



Webinar

To pay or not to pay your directors

With Lucy Byrne



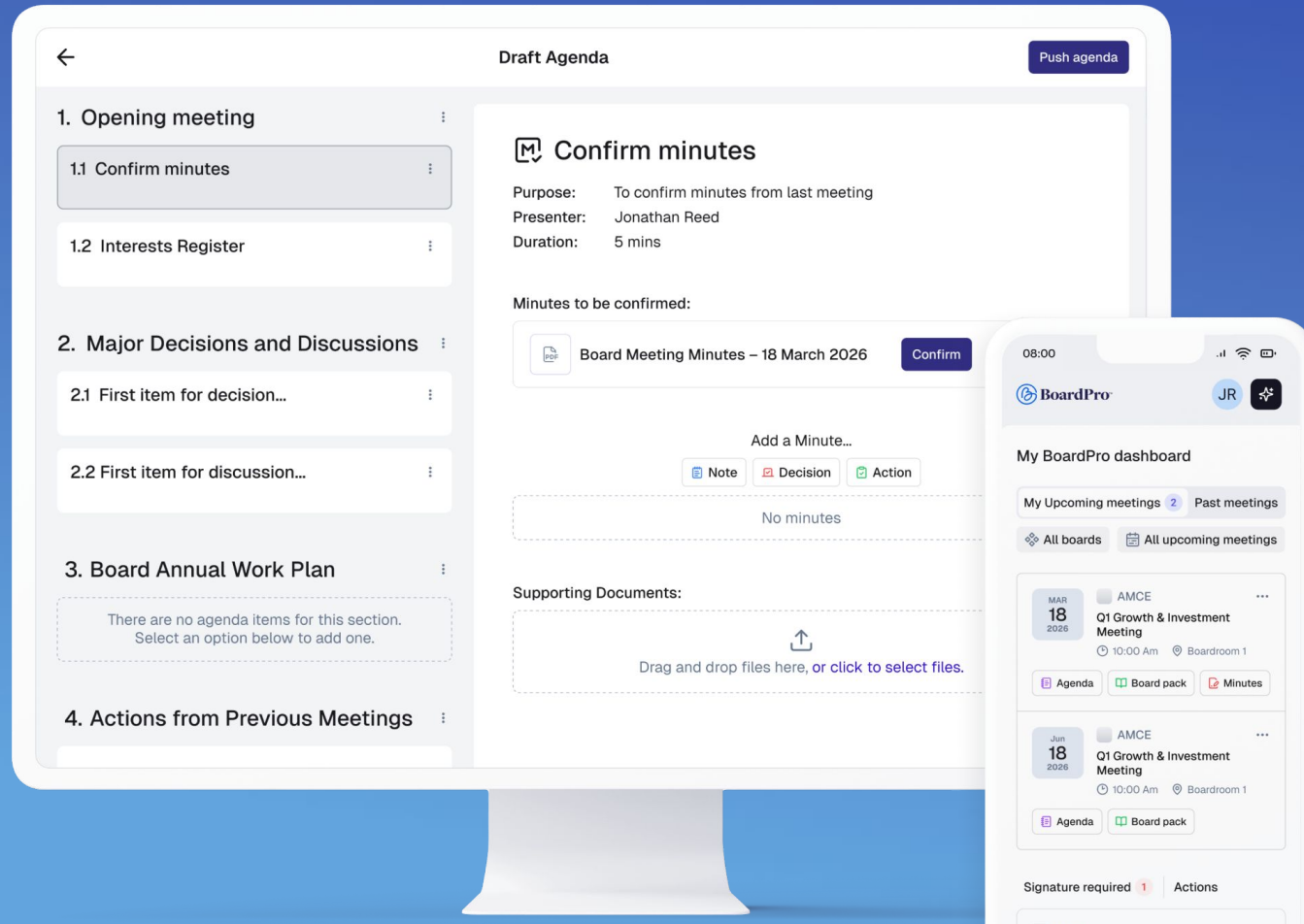


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Refreshingly simple board management software





**Making the fundamentals of
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Governance Resource Center

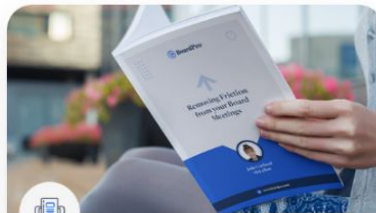
Explore free governance resources for growing your organisation and adopting good governance practises. From meeting minutes templates to CEO reporting templates, our comprehensive guides and templates will cover your governance and business essentials.

Content type ▾

Topic ▾

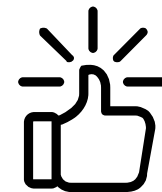
Persona ▾

Search





Slides, webinar video, and transcript will be sent to you. Sit back, relax and enjoy the conversation





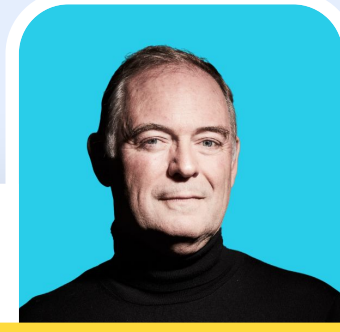
Lucy Byrne

Advisor | Facilitator
**Healthy Tasmania Pty
Ltd**



**Julie Garland
McLellan**

Managing Director
Directors Dilemma



Steven Bowman

Managing Director
Conscious Governance



I'm happy to
volunteer my time,
but it's a bit rich to
have to pay for the
privilege

”



Do you get paid?

