

**Revised Agenda Special Meeting  
Board of Trustees  
Coast Community College District**

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**Date: Saturday, February 5, 2011**

**Location: District Board Room  
1370 Adams Avenue  
Costa Mesa, CA 92626**

**Time: 8:30 a.m.**

***A G E N D A   I T E M S***

- 1. Call to Order (8:30 a.m.)**
- 2. Roll Call**
- 3. Opportunity for Public Comment**

*Members of the public have the opportunity to address the Board of Trustees on any item that has been described in this notice, before or during consideration of the item. Persons wishing to make comments are allowed 5-minutes. A "Request to Address the Board of Trustees" card needs to be completed and filed with the Secretary of the Board of Trustees prior to speaking.*

- 4. Greetings/Breakfast/Introductions**
- 5. Legal Perspectives on the Role of the Board of Trustees (Approximately 9:00 a.m.)**

**Presentation by District General Counsel Dr. Jack P. Lipton followed by a discussion. Topics covered to include:**

- Role of the Board Pursuant to Law**
- Limitations on Authority of the Board**
- Relevance of Accreditation Standards and Eligibility Requirements**
- Board's Delegation of Authority and Limitations on the Authority to Delegate**

**6. Developing a Shared Vision Regarding Leadership and Trust (Facilitated by Neil and Joanne Bodine) (Approximately 10:00 a.m. to 1:30 p.m.)**

- **Servant Leadership**

Robert Greenleaf's book, "Servant Leadership" provides valuable insights about the role of Trustees in providing leadership to organizations, and offers ways in which Trustees and executives collaborate in providing an optimum work environment that promotes service and professional development in the name of fulfilling an organization's mission.

- **Adaptive Leadership**

In, "Leadership in a (Permanent) Crisis" Heifetz, Grahows and Linsky of Cambridge Leadership Associates discuss the importance for organizations to adapt their leadership approaches to a climate of consistent crisis and uncertainty, taking advantage of opportunities to reset the organization to provide optimum performance and opportunity.

- **Shared Vision/Trust/Teambuilding**

**LUNCH BREAK**

**7. Recess to Closed Session (1:30 p.m.)**

**Conducted in Accordance with applicable sections of California law. Closed Sessions are not open to the public.**

**The following item(s) will be discussed in Closed Session:**

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION (pursuant to Government Section 54957)**

**Position: Chancellor**

**Reconvene Regular Meeting**

**8. Report of Action from Closed Session (if any)**

**9. Adjournment (Approximately 3:00 p.m.)**

It is the intention of the Coast Community College District to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Coast Community College District will attempt to accommodate you in every reasonable manner. Please contact the Secretary of the Board of Trustees at (714) 438-4848 as soon as possible to inform us of your particular needs so that appropriate accommodations may be made.

### III

## Trustees as Servants

George Washington was noted for signing his letters "Your most humble and obedient servant." This chapter is an argument in support of trustees choosing to be servants.

The premise upon which this argument rests is that the best of our voluntary (nongovernmental) institutions, in the service of all of us who depend on them, is too far below what is reasonable and possible with their available resources, human and material. This performance can be raised much closer to the optimal for each institution by governing boards of trustees (including directors of business corporations as trustees) who are determined and who organize themselves to do it.

Trustees and administrators may not readily accept such a categorical statement. However, I sense an uneasiness among many of them, and there is much striving for ways to do better. The trouble is that these efforts are frustrated by outmoded concepts and tangled semantics that are deeply embedded in the way institutions traditionally behave.

There is, to be sure, an abundance of literature on contemporary institutions, but most of it is concerned with "fine tuning" within the limits of conventional language and wisdom. The purpose of this chapter is not to address questions of fine tuning, but rather to question and examine the conventional wisdom and language of contemporary institutional life and to suggest alternative approaches for understanding and dealing with inadequate performance—approaches that will originate with trustees.

### Conceptual Flaw

A basic conceptual flaw in the conventional wisdom of institutional structures is the inadequacy—or even absence—of provision for trustees to be a functioning part of the institution's leadership. The role of administrators, as it is commonly established, does not provide for adequate trustee functions. Trustees, for their part, have not seen fit to question the assumptions that administrators make and to assert the affirmative and, in the long run, determining role for themselves that is required both by their legal obligations and by the socio-ethical burden of public trust they carry.

Administrators have been with us for several millennia, ever since the first person undertook to mobilize and direct the energies of other people toward a defined goal. Consequently, administration was seen as a wholly sufficient process long before there were trustees. The original administrators may have been the arm of despotic power, with crude sanctions at their disposal. Later they were circumscribed somewhat by law and custom, whether they were agents of government or of a private employer. Yet much of the notion (established long ago) of absoluteness and self-sufficiency of administrators survives today in the accepted concepts of organization. The pyramidal structure with a single chief at the top (whose adequacy was challenged in the last chapter) is still the conventional model. Today in some large institutions we see encouraging evidence that the assumptions which support the conventional model are no longer accepted as immutable. Yet, in the face of historical precedent and practice, it is small wonder that administrators have not accepted trustees as an important influence, and that trustees have not seen fit to establish their appropriate roles.

The trustee, who first emerged as the individual entrusted with other people's affairs, later became a member of a governing board, usually of a corporation. A society dominated by large corporations with governing boards, both for profit and not for profit, is a historical development that belongs almost entirely to this century. Too much of the public concern for the quality of society is

still devoted to caring directly for individuals and not enough attention goes to caring for institutions and the way they are structured. Structural flaws can cause harm to individuals; conversely, conceptually sound and ably administered institutions can build people and enrich society. All too often we seem to disregard this important influence that institutions can have on people.

Unfortunately, government is expected to provide most of the attention that would enlarge the good and reduce the harm in institutional structures. But government has accepted competition in the for-profit realm as the prime regulator and builder when, in fact, it may also be the great destroyer of people and the creator of abuses. Churches, hospitals, universities—even foundations—are also competitive. Trustees, for the most part, do little more than give legal cover to the process. Except in the face of a threatened collapse of the institution, trustees rarely act in the affirmative way that their legal responsibility and the expectations of those served by the institution (and the public interest) suggest that they should. Individual trustees often serve their institutions in useful ways, but for the most part today it is a service that might be rendered as well or better by outside consultants or by volunteers who are not trustees.

## Definitions

Much of the tangled semantics that shroud the role of trustees may be cleared up by examining for a moment the meaning of the very word *manage*, which has been appropriated by administrators as the classic label for what they do. I suggest that the etymology of the word comes closer to describing what trustees should do (from the Latin *manus*, "hand," meaning the hand on the reins that guides the horse). In most instances the laws of incorporation clearly establish the claim of trustees to this function by specifying that the institution "shall be managed" by a board of trustees or directors, usually not fewer than three. Typical corporation law does not provide for administrators at all, only for trustees or directors. Throughout this chapter I take

the cue from this definition—that the role of trustees is to stand outside the active program of the institution and to *manage*. What they delegate to the inside operating executives is *administration*. With this combination of concept and language (and the two are inextricably related), the title chief executive officer and the single-chief concept it conveys should disappear as an anachronism.

Based on this thinking, then, let us elaborate on the definitions of trusteeship, management, administration, and leadership.

1. *Trusteeship* is the holding of a charter of public trust for an institution. As the term is understood here, it represents a function carried out through membership on the governing board of an incorporated institution and is defined by law. Trustees (or directors) are legally and ultimately responsible for the institution and everything that goes on in it. Trustees are not officers of administration—not in the institution where they are trustees. Trustees are members and representatives of the general public, whose trust they hold. They may be professionals and administrators in another—even in a similar—institution, but as trustees they make *trustee judgments*, not administrative or professional judgments.

2. *Management*. The by-laws of the institution usually specify the actions that trustees themselves must take and those they may delegate to administrative officers. Above and beyond these specific actions, the major trustee functions in the management of the institution are:

- a. *To set the goals (including long-range plans), to define the obligations and the general premises—or the concept—of the institution, and to approve plans for reaching goals.* All of the parties at interest should be consulted, and administrative and professional staffs should be listened to most carefully. However, the established goals are the trustees' own goals. Ideas may come from any source, but goals are trustee formulated, not just trustee approved or trustee affirmed.

- b. *To appoint the top administrative officers, to design the top administrative structure, to design and assign the duties of individuals*

*in that group, and to act so as to motivate administrators and professionals.* Trustees do not "rubber stamp" administrative recommendations on these matters.

c. *To assess, at appropriate times, the performance of the institution,* its major parts, and the work of its top executives in the pursuit of the established goals.

d. *To take appropriate action* based on what is found in the above assessment.

To carry out these functions, the trustees of any institution need leadership by an able and dedicated chair who will invest the time and acquire the skills needed to assure a fully functioning trustee group. This may be a full-time job in a large institution, and some of the other trustees may invest substantial time—much more than attendance at an occasional meeting. Further, some trustee boards will need support from a staff of their own, including full-time or part-time consultants.

The above constitutes a bare model of the *management* of the institution.

3. Administration is a function designed by trustees but carried out by full-time officers (appointed by trustees) who are not trustees. Administration includes all of the overseeing and directing (decision-making) functions not specifically reserved for trustees. (Customarily in business the word *manage* is used in place of *administer*. However, in this chapter I will reserve *manage* for the trustee role, and internal direction of all institutions will be called *administration*.)

The usual administrative functions include the following:

a. *Planning*—both strategic and tactical—to accomplish goals.

b. *Organizing* the total effort (except the executive office, which is designed by the trustees—with the advice, of course, of administrators).

c. *Controlling*—assembling and analyzing data and directing operations.

d. *Supporting* the above by functional staffs (in a business, for instance) in research and development, law, public relations,

personnel, finance, marketing, production or program, and so on, depending on the nature of the institution.

Administrators are responsible for all actions necessary to reach the goals set by trustees.

4. *Leadership*—going out ahead to show the way—is available to everyone in the institution who has the competence, values, and temperament for it, from the chair to the least skilled individual. Leadership is a more critical requirement for the chair and for the top executive officers. However, if their leadership should not be adequate, and if the institution is faltering for want of leadership, then it is important that whoever is able to assert leadership should do so. Trustees and administrators are empowered to lead, but if they fail to lead, or if they falter, then the system should be open enough so that they can be challenged (and guided) by anyone who can help to show a better way. The continued threat of challenge to their leadership will strengthen both trustees and administrators.

To recapitulate the model envisioned here, then, *trustees* as a body are legally in charge, and they *manage* the institution. *Administrators operate* the institution under goals and general policies set by trustees and from an executive office designed by trustees. Anyone can lead, and there is no single chief executive officer. There is a problem of getting used to the idea of no single chief, but the passage of time will allay that, especially after the now younger generation takes over.

Trustees lead the administrators. Administrators lead the trustees and the staff. Also, sometimes, leadership comes from unexpected places and from people who theretofore were not suspected of having it.

*Trustees* lead but they do not administer.

*Administrators* both administer and lead.

*Staffs* both administer (because everyone makes some decisions, however small, about what should be done) and sometimes lead (because the structure is open enough for anyone to lead who can effectively assert leadership). Their primary function, however, is to perform the tasks of the institution.

Trustees are accountable to all parties at interest for the best possible performance of the institution in the service of the needs of all constituencies—including society at large. They are the holders of the charter of public trust for the institution.

## I

THE TRUSTEE ROLE—  
WHY IT IS NOT ADEQUATE NOW  
AND WHAT IT NEEDS TO BE

### Trustee Initiative—A Historical Precedent

One of the interesting fragments of business history of the period from 1895 to 1915 is how the certified audit of financial statements began. "Chartered" accountants emerged in England in the mid-nineteenth century and first came to this country to check on English investments here. The first law in the United States establishing certified accountancy was enacted in New York State in 1896. Promptly thereafter, as new major companies were launched out of reorganizations and mergers, especially those under the aegis of J. P. Morgan, the elder, they were the first companies to issue financial statements with a certified public accountant's attest (General Electric Company—1898, United States Steel Corporation—1903, American Telephone and Telegraph Company—1913). This procedure is so much a part of all financial reporting today that we have forgotten that it was greeted at its inception with as much apprehension and resistance as is the current suggestion that trustees have their own staffs to supply their needs for information and advice. I do not know that Morgan ordered the C.P.A. audit in his new companies. One can be certain, though, that it was not done without his approval. The C.P.A. audit was but one of the evidences of a new standard of quality, an effort to close the gap that separated mediocrity from excellence, that marked the emergence of these new companies at that time.

In taking these initiatives, Morgan may have been the first trustee in the modern sense. He met four tests that are valid today: (1) he had considerable power over the institution, (2) he was not part of the administration—he had some detachment, (3) he used some of his power to influence moves toward excellence, and (4) he had the good sense to know that the power of neither money nor ideas would change things without exceptional people to lead these new institutions. Furthermore, he was astute in knowing and choosing great institution builders—and he gave them solid support. In my judgment these three companies still bear the mark of that early influence, and they stand in sharp contrast to the get-rich-quick conglomerates of our times that have been put together mostly on the initiative of administrators. The later companies seem not to have the quality of trustee oversight that was in evidence seventy-five years ago.

Administrators sometimes set high standards of their own and achieve an unusual result with part or all of an institution. But this often is short lived because administrators, by the nature of their predominantly operating responsibilities, cannot have the perspective on the institution that trustees can have. In our times, among discerning people, trustees stand as the public symbol of trust (or lack of it, depending on how they perform) and are completely responsible in the eyes of the law. It is possible that a new ethical imperative concerning institutional performance might find its mark with greater force if addressed to trustees than if it were addressed to administrators, or if, as is usually the case, it were simply addressed to the institution.

### Limitations of the Conventional Trustee Role

The principal limitation of the conventional trustee role, as it is practiced today, is the common assumption by trustees that internal officers and staffs, left largely on their own and structured as they usually are, will see to it that the institution performs as it should, that is, close to what is reasonable and possible with its resources. The arguments against this assumption are



presented in the last chapter in the section "Organization: Some Flaws in the Concept of the Single Chief," a concept that seems likely to continue in force as long as trustees remain in their conventional nominal roles.

A second limitation grows out of an aspect of human nature. Few of us, regardless of how able, have the ability to perform consistently at a high level of excellence, to set the goals for our own performance, and to judge our own performance objectively. It is not reasonable to expect an internal operating team to do all of these things well, simultaneously.

A third limitation is that nominal trustees customarily accept, somewhat uncritically, data supplied by internal officers and take no steps to equip themselves to be critical. They restrict themselves to affirming goals that are set by administrators and staffs, and, with the exception of the certified audit, trustees largely confine themselves to reviewing performance through administrators' reports on their own work, with little independent data available to them except what they sense intuitively or gather from the "grapevine." When there are adverse conditions, sometimes trustees are the last to know—and they should be among the first. Consequently, they may rest comfortably with the illusion that the administration of the institution is functioning much better than may actually be the case. Since there is no dependable information source responsible directly to them, most trustee bodies have no adequate way of examining performance. Furthermore, if trustees should decide to set goals, rather than simply to affirm or reject those brought to them by internal officers, they usually do not have the staff help they would require to perform that service.

Finally, with trustees in their conventional nominal role, internal constituencies have too much to say about who their leaders will be. When new ones are to be chosen, they want leaders with whom they will be comfortable—and those can be mediocre. They may need leaders who will disturb them, stretch them, goad them if necessary, but their influence is not likely to support the choice of that kind of person. Even great

administrative builders of an institution who retire with enough power and prestige to choose their successor too often do not select someone who is as strong. In fact, an adequate successor may not have been groomed at all. Only trustees can have the detachment and the interest necessary for grooming and choosing strong executive leadership. However, in their conventional role they rarely try, and they would not carry much influence if they did try, because they do not know enough.

These are substantial limitations. They are deeply entrenched and are not likely to be set aside until at least the following conditions are met: (1) the inadequacy of the usual trustee is established with sufficient force that trustees as individual persons with their own sense of obligation must heed it; (2) there is a much fuller understanding by trustees of the issues of power and ambiguity in institutional operations; and (3) a new trustee role is clearly delineated, with the probable result that a person with another occupation may not be able to handle more than one or two trusteeships.

The first of these conditions is dealt with in the ensuing section, while the second and third will be handled in subsequent sections.

### **Trustees Commonly Do Not Function in a Way That Builds Trust**

Nominal trustees, as they now commonly function, serve two major purposes: they satisfy the legal requirement, and they provide the cover of legitimacy. If the law did not require them, we would invent them for the second purpose, which is most of the justification that administrators and staffs find for them now. Otherwise, why would so many governing boards have only a token black, a token woman, a token public member?

To be sure, governing boards take those formal actions that their by-laws require. In an emergency they may step in and give direction, and they serve as a useful checking source for internal officers. Some trustees with special talents (such as finance, law,

or organization) may give free counsel, especially to nonprofit institutions. These services, however, compromise the objectivity that trustees need. All institutions should pay for the consulting services they require, or if they cannot afford it, they should get it from volunteers who are not trustees.

If one accepts the position that, as trustees now commonly function, they satisfy legal requirements and give the cover of legitimacy but little more, is not this arrangement *neglect* by trustees, administrators, and staffs in which all accept a more limited sense of obligation? Who is being deceived? At whose expense is this carried on? One is inclined to answer, "All of those who are served by, or depend on, the institution," which, if it is a major one, can be a large number of people. They could be better served. Perhaps, though, the greater cost is the subtle (and in some cases not so subtle) compromise in the integrity of trustees, administrators, and staffs.

These are harsh words: neglect, compromised integrity. Yet if one speaks of these matters in less pejorative terms, one gets an answer like, "This is a respectable, comfortable, time-honored arrangement. Please do not rock the boat." The matter would rest there were it not for a growing disquiet about the arrangement—a small but nonetheless significant public recognition that trustees and directors of major institutions are largely honorary and ineffective. In other words, they are not seen as trustworthy. The mere presence of trustees, in the absence of the performance that their place and title imply, does not generate trust—enough trust to give our society the stability it needs. In fact, once trustees are clearly and publicly identified as being largely fictitious, their presence may breed more distrust than if there were no trustees at all. And they fuel the cry for more solutions by government.

