

**A paper discussing the essential functions, operation and administration  
of Boards of non-profit companies.**

**STIFF AS A BOARD:  
NON-PROFIT COMPANIES IN RIGOR MORTIS**

A paper presented by Shane Simpson, Simpsons Solicitors 11th May 1993

---

Our society would be very mean and dull if it were not for the thousands of non-profit organisations which operate, usually with insufficient financial resources, inadequate staffing levels and marvellous, up-lifting, caring and challenging goals.

Among the thousands of folk who give up hundreds of thousands of hours a year to serve non-profit organisations throughout Australia, the attributes of intelligence, kindness, generosity and good will are commonplace.

That acknowledged, why are many of our organisations in the non-profit sector not as effective as they could or should be?

All too often, the problem does not lie with the employees; the public face of the organisation.

All too often, the problem lies with that faceless group of intelligent, kind and generous group of people who, with the best intentions in the world, inhibit the opportunities for the organisation to achieve its potential.

It is my experience that, in the short term, the success of a corporate venture can be created by a leader of vision, talent, charm and determination. However, for an organisation to remain healthy over the long term, it must have an efficient, multi-talented, informed and motivated Board. High flying Chief Executives eventually soar too close to the sun and burn out unless they have the support of a properly functioning Board.

Today, I am assuming that most of you regularly deal with Boards and participate on Boards. Some of you will have had little experience; others will have had vast experience. In this brief paper, I will touch upon some of the reasons that I believe inhibit the proper functioning of Boards and how some of those factors can be dealt with. There are no single right answers. Because organisations are made up of humans and as such, our characteristics are so different, what has worked for me or what I have observed working for others, will not necessarily work for you. We each develop our own techniques for working on or with Boards but each of us must always be open to the contributions that others can make in that on-going effort, to do what we do, better.

The starting point in this quest must be the selection of your Board. Membership of the Board should not come about by chance.

## SELECTION OF NEW BOARD MEMBERS

It would be very rare that the group that first comes up with an idea, would not benefit from the involvement of others with different attributes but similar interests. The people with the original ideas are not necessarily the right people to be on the Board which actually runs the organisation.

The Board has a multiplicity of purposes: It defines the policies of the organisation, it provides a bank of skills to assist the implementation of these policies, and it should provide the organisation with the contacts that are so useful and the credibility that is so essential.

When putting a Board together, the steering committee should avoid inviting friends and "yes-people". The long-term strength of the organisation will flow from the strength of the Board. For example, it can be invaluable to have an accountant in the group to assist in budgeting, advising on fund raising strategies, reviewing expenditure and preparing financial reports. Similarly, as most organisations these days have to raise money of their own it is almost always important to have a well connected business person on the committee. Such a person will not only give sensible practical advice on finance and administration but will also be able to make personal contact with potential sponsors. (If the group has a local base, a local influential business person should be asked. If it is a national organisation, someone with a national reputation and chain of contacts is appropriate).

Moreover as one of the most important functions of any Board is to determine policy, it is vital to have a strong representation of persons with relevant experience in the area. Knowledge and practical experience is more important than fine intentions.

In summary, when forming the Board one must keep in mind a few basic rules:

1. Having regard to the objects of the organisation, work out the talents that are needed on the Board.
2. Review all appropriate names.
3. Ask only the best. Nobody minds being invited onto a Board. It is usually flattering. If the first choice is unable or not prepared to join, ask them for names of persons that they think might be suitable. Do this in person.
4. Professional advice is expensive. So, unless the organisation is so rich or successful as to be able to afford professional fees, or so small-scale as not to need professional skills, the group should invite the necessary expertise onto its Board.

## HANDOVER PROCEDURES

Establish a handover procedure. It should have three parts:

- (i) a personal brief, a summary of what is expected of them;
- (ii) copies of the management plan, the financial reports and papers, minutes of the last few meetings;

- (iii) a welcome. Introduce them to the other directors.

## THE FUNCTIONS OF THE BOARD

To effectively operate on or with Boards we must understand their proper functions. I split these into external and internal functions: By external, I refer to the Board's functional relationship with the organisation. By internal, I mean the organisation and operation of the Board itself.

