



# GENERAL GUIDANCE NOTE

## Continued Professional Development for Directors

### Introduction

Continued Professional Development (CPD) can be described as the systematic maintenance, improvement and broadening of knowledge, experience and skills, and the development of personal qualities helpful in the execution of professional duties through a career.

King III's recommendations in this regard include the following:

*Ongoing director development should be encouraged in the same manner as continuing professional development is for certain other professions. This will help to enhance governance practices within the board itself and be in the best interests of the company.*

*Directors should receive regular briefings on matters relevant to the business of the company, changes in risks and laws applicable to the business of the company, including accounting standards and policies, and the environment in which it operates.*

As a result of these King III recommendations being quite broad and high-level, the purpose of this document is to provide companies with possible frameworks and guidance for the implementation, monitoring and reporting of CPD for the Board. The challenge that companies face is deciding the extent to which to apply CPD policies for their directors.

In this guidance note, we have provided three possible frameworks for CPD from a purely self-directed self-management option in Scenario 1 to a more robust and structured option in Scenario 3.

These scenarios serve to provide a range of activities that a company/board can draw from. Each company would need to decide where it fit in this range and which framework suits its specific context and requirements.

## Scenario 1

- self-directed learning activities
- facilitated through access to thought leadership provided by IoDSA
- no face to face development

## Scenario 2

- blended self-directed learning and face to face development
- combination of structure and self declaration

## Scenario 3

- blended self- directed activities and face to face development
- formalised structure include new director mentoring
- confirmation of face to face development by way of service provider verification

## Scenario 1

No points  
Self-  
declaration  
only

### Board Continuous Development Policy & Framework 1

Continuing Professional Development (“CPD”) can be described as the systematic maintenance, improvement and broadening of knowledge, experience and skills, and the development of personal qualities helpful in the execution of professional duties through a career.

CPD is an integral component underpinning the professional competence of directors and [insert company name] supports the formalisation of a CPD policy.

The [insert company name] CPD policy is one of self-directed learning - activities that are performed almost daily as an integral part of a director’s role. These may include, but are not limited to reading of newspapers, journals and books; listening to or watching content related business, economics or corporate governance discussions.

[insert company name] have facilitated membership of the Institute of Directors in Southern African (IoDSA) for the Board of Directors in order to provide a formal mechanism for access to relevant thought leadership and content bearing activities. We recognise the following elements provided via this membership as contributing to self-directed learning activities for our Board members:

Board members are required to make an annual declaration in respect of meeting the CPD requirements outlined above. See declaration template – **Annexure A**.

Item	Description	Expectation
Contemporary Gazette	Electronic publication that provides legal updates and summaries on key developments in SA legislation.	Monthly review of legislative updates
Governance Matters	Electronic newsletter that provides guidance on governance topics or themes. Each edition includes standard items such as the latest legal updates affecting directors and recent IoDSA articles.	Quarterly review of content
Directorship Magazine	Quarterly publication aimed at directors	Quarterly review of articles and content
Corporate Report	Governance magazine containing articles by leading governance experts	Review of content in three editions per annum
Directors Channel	Video and audio content on governance and related subject matter; re-broadcast of selected IoDSA events	Quarterly review of video content

## Scenario 2

15 Points  
required;  
Self-  
declaration

### Board Continuous Development Policy & Framework 2

Continuing Professional Development (“CPD”) can be described as the systematic maintenance, improvement and broadening of knowledge, experience and skills, and the development of personal qualities helpful in the execution of professional duties through a career.

CPD is an integral component underpinning the professional competence of directors and [insert company name] supports the formalisation of a CPD policy.

All [insert company name] Directors are obliged to engage in CPD, and activities that are included in the CPD record card need to be part of a systematic and deliberate programme of activities that are planned, monitored, managed and recorded. Each Director is required to complete a minimum of **15 CPD hours** per annum.

[insert company name] Directors are required to record their CPD activities on a CPD record card (**Annexure B**) and submit this for evaluation annually.

The emphasis of CPD falls on the amount of knowledge or skill that is acquired during the activity rather than amount of time that it takes to complete it. The activities should be integrated into your normal duties and responsibilities. To this end, calculation of the amount of time spent on CPD is not always based on precision, but rather on the intent of the activity. A general guideline, however, is that 1 hour of activity equates 1 CPD hour. Some activities stretch over a substantial period of time and where such an activity is included in the CPD report, [insert company name] Directors should provide a description that allows the company to make a judgement on how many CPD points can be allocated.

Certain activities, like training programmes or workshops, are allocated CPD points upfront. These are more easily recorded and tracked.

CPD activities for [insert company name] Directors have been organised into **three** categories, namely:

	<b>Max. CPD Hours</b>
• Self-Directed Learning Activities	5
• Personal Activities Outside Work	5
• Courses, seminars and conferences	5

### **Self-Directed Learning Activities**

[insert company name] have facilitated membership of the Institute of Directors in Southern African (IoDSA) for the Board of Directors in order to provide a formal mechanism for access to relevant thought leadership and content bearing activities.

