

BOARD INTERVIEW INSIDER SECRETS – TIPS TO ACE YOUR BOARD INTERVIEWS

Congratulations! You scheduled a board interview! Now what?

The goal of the interview process is to find a mutual fit between the board and the candidate, and the best way to achieve a long-lasting and fruitful relationship is through a 2-way evaluation approach. The board isn't the only stakeholder vetting the other party; it is equally important for the candidate to collect the information required to make an informed decision should they be offered a seat at the table.

"Board dynamics, matched values, cultural fit, operating procedures, time commitment expectations, risk tolerance, and previous risk exposure are just a few of the important areas needed to ensure a successful board candidate fit," states Martin Rowinski, CEO of Boardsi. *"When this due diligence is avoided or inadequate, the chances of a mismatched appointment for the board and the board candidate increases greatly."* Mismatched appointments can lead to a board's stagnation and missed opportunities in the important areas of strategy and governance.

The ideal board interview is a naturally flowing and balanced conversation that allows the interviewers and interviewee to get to know each other and develop a sense of understanding and trust for one another. Be careful and aware of your tendency to play defense and simply provide answers to questions. You can also play offense by leading the conversation and asking questions to determine if the board's values align with your own. By taking on a partnership role in your interview, you will convey that you are thoughtful, inquisitive, and equally invested in finding the right fit.

PREPARATION:

- When submitting your board documents, make it evident that **you know you are applying for a board position**. Ensure you include the standard board submission documents and put "board" in the file title.
- **Research your interviewers**—review the board pitch book, bios, and LinkedIn profiles of the people you will be meeting with. Analyze the information for skill gaps that you will be able to fill for them.

WHAT TO TALK ABOUT:

- Value is the pinnacle from which board actions stem. **Speak about value in the first few minutes** of the interview.
- Speak about how you can increase the dynamic and depth of the current board.
- Keep your focus on strategy and governance and away from metrics and management.
- Strategy—the "how." **Connect the dots between goals and tasks.**
- Outline how you have helped set and ensure the relevance of board goals in the past.
- As part of the governance aspect, you are validating the approach.
- Lay out **1 major strength and 3 minor strengths**. Identify how these strengths will benefit the board and be beneficial to various committees.
- Demonstrate your "Learning Mentality." An ideal board candidate is constantly seeking ways to continue learning and growing and opportunities to apply what they've learned. Your commitment to

continuous learning and how it keeps boards modern and relevant. Highlight recent and aspirational certifications, courses, and SME learning opportunities.

- Don't only focus on your areas of expertise; be sure to show your **overall intelligence**.
- Balance. Show that you are **open to ideas and perspectives** instead of one-sided and closed-minded.
- **Value-based decision-making.** Tell your interviewers how you align your decisions with the organization's values.
- How you **prioritize decisions** and manage your time.

BOARDS NEED TO KNOW THAT YOU UNDERSTAND:

- The **interrelationship between strategy and governance** (values/culture/governance/strategy). The goals, which include the "*what*" and "*why*," and the strategy, which includes the "*how*."
- That the board sets the **culture** of the entire organization.
- The **connection between goals and tasks** and how to make them relevant to the organization's needs and values.
- How individual **values reflect the organizational culture** and thus affect risk.
- That values-based decision-making starts with comparing the organization's values, mission, and what it wants to do in the future with what it is currently doing.

DEMONSTRATE YOUR ABILITY TO BRING BALANCE & MATURITY TO THE BOARD WITH YOUR:

- **Emotional Intelligence:** Your ability to work with executive teams, overcome adversity, gain buy-in, and de-escalate tense situations.
- **Mindfulness Intelligence:** How you decide how to behave in the present moment. Your ability to be sensitive to your impact on others and how that awareness changes or refines your responses.
- **Adversity Intelligence:** Your resilience and ability to overcome challenges.
- **Adaptability, versatility, and willingness to change.**

HOW TO ASK QUESTIONS:

- Establish authority and control by **starting with a statement and following with the question**.
- Guide the conversation topics you want to know more about (**play offense instead of defense**).

WHAT TO ASK ABOUT:

- **Values & Culture:** What guiding principles dictate the behavior and action of the board, employees, team members, and stakeholders?
- **Communication & Interaction:** Internal and external communication and interactions affect the board's perception, effectiveness, and authority.
- **Strategy & Governance:** Effectiveness and efficiency directly correlate to the understanding and application of strategy and governance.

