

# DO YOU HAVE A HIGH-IMPACT BOARD OF DIRECTORS?

OpenView recently surveyed a wide array of expansion-stage CEOs and board members to find out how the best boards deliver value, what damage bad boards can cause, and how CEOs can ensure that their boards work together as a high-impact team.<sup>1</sup>

Find out if you have a high-performance board and, if not, what it takes to create one.

## DOES YOUR BOARD ADD VALUE BY...

These are the top six answers, representing 97% of survey responses.<sup>2</sup>

- Recruiting top talent?
- Providing governance?
- Connecting you to industry contacts?
- Helping set and evaluate strategic goals?
- Providing marketing and operational expertise?
- Solving problems/supporting your management team?

NO? READ ON!

## DOES YOUR BOARD DO HARM BY CAUSING...

These are the top three answers, representing 83% of survey responses.<sup>3</sup>

- The CEO's departure or removal?
- Internal confusion?
- Reputational damage?

YES? READ ON!

*If your board isn't adding value, or worse, is causing harm, it may suffer from bad board dynamics.*



## What causes BAD BOARD DYNAMICS?

HERE ARE 6 FACTORS TO CONSIDER:

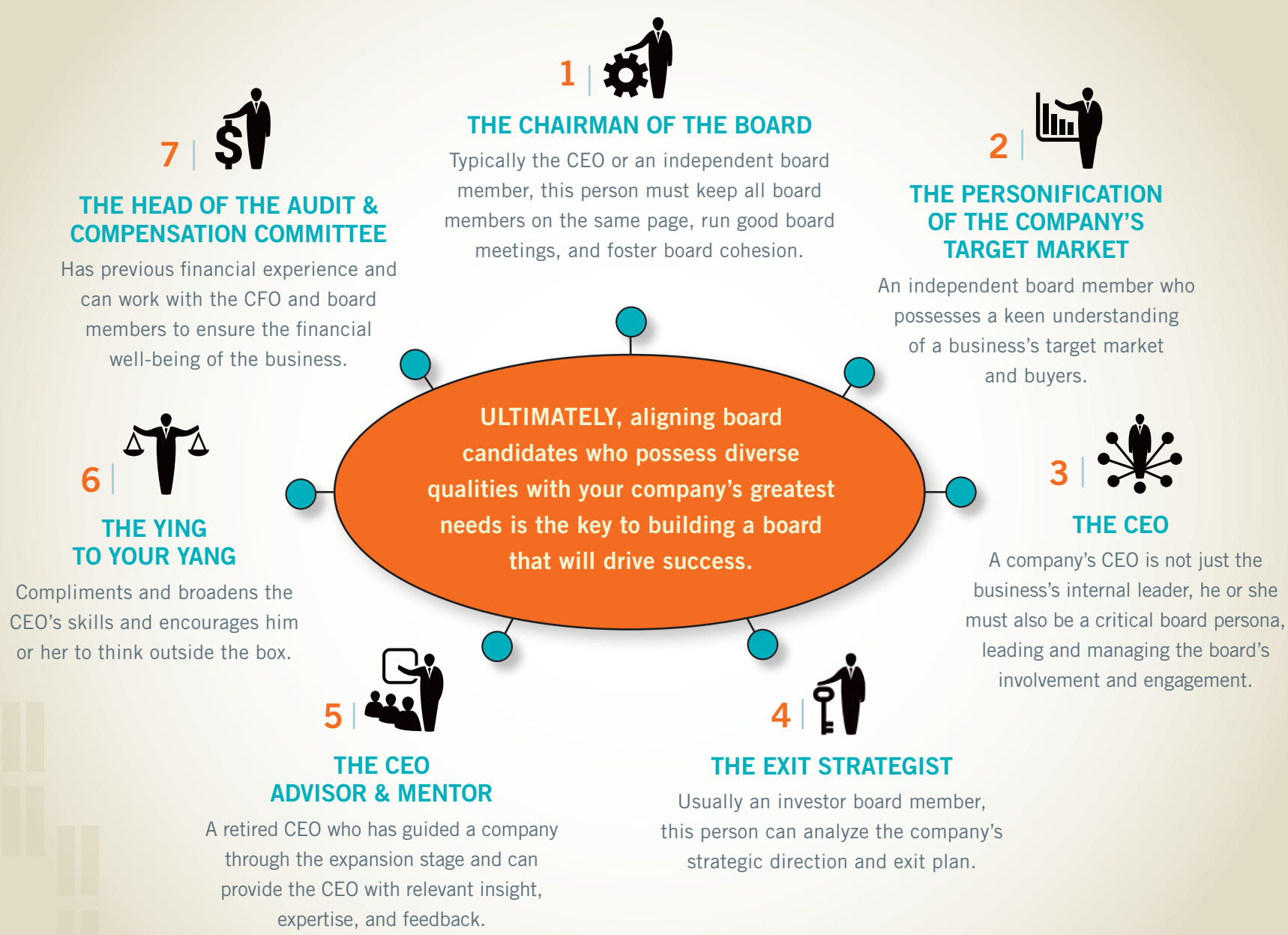
- 1 Having the wrong members
- 2 A lack of commitment
- 3 Members monopolizing/distracting others
- 4 A lack of accountability
- 5 A lack of alignment with the company
- 6 Members are not prepared

