

Special Report: Boards

Credit Union Management

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GOVERN WITH CONFIDENCE

Credit unions and boards share a dual responsibility for new director orientation.



Better Board Orientation



ORGANIZATIONS AND NEW DIRECTORS BOTH HAVE IMPORTANT WORK TO DO.

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MORE ON BOARD ORIENTATION

Credit Union Board Mentorship Guide (Download from the [mycues.cues.org membership dashboard](https://mycues.cues.org/membership-dashboard))

Director Onboarding Tool Kit (cues.org/director-onboarding-tool-kit)

Welcome to Credit Union Leadership Guide (cues.org/welcome-credit-union-leadership-guide-download)

I recently joined two not-for-profit boards and appreciate how important it is to ensure that I understand my role and am prepared for what lies ahead. But it's also important that the organizations on whose boards I serve help prepare me for my board role. All of this points to the key role of board member orientation.

THE NEW DIRECTOR PROCESS

My first step before joining the boards was to research the organizations I wanted to be involved with. I looked at whether the vision, purpose and values were aligned with my values and expectations. I also tried to understand the type of boards I was applying for—governance, operational, advisory—and what the role would involve. What was the time commitment and how often did the board and its committees meet? Most importantly, I had to ask myself if I had the skills and experience that the organization was seeking. Some organizations choose potential directors for character and then train for the competence required.

The two organizations I joined approached new director orientation somewhat differently. One held a formal board orientation session led by the executive director prior to the first board and committee meetings. The second invited me to observe a board meeting and the strategic planning session before the board orientation session. Both approaches can work; however, my preference was taking part in the orientation session prior to the first board meeting, as this gave me more confidence and the ability to contribute immediately.

GET THEM READY TO PARTICIPATE FULLY, FASTER

Once you are a successful candidate, what's next besides showing up to meetings? Be prepared.

Board orientation is an important part of helping new board members gain a foothold and understanding and enables them to contribute much more quickly to the discussions taking place at the board table. A thorough orientation includes a review of

the board policies, strategic plan, code of conduct and regulatory environment; understanding the board committees; and meeting the other directors and key senior management to better understand their roles and responsibilities. Assigning an experienced buddy or mentor to a new board member can also be quite beneficial, especially when questions arise between meetings.

A comprehensive new director orientation is important for several reasons:

1. Familiarization with the CU. Orientation provides an opportunity for new directors to get to know the CU's vision, purpose, values, goals and strategic plans. It helps them understand the organization's history and culture and how it operates.

2. Understanding board roles and responsibilities. Orientation helps new directors understand their roles and responsibilities as board members. This includes understanding their fiduciary duties, legal responsibilities and expectations for ethical behavior.

3. Building relationships. Orientation also provides an opportunity for new board members to meet other directors and executives. This helps build relationships and establishes a shared understanding of the organization's goals and objectives.

4. Improving board effectiveness. A well-designed orientation can help new board members become effective contributors more quickly. By understanding the CU's culture, goals and strategic plans, new directors can participate in strategic discussions and decision-making more confidently.

5. Compliance. New directors need to understand such compliance issues as regulatory requirements, financial reporting and conflict of interest policies.

In summary, a well-planned approach to director orientation is important because it provides new board members with the knowledge and skills needed to effectively serve on the board and support the organization's mission and goals. ✦

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