

Take on Board Podcast – Episode 211



Transcript – Helga goes solo: Steps for Recruiting a Board Member

Helga Svendsen 0:00

Hi, folks, today on the Take on Board podcast, you're just going to be hearing from me, as I take you through steps to recruit a board member. This is one of the things I get asked all the time, where do I start? What do I need to do? What are the steps? So I've made a checklist for you. And I thought I would take you through that checklist. Now, of course, in the show notes, you will find the downloads for the checklist and some of the other resources that I refer to as we go through the process today.

Now, of course, as always, before we get started, I would like to acknowledge the traditional owners of the land on which I am recording today I am on Wurundjeri country, the Wurundjeri people of the Kulin Nation and I pay my respects to their elders, past and present. And I've said this before, but if we reflect on governance as something that is about long term stewardship, then the long term stewardship of this country by First Nations people is a testament to good governance. So I thank them for their care and custody of the lands and I acknowledge their continuing connection to country to land, to waters and to culture.

So folks, as I say, I don't recruit a board member. This is something I get asked all the time. And I've been on a number of nominations committees. Back when my first board the YWCA Victoria, I was involved in board recruitment. I think we only had a nominations working group, not an ongoing nominations committee, but I was involved in that work. And since then, it's been something that I've been involved in in a number of organisations. I am on the Greenpeace Australia Pacific nominations committee, the Basketball Australia nominations committee, and have recently been appointed to what's called the Board's Ministerial Advisory Committee for the Department of Health, which is basically the nominations committee for the Department of Health in Victoria.

So with that experience, I wanted to share with you the steps that I suggest you take when you are looking for board members. I break it down into three categories. Firstly, pre recruitment and determining what skills you actually need in the boardroom. Secondly, the recruitment phase - advertising, interviewing and due diligence, and thirdly, post-appointment, a thorough induction and succession planning guide. So under each of those phases, there are steps and I will take you

through each of those. Before I go into those phases a suggestion the Victorian Government has guidelines on diversity and inclusion in the recruitment and appointment process. It's an excellent document, I will link it in the show notes. And it's also linked in the checklist itself. But it just summarises some of the considerations that you might want to think about as you go through the recruitment process. In those guidelines, it talks about planning and inclusive recruitment process, identifying specific requirements for appointments, consulting on diversity. Fourthly, developing the position description and recruitment materials, fifthly, advertising the position six, shortlisting and seven conducting interviews. So it overlaps with a number of steps, I also have in my checklist, so I really recommend you have a look at it, and take on board, no pun intended, or maybe pun intended, some of the tips that are there for making the process inclusive.

Okay, so the three phases, phase one, pre recruitment. This is really about determining what skills are required, sometimes not as simple as you might think. And sometimes it's like, oh, we need a lawyer, or we need strategy, or we need an accountant. But it's really worth first up sitting down and finding the board skills matrix. Do you have one? If not, that's where you start. If you do you have a board skills matrix, was it developed 10 years ago and hasn't been reviewed? Or is it something that's regularly reviewed? And at the very least, I really strongly recommend reviewing your board skills matrix after your most recent strategy was put in place if you haven't done it since your most recent strategy was put in place that it's worth doing? Because the strategic direction of the organisation should give you an indication of what skills are required in the boardroom.

So as you're looking at your skills matrix, I recommend you look at four categories. What are the industry skills that you need in the boardroom? What are the technical skills that you need in the boardroom? What are the governance skills and experience you need in the boardroom? And fourthly, what are the behaviors and attributes you need in the boardroom.

The Australian Institute of Company Directors has a document that outlines each of those four categories. And again, I will link to it in the checklist. And I will link to it in the show notes. But I think it's worth looking at, to prompt your thinking, if you don't have those subheadings in your skills matrix, just to prompt you're thinking about some things to think about. And I'll just reiterate, I guess it's partly about the skills, what are the industry skills, the technical skills and the governance skills? And about the attributes and behaviors? I would say your board skills matrix needs to have both of those things, not just do we need accountants, but also what are the attributes and competencies that individual board members probably all need to make sure the board can operate well.