### 1. External Functions Of The Board

It is a fundamental function of the Board to determine the organisation's

- (a) structure
- (b) policy
- (c) strategies

### 2. Internal Functions Of The Board

The most important internal functions concern the definition and assignment of individual responsibilities to directors. These include:

- (a) the selection of office bearers; and
- (b) the assignment of responsibilities according to expertise and contacts.

Unless Board members clearly understand the function of the Board and their function within the Board, they have little hope of fulfilling their role within the organisation.

### External Issues

- (i) External structure.

Boards are often rendered ineffective because of either the Constitutional structure of the organisation itself or the structure of the Board. The Constitution of the organisation should be regularly reviewed.

Is the present structure and machinery as provided by the Constitution, the best way of doing things? Is it reflective of the way the organisation and its Board actually operates?

All too often, a truthful answer to these questions shows the need for reform.

- (i) Have you spent time during the last twelve months questioning whether the machinery of your Constitution is appropriate? Are the procedures laid down for the selection of Board members,

the holding of Board meetings and the performance of Board business, the best way you could do it?

For example, if your organisation is a national one, do you really need a representative from each State? Is this an outdated reaction to State-Federal politics? Is it the best way of attracting the right people to a national Board? (I would say, the answer is almost always, "Clearly not!")

- (ii) Does your Constitution help you to avoid some of the most common problems of Boards, such as Board members who have outlived their usefulness (if they ever were useful) but are determined to stay?
- (iii) Is its structure flexible enough to permit the Board to appoint new members with the particular talents required to deal with new situations?
- (iv) Does your Constitution actually permit you to adopt new approaches and practices that would permit you to be more efficient?

For example, does your Board have the power to hold meetings by telephone link-up? By fax? By satellite transmission? In a country in which distances are so enormous and travel costs are correspondingly high, there are inherent difficulties in getting a Board together and using it effectively. Modern technologies assist us in overcoming these problems but

- (a) if we don't keep up to date with new ways of performing old functions; and
- (b) make sure that the Constitution of our organisation permits us to use these new methods,

we are not giving ourselves the maximum opportunity to operate effectively as Board members.

## Policy Issues

One of the most important functions of the Board is to determine the policies of the organisation. This is what drives the organisation. It determines the focus of the group.

Board members must ask themselves:

- (a) Does our organisation have a written policy that is clearly articulated, understood and accepted?

Without it, the organisation has no basis for determining its objectives and thus its priorities. Without it, the senior management of the organisation has no tiller with which to guide its day to day decisions.

- (b) How long is it since the organisation's policies and priorities were reviewed?

Unless these are regularly reviewed, the organisation may become stagnant or the victim of conflicting and incompatible priorities for resources.

- (c) How are policy reviews undertaken? Is the Board involving all the people who have a contribution to make in the policy development process? Is it using the best available techniques?

All too often, Boards make policy without sufficient involvement of their members, their staff, their funding bodies and other groups who may have real contributions to make to the process. The involvement of select outsiders may assist the Board to gain a wider perspective of their own organisation. After all, the intimate engagement of day to day involvement, raises fine dust which impairs our critical vision,

Few Boards have the internal skills to carry out thorough policy reviews using only their own internal resources. There are now many professional facilitators (some better than others!) who can assist in and advise on the process.

- (ii) Strategy Issues

The responsibility for determining strategy lies with the Board. It is one of the areas in which there is great potential for conflict with staff. After all, in most cases it is the staff that actually designs the strategies and certainly the staff who will have to implement them. It is the Board however that must call for them, query them and, when satisfied, approve them. Later, it must evaluate and amend them. This is an on-going process.

If the Board fails to oversee any of these steps, the organisation is not being led. It is merely wandering.

## **Internal Functions Of The Board**

- (iii) The selection of office bearers

Examine carefully how your organisation appoints its office holders. Does it ensure that the best people get to the top? Does it provide a mechanism for identifying new talent and training them to take over the reigns?

For example, is your Chairperson selected by the Board members or elected by the membership? Are there restrictions upon who may be elected? (Remember that restrictions are not necessarily bad things: they may prohibit persons who are insufficiently experienced from taking over the organisation or they may prohibit people from being too long in control.)

- (iv) The assignment of responsibilities according to expertise and contacts

Does the Board make the best use of the talents of its members? This often involves the judicious use of sub-committees so that those with specialist expertise have the opportunity of maximising their contribution to the organisation.

