

BOARD RESOURCES

Forming a Board of Directors and How to Engage Them.



A STEP-BY-STEP GUIDE

Looking to take your organization to the next level? Find out more



FSI

FOUNDATION FOR SHARED IMPACT

Why Have a Board of Directors?

While managers and employees of an organization are responsible for the day-to-day operations of a social impact organization, the board of directors, also known as the executive board, is responsible for high-level planning and oversight. It is therefore important to choose board members based on their areas of expertise that complement the needs of the organization.

Board members can assist with strategic planning such as growth plans and executive transitions. As part of their governance responsibilities, board members provide risk oversight and identify when an organization needs to pivot from its original action plan. They also guide the organization on legal and compliance matters. Board members are not involved in day-to-day operations. Rather, they stay informed on the work progress and ensure that the organization's work doesn't deviate from its vision and mission.

Additionally, board members leverage their own networks to advocate and fundraise for the organization. They can also serve as mentors for the employees and managers of the organization.

To recap, these are the functions a board of directors serves for your organization:

- Strategic Planning
- Risk Oversight
- Accountability
- Networking
- Advocacy
- Fundraising
- Subject Matter Expertise



How to Recruit Board Members

Chances are that you already know someone in your network who is a suitable candidate for your board of directors. They can be a dedicated, long-time skills-based volunteer who is passionate about your organization's cause, or they can be an existing stakeholder whose knowledge and expertise is beneficial to your organization's growth.

Foundation for Shared Impact (FSI)'s Community Connections Program offers a board introduction service that connects skilled professionals who have taken FSI's Board Director Training with mission-aligned social impact organizations looking for board members or advisors.

Alternatively, you can post a job description on LinkedIn or recruitment platforms such as Recruit4Good. Going through the exercise of writing a job description is beneficial to you, because it forces you to articulate your organization's vision and mission, and to think about the challenges you want your board to address for your organization. A sample job description for the purposes of recruitment can be found in Appendix I.



Depending on your organization's needs, you may be looking for a specific set of skills including:



Accounting



Audit



Finance and
Investment



Legal



Industry Regulation
e.g., health, education



Human Resources
Talent Management



Data and Analytics
(including impact measurement)



Risk and Crisis
Management



Volunteer
Management



Branding
Marketing
Communications
Public Relations



Governance
including familiarity with the Code
of Governance for Charities and
IPCs (“Code”) and applicable laws
and regulations)



Technology,
Digitalisation, and
Cybersecurity



Donor
Management
Fundraising

Access our guide for tips on how to identify potential board members for your organization [here](#).

Remuneration

The legal and ownership structures of the organization are a factor for director remuneration. So those who agree to take a board position should take some time to understand the rules that are specific to their organization and its relevant jurisdiction(s). For example, directors of tax-exempt charities in Hong Kong are disallowed from receiving any type of payment or remuneration for their work as directors without prior approval from the HK Inland Revenue Department.

This can also be the case for social enterprises that operate to generate surpluses for their goods and/or services, not profits. However, the remuneration, if any, can be mutually agreed upon by the social enterprise and the director.

How to Engage with your Board of Directors

A board of directors is vital in supervising the management of your organization by representing and meeting the interests of your key stakeholders. While it varies from one organization to another, a board of directors has several responsibilities that include:

- Developing a mission statement - to clarify your organization's goals and intentions
- Selecting and supporting the chief executive - recruiting the most qualified candidate and ensuring they have adequate support to fulfill your organization's mission
- Ensuring adequate financial resources and providing financial oversight - includes developing an annual budget

YOUR BOARD OF DIRECTORS SHOULD ALSO CONSIST OF THE FOLLOWING ROLES:



Chairperson

Leading the board and its meetings



Vice chair

Second in command, assists the chairperson



Secretary

Records meetings and is responsible for communication between board members



Treasurer

Oversees the organization's finances, budget, and property

There are several qualities to look out for when choosing your board members. This includes their experience as leaders and decision-makers, enthusiasm for your company's mission and goals, and willingness to commit time and effort to learn about your organization's operations and challenges. The latter is important so your board members can positively contribute to your organization.

Access our step-by-step guide for recruiting members for a diverse and inclusive board [here](#).

Why it is Important to Engage with Your Board of Directors

Your board members are an integral part of your management, and effective engagement with them will ensure that they are informed in a timely manner, in order to provide guidance and make strategic decisions based on current information. You should define the roles and responsibilities of your board members based on their expertise and communicate them with the individuals. Delegating and communicating a variety of specific roles and responsibilities that are essential to running your organization will create a board that can function in a complementary and holistic manner.

How to Engage

1. WEEKLY UPDATES



Send a weekly email to your board of directors to summarize your organization's updates and upcoming activities. Make sure to list any actions that you want your board of directors to take, if any.

To: Board members and key staff

Subject: [Your Organization's] Weekly Board Update

Body of the email:

Dear Team,

[Insert a greeting and highlight anything specific to this week. This can be HR-related topics such as key staff leave, upcoming office closures/holidays, birthdays, etc.]

