

# ATTRIBUTES OF QUALITY BOARD MEMBERS

## WHAT TO LOOK FOR IN YOUR BOARD

### Article # 2

As the owner of a private company you have formed and invested in a board of advisors or board of directors to bring value to the company. That value comes in part from the unique attributes that the outside directors bring with them to their board participation. Using and leveraging those unique talents of each of your board members multiplies the return to the company.

Years of participating on the boards of private and public companies have made it clear that certain attributes of outside board members are important to achieving the purpose of a productive and effective board of directors.

This series of articles will consider and describe some of those attributes. As you consider the composition of your board these articles are meant to provide you with thoughtful insight for enhancing the performance of the board.

This second article will discuss the attribute of the **ABILITY TO CONSTRUCTIVELY DISAGREE**.

Think of constructive disagreement as a mechanism that expands the mind's ability to consider options or positions not previously taken into account or considered as viable concepts. Finding board members who have the talent and skill to bring appropriate new thinking to the table without being argumentative or judgmental opens the company to be viewed as an industry thought leader.

The process of effectively leveraging your board's value to the company is enhanced by encouraging constructive disagreement. If you find that discussion among the board or between board members and the managers is about who is right and who is wrong then time is wasted on defending positions instead of searching for viable options. Board members who are skilled at constructive disagreement tend to focus on solutions that are within the capability and resources of the company to achieve.

Outside directors are added to a company board to fill voids in the company's skill sets, bring new thinking to the company and to capture depth of experience not residing in the company. Populating your board with people skilled in constructive disagreement further enhances the value of outside directors for the benefit of the company.

As you plan to meet with your board there are steps you can take to encourage constructive disagreement. The first step is to provide the board with a packet of information prior to the meeting that includes a focused and clear agenda. The advance packet might also include a few well considered, broadly stated questions that encourage board members to consider options or alternatives to the key issues to be considered at the board meeting. Additionally, prior to the board meeting, a phone call to each board member or an individual informal meeting can be effective tools to encourage board members to come to the meeting with considered alternative solutions or suggestions.

Constructive disagreement brings a tone to the board meeting that avoids finger pointing and the blame game. It focuses discussion and encourages the business managers to broaden their horizons as they search for solutions and options that increase the probability of success.

Developing an environment that encourages constructive disagreement among your board has the potential to migrate down into the management team and the interactions between the functional managers in your company. That will increase the effectiveness and the efficiency of your management team. It encourages the functional managers of your company to work together toward a common objective.

As you experiment with the use of constructive disagreement among your board you will find the value of your board increases. The meetings will be more productive. The management team will be more responsive. The solutions will include a broader array of possibilities.

The pay off for effective use of constructive disagreement is increased probability of unified agreement and the power of a management team pulling together toward a common goal.

\*\*\*\*\*

John F. Dix is President of Business Development Index, Columbus, Ohio, and is a member of numerous boards in the US and Canada. He can be reached at: (bdi-ltd.net).

November 2006

