
CMA: Christian Board Insights Report 2017

Executive Summary

Full report available at www.cma.net.au/research



mccrindle

Executive summary

This report explores research conducted with board members of Christian organisations in Australia to understand the current strengths, challenges, and future directorship needs.

Christian boards largely represent the not-for-profit sector

Boards represented in this study are largely Christian not-for-profit organisations and local churches

More than half of board members (58%) represent a Christian NFP. A further 19% completed this survey as a board member of their local church and 12% represent a Christian educational institution.

Board sizes are stable but small boards struggle to identify new potential directors

Over four in five respondents (84%) indicated the boards they sit on have between 5-10 board members and 10 members is the most common board size (28%). Board sizes have remained stable for more than half (52%) of Christian organisations. For those whose board sizes have declined (24%), the standout reason for this is that there are fewer potential new board candidates (51%).

Who are the board members in Christian organisations?

Mature men from capital cities predominantly occupy board roles

Males currently occupy three out of four (75%) Australian Christian board positions. More than half of board members in Australian Christian organisations are 56 years or older (52%). Just 15% of board members are aged 26-45 revealing an opportunity to identify, train and recruit younger board members for Christian organisations.

More than four in five board members are still in the workforce (84%). 11% of board members are retired from the workforce but still investing in Christian organisations through their governance role.

Longevity

More than half of board members have over a decade of experience

Half of board members (52%) have served for more than ten years as a board member of different organisations during their board career. One in four board members (24%) have less than five years of experience serving on boards.

Board members have enjoyed varied roles and have significant experience to contribute. Half (50%) have served on 4+ boards throughout their board career.

Reasons for involvement in Christian boards

Purpose and personal calling are the reasons board members get involved

The top three motivations for board members getting involved with a board are their alignment with the organisation's purpose and values (73%), a personal call to the role and responsibilities (64%) and the chance to share their knowledge and expertise (60%).

Role is deeply satisfying, but they are retiring soon

Board members are incredibly satisfied (95%) indicating they value the overall opportunity they have to contribute to the organisation. Despite high satisfaction levels, nearly one in five (19%) are not likely to be serving in three years' time. The top three reasons for board members ceasing their board

member roles in the near future will be retirement (19%), the time and commitment required (15%) or a maximum board term ending (13%).

Strengths and development areas

Godly, diligent governance is a strength of boards, however, managing risk was identified as a weakness

Board members identified that putting God first (97%) and complying with ACNC obligations (94%) are the leading strengths of Christian organisations. They indicated, however, that managing risk is their greatest area of weakness.

Challenges and obstacles

Growing secularism in Australia is the largest challenge facing Christian organisations

The greatest challenge currently facing Christian organisations, according to board members, is the growth of secularism (44%) followed by the acquisition of new customers/donors/stakeholders (40%).

Internal challenges identified relate to the CEO, includes succession planning (55%), annual CEO performance review (43%) and recruiting and selecting the next CEO (42%). More generally, board members are being challenged by strategy development and recruiting new board members.

Key obstacles to becoming healthier boards are a lack of time, talent and training

A lack of time, difficulty attracting talent and a lack of adequately trained board members were the three themes which emerged when board members were asked regarding the obstacles they face in their organisations.

The future of Christian boards in Australia

Christian boards believe they will get better, although there are challenges ahead

More than three in five board members (63%) think their organisation will be in a better position in five years' time compared to now.

In the subsequent question half (47%), however, believe that conditions for Christian organisations are deteriorating and will be somewhat or significantly worse in five years' time. This indicates some challenging times ahead for the Christian sector in Australia, despite the positive sentiment held by board members about the organisation they themselves govern.

Key recommendations

Christian governance in Australia is mature, and at large, perceived to be operating well. There are four key areas of focus emerging from the data to ensure Christian organisations continue to thrive in the decades ahead.

1. Increase focus on strategic issues relating to risk management, fundraising, and growth

Board members express that a key challenge for them is responding to external trends and managing risk across the organisation. They perceive that they are more skilled at compliance items (such as accounting, financial literacy, and legal concerns), than the execution of strategy and engagement with the market through public communication or fundraising. Upskilling boards to more effectively navigate external environmental challenges, such as the challenge of raising adequate funds, remains a key area of consideration.

2. Develop a response to the challenge of secularism facing the Christian sector

Growing secularism is a key concern perceived to impact the growth of Christian organisation in Australia. Board members may benefit from resources and training that address the growth of secularism and demonstrate effective strategies to respond to changing social and cultural issues. This includes new ways of communicating the Christian story that will connect and engage with the next generation of staff, stakeholders, and supporters.

