

# Board Leadership Survey 2016

By invitation sharing session  
7 July 2017

Conducted by:



In support of:



# Research purpose

- Developed by the National Volunteer & Philanthropy Centre (NVPC) and the Centre for Non-Profit Leadership (CNPL), in partnership with the Charity Council, the inaugural Board Leadership Survey (BLS) is a dip-stick study of board practices in Singapore.
- Through this research, NVPC aims to:
  - Gain an understanding of Board practices, policies, and activities of charities and IPCs in Singapore and provide relevant recommendations to strengthen Board leadership

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# Research design

- Sampling framework
  - Based on Charity Council database of all charities and IPCs, 1820 organisations were invited via e-invite by Charity Council
- Fieldwork: 9 November to 18 December 2016 (5 weeks)
  - Respondents completed online survey
- Respondents
  - Number of surveys completed= 188 (10% response rate)
  - Respondents cut across all sectors and annual gross receipts/total expenditure categories~ and comprise of charities and IPCs
  - Among those who left their personal information, respondents included Chairpersons (47%), Executive Directors (13%) or any staff who supports Board functions, and/or is capable of representing the organisation (40%)

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# Key insights

- **Promote and enable board diversity to stay relevant**
  - Women make up 31% of Board members, which is higher than that of the for-profit sector at 10%, according to the Diversity Action Committee, 2016
  - Most Board members fall within age brackets of 41-70 years
  - 78% of organisations recruit Board members through personal networks
  - 67% of organisations have not undertaken a self-assessment of the Board's diversity in the last two years
- **Stronger Board leadership depends on its succession planning and building a sound pipeline**
  - 61% of organisations have a Board succession/renewal plan but have not formalised this process
  - Leadership pipelines can be built through sub-committees. Currently, most organisations have an average of 4 sub-committees
  - The top 4 sub-committees are Finance, Audit, Programmes & Services and Human Resource

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# Key insights

- **Adhering to the code of governance to raise the professionalism of non-profits**
  - 36% of organisations either exceed the term limit or do not have a policy or defined period in place for their Treasurer
  - Currently, 31% of Treasurers have served 3 or more years
  - 34% of organisations do not meet the minimum timeframe of 2 years before Treasurers can be re-nominated or reappointed. A further 15% of organisations do not have a policy or defined period for this.
  - 64% of organisations do not have a policy or defined period on hand to guide the term limit for their Chairperson
  - More than 70% of organisations disclose general information such as the names of their Board members and Board appointment but less than 25% share details on the number of Board meetings and attendance on a named basis

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# Ways to strengthen Board leadership

1. Diversify Board recruitment channels
2. Undertake a self-assessment of the Board's diversity periodically
3. Formalise a Board succession plan
4. Build a leadership pipeline through other channels such as sub-committees
5. Re-evaluate Board governance policies and practices

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# Detailed content

## 1. Overview

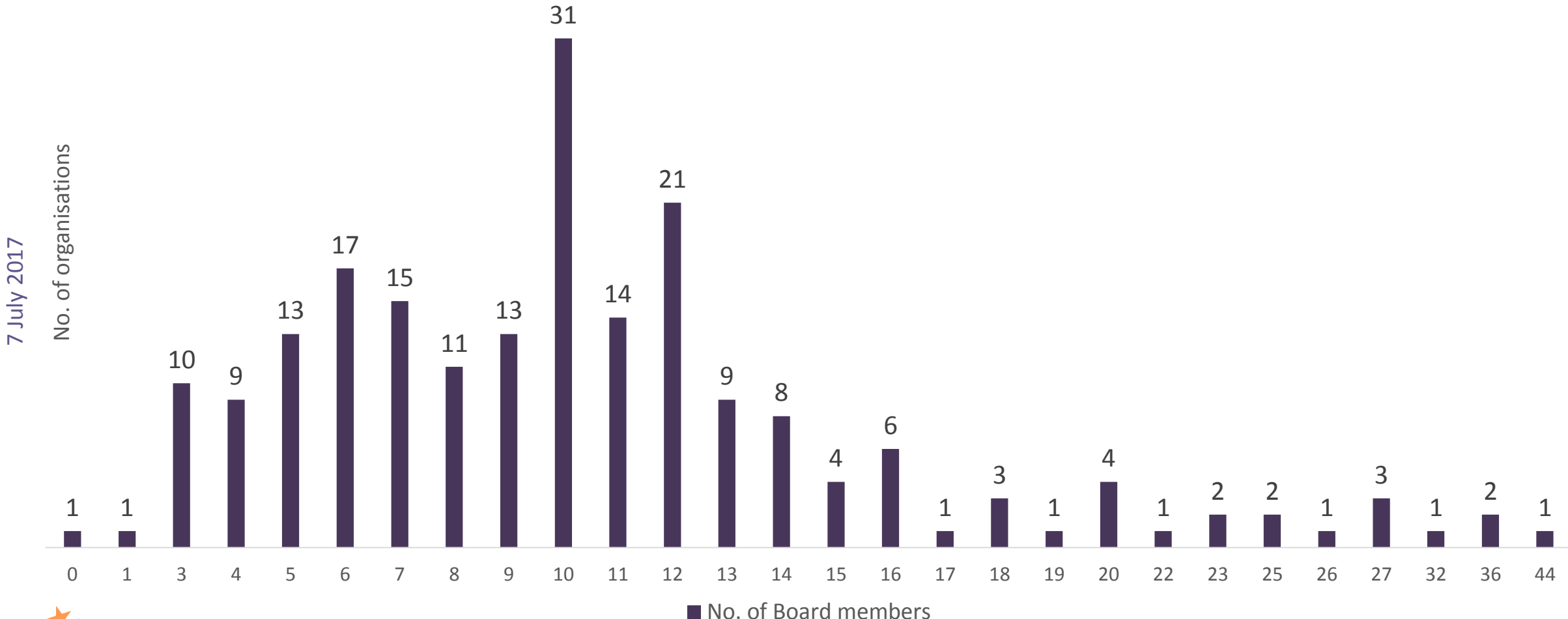
## 2. Key insights:

