



PROGRAM HANDBOOK

“The Observership Program is in my opinion an outstanding way for the future directors of all levels of Australian business to gain experience in what to do and indeed what not to do around the board table.”

David Gonski AC (Patron, The Observership Program)

VICTORIA 2024

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ACKNOWLEDGMENT OF COUNTRY

The Observership Program acknowledges Traditional Owners of Country throughout Australia. We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and emerging. We also accept the invitation in the Uluru Statement from the Heart to walk together with Aboriginal and Torres Strait Islander peoples in a movement of the Australian people for a better future.

RECONCILIATION ACTION PLAN

Our organisation is ready to embark on our reconciliation journey by developing a Reflect Reconciliation Action Plan during 2024, which will demonstrate our commitment to reconciliation with Aboriginal and Torres Strait Islander communities.

In preparation for embarking on our reconciliation journey we have completed Cultural Awareness training.

ACCESSIBILITY STATEMENT

The Observership Program is committed to ensuring accessibility for people with disability. We will continue to work to improve the user experience for everyone and increase the accessibility of our Program using the relevant accessibility standards.



CONGRATULATIONS

WELCOME TO THE 2024 OBSERVERSHIP PROGRAM.

Your participation in the Program will provide you with a unique opportunity to develop the skills and experience to pursue leadership roles in the NFP and government board sectors as well as in the wider community.

This guide has been developed to provide information to help you prepare for the journey that awaits and to ensure that your experience is rewarding and enriching. We want to take this opportunity to thank you for giving a portion of your precious time and talent to government appointed boards and the not-for-profit sector.

Enjoy the year ahead. We trust it will be an enriching one.

JONATHAN GAVSHON
Founder and Chair

CATHERINE REISER
Director, The Observership Program, Victoria

PROGRAM OVERVIEW

Founded in 2014, The Observership Program facilitates the involvement of talented and energetic individuals with a diverse range of skills and backgrounds in a structured experience on not-for-profit and government sector boards. It is a powerful tool to engage emerging community leaders while giving participating not-for-profit boards insight into the next generation's perspective. Over 1200 Observers have participated in the Program, observing on the boards of over 360 not-for-profit and government appointed boards.

The Observership Program has run in Sydney since 2014, Victoria since 2017 and Brisbane since 2022.



GENERAL INFORMATION

THE PROGRAM RUNS FEBRUARY – DECEMBER 2024

Participation in the Program requires you to attend all training sessions, board and subcommittee meetings. You are an ambassador for The Observership Program and failure to demonstrate adequate commitment jeopardises opportunities for future candidates and participating boards.

Please confirm all board meetings and other key dates directly with your organisation and diarise meetings accordingly.

Please notify your employer of your participation in the Program to ensure their support when leaving the office early to attend training sessions or board meetings.

Your placement as an Observer will conclude at the beginning of December 2024 or with your attendance at your organisation's final board meeting for 2024. At the end of the Program, The Observership Program will liaise with each organisation regarding the placement of a new Observer for 2025, so any further involvement with your organisation will be based on mutual agreement and outside of the formal Program.

BOARD LIAISON

Each participating board is asked to identify a Board Liaison who is responsible for being the point of contact for the Observer and for The Observership Program. If your board has not identified one for you before your first board meeting, please contact your Program Director.

Please contact your Board Liaison with any questions about serving as an Observer on the board, including details for board meetings, board expectations of their Observer, behaviour in meetings and board culture. For further information about effective engagement with your Board Liaison, please refer to the starter information and video.

“The pay-offs of this program are enormous. Not for profits need access to ready-made board members and like every organisation, they need diversity around their tables. Within that, they need wise younger heads alongside wise older heads so the sector will prosper and beneficiaries of this training and experience will profit...and the skills that they acquire will be taken into their careers, further board appointments and volunteering, as a win for the broader community.”

The Honourable Linda Dessau AV CVO, Former Governor of Victoria



PREPARATION FOR PROGRAM COMMENCEMENT

Prior to your first board meeting or the first Observership Program training session, whichever occurs earlier, please make sure you have completed the following;

1. Police Check: Provided your proof of identity documents, uploaded your consent form and completed the online form following notification provided by Laura Stark.
2. Familiarised yourself with the confidentiality terms of the Program.
3. Diarised all board meetings and training sessions for the year.
4. Informed your board chair/board liaison of any conflicts regarding board meetings.
5. Informed the Program of any extenuating circumstances preventing attendance at any training session.

