

Building Your Dream Board

LIVE
WEBINAR



Modern *Board Architecture* Principles For An Effective Board of Directors

June 30th, 2021



hosted by



Shaparency



M. A. Pfister
Strategy Group

with

Mark A. Pfister

International Board Director Competency Designation (IBDC.D) certification holders will receive 1 CPE credit by attending

— WEBINAR REMINDERS —

answering frequently asked questions

- **Purpose:** Share knowledge and trending on the **elements of effective Board structure** to ensure successful Boards.
- **Questions:** Write your questions in the Q&A section. Our goal is to answer all questions at the close of the presentation. Otherwise, Mark will follow-up with you via email afterwards.
- **Materials:** Yes, the entire webinar is being recorded and you will receive a link via email from your host, Shaparency, a day or two after the webinar ends. This link will also include the ability to view & download this presentation deck in its own separate file.
- **Additional Topic References:** You will notice additional reference links on many pages should you want to delve deeper into certain related topics (you can click on the articles when you receive the presentation link shortly).

— YOUR SPEAKER —



Mark A. Pfister

CEO &
Chief Board Consultant

M. A. Pfister
Strategy Group

- Governance & Strategy expert, Board Director, & Board Consultant having worked with hundreds of public, private, and nonprofit Boards with focus in Strategy, Governance, and Technology/Cybersecurity.
- He is known as “*The Board Architect*” for his work in defining the structural components of effective Boards.
- His book, ‘*Across The Board: The Modern Architecture Behind an Effective Board of Directors,*’ is a bestseller with circulation in over 70 countries.