- Promote and enable Board diversity to stay relevant
- Stronger Board leadership depends on its succession planning and building a sound pipeline
- Adhering to the code of governance to raise the professionalism of non-profits

# Overview

# Organisations have a wide range of Board sizes but the average number of Board members is 10

Frequency count of organisations per Board size

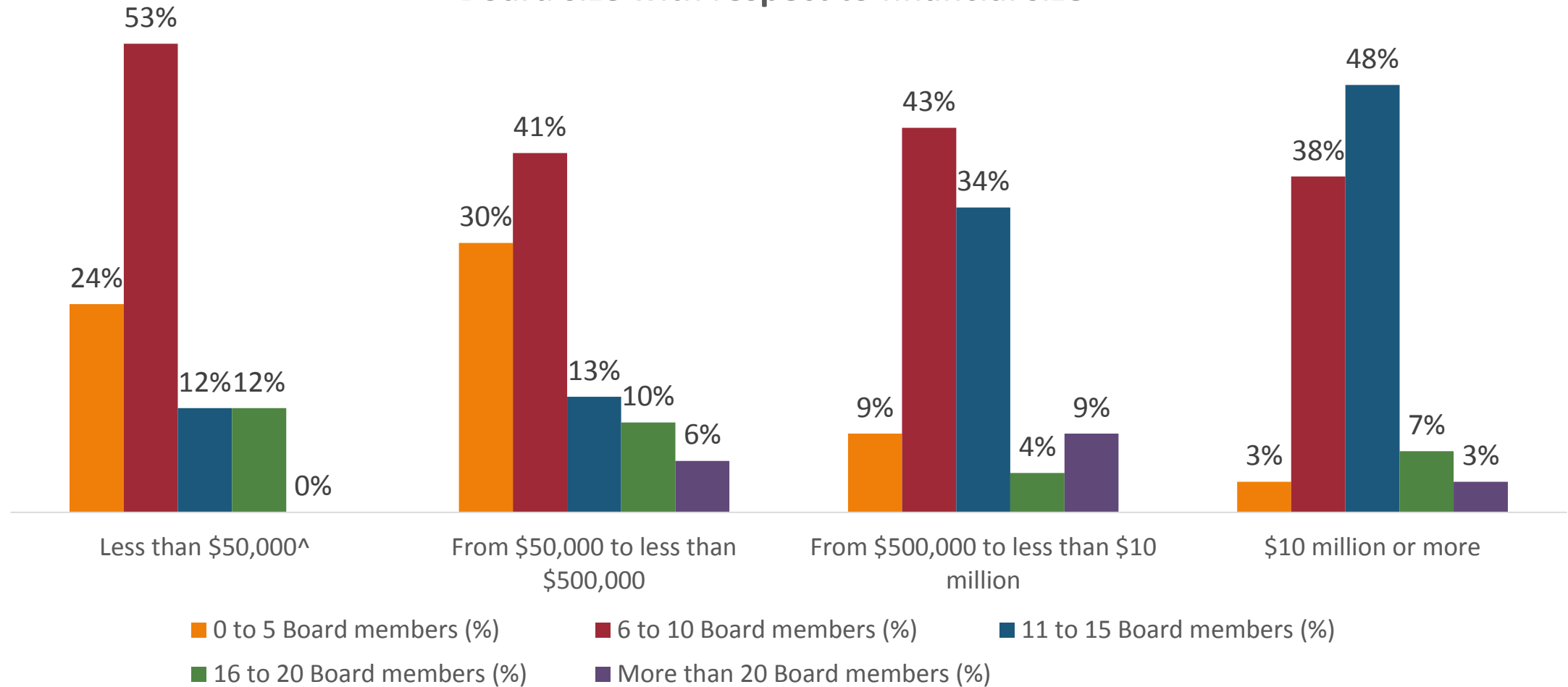


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Q. How many Board members does your organisation have on-board currently?

# Organisations with a larger financial size have more Board members

Board size with respect to financial size



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Q. What was your organisation's gross annual receipts or total annual receipts or total expenditure in the last financial year?

Q. How many Board members does your organisation have on-board currently?

<sup>^</sup> denotes a sample size of less than 30

# At least 40% of mid to large financial sized organisations have 10 Board members or less

Financial Size	Number of Board members		
	0 to 10	11 to 20	21 and above
Less than \$50k <sup>^</sup>	77%	24%	0%
\$50k to less than \$500k	71%	23%	6%
\$500k to less than \$10 million	53%	39%	9%
More than \$10 million	41%	55%	3%

Q. What was your organisation's gross annual receipts or total annual receipts or total expenditure in the last financial year?

