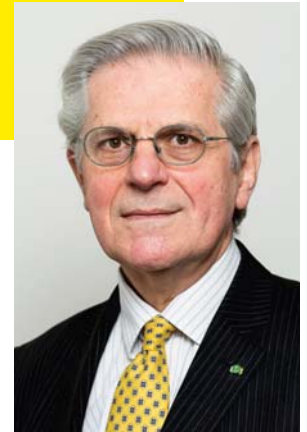


Maintaining or Increasing Directorial Contribution

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The value added by directors individually and collectively can have significant consequences for the future of a company and its stakeholders. People join boards for a variety of reasons. Some look for directorial opportunities, others are approached. If good governance practice has been followed a professional search will have been undertaken for possible candidates who meet the requirements of a brief agreed by a nomination committee. Someone might be needed to fill a particular role or gap and complement the competences, experiences and perspectives of the existing directors. Sector experience and compatible values might also be a requirement.

Hopefully a shortlist of possible candidates will have been drawn up from which a final shortlist was selected. Arrangements may have been made for an assessment day that might or might not have included tests, exercises and opportunities to meet those with whom an appointed person will work in addition to an interview. Other members of the board may have been recruited via a network of personal contacts. For some it could be seen as a reward for long service. Others might regard an appointment as a stepping stone to further roles.

Whatever route has been taken to the boardroom, situations and circumstances can change. Boardroom dynamics can also change as directors move on or retire and new members join. A company may face a succession of new challenges and opportunities. Some directors stay fresh, remain open and keep learning, while others go off the boil. Board meetings become rituals and part of the routine of life. More things are taken for granted. Less time is spent reading board papers and thinking between meetings. Fewer issues are raised. What areas should directors who want to maintain or increase their contribution reflect upon? Where should they look for clues?

Directorial Motivation

A good place to begin is with one's motivation. People stay put for reasons ranging from habit to intellectual laziness. Reasons for wanting to move can include financial pressure, frustration, disagreement, re-location or retirement. It might be worth probing the relative strengths of push and pull factors and what has changed in relation to the original motivation for seeking a

boardroom role. The drive may have been to increase income, obtain new experiences or make a contribution to a cause that one believed in. Is it now for a quieter life? People and organisations can grow apart.

Some colleagues around the boardroom table may be endeavouring to still look keen while reviewing their futures and what they would like to do with their lives. Others might be considering a change of direction or looking to have more impact. As some boards

become smaller, each place at the boardroom table becomes more important. Boards need their members to remain engaged. Is a director's motivation to retain a respected position and income stream, or to inspire others and build an enterprise that delivers more to its stakeholders and creates a sustainable future?

While being a director should be personally fulfilling, its focus should be upon accountability and creating opportunities for others and the company concerned. India has a huge requirement for rewarding activities for its young people. Societies face various threats from drug resistant viruses to terrorism. There are daunting issues such as cyber security,

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rogue states, global warming, climate change and sustainability to address. When directors look at external trends and developments, do they still think about how they will affect others and whether helping them to cope might represent a business opportunity, or do they see them as threats and worry about their impact on themselves?

Rekindling Motivation

It's not just many young people who are looking for a cause. Some directors would also benefit from a renewal of purpose. There are people, organisations and communities that companies could help and sustainable development and other societal goals to which they could contribute. There may be "outsiders" to reach, engage and embrace. There are many opportunities to inspire and be inspired. Addressing climate change, protecting biodiversity and safeguarding natural capital and the environment, by helping people to change their priorities and adopt simpler, healthier and more sustainable and fulfilling lifestyles could become a personal and corporate crusade.

Issues, concerns and opportunities to have an impact could be identified and prioritised.

Are directors still thinking about what the boards they sit on are seeking to do and how they might contribute, or are they reflecting on the pros and cons for themselves of continuing in post or seeking new opportunities? Today there are probably as many if not

more opportunities for directors to have an impact and make a difference than at any time in history. What might a director be able to do on a different board that they could not do through their current one if they managed to get their boardroom colleagues on side? The grass may not be greener on the other side of the fence.

Being a director can be stimulating for those who relish challenges. Stepping aside can lead to regrets. A board that acts collectively with corporate resources to command may be better placed to make things happen than lone wolf former directors however talented they might be. Advances in automation, artificial intelligence and robotics, the sharing economy, new business models and disruptive technologies from drones and driverless cars to 3D printing threaten many existing jobs. They raise questions about what it is to be human and about who or what young people may be competing or collaborating with in their lifetimes. Being in a position to have an impact is a privilege. The prospects of future generations depend upon the motivation of today's directors.

The View from the Boardroom

Directors can have an overview that others lack. They may be in a better position than most to understand the scale of the economic,

social, technological and environmental challenges we face, but also the extent of the opportunities these create and how these might be best pursued. They are often in a rare position to make a difference and to influence CEOs who wield significant actual or potential power within their sectors and societies. Business leaders often operate in uncertain market environments. While their organisations might have global reach, they may have a relatively lonely existence. There may be few people they can trust.

Business leaders sometimes find more people wanting to take advantage of them than are willing to help them create a more sustainable future. They encounter vested interests and self-interested people who are in sales rather than impartial advice mode. They are approached by people who lie on their CVs, are slick and smooth, exaggerate their contributions and tell them what they think they would like to hear. People seek favours from them and their patronage and support. They may meet fewer people with a balanced overview perspective who can give them honest opinions and unbiased counsel.