These assertions may be seen in better perspective within the context of the ensuing discussion of power and ambiguity in institutional life.

## II

### THE ISSUES OF POWER AND AMBIGUITY IN INSTITUTIONAL LIFE

#### Power and Authority—The Central Issue of Trust

Trustees, administrators, staffs, and various outside constituencies all have power. Any one of them may persuade—by articulation or example or both. Having knowledge gives them power. Being persuasive gives them power. Setting a conspicuous example gives them power. They may also overtly compel, if they have authorized sanctions at their disposal, or they may covertly manipulate. All of them also have power because they have unauthorized sanctions available in the form of options to give or to withhold effort, support, or money in ways that give them some coercive power over the others. The power structure of any large institution is a complex network of forces, both seen and unseen. The understanding of its intricacies and close oversight to prevent abuses is a prime trustee obligation.

Trustees have a kind of power that administrators and staffs do not have. They have the legal power to manage everything in the institution; they have all the legal power there is. They may delegate some of it, but they can also take it back. *They cannot give any of it away, irrevocably, and still be trustees.*

Power and its use is one of the central concerns of trustees. The essential definition of the trustee role is that trustees, as a body, hold all of the ultimate (legal) authority. However they do not use power operationally; that is, they do not administer. They use their legal power to secure information and to monitor and to control the operational use of power. This is the central issue of trusteeship: trustees hold ultimate power but they do not use it operationally. Yet they are responsible for its use.

*Power and authority* have many meanings. In this discussion power will mean both "persuasion," where the response is truly voluntary, and "coercion," either overt compulsion or covert manipulation. *Authority* will be taken to mean the sanctions that legitimize the use of power. The history of usage of the words *power* and



*authority* from the earliest records in biblical times suggests that the many meanings they represent have long been a preoccupation of thoughtful people. It is an intense preoccupation today.

Trustees are known to have the authority to control the use of power within the institution. However, they are also known to exercise that authority only in the event of gross and flagrant abuse of power. Until recently, there has been little questioning of the resulting nominal or honorary status of trustees and the mediocre institutional performance that results from it. There has not been much concern that the power within the institution be used for socially constructive ends—both within the institution and in its impact on society at large.

Lord Acton's maxim, which I accept, asserts: "Power tends to corrupt and absolute power corrupts absolutely." However, trustees of our major institutions seem not to take this very seriously, or else they would not delegate the use of power as freely and with as little monitoring of its use as is now common. Trustees have the obligation to oversee the use of power in order to check its corrupting influence on those to whom it is entrusted, and to assure that those affected by its use are positively helped and are not harmed. This is a large order. Few trustee bodies are prepared to act on it. The following way of thinking is suggested to guide trustees as they grapple with the obligation.

*The role of trustees is to hold what approximates absolute power over the institution, using it operationally only in rare emergencies—ideally never. Trustees delegate the operational use of power to administrators and staffs, but with accountability for its use that is at least as strict as now obtains with the use of property and money. Furthermore, trustees will insist that the outcome be that people in, and affected by, the institution will grow healthier, wiser, freer, more autonomous, and more likely to become servants of society. The only real justification for institutions, beyond a certain efficiency (which, of course, does serve), is that people in them grow to greater stature than if they stood alone. It follows then that people working in institutions will be more productive than they would be as unrelated individuals. The whole is greater than the sum of its parts.*

In essence, this view of the use of power holds that no one, *absolutely no one*, is to be entrusted with the operational use of power without the close oversight of fully functioning trustees.

### Ambiguity in the Institution— A Challenge to Trustee Understanding

The trustees' concern for the use of power is complicated by the condition that life within the institution is not wholly rational (no more than anywhere else). If life within a large institution were wholly rational, a computer could probably be designed to administer it better than people. However, it is not wholly rational (fortunately, for us humans who need the ambiguity to test our humanity and our adaptability), and it presents three kinds of challenges that can bring virtual paralysis to the administration if there is none of the effective intervention that trustees are best positioned to make.

First, there is *the operational necessity to be both dogmatic and open to change*. No individual, certainly no institution, can operate for a day without a good deal of dogma. There is too much to decide, too great a variety of situations to be faced, for anyone to consider each situation as if nothing like it had ever appeared before. When people operate under pressure, as is common these days, they can deal with what they confront only by acting within some consistent pattern. One would hope that they will see enough of the nuances of each situation to make suitable adaptations.

Most institutions that survive over a period of time do so because they have a survival pattern, a dogma that gives a general direction of rightness. Those who administer and staff the institution become highly competent in operating within that pattern. Yet unless they are periodically challenged on the adequacy of that pattern, eventually they lose survival ability. Long before that happens, they probably cease to function at their best.

Occasionally an inside administrator will detect, in time, the need for a new pattern and effect a change in course. This,

however, is a chance happening; the structure does not favor it. Sometimes even when the key administrators, such as the president of a university, detect the need for a new pattern, they are unable to move the institution. Just keeping it operating on the old pattern presses their leadership to the limit. In such a case the risk of change looms as a greater threat than the risk of failure, even though the old pattern is clearly destined for failure. Administrators, in the nature of things, are preoccupied with the immediate pressing issues of today, when the very real changes in preparation for the future must be made, if they are to be made prudently. The critical signals are those that tell one that action should be taken today in order to forestall impending trouble tomorrow. These are the signals calling for change *now* that the busy administrator may miss.

Trustees have a better chance than the administrator to be open to change. In fact, this is their role—to maintain openness to change, which their relative immunity from day-to-day operational pressures makes possible. Yet administrator and trustee are not sharply differentiated roles. In fact, they are a close mesh, in which the administrator should be mostly dogma and a little bit open to change, and the trustee should be a little bit dogma and mostly open to change. The two roles, closely linked and working in harmony, should take care of both today and tomorrow.

A second ambiguity is the *disability that goes with competence*. Ordinarily we think of competence as a linear "good"—out to infinity. Not so! A critical disability that goes with expanding competence is the inability (or unwillingness) to examine the assumptions by which one operates. In order to achieve great competence, individuals (or institutions) must put their heads down, cut out the peripheral vision that might keep the assumptions always in view, and run! Very few people, as individuals or as parts of the operating mechanism of large institutions, can acquire a high level of specialized competence *and* keep a perspective on what is going on that tells them how good that competence is—in social value or in an ultimate competitive sense.

This disability that goes with competence may seem an abstract concept until one deals with an institution in some crisis, large or small, that requires a shift of goals if it is to continue to prosper and to serve. The task of determining new goals is then clearly seen as an appropriate function of trustees, because only they are sufficiently inside to know and yet far enough outside, free enough from operating involvement, to examine dispassionately the assumptions that now guide those who have high operating competence. Trustees can then help decide which assumptions are still valid and which should be modified or abandoned, and what new ones should be postulated.

Assumptions that guide operating competence are the major stuff of which goals are made, and trustees are best positioned to question, to originate, or to affirm these assumptions. They are not in a very good position to revise old goals or to set new ones unless they have a full understanding of the problem of acting on the present goals.

A third ambiguity is the need for a healthy *tension between belief and criticism* as part of the dynamism that makes a high performing institution. Operating officers and staffs need to be mostly *believing*. Trustees need to be mostly *critical*.

Administrators and staffs need to be mostly believing because the morale of those who do the work of the institution needs to be sustained, and part of the trust of all constituencies rests on a communicated belief in the rightness of what is being done.

Trustees need to be mostly critical because it is the scrutiny of a critical attitude that keeps administrators and staffs on a true course. Part of the basis for trust by all constituencies is an awareness that a critical watch is being kept. It is a sounder arrangement for the critical watch to be kept by those in whom ultimate power is vested, those who control the use of power by requiring a strict accountability for its use.

A critical watch, however, requires more than just a critical frame of mind. It requires that trustees have a level of information and advice sufficient to make their criticism penetrating and meaningful. Few trustees and directors, as their roles are now

structured, can be critical in other than a remote consulting sense, and they usually have that only in a narrow field of specialized competence that they bring from another situation. Also, their advice often bears the burden of unexamined assumptions because it is a judgment rooted in specialized competence rather than in the kind of explicitly developed trustee information that is relatively free from the disabilities of competence. Such judgment from competence that a trustee may bring from another situation is useful as a sort of secondary check. However, what is needed as a trustee's critical judgment cannot be built on this source alone, because doing so tends to lock all institutions into a common set of assumptions that may not be adequate for any one of them. This seems inevitable when trustee bodies are selected almost entirely for their competence in some other situation. They cannot be sufficiently critical, and they believe too much in the standard ways of doing things.

Administrators are mostly believing and a little bit critical, while trustees are mostly critical and a little bit believing. There is a subtle overlap between the two roles, yet they are more different than they are alike. The need for trustees to be preponderantly critical requires that they be in a complementary but different role. The next several sections describe such a role.

### III

#### BIGNESS—A NOTE ON THE IMPLICATIONS OF SIZE

The choice of large institutions as the focus of this chapter was made because this has been my predominant experience. By working with a few small institutions I have learned that "small" and "large" are not different-sized copies of the same thing. They are qualitatively different. Those who are familiar with small institutions and who are concerned with the quality of their performance should address this as a separate problem.

Ours is a society that is dominated by large institutions, and some of the criticism of our institutions has been addressed to

bigness, as such, as a cause of their failure to serve better and, in some instances, of their positive harm. This may be because a single institution that is big and bad is more of a social problem than if it were small and bad. Bigness concentrates a conspicuous amount of power in a few hands. If that power is not used affirmatively to serve society well, or worse still, if it is negatively used to hurt, there is a tendency to blame bigness as the cause. One the other hand, if the power is dispersed through many small institutions, the service may be as poor and the hurt may be as great or greater, but there is no convenient single institution or a small cluster of them, to blame.

In a complicated, hard-to-manage society such as ours, when power is misused in large institutions to such a degree that government must respond to it, an action like "break up the big ones into small ones and insist on competition" is apt to be the remedy. If trustees and directors of these large institutions maintain their traditional nominal or honorary roles, there may be no feasible alternative to the use of this crude sanction that, in the end, may create more problems than it solves, because it does not have the effect of building quality. It reduces concentrations of power, but it does not assure that many holders of dispersed power will do any better.

The coercive power of government is mostly useful to restrain. The building of voluntary institutions as instruments of quality comes more from the incremental actions of individuals as they serve and lead, and as they gather those complementary talents that give completeness to leadership of an institution. While the antitrust laws are addressed to business institutions, the problem and the opportunity of bigness is as great in the nonprofit field. However, the misuses of power in the latter have not as yet drawn much restraint from government—except in the case of foundations.

Foundations are an interesting illustration of the problem of bigness. They are more vulnerable to restraint by government because they are usually secondary institutions that do not directly serve a need. (They mostly give money to other nonprofit

agencies that do serve a need.) Then, some legislators tend to regard foundations as disburers of government money because, with much of foundation assets, if the money had not been put into a foundation treasury, it would have been paid in taxes. Also, because they do not render a direct service, foundations do not have a constituency—they have few friends. This the foundations discovered when hearings were being held leading to the tax reform act of 1969.

Before the passage of the 1969 law, there had been long-suspected abuses of the foundation instrument—self-dealing and misappropriation by smaller foundations—but it was a few grants by large foundations in the 1960s that members of the Congress judged to be imprudent that brought the new, and very restrictive, foundation law. Judging by the congressional hearings, the law was at least in part an attack on the power of bigness as such. The new law does correct some abuses, but it is a crude and cumbersome law that injects a burdensome bureaucracy into foundation administration that inhibits the creative use of foundation funds—and one of the major criticisms made of foundations is that they tend to be uncreative.

The point of this reference is that there was a long period of warning that some members of Congress were concerned about the misuse of the foundation instrument. These warnings went directly to foundation trustees, through questionnaires addressed to them personally from congressional committees. There was ample opportunity for the trustees of large foundations, which were mostly free of the abuses complained of, to study the problem, to draft a workable law, to take it to the Congress, and to urge its passage. In their own self-interest they would have gotten a law that was easier to live with, and they would have served the country by getting the abuses corrected sooner, and perhaps better, than the law ultimately passed as a result of initiative generated almost wholly within Congress. I was a foundation trustee during some of the pre-1969 years and received these questionnaires. I was not aware that these were my

alerting signals to respond creatively as a trustee. Needless to say, there was no suggestion anywhere that this was my role.

This example illustrates one of the recent conspicuous failures of trustees of large institutions, the failure to make an asset out of bigness. *In every field*, if trustees and directors of all large institutions were to accept the full implications of their roles, if they organized themselves to serve their institutions so as to assure performance that is much closer to what is reasonable and possible with their available resources, human and material, and if they had staff support so that they would know what to do—in *every field*, the major voluntary institutions could foresee the need for governmental action, could take the initiative and research the problems, could draft the legislation and the rules, and could urge their adoption by government at all levels. The country would be better governed, and the institutions themselves would be stronger and would serve better.

This is a role for trustees and directors of major institutions. It is not reasonable to expect it from the governing boards of small institutions. Nor should it be expected of administrators of any institution, because they have a preoccupation with current operating details that makes it unlikely that they will take this long view of the part the institution should play in the total social structure. It is one of the opportunities of bigness that is best responded to by trustees. Everything that is big is vulnerable because it is conspicuous and because it is easier to regulate. Yet big institutions have the opportunity to assemble and to use, in a team relationship, exceptional specialized talents that are not as available to small institutions. Important in these talents is the foresight to determine when the regulating power of government should be sought and to become the persuasive promulgator of effective regulations. This, it seems to me, calls for a new trustee role.



#### IV A NEW TRUSTEE ROLE— HOW TO DO IT BETTER

### The Problem of Getting It Done

This chapter was not written to help trustees do just a little better with their roles as now defined. The aim here is a substantially new institution, one that serves society much better, far ahead of anything that now exists or that is now dreamed of as possible.

Perhaps some competent, responsible people will say that, human nature being what it is, the recommendations here are too idealistic and therefore impossible. They should be reminded that we got where we are by doing the impossible, and future progress in the quality of our major institutions, which is both inevitable and imperative, will be by the same route!

Three major obstacles stand in the way of taking experimental steps to explore the course recommended here. First, most of the efforts to meet the rising social expectations are *largely coercive*, either through governmental edict, the fostering of countervailing forces, or pressure tactics.

Then, second, we are so wedded to the belief in one-person leadership, even in very large institutions, that many constituencies, including trustees, believe that only with luck in finding a "chief" with miraculous powers will the institution perform better.

A third obstacle grows out of the common assumptions about how things get done in large institutions. Under these assumptions, the administrators and staffs assume the total burden and trustees are kept in a subservient role, partly because it is the custom (and only a rare hard-nosed and determined trustee will challenge the custom), and partly because trustees do not know enough or devote enough time to do differently. As matters now stand, without some carefully taken steps that are guided by a new concept of how a large institution might be better governed, the inside professionals are not likely to welcome a more affirmative trustee role or the intrusion of a new information

source that is responsible directly to trustees and that penetrates the closely held data banks inside the institution.

These are substantial obstacles. Obstacles, however, are problems, and problems are things to be solved. The three mentioned are the kind of *ultimate* problems that only trustees have the ultimate power to solve.

### The Trustee Role—Initiating Rather Than Reacting

The conventional trustee role may be described as a *reacting* role. In such a reacting role, trustees usually do not initiate or shape the character of the institution, nor do they see it as their role to examine the traditional administrative wisdom. If they are conscientious, and most of them are, they will do the following: try to install competent operating officers, and support and encourage them; maintain some gross controls by requiring trustee approval on certain major actions; check such data as they have for evidences of serious malfeasance; and affirm, deny, or modify policy questions that are submitted to them. This may be labeled fairly a *reacting* role. It is all right as far as it goes, but it no longer goes far enough.

What would be required to put the trustees in an *affirmative* role, so that, if they are capable and dedicated, by their action they can help an institution to function at its optimum?

The answer to this question is that trustees need a new view of people at their best in institutional roles. That view can be simply stated: *No person is complete; no one is to be entrusted with all. Completeness is to be found only in the complementary talents of several who relate as equals.* This flouts one of the time-honored assumptions—almost an axiom—of administrative lore: "You cannot manage by committee! Delegation of authority must be made to an individual." What do we do about that?

We should take the same attitude toward this well-established axiom that modern mathematicians take toward Euclid's assumptions, which stood unchallenged for two thousand years and eventually got in the way of the progress of mathematical thinking.

When they were identified as being in the way, some of Euclid's assumptions were reversed in order to produce mathematical thinking that could do things that were impossible under Euclid's assumptions. We are at a similar point regarding administration. We must reverse the assumption that operating delegations can be made only to individuals. We must reverse it because that assumption is standing in the way of the next big move from mediocre performance toward a much higher level that is reasonable and possible with available resources.

The new assumption is that delegation of authority from trustees to operating executives is best made to a team of several persons whose exceptional talents are complementary and who relate to one another as equals, under the leadership of a *primus inter pares* (as discussed in the last chapter). There is a caution, however. It is also assumed that this is not a workable arrangement unless the trustees fully accept and operate under a definition of their roles as stated earlier in this chapter. If trustees want to remain in their present nominal or honorary roles, then the advice here is to stay with the concept of the single chief and to accept the prevailing mediocre performance that goes with that arrangement. However, if trustees want the institution to break out of its mediocre performance and to sustain a new high level, then the view of people as working best in teams with complementary talents is suggested. If trustees can accept that premise, then they should proceed to design a new role for themselves and be prepared to invest the time required, the principal dimensions of which are as follows:

*Set the Goals: What business are we in and what are we trying to accomplish in it?* Profit-making business firms have some trouble with this question. Other institutions, such as churches, universities, philanthropies, and social agencies, have a great deal of trouble with it. The first thing an institution needs to do in order to start on a conspicuously higher course is to state clearly where it wants to go, whom it wants to serve, and how it expects those served directly, as well as society at large, to benefit from the service. Unless these are clearly understood, an institution cannot

approach its optimum performance. Yet the internal administrators, left to themselves, usually hesitate to state goals so precisely.

