

# PUBLIC SECTOR



## From the forces to the boardroom

Former military personnel looking for a directorship should capitalise on their existing skills, develop networks and demonstrate superior corporate governance attributes, writes Alexandra Cain.

**G**lenn Keys MAICD, co-founder and managing director of Aspen Medical, tells a story about the West Africa Ebola outbreak that shows the value of having former military personnel on a board of directors.

The “global leader in expeditionary healthcare services”, Aspen Medical managed seven Ebola treatment units across Liberia and Sierra Leone during the outbreak in 2014.

The business was aware that medical staff treating Ebola patients were contracting the deadly virus: 14 of the 28 Médecins Sans Frontiers staff that contracted Ebola did not survive.

Nonetheless, Aspen Medical was prepared to provide an emergency response for the US, UK and Australia.

None of the organisation’s staff contracted the disease.

Keys says the reason the business was willing to take on the work was because he was confident that risk management strategies he had learned in the military could be applied to this terrible situation.

A former test flight engineer for the Australian Defence Force, he says boards that welcome directors with a military background can benefit from the same risk management focus.

### Lessons from the military

Retired Brigadier Gary Bornholt AM CSC served in the army for more than 33 years. He has been a director on the SAAB Technologies and Apparel Resources boards.

Bornholt says a long career in the military has the potential to give directors broad exposure to financial management, decision-making and being accountable for others. “It taught me to be more than a manager; it taught me about leadership,” he says.

Scott Howe, managing partner of performance management business Asque and a former commando with the British military, has a clear understanding of the value his experience brings to the boardroom.

In particular, he says having a military background gives directors an edge in their ability to lead. Serving in the armed forces also gives individuals not only specialist knowledge in a certain field but also the communication skills to express



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SCOTT HOWE

that knowledge with people from all walks of life – including directors. But heightened decision-making abilities is the real gold in a military training.

“You don’t have to wait until you have 100 per cent of the information you need to attack the enemy. We get 80 per cent of the information we need, make a decision and go for it. In business, people procrastinate because they are trying to gather all possible information. By doing that they stifle any decisions that could be made.”

### **Avoiding culture shock**

While there are many lessons the corporate world can take from the military, former servicemen and women switching arenas will also need to make adjustments.

Finance is one area of particular difference – those in defence can be accustomed to working with big budgets, so moving into civilian life and adapting to more constrained resources can be challenging.

“Numbers are where you spend the most amount of time in a civilian organisation. It’s an issue some defence people struggle with when they move across,” says Keys.

“It’s also important that former military personnel understand the nuances between finance and

commerce. Something might look good financially but commercially the terms may be dreadful,” he says. Keys’ parents ran their own business so he was exposed to commercial realities from a young age. He has brought this experience, along with an MBA, to his commercial life.

For Keys, a successful transition from the military to civilian life involves high self-awareness. “In the military you are taught the people who are successful are those who are confident and trust their abilities. To transition into a different environment, you need to understand your strengths and weaknesses and find a way to deal with them.”

Conversely, Keys says there should be a greater awareness at board level that people with military experience bring unique capabilities that are not always well developed among the civilian population.

“They should be sitting down and asking: ‘Do I have someone who really gets strategy, or someone who knows how to make hard decisions?’ That’s where they’re going to see the benefit of having ex-military people on their board,” he adds.

Conversely, Bornholt says he found that moving to a boardroom role was a reasonably seamless transition.



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“Completing the Australian Institute of Company Directors’ (AICD) *Company Directors Course™* before I retired was very important, particularly in confirming the how and why of balance sheets and interpreting financial transactions in the business. This was critical to ensuring personal confidence to participate in a business,” he explains.

### **Getting a gig**

While former military personnel have a range of attributes that are attractive in a director, getting that all-important first directorship still requires effort.

Mark McConnell FAICD is a non-executive director of Citadel Group, a \$250 million technology and services company. He sits on a range of other boards including the GWS Giants AFL Team Foundation and Cricket ACT. He was formerly an air force officer.

McConnell says that being very active in a range of industry associations and chambers of commerce as well as joining advisory boards, helped him achieve a referral for an opening on a public company board. “Keep developing relationships and skills,” he says.

Rather than seeking a board position immediately after retiring from the military, Bornholt's path to the boardroom was circuitous.

"I was asked to apply for management positions with a number of businesses, but at the time did not want to lock myself into a full-time role. But some businesses approached me to become a director on the basis of the resume I provided and the value I could bring from my experience," he notes.

As for Bornholt's advice for other military personnel hoping to transition from the military to the boardroom, he says proper qualifications are essential.

"Complete the AICD's course as part of your transition. It's invaluable for your self-confidence. Then be prepared to work hard on

the board to ensure the business and its executive directors and managers are successful; you are not a critic but rather an enabler," he says.

McConnell's advice for military personnel looking for board seats is to spend a lot of time listening.

"The former Chief of Army, four star general, General Peter Leahy AO GAICD, sits on our board. When he joined our board he was self-deprecating enough to say, 'I know what I know and I know what I don't know. I've got a lot to learn. I want to do a lot of listening.'

"That was an amazing thing for such an accomplished career officer to admit and he has been a stand-out board member."

Ultimately, the strictures that apply to civilians when applying for

a board role are also relevant for former military personnel.

Be very clear about the attributes you bring to the board, develop networks in the boardroom community and demonstrate superior corporate governance skills. Former military staff who can do this have the potential for a bright boardroom career after they have finished their service in the armed forces. ■

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