Q. How many Board members does your organisation have on-board currently?

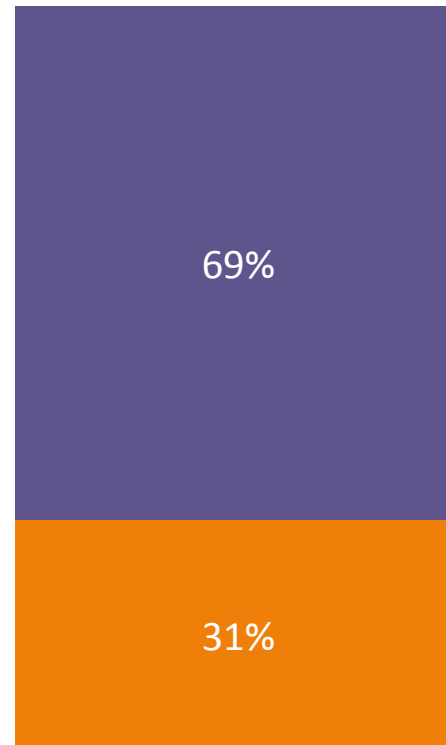
<sup>^</sup> denotes a sample size of less than 30

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Promote and enable Board  
diversity to stay relevant

# Women make up 31% of Board members

Proportion of Female Board members



On average, there are 3 female Board members on each Board

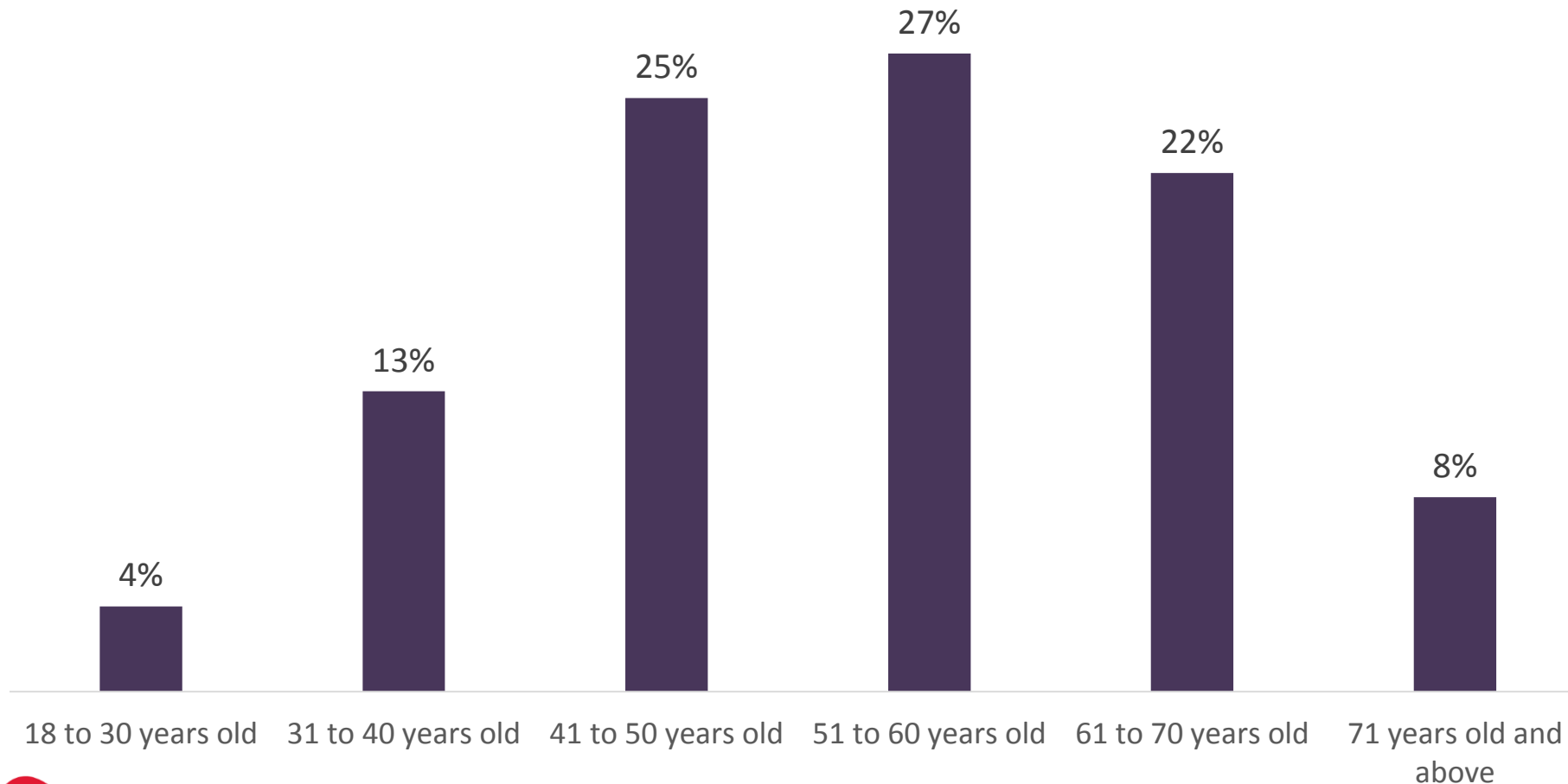
According to the Diversity Action Committee, Singapore, 2016, female representation on for-profit Boards is at 10%

■ Female Board members (%) ■ Male Board members (%)

Q. How many of your current Board members are female?

# Most Board members fall within the age brackets of 41-70 years, suggesting a lack of representation from the younger generation