*Performance Review.* Since the administration is involved in the performance of the institution, part of the data the trustees use for their overseeing role should come from a source that is independent of administration. In a later section the trustees' need for their own information source will be discussed in more detail.

*Executive Growth and Selection.* Every large institution that is to be optimal in its performance should produce leadership out of its own ranks. If it is to be exceptional, it should produce more leadership than it needs and thus export leadership to other institutions. It should import some leaders and other trained persons in order to avoid becoming inbred and to keep the organization stimulated, not because it does not produce enough of its own. Growing people, releasing people for important work elsewhere, and bringing able people from other experiences should be a constant concern for any institution that wants to function at its optimum. However, some otherwise able administrators become so preoccupied with day-to-day performance that they sometimes neglect this vital organization-building work, which needs constant attention. In the long run this neglect can be a fatal flaw, regardless of short-run performance. Therefore, close overseeing of executive growth and selection is suggested as an explicit function for trustees.

*Organization of the Top Executive Office.* As noted in the last chapter, the organization of the top administrative office and the assignment of functions is not something that the members of that office can do well. They can do it for other parts of the institution, but not for themselves. They cannot be faulted as persons for this. Of course, left to themselves, they work it out somehow, but optimal institutional performance does not result. Because they are not administrators and therefore do not have this problem, trustees are in a position to have the objectivity and the perspective on the institution to work this out.

*A New Concept of Trust.* Everyone in the institution has a share in building trust. The administrators have the major



responsibility for institutional performance that merits trust. However, if there is *not* enough trust (and the premise stated at the beginning of this chapter is that in most institutions today there is not enough trust) and if the level of trust has been low enough long enough, then it must be assumed that internal administrators, as institutions are now structured, will not deliver an adequate amount of it. It is then the obligation of trustees to fulfill what their title implies and become initiating builders of trust. They should see this as their role. They will not supersede administration in doing this. Rather, they will become strengtheners of administrators in *their* trust-building roles.

Trustee acceptance of this view of their role will result in reconstructing trustee bodies substantially, and, if the transformation is successful, it will lead to a whole new era of institutional performance along with the enrichment of the career experience of those who administer and staff our major institutions. As a result, trusteeship will become a much more rewarding experience.

## The Trustee Chair

If trustees are to function well within this much broader definition of their role, they need a rather unusual person as their chair. This new chair will be just as different from the present ones as the affirming trustee is from the reacting type that is being replaced.

First and foremost, trustee chairs will *not* be officers of administration. In fact, their best career route may not be through administration at all. In large institutions, chairs will probably be full-time salaried people. They will be the professional leaders of trustees who may be either full-time or part-time. In either case, trustees would be paid adequately for what they do—enough to compensate them for carrying the exacting obligations as defined above.

Chairs, as leaders of the trustees, should be selected by their colleagues for their dedication to optimal performance of the

institution and for their ability to make the trustee role an exciting, creative, and very responsible endeavor, far more rewarding to the able trustee than the prevailing reactive role. The chair, thus concerned, will be *primus inter pares*, not chief. In such a role, chairs will be first among equals and responsible to their peers, the trustees.

The first step for any trustee of a major institution who feels the obligation to move the institution much closer to its potential for service to society is to get a chair who has the ability and the determination to *lead* it there and who will devote a major portion of the available time, if not full time, to that mission.

We cannot have better institutions unless we have better leadership in chairs. This chapter is written in full confidence that an ample supply of able and experienced people exists who can be trained as both chairs and administrators, as the roles are defined here. Potentially, there may be many more able people than seem to be available for these two roles, as they now exist, because the two proposed roles make a better distribution of the burdens of leadership and provide for a healthier relationship.

However, it cannot be assumed that everyone who is potentially capable of being an effective chair knows how or will learn from experience alone. Therefore there needs to be a Charing Institute, a place where the art of chairing is researched and taught. Every new chair should go to the institute for introductory training and should return periodically to keep the skills of chairing in good order and to learn more as knowledge of the art progresses.

## The New Trustee Is Not a Super-Administrator

The roles of trustees (who manage) and of operating executives (who administer) were defined at the beginning of this chapter as separate and distinct. Definitions, however, do not settle doubts, and one of the doubts about the new trustee role is expressed in the question: How can the trustee perform this function without encroaching on what administrators have to do to lead the institution to the expected achievement?

The best answer to this question is that the trustee chair is professionally trained as a chair, just as the administrator is trained as an administrator. Chairs are not simply former administrators who have been moved to the position of chair without examination of their qualifications for it and without specific training in how the role is best performed. The requirements made of both trustees and administrators will be more exacting, as one would expect, if the performance of the institution is to rise.

Some basic principles will need to be explicitly accepted, such as that *no one, absolutely no one, is to be entrusted with the operational use of power without the close oversight of fully functioning trustees*. If old-style administrators do not accept this, then clearly they will feel encroached upon. There will be a transition period. Some able administrators who cannot make such an adjustment but who are too valuable to lose may continue to operate in the old style. General Eisenhower faced this problem when he had to deal with General Patton after the latter had slapped and cursed a battle-fatigued soldier in a field hospital. It is implied in the report of the handling of this incident that General Eisenhower did not think that someone who did what General Patton had done should be commanding troops, but he just did not have another general who could cope as well with the major actions that lay immediately ahead. Therefore he left Patton in command.

In closing this reference we should note that there are some able people who ought not to be trustees or administrators of major institutions either under the existing arrangement or under the one proposed here. One of the important advantages of the proposed new structure of relations is that it will more quickly and sharply expose those who should not be in institutional leadership at all—either as trustees or as administrators.

## V

INFORMATION: THE KEY TO RESTRUCTURING  
THE TRUSTEE ROLE

As modern institutions have evolved (and they are very recent), one of the possible reasons that trustees have failed to emerge in their appropriate roles is that they have not been properly informed. Because they are not (and should not be) insiders, as administrators and staffs are, and because their role is different and they may invest only limited time, they cannot be informed as insiders are. They cannot receive all of the formal communications that administrators use, they do not participate in operating decisions, and they are not a part of the informal communication network. *And this is as it should be*, because objectivity and noninvolvement are parts of the strength of the trustee role.

Some of the information that trustees need to know is the same as what inside administrators value. For example, both should have the same basic, summarized financial information and the findings of the independent audit. But most of their information needs are different because their roles are different. Administrators are usually adequately informed for their roles; trustees usually are not.

What do trustees need to know? They need to know what is required to carry the four major functions of trustees as defined earlier: (1) set the goals and define the obligations, (2) appoint the top executive officers and design the top administrative structure, (3) assess the total performance of the institution, and (4) take appropriate action based upon what has been found in that assessment. In addition to these, there usually are certain areas specified in the by-laws for trustee action.

How is the content of this trustee knowledge to be determined? Who will secure it? And how is it best presented and utilized?

The content will be what trustees need to know in order to act, in the first instance, on matters with which they should be concerned. The recommendations of administrators and staffs usually will be a part of the information trustees will want to

have. But trustees will need information in addition to what administrators and staffs give them so that they can make their own independent judgment, contrary to administrative advice if that is their considered judgment. The trustees may examine their information in meetings of the whole or in subcommittees. Trustees will decide the extent and nature of the information they require in each area where they will make the decision. It is important, however, that all information to trustees, whether directly from informed people from inside or outside the institution, or through presentations of studies and reports, be designed for the special needs of trustees; it should not be merely selections or abstracts from information prepared for the use of administrators and staffs.

Who will secure the information for trustees? One of the functions of the chair (who is *not* an administrator and, in a large institution, is either full-time or part-time) is to see that trustees are properly informed. Chairs, or staff persons responsible to them, will oversee the informing of trustees, including the design and gathering of the data. Some of this may come from inside the institution, from the efforts of internal staff, and some may be from independent research firms or consultants who will be engaged by trustees and report directly to them. The direction of all of this will be by the chair or the trustee staff.

How shall trustee information be presented and utilized? By a minimum of written material and a maximum of audiovisual presentation to trustees as a group. The reason for this choice is that trustees are a deliberative body and information should be designed to give them what they need for the decisions they must make, to conserve their time, and to facilitate a group decision out of discussion.

In summary, what is wanted is a fresh analysis of trustee information needs and a design of presentations that are carefully tailored to facilitate the specific judgments and decisions that trustees will make.

Carefully and imaginatively designed trustee information will serve three ancillary purposes: (1) It will provide a constant

influence to focus attention on clearly designated trustee functions and help prevent involvement with administrative matters. (2) It will provide a structure of knowledge about the function of trustees that will make possible explicit training for the trustee role. (3) It will help make service as a trustee a rewarding involvement for the kind of people who should be trustees, and it will justify a greater time investment than trustees normally make. Furthermore, it will facilitate recruiting the right people as trustees.

Providing information to trustees on the basis suggested here is both difficult and expensive, and it clearly signals a new *initiating* role for trustees as contrasted with the usual *reacting* role in which trustees are *nominal*. If the transition is to be made in a constructive way, with a minimum of loss of vital force and a maximum gain in institutional strength, all constituencies, particularly internal officers and staffs, will need to *want* trustees to perform so that *trustee judgments* will stand on a par with all other judgments by or about the institution. The following section deals with this question.

## VI

### TRUSTEE JUDGMENT

Although trustees may not have professional or administrative expertise in the particular institution, theirs is not a *lay* judgment. It is a unique thing, a *trustee judgment*, and it stands on a par in importance with any other judgment within the institution.

This is a difficult concept for inside administrators and professionals to accept. The medical staff of a hospital may ask: How can trustee judgment be equated with a medical staff judgment *in a hospital*? The answer is that both hospitals and the medical profession are in deep trouble because doctors have not admitted the parity of trustee judgment with their own (the crisis in malpractice insurance is a case in point). Until quite recently doctors were individual practitioners working alone in their offices and in the homes of their patients. When medical practice evolved to

the point where it was deeply enmeshed in *institutions* (hospitals, clinics, research centers, insurance companies), the parity of trustee judgments should have been acknowledged—but it wasn't, hence the problem.

Universities and colleges where faculties have been equally reluctant to accept the parity of trustee judgment are rapidly heading for a different kind of crisis. Mark Hopkins on the end of his log probably did not need trustees. But institutionalized education *does* need them, and their judgments need to be respected.

How, the troubled professional may ask, could we be expected to accept a parity of trustee judgment *with the kind of trustees we have*? That would be folly! Granted. But, I would answer, you were unrealistic in assuming that your professional work could be institutionalized *without* a parity of trustee judgment. You should have insisted on effective trustees, and you ought to insist upon them now—for the good of your work and for your own self-protection. An institution, especially a large one, is not a safe arrangement for any service or for any involved person unless it has effective trustees who can contribute a quality of judgment that no administrative or professional group can generate wholly with its own resources.

*What is trustee judgment?* It is a meld of the following unique aspects of the role of trustee: (1) trustees have the perspective of detachment that no insider can have; (2) they have their own information source that equips them for their special functions; (3) trustees are free from the pressures and minutia of day-to-day operations so that they can take an overview as well as project the future; (4) trustees do not have a career stake in the institution—their motivation can be less self-centered; (5) effective trustees stand as symbols of trust; therefore they can provide a shelter of legitimacy in a way that deeply committed insiders cannot; (6) because trustees are not colleagues who may have contending interests, they can function creatively as a group on issues that internal constituencies may not be able to resolve; (7) trustees are better able to have a sense of history, past-present-future, and therefore are better able to hold the institution's vision and keep

it steady, and they may better see the path to survival and long service; (8) trustees can keep the concept of ultimate purpose in sharp focus and hold it up as a guide at times when the insiders are hard pressed to stay afloat from day to day.

If trustees are well selected and well led by their chair, and if they devote enough time to exploit all of these unique aspects of their role, their judgments merit respect on a par with the best that the rest of the institution can produce.

Consider the following example of what I believe is a major trustee failure of our times.

When the historians of some future age try to sort out the artifacts of our present times, one of the questions they may ask is this: How could we have supported the vast aggregate of society-building institutions—churches, schools, foundations—and allowed them so studiously to avoid the one service that would have assured a great and long durable future for our particular civilization, that is, *preparing those of the young who are capable of it for responsible roles as servants*? I have been around enough among churches, schools, and foundations to be convinced that there is a lack of willingness to rise to the opportunity. Preparing the young for responsible roles as servants is neither expensive nor difficult to do, but it is not now the focus of much explicit effort. It is assumed to be one of those things that is implicit; it is just supposed to happen. And we have charmed ourselves into believing that it is being done. *It is not being done!*

We might make it easy for those future historians and write down a possible answer to their anticipated question and leave it where they will find it. The reason for this gross failure, I believe, is that this is one of those crucial issues on which a respected trustee judgment is absolutely required—and it has not been forthcoming.

Administrators and professionals, left almost wholly on their own without effective trustees (as most of them now are), may fail to take that one step on which sheer survival of the institution depends. They get hung up on a fantasy that it is taken care of. And only the vigilance of strong, effective trustees has



the chance to catch this fault when it happens and demand that action be taken.

Trustee judgment is the last line of defense within the institution against what are sometimes colossal errors in judgment and failure to set adequate goals, by the best professionals and administrators. The failure explicitly to prepare future bearers of responsible roles *as servants* is such an error by administrators and staffs of churches, schools, and foundations in our times. Trustees seem not to have noted this failure.

The trustee who has good trustee judgment, and who wants to gain ground in building a better institution, will know that three decisions need to be made about any action that, in the test of time, turns out well: (1) there is a good idea; (2) good people are committed to carrying it out; and (3) resources are placed at their disposal.

A good trustee judgment, one that stands on a par with all other judgments and is respected by all other constituents, is a blend of good judgments on all three of these elements. An error on any one of them will doom the action to failure. Only trustees are in a position to make a good judgment and to set the policies to guide others in making such judgments on *any one* of these elements. Trustees do not have all of the answers, but they can best utilize what data there is in making some crucial judgments and in establishing policies to guide the judgments of others.

## VII

### A PEDAGOGY OF TRUSTEESHIP

What trustees should be and do is not yet obvious in the culture. Therefore trusteeship is a social role that needs to be explicitly conceptualized by each trustee group. Further, conscientious trustees will accept (1) that it is not sufficient just to understand their role, (2) that how they should carry that role will not necessarily evolve out of experience, and (3) that the trustee role needs to be consciously learned by each board. Also,

some means for assuring sustained high performance is important for trustees, just as it is for everybody else.

Trust begins with good motives. But competence, and a way of sustaining competence, needs to be added to good motives.

If trustees posit a role for themselves that will enable them to be influential in raising the performance of the total institution to the optimal (and I have tried to describe such a role in this chapter), they confront a difficult problem: how to carry that role *as a group*. It is one thing to carry a trustee role as an individual. It is quite another to function effectively as a part of a group process.

If very much of what is advocated in this chapter is accepted, then a trustee board will do well to search for a *coach* who will help them learn an appropriate process so that they will become an effective collegial group whose judgment deserves to be respected as superior wisdom in matters that trustees should consider and decide. Since no group will ever achieve this fully, the coaching process will be continuous.

Engaging a coach to help trustees to operate by a process that favors their optimal performance serves to acknowledge that a conscious learning process is accepted, that trustee performance will always fall short of perfection, but that the full obligation of trust calls for a constant striving for perfection.

Where does one find such coaches, and how do they do their work?

If the trustees acknowledge that they need and want a coach, they can find one. The Yellow Pages do not list such coaches, and they probably never will. Each trustee body has the opportunity to evolve its own coach. This is part of the creative challenge of being a trustee. And part of the excitement of being a trustee is interacting with a coach.

Trustees in search of a coach are advised not to seek among those who profess credentials in group process. This is not said to denigrate the expertise of such persons. It is simply that if the search begins among the "group process" people, the risk is too great that an uncongenial ideology will be imposed. Rather, I suggest that the search be made among those able people known

to the trustees who would be accepted among them as a peer, but whose best contribution would be as a coach rather than as a trustee. Such a person's contribution might be greater, in the end, than that of any single trustee.

Trustees will accept strategic and tactical leadership from their chairman. They will accept conceptual leadership from their coach. They will expect from the coach a close monitoring of the *process* of their deliberations but abstention from the value weighing that precedes consensus.

The coach might best be selected, as I have said, from among those who are not established as specialists in group process. But when the role is understood, the coach might then learn what is useful to the new role from specialists in group process.

The primary aim of the coach is to facilitate consensus—achieving one mind. The effective trustee group is not merely one that hears all of the arguments and then votes. Rather, it reaches a consensus—a group judgment that will be accepted as superior wisdom. Without the acceptance of all constituencies that trustee judgment is superior wisdom, there is little leadership possible for trustees. Part of the acceptance of trustee judgment as superior wisdom rests upon a consistent group process that is carefully monitored by a coach.

There is very little sustained performance at the level of excellence—of any kind, anywhere—without continuous coaching. Since trustees have the obligation to monitor the performance of the institution, and since trustees are the court of last resort, trustees who want to do the best they can will provide for the monitoring of their own work. *And this is how they will learn.*

## VIII

### THE "TRUSTEED" SOCIETY—A POSSIBILITY

I do not see the possibility in the foreseeable future of a golden age in which the nobler motives of humans will emerge as universal. Nor am I sure that I would want to live in such a society.

if it happened. But I do foresee, and hope for, the possibility that large numbers of trustees will emerge who live up to the possibility for trust that is inherent in their positions, a standard that is now generally missed by a wide margin.