Of course it is always important to ensure that those with particular skills are not allowed to impose their views simply because of their reputation. Maximising the use of a member's expertise, while at the same time ensuring that they do not completely dominate the decision making process, demands a careful delegation of powers to sub-committees and very astute chairing of Board meetings.

## PERFORMANCE OF BOARD MEMBERS

Even if a Board member does have an adequate theoretical appreciation of his or her proper function as a Board member, we all know that theory is not always reflected in practice. Never is this more true than in the Boardroom.

Over the years I have divided the mere theoreticians into the following classifications: ghosts, back-slappers, celebrities, sleepers, bullies, lifers, martyrs, secret agents and talkers. The list is not closed.

### Ghosts

Ghosts are those who don't turn up to meetings or functions at which Board members should be expected to attend. A poor attendance record often indicates either that a Board member is not committed to the organisation, is too over-committed to contribute as a Board member, or has a problem with something within the Board - but is unable to express it.

It is the job of the Chair to keep an eye out for this pattern, make contact with the member and find out what is happening. This must be non-confrontational but direct. Handled properly, this will have the effect of either facilitating the Board member's return to the flock as a positive, contributing member or will facilitate an early resignation. Either result is good.

If this does not work, rather than moving to expel an individual Board member, it may be less contentious to move an amendment to the Constitution tightening up the attendance requirements. Failure to attend a prescribed number of meetings without leave of the Board and, hey presto, the member is automatically deemed to have resigned.

Sometimes, for intra-Board political reasons, certain members will stay away from meetings thus causing paralysis of the affairs of the company by denying the Board a quorum. If this can not be dealt with through negotiation, the Chair (or the requisite number of directors/members) should call a general meeting of members.

Failure to act, refusal to act, deadlock, repeated failure of quorum, are all matters that the membership have a right to consider and in which they have a right to intervene. Although the general meeting of members cannot overrule or interfere with an exercise of conferred powers by the directors, it can interfere to exercise power where the directors are unable or unwilling to do so. Accordingly, if the membership is dissatisfied with the attendance of its Board members it can call a general meeting and vote upon the removal of that director.

## Back-slappers

This is someone whose sole contribution to the proceedings of the Board is to move motions of thanks or congratulations. They never ask the tough questions. They need to be loved and that is not a need that contributes to an energetic exchange of ideas. These people either die of niceness or get promoted to positions which demand more than they have to offer!

## Celebrities

Board members must be workers. Figure heads are not. Famous names who won't come to meetings, won't become actively involved, won't write that letter or make that important phone call, have no part on a Board. Figureheads make good patrons and terrible Board members.

Socialite Board members are like champagne. Mere froth and bubble doth not a good Board member make. On the other hand, a good one is dynamic and generous and never leaves you feeling cheated. Whether they are male or female, socialites can open doors to power and money. If they can't or won't, you have been misled by the packaging. Contrary to popular myth, socialites are not very good fundraisers. Driving to a \$10 afternoon tea in a Porsche, is about partying, not generosity. The socialites worth having on the Board are those who are there for the organisation rather than merely to be admired.

## Sleepers

How many Board members do you know who attend every meeting and yet contribute to nothing except the carbon dioxide levels. They have perfected the art of sleeping with their eyes open. Nodding is not a sufficient contribution to Board processes.

Sometimes the sleeper is really only timid or overly humble. A good Chair must direct specific questions to a sleeper to help them and thus assist the Board to have the benefit of the member's talents. If that doesn't work, the Chair is going to have to invite them for a drink and discuss their future.

## Bullies

Bullies need to get their own way. They need to feel that they are appreciated as being powerful. Of course anyone who has this need is not powerful, so they are doomed to live on this merry-go-round forever.

Bullies are not good listeners. They can't afford to be. Bullies are good tellers. They also tend to have a very irritating index finger.

If you have a bully on the Board you will need a very strong and judicious Chair. The Chair must control the time allowed to bullies yet make them feel that they have been heard. Reflective, summarising techniques are often useful to achieve this.

Above all, the Chair must ensure that the other members of the Board are not intimidated and have a proper chance to express their own views - even if they are contrary to those of the bully. The Chair must make the other Board members safe.

If the bully is the Chair, the Board and thus the organisation is in real trouble. Many of the Board's most talented people will eventually resign and the Chair will attract either friends or martyrs to the Board. After a while, nobody of outstanding talent will be bothered to offer themselves for election to the Board and the organisation is well on the way to being, at best, a private club.

