A BEGINNER'S GUIDE TO BECOMING A NED

BY AINO BETTS

Are you considering a NED career but don't know what to do first?

As headhunters, we speak to many people who are interested in non-executive director (NED) opportunities; while they are intrigued they may feel unsure of how to embark on this career, if they have the right skills or what the role may entail.

If you're in this position - interested but not sure what comes next - we have put together this beginner's guide to becoming a NED to help you get started.

What is a **NED**

Non-executive directors sit on boards to provide oversight, sector expertise, knowledge, and insights, and constructively challenge the executive team. Unlike executive directors, they do not hold any operational responsibilities within the organisation.

A non-executive director will spend their time scrutinising the organisation's performance and offering strategic advice and support to the executive team. It is worth noting that whilst some NED roles are paid positions, often NED roles, more commonly known as trustees or governors in the charity sector, are unpaid.

Choosing the cause area

One of the first things to consider before embarking on this career path is to determine what causes interest you. Have you always had an affinity for the Higher Education sector? Or perhaps you are interested in animal welfare charities or want to get involved in healthcare. Try to be selective; there are a huge number of organisations that have non-executive boards, and being genuinely motivated and interested in the mission of the organisation is vital.

It is also worth thinking about the turnover and operating model of the organisations as well as their stage of organisational development. Are you more interested in contributing at a local level, perhaps becoming a trustee of a local charity, or joining the board of a large NHS Trust or the council of a large research-intensive university? Do you thrive in fast-paced environments or do your strengths lie in supporting organisations through times of financial hardship? These are some of the questions to ask yourself as you start to identify the types of organisations you would like to support as a NED.

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Time commitment

One of the most important things to consider is whether you have the time to commit to a NED role and how it will fit alongside your other commitments. The ask varies considerably, depending on the sector and the stage they are in their development, e.g., an organisation going through a transformation is likely to require more time from its non-executive directors than a steady-state environment.

Organisations want NEDs who are willing to invest time beyond the quarterly board meetings, perhaps attending relevant events and conferences or volunteering to fundraise. It is therefore essential that you choose an organisation that you are genuinely interested in and ensure that you are able to commit to the role and its requirements before applying.

If a NED role is something that you are unable to consider because of other commitments, it is worth exploring other options, such as joining a subcommittee of a board (e.g., audit & risk, finance or remuneration committee) where the time commitment tends to be less onerous.

Do your research

Before committing to a non-executive director role, do your research and take the time to understand your responsibilities. As a NED, you will have legal and regulatory duties, and it is important that you familiarise yourself with those duties before applying. There is a lot of guidance and help available online, including on the Charity Commission website.

It is equally important to research the organisation you are interested in joining. Read through their annual reports and accounts, visit sites (if possible) and read the most recent board papers; do your online due diligence before applying; it will help you in the long run.

Your skills and experience

Once you have found an organisation you are interested in and you are comfortable with the requirements of the role, it is then time to start thinking about what you could offer them. Often (but not exclusively), boards are looking to recruit NEDs who can meet a specific skills gap, rather than sector knowledge.

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NED vacancies usually appear when an existing NED is steps down, and therefore leaves a skills gap on the board. The skills gaps and needs of the organisations will vary, but common examples of skills gaps include finance, legal, digital, HR, fundraising, and communications. So, as you dust off your CV and start drafting a supporting statement, consider how you might be able to help the organisation fill a gap. We call this your value-add.

More broadly, the characteristics of a good NED include the ability to collaborate and work as part of a team, but equally being able to ask the difficult question when needed and to challenge constructively. As a NED, you should be proactive in sharing your expertise and knowledge with the organisation, but equally be willing to learn and commit to your own professional development.

The benefits of being a NED

Experienced NEDs often say that becoming a NED has enriched their executive careers and has helped them gain a broader perspective and understanding. NEDs who are already operating as an executive in their day jobs, often find it useful for their executive career to gain experience 'sitting on the other side of the table'.

Being a NED is a brilliant way to build new networks and make new connections. It can also be a great way to enter a whole new sector and help gain experience in an area that is new to you. And of course, becoming a NED is a brilliant way to contribute to a cause or sector that you are passionate about; it can be a very rewarding experience.

At Anderson Quigley, we are always keen to hear from people who are interested in finding a NED role, whether it is your first or tenth! You can <u>register your CV</u> with us and follow our NED Exchange page for updates.



Aino has extensive headhunting experience in the public sector. She joined Anderson Quigley in 2023, prior to which she worked for two boutique executive search firms, specialising in higher education and the not-for-profit sector. She has worked on a number of non-executive appointments in the public sector and is driven by her passion to help organisations find leaders who create positive social change.

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