



WILLOW CREEK ASSOCIATION NZ

Has Pike River Mine Anything to Teach Us? – by Alan Vink

I would like to suggest that the tragic incident that occurred at Pike River mine in Westport on 19 November 2010 and the robust findings of the Royal Commission of Inquiry's 404 page report released on the 6 November 2012 has at least three valuable lessons for all of us who lead churches and Christian organisations.

Sure, we do not operate in the same sector or industry, not even close, we don't face anything like the risks the mining industry faces but there can be no doubt, mistakes were made and from these we can all learn.

Profits before People

I can hear the response. Not relevant! In the Christian sector we are not in it for profits. Well, yes and no. No in the sense that generally speaking we do not have to provide a profit so that dividends can be paid out to shareholders etc. However we do of course have to balance the books and ideally make a surplus¹ so we build up some cash reserves just in case we need them for that rainy day, or that capital project. This is simply good financial stewardship.

In our world task or vision, achievement can easily trump the care and well-being of people. You know what I'm talking about. Getting from 'here to there' is way often more important than how we get there. I've made this mistake and it never delivers satisfactory results. We are fundamentally in the people business and people really matter and when all is said and done, people come before tasks or profits or anything else, even if it may cost us something in financial terms or vision accomplishment.

Skilled Governance

It has become clear according to the Royal Commission report that the Company Directors (the Board) did not fulfil their governance duties thoroughly or professionally enough. In fact it turns out that the Board had no experience in underground coal mining. This is a staggering revelation. In a day when the role and duties of Directors (or in our case Trustees, Elders, or Leadership Teams) are being emphasised more than ever, to think that the Board of a publicly listed company lacked the necessary experience and expertise is bewildering.

The Royal Commission report states that the Board did not make enquiries to check the continued adequacy of the ventilation plan, which Australian mining consultancy Behre Dolbear said was key to managing the methane risk² to protect lives and investor's cash, or whether it was being complied with.

So the significant learning here is to ensure that those sitting at the Board table are those with experience and expertise. Governance is now regarded by the Institute of Directors as a skill set all by itself. It needs the right people on the bus, not just those who have been around a long time or even those who show high levels of commitment, which is typically how Christian organisations assemble their Boards. In the last few years I have come to the view that ideally the Governance group (Board) should be made up of independent people in the case of Christian Organisations, and in the case of local churches it should be made up of men and women from within the church who have governance experience and who are crystal clear about what 'hat' they wear when they sit at the board table.

Willow Creek Association NZ ~ PO Box 15500 Dinsdale Hamilton 3243 New Zealand ~ Office: +64 (0)7 825 8722

Alan Vink ~ CEO ~ alan@willowcreek.org.nz ~ Phone: +64 (0)7 825 8330 ~ Mobile: +64 (0)21 562 743

Expert Advice ³

The Royal Commission report states on a number of occasions that expert advice was not listened to carefully enough, if not ignored. As Rod Oram states in his column in the Sunday Star Times on 11 November 2012, "Pike River tells us a lot more about ourselves than just woeful workplace practices. It tells us that we revel in risk but we prepare ourselves poorly to mitigate it. Too often we bash on ill-informed and insufficiently skilled, believing 'ingenuity' will win the day".

This is instructive for us who lead in the Christian sector. Organisational life has become increasingly complex and highly regulated. 'Bashing on', (and can I say praying and believing that God will take care of business) is no longer sufficient. Good old-fashioned kiwi ingenuity alone will no longer do the trick. There is no shame in acknowledging the need of and then asking for expert advice. If the Board does not have it within its members, then seek it out and if need be 'buy' it in i.e. instruct an expert or specialist to review your particular issue and/or problem and ask for his/her recommendations and ask them to bill you for it. A couple of thousand dollars spent now could save you tens of thousands of dollars later not to say anything about the grief and heartache it causes when organisational life goes bad.

So there it is. There are learnings everywhere. Let's be smart leaders and not make the mistakes others have made.

Alan Vink
CEO
WillowNZ
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Notes

1. Not for profit organisations generally describe an excess of income over expenditure as surplus. Businesses call it a profit. It is essentially the same thing. The means of achieving it however are different.
2. The 'methane risk', namely an explosion, is the biggest risk this kind of mining faces.
3. Proverbs 11:14 "Where no counsel (guidance, advice) is, the people fall: but in the multitude of counsellors there is safety (victory)"