

# **PARTNERS IN MISSION**



## **PARTNERS IN MISSION: Leadership Succession**

A MERCY PARTNERS PUBLICATION

# FOREWORD

The Board of Mercy Partners is delighted to present this publication designed to enrich the partnership between Mercy Partners and the leaders and directors of our ministries.

The focus of this publication is leadership succession. Succession planning can be defined as a commitment to the process of nurturing and developing new leaders who can succeed current leaders and become effective, confident and enabling mission leaders. The renewal of board leadership is essential for a ministry to meet the challenges of a constantly changing environment.

The need for committed, well-formed leaders is an ongoing challenge for all Catholic organisations. In addition to examining the factors underpinning leadership succession, this resource will:

- incorporate current research in the area of leadership succession
- propose best-practice approaches to programs and processes for leadership succession
- investigate avenues for board and other leadership recruitment
- emphasise the importance of formation for leaders of Mercy Partners ministries
- describe induction processes for new leaders
- outline the roles of the ministry board chair and Mercy Partners (the canonical sponsor and civil owner) in leadership succession
- examine the importance of mentoring in leadership succession
- present a list of readings and resources in the area of leadership succession.

Questions are provided throughout this resource to assist you to discuss implications of leadership succession with your Board.

## Ministry Portal

For the ease and convenience of our ministries, Mercy Partners has created a Ministry Portal within our website (<https://www.mercypartners.org.au/ministry-portal/>). The Portal enables Mercy Partners to publish key documents referenced throughout this publication in one central location.

The portal includes our Annual Ministry Planning Guide along with information on the following:

- Formation
- Grants Available to Ministries
- Board Approvals and Advice
- Ministry Reporting Responsibilities
- Marketing and Branding
- Connecting with Mercy Partners

Your login details to the Ministry Portal are available from the Company Secretary/Business Manager of your Ministry.

*Mercy Partners vocation to living mercy in the world enables lay people to assume canonical leadership of ministries, giving the laity a new context for living out their gifts, and this contributes in a special way to the building of Christ's body by expanding pathways of leadership and collaboration within the Church*

# PARTNERS IN MISSION

## Leadership Succession for Boards

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# SUCCESSION PLANNING IN BOARDS

## A Strategic Approach

There are many reasons why a strategic approach to leadership succession is critical not just for the effectiveness of the board itself, but also for the future success of the ministry. These reasons include:

- **Succession planning ensures diversity and diversity lends new approaches and greater flexibility to the board.**

Many directors on not-for-profit boards are retired leaders who contribute enormous wisdom and expertise. While this is a great gift for boards, it has also resulted in the label of 'male, pale and stale' (University of Sydney, 2018) and accusations of lack of diversity on many Australian boards in both the profit and not-for-profit sectors. As Stuart (2015) asserts '... with seniority comes wisdom, but in a fast-changing world some of the skills and experiences that directors bring lose their relevance over time, particularly when the business is forced to embrace technological innovation and respond to societal change or significant shifts in consumer behaviour'.

- **Succession planning ensures directors with needed skills and experience can be identified and readied for membership of the board.**

Without strategic succession planning, replacement of board members can be reactive rather than proactive. As Stam warns, 'Don't take chances and rely upon serendipity for filling key board roles, as luck is unlikely to align actual qualifications and talent with organisational needs' (2018).

- **Succession planning allows potential board members to undertake pre-appointment formation activities to deepen their understanding of the role of the board in God's mission.**

The challenge of membership of Catholic ministry boards lies in the foundational understanding of mission and the fact that these boards operate as a part of the wider Church. The tension between professional skills and 'Catholic' identity is one which demands clear expectations of the role of the director and effective induction and development in theology and missiology.

- **Succession planning is a core element of strategic planning in any organisation.**

Leadership succession is best practice in both the corporate and not-for-profit sectors. Every board needs competent, committed and proactive directors and this presupposes a targeted plan to identify, develop and invest in these people to ensure they build the confidence, interest and knowledge needed for success.

