

by Robin Robinson



Creating a New Legacy: The Next Chapter

Experts provide insights on board readiness.

So you want to serve on a board. For many, serving on a board is a next step up the career ladder once they have reached senior leadership status. For others, serving on a board is the next chapter after their professional career has come to a successful conclusion. Serving on a board can be very rewarding to the board member and at the same time the board member provides a broad skill set to the company he or she is serving. Serving on a life-sciences board is different from other corporate aspirations, our experts say, and requires preparedness, commitment, and due diligence.

“Being on a board can be a lot of fun,” says Carolyn Brougham, senior contracts officer, Northwestern University, 2018 PharmaVOICE100, who sits on the Chicago board of Women In Bio, an organization of professionals committed to promoting careers, leadership, and entrepreneurship for women in the life sciences.

“You get to develop close friendships with other industry leaders while working together

to help companies,” she says. “For many executives it is a unique avenue to gain more knowledge, skills, and connections.”

As reported in our July/August PharmaVOICE 100 issue, Ms. Brougham became aware of the need for more women to hold director-level positions in the biotech industry, and she took action to do something about it. She created Boardroom Ready, an international program that provides female executives with skills and connections that, alongside their own hard work and innate talent, facilitates placements on boards and supports their positive contributions as board members. Since 2016, 40 women have gone through the Boardroom Ready program and the program has celebrated 15 board appointments.

According to Jim Broderick, CEO of Palleon Pharmaceuticals, by assuming a board role and responsibilities, a biotech executive can truly understand the purpose and value of this next level of governance. “Most managers will find that serving on a board makes them better at their job — it improves their ability



Board service enables executives to develop greater critical thinking and leadership skills by exposing them to new situations and expectations.

CHRIS BEAVER
The ExecRanks

to make thoughtful, informed decisions that will better support the long-term interests of the company,” Mr. Broderick says.

“There is a huge advantage to pharmaceutical executives taking a board seat,” says Chris Beaver, co-founder and chief marketing officer at The ExecRanks, which is a global platform for on-demand advisory solutions.

“Pharmaceutical executives need to keep pace with a highly competitive market that has massive potential for dynamic growth,” Mr. Beaver adds. “Serving on a board symbolizes a leadership status and sends a strong signal to any future employers or partners that you are forward-thinking and well-established within the pharmaceutical industry.”

And life-sciences leaders may want to look to serve on nonpharma boards where they may find it meaningful personally to use their knowledge and passion to help another company grow and succeed, he says.

“Being appointed to a board is considered a significant step in one’s career; it’s a sign of being a well-respected and accomplished leader and industry expert,” says Theresa Matkovits, Ph.D., chief operating officer of ContraVir Pharmaceuticals. “It is really one of the highest honors.”

Dr. Matkovits has been appointed to two corporate boards since she graduated from the inaugural WIB’s Boardroom Ready program in 2016.

After her experience with the Boardroom Ready program, Dr. Matkovits is quick to recommend similar training to anyone who seeks a board position for the first time. “One of the greatest benefits of a board readiness program is the opportunity to build a network



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among the other participants in the program with you," she says. "You are working side by side in the certification program with the highest caliber leaders in the industry. A network is critically important to help expand one's reach and accessibility to potential board opportunities."

Dr. Matkovits finds her service on boards to be very gratifying. "Being on a board is a unique and highly rewarding experience because it allows you to take everything that you've learned throughout your career and bring that value to the table and make a difference in a company's progress and the success of its business," she says. "For me, to be able to leverage what I've learned throughout my career and use that knowledge to help others drive their business is very satisfying."

Serving on Life-Sciences Boards

No matter the industry, the overall intent of a board position is the same: to protect the best interest of the shareholders and to drive maximum value for the core business. While business operations may be different among industries, the remit should be the same, Dr. Matkovits says. In the life sciences, for example, it is the technical aspects of a company that are different from other industries.