If a board meeting and training session are scheduled for the same time, please inform the Program and your board contact. In case of this conflict, while the final decision will be yours to make, the Program recommends attending the board meeting. Please feel free to discuss with Catherine Reiser, Director, The Observership Program, Victoria



EXPECTATION AND ESSENTIAL INFORMATION

WHAT YOU CAN EXPECT:

- High level training for not-for-profit directors delivered by partners including the Australian Institute of Company Directors (AICD) and The Ethics Centre as part of a program that includes networking sessions with high profile guest speakers and Alumni.
- A year-long program to build your experience and confidence in serving on a not-for-profit board or government board.
- Access to experienced Board directors from both the not-for-profit, government and for-profit sectors.
- Possible involvement in a strategic project or board subcommittee.
- Networking opportunities with fellow observers and alumni in the Program. The Observership Program will connect you with the previous year's Observer on your organisation's board.
- A rewarding professional development experience that facilitates your contribution to society in a meaningful way.

Establishing open and direct communication early on with your Board Liaison is the key to a successful Observership. Take responsibility for asking questions, clarifying expectations on both sides and in the event of any issues arising or advice needed, please contact your Program Director.

NEED TO KNOW:

- Discussions that occur at board meetings are confidential. It is essential that Observers understand and respect this confidentiality. As part of your application to The Observership Program you accepted a confidentiality agreement and it is essential that you abide by the terms of this agreement.
- Please handle your role with sensitivity and only speak if either the Chair invites you to contribute or if it becomes clear that your opinion is welcome in general boardroom discussion. We encourage you to check in with the Chair or your board contact person prior to your first board meeting to discuss expectations, content and delivery of your contributions.
- Your presence at board meetings is at the discretion of the Chair. There are some circumstances where it will not be appropriate for you to attend or participate in a board meeting or discussion. We have agreed with each Chair that in certain circumstances, the Observer may be asked to leave. Please handle this request sensitively.
- We encourage you to ask the Chair or board secretary to minute that you are attending each meeting by invitation in the capacity of Observer.
- Do NOT vote in any voting matters even if asked to do so by the Chair.
- Make it clear in all dealings that you are an Observer. For example, it is recommended that when contributing to discussions you highlight your role in the following way: "In my capacity as Observer, I think that..."
- While being offered a formal board position at the conclusion of the Program can happen, it is not a pre-requisite for not-for-profit or government board participation in the Program and should not be an expectation of Observers.
- Our training course is designed to provide an overview of the key topics relevant to board governance, as part of a combined experience of the theory and practice of board directorship. AICD runs more in-depth courses for those interested.

“My time as an Observer was one of the most productive professional development experiences I have ever had. The ability to gain an insight into a Board operation and to be so well looked after and mentored by the Chair will absolutely stay with me as I progress professionally.”

Tara Prowse, Observer, Victorian Program



PLEASE CONTACT US IF:

- You are having trouble fulfilling your obligations to attend training and/or board meetings
- There is anything untoward, including inappropriate behaviour that occurs at your meetings that is cause for concern
- You are being asked to excuse yourself from meetings on a frequent basis
- You are not receiving a full set of materials
- You have any general concerns about your participation

We will treat the matter with utmost confidentiality and contact the organisation on your behalf to resolve these matters if appropriate.

FEEDBACK

Throughout the year we will be conducting feedback via online surveys, during the training sessions and via scheduled feedback calls to check your Observership is on track. We appreciate your provision of any feedback requested in the specified time. Your feedback is critical for the future success of the Program. We will do the same with the participating organisations.

We also encourage you to contact us directly with any specific feedback or questions you have at any time throughout the year.

Catherine Reiser, Director, The Observership Program, Victoria

TRAINING

The Training Program is a combination of formal education sessions provided in partnership with our strategic partners the Australian Institute of Company Directors (AICD), The Ethics Centre and other training providers that encompasses key subject areas important for not-for-profit and government board governance and networking sessions with high profile guest speakers and Alumni.

“The training program was fantastic, and I have been highly recommending it to friends and colleagues. The content was relevant and timely and enhanced the board observation. The training has also been relevant for my day job and provided me with a new perspective and approaches to consider in my work.”