GOALS

learn the successful roadmap and considerations

Building a new Board

Or

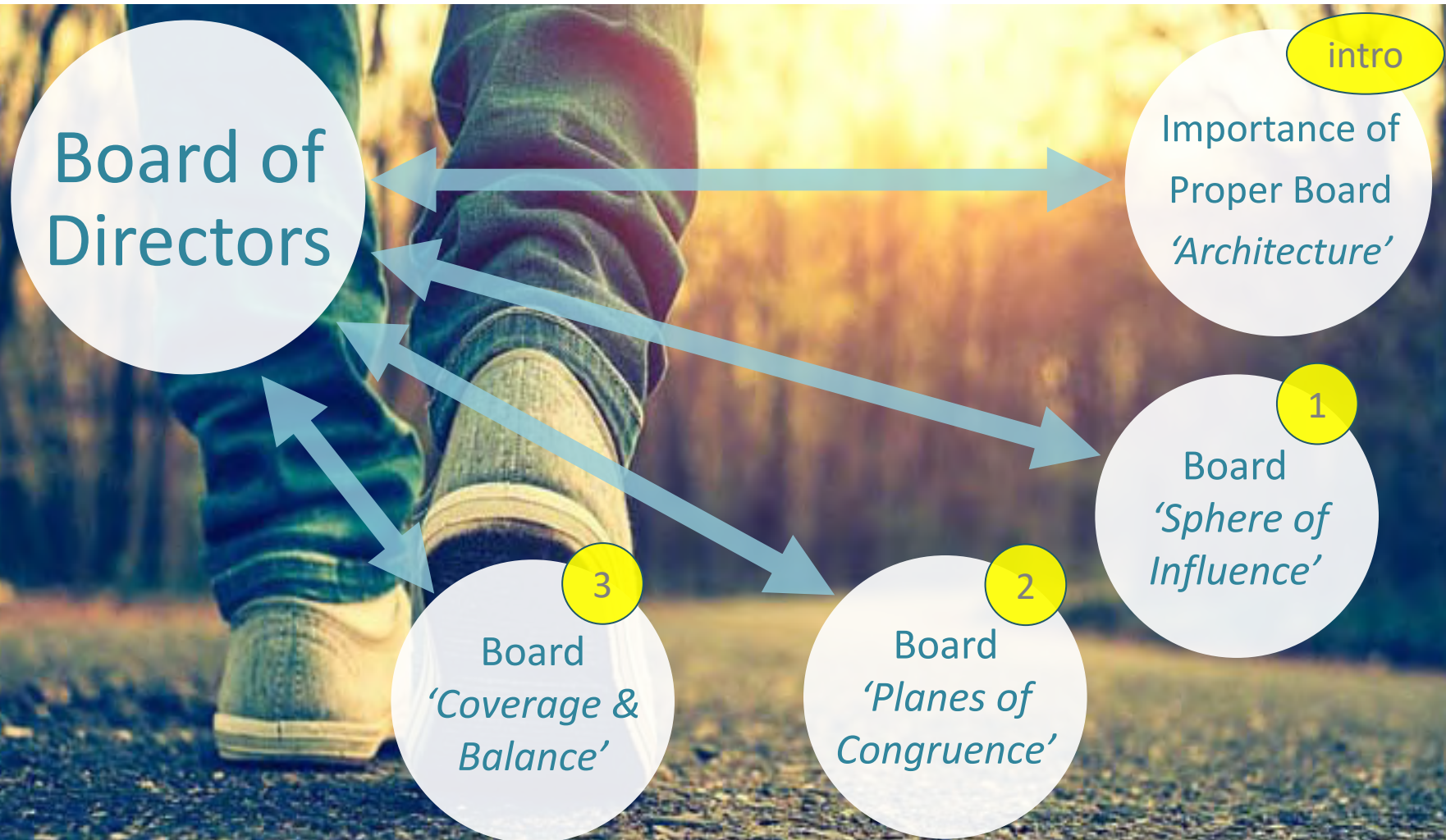
Rebuilding an existing Board



...or evaluating a Board you are considering joining...

GOALS

what to walk away with from today's discussion...



remembering your Board's purpose

intro

Importance of Proper Board Architecture

remembering your Board's purpose



“ Properly architected Boards ensure *adherence* to their existence simply based on their structure... ”

remembering your Board's purpose

As a Board Member (or evaluating whether to join a Board), honestly ask yourself:

Is this Board
truly successful?

Is this Board
making a positive
impact?

Is this Board
respected?

Leverage the following 5 reasons for a Board's existence to help answer these questions...

Read my article: [The Board Candidate's Checklist](#)