Ms. Brougham notes that the heavy focus on science innovation and cutting-edge technologies that could hold the promise of

Oops! Wrong Board

To avoid accepting a position on a board that is not a good fit for you or your professional skills, our experts recommend conducting due diligence before you commit. This includes determining the time obligation, the group dynamics, board liabilities, and its ethics. It may be tough to ask these questions during your interview, but you need to research the board as much as the board researches you to ensure a good match.

"If you find yourself on a board that isn't a good fit, it may be a good idea to first try talking with the chair person and/or a trusted advisor to see what you can do to make things better," says Carolyn Brougham, senior contracts officer, Northwestern University. "If you do ultimately have to resign from a board, make sure you've considered your possible exit strategies coolly and rationally."

Never take a serious and irrevocable action in the heat of an argument. You may also consider speaking to a personal lawyer so you understand all the repercussions of resigning, she adds. This is particularly important if you're thinking of resigning due to some wrongdoing taking place at the company. "Lastly, try to preserve relationships so that you maintain your reputation," Ms. Brougham says.

Leaving a board should not tarnish your reputation, especially if it is done graciously. For example, start the exiting process by having a conversation with the CEO of the company. Briefly explain why you are leaving the board, but mainly focus on how grateful you are for the experiences and opportunities

life-changing solutions can be exhilarating prospects compared with other industries' deliverables. In addition, the business cycle is longer than many other industries. And of course, an understanding of the regulatory requirements the industry must meet is another factor board members in the life sciences have to know.

These factors create a competitive environment for board positions in the industry. Board positions in pharma require executives to be strategic, forward-thinking, and capable of managing complexity.

you have had while working with the company. "Ensure that the CEO is the first person notified about your departure before you announce anything to the other board members and colleagues," says Chris Beaver, co-founder and chief marketing officer, The ExecRanks.

"Getting on a board that doesn't work for you certainly can happen, and it underscores the importance of doing due diligence during your board search and interview process," says Theresa Matkovits, Ph.D., chief operating officer, ContraVir Pharmaceuticals. "Make sure you are selective in the board positions that you take. Don't take the first one you can find. You really need to be selective and ensure that the strategic vision and how the company is being managed is in line with your expectations so that you avoid the situation of having to do an early exit from a board position that you may not have really been the best fit for."

A transition to find a new board member takes time, and if you have the best interest of the organization at heart, a generous transition period is a graceful way to exit. As you are wrapping up your role on the board, avoid making any negative comments to the board; you want to leave on a high note, especially since you may one day either work with these individuals again or want to use them as a reference in the future.

"Be sure to send a final farewell message to the CEO and board thanking them for the opportunity," Mr. Beaver adds. "The goal is to have a professional exit marked with style and grace."

"The pharmaceutical industry is a much more niche market than other industries and highly competitive, making the demand for experienced pharmaceutical executives much greater and the competition for board seats tougher," Mr. Beaver says. "Other industries, such as retail, telecommunications, etc., cover areas of business that translate easily from one company to the next. Pharmaceutical companies, on the other hand, are highly specialized and face fairly turbulent waters due to policy changes, cost pressures, and regulatory demands."



Whether the company is in early- or late-stage development also makes a difference as to who should be on the board. Serving as a board member for a venture-backed biotech company before the company has approved products is a very different challenge than a board seat for a later-stage company. The focus of an early-stage biotech company is to effectively and efficiently carry out R&D activities while raising enough capital to achieve future milestones.

“For a board member to add value in this environment, he or she needs to have a deep understanding and appreciation for the R&D process as well as the ability to integrate a great deal of information and make difficult decisions when necessary,” Mr. Broderick says.

He continues: “A successful board helps management allocate resources in a manner that supports the R&D programs that have the highest chance of clinical success, and an effective board member of an early-stage company needs to be flexible and comfortable altering direction when the science dictates a change in course.”

Do You Have What it Takes?