Evelyn Du Mont, Observer, Victorian Program

KEY DETAILS

The training program comprises 11 sessions throughout the year, including the Launch. Some are held online and others in-person in the CBD. Online sessions are 90 minutes in duration and begin at 6pm. In Person sessions begin with light refreshments and networking at 5.30pm with formal training between 6pm and 8.30pm.

Training sessions encompass key subject areas essential for not-for-profit governance, including:

- Directors' duties and responsibilities;
- Finance;
- Strategy;
- Risk; and
- Ethics

Guest speakers with significant experience on not-for-profit, government and for-profit boards are invited to share personal and professional insights with Observers at training sessions.

All sessions are **MANDATORY**. A Certificate of Attendance will be provided to those Observers who complete the training program in full.

If due to extenuating circumstances, Observers are unable to attend any of the sessions please contact us. This includes arriving late or leaving early. Access to the training venues after hours can be restricted so latecomers will not always be able to enter easily.

Information about the Program's scheduled training sessions has been sent to all Observers. Any changes to these sessions will be communicated. Special events and sessions will be communicated separately.

“It is the theoretical, tailored training component, added to the practical experience of sitting on a board as an Observer for a year that makes The Observership Program unique in this country.”

Cathy Robinson, CEO,
The Observership Program

OUR TRAINING PROVIDER (AICD)

AICD develops the content and materials for The Observership Program training sessions and provides expert facilitators.

AICD's purpose is to strengthen society through world class governance and to be the independent and trusted voice of governance.

Where available, links to webinars and other course materials will be distributed via AICD's database.

AICD's principal activities include:

- Education;
- Conducting professional development programs and events for boards and directors;
- Producing publications on director and governance issues; and
- Developing and promoting policies on issues of interest to directors.

The AICD has more than 51,000 members. Members include directors from such diverse organisations as ASX-listed companies, government bodies, not-for-profit organisations, public sector entities, family-owned/private companies and entrepreneurial ventures.

To find out more about the AICD, visit www.aicd.com.au



John Atkin FAICD, Chair, AICD

OUR TRAINING PROVIDER (THE ETHICS CENTRE)

The Ethics Centre is proud to contribute to The Observership Program as a Strategic Partner and a provider of specialist ethics training for the Observer cohort. The Ethics Centre is a non-profit organisation founded 30 years ago to raise the ethical standards of Australian business. The organisation has grown to encompass a broad spectrum of activities including consulting, education and training, counselling, thought leadership and major events. They've provided ethics tools and training to the military, primary schools, trade unions and non-profits. Many of Australia's largest companies have called on The Ethics Centre for specialist advice and insights.

For the past decade, The Ethics Centre has presented the popular IQ2 debate series and the internationally renowned *Festival of Dangerous Ideas*. The Ethics Centre operates Ethicall – a free helpline available to anyone struggling with an ethical dilemma – and they recently launched a new corporate membership program, The Ethics Alliance. To find out more about The Ethics Centre, visit www.ethics.org.au





MELBOURNE 2024 TRAINING TIMETABLE

Timing for our training sessions are below: (Except for the Launch event)

IN PERSON SESSIONS: 5.30pm arrival for networking and light refreshments for a 6.00pm start. Session concludes at 8.30pm

ONLINE SESSIONS: Log in at 5.50pm for a 6.00pm start. Session concludes at 7.30pm

DATE	TOPIC	LOCATION	GUEST SPEAKER/ FACILITATOR
TUESDAY 13 FEBRUARY	2024 Program Launch Event	National Gallery of Victoria, 180 St Kilda Road, Melbourne	Ro Allen, Victorian Equal Opportunity and Human Rights Commissioner
WEDNESDAY 6 MARCH	Duties and Responsibilities for NFP Directors	Online session	Trent Bartlett FAICD, AICD Facilitator
TUESDAY 26 MARCH	Strategy for NFP Directors	Online session	Rosina Hislop FAICD, AICD Facilitator
WEDNESDAY 10 APRIL	Finance for NFP Directors	Online session	Roslyn Jackson FAICD, AICD Facilitator
WEDNESDAY 17 APRIL	Networking Session	Melbourne CBD	Facilitator, TBC
WEDNESDAY 1 MAY	Risk for NFP Directors	Online session	Rosina Hislop, AICD Facilitator
DATE (TBC)	AICD Q & A Session	Melbourne CBD	Facilitator, TBC
THURSDAY 30 MAY	Ethics in Governance	Online session	Dr Simon Longstaff AO, Executive Director, The Ethics Centre
TUESDAY 3 SEPTEMBER	Theory of Change and Leadership	Melbourne CBD	Leadership Space Facilitator
OCTOBER (DATE TBC)	Next Steps to Board Directorship and Networking	Melbourne CBD	Panel of former Observers
DECEMBER (DATE TBC)	End of Year Networking event with Guest Speaker	Melbourne CBD	Guest Speaker