remembering your Board's purpose

#1

**Boards
Promote
Meaningful
Action**

#2

**Boards Foster
Accountability**

#3

**Boards Convey
Trustworthiness**

#5

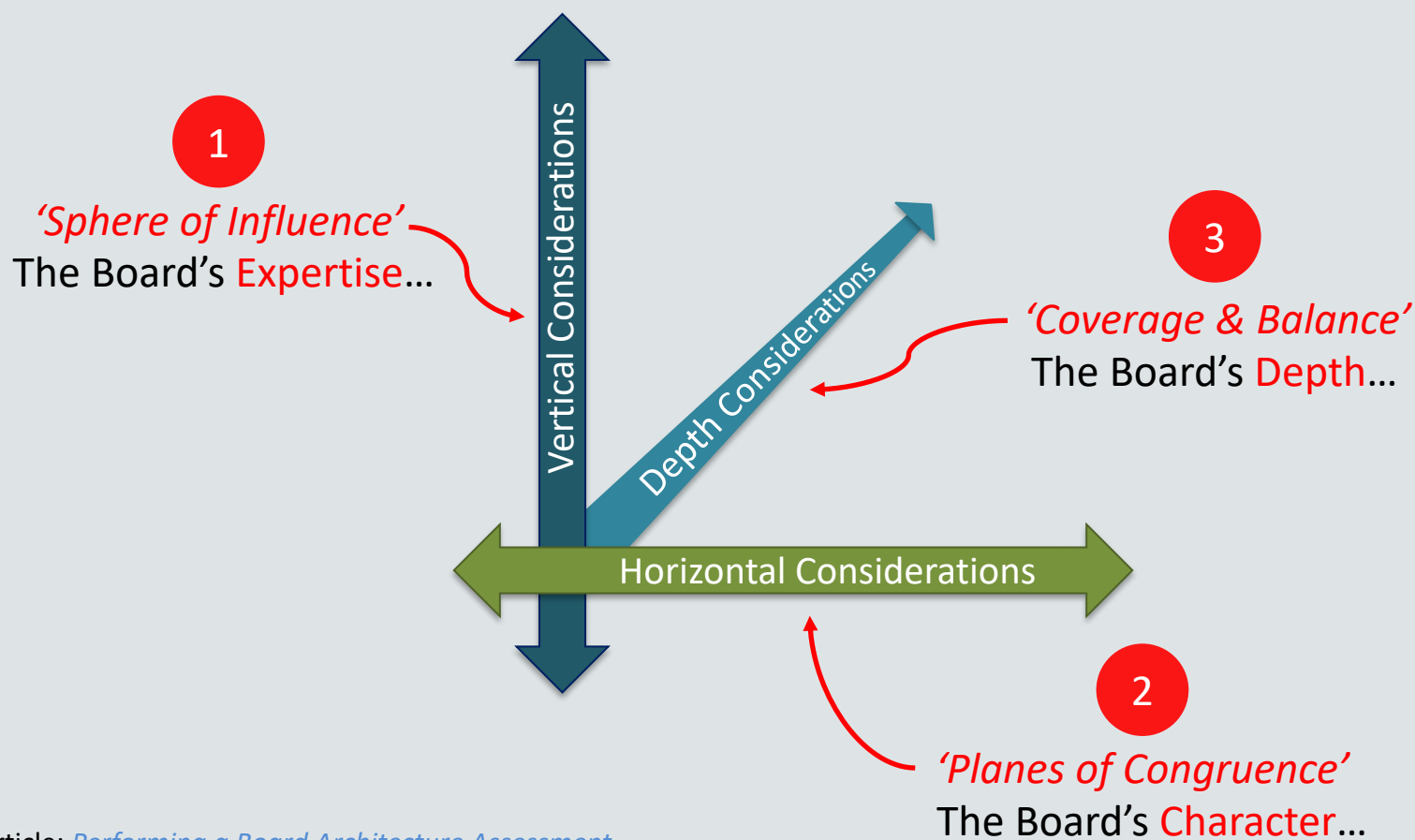
**Boards
Provide
Mediation**

#4

**Boards Grow
Networks**

remembering your Board's purpose

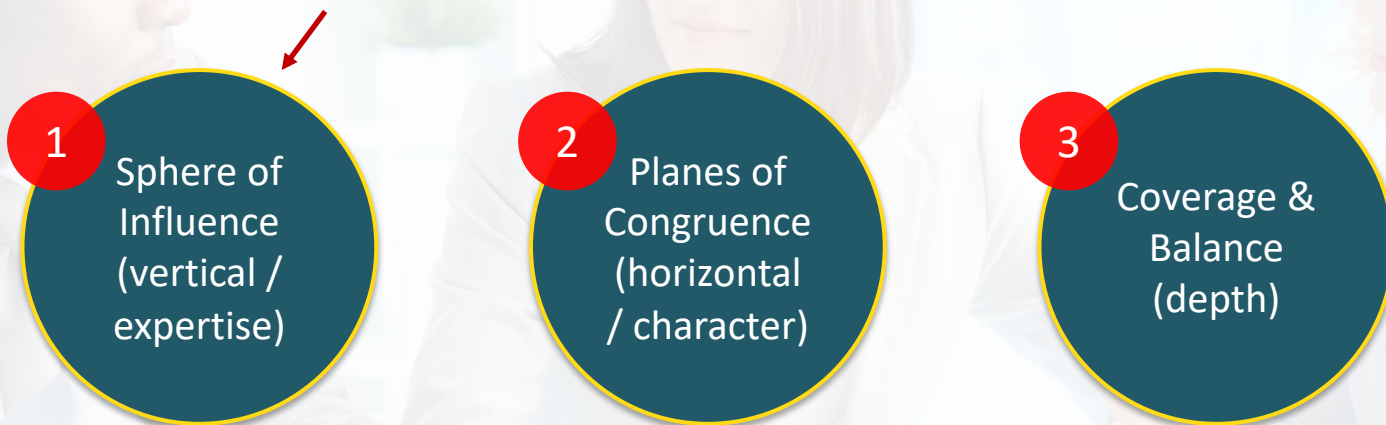
Proper Board architecture structural focus areas



Read my article: [Performing a Board Architecture Assessment](#)

remembering your Board's purpose

Most Boards have a fairly good idea of the skill set and experience level they desire in a Board Candidate...



...but most Boards sorely lack in the understanding of how a new member can enhance the **character** and **depth** of the overall Board