So once you've got your skills matrix in place, the next step is to get each of your board members to self assess against the skills matrix. I suggest it's not just a yes, no, you know, do I have the skills around strategy? Or do I have the skills around finance, it's not just yes, no, but setting up the self assessment so that there is a rating, it might be 1 to 5, 1 to 3, whatever it may be, but some sort of

rating so that people can say whether they're, you know, at the start of their journey in relation to knowledge, or foundational information, or competent or expert, those sorts of things. And if possible, give some guidelines around what that means in terms of skills and experience. The Department of Health in Victoria has a relatively new document around skills required for health board directors, which does a really good job of defining those different categories. So again, I will link to that in the show notes. And I will link to that in the checklist as well. You might also like to consider in that self assessment process, some 360 feedback of board members. So you might get board member A to assess board member B, C, D, E, and F about their perceptions of that person's competency in relation to each of the skills and get all of the board members to do each other. Because sometimes we have a competency in something but we're not necessarily showcasing that in the boardroom and getting a 360 might shine a light on that. Alternatively, the chair might also just do some sense checking, I guess, of the self assessments to make sure that there is consistency across the board.

Then, and only then do you sit down and identify the gaps that you might have coming up in the boardroom? Only after you've done your skills assessment, done the self assessment done the sense checking of that, then what's missing? What do we need? So the other thing you might just want to check on there is making sure if there's any board members that are coming up for end of terms or who might be stepping off in the future, what are our gaps right now? And what are the gaps that might be coming up soon, so that you might be able to combine some of your recruitment.

So those are the pre recruitment steps, review and update your board skills matrix. Ask each member to self assess, consider 360, or at least making sure their self assessments are consistent. And then fourthly, identifying and making a list of the skills and behavioral gaps that are on your board. Great. Now that you've done that, you're moving into recruitment phase. And there's of course, a number of steps there.

First up, developing the position description and the advertisement, I think it's really important to be clear in this and be as clear as possible on the skills that you need. If you are looking for somebody that needs strategy development skills, then that's what you put in the position description, you know, so they must have strategy development, that says that if you don't have those skills do not apply for this role. You want to make it clear who should apply and who shouldn't apply. So be clear on the must have attributes and skills and keep that list as short as possible. So it's easy for people to tell whether they meet the criteria. You might also want to add, what are the nice to have skills and experience. And this might be somebody who has a secondary skill. And it might be skills that are coming up in the next round, maybe for your board, or it might be some of the other things that you'd like to have there. But be clear on what are the must haves and the nice to have. Thirdly, talk about the role requirements like what's actually involved in this. How often does the board meet? Where does it meet, is it online or is it in person? Which city or country does it meet in? How many committees are there of the board? How many committees are board members expected to participate in? Are there other events and other tasks that board members are expected to