### Lifers

Lifers are members who have been on the Board too long. Every Board member has a "use by" date. Board membership is about determined, devoted, energetic commitment to the organisation and its goals. You maximise the effort by having people commit themselves to a finite term of effort. At the end of their period they should leave with regret; tired but still committed. It is time for new persons, with new skills, new ideas, new energies.

Although they can never admit it (because they will never recognise it), Lifers are on the Board for their own purposes, to satisfy their own needs. The organisation is a mere instrument.

The Constitution should always provide for rotation of membership. My personal belief is that no member (except the Executive Director) should be a member for more than five years. Three years is often better.

Because these people are so apparently selfless in their contribution to the organisation, the least offensive way of dealing with them is to ensure that the Constitution provides for a maximum number of consecutive terms of appointment. Some organisations have rotation of Board membership but then allow departing members to immediately stand again for reappointment. This is a sham. You must build a wall, not merely a revolving door. The Constitution must provide that the member has a compulsory rest period of one or two years before being again eligible for re-election.

### Martyrs

Martyrs are professional sufferers. They are a source of discontent within a Board because they never feel that they have been heard, that the Board doesn't follow their suggestions, that their efforts on behalf of the organisation are unrecognised. They are negative in a passive way. They complain outside the walls of the Board room and in this way, can be very destructive.

### Secret agents

These are people with hidden agenda. They can make life difficult for even the most experienced Chair and can be very destructive on any Board. You might pick that there is a hidden Agenda through their comportment, through the person's choice of language or tone of voice. You might not pick it at all.

You deal with secret agents by either ignoring what you perceive to be their hidden agenda or bringing it out into the open. Two secret agents make a conspiracy. This can only be tackled by confrontation.

A wise Chair will often take the secret agent aside and have an informal chat about things and determine whether there is something of significance for the organisation going on. If the Chair is the secret agent, it is going to take a very forthright Board member to raise it - but raise it you must.

No hidden agenda is threatening when it is revealed and can be openly discussed by the whole Board.

## Talkers

Talkers are infuriating. They often have a very good point to make, but chatter on and on and on and on. Detail, circumstances, exceptions, lead up, let down. They are often intelligent and well meaning but just have no idea when to close their mouth. You don't want to hurt their feelings but after a few meetings you are prepared to kill them.

If you feel that way, it is likely that most of the other Board members do too. Any good Chair will be able to cope with talkers. They must be given a fair opportunity to express their views, but their time must be firmly limited.

## CHAIN OF COMMAND AND COMMUNICATION

### Establishing Lines of Authority Between Board and Staff

In any efficient organisation it is important to establish clearly defined lines of communication and authority. For example, it is improper for Board members to indulge in unlimited access to (or interference with) staff. The Board should work out simple channels of communication, responsibility and discipline.

The Board should have annual or semi-annual confidential interviews with key staff so that the directors can learn more about the needs and expectations of those controlling key sections of the operation. In my view the chief executive should have a formal meeting of this nature with the Board in the same way as all other key staff. (The chief executive should not be present when the Board interviews staff in this way, as information gathering should be confidential ).

When it comes to giving the employees information or instructions, the directors should communicate through or in the presence of the chief executive. To do otherwise, is to undermine the authority of the chief executive. It destroys the line of authority which is so essential to the proper day to day management of the organisation.

Moreover, directors must remember that they do not individually have the right to order employees around. Unless the power is specifically delegated to one member of the Board to handle staff affairs, no individual director should assume the right to interfere. It is the Board that has responsibility for staff and it is the responsibility of each

director to ensure that the Board fulfils its duties in relation to staff. It is not each director's individual duty to get the staff to do what he or she thinks is best. If you are a director and if you cannot persuade the Board as to what needs to be done in relation to staff, do not take it upon yourself to interfere. If you cannot accept the Board's approach to staff relations, perhaps you should resign and set up your own management consultancy.

### Establishing Lines of Communication Between Board and Third Parties

As above, communications between the Board and persons outside the organisation should be controlled. No director should commit the organisation to any expense, liability or obligation without the express approval and authority of the Board.

