

The looming crisis in charity trustee recruitment

How poor trustee
recruitment practices
threaten to damage
the effectiveness of
UK charities



Executive summary

This publication reports on the findings of research undertaken by Getting on Board into the recruitment of charity trustees¹. It finds that outdated and unprofessional trustee recruitment practices are seriously threatening the effectiveness of UK charities.

It is estimated that over half of the UK's 200,000 charities have a trustee vacancy or would consider an addition to their board. On the trustee supply side, even given the low profile of trusteeship, 21% of British adults say they would be interested in being on the board of a charity². So why aren't potential trustees and charities with trustee vacancies finding each other? The nub of the problem lies in poor trustee recruitment practices.

Getting on Board's new research shows that 74% of charities find trustee recruitment difficult, yet many individuals who apply for trustee roles find the experience so dispiriting that they wish they hadn't bothered. Potential trustees reported charities being informal and unprofessional and even when roles *are* publicised, frequently being slow to process applications, taking months or even years to finalise the appointment. Worse, we hear far too many stories where applicants haven't received a response at all.

Less than 10% of trustee vacancies are ever advertised³ and many charities rely on word-of-mouth to source new talent, looking only within their existing limited network. Over half of the charities surveyed said that 50% of their board were people already connected or known to their Chair. Using existing networks to source new board members can be damaging as it means boards hire in their own image and it's harder to challenge constructively when close associates, friends or even family members are fellow trustees. The benefits of diverse perspectives and experience are well known, and yet 45% of charities reported that they are not doing anything to improve the diversity of their board.

These issues are becoming ever more important to policy makers and funders. Our research found that funders are increasingly looking at board composition. Yet 59% of the charities surveyed admitted that their charity was not representative of their community and service users. This is even more significant at a time when under austerity and with Brexit on the horizon, charity funding is more sought after than ever before and charities are regularly being asked to fill the gap when public services are reduced.

Only 14% of our respondents feel that their charity is very well equipped to meet the compliance, strategic and development needs of the charity over the next 3 years. More professional trustee recruitment would lead to more effective trustee boards which enable successful charities to deliver quality services to their clients.

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- 1 100 trustees, chairs or charity senior managers interviewed in Autumn 2016 plus a roundtable of 15 industry professionals and governance experts in January 2017.
- 2 www.hrreview.co.uk/hr-news/strategy-news/10-million-interested-in-joining-the-board-of-a-charity-but-confusion-remains-about-the-role-of-a-trustee/32661
- 3 Trustees Unlimited, 2014, www.charityjob.co.uk/careeradvice/britains-charities-facing-skills-gaps-on-their-trustee-boards/

A concerted and collaborative effort is needed to improve dysfunctional trustee recruitment practices. In a society where 98% of UK households use services provided by charities⁴, we have an opportunity to engineer real social change by diversifying our trustee base.

Unlike many of society's issues, this problem is not intractable. There can be no doubt that greater professionalism of trustee recruitment would lead to the recruitment of more and diverse trustees. This problem has been identified for some time, and several codes of good practice touch on the issue⁵. However, our research seems to show that the situation has not greatly improved. There is now an urgent need to identify new ways of professionalising trustee recruitment.

Solutions?

We believe the solutions lie in four areas.

Firstly, there is a need to increase awareness of the role of trustees to ensure that people know that the time commitment is reasonable and reassure them that trusteeship is about broader experience and skillsets than accountancy, finance and law.

Secondly, the charity sector needs to improve and update its recruitment. We can draw on good practice from employment but being careful not to mimic job recruitment because being a trustee is not the same. Clear adverts and streamlined application processes, timely communications followed by inductions and sufficient support to help the new trustee find their feet are required. This is no more than good practice.

Thirdly, we must develop clearer 'pathways to trusteeship', helping individuals identify opportunities to gain experience of charity leadership and governance through advisory groups, specialist committees and then progressing to trusteeship.

And finally, the charity sector needs to acknowledge the issues of diversity and commit to a strategy to achieve greater diversity on charity boards.

Getting on Board's 'Trustee Recruitment' Campaign is taking the first steps to change trustee recruitment practices and aims to encourage charities to open their vacancies to a much wider audience, to improve practices and in doing so create strong, diverse boards to lead their work.



