

Governance Toolkit
Module 3 – New Director Orientations
Video Transcript

This transcript of the video was generated with the help of AI. Please excuse any errors and refer to the workbook and supporting tools for more information.

00:00:00:00 INTRODUCTION

Hello, everyone. Sylvia Groves, president of Governance Studio here. Welcome to today's session, Module 3 of the Governance Toolkit, New Director Orientations. This session is brought to you by CUES in collaboration with Stabilization Central Credit Union and Governance Studio.

Let's get started. Today we are going to be looking at ways to ensure that new directors who come on to the board can basically hit the ground running. They can start working from their very first meeting.

00:00:44:17 How Great Orientations Add Value

We're going to talk about ways that we can create new director orientations that add value for the new director, the management team, and the organization as a whole.

Really good orientations set it up so the director can hit the ground running, as I mentioned. We're really trying to make sure they are set up for success, so that they feel like they are comfortable and able to participate, able to bring their wisdom, knowledge, and experience to the table, even at their very first meeting.

What I often see happen, and what I often hear from new directors, is that they've just joined a new board. They're really trying to understand the organization a little more. They're kind of feeling their way out.

Once they've been there for several meetings, maybe about six months or a year, then they'll really feel like they can start to participate.

What brings a lot more value to a credit union, especially because we sometimes have directors moving through relatively quickly, is we want to make sure that we're getting value from them in their very first year. So we really want to make sure that they're set up for success.

For the management team, having a strong new director orientation program and plan makes sure that there is a clear process that everybody understands, that it's really easy to manage, and makes sure we're giving the updated versions of any documents that need to be provided.

We want to make it easy to replicate, so that every time a new director comes on, we're not doing or redoing a bunch of work that we've done a year or two ago and needs to be cleaned up. We're going to have some really clear guidance on exactly what we're looking for, and exactly how to get everything updated, and make sure that we're giving each director the same great information.

The last thing helped by having a really strong new director orientation is, it makes it much easier to adjust. As time goes by, as the credit union has some shifts in its strategy, or we have a director who has a particular skill set that comes onto the board, we can make some minor adjustments in order to make that orientation process really fit that new director.

For the organization, the really big thing, again, is making sure that those directors that are volunteering, or even those in paid positions, are bringing their skills, experience, and understanding to the organization. We want to make sure that we're accessing that great value that they bring from their very first meeting. We want them to be comfortable enough in their first meeting to be speaking up and bringing their skills, insights, and experience to the boardroom table.

At the end of the day, this is really a great governance legacy asset for the organization, when we have a good director orientation program. It's something that is going to make it much easier for the organization going forward. While it can be a bit of a heavy lift when we're first preparing, updating, or revising our current version of orientation, once that's done, the lifting is much lighter later on.

00:05:02:14 Biggest Challenges (or Three Mistakes Even the Best Organizations Make)

There are some big challenges that every organization faces when they're doing a director orientation. I want to talk to you about the three mistakes even the very best of the best organizations, with big budgets and lots of governance support, might be making—that I've seen organizations in that position make.

These are three things that we really need to make sure that we're overcoming when we create our director orientation program.

The very first one probably isn't a surprise to you. It's this idea of information overload. We have this desire to make sure that we're giving new directors everything they need, right at the very beginning.

We tend to give them too much information overall. We give it to them too fast. It's too general. It covers everything from small to big. And, we don't give them any context.

I'll give you an example of this. I will often see organizations provide some written materials. Back in the day, when we used to do this all by paper, it would usually be somewhere between 1 and 2 four-inch binders.

That's quite a lot of information. To put it in context, a four-inch binder with double sided printing is about 800 pages of material. I have a Webster's English Dictionary by my desk. That's only 867 pages.

We have this tendency to give a new director 1 or 2 binders. “Here's two versions of the English language. Director, you figure out what's important.”

We really have to be considering how we're making sure that we give directors information in a way that's going to make sense for them, and we give them context and understanding of why we're giving them that information when we give it to them.

That's just on paper. I know a lot of us might be using a SharePoint site. We might be using a specific portal for our directors to receive materials. We might be putting all of that information in there, which in some ways is a little bit worse, because we don't necessarily have an understanding of how many pages we're providing them. We tend to over provide as opposed to under provide.

We just give them everything, instead of taking a critical eye and thinking about what we're going to give them, when, how much we're going to give them, and all of those good things.

Information overload is the number one mistake that we need to address if we want to create a really good new director orientation.

The number two mistake is that we don't repeat information. I know that might seem a little odd to say, because a lot of times when we're doing communications, we don't want to repeat things over and over. But when you think about it in the context of an orientation, it's really about teaching the new director—allowing them to learn about the organization.

As human beings, we have a need to see, taste, touch, hear, read, and sometimes experience information a number of times, six times at least, before it really sinks in and becomes part of something that we know and understand.

