



Board Succession and Transition

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Webinar structure

- Constitutional starting point
- Importance of having the 'right' people
- Trade-offs
- Selection criteria
- Process steps
- Transition management



Webinar Theme

**The role and performance of the board is
so important that board membership
should not be left to chance**



The starting point is your constitution



For example:

- Number
 - Eligibility
 - Process
 - Tenure
 - Rotation
-



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**Boards need
to have the
'right'
people on
the bus**



Election or Selection?



Neither
is
perfect



**Board
composition
challenges:
resolving
opposing ideals**



Continuity versus fresh perspectives

Do we want to emphasise...

- The preservation and leverage of existing board members' knowledge and relationships

or

- The recruitment of new directors with fresh perspectives and energy, and experience and competencies better matched to the challenges ahead



Cohesion versus diversity

Do we choose...

- People like us who we know will 'fit in'?

Or

- People who will challenge us because they think differently?
- 



Experts versus generalists

Should we...

- Load our boards up with subject matter experts?

Or

- Generalists better able to see the 'big picture'?
- 



'Conservatives' versus 'radicals'?

Do we need...

- People who are relatively risk averse and will keep the organisation out of trouble?

Or

- People prepared to take a risk and drive the organisation forward?



Of course – practically these are not mutually exclusive alternatives; it is a case of finding a ‘dynamic balance’



Questions?




**What
characteristics
might
distinguish the
'right' people
for our board?**

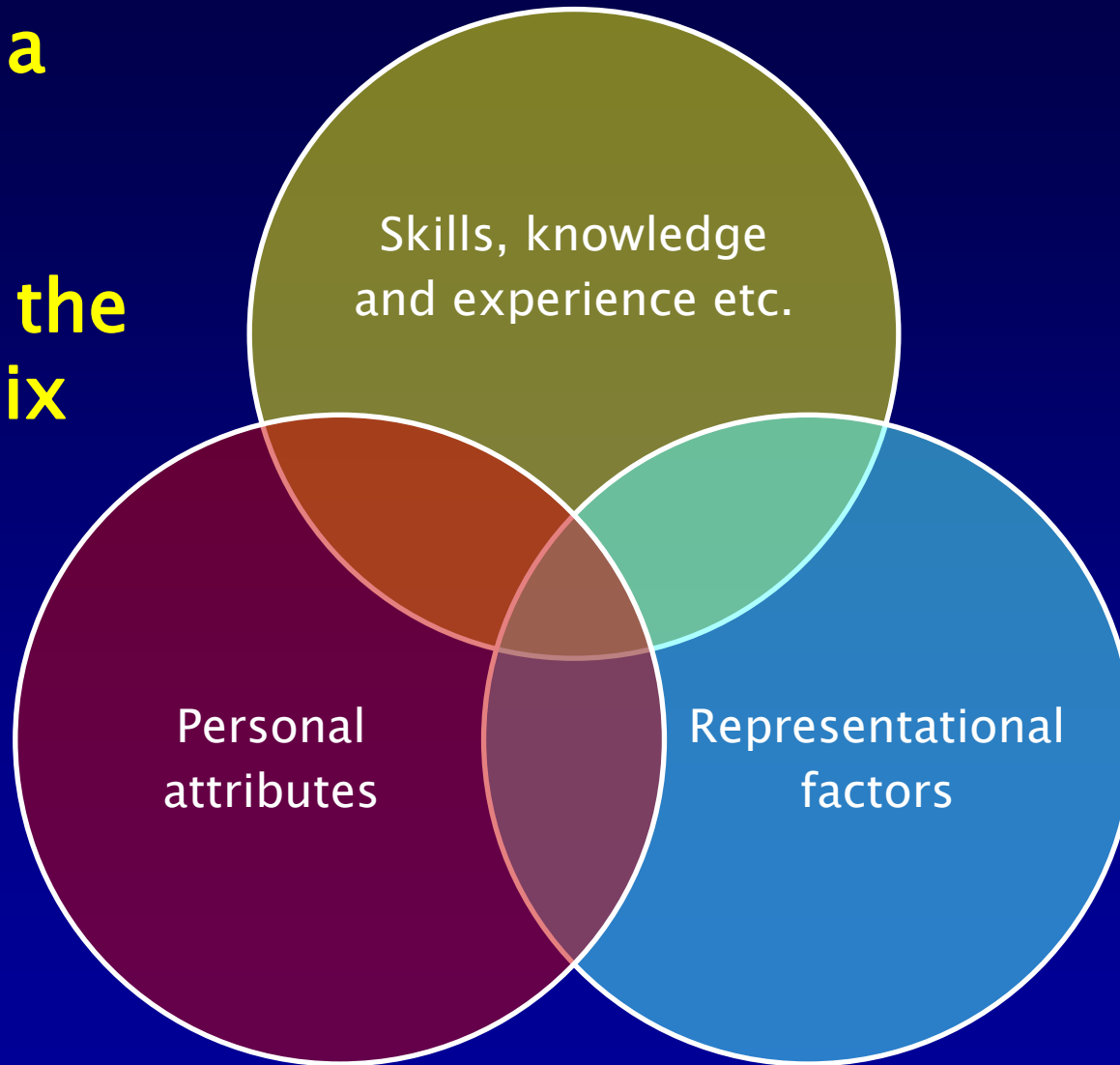


Going beyond the 'CV'

- Skills, knowledge and experiential characteristics
- Personal attributes
- Representational characteristics



**Taking a
holistic
view –
finding the
right mix
overall**





Skills, knowledge and experience

- Education
- 'Industry' experience
- 'Functional' experience
- Accomplishments
- Networks / contacts



Personal attributes

- IQ/EQ
- Values
- Motivation
- Ability to influence
- Openness to being influenced
- Availability



Representational characteristics

- **Demographic**
 - ▶ Gender
 - ▶ Age/generational
 - ▶ Ethnicity/cultural
- **Geographic**
- **Associational/membership**




Questions?



**How do we
decide and then
find the right
people?**




Planning

- A continuous process
 - Assign authority – a ‘nominations’ committee?
 - Needs assessment
 - ▶ Skills matrix/board and director evaluation
 - ▶ What have we got?
 - ▶ What do we need?
 - What steps do we need to take?
- 



Search

Design a systematic and rigorous candidate identification and evaluation process.

- Identify suitable candidates
 - ▶ Advertise
 - ▶ Search
 - Evaluate
 - Appoint
- 



Active transition management





The 'on-boarding' process should receive as much attention as any other step in the process

- **Letter of appointment**
- **Active orientation**
- **Team (re)building**
- **Board and director evaluation**



Final questions?

Thank you for your participation