Directors should never underestimate the value to CEOs, entrepreneurs, fellow board members and key stakeholders of those who are responsible and dispassionate, aware of marketplace and wider developments, prepared to be accountable and who care about a company and those who depend upon it. People of integrity who instinctively know which course of action will further a company's purpose and who can think for themselves can often make a massive contribution by providing independent and objective advice. This can involve having the courage to ask questions and/or raise points and make suggestions that others are reluctant to put.

Differentiation and Standing Out

Directors should also reflect upon the influence they wield in a boardroom context. Some are present but barely noticed. Their contribution may be largely limited to increasing the majority in favour of whatever gets passed. Standing out can be difficult for directors who are quite good at and also have a view on most things rather than outstanding in a particular area and focused upon achieving certain outcomes. They may contribute nods and grunts to keep in with a perceived inner group without being consistent or determined to make anything happen. Directors should consider what is different, special or even noticeable about their boardroom contributions and whether or not colleagues should have any interest in what they say. If they did not attend, what would the board lose? What could they do differently to have more impact?

Outside the boardroom and between board meetings directors should reflect on the situation a company is in and the options open to it. Issues, concerns and opportunities to have an impact could be identified and prioritised. Listening to board colleagues and understanding their perspectives and positions might enable potential allies to be identified. Taking the initiative in starting conversations can be the first step in enabling a director to initiate or spark a collective contribution by a group of fellow directors. A contribution can be so much greater when the outcome is a collective decision to change direction rather than a minute of an interesting point made by an individual director.

Secure directors do not worry about what they do not have. They collaborate with people who bring to the boardroom table what they lack. Board appointments are often made to fill a particular slot. People with some deficiencies can make excellent directors if they are outstanding at what is needed to plug a gap, are aware of their weaknesses and there are others who contribute compensating and complementary qualities.

Knowing who to contact for relevant advice as and when required can represent a very helpful contribution when unfamiliar issues arise.

Responding to Frustrations

From time to time, many directors experience periods of frustration. One might feel that promising opportunities are being missed or that boardroom colleagues are slow to respond or react and may be moving in the wrong direction. Some companies are more vulnerable than board members realise. Their activities and business models might not be sustainable. They may be bureaucratic and defensive. Perhaps their structures and practices stifle creativity, inhibit innovation and deter entrepreneurship. Colleagues may appear to lack ambition. They may go with the flow and/or seem to be reluctant to focus and challenge. One should try to uncover and understand root causes.

Directors with concerns can probe with questions designed to tease out how board colleagues feel about a current situation. One might start cautiously to test the water. Are there others of a similar view? Do they seem to share certain concerns? Are there factions for and against proposed courses of action? Where does power and influence lie? Are there particular fellow directors who might be allies or opponents? Unless a situation is urgent there may be time to reflect, before escalating and determining a course of action. Is one mistaken, or have one's concerns been confirmed?

Responsible directors do not bail out when the going gets tough. While being realistic and avoiding unnecessary office politics, they try to build a shared understanding and consensus. They ask for clarification and further information. They raise questions in ways that others feel able to support. Ideally this should be done in such a way that those of a different opinion do not feel they are being personally attacked and thus become defensive. While avoiding unnecessary confrontation, they focus on the best long-term interests of a company and its stakeholders. For example, rather than cut and run they ensure people are fairly treated in the event of liquidation. Resignation should be a last resort rather than an escape route.

Curiosity and Learning

Curiosity, openness, receptiveness and a willingness to keep listening and learning are often key determinants of whose contributions remain relevant. Directors who feel they know it all and have an instant opinion on everything are sometimes background noise in the boardroom. They may lack the self-awareness to recognise that the views of certain colleagues carry greater weight because they are likely to have thought about an issue and asked questions or undertaken some research before an issue is discussed at a board meeting. Many directors do not have an insatiable desire to find out about what is new, different or changed in a situation or development and/or an instinctive desire to think about the implications for a company and its stakeholders. Because they may freeload and let

others do the thinking, those that do probe, explore and reflect can be invaluable.

Attending IOD events and Masterclasses can be invaluable for staying up-to-date with current issues and what others are thinking, as can learning from experience. Curious and thoughtful directors try to learn from all the situations they find themselves in. They observe behaviours, evidence of changing preferences, differences between communities, groups and teams and how decisions are taken around them, whether at work or on holiday. Could a company do something similar to a particular approach that has been observed? What would they or another board have done in the same situation? What would they do if they were spending their own money?

Some directors keep a log of what they learn from particular decisions, developments, events and situations. It's helpful to explore why particular people and organisations seem to succeed. What is the essence of their success? What did they do differently or more of to make something happen? What obstacles did they encounter and how were these overcome? Confident directors who continue to contribute are often more honest at acknowledging and addressing what they learn about themselves. They confront where they are falling short on the qualities that led them to be selected as a director. Are they compromising rather than challenging, lowering their sights and reigning in their ambitions? Is a fire still burning or do the embers need to be reignited? Is the best yet to come?

Staying Current and Vital

While a director and member of a boardroom team one can either continue as a contributing player, or become one. Board meetings are not football matches where a manager may select a different team for each game, with fringe players coming and going according to the opposition and who is currently in form. A directorial appointment comes with an invitation to attend board meetings. As with a team sport, different board members may have particular roles, although they may share common aims and legal duties. Not every member will excel on every occasion, but a director can contribute by complementing colleagues and adding value as and when required. It is never too late to raise one's game.

Being a director is a great privilege and a heavy individual and collective responsibility. Current challenges and opportunities facing companies and wider society are such that contemporary boards cannot afford to carry too many passengers. The beginning of a new decade is a good opportunity to review and renew one's commitment to professional directorship by remaining engaged and committed, staying current and curious, and continuing to contribute as an alert and active board member fulfilling one's fiduciary duties and benefitting current stakeholders and future generations. ■

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