Secure Portals for Senior Leadership

"..consolidating three facilities would result in..."

"..we received this from our lawyers today..."

"..this acquistion would change the market..."

Abstract

For confidential communications at the board and executive level, companies have traditionally relied on a combination of email and paper-based process. But the advent of geographically-dispersed leadership teams 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 BoardVantage its second generation portal combines the requisite functionality and ease-of-use for collaboration among senior executives while preserving strict confidentiality and tight process control. The key benefits of the portal can be summarized as follows:

- Excels as a focal point for executive collaboration
- Centralizes control with the CEO
- Raises visibility for board members
- Mitigates communication risks
- Delivers an attractive ROI

A Focal Point for Executive Collaboration

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 as an alternative, but although email offers the benefit of immediacy, the medium is crippled by the 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 BoardVantage second generation portal takes a different architectural approach to this challenge by transforming a collection of large documents into a Web-centric environment with all the benefits that accrue when any process is web-enabled: increased speed, higher efficiency and greater control, while delivering superior security. Key benefits for executives include:

• **Global Access**: With BoardVantage executives have immediate access to any document whether working in the office, at

home or on the road. Equally important good portal design makes information access easier because Web-enabling permit documents to be placed in the proper context and hierarchy of a given project

• **Centralized Access:** Often projects rely on a network disk or commercial document management system to provide shared access to documents. This approach centralizes the repository but available systems invariably suffer from poor user interface engineering which undermines adoption. BoardVantage addresses this challenge with an architecture that combines a fully searchable central repository with an emphasis on ease of use and intuitive workflows that take into account usage patterns and system preferences of non-technical executives and directors.

• **Self-Sufficiency:** Tailored workflows for Web-publishing let executives and their assistants populate the portal quickly and notify their task forces or committees of the availability of new information. This functionality is particularly useful when executives drive ad hoc initiatives that require rapid response and ready information access.

Control for the CEO

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. BoardVantage allows for asserting control, where previously it was absent, by letting the CEO, or his proxy, engineer in business rules around information dissemination. Designed with an extraordinary emphasis on usability, far beyond what's expected in a typical business application, the system provides the CEO three levels of control:

• Access Control: Portal Access rights can be programmed via a simple dashboard so that only authorized users view content. In addition, individual documents can be targeted to a work group if it is necessary to differentiate on the basis of organizational role, function or title.

• Content Control: Corporate retention policies run the gamut from "preserve everything" to the view that "less is more". Regardless of where a particular organization's policy falls on this continuum, BoardVantage permits its enforcement. This means that documents or emails can be eliminated from the system using pre-set expiration dates or kept for the long-term if so desired.

• Process Control: A CEO can choose what, how, and how often, he or she wishes to

communicate on company initiatives, and do so without putting an unnecessary burden on the responsible executive or support staff.

Frequent updates are painless because dissemination of large volumes of information is automated through workflows.

Visibility for Board Members

Communication to the board has traditionally been limited to quarterly in-person meetings, but that is becoming a thing of the past. Globalization, quickly emerging macro-economic trends and increased regulatory scrutiny has resulted in a quickening in the pace of board work and the need for greater responsiveness of individual directors.

The BoardVantage portal 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.

• **Confidential Access:** Developed to deliver sensitive documents to geographically-dispersed board members, regardless of location, directors have board and committee materials at their fingertips at all times.

• **Instant Access:** 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. In case of emergency meetings directors are notified of updates with confidential alerts.

• **Online and Offline**: Directors can download materials in a secure offline repository and mark up pages in preparation for the board meeting with industry-leading annotation.

Risk Mitigation

The BoardVantage portal mitigates risks in ways that are simply not possible without a second generation portal. The system was designed with confidentiality as a primary objective but there are other architectural and functional advantages that dramatically reduce risks associated with confidential communication. These include:

• **Single Record:** A central repository makes it straightforward to eliminate documents in the ordinary course of business. Document purging can be completed under a retention policy or on an ad hoc basis. Also a purge is comprehensive; the portal is programmable so that downloaded documents are

automatically eliminated from a director's desktop computer or laptop at pre-set times.

• **Secure messaging:** BoardVantage includes a closed-loop alternative to desktop email, only accessible to authorized users, so sensitive subjects, such as compensation or M&A activity can be discussed with the immediacy they require, but without risk of an information leak. Also, the architecture permits 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.

• **Private Access:** BoardVantage product and process was designed to guard against confidentiality breaches, but the system also respects the privacy of individual users. BoardVantage does not track usage patterns of directors, executives or administrators of the system. Also BoardVantage staff does not have access to any customer content.

ROI

Many companies have realized significant hard dollar savings by subscribing to BoardVantage. These cost savings derive from reduced printing costs and increased headcount efficiencies. The absolute amount a company will save depends on a number of factors. The most critical one being the degree to which a new electronic process can be substituted for the existing print-based process.

• **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, simply by cutting the number of board books distributed in half, companies will realize a significant savings. For very large companies, particularly in regulated industries, cost reductions can be substantially greater. For small and midsize companies the numbers are smaller but still being significant.

• **Headcount Efficiencies:** Following the introduction of the portal, customers also realize a dramatic reduction in the amount of time consumed by document preparation. What used to take days can now be done in hours. And although specifics vary from firm to firm, and depending on the number of staff dedicated to the process, large

firms have been able reduce or redeploy staff to other parts of the organization.

Conclusions

Second 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, both in the for-profit and not-for-profit sectors. The benefits of second generation portals for this constituency cover a wide range, including 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 secure board portals for the browser and the iPad. Trusted by dozens of Fortune 100 boards, BoardVantage portals centralize documents, processes and communications. 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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