As Susing (2015) observes:

*a well-managed succession process is not an event-based planning activity but rather an ongoing discipline that requires the board to spend sufficient time to clarify future leadership needs and support the targeted and proactive development of individual leaders in preparation of the inevitable succession event*

*Better Boards Conference Magazine, 2015.*

## IDENTIFYING THE SKILLS NEEDED

This section will examine some practical strategies for recruitment of directors. While it is recognised that all boards are different and have complex organisational and operating procedures, research suggests that a planned approach to succession planning contributes greatly to board effectiveness.

A strategic approach with ongoing evaluation of a board or ministry's needs allows for the:

- development of a talent pipeline
- utilisation of the skills of existing members
- seamless transition in the case of sudden vacancies
- formation and professional development of potential board members
- specific focus on diversity in board membership: age, gender, ethnicity
- choice of skilled members to suit the needs of the ministry.

*The process of identifying potential director candidates, vetting them and reaching out to them to share the board's interest can take many months. Boards that plan well in advance will be in the best position to find the right director candidates that address the board's future needs*

Hembrook Daum. 2019.

The first step is to have in mind what skills or aptitudes you are looking for in potential board members. Board Chairs need some form of skills matrix or expertise evaluation. Two skills matrices are provided in this section on pages 6 and 7.

Secondly, Board Chairs need to develop a strategic plan that looks a few years ahead, and a contextual forward analysis which can focus on specific threats, opportunities and foreseeable changes in operational conditions for the ministry. These analyses can identify specific skill areas which would be advantageous for boards and give a clearer understanding of what type of people a recruitment program might target.

### FOR DISCUSSION

1. What are the strengths of your current board membership?
2. What is your board's leadership succession strategy?
3. What are the challenges to board recruitment in your geographical region?
4. How does the Catholic nature of your ministry present issues for recruitment of new board directors?
5. What skills and expertise does the board already have?
6. What skills and expertise does the board need into the future?

**Further reading:** Board Skills Matrix Template (available in the [Ministry Portal](#))

# THE SKILLS MATRIX

One way of ascertaining the needs of a board is to develop a Skills Matrix of existing members. This creates a visual overview of the skills already present on the board and where gaps in expertise might exist (Anderson and Hembrock-Daum, 2019).

**Table 1: Board skills matrix**

Tenure Details	Technical Skills and Experience	Industry Expertise
Tenure (Years) First Term Expiry Second Term Expiry	Mission Experience Knowledge of Catholic ministries Understanding of Catholic Social Teaching Canon law expertise Identification with Catholic Church Community Commitment to Formation Understand of Catholic ethical teaching	Accounting and Finance Industry Knowledge Strategic Planning and Development Legal and Regulatory Risk Management Human Resource Management Information Technology Leadership Contemporary Corporate Governance Community Development

## RATINGS KEY

### 5. Excellent (Recognised Authority)

- You are known as an expert in this area. You can provide guidance, troubleshoot and answer questions related to this area of expertise and the field where the skill is used.
- More than 10 years' experience in this competency.
- Minimum degree qualified in field.
- Focus is strategic.
- Operate at senior executive level.
- You have demonstrated consistent excellence in applying this competency across multiple projects and/or organisations.
- You are recognised as an expert in this area within and outside organisations.
- You are able to design or explain the relevant process elements and issues in relation to issues and trends in sufficient detail during discussions and presentations, to foster a greater understanding among internal and external colleagues.

### 4. Above Average (Applied Theory)

- You can perform the actions associated with this skill without assistance. You are recognised within your immediate organisation as "a person to ask" when difficult questions arise regarding this skill.
- 5-10 years' experience in this competency.
- Minimum degree qualified in related field.
- Focus is on broad organisational/professional issues.
- You participate in senior level discussions regarding this competency.
- You are capable of coaching others in the application of this competency in easy to understand terms.
- You have consistently provided practical/relevant ideas and perspectives on process or practice improvements which may easily be implemented.
- You assist in the development of reference and resource materials in this competency.

### 3. Average (Practical Application)

- You are able to successfully complete tasks in this competency as requested. Help from an expert may be required from time to time, but you can usually perform the skill independently.
- 5 years' experience in this competency.
- May have formal qualification in field.
- Focus is on applying and enhancing knowledge or skill.
- You have applied this competency to situations occasionally while needing minimal guidance to perform successfully.
- You understand and can discuss the application and implications of changes to processes, policies, and procedures in this area.
- You have applied this competency to situations occasionally while needing minimal guidance to perform successfully.

