to support long-term value.

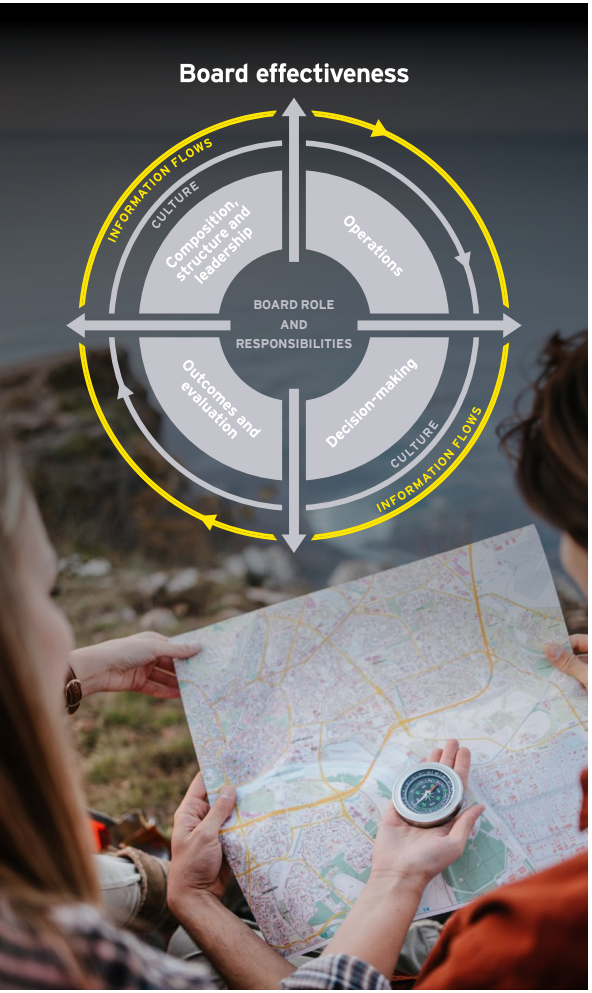
As expectations expand and the external environment changes faster, effective boards stay crisp on where they must lean in, where they must ask for more (or different) information, and where management must execute. Articulating and periodically revisiting a shared view of the board's role and core responsibilities helps directors focus time and attention on mission-critical risks and opportunities, test assumptions, and navigate trade-offs across time horizons without drifting into day-to-day management.

Clear governance guidelines help translate that role into operating discipline. For example, corporate governance guidelines may describe the board's approach to strategy oversight and set expectations in areas such as director qualifications, board leadership structure, director access to employees and information, committee responsibilities and coordination, evaluation practices and continuing education. When these guardrails are current and well understood, they reduce ambiguity, support consistent decision-making and help the board and management stay aligned on how oversight will be carried out in practice.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- To what extent is there consensus among directors about our board's role and its core oversight responsibilities?
- How effectively do governance guidelines or other governing documents articulate our board's role and responsibilities as well as that of each committee?
- How clearly are board agendas and materials structured around those articulated roles and responsibilities, including provisions for heightened attention to mission-critical issues?
- How aligned are board members and management on which mission-critical issues and emerging risks warrant board-level attention?
- What recent examples can our board point to where it constructively challenged management's assumptions without stepping into execution?

Information flows



Effective boards intentionally set expectations for how they receive information, recognizing that information quality and framing directly shape the quality of oversight and decisions.

This includes setting shared expectations with management about what is reported, in what format and on what cadence; how materials should surface the key questions, trade-offs and decisions required of the board; and when escalation is expected between meetings. Information flow also includes how committees elevate issues to the full board and report back in a way that highlights where rigorous discussion occurred and what may require full-board debate.

Strong coordination on board materials with clearly assigned roles among management, committees and the independent chair or lead director helps with transparency, consistency and decision-readiness. As data, dashboards and AI-enabled analytics become more prevalent, boards should probe the sources, limitations, controls and potential bias in what they receive, while preserving confidentiality and privilege. Many boards also supplement internal reporting with external perspectives, benchmarking and education to stay current and anticipate change, and directors on these boards take personal responsibility for ongoing learning. When designed well, information flows reduce noise, protect time for discussion, and enable directors and management alike to focus on insight, challenge and judgment.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- How clearly has our board defined, and how effectively does management meet, our board's information expectations (e.g., content, format, cadence, and metrics)?
- How consistently does our board receive "decision-ready" materials with clear framing of context, key points and the specific decisions or input requested of the board from both management and the committees?
- To what extent are there agreed-upon escalation thresholds detailing the process for management to alert our board between meetings about time-sensitive matters?
- How satisfactory is directors' access to management and employees, supported by communication norms that enable efficiency while preserving independence and accountability?
- How thoroughly does our board test information quality and bias — especially where AI or complex analytics are involved — by asking about source data, controls and limitations?
- To what extent does our board intentionally supplement internal reporting with external perspectives, benchmarking or independent advice to broaden its understanding of the business and operating environment?

