



June 22-23, 2006
Four Seasons, Chicago

The FORTUNE BOARDROOM FORUM STRATEGY, THE BOARD, AND THE CEO

THURSDAY, JUNE 22

11:00 AM

REGISTRATION

12:45 PM – 2:35 PM

LUNCHEON AND DISCUSSION

RISK MANAGEMENT: THE BOARD vs. THE CEO

Of the many risks that boards and CEOs face, it is critical to determine which are the most pressing—and whose responsibility those risks are. We will explore which risks fall squarely on the CEO, which on the board, and which are shared. Program moderators will lead a candid all-group discussion of what's foremost on the minds of today's board members.

Moderators:

Geoff Colvin

Senior Editor at Large
FORTUNE

Ram Charan

Author and Consultant
Charan Associates

Speakers:

Michael G. Cherkasky

President and CEO
Marsh & McLennan Companies, Inc.

Kevin S. Buehler

Principal
McKinsey & Company

2:45 PM – 3:30 PM

STRAIGHT-TALKING STRATEGY: BEST PRACTICES

Finding time to talk about strategy, and structuring the conversation so it can be productive, can be difficult for boards. Directors are already grappling with their enhanced responsibilities post-SarboX. And many cultural issues can emerge when boards push too hard to influence strategy. But the ability to

have candid dialogue about strategy with top management can have a direct and profound impact on company performance. Here, we'll explore some of the best practices CEOs employ to get directors up-to-speed on both operations and strategy—and then obtain their feedback. We'll find out how directors best identify red flags, and then communicate potential problems to the CEO and his or her team. We'll also examine how discussions of strategy are best handled. For example, are two-day “strategy retreats” the best approach—or should a strategy discussion be woven into every meeting? How can you keep the conversation on-track?

Moderator:
Geoff Colvin

Speakers:
Daniel Farrar
General Partner
Morgenthaler Partners
Director
Comm-Works
Former Fiber Technologies, Inc.
Aegis

Jeanne P. Jackson
Founder, MSP Capital
Director, McDonald's Corp.; Nike, Inc.; Nordstrom, Inc.;
Williams Sonoma, Inc.

Jeffrey Rodek
Executive Chairman
Hyperion
Director, New Roads

3:30 PM – 4:15 PM

BUILDING THE LEADERSHIP PIPELINE

Most succession planning discussions seem to fixate on the top job—the CEO. But the strongest-performing companies are able to build a deep “bench”—leaders at least two levels down who, in less than a decade, have the potential to be tomorrow's CEO and CFO. Here, we'll look at how talent can be effectively cultivated and groomed to grow into the top jobs, and the role the board plays in the care and feeding of tomorrow's top executives. We'll also note which practices work best for retaining top talent.

Moderator:
Marc Gunther
Senior Writer
FORTUNE

Speakers:
Robert L. Heidrick
Global Leader, Industrial Practice
Spencer Stuart

Walter E. Massey

President

Morehouse College

Director

BP, Bank of America, McDonald's, Motorola Inc.

Jeffrey A. Sonnenfeld

Senior Associate Dean for Executive Programs

and Lester Crown Professor of Management Practice

Founder, President, and CEO

Chief Executive Leadership Institute

Yale School of Management

Director

Gevity HR Inc.

Lennar Corp.

TheStreet.com

4:15 PM – 4:35 PM

REFRESHMENT BREAK

4:35 PM – 5:30 PM

INTERNAL CHECK: ASSESSING BOARD AND CEO PERFORMANCE

There is no room for poor performance in today's boardrooms. Even one slacker director or misguided executive can wreak havoc on a company's performance. New measures to evaluate individual director performance are being introduced, but assessment is still highly variable, more art than science. How do you assess and deal with a director who is not upholding his responsibilities? How do you assess CEO performance, and how do you communicate with top management the results of this assessment?

Moderator:

Geoff Colvin

Speakers:

Patricia C. Dunn

Vice Chairman

Barclays Global Investors

Non-executive Director

HP

John A. Krol

Former Chairman and CEO

DuPont

Director

MeadWestvaco Corp.

