

Principles of Trusteeship

Nevada System of Higher Education
Board Workshop

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Intrinsic Challenges to Effective Boards

Unusual Collection

- Orchestra without the optimal mix of members that rarely rehearses
- Wealth of conductors
- Powerful personalities with personal priorities
- No sanctions or ultimate arbitrators

Intrinsic Challenges to Effective Boards

Unusual Context

- Familiar yet foreign culture
- Elusive performance metrics
- Limited time and knowledge; episodic engagement
- Full-time professionals reporting to part-time volunteers

Principles of Trusteeship



1. Embrace the full scope of your responsibilities as a board member.

- Fiduciary responsibilities
- Collective endeavor
- Prepare in advance, show up fully present, and participate productively

2. Respect the difference between the board's role and the administration's role.

- Shape strategy, set policy, support goals, hold executive accountable
- Share governance
- Accept recommendations from governance partners not unconditionally but respectfully
- Serve as thought partner, sounding board, pro bono advisor
- Don't manage, implement, or operate

Management vs. Governance

MANAGEMENT

- What do we pay our teachers?
- Who got a raise this year?
- Will you hire my brother-in-law?

GOVERNANCE

- Do we have a compensation philosophy and how is the resulting policy administered?
- Are you satisfied with our employee and turnover performance? Why?

Management vs. Governance

MANAGEMENT

- How many gallons of gas do we use in our police cars?
- What is our kilowatt/hour rate?
- Do we have low-flush toilets?

GOVERNANCE

- Tell me about our emergency management policies? How do we know that they result in prudent use of energy?
- What obstacles should we address that prevent us from employing helpful conservation methods?
- What's the next time we refresh our master plan & should we consider green standards?

Management vs. Governance

MANAGEMENT

- What is enrollment in “Program x” this semester?
- How many recruiters do we have?
- How many dual-credit classes did we teach?

GOVERNANCE

- What are our growth markets in the future & how will we sell into those segments?
- Are you happy with our product mix? Why?
- How do we assess the viability of our programs? What role does dual credit play in program growth?
- How’s our growth compared to the state rates & to the growth in our local high school graduation classes?

Management vs. Governance

MANAGEMENT

- Why is the grass so tall?
- Can we please paint the boardroom?
- How much will we raise our tuition rates?

GOVERNANCE

- How do we prioritize our capital?
- Are there functions we should consider outsourcing? Why?
- How does our revenue mix compare to our peer institutions?
- What is our long-term dependence on tuition & what are the alternatives we could consider?
- What is the students' sensitivity to tuition increases? How do we know?

Management vs. Governance

MANAGEMENT

- Why didn't we name Smith as our starting pitcher last night?
- What's the theme of the Awards Banquet this year?
- What's the gross margin of the Bookstore?

GOVERNANCE

- How do graduation and placement rates of our student athletes compare with the rest of the student body? Why?
- What could the Board do to improve the level of donations made to the college?
- Why do we operate these various auxiliary functions? What are the fiscal & non-fiscal benefits & cost? Are there alternatives?

Management vs. Governance

MANAGEMENT

- When can we start the Anthropology Program?
- Some of my family members are into Yoga-could you start a course?
- What good is a course in x?

GOVERNANCE

- What are the major strategies contained in our academic plan & how is our progress going?
- How is our academic plan enabled or constrained in that by our facilities? By our staffing levels?
- How do we assess whether our programs are relevant to the career aspirations of our students? How often do we measure that?

3. Be an ambassador for your institution and higher education.

- Advocate for the NSHE as an informed, objective, sharp-eyed interpreter
- A bridge between the NSHE and its many stakeholders
- Do you represent the taxpayers or the university system?
- The Saturday morning supermarket conversation

4. Conduct yourself with impeccable *integrity*.

- Trust and reputation—hard to gain and easy to lose
- Conflicts of interest can be managed
- Disclose more-rather than less-information
- Step aside from voting and discussion
- How's your conflict of interest policy?

5. Think *independently* and act *collectively*.

- How open is the board to dissenting opinions? How are its tensions handled?
- “Independent” is not “unilateral”
- Board value lies in diversity of members’ expertise and experience
- Thinking independently happens inside the boardroom, and acting collectively happens outside it

6. Model justice, equity, and inclusion.

- Regents ultimately accountable for a welcoming, safe, supportive, and equitable environment for all
- Pursue equitable outcomes
- Look hard at campus climates for barriers
- Pay attention to which voices are loudest or silent, which dismissed or defended
- Recognize and appreciate personal journeys

7. Learn about your institution's *mission, constituents, culture, and context*.

- Know and value what makes your system—and each institution in it—unique
- Work with administration on strategies distinctive to your system that play to its strengths and ameliorate its limitations
- Think about your role as an outside governor as changing professions and changing industries at the same time

8. Focus on what matters most to the institution's long-term sustainability.

- Oversight . . . Insight . . . Foresight
- How well do you understand the business model and financial circumstances?
- Help define what constitutes success . . . now and in the future
- Encourage innovation that will help achieve success

9. Ask insightful questions and listen with an open mind.

- Bring genuine curiosity
- Probing questions that frame problems, move discussions forward, and illuminate alternatives
- Cooperative back-and-forth, not competitive debate—no “gotchas”
- Enough information to make a sound decision?
What more needed to better understand the issue?
- When to ask what of whom?

Board Culture

HEALTHY

- Team players
- Distributed influence
- Collective wisdom
- Engaged listeners
- Constructive dissent
- Transparency
- Confidentiality
- Diligence
- Mutual accountability

UNHEALTHY

- Huddle of quarterbacks
- Dominant inner circle
- Individual convictions
- Assertive speakers
- Back channel sabotage
- Obfuscation
- Leaks
- Disengagement
- Collective impunity

The Big Questions

- How well do you think you follow these Principles—as individual Regents and as a Board?
- Where are your strengths, and where are the areas you think you need improvement?
- What do you need to do to make those improvements—as individual Regents and as a Board?