

The Board of Directors as a Mentor



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Mentor – a wise or faithful advisor or monitor

- The counselor of Telemachus, according to Homer



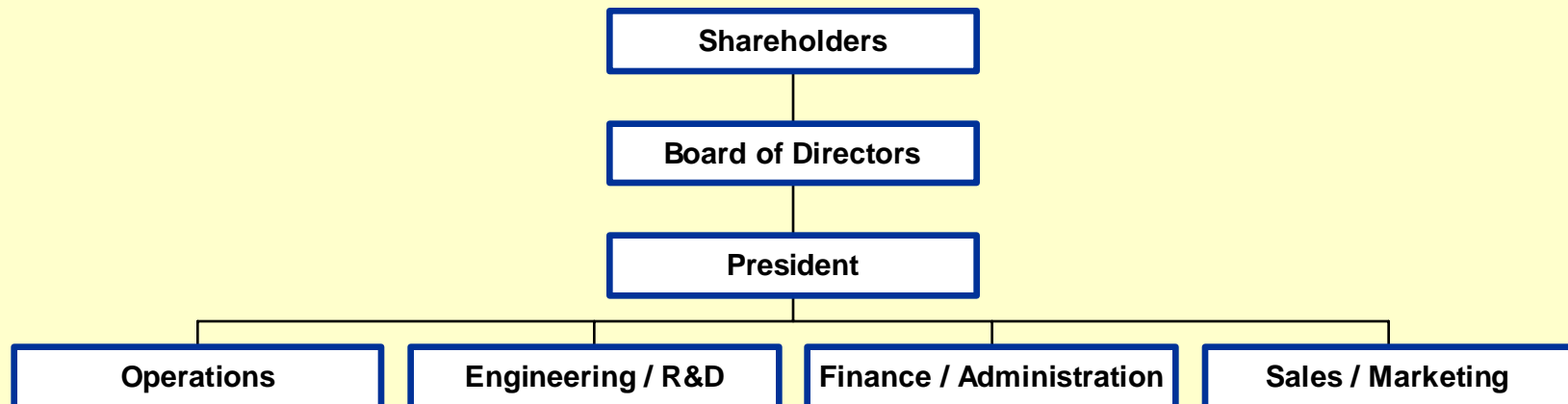
How can a Board act as a Mentor?

- Focus on the CEO
- Rely on him or her to mentor others
- Don't get into the kitchen



The Management Hierarchy

Functional Organizational Chart



The CEO reports to the Board

- Not to the Chairperson
- Any member of the board can provide mentorship
- But messages must be consistent
- The chairperson must see to that
- The chairperson does the performance appraisal

Mentoring vs Governance

- Governance involves “what” management
- Mentoring involves “how” management

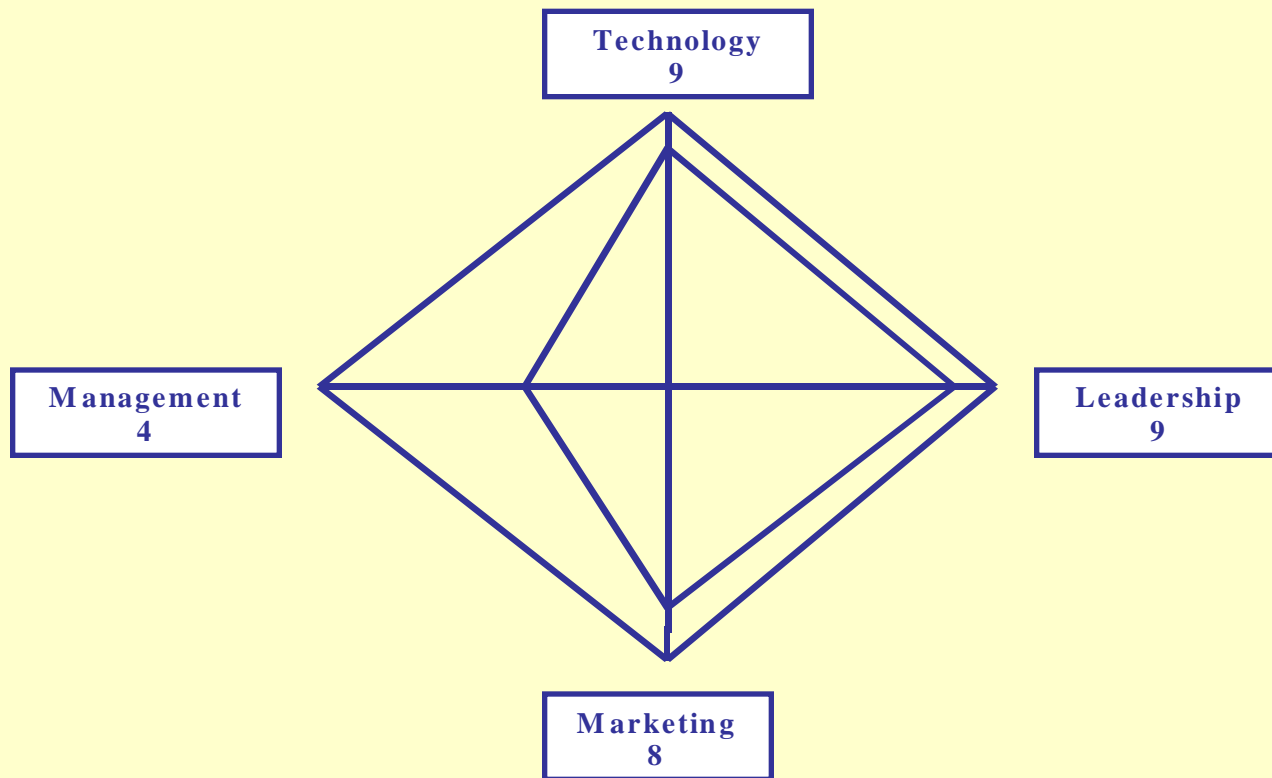


Governance Tools



- The annually updated strategic plan
- The annually updated budget
- The annually updated operating plan
- The monthly updated four-quarter rolling forecast

A Useful Mentoring Tool



How Far Can the Founder Go?

- History shows that founders to accept mentorship can go a long way.
- Terman and Hewlett-Packard
- General Doriot and Ken Olsen of DEC
- Bill Thompson and John MacDonal of MDA

Venture Capitalists Have a Special Role to Play

- They witness a broad range of management practices
- They have access to outside mentors



References

- Mentorship in Technology-Based Companies – Science Council of British Columbia – 1996, www.scbc.org
- Making Technology Happen – Doyletech Corporation – 2001, www.doyletech.com