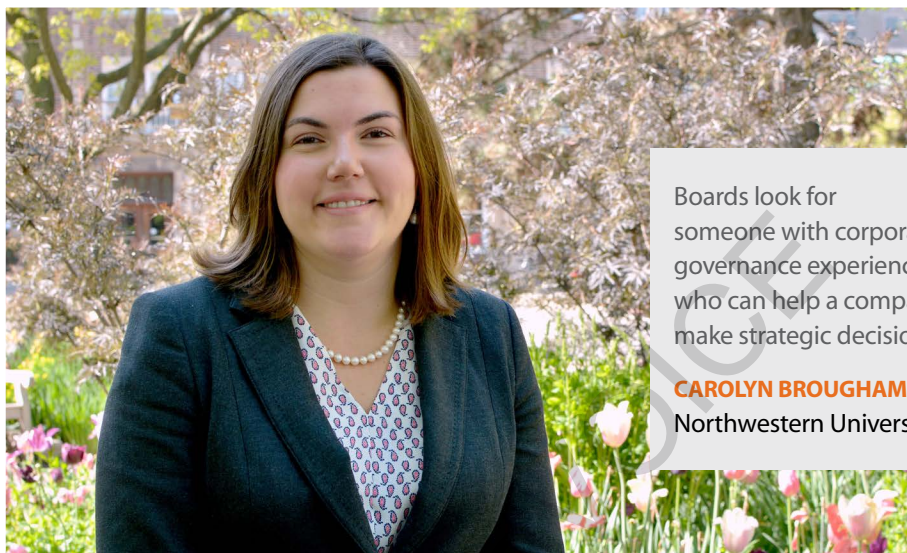
There is no one-size-fits-all board candidate, but our experts outline a few commonalities that all boards look for in its members.

“In almost all cases, boards are looking for someone with corporate governance experience who can help a company make strategic decisions,” Ms. Brougham says. “Additionally, most of the boards I work with want people who have a compatible personality, for example someone who asks the tough questions but still gets along with other board members, is prepared for board meetings, comes with diverse experiences, and has a great network. Also, most boards prefer someone with prior board experience, which can be a Catch-22 if you haven’t been on a board.”

In biotech, especially, board members are held to a high standard of industry knowledge, and they need to strike the right balance between smart risk-taking and having vision, while also drawing on past experience.

Successful board members fill gaps — making their area of expertise particularly valuable to the company.

“Boards look for candidates who have something unique to offer, especially if that’s something the company or board is currently lacking,” Mr. Beaver says. “Ideal candidates are those who not only have the right experience but demonstrate a willingness to work as a team and collaborate, as well as be respectful of opposing ideas, while at the same time they can’t be afraid to speak their mind or think outside the box.”



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CAROLYN BROUGHAM
Northwestern University

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JIM BRODERICK
Palleon Pharmaceuticals



Today’s Board Composition

Today companies are striving to create boards with a diverse array of skills, which means boards are constantly reevaluating what is needed and refreshing their makeup to keep up with changing times. Whether a company succeeds during turbulent times comes down to the board members around the table.

Our experts say they are slowly seeing the recruitment of more diverse candidates for board membership, and the desire to see a blend of board members of different genders, ethnicity, talents, and skills — all of which creates a stronger board.

“A more diverse board allows companies to leverage emerging leaders more broadly and more readily,” Ms. Brougham says. “Diversity brings more talent to the table and more diversity of thought to help drive the corporate strategy. Numerous studies have shown diversity of vision and thinking adds corporate value and drives performance. There is a positive ROI to having a diversified board table.”

Mr. Broderick says he is witnessing board composition and processes moving in a very positive direction. The more diversity in expe-

rience and perspectives to guide the company, the better. “At Palleon, we’re fortunate to have the backing of some of the most well-respected investors in the industry, and we’re proud of the diversity of our management team and board of directors,” he says.

Technology has enabled virtual meetings, which has helped increase the global make up of boards.

“Geographically, it’s an open world allowing companies to have a more global representation at the board table,” Dr. Matkovits says. “Technology allows companies to have more seamless communications within the board and to be able to virtually meet as often as needed to address issues that are time sensitive. Technology has allowed for more flexibility and a broader reach of board membership due to the virtual environment that we now operate our businesses in.”

While this may be true, Mr. Broderick prefers to hold board meetings the old-fashioned way. “It is important for boards to meet in person,” he says. “Palleon’s board meets four times per year; it is valuable for us to be in the same room.”