### 2. Below Average (Limited Experience)

- You have the level of experience gained in a classroom or experimental scenarios or on-the-job. You are expected to need help when performing this skill.
- Less than 3 years' experience in this competency.
- No formal qualifications in this field.
- Focus on developing through on-the-job experience.
- You understand and can discuss terminology, concepts, principles and issues related to this competency.
- You utilise the full range of reference and resource materials in this competency.

### 1. Needs Improvement (Basic Knowledge)

- You have a common knowledge or an understanding of basic techniques and concepts.
- Limited practical experience.
- Focus on learning.

Apart from including age, gender and diversity, there are of course other areas of experience and expertise which are critical for a Catholic ministry board and the additional challenges of canonical governance responsibilities.

John Henry Thornber (2014) in his research looked at the human, spiritual, intellectual and pastoral elements needed for strong corporate and canonical governance in the Catholic sector. His elements highlight knowledge of Canon Law, Catholic social teaching and the Catholic faith tradition as essential elements for directors of Catholic ministries as well as personal and spiritual qualities.

Sometimes these skills are more difficult to measure and can often be assumed by a potential director's work or life history, the comments of referees or religious affiliation. These areas of personal, spiritual and intellectual understandings can be nurtured through targeted board formation programs. Thornber's research highlights the increasing role of professional laity in the governance of the Church ministries in health, education and social welfare. He notes that the increasing involvement and responsibility of the laity in maintaining the requirements of ministry, theologically and canonically, for the mission of the Church, raises significant questions.

**Table 2: Skills for boards in the Catholic system**

A summary of Thornber's skills for boards in the Catholic system is presented here:

HUMAN DIMENSIONS	SPIRITUAL DIMENSIONS	INTELLECTUAL DIMENSIONS	PASTORAL DIMENSION
Integrity	Understand baptismal call to mission	Catholic faith and revelation	Understand ministry in which they work
Balance in judgement	Sense of vocation to the role	Catholic faith embodied in Church traditions	Responsibility for ongoing Catholic identity
Deep sense of justice	Open to the transcendent	Moving beyond catechesis to theological reflection	Ability to discern the signs of the times
Genuinely compassionate	Regard role as ministry	Missiology	Appropriate accountability structure
Genuine concern for others	Living Gospel imperatives	Ecclesiology	Relationship with local Church and Bishop
Well-developed personal maturity	Committed to the mission of the Church	Canon Law	Mission-based criteria for forming others
Self-knowledge	Open to growth in relationship with God	Articulation of missiology of specific ministries	Organisational management skills
Respect for every person	Open to growth in relationship with neighbour	Responds to the signs of the times in light of scripture and tradition	Nurture spiritual life of the ministry
Awareness of gifts	Public identification with Catholic ecclesial community	Catholic social teaching	Inspire common purpose and vision
Ability to learn from praise	Prayer and practice of spirituality	Catechism of the Catholic Church	Mission-based criteria for selecting directors

## FOR DISCUSSION

1. What are the needs of the ministries in the area of Catholic mission and identity?
2. What is the role of the non-Catholic director on a Catholic ministry board?
3. When did your board last undertake a skills matrix exercise?
4. What are your main concerns regarding the make-up of your board?
5. Which elements of Thornber's skills framework provide a challenge for your board?
6. What other elements might your board add to a skills matrix to meet local challenges?

# MAPPING THE FUTURE

Once a review of the skills present on the current board is complete, it should be regularly updated. At the same time, an understanding of where the ministry might be heading in the future and the new board governance skills which may be needed for this journey is also critical. Regular visioning sessions or strategic planning should include questions on board composition to support any new directions or initiatives.

We live in a world of constant change and it is unrealistic to imagine that organisations are not affected by this. The question of what type of board skills might be required to meet future challenges is a critical one to keep on the agenda.

