



**KINGSLEY  
GATE  
PARTNERS**



## **Charting Your Board Search...** **Why, How and What to Know**

On March 29, 2023, Kingsley Gate Partners hosted a roundtable discussion for financial executives interested in pursuing Board opportunities in the future. Karen Parkhill, CFO of Medtronic, and Marcie Vu, a professional Board member, led the discussion with Edgardo Montoya, the leader of Kingsley Gate's Global Financial Officer practice, moderating. Parkhill currently sits on the Board of Directors at American Express and chairs their Risk Committee, while Vu is a member of the Boards for thredUP, Scopely, and Blockchain.com. Parkhill and Vu shared their perspectives on the role financial executives can play on external Boards, as well as how these types of opportunities can complement someone's operational responsibilities and make them a stronger overall executive.

## Pros and cons of a non-executive role

### Commonly cited reasons for taking on a non-executive role are

- Contributing / giving back / leveraging experience
- Networking Learning (e.g., new sector, new perspectives)
- Compensation
- Tactical career advancement

### But one should not ignore the costs and risks involved

- Time management
- Ever increasing regulation and scrutiny (public only)
- Activist shareholders
- Reputational impact (in case something goes wrong)
- Legal liability (in case something goes REALLY wrong)

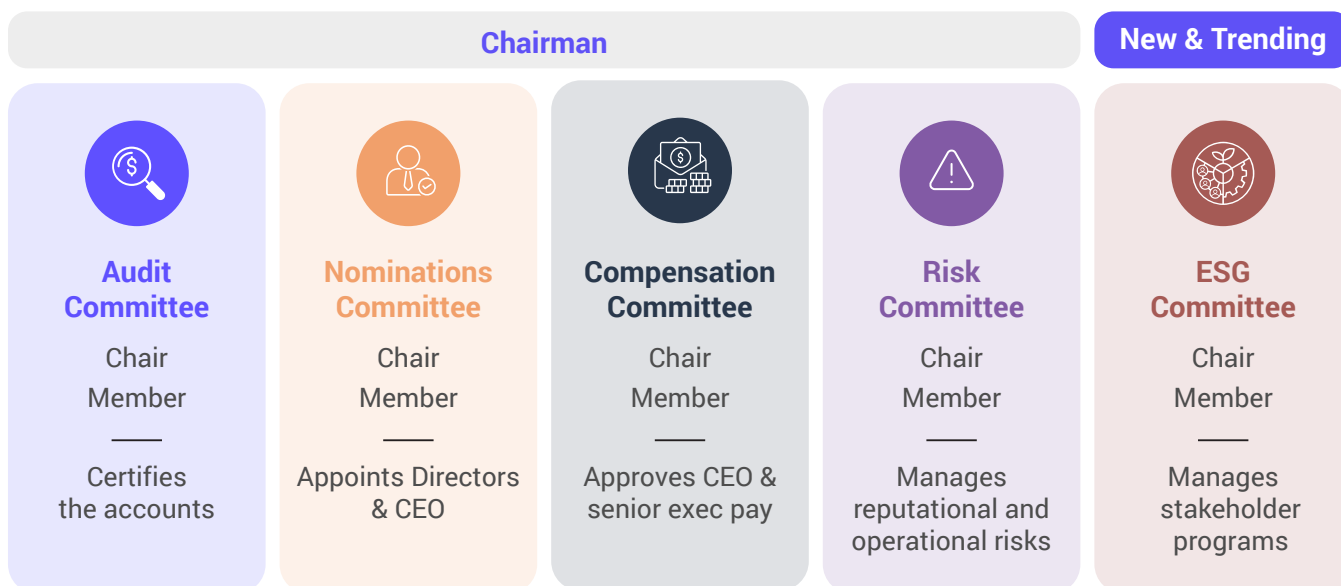
## Determining the Right Board for You

Each of the speakers highlighted the importance of determining the type of Board you want to sit on. Parkhill, for instance, saw joining an external Board as an opportunity to make her more effective during her interactions with the Board of Medtronic. Because of that, she wanted to find an organization that was similar to Medtronic in size and scale so she could use that experience to bring best practices into her operational role as CFO of a Fortune 500 enterprise. Kingsley Gate Partners has observed that over the last five years CFOs in the Fortune 500 have shown a greater propensity to move across industries than prior cohorts. Parkhill demonstrates this trend in her own career, having started in financial services at JPMorgan and Comerica before her move to the healthcare technology sector with Medtronic. Meanwhile, Vu chose to focus primarily on advising Boards of private and public emerging growth companies after two decades of IPO and M&A advisory work at Qatalyst Partners and Morgan Stanley. As a Board member, Vu supported thredUP's public offering where she was a member of the pricing committee for the online fashion resale platform, and Scopely's sale to Savvy Games Group, where she led the transaction committee for the mobile-first games platform. Vu ultimately chose these boards because she found something interesting in each company's respective markets—she is passionate about e-commerce and sustainability (thredUP), sees gaming companies as being at the forefront of consumer trends (Scopely), and is personally interested in the development of crypto / web3 (Blockchain.com).

## Serving on Committees

When the conversation shifted to committee structure, Parkhill said that serving on committees gives executives the opportunity to lean in and amplify their voice. Because each committee has an important and distinct role, serving on any of them brings the opportunity to be of value to the organization. Typically, Parkhill said that financial experts will serve on audit or risk committees (she serves on both at American Express and chairs the risk committee). While Boards don't always have the exact same number of committees, or use the same titles for their committees, they will typically have committees that perform the same types of functions no matter the company. The image below provides an example of a standard grouping of Board committees.