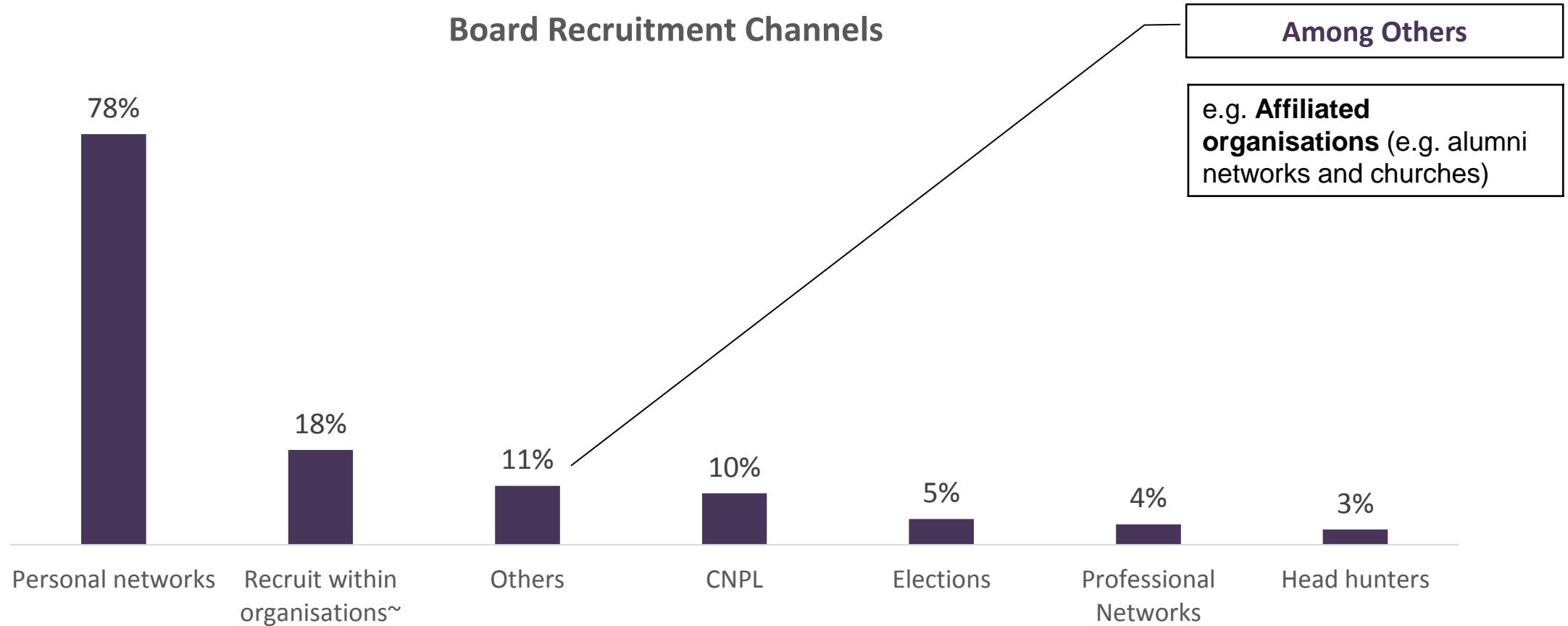
Board members' age brackets



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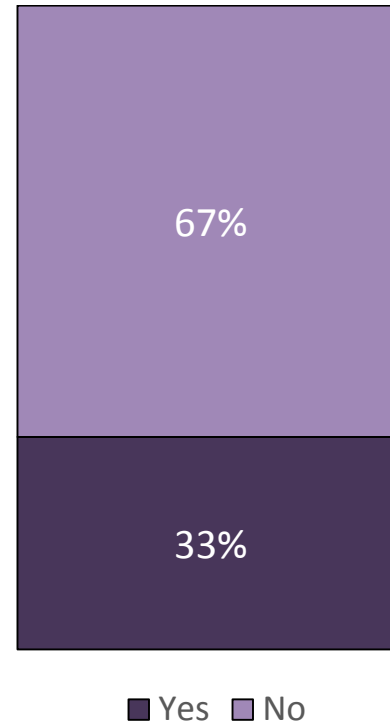
# 78% of organisations recruit Board members through their personal networks

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# 67% of organisations have not undertaken a self-assessment of their Board's diversity in the last two years

Has your Board undertaken a self-assessment of the Board's diversity in the last two years?

