



All [A]Board:

Insights and Inspirations for Your Journey to and in the Boardroom

By **Carly O'Halloran Alameda** and **Olga V. Mack**



**FARELLA
BRAUN + MARTEL** LLP





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Carly O'Halloran Alameda is a litigation partner at Farella Braun + Martel LLP. She represents clients in a variety of business litigation matters, with an emphasis on real property and construction disputes, and complex breach of contract and business tort claims across industries. Her practice includes representing clients in California state and federal courts, as well as in alternative dispute resolution, including AAA, JAMS, and ICC arbitrations. As a former NCAA Division I athlete,

Carly channels her competitive spirit and focus on behalf of her clients both in and out of the courtroom, focusing on the importance of strategy and teamwork to achieve success. Carly is a prolific writer, including on the topics of the boardroom, corporate governance, and cybersecurity. Carly serves as a board member of [Mammoth HR](#) and Berkeley Law's Alumni Association, as an advisory board member of Women Serve on Boards, and is a co-founder of [WISE](#) (Women in House Support Equality), a collaboration between in-house counsel and law firm partners to promote the advancement of women in the legal profession.



Olga V. Mack has been disrupting the status quo and fighting for equality since she can remember. She is the founder of the Women Serve on Boards movement making a fiscal and social case for gender equality on corporate boards. As a startup enthusiast, she currently brings her passion for seeing her clients succeed and grow as General Counsel at ClearSlide, a leading SaaS sales and marketing engagement platform. Previously she held positions at Zoosk, Visa Inc., Pacific Art

League of Palo Alto, and Wilson Sonsini Goodrich & Rosati. She currently serves on advisory boards to several startups, including TimeJoy and ChannelMeter. She is also a member of the leadership board of the Association of Corporate Counsel's (ACC) San Francisco Bay Area chapter and advisory board of the Berkeley Center for Law, Business and the Economy (BCLBE). Olga is a co-founder of Voice of In-house Lawyers ([VOILA](#)) blog, [SunLaw](#) network for women in-house counsel, and the Women in House Support Equality ([WISE](#)) initiative, a collaboration between in-house counsel and law firms to promote the advancement of women in the legal profession. Olga is a weekly columnist for Association of Corporate Counsel (ACC) and Above the Law, and a monthly columnist for The Daily Journal. She also teaches finance at Berkeley Law.



Carly and Olga were law school classmates at Berkeley Law and have continued their friendship and professional collaboration ever since. They serve as board members for both for-profit companies and non-profit organizations. They believe lawyers bring experiences and skills to a boardroom that are tremendously valuable to a board's fiduciary duties and a company's ability to adapt to the changing marketplace. They embarked on a journey to learn more and share their findings about the richness of board opportunities, the skills lawyers can bring to the board, the process for joining a board, and real life stories about lawyers serving on boards in the chapters contained in this book. Many of these chapters were originally published by the Association of Corporate Counsel's (ACC) Docket, primarily as a monthly column.

The book is broken down into the following sections:

- (1) Pursuing a seat at the table:** This section includes information on various corporate board opportunities and strategies for pursuing a board position.
- (2) Bringing value to the boardroom:** This section includes insights on various substantive matters impacting board performance, including the board's role with cybersecurity and company strategy, and ideas for diversifying the boardroom.
- (3) Inspiration from the boardroom:** This section includes interviews of people who have successfully navigated the boardroom, who share their insights and experiences regarding their various boards, including corporate boards, non-profit boards, and family boards of advisors.

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Part 1:

Pursuing a Seat at the Table



The Basics of Board Service: Sheila Ronning Demystifies the Fundamentals

Long before adding women to boards was a hot topic, **Sheila Ronning**, CEO and founder of Women in the Boardroom, believed in the importance of providing women the opportunity to serve and excel on corporate boards. Today, as one of the nation's top leadership and board service experts, Ronning helps connect influential women executives and professionals with the people and tools they need to succeed in business and the boardroom by organizing executive and board coaching sessions, seminars, and webinars.



“The journey to the boardroom can, at times, be an overwhelming undertaking filled with questions about what to expect, how to prepare, and how to be an effective board member,” Ronning says. “My favorite thing to do is to demystify board service and answer the burning boardroom questions that many professionals, including in-house attorneys, have.” Ronning shared some of those fundamental questions and answers with us, in what will be the first of a three-part series in this column featuring Ronning's insights.

Three broad categories of boards

Before embarking on a journey to secure a board seat, it is helpful to understand the various types of board positions that exist and what you are qualified for. Although no two companies or organizations are the same and board positions span a wide spectrum, there are broadly three types of board positions. The first is the most common and recognizable: the board of directors of a public company. These boards face specific regulatory requirements, are higher profile, and are more likely to grab headlines and public scrutiny. They are more highly compensated and also often more structured in their committee make up and more demanding in the time commitment required.

The second type of board position is found in private companies, startups, and venture-backed companies. This also includes private equity boards and for-profit advisory boards. These boards' level of organization, their structure, and their makeup vary greatly by organization, as does whether and how these positions are compensated. However, Ronning notes, “These types of boards are important to keep in mind if you are seeking a board position. There are more opportunities for these types of board positions, and they provide the same type of company oversight experience as the boards of public companies.” Ronning also recommends seeking out advisory boards from larger companies. For example, Toyota has an advisory board for diversity. “There are so many different types of board positions that may not initially be on everyone's radar, but that offer excellent opportunities and experiences.”

The third type of board, nonprofit boards “can also be a good place to start,” says Ronning. Many of them don't pay, but some do. Serving on a nonprofit board can help develop skills applicable to for-profit boards, and can even lead to opportunities to serve on for-profit boards in the future. “But you need to think strategically. Consider joining large, well-run nonprofits where you take a leadership role, know the expectations, learn governance, and have a true passion for the work,” recommends Ronning. Be aware, however, that many nonprofits require significant donations or fundraising. “These boards can be strategic training grounds so long as you do your due diligence and pick a board carefully,” says Ronning.

The responsibilities of a board director

Prospective board members should also make sure they understand what these positions entail. Boards generally are responsible for hiring, evaluating, and firing CEOs, senior executives, and management. They oversee financial performance on behalf of company stakeholders, primarily the company's shareholders. Board members also approve and oversee strategy, and bring in other directors. They monitor and approve audits, governance, compensation, and other processes in order to comply with regulations and best practices. "While a specialty is helpful, you need to be an excellent generalist to understand all these aspects," says Ronning.

As a board member, your role as a representative of the shareholders is critical. "With public companies, the sole responsibility is to shareholders. You may find yourself in conflict with management," Ronning says. Ronning warns that there is increasing pressure to make appearances, represent the company, give support during crisis, and engage in other non-traditional responsibilities. "Companies are increasing demands for your time to engage with the outside world beyond the regular meetings," she says. "It has become much more public facing." Ronning emphasizes that if you are uncomfortable with what the company is doing, you need to be able to "push back." "You need to scrutinize and understand the direction of the company, ask the right questions, and understand your duties," explains Ronning.

Overall, being an effective board member requires knowing the company, preparing extensively before each meeting, working effectively with fellow board members, and speaking up thoughtfully. You must remember to be a director, not the CEO or management. You also need to understand and keep up with the industry and your competitors. Most importantly, says Ronning, "Be there. And be there triple time in a crisis. In a crisis, you need to review documents, meet with professionals, and work with management." Ronning adds, "Things like an activist campaign may happen at any time."

The risks of board service

Ronning emphasizes that prospective board members must be aware of the potential risks that come with board service. "In a public company, if the stock price sinks, you should expect to be sued," Ronning says. Although these lawsuits take time and money, not all cases hold directors personally liable. "You are allowed to be wrong," explains Ronning. "You need to be able to defend the process, be engaged, and take time to reflect on questions." Criminal risk is also a possibility, however Ronning adds this is "relatively rare and only applies in egregious cases of fraud." Similar risks exist in private companies, although there are fewer lawsuits because there are fewer requirements and less public scrutiny.

Given these risks, "directors and officers liability (D&O) insurance is a must," she says. "Get familiar with D&O insurance and have a conversation about it." There is a definite financial risk. Ronning adds, "Insurance will not cover the reputational risk of a lawsuit." Some reputational damage may take a negative toll on your career prospects and be difficult to fix, especially in today's internet age. "You need to be comfortable with visibility and risk," Ronning warns. "You may need to consider resigning if the board is going in an uncomfortable direction."

Finally, another thing to consider is the time commitment. "The average for public boards can be 250 to 300 hours a year," says Ronning. "If a company goes into a crisis, it can double or triple." Actual time commitments vary due to variables such as travel requirements and the particular situation a company is in. For example, smaller businesses can often require more time and hand holding because they may be less sophisticated. It's important to discuss this time commitment in advance. "Be sure that you and your family are okay with the commitment, which is often in addition to your day job," she says. "It is a good idea to set expectations for your time commitment and discuss this ahead of time."



With these basics in mind, it is easier to determine whether board service is right for you. Ronning emphasizes due diligence and staying true to yourself, your interests, and comfort level, which will be covered in more depth in part two of this series. Finally, don't be discouraged if the process feels difficult. As with any endeavor worth pursuing, seeking a board position takes time and hard work, and can often include additional hurdles for women attempting to break into the male-dominated boardroom. Part three of this column series will highlight tips for networking your way into a board position, and Ronning confirms "it can be done." 

The Building Blocks of Board Service: Determining If Board Service Is Right for You

Understanding the basics of board service is a necessary first step for those interested in joining a board of directors. In [part one](#) of this three-part series, we shared insights from **Sheila Ronning**, CEO and founder of Women in the Boardroom, regarding some of these basics, including the various types of boards, responsibilities of being a director, and the risks of board service. In part two, we will explore another aspect of the basics: understanding your motivations, the value you can bring to a board, potential compensation for your efforts, and how to start your journey. “Staying true to yourself, your interests, and your comfort level are key pieces to the decision about and the approach for seeking a board position,” Ronning explains.



The benefits of board service: What a board can do for you

“People’s motivations for board service are not the same, but nearly all board members agree that they get more out of their board service than they give,” says Ronning. Some common reasons for board service include the intellectual challenge of learning a new industry, the ability to contribute in a different way to a familiar industry, interacting with highly intelligent peers to help a company achieve its goals, service to others, or pursuing a fulfilling “second career.” Many board members who juggle board service while still engaged in their “primary career” also view board service as enhancing their resume and reputation, and demonstrating C-suite readiness. “Many companies encourage and help their senior management to join boards,” says Ronning. “This helps with succession planning and determining CEO readiness. In fact, the CEO is often a board member or chairman.” Board service can therefore bring great value to most professionals.

Understanding and articulating your value: What you can do for a board

To determine whether and how to start a journey toward board service, you must also be able to understand and explain the value you can add to a board. This includes identifying your relevant skill set, knowledge and industry experience, and which types of companies you might be a good fit for. “You need to know what types of companies’ boards you are qualified to serve on, and you need to articulate your value very well. You can’t market yourself or network productively if you can’t articulate this well.”

The way you market yourself is in fact a key for your networking efforts (networking will be discussed in greater length in part three). First, understanding your skill set helps you narrow your target audience and deliver a compelling message to those you are networking with. Second, it can also provide an important first impression. “It’s important to be able to discuss yourself and be forthcoming, without diminishing other individuals or companies and without over-sharing. It is a fine line to walk,” admits Ronning. “Your behavior and ability to do this with good judgment will be observed.”

Identifying your value can also help you determine gaps. “You don’t necessarily need all the right experience immediately,” Ronning says. “Once you have clarified your goals, you can fill in any gaps by



pursuing volunteer or professional experience in any areas you are lacking.” The most important thing is to know who you are and what you have to offer, and what type of board would be the best match for you.

Compensation for board service

Although for many directors the money is not their primary motivation, it is helpful to understand how the compensation will work. Public companies’ board positions are usually the most highly compensated, although exact compensation (which can include salary and other value, including stock) depends on the size of the company. Annual compensation for public companies under one billion dollars in revenue often ranges between US\$75,000-US\$200,000, companies around five billion in revenue average around US\$250,000, and companies with more than five billion in revenue can reach US\$500,000 and higher.

At private companies, compensation also varies. Larger, well-established companies often have compensation plans similar to public boards. Medium and small companies, however, generally have annual compensation ranging from US\$15,000 to US\$40,000. Compensation also varies greatly for advisory boards. An advisory board member may receive a small stipend for each meeting, ranging from several hundred to several thousand dollars. Members may also be asked to participate in annual strategic planning sessions, for example, for a payment of several thousand dollars. Alternatively, a board member may receive stock in the company. Nonprofit boards usually pay nothing. In fact, many require a substantial contribution that directors are required to “give or get.”

Ronning recommends avoiding companies that do not provide any compensation. “They need to have skin in the game,” she says. “Companies want to see passion and motivations to serve other than for the compensation, but the companies need to show the board has value by offering something appropriate to the company’s position.”

5 steps for pursuing a board position

Once you understand the basics of board service, Ronning recommends five key steps to pursue a board position:

- 1 Develop a reputation for excellence and show leadership in your main job and industry.** “Bring your A game, because you will be scrutinized when you begin pursuing board service. Dress well, be prepared, and show up for everything,” says Ronning. Build a strong profile and personal brand.
- 2 Assess your skill set and ask yourself what you will bring to the table.** If you notice anything lacking, fill in the gaps with experience that develops or demonstrates the necessary skills. “Write a ‘board bio’ to help articulate your value,” Ronning recommends.
- 3 Develop a strategic plan.** Educate yourself on board responsibilities, and various industry or company boards, and based on your skill set and your motivations, determine where you’d like to serve and how to focus your efforts.
- 4 Get started on getting involved.** For example, Ronning recommends working to get on a government commission or committee. Or seek out acquaintances who own their own companies, and volunteer to start or serve on their advisory boards. “You don’t need to wait for the board position to start demonstrating your leadership and involvement.”

- 5 Network.** Part three of this series will address networking more specifically, and it cannot be overstated as a key step in pursuing a board position. “Tell people you know and respect, especially sitting directors or those who interact with directors, that you are seeking a board seat,” Ronning says. Get to know recruiters at search firms. Make sure that you have your plan set and a reputation and expertise to back it up, and people will notice.