What's really important when we are thinking of a new director orientation is how are we going to build into our orientation plan this repeating six times of key, critical information, and that we talk about what some of those critical pieces of information really are.

We really want to address how we're making sure that we're repeating the critical information in our new director orientation.

The third and final challenge that we need to overcome is that, in most organizations, or in many organizations, this is an entirely or partially unwritten process. A lot of times the best I see is a laundry list of, “Here are all the documents we're going to give a new director.”

That might be all there is—if that even exists.

What that means is, we end up reinventing the wheel every time. If someone internal changes out positions, and we don't know where to find that list, we have to think about it over and over. We're spending internal resources.

Oftentimes, the information provided changes with every new director. That means every new director doesn't really get a level playing field.

Some may be better informed and be able to make their presence and their contribution known much more easily than others. We may think that those others are less effective directors, when really, they just haven't been given the same success strategies that another director has.

We really want to make sure that we're giving similar information, key information, to every single director.

The final problem with having an unwritten process is, it's really hard to replicate it. "Oh, I can't remember." Or "There's nobody here that remembers what we did in an in-person meeting with the director. What did we do at that point in time? What topics did we cover?"

When we start developing a written process, all of a sudden this becomes a lot easier. Again, we're creating that wonderful legacy asset for the organization, so that we're not redoing work over and over again.

00:12:13:12 Absolute Musts (or: The Most [and second most] Important Thing to Share)

Now, I want to talk about some absolute musts. I want to talk about the most important thing that we need to share with new directors. And, the second most important thing we need to share with new directors.

I want to tell you a little story here. What I see happen a lot of times is that there might be part of an orientation that includes maybe a half day or a couple of hours with some key members of management of the credit union. Each of those members of management comes in and does a kind of a dog and pony show about their particular area.

Whoever's in charge of the human resources comes in and talks about employee programs, etc. The financial officer comes in and talks about their current financial status and assets, membership, those kinds of things. Maybe the risk officer comes in and talks about how risk is being managed through insurance.

Then typically, at the end of the day, the executive officer comes in and goes, "What do you think of our strategy?" The new director goes, "I don't know. I don't know what the strategy is."

That's our number one thing. It's the number one thing that directors most want to spend time on. It's also the number one thing that directors, when surveyed, feel they spend the least amount of time on.

We need to talk to the new director about why the credit union does what it does. How does the strategy that we have, and how do our operations, support the strategy?

I know one of the reasons that this situation happens is, we forget to tell other people things we already know.

I'm pausing there for a second, because for me, that has been an enormous lesson throughout my career.

I think of it from the perspective of a management team. We know what our strategy is. We know what our strategic pillars are. We know what our key performance indicators are to get us to that strategy, to those strategic initiatives being completed.

We're in it every day, and we do it all the time. Yet when we go to communicate to the board, and especially to new directors, we forget to tell them how [these] activities fit into our strategy. We forget to start them on strategy.

[This is a] really important concept. I'm going to go into that a little more in a second. But I want to tell you what that second most important thing is.

The second one is risk. The reason that risk has to be addressed at the same time as strategy, is these two issues depend on one another.

They're two key issues for the directors. They're two key areas in which the board has to take oversight and has to have a reasonable understanding of risk. Regulators actually want to make sure that boards are, in fact, paying attention to this.

If we don't know what strategy—what path we're taking to what we see as success in the next 2 or 3 years—we can't really understand the risks of the organization. Because if we were to take a different path, there would probably be different risks, right?

Our competitive risk might change. Our technology risk might change. Whatever those things are, they're going to be tied to the specific strategy we're choosing.

It's really important that we provide information on strategy. What is it? And then, what is the general risk within the organization? What is our risk appetite? What are the key risks that we have and how are we managing those key risks given our current strategy?

One of the things that I strongly recommend that organizations do is, if they are including—which I think is a great idea—that two-hour or a half-day session with key members of management, I like the executive officer to talk in some broad terms about, “Here's our strategy, the key pillars, and the initiatives we're working on this year, and here's how risk plays into those.”

Then, I like all the other internal officers to come in and speak to those issues from their area. [Say, for example] I'm in the compensation group. It's really important that we have a great staff who understands our members.

It's such a key role in credit unions, so we're really looking at this as an important piece. In fact, it aligns to our strategy here.

It helps us with the risk here. I want every one of the members of management who are presenting to the board after that initial discussion of strategy and risk to tie their area to its impact on strategy and risks of the organization.

At the end of the day, the executive officer can come back and say, "New director, what kind of questions do you have?"

They are already much more understanding. It's probably been repeated a few times throughout the day. Remember that six times rule? They've probably heard it repeated several times throughout the day.

We're starting to really help ingrain in that new director an understanding of two of the biggest, most important areas for directors to pay attention to. These, of course, are strategy and risk.

