

# Best Practices in Director Recruitment and Onboarding

## 1. **Determining the ideal director candidate.**

It is a huge responsibility to pick directors. The Board should step back and develop a matrix of the skill set, gender, race, age, geographic location of their ideal candidate, but should also reflect on the Company's strategic plan and Board best practices and identify any gaps.

## 2. **When to begin.**

The Board should be actively engaged in succession planning on a continuous basis, not just when a vacancy occurs. There should be a list of names for consideration before there is vacancy.

## 3. **How to find the person that fits your ideal candidate matrix.**

There are a number of avenues to find the right person (i.e. search firms, director recommendations, industry associations, Women in the Boardroom, etc.), keeping in mind a Board should not be made up of the best individuals, but rather be the best team.

## 4. **Show me the money.**

Compensation plays a role in recruiting directors and while the information is readily available for public companies, there are fewer resources to determine market compensation for private directors.

## 5. **Process is important.**

It is important to start with the nominating and governance committee, but also engage the full Board and senior management. Reference checks and background checks are extremely important, but the interview process is vital, particularly face to face meetings.

## 6. **Interview is a two-way street.**

The director candidate should be interviewing the Company and potential Board as well to determine whether they want to become a member. Director candidates should also self-evaluate and ask themselves what they are bringing to the table.

## 7. **Diversity makes good business sense.**

The academic data shows that Boards with diversity in race, ethnicity, and gender have a greater impact and drive positive results. To increase diversity, Board should be open to new and first time directors.

**8. Onboarding starts at recruitment.**

Candidates, with the proper confidentiality restrictions in place, should be given access to all of the materials they will need as a director.

**9. Continuous Evaluation.**

Directors should continuously evaluate their skill sets and contributions to the Board, with the annual assessment and annual Code of Ethics questionnaires being a good time to do so.

**10. Saying goodbye.**

A part of keeping a Board healthy is knowing when to part ways with a director whose time has come to move on. While people tend to take that personally, it is important to focus on the facts and be highly transparent.