

## Board Director Search

### **Corporate Governance and Director Recruitment: What Is The Problem?**

- Anyone involved in a business leadership role is well aware that corporate governance is a very serious issue, and that board membership is not an honor to be taken lightly.
- The legal, regulatory and fiduciary responsibilities of corporate boards, and of each corporate director, have been well documented in the media. The necessary qualifications, time commitments and the potential personal liabilities of individual directors have also been the subject of much publicity.
- At the same time that corporations are recognizing the need to strengthen their boards with capable, committed directors, qualified candidates are becoming very cautious of the involvement.
- Director recruitment is no longer an informal process of contacting friends and business associates. Now, successful director recruitment requires the same approach as senior executive recruitment: research, prospecting, evaluation, interviewing and due diligence background checking. After the most capable candidates are found, they must be helped to work through **their** evaluation and due diligence on the company.

### **Benefits of Using Retained Executive Search For Director Recruitment:**

- The search can be completed on a timely basis, with a predictable schedule.
- Explaining the business, its strategies and objectives, and defining the desired director characteristics to an independent recruiter can help focus on the desired result.
- The search can cover a much more extensive and exhaustive universe of prospects than would be possible with only personal referrals.
- Key executives and directors do not have to be involved in the time-intensive sourcing and screening of prospects. They need to be involved only in defining the objectives and desired characteristics, and in evaluation and decision-making.
- Key executives and directors can be spared the awkwardness of rejecting personal acquaintances who are not ultimately offered directorships. The independent recruiter is an objective third party who can explain the reasons for rejection to unsuccessful candidates.
- Reference and background checking by an independent search firm can help avoid mistakes in director selection, and possible future public embarrassment from unexpected revelations.
- The use of a qualified independent professional search firm demonstrates that the board has exercised due care in the director selection process.
- In summary: More qualified director candidates, more timely completion, less time and bother for the client, and evidence of due care.
- At **O'Shea, Divine & Company** we are experienced in careful, confidential and successful executive search, whether for executive staff or independent directors. It is a time-consuming process and, yes, there is a cost. But a very small cost compared to what is at stake. We would welcome an opportunity to discuss your board recruitment needs.