00:19:00:26 Include These (or: Four Key Categories to Address)

Now I'm going to talk about four key categories that we want to make sure that we include in our new director orientation.

We sometimes forget bits and pieces of any of these. Sometimes we forget an entire category.

I find it really helpful to set people up to think about each of these categories and make sure that they're being addressed at some point during the orientation process.

The first one is pretty easy, right? We know that as a business, as a credit union, there are key things that we need to give a new director, [such as] information about the credit union and its operations. This kind of stuff we always remember to include.

Just to give you a little bit more sense of how I look at this, I'm really thinking in the document category. Things like, do we have a strategic plan? Or do we have a recent update on our strategy? Do we have a risk dashboard? Or do we have a write-up on our risk policies and how we're managing them?

Do we have an operations report? Something recent or something that was provided, maybe an annual disclosure, depending on what our disclosure-to-regulator rules are.

Then, what are our recent financial statements to start building the picture of what the organization does and how it's all fitting together?

You'll notice here that I have included the strategic plan and risk really high up. Sometimes we have forgotten to give these things. We tend to focus more on the operations and financial statements, and maybe regulatory disclosure.

Again, we're going to make sure we get that strategy piece there, and make sure we get that risk piece there—whether it's a dashboard, or whether it's just risk information.

The second key category is this category of governance. What tools, what processes, what papers are around to ensure that the board is governing itself appropriately, and that it is appropriately supported by the management team in the information that it's getting?

A lot of times I might refer to some of this as a governance manual. Some organizations choose to put a bunch of these things together in a booklet that can either be provided hard copy to a new director, or maybe be placed on the portal or the shared directory that the board uses.

They're not typically super long. Even if it's put in a binder, it's usually not more than 50 pages or so. It will, of course, depend.

The kinds of things that I like to include in this governance area are the mandates. Or, maybe you use the terminology, “terms of reference” or “charters.” [These are] for the board, and ideally, there's one for each of the standing committees. Those terms of reference or mandates connect together.

Of course, the audit, or some version of an audit or finance committee, reviews the financial statements and recommends them to the board. I want it to say that in their document, and ideally, the board document says that they're going to approve financial statements on the recommendation of the committee.

Those things all fit together like clockwork. Everything matches up and aligns. Those documents tell the board what its jobs are and tell the committees what their jobs are.

In addition, [include] any work plans that the organization has. We will be addressing work plans in a little more detail in module number four, but these are basically a translation of those mandates into actions.

If my board mandate says there are 20 things that we do on a regular basis, the work plan is going to cover those 20 things and tell me when I'm going to do them and how they're going to be done.

Again, we'll go into a bit more detail on that in module four. Ideally, we're going to also include position descriptions—most importantly, for the executive officer, chief executive officer, or whatever the title is within your credit union.

The reason that is so critically important is, I want to make sure that we're starting to draw the line between what is the board's job and what is the executive officer's job.

This is not like a position description that would go to a hiring agency to find an executive, such as what are their skills and experience? It's a position description as to what are the expectations of the executive officer role as it relates to the board.

You are bringing forward the operating plan. You're bringing forward the budget, whatever those things are that the executive is expected to be doing over the course of the year with respect to the board.

Ideally, as position descriptions, we're also including things like an individual director position description. That's making sure that a new director knows what their expectations are.

"I'm expected to read materials in advance. I'm expected to participate in meetings. I'm expected to share my views, even if they're not the view of everyone else in the room. I'm expected to be respectful of other directors that might be sharing views that are different from my own."

Again, we're going to give a lot of behavioral description for individual directors. [This is] really helpful and important stuff for a new director to understand.

If we use a board matrix to help us in determining the ideal skill set and any gaps that we have, information like that would be included.

We might have information on other governance processes like, "How does our nominating process work? What do we do for evaluations?" etc.

A lot of times, a lot of this information is also disclosed to members of the credit union. Then, from a governance perspective, ideally, we're thinking about key policies. Those kinds of relevant policies are typically the ones that are approved by the board, or that relate to the board.

There might be an external communications policy that talks about who speaks to media or speaks on behalf of the organization. Is the board chair ever part of that? Or is it just the executive officer?

Those critical policies and integrity or ethics policy are the kinds of things usually included under this governance umbrella.

Logistics [includes anything] that a director needs to do. Let's make sure we're communicating [to] new directors what the meeting schedule is. If we have a schedule, or if we meet every third Wednesday of the first month of a new quarter, or whatever that happens to be, make sure that we're communicating that.

We're providing new directors with contact lists, key members of management. The board support person [is] really important to include in that. This is sometimes a governance professional or the credit union's secretary. Or, it could be somebody who is acting as the executive assistant to the executive officer, as well.

Contact lists. How do I get hold of other directors? How do I get hold of members of management?

Then, a lot of those "how to" things like, how to claim expenses if you have to travel to a meeting. How do you get to meetings if they are non-local, or if they're online and partially hybrid?

