



## Board Orientation by Judy Sutcliffe, The Sutcliffe Group Incorporated

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Would you let a new staff member start work without telling them about their role and about the organization they are working for? You want them to know the importance of their tasks, what they will be responsible for, who they report to, and how their performance will be measured. Too often, people are invited to join Boards of Directors of not-for-profit organizations and are given little or no information that will prepare them for their new responsibilities. This article asserts that it is just as important to orient new Board members, as it is to orient new employees and describes what type of information should be included in an orientation. Although this applies to all Boards, the focus in this article will be on sport organization Boards.

### Format & Context

Some organizations involve the whole Board in orientation, allowing new and existing members the chance to meet in an informal setting. Veteran members can help deliver some of the orientation, in addition to the CEO, so that it is not just one talking head.

It is important to start an orientation by providing a context for the organization. For example, someone who has been involved in a sport at the Club level may know that there is a provincial and a national association, but beyond insurance coverage or organizing the championships (if that) may not know what those associations do. Likewise, someone on the Board of a national sport organization may know about provincial/territorial sport organizations but may not know much about the clubs/leagues at the local level. The following will help provide context for new members:

- Tell your new directors that the purpose of Board Orientation is to share key information about the organization, to focus on the strategic direction, mission and goals of the organization and to encourage questions and to explore opportunities for the organization.
- Provide them with your Strategic Plan and review the vision, mission and values. Explain what they mean in the context of your programs and services. Review your strategic goals, so they can see what the organization is trying to accomplish over the longer term (the life-span of your Strategic Plan).
- Review the organizational chart—both for staff and the Board. There may be Board committees that report to Board members, and it would be important to review those, their make-up, frequency of meeting and purpose.

### The Governing Documents

Provide the new Board members with an overview of your “tools of governance”, that is your by-laws and/or constitution, Board policies, the details of your Strategic Plan and your annual budget. Depending on the size of your organization, you may want to include operational policies that are relevant to Board members.

The by-laws or constitution will usually describe the purpose of the organization, structure, meeting procedures (notice, quorum, director elections, voting procedures including proxies for membership general meetings), duties of executive and key committees such as finance, human resources, audit, and procedures around membership (who is a member and how they become a member, applicable fees, procedures for suspension of membership and expulsion). The by-laws or constitution should be reviewed at a high level so that the new Board members get a general picture



of who is involved in the governance and membership of the organization and what rules guide their activities.

Depending on the size of the organization, a Board would then review only Board policies (large organizations) or all policies (smaller organization, more operational Board). Board policies in large organizations could include policies on conflict of interest, confidentiality, a Board Code of Conduct, and others. Policy governance Boards may have additional policies that they have developed to guide their activities. Smaller, more operational Boards should review all their policies so as to ensure that if approached by a member, new Board members are in a position to refer the member to the appropriate policy.

### **Board Responsibilities**

There are five essential tasks of a Board member: direction setting, stewarding financial resources, managing human resources, identifying clear roles and ensuring quality performance, and assuming a fiduciary role.

**Direction setting** is about setting and understanding the vision, mission, values and strategic goals of the organization. It is ultimately the Board's responsibility to finalize the Strategic Plan, after appropriate consultation with stakeholders has taken place. Likewise, Board members should set the tone for how the organization is to operate by living the values in their communications around the Board table, with staff, the membership and stakeholders.

**Stewarding financial resources** is about ensuring that the organization has sufficient financial resources to meet its plans and programming commitments (i.e., the expenses and revenues are balanced); that the organization's revenue base is sound (e.g., that programs in the next year are not funded from a surplus this year); and about protecting the organization's assets (both tangible—furniture, programming materials—and intangible—reputation) from loss. Essentially, stewarding financial resources is about maintaining the ongoing existence of the organization and protection from undue risks.

**Managing human resources** - One of the most important functions of the Board is the selection of the Chief Executive Officer, and through the CEO to ensure that there is effective management in place to manage the organization. This includes ensuring that both Board volunteers and staff understand their roles and work to strengthen programs and services for members. Recruiting new leaders through committee participation or as Board members is another aspect of human resource management—succession planning and an ongoing nominating committee contribute to this. Finally, evaluation of the CEO's performance and the Board's performance is an essential aspect of the Board's role in managing human resources.

**Identifying clear roles & ensuring quality performance** - The Board needs to ensure that the organization is effectively managed, but it also needs to make sure not to become too involved either in management or operations on a day-to-day basis. However, Boards still need to ensure that the organization is performing well. Through enquiry to their CEO, they can do this by ensuring legislative compliance (is the Association meeting all legislative/regulatory requirements?), meeting funder agreements (are all expectations set out in contribution agreements being met?) and meeting organizational objectives (is the Association achieving objectives and indicators approved in its Strategic Plan and budget?). At the same time, though they are making a clear distinction about what is their role and what is that of the CEO and other staff.

**Assuming a fiduciary role** - Much has been written about the fiduciary role of Board members. Essentially, this legal concept refers to the obligation of Board members to act ethically and with integrity; to act honestly, in good faith, and in the best interests of the organization. At national Boards, this can be a challenge, because a Board member may bring a provincial point of view.



Nevertheless, sitting at the national Board table, these Board members need to think first about how their decisions will affect the national organization.

### Board Evaluation

New Board members should be made aware of the methods that will be used to assess their performance over their years of service. Some approaches to evaluation include checklists that address the Board's clarity on its role, how well it carries out its basic responsibilities, the suitability of its make up and structure, its meeting effectiveness, the supportiveness of its informal culture and the leadership exhibited by the chair/president. Board members should be advised that assessments will be done annually by the Board President, individually by Board members of their own and others' performance, or collectively.

### Practical Steps for Board Service

Provide your new Board members with some practical steps for Board service. Some may never have served before on a Board of Directors of a not-for-profit, may not understand the expectations or the requirements, or may come for the corporate world where things are very different. Here are some quick wins that will help make their life on your Board more meaningful:

- Encourage them to attend all board meetings; Commit to starting and ending your meetings on time;
- Ask them to prepare by reviewing the agenda and supporting documents;
- Explain when the minutes will be prepared and how they are to be used;
- Describe how meetings are conducted and how firmly your Association adheres to *Roberts Rules of Order*;
- Remind them to treat information and discussions as "confidential" unless otherwise noted;
- Invite them to study and understand the constitution and Strategic Plan of your organization and to stay current on issues and trends impacting your business.

### Review Roles

Spend some time reviewing the job descriptions and roles of the President, the Vice President(s), the Treasurer and the Secretary. Go into a little more depth with the role that each of your new Board members has assumed, and refer them to a go-to person to follow up with when they have questions.

### Legal Considerations

Review with your new Board members the essentials of their legal obligations. They should understand the **duty of care** (act honestly as would any reasonable person in a similar circumstance), **duty of knowledge** (use good business judgment at all times, follow the constitution), **fiduciary duty** (act in good faith in the best interests of the Association), and their **duty to avoid conflicts** of interest (declare a conflict when one arises, not participate in nor attempt to influence the decision-making around the issue that is the subject of the conflict). As well, inform them of the directors' and officers' liability insurance, should this be part of your insurance policy, and how it works.

Finally, review the current issues that your Association is facing, so that they are up to speed when discussions around the table begin on those topics.

With this type of overview, your new Board members will be much more productive from their first meeting, will contribute more and will be better able to help your Board in achieving its strategic objectives. ■