We don't possess a crystal ball, but issues will arise that affect all ministries. Some of these would include:

- climate change
- changing government funding models
- recession or economic downturn
- innovation including greater digital operations
- changes in the Catholic Church following the Royal Commission into Institutional Responses to Child Sexual Abuse
- global pandemics
- extreme weather events
- war or conflict

Then there are more localised issues:

- closing of facilities
- loss of key staff and high staff turnover
- unfavourable operating conditions
- challenging relationships with Church leaders
- drought and other natural disasters.

In the process of mapping the future, there have been some voices calling for more flexible board structures. The directors with board chair meeting monthly may in fact not suit the ministry of the future. Accessing expertise from around the world is now more than possible with digital meetings, flexible board membership and hot seats (a six or twelve month place for an expert to provide guidance in particular areas).

There are probably not many futurists available for board membership but taking time to look at what might happen in your sector ensures that ministries are protected against unforeseen and potentially devastating consequences and that the 'right' directors are in place to steer the ministry through challenging times.

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## FOR DISCUSSION

1. What key challenges has your board identified for the ministry in the next five to ten years?
  2. What might be the top five external challenges to your ministry's future viability?
  3. What might be the top five internal challenges to your ministry's future viability?
  4. What flexible arrangements has your board considered to tap into specific expertise for identified issues?
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# RECRUITING FOR BOARDS

Once a board has assessed the expertise of its members and what additional skills might be needed, as well as analysing future challenges for that ministry, then recruitment strategies need to be examined.

## RECRUITMENT STRATEGIES

Following are some of the ways that new directors could be sourced:

**Tapping into existing networks** or asking for recommendations from the current directors. This approach has some advantages – if people you trust recommend a potential candidate, then there is a sense that the person comes with a guarantee of certain board skills. On the other hand, it can lead to lack of diversity and a group think culture. In regional areas, where potential directors are difficult to find, there has been a tendency to preference this model of recruitment.

**Liaise with local organisations** who may offer a diversity of candidates – indigenous groups, local disability providers, Catholic youth groups, local councils, trade organisations or advocacy agencies.

**Contacting training organisations** such as the Australian Institute of Company Directors (AICD), Australian Catholic University (ACU) or Directors Australia for a list of recent graduates from governance courses. Many of the governance courses currently being offered in Australia keep a graduate database.

**Conducting a board recruitment evening** – this model demands an organised approach with a wide advertising scope: those who may have been recommended from other sources, past students (in the case of school boards), parishioners, recently retired members of similar boards, local service clubs and professional groups. A board recruitment evening should present clear information regarding the expectations of board membership and invite formal applications with full professional and personal skills identification.

**Developing a profiling questionnaire** which allows data to be collected on potential new board members on a continual basis. This questionnaire can then be used whenever board members are suggested: retiring leaders, past students, business people and others who may have the skills needed for a board.

Research suggests that having a clear process for seeking, assessing, interviewing and nurturing potential board members is critical. In a competitive board market, the best candidates respond to a professional and well-resourced approach in an organisation that has clear focus, requirements and induction. Therefore, if you want the best board members then you not only have to reach them through recruitment strategies but also ensure they are inducted and supported once they have joined the board.

## THE RECRUITMENT PROCESS

### A suggested board recruitment process



#### FOR DISCUSSION

1. How does your board recruit for new directors?
2. What challenges exist in board recruitment in your area?
3. What other boards in your area might be seeking similarly skilled board members?
4. What collaborative efforts have been made among Catholic boards to share directors?

# INDUCTING AND SUPPORTING BOARD MEMBERS

Attracting new board members is only the start of the journey towards effective and successful board governance in Catholic ministries.

It is important to ensure that orientation, ongoing support and mentoring programs are available for new board members to ensure they fully understand their role and responsibilities in both civil and canonical governance. Orientation, support, mentoring and ongoing formation will ensure that new board members understand board dynamics and culture as well as reinforcing core values and theological underpinnings of the ministry work.

The next section of this resource will examine the following critical board processes used to support new and existing board members:

## **Induction**

New directors will become effective and contributing members of a board with relevant and directed orientation and induction sessions.

## **Formation**

Formation is a process of continual enrichment of intellectual, relational and spiritual skills for mission confidence and mission leadership.

## **Mentoring**

Mentoring is the assigning of a more experienced leader to support and advise the new director.

## **Evaluation**

Regular self-assessment will enable boards to assess strengths and weaknesses of their performance and set informed and strategic priorities for recruitment and succession.

