



## Conversations

### 9 Key Learnings on the Role of the Board in Scaling Technology Enabled Businesses

**Bvalco's Alison Gill in conversation with Colin Tenwick, 17th June 2021**

Colin Tenwick has substantial experience helping organisations grow and scale. In conversation with Alison Gill, Colin discussed how Boards can approach the opportunities and challenges posed by upscaling.

Below is a summary of the 9 key learnings:-

**1)** Companies that have scale-up potential already have a proven business model. Scale-up can be achieved in multiple ways. The focus may be on doing more of the same and/or on growth vectors – geographic, vertical and

horizontal expansion. The management team may have taken the business to a certain level but the opportunity to accelerate extensive growth requires additional capital, and the ambition of the management team, to exploit the growth opportunity.

**2)** A Chair needs to assemble the right board skills that can fully support the business strategy - understanding the relationship between product, analytics and technology, adding value in key areas such as technology enablement

and customer engagement and the key building blocks of growth, whether organic or through M&A.

**3)** Raising capital can take a disproportionate amount of management time, especially in the early stages of company growth when the business case is less proven; the board's responsibility is to balance focus on the cash position and sourcing capital.

**4)** The Chair needs to keep the 5-year plan tethered in reality. As the company evolves you need to ensure you

have the right skill set in the leadership team; for example, with M&A, the company must be set-up to integrate new businesses effectively, culturally as well as strategically.

**5)** In a rapidly growing business, you need regular and effective reviews of the board membership, with regular reviews and good, clear open discussion and assessment of the skills you need, allowing you to make changes, if needed, in a systematic and fair way.

**6)** With technology transformation, both the board and the management team need to ensure that the business strategy has clear, measurable outcomes with the management team able to articulate clearly what the transformation is going to be able to do for both the business and for shareholders.

**7)** Boards should bring diverse skills together and you want your non-executive directors to be point person on specific areas, often working with people below the C-suite level.

**8)** With length of tenure on the board, nominations committees need to be open and honest and take time to have the right discussions; transparency and openness are key.

**9)** Age should not be a determinate of value on the board, it's the skillset that's important; in the same way that older candidates can have extensive understanding of technology transformation, boards need to consider younger candidates also to achieve diversity of thought and expertise.



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