



The New Director's Chair

Conversations with business leaders about changing board dynamics in an age of disruption.



Mark Thompson

Organizations Need To Be More Open, Flexible And Adaptable To Change



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Mark Thompson, the former CEO of The New York Times Company who is now lead director at Ancestry, shared timely insights with me and my colleague, David Reimer, CEO of The ExCo Group. [Subscribe here](#) to receive all our interviews with board directors.

Reimer: How have conversations in the boardroom evolved in recent years?

Thompson: It's become really clear that leadership is about change. It's about change as an incoming mixture of threat and opportunity. And it's about strategic organizational change in response to the external changes. We're living in

an age with many more discontinuities than we had a generation or two ago.

Whether you're a CEO or a member of a board, a big part of your responsibility is to help your organization figure out how to think about all that and how best to respond. It's not about trying to find the perfect strategies. It's more about helping organizations to be more open, flexible and adaptable to change. If you do that well, you worry much less about changing a strategy because you can figure out what's not working and quickly pivot.

Bryant: People generally don't like change and uncertainty. How do you get employees to be open to the idea of transformation?

Thompson: It starts with the CEO looking in the mirror and being honest about whether they are open to change. The world is full of CEOs who talk a lot about how they love innovation and entrepreneurship, but if you look closely at their actual behaviors and the signals they're giving their organization, that's not true.

They actually want a quiet life. They want every proposal for a new project to come with a guarantee it's going to make money and it's going to be big enough. Particularly for big, successful companies, there's an expectation that a new idea has to be a \$100 million idea right from the start.

So what does being an enabler of change look like? One thing I figured out quite late in my career is that change is like a battlefield. Most of the actual ground is going to be won by people in their twenties and thirties, and a lot of the best decisions on the ground are going to be made by them. So that requires a degree of letting go by leaders.

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It's about being realistic about who is going to be open-minded and drive change. And it's not about ageism. It's not saying that young is good and old is bad. I'm talking about people who are not very tenured and haven't got a vested interest in the way things are done now.

We had a great moment shortly after I joined the *New York Times* [in 2012]. We had a large strategy meeting that included people from the newsroom and the business side to share some initiatives that each side was working on. At one point, four young videographers were talking about their experiences making videos. Somebody asked them, "How often do you look at the print version of the *New York Times*, either on Sunday or during the week?"

And they laughed. They didn't say, "Not very often." They just laughed. And there was a kind of hush in the room. You want moments like that to help wake people up to the fact that they may have to do something different. And you need to make sure the younger employees don't get punished or treated with contempt or amusement when they do speak up.

Reimer: How do you think about the board's role in driving change?

Thompson: Aside from the usual responsibilities of a board, directors genuinely need to be a catalyst for change and help the leadership think about these big challenges. You want a board that is in some ways a pathfinder for the organization by bringing external perspectives and a lack of investment in the status quo to the table.

I see boards playing two broad roles. One is compliance and making sure all the necessary controls are in place for prudent management. But they also need to be hungry to reach for opportunities. That can be hard for boards because those can seem like two very different muscles. If you accept that premise, then you want a board, at least collectively, to be good at both.

Bryant: In all the coaching and mentoring of senior executives that you've done over your career, what are the themes that come up most often?

Thompson: One is self-confidence. It's very easy to think that an organization is very political, and that you should try to figure out what's acceptable to say and what's not acceptable to say. And so people become afraid to stick their head above the parapet because they might offend someone powerful and their career will be stymied because

of that.

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A lot of people don't really like to take risks, and it's too easy to ask for permission first. And in many organizations, getting permission for something bold and brave is almost impossible. If you ask permission, it will be refused. So you have to just figure out a way to make things happen, even if it means starting smaller. The point is that strong executives have an opinion, and they have the courage to make the case for their opinion and make things happen. And you may fail. But if you try to avoid any failures in your career, you're bound to end up being extremely cautious.

When I'm advising CEOs, I often tell them how easy it is for their vision to get lost. An organization, even without really meaning to, has its own agenda. It has an immense amount of stuff to throw at the CEO in terms of meetings. And so there's a battle for your calendar. And if you let your schedule just fill up by itself, you won't have any time to think about strategy, and you can actually start forgetting the plans you promised to implement when you first stepped into the role.

You got the job because you had a big, clear vision of what you wanted to do. But you can certainly lose sight of it. A good practice—conceptually, if not literally—is to spend half an hour at the beginning of each week reminding yourself about your vision. You then spend the rest of the week reminding everyone else about your vision and your fundamental intent for the company. Customers matter, and Wall Street matters, but the most important people in many ways are your colleagues because they're going to do most of the work of driving change.

Reimer: When you were CEO at the Times, you publicly set a goal in 2015 to double digital-only revenue to more than \$800 million by 2020. That was a big bet at the time. You don't often see CEOs setting such specific targets.

Thompson: I'm a firm believer that you need those kinds of big goals and you need to almost handcuff yourself to them

so that people think, if he doesn't get there, he's going to have to resign. That sort of commitment makes a difference to people, and they start to believe what you believe. There's some risk to that approach, but it can be effective, and I've used it often in my career.

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