12 ESSENTIAL ROLES & RESPONSIBILITIES OF EFFECTIVE TRUSTEES & BOARDS

Jim Barnes
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TRUSTEESHIP: A SACRED TRUST

STEWARDS OF A SACRED TRUST

DAVID McKENNA
TRUSTEESHIP

TRUSTEES HOLD “IN TRUST” FOR THEIR CONSTITUENCY ALL THE INSTITUTIONAL RESOURCES PROVIDED BY GOD
1 CORINTHIANS 4:1-2  LET A MAN SO CONSIDER US, AS SERVANTS OF CHRIST AND STEWARDS OF THE MYSTERIES OF GOD. MOREOVER, IT IS REQUIRED IN STEWARDSHIP THAT ONE BE FAITHFUL.
EXCELLENCE IN BOARD GOVERNANCE

1) THE TRUSTEES’ HIGHEST PRIORITY

Preserve & strengthen the institution’s mission
2) THE ESSENCE OF EFFECTIVE BOARD GOVERNANCE
A Board GOVERNS. It speaks with one voice through written policies.

The Board FUNCTIONS are different from and do not compete with staff functions.

The Board COMMITTEES help the Board conduct its business. i.e., they speak TO the Board, not FOR the Board. They should not supervise nor get involved in staff tasks.
WHAT IS THE MOST IMPORTANT DECISION A BOARD EVER MAKES?
EXCELLENCE IN BOARD GOVERNANCE

THE SELECTION OF A PRESIDENT

“NO DECISION OF THE BOARD, ABSOLUTELY NO DECISION, IS MORE PROFOUND”

DAVID McKENNA
3) IMPLEMENTATION OF A PROFICIENT PRESIDENTIAL SEARCH PROCESS
EVERYTHING RISES & FALLS ON LEADERSHIP

John Maxwell
PRESIDENTIAL SEARCH PROCESS MISTAKES
EXCELLENCE IN BOARD GOVERNANCE

THE VALUE-ADDED OF A PROFESSIONAL SEARCH FIRM
4) PREPARATION OF A SUCCESSION PLANNING PROCESS
EXCELLENCE IN BOARD GOVERNANCE

PREPARE COMPREHENSIVE SUCCESSION PLAN

TEMPORARY PRESIDENTIAL ABSENCES (ILLNESS/SABBATICAL)

SUDDEN INCAPACITATION OR DEATH

“NORMAL” PRESIDENTIAL TRANSITIONS
SEARCH PROCESS CONSIDERATIONS
EXCELLENCE IN BOARD GOVERNANCE

*UTILIZE SEARCH FIRM?

*COMPOSITION OF SEARCH COMMITTEE

*PREPARATION OF INSTITUTIONAL PROFILE & DESIRED LEADERSHIP PROFILE

*PLACEMENT OF ANNOUNCEMENTS/ADS
EXCELLENCE IN BOARD GOVERNANCE

*WHAT WILL THE DECISION PROCESS BE?
*MAJOR INSTITUTIONAL ISSUES REQUIRING ATTENTION
*UTILIZATION OF AN INTERIM PRESIDENT
*IDENTIFICATION/GROOMING OF INTERNAL POTENTIAL LEADERSHIP
5) AN EFFECTIVE BOARD GOVERNANCE COMMITTEE
EXCELLENCE IN BOARD GOVERNANCE

BOARD GOVERNANCE COMMITTEE RESPONSIBILITIES

* RECRUITING/VETTING NEW TRUSTEES
* COMPREHENSIVE BOARD ORIENTATION PROGRAM
BOARD ORIENTATION PROGRAM
EXCELLENCE IN BOARD GOVERNANCE

BOARD ORIENTATION MATERIALS

*BY-LAWS
*BOARD MTG AGENDAS/MINUTES REPORTS
*FINANCIAL STATEMENTS/LAST AUDIT
*BPM
*DASHBOARD OF CRITICAL PERFORMANCE INDICATORS
*CONFLICT OF INTEREST DOCUMENT

*ORG CHARTS
*ACCREDITATION
*PRESIDENT’S REPORTS
*ALUMNI MAGAZINES
*LEXICON OF HIGHER ED TERMINOLOGY
BOARD ORIENTATION IDEAS

TRUSTEE MENTOR

EVALUATION OF ORIENTATION PROCESS BY NEW TRUSTEES
EXCELLENCE IN BOARD GOVERNANCE

TRUSTEE PROFESSIONAL DEVELOPMENT PROGRAM
6) COMPREHENSIVE & EFFECTIVE EVALUATION PROCESSES
EXCELLENCE IN BOARD GOVERNANCE

FAR TOO FEW TRUSTEES AT CHRISTIAN COLLEGES HAVE A SOLID GRASP OF THE ROLES & RESPONSIBILITIES OF BEING AN EFFECTIVE TRUSTEE.

