

Before You Join A Board

Taking on a board position can initially be a daunting prospect however, the experience itself can be significantly rewarding personally and professionally. Before applying for and accepting a board position, it is important to take the following points into consideration:

Questions to ask yourself:

- Why do I want to be on this board?
- Do my personal values align with the organisation?
- What do I bring to the organisation? (skills, experience, knowledge)
- What are my roles and legal responsibilities as a board member?
- Can I commit the required time to be on this board? (considering preparation, meeting attendance and additional requirements)
- Do I have any conflicts of interest (real/perceived/potential)?

Questions to ask about the Organisation:

- What is the legal structure of the organisation?
- What is the financial position of the organisation?
 - Can I view recent financial statements?
 - What are the key revenue streams and major costs?
- Does the organisation have Directors Insurance and if so, what does it cover?
- What are the key issues facing the organisation now and into the future?
- Who are key members of management and the board?
- Is there pending legal action against the organisation?

Questions to ask about the Board:

- What is the process for joining the board? is it an elected or appointed position?
- How long are director terms?
- Do you have a board member role description & code of conduct?
- Who are the other board members and what are their skills?
- When are board members provided with papers for each meeting?
- How long do meetings go for? What is the frequency? Where are they located?
- Is there provision to utilise technology to attend some meetings (i.e. phone or teleconference facilities)
- What is the time commitment/expectations of board members outside of meetings?
- How well does the board work in practice?
- Does the board evaluate its own performance?
- What is the composition, diversity and culture of the board?

Key documents to view:

- Company website
- Constitution/Articles of Association
- Annual reports
- Strategic plan
- Financial statements
- Recent board minutes & relevant papers

The purpose of asking the questions outlined above and reviewing key organisational documents is to undertake your own due diligence. This means taking all reasonable steps that you can to ensure the organisation is meeting its legal obligations and is also financially viable. Many directors also utilise this opportunity to ensure that the direction and purpose of the organisation is aligned with their personal ethics and beliefs.

When You're on a Board:

It's important to remember that your responsibilities and requirement to undertake due diligence as a director don't end once you join a board. The following points provide you with a simple guide to help you on your director journey and gain an understanding of your ongoing role and responsibilities.

All directors should:

- Prepare for meetings – read the board papers and have questions prepared.
- Understand the key issues facing the organisation – government policies, legislative changes, participation trends, changes impacting sport.
- Ask questions – ensure you are fully satisfied with the responses you receive, if not, keep asking.
- Continue to monitor and raise any conflicts of interest (real & perceived) and encourage others to do the same.
- Thoroughly review and understand the financial statements of the organisation – ask questions until you are satisfied.
- Contribute positively to board culture – contribute to discussion and encourage others to speak up if they have not been involved.
- Actively seek professional development opportunities.

Further Information:

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