Culture



Board effectiveness depends not only on who sits at the boardroom table but on how directors work together and engage with management.

A healthy board culture enables candid, solution-oriented debate and constructive challenge without personal friction so directors can test assumptions, surface what may be missing and make better decisions. Even when performance and reporting are positive, effective boards balance support for management with healthy professional skepticism.

Independent board leadership plays a central role in shaping these dynamics by setting expectations for behavior, encouraging balanced participation and intervening when discussions drift toward groupthink or over-deference. Healthy cultures make space for curiosity and respectful disagreement, normalize dissent and avoid informal hierarchies among directors. Shared norms around respect, preparedness, ethics, confidentiality and accountability are reinforced through feedback and reflection, including through evaluations and executive sessions. Over time, strong dynamics strengthen decision quality and allow the board's culture to evolve as strategy, risk and the external environment change.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- To what extent do boardroom discussions consistently reflect constructive challenge, independent thinking, and healthy professional skepticism versus consensus without sufficient debate?
- To what extent are all directors encouraged and expected to contribute their perspectives, with board leadership actively managing participation to avoid a single voice or group dominating discussion or decision-making?
- How does board leadership actively reinforce norms of respect, collegiality and ethical conduct, and how do they intervene when dynamics undermine effectiveness?
- How does our board encourage diverse viewpoints and dissenting opinions that can be used to improve decisions rather than suppressed for efficiency or harmony?
- How does board leadership work to establish that there are no "camps" or "factions" among board members or between board members and management?

Composition, structure and leadership



Leading boards regularly assess whether their composition, structure and leadership remain aligned with the company's strategy and risk profile, as well as whether the board is equipped for what's coming, not just what has worked historically.

This includes evaluating the mix of skills, experiences and perspectives needed at the board and committee level (often supported by a skills matrix) and addressing gaps proactively. Effective boards recognize that director relevance can change as business models, technologies and stakeholder expectations evolve, and they reinforce expectations around preparation, education, integrity, constructive engagement and continuous improvement.

On many boards, succession planning is treated as an evergreen process, with potential candidates evaluated on an ongoing basis and against evolving oversight needs. This should encompass director refreshment and tenure considerations as well as continuity for key roles such as the chair, lead independent director and committee chairs. Continued service is discussed candidly based on board needs, individual performance and time commitment, with clear expectations set during onboarding that periodic transitions are normal and healthy. High-performing boards also clarify the allocation of responsibilities between the full board and its committees and revisit committee structure, leadership and workloads as strategy, regulation and risk evolve.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- How does our board maintain and periodically refresh a skills matrix that is actively used to assess alignment with the company's strategy, risk profile and long-term value creation priorities?
- To what extent are board members able to access a range of education options (company-provided and external; individual and collective) in order to keep their skills and knowledge current?
- To what extent does our board manage director and committee succession planning as an evergreen process to anticipate future needs and leadership transitions versus reacting to vacancies as they arise?
- How are director tenure, performance and time commitment evaluated candidly, with a shared understanding that board service is based on evolving needs?
- How might changes in strategy, regulation, or risk have created gaps or overload in committee structure and board leadership that require adjustment?
- How effectively do committee chairs collaborate and communicate issues, needs or concerns to our board?

Operations



Effective board operations are anchored in disciplined meeting design that reflects oversight priorities and protects time for the conversations that matter most.

Leading boards maintain an annual board and committee calendar, with agendas set by independent board leadership in consultation with management and committee chairs, and providing enough flexibility to address emerging risks and opportunities. Oversight of strategy and risk is embedded in all meetings and supplemented with periodic deep dives that help directors stay current as the business and operating environment evolve.

