

# Search firms scout for AI, digital specialist board members

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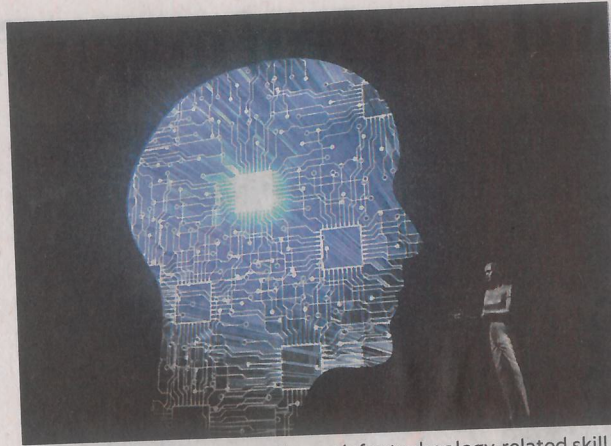
India's leading search firms are hunting for board members with expertise in artificial intelligence (AI) and digital transformation to expand their business. Top executive search firms said that companies are not keen on candidates who are relying solely on their association with established boards.

According to headhunters, the push for technology-related skill sets is because companies know that AI is here to stay. "They are looking at leveraging it to drive competitive advantage while understanding and managing its risks (such as reliability, legal, compliance, security and privacy)," said Pankaj Arora, the managing director of search firm Russell Reynolds Associates.

Asset management firms, conglomerates, edtech and consumer companies are looking for board members with advanced technology skills. While search firms are given the mandates for independent directors, many are consulted for direct nominees with technological prowess and have the management's vote.

K. Sudarshan, managing partner for search firm EMA Partners, is looking for candidates who are familiar with the latest developments in AI, understand technology and digitally native businesses. "The contours of the board are changing, and today, we are seeking specific skill sets and expertise," he said.

India Inc.'s boardrooms will see more than 2,000 independent directors complete their tenure in 2024. The empty positions are pushing



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companies across sectors to hunt for managing directors and chief executive officers who can take on the baton.

However, business houses are aware that these specific needs lead to a smaller talent pool. "The challenge is in finding the right people who have the specific skillsets like AI,

digital technology and can take on the fiduciary responsibilities of being an independent director," said S. Venkatesh, group president of human resources at RPG Enterprises. The tyre to IT business house's senior HR noted that the need now is for directors with an understand-

ing of contemporary technology, which is relevant to the business and can bring in a "global mindset."

According to data collated by research firm primeinfo-base.com, there are 2024 independent directors whose terms are expiring by December end 2024. These directors belong to 961 companies listed on the National Stock Exchange.

The demand for these specific skilled directors is three-four out of ten for search and advisory firm Vahura. About two years ago, it was barely one out of ten. Ritvik Lukose, the co-founder and chief executive of Vahura, said that his team also has to look out for directors who worked

in tech first or academia in both India and overseas for these mandates. "AI is one tool, but just one person who understands digital technologies does not work, and boards

often are asking for more who know from AI to cybersecurity," he said.

"It's a trend that changed post-covid. Digital became the backbone for all organisations, and representation on the board became important. Almost 25% of the Board searches require

this skill set now. This includes technology, digital, Analytics, AI and related domains," said Monica Agrawal, managing director - financial services, Asia Pacific India lead - board and CEO services.

## AMID A DEARTH

INDIA is expected to see over 2,000 independent directors completing their tenure in 2024

THE demand for directors with AI and digital tech expertise has created a smaller talent pool