



Australian Institute of  
**Project Management**

Australian Institute of Project Management Limited

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# Transition Plan to Support Proposed Changes to AIPM Constitution

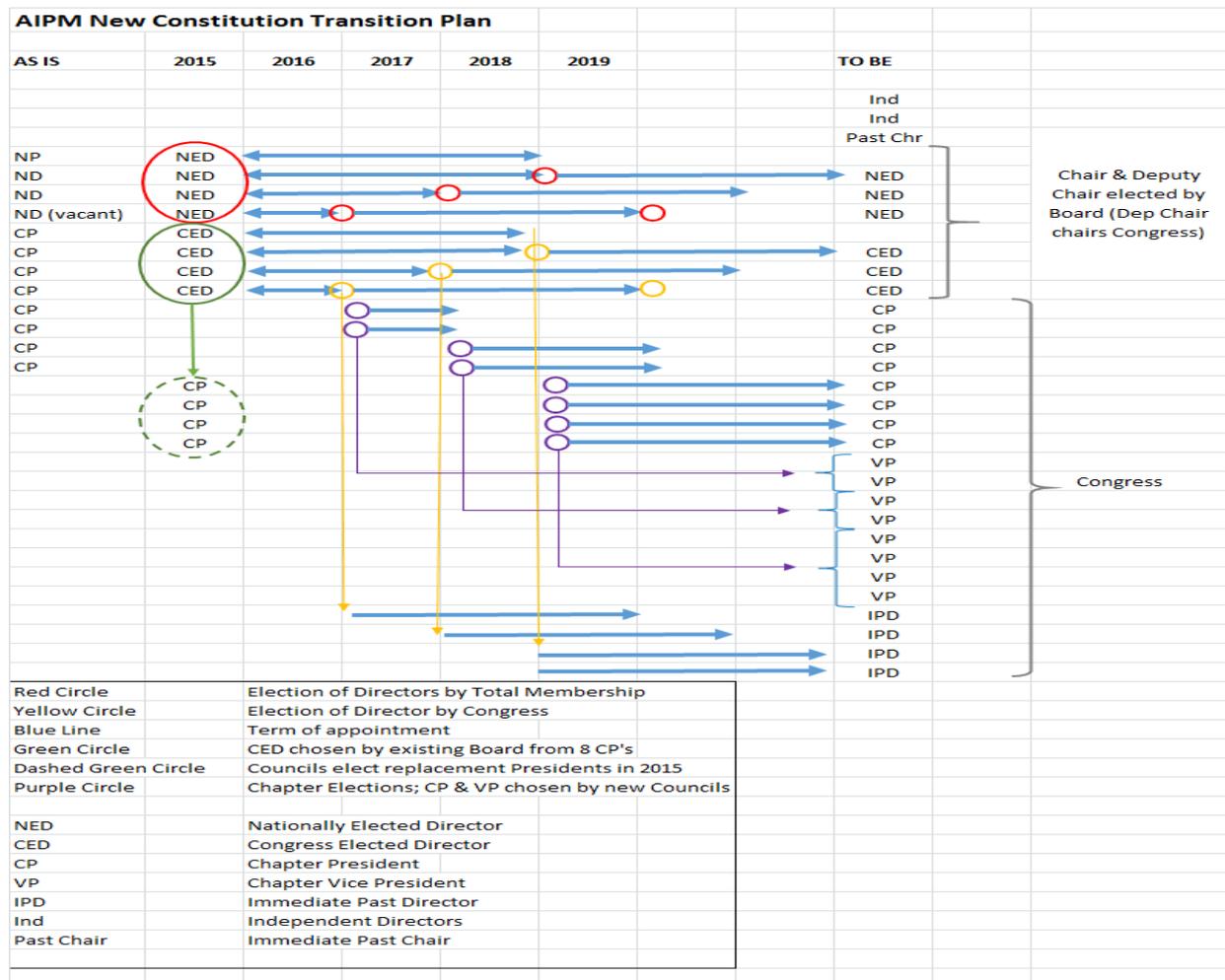
September 2015

**1. EXECUTIVE SUMMARY**

In order to ensure the proposed changes to AIPM’s Constitution are implemented successfully while minimising disruption, we’ve developed a detailed Transition Plan that outlines how the key corporate governance arrangements would be implemented if the new Constitution is adopted by AIPM members the 2015 Annual General Meeting.

These transition arrangements provide a phased approach over three years to implement changes to the size, composition, terms and election timeframes of the Board and Chapter Councils, together with the introduction of the new Chapter Congress.

Only the high level principles, processes and timeframes are covered in the Transition Plan. While it is not exhaustive, advice on situations not covered in this Plan can be obtained from AIPM’s CEO and/or the Governance Committee. The high level transition is as follows:



## ***2. PURPOSE OF THIS DOCUMENT***

The Transition Plan to support proposed changes to the AIPM Constitution sets out the high level processes within Australian Institute of Project Management (AIPM) that would occur if a new constitution is adopted by AIPM members by vote at the Annual General Meeting (AGM) in 2015. If the proposed Constitution is accepted, this Transition Plan will form an annexure to that document and will be read with the Constitution until the transition is completed in 2018.

