



Corporate Board Member What Directors Think: Special Issue 2003

Feature Story

Disagreements With Other Directors

When have you been disappointed by a board decision? What did you do about it?

Lack of adequate information and disclosure is a common complaint. Advice on what action to take ranges from getting mad to getting out.

The only times that I have been disappointed are when something has been dropped on the board at the last minute. You're asked to look at something at the same time that you have to deal with it. Directors need time to think through information and have a good dialogue, rather than being railroaded toward a decision.

Timothy Chrisman, 57

**President and CEO, Chrisman & Co., Los Angeles
Hawthorne Financial Corp., MCSi**

Absolutely, I've been there. The answer is, if you can't reconcile your views with the views of the larger group in some meaningful, thoughtful way and if you can't get comfortable with what they're planning to do, you've got to get off the board. I've taken myself off boards because of situations like that. More than 10 years ago, I sat on a board where I felt the accounting practices were so close to the edge that they were misleading and ultimately could be damaging to the company. My views were not shared by others, and so I left the board. Usually you'd want to effect change in a situation like that, but if there are a number of people aligned in a certain way and they don't want to hear you out, you can't do anything but take yourself out of the picture. I sat on the board of a company that was dominated by one particular family, and I thought that the process of assessing talent and compensating talent was skewed somewhat by the family dynamics. The family self-interest rose to a level that was higher than shareholder interest. There was no way to change that, and so I removed myself from the board.

Steven Dodge, 58

**Chairman and CEO, American Tower Corp., Boston
Nextel Partners, Sotheby's Holdings**

I've had only one instance. We had an annoying board member who didn't seem to remember from one meeting to the next what had transpired. So he was taken to breakfast. In our vernacular, 'breakfast' means he was a do-over gone. Thanks, but no thanks. He did not stand for reelection.

Peter J. Rose, 60

Chairman and CEO, Expeditors International of Washington Inc., Seattle

I have been disappointed in the past, not with my current board where I felt there could have been more disclosure and discussion up front about certain items. Later on we found out additional details about those situations that would have been helpful at the beginning in terms of making good decisions. In those cases, it was definitely pointed out to the chairman and the CEO that they needed to fully disclose all the pros and cons of the proposal, not 100% of the pros and 50% of the cons.

Richard W. Kelso, 66

**Retired CEO, PQ Corp., Valley Forge, Pennsylvania
SPS Technologies**