Best Practices of Effective Public Boards

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Agenda

- About AGB: Who We Are, Who We Serve
- The Environment
- The Anatomy of an Engaged Board
- Six Principles of Board Leadership
- The Goal: A Strategic Board
- How the Work Gets Done
- Final Thoughts
AGB: Why do we exist?

- The future of our society and economy depends on higher education-driven innovation.
- Higher education-driven innovation depends on strategic leadership.
- Strategic leadership depends on engaged board members.
- Engaged board members depend on insights to lead with confidence and govern with knowledge.
- AGB is the trusted source for engaged board members to provide strategic leadership for higher education to drive student success and institutional vitality.
About AGB – Approaching Our 100th Anniversary

• AGB Vision
  – AGB aspires to a world where college, university, and foundation board members are relied upon as **indispensable, strategic partners** for presidents and CEOs to advance student success and well-being, institutional vitality, and the public’s understanding of the role and benefits of higher education.

• AGB Mission
  – AGB empowers college, university, and foundation boards and board members to govern with knowledge and lead with confidence by delivering practical insights through its publications, events, and services.

• AGB Members
  – 40,000 trustees and leaders of higher education institutions.
  – Nearly 2,000 colleges, universities, and institutionally related foundations.
The Environment

• Value Proposition: Innovation/Relevance

• Higher Education’s Business Model: Institutional Vitality

• Affordability/Debt

• Student Success
  • Changing student demographics
  • Student mental health/well-being, food and housing insecurity

• Implications of Technology
  • New/enhanced academic programs
  • Educational delivery

• Accountability/Regulation
The Anatomy of an Engaged Board Board

- Right Composition
- Right Relationships
- Right Focus

Good Board Governance
Six Principles of Board Leadership

1. Accountability
2. President
3. Strategy
4. Composition
5. Oversight
6. Commitment
Six Principles of Board Leadership

1. Accountability
   • The board is accountable for everything that happens and/or fails to happen within the institution or foundation.
   • While accountability cannot be delegated, responsibility *can* be delegated.

2. President
   • Hiring, supporting, and assessing the right president is the most critical responsibility for the board.
   • The president-board chair partnership is critical—mutual expectations for effective leadership.

3. Strategy
   • Strategies should focus on both student success & well-being and institutional vitality.
   • Boards’ focus should ensure a collaborative, on-going process.
   • Evaluate options and alternatives, pros and cons, implications and risks.
Six Principles of Board Leadership (cont’d)

4. Composition
   • Diverse skills, experiences and competencies should align with the institution’s strategy.
   • Same with board committees – where work gets done.

5. Oversight
   • NIFO to oversee execution of strategies and policy development to mitigate risks.
     ➢ Collaboration between boards, presidents and cabinet members.
   • Risk appetite vs risk tolerance.
   • Crisis communications planning and understanding the board’s role in a crisis.
     ➢ Question to ask: When are we going to rehearse our crisis communication plans?

6. Commitment
   • Trusteeship is a critical role requiring significant time.
   • Suggest at least several hours per week spanning meetings, reading and learning to advance the institution’s mission.
   • Shared governance = board / stakeholder communications.
The Goal: A Strategic Board

• **Time** on strategic issues

• Focus on areas of **uncertainty**

• **Engage issues early** in the decision process

• Use **discussion and dialogue**, not presentations

• Be an active **thought-leader** with the president
How the Work Gets Done

• The anatomy of a good board:
  • The right people
  • The right focus
  • The right relationships

• Hallmarks of highly-effective boards:
  • Engaged and informed: Respects differences between governing and managing, asks the right questions, and demonstrates a culture of inclusion and curiosity.
  • Support presidential leadership: Acts as an indispensable strategic partner and understands the distinct role of board and president.
  • Balance advocacy and oversight: Members serve as ambassadors while ensuring accountability, maintain independence from external influences, and consider/manage risk.
What’s next?

• Continuous learning.
• Flipped on-boarding.
• Leverage your board professional.
• What’s on our next board & committee agenda(s), cadence?
• Risk heat maps.
• KPIs and dashboards.
• Align with your board chair and president.
Final Thoughts

AGB is here to support you in your work as a trustee by providing vital information, expert counsel, advocacy, and customized consulting services.

Upcoming Events
- 2020 Foundation Leadership Forum, January 26-28, San Diego, CA
- Institute for Board Chairs & Presidents, January 2020 in Naples, Fl and Phoenix, AZ
- 2020 National Conference on Trusteeship, April 3-7, Washington DC

AGB Resources for New Board Members:
- An Anatomy of Good Board Governance in Higher Education
- Higher Education Governing Boards
- AGB Board of Directors’ Statement on the Fiduciary Duties of Governing Board Members
- AGB Top Strategic Issues for Boards 2018-2019