How do you actually sign in? Do they need any assistance with that? How do you get to the materials that are being provided for the meeting?

Are we using a board portal? Are we using some shared directory? If so, how does a new director need to sign into that? Include anything that relates to those kinds of logistical pieces.

Again, you'll notice how we've got all these different categories. A lot of them make sense as little modules or packets of information. That will come back a little bit later.

The last one, this is the one that we typically forget to include. These are the behavioral things that are maybe rules. Some of the rules around behavior are ideally set out in an individual director position description. That is the same for all individual directors on the board.

It talks about making sure that we listen respectfully. We're respectful of other people. We know this is a team sport, and we're making decisions as a team.

Those kinds of things we may have written, but there's probably also some unwritten information like, is this a really formal board? Does everybody come in and sit down quietly and wait for the chair to open the meeting? Or does everyone come in a little bit early, there's a lot of chatting, and typically the meetings start maybe about five minutes after the hour, as opposed to right on the hour.

A lot of times there's some cultural information that we can include that is really helpful to a new director, because they have no idea what to expect when they walk into the boardroom the first time. They may have some thoughts about what they think it should be, or what they think it's likely to look like, but they really don't know. If we can give them a little information around this, I think that's a really helpful thing for their comfort level.

00:30:17:02 Innovate (or: 6 Ideas That Really Add Value)

All right. We're going to move on to a new section here. We've talked about some of those really critical basics that we're including.

I want to now talk a little bit about some ways that we can innovate—some ideas that we can use within our new director orientation that can really add value for the new director, for the organization as a whole.

Attendance. I really like to encourage credit unions to have their new directors attend one of all of the committee meetings, even if they're not going to be on the committee, [or] even if they're not going to be on a committee until they've been on the board for a year. However that works in your credit union.

What's really valuable about attending the committee meetings is that the new director gets a good understanding for the deep dives that the committees are doing in particular areas. They have a better understanding of how deep the board needs to go, because the committee has already done a lot of deep dive work. That can be super helpful.

00:33:44:26 - 00:34:23:02

Sometimes, if we happen to be having a strategy session, it can be really helpful to have those near to when new directors are coming on. This gives them another opportunity to immerse themselves in the understanding of strategy.

Of course, the strategy session is also going to have some risk discussion, because again, I think those two subjects always need to be connected.

00:34:23:04 - 00:34:47:28

We're talking about our strategy; we're talking about the risks that come with that strategy and how we're going to manage them. So if there's an opportunity for your organization to have the strategy session near to when new directors come on board, that can be very, very valuable to them.

00:34:48:00 - 00:35:23:24

Training. Sometimes, it's very valuable to ensure there's some externally provided training. I know that CUES will be providing lots of great tools and information for new directors.

In addition, though, sometimes it's helpful to have some tailored training. For example, a lot of times in the credit union system, we have directors who come on board who haven't been directors or haven't worked on a board before.

00:35:23:24 - 00:35:57:00

It's really important to ensure that some key areas are being covered for directors, so that they have an understanding of governance in the credit union system, that they have an understanding of finance risk, [and] all of those critical areas within the credit union system.

So, sometimes there might be a need for some externally provided training. We can think about what would be appropriate.

What are the resources that we can go to, above and beyond CUES even, to ensure that this training is available and that directors are partaking of it. Or, if they have a particular need, how can we assist them with that?

00:36:14:19 - 00:36:45:01

I call this one a backstage pass. It's like this site visit, right? Inviting a director to one of the credit union branches, so that they can see how the branch operates.

They're probably already familiar with it, but maybe they get more of a backstage tour, so to speak, so they can see how the employees are carrying out their day-to-day work.

00:36:45:03 - 00:37:27:25

If we do new employee orientations ever, it would be very interesting to include new directors and say, “Hey, by the way, we're doing our employee orientation with a couple of new employees coming on. We'd like to invite you.”

Again, It gives them a different perspective. This can really build trust with a director, because you're basically letting the director deeply into the organization to see how the organization walks its talk—to see how the credit union plays out the values upon which it's built.

00:37:27:27 - 00:38:03:22

Another thing might be the main branch. If you have a main branch that has your basic credit union headquarters there, also provide them with access to that and the ability to go around and talk to some of the employees and see how things are actually working.

That really gives a director a deep understanding of the day-to-day of the organization and can be a very valuable tool.

00:38:03:25 - 00:38:45:01

Mentoring. This is probably one of the most valuable and one of the most used innovations that I've seen, over the last decade, at least.

A lot of times, organizations and credit unions will set up a board buddy for new directors—someone who's been on the board a little while, who's maybe having a telephone call with the new director before a meeting. Maybe they're sitting beside them at a meeting and able to give them some insights as the meeting is proceeding.

00:38:45:03 - 00:39:21:21

Maybe there's a project that's being approved and the new director feels like, “I don't really have enough information. I don't understand what's going on.”