The journey to a board position can be a long one, and you cannot expect immediate success. But by understanding your motivations for joining a board and the value you can bring, and following Ronning’s five-step plan, you can begin building your path to the boardroom. With dedicated effort, these building blocks can be the foundation to a fulfilling board service career. 🌱

Playing the Board Game: Tips for Networking Onto a Corporate Board

Legal experience alone is unfortunately not high on the list of skill sets companies are looking for to fill an open board seat. But lawyers tend to have a knack for one of the key skills necessary to join a corporate board: networking. As **Sheila Ronning**, CEO and founder of Women in the Boardroom explains, “Lawyers do have skill sets that are useful to boards. For example lawyers are often strategic thinkers and creative problem solvers, they are great at due diligence and asking good questions, and they often do have a fair amount of business acumen. With these skills—and the right approach—securing a board seat can be done.”



In the first two parts of this three-part series, Ronning shared insights on the [basics of board service](#), including how to determine and articulate the value you can add to a board, and how to begin to lay the foundation for [becoming a viable candidate](#). In this final part, Ronning offers tips that anyone, including lawyers, can use to network onto a corporate board. “Networking is the most important part of pursuing a board position, especially for those seeking their first board position,” Ronning emphasizes. Below are several networking rules of engagement to keep in mind.

Create a networking spreadsheet

Most board appointments happen because of a connection through your network. So defining that network, and then determining who the key individuals may be, are critical. “You need to network with connectors and influencers,” says Ronning. “Dig through your history and previous and current career path to identify them.” Connectors are individuals who have a wide network of people they keep in touch with, and who enjoy connecting people to one another. Influencers are individuals who are in a position to make or affect decisions.

These key individuals may or may not be serving on boards. While there is certainly value in networking with board members, your key network can and should be broader than that. “You don’t want to write off people who are not on boards,” Ronning warns. “Both board and non-board members can be both connectors and influencers. For example, bankers, CPAs, and lawyers tend to know when their clients need board members. You will want to think about how the people in your network can connect you to other individuals and decision makers, even if they are not directly in that position themselves.”

To keep track of your network, Ronning recommends creating a networking spreadsheet. This should include contact information for each individual, along with how you met, and the last time you interacted. “Categorize your spreadsheet into three groups. Group 1 should be people you are close with and who would do anything for you, Group 2 should be people you know well but are not your #1s—and it is very important to know the difference between the two—and Group 3 will be everyone else on the list, and might even include people that you know through someone else,” explains Ronning.

Ronning emphasizes that the spreadsheet is not static. “When you first create your list, you won’t remember everyone,” she says. “You can add people whenever you think of them. You should also conduct a monthly review of the list. Update the spreadsheet with information on who you have connected with and who to follow up with.” The groups themselves will also change. “People will likely move from

Group 3 to 2, or 2 to 1, as you establish more contact with certain individuals,” Ronning explains. By organizing your contacts, and keeping your network fresh and at the top of your mind you will open as many doors as possible—a must, when you are pursuing your first board position.

Interact intentionally with your network

Once your network spreadsheet is organized, you should focus on regularly reaching out to your contacts. You should be intentional about your efforts though. “Regardless of which group you are networking with, your network wants to help, but you need to help them help you,” Ronning states. This means that when the time is right, you will want to be specific about your vision: What type of boards you are interested in, what value you believe you can bring, and what companies you may want to pursue.

You should recognize, however, that your initial interactions will differ depending on which type of individuals you are reaching out to. “When interacting with those in Group 1, it is perfectly acceptable and appropriate to tell them directly that you are interested in board service,” Ronning says. Initiating the discussion with those in Groups 2 and 3, however, will be different. “I think it is most effective when you reach out to mention you haven’t talked to them in a while, and ask to catch up when they have time,” advises Ronning. “You don’t want to mention boards at the outset. Don’t say you want to brainstorm. And definitely don’t say you want to pick their brain. We all have limited time, and it is important that you appear open and invested in simply reaching out. For all of your networking, and especially with those contacts you are less familiar with, you also want to be seen as ready to go, and not be seen as needing help. It is important to focus on seeking connections, not feedback or mentorship,” Ronning adds. Be considerate and thoughtful to make the best out of these networking opportunities. These interactions can be eye-opening and lead to new opportunities and connections.

Finally, don’t forget that networking is not always person-to-person. According to Ronning, social media is a good tool to brand yourself as an expert. You can use social media to publish articles, comment on others’ content, and participate in community dialogue. “It is a great way to be seen as an expert and get in front of the people,” Ronning explains. As for which platforms to use, it depends on who you are targeting. “LinkedIn is probably the best tool,” Ronning says. “Twitter may also be good.” Whichever platforms you use, keep your social media consistent to develop an identifiable personal brand.

Bring value to your network

The most important part of networking is to remember that you should benefit your network as much as they benefit you. Regardless of whether you are networking with a Group 1, 2, or 3 contact, be sure to keep your contacts’ interests and circumstances in mind. “When you have extra tickets to an event, offer them to someone you think would be interested. When you are planning to host or attend an event, take a look at your spreadsheet to think about who might be interested. People love being thought of and invited,” Ronning says.

You should also make it a point to find common ground, especially with those contacts in Groups 2 or 3. Ronning adds, “A shared alma mater or hobby can be a great talking point when reaching out to a contact. When you keep people’s interests in mind, they will find the interaction more enjoyable.”

And most importantly, be helpful. Pay it forward with your networking. Offer to help your contacts meet each other and expand their own networks. If you share an article, include a note saying why you think that person will find it interesting. “It is not helpful to simply forward an article. Copy and paste the relevant section, or write a few lines describing what you think the person will find interesting. Otherwise, you

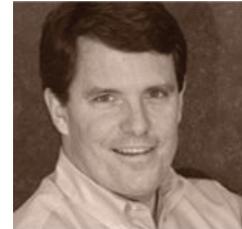


are just adding a to-do list item for the person,” says Ronning. When you help your contacts, they will appreciate your efforts and are more likely to pay you back in kind.

Networking can be a time-consuming process, but its value is undeniable. “If you commit to the process and put in the time, this will work,” Ronning says. Networking is still the most common way to achieve a first board seat, and it is worth taking the time to be as effective as possible. Determine your motivations and matches, build your own expert brand, and cultivate mutually beneficial relationships. Soon enough, you will find yourself winning the board game with a seat of your own. 

The Byzantine Complexities: Strategies for Lawyers to Join a Board of Directors

While many lawyers may be interested in joining a board of directors of a for-profit public or private company, reaching this goal can entail a degree of complexity that even the Byzantine Emperors would have envied. Consequently many lawyers are puzzled by the process and give up well before they even begin. Likewise, companies and many current board members do not often project a lot of enthusiasm when it comes to adding lawyers to the board.



Current statistics can also be discouraging to lawyers, especially those who are also women, minorities, or under a certain age. Lonergan Partners recently published a report that studied and summarized the current state of boards of directors in Silicon Valley, focused primarily on the top 150 Silicon Valley companies (the “[SV150 Report](#)” [pdf]). Lonergan’s SV150 Report explains that, not surprisingly, for the SV150, 87 percent of directors are men and the average age is 59 years old. 38 percent of SV150 directors have an MBA, another 38 percent have a non-MBA masters degree. Only 4.9 percent of SV150 directors have a JD or LLM degree.

Mark Lonergan, the founder and managing partner of Lonergan Partners, who specializes in CEO and board placements in technology companies, is convinced that lawyers give up too easily. “In fact, lawyers are well-equipped to deal with the complexities of getting and serving on boards,” he says. Lonergan shared a few tips for lawyers to help them navigate the Byzantine complexities of board service.

Don’t count yourself out just because you don’t fit the average profile.

Companies are increasingly recognizing the value of, or responding to a call for, diversity on the board—in areas such as gender, age, national origin, or areas of expertise—to better reflect their consumers, the evolving marketplace, and an increased need for compliance and governance experts. As Lonergan’s SV150 Report states, “tech boards facing the swiftly changing marketplaces of today should systematically refresh the membership of their boards in order to prevent the entrenchment of old ideas and business models.” Larger companies, and companies outside of Silicon Valley, have done a better job recognizing the value of diversity on the board. For example, women fill only 13 percent of board seats across the SV150. But that number jumps to 19 percent at SV150 companies with revenues over \$4 billion. Women also fill 19 percent of board seats on the S&P 500.

Securing a first board position is a challenge for everyone, and lawyers are no exception.

“The first board position invitation is a challenge for everyone, not just in-house attorneys,” according to Lonergan. It is highly unusual for recruiters to be helpful for in-house attorneys or anyone else in securing their first board appointment. Instead, you must generally start your own, individual journey to improve your chances. And this journey takes time, often years of planning, strategy, and networking.

When pursuing a board position, Lonergan emphasizes that one must choose wisely in accepting a first board position. Companies and recruiters prefer a board candidate with prior board experience, but



they will evaluate carefully and judge critically that prior board experience. “Just like with real estate, the location and quality matter,” Lonergan jokes. Board positions with a company that has a good reputation, has enjoyed financial and investment successes, and is located in a more prestigious or competitive location are strongly favored. Lonergan advises, “You don’t want to jump at just any board opportunity. Choosing the wrong board for your first position can be more detrimental than no board experience at all. So be patient and make sure you get the right first experience.”

You are enough. No additional certification or education is needed.

The journey toward a board position does not need to start with further certification or tests. According to Lonergan, “Lawyers are enough, at least when it comes to credentials.” Lonergan observed that “attorneys solve many problems by studying or obtaining additional credentials or certifications. However, obtaining a first public board seat has nothing to do with additional credentials or certifications. Attorneys can’t just study and test their way onto a public board.” This reality can be confusing for most attorneys who have succeeded by studying hard in college, for the LSAT, in law school, and for the bar exam. Instead, attorneys should consider other efforts and areas for development.

Experience, not credentials, matter.

A JD degree is rarely a requirement for board service. Instead, a proven track record including business responsibilities and judgment, or outside expertise are often the key factors when lawyers are invited to join a public board. According to Lonergan, “being an in-house attorney or having a JD degree will likely not be sufficient or differentiate a candidate enough to secure a board seat without any other factors. Governance expertise is a great starting point for lawyers but it is generally not enough to secure a board appointment. Good judgment and the ability to contribute to all aspects of the board are crucial.” Lonergan explained, “Of the JDs we discovered on SV150 boards after combing through the data, most are former partners of law firms and only a handful have experience as a general counsel. The general counsel who do become public company board members are usually from some of the largest corporations in America. Alternatively, lawyers often find more success in joining a board when they have successfully redirected their career to include other experiences, including as an investor or venture capitalist, or a member of the FCC, for example.”

A significant management experience is often a must.

Instead, most candidates who are considered for board positions have significant management experience or CEO experience. Currently seated CEOs are especially preferred. Lonergan therefore observes, “if an in-house attorney wants to be considered seriously for board service, he or she should try to move to a lateral management position at least as part of his or her responsibilities. This might include leading a business division and increasing management experiences. It is increasingly difficult to join a public board without widening your experience in this way.”

Network with chairs and board members of various boards.

A board’s current directors, and especially the chair, are often the most important decision makers when considering and nominating prospective board members. Most board vacancies do not require a public search, but are instead filled through the network of the board members. Therefore, being in the right networks is key. As Lonergan says, “the first step toward hunting a duck is to go where the ducks live.” An in-house attorney who wants to be considered for a public board position must realize that networking only with other in-house attorneys will not result in much progress toward securing a board position.

Instead, start expanding your network to include current board members.

Beyond simply networking, establishing a meaningful relationship with chairs and board members is particularly important. The board chair “feels responsible for the overall wellbeing of the board. Therefore developing a connection and level of trust with the chair will help improve your chances of securing a board position in the future,” Lonergan explains. In this way, general counsel and senior attorneys at public companies do have an edge. They spend significant time with board members over time, and this improves the chances of securing a board appointment.

Securing subsequent board positions will be easier if you secure the right first position.

According to Lonergan, “the good news is that after securing your first board appointment, assuming it is a respectable one, securing subsequent ones will become easier.” Lonergan’s SV150 Report illustrates this: “One-in-five SV150 board seats is filled by someone who fills another SV150 board seat. This is true across all industry sectors, company sizes, and company ages. Some boards are so well-connected that more than half of their members sit on another SV150 board.”

In sum, securing a position on a board of directors can be a challenging process, but it is a journey worth beginning. With a few strategic moves that Lonergan suggests, lawyers — who make a living solving complex problems for their clients — can certainly tackle the Byzantine complexities of the board nomination and service processes. 

The Good Versus Money Dichotomy: Why Lawyers Serving on and Advising For-Profit Boards Benefits the Lawyers, Companies, and Communities

Sometime between entering law school and taking the bar exam, many attorneys decide that to effect change and help serve the interests of justice they must join a non-profit organization or provide pro bono services. In essence, this view requires a lawyer to choose between doing good and making money. While joining a non-profit and providing pro bono services to those who are underserved are important ways to serve the interests of justice, those are not the only ways.

Alice Korngold, the author of *A Better World, Inc.: How Companies Profit by Solving Global Problems ... Where Government Cannot*, shows how companies can profit by developing solutions to the world's most daunting challenges.

Likewise, according to Korngold, serving on and leading corporate, for-profit boards of directors can be a satisfying way to serve justice, change the world, and ultimately have a satisfying legal career. And as Korngold explains, when lawyers serve on or advise company boards, the benefits extend to the lawyer, the company, and society. For the reasons below, in-house attorneys should let go of the limiting, good versus money dichotomy and use their influence, experiences, and expertise to simultaneously create value and serve justice by joining boards of private and public companies.



Boards present an opportunity to effect social change

Companies across industries and geographic locations are in a position to effect change in the world. As Alice Korngold explains, “Multinational corporations have the vast resources, global footprint, and profit incentives to solve the world’s greatest social, environmental, and economic challenges. The responsibility to ensure that companies mitigate risks, reduce costs, and grow value through innovation lies with boards of directors.”

Boards of directors are in the position to oversee a company’s strategic and business initiatives. Directors and the attorneys who advise them therefore have an opportunity to help lead the company in a direction of social responsibility. This translates to more successful companies and also a better society. Korngold provides an example: she points out that Unilever is seeking to double the size of its business while reducing its environmental footprint and increasing its positive social impact. Unilever plans to achieve its goals by “working in partnerships where we can help change things on a global scale: deforestation and climate change; water, sanitation, and hygiene; and sustainable agriculture and smallholder farmers.” To underscore the merits of such an approach, Laurence Fink, CEO of one of the world’s largest investment firms, BlackRock, sent a letter to chief executives at S&P 500 companies and large European corporations on February 2, 2016, urging that “over the long-term, environmental, social and governance (ESG) issues — ranging from climate change to diversity to board effectiveness — have real and quantifiable financial impacts.”

