

Why Do Boards Need to Evaluate Themselves?

The pressure on boards has never been greater nor the expectations higher to deliver crucial strategic direction and leadership. At the same time, recent high-profile board failures in North America have left their mark on the corporate boardroom resulting in greater scrutiny of how boards are fulfilling their stewardship responsibilities on behalf of shareholders.

Shareholder Credibility

Boards that do not self-evaluate face the increasing risks of complacency, of not being able to attract quality CEOs or retain quality directors and of not demonstrating robust governance practices to investors. This in turn may limit shareholder value by lessening credibility among investors about the company's future viability.

Board Accountability

Having worked extensively with directors and boards, Meridien has an appreciation for the extraordinary value that the right board can add to an organization's guidance and governance. The most successful boards have Chairs and directors that regularly look in the mirror to self-evaluate.

These boards are proactive in putting a process in place to regularly evaluate their governance practices, the contributions and competencies of individual directors, and the overall performance expectations for their organizations. These boards demonstrate accountability to shareholders while raising the bar on their own level of accountability.

A strong and accountable board is one of the greatest competitive assets an organization can have today. Boards that are committed to self-evaluation can develop the insights, strategies and critical roadmaps for developing leadership capability to guide themselves and their organizations to their fullest potential.

►► The ultimate measure of a man is not where he stands in moments of comfort, but where he stands at times of challenge and controversy. ◀◀

MARTIN LUTHER KING, JR

To arrange a confidential meeting to discuss your organization's needs, call Meridien's President, Dr. Peter Stephenson at 416-972-0782.

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