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4 www.theguardian.com/voluntary-sector-network/2016/apr/05/almost-all-uk-households-use-a-charity-service-research-finds

5 In particular, Good Governance : a code for the voluntary and community sector, first published in 2010 . The code is currently being updated and contains recommendations about trustee recruitment. www.governancecode.org/wp-content/uploads/2012/06/Code-of-Governance-Full1.pdf

Headline findings of Getting on Board's research



74%
of charities find it
difficult to recruit
trustees

59%

of charities
boards are not
representative of
the communities
they serve

55%

of charities said that
more than 50% of their
trustees were personally
connected to other board
members before they
became trustees

45%

of charities are
not pro-active
in improving the
diversity of their
boards

**Over
90%**

of charities recruit
most trustees through
word-of-mouth and
existing networks

54%

of charities advertise
trustee vacancies on
their own websites



15% of charities
advertise their
trustee vacancies
in the media

Trustee brokerage
agencies are used by
6%
of charities

Charities reported that
the greatest barriers to
recruiting trustees are not
knowing where to recruit
and uncertainty over how
to draft a trustee advert or
job description. Cost and
time were rated as the most
insignificant barriers



38% of charities said it is
difficult to find potential
trustees who could give
enough time, and 26% said
that it is difficult to find
people with the skills the
charity needs

55%

of charities do not
use a trustee
skills audit when
recruiting new
trustees



34% of charities do
not have trustee role
descriptions

30%

of charities do not
offer any induction
to new trustees



44% of charities reported
that their funders are
increasingly asking
questions about the
make-up of their board

14%

of charities feel very well
equipped to meet the
compliance, strategic and
development needs of the
charity over the next 3 years

The crisis in trustee recruitment

Getting on Board's new research shows that charity trustee recruitment in the UK is in crisis, threatening the very fabric of our civil society.

The research finds that 74% of charities are struggling to recruit trustees.

Most charities are not using open, professional recruitment processes to recruit trustees which is leading to charities not finding the best trustees they need to operate effectively.

Trustees are arguably *the* most important individuals a charity needs to recruit, and yet charities put less effort into recruiting trustees than they do for even the most junior staff roles. We found that for the most part, trustee vacancies are not advertised, and that often there are no trustee role-descriptions and new trustees do not receive any form of induction.

Our research found that only 54% of charities advertise trustee vacancies on their own websites and press adverts are used by 15% of charities. Trustee brokerage agencies were used by 6% of respondents. However, there are many free recruitment methods which are under-used by charities.

Given this, it is hardly surprising that 59% of charities say that their boards are not representative of the communities they serve.

Getting on Board's research found that 55% of charities have more than 50% of trustees with personal connections to each other. The two most popular ways of recruiting new trustees are by word-of-mouth and through existing networks.

There is general recognition that a board of trustees benefits from diversity, with its members representing differing life experiences (particularly those which the charity seeks to support) and offering a wide range of skills. Many now argue that board diversity promotes better decision-making, provides a higher degree of challenge and brings new ideas and ways of doing things into an organisation. Yet, 45% of charities reported that they are not pro-active in improving the diversity of their boards.

However, there is also a misconception that to be a trustee you must have the 'right' experience and should wait to be invited to take on a role when others feel they are ready, to be a certain age and stage or to wait for a soft tap on the shoulder to get a trusteeship. Some groups, for example women, disabled people and those from BME communities, can lack the confidence to approach the sector, especially large charities, without introduction. Whilst finance, law and HR skills are invaluable to a board, other skills are sought-after too. Many young people could bring knowledge of areas such as social media and crowd funding, for example. Yet, at present, few charities are tapping into these talents of the millennials: the average age of a trustee currently stands at 57 and only 0.5% of trustees are aged 18-24 years old⁶.

An extraordinary aspect to the problem is that charities report that they cannot find the trustees they need, but individuals who want to become trustees can find it surprisingly difficult to put themselves forward for

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6 'A Breath of Fresh Air: young people as charity trustees' (Charity Commission, 2010)
www.gov.uk/government/uploads/system/uploads/attachment_data/file/284702/rs23text.pdf

consideration. Getting on Board's own experience is that when potential trustees with demonstrable leadership skills contact charities to apply to be a trustee, the response they frequently receive is bemused at best, unprofessional at worst.

