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Why your board should include a woman—or two



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Posted

11/12/2018 1:00 AM



Ideas and insights matter, which means there are some extremely practical reasons that the board of directors of your small or mid-size business should include a female member—or two, or more.

The reasons why come from Kathy Graham, founder of The HQ Companies Inc., a Chicago group of four related businesses that deal in talent assessment and management, and related growth strategies; Cindy Burrell, president of Chicago-based Diversity in Boardrooms, a consulting firm that seeks to match business needs and potential board members; and Ken Hoganson, founder and CEO of the Private Directors Association, which provides support intended to help privately owned businesses create value-producing boards.

Collectively, and very much condensed here, their reasoning looks like this:

- An atypical approach. The presence of a woman, or women, on your board will break up the group thinking that often drives many decisions. Diversity of thoughts and points of view matters.
- Funding. Outside investors increasingly look for diversity in an organization, especially at the board level, before they write a check.
- Perceptions. Depending on the business, chances are that women are 40 percent or more of your customer base. Women board members provide a different read of the thinking not only of consumers but of female employees and customers.
- Image. Board gender diversity will especially please millennials who, as a group, tend to care about what businesses advocate.

Even if you're a solopreneur, having a board likely is a good idea. Outside thinking can help.

Regardless of your business' structure, choosing board members is a task that requires thought: Directors at least theoretically are the people best positioned to provide the conceptual and related guidance that will help you build a successful company.

Yet there is some concern that many businesses don't have any type of board. Hoganson, for example, worries that "We believe only about 10 percent of businesses have value-producing boards," much less boards that have any accurate reflection of the businesses and marketplaces they serve.

If Hoganson is right, the first step may be to create a productive board. If that's where your business is, or if you're a business owner seeking to strengthen your board, Hoganson, Burrell and Graham may be worth a phone call.

These days there is a particular focus on women as board members.

According to media material released ahead of this week's 7th Annual National Conversation on Board Diversity, sponsored by 2020 Women on Boards, women hold slightly more than 20 percent of the board seats at Fortune 1,000 companies. The number is a tad lower, 19.5 percent, in Illinois. (Graham can share information on Thursday's Chicago 2020 Conversation.)

There's help available in addition to Graham, Burrell and Hoganson, too. Local colleges, many in the suburbs, often have women's leadership programs that might be a valuable source of director candidates. The same is true of the estimated 1,100 trade associations and professional societies in the Chicago area.

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