

## “Guidelines for Putting Together a Board of Directors”

Putting together a board of directors involves several steps:

- 1. Define Roles and Responsibilities:** Clearly outline the roles and responsibilities of the board members, including their fiduciary duties, strategic decision-making, and any specialized expertise required.
- 2. Diversity and Expertise:** Seek a diverse group with a mix of skills, backgrounds, and experiences that align with your organization's needs. Look for individuals with expertise in areas like finance, marketing, legal, and industry-specific knowledge.
- 3. Recruitment Process:** Develop a structured process for recruiting board members. This could involve nominations, interviews, reference checks, and evaluations.
- 4. Evaluate Current Board:** Assess your existing board, identifying gaps in expertise or diversity. Determine whether any current members should be retained, rotated, or replaced.
- 5. Term Limits:** Consider implementing term limits to ensure a steady influx of fresh perspectives and prevent stagnation.
- 6. Committees:** Establish committees focused on specific areas, such as audit, governance, compensation, and nominating. Assign board members based on their strengths and expertise.
- 7. Board Training:** Provide orientation and ongoing training to new and existing board members to familiarize them with their roles, responsibilities, and industry trends.
- 8. Code of Conduct and Ethics:** Develop a code of conduct and ethical guidelines that all board members must adhere to, ensuring integrity and accountability.
- 9. Legal and Regulatory Compliance:** Ensure that your board composition complies with legal and regulatory requirements for your industry and jurisdiction.
- 10. Effective Communication:** Foster open communication between board members, senior management, and shareholders, ensuring transparency and collaboration.
- 11. Board Evaluation:** Regularly assess the performance of the board as a whole and individual members to identify areas for improvement.
- 12. Succession Planning:** Develop a succession plan for key board leadership positions to ensure a smooth transition when changes occur.
- 13. Define Your Vision and Strategy:** Clearly outline your organization's mission, goals, and long-term vision. This will help you identify the skills and expertise needed on the board to support your strategic objectives.
- 14. Diversity and Inclusion:** Strive for diversity in terms of gender, ethnicity, age, industry background, and skills. A diverse board brings a wide range of perspectives and ideas to the table.

15. **Identify Core Competencies:** Determine the key areas of expertise required on the board, such as finance, legal, marketing, technology, governance, and industry knowledge.
16. **Network and Referrals:** Leverage your professional network and seek referrals from trusted sources to identify potential board candidates.
17. **Candidate Assessment:** Conduct thorough due diligence on potential board members, including their professional background, track record, reputation, and alignment with your organization's values.
18. **Interview and Fit:** Interview candidates to assess their passion for your mission, understanding of their role, and compatibility with the existing board and leadership team.
19. **Term Limits and Rotation:** Establish term limits to ensure regular turnover and fresh perspectives. Consider staggered terms to maintain continuity while introducing new members.
20. **Governance Expertise:** Ensure that some board members have a strong understanding of corporate governance principles and can provide oversight of management decisions.
21. **Board Composition and Size:** Determine the optimal number of board members based on your organization's size and complexity. Avoid a board that is too large or too small to facilitate effective decision-making.
22. **Orientation and Training:** Provide comprehensive orientation and ongoing training to new board members, helping them understand their responsibilities, legal obligations, and the organization's operations.
23. **Committee Assignments:** Assign board members to committees based on their expertise, allowing them to focus on specific areas like audit, compensation, governance, and more.
24. **Conflict of Interest Policies:** Implement clear conflict of interest policies and procedures to ensure unbiased decision-making.
25. **Engagement and Participation:** Encourage active engagement and participation from all board members during meetings and discussions.
26. **Regular Evaluations:** Conduct regular board evaluations to assess the board's overall performance, individual member contributions, and areas for improvement.
27. **Succession Planning:** Develop a succession plan to address future leadership changes and ensure a seamless transition of board roles.

Remember that a well-structured and diverse board can provide valuable guidance, strategic direction, and oversight to help your organization thrive. Adapt these guidelines to your specific context and needs and the right board can contribute significantly to your organization's success, so take the time to carefully select and nurture a well-rounded and capable group of directors.