And one last tip from Dr. Matkovits: Don’t take on more board positions than you can

Best Practices for Board Preparedness



CHRIS BEAVER
Co-Founder and Chief
Marketing Officer,
The ExecRanks

Do a critical and honest assessment of your experience. Determine your unique set of skills and expertise, then find companies/boards that can benefit from what you have to offer. It's important to align your background with the needs of the board because this helps set accurate expectations and gauge whether you'd be a good fit. I always encourage executives to frame their expertise in a way that would be relevant to the board they're trying to join. Simply listing previous job roles on a resume doesn't show how you'll contribute to a company's specific goals, so figure out how your skills can be of value to each individual position you want.

Build a strong personal brand. The pharmaceutical industry is a very niche market, so when it comes to board roles there can be many qualified executives all competing for the same position. Your goal is to appear as the most attractive candidate for the job, and you can do that by building a strong personal brand. A personal brand goes beyond the resume and helps portray you as a well-rounded thought leader. This can be done by creating a strong online presence, including social media profiles, Wikipedia pages, personal websites, industry-specific forums, speaking at events and conferences, participating in roundtables and publishing articles.

Engage in proactive networking. Board positions are rarely advertised publicly, so you have to let people know you're interested. Reach out to your network, then do research on the companies that interest you and make introductions for yourself. Be prepared to search through targeted channels or work with talent acquisition professionals who specialize in board memberships.



JIM BRODERICK
CEO, Palleon
Pharmaceuticals

Have a strong connection and background that complements the company's mission, vision, and scientific approach.

Demonstrate proven success in making an impact that would be relevant to the company.

Have expertise that is complementary to that of other board members and executive management.



CAROLYN BROUGHAM
Senior Contracts Officer,
Northwestern
University

Speak up. Tell people you are interested in director opportunities. Don't assume people are aware of your career goals; you must make them known. You might be surprised how quickly some women are appointed to their first board seat after they start telling people they are interested in board service.

Know your value. You should be able to say succinctly what value you will add to a board. When you speak with others about your board search, be sure to tell them what types of boards you are interested in serving and what specific skills would be an asset to those boards. If people know you have specialized expertise, they will be more likely to think of you when they hear of relevant opportunities.

Grab coffee with former colleagues. Research shows that one of your most effective networks consists of your dormant connections — people you used to know well but have lost touch with. The theory is that current, active connections, such as close friends, colleagues, and family tend to give you redundant information that you already know. Dor-

mant ties, on the other hand, offer a more diverse network since they have different connections. As these former colleagues advance in their careers and start serving on boards they become great resources.



DR. THERESA MATKOVITS
Chief Operating
Officer, ContraVir
Pharmaceuticals

Engage with and learn from your own company's board. For a first time board member, it's advisable to get experience from the board that oversees your own company. Most executives approaching a board position are in a C-level role or have some visibility into their own corporate board. Leveraging that access is very important to understand the inner workings of a corporate board, especially in a public company setting. By being in the room with board members, a novice can observe the dynamics and learn their best practices, for example, understanding how chairs and other board members keep board discussions focused, productive, strategic, and on track.

Build a network. It is important to expand your network as you become more interested in sitting on a corporate board to include executive recruiters, VCs, and other board directors who you can tap into as mentors or as sponsors. Articulate your goals of wanting to have a seat at the table and give yourself visibility to people searching to fill positions.

Get board training or certification. In the early phase of your board search, it is very helpful to gain some level of board training or certification, something that gives you a little edge over others. Certifications can be added to your CV to show that you've taken the initiative to prepare yourself for a board position in a more formal setting, such as a training program.

handle. There can be such a thing as being on too many boards if you are holding a full time job as well.

"If you're in a full-time role and you're also

part of board service, and you have other board positions, your bandwidth will be so diluted you may not be able to focus appropriately on helping companies drive their strategies," she

says. "If your career is in the legacy stage and you want to pay it forward by helping companies achieve success through board service, then this is less of an issue." **PV**