It is essential that we continue to keep in mind the viewpoint and experiences of potential trustees when we are tackling the issue of trustee recruitment.

Getting on Board works with many potential trustees who in their day job are working at senior levels of FTSE 100 companies, but who receive little or no response from charities they approach about acting as a trustee. When potential trustees are told that they are under consideration for a trusteeship, the process can drag on for months, with little communication back to the candidate.



Yet, 38% of charities said it was difficult to find potential trustees who could give enough time, and 26% said that it was difficult to find people with the skills the charity needs.

It is not suggested that potential trustees should be appointed without scrutiny. Rather, there is a need to have explicit and selective trustee recruitment processes. Trustee recruitment benefits from choosing the best candidates based on a pre-determined assessment of what the charity needs, just as the same charities would recruit individuals for paid roles.

A core requirement is for clear trustee adverts and streamlined application processes, timely correspondence with potential trustees and inductions and sufficient support to help the new trustee find their feet. This is no more than good practice, but all the evidence indicates that this is not widely practised.

The research discloses that 55% of charities do not use a trustee skills audit when they are recruiting trustees, therefore frequently trustee recruitment does not focus upon the skills needs of the charity. Moreover, 30% of charities responding to the research do not offer any induction to new trustees in stark contrast to recruiting a new employee. Trustees are rarely asked about their own development needs, with only a few charities offering training or a buddying system.

44% of charities reported that their funders are increasingly asking questions about the make-up of their board. Whatever the external pressures, it is in the interests of charities seeking greater effectiveness to take action. Charities reported that the greatest barriers to recruiting trustees is not knowing where to recruit and uncertainty over how to draft a trustee advert or job description. These barriers are not difficult to tackle. The first step will be support charities with the guidance and tools they need to improve their trustee recruitment practices. There is also a need to capture good and bad practice without naming and shaming.

There are other aspects of trustee recruitment which are beyond the scope of Getting on Board acting on its own to deliver: the lack of diversity of charity boards; the poor public profile of trusteeship (people often do not know what a trustee is); the induction and development of new trustees. These are pressing issues and they are interlinked with the lack of professionalism in trustee recruitment. Getting on Board's recommendations follow on page 8 with suggested actions to improve the current 'dysfunctional market' with the aim of facilitating a more effective relationship between the public/potential trustees and charities seeking able trustees.

Case studies

Leah | Account Director at an advertising agency | London

Leah was keen to volunteer for a women's rights charity. She emailed 15 different organisations but received no reply. When she phoned, staff were often not aware of what the Board of Trustees was or how to contact them. On several occasions, she was told 'we're not interested, thanks' without them understanding what she was asking.

Jonathan | Director at an international Management Consultancy | London

Jonathan applied to a mid-sized charity to be a trustee. They took months to reply to his application at which point they said they were very interested. Jonathan has attended several interviews over a period of more than a year but he still has not had a response to his application.

Lawrence | Digital Specialist | Bath

Lawrence is a digital specialist. He applied to five charities to be a trustee. Only one responded initially and then subsequently didn't get back to him.

A Chair of Trustees for a large regional charity who has been on the board for 20+ years

He believes that all trustees should be connected to the Chair so he can vouch for them. He also prefers fellow trustees to be retired so that they have more time.

A small charity which believes diversity is essential to board composition

The charity conducts regular skills audits for current and potential board members. They encourage applicants from all backgrounds on their trustee advertisements. Their current board is 50% male/50% female, with disabled and Black, Asian and minority ethnic members and disabled people also represented. The charity runs a buddying scheme where long standing trustees mentor newest recruits.

Wayne Clark | The Global Growth Institute

"There is indisputable evidence of the huge commercial benefits for companies doing good - and supporting employees to become charity trustees is a great way to do just that. As well as giving back to our communities, trusteeship offers an invaluable training resource for individuals to cultivate new skills and networks. These new-found skills can be brought back into the work place, giving a boost for employers too."

Recommendations for action

Given the critical role played by charity trustees in the effectiveness of the charity sector, urgent action is needed to tackle the trustee recruitment crisis. Getting on Board's recommendations follow.

