

# Planning for Success: Board Recruitment, Retention and Succession Planning

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# Before We Start ... Some Assumptions

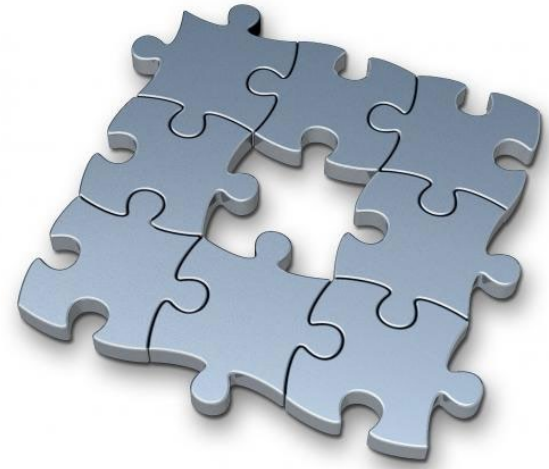
- High functioning Board already focused on
  - ✓ Stewardship
    - Fiduciary duties
    - Oversight of resource allocation
  - ✓ Leadership
    - Culture
    - External relationships
    - Contribution to reputation
  - ✓ Oversight
    - Performance expectations & metrics
    - Scorecard/dashboard to measure
    - Board work plan
    - CEO/ED appraisal
    - Board evaluation
- A generative Board focused on vision & strategy; looking forward and building for the future

# Board recruitment



# Plan first

- Who has responsibility?
  - Typically a Governance or Nominating Committee
  - Important to have a plan
- Know what you are looking for
  - What skills?
  - What personality?
  - What work style?
  - Knowledge of the sector?



# Building a skills-based Board

**Characteristics and Skills Matrix**

Director/proposed Director	Characteristics						Competencies									
	Shared Vision	Honest & respectful	Good networker	Change agent	Team Player	Problem solver	Governance	Finance	Health and/or Program	Strategic Planning	Risk Management	Technology	Capital Planning/Real estate	Quality Improvement	Community Relations	Fund Raising

# Skills-based Board

- Moment in time; the assessment of required skills should be an annual exercise; should reflect the needs of the organization 1 – 3 years in to the future
- Skills matrix is fluid
- An effective board skills matrix is not just a list of functions, but an assessment of what the organization needs now and in future
- Start with your Board work plan and strategic plan; what does our board need to accomplish this? What type of board member will help you achieve your goals?
- Instead of looking only at skills, consider what actions are needed
  - What kind of lawyer do you need?
  - What kind of communications specialist?
- Ask similar questions with respect to building a diverse board
  - Is there a particular gender/cultural/ethnic/other background that would be helpful

# Recruitment

- WHY do people join NFP Boards?
- WHERE do you find board members?
- HOW do you find board members that are good for your organization?



# Why do people join NFP boards?

- To build a resume
- To give back
- To make a difference
- My neighbour asked me to ...





# Where do you look?

- Standard places – Charity Village ad, LinkedIn ad, Board Match, professional organization Web sites
- Consider non-traditional sources of skills:
  - Associations, Boards of Trade, universities
  - Go outside your traditional networks
- Word of mouth
- Be aware; talk to people who attend your fund raising events or engagement sessions. These are opportunities for recruitment

# How do you assess potential board members?

- Treat board recruitment like employee recruitment
  - Know what you are looking for
  - Interview; assess knowledge, skills, fit
  - Reference check
  - Check social media (LinkedIn, Google)

# Board retention



# What keeps board members attached and motivated?

- Passion for the cause
- Sense of community; team work
- Demonstrable results; sense of effectiveness, value add, contribution, a meaningful role
- A well functioning board; efficient meetings, room for respectful debate, role clarity
- Role of the Chair is critical; sets the tone, invites participation, listens and guides

