

What boards need is a human capital committee

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BOARDS ARE RELYING more and more on committees to get their work done. If boards had a committee on talent and organizational effectiveness, the trend toward committees doing more board work could result in a greater focus on talent management. But this hasn't happened — most boards simply do not have such a committee.

Some boards do have committees on human resources, but they typically focus on CEO and executive compensation and perhaps succession planning at the executive level, not on the overall talent strategy and effectiveness of the organization. The failure to have a meaningful and active committee on talent is one more indication of the relatively low priority that boards give to it.

What is needed is a human capital committee that addresses succession planning for senior management positions and the evaluation of the CEO and the top management team. It also needs to monitor the development, placement, and recruitment of talent for the organization. In addition, the human capital committee should deal with issues concerning organizational capabilities and core competencies. The committee's responsibilities

should include looking at the condition of the organization's competencies and capabilities, whether they fit the business strategy, and how adequately they are supported by the talent in the organization — in short, whether the organization is doing a good job of managing them.

Finally, the board committee on human capital management needs to be chaired by a board member who understands how talent management systems work — how to assess the talent of an organization and how to tie human capital management to business models and strategic plans. This may be an area where the board needs to hire consulting expertise.

The human capital management committee needs to work with the senior human resource executives in the company, so that it gets the right information and is informed about the organization's human capital strategy. It also needs to ask them for data, talk to employees, have a secure confidential

Web site that employees can use to contact it, and generally have access to the organization so it can gather data and understand how talent is being managed.

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An empire builder ransoms a stolen ruby

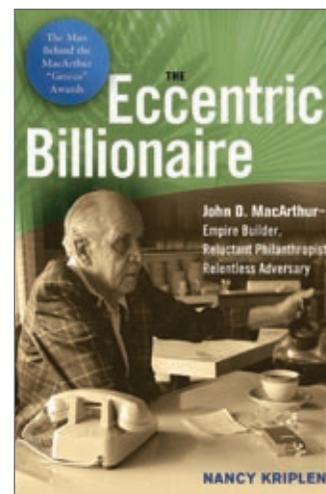
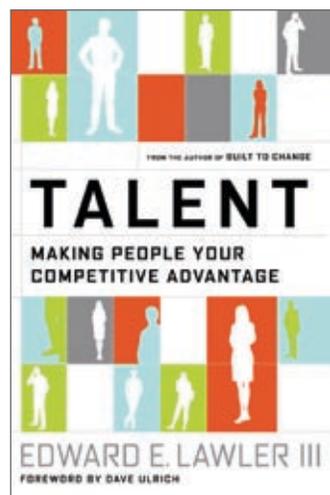
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IT'S A THURSDAY AFTERNOON in early September 1965, a sultry Florida afternoon. A man in the phone booth at a gas station plaza answers the ringing telephone. Trucks roar by on the nearby Sunshine State Parkway. The man reaches up above the door jam, feeling with his fingers. There it is, something smooth and hard — larger than a pebble — in a crevice atop the narrow ledge. It is right where the voice on the telephone said it would be.

He pulls it down and it winks at him — the wink of a clear, faintly pink star with six spindly arms, shimmering and shooting out light from the surface of a claret-colored stone the size of a large, luscious grape. He hands the gem to a stooped, gray-haired man standing outside the phone booth. The older man wraps the stone in a rag that he retrieves from their nearby car. That older man is John D. MacArthur, and he is paying \$25,000 to ransom the DeLong Star Ruby, audaciously stolen 10 months earlier from the American Museum of Natural History in New York City.

There's a strong saltwater-and-sand whiff to this whole saga, this jewel-heist caper, as a novelist — say, Elmore Leonard or Carl Hiaasen — might call it. But this is not fiction. And no novelist could invent a character more complex than John Donald MacArthur.

At the time of the ruby ransom, he is one of only five living billionaires: H.L. Hunt, Howard Hughes, John Paul Getty, MacArthur, and Daniel K. Ludwig. By the time of his death 13 years later in 1978, MacArthur will be the largest private individual landowner in the state of Florida and probably the second-richest man in the United States, after shipping



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