

GAINING **YOUR FIRST** NED ROLE

The competition is intense
for a non-executive director role.

Arya Ghassemi speaks to a range of
Board Mentors at Criticaleye to find out how
they set about landing their first position on a Board



The role of the non-executive director continues to grow in complexity. They need to demonstrate expertise around governance and reporting, but also provide insights on overall business performance and strategy.

Trying to land that first independent director position can seem particularly daunting, especially given the intense competition for roles. However, with the right degree of preparation and application, it can be done.

We spoke to a selection of Criticaleye's Board Mentors, asking them to reflect on why they transitioned to a portfolio career and the steps they took to make themselves 'Board Ready'. Here's a selection of their tips and advice:

Be Clear On Your Motives

It's important to think through what's driving you to take on a NED position and where you think you can add real value.

Devyani Vaishampayan, Non-executive Director of Norman Broadbent Plc, says she was drawn to taking on a Board position as she saw it as an extension of her senior roles in her corporate career. "I think being strategic and helping to shape an organisation are aspects of what attracted me to becoming a NED."

A similar point is made by **Mark Whitby**, Chair of BibliU: "What appealed to me was probably the combination of being able to use or apply multiple parts of my experience across strategy, leadership development and coaching, as well as areas on fundraising and growth."

“When you’re in a NED career, you’re not going to be hands on and in control of the agenda; you have to sit back and be a little bit more independent”

Start Early

Those who are successful in the transition from an executive to portfolio career usually start early in building up their knowledge and thinking about their CV.

Devyani comments, "I would say actually start four or five years in advance and really look at a not-for-profit or voluntary role. It's worth investing the time because it starts to get you thinking about it."

From **Mark's** perspective, he had to acknowledge that he had to do "an awful lot of learning" about the

functional piece. This meant asking some basic questions, such as: "What's the job description? What am I responsible for? What am I measured on? What's the expectation? But also learning about the behavioural piece."

Catriona Schmolke, a NED at Scottish Water and NPL Management, says, "The most important thing is not to rush into your first role. Because I think you need to have a bit of a transition between stopping being a full time executive, and then deciding what you want to do. It's better for you to understand the skills and experience that you'll be required to have as a NED, as they are very different to when you're working full time..."

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Sandy Stash, Non-executive Director of Diversified Energy plc and Chaarat Gold plc, comments: "You need to create a Board CV as it will differ to your executive CV. The next thing you have to do is pretty much reset yourself in terms of your existing relationships with search firms, so you don't confuse the market. The other key thing is to speak to as many NEDs as you can."

Ownership Structure

There are NEDs and Chairs who span different asset classes and enjoy the variety. By contrast, some are wedded to the performance focus of a private equity-backed business and others enjoy the mix of being on a public company >



Board, where corporate governance rules and compliance can take up more of a Board's time.

It's essential to reflect on the type of organisation that's right for you, where your skills fit in and, crucially, understanding how you might be expected to influence and communicate as an independent director or Chair.

Mark explains: "I favoured going towards more privately invested and privately backed VC [venture capital] and PE businesses. I've consciously not wanted to get involved with listed businesses, where your role as a non-executive is often about conformance, governance, audit, and a lot of checking that the company's doing the right thing. In smaller private businesses, your role is much more about performance – supporting, enabling and sometimes getting involved in driving the business. And I prefer that."

Each asset class poses its own unique challenges. **Sandy** comments: "The business models are different. I mean, the Plcs tend to operate on a longer-term wavelength, whereas the private equity ones may be shorter. The Plc work involves engaging with institutional investors and shareholders, and then in private equity the investors tend to be more closely involved in the business. And, you know, what I've found is that they're different and interesting in their own way. I learned a lot from each of them."

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Relationships and Culture

Given the competition for roles, it will be tempting to accept the first one that is offered to you. However, it's vital that you do your due diligence on an organisation and assess cultural fit. Don't be afraid to ask yourself: Is this a company and Board that I want to work with?

Devyani emphasises the need to look at the people and behaviours. "I think the personalities on the Board, particularly the Chair, are very important if you're a NED, because he or she sets the tone and the way the Board operates."

If something doesn't feel right about an organisation, then don't be afraid to turn it down. **Mark** says: "I walked away from a couple of opportunities and I think it goes back to asking

some fundamental questions: Does this company have a minimum viable product in an exciting, high growth segment of the market? Have they got a team, which includes investors, which fill me with confidence? Do I think I can work with them? If the answers are positive, then it's always going to be something I'm going to look at.

"After that stage, you get more into the nuts and bolts of the business. Is the organisation in good shape? What's their cash position? How committed are the investors? And do I get on with the execs? And if any one part of those falls over, you have to question if it's the right move." ■

To find out more about Criticaleye's NED CV Clinics and Chair-Ready Programme, please contact your Relationship Manager

Featuring Commentary From:



Catriona Schmolke
NED
Scottish Water



Sandy Stash
NED
Diversified Energy Plc



Devyani Vaishampayan
NED
Norman Broadbent Plc



Mark Whitby
Chair
BibliU

Contact the contributors through:
www.criticaleye.com