A director that's been there can say, “Oh, we got a presentation last time, and they told us about this and that.” So it's helpful to provide somebody who's got some experience and insight to bring to a new director.

It's important that we think about matching, making sure that we're not, perhaps, putting [together] personalities that won't go very well together.

00:39:21:23 - 00:39:46:17

I would say, if you're ever in this situation where there is some discord at the board level, this might not be something that you want to do. It might cause a bit of taking sides. That is something that you want to not be doing.

Where we can, set some expectations. What is a mentor expected to do? What is the mentee expected to do? How long does that relationship last? What does it include?

The more we can be specific about this and set it out so everybody knows what the expectations are, the better off we can be with a mentoring program.

00:40:10:24 - 00:40:48:03

This is another really valuable tool. I refer to it as quick check-ins. I would like to see this happen, ideally, like six months into a new director's term and maybe after a year.

What happens is, when we're absorbing all of this information, we've got a lot of stuff going on. As we get more skilled and experienced about the organization, we think of questions that we didn't need to ask before. [Or,] we didn't know to ask about them before.

00:40:48:06 - 00:41:16:24

I think that can happen with new directors as they get more comfortable—more understanding of the organization, deeper knowledge. Maybe it's helpful to have a one-on-one with the executive officer or one of the other key members of management.

Ideally, we're checking in with them six months later. “Is there anything that you want to have more information about now?”

00:41:16:26 - 00:41:37:19

After a year, “How did that work out for you? Is there something that you wish we had included?” Or, “What can we assist you with now?”

A lot of times we look at this orientation as one and done. “We're going to do one thing. We're going to give you one packet of information, have one meeting with you, new director, and then that's it.

00:41:37:23 - 00:41:59:22

“You're done. You're ready to go.”

That's not really how it works in reality. Wherever we can find ways such as mentoring and check-ins to make sure there's some follow through, that adds a lot of value within our orientation program.

00:41:59:24 - 00:42:35:04

The last one, and I've referred to this a little bit earlier, [is] this idea of modules. How can we think about chunking information up so that a new director is eating an elephant with a teaspoon, instead of having the elephant land on top of them?

Can we chunk up the information? Can we have some short sessions? Or, can we have some small packages and figure out how we're going to deliver those?

00:42:35:06 - 00:43:19:21

Maybe there's a special session or additional learning sessions before or after a major one-on-one meeting with members of the management team.

For example, if we are in a credit union that's fortunate enough to have a governance professional supporting the board, or a dedicated board support person, maybe there is an hour meeting online or in-person with that person.

They can walk through all of that governance section or that governance manual. This could give the director some understanding of, "Here's what's in here, here's the information available, here are some key points. Do you have any questions?"

Now they've also got a good contact within the organization. If they've got questions about governance, they can ask that person.

It doesn't apply to governance only, but how do we put together a packet of information around strategy and risk? Or, is it two packets—one called strategy, one called risk—but delivered together, ideally?

I like to think about, "What am I going to give the board member right away? What am I going to give them a little bit later?"

It's really about thinking about things that go together, that makes sense together. All of the logistical information that we tend to pile in with everything else, the new board member doesn't need that with everything else. Can we take that out of the chunk?

"Here's your information on how to get onto our board portal. Here's information about where our meetings are usually held. Here's how you claim an expense or an honorarium, whatever the case may be."

00:44:37:23 - 00:44:59:22

Walking them through that logistical stuff, completely separate from the rest of the orientation, really helps to make these [into] bite-sized pieces that the director can easily digest.

00:42:12:27 The Process (or: 6 Steps to Creating a Wicked Good Board Orientation)

So, we've talked about some of the key areas. We've talked about some innovation. I just want to give you some information on *process* that you might find really valuable.

This process is actually based on the way I would work through developing a board orientation on behalf of a client. It's based on my own practices of how to create a wicked good board orientation.

00:45:36:07 - 00:46:18:11

Step one I think really, is buy in. We need as a credit union to make sure that we have got both management, the board, and ideally, the governance or nominating committee—whoever the appropriate committee is within our standing committees—all on the same page.

It's valuable for us to be developing this orientation. It's going to be a more in-depth, planned orientation than what we've done in the past. We're going to use some resources to make sure that we get this done, so we'll be dedicating internal personnel—all of that stuff.

We're really trying to put together the reasons that we're developing the orientation. We want to make sure our new directors are set up for success. We want to make sure they have the critical information they need to be able to contribute at their very first meetings.

00:46:47:07 - 00:47:16:03

We can put that together. Maybe we're putting together a memo. Maybe the board is asking for this, so we need to make sure everybody in the management team is on side. Or, maybe it's an initiative for management to improve the ability of the board to bring in new members effectively.

Buy-in will look different for your credit union depending on where the initiative is starting. Really, it's about making the case for having a good orientation.

