CLIENT STORIES [2]

Reshaping the board of a merged company

Rosemary was engaged by the Chairman of the board of a major company that had recently merged with another significantly sized company. The Chairman was concerned that the board's collective capabilities were not a good match for the size and strategic direction of the newly formed company and that the board operated as though it was two separate bodies laminated together rather than as a cohesive, integrated team.

Rosemary evaluated the functioning of the board overall and assessed the individual and collective capabilities of the directors against the ideal profile for the merged company's board. The findings highlighted that there was a significant gap between the current and ideal board composition and that changes were needed in the culture of the board and some of its processes.

Rosemary worked with the board to develop a succession plan that the directors understood and supported. She also developed some protocols for board interaction that helped to improve the quality of the board's deliberations and decision making, the flow of information to the board and the manner in which the board interacted with senior management.

The board was reshaped into being a well functioning team comprised of a small number of the original members and several newly appointed directors. Board meetings were subsequently characterised by robust, constructive discussion, appropriate delegation of authority to newly formed committees and a productive relationship with management.

Having the right balance of expertise, insight and contribution is essential to sustain a high level of board performance.

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