*Required:* 5 Hours - Annual self-declaration of activities

We recognise the following elements provided via this membership as contributing to self-directed learning activities for our Board members:

Item	Description	Expectation
Contemporary Gazette	Electronic publication that provides legal updates and summaries of key developments in SA legislation	Monthly review of legislative updates
Governance Matters	Electronic Newsletter that provides guidance on governance topics or themes. Each edition includes standard items such as the latest legal updates affecting directors and recent IoDSA articles.	Quarterly review of content
Directorship Magazine	Quarterly publication aimed at directors	Quarterly review of articles and content
Corporate Report	Governance magazine containing articles by leading governance experts	Review of content in three editions per annum
Directors Channel	Video and audio content on governance and related subject matter; re-broadcast of selected IoDSA events	Quarterly review of video content

### **Personal Activities Outside Work**

These activities are related to the competences of a director, but are performed outside of work and include, but are not limited to, being a member of committees of other professional institutes, trade associations or Chambers of Commerce; management of a club or society; or writing and lecturing.

*Required:* 5 Hours - Annual self-declaration of activities with written confirmation from applicable organisation

### Courses, Seminars and Conferences

These are educational activities that are directly related to competences of directors and include, but are not limited to, NQF registered qualifications offered through accredited institutions; attending or presenting of short courses, workshops and seminars; and preparation and writing of articles that are accepted for publication in relation to business, economics or corporate governance.

*Required:* 5 Hours - Annual self-declaration of activities with verification via certificates of attendance or attendance registers



## Scenario 3

### Board Continuous Development Policy & Framework 3

Continuing Professional Development (“CPD”) can be described as the systematic maintenance, improvement and broadening of knowledge, experience and skills, and the development of personal qualities helpful in the execution of professional duties through a career.

CPD is an integral component underpinning the professional competence of directors and [insert company name] supports the formalisation of a CPD policy.

All [insert company name] Directors are obliged to engage in CPD, and activities that are included in the CPD record card need to be part of a systematic and deliberate programme of activities that are planned, monitored, managed and recorded. Each Director is required to complete a minimum of **30 CPD hours** per annum.

[insert company name] Directors are required to record their CPD activities on a CPD record card (**Annexure C**) and submit this for evaluation annually. It is also important to note that the activities included in the CPD record card need to be verified.

The emphasis of CPD falls on the amount of knowledge or skill that is acquired during the activity rather than amount of time that it takes to complete it. The activities should be integrated into your normal duties and responsibilities. To this end, calculation of the amount of time spent on CPD is not always based on precision, but rather on the intent of the activity. A general guideline, however, is that 1 hour of activity equates 1 CPD hour. Some activities stretch over a substantial period of time and where such an activity is included in the CPD report, [insert company name] Directors should provide a description that allows the company to make a judgement on how many CPD points can be allocated.

Certain activities, like training programmes or workshops, are allocated CPD points upfront. These are more easily recorded and tracked.

CPD activities for [insert company name] Directors have been be organised into **four** categories, namely:

	Max. CPD Hours
• Self-Directed Learning Activities	10
• New Director Mentoring	4
• Personal Activities Outside Work	8
• Courses, seminars and conferences	8

### Self-Directed Learning Activities

[insert company name] have facilitated membership of the Institute of Directors in Southern African (IoDSA) for the Board of Directors in order to provide a formal mechanism for access to relevant thought leadership and content bearing activities.

*Required:* 10 Hours - Annual self-declaration of activities

We recognise the following elements provided via this membership as contributing to self-directed learning activities for our Board members:

Item	Description	Expectation
Contemporary Gazette	Electronic publication that provides legal updates and summaries of key developments in SA legislation	Monthly review of legislative updates
Governance Matters	Electronic Newsletter that provides guidance on governance topics or themes. Each edition includes standard items such as the latest legal updates affecting directors and recent IoDSA articles	Quarterly review of content
Directorship Magazine	Quarterly publication aimed at directors	Quarterly review of articles and content
Corporate Report	Governance magazine containing articles by leading governance experts	Review of content in three editions per annum
Directors Channel	Video and audio content on governance and related subject matter; re-broadcast of selected IoDSA events	Quarterly review of video content

### New Director Mentoring

These activities are related to the mentoring of new or aspiring directors within the [insert company name] Group in support of talent development and succession planning.

*Required:* 4 Hours - Annual self-declaration of activities with mentee confirmation

### Personal Activities Outside Work

These activities are related to the competences of a director, but are performed outside of work and include, but are not limited to, being a member of committees of other professional institutes, trade associations or Chambers of Commerce; management of a club or society; or writing and lecturing.

*Required:* 8 Hours - Annual self-declaration of activities with written confirmation from applicable organisation

### Courses, Seminars and Conferences

These are educational activities that are directly related to competences of directors and include, but are not limited to, NQF registered qualifications offered through accredited institutions; attending or presenting of short courses, workshops and seminars; and preparation and writing of articles that are accepted for publication in relation to business, economics or corporate governance.

