

## Highlands and Islands Enterprise Shadow Board Member Opportunity

Highlands and Islands Enterprise (HIE) is eager to ensure that the composition of its Board properly covers the full range of interests of its customers and stakeholders, and that membership is open to a true cross section of society. At present the HIE Board comprises 11 members, including the Chairman and Chief Executive. Only one is female.

In early 2014, in the knowledge that it would be looking to fill board vacancies the following year, HIE began discussions with Scottish Government about how it could bring a fresh approach to recruitment. As well as addressing the Board's gender imbalance as a specific issue, HIE aims to ensure that future recruitment to its Board is carefully designed to be as open and inclusive as possible to broaden the diversity of suitable applicants.

HIE is committed, as a minimum, to meet the national challenge for the boards of all organisations to achieve a gender balance of 50:50 by 2020, as set out in the Scottish Government's Programme for Government 2014-15.

### **Towards a successful strategy**

In order to ensure a successful outcome, we developed a new strategy which included the following elements:

- Define desired board composition/skills matrix
- Awareness Raising
- Remove barriers to equality
- Extend the reach of our recruitment
- Having appropriate processes, messages and language

In addition, to support awareness-raising and develop a diverse pool of talent and experience of individuals - who might put themselves forward for membership of private and public sector bodies, HIE created a shadow board member position.

### **Creation of Shadow Board Member position**

To secure a shadow board member HIE engaged with the Developing Board Experience initiative being led by the Institute of Directors and Scottish Government. This initiative aims to give prospective board members a practical insight into how boards operate and a clear picture of what's involved in being a member.

It is designed for individuals - particularly women - who are judged to possess the skills, attributes and potential to be a member of a board, but have little or no experience at board level. Selected individuals will be allowed, on a pre-arranged and closely supervised way, to sit in on board (and ideally sub-committee) meetings to observe first-hand how boards work and to participate in discussion.

This will build their understanding, confidence and capacity to fill appropriate posts in the future.

HIE was the first public sector organisation to appoint a shadow board member under this initiative.

### **The HIE opportunity**

In 2014, HIE created a shadow board member position to provide an individual with one year's experience.

Belinda Oldfield, General Manager, Revenue and Risk, Scottish Water, was appointed as the first HIE shadow board member in May 2014.

### **Shadow Board Members experience**

In her year with the HIE Board, Belinda has received papers for and attended meetings of the HIE Board and of its primary sub-committee, the Risk and Assurance Committee. Belinda has taken up the opportunity provided by HIE to both observe and to participate actively in these meetings. She has also experienced board engagement activity outwith formal meetings, seeing first-hand some of the projects enabled by HIE support and meeting communities and businesses supported by HIE.

To support Belinda in her role she was provided with an early induction to HIE, meeting with Executive Directors and key staff who provided information on the organisation's activities and how these are delivered. She has also participated in a board development day which covered the governance and ethical standards environment and which included engagement with the Commissioner for Ethical Standards in Public Life.

A key element of Belinda's time with HIE has been the early and ongoing conversations with the HIE Chairman. The early discussions enabled an open and constructive relationship to be established and ensured mutual clarity on what the shadow arrangement aimed to achieve and how it would operate. This was reviewed on an ongoing basis so that changes could be made in light of experience. Belinda has confirmed that she found the non-executive board and executive team very supportive and welcoming.

According to Belinda, this experience has provided her with:

- Insights into the operation of another public sector organisation
- Development of experience in acting in a non-executive rather than executive capacity
- Increased confidence to ask appropriate questions
- An opportunity to observe the working of a board as a collective and how individual skills and experience are harnessed in that environment
- A greater understanding of investment evaluations and financial context
- The benefits of observing the key role played by a board chairman

This experience has left Belinda inspired and with increased confidence to seek and apply for board appointments where she feels her talents and skills can make a difference.

### **Good practice and Lessons learned**

This was the first shadow board member appointment undertaken by HIE and we were keen to ensure that captured good practice and that we learn from this experience and ensure that this learning is used to inform how future opportunities are delivered.

The key areas of good practice and lessons learned were:

- An early and comprehensive induction is essential
- The shadow board member should be fully integrated into all normal board activity, communication and support from day one
- Plan to ensure a full experience is achieved - not just contained to board meetings
- Establish early engagement and ongoing dialogue with chairman on how the arrangement will work, and adjust as appropriate
- Ensure executive staff are appropriately briefed and are supportive
- Ensure wider board are appropriately briefed and are supportive
- Be provided with appropriate infrastructure needed to fulfil the role
- Have an appropriate engagement letter which makes clear tenure of appointment and expected outcomes