3. Attract and recruit a talent pool of prospective directors

Just 15% of board members participating in this study are aged 45 years or younger (compared to around 60% of the national population). In order to stay abreast changing trends and external challenges, tapping into a new talent pool for Christian governance is essential. New and proactive recruitment approaches should be developed with a focus on telling the organisation's purpose and values, which is the key reason why individuals join Christian boards. Harnessing the skills of the next generation of Christian leaders will provide greater ability to respond to the external challenges facing Christian organisations in the coming decades.

4. Transfer knowledge and experience to new board members

Experienced board members have an opportunity to transfer their knowledge and expertise in governance to newer, younger board members. This is particularly evident as 19% of board members suggest that if they were to leave in the next three years, it would be due to retirement. Celebrating these experienced board members and providing forums for these leaders to share their governance expertise could greatly benefit new or prospective board members.

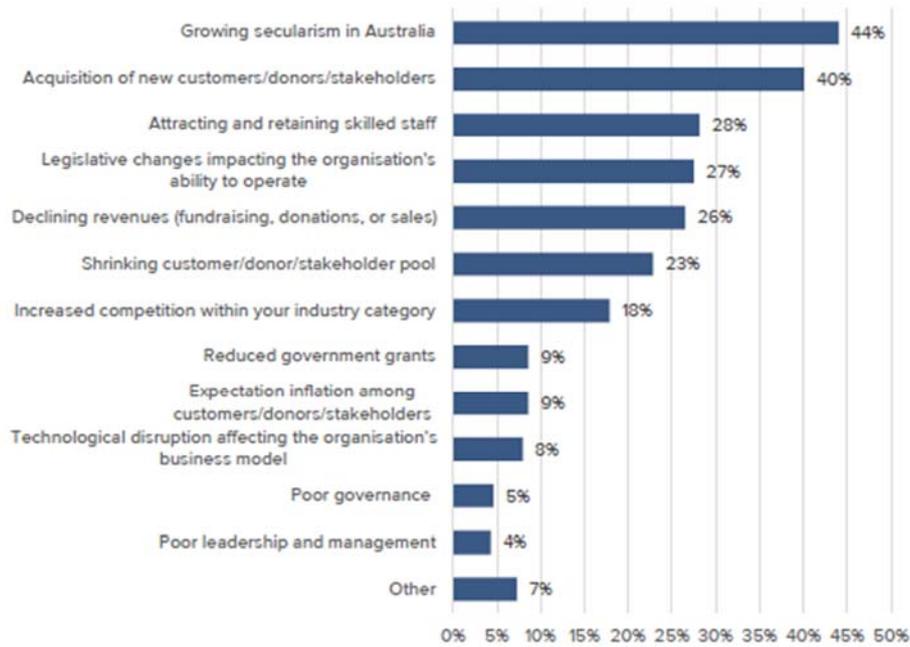
Charts

(Two of the 50 charts from the report)

Q. What are the most significant internal and external challenges this organisation is currently facing?

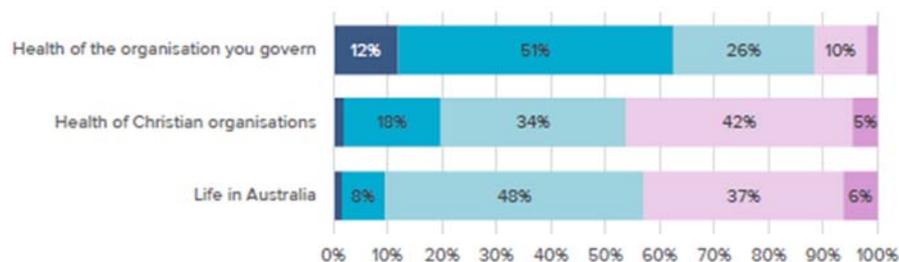
Please select all that apply.

(n=302)



Q. When you think forward to 2022 (in five years' time), how do you think the: future of life in Australia, the health of Christian organisations in Australia and the health of the organisation you govern will compare to the situation today?

(n=303)



■ Will be significantly better in 5 years' time
 ■ Will be somewhat better in 5 years' time
■ Will be about the same in 5 years' time
 ■ Will be somewhat worse in 5 years' time
■ Will be significantly worse in 5 years' time