Reducing Tenure in the Boardroom

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By JAYNE BARNARD

With all the recent attention on term limits in Congress, perhaps it’s time to consider bringing term limits into the boardroom. The problem with current practice is that the term limits for outside corporate directors are nonexistent. Directors with long tenure can become set in their ways and lose touch with the needs of shareholders. A director with more than 15 years on a corporate board is in danger of losing his or her decision-making acumen. Term limits would serve as a check against exorbitant power and could help to keep the executive branch of the company in line.

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