00:47:16:10 - 00:47:50:01

The second thing is about compiling. By that, I mean I want to go through and figure out a list of the documents and the actions that have in the past—or maybe should be and haven't yet—been included in an orientation.

It's just really important to set those out very, very specifically.

00:48:00:27 - 00:48:29:24

I'm just going to pause here for a second, and I want you to think about at least a few of the things, the kinds of documents, that your credit union normally includes in new director orientation materials.

00:48:29:27 - 00:48:54:18

Now this is an exercise that you can take away and maybe say, “Okay, I'm going to spend ten minutes. This is a chunk of work I can do today. I'm going to spend ten minutes thinking about the documents.”

Some examples might be the most recent financial statements. What are our governance documents? Or, do we have a governance manual?

00:48:54:18 - 00:49:19:00

What's our current strategic plan? The most recent risk reporting? Those types of things. I assume the list will be relatively long, as you think through all of the things that might be helpful to the organization.

00:49:19:02 - 00:49:49:03

The second one—and I know this looks like it's the same slide again—but it's about what activities the credit union does with a new director.

Is there lunch with the chair? Is there a day in the head office location with presentations from management? Is there a separate review with the credit union's corporate secretary or board support person?

00:49:49:06 - 00:50:29:10

Is there a logistics sign-on day? What are all of these things, these chunks of information?

Who's going to present them? How could they present them?

What does your credit union currently do? And then, are there things that you could do in addition that would be helpful?

There's more information in some of the rest of the toolkit. Governance Studio also offers a board-builder orientation workbook that gives you some worksheets to help you really work through all of these items that I'm talking about, and this plan, this six step plan, that you are using.

Step three is probably the most difficult. It is also the most valuable. This is when we really start to categorize information.

We start to reduce the amount that we're providing in any one chunk. We start to think about what information that we normally give to directors, do we really need to give them right away? Or, do we need to give it to them at all?

I look at it from this idea of about four separate category groups. I'm going to look at all of those documents we provide. For example, I'm going to say, “Is it a required document?” [In other words,]

this is a very important piece of information that every director must have in order to be able to do their job as a director.

00:51:50:09 - 00:52:30:17

The strategic plan *absolutely* is something that we want there. So, what are those required things that a director has to have in order to be able to do their job?

The second category is [the] “deeper dive” things. They're important, and they're important to most directors, but maybe not all of the directors.

If you've got a director with a skill in a particular area, maybe you give that director some additional information in that area, because it's helpful for them. It sets the context for them a little better. That's this idea of a “deeper dive.”

Procedural and compliance information includes things like those logistics. Are there any forms or filings that they have to sign off on—some of those how-tos that we talked about earlier?

“How do I get to a meeting? How do I sign onto the portal?”

00:52:57:27 - 00:53:30:21

All of that kind of stuff, again, is really procedural and compliance. Now yes, they need it. But it's not something that we need to bombard them with on their first day.

We certainly don't need to include it in a gigantic package. It might be a separate, small package that they receive relatively early on.

Then there's this last category, this “nice to have” category.

00:53:30:23 - 00:54:13:28

Anything that doesn't fall in one of those first three categories is just simply, “nice to have.” Often, it's 60% to 80% of what we give directors.

Maybe we have some history of the credit union. Maybe we have the bylaws or the rules of the credit union.

I know that sounds weird. I always think of that as a “nice to have,” because at the end of the day, someone on the management team who is acting as a board support person is going to have the deep dive knowledge of the bylaws.

00:54:14:03 - 00:54:45:13

Some of the chairs are going to need that, but most directors are not going to need to know, “Do we have quorum?” Ideally, management is making sure that happens.

That kind of thing can sometimes be something that's a “nice to have.” We can tell them where to find it, but we don't actually give it to them as something that we expect them to review and read within their orientation.

So that's [what we mean by,] “nice to have.” Again, a lot of times, most of the things that we give directors are “nice to have.”

00:54:45:19 - 00:55:14:01

Okay, I'm going to go through a bit of a sorting example here. We've got these four different things that are being provided, at some point, as part of the orientation for a new director.

00:55:14:03 - 00:55:49:05

It's the rules or the bylaws, whichever terminology you use. It is some consent to act. That's the board director signing off on, “Yes, I agree to act as a director of this credit union.”

There's the strategic plan, and then there are five years of financial statements. We're going to go through, and we're going to sort these, thinking about in this particular case, what document will usually be in the “required” category.

00:55:49:07 - 00:56:16:18

In this case, again, it can depend a little bit on the context. It can depend on the new director that's coming on.

If there's a new director coming on that's, for whatever reason, immediately going to be the chair of the committee, we might answer this a little bit differently. But one of the really important critical pieces that they need to have, of course, is the strategic plan.

00:56:16:18 - 00:56:46:25

If I was only going to pick one thing off of this [list], I would say it's the strategic plan that's going to fall into that “required” category.