vertical Board-build considerations

1

Board *'Sphere of Influence'*

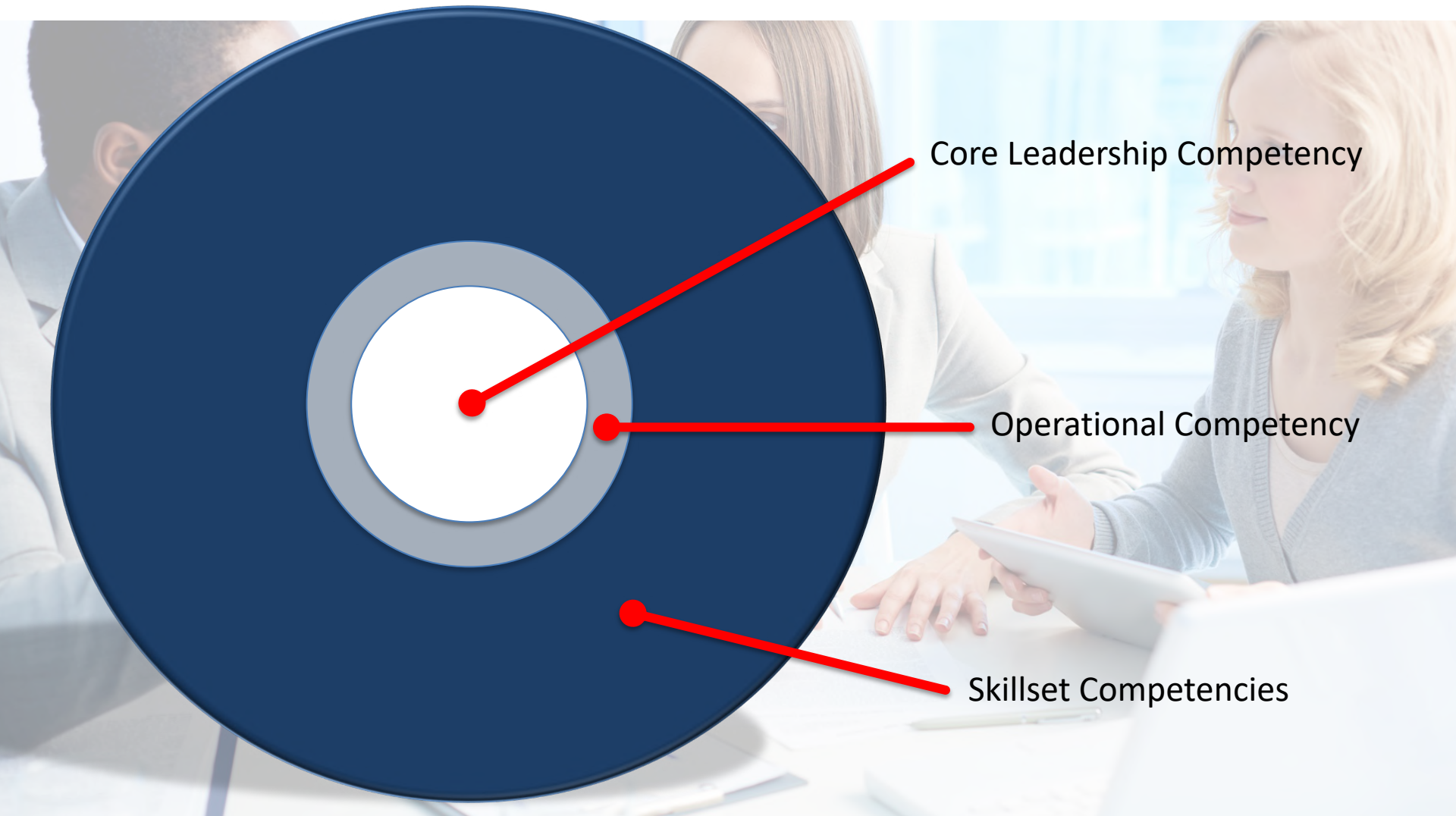
vertical Board-build considerations



“ A Board’s ‘*Sphere of Influence*’
creates the important foundational
Expertise elements... ”

Read my article: [‘Why Do Boards Continue to Struggle With Strategy?’](#)

vertical Board-build considerations



vertical Board-build considerations



Core
Leadership
Competency

Has each Board member/candidate:

- ✓ Proven deep experience in strategy creation?
- ✓ Shown skill in proper and effective governance?
- ✓ Successfully led large teams?
- ✓ Demonstrated an ability to motivate team members?
- ✓ Shown *'great leader'* traits of clear vision, courage, integrity, honesty and humility?