Trustees can become the persons who are trusted partly because they are seen as being unusually sensitive to the corrupting influences of power and partly as an effective bulwark against the abuses of power that are so common today. They would be the people, among all others, who would insist that power be used to serve and not to hurt.

Trustees, then, quite apart from their governing role in the specific institutions they oversee, would, as individual citizens, become a conspicuous leaven in a society that is much too disposed to violence and in which a crippling low level of trust prevails. Where trust is required, they would be the first ones turned to because they are the ones most likely to be trusted—trusted to serve and not to hurt.

As matters now stand, when an issue of importance needs the help of a commission, either *ad hoc* or long term, the usual resource is to turn to status people: administrators, active or retired, lawyers, office holders. And these, too often, are not seen as having credibility as persons to be trusted. They are not necessarily untrustworthy, and they may be wise, judicious, experienced, and dependable. But they are not conspicuously identified in the public mind with *trust*, because they have not carried a role that would justify that view. They are more likely to be seen as persons who are skilled in the operational use of power—able, but not to be trusted except as they function under the close oversight of trustees who are established as servants. Yet they are all we have because *the trustee as servant* has not evolved as a distinctly recognizable role in sufficient numbers to constitute the leaven of which such persons are capable.

As a nation (perhaps as a world society) we stand in dire need of some new visions of our future course. The nuclear sword of Damocles hangs over our head, crime is rampant, too many of the young are alienated, the economy is not functioning



well and seems not able to right itself, the environment is in danger—the list is long and ominous. But perhaps the greatest threat is that we lack the *mechanism of consensus*, a way of making up our collective minds. And, with an unprecedented social structure that has rather quickly become overpoweringly vast and complicated, there is no way for the body politic to arrive at the necessary decisions on a representative basis. The necessary consensus is likely to emerge *only* if some persons who know enough are *trusted* to find some ways to go. Most of us will then follow their lead—because they are trusted. I know of no other way that we might get together for our mutual good.

For ours to become a “*trusted*” society in the sense I have outlined it, as contrasted to a manipulated one, which is mostly what we now have, the large number of trustee positions in all of our voluntary institutions should be consciously used, not only to build serving institutions, which is their primary function, but to constitute a leaven of trust in society at large, a unique resource in the public decision process.

It is no small order. But what is there to lose by trying?

And what is to be gained by trying? What is to be gained is that the trustees can add the precious element of caring—a collegial group that is within the institution but that stands apart from the operation and *cares*.

## IX

### HAVING POWER; HAVING AN IDEA; HAVING THE PEOPLE—AND CARING

Earlier I noted that J. P. Morgan (the elder, who died in 1913) may have been the first trustee, in a major way and in the modern sense. He had power, great power; nobody like him is around today in the nongovernmental sector. He had an idea, a concept of what an institution might become, way ahead of his time, and the times have not yet caught up with his thinking. He knew that strong people were required to build the institutions he wanted—and he knew who they were among his contemporaries

*And he cared.* Great institutions were important to him. Evidently he cherished them deeply.

If he were among us today, and if he were just as he was in his prime, he would not be judged acceptable—because of his style of living, his ruthlessness, his disdain for government, and his failure to foresee the ultimate consequences of his kind of one-man power. But in the context of his times, he was a great trustee.

In saying this I am not speaking abstractly. I spent thirty-eight years in one of the businesses that was a result of his genius for caring. I entered it straight from college thirteen years after Morgan had died and six years after the death of the great institution builder he had installed as its head early in the twentieth century. But most of the organization that had built the modern business was still intact, and I had a chance to know some of the builders and talk with them about how the remarkable transformation of this business had come about.

I was a naive youngster from a small town and a small college, and I came to this experience with nothing but a few words of advice from an old professor of sociology to the effect that there is a growing “people” problem in all American institutions and some of us should get inside and work on it. From the outside I could criticize as he did, but I could *do* something about it only from the inside. Nearly fifty years elapsed before I came to the understanding of that advice that I now have. For more than forty years I attributed the remarkable institution I worked for to the effort of the great builder whom Morgan had installed as its head. It was only recently that I acquired the perspective to see that, crucial as the influence of this builder was, he was the secondary cause. The primary source was Morgan, who met the four tests outlined above. If the person who built it had not been available, Morgan would have found somebody who could—and would. And this view came into the business almost as a motto. As people were assigned to tackle large new goals to deal with the colossal problems that beset this business when Morgan took it over, with the assignments went the judgment—sometimes

expressed, sometimes implied, but always understood—"If you can't do it, I will find somebody who will!"

I can hear the protesting contemporary trustee, "If I had J. P. Morgan's kind of power, I could build a great institution too." To which I would reply, "Ah, but would you? Plenty who have had Morgan's kind of power did not do it, and you do not use the power you now have to that end. What makes you think you would do more if you had more power?" J. P. Morgan's power was important to his achievement, but what made the result exceptional was that he cared—*he cared for the quality of the institution.*

And a second protest might be, "But I really don't have a great idea for the institution of which I am trustee. And I don't know where the great builders are even if I had the idea." And to that I would reply, "If you cared enough, you would find the idea and the people." Some power is essential. And to do what only a trustee can do you have to get to be a trustee. But most important of all is *caring*. Most trustees I know just don't care enough. If trustees really cared, ideas and people would blossom all over the place. I *know*. I have worked inside institutions, several of them, where trustees did not care. I entered the business that J. P. Morgan built after its trustees had ceased to care; but the momentum of his influence, plus that of the great builder he installed, was still strong. To be sure, I and others like me could do something, but nothing in comparison to what we could have done if the trustees had really cared.

Also, I know because I have been a trustee in several situations where I did not care—not enough. And I am keenly aware of what unrewarding experiences those were—for *me* as an ineffective trustee.

What does it mean, *now*, to care for an institution—whether business, church, school, philanthropy? What quality of caring is required in this era?

Having power (and every trustee has some power) one *initiates* the means whereby power is used to serve and not to hurt. *Serve* is used in the sense that all who are touched by the institution

or its work become, because of that influence, healthier, wiser, freer, more autonomous, more likely themselves to become servants. Any institution that does not strive with all of its resources, human and material, to achieve the reasonable and the possible in these dimensions is not being adequately cared for by its trustees. That, I believe, is what the times we live in require.

What shall one do, as a trustee who is aware of this necessity, upon finding that one cannot persuade fellow trustees to accept such an obligation, and if one does not foresee the possibility of doing so in a reasonable period?

*My advice is to resign.* One may do so with a public statement (as Arthur Goldberg did when he resigned from the board of Trans World Airlines a few years ago). This action had a salutary effect and raised the public consciousness about trusteeship. Or one may share one's reasoning with fellow trustees but make no public statement. Or one may simply go away quietly, as I have done when I really had not thought through why I was leaving. I only knew I should not be there.

This advice is arguable. What if all conscientious trustees withdrew and left the control of our institutions in the hands of the casual and the indifferent? There are two answers to that: (1) most boards are so nominal that it wouldn't make much difference; (2) the situation would be more honest, and therefore better. But beyond that, the shock treatment of a major exodus of conscientious trustees may be needed to bring any significant change. I believe that I see the start of this now, and I encourage it. It is part of the basis of my hope for the future.

## X

### INTRINSIC MOTIVATION OF TRUSTEES

Where are the people to do this—chairs, trustees, and their staffs? This is the most insistent question asked by people who accept the assumptions made in this chapter about the state of society and its major voluntary institutions. Are there such men

and women who are prepared to venture as *the new trustees* if they can see a reasonable course to follow?

They are rarer than they should be because of the failure of our society-nurturing institutions—churches, schools, foundations—to prepare them explicitly for this as an immediate prospect. We can only hope that enough people are willing to venture without adequate preparation so that a regenerative movement can begin. If all that happens is that trustees of churches, schools, and foundations begin to use their influence to start some action to prepare such people for the future, there is a chance that, within a generation, the insistent question “Where are the people to do this?” might not need to be asked.

If we grant the failure of our society-nurturing institutions to prepare people for these more exacting trustee roles, then we have only the hope that there are enough people who are, or who might have the chance to be, trustees who have intrinsic motivation to do better and are restless with their present inadequacies.

My hope for the future (and I do have hope despite the critical nature of this chapter) lies in my belief that there are many actual or potential trustees with such motivation who might be roused into action by a realization of the great institution-building opportunity that is before them. I believe further that the meager light on the path ahead that is being shed by the few who are trying to generate it is sufficient for the venturesome to start to move—and the venturesome are all that can be counted on at this stage. Most may wait until the path is clearly marked and well lighted. But the venturesome may start to move *now*. Some would move if just a few of those who profess a concern for the present state of our institutions would focus some of their energy on *trusteeship* and help create a climate of opinion that would encourage trustees to accept a greater sense of obligation and to rise to a much larger opportunity.

Then, where are the administrators and staffs who will operate the optimal institutions under the leadership of able trustees who function as advocated here? They seem just as rare as the serving trustees if one judges by their responses to these

suggestions. “If my trustees want to operate that way, they can find themselves a new chief executive” is a commonly heard comment. Realization of these attitudes is enough to discourage even the venturesome trustees who wish to be servants.

Despite such discouragements, I am hopeful that some trustees will venture. My hope rests on attitudes common among the younger generation of executives who are aware of the serious limitations in the conventional wisdom of administration (as discussed in the last chapter). Some of these younger executives are more sensitive to the corrupting influence of power than are their elders. While they realize that some power must be used, they prefer to work in a close collegial relationship, with a team of equals led by a *primus inter pares*, rather than to hold so much power in their own hands. They are more disposed to share the burden, and they will welcome the close monitoring of the use of power by able and fully functioning trustees.

We live amid a revolution of values, some good, some bad (when viewed from the perspective of one of the older generation). And one of the good consequences, in my judgment, is a greater disposition of able people, especially among the young, to work in teams rather than to strive to be *prima donnas*—not so much for idealistic reasons as because the word is getting around that it makes a more serene and fulfilled life. We may be witnessing the end of individualism as a predominant cultural value (although there may still be some power-hungry people around to add spice to the brew). For the trustee who is disposed to be venturesome as servant, one of the possibilities to be counted on in many of the able older executives is the desire, when their time comes, to lay down their spears with colors flying rather than to leave with the mark “obsolete” indelibly stamped on their backs. And any who wish to avoid that opprobrious state are well advised, while they still stand erect, to learn from those of their younger colleagues who may hold the keys to the future. I know a few of my generation who have had the humility (and the good sense) to learn from those of the young who are with the future. There is an enviable old age.

*Trustees as servants* face one of the most exciting challenges of our times: to lead our moribund institutions, and some of the seemingly moribund people in them, into a future of greatness.

The greatest sin of man is to forget that he is a prince—that he has royal power. All worlds are in need of exaltation, and everyone is charged to lift what is low, to unite what lies apart, to advance what is left behind. It is as if all worlds...are full of expectancy, of sacred goals to be reached, so that consummation can come to pass. And man is called upon to bring about the climax slowly but decisively.

—ABRAHAM JOSHUA HESCHEL

## IV

### Servant Leadership in Business

Perhaps I reflect the influence of my own vocational choice when I say that in the next few years more will be learned in business than in any other field about how to bring servant leadership into being as a major social force. In my view, businesses not only do as well with their obligations now, under the conditions imposed on them, as other kinds of institutions do with theirs, but businesses are more questioning of their own adequacy, they are more open to innovation, and they are disposed to take greater risks to find a better way.

The three statements that comprise this chapter, one given to a general audience and two addressed to specific businesses—one large and one small—give a fair sample of what contemporary business people are willing to think about. What these three quite different pieces have in common, and they were written between 1958 and 1974, is a call to a new business ethic—a striving for excellence. Businesses are asked not only to produce better goods and services, but to become greater social assets as institutions.

It is important for the nonbusiness reader to note that government attitudes, reflecting, no doubt, the prevailing popular view toward privately owned businesses, are different from those taken toward other types of institutions. By law, with criminal sanctions, profit-making businesses are required to compete as the principal means for compelling them to serve. This is a crude and cumbersome and ambiguous approach. By implication, public policy is saying that if profit is an aim, the institution will not serve unless it is compelled to. The practical consequence of this decision has been to impose, and surround with an aura of sanctity, the law of the jungle. Necessarily, I believe, business schools

choose to tell them. They often do not know what everybody else knows, informally.

The idea of one-person-in-control enjoys widespread support because of the decisiveness it affords when decisiveness is needed. Yet a close observation of top persons everywhere reveals the *burden of indecisiveness* to be much greater than the benefit of decisiveness. The difference is that decisiveness is usually conspicuous and sometimes heroic, whereas indecisiveness is often subtle, hard to detect, and sometimes tragic. When one person is chief, the multiple liability to the institution resulting from indecisive moments is much more costly than the asset of the few cases where the chief is conspicuously decisive. I challenge the readers to pause here and think of examples with which they are familiar before dismissing this statement.

Everywhere there is much complaining about *too few leaders*. We have too few because most institutions are structured so that only a few—only one at the time—can emerge. With one person at the top, the full scope of leadership is limited to that one person, no matter how large the institution. As we have become a nation of large institutions (nothing wrong with that, *per se*) we have progressively limited the opportunity for leaders to emerge because our conventional design provides for only one. Such an organizational design aggravates the disadvantages of bigness.

The typical chief who rests uneasily atop the pyramid of any large institution is grossly overburdened. The job destroys too many of them—which is reason enough to abandon the idea. But for the institution there is also damage. For in too many cases the *demands of the office destroy these persons' creativity* long before they leave the office.

When there is but a single chief, there is a *major interruption when that person leaves*. As the chief approaches mandatory retirement, or, as in the university where it is customary to give a year or more of notice so that a successor can be sought, the chief is a "lame duck." In the university the search for a new president is often a ludicrous performance, which is demeaning to the many candidates who must listen to their assets and liabilities being

## Organization: Some Flaws in the Concept of the Single Chief

To be a lone chief atop a pyramid is *abnormal and corrupting*. None of us is perfect by ourselves, and all of us need the help and correcting influence of close colleagues. When someone is moved atop a pyramid, that person no longer has colleagues, only subordinates. Even the frankest and bravest of subordinates do not talk with their boss in the same way that they talk with colleagues who are equals, and normal communication patterns become warped. Even though a man or woman may have had a long record as an acceptable colleague with equals, on assuming the top spot that person will often become "difficult" (to put it mildly) to subordinates. The pyramidal structure weakens informal links, dries up channels of honest reaction and feedback, and creates limiting chief-subordinate relationships that, at the top, can seriously penalize the whole organization.

A self-protective *image of omniscience* often evolves from these warped and filtered communications. This in time defeats any leader by causing a distortion of judgment, for judgment is often best sharpened through interaction with others who are free to challenge and criticize.

Those persons who are atop the pyramids often suffer from a very real *loneliness*. They cannot be sure enough of the motives of those with whom they must deal, and they are not on the "grapevine." Most of what they know is what other people



publicly debated while the search continues for "the person who has everything." And there is the inevitable disillusionment. The chosen one turns out to have feet of clay like everybody else.

Being in the top position prevents leadership by persuasion because *the single chief holds too much power*. Chiefs often cannot say persuasively what they would like to say because it will be taken as an order. No one else can effectively speak for the chief because the listeners rightly want to know what the chief thinks.

When more converges on the single chiefs than they can handle, but they must appear to be handling it alone, *they must often resort to concentrated briefing and the support of ghost writing*. As the job is structured, they have no alternative. In the end the chief becomes a performer, not a natural person, and essential creative powers diminish. Thus the concentration of power tends to stunt the growth of the one person in the institution who should be the model of growth in stature, awareness, communication, and human sensitivity. And this growth frustration is inevitably projected downward and imposes its limitation on everybody.

Finally, the prevalence of the lone chief places a burden on the whole society because *it gives control priority over leadership*. It sets before the young the spectacle of an unwholesome struggle to get to the top. It nourishes the notion among able people that one must be boss to be effective. And it sanctions, in a conspicuous way, a pernicious and petty status striving that corrupts everyone.

The above paragraphs have summarized some of the arguments against the concept of the single chief. Against this it can be argued that some people perform brilliantly in the office as it is now structured. This may be because, as in the university, *sheer survival in the job is accounted as brilliant performance*. If the quality of the best of our institutions is as bad as described here, then the heads of these institutions cannot be accorded a high rating merely because they keep the institutions afloat.

In summary, concerning organization, for large institutions the organizational steps are, first, a new role for the trustees and their chair, with a new career pattern for evolving chairs; second, a trustee-designed executive office and assignment of responsibilities

and a setup whereby the chair, on behalf of the trustees and with the support of the chair's own staff, closely monitors the performance of an administrative and leadership team that is a group of equals with one of them "first among equals." Beyond these first steps, the details of the organization structure will result from decisions made from day to day in specific situations and with regard to (1) the human and material resources available, (2) the complex of relations and influence among people, (3) the assets and liabilities of the individuals involved, and (4) the central goals of the institution. The aim is distinguished performance as a serving institution.

### Leadership: Conceptual and Operational

The prime force for achievement through service in any large institution is a senior administrative group with optimal balance between operators and conceptualizers.

The *operating* talent carries the institution toward its objectives, in the situation, from day to day, and resolves the issues that arise as this movement takes place. This calls for interpersonal skills, sensitivity to the environment, tenacity, experience, judgment, ethical soundness, and related attributes and abilities that the day-to-day movement requires. Operating is more *administering* in contrast to *leading*.

*Conceptual* talent sees the whole in the perspective of history—past and future. It states and adjusts goals, analyzes and evaluates operating performance, and foresees contingencies a long way ahead. Long-range strategic planning is embraced here, as is setting standards and relating all the parts to the whole. Leadership, in the sense of going out ahead to show the way, is more conceptual than operating. *Conceptual*, as used here, is not synonymous with *intellectual* or *theoretical*. Conceptualizers at their best are intensely practical. They are also effective persuaders and relationship builders.