## **Transitioning**

Transitioning is a process of ensuring the contribution of successful directors is not lost to the organisation or sector.

*One of the primary reasons the issues of board development and leadership succession aren't addressed well by non-profits is that staff and board leadership don't put enough time and effort into developing the appropriate structures, processes and accountability to make them more functional and productive ...*

Scott Schnapp at [ss@starboardleadership.com](mailto:ss@starboardleadership.com)

**Further information:** Mercy Partners has developed a range of video resources for induction and ongoing formation of boards (available in the [Ministry Portal](#))

# INDUCTION

The process of induction for new directors will be guided by the experience, skills and formation of each new member. Some directors come with strong backgrounds in canonical and civil governance, Catholic ministry and work within specific traditions. Others have limited experience in board governance in the not-for-profit sector.

## INDUCTION CONTENT

The following elements are recommended for an effective induction program:

- information about the ministry, including its mission and vision statements and the charism of its founders
- information on the governance structures of the ministry – the nature of a PJP
- the expectations of board directors including risk management, conflict of interest, confidentiality
- canonical and civil responsibilities of directors of ministry boards
- strategic directions of the ministry
- finance and auditing details and responsibilities
- ethical frameworks for board membership.

## INDUCTION PROCESSES

There are many ways to conduct induction processes for new directors:

- An induction team can be established to lead the process usually involving the Board Chair and other experienced directors.
- A set induction session at the commencement of a director's term on the board is the most common method. At this session, the induction team gives input on key areas and responds to questions.
- Holding shorter induction sessions over a period of time can be more effective, allowing the new director time to digest information and also to experience a number of board meetings, thus contextualising the input.
- A board handbook can help a new director understand the key details of the ministry and the governance responsibilities of directors. This information could include: documents such as the constitution, strategic plan, policies, budgets and annual report; information about the board and its directors and information about board members' roles and responsibilities.

The induction for each board will vary according to factors including the type of ministry, size of ministry, location of ministry. New directors in all Mercy Partners ministries are required to engage in an initial formation process as outlined in the Mercy Partners Induction of Mercy Partners Leaders Procedure. In addition, Mercy Partners can assist with other board inductions through group induction sessions held at leaders' gatherings, individual programs adapted to the needs of the director and ongoing professional support through formation events.

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## FOR DISCUSSION

1. How does your Board induct new directors?
  2. What topics would you like to cover in an induction strategy?
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**Further reading: Induction of Mercy Partners Leaders (available in the [Ministry Portal](#))**

# FORMATION

Formation is absolutely critical for board effectiveness and capacity building because it supports and nurtures mission driven leadership. Formation provides opportunities for leaders to grow personally and professionally and to attain best practice in canonical and civil governance. Well-formed board directors are pivotal for the continuance of the mission of the founding orders and the ongoing Catholic identity of the ministry.

**For these reasons, Mercy Partners makes ongoing formation a foundational expectation of directors of its ministries.**

Mercy Partners has published core content for formation programs available in our Formation Brochure . In addition, Mercy Partners has described its formation expectation of directors in its Ongoing Formation of Mercy Partners Leaders Procedure.

**Further reading: Formation Brochure (available in the [Ministry Portal](#))**

**Ongoing Formation of Mercy Partners Leaders (available in the [Ministry Portal](#))**

The following board capabilities have been derived from the formation overview document and serve as a guide for directors of Mercy Partners ministries in key areas for formation, professional expertise and spiritual development.

## CANONICAL GOVERNANCE CAPABILITIES

Directors should be able to:

- demonstrate understanding of the canonical character of Mercy Partners as a PJP and the place of the ministries within the PJP
- take responsibility for maintaining the Catholicity of the ministry
- understand the interrelationships between sponsorship, partnership and stewardship
- accept and support the importance of formation for directors of Catholic organisations
- understand key principles of mission: human dignity, the common good and social justice and apply these to board deliberations
- draw on charism as a rich source of values, wisdom and the gospel in action
- recognise the diverse elements of Catholic identity
- actively foster relationships with the wider Church
- steward resources for mission.

## PERSONAL COMMITMENT TO MISSION

Directors should be able to:

- develop and enhance their own personal spirituality and a sense of personal vocation and call
- develop personal giftedness in self and others
- practice servant leadership
- convey a contemporary expression of the founding vision
- articulate a visionary outlook in response to contemporary challenges
- model justice, compassion and self-awareness
- understand the key principles of eco-spirituality and the importance of caring for the Earth.

## CATHOLIC IDENTITY

Directors should be able to:

- understand and fulfil the role of a board member of a Catholic ministry
- demonstrate an understanding of the theological and scriptural foundations of ministry
- describe the key principles of mission: human dignity, the common good and social justice as evidenced in Catholic social teaching
- promote the importance of Church relationships, communion and lay leadership
- appreciate the ritual and symbolic aspects of Christianity
- demonstrate an understanding of Catholic ethical teaching and use it as a guide to the development of policy and practice
- demonstrate an understanding of Church tradition and its importance within ministry.

In addition to providing formation opportunities for the development and nurturing of the capabilities listed above, Mercy Partners also supports formation through:

- support for participation in formation from other Catholic agencies
- provision of mentors
- forums and gatherings which foster inter-ministry networking and support
- provision of board support materials including prayers and reflections
- development of customised formation materials for ministry boards

As well as formation available through Mercy Partners, board chairs are encouraged to support leadership development and capacity building in boards through within-board formation. This board-based formation could encompass the areas such as civil governance including: strategic planning, strategic imperative analysis, financial accountability, areas pertinent to the work of the ministry and working together as a team.

*Mercy Partners goes forth in the name of the people of God,  
and its ministries carry this added dimension of  
ecclesial identity, meaning and vocation*

Mercy Partners Theological Framework, 2016, p 13.

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## FOR DISCUSSION

1. What aspects of Mercy Partners formation program is your Board addressing this year?
  2. What other formation pertinent to your ministry is your Board undertaking this year?
  3. What formation areas would your Board like to target?
  4. How does your Board collaborate with other Mercy Partners' Boards in formation initiatives?
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**Further reading: Mercy Partners Formation Opportunities (available in the [Ministry Portal](#))**

# MENTORING

In his book, *Make Mentoring Work*, Wilson describes mentoring as 'a collaborative learning relationship between two or more persons' (2012) who share a commitment to an organisation or cause.

Mentoring can, therefore, be a valuable tool for the induction and formation of new board directors:

- **mentoring can give confidence** and support to a new director especially one with limited board experience – in this situation mentoring is an investment in the future, it develops leadership and commitment to the ministry
- **mentoring is an excellent way to tap into the wisdom** of longer-term board members and ensure that their knowledge and skills are passed on to a new generation of directors
- **mentoring is an induction tool which builds relationships** and enhances leadership resilience – the sharing of failures as well as successes can reassure those just starting out on the directorship journey
- **mentoring draws on research in psychology, sociology, science and business** highlighting the power of mutual support for dealing with the complexities of contemporary organisations and their governance demands
- **mentoring builds relationship networks** as mentor and mentee exchange ideas, experience and contact with significant leaders
- **mentoring recognises that leadership is learned** and the best people to learn from are those who have succeeded.

The mentor, life coach, spiritual guide, professional friend movement in the contemporary business world has much to teach us in the world of the boardroom. As the pressures build on corporate governance, the individual director, particularly one with limited experience, can only gain from mentoring.

Confident, reflective, creative and collaborative directors will ensure boards are operating effectively and successfully. The creation of such directors demands the wisdom and example of mentors. Mercy Partners can assist with the establishment of a board mentoring program for new directors or new board chairs.

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## FOR DISCUSSION

1. How has your board used mentoring for new directors?
  2. What are the challenges of establishing a mentoring program?
  3. Where could your Board source mentors for new and emerging directors?
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*Succession planning is an integral part of good corporate governance  
and is critical to the mission of the organisation.  
Studies and surveys show that non-profit organisations  
and private corporations often fail  
to prepare adequate succession plans ...*

Price, 2018. [www.boardeffect.com](http://www.boardeffect.com)

# EVALUATION

In examining best practice at a board level, the issue of evaluation is frequently raised. Capacity building in boards requires some form of evaluation to enable new goals to be set and issues of ineffective or unproductive performance addressed. For new board members, evaluation provides guidance as to their contribution and impact on the board and areas they may need to address.