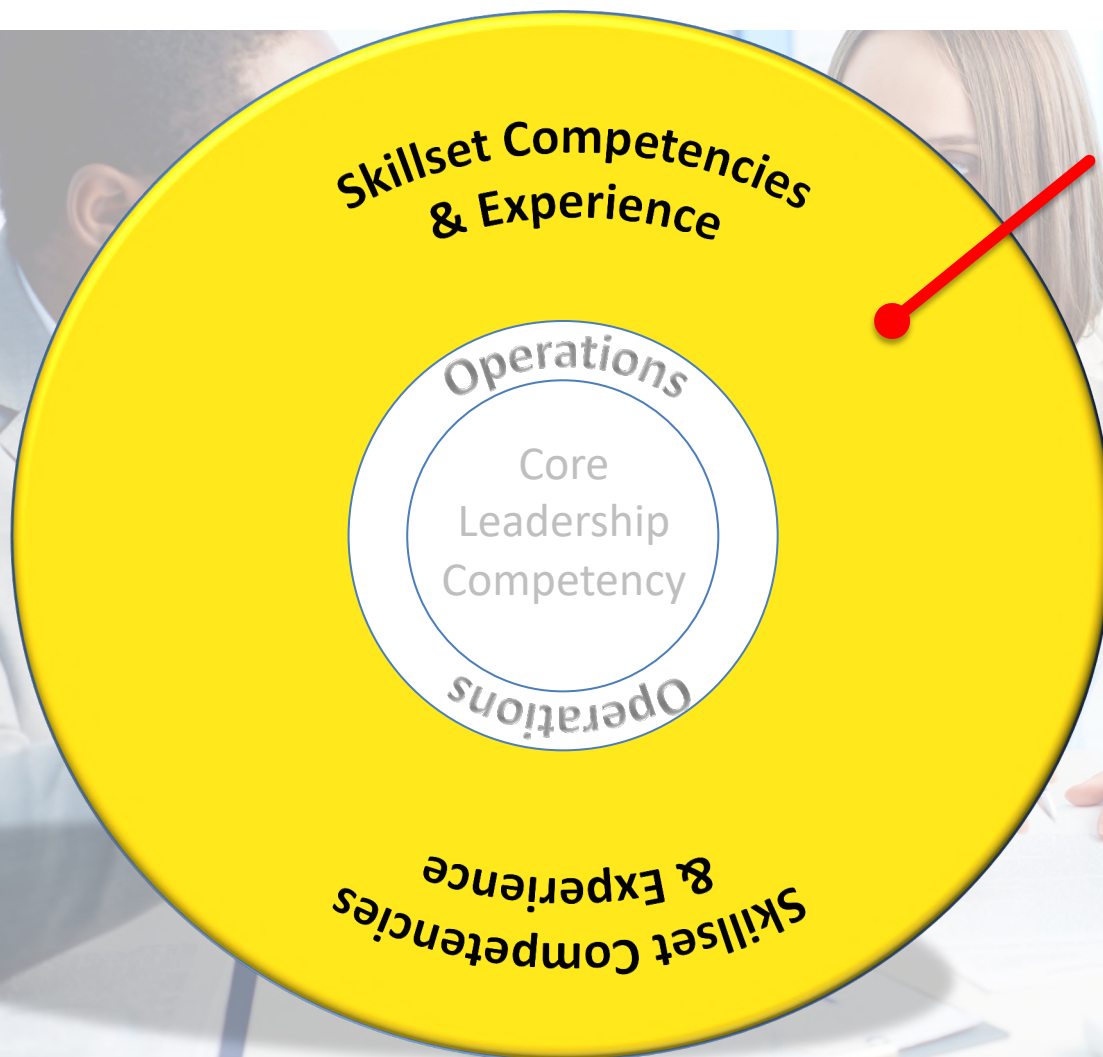
vertical Board-build considerations



Has each Board member/candidate:

- ✓ Proven deep experience in implementing their strategies?
- ✓ Created effective governance mechanisms to monitor progress & success?
- ✓ Shown an ability to 'right-size' their strategies to the specific organization's capabilities?
- ✓ Adapt their strategy to ever-changing delivery challenges?

vertical Board-build considerations



Which Skill Set Competencies & Experience are most important to the business?

- Finance?
- Technology?
- Marketing?
- Legal?
- Human Resources?
- Sales?
- Specific industry knowledge?

In most cases, these should directly correlate to Board Committees

vertical Board-build considerations



An example from an actual private **technology services** business...