Boards make complex and strategic decisions, and in those settings, attorneys have a competitive advantage

According to Korngold, lawyers are prepared to be diligent, hardworking, analytical, and thoughtful professionals. “Lawyers are trained to ask the right questions, help their clients to understand and evaluate choices, to advocate effectively, and to position their clients in ways that are most beneficial to the company and its stakeholders.” Lawyers can use these skills on a board of directors to help the company effectively think through risks strategically, constructively solve problems, and further a company’s mission in an ethical and sustainable way. Although these skills are also valuable in the daily role of an in-house attorney, they can be even more powerful on the board, which enjoys a greater reach into the company’s business objectives and direction.

For example, Korngold points out that “lawyers are trained to be keenly aware of the damage to business by unethical behavior, especially in this era when corporate behavior is more transparent, and the public holds companies to greater accountability.” Thus, lawyers serving on or advising boards can help them to focus on the most relevant economic, social, and environmental opportunities. In fact, according to Korngold, “Lawyers who understand regulations can help boards of directors be aware of and effect changes in many important areas such as human rights, climate trends, trafficking, conflict minerals, privacy while using technology, and freedom of expression on the internet.”

In addition to furthering goals of social responsibility, a focus on these issues also makes good business sense. For example, a lawyer attuned to human rights issues can add real value with regard to corporate oversight and problem solving. Korngold explained, “Case studies by the World Resources Institute (WRI) showed that human rights abuses can bring about tremendous financial risks and costs. For example, resistance from communities and stakeholders can delay permits, construction, operations, and revenues, cause conflicts with local labor markets, increase costs for financing, insurance, and security, and reduce output. In fact, [WRI reported](#) [pdf] that longer term repercussions can include negative impacts on stock prices, brands, and reputation, and greater difficulty getting financing, insurance, and community cooperation for future projects.” Thus, advising a company how to avoid human rights violations is not only the right thing to do but it will also help the company to mitigate risks and ultimately be more profitable.

Board service is a way for a lawyer to hone business and leadership skills, and become more effective for their employer and clients

Lawyers may be overlooked for board positions because of the perception that they are too risk averse to effectively further a company’s mission. Lawyers therefore can and should more effectively align with the goals of the business to gain influence. “Lawyers are advisors that have the required legal and regulatory expertise to help businesses to mitigate risks, reduce costs, and grow value by finding innovative solutions to global problems — economic, social, and environmental,” Korngold noted. “Attorneys would be more effective if they saw themselves as part of a creative process in building the business, not just the people who know the rules.” Lawyers can also play a vital role in helping their client to envision and achieve what’s possible in the global marketplace, and in the process gain important business skills that will make the in-house legal practice more valuable and more satisfying.



When a lawyer serves on a board of directors, he or she not only has the opportunity to help lead a board and its company in a positive direction, but it also provides the opportunity to bring value back to the lawyer's own employer and clients. Serving on a board of directors provides a lawyer with an opportunity to develop and hone leadership and business skills, to understand business objectives in a different way, and to act as a stakeholder in the business, rather than just a provider of legal services.

Therefore, serving on and advising private and public boards is a mutually beneficial opportunity. If done right it can lead to a more satisfying legal career, value creation for companies, and stronger communities. 



Part 2:

Bringing Value to the Boardroom



Cybersecurity and Data Breaches: How In-House Counsel Can Engage the Board

A company's board of directors has a duty to oversee all aspects of the company's risk management efforts. This includes a duty to recognize and minimize the company's exposure to cyber attacks. In today's increasingly digital age, a company faces a variety of threats to its data—including confidential company information and sensitive customer information—from various sources, ranging from sloppy or malicious current or former employees to third party hackers. And those executing the purposeful and targeted attacks are increasingly more sophisticated, highly organized, financially-motivated criminals, rather than amateur hackers or college pranksters. Such attacks not only put valuable information at risk, but can also adversely affect a company's competitive positioning, stock price, good will, and shareholder value.



Given the role the legal department should already play in advising and directing a company's efforts with regard to protecting its data and responding to any data breach, in-house counsel are in a good position to also help facilitate the board's oversight obligations. Below are a few tips for advising and engaging the board with regard to cyber security, with some additional perspectives from **Mark Sangster**, vice president of marketing at eSentire, Inc., Ed Brown, vice president and general counsel at Malwarebytes, and Steve Mickelsen, senior counsel at 3Degrees Group, Inc.

Don't assume your company is immune: The first step is ensuring the board recognizes the risks. For example, a company cannot assume it is immune from cyber attacks merely because it is a midmarket company. "It is not necessarily the size of the company, but what information a company has that determines the company's risks," Sangster explains. In fact, midmarket companies are sometimes referred to as the soft underbelly of our economy because of the numerous vulnerabilities in that market segment. Midmarket companies are often targets of cyber attacks because they don't have the same resources as larger companies. A midmarket company can have important and sensitive information about itself and others, making it an equally if not more appealing target for an attack.

Ensure the board is structured to address cyber security issues: "It is up to the board to implement cyber security culture at a company," Brown says. This effort starts with making sure the board itself can identify who on the board is responsible for taking the lead on cyber security issues. In-house counsel help identify and advocate for a designated board member to be responsible for cyber security. Then task that person with the role. If the board does not have a director with the appropriate technical expertise, this skill set should be considered for the next director vacancy. And in the meantime, a committee or subcommittee can be formed with the directors who are willing and able to learn about and embrace this key role.

Further, once the right person or committee on the board is identified, in-house counsel should make sure the board has the right liaisons with the company. The company may have a Chief Information Security Officer or similar position and/or a cross-department committee within the company with individuals tasked to address cyber security issues from various roles and perspectives within the company. The relevant board members and those company leaders should be in a position to communicate and work closely with each other.

Educate the board about the company's vulnerabilities: A key step in effective cyber security is understanding what is at risk. And from the board's point of view, it cannot embrace, lead, or oversee an issue it does not understand. Therefore, a key role for in-house counsel can be to educate the board on the company's cyber security vulnerabilities. This includes identifying the data at risk. What does the company have that others may want? Where is it? Who can access it? The board should be able to clearly articulate what information is the most valuable, and where and how that information may be vulnerable. For example, the information to be protected may include source code, personally identifiable information, money-related information (e.g. wire, escrow, credit card, or banking information), mergers and acquisition information, and important information from other third parties (e.g., partners or customers).

In addition to identifying where that information exists within the company, it is also important for the board to understand who else possesses or has access to the information. Regardless of what protections a company has in place, the information's security is only as good as a vendor's policies. For this reason, the board should help evaluate vendor relationships and conduct due diligence about a vendor's policies and practices. Also, it is also helpful to think about how the company can limit what is provided outside the company to the extent possible. Mickelsen notes, "Nobody can steal what your vendor or partner doesn't have, so a company should try to limit how its sensitive information is used and shared."

Involve the board with the plan: The board must also have a strong understanding of and involvement with the company's written plan for how its information will be protected and how the company will respond in the event of a breach. The comprehensive contents of the written plan is outside the scope of this article, but for the purposes of facilitating the board's role, several highlights should be considered:

- The board should utilize its expertise in conjunction with advice from in-house counsel to help ensure the written plan is properly tailored to the company's data, operations, industry, and the relevant legal and regulatory environment.
- The board should ensure the written plan regarding internal controls, information inventorying, and access protocols is being properly implemented.
- The board can help encourage or facilitate cyber security trainings for management or employees, as anticipated in the plan.
- The board should determine if sufficient company resources are being allocated to the cyber security efforts, it should carefully review budgets for IT, privacy, and other cyber security efforts, and it can help allocate money if necessary to hire necessary personnel or purchase necessary equipment.
- The board can help select the vendors in advance who will help with a data breach response; for example the company should determine ahead of time who it would need to call in the event of a breach, including for technical support, customer notification, PR, and legal advice.
- The board should be involved in reviewing SEC or other regulatory disclosures regarding data security risk, to make sure the company is thoroughly addressing the risk and plan in place, without overpromising.

Having a concrete, written plan in place is key to ensuring a company understands the issues, is maximizing its preventative efforts, and can react and put its best foot forward during an attack or breach event. Cyber attacks happen fast, and there may be the need for a company-wide response within hours, or less. The board should ensure the plan is sufficient to facilitate the necessary actions well in advance of any attack.

Provide resources about applicable standards: In-house counsel can also help the board be proactive in its oversight by educating the board about applicable and evolving industry standards. For example, the National Institute of Standards and Technology ("NIST") released in 2014 its "Framework for



Improving Critical Infrastructure Cybersecurity.” This is a set of industry standards and best practices that is currently voluntary, but could arguably play a role in evaluating the reasonableness of the company’s — and the board’s — conduct and execution of duties in practice. This type of measuring stick could become relevant down the road, for example, if the directors face litigation resulting from a data breach for allegedly breaching their fiduciary duty to provide reasonable oversight with regard to the company’s sensitive data.

By providing the board with this type of additional resource, in-house counsel can help the board take further ownership of its independent oversight efforts. And the more engaged and educated the board is on these issues, the better positioned it will be to evaluate and contribute to the substantive tasks of assessing risks, crafting a plan, and overseeing implementation.

Help the board maintain regular involvement, and document its efforts: The board’s ability to effectively oversee cyber security issues is predicated on sufficient, ongoing involvement and information. “Boards are very good at recognizing patterns,” according to Brown. Therefore, it makes sense to regularly share the experiences and solutions of the company and others in the industry with the board.

To help facilitate this ongoing involvement, cyber security should be a routine item on the board’s agenda. The board can also help conduct periodic risk assessments, and address the results of those assessments. Any work and attention on these issues should also be documented in board minutes. Such documentation can help illustrate as necessary that the board was properly functioning in its oversight role.

Support board involvement with purchasing cyber insurance and understanding what it can and cannot cover: Although general commercial liability policies may not apply to data breach events, cyber policies can be purchased to cover costs that may arise as a result of a breach, including standard investigation costs, notice of affected clients, credit check protection, and PR costs. Mickelsen suggests, “It is important to buy comprehensive cyber insurance and to understand what it covers and any notification requirements.” While cyber insurance helps to offload some risk, it should not be counted on to offload all risks completely. The board should understand which risks may be covered, and where gaps or challenges may remain. And boards should never assume insurance will cover all the company’s needs in case of an attack. For example, insurance cannot make up for resulting damage to a company’s brand or core business. Insurance is helpful, but prevention is still key.

Encourage the board to be focused, but flexible: Given that methods of cyber attack are evolving constantly, so must methods of defense. Mickelsen points out, “The ground is always changing, so it is important that you are always doing the best you can. Keep in mind what is reasonable now may not be reasonable later.” In-house counsel should help keep the board apprised of recent developments or trends, and can remind the board that cyber security practices must be continually improved and updated. 🌐

Sangster’s cybersecurity media recommendations:

[*Cyber-Risk Oversight Handbook*](#) / National Association of Corporate Directors

[*Future Crimes: Everything Is Connected, Everyone Is Vulnerable and What We Can Do About It*](#) / Marc Goodman

[*Spam Nation: The Inside Story of Organized Cybercrime from Global Epidemic to Your Front Door*](#) / Brian Krebs

[*Cybercrimes with Ben Hammersley*](#) / Documentary starring Ben Hammersley

A Strategic Asset Board: Steve Walker Explains How the Board Can Engage With and Foster Forward-Thinking Strategy and Innovation

In today's increasingly complex and competitive business environment, companies must be able to act, evolve, and innovate more quickly than ever. To do so, companies must make use of all available resources to ensure they are staying ahead of or at least on pace with changes in technology, the competitive landscape, consumer preferences, globalization, and regulations. Although the work to shape strategy and push innovation is primarily led by management, the board of directors is increasingly being recognized as a resource in this respect. The board is often being called upon not only to "oversee" the company's forward-thinking efforts, but also to more actively contribute to and help shape the company's progress.



Steve Walker, general counsel and managing director for the National Association of Corporate Directors (NACD) Board Services Group, explains, "Directors bring a wide range of experiences and perspectives that should be leveraged in assessing a company's strategic health. Boards can and should be better equipped to address with management the challenges that continually accelerating change in the business environment poses for the development and adjustment of corporate strategy."

Walker's background gives him a unique and well-rounded perspective on this board function. He and his team at NACD consult with and train boards daily to help increase boards' effectiveness by evaluating board composition and refreshment, measuring board performance, and addressing strategic corporate governance matters.

Prior to joining NACD, Walker served as general counsel and senior executive to public and private entities ranging from private equity backed startups to Fortune 100 corporations in a variety of industries. Walker also served with the Securities and Exchange Commission, Division of Corporate Finance, and the Florida Division of Banking, Finance, Securities, and Investor Protection. He also currently serves on the board of two private companies.

Walker explains that in-house counsel can help ensure the board effectively balances its oversight role and more traditional duties with an ability to engage with and better contribute to a company's strategic and innovative efforts in at least the following ways.

Refresh and diversify board membership

The starting point of a board's ability to contribute to a company's forward-thinking strategy is the experiences and skill set of the board members themselves. Creating the right team in the boardroom requires efforts on two key fronts: refreshment and diversity. First, the company should take a fresh look at its board, Walker says.

"In-house counsel should help their executives and the board think critically about the company's mission and its board membership. They can help create a board skills matrix to identify all of the skills, background, and experiences they want the board collectively to hold, that will help further the company's mission. They should then consider their current board members to determine who aligns with the mission



and who holds which relevant skills. The company then needs to make some careful and possibly difficult decisions about succession planning for its limited board seats,” he clarifies.

Second, the company should work hard to ensure its membership reflects diversity in perspective, which includes differences in substantive knowledge, geography, gender, ethnicity, and age. Walker explains:

“The board should certainly include seasoned executives, which companies tend to focus on as the threshold qualification, but the board should also at least in part reflect the customers or industry the company targets, real experience in the geographic regions where the company hopes to grow, and a well-rounded set of perspectives to help ask the hard questions and identify areas of weakness or for growth.”

Ultimately, a board should be in a position to complement and also push management. “A company with group think in the boardroom will simply not survive,” Walker emphasizes. The right board members, armed with the right knowledge, will be able to offer constructive tension in the boardroom, which is critical to a company’s success.

Set expectations for the board to have a more active role setting strategy

Historically, boards have operated largely with a “review and concur” approach. While that approach may have been sufficient in the past, Walker explains that “the marketplace is too dynamic and fast-paced to allow directors to have such limited contact with development of and changes to the company’s strategy. While management bears primary responsibility for formulating strategy, the role of the board of directors cannot be a passive one. Directors must be in a position to recognize and communicate if they believe a strategy needs adjustment.”