Highly developed operating and conceptual talents are not completely exclusive. Every able leader-administrator has some



of both, even though being exceptional probably in only one of the two.

Both of these talents, in balance and rightly placed, are required for sustained high-level performance in any large institution. By *optimal balance between the two* is meant a relationship in which both conceptualizers and operators understand, respect, and depend on one another, and in which neither dominates the other. In a large institution the council of equals with a *primus inter pares* serves best when it is predominantly conceptual. *Whether in the council has the greatest team-building ability should be primus*, even though someone else may have a higher-sounding formal title.

A team builder is a strong person who provides the substance that holds the team together in common purpose toward the right objectives. This is accomplished by asking the right questions. If a group is confronted by the right questions long enough, it will see through to the essence and find the right way.

Both the operator and the conceptualizer are result oriented. The operator is concerned primarily with "getting it done." The conceptualizer is primarily concerned with what "ought to be done"—when, how, at what cost, in what priority, and how well. They work together as a reinforcing rather than a counteracting team.

The achievement of such optimal balance is hindered by a stubborn fact: *whereas conceptualizers generally recognize the need for operators, the reverse is often not the case.* A conceptualizer in a top spot is quite likely to see that strong operators are placed where needed. But an operator in a top leadership post may not, without some help, see to it that able and influential conceptualizers function as they must. Consequently, if the top post in a hierarchical administration (as opposed to a council of equals) is filled by an operator who is not sharply aware of the need for adequate conceptual influence, the institution does not have a bright long-run future, no matter how able the top person or how brilliant its current performance.

One of the advantages of large decentralized organizations (businesses or multi-campus university systems or church parishes that are under denominational oversight) is that they can accommodate conceptualizers as the major influence in the central staff, while placing operators in the dominant role in the decentralized units. This is good but not sufficient. Also needed is someone who is closely involved with the administration of the decentralized unit and maintains a conceptual link with the central organization. Otherwise, conceptualizers in the central staff may be criers in the wilderness. The urgencies of the times may demand that they be heard—clearly. But if there are only operators in the decentralized units, they may *not* be heard.

Some able people, while they are young, probably can develop exceptional strength in either talent—but usually not in both. Long concentration on one of these talents diminishes the possibility that a switch can be made to the other. A substantial penalty may ensue if a person who has devoted several years, successfully, to one of these talents moves into a key spot that requires an exceptional level of the other; once established as an operator or a conceptualizer, one is apt to make any position fit one's habitual way of working. There are exceptions, of course; and if a switch like this is to be made, those overseeing it should be sure they are dealing with an exception.

Highly developed conceptualizers who are effective in top leadership of large institutions seem to be much rarer than able operators. This may be because the number needed is substantially less, or because they do not emerge naturally out of those with long experience in operating work, or because it is harder for an operator to identify a conceptualizer and reward that special talent, or because the need for able conceptualizers is not clearly and explicitly recognized.

American railroads are classic examples of large institutions in which the need for conceptual leadership has been traditionally unrecognized. Nearly everybody in administration was busy running the railroad day to day. Not enough able and well-placed

people were thinking about the problems of railroads and the future contingencies.

Some institutions have risen to eminence at one point in their histories because they accidentally evolved at least one able conceptualizer into a key spot. But then they lost eminence when they failed to maintain this talent at a high enough quality and in good balance in their top leadership. *They probably lost their conceptual leadership because they were not guided by an organizational principle that required it. Therefore, not knowing when they accidentally had it, they were not aware when they lost it.*

Able operators are always required for good performance in any institution. An organization may perform well in the short run, as the railroads once did, with an all-operating management. But for long-run good performance, able conceptualizers, rightly placed in top leadership, are absolutely essential. To build and sustain a great institution, one must be able to identify these talented men and women and see that they are always in places where their influence is needed. Providing able operators is an important and larger-scale task, but it is the more obvious and easier to do and therefore less apt to be neglected.

The purely operating motive, unsupported by strong conceptual talent, is likely to settle for doing well within the established pattern. Conceptualizers usually emerge when the institution makes a strong push for distinction—which in our times often means wise, deep-cutting, effective reform and reorganization.

The terms *operator* and *conceptualizer* are not in common use. They are chosen because they more clearly state the central issue of staffing for top performance in any large institution, whether church, university, or business. A critical trustee function is to identify those with exceptional talent as operators and conceptualizers and to select for the top administrative team a balanced group that will give the institution strong leadership and sound administration.

### The Trustee as Leader

Part of the problem of moving our institutions along is that persons outside the institution either do not know enough to make a pertinent criticism, or the institution has its guard up and the external critics cannot penetrate it. Those inside who might be critics are sometimes suppressed by an arbitrary discipline or encumbered by loyalty and do not appreciate the importance of criticism to the health of the institution. Sometimes they do not know how to make their criticism effective. It is a major trustee role to build legitimacy by being sensitive to critical thinking from all quarters and helping to interpret the meaning of it to the internal leadership and administration. Thus the trustees should exploit their inside-outside objective position to become instruments of understanding.

Legitimacy begins with trust. No matter what the competence or the intentions, if trust is lacking, nothing happens. One of the positive signs of the times, and one that may have been a major factor in the loss of support that some large institutions are experiencing, is that there has been a substantial decline in two kinds of trust: blind trust (including respect for authority), and trust generated by leadership charisma. It will be a false recovery if all that happens is that these trends are reversed, because now we have the incentive and the opportunity to establish trust on a sounder basis. The only sound basis for trust is for people to have the solid experience of being *served* by their institutions in a way that builds a society that is more just and more loving, and with greater creative opportunities for all of its people. And it is worth the cost of some chaos and disruption if enough people will read the signs and start building institutions that generate a high level of trust through a quality of service that is exceptional by all previous standards.

Trust for these times begins with trustees accepting the obligation to design and oversee a top administration that is capable of making the impossible possible, that is, move the institution toward distinction—and deal with all of the pressures of these times—without asking the single chief executive to do what

we have seen is impossible *for any chief*. If anything is clear in organizational experience as I have observed it, once the role of chief executive officer has been passed to a single individual, it is not realistic to expect that that person will redesign the office so as to be no longer the single chief. One may be a great innovative leader, but one will not take *that* step. And the trustees have foreclosed their opportunity for influence on organization until they appoint a successor. The model of the single chief sitting atop the hierarchy is obsolete, and consequently we are at a point of crisis for want of trust in our major institutions.

As a remedy, what is envisioned here for a large institution may be described as *two strong teams*, each led by a *primus inter pares*. The trustees, with the chair as *primus*, are one team, and they have their objective role of being inside the organization but standing apart from operating responsibility. The other team, also with its *primus*, is the top executive group. The cardinal principle is that no single person has unchecked power, but that all of them may be both restrained and encouraged by their peers. The danger in this arrangement is that the trustees might interfere with the executive group. There are two protections against this: a clear definition of the two roles, and the watchfulness of all constituencies who must be fully informed about the arrangement.

This is clearly not the perfect organizational design for all time. With the infinite vagaries of human nature, I doubt that one exists. But I hope that organizational design will become the special competence of able and far-sighted staff people who will be dedicated to the service of trustees. This is the critical question about all of this: If the trustees resolve to take the role advocated here, will they then get the sustained staff support that they must have to be effective in this new role?

The following notes on the institutions of the future—businesses, universities, churches—are an amplification of this line of thought. Some useful perspective on the general argument may come from weighing the similarities and differences among the three.

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*When the economy recovers, things won't return to normal—and a different mode of leadership will be required.*

## Leadership in a (Permanent) Crisis

by Ronald Heifetz, Alexander Grashow,  
and Marty Linsky

Included with this full-text *Harvard Business Review* article:

1 Article Summary

The Idea in Brief—the core idea

2 Leadership in a (Permanent) Crisis

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# Leadership in a (Permanent) Crisis

## The Idea in Brief

- Are you waiting for things to return to normal in your organization? Sorry. Leadership will require new skills tailored to an environment of urgency, high stakes, and uncertainty—even after the current economic crisis is over.

- You'll have to:

**Foster adaptation**, helping people develop the "next practices" that will enable the organization to thrive in a new world, even as they continue with the best practices necessary for current success.

**Embrace disequilibrium**, keeping people in a state that creates enough discomfort to induce change but not so much that they fight, flee, or freeze.

**Generate leadership**, giving people at all levels of the organization the opportunity to lead experiments that will help it adapt to changing times.

- You won't achieve your leadership aims if you sacrifice yourself by neglecting your needs.

*When the economy recovers, things won't return to normal—and a different mode of leadership will be required.*

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# Leadership in a (Permanent) Crisis

by Ronald Heifetz, Alexander Grashow,  
and Marty Linsky

It would be profoundly reassuring to view the current economic crisis as simply another rough spell that we need to get through. Unfortunately, though, today's mix of urgency, high stakes, and uncertainty will continue as the norm even after the recession ends. Economies cannot erect a firewall against intensifying global competition, energy constraints, climate change, and political instability. The immediate crisis—which we will get through, with the help of policy makers' expert technical adjustments—merely sets the stage for a sustained or even permanent crisis of serious and unfamiliar challenges.

Consider the heart attack that strikes in the middle of the night. EMTs rush the victim to the hospital, where expert trauma and surgical teams—executing established procedures because there is little time for creative improvisation—stabilize the patient and then provide new vessels for the heart. The emergency has passed, but a high-stakes, if somewhat less urgent, set of challenges remains. Having recovered from the surgery, how does the patient pre-

vent another attack? Having survived, how does he adapt to the uncertainties of a new reality in order to thrive? The crisis is far from over.

The task of leading during a sustained crisis—whether you are the CEO of a major corporation or a manager heading up an impromptu company initiative—is treacherous. Crisis leadership has two distinct phases. First is that emergency phase, when your task is to stabilize the situation and buy time. Second is the adaptive phase, when you tackle the underlying causes of the crisis and build the capacity to thrive in a new reality. The adaptive phase is especially tricky: People put enormous pressure on you to respond to their anxieties with authoritative certainty, even if doing so means overselling what you know and discounting what you don't. As you ask them to make necessary but uncomfortable adaptive changes in their behavior or work, they may try to bring you down. People clamor for direction, while you are faced with a way forward that isn't at all obvious. Twists and turns are the only certainty.

Yet you still have to lead.



### Hunker Down—or Press “Reset”

The danger in the current economic situation is that people in positions of authority will hunker down. They will try to solve the problem with short-term fixes: tightened controls, across-the-board cuts, restructuring plans. They'll default to what they know how to do in order to reduce frustration and quell their own and others' fears. Their primary mode will be drawing on familiar expertise to help their organizations weather the storm.

That is understandable. It's natural for authority figures to try to protect their people from external threats so that everyone can quickly return to business as usual. But in these times, even the most competent authority will be unable to offer this protection. The organizational adaptability required to meet a relentless succession of challenges is beyond anyone's current expertise. No one in a position of authority—none of us, in fact—has been here before. (The expertise we relied on in the past got us to this point, after all.) An organization that depends solely on its senior managers to deal with the challenges risks failure.

That risk increases if we draw the wrong conclusions from our likely recovery from the current economic downturn. Many people survive heart attacks, but most cardiac surgery patients soon resume their old ways: Only about 20% give up smoking, change their diet, or get more exercise. In fact, by reducing the sense of urgency, the very success of the initial treatment creates the illusion of a return to normalcy. The medical experts' technical prowess, which solves the immediate problem of survival, inadvertently lets patients off the hook for changing their lives to thrive in the long term. High stakes and uncertainty remain, but the diminished sense of urgency keeps most patients from focusing on the need for adaptation.

People who practice what we call *adaptive leadership* do not make this mistake. Instead of hunkering down, they seize the opportunity of moments like the current one to hit the organization's reset button. They use the turbulence of the present to build on and bring closure to the past. In the process, they change key rules of the game, reshape parts of the organization, and redefine the work people do.

We are not talking here about shaking up an organization so that nothing makes sense anymore. The process of adaptation is at least as much a process of conservation as it is of rein-

vention. Targeted modifications in specific strands of the organizational DNA will make the critical difference. (Consider that human beings share more than 90% of their DNA with chimpanzees.)

Still, people will experience loss. Some parts of the organization will have to die, and some jobs and familiar ways of working will be eliminated. As people try to develop new competencies, they'll often feel ashamed of their incompetence. Many will need to renegotiate loyalties with the mentors and colleagues whose teachings no longer apply.

Your empathy will be as essential for success as the strategic decisions you make about what elements of the organizational DNA to discard. That is because you will need people's help—not their blind loyalty as they follow you on a path to the future but their enthusiastic help in discovering that path. And if they are to assist you, you must equip them with the ability to perform in an environment of continuing uncertainty and uncontrollable change.

### Today's Leadership Tasks

In this context, leadership is an improvisational and experimental art. The skills that enabled most executives to reach their positions of command—analytical problem solving, crisp decision making, the articulation of clear direction—can get in the way of success. Although these skills will at times still be appropriate, the adaptive phase of a crisis requires some new leadership practices.

**Foster adaptation.** Executives today face two competing demands. They must execute in order to meet today's challenges. And they must adapt what and how things get done in order to thrive in tomorrow's world. They must develop “next practices” while excelling at today's best practices.

Julie Gilbert is evidence that these dual tasks can—indeed, should—be practiced by people who do not happen to be at the very top of an organization. As a vice president and then senior VP at retailer Best Buy from 2000 to early 2009, she saw a looming crisis in the company's failure to profit from the greater involvement of women in the male-oriented world of consumer electronics. Women were becoming more influential in purchasing decisions, directly and indirectly. But capitalizing on this trend would require something beyond

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a smart marketing plan. It would demand a change in the company's orientation.

Getting an organization to adapt to changes in the environment is not easy. You need to *confront loyalty to legacy practices* and understand that your desire to change them makes you a target of attack. Gilbert believed that instead of simply selling technology products to mostly male customers, Best Buy needed to appeal to women by reflecting the increasing integration of consumer electronics into family life. So Gilbert headed up an initiative to establish in-store boutiques that sold home theater systems along with coordinated furniture and accessories. Stores set up living-room displays to showcase not just the electronics but also the entertainment environment. Salespeople were trained to interact with the previously ignored female customers who came in with men to look at systems.

Gilbert says that championing this approach subjected her to some nasty criticism from managers who viewed Best Buy as a retailer of technology *products*, not experiences. But focusing on the female purchaser when a man and a woman walked into the store—making eye contact and greeting her, asking about her favorite movies and demonstrating them on the systems—often resulted in the couple's purchasing a higher-end product than they had originally considered. According to Gilbert, returns and exchanges of purchases made by couples were 60% lower than those made by men. With the rethinking of traditional practices, Best Buy's home theater business flourished, growing from two pilot in-store boutiques in mid-2004 to more than 350 five years later.

As you consider eliminating practices that seem ill suited to a changing environment, you must *distinguish the essential from the expendable*. What is so precious and central to an organization's identity and capacity that it must be preserved? What, even if valued by many, must be left behind in order to move forward?

Gilbert wanted to preserve Best Buy's strong culture of responding to customers' needs. But the company's almost exclusively male culture—"guys selling to guys"—seemed to her a barrier to success. For example, the phrase "the jets are up" meant that the top male executives were aboard corporate aircraft on a tour of Best Buy stores. The flights gave them a chance to huddle on important issues and

bond with one another. Big decisions were often announced following one of these trips. After getting a call with a question about female customers from one such group visiting a Best Buy home theater boutique, Gilbert persuaded senior executives never to let the jets go up without at least one woman on board.

Because you don't know quite where you are headed as you build an organization's adaptability, it's prudent to avoid grand and detailed strategic plans. Instead, *run numerous experiments*. Many will fail, of course, and the way forward will be characterized by constant mid-course corrections. But that zigzagging path will be emblematic of your company's ability to discover better products and processes. Take a page out of the technology industry's playbook: Version 2.0 is an explicit acknowledgment that products coming to market are experiments, prototypes to be improved in the next iteration.

Best Buy's home theater business was one experiment. A much broader one at the company grew out of Gilbert's belief that in order to adapt to an increasingly female customer base, Best Buy would need to change the role of women within the organization. The company had traditionally looked to senior executives for direction and innovation. But, as Gilbert explained to us, a definition of consumer electronics retailing that included women would ultimately have to come from the bottom up. Appealing to female customers required empowering female employees at all levels of the company.

This led to the creation of "WoLF (Women's Leadership Forum) packs," in which women, from store cashiers to corporate executives, came together to support one another and to generate innovative projects by drawing on their collective experience. In an unorthodox attempt to neutralize the threat to Best Buy's traditionally male culture, two men paired up with two women to lead each group.

More than 30,000 employees joined WoLF packs. The company says the initiative strengthened its pipeline of high-potential leaders, led to a surge in the number of female job applicants, and improved the bottom line by reducing turnover among female employees. Gilbert, who recently left Best Buy to help other companies establish similar programs, was able to realize the dual goal of adaptive leadership: tackling the current challenge and

## Adaptive Leadership in Practice

**Best Buy** | A senior vice president helped the company adapt to the reality that women increasingly make consumer electronics purchasing decisions.

**Beth Israel Deaconess Medical Center** | The new CEO helped a dysfunctional organization created through the hasty merger of two Harvard teaching hospitals adapt to modern health care challenges.

**Egon Zehnder International** | The founder fostered a leadership style that helped the executive search firm adapt to the rise of online recruiting and competitors' IPOs.

*Keep your hand on the thermostat. If the heat's too low, people won't make difficult decisions. If it's too high, they might panic.*

building adaptability. She had an immediate positive impact on the company's financial performance while positioning the organization to deploy more of its people to reach wider markets.

**Embrace disequilibrium.** Without urgency, difficult change becomes far less likely. But if people feel too much distress, they will fight, flee, or freeze. The art of leadership in today's world involves orchestrating the inevitable conflict, chaos, and confusion of change so that the disturbance is productive rather than destructive.