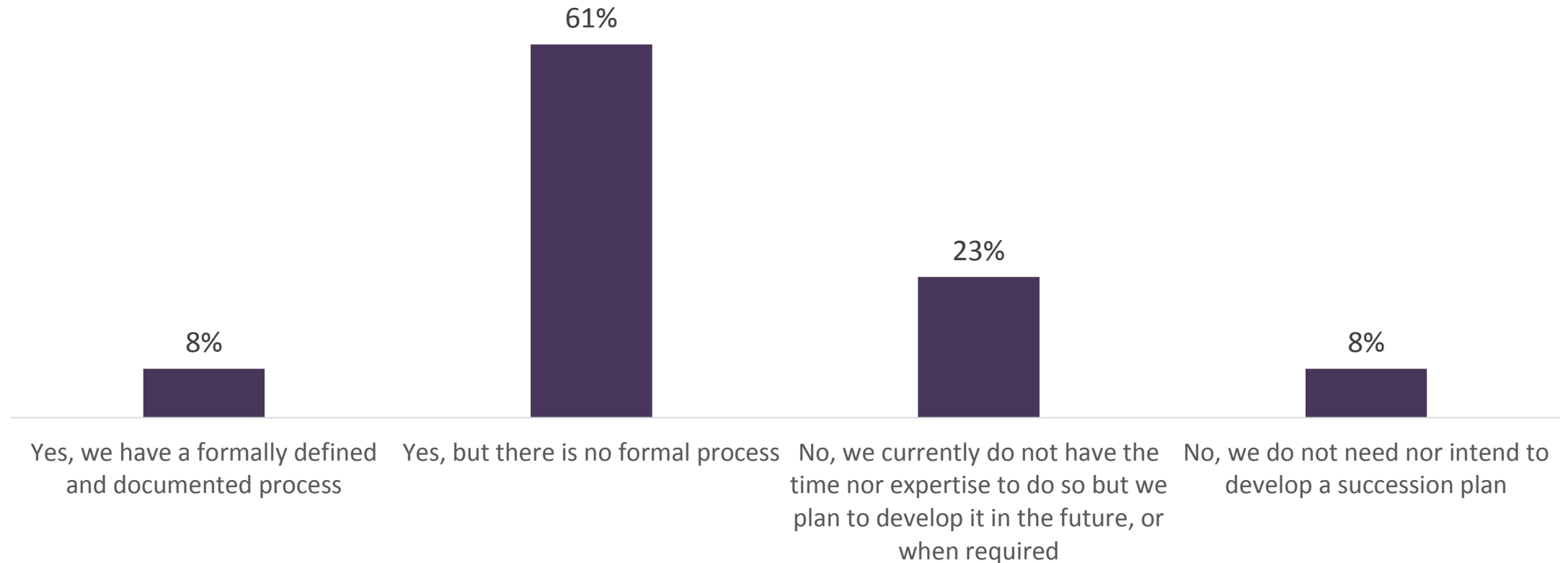


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Stronger Board leadership  
depends on its succession  
planning and building a  
sound pipeline

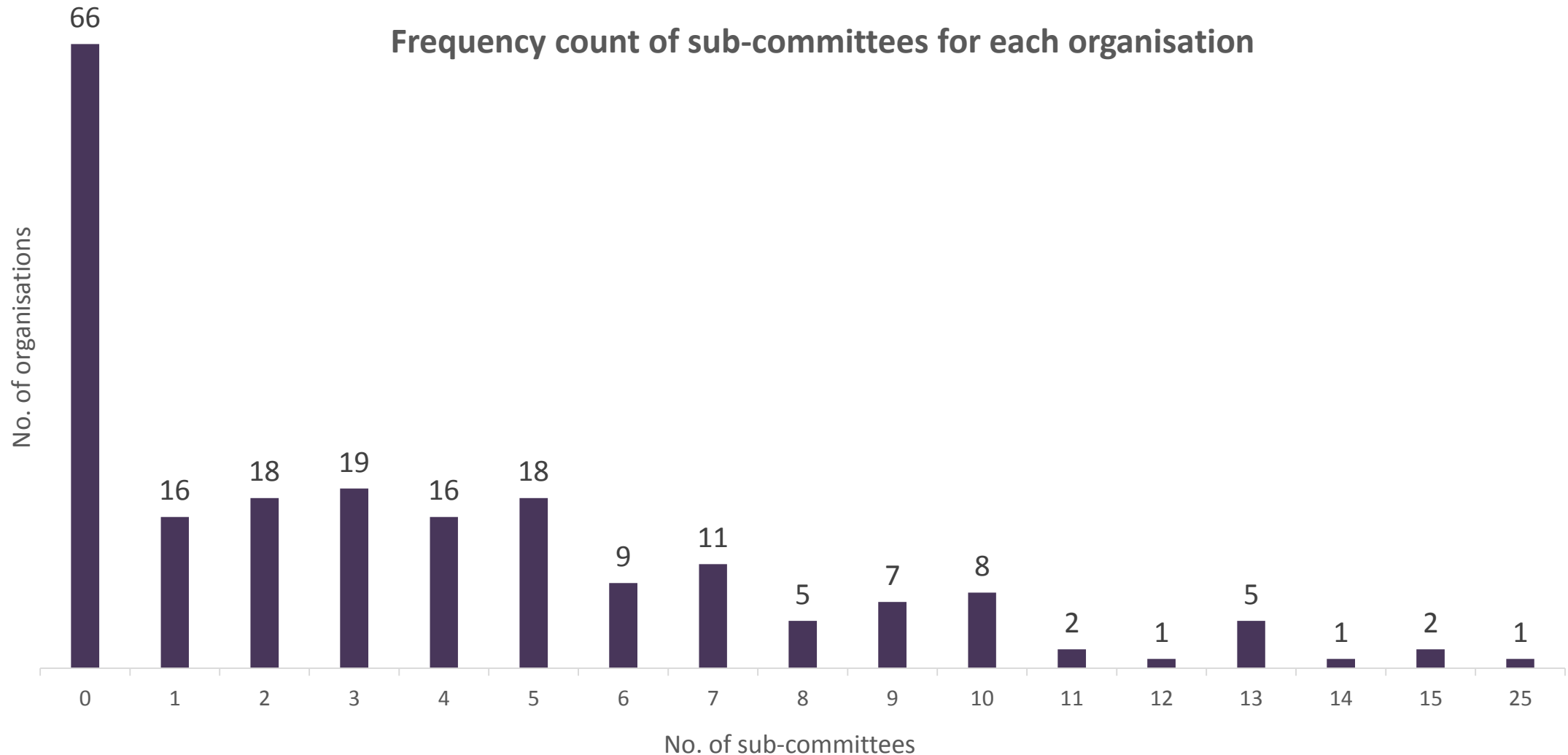
# While 61% of organisations have a Board succession / renewal plan, the process is not formalised

Does your organisation have a Board succession / renewal plan?