NOTE: Dates may change – final confirmation will be provided to Observers prior to each session.

THANK YOU

The Observership Program relies on the generosity and support of our network for every aspect of our work: current and former Observers; company directors, philanthropists, foundations, businesses, not-for-profit organisations and social enterprises who share our commitment to create a passionate, motivated and diverse community of future leaders.

PROGRAM ALUMNI

Ronny Andrade Parra (Disability Advisory Group)
Nadina Brockhurst
Sonia Clarke
Victoria Crane
Paul Devlin
Ibrahim Elsoukmani (Disability Advisory)
Andrea Fernandez
Justin Greenstein
Kim Groizard (Disability Advisory Group)
Imran Khan
Lotti O'Dea
Laura Parr
Giselle Pinto
Anna Pitt
Tahj Richardson
Chris Sequeira
Glenn Turnham
Duean White (First People's Consultant)

COMPANY DIRECTORS; PHILANTHROPISTS; SOCIAL ENTERPRISES | GUEST SPEAKERS & PANELLISTS

Ro Allen
Tasneem Chopra
The Honourable Linda Dessau AV CVO, Former Governor of Victoria
Kathryn Fagg AO
Dennis Goldner AM
Janet Matton AM
Leonie Morgan AM
Lucinda Nolan
Llewellyn Prain
Morgana Ryan
Joseph Skrzynski AO
Mike Sum
Helga Svendsen
Helen Szoke AO
Michael Ullmer AO
Moana Weir
Kee Wong

NOT-FOR-PROFITS; BUSINESSES; GOVERNMENT | HOSTING PROGRAM TRAINING & EVENTS

Deloitte Australia
Government House, Victoria
Koorie Heritage Trust
Microsoft Australia
National Gallery of Victoria
PwC Australia