FAR TOO FEW BOARDS ENGAGE IN PROFESSIONAL DEVELOPMENT ACTIVITIES IN A REGULAR & SYSTEMATIC FASHION.
ASSUMPTION:
*YOU DESIRE A HIGHLY EFFECTIVE BOARD

FACT:
1:1 CORRELATION

*THERE IS A VERY HIGH CORRELATION BETWEEN THE STRENGTH OF A BOARD & THE STRENGTH OF A COLLEGE
*THAT WHICH IS NOT EVALUATED DOES NOT IMPROVE!

*EVALUATIONS WHICH HAVE IMPROVEMENT AS THEIR STATED GOAL ARE ESSENTIAL FOR A HIGHLY EFFECTIVE BOARD
EXCELLENCE IN BOARD GOVERNANCE

BOARDS MUST BE ACCOUNTABLE FOR CONTINUOUS IMPROVEMENT
THERE IS NO PROGRESS WITHOUT CHANGE!
EXCELLENCE IN BOARD GOVERNANCE

7) BOARD EVALUATIONS

* PRESIDENT
* INDIVIDUAL TRUSTEES
* BOARD OPERATIONS/PROCESSES
BOARD’S EVALUATION OF THE PRESIDENT

* Usually assigned to Executive Committee
* Annual process is good for Board & President
* Develop mutually agreed upon annual goals & evaluation criteria
* Invite President to prepare a self-evaluation based on agreed upon annual goals
EXCELLENCE IN BOARD GOVERNANCE

ASSESSING INDIVIDUAL TRUSTEES

• NO TRUSTEE SHOULD BE ELECTED TO A SECOND TERM WITHOUT AN EVALUATION!
• ATTENDANCE
• QUALITY OF ENGAGEMENT
• GIVING
EXCELLENCE IN BOARD GOVERNANCE

EVALUATION OF THE BOARD

*What are our major responsibilities?
*Are we spending our time on the right questions & issues?
*How well are we fulfilling our responsibilities?
*Do we have the best possible Board?
1. WHAT MIGHT WE HAVE DONE DIFFERENTLY TODAY TO IMPROVE OUR MEETING?

2. IN LIGHT OF TODAY’S MEETING, WHAT ARE THE MOST IMPORTANT TOPICS TO BE ADDRESSED AT THE NEXT MEETING?
3. WHAT WAS THE MOST VALUABLE CONTRIBUTION WE MADE TODAY TO THE COLLEGE’S WELFARE?

4. IF THERE ARE ANY TOPICS CONCERNING THE COLLEGE, HIGHER EDUCATION, OR BOARD OPERATIONS THAT YOU WOULD LIKE TO LEARN MORE ABOUT, PLEASE LIST THEM.
8) EXECUTIVE SESSIONS
THE IMPERATIVE OF MAINTAINING CONFIDENTIALITY
IF THERE IS ONE PLACE THAT SHOULD HONOR THE ETHICS AND MORAL RESPONSIBILITY FOR CONFIDENTIALITY, IT SHOULD BE THE BOARD OF A CHRISTIAN COLLEGE.
9) EFFECTIVE RECRUITMENT OF NEW TRUSTEES
EXCELLENCE IN BOARD GOVERNANCE

IF YOU WANT A GOOD INSTITUTION, YOU NEED TO RECRUIT GOOD BOARD MEMBERS. HOWEVER, IF YOU WANT A GREAT INSTITUTION, YOU NEED TO RECRUIT GREAT BOARD MEMBERS.
A PRIMARY TRUSTEE RESPONSIBILITY IS THE RECRUITMENT OF STRONG NEW TRUSTEES
10) EFFECTIVE TRUSTEES POSSESS A SOUND UNDERSTANDING OF FIDUCIARY RESPONSIBILITY
EXCELLENCE IN BOARD GOVERNANCE

TRUSTEES HAVE A FIDUCIARY RESPONSIBILITY

THE CONCEPT OF FIDUCIARY TRACES TO THE LATIN TERM *FIDUCIARIUS* MEANING TO HOLD IN TRUST OR IN FAITH.
FIDUCIARY:

FIDELITY TO:

* MISSION,
* INTEGRITY OF OPERATIONS &
* CONSERVATION OF CORE VALUES.
SUSTAINABILITY

LONG-TERM SUSTAINABILITY IS A KEY ISSUE OF FIDUCIARY RESPONSIBILITY.

FIDUCIARY RESPONSIBILITY INCLUDES MAKING SURE THE INSTITUTION SURVIVES AND IS WORTHY OF SURVIVAL.
11) THE BOARD IS APPROPRIATELY SIZED
12) The board has a solid BPM which effectively guides institutional decisions.
DO YOU HAVE THE STRONGEST BOARD POSSIBLE?
EXCELLENCE IN BOARD GOVERNANCE

CHALLENGE

BEQUEATH YOUR SUCCESSOR A STRONGER BOARD & INSTITUTION THAN THE ONE YOU INHERITED FROM YOUR PREDECESSORS
FAILURE TO PRESERVE & STRENGTHEN THE MISSION