For most companies, an increased role in setting strategy by the board will require a shift of expectations and procedures. Walker warns, “A company must first be clear that increased board involvement with strategy is not due to disappointment in management, but rather due to a desire to better utilize the board’s collective wisdom to stay ahead in the fast-paced environment of technological changes, competitive disruption, and activist shareholders.”

If this new expectation and process is properly handled, the company will benefit. The CEO maintains ultimate responsibility for strategy, but if early stage ideas and strategic options are brought to the board sooner rather than later, the more robust dialogue will help ideas, and the company, move forward more effectively. “Management should want ideas to come together and clash,” Walker adds. “That is how strategy can stay relevant and innovation happens. With the right expectations and by allowing all viewpoints to be heard, the ideas can clash and grow, without the people clashing.”

Engage the board sooner and more often regarding strategy

The company’s rhythm of setting strategy must allow for more meaningful board involvement. Board meetings often are consumed with compliance-related topics and presentations from management. However, if directors are going to engage in meaningful discussion about forward-looking issues such as long-term strategy, alternative moves or emerging competitive threats, there needs to be time and space on the board’s agenda for those topics.

“A company’s ability to respond quickly — and effectively — to changing conditions and competitive pressures hinges on the board being fully engaged in the company’s core processes and activities related to strategy,” Walker states. “Directors should be given time to engage with management on these topics during board meetings, and there should also be an executive session at the beginning and end of each board meeting to allow directors to speak freely regarding strategy.”

Provide the board with more useful information

More meaningful board engagement on strategic issues also requires the board to understand the various factors driving the company's ability to compete and to grow. Walker says it is important that management provide directors with the right — although not necessarily more — information: “Directors need to have a current understanding of, for example, the company's operating environment, new market entrants, customer preferences and behavior, and the shareholder base, including the entrance of any activist investors. And this information needs to be updated as it evolves, even if that means between board meetings.” Walker suggests this may mean the CEO has to send update memos to directors as needed on important matters in order to keep the board informed.

Boards should also be empowered to educate themselves on areas they feel are critical to their ability to contribute to the company's strategic direction. “The most effective boards are not afraid to request briefings from third-party experts on issues of importance to the company. For example, a board may invite an expert on cybersecurity or global economic trends or country-specific issues to present to the board. Some boards invite analysts or portfolio managers to provide a better understanding of how those outside the company view the company and its strategic direction,” Walker explains.

Walker also suggests companies can benefit by allowing their boards to think like activists: “As many companies know, activist investors can have an army of MBAs studying the company to identify the weaknesses or areas for growth. A company is less likely to be caught off guard by an activist if the board is fresh, diverse, and thinking critically about the company.”

A company needs to capitalize on every competitive advantage it has to thrive in this modern economy. The board has the potential to be a powerful asset for guiding a company toward growth and continued relevance. Following Walker's advice, in-house counsel can help ensure the company is making the most of its board. 

The Cybersecurity Dream Team: Steve Walker of the NACD Explains How to Approach Internal Auditing

As cyber attacks and data breaches continue to mount in the headlines and the daily experiences of businesses, cybersecurity continues to rise as an area of focus for boards' and audit committees' agendas. One major tool available to companies and their boards is an internal audit team. Internal auditing is critical for helping companies manage cybersecurity threats and preventative programs. The audit committee can directly interact with and oversee the work of the internal audit staff to fulfill this mission.



In-house counsel can and should play a key role in facilitating the board's cybersecurity work, including by helping maximize the effectiveness of the audit committee and the company's internal audit team. Attorneys are often involved in evaluating existing and necessary controls, and are also responsible for working with management, the board, and the audit committee to understand and address potential cybersecurity risks. **Steve Walker**, general counsel and managing director for the National Association of Corporate Directors (NACD) Board Services Group, recommends that in-house counsel help their companies focus on at least the following key internal audit issues.

Equip the internal audit team with the right resources

Assembling an internal audit dream team is no small task, but it's an essential resource for cybersecurity. Walker recommends that in-house counsel consider "the adequacy of the internal audit team's resources for dealing with cyber risks." He explains, "Although internal auditors at many companies are sharpening their focus on cybersecurity, these teams are often strained by the increased demand on their resources such as time, budget, and talent."

The most significant asset, therefore, is often the internal audit team's own human resources. Walker explains that finding and retaining staff with the right skill and industry-specific experience is often challenging, and it is not unusual for companies to heavily invest in training and development for privacy and security personnel. "A focus on retaining this talent is crucial to any business," he says. In-house counsel should prepare their companies to prioritize developing, training, retaining and adequately allocating resources to the internal audit team.

Keep the internal audit team in tune with your business

Cybersecurity risks are moving targets. Most of the vulnerability companies face is rooted in two factors: new technologies and people, and both elements are constantly evolving. To effectively assess cyber risk, the internal audit team must have a solid understanding of the business. Walker therefore emphasizes the importance of engagement between the internal audit team and the business it serves. "It is a well-known fact that in order to understand where the cyber risks are coming from, you have to understand how the business works," says Walker. "That means not only looking at firewalls, networks and apps, but also

understanding the company's operations and how it interacts with customers and vendors. The 'people risk' is a particularly important area to understand, and this varies greatly by company."

In-house counsel should advise their companies to give internal audit teams a clear and thorough understanding of business operations. One possibility Walker recommends is to keep a "revolving door" for internal audit staff to stay in tune with the company. Companies could "implement a rotation of internal audit staff into and out of business units and other functional areas," he says.

Keep the internal audit team connected and coordinated with each other

In addition to staying in touch with the company's business, the internal audit team needs to stay in touch with each other. Walker emphasizes that "the level of coordination between the internal audit team and other key functions is critical to success." Therefore, internal audit teams should be given access to other members of the cybersecurity "dream team." "Audit committees should make sure the internal audit team has frequent and robust interaction with others in the organization who have roles in protecting digital assets," says Walker. "This can include the chief information officer and chief information security officer, as well as human resources, supply procurement, and business leaders." Coordination can make or break any important undertaking — and cybersecurity is no exception. In-house counsel should facilitate and promote opportunities for the internal audit team to stay coordinated with other key cybersecurity players.

Don't forget to seek auditing outside the company

The internal audit team's functionality extends beyond the company's own business units. Walker notes that "internal auditing has a significant role vis-à-vis outside vendors." They can also assist with auditing service providers and third parties. This is especially important because these outside vendors may not be on the same level of cybersecurity awareness and preparedness. "Service providers and third parties can pose significant cybersecurity risks. Unannounced audits of vendors by the internal audit team are an important tool in assessing potential weak links," says Walker. This is especially important as the data systems of companies across the value chain become increasingly interconnected. In-house counsel should emphasize the importance of developing a strategy to manage outside vendors as a critical element of internal audit.

The relationship can also go the other way. "Outside experts can also provide value to the internal audit team and IT department by periodically conducting independent assessments of the company's information security and cyber-risk profiles," explains Walker.

Ask the right questions

Walker and NACD recommend that audit committee members and internal audit staff discuss the following cybersecurity questions:

- What interaction and coordination does the internal audit team have with other corporate functions (e.g., information technology, information security, operations, supply chain, human resources, etc.) related to cybersecurity matters?
- What skill sets does your internal audit team have that are related to information security? Cybersecurity? How do team members keep their skills current? How do you retain team members?
- Does the company perform internal and/or external system penetration testing? Are the tests announced or unannounced? What role, if any, does the internal audit team play?



- What types of prevention, detection, and reaction/response testing does the internal audit team perform in the threat and vulnerability management life cycle?
- What role, if any, does the internal audit team play during a breach?
- What role, if any, does the internal audit team play after a breach has occurred?
- Who performs cyber-related investigations within the organization?
- What arrangements does the company have with legal counsel or other third parties (e.g., independent investigative functions) should the need arise for immediate assistance?
- What is the process for communicating with regulators and law enforcement? For communicating with the public? How, if at all, is the internal audit team involved?
- How, if at all, does the internal audit team interact with law enforcement during or after a breach?

All of the elements discussed above are vital talking points for in-house counsel to guide their business partners, boards of directors, and internal audit teams. With these issues in mind, in-house counsel can help their company strengthen the tools in their cyber risk arsenal. 

The Power of Being in the Room: 4 Ways Attorneys Can Help Increase Boardroom Diversity

Beth Stewart, CEO of Trewstar Corporate Board Services, knows a thing or two about placing women on corporate boards. Since 2013 she has successfully placed 35 women directors on corporate boards, usually for Fortune 500 companies. Considering that women currently fill only a third of open board positions—even with an increasing awareness of the value of diversity on boards—Stewart’s numbers reflect great success in this area.



According to Stewart, lawyers are often in a unique position to advocate for more women on boards. “After all, lawyers are already in the room. They are in a position to influence change,” she says. Stewart strongly urges lawyers to use their positions inside the committee meetings of the board to promote gender parity on boards.

“Isn’t it a more satisfying professional life when your advice has the potential to help your client from a business, public relations, and even ethical perspective, and it is good for society too?” she adds. Although it may seem daunting at first, Stewart believes that lawyers can help bridge the gender gap on boards by implementing the following four strategies.

Build a consensus that looking for and finding qualified women is a profitable and socially responsible thing to do

Numerous studies indicate that diverse boards lead to better decision-making. In particular, gender diversity in the boardroom can enhance dialogue, curb excessive risk-taking, and boost both performance and share price. As an attorney in the boardroom you have the opportunity—and, arguably, the duty—to educate the board as a whole or specific committee members about the benefits of diversity and how to go about recruiting a diverse board.

“I care about good corporate governance and believe the way to good corporate governance is to add only the highest quality individuals with diverse points of view to boards,” Stewart declares. Attorneys can help begin the conversation by pointing out the benefits and noting that a board does not have to sacrifice quality for diversity. “The problem is not with the qualifications of diverse candidates,” Stewart adds. “For example, there are plenty of talented board-ready women seeking board positions. But companies need to be in the position to demand those candidates.”

A board’s structure and the personalities of the directors may require varying approaches to pursuing diversity, but Stewart encourages attorneys with access to the boardroom to determine the right approach and pursue it. “It may be easier to approach individual members of the board with your ideas to build support before making a larger move toward consensus. Or it may be that you can raise the issue with the board collectively. Either way, be prepared to raise the issue, explain the benefits, respond to objections, and help the board pursue the next steps.” Next steps may be anything from meeting with a board services company, like Trewstar, to reaching out to potential directors already familiar to the company.



Be prepared to respond to objections

In her experience placing women on boards, Stewart has heard — and overcome — a number of typical objections when the idea of seeking female candidates is raised. “I think I’ve heard it all,” Stewart explains. “For example, male directors will say, ‘I’d be happy to add a woman to the board, but I don’t think I can convince the other guys,’ or ‘I already do a lot for women, I am mentoring one on my management team right now,’ or ‘We already have two women,’ which I always find ironic when there are also already eight men.”

These objections can and should be overcome. Stewart points out that although some men are initially resistant to the idea of adding a woman (or more women) to the board, the transition itself is almost always a smooth one. “It is not easy for women to rise through the corporate or partnership or government or academic ranks to reach an experience level appropriate for a board position. Those who succeed in traditionally male-dominated fields must not only be smart and hard-working — they must also be able to get along well in a majority male environment.” This means that the women who do have the requisite qualifications and experience to be interviewed for board service are already extraordinarily qualified.

Insist on interviewing women first

Stewart has found success in placing women directors, because she always presents “multiple female candidates who fulfill, with no compromises, both the skill set and personality fit requirements for the boards.” But her approach is different in a key aspect: The company agrees in advance that Stewart will present only women candidates first, and she will only present male candidates if the company does not fill the position with the women candidates. She has not yet had to move into the second round.

By presenting a lineup of potential candidates who fulfill all requirements and qualifications — and who also happen to be women — the difficulty of getting women “in the door” is avoided. “By the time an all-women slate is presented to a nominating and governance committee, everyone on the board is on board, so to speak, with the concept. In our experience, one hundred percent of boards that are presented with appropriately skilled women candidates first never find the need to interview the men,” explains Stewart.

And when companies truly care about qualifications more than gender, they are satisfied and impressed with the potential candidates. “It is amazing that when the existing board starts to interview the female candidates, the challenge often becomes not which candidate to add to the board, but how many the board can add,” says Stewart.

Although some may balk at this method, preferring a more “traditional” process, Stewart points out that the process is still traditional. It has just been altered to benefit a group that has been historically excluded. “For centuries we have interviewed one group of individuals exclusively before others,” explains Stewart. “All we are doing is switching the group that gets in the door first.” Stewart adds, “For people who are concerned about fairness, it is fair. This method simply allows women to showcase the qualifications and talents that have historically been unfairly overlooked.”

Find a way to open more board seats

Another way to help improve the percentage of women in the boardroom is to help create more seats to fill. This year, women occupy only 19.9 percent of S&P 500 board seats, a modest step up from 19.2 percent in 2015. The gender gap is narrowing at a glacial pace, at best. The topic has certainly received much attention and focus, but corporate boardrooms are largely at a standstill. “A big challenge to adding women to boards is that there are just not enough open board seats to fill,” says Stewart.

This exacerbates the limits of the current demand. “If every board opened two spots — the first by not re-nominating one male director and the second by expanding the board by one seat in anticipation of further retirements — that would solve the demand problem by creating 1,000 new board seats,” says Stewart. “The 19.9 percent quickly becomes 40 percent if women are considered first for those new openings.”

Although this may seem like a radical idea, the decade-long standstill may warrant such proactive solutions. Because it seems unlikely that every board will open two spots, it is important for lawyers who are in a position to influence change in their own companies to do what they can. Even just one open spot can start to begin a wave of change that can start to repair the board service gender gap.

Lawyers who are privileged enough to be “in the room” have a responsibility to help encourage and pursue boardroom diversity. Narrowing the board service gender gap should be seen as more than just a challenge. It is also a valuable opportunity for lawyers to truly make a positive impact on their companies and on society in general. By using these four strategies, you, like Stewart, can help make a difference. 

Diversifying the Boardroom: Mary Quazzo Discusses the Chief Legal Officer's Role

Mary Quazzo is a governance guru. She is the vice president, principal counsel, and secretary for Bechtel Group, Inc., and has served in-house at Bechtel for the past 27 years. Bechtel is not only one of the largest and most respected construction and civil engineering firms, but it is also one of the largest privately owned companies in the United States. At Bechtel, Quazzo advises on legal matters and transactions that span across the company's four global business units, including issues respecting corporate architecture, capital and organizational structure, financial and ownership matters, governance, and strategic alliances. She also serves as secretary to the board of directors of Bechtel Group, its audit committee, and to the boards of subsidiary entities.