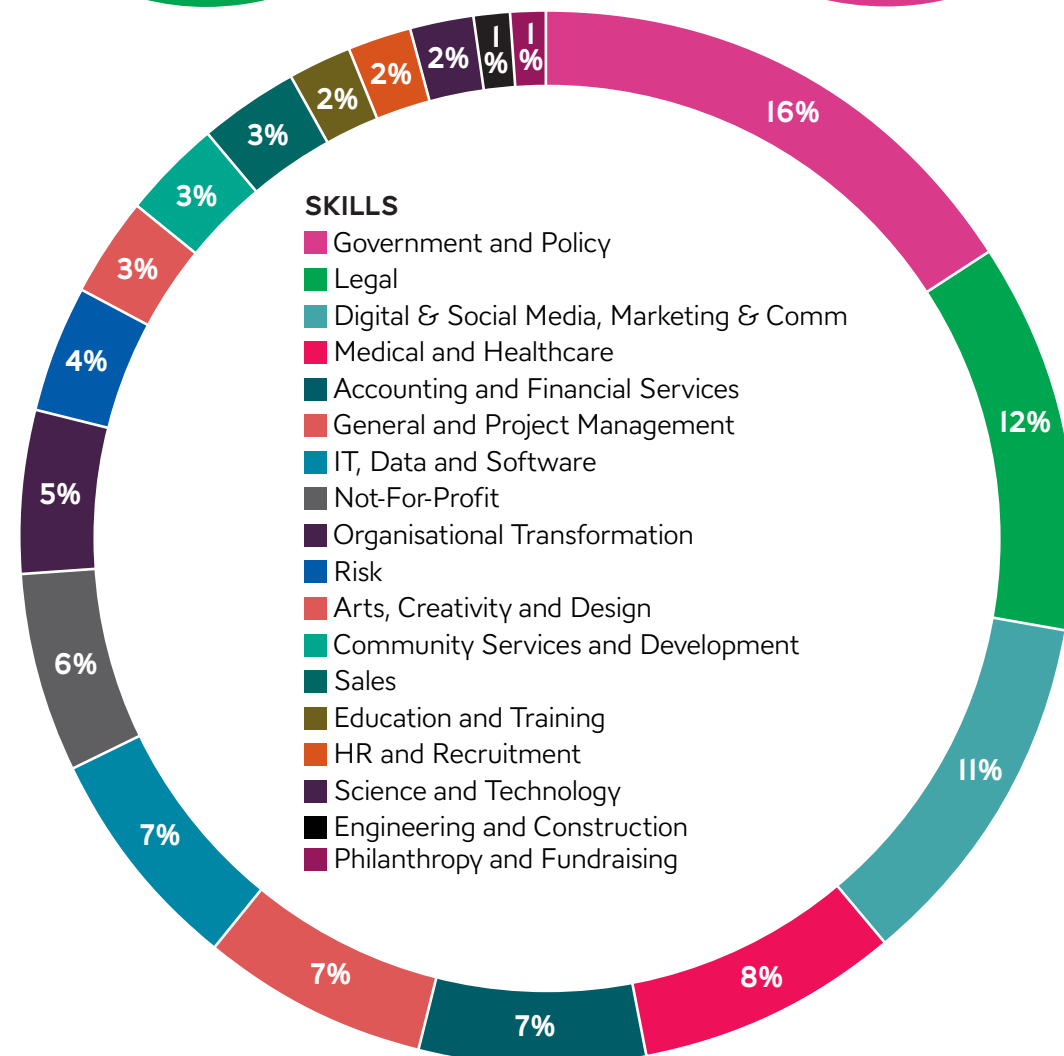
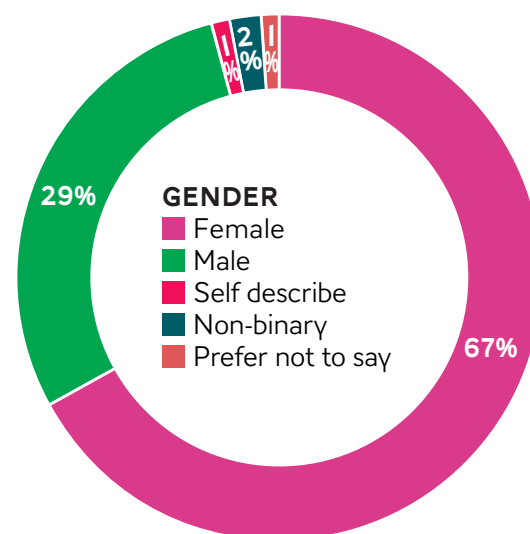
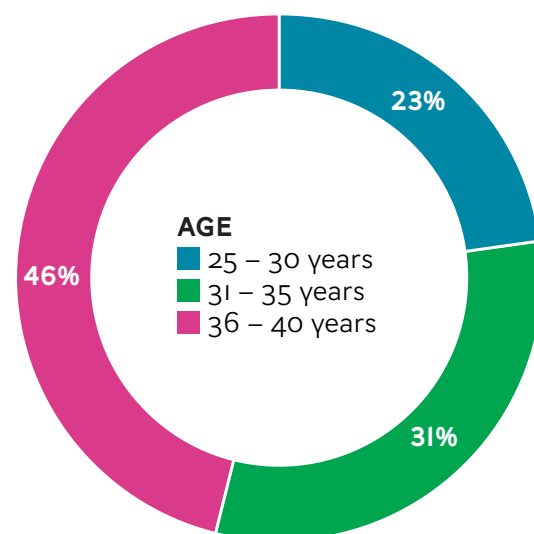
VIDEO CONTRIBUTORS

Lucy Duncan
Jacob Gabriel
Moana Leilua
Wambui Migwe
Tahj Richardson
Chris Sequeira
Callum Steele



2024 OBSERVERSHIP PROGRAM – A SNAPSHOT

THERE ARE 110 OBSERVERS PARTICIPATING IN THE PROGRAM.
A BREAKDOWN OF THE PROFILE OF THE COHORT IS BELOW.