High-performing boards invite director input into agendas, regularly assess whether time is allocated to the right topics and adjust meeting formats and cadence as conditions change. They shift the balance of meeting time toward discussion by relying on strong pre-reads, consent agendas and disciplined committee read-outs, minimizing presentations and maximizing dialogue and decision-making. Site visits and other exposure to operations and frontline leaders, as well as to customers and other stakeholders, deepens understanding of the business, culture and risks. Executive sessions bookend meetings to reinforce independence, enable candid feedback and capture improvements in real time. Together, these practices help keep meetings focused, engaging and decision-oriented, and allow the board to sustain continuity between meetings on fast-moving topics.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- How effectively does our board maintain an annual board and committee calendar that allocates time to our core oversight responsibilities, strategy discussions and emerging risks while allowing flexibility to adjust as conditions change?
- What approaches does our board take to intentionally manage agendas and meeting practices to maximize discussion and debate?
- In what ways does our board use executive sessions to promote independence, candor, real-time evaluation and accountability?
- What practices does our board use to intentionally obtain feedback on meeting effectiveness, time allocation and agenda design? How are we making adjustments based on that input?
- How much time does our board spend "in the field" to deepen understanding of the business, culture and risks?
- How often do we assess whether meeting cadence, length and format still fit the company's needs?
- How flexible are our meeting cadence, length, and format to accommodate unanticipated needs (for example, during a period of rapid change)?

Decision-making



Leading boards are clear on which matters require board or committee approval and which are delegated to management, with decision rights aligned to applicable law and documented through governance guidelines, committee charters and delegated authority frameworks.

This clarity supports timely escalation, prevents gaps or duplication, and helps verify that issues are addressed at the appropriate level with the right degree of oversight as the business evolves.

Significant decisions are supported by materials and deliberations that surface the relevant facts, assumptions, risks, alternatives and trade-offs so directors can test management's recommendations through rigorous, independent inquiry. Effective boards make space for debate, encourage dissenting views, and confirm what information would change the decision or trigger reconsideration. Decisions are made collectively, appropriately documented in board minutes and, where useful, followed by post-decision reviews so lessons learned strengthen future governance and oversight.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- How clearly defined, well understood, and consistently applied are approval requirements between the board, committees, and management?
- How does the board document and enable adherence to approval requirements in its organizational documents and under relevant law (for example, by maintaining a checklist)?
- When making significant decisions, what materials and discussions does the board use to surface relevant facts, assumptions, risks, alternatives and trade-offs, to encourage rigorous, independent inquiry?
- To what extent are decisions made through structured deliberation by the full board or relevant committee, rather than through informal or fragmented discussions?
- How are significant decisions documented in board minutes and reviewed so lessons learned inform future governance and oversight?

Outcomes and evaluation



Effective boards treat evaluation as a core lever for continuous improvement, not a compliance exercise or a one-time pass/fail moment.

Regular, candid assessments of the board, committees and individual directors help identify what is working, what is getting in the way and what needs to change as the operating environment evolves. The annual evaluation should not be the only forum for feedback; ongoing touchpoints (including discussion in executive sessions and in one-on-one conversations between board leaders and individual directors) can help keep improvement efforts current. Periodic third-party facilitation can add objectivity and help surface issues that may be difficult to raise in a highly collegial setting.

On leading boards, evaluation findings are translated into visible actions such as adjustments to agendas, information practices, composition, leadership roles or board behaviors, and progress is tracked over time. Boards also use insights from the evaluation process to strengthen onboarding and ongoing education, supporting directors in their efforts to sustain the fluency required to oversee a rapidly changing business and risk landscape (including emerging technologies). Disciplined evaluation, along with disclosures that clearly describe the process and highlight how the board is acting on results, can strengthen accountability, adaptability and credibility with stakeholders.

CONVERSATION STARTERS FOR CONTINUOUS IMPROVEMENT

- How candid and actionable (versus routine or overly procedural) are board, committee and independent director evaluations on what is working well and where improvement is needed?
- How could periodic third-party facilitation benefit our evaluation process and outcomes?
- How often do evaluation results drive concrete actions such as changes to agendas, information practices, composition, leadership roles or board behaviors and tracked over time?
- How does our board use evaluation insights to inform succession planning, composition decisions and leadership development?
- What disclosures around our board evaluation process and outcomes would most effectively enhance stakeholder trust in our board's effectiveness?

RETURN HOME

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About the EY Center for Board Matters
The EY Center for Board Matters is a forum for boardroom relevant insight and dialogue. We help directors cut through noise, focus on priority issues, and engage in meaningful discussion about the challenges redefining board oversight and good corporate governance. Our content, education, and peer perspectives support boards as they respond to disruption, heightened scrutiny, and rapidly shifting expectations.

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