In addition to her day job, Quazzo is also a strong advocate for diversifying the boardroom. She was part of the inaugural class of DirectWomen, a national non-profit that works to increase the representation of women lawyers on corporate boards, in 2007. Since then, she has continued to speak out about diversity issues and efforts. Recently, she was part of a committee convened by the Thirty Percent Coalition, which discussed and compiled a thought piece on how chief legal officers can help corporations achieve gender diversity on boards of directors. She took the time to explain her perspective on diversifying the boardroom as well as the specific actions the committee identified that in-house attorneys can take to be a part of the solution for pursuing and achieving gender parity.

Board diversity is good corporate governance

Quazzo starts with the premise that board diversity is good corporate governance. "It has been demonstrated in a number of ways that board diversity increases the bottom line, lowers risk profile, and enhances a company's reputation," Quazzo states. Although diversity discussions often focus on gender diversity, Quazzo adds that diversity can mean different things: "The goal is to bring different thoughts, insights, and perspectives, and a variety of skills and experiences into the boardroom. This variety allows a board to more fully probe, understand, and approach problems and opportunities the company faces." That means including both men and women of different ethnicities, ages, and geographic insights, and with different skills and experiences. Given the severe underrepresentation of women in the boardroom, gender becomes an obvious focus for change.

Further, since it is a governance issue, in-house counsel have an obligation to bring the issue of diversity to management's and the board's attention. Quazzo explains, "Chief legal officers are in a position to advise management and boards on best practices in corporate governance, including benefits of diversity and inclusion. They need to take advantage of being in that position, and do what they can to raise the issue."

Recognize the hurdles

To craft the right solution to the problem, each company that has struggled to include women in the boardroom should reflect on its own explanation for the imbalance. Although those explanations will vary

by company, several themes are typical. Public companies, for example, face more of a spotlight on this issue. However, when it comes time to fill an open board seat, a search firm is generally engaged and its selection criteria perpetuates a lack of diversity before the search can even get off the ground. “Public companies may require that a director have CEO experience from a Fortune 500 company,” Quazzo discloses. “That immediately limits the diversity of the candidate pool. If more companies crafted their search criteria to focus more on the qualities and skills they are looking for, and less on the title, they would find plenty of qualified, diverse candidates.”

Private companies do not face the same scrutiny as public companies, but they do face similar challenges in developing a diverse candidate pool from which an open board seat is filled. “I think private companies are even more likely to fill an open board seat with someone within the close network of a current director or executive. That approach perpetuates the issue for obvious reasons. In those cases, a more intentional effort should be made to reach out more broadly to seek nominations,” Quazzo states.

Effect change in the boardroom

Chief legal officers and other in-house counsel with access to management and the board of directors already have a role in advising on corporate governance, and they are often a part of the discussion regarding a board vacancy. They can therefore help make the case for increasing diversity in the boardroom and provide guidance to help make the company’s efforts successful. But Quazzo cautions, “It is important to understand the company, the stakeholders, management, and the current board, and their history and current view on diversity. You have to approach the issue of diversifying the boardroom with all of these factors in mind. An overly aggressive approach may turn people off. You will need to give some thought to the best way to attract the right attention to this issue based on your company’s circumstances.”

The following are several of the actions Quazzo, along with the committee of chief legal officers, suggest attorneys can take to effect change in the boardroom.

- 1 Ensure female (and other diverse) candidates are in the pool of candidates considered for an opening.** This will likely include working with the board’s nominating and governance committees, typically responsible for director recruiting.
- 2 Encourage director searches to start with the skills and experiences required for the board seat, rather than focusing on a title such as CEO.** For example, include other C-suite officers and also individuals with even more diverse backgrounds, including with government, academia, or non-profit organizations.
- 3 Work with management to identify senior women within the company who are good board candidates and help develop and sponsor those women for membership on other corporate boards, consistent with company policy.**
- 4 Establish an understanding with the search firm that the corporate leaders view diversity as a priority, including the recruitment of women, people of color, and individuals with various ethnic backgrounds.**
- 5 Become a spokesperson among your peers to encourage others to advance diversity in the boardroom.**



Quazzo herself is not currently seeking an outside corporate board position. Her plate is plenty full with her role at Bechtel. She also notes that she has been able to fulfill her passion to make a greater difference in people's lives through her current role on the non-profit board of directors for ICA Cristo Rey Academy, a college prep high school committed to providing an excellent education and meaningful corporate work study experiences to students from disadvantaged backgrounds. "My work on the non-profit board is interesting and meaningful, and I make time for that because I am passionate about it," Quazzo adds.

Fortunately Quazzo does not appear to be slowing down in her mission to diversify the boardroom. Having such an accomplished advocate and spokesperson for change, leading the discussion on how to get there, will almost certainly help more women obtain a seat at the table. 🌱

A Personalized Approach: Kim Clancy's Simple Secret for Bringing Diversity Into the Boardroom

According to **Kim Clancy**, the key to diversifying the boardroom lies with a personal touch. "It is not that CEOs are against diversity," Clancy explains. "They are understandably focused on many other priorities, including their quarterly earnings, competitive threats, or cybersecurity." And when the time comes to fill a board seat, they are not intentionally excluding diverse candidates. "When a company is trying to fill a board seat, the CEO and sitting board members often inadvertently default to their own immediate circle, and that pool and their ultimate judgments tend to tip toward finding sameness," Clancy adds.



Clancy has made it her mission to help increase diversity in the boardroom, one seat at a time. She is a believer in the value diversity brings for a company's ongoing success, as well as for the increased well-being of corporate America. "Companies do better with board members that bring a breadth of knowledge, experiences, and perspectives to the table. The benefits of diversity are no longer controversial. The issue now is how," Clancy says. As the founder and CEO of HOP LLC, a boutique executive search firm, Clancy has zeroed in on a simple and powerful method for getting more diverse candidates a seat at the boardroom table: personalize each effort.

Below, Clancy explains more about her personal approach and how in-house counsel can use the same techniques to help ensure diverse perspectives exist within their company's boardrooms, and also within their own teams.

Target and connect with the right people

Clancy's mission is to help CEOs and executives build or grow more diverse corporate boards. This requires at least two critical threshold elements: finding the CEOs who have the inclination for inclusion and recruitment beyond their immediate network, and finding leaders whose skills and personal backgrounds fit the vacant seat. Part of Clancy's job is to cast a wide net to discover and connect with these people. She is confident there is never a lack of qualified candidates and she uses her deep network to connect with both CEOs and qualified board candidates. She leverages LinkedIn to expand her reach and targets the events she attends to meet the right people.

This initial focus on identifying the right people can also be applied by in-house counsel seeking to move the needle on diversity within their own organization. Clancy explains, "If you want to help move efforts forward to diversify corporate and board leadership, you have to start by understanding and identifying who in your organization currently has a voice in filling or creating positions. The CEO is key, but you should also consider other executives and current board members." The first hurdle is figuring out who in decision making roles acknowledges a need for diversity, or at the very least has an open mind about rounding out their team.

Likewise, those looking to effect this type of change must think about the candidates that could eventually fill those positions. "Suggesting that a board needs more diversity can be a little ambiguous," Clancy says. "It is helpful to articulate instead exactly what type of diversity might be most valuable. For example, one company may benefit from gender or ethnic diversity, while another may appreciate someone with



international experience or a different yet complementary industry perspective.” Clancy adds, “You also have to look at qualifications before you look at people. When we assume that we know the ‘right’ person for a role, we cannot help but be influenced by our biases. You need to look outside your comfort zone or normal process.”

Get to know people on a more personal and meaningful level

Once she has identified the broader universe of people with the potential to be instrumental in each other’s professional lives, Clancy goes to work on getting to know those people. And she doesn’t settle for a person’s resume. “There is no substitute for sitting down and talking with someone. I make it a point to get to know a person’s background, strengths, professional goals, and personal interests. Those are the things that build familiarity and common ground between a candidate and CEO. My job is to invest the time to get to know people I meet, and I remember the details.”

For the future decision makers, Clancy needs to know what they need and what they value. “If you want to help nudge a CEO toward growing a more diverse board, you have to first understand what is important to that person. CEOs don’t want to be told what their company needs, they want to start by having someone listen, to hear what their concerns are and what challenges and opportunities they are facing,” Clancy explains.

For the future candidates, Clancy focuses on learning the complexities of each person, to fully understand what the person can offer a company. “Diversity is often addressed in discrete buckets: someone is a woman, or someone is African-American. But the truth is people are incredibly multi-faceted. I want to be sure I understand as much as I can about what that person brings to the table with regard to the different layers of their background and experiences.” For someone seeking a board seat themselves, or seeking to help position another person for a seat, this means clearly articulating the depth and breadth of skills and perspectives that one brings to the table.

Maintain those relationships

Getting to know people on a personal level also allows Clancy to develop a relationship with the people she meets, which is a prerequisite to influencing the decision making process down the road.

For in-house counsel looking to make strides in helping diversify their own boardroom or team, much of this work may already be done. “If you are already starting with a personal or close working relationship with the future decision maker or the future diverse candidate, you probably already know a lot about who they are and what makes them tick, and you already have a trusting relationship in place,” Clancy says. The key in that case is to take the time to think about what may resonate best with the individuals or company you are working with.

Personalize the pitch

When an opportunity arises for Clancy to actively work with a CEO to fill a board seat, she puts all of her hard work and due diligence to good use to personalize the connections she seeks to make, and the candidates she seeks to promote. Clancy explains, “To overcome the tendency toward sameness when filling open board seats, the key is to make sure a diverse candidate personally resonates with the decision makers. This means I have to use what I know about the CEO or the company to identify exactly what will resonate for them. While it is not always productive to talk about unconscious bias because it puts people on the defensive, it does exist. Bias can and must be overcome. One way to do this is to really personalize the connection the decision maker feels with the candidate. It is much more productive



to highlight the aspects of the candidate's background that are a perfect fit for the company, to focus on the leadership experiences or cultural experiences or skills the person has that directly overlap with what the company needs. It also helps to point out a few personal commonalities, for example, if the decision maker and candidate share a love of music, or dogs, or hiking. Those types of things matter in getting people comfortable with someone who initially may feel unfamiliar.”

Although most of us are not diversifying boardrooms for our full-time jobs, lawyers seeking to effect change within their organizations can take a page from Clancy's playbook to help fill open positions on the board or within leadership with one diverse candidate at a time. By thinking carefully about what matters most to the decision makers, and focusing on the most applicable skills or background a candidate has to offer, we can more effectively personalize efforts to achieve greater diversity. 



Part 3:

Inspiration from the Boardroom



Moving Companies Forward: How Michelle Wilson Applies Her Expertise in Growth Companies to Her Role on the Board

Michelle Wilson knows growth. As senior vice president and general counsel for Amazon from 1999-2012, she helped guide the company through 13 years of growth. She currently serves on the boards of directors for Zendesk, Okta, and most recently, Pinterest. In her spare time, she works with startups as part of her personal passion for emerging companies. She took the time to share how her varied types of work overlap in their rhythms and required skills, and why growth companies are great training grounds for prospective board members.



Navigating the “messy to buttoned up” cycle of a company

There is a recurring pattern in a company’s growth, whether the company is growing with new products, customers, and geographies, or in other ways. As a company tries new things or races to keep up with growth, it’s OK to get a little messy. Over time, management and the board can work to button up the details and make ongoing work more routine, so that they can focus on new strategic projects, which can be messy for a while.

During her time at Amazon, Wilson lived this cycle many times. She navigates the process as a pro and brings her experience to her board positions. “All companies go through this cycle of getting messy, and then buttoning up the details, and then getting messy again,” Wilson explains. “One key is using good judgment about what needs to be fixed now and what can wait. There are also milestones when things really need to get buttoned up, like an IPO. But it’s not bad to be messy. If things are too clean, it likely means the company is not pushing or growing fast enough.”

Developing a strong sense of audience

Growth companies study their customers and cater to their needs, even those that the customer cannot yet articulate. Similarly, a board member should develop a strong sense of audience. “I always try to understand my audience,” Wilson says. “You need to meet each person where she’s at, taking into account her role and expertise. If you imagine yourself in the shoes of the other person, you can start thinking about what answers she is looking for, what information she needs, and how you can speak her language. At Amazon, my approach on the same topic would be different if I were meeting with the board versus with a new product manager.”

As a business-minded GC, Wilson also explains she was most effective when she led by influence, and not simply by exercising her power. “I find it more effective to bring my audience along. I don’t want an outcome to be set because I’m more senior or I have certain authority; instead, I try to convince others of a particular path with good reasons and with explanations they will relate to.”

Wilson also uses what she refers to as a classic marriage counseling technique to more effectively communicate with her audience. “It’s important that people feel heard during a discussion. When talking



to a client, for example, I always try to rephrase the client's words in my own words as the conversation progresses. This helps me make sure they know they are being heard and also helps ensure we are communicating accurately with each other. This same approach helps with my fellow directors, since effective communication is, of course, key for boards as well."

The interaction between the board and management is another example. Both groups are trying to make the right decisions for the company's future, and trying to solve problems, but they approach the issues with different perspectives. "Management is working hard every day in the trenches; they are living and breathing the company's issues. The directors, on the other hand, have only periodic touch points and are not on the ground. It's helpful for both groups to keep these different perspectives in mind."

Maintaining relationships with the investment community, recruiters, and law and accounting firms

All growth companies know the importance of maintaining key relationships. To get the necessary funding, talent, and services, growth companies must spend time cultivating relationships with stakeholders and resource providers, including with investors, recruiters, and law and accounting firms. The same is true for those interested in joining a board of directors. "To find the right board opportunities," Wilson explains, "it helps to get to know people in the investment community, who may have influence over board positions; recruiters, who often know when board positions open up; and lawyers and accountants, who know and work with many interesting companies."

Calculated risks are rewarded and bad judgment will take its toll

Growth companies understand that you have to take risks to reap rewards. There are choices to be made about how to invest a company's resources, and calculated risks and good judgment can pay off big. On the other hand, poor judgment and taking the wrong risks can mean the end of the company.

Joining a board of directors involves similar risks, rewards, and judgments. But you are taking a chance with a resource scarcer than money: your time. "You need to do your research and think carefully before accepting a position on a board of directors, especially since it's a long-term commitment," Wilson says.

The keys to success are a great product and a great team

So what types of factors should someone look for when deciding whether to join a board? Not surprisingly, Wilson points to the same characteristics that she thinks makes for the best growth companies: a great product and a great team. "When joining a board, I want to believe in the product and be excited about it. I want to spend extra time helping the company and keeping up-to-speed on industry developments. If it's a consumer company, I should want to use the product every day. I also need to believe in and trust the management team. I look for leaders who are transparent and strong fiduciaries, but also relentless, passionate, and able to evolve as the market and company demand it. It's also important to look forward to spending time with the management team and the other directors."

