

AGB

**Effective
Committee
Series**

The Executive Committee

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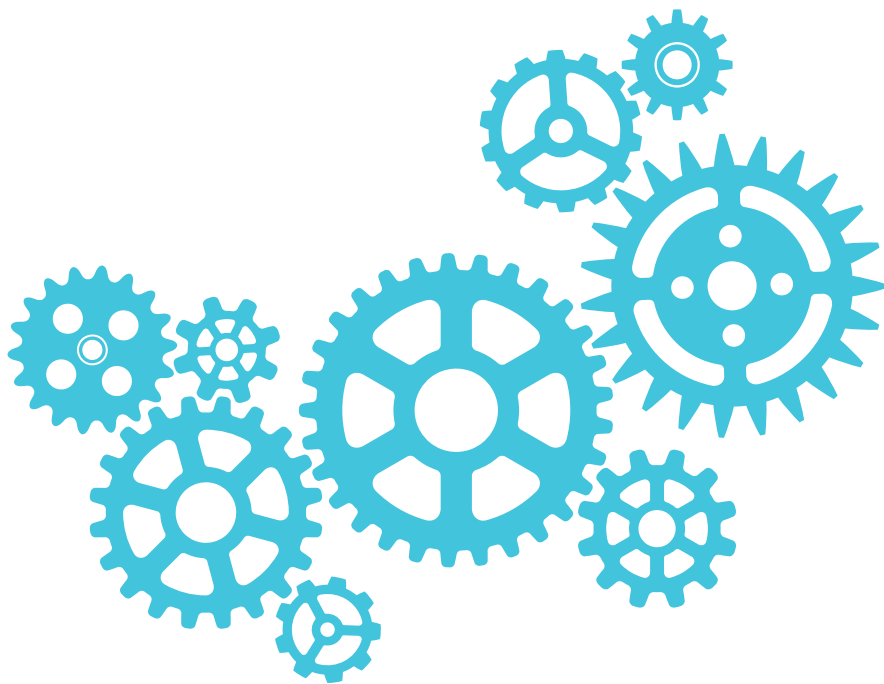


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Effective Committees

This publication is part of an AGB series devoted to strengthening the role of key standing committees of governing boards. While there is no optimum committee system for institutions of higher education, certain principles, practices, and procedures prevail. The best practices outlined below support the objectives of board committees: focused effort, informed decision making, and self-management.

A. FOCUS THE WORK OF COMMITTEES

The work of boards should be grounded in the work of its committees. Working in tandem, committees enhance the purpose and advance the productivity of the full board.

1. Committee charges or charters should clearly declare the governance purpose of each committee.
2. Committee work should be aligned with the institution's strategic vision, goals, and priorities.
3. Committees should translate their charges into annual goals and work plans that align with the board's governance responsibilities and the institution's strategic plan.
4. Committees should focus on monitoring the institution's strategic progress and the committee's accomplishments.
5. Committee meeting agendas should be concise, developed in consultation

with the committee chair and designated staff member, clearly state desired meeting outcomes, and they should be distributed—with appropriate supporting documents—well in advance.

6. Committee members should strike an appropriate balance between “too much” and “too little” information. They must guard against requesting overly detailed information to avoid becoming embroiled in administration or overburdening staff. At the same time, they need sufficient supporting materials to make sound recommendations and ensure adequate oversight.

B. FACILITATE INFORMED AND PARTICIPATORY DECISION MAKING

Committees are responsible for recommending decisions and actions to the full board. They should serve as models of good governance, where issues are debated and recommendations are framed openly, inclusively, and with full transparency.

1. Committees should deliberately include constituents whose voices have legitimate bearing on the topics under consideration.
2. Board members and constituents should have an active and reciprocal understanding of their respective roles and responsibilities within the institution’s governance structure.
3. Through committees, board members and the institution’s constituents should engage in a dialogue that demands facts and explores critical issues within the appropriate boundaries. Jointly and based on mutual trust, they should learn to ask the right questions that honor governance prerogatives and advance the institution’s strategic direction.
4. When making formal recommendations to the full board, committees should present conclusions that summarize relevant data and findings, including constituent voices and diverse perspectives.

