

# WGOB E-GUIDE

## DIVERSIFYING YOUR BOARD PORTFOLIO



*WGOB E-Guides provide tips for your board journey, empowering you with the confidence and courage to lead and serve on corporate boards.*

*Your board portfolio consists of the various boards you lead and serve. As with an investment portfolio, you should be strategic in developing your board portfolio. It should reflect your risk profile and the stage of your board career, and you should regularly review it to ensure you are getting a positive return.*

**WHEN THINKING OF DIVERSIFYING YOUR BOARD PORTFOLIO, WE RECOMMEND THESE STEPS.**

### **1. EVALUATE THE EVOLUTION OF YOUR BOARD JOURNEY**

TO DECIDE IF YOU'RE READY FOR ANOTHER COMMITMENT, FIRST CONSIDER THE SIZE AND STAGE OF THE BOARDS YOU CURRENTLY SERVE. ON THE BOARD OF AN EMERGING COMPANY, THE DIRECTOR'S ROLE IS OFTEN MORE HANDS ON, BUT AS THE COMPANY MATURES, YOU MAY SEE THE COMMITMENT EVOLVE TO MORE OF AN OVERSIGHT ROLE. TO BETTER UNDERSTAND YOUR RESPONSIBILITIES AS A BOARD MEMBER, WE RECOMMEND REFERRING TO [THIS INFORMATIVE GUIDE](#).

### **2. CONSIDER THE TIME COMMITMENT**

IT IS ESSENTIAL TO UNDERSTAND AND CONSIDER THE TIME COMMITMENT REQUIRED FOR A BOARD. EACH BOARD YOU SERVE ON WILL GO THROUGH DIFFERENT STAGES, FROM EMERGING TO GROWTH, TRANSFORMATION, DOWNSIZING AND POSSIBLY RESTRUCTURING. EACH STAGE REQUIRES A DIFFERENT TIME COMMITMENT.

### **3. UNDERSTAND THE ISSUES**

UNDERSTAND THE DIFFERENT GOVERNANCE ISSUES THE COMPANY WILL FACE DURING YOUR BOARD TENURE THAT MAY OFFER NEW CHALLENGES AND ADD TO YOUR BOARD EXPERIENCE. SOME GOVERNANCE ISSUES THAT YOU MIGHT ENCOUNTER AS A BOARD MEMBER INCLUDE CEO SUCCESSION/DEVELOPMENT, M&A TRANSACTIONS, AN IPO, OR SIGNIFICANT INVESTMENTS AND DISRUPTIONS IN THE INDUSTRY.

### **4. TAKE ON LEADERSHIP ROLES**

AS YOUR BOARD JOURNEY MATURES, YOU CAN ALSO DIVERSIFY YOUR BOARD PORTFOLIO BY TAKING ON LEADERSHIP ROLES. CONSIDER STEPPING UP AS THE CHAIR OF AN EXISTING COMMITTEE, WHERE YOU LEARN TO GENERATE DIALOGUE AND FACILITATE INFORMED DECISION-MAKING.

### **5. CONSIDER GOING OUTSIDE YOUR COMFORT ZONE**

THE BEST WAY TO DIVERSIFY YOUR BOARD PORTFOLIO IS OFTEN TO VENTURE OUTSIDE YOUR COMFORT ZONE, EITHER BY JOINING A NEW COMMITTEE OR BY JOINING A BOARD IN A NEW INDUSTRY OR SECTOR. WHILE THESE OPPORTUNITIES MAY PRESENT SOME LEVEL OF RISK, THEY MAY ALSO OFFER AN EXCITING CHANCE TO EXPAND YOUR SKILLSET, GROW YOUR NETWORK AND OPEN DOORS.

### **6. CONSIDER PRACTICAL ISSUES**

DON'T FORGET TO CONSIDER OTHER PRACTICAL ISSUES, SUCH AS THE BOARD'S TOTAL COMPENSATION, AS WELL AS THE CORPORATE CALENDAR. IF SEVERAL OF THE CORPORATE BOARDS YOU SERVE SHARE THE SAME FISCAL YEAR-END, YOU MAY EXPERIENCE CONFLICTING DEMANDS DURING THE FINANCIAL REPORTING PERIOD.