This plan sets out the approach for an efficient move from the “current state” to the “future state” for AIPM especially in relation to the transition of the Board of Directors.

In developing the transition plan, certain principles were adopted. These included:

- Demonstrate natural justice and procedural fairness;
- Be consistent with new strategy;
- Be consistent with the new constitution;
- Maintain effective delivery to members; and
- Manage foreseeable risks and provide mechanisms for unforeseen circumstances.

These transition arrangements focus on:

- People - The Board, Chapter Councils, Other Councils and Committees; and
- Documentation – Constitution, Charters, Policies and Procedures.

Only the high level principles are covered here. It is not possible to cover every conceivable situation. Advice on situations not covered in this plan can be obtained from the CEO, the Governance Committee or the Board members responsible for components of the transformation program

### **3. BOARD TRANSITION**

#### **3.1 Current State**

The current Board comprises a National President (NP), three National Directors (NDs), and eight state Chapter Presidents (CPs). One ND position is currently vacant. Under the current constitution the NP and three NDs positions are subject to election this year. One existing ND is ineligible under term rules to stand for re-election. The eight CPs are subject to election in 2016.

The current Board has a considerable investment in the immediate past which has led to the new strategic direction, and subsequent transformation program. Significant changes to the Board in the early years of the new strategy were seen as a considerable risk.

#### **3.2 Future State**

The new Board would comprise

- I. Four Directors elected by the members;
- II. Four Directors elected by the Chapter Congress (refer to clauses 33 and 61 in the Constitution);
- III. Initially Up to two Board appointments of independent directors; and
- IV. In the future The immediate past chairperson ( ex officio).

By 2018 the Board will consist of three Directors elected by the members, three Directors elected by the Chapter Congress and two independent Directors appointed by the Board.

To achieve an early transition to staggering elections for the three year cycle (in line with the transition principles set out above) the transition arrangements for the Board are suggested as:

- 1. For the President and three National Directors elected in the 2015 elections:**
  - a) two will be appointed as generally elected Directors for a period of three years (one term), retiring or standing for re-election in 2018;
  - b) one will be appointed as a generally elected Director for a period of two years, retiring or standing for re-election in 2017;
  - c) one will be appointed as a generally elected Director for a period of one year, retiring or standing for re-election in 2016; and
  - d) the order of term extension shall be a fair process to be determined independently by the Chief Executive Officer and Governance Committee.

**2. For the current Chapter Presidents (presently eight in total):**

- a) four will be elected as Congress Elected Directors (CED); and
- b) the chapters who have Presidents elected as a CED, the relevant Chapter Council shall elect a new Chapter President.

**3. For the Congress Elected Directors:**

- a) two will be appointed as a Congress Elected Director for a period of three years, retiring as a Director or re-stand for election in 2018 (subject to clause 38 and 59.1)
- b) one will be appointed as a Congress Elected Director for period of two years retiring or re-standing for election in 2017
- c) one will be appointed as a Congress Elected Director for a period of one year, retiring or re-standing for election in 2016
- d) the order of term extension shall be a fair process set out later in this plan.

The initial Board meeting will determine a chair who will serve for the remainder of their term, and a deputy chair.

**In 2016**

- Member Election of one director for full 3 year term
- Congress Election of one CED for full three year term (after chapter elections)

**In 2017**

- Member Election of one director for full 3 year term
- Congress Election of one CED for full three year term (after chapter elections)

**In 2018**

- Member Election of one director for full 3 year term
- Congress Election of one CED for full three year term (after chapter elections)

By this stage the transition period will be complete, and the Board operating under the succession planning 3 year strategy envisaged in the constitution.

## **4. CHAPTER TRANSITION**

### **4.1 Current State**

The transformation program envisages a redefined role for the current state chapters. At the chapter level change will be in focus from essentially an “events” based structure to a role in the consistent local delivery of the national programs

### **4.2 Future State**

#### **In 2015:**

- Chapter Councils to serve out their current terms.
- The Member elected as National President under the 2008 Constitution acts as interim Congress Chair to convene a Congress meeting as soon as possible after the Annual General Meeting to elect four Congress Elected Directors (note: a minimum requirement for election is one year experience as a state president).
- Congress, prior to the deadlines for initiating the Chapter Election Procedures for 2016, determines an election process that is consistent with clause 58.5 of the constitution and has been approved by the Board.
- All Councils where the President is elected as CED elect a new president. This may or may not be the Vice President (VP).

#### **In 2016:**

- All Chapters hold elections under the procedures determined by Congress and approved by the Board.
- Councils meet and elect a President and Vice President. Their terms would be the life of the Councils.
- Congress meets and elects a Congress elected board member (note: a minimum requirement for election is one year experience as a state president).
- Council where the President is elected as CED elects a new president. This may or may not be the VP.

