



How to Land a Board Seat

GC AdvantageSM Webinar

March 2020



GC AdvantageSM

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- Upcoming
 - **What CEOs Want in a General Counsel**
April 16, 2020, 1-2pm ET
 - **Educating Executives and Board Members as to the Necessity and Importance of the GC's Involvement at a Strategic Level**
May 13, 2020, 1-2pm ET
 - **Care and Feeding of the Board, Executive Leadership, and your Legal Team ... the Balancing Act**
June 10, 2020, 1-2pm ET

Questions & Answers



Submit questions to panelists at any time throughout the presentation via the **Q&A feature**. Questions will be answered at the end of the webinar.



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Featured Speakers



Marla Persky

Senior Advisor – **BarkerGilmore**

Former SVP, GC & Corp Sec'y – **Boehringer Ingelheim**

Board Member – **Xeris Corporation, Text IQ, YGEIA Group**



Ann Harlan

Senior Advisor – **BarkerGilmore**

Former VP, GC & Corp Sec'y – **The J.M. Smucker Company**

Board Member – **The Gorman Rupp Company, Cleveland – Cliffs, Inc., Flavor X, LLC, University Hospitals Health System, Inc.**



Maureen Brundage

Senior Advisor – **BarkerGilmore**

Former EVP, GC, Corp Sec'y & Chief Ethics Officer – **The Chubb Corporation**

Board Member – **MAPFRE U.S.A. Corp**

Let's get a feel for board service experience of today's participants

- How many on the phone are serving on a public company board?
- How many are serving on a private company board?
- How many are serving on a non-profit board?

Background...

- In US in April 2019, 2,800 companies listed on NYSE – 3,600 were listed in 2018
- In US in 2020, 3,100 companies listed on NASDAQ – in April 2019 there were 3,200 – in 2014 there were 3,800
- Worldwide there are 630,000 publicly traded companies
- Approximately 1% of US companies are publicly traded
- On average there are 7.5 seats held by non-executive directors in public companies
- Average term of service in S&P 500 companies is 8.5 years
- 2018 SEC filings 50 percent of Russell 3000 companies and 43 percent of S&P 500 companies disclosed no change in the composition of their board of directors.

Background (cont'd)

- Last year, S&P 500 boards named 428 new directors. Of them, 40% were women, 17% were under 50, and a third were active or retired CEOs.
- As of September 2019, Women held one out of every five seats on corporate boards for the country's 3,000 largest publicly traded companies, according to new data cited in The Wall Street Journal.
- Women filled 183 of the 462 open board room positions at Fortune 500 companies, according to a 2018 Heidrick & Struggles report.
- Racially diverse candidates did not see the same gains, though African-American candidates filled 11% of new board seats. Hispanic leaders replaced 4% of new board seats in 2018 and Asian-American board members replaced 8% of vacancies.
- It is projected that Fortune 500 boards will have equal number of men and women on boards by 2023.

Background (cont'd)

- California required its companies to have at least one woman on their board of directors by the end of 2019, and at least two female directors by the end of 2021. Other states are considering similar laws (Maryland, Illinois, NY)
- The last company with an all-male board in the S&P 500 added a woman to its ranks this past July.
- According to a new report by The Conference Board and ESG data analytics firm ESGAUGE, in their 2018 SEC filings 50 percent of Russell 3000 companies and 43 percent of S&P 500 companies disclosed no change in the composition of their board of directors. More specifically, they neither added a new member to the board nor did they replace an existing member.
- In 2019 the S&P 500 added 432 new independent directors 118 of which were first time directors.

Advantages of Joining a Board

- Professional growth - flexing different muscles.
- Money - the median compensation for directors on boards of S&P 500 companies — which includes both cash and equity awards — approached \$225,000 last year, according to data from AON.
- The smaller the company, the smaller the payout. The median was \$174,226 for small companies and \$126,625 at micro companies, according to 2019 data from the consulting firm, Pearl Meyer.

The Key to Getting on a Board

- Networking, networking, networking
 - What relationships can you leverage?
 - Are you on recruiters' radar
 - Only 25% of board openings are filled by search firms
 - If money is your prime motivator, recruiters will see that as a big red flag
- Visibility – do people know you are interested
 - Be clear about what you want — and don't want
- Know your value proposition
 - Do you have unique experience, key expertise and/or valuable contacts to bring to the table?
 - What are your transferrable skills & experience
 - Are you financially literate?

Hot Areas of Experience



Financial



Digital



Cybersecurity



Privacy



Operational experience running large teams



Profit-and-loss responsibility



Experience with transformation (growth, re-org, business integration) and Crisis Management

Questions to Ask Yourself

- Do you truly have the time/desire to serve?
 - Public company directors spend roughly 20 hours a month on board service
- Do you think like an entrepreneur?
- What is your personal risk tolerance?
- Can you stop being a lawyer and act like a businessperson?
- Do I know what I am getting into?



Expertise
+
Experience
+
Visibility
+
Recognition
=
Opportunity

References

- <https://corpgov.law.harvard.edu/2019/05/07/corporate-board-practices-in-the-sp-500-and-russell-3000-2019-edition/>
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- <https://www.businessinsider.com/women-hold-one-fifth-of-public-company-corporate-board-seats-2019-9>
- <https://www.cnn.com/2019/03/11/success/getting-on-a-board-of-directors/index.html>



Q&A Session

Thank you for attending.



Please let us know how BarkerGilmore can help
you succeed.

Marla Persky, Senior Advisor
585.598.6562 | marla.persky@barkergilmore.com

Ann Harlan, Senior Advisor
585.598.6565 | aharlan@barkergilmore.com

Maureen Brundage, Senior Advisor
585.598.6552 | mbrundage@barkergilmore.com