

Contributing from day one

When to talk, what to say, and how to deal with the big shots around the board table.

BY NANCY CALDERON AND SUSAN STAUTBERG

Getting ready to serve on a board begins with one's own career performance and planning; but it doesn't stop there. Success as a board member starts from the day you get an invitation to join. Here are tips for doing a good job as a director, from day one:

• **Know the company and industry:**

Come to your first board meeting with a solid understanding of the company, its history, culture, and strategy. Background research will help you identify how you'll add value as a board member, while winning the respect of fellow board members.

"Before interviewing for a board and long before a first board meeting, I try to learn all about current issues for the industry, the competition, the company's products, its customers — everything," says Jan Babiak, a director of Walgreens, Bank of Montreal, and Experian. "It's not because when I walk into the boardroom anyone will

expect me to know these things. Indeed, board colleagues have said to me, 'We don't expect a lot from any board member in the first year, but we were really surprised because you made a contribution right from the beginning.' I can tell you, that's not because I'm smarter than anyone else, probably not even close. It's because I do a lot of research. That gives me confidence so that I don't feel so much like a fish out of water on the first day."

• **Learn how the board works:** Do all you can in advance to find out about how the board operates, about its governance system, the lead director, any possible committee openings, and each committee's focus. What skills do the other directors bring to the table and what skills does the board need? Ask the nominating committee chair to recommend an educational program.

• **Do your homework:** Your board-specific research should focus on two questions: What gaps is the board trying to fill? What contribution can you make given your specific background and skills? KPMG's

Kathy Hopinkah Hannan offers this advice: "If you know the industry, understand the landscape, and ask probing questions, you'll get respect. You have to be a systematic thinker. How does everything connect? Connecting the dots is really important."

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• **Nothing ventured, nothing gained:** WomenCorporateDirectors co-founder Alison Winter, a director of Nordstrom Inc., suggests that women wanting to serve on a board get out of their comfort zones: "When you step up and do something that's hard or new, you'll learn something. Being well prepared includes taking some personal risks. My first board meeting was tough. I wasn't young really — I was over 40 — but I still felt young and small in experience. The guys in the room are big shots, people who are in the paper

Continued on page 63



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Susan Stautberg is the CEO, co-founder and co-chair of WomenCorporateDirectors (www.womencorporatedirectors.com). This article is an excerpt from their new book, *Women on Board: Insider Secrets to Getting on a Board and Succeeding as a Director*, copyright ©2014 KPMG LLP and Susan Stautberg.

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Continued from page 64

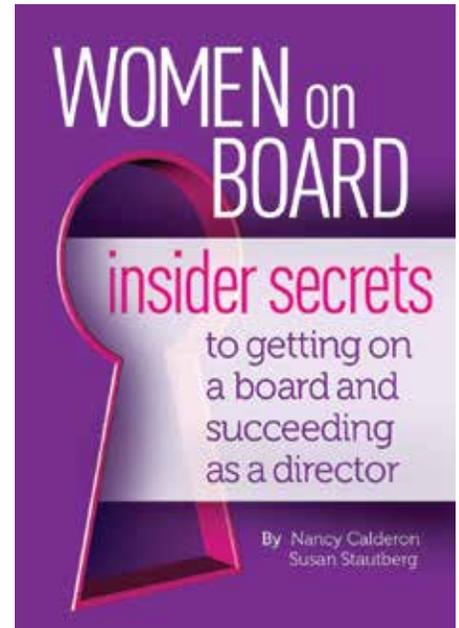
every day, people who are running corporations. You've got to be at least a little brave! And not be afraid to learn. You do have value to contribute: Take the chances you're given."

• **Demystify the other board members:** Entrepreneur Yolanda Auza urges new board members not to be intimidated: "You see these 'big personalities' at the table and think you have to do or say something fantastic just to be in the same room. But soon enough, you realize: they're people just like you. They have experiences to share, but so do you — everyone is just human! The key to being happy and productive on a board is that you all respect each other."

Sherry Barrat, a director of NextEra Energy Inc. and other companies, suggests telling it like it is: "I've never been afraid of asking for help. Pick someone — I got to know the two men who sat on both sides of me at the table — and say, 'This is my first corporate board: can you help me understand more about the industry, the company, the regulatory environment, and the board's work?' This isn't being weak; it's being honest. People like that."

Cathy Allen, a director of El Paso Electric Co. and Synovus Financial Corp., agrees: "Before I even get to a first meeting, I talk to every single board member as well as the general counsel and the senior executives in the company. I want to know not just how the company operates, but also the politics of the board, so that I'll have a sense of who people are and how they coalesce. Then, during that first board meeting, it's best not to say a lot; rather, listen and watch the body language and interactions among directors. By the second meeting, you're ready to participate because you understand the board on three levels: intellectual (what's being talked about), emotional (what are the hotspots or issues), and interest (who's really engaged)."

• **When to talk, what to say:** The right words, at the right time, are powerful. But when it comes to speaking up in a board meeting, it's often best to take it easy in the beginning. Evelyn Dilsaver, a director of Aeropostale and Tempur Sealy, offers this advice: "When you are a new director entering the boardroom for the first time, it is important to listen, really listen to



the other directors, to management, and to mid-level management, so that you have a sense of the strengths of the company. When it's your turn to speak, ask yourself, 'What's missing in the discussion? Where will my perspective add value?'"

Women on Board is available in both electronic and print format. For information contact Temin and Company at news@teminandco.com or Bridget Carroll of KPMG at bccarroll@kpmg.com.

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