For UK charities

1. There are several codes of good practice⁷ that address trustee recruitment and diversity. Greater steps need to be taken by charities to apply these standards successfully so that they become common practice.
2. Charities should play their part in improving the public profile of trustees by outlining the important role trustees play in the governance of their organisation.
3. Crucially, charities should ensure that their own staff and volunteers are aware of the role and function of their trustees.

For umbrella bodies in the voluntary and community sector

1. Umbrella bodies should support their members to improve their trustee recruitment practices through identifying good practice amongst their membership.
2. When running conferences, courses and web sites, umbrella bodies should promote trustee diversity and methods to improve recruitment practices.
3. Umbrella bodies should play their part in promoting trusteeship to individuals and employers in their sphere of influence.

“We all know that being a trustee is a hugely rewarding activity that can prompt massive personal growth in the individuals who take on the responsibility. We also know that without robust and effective governance the sector cannot serve communities, tackle sticky social issues or contribute to society's wellbeing. CFG therefore welcomes this initiative to highlight challenges, identify barriers and recommend steps that can be taken by us all to improve the flow of quality, diverse trustees into the sector and to prompt the likes of CFG to support them effectively once in post.”

Caron Bradshaw | Chief Executive | Charity Finance Group (CFG)

For government

1. Given that *Good Governance: a code for the voluntary and community sector* applied the principle of comply or explain, the charity regulators⁸ through the SORP should require charities to report on their trustee recruitment practices and board diversity in their annual reports. Most simply, a box asking if all trustee vacancies are advertised would give the issue visibility and prompt charities into action.

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7 Good Governance : a code for the voluntary and community sector, 2010, www.governancecode.org/wp-content/uploads/2012/06/Code-of-Governance-Full1.pdf ;

8 Charity Commission for England and Wales, Office of the Scottish Charity Regulator and Charity Commission for Northern Ireland.

2. The Government should investigate the feasibility of legislating to require employers to give charity trustees time off work to undertake their duties, as for magistrates⁹.
3. The charity regulators should look to find new ways of raising awareness to help change public perceptions of trusteeship with the aim of encouraging more people to become trustees, particularly those who are currently under-represented on charity boards. In particular, there is too much criticism of trustees which is out of balance given that so many provide invaluable support to charities. The regulators should play their role in ensuring that the balance of criticism and praise is more fairly reported.
4. The Department for Culture, Media & Sport/The Office for Civil Society should commission research into why charities are not following accepted good practice in trustee recruitment, and what practical support would enable them to do so. Our research uncovered some of the reasons but we do not have a full picture of the issue.

For employers

1. Many large employers already use trusteeship and non-executive directorships as a way of developing their employees, particularly to get board-level experience. We recommend that other employers promote trusteeships to their employees and integrate board-level volunteering into learning and development programmes.
2. Employers should offer more flexibility to employees who are trustees to attend and prepare for trustee meetings (normally quarterly or monthly).

Good practice amongst the most enlightened employers is to offer time off in lieu for volunteering, typically 2 to 7 days a year. This should be recognised as good practice throughout the public, private and voluntary sectors and whilst trustee meetings often take place outside of the working day, provision to include time spent on reviewing board papers or other trustee duties, should be included in the allowance.

For funders (trusts and foundations, public sector, philanthropists)

1. We recommend that all funders examine board diversity and trustee recruitment practices as part of their screening of potential applicants – with funding application forms routinely asking what steps are being taken to address the diversity of the board.

Funders could play a key role here – particularly with Brexit on the horizon and many front line services facing cuts. With trust and grant funding in high demand, charities would be more likely to take note and be incentivised to change recruitment practices if it would help them secure funding.

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9 The National Council for Voluntary Organisation recently recommended this in their evidence to the Select Committee on Charities “The NCVO went further and suggested that the law should be amended to extend employees’ existing right to take reasonable time off for volunteering for certain public duties (e.g. to serve as magistrates, councillors or on the governing bodies of schools).” (March 2017)

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Next steps for Getting on Board in tackling the trustee recruitment crisis

1. Increase public awareness of the role of trustees to ensure that people know that the time commitment can be reasonable and reassure them that trusteeship is about broader experience and skillsets than accountancy, finance and law.

