



The Evolution Of The Executive, C-Suite, And Boardroom

Originally Published On The Executive Hub:

People will undoubtedly say, “there is no way this guy is old enough to have experienced working in the 80s and 90s,” and they would be right. However, as part of any sound Executive Search professional’s toolkit, research is a useful addition, and in many ways, often goes a long way.



So, how did it all look back in the ‘good ol’ days’ and how and why did it change, well;

- Back in the late 80s and 90s top leadership roles recruited for, in the boardroom and on the executive committee, would often be triggered via an ‘old boys clubs’ hire
- Start of the Dot.com era changed the way recruiting top talent was done
- Companies focused on diversity across many forms
- Sarbanes-Oxley Act of 2002
- In many businesses Boards and Executive Committees are now evolving almost annually
- During the late 80s early 90s many executives who sat on company boards, or who were part of the executive committees, were often good friends of each other, primarily guys who helped out their buddies regardless.



This all changed during the Dot.com era, which provoked new methods of hiring talent. As we rushed past the Dot.com phase, boards and the executive committees began to diversify, racially, ethnically and in gender. The Executives and Boardrooms of years gone by had radically changed, paving the way for new ideas, innovation, and equality.

This was still, however, a largely 'hush hush' environment until 2002 when the Sarbanes-Oxley Act came into play, an act passed by U.S. Congress in 2002 to protect investors from the possibility of fraudulent accounting activities by corporations. Many companies were unimpressed with the passing of this law with executives retiring early, public companies going private, foreign firms listing abroad and U.S. firms losing their competitive edge. Although, for a short period listing overseas was an option, in 2006 foreign companies listed on U.S. exchanges had to comply with the Sarbanes-Oxley Act beginning with fiscal years ending after July 15, 2007, if their market capitalization exceeded \$75 million.



For those unsure why this came into play, the Sarbanes-Oxley Act was enacted in response to a series of high-profile financial scandals that occurred in the early 2000s at companies including Enron, WorldCom, and Tyco, it truly rattled investor confidence and in turn shining an ever-present spotlight on the boardrooms and executive committees.

In the recent aftermath of the passing of the act companies listed on exchanges around the world had their information available at a mere click of a button and every board had a leading financial expert as part of their composition.

Boardrooms and executive committees, these days, are evolving almost annually. The digital/tech era is engulfing stifled, established firms with advancements taking place each and every day.



Innovative boards tend to look at things a little differently, for instance;

- Most, if not all boards will look at governance more succinctly, ensuring they have the right skills to support the Executive Committees and Leadership teams. Innovative boards will go steps further ahead into the future, predict market trends and combine them with technology advancements.

- There are restrictions with many boards on the number of boards a Director can sit, making selecting the best even more critical
- Another differentiator is that many boards have mandatory retirement age policies or term agreements. Innovative boards have sound succession plans, generally two even three layers deep

If you intend to serve on a board or an executive committee, remember credentials are king. Whether it is industry specialities, functional specialities, or if you have worked in private or public businesses you need some gravitas when it comes to the top positions. It, of course, doesn't hurt to understand their governance requirements either.

Most importantly, for people aspiring for those top assignments in this digital era, have yourself 'era ready' and try to visualise the next paradigm shift.

Many thanks for taking the time to read my post. I am passionate about people and helping them achieve their objectives. My door is always open, and I look forward to learning more about your challenges and how I can assist.