



## **BOARD SERVICES PRACTICE**

### ***Practice Overview***

Building an effective Board demands more than relying on the referral networks of the current board members. Today, defining and attracting the appropriate caliber of business governance and leadership requires a committed, targeted, and insightful search process employing well-defined criteria and the benefits of professional counsel.

Jefferson Partners recognizes the central importance of new Board appointments and develops a thoughtful and analytical approach to each client project. This includes a detailed search strategy crafted after an upfront diagnostic phase. Once we have arrived at common agreement and an ideal Director Candidate profile, we follow through with steady, yet sensitive, senior search execution.

Our senior executive search experience, our ongoing senior relationships, and our prior service as an elected member of a NYSE-member Board of Directors, enables us to provide a well-defined search process and unique, insightful counsel. And as we do not handle dozens of board assignments simultaneously, we focus all of our attention on a handful of critical board engagements.

At the conclusion of our work, not only will an outstanding new board member be engaged, but every executive contacted during the engagement will feel that they've been well cared for and properly handled during their involvement. Our complete attention is on enhancing the reputation of the Client Company and its Board, both by the caliber of the appointment, as well as with the manner in which the search was conducted.

## **WHY CONDUCT A BOARD SEARCH?**

### ***The Current Environment – The Need for Competent Independence***

With passage of the Sarbanes-Oxley Act and the intense spotlight on Corporate Governance, the biggest challenge facing Boards today is competent independence. It is now more important than ever for Boards to be truly independent, above all hints of conflict or incompetence.

Boards are more than ever in the spotlight; a bright spotlight cast at various times by Federal regulators, by institutional investors, by lenders, by every possible stakeholder, including the business and general press. New standards of accountability leave no room for substandard board representation. It is not surprising that more and more companies are seeking to bring new independent and unbiased members onto their Board.

### ***Leadership Responsibility***

The CEO and/or Chairman must carefully review current board composition, and answer the following questions:

- How truly independent is your board? To the outside and to the inside?
- How effective is the board? What are its strengths and its weaknesses?
- Do you have the right mix of business, industry or specialized knowledge available to you, given the challenges and decisions ahead for your company?
- Which board members are most productive and why?
- How do you measure performance and accountability?

- Are all appropriate constituencies represented fairly?
- What does diversity mean to you and the board?
- How does your board “measure up” relative to appropriate benchmarks?

It is likely that there is no truly “perfect” board, but your current board may have real opportunity for improvement and added-value contribution to the well-being of the business. A well-defined search can address one or more of the considerations listed above.

### ***Other Benefits***

In addition to making your next board appointment a winner in all respects, there can be other benefits from engaging us to execute a Board search for you. They can include:

- Timely feedback from the marketplace about the Company and its standing
- Exposure and initiation of new business and professional relationships during the process
- Interaction with strategic customers or suppliers, as warranted
- Introduction to people who may be well positioned to serve as counselors or informal advocates

An effective Board search can enrich your network of valuable personal and professional relationships. You and your Company can gain positive exposure in the marketplace.

### **WHY USE JEFFERSON PARTNERS TO CONDUCT YOUR BOARD SEARCH**

By putting us on your team, we will ensure that you and your Board look outside of your collective networks, guaranteeing that a genuine effort to achieve true independence can occur. As seasoned, independent advisors, during the diagnostic phase at the beginning we will naturally improve the comprehensiveness and range of your thinking by providing creative ideas and healthy “push back”. By the fact that we have done this type of search more often than you, and are more current in today’s Director Candidate marketplace, we bring proven methodology and experience that together can produce a more thorough Director Candidate pool.

### ***Access to the Candidate Universe***

There are several insights worth noting about today’s Director Candidate universe. First, with increasing time and accountability demands, many board candidates are limiting even further the number of boards on which they will serve. Next, exposure to litigation and risk to personal reputations results in the application of even more scrutiny to a new board opportunity. Lastly, the requirements of the Sarbanes-Oxley Act are placing a premium on candidates whose expertise and credentials make them ideal to serve as “financial-expert” directors. The universe of suitable, available and willing Director talent is smaller and less accessible than in the past.

To get to a timely, high-quality outcome when you make the decision to add one or more board members, one must be able to access and consider a larger group of candidates. In addition, the best candidates will perceive your opportunity as being more substantial and important when an outside professional search firm has been engaged. Jefferson Partners can provide you with both that expanded access and the aura of importance.

Another benefit to engaging Jefferson Partners is our well-defined accountability. Internal board searches linger, as no one may be solely accountable for the outcome. Each board member or senior executive is juggling numerous priorities. Where does one find the time, and when does the Board search get top priority?

We do this work as a core professional service. It is what we do, all the time. We know how to approach and get the proper attention of target candidates. We know how to set the stage properly, and if it’s at all possible, to engage him or her in a productive dialog. Finally, our systems, resources and skills are honed to do this quickly and effectively. We guarantee our focus and our accountability, both on the conduct of the search and the quality of the placed Director.