

2 Making Your Boards More Effective



CENTER FOR
**LEADERSHIP,
STRATEGY &
GOVERNANCE**

AUTHOR

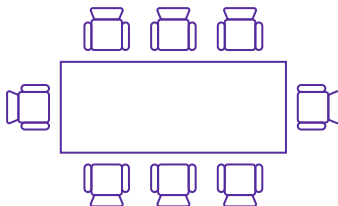


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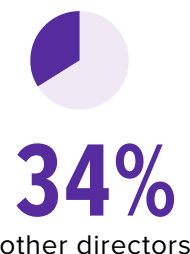
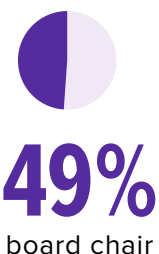
Having the right people in the chairs around the boardroom is critical to a board as a strategic asset, but **how you leverage them is equally important.**



**BEST
PRACTICES**

READY TO ONBOARD NEW DIRECTORS?

Who is currently involved in onboarding directors?



Onboarding should be a team effort.

The CEO, other management team members, and fellow directors should all play a role.



To set your directors up for success, balance two types of content during onboarding.



INDUSTRY & CREDIT UNION KNOWLEDGE

What do new directors need to know about your credit union? About the industry and financial services in general? What regulation do they need exposure to?

BOARD NORMS

How do we engage as a board? What are the expectations of them as a director? What is the role of directors vs. management?

Mentorship is an important part of a new director's ongoing onboarding.

49%

of credit unions assign mentors as a part of a new director's onboarding.

Create a formal mentorship program for your board and set the intention for a two-way learning environment.

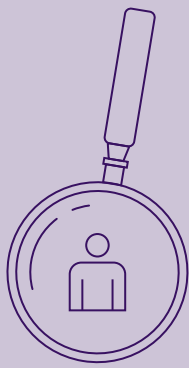
BONUS

With strong, new directors coming on board, the learning in a mentorship relationship goes both ways with the mentor gaining exposure to fresh perspectives.

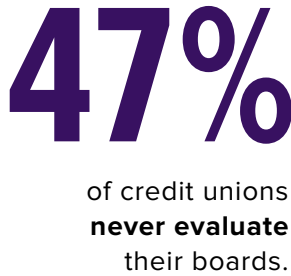
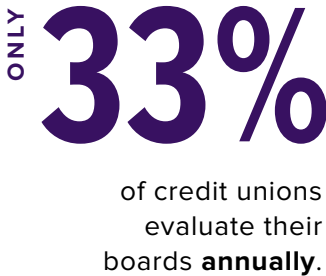
THINKING ABOUT HOW TO KEEP YOUR ENTIRE BOARD SHARP?

Board evaluation is critical to guide the future of the board.

Assess your board annually, using both self-assessments and peer assessments.

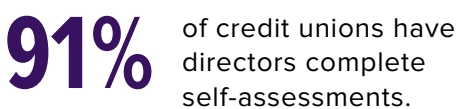


How often are credit unions evaluating their boards?



How credit unions assess their boards is important, too.

Of the credit unions that conduct evaluations



SELF-ASSESSMENTS

Have directors assess themselves against a clear matrix of what the board needs to support the organization today and tomorrow.

PEER ASSESSMENTS

Verbal feedback gathered from the other directors and conveyed by the board chair is best.

Considering an external evaluator?

Ensure you have very clear criteria or KPIs to get helpful feedback from a 3rd party.

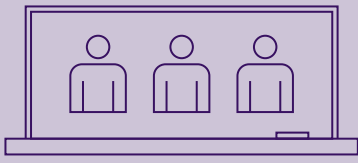


Ongoing board education helps to fill gaps identified during board assessments.

Consider board education needs at two levels to deploy resources as efficiently as possible.

BOARD LEVEL EDUCATION

For education needs that are common to many directors, invest in full board education.



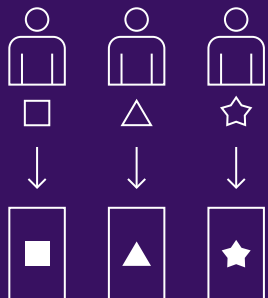
INDIVIDUAL LEVEL EDUCATION

Create individual development plans to show investment in directors and identify specific needs.



Once you've identified your directors' strongest skillsets, make sure you use them!

Place directors on committees that highlight and leverage their strengths.



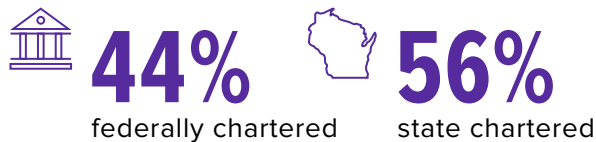
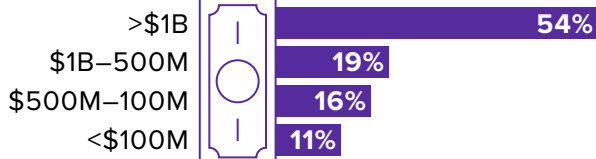
ABOUT THE DATA

43
question survey on board practices

Respondents from
85
U.S. credit unions

89%
CEOs/presidents
11%
other executives

ASSETS



EXPLORE MORE INSIGHTS IN OUR WEEKLY INFOGRAPHIC SERIES

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