- **Processes & Board Structure/Architecture:** Learn more about current and future effectiveness, efficiency, and success.
- **Remuneration/Compensation & Protection:** Does the board keep up with changing pay models and incentives? Older compensation models can indicate shortcomings in other essential areas of modern board operations. Keep in mind that it may be better to ask questions about compensation outside of a formal board interview.
- What is the CEO's role in goal-setting?
- What is the board's role in strategy creation?
- What is the relationship between board governance and committees?
- Focus questions around board leadership to show a vested interest and ability to lead.

DOS & DON'TS:

- **Board Member Brand & Packaging**
 - o DON'T: Submit a standard cover letter, resume, and professional biography highlighting your management-level experience.
 - o DO: Submit *Board Documents* that highlight your leadership-, governance-, and strategy-level influence, regardless of formal position titles. (*Board* cover letter, *board* bio, and *board* resume have unique formats and content. Do not mistake them for your typical career marketing documents.)
- **Available Time**
 - o DON'T: Over accentuate your retirement status. While you may think it makes it look like you have ample time to commit to the board, it may undermine your viability as a board candidate by sending the message your career is "winding down."
 - o DO: Demonstrate your understanding of the time commitment required to serve on a board, that you can meet that requirement, and that you understand how you should break down your time across various areas and responsibilities.
- **Personal Presentation & Physical Surroundings**
 - o DON'T: Treat a virtual board interview as an informal conversation, wear a t-shirt and jeans, answer your cell phone, or play with your dog.
 - o DO: Treat every virtual board interview as a professional engagement. Dress professionally, manage distractions, and consider your backdrop. Doing so demonstrates self-awareness and mindfulness—both desirable qualities in a board member.

TIPS FOR INTERVIEWING WITH PRIVATE EQUITY COMPANIES

- Smaller PE firms with lots of transactions are the ones that need board members, and they generally have smaller boards.
- 50% of board members are found on LinkedIn—ensure your profile is up to snuff.
- 80% of LinkedIn's algorithm focuses on the keywords in your titles and your summary statement.

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- In most cases, you will be interviewing with the CEO, 2–3 PE firm members if PE backed, (likely operating partner, VP/Principal, analyst), and 2–3 outside directors.
- If you are interviewing with a PE firm and have been with a large company (Fortune 500), focus on communicating your abilities as a “Fortune trained leader” who has made step changes in EBITDA and CAGR. They want quick turnarounds, so focus on your ability to enact change.

DIRECTORS & OFFICERS (D&O) LIABILITY INSURANCE

- While not a new phenomenon, the frequency of directors and officers being sued has dramatically increased over the last 5 years, making this an important consideration for existing and aspiring board members.
- The most effective means of limiting board member liability will be a blend of indemnification and insurance. Either item on its own is not always sufficient coverage.
- Carefully review indemnification clauses before joining a board. Look for a separate indemnification provision that provides explicit details.
- If you are unsatisfied with the provided D&O coverage, you can consider seeking Independent Director Liability (IDL) insurance that goes above and beyond D&O liability insurance.

COMPENSATION/REMUNERATION

- Varies based on company size/revenue and type of board:
 - o Public (no room for negotiation)
 - o Private (room for negotiation)
 - o Non-Profit (generally no compensation)
- Generally accepted data for private company board members is \$25K–\$30K for an annual retainer, \$2K–\$3K per in-person meeting, and \$1K per telephone conference, **totaling \$36K–\$45K/year.**
- Generally accepted data for public company board members is **\$125K–\$500K+.**
- The higher the cash retainer amount, the lower the prevalence and/or amount of per-meeting fees.
- The compensation package may include long-term incentives like equity awards, stock options, additional cash incentives, and expense reimbursement for further education and certifications.
- There may be an opportunity to increase your compensation by taking on increased responsibilities and duties.
- Only 1 in 10 candidates negotiate board offers, but more should!

FIRST-YEAR BOARD CHECKLIST

- Ask for a board buddy.
- Know the organization’s values, vision, and mission by heart.
- When appropriate, spend time with the organization’s operations staff to get first-hand information.

- Identify and jump on appropriate areas where you can get involved in the organization above and beyond board member responsibilities.
- Attend board meetings consistently and in person whenever possible.
- Volunteer to lead or participate on board committees.
- Submit or contribute to a monthly or quarterly status report for board committees.
- Weigh in on setting board and organization performance expectations.
- Display the demeanor, emotional intelligence, and mindfulness to foster an environment of trust and camaraderie with all board members.

Would you like to take a deeper dive into the details of securing board nominations and appointments? Check out our [International Board Competency Certification course](#) through our partnership with Pfister Strategy. This certification is highly coveted and perfect for first time board candidates as well as experienced directors.