Whether in her prior role as the general counsel of Amazon or as a board member, Wilson brings her experience, judgment, and passion to all of her endeavors. As Reid Hoffman, the founder of LinkedIn and author of *The Startup of You*, says, "You need to think and act like you're running a startup: your career." Wilson is a great example of a professional who has managed her career with an entrepreneurial spirit and a focus on growth. Her strategies for growth companies and board service have resulted in tremendous success, and she hopes her insights can inspire others. 

Alexa King: A Self-Made Woman

“I know exactly which three dishes I want to try,” says **Alexa King** with a smile after we greet and exchange niceties at a trendy Vietnamese restaurant in Mountain View, California. King is the EVP, general counsel and corporate secretary of FireEye, a leading network security company. She is also a recent addition to the board of Vocera Communications, a public company and provider of a healthcare communications platform. From her polished executive presence to her funny yet intimate stories, it is quickly evident that King possesses a unique mix of determination, candor and humor. Before you know it, you’ll be laughing as if you have known King for decades, even if you’ve just met her.



King is the daughter of refugees who escaped Hungary when it was under Soviet rule. Like all refugees, her parents gave up everything and started from scratch in the United States. This meant that although King was born in the US, she didn’t escape the many trials and tribulations of the immigrant experience. King had to work harder, smarter, and faster to earn the scholarships required to attend the private schools in Manhattan, Harvard and then Berkeley School of Law. She is the first and only person in her family to go to college.

King proudly says that she loves her job. “Given how much time we spend at work, I want to have the most interesting, challenging, fulfilling job possible and to be the best at it that I can.” One could conclude she has met those goals. She has overseen two IPOs, a billion dollar acquisition, and the dismissal of the first and only lawsuit ever brought by the SEC over Regulation FD during her time at three fast-growing technology companies — Siebel Systems, Aruba Networks and FireEye.

When asked what other job she would love, she answers without hesitation, “Being a stay-at-home mom” to her three-year-old twin daughters, Anya and Katya.

A determined activist

In her parents’ eyes, King was also a rebel. Her form of rebellion in the academic sphere was designing her own major — a “first of its kind” Eastern European studies program at Harvard where she studied Hungarian history and learned Russian. “My dad would say, ‘We escaped. Why are you studying that? How about Accounting?’” She continued her rebellion, much to her parents’ chagrin, by pursuing her passion for social justice through her work with Planned Parenthood and the ACLU. King also served as a judicial clerk to the progressive and pioneering Supreme Court of Hawai’i justice who penned *Baehr v. Lewin*, the first US court opinion seeking to legalize same-gender marriage, and then spent many years working for marriage equality. “My parents frequently asked why I couldn’t just pick a pragmatic path. They were relieved when I became a lawyer. But to me, advocacy is activism. Now, I apply my passion to helping innovative technology companies grow.”

A woman who perfected her pitch

Knowing how and when to ask the right questions is important to King. During her interview process, she asks founders, CEOs and board members, “What does general counsel mean to you and how is it



different from a lawyer?” It’s possibly the most important thing King does to start off on the right foot: set expectations in a collaborative way. King believes that if you can demonstrate from that very first conversation how a GC can be a true strategic business partner who brings value to all areas of the organization, the seed you plant will reap great rewards.

“I explain that my goal is to help identify and solve problems to enable a business to expand and be successful. I talk about being proactive rather than reactive. I emphasize that the concepts of ‘generalist’ and ‘counselor’ coexist in the title for a reason, and we talk about what that means to us and to the company’s future.” Having the CEO’s buy-in from the very beginning is the foundation to success. So is open communication and strong collaboration with other leaders within the organization.

A general counsel who seeks to add value

King believes that executing on legal initiatives and ensuring that the Legal Department is solution-oriented are the basics for any GC. King stresses the value that being approachable and accessible can bring to building relationships with internal clients — and even between internal clients. When asked what she sees as one of the most important contributions a GC can make, King says, “Ensuring right hand/left hand coordination. I’ll have a great conversation with someone in product management about their organization’s needs. Shortly thereafter, I’ll be with a field rep, discussing a challenge that our sales team is facing. Often the two will be talking about the same problem from a different perspective. I can identify potential overlap, not to mention synergy, and bring the two together to collaborate.” Acting as the trusted consigliere, building relationships based on an understanding of both the company’s and her clients’ needs, and continuing to reinforce the expectations she sets at the outset have resulted in King’s success.

From trusted board advisor to valuable board member

Over the last decade, King has worked with and advised boards of directors at multiple companies in different stages of maturity as general counsel and corporate secretary. These experiences gave her a great perspective on what it takes for a board to function effectively, how individual board members can add value, and how to build a successful relationship between the board and management. Given her experience with the day-to-day management of the fast paced Silicon Valley growth companies she has been involved with, and her depth of knowledge in cybersecurity — in which her current employer, FireEye, is an industry leader — King believed she could add value with her own seat at a boardroom table. She decided seeking a board position would be her next career challenge.

King explains her simple strategy for achieving that goal. “My first and most important step was to tell the people I work with of my desire to find a board position of my own. I told my CEO and management and the board members at FireEye. They have seen me in action in the boardroom and I let them know I would appreciate any leads they may have for company board positions where they believed I might be a good fit.” It was not long before King was given an opportunity. “Board positions are so often filled by overlapping networks of directors. A director at FireEye heard of an opening and put my name in the hat. I was so grateful for the opportunity to articulate what I thought I could bring to the table, and for the support of the FireEye board and management.”

In July 2016, King accepted a position as a director on Vocera Communications’ board of directors. The experience so far has been exactly what she hoped for. Not surprisingly, she got to work even before she walked in the door. “Based on my prior experiences, I knew that a board member can only really add value when they are fully engaged with the company. Before my first board meeting I set



up meetings with Vocera’s executive management, I took a tour of the facilities, and I worked hard to understand the company’s history and its vision for the future,” King explains. She also hit the ground running by giving a presentation at her first board meeting on the board’s role with cybersecurity. King adds, “I have so much respect for Vocera’s management and I understand their role with the daily operations of the company. My goal as a board member is to add value from a strategic perspective.”

Given King’s work ethic, her experience with rapid growth, corporate governance, and cybersecurity, and her collaborative nature, it is easy to imagine King as an invaluable asset to this board and others for years to come. 🌱

A Strategic Pause: How Lauri Shanahan Successfully Transitioned to Full Time Board Service

Lauri Shanahan, who went from being the chief legal and administrative officer of a multinational corporation (Gap Inc.), to sitting on the board of directors of three companies, insists that a key to her success has been to step back and reflect more often. She has been careful to select her positions and her teams over the years to align with her goals and values. She shared some of her experiences, principles, and wisdom on how she has forged her career path while staying true to herself.



Take the time to pause

Shanahan acknowledges the difficulty that driven, ambitious people can have in slowing down to reflect on or appreciate their current circumstances. But she emphasized this need to pause. For Shanahan, an important pause came when she was ready to move on to the next step after 16 years at Gap Inc. Instead of having the next job lined up, she made the decision to leave Gap and take some time to unwind and carefully consider her next move. “It was hard to take that leap without knowing exactly what the next move would look like, but I knew I ultimately wanted to serve on boards and had to figure out that next step with the benefit of some additional time and reflection,” Shanahan explained. “I wanted to be sure my next move allowed me to continue to be true to myself, and most importantly to have time for my two daughters, who were in high school at the time. It was scary and not always easy, but I was confident the right opportunities would arise.”

Shanahan also recommends people pause to appreciate where they are at: “So often the question is ‘what’s next?’ But I think people can really benefit from not only pausing to reflect on their priorities, but also to appreciate what you are currently doing. If you are too focused on your next steps, you might miss out on enjoying where you are at.” Shanahan now serves on two public company boards, Deckers Brands and Cedar Fair Entertainment, and one private company, Charlotte Russe. She chairs the compensation committees at both Deckers and Charlotte Russe, and was just appointed chairman of the board at Charlotte.

Work with people you trust and enjoy

Shanahan recommends reflecting on your values and the type of team on which you thrive. “Like most people, I am far more productive when I like and trust my team.” Not only does it make for a more enjoyable working environment when your values are aligned with your colleagues, Shanahan pointed out that cultivating professional relationships with people you trust and enjoy is more satisfying and important in the long run.

In fact, Shanahan’s first board opportunity with Charlotte Russe originated from her long time working relationship with Charlotte Russe CEO, and former president of Old Navy, Jenny Ming. “Jenny and I realized early on that we share a similar approach to leading and managing. We share the same values and trust each other immensely.” When Jenny needed to fill a position on her board, Shanahan was happy to join the team. “We get each other. We challenged each other. We always have. And this is the foundation of our long-lasting friendship and business relationship.”

Shanahan explains that she has now established three main criteria when accepting board opportunities. “First, I have to have respect for the management team. The ability for the board and management to be honest and open with each other and to maintain a sense of humility are critical working conditions. Second, I have to feel energized by the company or brand, and believe I can contribute. I like big or emerging brands with lots of consumer engagement. And third, I want to like the board members, and enjoy spending time with them. That just makes the job more fun, and I want to continue to enjoy my work.”

Take the time to think about the business

Shanahan explained that one way she believes she adds value, previously in-house and now as a board member, is she takes the time to understand all aspects of the business. “One role of both an in-house attorney and a board member is to help keep the company out of trouble. But to really add value, you must go beyond that and be motivated by helping the company make money and successfully achieve its objectives.”

During her tenure at Gap, Shanahan’s role and responsibilities extended beyond legal. She was heavily involved in all aspects of the business, from IT to sourcing to store operations. She directly oversaw real estate as well as other functions, supporting all brands and business units. “Working directly in the business gave me a much better sense of the business’s priorities, the challenges, and the opportunities.” Likewise, when she was chief legal officer, she would often assign attorneys directly to the business units. And as a board member, Shanahan routinely attends conferences and trade shows relevant to the industries in which she serves. She stays current on issues and opportunities, and regularly offers ideas to management. “By better understanding the business, you can provide more strategic and thoughtful advice. You need to listen, listen, listen. And learn, learn, learn. Only then you can start to teach.”

She notes that in-house attorneys who take the time to understand the business can often add value by connecting the dots for the business people across units or brands in a company. “For example, an in-house attorney can help coordinate efforts to reward vendors for good performance with more business from the company across departments. Vendors who have trouble performing their contractual obligations or who find themselves in a dispute with a particular department should not later get business from a different business unit.”

And, as an in-house attorney and a board member, it is important to take a “let’s figure it out” approach for the business. “If someone proposes a plan that I think has some flaws, I don’t say no or reject it out of hand. Instead, I start with ‘If I were you, I might try to approach it this way.’” And when proposing an alternative course of action, don’t focus on the legal risk. “It isn’t helpful to just tell a business person about the legal risk (‘we might get sued’), but instead try to explain why certain choices might negatively impact the product line, quality, or consumer purchasing, and then offer ideas as to how a different approach might have more positive results.”

As Abraham Lincoln has been quoted as saying: “Give me six hours to chop down a tree and I will spend the first four sharpening the axe.” Shanahan demonstrates this principle that contemplation and preparation are key ingredients to success. In fact, contemplation and preparation can help all attorneys have rewarding careers, stay true to themselves, and focus on evolving priorities. It pays to take the time to reflect, plan, and prepare, even if it means stepping back to pause at times. 

From Making the Right Decisions to Asking the Right Questions: Linda Graebner Discusses Her Move from the C-Suite to the Boardroom

Linda Graebner spent many years as a CEO leading consumer product companies, and has held numerous other leadership positions in the business world. But she is currently thriving in a new role: the boardroom. At the request of an industry colleague, Graebner became the outside director for the board of another company. As such, her journey in the outside corporate board began. Since then, she has served on numerous boards— as many as five at one time— for both public and private companies. Graebner currently sits on two boards: Taylor Precision Products, Inc. and C. Mondavi & Family, a wine grape grower, vintner, and distributor of wine. She recently took the time to share some of the details of her board experiences and the insights she has gained along the way, important lessons for lawyers and non-lawyers alike.



Build skills on nonprofit boards

Although Graebner spent her career mastering and thriving in management and executive roles, she attributes some of her early skill development for her corporate board positions to her work on nonprofit boards. Her first position was as a member of the school board, followed by a position on the board of a professional organization. It was there that she was able to hone her approach to governance, procedures, and project experience. “Nonprofits are tricky because there is an overarching mission, but not a lot of clear ways to measure success. We had to think carefully about how to define success and then measure performance for those organizations,” Graebner explains. “Those board roles also provided experience with a number of projects where we had to figure out the best way to approach a problem and solve it using our resources.” Graebner recommends serving on nonprofit boards as one way to build experience and credibility before seeking corporate board positions.

Graebner also gives credit to her early nonprofit board experience for expanding her network. “Anytime you serve on a board and work closely with other professionals you have the opportunity to expand your connections and develop meaningful relationships,” she says. “You may actually connect with someone who can lead you to a corporate board opportunity.”

Open the door to a private company board position with industry expertise

Graebner was not seeking a corporate board position when she received her first invitation. “I was the CEO of a kitchen appliance company called Tilia, Inc., and an industry colleague invited me to join his board in the kitchen products industry,” said Graebner. “I became the only outside board member for that company, and I quickly realized I could make a significant contribution serving as an outside director.” Graebner continues, “The genesis of the position—and the value I brought to the board—was my deep industry knowledge, my judgment and experience within the industry, and my relevant industry connections.”

This scenario is not uncommon for private company boards. “Big public companies often use search firms to fill board seats, and they may be more interested in sitting CEOs or people with deep financial knowledge, and very close industry experience. But for private boards, I have found it is more common for a company to stay within the same or a similar industry and fill positions through management’s or other directors’ networks,” explains Graebner.

Graebner began in the kitchen products industry, but her expertise and reputation have since broadened and she has brought her judgment, experience, and connections to board positions for companies that focus on consumer products generally. By understanding the fundamentals of her expertise, Graebner has been able to transfer it to companies outside her original industry. “My expertise really starts with understanding the consumer,” she says. “I enjoy strategizing about product positioning and distribution, as well as how to build a business.”