Without this authority, individual Board members may bind the organisation to commitments that it cannot afford or are inconsistent with its priorities or even outside its powers. In so doing that director is also exposing him or herself to personal liability in respect of those commitments. Such misguided actions can be very expensive for both organisation and director.

When dealing with outsiders, the Board should delegate specific powers and specific functions to a specific director (or executive officer).

At the time of delegation set down a time-frame within which that delegate must report back to the Board.

### CHAIRING MEETINGS

The Chair's most important role is to run the meetings well. Such meetings are the main organisational tool of the group. It is the Chair's responsibility to make sure these are effective.

The role of spokesperson is not necessarily the role of the Chair. Somebody else may be better on the Board at doing this. However it is the responsibility of the Chair to either do it or arrange it. It is often a good idea to have a clause in the Constitution for providing a procedure whereby a spokesperson is nominated.

The Chair should stay in regular touch with the organisation, the executive officer and any sub-committees so that he or she knows what is happening in the organisation.

### Planning For The Meeting

The Chair must be absolutely certain as to the reason for holding the meeting and must ensure that all of the other members of the Board are also certain.

- (i) Do you ask yourself whether there is a point in having the meeting?
  - (a) Is there a more efficient way of obtaining that goal?

(b) Is it worthwhile having regular scheduled meetings? What is the function of such meetings? If it is decided to have a regular scheduled meeting: Is there work to be done? What is the meeting intended to achieve? What would be the consequences of not holding it? Do you cancel if you decide that it is not necessary?

(ii) Do you prepare adequately for meetings?

This does not mean simply reading the papers. It includes thinking about the issues raised in those papers and considering their ramifications for the organisation.

### Early And Full Information

(i) Do you ensure that the Agenda papers have been prepared and circulated?

(ii) In preparing the Agenda do you contact the directors or have some other procedure by which, as Chair, you can discover the matters that need to be discussed?

(iii) Does the Agenda give adequate notice to all directors of the reasons for having the meeting? Remember that an Agenda is not just headings or a list of topics. It is a brief for all members to work from. It supplies the direction and area of discussion and its end purpose.

(iv) Does the Agenda make it clear what subject is to be discussed, what aspects of that subject are to be discussed, why it is being discussed and what you hope to achieve from the discussion?

(v) Do you ask yourself whether the directors have received adequate background material to assist them in their decision making at the meeting? If there is written material that the directors need to have read in order to make a properly informed decision, are those papers sent out early enough so that the directors can read the material before coming to the meeting?

(vi) In preparing the Agenda do you give thought not only to the subjects for discussion but the timing and order of those discussions?

(vii) Do you seek a logical connection between Agenda items and arrange them in appropriate order?

(viii) Do you allocate amounts of time to Agenda items so that the important issues receive adequate time and unimportant matters are allocated a minimal amount of meeting time?

(ix) Do you order the Agenda so that the most important matters for discussion are put at the beginning of the Agenda? Urgent but reasonably unimportant points may be put first on the Agenda but should be allocated a limited amount of time.

- (x) In ordering the Agenda do you consider whether the subjects for discussion are relevant to all of the members who will be present? Often there will be subjects that would be better dealt with outside of the meeting (say informally or by a sub-committee) or perhaps in later Agenda items so that those Board members who were not involved in such discussions can leave the meeting after having made their contribution.

## The Meeting

- (i) Do you start the meetings on time? Do they finish on time?

Note that the starting time of meetings to some extent influences the sorts of people that will be able to attend. For others the finishing time is crucial. Set boundaries.

- (ii) Do you maintain full control of the discussion?

Is all discussion during the meeting relevant to the Agenda items? If not you are time wasting and allowing the meeting to wallow in poor decision making procedure. The Chair is responsible for structuring the discussion. Board members have to realise that their participation is not constructive if it is based on 'stream of consciousness'. Raw emotion is not helpful. A Board meeting is not a therapy group.

Chairs should control the discussion so that members state a proposition, then present their evidence and only then is it useful to have argument about what that evidence proves. The meeting then forms its view on the evidence.

Only then can it decide on the action: proposition; evidence; argument; conclusion; action. The Chair must keep the stages separate and stop the people from jumping around and either leapfrogging forward or going over old ground.

- (iii) Do you make referrals to sub-committees (with instructions that the sub-committee come back with clear alternatives and recommendations)

- (iv) Does everybody speak only through the Chair?