STRATEGIC PARTNERS

AUSTRALIAN
INSTITUTE
of COMPANY
DIRECTORS



SUPPORTED THROUGH PHILANTHROPIC FUNDING, THE OBSERVERSHIP PROGRAM AND AUSTRALIAN DISABILITY NETWORK ARE IN PARTNERSHIP TO SUPPORT OBSERVERS WITH DISABILITY TO DRIVE GREATER REPRESENTATION ON BOARDS.

CORPORATE PARTNERS



GOVERNMENT PARTNERS

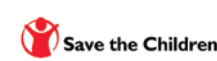
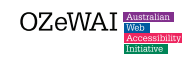


PHILANTHROPIC PARTNERS

WE GRATEFULLY ACKNOWLEDGE PHILANTHROPIC FUNDING DIRECTED TOWARDS OUR FOUNDATION PROGRAM AND THE ALUMNI AND BOARD SEARCH PROGRAM.

PARTICIPATING BOARDS

THERE ARE 101 NOT-FOR-PROFIT AND GOVERNMENT APPOINTED BOARDS PARTICIPATING IN THE 2024 PROGRAM.



FOR NOT FOR PROFITS/ GOVERNMENT BOARDS

We are delighted to be working with you for the 2024 Program. This information is intended as a helpful summary of what's involved for a board participating in the Program. It also offers ways of maximising the value of participation for organisations and extending learning and development for Observers based on the experiences of boards participating in the Program over a number of years. We hope you find it useful.

ESSENTIAL INFORMATION FOR PARTICIPATING BOARDS

- Organisations are paired with Observers for a 12-month period. Observers are selected and carefully matched with organisations, based on nominated skills and/or profile preferences.
- The Observership begins with the first board meeting of 2024 and finishes with the last.
- As part of the application, Observers agree to the Program's confidentiality terms. Organisations are at liberty to request a copy of the terms and/or to ask Observers to sign the organisation's own confidentiality agreement.
- The Program conducts a Police Check for all Observers. Observers are advised that organisations may also seek additional checks such as Working with Children Checks.
- During the Observership year, organisations facilitate Observers attending all board and any relevant subcommittee meetings as non-voting members so they can both contribute and learn about fundamental principles and functions of not-for-profit boards, the role of board members, the decision-making process and governance priorities.
- Where board meetings move between cities and or countries and board members are supported to attend these meetings In Person, we request that Observer attendance at these meetings is facilitated and supported by the host organisations.
- Observers participate in a training program alongside their board Observership. AICD facilitates four sessions and The Ethics Centre, one session. Further sessions are facilitated by the Program and feature keynote speakers. Opportunities for networking among Observers and peer-to-peer learning are provided via the In Person sessions. All training sessions are mandatory. Please refer to page 10 for an outline of the training program.

HINTS FOR ENGAGING OBSERVERS

Here are some examples of best practice and ways boards and Observers can maximise contribution and governance learning throughout the Observership year.

- The Chair/Board Liaison meets their Observer prior to the first Board meeting to induct the Observer into the organisation and the operations of the board;
 - If a board induction pack is available, do share with the Observer. A formal or informal induction, advising on both your board culture and expectations of your Observer's participation in meetings prior to the first board meeting is essential for learning and engagement;
 - Please discuss areas of potential contribution either prior to, or in the early stages of the Observership to set expectations and lay the foundations for the best possible Observership experience for all parties;
 - Joining a sub-committee and/or special strategic project at the beginning of the year provides an opportunity for the Observer to engage with meaningful work undertaken by the board and supports their engagement with and contribution to the organisation.

- It is at the Board's discretion to solicit input from the Observers during meetings. All Observers are briefed to contribute once invited to do so on the terms provided by the organisation. These could include:
 - As and when invited to do so by the Chair;
 - As and when the Observer feels they have something to offer;
 - Some boards set aside time at the end of the meeting for the Observer to reflect on discussions and to share perspectives.

THE PROGRAM STIPULATES THAT:

- Board minutes note that Observers are present in the capacity as Observers and not as Directors. When a vote is taken, please make clear that Observers do not vote;
- Where a training session clashes with a board meeting, Observers are advised to prioritise Board meetings;
- Feedback calls with Observers take place early in the Program cycle to check everything is on track;
- A call will be scheduled with the Board Liaison for feedback on your Observer and to ascertain ongoing participation of your board in the 2025 Program;
- Board Liaisons are asked to contact the Program in the event any issues arise, including any non-attendance other than due to extenuating circumstances for which an apology is received.