## ***5. INSTITUTE COUNCILS AND COMMITTEES TRANSITION***

### **a. Current State**

Under the current constitution responsibility for “Governance” is divided between the Governance Committee and the Council of Fellows. The responsibilities of the respective groups are documented in:

- The Corporate Governance Charter
- The Council of Fellows Charter
- The Governance Committee Charter

Note: Financial Governance is separately the responsibility of the Audit and Risk Committee

### **b. Future State**

To respond to the new constitution there will be a single Governance and Ethics Council responsible for governance. Its role will be clearly spelt out in a revised Governance and Ethics Charter.

The chairs of the existing GC and CoF will convene a working group to prepare a new Governance and Ethics Charter that supports the new Constitution. This would be submitted to the Board for approval by mid-February 2017.

Transition arrangements for all other AIPM committees e.g. Awards, Membership, Standards etc., will be individually but in place by the program managers for those streams of the strategy.

## ***6. OUTLINE OF ELECTION PROCESSES***

Election processes under the transition plan have been developed under principles including:

- use of electronic voting using survey monkey or similar by the returning officer
- Oversight and scrutiny of the process by the institutes peak governance body
- Natural justice and procedural fairness.

### ***6.1 Initial Election of Chapter Vice Presidents***

At the beginning of September 2015 the returning officer will seek nominations from each chapter councillor for the role of VP in their chapter. If one person nominates that person is declared elected. If there are two or more nominations the returning officer seeks a candidate statement from each, then conducts an on line election using survey monkey or

similar. The elected officers would take office at the AGM after endorsement of constitution. The term would be the remainder of their chapter terms.

### ***6.2 Election of Congress Elected Directors***

1. The returning officer seeks nominations for the roles of CED from CPs as soon as possible after the vote on the constitution. Note: only CPs who have served for 12 months are eligible to stand.
2. The returning officer validates that the candidates meet the requirement of being a director.
3. If 4 or less valid nominations are received they are declared elected
4. If more than 4 valid nominations are received then the returning officer seeks candidate statements from the nominees.
5. The returning officer then conducts a survey monkey based election of the congress members - including the interim chair.
6. Periods could be 5 business days to nominate, 5 business days for a statement.
7. The 4 congress elected directors are asked by CEO using survey monkey for their preference for their term to be 1,2 or 3 years 3 weeks
8. If preferences are 3,3,2 and 1 year respectively then they may be declared for those terms
9. If not then the CEO, after the first meeting of congress, but prior to the board meeting, polls all 8 directors using survey monkey to vote on the terms for each CED. In the event of a tie, the vote is retaken for just the tied directors. Results could be announced immediately or at the first board meeting.

### ***6.3 Election of the Board Chair and Board Deputy Chair***

1. As the NP position does not exist under the new constitution it is considered as a Generally Elected Director position for transition. The 4 Generally Elected Directors are asked by CEO using survey monkey for their preference for their term to be 1, 2 or 3 years three weeks prior to the board meeting
2. If preferences are 3, 3, 2 and 1 year respectively then they may be declared for those terms
3. If not then the CEO, after the first meeting of congress, but prior to the board meeting, polls all 8 directors using survey monkey to vote on the terms for each GED. In the event of a tie, the vote is retaken for just the tied directors. Results could be announced immediately or at the first board meeting.

### ***6.4 Election of the Board Chairperson and Board Deputy Chairperson***

1. After the congress elections, but prior to the board meeting the returning officer seeks nominations from the elected directors for the roles of:
  - a) Chairperson
  - b) Deputy Chairperson
2. Directors can nominate for both roles
3. If only one nomination is received for each position, that director is declared elected.
4. If more than one nomination is received for each position the returning officer will seek a 1 page candidate statement from each candidate - then conduct a poll using survey monkey
5. Votes for the chair will be counted first. In the event of a tie the returning officer will repoll the directors on just those candidates involved in the tie. In the event of a second tie the returning officer will prepare an evaluation of candidates based on the criteria as a recommendation to the Board.

### ***6.5 Election of Chapter Councils***

All Chapters will hold Council elections in 2016 under the procedures to be determined by Congress and approved by the Board.

### ***6.6 Election of Chapter Presidents and Chapter Vice Presidents***

1. After the chapter elections the returning officer seeks nominations from the elected directors for the roles of:
  - a) President
  - b) Vice President
2. Councillors can nominate for both roles
3. If only one nomination is received for each position, that Councillor is declared elected.
4. If more than one nomination is received for each position the returning officer will seek a 1 page candidate statement from each candidate - then conduct a poll of councillors using survey monkey
5. Votes for the President will be counted first. In the event of a tie the returning officer will repoll the councillors on just those candidates involved in the tie. In the event of a second tie the returning officer will prepare an evaluation against the criteria for the Council
6. The returning officer will exclude votes for the CP then count votes for the VP. In the event of a tie re-poll between the tied candidates would occur. In the event of a second tie the returning officer will prepare an evaluation against the criteria for the Council



