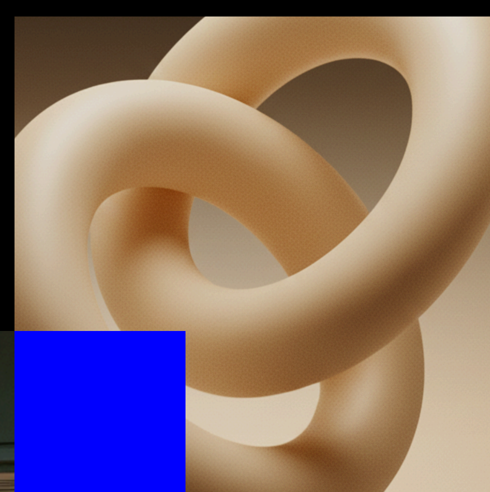
The Board Placement Playbook

A practical guide for PE operating partners and portfolio talent leads from identifying the gap in expertise to getting someone in seat.

George Matthews
Vice President, Advisory & Placements



Making a board placement is a nuanced decision. Success — and the value that follows — depends on a smooth, well-planned process that's tuned to your particular needs, from start to finish. To help you clear common stumbling blocks, we've written the following playbook based on lessons we've learned during our many years supporting placements across sectors.

Know whether, and when, you actually need one

Not every portfolio company needs an external board appointment, and among those that do, not all need one immediately after close.

A non-exec should complement the existing team and plug key skill gaps in the boardroom. You may not get a clear picture of those gaps until you've spent five or six months with the management team. Some firms never make an external board appointment at all, relying on the fund's own operating partners for oversight.

These are legitimate choices. Where many firms misstep, though, is launching a search reflexively before they know what they need.

Before starting any search, get a crisp picture of what this person is supposed to bring that the existing team doesn't already have. It could be sector expertise the deal team lacks, financial governance credibility the CFO can't provide alone, or founder relationship experience the fund doesn't have internally. Don't move forward if this isn't clear. A vague brief produces a vague shortlist, which wastes everyone's time.

One distinction worth making early: a chair and a non-executive director are different roles with different urgency profiles. Most PE-backed businesses need a chair – someone to run the board, manage the dynamic between the fund and management, and provide continuity across the hold period. That appointment often can't wait. An independent non-exec, on the other hand, is more situational. Both deserve clear briefs, but they shouldn't be treated as interchangeable.

Define the brief

Naturally, the success of your board search starts with the quality of your brief. Many otherwise well-executed searches fail because they fall short in this important preparatory work.

Start with a simple exercise: List the functional expertise, sector knowledge, and governance experience that already exists on your board and senior management team. Then identify what's missing. Be specific. For example, "someone who has run a DTC brand through a wholesale transition and sat on a PE-backed board before" will give shape to a much sharper shortlist than "consumer sector experience."

From there, prioritize ruthlessly and force-rank your criteria. What will this person absolutely need; what's valuable but not essential; and what would be redundant to the value creation plan? The difference between your top two criteria and your third and fourth can be significant.

The criteria usually parse into general buckets, which should consider more than just the candidate's CV:

- **Functional expertise.** Should they bring a finance background, commercial, operational?
- **Sector experience.** B2B SaaS, industrials, business services, etc.
- **Situational experience.** Do they need turnaround experience, PE experience; what size/scale of business do they need to have experience with?
- **Behavioral fit**. Being on a board means dealing with big characters – a director is the interface between the C-suite and a PE fund. Success tends to demand a specific set of interpersonal skills and behaviors. For example, the right placement may need to be able to challenge a CEO and hold them accountable without creating an adversarial relationship.
- **Availability.** Non-executive directors might work one day a month, and the best often sit on multiple boards. Before fixating on a candidate for their acumen, understand their existing commitments. A great candidate who's already stretched across four boards may be more of a risk than a prize.

Understand the talent pool

Non-executive directors are a fundamentally different talent pool than executive candidates. Firms that approach both the same way run into the same problems.

Recruiting full-time executives usually means convincing someone to leave a job and change their life. It's a high-friction process that requires significant outreach, relationship-building, and time. Non-executive directors, on the other hand, tend to be post-full-time. They're usually senior operators who have stepped back from day-to-day executive life and built portfolio careers sitting on boards, advising funds, and taking on interim mandates. Their professional situation generally makes them more accessible and open to conversations than executive candidates.

The distinction means the search and placement process should be different. You're offering candidates an interesting new commitment that fits alongside everything else they're doing. The search can move faster, the evaluation can be lighter, and the decision-making on both sides should be less fraught.

The right provider for a board search isn't necessarily the right provider for an executive search, even though many big firms in the market offer both. What matters is whether the provider has rich access to that non-exec network, not just a board offering tacked onto an executive search practice.

Don't hesitate to use your own network before committing to a provider. Most funds have relationships with senior operators they've worked with before who know the sector well. The goal of a search is to give you confidence that a candidate – whether they're from your network or beyond it – is genuinely the best available option, not just the most convenient one.

Run a process that fits the role

Almost all PE board searches that take on unnecessary risk or run astray do so at this point in particular – they default to a process that's designed for a different kind of search.

For full-time roles, traditional executive search firms engage clients with a sensible model: upfront retainers, structured longlist-to-shortlist processes, regular update calls, and formal presentations. A CEO hire warrants that level of rigor. If the placement fails, stakeholders want to know the team followed a thorough process.

Non-exec board searches don't require nearly as many touchpoints, participants, or meetings. The stakes are different, the talent pool behaves differently, and the firm's needs are different. PE firms managing board searches are not looking for a six-week process with a shortlist presentation at the end. They need to meet good people quickly, assess them efficiently, and make a decision.

Prosecuting a full executive search process for a board placement applies an elaborate solution to a problem it's not designed for, creating cost and delay without adding proportionate value.

Here are a few principles for running a board search well:

Maintain flexibility – don't commit before you've seen the market. A retainer-based search commits you to a solution before you know whether it's the right one, introducing unnecessary risk. Keep your options open if you can.

Don’t waste time once you know what you need. Once the brief is clear, there’s no reason a board search should take multiple weeks to surface good candidates. The talent pool is accessible and the conversations are lower-stakes than executive interviews.

Evaluate differently than you would with an executive. Board candidates don’t need to be interrogated the way a CEO candidate does. The most important questions are different. You can get the answers you need from a few direct conversations.

Reference rigorously, even if the process is lean. The process should be light but careful. Referencing should be thorough – ideally with people who have worked with the candidate in a board context.

Set the director up to add value

A board director who isn’t properly onboarded could take upwards of six months to find their feet. And in a PE-backed environment, that's six months of value left on the table.

Brief them properly from day one. Share the investment thesis, the value creation plan, the key risks the deal team identified during diligence, and an honest assessment of the management team. They shouldn’t have to tease this information out of board papers. The faster they understand the situation, the sooner they will contribute.

Be clear about what you need from them. A board director who doesn’t know whether they’re there to mentor the CEO, challenge the strategy, or provide specific functional expertise will default to whatever they’ve done on other boards, which may not be what you need. The brief you wrote at the start of the search should translate into expectations for the role.

Create the conditions for the board dynamic you want. The relationship between the fund, the board director, and management is critical to whether the appointment adds value. A non-exec who is perceived as the fund’s agent will not have the management team’s trust. One who comes in as a genuine independent voice with clear expectations will.

To see how this approach looks in practice, read our recent case studies — including board chair, audit committee chair, and independent director placements across a range of sectors and fund sizes.

Ready to start reviewing candidates? Connect with the GLG Advisory & Placements team at **advisors_placements@glgroup.com**.