

EVENT TITLE: Technology Leadership in the Boardroom: Driving Trust and Value

EVENT DATE: 5/8/2025

EVENT TIME: 12:00 Noon ET

PROGRAM SUMMARY

In an increasingly complex and accelerated technological environment, the NACD's Blue Ribbon Commission has underscored the urgency for boards to shift from viewing technology as a peripheral matter to treating it as a core strategic issue. This virtual session brought together directors, academics, and technology experts to explore how boards can meet the challenges and opportunities of technology leadership. The conversation centered on practical insights from the *2024 Blue Ribbon Commission Report on "The Future of Technology Leadership in the Boardroom."*

Participants acknowledged that technology is reshaping the fundamentals of business—from operational models to customer engagement to competitive dynamics. Boards must not only understand technological disruption but also proactively integrate technology discussions into broader strategy conversations. The panelists emphasized that technology oversight is no longer adequate—what is needed is "insight and foresight." Boards are expected to act as sensors of change, leveraging their position outside management to bring unique perspectives to management and strategy discussions.

One of the main themes of the session was the widening gap between the speed of technological advancement and the slow pace of board absorption and response. This disconnect, if left unaddressed, risks making governance reactive instead of forward-looking. Boards were encouraged to embrace a dual mindset—balancing risk mitigation with opportunity identification. The risk of not taking calculated technology risks was repeatedly cited as greater than the risks themselves. It was also acknowledged that focusing solely on risk—

particularly with AI—can blind boards to the competitive advantages that technology can bring.

Several directors shared the challenges of ensuring meaningful board-level engagement with technology, especially when many members are not technology experts. A key recommendation was to view technology fluency in the same way boards expect financial fluency. Directors may not need PhDs in computer science, but they must invest in understanding how key technology trends—such as AI, data analytics, cybersecurity, and digital platforms—impact the company's growth strategy.

The session highlighted the evolving role of board education. Short briefings during audit committee meetings were deemed insufficient. Instead, boards were urged to adopt ongoing education models, such as regular seminars, immersive sessions with management, or learning opportunities through cross-industry insights. Boards should encourage joint learning between themselves and the executive team, avoiding the trap of disconnected or siloed technology conversations.

On the structural side, the discussion explored whether technology leadership warrants dedicated board committees. While only 10% of boards currently have a standing technology or innovation committee, panelists noted their effectiveness in carving out space for deeper, forward-looking conversations. These committees can help elevate the technology conversation from operational updates to long-term strategic issues. However, participants also cautioned that success hinges on a culture of technology curiosity across the full board, not just the existence of a separate committee.

The regulatory landscape was another major point of concern. Directors were urged to track evolving global regulations—ranging from U.S. state laws to European Union AI legislation—while recognizing the patchwork nature of compliance frameworks. Staying ahead of policy trends and their implications for business operations is now an essential board function.

Throughout the session, the importance of aligning technology discussions with customer expectations, workforce dynamics, and the broader business

environment was reinforced. Technology is not simply an IT issue—it is foundational to value creation and business resilience. Data itself was described as a critical corporate asset, particularly in data-intensive sectors like financial services and life sciences.

The conversation concluded with a resounding call for boards to cultivate a culture of continuous learning, curiosity, and open dialogue with management. Participants agreed that boards must shift from being passive recipients of technology updates to becoming active shapers of the company's innovation agenda. This means asking better questions, investing in board education, challenging assumptions, and working collaboratively with management to explore the strategic implications of emerging technologies.

KEY TAKEAWAYS:

- **Technology is Strategic, Not Tactical:** Boards must treat technology as a core element of corporate strategy, not a back-office or operational matter.
- **Speed of Innovation Requires Foresight:** Directors must bridge the gap between fast-moving innovation and slow boardroom response by being proactive and anticipatory.
- **Tech Fluency is a Board Imperative:** Like financial literacy, technology understanding should be a baseline expectation for all directors.
- **Avoid Overemphasis on Risk:** While risk oversight remains critical, the greatest technology risk may be failing to act or invest decisively.
- **Board Education Must Be Continuous:** Move beyond episodic briefings; adopt ongoing education strategies that engage both board and management.
- **Structure and Culture Both Matter:** Technology committees can be effective, but fostering curiosity and engagement across the full board is essential.
- **Understand Regulatory Complexity:** Boards must stay informed on dynamic regulatory trends to anticipate compliance and strategic risks.
- **Collaboration is Key:** Encourage joint exploration between board and management to uncover opportunities and shape innovation pathways.
- **Don't Rely on One Expert:** Broader, not just deeper, expertise across the boardroom is needed to fully engage with today's technology landscape.

- **Stay Curious and Engaged:** Directors must remain learners—reading, listening, experimenting, and scanning for future signals of change.

MODERATOR:

Diane Hessian, Chair, C Space

SPEAKER(S):

Tarun Khanna, Jorge Paulo Lemann Professor, Harvard Business School

Ryan McManus, Founder, Tectonic, NACD New York

Laurie Yoler, General Partner, Playground, NACD Northern California

PROGRAM PARTNERS:

