

Future Directors® search, selection and appointment process

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

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

- promoting your Future Director vacancy directly to IoD's Future Director database of over 700 high-quality candidates, or we can target candidates with particular skills, demographics or living in certain regions only
- promoting the vacancy through IoD's social media channels including LinkedIn which has over 11,200 followers, Facebook and Twitter
- receiving and managing enquiries and expressions of interest on your behalf
- sharing the applications with you via our application portal for your board to select their shortlisted candidates
 - if shortlisting, interviewing or due diligence is required this can be provided through the IoD's Board Appointments service (this service is chargeable)
- providing shortlisted candidates with interview tips and support
- contacting applications who have not been shortlisted and letting them know the outcome of their application on your behalf

Other ways that host boards may source, screen and shortlist applications:

- through a dedicated HR/Nominations committees or hiring managers within their company
- through IoD's [Board Appointments service](#) (chargeable) –
- your dedicated Nominations Manager if you are a State or Public sector board
- a search firm that you already have an existing relationship with
- your own candidate networks

Information to provide shortlisted applicants

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

- Structure and make up of your board – including names of current board directors
- Board focus over the next 12-18 months
- Committee requirements
- Company information such as turnover, ownership structure, industry, number of staff, background information is also useful, or
- Applicants might be directed to check out the latest company annual reports.

Interviewing

A panel (normally 2-4 members) from within the board would need to be assigned the responsibility of shortlisting, interviewing and final selection of the Future Director.

For your interview, you will be able to use the following resources from our host board resource page:

- suggested interview questions
- reference check template

Appointment

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

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

The following documents can be used in the appointment of your Future Director and are found on the host board resource page:

- letter of offer template
- legal opinion on responsibilities and liabilities of your Future Director
- Future Director Guide
- Host Board Guide

Term

Host boards may choose to make the Future Directors term 12 or 18 months. This is up to the host board to decide the most appropriate tenure dependent on your board meeting or financial calendar and number of times the board meets.

Remuneration

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

Post appointment

Following appointment of your Future Director, please advise the IoD of their name, current executive position, start date, tenure and email address by emailing futuredirector@iod.org.nz

The appointment will be acknowledged on the IoD’s website and through our social media channels.

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