

Top Ten Benefits of a Second Generation Board Portal

BoardVantage

1. Director Visibility
2. *Global Access*
3. Process Control
4. *CS Efficiency*
5. Central Repository
6. Confidentiality
7. Risk Mitigation
8. Reduced Costs
9. Privacy
10. *Executive Collaboration*

Abstract

For confidential communications at the board and executive level, companies have traditionally relied on a combination of email and paper-based processes. But the advent of geographically-dispersed boards and mobile executives have triggered a demand for a more immediate, yet confidential, form of access. To address this need, companies large and small are turning to 2nd generation board portals, which combine rich functionality with ease-of-use, while preserving strict confidentiality and tight process control.

1. Director Visibility

Communication to the board has traditionally been limited to quarterly in-person meetings, but that is becoming a thing of the past. Globalization and increased regulatory scrutiny has resulted in a quickening in the pace of board work and the need for greater responsiveness of individual directors. Portal technology is better equipped to deal with this dynamic than traditional paper process because the portal provides ubiquitous access combined with the highest level of commercially available security.

2. Global access

With a portal, directors have immediate access to any document whether working in the office, at home or on the road. All new material can be reviewed with a single click and board agendas are designed for easy navigation. Scan an agenda at a high level or use hyperlinks to drill down on details in supporting materials. Director-friendly portal design makes information access easier than paper because Web-enabling permits documents to be organized in the project context. For traveling, directors can

download materials in a secure offline repository and annotate pages in preparation for the board meeting.

3. Process Control

CEOs are quick to see the value of rapid and efficient communication, but may fear that introducing a portal means a loss of control over process. That fear is unfounded. The latest architecture allows for asserting control, where previously it was absent, by letting the CEO, or his proxy, engineer in business rules around information dissemination. 2nd-generation portals are designed with an extraordinary emphasis on usability, far beyond what's expected in a typical business application, permitting the management of access rights via simple dashboards, so that only authorized users can view content.

4. CS Efficiency

Although not always appreciated by outside observers, extensive planning, coordination and painstaking execution are required to keep the board communication process running smoothly. Workflows let corporate secretary staff populate the portal quickly and notify directors of the availability of new information. This translates into a significant efficiency boost in all aspects of board communication and a dramatic reduction in the amount of time consumed by document preparation. Tasks that used to take two days, now take two hours.

5. Central Document Repository

Today many CS offices rely on a network disk or enterprise document management systems to provide shared access to documents. These older systems suffer from poor user

interfaces and were never designed to be accessed remotely. Typically this represents an insurmountable problem for directors. Modern Web-based portals combine a fully searchable central repository with an emphasis on ease of use that lets directors use full-text search for retrieval of archival documents.

6. Confidentiality and Security

Leading board portal companies have heavily invested in security, meeting the rigorous SAS70 Type II standard which mandates an annual audit by independent third parties. This is a comprehensive review of product and process and is valued by IT departments for its thoroughness.

7. Risk Mitigation

A good board portal is designed with confidentiality as a primary objective, but there are other architectural and functional advantages that dramatically reduce risks. Document purging allows for enforcement of retention policies, and unlike standard office email systems, board portals permit a full and complete purge of individual email messages so that email messages that might become the basis for discovery in litigation can be purged at the desired time. Also new portals are programmable so that downloaded documents are automatically eliminated from a director's desktop computer or laptop at pre-set times.

8. Reduced Printing Costs

A typical F1000 company spends about \$40,000 per year in print cost for their board. Although print cost reductions are the most dramatic if a company goes entirely paperless, companies will still realize significant savings if they cut the number of board books distributed in half. For very large companies, particularly in regulated industries, cost reductions can be substantially greater. For small and midsize companies the numbers are smaller but they are still significant.

9. Privacy

All portals are designed to guard against confidentiality breaches, but 2nd generations systems also respect the privacy of individual directors. That means that usage patterns of directors are not tracked and vendor staff has no access to any customer content.

10. Focal Point for Executive Collaboration

2nd Generation portals were originally developed to meet the confidential communication needs of directors in large corporations. Since those beginnings, functionality has evolved to incorporate the needs of dispersed leadership teams of officers, executives and outside advisers. That stands to reason. The schedules of company officers and other key executives are often driven by M&A discussions, reviews of the company's top line, and other highly confidential matters. But the means at their disposal to conduct these communications are less than satisfactory.

Historically the medium has been paper, but it is rapidly falling out of favor because today's volumes of information make it a bulky, slow and inflexible option. Email is sometimes substituted, but although email offers the benefit of immediacy, it is crippled by notoriously weak security, and the fact that email clients were not designed for downloading and organizing large files and other high volumes of information. The benefits of 2nd generation portals include improved collaboration, better decision support, and timely information access, responsiveness in urgent situations, higher staff productivity and protection against leaks of confidential information.

About BoardVantage

BoardVantage is the leading provider of 2nd generation board portals, with clients across multiple industries and in all sizes—including over 20 Fortune 100 companies. BoardVantage provides a secure and user-friendly Web portal for centralizing confidential documents, processes and communications. The company also provides productivity tools for populating the portal and workflows for managing board process such as written consents and director questionnaires. BoardVantage is SAS 70 Type II certified, and meets or exceeds the standards of the most security conscious IT departments, including those of major financial institutions.

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