

# How to position yourself for board membership

by Linda D. Henman, Ph.D.

**A**S SENIOR EXECUTIVES LOOK FOR WAYS to improve their performance and ensure their success in the future, they consider many traditional approaches but overlook the one that stands to have the greatest impact on both their long-term personal and professional feelings of accomplishment—membership on a board of directors. Why? In my thousands of hours of coaching, I have found most executives simply don't know how to set the course for themselves, but once they understand the value of board membership and map out a plan for receiving an invitation to join one, they quickly enjoy the fruits of their labor.

## What are the benefits?

*Board membership develops leadership skills* that you can use immediately to improve your own organization. Whether you own your own company or serve as a senior executive on one, you lose objectivity. You tackle the day-to-day execution of objectives but frequently fail to pause to capture the thirty-thousand foot perspective. When you serve as a director, the CEO and other directors will continually challenge you to keep this perspective as you critique strategy and succession, two of the most critical, but often ignored responsibilities of a senior executive.

Second, *board membership creates liaisons* that can benefit both you and your organization. The other directors on a given board will usually represent the kinds of expertise you don't routinely encounter. Therefore, you will have the chance to learn how these people, whom the CEO or chairman chose for their knowledge, experience, or talent, approach the kinds of problems every leader faces. Further, these people can serve as informal mentors to you.

Finally, *board membership positions you for work after retirement*. Once you decide to leave the day-to-day duties of running a business, you may want something that stimulates your best thinking and challenges you to stay in the game. Board member-

**The ability to think independently but work collaboratively is the non-negotiable criterion for any director.**

ship does just that. Even though the time commitment will be small, the intellectual stimulation can be great. Further, the financial compensation can offer additional income. Small boards, such as advisory boards, often don't pay great sums—usually about \$10–30,000 a year—but the large publicly-traded companies often pay in the hundreds of thousands of dollars. Intellectually, emotionally, and financially—board membership makes sense.

## Whom do boards want?

Simply put, boards want the best they can get. That means they want the best talent, most impressive résumé, and superlative credentials. Sitting CEOs are the most sought-after directors, with CFOs following as a close second. After members of that group, who are often too busy to sit on boards other than their own, boards also value retired CEOs and CFOs, who have more time. But they often seek balance among their directors, so they will often pursue the business owner, people who can make a unique contribution, lawyers, accountants, and retired military Flag Officers (admirals and generals).

They also want people who look and act successful—people who will fit in at the country club

where they will hold their meetings and who will interact seamlessly with the other directors. Of course, you'll often make your first impression on paper, but in person, decision makers will size you up in much the same way that a prospective employer would a candidate. They will look at your hair, jewelry, clothes, car, pen, and briefcase. In addition to looking the part, boards will want directors who offer well-developed speaking and writing skills, and intellectual firepower. All should send the same message: "success."

### **How to prepare to become a director**

If you haven't already done so, visit [www.nacdonline.org](http://www.nacdonline.org) to learn about The National Association of Corporate Directors. This premiere organization advances director development and amplifies the collective voice of directors by influencing policy.

**Boards differ in their specific needs, but all require unwavering integrity from their directors.**

Therefore, I encourage my clients to complete the Director of Professionalism Class, which NACD offers several times a year. In their two-day course, they will give you an overview of board fiduciary duties and outline committee responsibilities and overall board functions. Even if you're not ready to serve on a publicly-traded board, this class will outline the path you need to take.

One of the over-arching complaints I've heard about directors is that some simply don't understand the numbers. That's why I encourage all my clients to sharpen their financial acumen. If you know how to read a balance sheet or can make sense of most financial reporting, the other directors will hold you in high esteem, and you will posi-

tion yourself for more board work. If you can chair an audit committee or serve as a source of advice during a merger or acquisition, the other directors may build a statue in your honor.

But knowing what the numbers mean is only the first step. Then, you'll need to understand better how to give sage advice about them. So, learn about risk management as it relates to your industry. (It's always more than just insurance). Similarly, study the latest available information on acquisitions and mergers. (This may involve enrolling in a class).

Industry experts will always be in demand, and if you're running a business, you probably already qualify as one. But you may need to engage in some self-promotion to get the word out. Here are some ideas:

- Participate in national, local, and regional industry association meetings. When possible, speak at conferences.
- Write articles for industry publications. Develop relationships with the media so you become their "go to" person on topics in your industry.
- Write articles for you parent company's newsletter. No time? Hire a PR firm or ghost writer to help you get your message out.
- Attend functional specialty meetings (CEO, CFO, General Counsel) in your area.
- Participate in the Chamber of Commerce.
- Participate in the RCGA.
- Join local social clubs and country clubs.
- Attend national and local NACD meetings.
- If you're interested in working with family-owned businesses, or if you own one, attend the Family Business conference [www.fambusiness.org](http://www.fambusiness.org).

In general, to make yourself more attractive to potential boards, increase your intellectual firepower. Study strategy and become an expert on succession planning, two things all boards need to focus on. If you speak a foreign language fluently, polish up those skills and

**Industry experience, financial acumen, and a proven track record will make you valuable to a board. Advanced critical thinking skills will make you irreplaceable.**

consider writing and speaking to audiences in it. Since many companies are expanding into China and Spanish-speaking countries, these two languages, in particular, will be valuable for director positions. Just don't keep your talents a secret, no matter what they are.

## **Conclusion**

Comedian Steve Martin once said, "If you want to be a millionaire, the first thing you have to do is get a million dollars." The same can be said of board membership. If you want to belong to boards, you have to get on one first. Your first director position might be on a not-for profit board, or it may be for a private company. Usually you won't receive compensation when you start, but you will build both your confidence and your skills.

Board membership presents both future and present benefits to its directors. No other venue offers the kind of learning, experience, networking, and excitement that the boardroom does. However, boards have learned to discriminate in their hiring of directors. To become an attractive prospective member, position yourself as a person of interest whose work, intelligence, and thought leadership simply can't be ignored. ■

**LINDA HENMAN, PH.D.**

President, Henman Performance Group  
PO Box 7462 · Town & Country, MO 63006-7462  
[linda@henmanperformancegroup.com](mailto:linda@henmanperformancegroup.com)  
[www.henmanperformancegroup.com](http://www.henmanperformancegroup.com)

636 . 537 . 3774

© 2011 Henman Performance Group, all right reserved