

# Mentor the rising stars

Indian board members must add value by setting new standards for their management teams

Getting a board role in any enterprise is a special privilege and comes with not just a lot of special benefits, but some major responsibilities as well. When one enters a board role for the first time, he (mostly men even after the Kotak Committee recommendations) will feel awkward in figuring out where to sit, what to do and so on, when everyone else is so comfortable in their demeanour and display of knowledge.

Most new board members, in our experience, usually take a cautious approach and observe, more than participate, in discussions unless it is their core expertise area. We believe all independent and new executive board members should hit the road running – they must be able to serve their duties as if they have been part of the boards. This is where we contribute a lot and ask board members to mentor rising stars from within.

Based on our advice, a few enterprises have set up formal board mentor programmes to assist the new entrants climb the learning curve faster. How we have designed the mentorship programme for some of these clients can help many others in driving effective board roles for their rising stars. ‘Grey hair’ board members are requested to serve as mentors to handhold the new members for the first two quarters. This is in addition to a customised programme to get them on board well prepared – not just in regularity compliance.

One of the roles of the board members is to develop the right talent at the top; and this has two major components: the first and, the most common, is a passive one. The executive management comes up with succession and executive development schemes as part of strategic planning, and presents them to the board for its approval.

The second, newer, approach demands more active board involvement. This role focusses less on coming up with names and development schedules for high potentials than it does on making the board and its members active participants in training and shaping next generation leaders.

Step one is for the board to do a better job of assuring management’s talent plans really fill the requirements. In the US, this is gaining fresh importance with the SEC’s new rule on disclosure of company human capital management. In India, even the much-needed Kotak Panel recommendations have been put in cold storage and Covid-19 is likely to delay it even more, given the demands from influential family businesses on government and SEBI.

Management will often say ‘here is a chart and timeline’, but often it stops there. The board should



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respond with requests to describe the plan, what actions are needed, and how much a particular person needs to be ready. For instance, if your company’s VP, treasury, is in line to be the next CFO, the department itself will need expansion. Is there any boardroom experience in that? Someone on the board may have already done this in their earlier stint in another organisation. He or she can help spot gaps and challenges early on.

Once you have your plans, look at how board members can help your rising stars make it to executive board roles. Particularly in leaner corporate structures, it can be hard for someone to find a relevant mentor. But your board is likely to include leaders who have done things like transforming a sales force, restructuring a company, resolving legal problems and (maybe most crucially), working their way up career ladders. Mentoring is about sharing experiences and this is where board members can be of enormous help. If you start with a clear definition of what someone needs, it shouldn’t be hard to find a board member who could mentor that person.

Most often this one-on-one mentoring is informal, and the impetus comes from management as part of the development plans. But this doesn’t mean individual board members can’t step up at the right moment. As we mentioned earlier, having a personal advisory board for your various talent-related projects will be a good initiative on the lines of mentoring programmes. The chairperson can ask the members if there is anyone they’d like to have some time with. Assume your board members are seasoned pros, who just might be able to spot a development need for a rising leader before you will.

In a typical company, outside directors may encounter a succession candidate at board meetings or maybe at the board breakfast – and that’s it. Instead, think of innovative ways to bring directors and high potential stars together in both formal and informal settings. Your rising stars can lead meetings of their own teams and while at it let a board member sit in and observe. Directors often need a ride to a board meeting, dinner, or offsite. If the potential candidate is there, volunteer him or her to accompany a board member during the commute time. It is also a good idea to have a director do a site visit to company facilities. Get strategic on this by targeting sites and offices where rising stars are located.

There are many ways boards can add value and Indian board members must move beyond the boring compliance roles and add more value by setting new standards that their management teams can emulate. ♦

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