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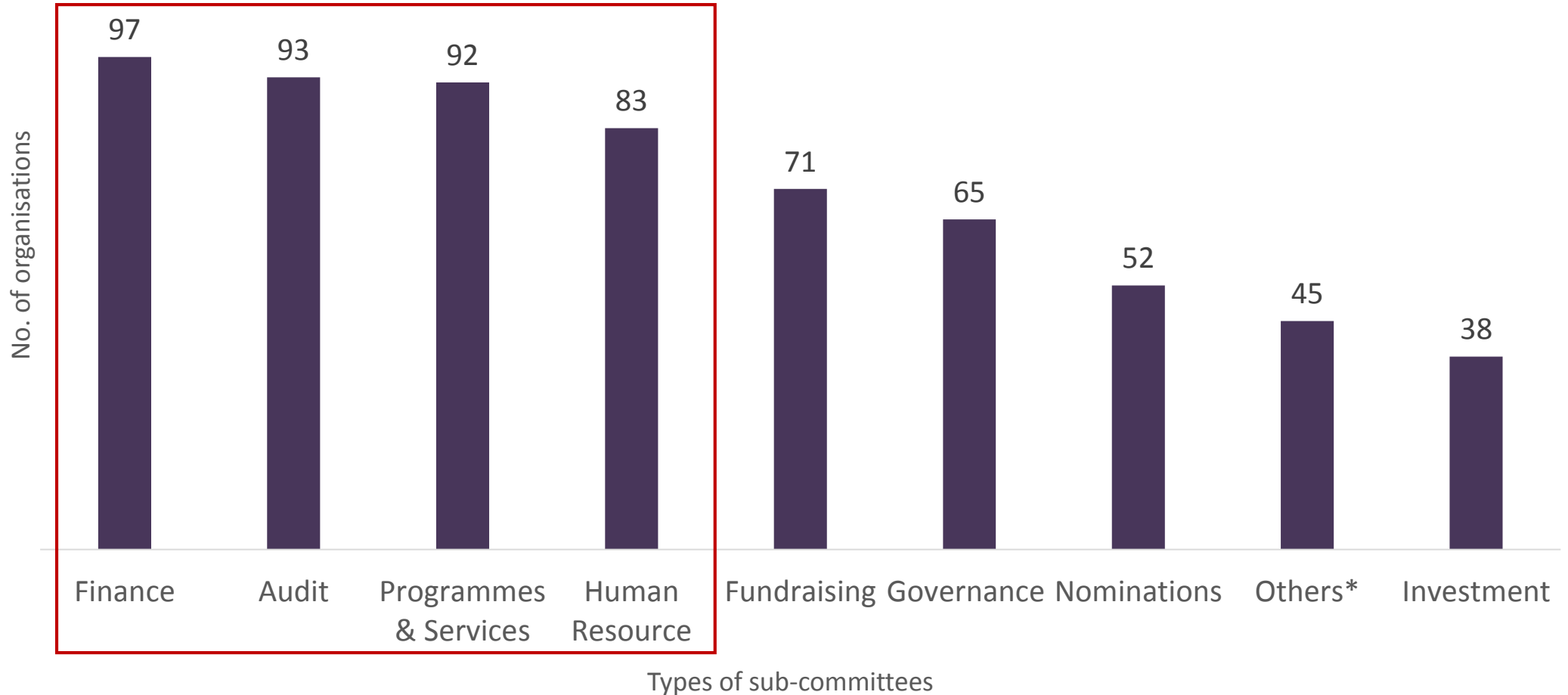
# Leadership pipelines can be built through sub-committees. Currently, most organisations have an average of 4 sub-committees



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The top 4 sub-committees are Finance, Audit, Programmes & Services, and Human Resource. According to the refined code of governance, all organisations should have Finance and Audit sub-committees

Frequency count of sub-committees



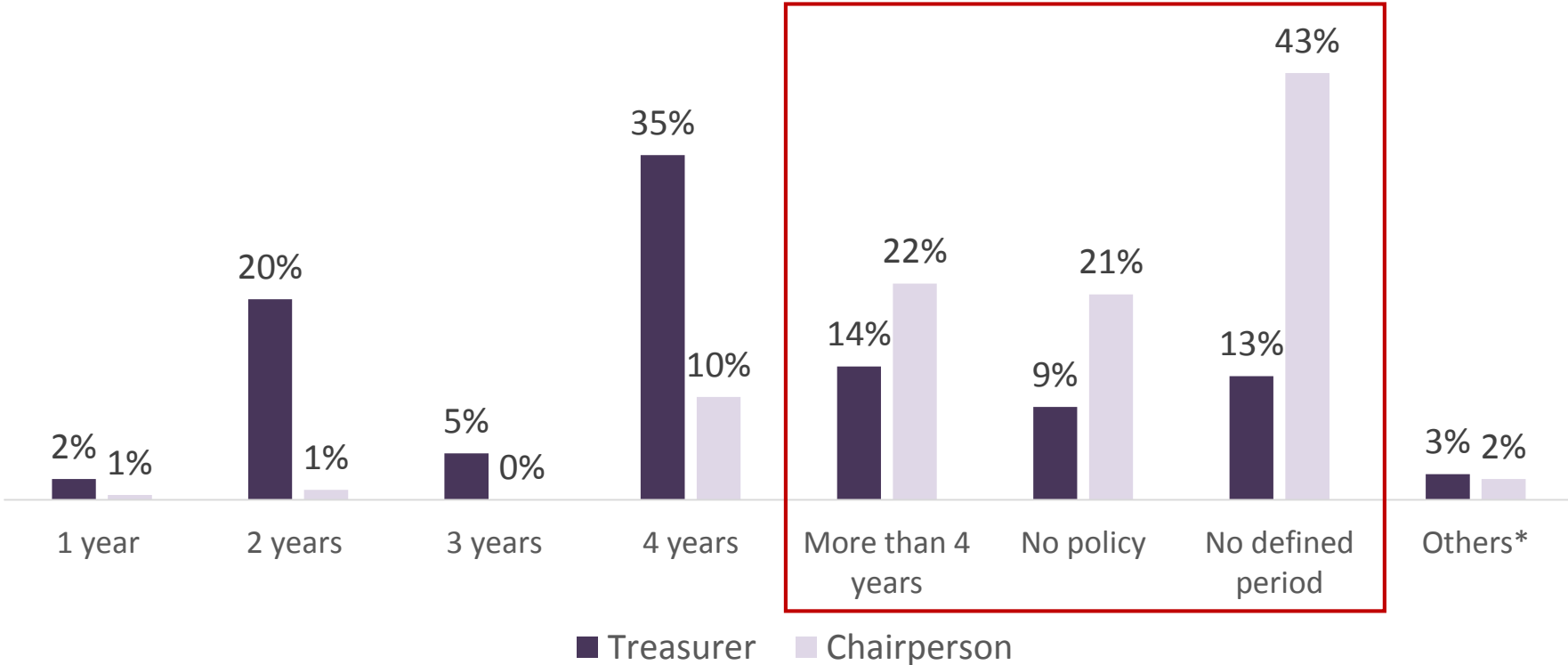
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# Adhering to the refined Code of Governance to raise the professionalism of non-profits

