

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?