



Participate in the Future Directors Programme as a Host Board

Once you agree to host a future director, the following information will assist you with:

- understanding your requirements and commitment of being a host – sign, scan and send this agreement (Page 2 only) to futuredirectors@iod.org.nz
- the search, selection and appointment process
- information about your board to consider providing your shortlisted/interested applicants prior to interview

Should you have any questions, email Sarah Deans, General Manager People & Culture futuredirectors@iod.org.nz or phone 04 474 2648, +64 21 429 963

Agreement to participate in the Future Directors initiative

In my capacity as company chair and on behalf of the organisation, we agree to be a participant in the Future Directors initiative and in the spirit of the programme accordingly we agree to:

- meet the criteria for being a Host Board for the Future Directors programme and have:
 - separation of governance and management
 - the focus of the board is purely governance
 - predominately experienced board members
 - at least one CMIInstD or CFInstD on the board preferably the Chair
- provide a 12-18 month appointment to the successful applicant as selected by ourselves
- provide the Future Director with a mentor for the duration
- allow the Future Director to observe and participate at board meetings and in board discussions
- remunerate the Future Director and reimburse out of pocket expenses
- provide appropriate cover for the Future Director in terms of Insurance and indemnities
- refrain from offering a permanent board appointment to the appointed Future Director for a minimum of a year following the completion of their Future Director term
- inform the IoD of your Future Director's appointment, tenure and personal details including email address and current role at time of appointment
- agree to provide feedback as to progress as requested by the IoD from time to time
- agree to allow IoD to send an end of programme survey to Future Directors to gain feedback and measure the effectiveness and impact of the programme
- consent to the IoD publicly acknowledging and profiling the company's participation in the programme on the Future Directors website
- consent to the IoD promoting the appointment through IoD's social media channel LinkedIn

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|-----------------|--|------|--|
| Name of Company | | | |
| Name of Chair | | | |
| Email contact | | | |
| Phone contact | | Date | |
| Signature: | | | |

The search, selection and appointment process

Congratulations on the decision to host a Future Director, and to give a talented person the opportunity to observe and participate on your company board for 12 or 18 months.

The IoD supports host boards in the search, selection and appointment process by:

- providing a template to help define your requirements
- providing your board with a complimentary [Director Vacancy](#) advert listing on the IoD website (valued at \$595 + GST or NFP \$250 + GST)
- promoting the vacancy through IoD's future director database – this database has almost 900 candidates who have registered their interest in participating in the future director programme, or we can target candidates living in particular regions only
- promoting the vacancy through IoD's social media channel LinkedIn which has over 11,200 followers
- If application management is requested this can be provided by IoD at an hourly rate.

Once you've shortlisted we can also help with:

- suggested interview questions for interview panel to ask Future Director candidates
- reference check template
- letter of offer template to engage your Future Director
- legal opinion on responsibilities and liabilities of your Future Director
- a guide for your Future Director and for your host board members to help manage expectations and for each party to get the most out of the programme.

Sourcing

Host boards may assign the responsibility for sourcing and fielding applications, shortlisting and arranging interviews to a dedicated HR/Nominations committee member or hiring manager. A panel (normally 2-4 members) from within the board would also need to be assigned the responsibility of interviewing and final selection.

Other ways your board can source candidates may be through:

- IoD board appointments (chargeable) – search and/or application management
- your dedicated Nominations Manager if you are a State or Public sector board
- a search firm that you already have an existing relationship with

- through Hobson Leavy or Propero whom IoD works closely with if you are an NZX Listed or Top 200 company
- your own candidate networks

Appointment

The choice of applicant is at the sole discretion of the Host Board. It is important your board undertakes their own due diligence and appropriate checks. Once you have selected your Future Director, a letter of appointment is drawn up and agreed to which will govern the relationship between the parties.

As the Future Director is not being engaged as a director of the Company, the IoD recommends that all Host Boards put into effect and maintain insurance for the Future Director as an “officer” under the terms of the Company’s existing directors’ and officers’ liability insurance policy.

Term

Some Host Boards are choosing to make the Future Directors term 18 months rather than 12, however this is up to you to decide the most appropriate tenure dependent on your financial calendar and number of times the board meets.

Remuneration

Remuneration for the set period is at the discretion of the Host Board and there is no ‘one size fits all’ model. Variables should be considered to ensure a fair and defensible remuneration level is reached, particularly in relation to what existing board members are being paid. Some boards are determining to pay around 20% of a board director’s salary, as a general guide to a maximum of \$20,000, while others choose to pay the equivalent of a non-executive director recognizing the time and preparation involved. Such amount can be paid direct to the Future Director or depending on their employment status it may be paid direct to their Employer to contribute as recognition for the time the Future Director is released from their employment to participate in this programme.

Information to provide applicants

It is useful to provide your shortlisted applicants with the following information about your board to help them understand the commitment required:

- Proposed start date of future director

- Structure and make up of your board – including names of current board directors
- Meetings typically held when and where
- Number of meetings per annum; including any other full strategy or planning days
- Average length of meetings
- Board focus over the next 12-18 months
- Committee requirements
- Length of appointment – 12 or 18 months

Company information such as turnover, ownership structure, industry, number of staff, background information is also useful, or applicants might be directed to check out the latest company annual reports.

Post appointment

Following appointment of your Future Director, please advise IoD of their name, current executive position, start date, tenure and email address.

The appointment will be acknowledged on www.futuredirectors.co.nz website and through our LinkedIn social media channel.

An end of programme feedback survey will be sent to your future director following their tenure.