## What can you do to overcome bad board dynamics and help ensure your board succeeds?

ACCORDING TO OUR SURVEY, THE TOP 4 SOLUTIONS<sup>4</sup> ARE:

## 1 ENSURING BOARD MEMBERS HAVE THE RIGHT SKILLSETS AND EXPERIENCE | 31%

Here are 7 board member personas to consider:



## 2 CREATING BOARD COHESION | 23%

### HOW CAN YOU ENSURE THAT YOU HAVE BOARD COHESION?

If your company fails to create strong board cohesion, the vocal minority will dominate, board meetings will become inefficient, and the board will struggle to achieve anything meaningful.

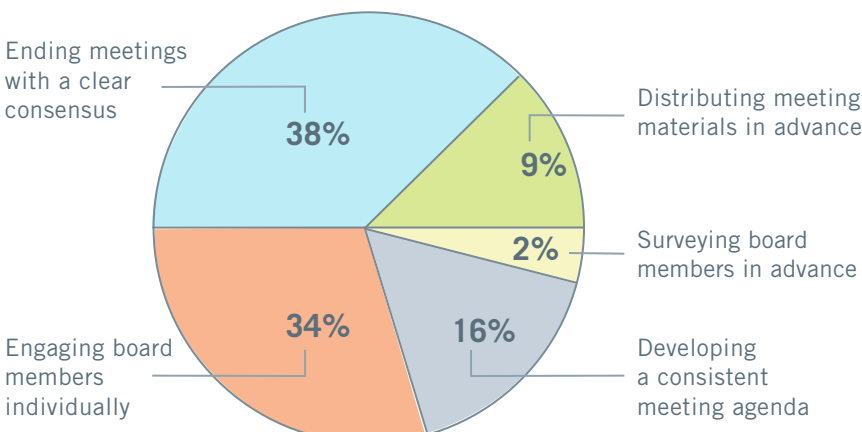
- ⊙ Assemble a diverse team that's aligned around a shared set of goals and priorities
- ⊙ Establish a culture of mutual respect among board members
- ⊙ Hold board members accountable to their commitments and actions
- ⊙ Empower board members to share feedback and insight



## 3 RUNNING EFFECTIVE BOARD MEETINGS | 18%

Board meetings should be a fantastic opportunity to conduct a well-rounded, insightful retrospective of the company's performance over the prior quarter, and set the company's mission, vision, and goals.

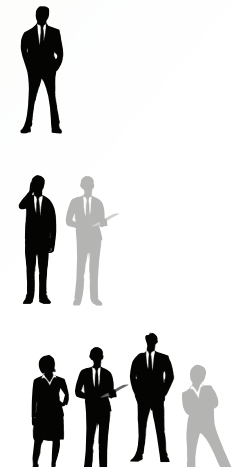
According to our survey, the most important steps to running effective board meetings include:



## 4 ESTABLISHING THE RIGHT MIX OF MANAGEMENT, INDEPENDENT, AND INVESTOR BOARD MEMBERS | 17%

While boards can vary by size depending on a company's stage, financing, and skill set gaps, expansion-stage companies should ideally have a five-seat board that consists of:

- ⊙ **Management board members** (one seat occupied by the CEO)
- ⊙ **Pure investor board members** (as few as possible)
- ⊙ **Outside board members** (three to four high-impact people who have high-impact personas)



LEARN MORE

Find out how you can create a successful board by downloading our FREE E-book, **"BUILDING A HIGH-IMPACT BOARD OF DIRECTORS: A Guide for Expansion Stage CEOs."**



<sup>1</sup>More than 80 expansion-stage CEOs and board members were surveyed in January 2013.  
<sup>2</sup>The remaining 3 percent of respondents selected other options, including setting compensation and managing CEO transitions.  
<sup>3</sup>The remaining 17 percent of respondents selected other options, including short-term focus, micromanaging, and infighting.  
<sup>4</sup>The remaining 11 percent of respondents selected other options, including the time at which a board is created.