BENEFITS OF PARTICIPATION:

- Participate in developing the next generation of leaders in the not-for-profit and government board sectors;
- Inject a younger, diverse perspective into the boardroom;
- Looking at the year ahead, strategically select an Observer with a particular skill set eg: New technology, data analytics, Digital marketing/coms, social media, law, finance, government policy etc. to assist with specific areas of board work;
- Engage through the "matching process" with a diverse pool of emerging leaders with a view to addressing any areas of board underrepresentation;
- Involve your Observer in a hands-on strategic project to deliver concrete benefits to the organisation;
- Invite your Observer to contribute in areas relating to their skill set through subcommittee involvement;
- Strengthen your board renewal strategy with no ongoing commitment to retain the Observer at the end of the 12-month Program;
- Retain the option to invite your Observer to join the board at the end of the 12-month period and/or invite them to stay on in an advisory or voluntary capacity;
- Recruit from the Program's 1,200+ alumni pool who are actively seeking ongoing and meaningful engagement with the not-for-profit and government board sectors;
- Use the Program as a tool to develop the organisation's own leadership stream by encouraging emerging leaders from within the organisation to apply to be placed with other not-for-profit boards.

Please contact:

DIRECTOR, THE OBSERVERSHIP PROGRAM, VICTORIA:
CATHERINE REISER

Email: catherine.reiser@observership.com.au

“ In it's first year of participating in the Observership Program, Wodonga TAFE was delighted to bring someone into the Boardroom who brought with them education sector skills coupled with a youthful and culturally diverse perspective. Their contribution throughout the year was warmly received and valued.”

Allison Jenvey OAM, Chair Wodonga TAFE and Chair Victorian TAFE Association



“ Diversity is a key element for good governance, yet too often people with different education, skills, lived experience, socioeconomic and cultural backgrounds don't have the pathways to gain board

experience. The Observership Program has an outstanding track record of sourcing and matching highly skilled, diverse, candidates to NFP and government boards. It's a brilliant program, building the next generation of Directors!”

Morgana Ryan, Director, CARE Australia, former Chair Infoxchange



Observer and Board Directors, Sacred Heart Mission

“ The Australian Ballet has participated in the Observership Program for three years and has found the quality of the candidates presented to us for consideration to be outstanding. We have been fortunate to have two Observers to date and both bring a range of skills, experience and diversity to our Board. As a major performing arts company, this program has proven to be an excellent way for us to contribute to the development of talented future leaders and to increase the diversity of viewpoints available to us.”

Libby Christie AM, Former Executive Director, The Australian Ballet



“ We received approval from the Victorian Government to appoint Anna Pitt, our 2019 Board Observer to the Victorian Opera Board. Anna stayed on our Marketing Committee in 2020 after her official Observership ended and

she has continued to attend Board meetings as an Observer since that time. Based on her skills and contribution, we decided earlier this year to propose her to the government as a full Board member. We are delighted that her appointment was approved and are excited to welcome her to the Board. We have been very happy with the quality of our Observers since joining the Program in 2017.”

Grant Powell, Board Director, Victorian Opera



“The support and professional development the Observers receive over the course of the Program is invaluable and cannot be accessed anywhere else. The selection process is very strategic: it ensures organisational fit. Our Observers have demonstrated real diligence and commitment to their role: they have brought valuable experience and expertise to the board table, including during the current Covid-19 crisis.”

Victoria Marles AM, Former Chair, Consumer Action Law Centre, Chair, Abbotsford Convent Foundation and Former CEO, Trust For Nature

“I am really impressed with the philosophy of the Observership Program to encourage young professionals to get a deep understanding of governance practices in the not for profit sector. This is an area of real need and one where they can make a great contribution. What surprised me in our first year of participation was the quality of the candidates offered to the MSO – highly motivated individuals, each with strong credentials and importantly, in our case, a passion for music! The Observers receive a comprehensive, structured training program facilitated by the AICD, so they come to the table well prepared to broaden their understanding with practical experience. I encourage all not for profits to seriously consider participating in the program.”