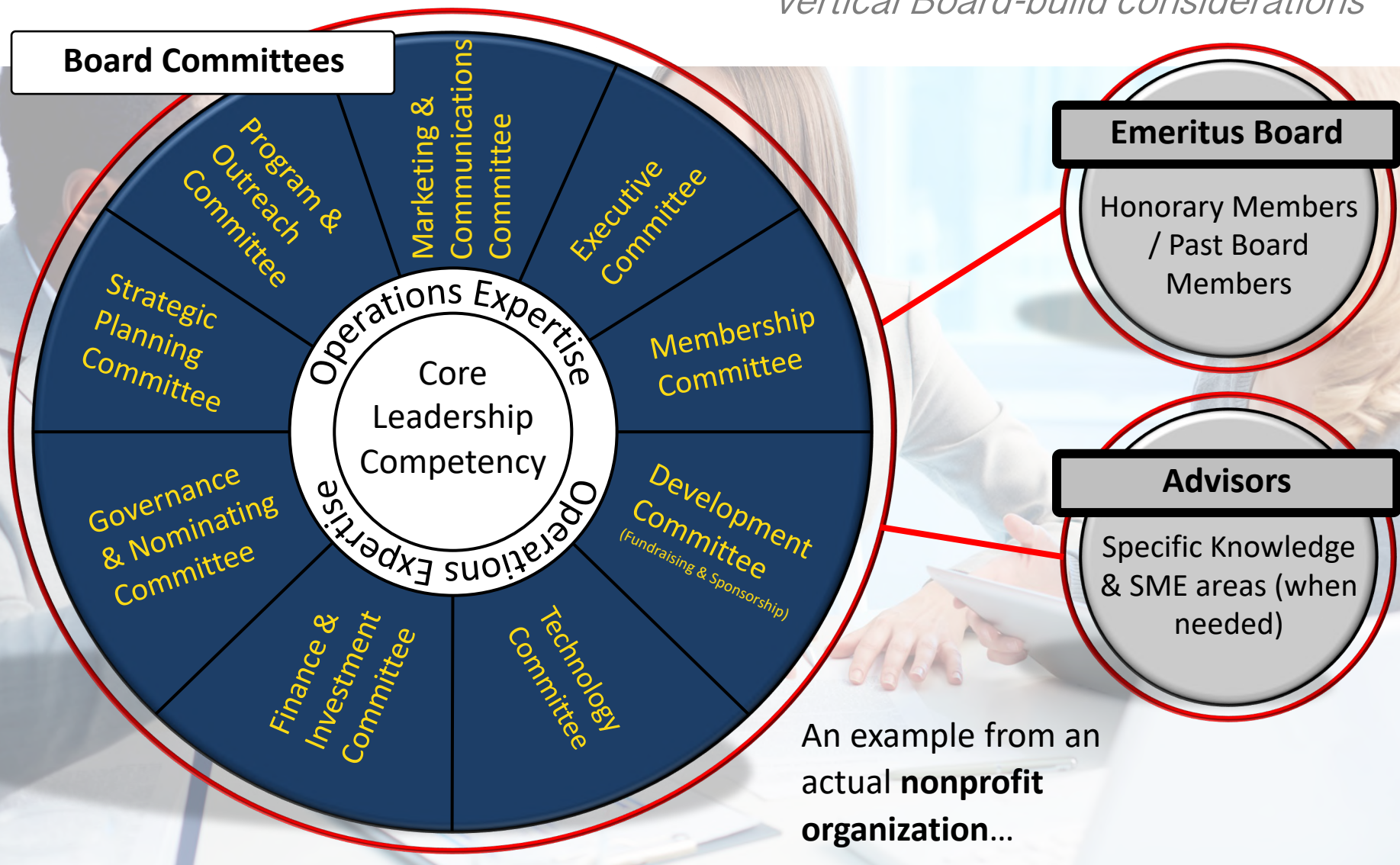
Shows a combination of **internal-facing** as well as **external-facing** requirements

vertical Board-build considerations



An example from
an actual public
construction company...

vertical Board-build considerations



vertical Board-build considerations

Common Sphere of Influence / Board Committees

Potential Standing Committees

Executive Committee
Governance Committee
Strategic Planning Committee
Finance Committee
Audit Committee
Technology Committee
Cybersecurity Committee
Compensation Committee
Human Capital / HR Committee
Personnel Committee
Board Development Committee
Leadership Development Committee
Evaluation Committee
Risk Committee

Nomination Committee
Marketing Committee
Promotions & Sales Committee
Public Relations Committee
Product Development Committee
Program Development Committee

Potential Ad Hoc Committees

Audit Committee
Ethics Committee
Events Committee
Nominating Committee
Research Committee
Fundraising Committee
Steering Committee

horizontal Board-build considerations

2

Board *'Planes of Congruence'*

Read my article: [Top 5 Mistakes Board Candidates Make](#)

horizontal Board-build considerations



“ A Board’s ‘*Planes of Congruence*’
creates the important foundational
Character elements... ”

Read my article: [5 Steps To Nailing Your Board Director Interview](#)

horizontal Board-build considerations

What other Board Member characteristics are important?
(Think of these as your 'Horizontal' considerations)

Plane #6

Plane #5

Plane #4

Plane #3

Plane #2

Plane #1

Sphere of Influence (foundation)

horizontal Board-build considerations

Example 'Planes of Congruence' Considerations

Plane #6: Common Vertical Knowledge
+ Varying Industry Backgrounds

Plane #5: Emotional Intelligence (EQ)

Plane #4: Personality Traits

Plane #3: Diversity - Women to Men Ratio

Plane #2: Age Range / Generational Span

Plane #1: Strategy & Governance Expertise

Sphere of Influence (foundation)

horizontal Board-build considerations

Actual '*Planes of Congruence*' Example From a Services Business

Plane #6: Common Vertical Knowledge / Varying Industry Backgrounds – Services Business (min. 2/3) / < 25% Industry Overlap