Consider choosing private company boards over public company boards

Graebner has served on both private and public company boards. Public company boards are more highly regulated which requires more time spent on governance and regulatory issues. There is simply not as much time for the board to focus on strategy and moving the company forward. Private company boards, on the other hand, may provide more opportunity for long-term impact. “Private company boards are just more fun,” Graebner states. “I want to spend my time helping a company grow. I enjoy having a positive impact on a company’s direction.” Graebner recognizes that although the board does not have the same decision-making power as management, board service is still a valuable opportunity to lead and improve a company. “I know there is a clear line between the board and management, because the board is not making the decisions, but I like to think if we can really dig in and ask the right questions, we can help lead management to better answers,” she says. “I think the opportunities to be involved in those ways are greater with a private company.”

Always give back

Although Graebner has retired from her career as a full-time executive, she still maintains a full plate of professional commitments. Hearing her discuss her various work and projects illuminates a common theme for her current energies: She is committed to, engaged in, and enjoys giving back to the professional community, especially to professional women. Graebner leads the East Bay chapter of Women Presidents’ Organization (WPO), a membership organization for women presidents and CEOs of privately held, multi-million dollar companies. “There are so many talented businesswomen out there, and it is really rewarding to bring our group together and hear what others are doing,” she says. “I love helping to guide our discussions of the various challenges our members are facing and brainstorming possible solutions, and to try to keep everyone on track.”

Given her extensive experience leading companies as an executive, Graebner is in a unique position to guide corporate management as a director. By building her skills on nonprofit boards, leveraging her industry expertise, and choosing private boards with greater involvement, she has mastered her career move and changing roles. Above all, Graebner hopes to make an impact, whether on the private companies she serves, or on the wider community of women professionals. Her journey is a shining example for anyone hoping to make the transition to boardroom. 

Thriving Through Transformation: How PayPal's Emily Ward Used Her Network to Define a Year and Prepare for Her Pursuit of a Board Seat

In 2015, **Emily Ward**, vice president and deputy general counsel at PayPal, was busy. Her itinerary included helping lead aspects of PayPal's separation from eBay, aiding PayPal's transition as its own company, organizing ChIPs' global event in Washington DC, remaining active in her professional and personal communities, and even adopting a child. So, how has Ward been celebrating the end of such a transformative year?



Clue: She is not taking a yearlong sabbatical. Instead, she is thriving in her new landscape and actively preparing for her next challenge — board service. The transformative year of 2015 energized and inspired her to aim high, continue growing, and have an even further impact. In her current pursuit of a board position, Ward demonstrates how she continues to stick by her values and make use of her network, including through her involvement with DirectWomen. Ward explained a little about what the year of 2015 entailed, how she successfully managed her loaded itinerary, and how she's preparing for her next big challenge.

ChIPs in the Capitol: Creating a network

Ward's leadership activities well extend beyond her day job. Last year marked the tenth anniversary of ChIPs, the nonprofit Ward co-founded with six other women. ChIPs is dedicated to the advancement, development, and retention of women working in technology and intellectual property. The nonprofit currently provides support, networking, and education for its membership of over 1,200 women nationwide.

ChIPs has been a labor of love for Ward and has provided a key foundation for her own success. "ChIPs started because several of us noticed there were not many other chief IP counsel in the Silicon Valley who were women. Seven of us started having lunch to build relationships and help support each other. We swapped stories and discussed issues that we were all facing. We quickly established a kinship," Ward explained. The lunches became regular meetings, and the women realized they also shared another goal in common.

"In addition to supporting each other, we also all wanted to be able to turn around and lend a hand to try to make it easier for women coming up behind us," Ward said. The group started organizing events and programs and in 2005, ChIPs was officially formed. "To really succeed, I think you need people who know you very well, who care about you, and want to see you at your best," Ward explained. "Those are the people who support you through your successes and challenges and also can tell you the truth and provide some tough love when you need it. I've been fortunate to have a fantastic husband, close friends from my church, and also the Chipsters and other friends to be that for me."

To celebrate the big ten-year anniversary in 2015, Ward and the other ChIPs directors organized the annual ChIPs global summit in Washington DC. The event included both legal and political superstars, including many judges, government officials, agency heads, academics, corporate counsel, and law firm attorneys. Ward explained, "We often work collaboratively with the policy makers, and for women

in intellectual property and technology to have an impact, they have to work closely and regularly with policy-makers, and develop relationships of trust and expertise.” As part of the celebration, ChIPs honored United States Supreme Court Justice Ruth Bader Ginsburg for her long and distinguished career as a lawyer, law teacher, and jurist. ChIPs also honored Justice Ginsburg’s daughter, Professor Jane C. Ginsburg, for her highly lauded work in IP law, particularly in the area of literary and artistic property law.

Networking and diversity are key to success

Ward attributes part of her success in her role with eBay and now PayPal — as well as her successful navigation of the companies’ split — to the extensive network she has built over many years, both inside and outside of eBay’s and PayPal’s communities. She explained that as lawyers advance in their careers, excellence in the substantive work is often presumed. Excellence is “table stakes.” The more successful leaders develop a deep network upon which they can draw complex business knowledge and relationships and effect real change.

Ward explained, “One way leaders of an organization bring value is through their experience and wisdom. But that experience and wisdom extends well beyond the individual. Instead, a great leader often utilizes her deep and diverse professional network. Diversity is incredibly important,” says Ward. “I work with people from many diverse backgrounds — different cultural, industry, technology, big and small company backgrounds, millennials to baby boomers. The knowledge and understanding that I gain from them provides a wealth of perspectives.”

DirectWomen Board Institute: Expanding the network

Ward clearly thrives in her current surroundings and has effected tremendous impact in her many years of board service on the ChIPs board as well as other board leadership and advisory roles. She is seeking to extend that impact by embarking on a journey to obtain a position on a corporate board of directors in addition to her job at PayPal. Her deep expertise as an executive at eBay and PayPal for over thirteen years in the e-commerce and fintech industries (including mobile, cybersecurity and big data technologies) makes her a catch for board service in technology, mobile, digital, retail, and social sectors.

She also joined the DirectWomen Board Institute program last summer. DirectWomen is committed to increasing the number of women on corporate boards by training and positioning an elite group of exceptional senior women lawyers for service as directors of major US corporations. In its competitively selected Board Institute program, an extraordinary faculty of CEOs, directors, DW alumnae, and honorees as well as executives from leading national and regional search firms network with participants, discuss how participants can best position themselves for board service, and refine their CVs and elevator pitches to make them board ready. Ward speaks highly of the experience and of the new additions to her network: “I was delighted to be a part of the DirectWomen Institute. The program was excellent and I enjoyed building relationships with a new group of wonderful women leaders and I think we will continue to support each other as we each move through our board journeys.”

Ward has been so appreciative of the experience that she is now actively involved in spreading DirectWomen’s mission on the West Coast. To kick off this expansion, she helped organize the first West Coast DirectWomen event, “Breaking Into the Boardroom: The Pathways and the Process.” The invitation-only event was held at Facebook’s headquarters in Menlo Park. Panelists included Mary Cranston (director, VISA Inc., The Chemours Company, and Lucille Packard Children’s Hospital); Connie Collingsworth (director, Premera Blue Cross, and Banner Corporation), Priya Huskins (director, Realty Income Corporation and Silicon Valley Directors’ Exchange); and Stephanie Tilenius (director, Coach, Inc.,



Seagate Technology LLC, Tradesy, and Redbubble). These distinguished executives shared their insights about board service and provided tips on how other women lawyers can best position themselves to serve on a corporate board.

Staying true to your values

With the PayPal spin-off from eBay in July 2015, you might have thought Ward was far too busy to adopt a child from China in June. She explained that even though it was one of the busiest times in her professional life, not adopting her son wasn't even an option. "Having faith in God that if you do what is important to the values you hold and what you believe in, that everything else will work itself out. God is the reason for all of the success in my life and my husband and I were overjoyed to be able to share that with our son."

Emily Ward achieved her transformative 2015 by utilizing and expanding her networks and staying true to her values. And Ward refuses to rest on her laurels — as she looks forward to her next challenge, she continues to "pay it forward" by helping other professional women aim high. If her 2015 is any indication, she is sure to have many remarkable years ahead. 

A More “Authentic” Workplace: Gap Inc. Global General Counsel Michelle Banks on Working With Women

Michelle Banks of Gap Inc. — the American multinational clothing and accessories retailer behind brand names Gap, Banana Republic, Old Navy, Athleta and Intermix, with more than 140,000 employees and over 3,700 company-operated and franchise stores worldwide—cares about women. This is a good thing, especially because she works predominantly with women and predominately for women. Not only do women make about 80 percent of consumer purchase decisions overall, women comprise a majority of Gap Inc.’s customers.



As the global general counsel of Gap Inc., she is one of eight women, out of eleven total executives, on the CEO’s senior leadership team that leads a workforce that is about 70 percent female. As a company leader and the Board’s Corporate Secretary, she also co-led an effort to add three women to Gap Inc.’s board of directors. The board now has four women out of eleven directors.

Banks shared some of her experiences and insights about advancing women and women landing positions on corporate boards of directors.

Authenticity of being surrounded by women: becoming Gap Inc.’s third consecutive woman general counsel

Banks has not always been surrounded by women. Her two prior in-house jobs were as legal counsel for the Golden State Warriors and American Counsel for Itochu Corporation in Japan. In both roles, she was largely working with men. “For me the workplace feels more authentic when women are equally represented,” she noted.

Although she has tremendous respect for the other gender, Banks pointed out that when she arrived at Gap Inc., she had a different connection and experience with those above her. She looked to the general counsel who recruited her to the company, Anne Gust Brown, as someone who was strong, courageous and effective. Brown was also someone she personally found very likeable, and whom she could see herself wanting to emulate. “I could see being a version of her when I grew up and that thought was inspiring and uplifting,” she mentioned.

The general counsel who followed Anne, Lauri Shanahan, was the same. “Lauri is the one who saw things in me I didn’t yet see for myself. She guided me, gave me the next stretch assignment, and believed in me.” Banks emphasized how critical it was to her career to have both of those women as mentors.

She benefited from watching those two women general counsel, working with them, and being mentored and eventually sponsored by them. And now that she has risen to be a general counsel, she has made it her mission to pay those positive experiences forward to help others find a successful career path.



Lead by example: paying it forward to lift the entire community

Banks has made it a goal to mentor other women to help them attain the same benefits she received from her predecessors. “I encourage women to take risks, speak their minds, and not be afraid to go for it,” she said. Even in a workplace like Gap Inc., where the majority of employees are women, women sometimes need that extra nudge to have confidence in their own abilities at all levels of the organization from corporate headquarters to each store team.

“When we empower women, we lift the entire community,” Banks said. She believes this is true in all communities around the world, and also in the workplace. Companies can and should lead by example and capitalize on the power of diversity. As with any type of diversity, women bring a different perspective. Women can bring a different kind of intelligence, a different approach to solving problems, or a different kind of social awareness. All of these things help a company become more successful, especially a company like Gap Inc. that appreciates the majority of its customer base is women.

Retaining great women: pay equity matters

Banks believes there are a number of factors a company can focus on to attract and retain great women, but one issue in particular rises above the rest. “Equal pay matters. Nothing shows an employee they are valued like compensation.”

Banks pointed out that Gap Inc., was the first Fortune 500 company to disclose and validate pay equality practices. “We continue to hope that we can influence others by raising the bar.” The company believes, as does Banks, that equal work deserves equal pay. Failing to implement that equality leads to departures among all ranks of executives and employees.

“I think it is sometimes easier when a woman leaves her company to blame work/life balance issues. But in my experience that is not usually the case. Women want to work at a place where their time and contributions are valued. Showing that value through fair compensation speaks volumes.”

Banks further observed that individual companies can effectively transform and improve engrained social practices more easily and quickly than legislative actions or policy changes. For example, in addition to Gap Inc.’s efforts, another large company, Salesforce, has now prioritized pay equality practices publicly.

Placing three highly qualified women on Gap Inc.’s board in four years

Some years ago, as a result of a departure, Gap Inc., found itself with no women on its board, other than company co-founder Doris Fisher who serves as an Honorary Lifetime Director. Banks co-led the company’s effort to remedy that. Consequently, Gap Inc.’s board secured three new women directors in four years. This year, they have added a fourth.

Gap Inc. sometimes utilized search firms and sometimes current directors’ networks. The company defined the areas of subject matter expertise and experiences they were looking for in each case, and then cast the net in a way that would include diverse candidates.

Banks explained, “A company has to define and stay true to the expertise they are looking for to fill a particular board slot, but if you want to ensure a diverse pool of candidates, you might have to be a little flexible on how you define the other criteria. For example, if you include in the qualifications that you must have a CEO from a Fortune 100 company, your pool of candidates will be less diverse. If you broaden that reach to, for example, CEO, COO or similar at a Fortune 500 company, you will have more options without sacrificing the subject matter expertise or other priorities for the company.”

Of course, subject matter expertise and relevant experiences are the most important criteria for identifying prospective board members. However, being patient and thoughtful in a board search helps companies make sure that their boards represent their customer base and the population at large.

Do lawyers make good board members?

Banks unequivocally and enthusiastically says “yes!” Although some companies have historically taken a narrower view (concluding if the company already has a lawyer, it does not need another one on its board), more companies are recognizing the value and skill set a lawyer can contribute to board responsibilities.

Through her experience as corporate secretary for Gap Inc., Banks believes two characteristics of a good board member are also common to many attorneys. “The willingness to do your due diligence on important issues and the ability to ask good, tough questions are two of the most important characteristics for a board member. Lawyers have a knack for both of these things.” She added, “general counsel also tend to be fairly financially sophisticated and have strong business acumen.”

Although legal knowledge comprises a relatively small subset of subject matter expertise a board may look for, there are growing legal-related areas that are important for boards, including corporate governance, regulatory and corporate compliance, risk management, and data privacy and security. “As we increasingly see new laws and regulations imposed on companies and boards, we will likely see a growing demand for lawyers to serve on corporate boards,” Banks opined.

Joining a corporate board is a journey worth contemplating, especially for women

Banks has decided to build upon her current role with Gap Inc.’s board, and further follow in the footsteps of her predecessors, by embarking on a journey to land her own position on a corporate board someday. “I’ve learned a lot from my experiences with Gap Inc.’s board and I have seen my mentors take the professional step of joining corporate boards, so I recently decided I was ready for that potential step in my career as well. Lauri, who currently serves on private and public company boards, continues to serve as a role model and trusted advisor for me.”

Banks noted, however, that patience is key for this process, as it is not unusual for it to take three to five years to land a first corporate board seat. “I’ve considered my skill set and areas of interest and have defined potential industries that may be a good fit. But the process takes time. I participated in a great program this summer, the DirectWomen Board Institute, which includes an educational component as well as connections with board search firms. But at the end of the day, it requires the right connection with the right board vacancy.”