undertake. So give people a really good picture of what it's like to be on this board. And I would suggest, including in there, the approximate hours per month that are required for board members. And for me, the rule of thumb for that is, it's probably 10 to 15 hours a month. If the board meets not very often, it might be a little bit less. But I'm always wary of position descriptions for boards that say, you know, the board meets every two months for two hours. So, you know, that's what's required for the role. There's always more required for the role than just attending board meetings, you need to read the papers, there's often emails in between, telephone conversations between different board members, there might be events to attend, there might be professional development to attend. So be realistic in what you are asking board members to do. And don't be afraid of being realistic. If it's actually 10 to 15 hours a month and say that's what it is so people can go in with eyes open about what it is in the won't be tensions, shall we say a bit later down the track about whether people are putting in as much as they are expected to put in. So yeah, add that to your position description. So the skills what is must have what is nice to have, and the role requirements. Also add the REM, if there's any remuneration for the role, and or any expenses that might get paid for. And if it's not paid, make that clear as well. Fifthly, pop in the advertisement, at least not necessarily the position description, but popping the advertisement, the recruitment and appointment timeline and processes. Obviously, when applications close is part of that, but if you're also able to provide people interviews will be held in this week. Second, interviews may be held at this time, candidates will be put to the AGM that's coming up at this time. So if you can map out the whole process for people that will help enormously as well. And finally, outline the term of appointment. Is it two years? Is it three years? And if there's a maximum term, outline the maximum term? So there you go, step one of recruitment, develop the position description, advertisement. Step two, advertise the board role, put it out there. Now, I would say you want to advertise it widely. I know there are sometimes some different views about advertising widely, that I would say why wouldn't you there are all these fantastic people out there and then you might not have them in your network. So some places advertise on Seek advertise through the Australian Institute of Company Directors advertise through Women on Boards. And there's a whole bunch of other places that you can advertise the role, including potentially using recruitment and search companies as well.

In addition to advertising widely, use your networks, put it out there on LinkedIn and tag people that have the skills that you need, and ask them to share it with other people who might have those skills, post it to Facebook groups, email it to your peers, send it around, because generally speaking, it is a combination of advertising widely, and using your networks that will find you a good pool of candidates.

Step three and recruitment. Once you're have closed applications, or if you're doing an ongoing process as you're going shortlist, I would suggest shortlisting down to three or four applicants. This can be the hardest thing you might have 20 or so you might have more applications in front of you. But don't interview too many get it down to three or four and be pretty tight on the skills and the attributes that you are looking for. Fourthly, and you might do this at the same time as your shortlisting, but do some due diligence on the candidates that you're looking at, you know, check

their social media, make sure they are who they say they are. And make sure that their values align with the values of the organisation that you are recruiting for. So have a bit of a hunt round fifthly interview, make sure you've got your interview panel and consider how to make that interview inclusive. That's both about who is on the interview panel and the structure for the interview itself. And again, if you go to the Victorian government guidelines, there's some excellent points there around conducting the interviews around, you know, the diversity of the selection panel, maybe considering alternative interview formats, to ensure that people feel included, asking about any access requirements, and ensuring panel members introduce themselves and use their preferred pronouns, which makes it more inclusive for the people that you're interviewing as well. And make sure in the interview process that you leave time for them to ask questions as well. You would hope that they have some questions for you about the organisation and about the role. Sixth step in the recruitment phase - once you've got the shortlist down to a short shortlist, so maybe the last one or two candidates, contact their referees, ask for referees and contact their referees. Preferably it will be if they've got board experience, it will be the board chair of previous boards that they have been on or maybe other board colleagues, if they haven't been on a board before. And that's totally fine. You want all sorts of people in the boardroom, then other people that might be able to attest to their contribution that they might be able to make in the boardroom.

Next step is continuing your due diligence, so complete any of the board's specific due diligence, again, it might be doing a bit more checking into the person and making sure they are who they say they are. But it might also be completing some of the steps that they asked for. In the interview process, it's possible the candidate asked to observe a board meeting, or maybe you ask them if they wanted to observe a board meeting, or maybe it's meeting with other board directors, or maybe it's coming to the board and just meeting some of the board directors or meeting the CEO or meeting the chair. So there might be requirements that you have as the people who are advertising for the board role and there may be requirements that the candidate has asked for. So complete any of those. And once you've done all of those things, got the applications interviewed, done your due diligence, check your referees done any of the other steps, then make your recommendation to the decision makers. So different organisations will have different decision makers in relation to board appointments, it might be the board themselves might be the members of the organisation, it might be the shareholders of an organisation. So make your recommendations. Final two steps, tell the preferred applicant that they've been appointed and get them to sign all the forms. And finally, go back to the unsuccessful applicants and let them know that they were unsuccessful. And if you've interviewed them for the role offer to give feedback, not everybody will take that. But I think once they've taken the time to research the organisation and turn up for interview, it's a constructive thing to do. So that folks concludes the recruitment phase, but it's not over yet.

