

■ Why NFP board appointments fail

Well-connected people can open doors, attract funding and even write cheques themselves. So why do their appointments to the boards of small to medium not-for-profits (NFPs) in the social sector so often end in disappointment?

A big issue, according to Lynn Ralph, joint managing director of Cameron Ralph, is that many NFP boards have not carefully thought through exactly what they need from their directors. Often they have not done so because they start off from the presumption that they are desperate to get people.

“They sell themselves very short and, in the process, they don’t spend enough time thinking about the kind of people and skills they actually need. When they invite someone to join, they are also not explicit enough about what’s expected from that person in terms of fund-raising, time commitments, hands-on activities and the level of engagement with the organisation.

“Later, there’s disappointment all round and they don’t know why. It’s because they didn’t think about it properly in the beginning.”

In the small-to-medium NFP social sector, it is common to find directors who are not giving enough of their time to make a difference. One reason for this is that they were lured with a line like “you don’t have to spend much time on this” or “it’s just a few meetings”.

Another is the importance they place on these roles. “I hate to say it, but a lot of directors are guilty of putting their NFP board directorships down the list of their priorities. Very commonly, you will see that they don’t spend enough days on it or they will miss

meetings or they haven’t read their papers before the meeting or they haven’t done the thing that they said they’d do at the last meeting,” says Ralph.

“Because these are volunteers, NFPs are in a very invidious position. It’s very difficult to stand up and say: ‘Hey, pull your finger out and do your job, please’.”

Ralph’s tips to NFP boards looking to appoint a new director include:

- Be prepared to spend some time doing it. To put together a really good board takes a lot of effort and time.
- Think about what you really want from the board. How will the board make a difference to the organisation over the next three to five years? What kind of people can help it do this?
- Carefully analyse what you want from the director.
- When talking to the director, be explicit about what you expect from that person. Some may walk away because they aren’t prepared to give that level of contribution, but it’s better to find this out before they join the board and not afterwards.
- Don’t just leave director recruitment to the CEO. The chairman should be very active.