

What Makes a Good Director? “Noses In, Fingers Out”

Here's a tip from the sixth edition of our popular publication [The Public Company Handbook](#), which is an easy-to-read guide that provides practical insights regarding legal and other board management issues facing public—or soon-to-be-public—companies.

This tip involves considering the question of "what makes a good director?" Set expectations for your Board members from the outset. Candidates should be ready to devote ample time to learn and give guidance to company officers, while knowing when to stop short of usurping management. An effective director will:

- Learn about the company. Stay informed by visiting physical locations. Ask questions of management. Learn from informal communication with others.
- Review (or, as chair or lead director, develop) agendas and related materials in preparation for Board and committee meetings.
- Attend and actively participate in Board and committee meetings.
- Respond promptly in crisis situations.
- Ask tough, probing questions. Come to each meeting armed with a short list of questions and expect answers.
- Insist on clear and responsive answers.

In short, "noses in, fingers out."

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