The third phase is post appointment. And this is around putting in place a thorough induction and succession planning process. So four things to think about there. Firstly, provide a really thorough induction for your new board member, that might be setting up meetings with the board chair, with the CEO with other key people on the board with other key people in the organisation, it might be showing them through the organisation literally, you know, taking them in and showing them

around whatever it is that the business is done. I know I've said this before. But previously, one of the boards that I was on was the YWCA in Victoria. And one thing that we did every year was because we provided housing, we'd all jump on the minibus and go and do a tour of the housing and see what was in place there. So you might do that it might be for your new board members. But it's actually a good thing for your whole board to undertake. Provide new board members with key documents. And I always recommend appoint a board buddy for them as well as someone that they can go to to ask questions and test things with and test about papers. So make sure you've got that induction process in place and know that it's not just a one off thing that induction might take a couple of months. And indeed invite your other board members to some of those induction activities. Again, I know I've mentioned this before, but as a director of a public health service here in Victoria, the Department of Health runs induction activities every year for inverted commas, new board members, and they invite other board members to attend as well. I always tried to attend those induction activities. And every year I learn something new. It might be about the finance processes or about clinical governance or about I don't know new policies, whatever it may be. So going to induction even if you've been around for a few years can be incredibly helpful. So that's the first step in the post appointment phase.

The second step, update your board succession planning to add the new board member add their term, keep track of all of the board members terms to ensure a regular cycle of recruitment. Connected to that is the third step regularly asked board directors about their board tenure intentions. It shouldn't be a surprise when people step off a board it should be known coming up unless of course unexpected things happening. But the chair should be having conversations with board members each year, not just at the very end of their term. But just checking what are your intentions around tenure on this board. Just like you should be checking this with all of the senior roles in the organisation as a very, normal everyday part of succession planning. Fourth step in the post appointment phase is doing regular individual and board evaluations. So, you know, the chair should have an annual meeting one on one with each of the board directors to gain insights into their own individual performance and the overall board performance. And indeed, check on their tenure like in step three. And a board evaluation, I would say should be done every year. It doesn't need to be done externally every year as in getting an external consultant to do it. It might be you know, the board chair undertakes a process, or it might be that you do a board survey each year that the chair leads or even somebody else on the board. But there should be some sort of process just to look at your own operation, whether that's a board survey, whether the board survey is just as the board as a whole, or whether it's around individual directors and the board as a whole. And then at least I don't know, every maybe three to five years, get an external person in someone like me to come in and have those conversations with individual board members about the operation of the board and doing the survey and so on. Doing it internally for a couple of years is fine. But at some stage, you definitely want to do an external one. And I think that's considered, you know, best practice these days.

So, folks, that's the steps to recruiting a board member - three phases, pre recruitment, determining what skills are required, recruitment phase, advertising, interviewing, due diligence, and post

appointment phase, a thorough induction and succession planning and evaluation update. I will make sure in the shownotes, there is a link to this checklist, as well as some of the other resources that are referred to the Victorian government guidelines on diversity and inclusion and the Australian Institute of Company Directors board recruitment tool director tool that outlines the board competency framework. And the third one I'll include in the show notes is the Department of Health competency framework, because it gives a really good outline of the different levels that you might use for people to do self assessment.

So there you go, folks, how to recruit a board member, off you go do your stuff. Let me know how you go. Let me know if there's any steps that you use that I haven't included here, I would be very happy to update the checklist for any steps that might have been missed. And if your board has just gone through a recruitment process, and you're happy to talk about it on the podcast, get in touch. It'd be great to have you on the show because it's always good to hear how other organisations are doing things as well. Great. That's it for this week. See you next week.

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