

AGENDA

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Want an Edge? Put a CIO on the Board These executives know both tech and strategy - a big plus

By Katie Wagner

Boards are discovering an underused asset in the C-suite when searching for new directors with technology expertise: the chief information officer.

In most cases, boards that are recruiting will go after sitting CEOs, CFOs and COOs. But as technology becomes more crucial to business success, a handful are zeroing in on potential directors who can apply tech expertise to corporate strategy. CIOs fill the bill.

Active or recently retired CIOs from companies including Campbell Soup, Goldman Sachs Group, PepsiCo and Starbucks have all been appointed to boards during the past few years at Croc's, Fossil, Symantec and Well-Point, among other companies (see table).

Dora Vell, a managing partner with Vell Executive Search who has recruited CIOs to boards, says because the CIO has a foot in each world — technology and strategy — he or she can explain to fellow directors in plain English whether a company's tech infrastructure meets its business needs. CIOs also have insight into risk management and data security, because the chief information security officer often reports to the CIO.

Finally, CIO board members can ask searching questions of executives who work in technology, such as the company CIO and CTO. "Putting on folks that understand technology at a deep level can help the board understand the risk factors, [and] it's also an opportunity to gain an advantage over your competitors," says Vell.

Despite their strategic potential, some boards have balked at recruiting CIOs, says Carter Burgess, managing director of RSR Partners' board service practice. He explains that even though boards in recent years have been interested in filling skills gaps among their directors and tried to attract new members with specific expertise, nominating and governance committees often fear that a director with narrow experience won't be able to offer a broader perspective.

Burgess tells the story of a client board that thought it wanted a CIO but changed its collective mind after holding discussions with the company's CEO and CIO. The directors worried that a CIO recruit would fall short in areas outside technology. "You don't see a lot of CIOs on boards yet because of the bandwidth issue," Burgess says.

But CIOs who have expertise beyond tech and have worked in similar fields are more likely to be scooped up, Burgess says. He points to Selective Insurance Group, whose board recently appointed TIAA-Cref CIO Annabelle Bexiga as a new director. Burgess notes that Bexiga has insurance in her background and has worked at a financial services company.

Similarly, Stephen Cannon, a director on the board of Croc's and chairman of Constantine Cannon, says the Croc's board enlisted a recruiter last year to help search for a new director with a technology background. The board in July appointed Doreen Wright, who had recently retired as CIO of Campbell Soup. Cannon says Wright is now lead independent director on the board's recently established information technology committee, but her proficiency

CIOs in the Boardroom

CIO (company)	Board
Annabelle Bexiga (TIAA -Cref)	Selective Insurance Group
Robert Dixon (PepsiCo)	WellPoint
Randolph Cowen (Goldman Sachs Group)	EMC
Stephen Gillette (Starbucks)	Symantec
Thomas Nealon (J.C. Penney)	Fossil

Source: Proxy filings, Vell Executive Search

in tech was far from the only factor that led to her appointment. For example, Wright has deep board experience. She is currently a director at Dean Foods and previously served on the boards of the Oriental Trading Company, Yankee Candle and Conesco.

"Doreen... brings a lot of expertise in various disciplines to the board," says Cannon, "IT being one of her strongest."

Dora Vell is the CEO of Vell Executive Search, a premier retained technology executive search firm in Boston. Ms. Vell is an internationally recognized expert in recruiting technology executives including: CEOs, COOs, CTOs, CMOs, CROs, board members and others. She works with VC-backed, PE-backed private companies and public companies. She can be reached at dora@vell.com.