Michael Ullmer AM, Former Chair, Melbourne Symphony Orchestra (MSO)

“The Program is a wonderful opportunity for personal development as participation exposes you to a diverse community of NFP leaders who are regularly making decisions that have a broader impact on society. The knowledge and skills that you pick up as an Observer can't be taught in a classroom. By observing boards in action, you will learn how to be a better leader, a better listener and have a broader array of skills through which to apply when making decisions in any sector. The formal training program is comprehensive in nature and when applied alongside the practical observing of a board, is the perfect catalyst for a person to want to make a difference in whatever leadership role they are pursuing.”

Kate Stewart, Observer, joined FareShare following her Observership





LEGAL RESPONSIBILITY AS AN OBSERVER

Each organisation has been encouraged to review its Directors' and Offices' insurance, including potential coverage of you as an Observer.

The Program has sought legal advice on the potential liability associated with serving as an Observer and whether this role could be considered akin to the role of a Shadow Director under the Corporations Act 2001 (Cth) (the Act).

SHADOW DIRECTORS

In the ordinary course, a director is a person who has been formally appointed to act as a director of a company or a body. However, the definition of a director under the Act extends to a shadow director.

A person who is not validly appointed as a director will be a shadow director if they either act in the position of a director or if the directors are accustomed to act in accordance with that person's instructions or wishes. A person is not a shadow director merely because the directors act on advice given by the person in the proper performance of functions attaching to the person's professional capacity, or the person's business relationship with the directors or the company.

When determining whether a person is a shadow director, regard should be had to a variety of factors including whether:

- (a) there is a causal connection between the instruction or the wish of the person and the directors acting on it, though it is not sufficient if the act that was specified in the instruction is something the directors would do irrespective of the instruction;
- (b) there is "habitual compliance over a period of time"; and
- (c) the directors collectively are accustomed to act on the person's instructions or wishes.

ARE OBSERVERS SHADOW DIRECTORS?

In the course of the 12 month Observership Program, Observers are not appointed to act as directors of the companies or bodies that they are paired with.

Given that an Observer has no voting rights and only attends board or committee meetings to observe the workings of a Board as a learning experience, it is unlikely that an Observer will be found to be acting as a director of the partnership, company or body.

Additionally, the word accustomed implies that there must be a pattern of conforming to the wishes of the person, rather than a single instance.

Given that the extent of the Observer's relationship with the Board will be confined to a 12 month period, it would appear unlikely that the Observer would be able to exert a pattern of influence such that the directors who are formally appointed to the Board would be in the habit of complying with the wishes of the Observer. Accordingly, we have received legal advice stating that in the absence of any additional facts, an Observer would not be considered to be a shadow director and thereby exposed to any liability that follows from being a director under the Act.

OUR GOVERNANCE

The Observership Program is a company limited by guarantee with an independent board and is registered with the Australian Charities and not-for-profits Commission (ACNC).

BOARD DIRECTORS: Jonathan Gavshon (Founder and Chair), Alison Deans, Conor Foley (2017 Observer), Suzie Riddell, Dennis Goldner AM and Joseph Skrzynski AO.

David Gonski AC, Jillian Segal AO and Peter Joseph AM are the Program Patrons.

The board of The Observership Program has an Observer each year.



David Gonski AC, Observership Program Patron

CONTACT US

VICTORIA

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PHOTOGRAPHERS: Giselle Haber: 2017 Program Launch | Cendrine Beasley: 2017 Melbourne Program Launch | Salona Chithiray: 2018 and 2019 Melbourne Program Launch | Nico Keenan

“As an Wailwan and Kamilaroi man concerned about the need for Indigenous representation in the board room of our organisations, the Observership Program gave me the foundational knowledge I need to be comfortable stepping up into these much needed roles. It's been as beneficial to me as it has been to our organisations. I implore our future leaders and community organisations to use this valuable program and secure the future of Indigenous organisations run by our communities, for our communities.”

Blayne Welsh, Observer, appointed to Ilbjerri Theatre Board following his Observership

“The Observership Program has been a fantastic experience. A big part of why I'm at PwC is the opportunity to have a larger impact on the community and being offered the opportunity to participate in The Observership Program provided me with the launch pad into future director roles within the not-for-profit sector to not only provide a contribution to the community in an area I'm passionate about but also to broaden my professional network. Being on the board has given me a different perspective on leading a company and allowed me to put myself in the shoes of a director to understand what their thinking. This has made conversations with clients more interesting and valuable for both sides.”

Mark Valerio, Observer, Board Director, Association of Children's Welfare Agencies (ACWA)