Health care is in some ways a microcosm of the turbulence and uncertainty facing the entire economy. Paul Levy, the CEO of Beth Israel Deaconess Medical Center, in Boston, is trying to help his organization adapt to the industry's constant changes.

When Levy took over, in 2002, Beth Israel Deaconess was a dysfunctional organization in serious financial trouble. Created several years previously through the hasty merger of two Harvard Medical School teaching hospitals, it had struggled to integrate their very different cultures. Now it was bleeding red ink and faced the likelihood of being acquired by a for-profit company, relinquishing its status as a prestigious research institution. Levy quickly made changes that put the hospital on a stronger financial footing and eased the cultural tensions.

To rescue the medical center, Levy had to create discomfort. He forced people to confront the potentially disastrous consequences of maintaining the status quo—continued financial losses, massive layoffs, an outright sale—stating in a memo to all employees that “this is our last chance” to save the institution. He publicly challenged powerful medical factions within the hospital and made clear he'd no longer tolerate clashes between the two cultures.

But a successful turnaround was no guarantee of long-term success in an environment clouded by uncertainty. In fact, the stability that resulted from Levy's initial achievements threatened the hospital's ability to adapt to the succession of challenges that lay ahead.

Keeping an organization in a productive zone of disequilibrium is a delicate task; in the practice of leadership, you must *keep your hand on the thermostat*. If the heat is consistently too low, people won't feel the need to

ask uncomfortable questions or make difficult decisions. If it's consistently too high, the organization risks a meltdown: People are likely to panic and hunker down.

Levy kept the heat up after the financial emergency passed. In a move virtually unprecedented for a hospital, he released public quarterly reports on medical errors and set a goal of eliminating those errors within four years. Although the disclosures generated embarrassing publicity, Levy believed that acknowledging and learning from serious mistakes would lead to improved patient care, greater trust in the institution, and long-term viability.

Maintaining the right level of disequilibrium requires that you *depersonalize conflict*, which naturally arises as people experiment and shift course in an environment of uncertainty and turbulence. The aim is to focus the disagreement on issues, including some of your own perspectives, rather than on the interested parties. But the issues themselves are more than disembodied facts and analysis. People's competencies, loyalties, and direct stakes lie behind them. So you need to *act politically* as well as analytically. In a period of turmoil, you must look beyond the merits of an issue to understand the interests, fears, aspirations, and loyalties of the factions that have formed around it. Orchestrating conflicts and losses and negotiating among various interests are the name of the game.

That game requires you to *create a culture of courageous conversations*. In a period of sustained uncertainty, the most difficult topics must be discussed. Dissenters who can provide crucial insights need to be protected from the organizational pressure to remain silent. Executives need to listen to unfamiliar voices and set the tone for candor and risk taking.

Early in 2009, with Beth Israel Deaconess facing a projected \$20 million annual loss after several years of profitability, Paul Levy held an employee meeting to discuss layoffs. He expressed concern about how cutbacks would affect low-wage employees, such as housekeepers, and somewhat cautiously floated what seemed likely to be an unpopular idea: protecting some of those low-paying jobs by reducing the salary and benefits of higher-paid employees—including many sitting in the auditorium. To his surprise, the room erupted in applause.

His candid request for help led to countless suggestions for cost savings, including an offer

*An executive team on its own can't find the best solutions. But leadership can generate more leadership deep in the organization.*

by the 13 medical department heads to save 10 jobs through personal donations totaling \$350,000. These efforts ultimately reduced the number of planned layoffs by 75%.

**Generate leadership.** Corporate adaptability usually comes not from some sweeping new initiative dreamed up at headquarters but from the accumulation of microadaptations originating throughout the company in response to its many microenvironments. Even the successful big play is typically a product of many experiments, one of which finally proves pathbreaking.

To foster such experiments, you have to acknowledge the interdependence of people throughout the organization, just as companies increasingly acknowledge the interdependence of players—suppliers, customers, even rivals—beyond their boundaries. It is an illusion to expect that an executive team on its own will find the best way into the future. So you must use leadership to generate more leadership deep in the organization.

At a worldwide partners' meeting in June 2000, Egon Zehnder, the founder of the executive search firm bearing his name, announced his retirement. Instead of reflecting on the 36-year-old firm's steady growth under his leadership, he issued a warning: Stability "is a liability, not an asset, in today's world," he said. "Each new view of the horizon is a glance through a different turn of the kaleidoscope" (a symbol of disequilibrium, if there ever was one). "The future of this firm," Zehnder continued, "is totally in the hands of the men and women here in this room."

From someone else, the statement might have come across as obligatory pap. But Egon Zehnder built his firm on the conviction that changes in internal and external environments require a new kind of leadership. He saw early on that his start-up could not realize its full potential if he made himself solely responsible for its success.

Individual executives just don't have the personal capacity to sense and make sense of all the change swirling around them. They need to *distribute leadership responsibility*, replacing hierarchy and formal authority with organizational bandwidth, which draws on collective intelligence. Executives need to relax their sense of obligation to be all and do all and instead become comfortable sharing their burden with people operating in diverse functions

and locations throughout the organization. By pushing responsibility for adaptive work down into the organization, you clear space for yourself to think, probe, and identify the next challenge on the horizon.

To distribute leadership responsibility more broadly, you need to *mobilize everyone to generate solutions* by increasing the information flow that allows people across the organization to make independent decisions and share the lessons they learn from innovative efforts.

To generate new leadership and innovative ideas, you need to *leverage diversity*—which, of course, is easier said than done. We all tend to spend time with people who are similar to us. Listening and learning across divides is taxing work. But if you do not engage the widest possible range of life experiences and views—including those of younger employees—you risk operating without a nuanced picture of the shifting realities facing the business internally and externally.

Creating this kind of environment involves giving up some authority usually associated with leadership and even some ownership, whether legal or psychological, in the organization. The aim, of course, is for everyone to "act like they own the place" and thus be motivated to come up with innovations or take the lead in creating value for their company from wherever they sit.

Zehnder did in fact convert the firm into a corporation in which every partner, including himself, held an equal share of equity and had an equal vote at partners' meetings. Everyone's compensation rose or fell with the firm's overall performance. The aim was to make all the partners "intertwined in substance and purpose."

Zehnder's collaborative and distributed leadership model informed a strategic review that the firm undertook just after his retirement. In the short term, the partners faced a dramatic collapse in the executive search market; their long-term challenge was a shifting competitive landscape, including the rise of online recruiting and the initial public offerings of several major competitors. As the firm tried to figure out how to adapt and thrive in this environment, Zehnder's words hung in the air: "How we deal with change differentiates the top performers from the laggards. But first we must know what should never change. We must grasp the difference between timeless principles and daily practices." Again, most sustain-

able change is not about change at all but about discerning and conserving what is precious and essential.

The firm took a bottom-up approach to sketching out its future, involving every partner, from junior to senior, in the process. It chose to remain a private partnership. Unlike rivals that were ordering massive downsizing, the firm decided there would be virtually no layoffs: Preserving the social fabric of the organization, crucial to long-term success, was deemed more important than short-term financial results. In fact, the firm opted to continue hiring and electing partners even during the down market.

Rooted in its culture of interdependence, the firm adapted to a changing environment, producing excellent results, even in the short term, as it gained market share, maintained healthy margins, and sustained morale—a major source of ongoing success. Adaptive work enabled the firm to take the best of its history into the future.

### Taking Care of Yourself

To keep yourself from being corralled by the forces that generated the crisis in the first place, you must be able to depart from the default habits of authoritative certainty. The work of leadership demands that you manage not only the critical adaptive responses within and surrounding your business but also your own thinking and emotions.

This will test your limits. Taking care of yourself both physically and emotionally will be crucial to your success. You can achieve none of your leadership aims if you sacrifice yourself to the cause.

First, give yourself permission to be both optimistic and realistic. This will create a healthy tension that keeps optimism from turning into denial and realism from devolving into cynicism.

Second, find sanctuaries where you can reflect on events and regain perspective. A sanctuary may be a place or an activity that allows you to step away and recalibrate your internal responses. For example, if you tend to demand too much from your organization, you might

use the time to ask yourself, “Am I pushing too hard? Am I at risk of grinding people into the ground, including myself? Do I fully appreciate the sacrifices I’m asking people to make?”

Third, reach out to confidants with whom you can debrief your workdays and articulate your reasons for taking certain actions. Ideally, a confidant is not a current ally within your organization—who may someday end up on the opposite side of an issue—but someone external to it. The most important criterion is that your confidant care more about you than about the issues at stake.

Fourth, bring more of your emotional self to the workplace. Appropriate displays of emotion can be an effective tool for change, especially when balanced with poise. Maintaining this balance lets people know that although the situation is fraught with feelings, it is containable. This is a tricky tightrope to walk, especially for women, who may worry about being dismissed as too emotional.

Finally, don’t lose yourself in your role. Defining your life through a single endeavor, no matter how important your work is to you and to others, makes you vulnerable when the environment shifts. It also denies you other opportunities for fulfillment.

Achieving your highest and most noble aspirations for your organization may take more than a lifetime. Your efforts may only begin this work. But you can accomplish something worthwhile every day in the interactions you have with the people at work, with your family, and with those you encounter by chance. Adaptive leadership is a daily opportunity to mobilize the resources of people to thrive in a changing and challenging world.

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*Note: Some of the information in this article was drawn from “Paul Levy: Taking Charge of the Beth Israel Deaconess Medical Center,” HBS case no. 9-303-008 and “Strategic Review at Egon Zehnder International,” HBS case no. 9-904-071.*

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# **“Legal Perspectives On the Role of the Board of Trustees”**

**Board of Trustees Retreat  
Coast Community College District  
February 5, 2011**

**Jack P. Lipton, J.D., Ph.D.  
General Counsel  
Coast Community College District**



**BURKE, WILLIAMS & SORESENSEN, LLP**

**Legal Perspectives  
on the Role of Board of Trustees**

**Outline**

- (1) Role of the Board Pursuant to Law
- (2) Limitations on the Authority of the Board
- (3) Relevance of Accreditation Standards and Eligibility Requirements
- (4) Board's Delegation of Authority and Limitations on the Authority to Delegate
- (5) Conclusions
- (6) Questions?



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# **ACCJC Eligibility Requirements**

**ACCREDITING COMMISSION FOR COMMUNITY AND JUNIOR COLLEGES**  
Western Association of Schools and Colleges

**Eligibility Requirements for Accreditation**  
(Adopted June 1995; Revised January 1996; Revised January 2004)

In order to apply for eligibility, the institution must completely meet all Eligibility Requirements. Compliance with the criteria is expected to be continuous and will be validated periodically, normally as part of every institutional self study and comprehensive evaluation.

Institutions that have achieved accreditation are expected to include in their self study reports information demonstrating that they continue to meet the eligibility requirements.

**1. AUTHORITY**

The institution is authorized or licensed to operate as an educational institution and to award degrees by an appropriate governmental organization or agency as required by each of the jurisdictions or regions in which it operates.

Private institutions, if required by the appropriate statutory regulatory body, must submit evidence of authorization, licensure, or approval by that body. If incorporated, the institution shall submit a copy of its articles of incorporation.

**2. MISSION**

The institution's educational mission is clearly defined, adopted, and published by its governing board consistent with its legal authorization, and is appropriate to a degree-granting institution of higher education and the constituency it seeks to serve. The mission statement defines institutional commitment to achieving student learning.

**3. GOVERNING BOARD**

The institution has a functioning governing board responsible for the quality, integrity, and financial stability of the institution and for ensuring that the institution's mission is being carried out. This board is ultimately responsible for ensuring that the financial resources of the institution are used to provide a sound educational program. Its membership is sufficient in size and composition to fulfill all board responsibilities.

The governing board is an independent policy-making body capable of reflecting constituent and public interest in board activities and decisions. A majority of the board members have no employment, family, ownership, or other personal financial interest in the institution. The board adheres to a conflict of interest policy that assures that those interests are disclosed and that they do not interfere with the impartiality of governing body members or outweigh the greater duty to secure and ensure the academic and fiscal integrity of the institution.

#### **4. CHIEF EXECUTIVE OFFICER**

The institution has a chief executive officer appointed by the governing board, whose full-time responsibility is to the institution, and who possesses the requisite authority to administer board policies. Neither the district/system chief administrator nor the college chief administrator may serve as the chair of the governing board.

#### **5. ADMINISTRATIVE CAPACITY**

The institution has sufficient staff, with appropriate preparation and experience to provide the administrative services necessary to support its mission and purpose.

#### **6. OPERATIONAL STATUS**

The institution is operational, with students actively pursuing its degree programs.

#### **7. DEGREES**

A substantial portion of the institution's educational offerings are programs that lead to degrees, and a significant proportion of its students are enrolled in them.

#### **8. EDUCATIONAL PROGRAMS**

The institution's principal degree programs are congruent with its mission, are based on recognized higher education field(s) of study, are of sufficient content and length, are conducted at levels of quality and rigor appropriate to the degrees offered, and culminate in identified student outcomes. At least one degree program must be of two academic years in length.

#### **9. ACADEMIC CREDIT**

The institution awards academic credits based on generally accepted practices in degree-granting institutions of higher education. Public institutions governed by statutory or system regulatory requirements provide appropriate information about the awarding of academic credit.

#### **10. STUDENT LEARNING AND ACHIEVEMENT**

The institution defines and publishes for each program the program's expected student learning and achievement outcomes. Through regular and systematic assessment, it demonstrates that students who complete programs, no matter where or how they are offered, achieve these outcomes.

## **11. GENERAL EDUCATION**

The institution defines and incorporates into all of its degree programs a substantial component of general education designed to ensure breadth of knowledge and promote intellectual inquiry. The general education component includes demonstrated competence in writing and computational skills and an introduction to some of the major areas of knowledge. General education has comprehensive learning outcomes for the students who complete it. Degree credit for general education programs must be consistent with levels of quality and rigor appropriate to higher education. See the Accreditation Standards, II.A.3, for areas of study for general education.

## **12. ACADEMIC FREEDOM**

The institution's faculty and students are free to examine and test all knowledge appropriate to their discipline or area of major study as judged by the academic/educational community in general. Regardless of institutional affiliation or sponsorship, the institution maintains an atmosphere in which intellectual freedom and independence exist.

## **13. FACULTY**

The institution has a substantial core of qualified faculty with full-time responsibility to the institution. The core is sufficient in size and experience to support all of the institution's educational programs. A clear statement of faculty responsibilities must include development and review of curriculum as well as assessment of learning.

## **14. STUDENT SERVICES**

The institution provides for all of its students appropriate student services that support student learning and development within the context of the institutional mission.

## **15. ADMISSIONS**

The institution has adopted and adheres to admission policies consistent with its mission that specify the qualifications of students appropriate for its programs.

## **16. INFORMATION AND LEARNING RESOURCES**

The institution provides, through ownership or contractual agreement, specific long-term access to sufficient information and learning resources and services to support its mission and instructional programs in whatever format and wherever they are offered.

## **17. FINANCIAL RESOURCES**

The institution documents a funding base, financial resources, and plans for financial development adequate to support student learning programs and services, to improve institutional effectiveness, and to assure financial stability.

## **18. FINANCIAL ACCOUNTABILITY**

The institution annually undergoes and makes available an external financial audit by a certified public accountant or an audit by an appropriate public agency. The institution shall submit with its eligibility application a copy of the budget and institutional financial audits and management letters prepared by an outside certified public accountant or by an appropriate public agency, who has no other relationship to the institution, for its two most recent fiscal years, including the fiscal year ending immediately prior to the date of the submission of the application. The audits must be certified and any exceptions explained. It is recommended that the auditor employ as a guide Audits of Colleges and Universities, published by the American Institute of Certified Public Accountants. An applicant institution must not show an annual or cumulative operating deficit at any time during the eligibility application process.

## **19. INSTITUTIONAL PLANNING AND EVALUATION**

The institution systematically evaluates and makes public how well and in what ways it is accomplishing its purposes, including assessment of student learning outcomes. The institution provides evidence of planning for improvement of institutional structures and processes, student achievement of educational goals, and student learning. The institution assesses progress toward achieving its stated goals and makes decisions regarding improvement through an ongoing and systematic cycle of evaluation, integrated planning, resource allocation, implementation, and re-evaluation.

## **20. PUBLIC INFORMATION**

The institution provides a catalog for its constituencies with precise, accurate, and current information concerning the following:

### **General Information**

- Official Name, Address(es), Telephone Number(s), and Web Site Address of the Institution
- Educational Mission
- Course, Program, and Degree Offerings
- Academic Calendar and Program Length
- Academic Freedom Statement
- Available Student Financial Aid
- Available Learning Resources
- Names and Degrees of Administrators and Faculty
- Names of Governing Board Members

### **Requirements**

- Admissions
- Student Fees and Other Financial Obligations
- Degree, Certificates, Graduation and Transfer



#### Major Policies Affecting Students

- Academic Regulations, including Academic Honesty
- Nondiscrimination
- Acceptance of Transfer Credits
- Grievance and Complaint Procedures
- Sexual Harassment
- Refund of Fees

Locations or publications where other policies may be found

## **21. RELATIONS WITH THE ACCREDITING COMMISSION**

The institution provides assurance that it adheres to the eligibility requirements and accreditation standards and policies of the Commission, describes itself in identical terms to all its accrediting agencies, communicates any changes in its accredited status, and agrees to disclose information required by the Commission to carry out its accrediting responsibilities. The institution will comply with Commission requests, directives, decisions and policies, and will make complete, accurate, and honest disclosure. Failure to do so is sufficient reason, in and of itself, for the Commission to impose a sanction, or to deny or revoke candidacy or accreditation.

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**BURKE, WILLIAMS & SORENSEN, LLP**

# **ACCJC Accreditation Standard #IV**

## **Standard IV: Leadership and Governance**

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**T**he institution recognizes and utilizes the contributions of leadership throughout the organization for continuous improvement of the institution. Governance roles are designed to facilitate decisions that support student learning programs and services and improve institutional effectiveness, while acknowledging the designated responsibilities of the governing board and the chief administrator.