[Include a link to the team weekly meeting agenda for board members who would like to learn more details]

1. Updates from this week

- a. Organized by programs or projects depending on your organization's work structure
- b. Recent happenings and progress of your organization's programs and projects
- c. Include important deadlines and the responsible team leads

2. Upcoming activities or events

- a. Things that are scheduled for or expected to happen in the coming weeks
- b. Be specific about issues or activities that you would encourage your board members to attend or participate in

3. Actions required of the board

- a. List actions required of all board members
- b. Assign actions to specific board members, if required
- c. Include deadlines for each of the assigned actions

That's it from us this week!

Best,

Email author



Scan to access
the [template](#)

2. REGULAR MEETINGS

It is important to regularly meet with your board members to discuss and plan your organization's future. To make such meetings effective and productive, consider the following good practices.



Agenda

Create an agenda to structure the meetings. Have a clear outline of what needs to be discussed and what are the expected outcomes of the meeting. The agenda should:

- Place the most important items at the top - focus on pertinent issues that require the board's attention
- Set time limits for agenda items - be realistic, but also make use of the time wisely
- Separate strategic and operational items
- Indicate which items are informative and which ones require discussion
- Implement a consent agenda - consolidate routine items for the board to pass with a single vote

Below is an example of an agenda but would vary for each organization:

AGENDA [Your Organization] Board of Directors Meeting Time, Date		
Time	Welcome, attendance, approval of minutes	Presenter
Time	Board announcements and reports	Presenter
Time	Committee updates	Presenter
Time	Presentation: "X topic"	Presenter
Time	Additional items for discussion	Presenter



Scan to access
the template

BEFORE THE MEETING

- Share the draft agenda with the appropriate party(ies) to request input and verify if additional items need to be included.
- Send the meeting agenda and all relevant attachments (including reports and documents) at least one week prior to the meeting and request that board members familiarize themselves with the agenda items.
- Send emails reminding board members of the upcoming meetings.
- Ask your board members whether they prefer to meet virtually or in person. For in-person meetings, consider a collaborative layout for the meeting room, such as arranging the tables in a U-shape to facilitate discussion.

DURING THE MEETING

- Start and end meetings on time. This is why preparing and sharing the agenda ahead of time is important. Also be sure to stick to the agenda.
- Encourage all members to speak and ask questions. Be sure to allot time in the agenda for this session.
- Focus on making decisions rather than giving updates, especially when board members can read through documents before the meeting.

AFTER THE MEETING

Evaluate the meeting. Was it productive? Did you get through all the items on the agenda? Was everyone able to contribute towards the discussion and decision-making process? Assess the performance of the meeting and the involvement of the board members, and adjust as needed to improve the productivity of future meetings.



3. DEFINE COMMUNICATION METHODS AND FREQUENCY

Make it clear to your board members how you plan to contact them and how they should contact you. Whether this be through email, message platforms, phone calls, or face-to-face, it is critical to establish an effective medium of exchange to avoid miscommunication.

Define how often this communication will occur. Will you send weekly/bi-weekly/monthly emails? How often will board meetings occur?

4. INVITING BOARD MEMBERS TO YOUR ORGANIZATION'S EVENTS

Inviting board members to your company's functions, such as fundraising and networking events, allows them to connect with your organization's vision, mission, and impact by meeting your team, partners and collaborators, beneficiaries, funders, etc. It equally provides board members with a more casual and social environment where they can interact as friends rather than colleagues, all whilst learning more about your role in the day-to-day activities of the company.

5. BUILD TRUST AND TRANSPARENCY

Creating a good relationship with your board members is paramount to the smooth running of your organization. This can be achieved by ensuring that all members have equal access to relevant information so they can make well-informed decisions. Furthermore, allowing each board member to contribute their perspective equally during discussions can foster trust and meaningful dialogue. By embracing these practices, you not only enhance collaboration and synergy within the board but pave the way for the success of your organization.



Periodic Board Assessment and Review

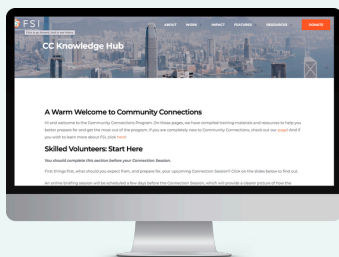
To ensure your board is functioning efficiently and effectively, consider asking your board members to fill out a [Board Self-Evaluation Questionnaire](#) for assessment purposes. Not only can regular self-assessments enable boards to evaluate their performance, but they can also enhance their effectiveness, identify skills gaps, improve board dynamics, and ensure compliance with existing and new governance requirements.

Board assessments can be conducted at a time and frequency suitable to the organization. However, conducting an assessment annually, after significant events or milestones, and during board transitions is the most optimal. Board assessments can also provide a structured process for open and constructive dialogue during challenging situations.

Our Resources

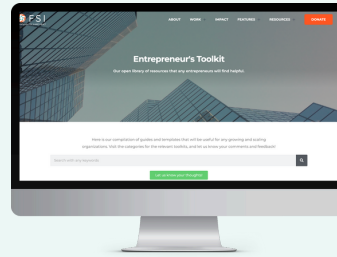
Check out our other resources for Volunteers, NGOs, and Entrepreneur's in Hong Kong.

Knowledge Hub



Scan to access

Entrepreneur's Toolkit



Scan to access

Contact us

communityconnections@shared-impact.com

A huge thank you to **Juliette Deiss** for your contributions towards developing this handbook. Your time and commitment to this project is truly appreciated.