# 36% of organisations either exceed the term limit or do not have a policy or defined period in place for their Treasurer

Maximum number of consecutive years that Board members can serve

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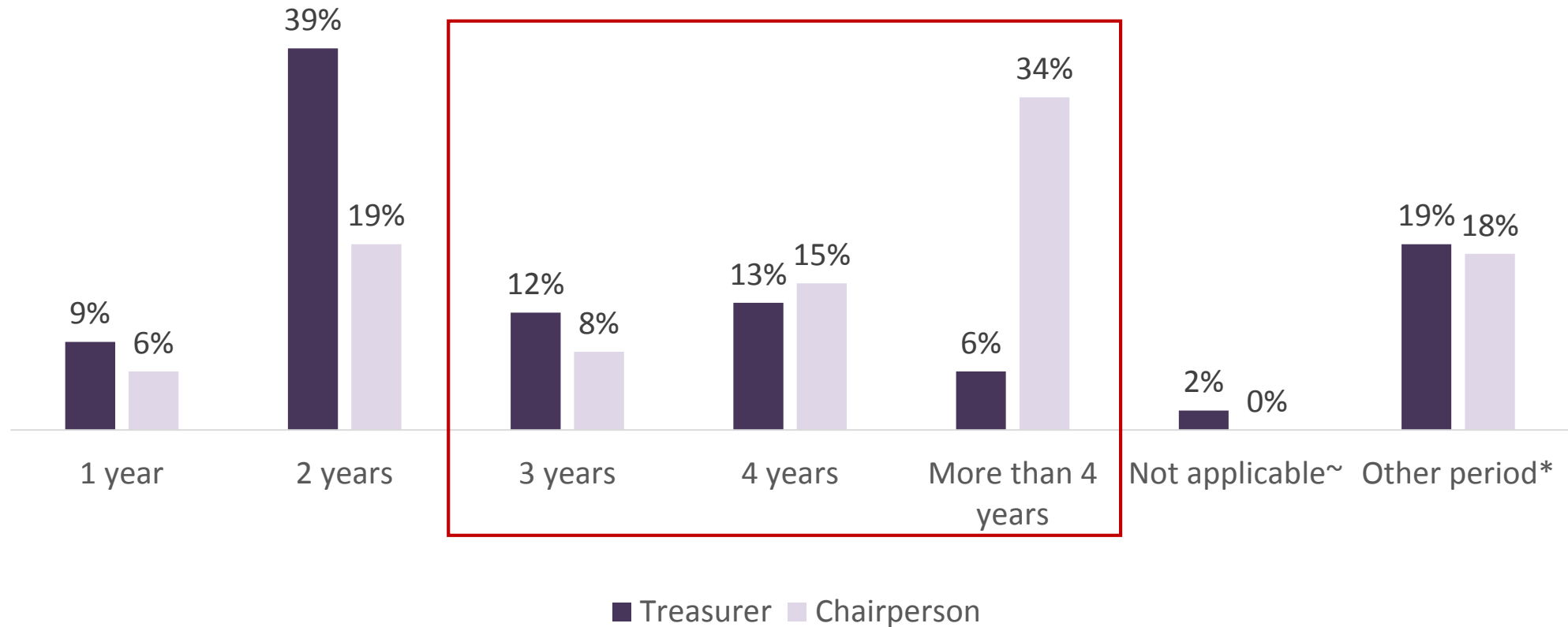
Refined Code of Governance 2017:  
Maximum number of consecutive years a Treasurer can serve is 4 years.

Charities should also disclose the reasons for retaining their Board member(s), including their Chairperson, who have served on the Board for more than 10 consecutive years.