What I think of as more of a “deep dive” item—maybe it would be helpful to some directors and maybe not all—in this case, I would look at the item that is, “five years of financial statements.”

00:56:46:27 - 00:57:18:22

Most directors, I would give them [only] one, or maybe two years. Usually there's a comparison to the prior year anyway, so the most current set of financial statements, that's going to be a lot of information for them.

But, if I've got someone coming onto the board who maybe has an accounting background, and they might be going onto the audit committee, it might be really helpful for them to have a longer-term context of the finances for the credit union.

00:57:18:22 - 00:57:31:28

In this case of a deeper dive, I might provide five years of financial statements to *some*, but certainly not *all* directors.

00:57:32:01 - 00:58:10:06

This next one here is, what kinds of things, or what item on this list, is really more “procedural”? Maybe it's a compliance thing. It's something that we have to do because it's required by law.

I think most people will be able to pick out this idea of a “consent to act.” This written document that confirms that the director is willing and happy to act as a director for the credit union, is something that is really more “procedural” and more “compliance” related.

00:58:10:06 - 00:58:48:17

I'm going to make sure they get that, but I'm not going to put it together with the strategic plan and a whole bunch of financial statements. I'm going to put it into a separate packet of its own, or with like items.

Lastly, which of these documents will usually be in the “nice to have” category? Directors might find the need or desire to refer to them sometimes, but most directors aren't going to be required to have read them and be conversant with them.

00:58:48:19 - 00:59:23:08

In this case, I would say, the rules or the bylaws. Again, it's not that I'm not going to make this available to the director. I'm just going to put it somewhere and say, “This is how you can access it. If you have any questions about it, you can talk to our board support person who really knows it inside out and backwards. There isn't a big need for you to understand it in detail.”

00:59:23:11 - 00:59:55:21

We're getting into step four now. We've gotten all of those things that we're providing. Maybe we've found some ideas within the rest of the toolkit.

Or, we are looking in the workbook, and we've got ideas on other things that we're going to provide. Now we're going to decide how and when each packet of information will be communicated.

00:59:55:24 - 01:00:30:18

We might have a packet that's just related to financial things. So it's the financial statements, maybe it's the overall finance policy for the organization—whatever items that might be.

Maybe we've got a financial packet. Now that's not to say it won't be included with a couple of other things that it makes sense to include [it] with. But we want to try and make these into smaller bits and pieces.

That way, we can time them out for the new director and say, “Hey, this one is the most important. This is packet number one. Even if we give these all to you at the same time, this is the first thing you should review.

“This is the second thing you should review. This is the third thing.” Again, [it's] like giving them chapters of a book. Let's make sure it's easy for them to follow.

So, how and when are we going to deal with each packet?

01:00:54:25 - 01:01:33:27

Are we going to give it to them in writing on some sort of hard copy? Is it going to be paper or electronic?

Are we going to deal with this packet at a meeting? Or, are we going to do both?

Again, we're keeping in mind how many times people need to see, hear, taste, touch, smell that information to really take it onboard and know it. We want to make sure that critical things like strategy are presented more than once throughout this whole plan that we're developing.

01:01:33:29 - 01:02:10:21

That's step number four about communicating the information to the new director.

Step number five goes back to that idea of innovation. Which of the value-adding ideas are you going to put into your orientation program?

Are you going to have all directors attend a set of committee meetings? Are you going to provide some external resources training for directors?

01:02:10:24 - 01:02:41:16

Are you going to make sure that they have a site visit with a backstage pass, so they can see and talk to some of the employees within the credit union?

Are you going to make sure you're going to have a quick check in scheduled six months after the new director starts, and maybe another one a year later?

Are you going to set up a board buddy or a mentor on the board and provide some guidance around what that means?

01:02:41:19 - 01:03:11:06

Of course, I think we're definitely wanting to move into that idea of modules. At the very least, even if we're giving a lot of information at once, we're breaking it into sections, like chapters, that a new director can look at in smaller chunks.

A new director might even choose to look at it in a different order than we're suggesting. Based on their own experience and understanding, they're looking for specific things.

We want to think about how we can put things in nice packets or modules.

This is the number one item, *writing it up*. We cannot skip this step. This is where we create the legacy governance document for the credit union. This is where we create a repeatable process, so that we're not reinventing the wheel.

01:03:52:16 - 01:04:32:26

This is where we make it so much easier to adapt for a new director, or adjust for changes in how the credit union is working, or governance requirements. We can easily adapt and adjust, because we have this written plan.

Ideally, it's a chronological list. The plan format, available within the toolkit, is a chronological list of every call, every meeting, every packet of information being provided to the new director.

01:04:32:26 - 01:05:17:28

What is the packet? When are we doing it? Are we having a call? Who's participating? What are we talking about?

There's a lot of information in the format that can help you put that together. Basically, we're describing how and when each item is shared, or each action is taken, with a new director.