C. ORGANIZE THE WORK OF COMMITTEES

While board bylaws often define the committee structure, the needs of each committee vary depending on the committee’s purpose and the institution’s changing circumstances. Within the division of labor between committees and the board, committees have responsibility for managing their own policies and practices.

1. Committee assignments should be rotated among board members to deepen board member education, engagement, and experience. Term

A Delicate Board Balancing Act

Within a board's governance structure, the executive committee can be uniquely influential. As the only committee vested with the possibility of almost complete fiduciary authority, the executive committee has the potential to affect the overall performance of the board—adding value when done well and creating problems if it overreaches.

Most executive committees are authorized by the board to act on behalf of the full board, provided that they do not assume powers specifically reserved in the bylaws for the board itself. An executive committee provides the president and chair with ready access to board leaders for prompt input and decision making in crises and as other policy issues warrant. But the president¹ and chair need to remain mindful of when to limit its engagement.

An effective executive committee should strike an appropriate balance between the efficient use of board officers (and other leaders) and the full board's authority. In contrast, an executive committee that assumes authority beyond its proper purview might inadvertently encroach upon the role of the full board in strategic issues and decision making to the detriment of good governance, institutional well-being, and board member engagement.

1. This publication addresses executive committees of public and independent colleges, universities, and systems, and of institutionally related foundations. For simplicity, the term "president" is used generically to refer to the chief executive officer of the institution, system, or foundation. Likewise, the term institution is used to refer to colleges, universities, systems, and foundations.

Exhibit 1: Executive Committees: Frequency and Size

	Public Institutions	Independent Institutions	Related Foundations
Average board size	12 members	29 members	29 members
Percent with an executive committee	43%	82%	95%
Average size of executive committee	6 members	11 members	Not Available

Sources: Policies, Practices, and Composition of Governing Boards of Independent Colleges and Universities (AGB, 2010); Policies, Practices, and Composition of Governing Boards of Institutionally Related Foundations (AGB, 2011); Policies, Practices, and Composition of Governing Boards of Public Colleges, Universities, and Systems (AGB, 2010); and the AGB Survey on Executive Committees of Governing Boards (2008).

According to AGB research conducted in 2010, most boards of independent institutions and related foundations have an executive committee, as do a growing number of public institutions and systems, as shown in Exhibit 1. Additional AGB research, conducted in 2008, indicates that executive committee practices—their function, composition, and relationship with the full board—vary depending on the type of institution. (See *Appendix A: Survey Results of Executive Committee Composition and Practices*.)

Data from previous AGB surveys of independent and public institutions also indicate a 12 percent increase in the prevalence of executive committees between 2004 and 2010. Anecdotal evidence suggests that this may have been in response to the economic crisis that began in 2008. Under extenuating circumstances, the executive committee often increases its level of activity, as the president needs input and the board needs an efficient way to participate in urgent institutional decisions. But once the immediate situation has passed, the executive committee should revert back to a more limited role.

Under normal circumstances, the executive committee can be most productive when it facilitates cross-functional discussions and frames major institutionwide issues for full board deliberation. During an emergency or crisis, the executive committee allows the board and institution to respond more nimbly. At all

Purpose and Scope of the Executive Committee

The principal purposes of an executive committee are to act on behalf of the board, as needed, between meetings and to assume specific responsibilities not otherwise assigned to standing or ad hoc committees. In practice, the executive committee's work generally falls into five broad categories:

1. Significant matters dictated by the calendar or events that cannot wait for a board meeting;
2. Processes that the committee has specifically been charged with facilitating, such as presidential compensation or oversight of strategic planning;
3. Matters referred to the committee by the board, chair, or president for study and possible resolution, such as community relations or public policy;
4. Issues generated by the committee itself or that intersect with the work of other committees and require cross-functional coordination, such as risk assessment or brand management; and
5. Routine or relatively inconsequential matters requiring pro-forma action by the committee to conserve the board's time, such as approving board-meeting agendas.

With the executive committee, it is especially important to clearly define its purpose and scope. The authority and composition of the executive committee should be outlined in the bylaws. (*See Section 3: Responsibilities of the Executive*