Tyco International Ltd.

ACE Limited

Milliken & Company

Patrick McGurn
Executive Vice President
Institutional Shareholder Services

Patricia F. Russo
Chairman and CEO
Lucent Technologies Inc.
Director
Schering-Plough Corp.

6:00 PM – 6:45 PM

RECEPTION

7:00 PM

DINNER AND KEYNOTE ADDRESS

Leadership on the Line

Leading is risky, dangerous work. Why? Because when leadership counts, when you're leading through difficult change, you challenge what people hold dear—their daily habits, their loyalties, and their ways of thinking—with perhaps nothing more to offer than a vision. Anyone who has stepped out on the line—leading an organization through perilous territory and addressing difficult issues—knows that leading presents both personal and professional risks. When you take unpopular initiatives, put provocative new ideas on the table, or question the gap between the values and behavior of your colleagues, you risk ire and make yourself vulnerable. Exercising leadership can be dangerous.

But Ron Heifetz argues that leading change and one's own survival are of equal importance. Mr. Heifetz will identify the most common ways leaders get “taken out” or pushed aside, and spell out specific ways to anticipate and respond to these dangers and improve the likelihood of success.

Host:
Geoff Colvin

Speaker:
Ronald A. Heifetz
Founding Director, Center for Public Leadership
John F. Kennedy School of Government
Harvard University
Principal and Co-founder
Cambridge Leadership Associates LLC
Author, *Leadership on the Line*; *Leadership Without Easy Answers*

FRIDAY, JUNE 23

7:00 AM

REGISTRATION

7:30 AM – 8:30 AM

BREAKFAST

8:30 AM – 9:15 AM

HOT TOPIC: COMPENSATION

In the court of public opinion, CEOs and their lieutenants are believed to be paid way too much. Another force, too, has stepped in to influence pay: the growth and increasing power of “activist investors.” Directors face a thorny dilemma: They need to find ways to effectively scale back compensation without curtailing a company’s ability to attract and retain top talent. This “live from the floor” group discussion will ask you and your peers to weigh in on a topic that just keeps getting hotter.

Moderator:

Marc Gunther

9:15 AM – 9:30 AM

DOES YOUR BOARD “CLICK”? QUESTIONS TO ASSESS YOUR BOARD’S CHEMISTRY

Ram Charan will lead a group exercise on the ten questions that reveal a board’s chemistry—and offer tangible ways to improve deficiencies. This diagnostic tool will be a helpful take-away: Direct your board to complete the exercise after the Forum, and watch your company’s chemistry improve!

Speaker:

Ram Charan

9:30 AM – 10:30 AM

PRIVATE SESSIONS: GETTING THE RIGHT CHEMISTRY

In smaller group settings, FORTUNE editors and corporate governance experts will lead Boardroom Forum participants in an off-the-record discussion of Ram Charan’s questions—and how they believe chemistry could be even better.

10:30 AM – 10:55 AM

REFRESHMENT BREAK

10:55 AM – 11:00 AM

FEEDBACK FROM PRIVATE SESSIONS

11:00 AM – 11:55 AM

MERGERS AND ACQUISITIONS: THE BOARD’S ROLE

Many companies try to acquire their way to growth, but unfortunately, they often destroy value in the process. The board plays a pivotal role here. In this special session, we’ll look at some of the key factors that directors and top management must consider when evaluating whether potential mergers and acquisitions will add long-term value. We’ll also explore how the board can most effectively integrate internally, and with the new top management team, post-merger.

Moderator:

Geoff Colvin

Speakers:

John A. Edwardson
Chairman and CEO
CDW Corporation
Director, FedEx Corporation

Dennis Powell
Senior Vice President and CFO
Cisco Systems, Inc.
Director
Intuit Inc.

Lowell Robinson
Former Senior Executive Vice President and CFO
HotJobs.com/YAHOO! and Advo
Director
Diversified Investment Advisors, Inc.
Jones Apparel Group, Inc.
International Wire Group, Inc.

11:55 AM – 12 NOON

CLOSING SUMMARY AND ADJOURNMENT

Ram Charan
Geoff Colvin