

Press Release

**IDDAS explores the role of today's non-executive director in new report**  
*- Portfolio careers, boardroom challenge and lifestyle change explored -*

**08 June 2011:** A new report examining the role of the non-executive director on British boards is being launched today by boardroom consultancy IDDAS. '*Board Dynamics – The Non-Executive's Perspective*', provides an insight into the attitudes and behaviours of today's NEDs, collecting their thoughts on issues including challenge, team work, quotas and remuneration.

A key finding to come from the report, following in-depth research with 26 NEDs\* is the emergence of the career choice NED. These are younger executives who consciously plan to enter into an NED role in their 40s and 50s. The trend is likely to attract those who have reached senior positions early on and see an NED role as a third career, following CEO and leadership roles.

Other key findings include:

- The majority of NEDs are reluctant to have compulsory quotas introduced to increase the numbers of women on boards
- A third think the level of remuneration for NEDs is too low given the increased workload and greater risk to corporate reputations now involved with the role. However, most acknowledged they were well rewarded and that too much focus on financial reward could compromise independence
- NEDs see challenge in the boardroom as vital to their position, however they agree this should come with an equal measure of support – a balance they sometimes find difficult
- The lifestyle and practical changes between executive and NED roles are vast. As well as stepping back and accepting less control, NEDs commented on the lack of administrative support they were used to in their office-based careers
- NEDs have mixed views on whether those from outside the corporate world such as media, HR or academics should be considered for NED roles
- Many said that the board should not be a team, rather that they should learn to understand each other and work effectively, which should be done outside the boardroom

Helen Pitcher, Chairman of IDDAS, said: “There have been a number of recommendations and regulatory codes in the last two years which, in some shape or form, have had an effect on the mind-set of NEDs. Our report aims to build a picture of the landscape in which today’s NEDs are operating, examining the pressures they face and the motivations that drive them forward in their roles.

“Where once it was considered more status than effort, taking on a NED role now comes with increased accountability which means greater debate on the skills needed to succeed. It is an exciting time to be an NED and we want the report to provide current and aspiring NEDs, board directors and headhunters with a valuable insight into this role.”

The non-executive director research is the third report in IDDAS’ ‘Board Dynamics’ series. The first, ‘*A Female Perspective*’ looked at the roles and effectiveness of female board members while the second, ‘*The Chairman’s Perspective*’ focussed on FTSE 350 Chairmen, looking at their ideal skills and the relationship with their CEO.

\*26 NEDs were interviewed. They came from a mix of sectors and held 66 NEDs between them – eight on FTSE 100 and nine on FTSE 250 companies. Seven were female, the youngest was 39, and the oldest 66.

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### **Note to Editors**

IDDAS, a member of the AIM listed Savile Group Plc, is the only full service organisation meeting the needs of individual directors and boards through a range of services which include: assessment, coaching, mentoring, facilitating, board effectiveness reviews, corporate governance, ethical leadership and women & boards.

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