

Principles of Effective Trusteeship

Kentucky Postsecondary
Trusteeship Conference

Louisville, KY

September 20, 2022

Presenters and About AGB

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Agenda

- Fiduciary Duties
- Highly Effective Boards—Team Sport
- Challenges to Effective Boards
- Three Themes
- Nine Principles of Trusteeship
- Resources

Fiduciary Duties

What are the legal duties of a fiduciary?

- Duty of care
- Duty of loyalty
- Duty of obedience
- To whom are duties owed?

Highly Effective Boards – Rowing Together!



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Intrinsic Challenges to Effective Boards

Unusual Collection

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

Intrinsic Challenges to Effective Boards

Unusual Context

- Familiar yet foreign culture
- Shared governance and multiple stakeholders
- Competing and disputed performance metrics
- Limited time and knowledge; episodic engagement
- Full-time professionals reporting to part-time volunteers

Principles of Trusteeship

Three key themes:

- **Understand Governance...**by embracing all of your responsibilities in a structure of shared leadership.
- **Lead By Example...**by upholding the highest standards of integrity.
- **Think Strategically...**by focusing on what matters most to the long-term success of the whole enterprise.

Understand Governance

- 1. Embrace the full scope of your responsibilities as a board member.**
- 2. Respect the difference between the board's role and the administration's role.**
- 3. Be an ambassador for your institution and higher education.**

Lead By Example

4. Conduct yourself with impeccable integrity.
5. Think independently and act collectively.
6. Champion justice, equity, and inclusion.

Think Strategically

7. Learn about your institution's mission, constituents, culture, and context.
8. Focus on what matters most to long-term sustainability.
9. Ask insightful questions and listen with an open mind.

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Principles of Trusteeship



The Big Questions

- How well do you think you follow these Principles—
as individual 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 individuals and as a Board?

Fiduciary

Team Member

Individual

UNDERSTAND GOVERNANCE

1. Embrace the full scope of your responsibilities as a board member.	Fulfill your fiduciary responsibilities.	Recognize that governance is a 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.	Honor the academic norm of <i>shared governance</i> , which includes the president, administration, and faculty.	Be humble and respect your partners in governance and leadership.	Provide advice and counsel but leave operational decisions to the administration.
3. Be an ambassador for your institution and higher education.	Advocate on behalf of your institution and higher education.	Represent the institution proudly and recognize who speaks for the board and for the institution.	Engage actively and appropriately.

LEAD BY EXAMPLE

4. Conduct yourself with impeccable integrity.	Act in the institution's best interests, putting them ahead of your personal preferences and political allegiances.	Preemptively disclose conflicts—actual and perceived—and dualities of interest.	Uphold the highest ethical standards.
5. Think independently and act collectively.	Constructively challenge <i>and</i> support the president, administration, and committees.	Speak up on important issues, even if they are uncomfortable or unpopular.	Express your concerns diplomatically to the appropriate person(s) at an appropriate time.
6. Champion justice, equity, and inclusion.	Protect and promote justice and equity throughout the enterprise.	Seek diversity and model inclusion on the board.	Be mindful of how your experience shapes your assumptions.

THINK STRATEGICALLY

7. Learn about your institution's mission, constituents, culture, and context.	Shape your institution's vision and strategy based on its unique purpose and constituents.	Understand the present state of the enterprise and focus on its future needs.	Become a student of higher education.
8. Focus on what matters most to long-term sustainability.	Make decisions based on the strategy and vitality of the entire enterprise.	Help define what constitutes success for your institution.	Focus your personal and professional talents on significant strategic issues.
9. Ask insightful questions and listen with an open mind.	Pose the right questions, rather than prescribe answers.	Listen actively and seek to understand.	Bring genuine curiosity and an open mind to board service.

Resources

- Download the [e-book or purchase the print book](#) online
- Visit the [Principles of Trusteeship microsite](#) in the Knowledge Center for additional resources
- Get expert support for your board with [AGB Consulting](#) services