- Yes
- Expenses only
- No
- Other

On a scale of 1–10...

How important is it to you, that board members are compensated in some way, for their contribution?



To pay or not to pay?



Recruitment and retention



Affordability



Best practice and compliance



Cost of living and fairness



Administrative burden



Alternative forms of compensation



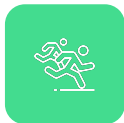
Perception and reputation



Director preferences



Payment structure



Competitive Positioning



③ To pay or not to pay?



Question	
Recruitment & Retention	Will paying directors help attract and retain skilled board members? Would it increase diversity and access to experienced candidates?
Cost of Living & Fairness	Are cost-of-living pressures affecting the ability of directors to serve without compensation? Is payment necessary to ensure equity and inclusivity?
Perception & Reputation	How will funders, sponsors, and stakeholders perceive paid board roles? Could it impact donations, grants, or public trust?
Payment Structure	Should directors receive a full fee, an honorarium, or only have expenses covered? What is common practice in our sector?
Affordability	Does our organisation have the budget for director payments? Will it divert funds from core mission activities?

③ To pay or not to pay?



Question	
Administrative Burden	Will processing payments create excessive admin work or costs that outweigh the benefits? How will taxation and reporting be managed?
Director Preferences	Do our directors actually want to be paid? Could payment change the culture, expectations, or level of commitment on the board?
Competitive Positioning	Will paying directors set our organisation above competitors in governance quality, or could it create internal/external tensions?
Best Practice & Compliance	What are the legal and governance best practices for paying directors in not-for-profits? Are there any regulatory restrictions?
Alternative Forms of Compensation	Are there other ways to compensate directors, such as covering professional memberships, training, or conference fees?

③ Psychological safety



Inclusion safety

satisfies the basic human need to connect and belong



Learner safety

satisfies the basic human need to learn and grow



Contributor safety

satisfies the basic human need to contribute and make a difference



Challenger safety

satisfies the basic human need to make things better

“...all without fear of being embarrassed, marginalized, or punished in some way.”

Dr Tim Clark

③ Psychological safety in the boardroom →

When you have it

- ✓ See mistakes as opportunities to learn
- ✓ Willing to ask difficult questions
- ✓ Speaking your mind in meetings
- ✓ Openly sharing your knowledge gaps
- ✓ Trust in fellow directors and chair
- ✓ Sticking your neck out

When you don't

- ✗ See mistakes as threats to your directorship
- ✗ Unwilling to rock the boat
- ✗ Keeping your ideas to yourself
- ✗ Only trusting your strengths
- ✗ Fear of fellow directors and chair
- ✗ Having it chopped off



Checklist for action

01
Have the conversation

02
Check your constitution

03
Keep it reasonable

04
Seek member approval
(justify the need)

05
Manage conflicts

06
Document everything



Discussion



If director payment was **actively reviewed** at your next board meeting, what do you think would **happen**?



How could you **contribute** to the conversation to help the board make a **thoughtful and well-considered decision**?



Resources



AICD Director Remuneration Report

- [AICD Director Remuneration Report 2025](#)
- The **benchmark resource in Australia** for director pay across sectors
- Shows how remuneration varies by **organisation size, complexity, sector and geography** ([AICD](#))



ACNC Guidance – Remunerating Responsible People

- [ACNC Guide: Remunerating Responsible People](#)
- Clear guidance for charities/NFPs on **when and how directors can be paid**
- Emphasises **transparency, justification and governance controls** ([ACNC](#))



Resources



Legal overview – Paying NFP directors

- [Legal considerations for remunerating not-for-profit directors](#)
- Explains **risks, benefits and sector expectations**
- Notes that only ~21% of NFP directors are paid, and many boards still debate it ([Gilbert + Tobin](#))



Practical governance guide (policy + approach)

- [Directors' Remuneration Guide \(Community Sector\)](#)
- Practical steps for **developing a remuneration policy**
- Reinforces that payment must be **approved, documented and aligned to governance frameworks** ([CCSA Member Portal](#))



Summary guide (plain-English overview)

- [Do board members get paid in Australia? \(Sprintlaw\)](#)
- Good high-level explainer of **legal context and governance responsibilities**



Over to You For Questions?





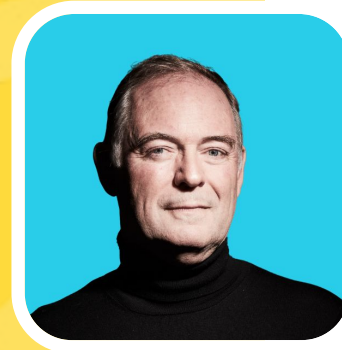
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Webinar Schedule

2026

277.	Who sank the boat? The complexity of psychosocial hazards in practice	April 30
278.	Induction planning for new directors (3-6-12 months)	May 7
279.	Beyond Compliance: Turning Risk into Strategic Insight	May 14
280.	What is healthy governance?	May 21
281.	The art of presenting to boards	June 4
282.	Tension Tolerance: fostering healthy debate around the board table	June 11
283.	Strategic differentiation - How it informs strategy	June 18
284.	The importance of culture governance	June 25



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