



LEADERSHIP ON BOARDS

Understanding the Life Cycle of Directors

by Lance Woodbury



Throughout their term as directors, board members make different contributions to the strategic, performance and leadership issues facing the civic, charitable or business organization. While much of the individual contribution made by a board member can be traced to their own experience and education, my own observations as a board member and facilitator suggest that a director's contribution (or lack thereof) also relates to the stage they are in regarding their service on that particular board – what I call their board contribution “life cycle.”

As an example, consider a director who doesn't fully participate in a discussion. One reason for the lack of participation may be that the person does not have good group communication skills, although one hopes the nominating committee considers such issues prior to recommendation. Another reason, however, may be that the director is in an early orientation stage, trying to get a feel for the nuances and informal protocols the board uses to discuss issues. Or, the board member may feel as if he or she has made their point on the issue a number of times over the years, and is “resigned” to not participate in further discussion as everyone should know where he or she stands. Yet another reason may be that the organization's growth (for example, going from a small charity to later receiving a multi-million dollar grant) may have outstripped the director's ability to participate in a meaningful way – they simply are not familiar with the types of issues now faced by the organization.

To understand how directors see their contribution to the board, to more fully appreciate current board dynamics, and to help plan for better board engagement, I have presented the following director life-cycle model, asking directors to talk about where they see themselves. While the problem with characterizing

“stages” is that directors do not necessarily fit into any one box at a particular point in time, the framework has been helpful to understand where directors see a majority of their contribution and how their future participation might be more meaningful.

ORIENTATION

This stage is characterized by the director learning the “real story” – that is, the issues, concerns and opportunities they might not have heard as an outsider.

They begin to understand the roles of certain board members, and they begin to form various perceptions of management. They may learn the formal or informal ground rules by which the board operates, for example, the role, power, and effectiveness of certain committees, the use of discussions or site visits outside of board meetings, or the appropriate balance of management presentation versus board discussion. They also begin to understand the assumptions that form the outlook for the future, such as the reasoning behind a merger or alliance strategy, or the beliefs about certain funding sources or competing agencies. In short, this stage is about understanding the culture of the board and of the organization – why things happen the way they do.

EDUCATION

The education stage is characterized by a director learning more about the organization itself. Grasping the organization's role in light of demographic or industry trends, understanding how the group positions itself relative to similar groups, or understanding constituent, customer or stakeholder perceptions are a few examples of areas in which the director may focus. In short, they



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are starting to really know the unique characteristics of this particular group and its impact. They also begin training, either formally or informally, on certain board topics such as governance, management succession, fundraising or historical financial performance, and they come to understand their role and responsibilities in the finance, nominating, or other committees unique to the organization. If they have some of this knowledge in hand, usually the education is taking place at the intersection between formal board topics or committees and the unique culture of the group. Informally, the director may be learning how to strategically interact with other board members, for example, by recognizing the level of detail on which to center discussion, or understanding which issues already have clear positions and which are on the table for further discussion, or even realizing how certain board members communicate their position. They may also be learning certain employee or constituent perspectives that help inform their contribution as a director.

ENGAGEMENT

In the engagement stage, directors have acquired enough experience or education on certain organizational, community and board issues that they find their voice, their ability to speak convincingly and argue their position.

Some seasoned directors may come to the board already at this stage. For a number of directors, however, it may take a few meetings to get to a point where they understand enough about the organization to meld their experience with the company's issues and produce a clearly articulated and relevant position. Interestingly, one of the hallmarks of this stage is that the director sees his or her own contribution or participation as providing a good or necessary perspective – that the organization will in fact be better off through the position or argument they are making. At this stage, the director is raising poignant questions that cause people to consider alternatives or rethink their own position. Furthermore, the director not

only uses their own experience, but combines their experience with broader stakeholder (customer, employee, regulatory body, etc.) concerns that are relevant to the organization.

LEADERSHIP

During the leadership stage, the director may be leading certain committees or helping to set the structure, agenda and tone of committee or board meetings. The director is bringing perspectives together, or reframing a number of perspectives to articulate a direction that satisfies various concerns. The director works to bring closure to certain issues and helps the group (be it a committee or the full board) summarize their input and move on to other items. Also at this stage, a director may be initiating new moves or suggesting certain initiatives that help the company. The directors may be introducing outside resources that can help the company bridge to new markets or vendors or customers. They may be helping the board get better by suggesting modifications to board operating procedures or decision making processes. In short, a director in the leadership stage may be formally addressing a necessary board function or may be informally adding value to the organization through various initiatives and introductions.

MENTOR

After acquiring experience throughout the previous phases, some directors will move into the mentor phase. In this phase directors may not be highly active in committee work, but will remain on the board for their knowledge and expertise including institutional memory and organizational or professional savvy. These directors offer insight and authority at key moments and serve as trusted resources and teachers to other board members. Mentors are typically well respected individuals in whom others feel comfortable. Their opinions are valued by others and they are sought out for professional advice. This role can be a tremendous asset to help encourage and teach new directors as well as provide existing directors with wisdom and relevant industry or community expertise.



RENEWAL/RESIGNATION

At a certain point, beyond (and sometimes even despite) the formal board term of service, we all have thoughts about the next chapter of our lives. Sometimes, the growth of the organization and its need for directors who understand an evolving set of issues coincides with a director's personal need for change.

When this happens, the stages of organizational growth are seen as exciting new opportunities that provide motivation to continue leadership or begin the director life cycle process again, but with an informed background.

Sometimes, however, participation in the leadership of a board, and the time it takes, may point to a conflict between the director's personal life or other business activities and his or her current board service. Or, if the company's evolution or current business model is not satisfying to a director, he or she may need to seek a new challenge or intellectual stimulation elsewhere. And, as mentioned earlier, the contribution required at the organization's current stage may not match the director's skills. For these reasons it may be time for a frank discussion about moving on.

To be sure, board members may be in several stages at once, or may not follow the stages described in this article in a linear fashion. However, using the framework to talk about directors' current or expected contributions, the individual's overall level of engagement, and the governing body's collective position in the life-cycle can be a good exercise in self-analysis. Candidly discussing where each director is in the cycle can point to potential leadership, knowledge or succession gaps. Finally, combining the life-cycle discussion with peer evaluations and behavioral profiles can provide real momentum for improving civic, non-profit or corporate boards.

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