Plane #5: Emotional Intelligence (EQ) – Highly Experienced

Plane #4: Personality Traits – Balance: Analyst, Diplomat, Sentinel, Explorer

Plane #3: Diversity - Women to Men Ratio – Minimum 30% Women

Plane #2: Age Range / Generational Span – 35 to 80 Years of Age

Plane #1: Strategy & Governance Expertise - Required

Sphere of Influence (foundation)

horizontal Board-build considerations

Common *'Planes of Congruence'*

- Deep Strategy understanding
- Deep Governance experience
- Age range
- Generational span
- Women/Men diversity
- Race/Nationality diversity
- Personality trait balance
- Intelligence/vertical background (IQ)
- Emotional Intelligence (EQ)
- Team Intelligence (TQ) (as a group)
- Mindfulness Intelligence (MQ)
- Varying industry backgrounds
- Fluency/geography familiarity

Read my article: [7 Pivots For The COVID-Age Board](#)

Board-build depth considerations

3

Board *‘Coverage & Balance’*

Read my article: [*‘The Story of Company Values’*](#)

Board-build depth considerations



“ A Board’s ‘*Coverage & Balance*’
creates the important foundational
Depth elements... ”

Read my article: [The Risk & Values Alliance](#)

Board-build depth considerations

Board Member Coverage & Balance refers to 2 basic concepts:

Coverage:

Ensuring that you have engaged at least one true expert in each of your designed *Sphere of Influence* areas, while also meeting your *Planes of Congruence* requirements.

Balance:

A strategic and predetermined overlap of expertise and experience as it relates to your Board's *Sphere of Influence* areas, while also meeting your *Planes of Congruence* requirements.

The following example shows a Board that is actively aiming to reach:

- **Coverage** - at least one *Subject Matter Expert* (SME) in each *Sphere of Influence* area.
- **Balance** - at least one *Deep Knowledge* individual in addition to a SME in each *Sphere of Influence* area.

Read my article: [The Board Decisioning Process](#)

Board-build depth considerations

Example Expertise Coverage Analysis

'Sphere of Influence' areas

	Technology	Human Resources	Finance	Product	Marketing	Sales	Legal
Board Member 1	1	3	3	2	3	3	4
Board Member 2	4	4	3	2	1	2	4
Board Member 3	3	2	1	4	4	2	3
Board Member 4	4	2	2	4	3	3	1
Board Member 5	2	4	3	3	2	1	2
Board Member 6	3	3	1	3	4	3	2
SME Coverage	✓	✗	✓	✗	✓	✓	✓
Knowledge Depth	➡	⬇	⬆	⬇	➡	⬆	⬆

1 = Subject Matter Expert (SME) / 2 = Deep Knowledge / 3 = Operational Knowledge / 4 = Minimal Knowledge

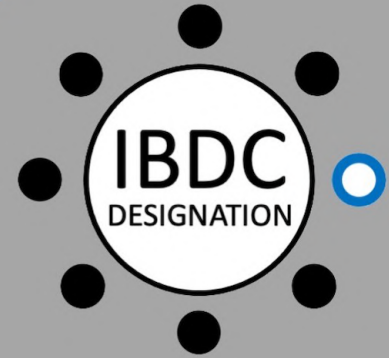
BOARD ARCHITECTURE

all the core principles



For details on all aspects of modern Board architecture,
pick up a copy of my book.

Across The Board: The Modern Architecture Behind an Effective Board of Directors
<https://www.pfisterstrategy.com/books>



Becoming an Exceptional Board Director Candidate

— Education & Certification Course —

International Board Director Competency Designation (IBDC.D)

- Pfister Strategy welcomes its newest Board Education & Certification Partner -



Shaparency

<https://www.shaparency.com/boardeducation>

— ARCHITECT YOUR BOARD PROPERLY! —

*Is your board candidate checklist
ready for prime time?*

Approach your
Board build, or
evaluation, in a
disciplined
manner

Use this
presentation
as your
roadmap

Embrace
change!