Banks highlighted the importance of a strong network. “As more women attorneys join boards of directors that will only improve the opportunities for other women attorneys.” With Banks’ skill set, experience, and passion, there is little doubt she will be a powerful addition to a board. And fortunately for others, there is also little doubt she will continue to mentor and support others in this same achievement. 



Banks' list of recommended reading for further inspiration:

Off the Sidelines: Raise Your Voice, Change the World
Senator Kirsten Gillibrand

Lean In: Women, Work and the Will to Lead
Sheryl Sandberg

What Works for Women at Work
Joan C. Williams & Rachel Dempsey

How Remarkable Women Lead: The Breakthrough Model for Work and Life
Joanna Barsh, Susie Cranston, Geoffrey Lewis

The Board Game: How Smart Women Become Corporate Directors
Betsy Berkheimer-Credaire

Courageous Counsel: Conversations with Women General Counsel in the Fortune 500
Michelle Coleman Mayes and Kara Sophia Baysinger

Learning to Lead: What Really Works for Women in Law
Gindi Eckel Vincent and Mary B. Cranston

Law and Reorder: Legal Industry Solutions for Restructure, Retention, Promotion & Work/Life Balance
Deborah Henry

Finding Bliss: Innovative Legal Models for Happy Clients and Happy Lawyers
Deborah Epstein Henry, Suzie Scanlon Rabinowitz & Garry A. Berger

Women Don't Ask: The High Cost of Avoiding Negotiation—and Positive Strategies for Change
Linda Babcock and Sara Laschever

Life's Work: How Aileen Casanave Pursues Her Passions, Grows as an Attorney, and Impacts Her Community Through Board Service

People hear the word 'boards' and they make many assumptions. Many of them are simply false," says **Aileen Casanave**, deputy general counsel at Jiff, Inc. Jiff, Inc. helps companies lower healthcare costs and cultivate happier, healthier employees through its web and mobile-based health and financial wellbeing benefits platform for enterprise customers. Casanave is a bold woman with a presence that is larger than life. Her laugh is contagious, her voice is confident and clear, and her attitude is overwhelmingly positive. Any project she touches shines and is executed to perfection because she's satisfied with nothing less than a job well done. This includes board service, which is a large part of her professional identity.



One common assumption, according to Casanave, is that joining an interesting, satisfying, high profile board is nearly impossible. "This complete fallacy needs to stop. It is simply not true," Casanave declares empathically. "There are so many interesting and high profile nonprofits, government agencies, educational institutions, and other organizations that are looking for qualified, hard-working, and diligent board members. Lack of opportunities on boards should never be one's concern."

Lawyers also assume that they must always act in a legal capacity. Consequently, many attorneys have concerns about conflicts, malpractice insurance, and the perception of moonlighting or impropriety. "They assume it's 'once a lawyer, always a lawyer' in every walk of life. Again... not true," Casanave explains. "There are a number of ways to serve on boards in a non-legal capacity. For example, many lawyers are also shrewd business people, with well-developed industry insights, long-standing passions and hobbies, and expertise that is valuable and worth sharing. They can and should absolutely leverage these non-legal assets through board service. Giving notice to the board that you are not providing legal advice is key. I am on two boards where all the board members are attorneys and we still have general counsel to provide the 'formal legal opinions' through the assistance of outside counsel."

Before joining a board, however, Casanave recommends that lawyers conduct due diligence about the organization and its many stakeholders. "Not all boards are created equal," she says. They differ in size, amount of work, what they expect, how active they are, how organized they are, and other factors. Prospective board members must understand how much time they are willing to share, ascertain that their values match those of the organization, and find out whether board participation includes work on subcommittees or participation in company events as a board representative, for example. "It is important that the board opportunity is as much of a match for you as it is for the organization," Casanave explains. "Most people are only capable of amazing work when they are happy, fulfilled, and content and when their contribution to the board is a win-win for both the individual and the board."

Casanave also recommends regularly reassessing what boards might be the best match and whether it makes sense to stay on a board. "My board service mix reflects where I am in life," says Casanave.



For example, when her children were young, Casanave served on the board of Girl Scouts of America's Santa Clara Chapter. "At the time I was a troop leader and my daughter was a scout. As a board member and troop leader, I was part of the organization that my daughter loved and I enjoyed," she explains. As her children grew and she had more time to herself, she joined boards of other professional and recreational organizations. "I now have more time to follow my interests," she says. "So, I've become more active in legal and professional boards now that my children have become more independent."

Currently, Casanave serves on several boards that are perfect matches for her talents and values:

University of San Francisco School of Law, Board of Governors Member

Casanave joined this board to stay in touch with her law school alma mater and influence its future. It is the most active non-fundraising board on which Casanave serves. She chairs a sub-committee, provides opinions and advice to the dean and staff that attend the board meetings, and organizes events with other board members, students, and alumni. "I love serving on this board because it is fun and I feel the impact of my work right away. I love giving back to the institution that gave me my legal career," she says. "This board is very active and there is no way I could do another one that is as active as this one, especially given that I am the only in-house attorney at Jiff." Casanave explains that although satisfying, this board service "the only reason it is possible is because the board has substantial and proactive administrative support and each board member is equally as active as I am."

Santa Clara University School of Law's Center for Social Justice and Public Service, Board Member

Casanave joined the Public Interest and Social Justice (PI&SJ) Law Board when she was lecturing at Santa Clara University Law School. Her sole aim is fundraising for the law school's public interest fellowship and getting the word out to the students that grants are available. "The work we do on this board allows law students to take summer and fall positions that serve the traditionally underserved population, through organizations like Legal Aid, and helps the students pursue public interest opportunities after they graduate by getting that work history as law students," she says.

California Association of Black Lawyers ("CABL"), Board Member and General Counsel of Northern California; Black Technology Attorneys Group, Board Member and Secretary

CABL's board, like other affiliate-based boards, varies in the level of involvement by board member. Casanave has limited her current involvement to the monthly board meetings and serving as one of two general counsel for the board, where the legal advice is supported by outside counsel. Further involvement fluctuates from extremely busy (hosting the CABL Conference and Gala for more than 200 attorneys throughout all of California) to attending a relatively quiet monthly meeting where initiatives are discussed and voted on by a quorum of the board. "I simply enjoy being with people who share common experiences and support one another as members of the board and as life-long friends," she says.



African American Community Service Agency, Board Member and General Counsel

Casanave most recently was appointed to the board of the AACSA and she admits she is doing this work as a tribute to her parents who were founding members of the AACSA. Casanave spent many evenings and weekends as a child volunteering and assisting her late parents and their friends in sponsoring health education programs for economically disadvantaged members of the community. As a board member, Casanave has supported AACSA Executive Director, Milan Balinton with the re-landscaping of the center, funding a community vegetable and rose garden in honor of her mother, Joan Casanave. Next month Casanave has solicited the support of the Santa Clara County Black Lawyers Association, where she is the immediate past president, to host a Know Your Rights community educational seminar with representatives from offices such as the District Attorney, Public Defender, and San Jose Police. “This is about returning to where it all began. Giving back to my heritage. Honoring my parents by continuing their work. Putting my time and energy where the impact is the greatest and yields the richest rewards for the community members we serve,” says Casanave.

Although these boards are diverse, Casanave says “they all have one thing in common — they are all organized boards, with clear priorities and defined expectations. I feel satisfied because my time is well used and impacts the causes I care about.” Casanave admits that, despite her stringent criteria and mindful assessment, she can get a bit overextended with her board work and subcommittee leadership. “I often find myself saying ‘I have to drop one before I can take on another!’”

Ultimately, however, Casanave believes her current board service is worth the effort. It is a “perfect mix” that allows her to pursue her passions, grow as an attorney, and impact her community. “These board positions reflect where I am in life,” she says. “How can I ask for more?!” Casanave hopes that with her advice, other lawyers can find themselves just as happy, fulfilled, and content with their own board service — even if it just means starting with one board. 

A Different Kind of Board: Bret Magpiong Explains the Phenomenon of Family Boards of Advisors

When most people think about boards, they usually consider boards of directors for public or private companies, or nonprofit boards. But there are other types of boards that rarely come to mind. **Bret Magpiong**, Chief Practice Officer and Principal at Aspiriant — a company focused on wealth management for high net worth families — shared his insights about one type of board that rarely makes headlines or even surfaces in a discussion about boards: the boards of advisors for high net worth families. Although some boards of directors may serve a company run by a wealthy family, this type of board serves the family itself.



Magpiong, who has more than 20 years of experience helping to manage the wealth of high net worth families, provides a variety of investment and business advice to his clients. One aspect of his work is providing “multi-family office” services to his clients, which involves a fully outsourced family office experience to manage and run a family’s finances, including everything from portfolio management and legacy planning to tax return preparation and bill payment. He works closely with the boards of advisors for many families, and he used his insight to explain some of the similarities and differences with this rare breed of board.

Creating a board of advisors

Unlike boards of directors of public companies, boards of advisors for a family are completely optional for the family. Although non-family member management teams are becoming increasingly common for these families, boards of advisors are also gaining in popularity. “High net worth families are more and more choosing to organize a board of advisors because of the value the board adds to both the family and the management team,” Magpiong explains. Unlike corporate boards, the structure of a family’s board is entirely unregulated. The composition of the board is at the discretion of the family, as are the details of how the board functions. Although many of these boards meet quarterly, there is no requirement as to when or whether to meet at all. The board is not subject to government regulation, nor do the members have the same legal or fiduciary duties that attach to the board of directors of a company. The membership of the board is often private and confidential — another reason these boards are not well known.

Once the board is in place, however, the board of advisors has a focus on overseeing the actions of the management team on behalf of the family members. This is very similar to how a corporate board of directors oversees management on behalf of the company’s shareholders. “Board members bring their substantive knowledge and also an understanding of the family to their jobs to aid and facilitate the communications between the family and the management team,” Magpiong says. “These boards have compelling senses of duty to the families they serve.”

The value added by a board of advisors

High net worth families are not required to compose, organize, and seek guidance from a board of advisors regarding their personal wealth, but they frequently do. The high number of families opting to

form boards of advisors illustrates the value a good board offers its stakeholders. Similar to a corporate board of directors, the board of advisors brings together a group of people with diverse areas of expertise and backgrounds to oversee management, facilitate internal discussions, and help guide decisions. The board members are generally not part of the day-to-day management for a family, but they remain apprised of the important events and decision points and can offer independent thinking and guidance to help bridge the family's goals and expectations with the management team's execution.

Although a board of advisors seeks to bring some level of independent thought to the table, they do not have the same level of independence as an outside director on a corporate board may have, who otherwise has no ties to the company. The members of these family boards of advisors are usually selected due to a long-standing working or personal relationship with, and intimate understanding of, the families they serve. "This additional level of connection enhances the advisors' ability to ask questions and suggest ideas that are consistent with the often very personal and unique dynamics of the family," Magpiong elaborates.

The necessary skill set for the board members

The skills required to be a great advisor have many overlaps with those needed to be a great director. Advisory board members often bring with them a particular area of substantive knowledge. They are often lawyers, accountants, or business professionals, and they bring with them deep knowledge of tax law, estate planning, finances, and investments. They can speak the business and legal language of the family's management team.

Magpiong points out that one of the most important skills for an advisor is universal, not tied to any particular profession. "Emotional intelligence is key. The board member has to have the ability to carefully navigate and communicate in challenging and complex situations," he says. In high net worth families, the relationships of the stakeholders can be particularly fraught with intense emotion. A good advisory board member must be able to recognize those challenges and dynamics, and work with the decision makers as well as others within the family. "It is often more complex than one would think to understand who is the decision maker in a family," Magpiong adds. "It is not always the breadwinner of the family, but often also involves the spouse and even the children. For that reason, an additional trait of a good advisory board member is deep familiarity with the family, their history, and their values and goals." Therefore, every family board of advisors is unique — they must be not only professional experts, but experts on the families they serve.

Staying focused on the goals

Any board's primary function is to help the stakeholders achieve their goals. Unlike companies, however, where maximizing profits is often the top priority, families can have different types of goals that the board of advisors must understand and embrace. For example, "in many high net worth families, the goal isn't to maximize profits, but to preserve wealth for future generations or give it away. If a future generation is in control, the heirs often have even more complex feelings about the money," Magpiong says. "One third-generation client told me that his primary goal was to not lose the money, because if he lost the money it would feel like he was stepping on his grandfather's grave. Those different feelings drive how a family chooses to invest and handle their wealth." To be effective, these board members must balance the unemotional aspects of finance with the highly personal and sensitive aspects of family.

The board of advisors not only can help pursue a family's goals, they can also help the family define a mission and stay focused on obtaining it. "There are a lot of challenges and demands that come with



managing significant wealth. It is a nice challenge to have, but it is nevertheless a challenge,” explains Magpiong. “The board of advisors often can help the family stay focused on their larger mission despite the daily tugs in other directions. And at the end of the day, that makes the family feel more satisfied and more successful.”

Serving on a board of advisors

Unfortunately, even if serving on a board of advisors sounds intriguing and desirable, landing a position on this kind of board is even more difficult than the average corporate board. “Families do not try to fill their board of advisors through headhunters or the extended networks of other members. These positions usually present themselves organically to those who have a long standing relationship with the family through other professional or personal endeavors.”

Although it is unlikely that most professionals will end up serving on a family board of advisors, the insights of such a personal board can provide a new appreciation for more typical corporate and nonprofit boards of directors. While these more “standard” boards are much less personal and more regulated, the principles of loyalty and duty are universal. Understanding this new breed of board as it rises in popularity is also useful for those who may find themselves, like Magpiong, working closely with a board of advisors. And who knows—perhaps some of us, or our descendants, will be so fortunate as to need a board of advisors’ services. 🍋

Conclusion and Additional Resources

We hope that you have found these insights and stories useful for your own role in or path to the boardroom. We welcome your feedback on this book and your comments, stories, tips, or inspirations about lawyers' path to and role in the boardroom. We will continue writing about various aspects of board service. Please let us know who you would like us to interview in this subject and what specific aspects of board service you would like to see covered. You can contact Carly at calameda@fbm.com and Olga at olga@olgamack.com or [@olgavmack](https://twitter.com/olgavmack) on Twitter.

For further information on the board-related organizations mentioned in this book, please see those websites:

[National Association of Corporate Directors \("NACD"\)](#) >

[Women in the Boardroom](#) >

[Women Serve on Boards movement](#) >

[DirectWomen](#) >

[Trewstar](#) >

[Lonergan Partners SV150 report](#) >

[Thirty Percent Coalition](#) >



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