This is the most basic and probably the most important tool of meeting procedure. It is the Chair's responsibility to control the discussion. If members start talking among themselves, you have lost control. The Board is wasting time.

- (v) Do you have a fluent understanding of meeting procedure?

It is essential that the Chair understands the formalities of putting motions, accepting or rejecting amendments, the taking or rejecting of points of order and the other commonly occurring procedural matters. These are designed to promote the orderly flow of discussion and decision making. The Chair who does not understand basic meeting procedure and does not use that procedure is not being an effective Chair.

If the organisation does not own a book on meeting procedure, buy one. Then read it..

- (vi) Do you ensure that the decisions of the meeting are properly summarised and recorded?

Do not forget to also have recorded the name of the person responsible for any action and the time for completion of that action.

## DELEGATING

An incorporated body can only operate by a series of delegations. Given that the organisation cannot act except through human intervention, these bodies are fundamentally dependent upon the delegation of legal powers from the corporate entity to human beings.

Make sure that the Constitution provides the power and allows for the delegation to be made; follow the appropriate method for making the delegation; and record the delegation.

For example, before establishing a sub-committee make sure

- (i) that the Constitution allows for the establishment of a sub-committee;
- (ii) that the sort of matter that you wish to refer to the sub-committee is one which is able to be delegated; and
- (iii) whether the sub-committee has the power to make a decision or whether it merely makes a recommendation to the Board, which in turn makes the decision.
- (iv) Then record the fact of the delegation and its ambit.)

## Delegation of Managerial responsibilities

This is a vital area for reflection for both Board members and executive officers. The Board must delegate functions to its senior employees and senior employees must be able to delegate to their subordinate staff.

## The Four Skills of Good Delegation

- (i) selecting a capable person;
- (ii) explaining the objectives;
- (iii) giving the necessary authority and means for doing the job;
- (iv) arranging to keep in contact.

## The Agony of Delegation

"If you want a job done well you have to do it yourself"! Of all management clichés that one has the most dire consequences. Organisations must run on delegation. A more useful cliché is, "Nobody is indispensable". The central issue in delegation is trust (but how can they earn our trust if we do not delegate to them)?

Delegation means loss of control and lost control can be frightening. Even so, don't hold on to the authority. People have to be allowed to make mistakes and learn from their mistakes.

- (i) True delegation implies that **the subordinate is given the authority** to do the job. He or she can make independent decisions and has the responsibility for seeing the job done well. However **the ultimate responsibility stays with the delegator**.
- (ii) True delegation means giving up what we would like to hold on to, the authority and holding on to what we would like to give up, the responsibility. It is understandable that people so often try to do the exact reverse and hold on to the authority and delegate the responsibility.
- (iii) Even after having delegated, the urge to hold on can reassert itself. This is trying to take the delegation back. This amounts to undercutting the subordinate's authority. It is discouraging. When you delegate, let them get on with it. If you have selected the right person and given clear instructions, let them get on with it.
- (iv) Avoid "post-delegation hovering". This merely induces a feeling of not being trusted. Hovering often creates the problems that it is intended to prevent.
- (v) Beware not to allow the subordinate's successes to threaten you.

## Delegation Methods

Pay attention to your method of delegation.

Indiscriminant assignment of work to others is not delegating. It is dumping. Remember that giving orders is not the same as delegating.

The following are some basic suggestions that may be helpful

- (i) Verbal instructions should usually be followed up in writing so that the memo can be referred to later - so that both parties are clear as to what is to be done, how and by when....
- (ii) Provide a specific time frame through each of the project's phases.
- (iii) Establish specific review dates throughout the entire time frame. In this way no one is surprised at any stage in the project as to what is expected of them.

## CONCLUSION

In forty-five minutes, I have had the chance to touch upon only **some** of the factors that make for effective and ineffective boards and **some** of the questions that we all need to keep asking ourselves in our fallible quest to be effective contributors to organisation management. Many of the points need expansion but nearly all are worthy of some degree of contemplation. You do not have to agree with my views (for they are merely personal reflections), but you must think about the questions raised and fearlessly consider your own performance and that of others that you have observed.

Organisations and Boards are not inanimate objects. They achieve only through the quality of the human intervention in their affairs. Similarly, their failures are due to the humans who are responsible for the governance of the organisation but whose personal efforts are insufficient or inadequate.