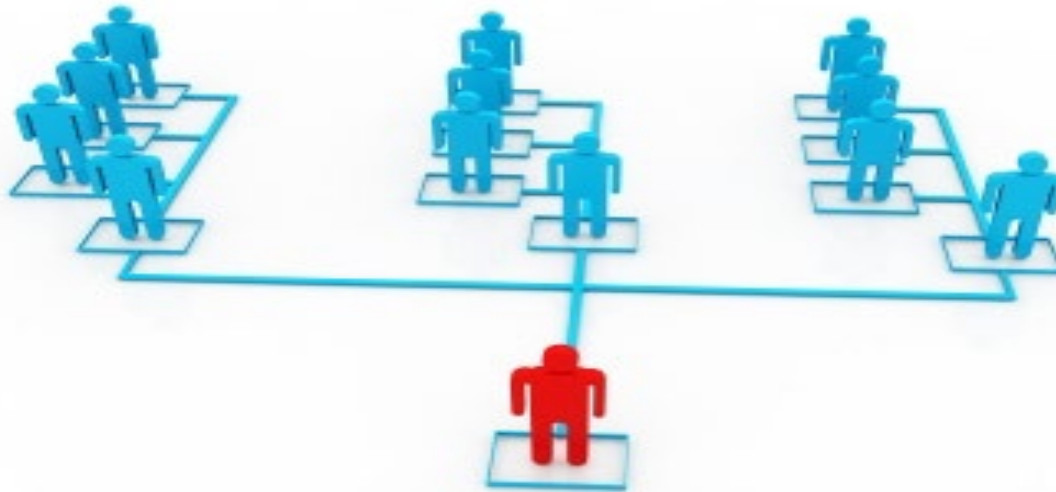
# How to keep board members attached and motivated

- Meaningful role for every member; ask where their interests lie and where they can have the most impact
- Begin with a solid orientation
- Ongoing governance training
- Have a plan, a purpose; board members want to know where they're going
- Annual board evaluation; give board members an opportunity to provide feedback on board effectiveness, Chair effectiveness, Committee work, etc.

# Keeping Board members (cont'd)

- Give board members opportunities to represent the organization, to be visible
- Publicly thank board members for their contribution; demonstrate how their leadership contributes to the organization's impact

# Succession planning



# Succession Planning – an area for improvement

- 49% of CEOs surveyed agreed that their organizations had an effective process for officer succession (2015 BoardSource survey)
- CEOs indicated that board succession planning was one of the most important areas for improvement
- CEOs and staff often the first to feel the effects of board disruption



# Succession planning – Who and Why

## Why?

- Orderly, smooth transition as directors leave and join the board
- Acquire the right skills to meet the needs of the organization
- Invites fresh perspective, new ideas, best practice, broadens reach, increases visibility and profile
- Prepare current directors to assume leadership roles; too often, Chairs lack sufficient governance and organizational knowledge to be effective

## Who?

- Role of the Chair – always thinking ahead
- Generally responsibility of Governance or Nominating Committee

# Succession planning - How

- Give Governance or Nominating Committee explicit responsibility for board succession planning
- Board member and Officer job descriptions (By-Law or job descriptions, or governance policy)
- Record of terms, roles, vacancies
- Term limits and staggered terms
- Give people opportunity to demonstrate leadership skills
- Use Committee Chairs as a stepping stone to Officer positions
- Use Committee membership as a stepping stone to Board membership
- Identify what you think are the strengths and weaknesses in Board against future needs and direction

# Succession planning (cont'd)

- Board Chair should have regular, candid conversations with Board members about their intentions; no surprises
- Consider using a ladder approach to board leadership; directors move through a series of appointments (e.g., Committee Chairs or Task Force roles) that lead to Chair; training/testing ground
- Orientation; the better the orientation, the shorter the time to full engagement
- Mentors

# Closing Thoughts

- Boards develop a reputation
- Everyone wants to belong to a successful, high functioning board
- A large part of recruitment, retention and succession planning is building an effective board
  - Role clarity
  - Direction and vision
  - Effective tools for monitoring
  - Best practices
  - Vision, and sense of purpose

