Institute of Community Directors Australia (ICDA) NFP Governance Survey 2019

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ICDA Spotlight Report: The View from the Chair

June 21, 2019





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Key Findings



The majority of chairs in our survey were **women**, consistent with the dominance of women in the sector generally – but men are over-represented when compared with their numbers in the sample overall.



Female chairs, as a population, are significantly younger than their male counterparts – but most chairs, male and female, are still older than 50.



Male chairs tend to stay longer in

the role **than women.** Around 25% of men have been chairs for more than 10 years, while only 8% of women have remained in the chair that long.



Board chairs are generally happy and stable in their role, and say they understand their role well.



Chairs in the **sport and recreation sector** represent the only significant outlier to our community of not-for-profit chairs.

Chairs in this sector are **less likely** than others to have received a good induction, less likely to have participated in governance training, and less likely to have participated in a board review.

They are **more likely** than their peers to think their role **takes up too much of their time**.

About The Survey

The Institute of Community Directors Australia (ICDA) surveyed 1878 senior leaders in the community sector in the six weeks leading to March 26, 2019. A good portion (231, or around 12%) of our respondents were board chairs.

Respondents came from all states and territories in Australia (with Victoria, New South Wales, Queensland and Western Australia dominating the sample).

Most respondents were involved in organisations in the community development; human services; education; health; arts and culture; and sports and recreation segments of the community sector.

This ICDA Spotlight Report presents a snapshot of results relating to the experiences and views of board chairs who responded to our survey. Further aspects of the survey will be released progressively over the next few months, with a final report incorporating all results to be released later in the year.

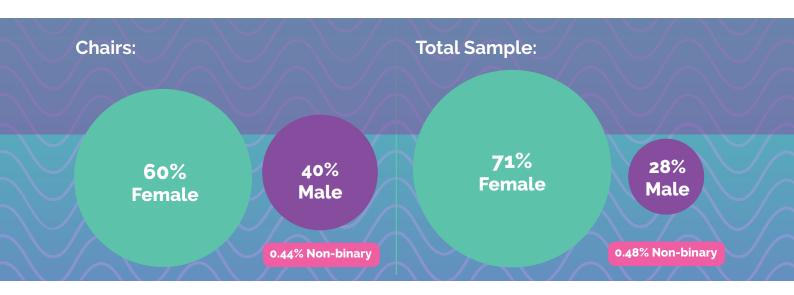
For updates, visit www.icda.com.au/survey

Detailed Results

The majority of the people who completed our survey (71%) identified as female, in line with the dominance of women in the not-for-profit sector generally, and this trend continued in the board chair cohort (though in different proportions).

A total of 60% of the chairs in our sample identified as female, compared with 40% who identified as male (with just one one chair saying they identified as non-binary/diverse gender).

While females dominated the sample of chairs, they were under-presented when compared with the sample generally, which recorded a gender split of 71% to 28%.

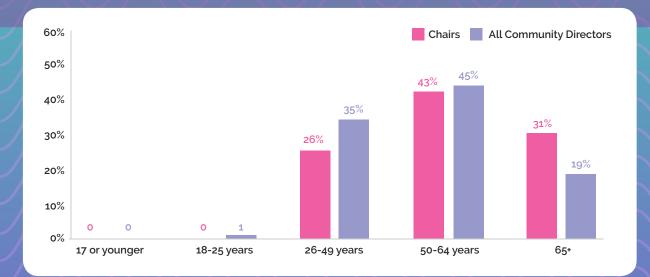


All chairs in our sample were adults older than 26 years old, with most likely to be aged between 50 and 64.

The percentage of people older than 65 is higher in chairs than in the whole population of community directors (31% vs 19%) and this difference is most likely directly linked to gender.

% of ICDA 2019 survey respondents by age...

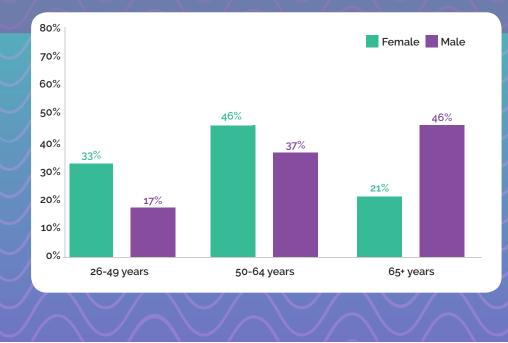
The sum of all ages represents 100% of chairs/all community directors



Male chairs tend to be aged at the older end of the spectrum when compared with female chairs or other community directors.