*Required:* 8 Hours - Annual self-declaration of activities with verification via certificates of attendance or attendance registers

## Annexure A

### Self-declaration – Framework 1

<b>Name of Director</b>	
<b>ID Number</b>	
<b>Submission Date</b>	
<b>Year under review</b>	

	<b>Activity</b>	<b>Description</b>	<b>Expectation</b>
<b>Self-Directed Learning</b>	Contemporary Gazette	Electronic publication that provides legal updates and summaries on key developments in SA legislation.	Monthly review of legislative updates
	Governance Matters	Electronic newsletter that provides guidance on governance topics or themes. Each edition includes standard items such as the latest legal updates affecting directors and recent IoDSA articles.	Quarterly review of content
	Directorship Magazine	Quarterly publication aimed at directors	Quarterly review of articles and content
	Corporate Report	Governance magazine containing articles by leading governance experts	Review of content in three editions per annum
	Directors Channel	Video and audio content on governance and related subject matter; re-broadcast of selected IoDSA events	Quarterly review of video content

I, the undersigned \_\_\_\_\_ hereby declare that I have met the requirements outlined above for the maintenance of Continuous Professional Development in line with the approved Policy for

\_\_\_\_\_.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## Annexure B

### Self-declaration – Framework 2

<b>Name of Director</b>	
<b>ID Number</b>	
<b>Submission Date</b>	
<b>Year under review</b>	

	<b>Activity</b>	<b>Description</b>	<b>Expectation</b>
<b>Self-Directed Learning</b>	Contemporary Gazette	Electronic publication that provides legal updates and summaries on key developments in SA legislation.	Monthly review of legislative updates
	Governance Matters	Electronic newsletter that provides guidance on governance topics or themes. Each edition includes standard items such as the latest legal updates affecting directors and recent IoDSA articles.	Quarterly review of content
	Directorship Magazine	Quarterly publication aimed at directors	Quarterly review of articles and content
	Corporate Report	Governance magazine containing articles by leading governance experts	Review of content in three editions per annum
	Directors Channel	Video and audio content on governance and related subject matter; re-broadcast of selected IoDSA events	Quarterly review of video content

<b>Category &amp; weighting</b>	<b>Planned Activity</b>	<b>Activity (Date, Duration, Description)</b>	<b>Evidence of participation (Y/N)</b>	<b>No. of points</b>	<b>For Office Use Only</b>
<b>Personal Activities outside of Work</b> (Max 5 hours per year)					

	<b>Total:</b>		
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Category & weighting	Planned Activity	Activity (Date, Duration, Description)	Evidence of participation (Y/N)	No. of points	For Office Use Only
<b>Courses, Seminars and Conferences</b> (Max 5 hours per year)					
	<b>Total:</b>				

I, the undersigned \_\_\_\_\_ hereby declare that I have met the requirements outlined above for the maintenance of Continuous Professional Development in line with the approved Policy for

\_\_\_\_\_.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## Annexure C

### Self-declaration – Framework 3

<b>Name of Director</b>	
<b>ID Number</b>	
<b>Submission Date</b>	
<b>Year under review</b>	

	<b>Activity</b>	<b>Description</b>	<b>Expectation</b>
<b>Self-Directed Learning</b>	Contemporary Gazette	Electronic publication that provides legal updates and summaries on key developments in SA legislation.	Monthly review of legislative updates
	Governance Matters	Electronic newsletter that provides guidance on governance topics or themes. Each edition includes standard items such as the latest legal updates affecting directors and recent IoDSA articles.	Quarterly review of content
	Directorship Magazine	Quarterly publication aimed at directors	Quarterly review of articles and content
	Corporate Report	Governance magazine containing articles by leading governance experts	Review of content in three editions per annum
	Directors Channel	Video and audio content on governance and related subject matter; re-broadcast of selected IoDSA events	Quarterly review of video content

<b>Category &amp; weighting</b>	<b>Planned Activity</b>	<b>Activity (Date, Duration, Description)</b>	<b>Evidence of participation (Y/N)</b>	<b>No. of points</b>	<b>For Office Use Only</b>
<b>Personal Activities outside of Work</b> (Max 5 hours per year)					

	<b>Total:</b>				
<b>Category &amp; weighting</b>	<b>Planned Activity</b>	<b>Activity (Date, Duration, Description)</b>	<b>Evidence of participation (Y/N)</b>	<b>No. of points</b>	<b>For Office Use Only</b>
<b>Courses, Seminars and Conferences</b> (Max 5 hours per year)					
	<b>Total:</b>				

Required: Certificates of attendance must be submitted with this report in relation to Courses, Seminars and Conferences.

I, the undersigned \_\_\_\_\_ hereby declare that I have met the requirements outlined above for the maintenance of Continuous Professional Development in line with the approved Policy for

\_\_\_\_\_.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_