## How are Corporate Boards typically organized?



Vu shared some of the differences she has seen with private and newly public Boards she has worked with. At thredUP, audit and risk committees are combined as are nominations and ESG. Information security matters are rolled into the audit and risk committee. When a company has a specific objective in mind—such as going public, making acquisitions, or raising capital—they may form “temporary” committees focused on those activities.

## Building Relationships Within the Board

Parkhill and Vu spoke about the importance of building relationships with colleagues on a Board, especially as a new member. Parkhill said that prospective and new members of the Board should spend one-on-one time with every Board member either virtually or in-person. This helps during the onset of formal Board meetings and cultivates others' familiarity with your professional experiences and unique perspectives as a new Board member. Doing work in advance of joining a Board is critical, from Vu's perspective. She said that looking at who else is on the Board you're joining and getting an understanding of the culture and dynamics are important. She has found it especially helpful to have a “buddy” when joining a new Board, someone you can immediately talk to and ask questions. In the first couple of meetings, it is important to listen more than you speak, but you should not be silent either—other Board members are typically welcoming and want to hear your voice and perspective.

## **Governance v. Maintenance**

When asked how someone with a finance background should navigate their relationship with the sitting CFO of a company they are on the Board for, Parkhill said that it is important to govern without managing. Board members should offer advice, ask probing questions, but avoid telling someone how to do their job. In her Board role at American Express, Parkhill said she has built a strong relationship with the company's CFO and the two collaborate as mutual sounding boards. In Parkhill's opinion, it is important that this is a two-way street—and she finds that she learns as much from her interactions with the American Express team as they do from her. Parkhill added that good Board members are like good investors; they help executives think about or see things you may not have yourself by bringing in a strategic, independent point-of-view. Vu said that she thinks there is value in finding a balance between supporting and challenging the leaders of the company, as well as fellow Board members. Like Parkhill, she said that asking questions, probing, and helping build frameworks while sharing your experiences have been the best approaches in her experience. Vu reiterated the need for Board members to invest time accelerating their understanding of the company and its sector and said that the time commitment required to be an effective Board member is not fully appreciated by some Board aspirants.

## **How to Increase Your Chances of Joining a Board**

The speakers said that any executive looking to join a Board should focus on networking. It is important to connect not only with people who recruit Board members, but also to leverage investor networks. Executives can speak with VC / PE firm partners and build relationships that may lead to Board opportunities. While you are building your network, Vu added that it is important to look internally as well to decide why you want to serve on a Board and what experience you are hoping to gain from it. Finding answers to these questions can help frame who you should speak with about opportunities. In addition to connecting with people externally, Parkhill said that interacting with your own Board in the meantime can help grow your skills and make you a better candidate for Board opportunities that may arise. This can be through presentations to the Board or other types of interactions. When a company considers someone for a Board position, there is a high likelihood that they will look to the Board of the company that individual works for as a reference for how they will perform.

## **Conclusion**

Serving on a Board can be a personally and professionally rewarding experience for executives, and individuals with financial and strategic expertise can provide critical services and a unique perspective to their fellow Board members and the leadership team of the company they serve. While there is no one-size-fits-all approach to earning your first Board seat, it is important to decide what type of Board you want to join, why, and to build out and leverage your network to create opportunities for yourself. You can also identify ways to increase your interactions with the Board of your current company to better prepare you to serve on outside Boards. Since the referencing process will likely include conversations with how you interact in these sessions it is paramount that you “earn” opportunities at your own company to gain exposure to the Board. Building relationships with recruiters who specialize in Board placements may also be of value. Kingsley Gate Partners provides its own Board Development Program for executives seeking these types of roles:

## KGP Board Development Program

Kingsley Gate Partners runs a two-day program in conjunction with the Senior Partners of Freshfields, Deloitte, and Bank of America. The event takes place every Spring and Autumn and is specifically focused on preparing Senior Executives for their first external Non-Executive Director position.



**Freshfields**

**Deloitte.**



**BANK OF AMERICA**

## About the Authors



### Ed Montoya

Senior Partner  
Head of Global Financial  
Officer Practice



Ed Montoya is a Senior Partner with Kingsley Gate Partners and head of the Global Financial Officer Practice. With over two decades of experience in executive search and private equity, Ed specializes in the recruitment of Financial Officers, Investment Partners, Operating Partners and portfolio company executives across all stages of enterprise size within the technology and healthcare sectors. Prior to joining Kingsley Gate Partners, Ed led the Financial Officers practice for another leading boutique recruiting firm and established his search career at Spencer Stuart as a core member of its technology and financial officer practices. Ed takes an inclusive approach to executive recruitment and is proud to have helped clients increase the number of women and people of color in senior executive positions across private equity, high technology, healthcare, and financial services. Ed developed his passion for finance and private equity early in his career as a technology and financial services investment banker at Morgan Stanley and M&A professional for publicly traded Affiliated Managers Group. Ed earned an MBA from the UCLA Anderson School of Management and graduated from U.C. Berkeley with high distinction in Economics. Ed is based in our San Francisco location.



### Austin Zook

Associate Recruiter  
Security Practice



Austin Zook is an Associate Recruiter with Kingsley Gate Partners and a member of the firm's Security Practice. Austin works with both privately held and public companies to place senior executives of any function, primarily in the Technology, Cybersecurity, and Physical Security spaces. Prior to joining Kingsley Gate Partners, Austin worked in the pharmaceutical industry, servicing independently owned pharmacies. That experience instilled in him a passion for helping business owners succeed in a rapidly changing modern environment, which he brings with him to his work at Kingsley Gate Partners. Austin holds a B.A. in Communication with a minor in Psychology from Texas A&M University. Austin is based in Kingsley Gate Partners' Dallas office.