### **A. Decision-Making Roles and Processes**

The institution recognizes that ethical and effective leadership throughout the organization enables the institution to identify institutional values, set and achieve goals, learn, and improve.

1. Institutional leaders create an environment for empowerment, innovation, and institutional excellence. They encourage staff, faculty, administrators, and students, no matter what their official titles, to take initiative in improving the practices, programs, and services in which they are involved. When ideas for improvement have policy or significant institution-wide implications, systematic participative processes are used to assure effective discussion, planning, and implementation.
2. The institution establishes and implements a written policy providing for faculty, staff, administrator, and student participation in decision-making processes. The policy specifies the manner in which individuals bring forward ideas from their constituencies and work together on appropriate policy, planning, and special-purpose bodies.
  - a. Faculty and administrators have a substantive and clearly defined role in institutional governance and exercise a substantial voice in institutional policies, planning, and budget that relate to their areas of responsibility and expertise. Students and staff also have established mechanisms or organizations for providing input into institutional decisions.
  - b. The institution relies on faculty, its academic senate or other appropriate faculty structures, the curriculum committee, and academic administrators for recommendations about student learning programs and services.

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*Standard IVA—Decision-Making Roles and Processes*

## **Standard IV: Leadership and Governance**

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- 3.** Through established governance structures, processes, and practices, the governing board, administrators, faculty, staff, and students work together for the good of the institution. These processes facilitate discussion of ideas and effective communication among the institution's constituencies.
- 4.** The institution advocates and demonstrates honesty and integrity in its relationships with external agencies. It agrees to comply with Accrediting Commission standards, policies, and guidelines, and Commission requirements for public disclosure, self study and other reports, team visits, and prior approval of substantive changes. The institution moves expeditiously to respond to recommendations made by the Commission.
- 5.** The role of leadership and the institution's governance and decision-making structures and processes are regularly evaluated to assure their integrity and effectiveness. The institution widely communicates the results of these evaluations and uses them as the basis for improvement.



## **Standard IV: Leadership and Governance**

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### **B. Board and Administrative Organization**

In addition to the leadership of individuals and constituencies, institutions recognize the designated responsibilities of the governing board for setting policies and of the chief administrator for the effective operation of the institution. Multi-college districts/systems clearly define the organizational roles of the district/system and the colleges.<sup>6</sup>

1. The institution has a governing board that is responsible for establishing policies to assure the quality, integrity, and effectiveness of the student learning programs and services and the financial stability of the institution. The governing board adheres to a clearly defined policy for selecting and evaluating the chief administrator for the college or the district/system.
  - a. The governing board is an independent policy-making body that reflects the public interest in board activities and decisions. Once the board reaches a decision, it acts as a whole. It advocates for and defends the institution and protects it from undue influence or pressure.
  - b. The governing board establishes policies consistent with the mission statement to ensure the quality, integrity, and improvement of student learning programs and services and the resources necessary to support them.
  - c. The governing board has ultimate responsibility for educational quality, legal matters, and financial integrity.
  - d. The institution or the governing board publishes the board bylaws and policies specifying the board's size, duties, responsibilities, structure, and operating procedures.

## **Standard IV: Leadership and Governance**

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- e. The governing board acts in a manner consistent with its policies and bylaws. The board regularly evaluates its policies and practices and revises them as necessary.
- f. The governing board has a program for board development and new member orientation. It has a mechanism for providing for continuity of board membership and staggered terms of office.
- g. The governing board's self-evaluation processes for assessing board performance are clearly defined, implemented, and published in its policies or bylaws.
- h. The governing board has a code of ethics that includes a clearly defined policy for dealing with behavior that violates its code.
- i. The governing board is informed about and involved in the accreditation process.
- j. The governing board has the responsibility for selecting and evaluating the district/system chief administrator (most often known as the chancellor) in a multi-college district/system or the college chief administrator (most often known as the president) in the case of a single college. The governing board delegates full responsibility and authority to him/her to implement and administer board policies without board interference and holds him/her accountable for the operation of the district/system or college, respectively.

In multi-college districts/systems, the governing board establishes a clearly defined policy for selecting and evaluating the presidents of the colleges.

## **Standard IV: Leadership and Governance**

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2. The president has primary responsibility for the quality of the institution he/she leads. He/she provides effective leadership in planning, organizing, budgeting, selecting and developing personnel, and assessing institutional effectiveness.
  - a. The president plans, oversees, and evaluates an administrative structure organized and staffed to reflect the institution's purposes, size, and complexity. He/she delegates authority to administrators and others consistent with their responsibilities, as appropriate.
  - b. The president guides institutional improvement of the teaching and learning environment by the following:
    - establishing a collegial process that sets values, goals, and priorities;
    - ensuring that evaluation and planning rely on high quality research and analysis on external and internal conditions;
    - ensuring that educational planning is integrated with resource planning and distribution to achieve student learning outcomes; and
    - establishing procedures to evaluate overall institutional planning and implementation efforts.
  - c. The president assures the implementation of statutes, regulations, and governing board policies and assures that institutional practices are consistent with institutional mission and policies.
  - d. The president effectively controls budget and expenditures.
  - e. The president works and communicates effectively with the communities served by the institution.

## **Standard IV: Leadership and Governance**

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3. In multi-college districts or systems, the district/system provides primary leadership in setting and communicating expectations of educational excellence and integrity throughout the district/system and assures support for the effective operation of the colleges. It establishes clearly defined roles of authority and responsibility between the colleges and the district/system and acts as the liaison between the colleges and the governing board.
  - a. The district/system clearly delineates and communicates the operational responsibilities and functions of the district/system from those of the colleges and consistently adheres to this delineation in practice.
  - b. The district/system provides effective services that support the colleges in their missions and functions.
  - c. The district/system provides fair distribution of resources that are adequate to support the effective operations of the colleges.
  - d. The district/system effectively controls its expenditures.
  - e. The chancellor gives full responsibility and authority to the presidents of the colleges to implement and administer delegated district/system policies without his/her interference and holds them accountable for the operation of the colleges.
  - f. The district/system acts as the liaison between the colleges and the governing board. The district/system and the colleges use effective methods of communication, and they exchange information in a timely manner.
  - g. The district/system regularly evaluates district/system role delineation and governance and decision-making structures and processes to assure their integrity and effectiveness in assisting the colleges in meeting educational goals. The district/system widely communicates the results of these evaluations and uses them as the basis for improvement.

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# **Board Policies**

**INTRODUCTION**  
(General Information)

010-1-3  
Adopted 06/20/84  
Revised 12/07/88  
Revised 08/16/89  
Revised 09/18/91

**THE COAST COMMUNITY COLLEGE DISTRICT MISSION STATEMENT**

**MISSION**

The primary mission of the Coast Community College District (CCCD) is to provide quality lower-division and occupational education to ensure that students from all ages and from all socio-economic backgrounds have the opportunity to achieve their postsecondary educational goals. Inherent in this mission is the provision of transitional instruction and those support services that promote student success. In addition, the District will offer non-credit courses and other community service programs that will meet cultural, recreational, professional in-service, and personal development needs.

**GOALS**

- Goal 1: Provide the highest quality lower-division transfer education.
- Goal 2: Provide the highest quality occupational education training and retraining that meets community and student needs.
- Goal 3: Provide the highest quality transitional and life-long education programs that meet community needs.
- Goal 4: Provide a self-supporting community services program that meets cultural, recreational, professional in-service, and personal development needs of the community.
- Goal 5: Support the economic growth and development of the communities served by the Coast District by making the resources of the district and its colleges available to local businesses, industry, and government.
- Goal 6: Provide learning resources and student support services needed to promote student success and to measure that success.
- Goal 7: Establish articulation plans among the three campuses, the local high schools, and the colleges and universities.
- Goal 8: Develop, implement, and maintain programs that address international and intercultural education.



**INTRODUCTION**  
(Board of Trustees)

010-2-6  
Approved 02/05/03  
Revised 01/20/2010

**POLICY AND ADMINISTRATIVE PROCEDURE**

The Board may adopt such policies as are authorized by law or determined by the Board to be necessary for the effective operation of the District. The Board of Trustees shall adopt written policies to convey its expectations for actions to be taken by District employees and to communicate Board philosophy and practice to the students and the public. Board policies are the governing laws of the District and are binding to the extent that they do not conflict with federal or state laws and shall be consistent with the District's collective bargaining agreements. Board Policies are to be written clearly, in a standard format, and are to include language that is compliant with accreditation standards. All District employees are expected to know and observe provisions of law pertinent to their job responsibilities.

The Board Clerk is responsible for the review of all Board policies. All Board policies shall be reviewed every other year to ensure compliance with law, accreditation standards and best practices. The Board Clerk and Board Secretary shall review and update as necessary, all policies that pertain to the operations of the Board of Trustees. The Chancellor shall review other Board policies, every other year, with the advice and consultation of the Board President and Board Clerk. Policies of the Board may be adopted, revised, revoked, suspended, or amended at any regular or special Board meeting by a majority vote of the Board. Unless approved by a two-thirds vote, proposed changes or additions shall be introduced not less than one regular meeting prior to the meeting at which action is recommended.

Administrative procedures are to be issued by the Chancellor as statements of method to be used in implementing Board Policy. All administrative procedures shall be consistent with Board Policy, and upon a finding of consistency, shall be ratified by the Board of Trustees. When Board policies are amended, the Chancellor shall review corresponding administrative procedures to ensure they conform to the revised policy.

The Chancellor shall review and, as necessary, update all administrative procedures every other year. The Board, as it deems appropriate, may develop, revise or review specific administrative procedures to ensure their compliance with Board Policy. The Board reserves the right to direct revisions of administrative procedures if the Board finds such procedures to be inconsistent with Board policy.

All Board policies and administrative procedures shall be placed on the Coast Community College District website, [www.cccd.edu](http://www.cccd.edu). Copies of all policies and administrative procedures shall be readily available through the Board of Trustees' Office to Board members, District employees, students, and the public.

**ADMINISTRATION**  
(Administrative Responsibilities)

020-1-2  
Approved 01/03/85  
Revised 05/20/2009

**BOARD OF TRUSTEES' STANDARDS FOR ADMINISTRATION**

**PURPOSE**

The Board of Trustees is responsible for the wise and prudent delivery of education, a critical local and state resource, on behalf of the citizens of the Coast Community College District. The Board is a guardian and steward for the public's interests. The Board of Trustees ensures that the District fulfills its responsibility to lead and serve its ever-changing communities. The Board meets its obligation to the community in the following ways: setting policy direction; employing a Chief Executive Officer as the institutional leader; defining legal, ethical and prudent standards for college operations; assuring fiscal health and stability; maintaining standards for good personnel relations; and providing oversight of institutional performance.

**CHANCELLOR AS EXECUTIVE OFFICER OF THE BOARD**

1. The Board of Trustees of the Coast Community College District delegates to the Chancellor of the District the executive power to administer the policies adopted by the Board and to execute all decisions of the Board requiring administrative action. In the initiation and formulation of District policies the Chancellor shall act as the professional advisor to the Board.
  - a. The Chancellor may delegate any powers and duties entrusted to him or her by the Board, including the administration of colleges, but will be specifically responsible to the Board for the execution of such delegated powers and duties.
  - b. The Board delegates authority to the Chancellor to appoint an acting chancellor to serve in his or her absence for periods of time, not to exceed 30 calendar days at a time.

The Board shall appoint an Acting Chancellor for periods exceeding 30 calendar days when the Chancellor is incapacitated or unable to perform his or her duties.

In case of death, resignation or retirement of the Chancellor, the Board may appoint an interim Chancellor for up to one year.

2. The Chancellor is empowered to reasonably interpret Board policy. In situations where there is no Board policy direction, the Chancellor shall have the power to act. It is the responsibility of the Chancellor to inform and consult with the Board regarding action and to recommend a written board policy if one is required.

3. The Chancellor is expected to perform the duties contained in this policy, and any adopted Chancellor job description, and to fulfill responsibilities specified within his or her employment contract in a legal, ethical and prudent manner.
4. The Chancellor shall be expected to diligently work to achieve the goals and objectives as determined by the Board in his/her annual performance evaluation.

#### **DUTIES OF THE CHANCELLOR**

The Chancellor shall establish and maintain an effective and efficient District organization. In this respect the Chancellor shall assure that the following tasks occur:

- a. Annually plan a detailed District budget and recommend it to the Board.
- b. Assure the selection of capable, diverse and qualified persons for District positions. Recommend persons and their proposed rate of remuneration to the Board for employment.
- c. Plan and recommend for Board approval a program of educational opportunities to meet the needs of District students in a manner consistent with the Board's philosophy of education for the District.
- d. Maintain District expenditures within the amounts allocated in the approved budget.
- e. Assure continuing excellence in instruction, in support services, and in administrative services through a procedure which documents the results of both periodic and random evaluations.
- f. Recommend salary schedules for both certificated and non-certificated District employees.
- g. Anticipate District needs for revision of educational programs and services and for campus development, and for related long-term capital expenditures. Plan and recommend to the Board District actions which will result in timely fulfillment of these needs.
- h. Organize and direct an educational research program for the District for the purpose of improving the District's educational program and establishing administrative standards of ethical conduct and effectiveness.
- i. Deliver an annual "State of the District" address to the Board and public.

- j. Assure proper District approval of all purchase orders for items or materials not itemized in the annual budget, and approve purchase requisitions concerned primarily with administration.
- k. Interpret the District's programs to the citizens of the District and assure that the District maintains an adequate community relations program.
- l. Lend influence toward the development of constructive and progressive educational policies at local, state, and national levels.
- m. Maintain membership in and take part in the activities of professional and community organizations and associations that will enhance the operation of the District or the Office of the Chancellor.
- n. Maintain office hours.
- o. Make available any reasonable information or give any report requested by the Board.
- p. Ensure that all relevant laws and regulations are complied with, and that required reports are submitted in a timely fashion.
- q. Attend all meetings of the Board unless otherwise approved by the Board.
- r. Ensure compliance with District fiduciary responsibilities and maintain fiscal solvency.
- s. Provide vision and leadership for the District's overall operations and master planning.

**EDUCATIONAL PROGRAMS AND STUDENT RELATIONSHIPS  
(Policies Affecting Student Activities)**

030-9-1  
Approved 05/20/98  
Revised 09/01/10

**STUDENT ROLE IN GOVERNANCE**

The Board of Trustees of the Coast Community College District recognizes the Associated Student Organizations as the representatives of the students in the formulation and development of District and College policies and procedures that have or will have a "significant effect on students." The District is committed to shared governance and views its students as a valued, integral community whose views and ideas are imperative in developing policy and procedure. The Board views the Associated Students' input as essential in the development of policies and procedures that have or will have a "significant effect on students"; in this regard, students shall have the right to participate in processes for jointly developing recommendations to the Board regarding such policies and procedures. Policies and procedures that have or will have a "significant effect on students" include those dealing with the following areas:

1. Grading
2. Codes of student conduct
3. Student discipline
4. Curriculum development
5. Courses or programs to be initiated or discontinued
6. Institutional planning and budget development
7. Student preparation and success
8. Student services planning and development
9. Student fees
10. Participation on hiring committees
11. Any other district and college policy, procedure, or related matter that the Bboard determines will have a significant effect on students

The Board also shall give reasonable consideration to the recommendations and positions developed by students regarding District and College policies pertaining to the hiring and evaluation of faculty, administration, and classified staff.

Except in unforeseeable, emergency situations, the Board shall not take action on a matter having a "significant effect on students" until it has provided students with the opportunity to participate in the formulation of the policy or procedure, or in the joint development of recommendations to the Board.

Each College shall develop procedures to implement this Policy. At both the College and District levels, recommendations and positions developed by the Associated Students on matters having a "significant effect on students" are to be given every reasonable consideration.

**CERTIFICATED EMPLOYEES PERSONNEL POLICIES**  
(Employee Status)

**060-1-10**  
Approved 05/05/93

**FACULTY ROLE IN GOVERNANCE**

The Board of Trustees of the Coast Community College District recognizes the Academic Senate(s) as the representative of the faculty in making recommendations to the administration of the college and to the governing board of the District with respect to academic and professional matters (Title 5, 53200[b]). The Coast Community College District is committed to shared governance and views its faculty as a rich professional entity with both knowledge and expertise in developing policy and procedure. The Board views Academic Senate(s) input as essential in the development of its policies dealing with academic and professional matters.

The Board of Trustees of the Coast Community College District, or such representatives as it may designate, will rely primarily upon the advice and judgement of the Academic Senate(s) in developing policies involving the following academic and professional matters:

1. Curriculum, including establishing prerequisites and placing courses within disciplines.
2. Policies for faculty professional development activities.

The Board of Trustees of the Coast Community College District, or such representatives as it may designate, will reach mutual agreement with the representatives to the Academic Senate in developing policies regarding the following academic and professional matters.

1. Degree and certificate requirements
2. Grading policies
3. Educational program development
4. Standards or policies regarding student preparation and success
5. District and college governance structures, as related to faculty roles
6. Faculty roles and involvement in accreditation processes, including self-study and annual reports
7. Processes for program review
8. Processes for institutional planning and budget development

In instances where the Board of Trustees and the Academic Senate(s) cannot reach mutual agreement, existing policy shall remain in affect unless continuing with such policy exposes the District to legal liability or causes substantial fiscal hardship. In cases where there is no existing policy, or in cases where the exposure to legal liability or substantial fiscal hardship requires existing policy to be changed, the governing board may act, after a good faith effort to reach agreement, but only for compelling legal, fiscal or organizational reasons (Title 5, 53203[d][2].)

When mutual agreement is not reached on an academic or professional matter, the Academic Senate(s) may place the issue on the Board of Trustee's agenda through the Chancellor's office.