Then, we've got this wonderful legacy asset that makes it a repeatable, consistent process that sets every single new director up for success.

01:01:02:11 Top 3 Secrets to Success (HINT: These Might Sound Familiar)

Okay, so those were the six steps of creating the actual plan. I also want to share with you my top three secrets. I think most of these are going to sound a little bit familiar to you by this point in the presentation.

Secret number one: Parcel information, like with like. For example, a logistics package. Maybe that's head office information, their consent to act, any other sign-on information for the board portal, or access information for the board shared directory. Whatever that is.

We want to maybe have a whole packet that's just about logistics. Maybe we send that to the director at some point. A lot of this will come very close together.

We send that to the director and say, “Read this through. If you have any questions, give me a call.” Or, “I'll call you on Tuesday, and I'll walk you through what's in the packet and anything that needs to be signed and returned to me.” However that works, we're going to set it out.

Small packages: [Put] important and overview, big picture items first—more detailed information later. For example, our critical strategic plan, and then maybe some recent reports on our progress toward that strategic plan in the past year. That might be more detail that we provide a little bit later on.

Tailor it. By “tailoring,” there are a couple of things I'm thinking about here. One is adjusting it for individual directors.

If I have a director who is coming on that has been in the human resources area for many years—and maybe we're a credit union that has had some problems with staff retention—they're going to have some really good insights and experience from broader and different industries or sectors.

We might be giving them more information about our human resources policies, our compensation programs, our retention programs. We might be giving them different information than we'd give a different director. We're just doing it for them.

We also need to think about updating the plan over time for changes and for continuous improvement. There's no such thing as writing up a governance document, it being good and done, and never needs to be touched again. That's not the way it works.

Governance is continuously evolving. Best practices change. We want to update over time.

We also want to get feedback from recently oriented directors to do some continuous improvement. Maybe at those check-ins that I talked about earlier, six months [or] in a year, we're asking the director, “Is there anything you really wish we had given you right away that we didn't.” Or, “How did you find this process? What would you like to see done differently?”

Of course, there's going to be a continuous improvement element to our board orientation plan, in the modules, and all of those pieces. But we're going to have this really strong foundation that we're working with.

Any guesses now on the last secret that's not so secret? Of course, it's “write it up.” We have to put it in writing.

Writing is magical. It makes sure that things happen. Right?

If we say, “We've got the list already written out of all the things we're going to do, and when we're going to do it,” it's so much easier to get it done.

Otherwise, we have that tendency to just put everything in one giant package and land it on top of the poor new director, saying, “Here you go, new director. Here's 1 or 2 copies of the English language. You pick out what's important. Good luck at your first meeting.”

I don't want that to happen. I want to make sure that we're giving directors critical information, so that when they come to that first meeting, they're set up to participate. They're set up for success.

So, detail everything—what we're providing [and] when we're providing [it]. This legacy asset will outlive whoever takes on the project within the credit union. It will be something that is an asset for the credit union for many years to come.

01:06:10:00 Toolkit Contents

I just want to give you a quick overview of the toolkit contents.

There's a New Director Orientations Guidebook. That gives you some written tools and some reminders of what is in this webinar and some additional information, or different contacts, than maybe I have referred to here.

There's a quick reference guide, which again is like a two-pager that sets out some really important things that, if your credit union hasn't been doing them yet, you can think about.

You might not have the person power yet to be able to completely develop a director orientation plan, but there are certainly some things that you can do, even in the meantime.

Maybe you set up a board buddy system, even though you know you're not actually going to be able to create your plan until next year. That's another way of being able to access some value from the kit.

Of course, there's a new director orientation plan format in Word that you can actually start populating your information into.

All right. You probably heard the reference earlier to the Board Builder Orientations workbook. That workbook is a publication of Governance Studio.

It contains checklists and worksheets to help you set out the documents and actions, and then categorize them so you can organize them into packets that make sense. It sets out the exact process that I follow when I'm doing director orientation projects for clients.

I think there are a lot of good things in there that you might find really helpful. As part of the toolkit, there is a gift certificate. You can see the code on this slide.

You can go to my website, Governance Studio dot C-A slash shop. As you're checking out, you can use that gift certificate code for a discount on the workbook.

01:08:24:25 CLOSING & CONTACT DETAILS

This session has been brought to you by CUES in collaboration with Stabilization Central Credit Union and Governance Studio. With that, I'd like to thank you all for your time and attention today.

There's some information on this slide about my fiercely practical governance newsletter that you can sign up for. Or, if you have any questions about what we've gone through in the webinar, please feel free to reach out to me at the contact information shown.

Again, thank you all and bye for now.

Copyright 2025, Stabilization Central Credit Union, Governance Studio Inc., and Credit Union Executives Society. All rights reserved.

This document may not be shared outside of the purchasing credit union.