Write to me at Mark@PfisterStrategy.com

Pick up my book at <https://www.pfisterstrategy.com/books>

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Thank you for joining today's webinar

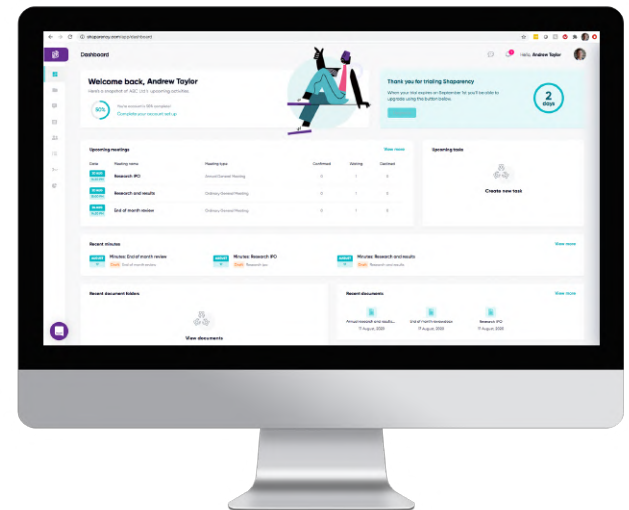
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www.shaparency.com/events

Look out for our follow-up email containing the pdf from today's session & much more.





With a strong focus in Strategy, Governance, and Technology / Cybersecurity, Mark A. Pfister is CEO & Chief Board Consultant of M. A. Pfister Strategy Group, an executive advisory firm that serves as a strategic advisory council for executives and Boards in the public, private, and nonprofit sectors. He is also Chairman & CEO of Integral Board Group, a specialized Board services and consulting company. Mr. Pfister is a *'Board Macro-Influencer'* and his success has been repeated across a wide range of business situations and environments. He prides himself on being a coach and mentor to senior executives and directors. In Board Director circles, Mr. Pfister has earned the nickname *'The Board Architect.'*

The overarching theme throughout his career has been his aptitude in leadership positions, passionate focus on people, unique governance models, and ability to create value for stakeholders through innovative business strategies and operational excellence. Michael Lorelli, Executive Chairman of Rita's Franchise Company, has said, *"Mark's unusual combination of excelling at a macro and micro grasp of business, genuine interest in Governance, and ability to coach and mentor a Management Team make him a terrific Independent Director."*

Mr. Pfister is a certified project management professional and frequently serves as an expert Project Executive, consulting on global programs/projects in their initiation and operational phases, as well as programs requiring remedial focus to bring them back on track. He has deep knowledge and experience in Board design & operations, strategic planning, business transformation, technology implementations, decisioning processes, certification & continuing education programs, executive coaching, and governance models.

Mr. Pfister was CEO of Pro4ia, Inc., an international consulting and professional services company specializing in a wide range of technology solutions utilizing formal Project Management as a proven and repeatable delivery method. With a Fortune 50 client list, Pro4ia was Citibank's Nominee for Crain's Magazine *'Entrepreneurship of the Year'* Award in 2005. He simultaneously served as CEO of Onit, Inc., a national sourcing company specializing in placements for all levels of technology skill sets. Mr. Pfister was also the National Program Office Leader for American Express leading some of the largest technology transformation initiatives in the company's history. He served as a Licensed Engineering Officer in the U.S. Merchant Marine, holds a B.S. from the State University of New York Maritime College in Facilities Engineering, and completed Harvard Business School's Executive Education Program for Board Directors.

Mr. Pfister is the creator of the *'Board as a Service'* (BaaS) engagement model, an industry he is credited with inventing. He is a Master Speaker and conducts international speaking tours, lectures, and seminars focused on effective leadership, strategy, Board architecture, becoming an exceptional Board Director candidate, professional project/program management, and entrepreneurship.

His popular book, *['Across The Board: The Modern Architecture Behind an Effective Board of Directors.'](#)* an Amazon best-seller with circulation in over 70 countries, has influenced an entire new generation of Board Directors.

Mr. Pfister is a proficient Board Director and CEO with experience across multiple industry verticals. He is typically the Chair or a member of the Strategic Planning Committee, Governance Committee, Technology & Cybersecurity Committee, and has deep Nominating Committee experience. Mr. Pfister's experience as an internationally renowned Board Consultant, having guided and coached hundreds of Boards, Board Committees, and Board Members across public, private, and nonprofit verticals, additionally offers up unique and informed viewpoints to the companies he serves.

He holds an *Executive Masters Professional Board Certification* through the American College of Corporate Directors (ACCD), an *International Board Director Competency Designation* (IBDC.D) through M. A. Pfister Strategy Group, is a member of the National Association of Corporate Directors (NACD), is a certified *Project Management Professional* (PMP) through the Project Management Institute (PMI), earned a *Global ESG Certification* (GCB.D) through Competent Boards, and holds a *Certified Cyber Intelligence Professional Board Certification* (CCIP) through the McAfee Institute.