

FOUNDATIONS OF  
THE EDISON  
DIRECTOR NETWORK

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The Edison Director Network is the most supportive, effective, and decisive Board member community in private equity for companies from \$5M to \$50M in revenue. We accomplish this by concentrating on four different dimensions of board leadership: Culture, Communications, Connectedness, and Continuous improvement.



## **Culture is the combination of our relationships, styles, and behaviors.**

- Trust between board members and with the CEO across all directors
- Board meetings are open and safe zones for ideas and critical feedback for and from the CEO
- The CEO should feel free to highlight emergent problems or issues in full board presence or sidebars
- There should be 100% attendance at all board meetings
- Directors prepare and ask relevant questions succinctly



## **Communication includes the process and cadence of information sharing and interaction.**

- The CEO should call two weeks before each meeting asking for agenda requests
- The board needs to talk frequently among themselves between meetings
- Board decks should be distributed to directors five days before each meeting
- A system for logging follow-ups and distributing the list the following day
- Notes taken during each Executive Session are shared with the CEO to reinforce feedback



## **Connectedness is the vision and strategy for the company and how that plays out in annual and long-term plans.**

- The long-term vision is connected to the annual plan
- Compensation plans for the executives and organization should tie to performance
- A customer and/or industry analyst presents to the board at least two times per year
- The CEO or management team should have at least one project to work on with the board every six to nine months
- Board members should offer insights during an All Hands meeting at least once a year

And how is that all measured? That's **Continuous Improvement**, the tracking and accountability throughout the entire process that transforms goals into results.

# SETTING THE TONE FOR SUCCESS

Board roles and responsibilities can vary depending on company's stage, mission, and strategic priorities. In private companies in particular, the primary mission of the board is to provide general governance for the business, oversee the company performance, hire the CEO or management team, and make decisions based on fiduciary duties. The day-to-day responsibilities and activities of a company remain with the CEO and management team. The board is not expected to run the company.

Particularly in growth-stage companies, a board is only as effective as its members want it to be, and often that starts with structure and organization. Questions to ask to ensure a strong foundation include:

What are each of us personally trying to achieve being on this board?



Are we aligned around the table on company expectations for outcome and timing?



Who shall we elect as Chairman or Lead Director and key spokesperson to the CEO?



What skills are we missing on this board, based on company plans?



In the event of a crisis or high-risk situation, how shall we conduct ourselves and vis a vis the CEO?



How do we avoid outsourcing all issues and communication to just the Chairman and CEO?



What are the criteria for making a CEO change?



What are the criteria for making a board member change?

