

AGB CONSULTING

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The Stakes Are High

1. Educational Quality
 2. Business Model--Financial Stability
 3. Demographic Shifts--Tomorrow's Students
 4. College Completion and Student Success
 5. Relevance--The Value Proposition
 6. Loss of Global Prestige
 7. Freedom of Speech, Student Activism, Campus Climate
 8. Innovation
 9. Diversity and Inclusion
- And, many more.

Governance in Higher Education

Higher education is . . .

not just another government agency

not like most not-for-profit organizations

not a business

not a hospital

Our values drive our work:

Teaching, research, public service

Autonomy, academic freedom, self-regulation

Belief in shared governance

Trustees as Fiduciaries

1. Fiduciary – One who holds some asset(s) in trust for another and is charged to act beneficially on behalf of the other in managing that asset.
2. The Asset – The college/university you govern, including mission & identity, property, human resources & educational product.
3. For Whom – Founders and sponsors, students and families, donors, alumni, (public)

AGB (web) “Fiduciary Duties”

Best Practices as Fiduciaries

Board members hold fiduciary duties individually, but they act collectively as a board. Unless specifically authorized, no board member has the authority to determine a course of action. Key characteristics:

- Independence

- Transparency and confidentiality

- Accountability

- Full board involvement

- Respect for process

- Partnership with the president

High-Performing Boards

Engaged and informed—understand and respect differences between governing and managing.

Support presidential leadership—build a partnership around distinct roles of board and president.

Balance advocacy and oversight—serve as ambassadors while ensuring accountability.

High-Performing Boards

Opportunities for meaningful deliberation

Forward-looking and strategic

Understand the value of informal and formal communication

Observe the highest ethical standards and avoid conflicts of interest

High-Performing Boards

Engage in robust debate and speak with one voice once decisions are made.

Engage the important constituencies but reserve the authority for decisions to the board.

Building A Strategic Board

Genuinely fiduciary, not managerial—protect and enhance institutional assets.

Focus on primary institutional assets: mission, vision, and strategy; character and quality of educational programs; organizational sustainability; and presidential leadership.

Address strategic questions:

How do we protect and enhance asset value?

What is the meaning of what we see and experience?

What direction shall we set for the institution?

Building A Strategic Board

Primary Resources and Roles

Intellectual capital, diverse perspectives—**thought-leaders**

Oversight and leadership authority—**agenda-setters**

Strategic data and assessment—**interpreters**

Strategic Practices

Time on strategic issues

Focus on areas of **uncertainty**

Engage issues early in the decision process

Use **debate and dialogue** rather than parliamentary process

Be an active **thought-leader** with the president

Building A Strategic Board

Would you describe your board as a strategic board? Why? What are the specific characteristics that cause you to make such an assessment? Are there recent examples of being a strategic board?

The Role of Culture

“A culture is a system of beliefs and actions that characterize a particular group. Culture is the unique whole—the shared ideas, customs, assumptions, expectations, philosophy, traditions, mores, and values—that determine how a group of people will behave.”

From: Leading Change by James O’Toole, 1995.

The Role of Culture

How people think, feel, act, and value . . .
is guided by ideas, meanings, beliefs . . .
that are **shared**.

Shared ideas, beliefs, and meanings lead to
coordinated actions which lead to **results**.

The Role of Culture

What are the characteristics of your board culture?

Are you positioned well to deal with today's challenges? Tomorrow's challenges?

Where are you, as a board, especially strong?

Final Thoughts

Governance is a team sport.

Boards are often made up of quarterbacks.

Everyone must learn to appreciate the value of a team of equals.

Resources @ agb.org

AGB Statements on Important Governance Topics

Board Accountability

Educational Quality

External Influences

Institutional Governance

Intercollegiate Athletics

Sexual Misconduct

Knowledge Center

Videos, Podcasts, Governance Briefs, Data Files,
Governance Database

AGB U—a guide to good governance

Trusteeship magazine and other publications

Annual meetings, regional meetings, webinars