Board evaluation is part of corporate board culture, the Australian Prudential Regulation Authority's Prudential Standard CPS 510 Governance (2015) states in clause 46 that: 'the board of a locally incorporated regulated institution must have procedures for assessing, at least annually, the board's performance relative to its objectives. It must also have in place a procedure for assessing, at least annually, the performance of individual directors' (Board evaluation and director appraisal, <https://aicd.companydirectors.com.au>).

The use of board evaluation in unpaid, not-for-profit boards is not as clear. Here, the struggle to attract directors is often difficult without the added pressure of evaluation and appraisal. Despite this reality, it is worth considering the benefits of regular evaluation for both the health of the board and the support of directors.

The AICD presents the following framework for board discernment regarding appraisal:

- **the board as a whole** – how well it is functioning – including in its key relationship with management – to deliver its governance role and functions
- **the board committees** – the adequacy of the board's committee structure and how well they respectively function to support the board in its role
- **individual directors** – how well directors perceive themselves and each other to be contributing positively to the work of the board and the ways in which their contributions could be improved
- **the chair of the board and chairs of committees** – how well the chair(s) fulfil their role(s).

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## FOR DISCUSSION

1. How often has your board undertaken an evaluation process for directors or the board as a whole?
  2. How might periodic evaluation assist your board to assess performance and set goals for the future?
  3. What are the barriers to Board evaluation in your ministry?
- 

*No individual or team can expect to improve without obtaining regular feedback on their performance.  
Boards of directors are no exception and an effective board performance evaluation  
is an invaluable tool in improving your board's performance*

Kiel et al. 2018. Reviewing Your Board: A Guide to Board and Director Evaluation.



# TRANSITIONING

The issue of board transitioning is an emerging challenge in Catholic ministry boards. One reason for this is a perception that the pool of well-formed, experienced Catholic leaders willing to be involved in board or executive leadership is shrinking. Hence the transitioning of directors once they have finished a successful term on one board to another ministry board is of benefit to the Catholic sector as a whole. We know that tension exists between professional expertise and skills and the unique call to 'Catholic' leadership. Consequently, retaining the involvement of experienced and committed directors becomes critical.

It is clear that many potential directors can feel uncomfortable with the 'religious' aspects of leadership in Catholic ministries and the language used to describe the role.

Two points are pertinent here:

1. There are critical added dimensions to leadership in a Catholic ministry as David Ransom explains ... It is the Mission towards which every ecclesial agency ... must be directed. Christian leadership serves to create and sustain a community, as well as fostering ever widening circles of that community's relationships. As ministers of the 'community', we are to be agents of participation, collaboration and reconciliation forging a unity in the midst, but not at the expense of diversity. As ministers of 'mission', we are to be agents of hospitality, impelled to redress isolation, marginalisation and exclusion in whatever context we find ourselves.
2. For many there is confusion over the 'Catholic' in Catholic ministries and the concerns of many potential leaders, including Catholics, about ways of being authentically Catholic today as Richard Lennan points out ... there has been a de-centering of Christian faith in society, reflective of increased individualism, the pace and secularity of contemporary life, the changed status of women, the multi-faith world, globalisation, sustainability, and the connection between fundamentalist religion and terrorism.

These contextual realities will put acute pressure on formation and mission teams to ensure that the foundational understandings of mission, values, service and focus on the individual remain at the forefront of our governance bodies. These realities also underpin the reluctance of many boards to lose directors who 'get' the mission and Catholic identity of the ministry and who have benefitted from many years of formation. Consequently, transitioning is a contemporary challenge for Catholic boards across the sector.

Some suggestions for board members who are transitioning include:

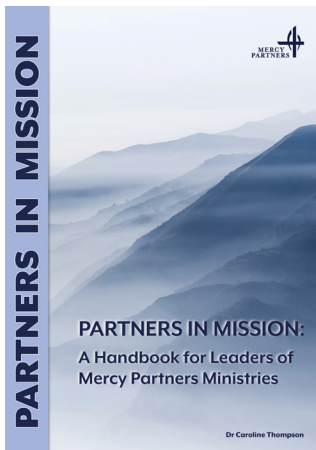
- using these individuals as mentors for younger directors
- utilising the skills of these directors on wider committees within the organisation
- involving former directors in formation programs
- actively recommending directors for other boards.

