

Board Composition

Board Diversity: Let's Make It Personal

By Robert J. Kueppers

A board seeking diversity will typically consider gender, ethnicity, and professional background. However, a focus on those factors alone may not necessarily result in diversity of thought, which often emanates more from personality.

By personality, we mean the ways in which a person tends to process information, to interact with others, and to reach decisions as evidenced by behavior. Defined in this way, personality may affect board dynamics as much as other composition considerations. Moreover, the combination of directors' personalities can affect the chemistry within the board and between the board and management.

Many people think of chemistry as comfortable communication arising from serendipity. Yet the true source of chemistry results more from the mix of personalities in a group and the ways in which they interact. Thus in contemplating diversity, when evaluating current effectiveness or future needs, board members might well consider the personalities of existing and prospective directors.

Deloitte has developed a Business Chemistry model, which employs a data-driven approach to measure observable, business-relevant traits and behaviors. The model has been used with boards and executive teams who are seeking increased diversity and are interested in bringing personality into the discussion.

Can't We All Just Get Along?

This Business Chemistry model defines four broad personalities: Driver, Pioneer, Integrator, and Guardian. These are purely descriptive; there is no best personality or mix of personalities. However, understanding

your own personality and those of your colleagues can help improve communication, analysis, and decision-making.

Here are some common characteristics of the personalities identified by the model:

■ **Drivers** are direct, decisive, skeptical, and goal-oriented, and are not consensus seekers. They process new ideas quickly and dislike small talk, waiting, and indecisiveness. They enjoy examining systems, can tolerate risk, and respond to logical arguments.

■ **Pioneers** are imaginative, intuitive, energetic, and adaptable. They make decisions quickly, but can change their minds and have a high tolerance for risk. They dislike process, details, and repetition, and enjoy exploration, theory, adventure, and opportunities to explore ideas.

■ **Integrators** are empathetic, diplomatic, supportive, and consensus seeking. They like the big picture and figuring out how the pieces fit. They dislike confrontation, competition, and aloofness. They weigh possibilities, develop understanding through stories, and have a tolerance for risk but tend to go along with the group.

■ **Guardians** are methodical, detail-oriented, cautious, and deliberate. They like facts, rules, and hierarchy, and dislike theorizing, tardiness, disorder, and statements like "I feel." They want proven principles and practices, order, rationality, answers to questions, and minimal risk and uncertainty.

Do these descriptions remind you of anyone you know? Although most people exhibit traits that overlap these categories, most hew to one dominant description.

Ideally, a board would include a blend of personalities. The resulting diversity of

thought tends to foster inclusive discussions and well-considered decisions, but it can take work to maintain harmony and momentum.

The following guidelines for factoring personality into board diversity may be useful:

■ Consider the impact of personality on the board's interactions, engagement with management, and overall effectiveness.

■ Understand your personality as well as those of fellow board members and senior executives.

■ Decide which personalities may best support specific activities, such as oversight of strategy (e.g., Pioneer) or of risk (e.g., Guardian).

■ Adjust your approach if you're "talking past" someone, but realize that this adjustment may be difficult to sustain if you're under stress.

■ Recognize any resulting bias if the board lacks diverse personalities and tends to recruit like-minded members.

In providing advice and oversight, a board can benefit greatly from truly diverse viewpoints and frames of reference. Knowledge of personality can help a board achieve that diversity of thought.



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