



Natalia Blagburn

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Researcher studies Boards of venture capital-backed tech firms

Northumbria University academic Natalia Blagburn has been awarded a prestigious research grant to investigate the Board performance of venture capital-backed start-up businesses in the UK.

In particular, the [British Academy Leverhulme Small Research Grant](#) will be used to study the characteristics and evolution of the Board membership of UK tech companies backed by venture capital financing. Venture Capital (VC) companies that invest in start-ups often appoint themselves onto the Boards

of these new businesses. The two-year project will also investigate Board effectiveness, the complex relationship between Boards and company performance.

Commenting on the research, entitled: *Venture Capital Backed Company Board Characteristics and Effectiveness*, Natalia explained: “Start-up ventures are future industry disruptors. Backed by a significant amount of venture capital funding, they can grow rapidly, just as Uber did, redefine traditional industries in the way Airbnb did, and become a central familiar part of the economy, as Deliveroo has. Their boards of directors are major decision-makers, yet we know very little about them. So, it has become necessary to better understand venture boards, their effectiveness in transforming start-ups to growth companies and their role in developing first time entrepreneurs into responsible leaders.”

Northumbria will use the Leverhulme grant to help build a critical mass of evidence in what is being regarded as an increasingly important field of corporate governance research. Natalia added: “Ventures are having an enormous social and economic impact worldwide. Yet traditional corporate governance approaches and board effectiveness theories do not capture their Board features that are distinct from traditional corporations. Features, such as shareholder Board members, lack of independence and accountability, and complex conflicts of interests need to be explored.

“As a former venture capital manager, with a background in making investments into UK start-ups and then observing their Boards of directors, I have first-hand experience in how venture Boards make an impact. However, this impact varies significantly from venture to venture, even within the same investment portfolio of a VC firm, and, sometimes, even when ventures have the same individuals on their Boards. With this research I aim to influence and enhance the Board practices of ventures, shape Board formation approaches, and help founders grasp more effective ways of composing and managing their Boards.”

Professor John Wilson, Pro Vice-Chancellor for the Faculty of Business and Law at Northumbria, said: “Receiving a British Leverhulme award is a significant achievement and a measure of the quality of our research. In this case there were almost 800 applications and less than 20% were granted, so I congratulate Natalia in her success.”

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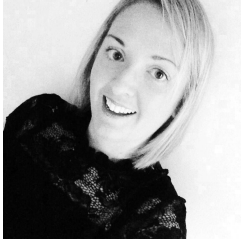


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