**CERTIFICATED EMPLOYEES PERSONNEL POLICIES**  
(Employee Status)

**060-1-10**  
cont'd

The Board of Trustees and the Academic Senate(s) shall develop policies on other academic and professional matters as mutually agreed upon between the Board of Trustees and the Academic Senate(s).

Each campus *shall* develop procedures whereby the Academic Senate(s) and representatives of the Board of Trustees may address academic and professional matters in an expeditious manner.

The Board of Trustees and the Academic Senate(s) will review and, if necessary, revise this policy after one (1) year, to wit, October, 1994.



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# **Statutes and Regulations**



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*Education Code*

**§ 70902**

**(a)(1)** Every community college district shall be under the control of a board of trustees, which is referred to herein as the "governing board." The governing board of each community college district shall establish, maintain, operate, and govern one or more community colleges in accordance with law. In so doing, the governing board may initiate and carry on any program or activity, or may otherwise act, in any manner that is not in conflict with, inconsistent with, or preempted by, any law, and that is not in conflict with the purposes for which community college districts are established.

**(2)** The governing board of each community college district shall establish rules and regulations not inconsistent with the regulations of the board of governors and the laws of this state for the government and operation of one or more community colleges in the district.

**(b)** In furtherance of subdivision (a), the governing board of each community college district shall do all of the following:

**(1)** Establish policies for, and approve, current and long-range academic and facilities plans and programs, and promote orderly growth and development of the community colleges within the district. In so doing, the governing board shall, as required by law, establish policies for, develop, and approve, comprehensive plans. The governing board shall submit the comprehensive plans to the board of governors for review and approval.

**(2) (A)** Establish policies for and approve credit courses of instruction and educational programs. The educational programs shall be submitted to the board of governors for approval. A credit course of instruction that is not offered in an approved educational program may be offered without the approval of the board of governors only under conditions authorized by regulations adopted by the board of governors.

**(B)** The governing board shall establish policies for, and approve, individual courses that are offered in approved educational programs, without referral to the board of governors.

**(3)** Establish academic standards, probation, dismissal, and readmission policies, and graduation requirements not inconsistent with the minimum standards adopted by the board of governors.

**(4)** Employ and assign all personnel not inconsistent with the minimum standards adopted by the board of governors, and establish employment practices, salaries, and benefits for all employees not inconsistent with the laws of this state.

**(5)** To the extent authorized by law, determine and control the district's operational and capital outlay budgets. The district governing board shall determine the need for



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elections for override tax levies and bond measures, and request that those elections be called.

(6) Manage and control district property. The governing board may contract for the procurement of goods and services as authorized by law.

(7) Establish procedures not inconsistent with minimum standards established by the board of governors to ensure faculty, staff, and students the opportunity to express their opinions at the campus level, to ensure that these opinions are given every reasonable consideration, to ensure the right to participate effectively in district and college governance, and to ensure the right of academic senates to assume primary responsibility for making recommendations in the areas of curriculum and academic standards.

(8) Establish rules and regulations governing student conduct.

(9) Establish student fees as it is required to establish by law, and, in its discretion, fees as it is authorized to establish by law.

(10) In its discretion, receive and administer gifts, grants, and scholarships.

(11) Provide auxiliary services as deemed necessary to achieve the purposes of the community college.

(12) Within the framework provided by law, determine the district's academic calendar, including the holidays it will observe.

(13) Hold and convey property for the use and benefit of the district. The governing board may acquire, by eminent domain, any property necessary to carry out the powers or functions of the district.

(14) Participate in the consultation process established by the board of governors for the development and review of policy proposals.

(c) In carrying out the powers and duties specified in subdivision (b) or other provisions of statute, the governing board of each community college district shall have full authority to adopt rules and regulations, not inconsistent with the regulations of the board of governors and the laws of this state, that are necessary and proper to executing these prescribed functions.

(d) Wherever in this section or any other statute a power is vested in the governing board, the governing board of a community college district, by majority vote, may adopt a rule delegating the power to the district's chief executive officer or any other employee or committee as the governing board may designate. However, the governing board shall not delegate any power that is expressly made nondelegable by statute. Any rule delegating authority shall prescribe the limits of the delegation.



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(e) This section shall remain in effect only until January 1, 2013, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2013, deletes or extends that date.

**§ 81655**

Wherever in this code the power to contract is invested in the governing board of the school district or any member thereof, the power may by a majority vote of the board be delegated to its district superintendent, or to any persons that he or she may designate, or if there be no district superintendent then to any other officer or employee of the district that the board may designate. The delegation of power may be limited as to time, money or subject matter or may be a blanket authorization in advance of its exercise, all as the governing board may direct. However, no contract made pursuant to the delegation and authorization shall be valid or constitute an enforceable obligation against the district unless and until the same shall have been approved or ratified by the governing board, the approval or ratification to be evidenced by a motion of the board duly passed and adopted. In the event of malfeasance in office, the school district official invested by the governing board with the power of contract shall be personally liable to the school district employing him or her for any and all moneys of the district paid out as a result of the malfeasance.

**Government Code**

**§ 3543.2**

(a) The scope of representation shall be limited to matters relating to wages, hours of employment, and other terms and conditions of employment. "Terms and conditions of employment" mean health and welfare benefits as defined by Section 53200, leave, transfer and reassignment policies, safety conditions of employment, class size, procedures to be used for the evaluation of employees, organizational security pursuant to Section 3546, procedures for processing grievances pursuant to Sections 3548.5, 3548.6, 3548.7, and 3548.8, the layoff of probationary certificated school district employees, pursuant to Section 44959.5 of the *Education Code*, and alternative compensation or benefits for employees adversely affected by pension limitations pursuant to Section 22316 of the *Education Code*, to the extent deemed reasonable and without violating the intent and purposes of Section 415 of the *Internal Revenue Code*. In addition, the exclusive representative of certificated personnel has the right to consult on the definition of educational objectives, the determination of the content of courses and curriculum, and the selection of textbooks to the extent such matters are within the discretion of the public school employer under the law. All matters not specifically enumerated are reserved to the public school employer and may not be a subject of meeting and negotiating, provided that nothing herein may be construed to limit the right of the public school employer to consult with any employees or employee organization on any matter outside the scope of representation.



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(b) Notwithstanding Section 44944 of the *Education Code*, the public school employer and the exclusive representative shall, upon request of either party, meet and negotiate regarding causes and procedures for disciplinary action, other than dismissal, including a suspension of pay for up to 15 days, affecting certificated employees. If the public school employer and the exclusive representative do not reach mutual agreement, then the provisions of Section 44944 of the *Education Code* shall apply.

(c) Notwithstanding Section 44955 of the *Education Code*, the public school employer and the exclusive representative shall, upon request of either party, meet and negotiate regarding procedures and criteria for the layoff of certificated employees for lack of funds. If the public school employer and the exclusive representative do not reach mutual agreement, then the provisions of Section 44955 of the *Education Code* shall apply.

(d) Notwithstanding Section 45028 of the *Education Code*, the public school employer and the exclusive representative shall, upon request of either party, meet and negotiate regarding the payment of additional compensation based upon criteria other than years of training and years of experience. If the public school employer and the exclusive representative do not reach mutual agreement, then the provisions of Section 45028 of the *Education Code* shall apply.

(e) Pursuant to Section 45028 of the *Education Code*, the public school employer and the exclusive representative shall, upon the request of either party, meet and negotiate a salary schedule based on criteria other than a uniform allowance for years of training and years of experience. If the public school employer and the exclusive representative do not reach mutual agreement, then the provisions of Section 45028 of the *Education Code* requiring a salary schedule based upon a uniform allowance for years of training and years of experience shall apply. A salary schedule established pursuant to this subdivision shall not result in the reduction of the salary of any teacher.

**Public Contract Code**

**§ 20658**

The governing board of any community college district may by majority vote authorize its district superintendent, or such person as he or she may designate, to expend up to two hundred fifty dollars (\$250) per transaction for work done, compensation for employees or consultants, and purchases of equipment, supplies, or materials. Ratification by the governing board shall not be required with respect to transactions entered into pursuant to this section.



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**Title 5 of the California Code of Regulations**

**§ 51023.5**

(a) The governing board of a community college district shall adopt policies and procedures that provide district and college staff the opportunity to participate effectively in district and college governance. At minimum, these policies and procedures shall include the following:

(1) Definitions or categories of positions or groups of positions other than faculty that compose the staff of the district and its college(s) that, for the purposes of this section, the governing board is required by law to recognize or chooses to recognize pursuant to legal authority. In addition, for the purposes of this section, management and nonmanagement positions or groups of positions shall be separately defined or categorized.

(2) Participation structures and procedures for the staff positions defined or categorized.

(3) In performing the requirements of subsections (a)(1) and (2), the governing board or its designees shall consult with the representatives of existing staff councils, committees, employee organizations, and other such bodies. Where no groups or structures for participation exist that provide representation for the purposes of this section for particular groups of staff, the governing board or its designees, shall broadly inform all staff of the policies and procedures being developed, invite the participation of staff, and provide opportunities for staff to express their views.

(4) Staff shall be provided with opportunities to participate in the formulation and development of district and college policies and procedures, and in those processes for jointly developing recommendations for action by the governing board, that the governing board reasonably determines, in consultation with staff, have or will have a significant effect on staff.

(5) Except in unforeseeable, emergency situations, the governing board shall not take action on matters significantly affecting staff until it has provided staff an opportunity to participate in the formulation and development of those matters through appropriate structures and procedures as determined by the governing board in accordance with the provisions of this Section.

(6) The policies and procedures of the governing board shall ensure that the recommendations and opinions of staff are given every reasonable consideration.

(7) When a college or district task force, committee, or other governance group, is used to consult with staff regarding implementation of this section or to deal with other issues which have been determined to significantly affect staff pursuant to subdivision (a)(4), the appointment of staff representatives shall be made as follows:





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(A) The exclusive representative shall appoint representatives for the respective bargaining unit employees, unless the exclusive representative and the governing board mutually agree in a memorandum of understanding to an alternative appointment process.

(B) Where a group of employees is not represented by an exclusive agent, the appointment of a representative of such employees on any task force, committee or governance group shall be made by, or in consultation with, any other councils, committees, employee organizations, or other staff groups that the governing board has officially recognized in its policies and procedures for staff participation.

(C) When the task force, committee or governance group will deal with issues outside the scope of collective bargaining, any other council, committee or staff group, other than an exclusive agent, that the governing board has officially recognized in its policies and procedures for staff participation may be allowed to designate an additional representative. These organizations shall not receive release time, rights, or representation on such task forces, committees, or other governance groups exceeding that offered to the exclusive representative of classified employees.

(D) In all cases, representatives shall be selected from the category that they represent.

(b) In developing and carrying out policies and procedures pursuant to subsection (a), the district governing board shall ensure that its actions do not dominate or interfere with the formation or administration of any employee organization, or contribute financial or other support to it, or in any way encourage employees to join any organization in preference to another. In addition, in order to comply with *Government Code* sections 3540, et seq., such procedures for staff participation shall not intrude on matters within the scope of representation under section 3543.2 of the *Government Code*. Governing boards shall not interfere with the exercise of employee rights to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations. Nothing in this section shall be construed to impinge upon or detract from any negotiations or negotiated agreements between exclusive representatives and district governing boards. It is the intent of the Board of Governors to respect lawful agreements between staff and exclusive representatives as to how they will consult, collaborate, share, or delegate among themselves the responsibilities that are or may be delegated to staff pursuant to these regulations.

(c) Nothing in this section shall be construed to impinge upon the policies and procedures governing the participation rights of faculty and students pursuant to sections 53200-53204, and section 51023.7, respectively.

(d) The governing board of a community college district shall comply substantially with the provisions of this section.



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**§ 51023.7**

**(a)** The governing board of a community college district shall adopt policies and procedures that provide students the opportunity to participate effectively in district and college governance. Among other matters, said policies and procedures shall include the following:

**(1)** Students shall be provided an opportunity to participate in formulation and development of district and college policies and procedures that have or will have a significant effect on students. This right includes the opportunity to participate in processes for jointly developing recommendations to the governing board regarding such policies and procedures.

**(2)** Except in unforeseeable, emergency situations, the governing board shall not take action on a matter having a significant effect on students until it has provided students with an opportunity to participate in the formulation of the policy or procedure or the joint development of recommendations regarding the action.

**(3)** Governing board procedures shall ensure that at the district and college levels, recommendations and positions developed by students are given every reasonable consideration.

**(4)** For the purpose of this Section, the governing board shall recognize each associated student organization or its equivalent within the district as provided by Education Code Section 76060, as the representative body of the students to offer opinions and to make recommendations to the administration of a college and to the governing board of a district with regard to district and college policies and procedures that have or will have a significant effect on students. The selection of student representatives to serve on college or district committees, task forces, or other governance groups shall be made, after consultation with designated parties, by the appropriate officially recognized associated student organization(s) within the district.

**(b)** For the purposes of this Section, district and college policies and procedures that have or will have a "significant effect on students" includes the following:

**(1)** grading policies;

**(2)** codes of student conduct;

**(3)** academic disciplinary policies;

**(4)** curriculum development;

**(5)** courses or programs which should be initiated or discontinued;



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- (6) processes for institutional planning and budget development;
- (7) standards and policies regarding student preparation and success;
- (8) student services planning and development;
- (9) student fees within the authority of the district to adopt; and
- (10) any other district and college policy, procedure, or related matter that the district governing board determines will have a significant effect on students.

(c) The governing board shall give reasonable consideration to recommendations and positions developed by students regarding district and college policies and procedures pertaining to the hiring and evaluation of faculty, administration, and staff.

(d) Nothing in this Section shall be construed to impinge upon the due process rights of faculty, nor to detract from any negotiations or negotiated agreements between collective bargaining agents and district governing boards. It is the intent of the Board of Governors to respect agreements between academic senates and collective bargaining agents as to how they will consult, collaborate, share or delegate among themselves the responsibilities that are or may be delegated to academic senates pursuant to the regulations on academic senates contained in Sections 53200-53206.

(e) The governing board of a community college district shall comply substantially with policies and procedures adopted in accordance with this Section.

**§ 53200**

For the purpose of this Subchapter:

(a) "Faculty" means those employees of a community college district who are employed in positions that are not designated as supervisory or management for the purposes of Article 5 (commencing with Section 3540) of Chapter 10.7 of Division 4 of Title 1 of the *Government Code*, and for which minimum qualifications for hire are specified by the Board of Governors.

(b) "Academic senate," "faculty council," and "faculty senate" means an organization formed in accordance with the provisions of this Subchapter whose primary function, as the representative of the faculty, is to make recommendations to the administration of a college and to the governing board of a district with respect to academic and professional matters. For purposes of this Subchapter, reference to the term "academic senate" also constitutes reference to "faculty council" or "faculty senate."

(c) "Academic and professional matters" means the following policy development and implementation matters:



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- (1) curriculum, including establishing prerequisites and placing courses within disciplines;
- (2) degree and certificate requirements;
- (3) grading policies;
- (4) educational program development;
- (5) standards or policies regarding student preparation and success;
- (6) district and college governance structures, as related to faculty roles;
- (7) faculty roles and involvement in accreditation processes, including self-study and annual reports;
- (8) policies for faculty professional development activities;
- (9) processes for program review;
- (10) processes for institutional planning and budget development; and
- (11) other academic and professional matters as are mutually agreed upon between the governing board and the academic senate.

(d) "Consult collegially" means that the district governing board shall develop policies on academic and professional matters through either or both of the following methods, according to its own discretion:

- (1) relying primarily upon the advice and judgment of the academic senate; or
- (2) agreeing that the district governing board, or such representatives as it may designate, and the representatives of the academic senate shall have the obligation to reach mutual agreement by written resolution, regulation, or policy of the governing board effectuating such recommendations.

**§ 53203**

(a) The governing board of a community college district shall adopt policies for appropriate delegation of authority and responsibility to its college and/or district academic senate. Among other matters, said policies, at a minimum, shall provide that the governing board or its designees will consult collegially with the academic senate when adopting policies and procedures on academic and professional matters. This requirement to consult collegially shall not limit other rights and responsibilities of the academic senate which are specifically provided in statute or other Board of Governors regulations.



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(b) In adopting the policies and procedures described in Subsection (a), the governing board or its designees shall consult collegially with representatives of the academic senate.

(c) While in the process of consulting collegially, the academic senate shall retain the right to meet with or to appear before the governing board with respect to the views, recommendations, or proposals of the senate. In addition, after consultation with the administration of the college and/or district, the academic senate may present its views and recommendations to the governing board.

(d) The governing board of a district shall adopt procedures for responding to recommendations of the academic senate that incorporate the following:

(1) in instances where the governing board elects to rely primarily upon the advice and judgment of the academic senate, the recommendations of the senate will normally be accepted, and only in exceptional circumstances and for compelling reasons will the recommendations not be accepted. If a recommendation is not accepted, the governing board or its designee, upon request of the academic senate, shall promptly communicate its reasons in writing to the academic senate.

(2) in instances where the governing board elects to provide for mutual agreement with the academic senate, and agreement has not been reached, existing policy shall remain in effect unless continuing with such policy exposes the district to legal liability or causes substantial fiscal hardship. In cases where there is no existing policy, or in cases where the exposure to legal liability or substantial fiscal hardship requires existing policy to be changed, the governing board may act, after a good faith effort to reach agreement, only for compelling legal, fiscal, or organizational reasons.

(e) An academic senate may assume such responsibilities and perform such functions as may be delegated to it by the governing board of the district pursuant to Subsection (a).

(f) The appointment of faculty members to serve on college or district committees, task forces, or other groups dealing with academic and professional matters, shall be made, after consultation with the chief executive officer or his or her designee, by the academic senate. Notwithstanding this Subsection, the collective bargaining representative may seek to appoint faculty members to committees, task forces, or other groups.