

LEADERSHIP LESSONS FROM AMAZON'S BOARD

Amazon named [Indra Nooyi](#) to their board of directors, on the heels of adding [Roz Brewer](#). These two outstanding leaders and executives are excellent choices for Amazon. It couldn't have taken more than two minutes to think of them as candidates.

Nooyi, the recently retired chief executive officer of PepsiCo and Brewer, the current chief operating officer at Starbucks and former president of Sam's Club, are well-known leaders. When board leaders and CEOs think about adding women to a board, they often recite the same names of women who, deservedly, have stellar reputations and who hold very senior positions. Once convinced that the best women candidates are all taken, most have neither the intention nor discipline to keep looking. This despite pronouncements, posters, and pep talks about corporate values and good intentions.

The line "there aren't enough qualified women" to serve on boards is true if your criteria includes things such as:

- a. Must be a sitting CEO or senior executive in a Fortune 500 company
- b. Must be a financial expert
- c. Must understand cyber-risk and security
- d. Must understand innovation

Those are just some of the criteria stated out loud

The criteria that remain unspoken include:

- a. Must not have an agenda (for women, this means be a feminist)
- b. Must not be too old
- c. Must not be disruptive

Mature Leaders Are Intentional and Disciplined

Leaders that pay attention to their own processes, habits and mindset are open and mature. Those who do not will find themselves playing catch-up, sooner or later. Even intentional and deliberate work on governance and management processes from both a technical and relational point of view does not prevent challenge and even crisis. However, leaders that fail to do so will find it far more difficult to manage conflicts and crisis than if they have a culture open enough to allow self-criticism.

Immature boards, executive teams and leaders are not only less resilient, they are also more likely to experience conflict that is self-inflicted. Their first reaction to crisis is denial. That not only makes the crisis worse, it damages trust and confidence.

Amazon provides an example of intention and discipline. For their effort, they now have the talents of Brewer and Nooyi. Two great decisions.

So, you aren't Amazon?

Amazon received a lot of press for its decisions regarding the board and rightly so. They are in a position that is unique. Most businesses are not of that size, scale, notoriety, etc. That doesn't mean that a company of any size cannot find qualified women to serve on their board.

In Atlanta, an organization called [OnBoard](#) works to advocate to get more women on corporate boards and in executive leadership. Over thirty women have joined corporate boards as a result of their efforts. Brewer is a past-president of OnBoard (called Board of Directors Network at that time). Around the US, many organizations work to help women prepare for board service, assist companies to connect with qualified women and to make leaders aware of the value in doing so.

There are several things leaders can do to find qualified women:

- 1. Confront your mindset.** Mindset is the lens through which we observe and gather information. Mindset allows us to gather information and leads us to exclude what doesn't suit our beliefs. A very wrongheaded belief is that there are not enough qualified women to serve in leadership roles.
- 2. State your objective to improve the business and governance by adding women to your board.** An all-male board is what Women on Boards 2020 calls a "zero." An all-male executive team or one that has women only in staff roles, is no better.
- 3. Tell people why your company is interesting.** Carol Tomé, chief executive officer of United Parcel Service (UPS),

is probably booked as is her former colleague, Anne-Marie Campbell, executive vice president for U.S. stores, at Home Depot. Tomé and Campbell know a lot of talented people and many are women. Influential people, like Tomé and Campbell are far more likely to introduce you to someone who can serve on your board if you tell them why the opportunity is interesting. It's not enough to say "we need more women."

- 4. Add, don't just replace.** If you are waiting for people to vacate positions to bring on someone whose talents could change the game for you, that's just silly. This is the case when budget drives important decisions, rather than strategy. Pull up another chair.
- 5. Ask yourself if you honestly use the same criteria for all candidates.**

Think this is hard? Maybe, but it is no more than what leaders should be doing whether anyone is looking or not.

Helping Define Your Company's Future Success

We can help you formulate a strategy that works:

- Defines the choices a company is making about who is and who is not a customer
- Doesn't serve as a rationalization for budgets.
- Challenges assumptions
- Seeks to reduce risk, not avoid it
- Serves as a framework in which adjustments are expected and can be accommodated

We advise on any unaddressed issues to help the board and the company move forward. If you have any questions about The Board Mindset, visit www.theboardmindset.com or [contact us](#).