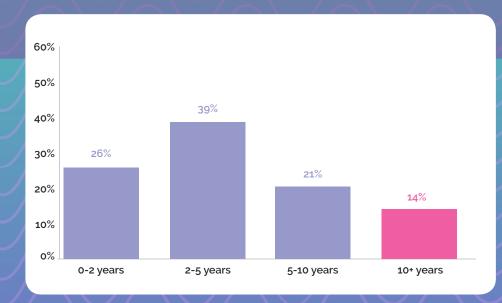
% of ICDA 2019 chairs by age and gender

The sum of all ages represents 100% of females/males

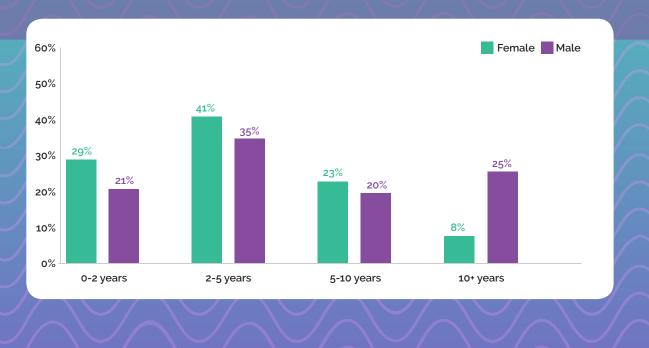


Our survey asked respondents to indicate how long they had been in their current role. We found that the majority (65%) of chairs had been in the role for less than five years, though 14% had been in the role for more than a decade.

% of ICDA chairs who have been in the role...



Although these percentages were similar for women and men, men did tend to stay in the role longer than women. The difference is significant when we compare women and men that have been chairs more than 10 years. Only 8% of women have been in the role more than 10 years while 25% of men have been in the role more than 10 years.



% of ICDA 2019 chairs by years in the role and gender

The sum of years in the role represents the 100% of females/males

We asked chairs about their levels of satisfaction and experiences in their board role. On the whole, chairs are a happy bunch, recording high levels of satisfaction, as shown below:

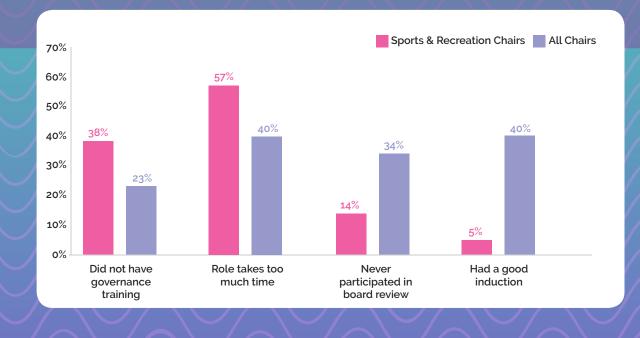


There were some areas in which chairs recorded a different experience to other board members:

- Chairs were more likely than other board members to believe their board role was valued by society (83% compared with 70%)
- Chairs were more likely than other board members to feel their board role took up too much of their time (38% compared with 24%)
- Chairs were far more likely to have participated in a board review (34% compared with 21%).

We also checked for differences between sectors. The outlier was the sports and recreation sector, where:

- Only 5% of chairs said they received a good induction (compared to 40% of all chairs);
- 57% thought their role took up too much of their time (compared to 40% of all chairs);
- 38% had never participated in governance training (compared to 23% of all chairs); and
- Only 14% had participated in a board review (compared to 34% of all chairs).



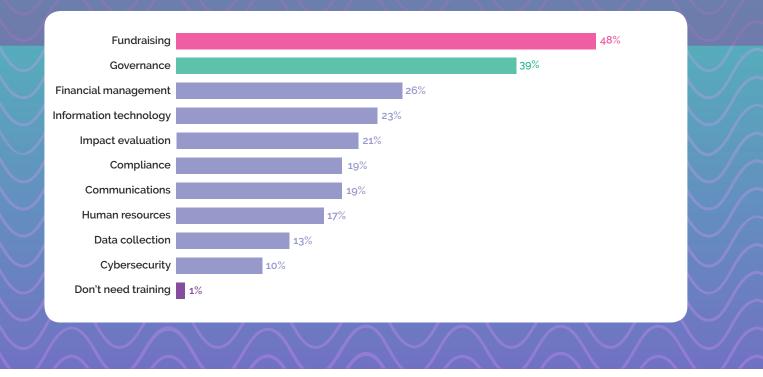
The experience of Chairs of Sport and Recreation organisations:

We also looked at differences in the experiences of those chairing organisations of different sizes. We found that chairs in larger organisations (annual revenue of more than \$1 million) were more likely than others to have participated in a board review (51% vs 33% of all chairs) and to have participated in governance training (87% vs 72% of all chairs).