2. Help charities improve and update their recruitment methods, complying with recognised good practice: the Code of Good Governance recommends “using a range of ways to recruit board members (such as advertising) to encourage diversity including formal recruitment procedures and making appointments based on merit, objectively measured against the agreed skills audit and role description.”¹⁰

Over a year long period, Getting on Board will work with key funders to improve the recruitment practices of 100 charities and follow the impact this has on the charities looking at key areas such as whether it helps secure funding but also operational improvements in the way the charity is run. Getting on Board will share the resulting identified best practice.



Getting on Board will produce clear guidance on best practice in trustee recruitment, drawing on some excellent existing resources, and will disseminate it widely both digitally and face-to-face. This will include how and where to advertise for no and low cost, template adverts and job descriptions, and use of digital recruitment.

3. Develop clearer ‘pathways to trusteeship’.

Getting on Board will help individuals identify voluntary opportunities to gain experience of charity leadership and governance through advisory groups, specialist committees and then progressing to trusteeship.

Getting on Board will continue and expand its trustee training workshops which seek to improve confidence associated with taking on a trustee role.

4. Improve board diversity.

Working with the sector to recognise the importance of diversity and commit to strategy to achieve greater diversity on charity boards.

Getting on Board will work with partners to improve board diversity in terms of the under-representation of younger people, Black, Asian and Minority Ethnic individuals, disabled people and women.

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10 Good Governance : a code for the voluntary and community sector, 2010 , page 7,
www.governancecode.org/wp-content/uploads/2012/06/Code-of-Governance-Full1.pdf

More information on the research

The research was undertaken by Getting on Board in 2016 and comprised an online survey of charities, and a roundtable of industry professionals and governance experts which convened at the start of 2017.

We are aware that recruitment practices are likely to vary regionally, and by size and type of charity.

Credits

Thank you to all of the charities who responded to our survey, to Cause 4 for their help in disseminating the survey, to Lansons for hosting the round-table and to Alex Swallow Consulting for his contribution to the research and campaign.

Thank you to the following participants at our roundtable, which informed many of the insights in this report:

Sarah Atkinson	Director of Policy & Communications, Charity Commission for England and Wales
Caron Bradshaw	Chief Executive, Charity Finance Group
Ian Bruce	Founder and President, The Centre for Charity Effectiveness at City University's Cass Business School and Vice-President of RNIB
Rebecca Bunce	Policy and Engagement Manager, Small Charities Coalition
Rodney Buse	Chair, Getting on Board
Sarah Derbyshire	Chief Executive, Orchestras Live
Dorothy Dalton	Governance Consultant
Diana Garnham	Former CEO of Science Council, Trustee of CITB, Sense about Science and Sussex Coast College Hastings
Tom Leftwich	Head of Sector Sustainability Projects, Office for Civil Society, The Cabinet Office
Tamanna A Miah	Young trustee and campaigner
Maddy Morgan Williams	Associate Director, Lansons
Sarah O'Grady	Consultant
Reetu Sood	Governance / CSR consultant
Alex Swallow	Alex Swallow Consulting
John Williams	Vice-Chair, Association of Chairs

Getting on Board is a charity which helps individuals, employers and members of professional networks become new leaders in communities through board-level volunteering.

Board-level volunteering has enormous benefits for individuals, their employers and for the boards of the charities, public bodies and schools that they join.

For the last 10 years, Getting On Board has been championing trusteeship – particularly in encouraging large companies to integrate trusteeship into their learning and development programmes and harnessing professional skills to boost boards.

Getting On Board is passionate about encouraging getting more people into trusteeship, particularly those traditionally under-represented on charity boards. This is the reason we commissioned the research contained in this report.

Contact Katherine Sparkes or Penny Wilson if you would like any more information about Getting on Board's work or if you want to work with us to get more people into trusteeship. We would particularly like to hear from organisations who want to explore working with us to improve trustee recruitment practices.

Katherine Sparkes

katherine@gettingonboard.org
07968 081152

Penny Wilson

penny@gettingonboard.org
07817 500302

Published May 2017.

Names have been changed in the case studies, but their content is factual.

Registered charity 1112013
Company no 5188506

@GettingonBoard
www.gettingonboard.org

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