For organisations under the Enhanced tier, term limits for all Board members should be established

# Currently, 31% of Treasurers have served 3 or more years

No. of years existing Board members served so far



Q. How many terms has your existing Board members served so far? (Data has been converted to reflect no. of years).

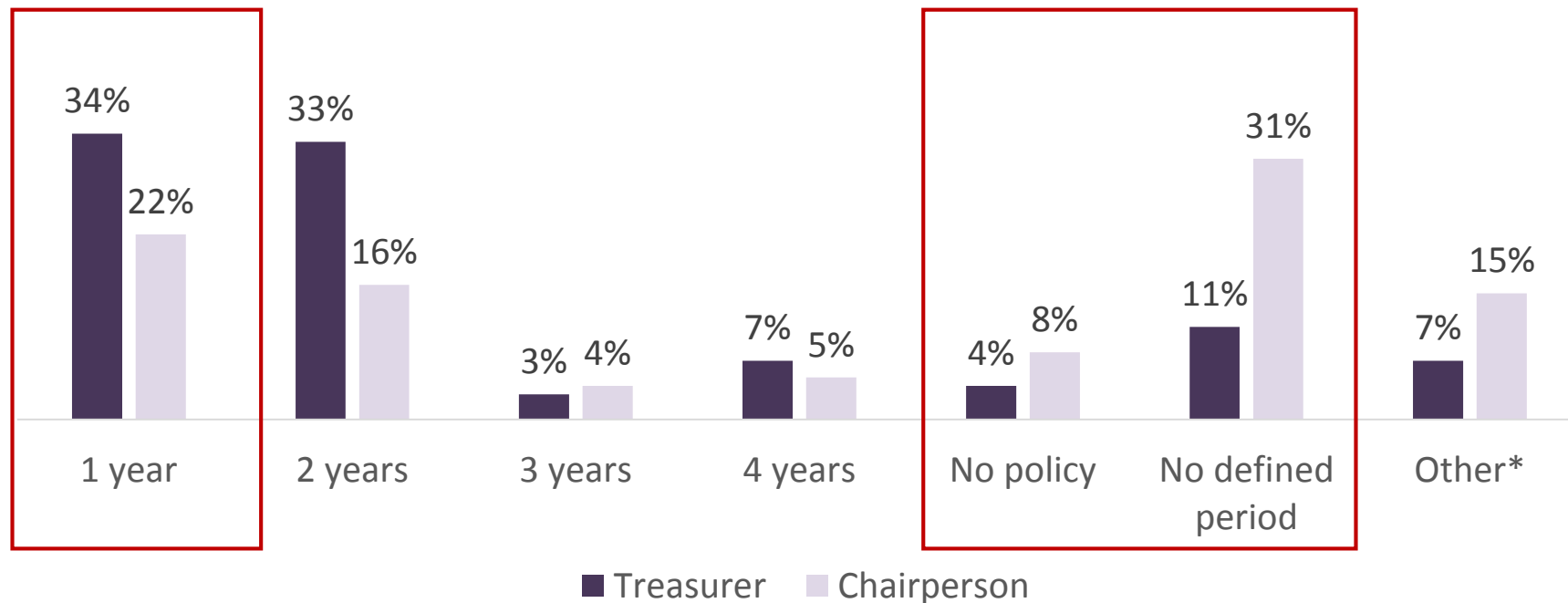
\*Other period refers to less than 1 year.

~Not applicable refers to organisations with no appointed Treasurer.

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34% of organisations do not meet the minimum timeframe of 2 years before Treasurers can be re-nominated and reappointed. A further 15% of organisations do not have a policy or defined period for this

### Minimum timeframe before re-nomination and reappointment



Refined Code of Governance 2017:  
Re-nomination and reappointment of Treasurer can be considered after a lapse of 2 years.

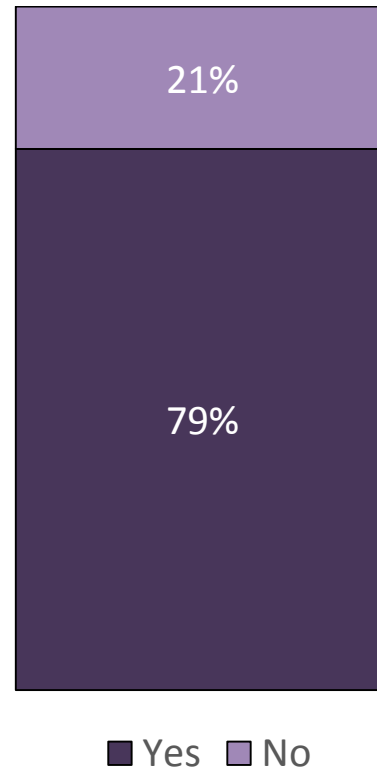
For organisations under the Enhanced and Intermediate tiers, reappointment of all Board members to the Board can be considered after a lapse of 2 years.

Q. As per your organisation's policy, what is minimum timeframe before Board members can be re-nominated and reappointed after they have served the maximum number of consecutive terms?

\*Other includes decision by vote, decision by Board, or no re-nomination or reappointment allowed.

# 79% of organisations disclose information on Board members in the annual report

Does your organisation disclose information on your Board members in the annual report?



Refined Code of Governance 2017:  
Organisations should disclose the information of its Board members, specifically- name, Board appointment and date of appointment to the Board, number of Board meetings in the year and attendance of each Board member , on a named basis

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More than 70% of organisations disclose general information such as name of Board members and Board appointment but less than 25% share details such as the number of Board meetings and attendance on a named basis

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What information does your organisation disclose in your annual report?



Q. Please select the information that your organisation discloses in the annual report. You may select more than one option.

\*Others include governance evaluation checklist, activities of the year and financial size.

~denotes information required by the refined code of governance