While the level of satisfaction of board chairs was high and fairly constant regardless of organisation size or type, their experiences differed wildly from that of CEOs and other senior staffers. In general, senior staffers were less likely to believe their contribution to the community was valued (55% of senior staff compared to 83% of chairs), though they were also much less likely to be contemplating a shift (7% compared to 17%)

The top two training needs identified by board chairs were **fundraising** and **governance**. Only 1% (three respondents) said that their board did not need any training.

Top training needs in boards according to chairs:



Feedback/Recommendations/Next Steps

What do you make of these results? How should the sector, and those who work to resource and upskill the sector, respond?

Send your feedback to <u>service@ourcommunity.com.au</u>, tweet us at <u>@OurCommunityAU</u>, tag us on Facebook at <u>@OurCommunity.com.au</u>, and contribute to the conversation in our Facebook group, <u>Not-for-profit Happy Hour Australia</u>.

We'll incorporate feedback into our final report, which is due for release later in the year.

If you would like to be notified when further ICDA Spotlight Reports are released, join up as a member of the Institute of Community Directors Australia – visit www.icda.com.au to find out more.

About Institute of Community Directors Australia

The Institute of Community Directors Australia (ICDA) is Australia's best-practice governance network for not-for-profit boards, committees, councils, schools, and their staff.

An Our Community enterprise, ICDA delivers information, tools, training, events, qualifications and credentials to not-for-profits of all kinds. Activities include:

- Spearheading the Festival of Community Directors, a year-long program of events designed to celebrate and educate not-for-profit board members and the senior staff who support them
- Delivering Australia's premier nationally recognised qualification for not-for-profit leaders, the Diploma of Business (Governance) [in partnership with our partner Federation Training]
- Pioneering new governance training methods, including our landmark online compact courses
- Providing a suite of governance tools, including a range of practical helpsheets, templates and books, plus a free Board Matching Service and a free Policy Bank
- · Face-to-face and online peer networking and support
- Regular newsletters to keep members informed and in touch

ICDA is led by the innovative members of the Our Community founding team, Denis Moriarty (Our Community Founder and Group Managing Director) and Patrick Moriarty (Institute of Community Directors Australia Executive Director), with input from the Our Community Board, comprising founding Chair Carol Schwartz and ethicist Dr Simon Longstaff.

Its work is guided by the Community Directors Council, which is chaired by Associate Professor Susan Pascoe AM, alongside 10 Australian community sector luminaries.

Find out more about ICDA at www.icda.com.au

This report has been prepared for ICDA by the Our Community Innovation Lab.

Visit: www.ourcommunity.com.au/innovationlab





Appendix: What questions are analysed in this report?

- Qu 1: Which of the following best describes your role within the non-for-profit organisation on whose behalf you are completing this survey?
 [CEO/Executive Director or equivalent; Other senior staff member; Board chair; Board treasurer; Board secretary; Board public officer; General board member; Other]
- Qu 2: For how long have you held your role as a board member with this organisation? [0-2 years; 2-5 years; 5-10 years; 10+ years]
- Qu 3: Your gender [Female; Male; Non-binary/Diverse gender identity; Rather not say]
- Qu 4: Your age [17 or younger; 18-25 years; 26-49 years; 50-64 years; 65+]
- Qu 7: What is your organisation's approximate annual revenue? [Less than \$50,000; \$50,001 – \$250,000; \$250,001 – \$1 million; \$1 million – \$10 million; \$10 million – \$100 million; \$100 million +; Don't know/would rather not say;]
- Qu 8: Select one of the main field in which your organisation works [Environment; Religion; Sport and recreation; Education; Arts and culture; Community development; Health; Social sciences; Human services (including disability organisations); Animal welfare; Agriculture, Fisheries and forestry; Economic development; International relations; Human rights; Science; Public safety; Public affairs; Information and communications; Other (please specify)]
- Qu13: What are your board's top training needs? (Please pick a maximum of three) [Compliance; Financial management; Cybersecurity/fraud prevention; Information technology; Data collection; Impact evaluation; Governance; Fundraising/grants; Communications; Human resources; Other (please specify); We do not need any training]
- Qu16: How do you feel about your role as a board director? Choose agree, disagree or not applicable.

Il received a good induction when I joined the board; I enjoy my role and a board member; I understand clearly my responsibilities as a board member; My board role takes up too much of my time; My contribution as a community director is valued by my community; I would benefit from more governance training than I have had to date; I have participated in a review of my performance as a director; I have participated in governance training; I am planning to leave my board role soon]

• Qu 13: What are your board's top three training needs?

(Pick from 10 specified options [Fundraising/grants; Governance; Financial management; Impact evaluation; Compliance; IT; Communications; HR; Data collection/use; Cybersecurity/fraud prevention;], or specify 'Other', or choose 'We do not need any training')