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## FOR DISCUSSION

1. How could you use transitioning more effectively in your board?
  2. When have you seen transitioning used effectively?
  3. Are there former board members who could be involved in mentoring or formation programs for your Board?
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# RESPONSIBILITIES OF BOARD DIRECTORS



In the publication *Partners in Mission: A Handbook for Leaders of Mercy Partners Ministries*, a general overview was given of the canonical responsibilities of ministry boards including handling ecclesiastical goods and stable patrimony.

**Further reading: *Partners in Mission: A Handbook for Leaders of Mercy Partners Ministries* (available in the [Ministry Portal](#))**

As this publication established, leadership of a Catholic organisation is an invitation to become a partner in mission, to ensure not just due diligence from a civil governance perspective but also that the ministry is operating within the embrace of Church Law and expectations.

In accordance with the purposes contained in its canonical statutes, Mercy Partners as a Public Juridic Person In the Church (PJP) exists to:

- continue the mission of Jesus through the health care, education, charitable and community works within its ministries
- ensure ministries operate in conformity with the teachings, discipline and laws of the Catholic Church
- build on the charism and sound traditions of the founding religious orders.

Mercy Partners, in turn, shares these core canonical responsibilities with ministry boards, directors and executive staff. It is critically important that new directors understand exactly what they are required to do and how to function effectively in their directorship. This information is an essential foundation of any leadership succession program.

The key areas of expectations and obligations for board directors are grounded in two key documents: the ministry constitution (Company Objects) and its mission statement which outline:

- ecclesial responsibilities
- nurturing of Catholic identity and mission
- maintenance of charism and special character of the ministry
- legal expectations including ACNC guidelines
- accountability and reporting
- good governance and due diligence.

Mercy Partners requires ministries to report on key areas of financial and mission accountability Including Induction and ongoing formation of Boards.

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## FOR DISCUSSION

What does your ministry constitution say about the responsibilities of board directors?

What elements of your role description require ongoing support for directors?

How often does your board review its constitutional responsibilities?

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## FINAL WORDS

We hope that this publication has assisted your board to review procedures around recruitment, capacity building and leadership succession.

The publication has been designed to encourage discussion at the board level with clear topics and focus questions. In presenting this information it is recognised that all boards are different and succession planning and building board capacity are steps on a long journey. Boards will develop skills and expertise over time, and with a commitment to ongoing formation.

The Board of Mercy Partners also recognises and thanks the hundreds of board chairs and directors who have led its ministries for their commitment, generosity, support and expertise.

This resource spotlights the individual director from identification and recruitment to full and active board membership. It highlights capacity building, the critical importance of formation, professional development, mentoring and induction processes.

Ultimately the resource encourages all directors to be:

- **People with a strong enthusiasm for the ministry and its mission** – so that their extensive knowledge of the internal and external workings of a ministry will make for impactful leadership and create leaders who are ambassadors for the ministry.
- **People who have the ability to interact productively with others** – so that talents, expertise and dedication will work together for the common good.
- **People who are collaborative and consultative** – to combat group think, power politics and self-interest which have no place in the boardroom.
- **People who are forward thinking**, understanding of the changing ministry environment and the welcoming of change and expansion.
- **People who understand the responsibilities** and privileges of governance in a Catholic ministry so that the distinctive Catholicity of the ministry will be treasured and enhanced.
- **People who model justice, compassion and mercy** to ensure relationships will be the ministry's core business.
- **People with commitment and organisational management skills** to enable the work of the board to be efficient and collaborative.

Please feel free to contact Mercy Partners if you would like to discuss any of the content of this publication in more depth or would like to discuss formation opportunities for board members.

*The building of partnerships cultivates diversity of gifts and charisms,  
embracing lay leadership, and creatively responding to the changing needs of many ministries*

Mercy Partners Theological Framework, 2016, p 3.

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## Appendix 2

### CORE ELEMENTS

