

Six Principles of Strategic Board Leadership

WITH THE START OF A NEW YEAR, AGB has shaped its priorities to better serve trustees and board members of institutions and institutionally related foundations. We have also sharpened our vision focused on a world where college, university, and foundation board members are relied upon as indispensable, strategic partners for presidents and CEOs to advance student success and well-being, institutional vitality, and the public's understanding of the role and benefits of higher education.

To achieve this vision, AGB empowers its members to govern with knowledge and confidence in the boardroom, at the core of which is strategic board leadership. For boards to be effective, they must embrace six principles of strategic board leadership.

1. Accountability

The most important principle of strategic board leadership is realizing that the board is accountable for everything that happens or fails to happen within the institution or foundation. Further, and from a technical leadership perspective, while accountability cannot be delegated, responsibility can be delegated. Lastly, it is critical for board members to recognize that their primary and ultimate fiduciary duty is to be accountable for the institution's long-term reputation and vitality.

2. Presidential Leadership

Hiring, inspiring, and assessing the right president is the most critical responsibility for the board. Additionally, fostering a strong president-board chair partnership is critical. These two leaders should embrace shared outcomes for the institution or foundation spanning brand, positioning, financial, strategy, workforce preparation, student wellness, and more.

3. Strategy

Effective boards should engage in a collaborative, ongoing strategic planning process with the president and cabinet if they intend to accomplish specific goals.

Leading boards no longer "review and concur," but rather continuously engage, evaluate, and optimize strategic linkage, risks, and impact to long-term objectives. Strategies should focus on both student success and well-being as well as institutional vitality.

4. Composition

The right composition of a board is key to overseeing the development and evaluation of potential strategies and risks, as well as being successful. The anatomy of an effective board has the right people, the right focus, and the right relationships. Diverse skills, experiences, and competencies should align with the institution's strategy.

5. Risk Oversight

Risk oversight of strategy development, operational execution, and policy development is critical for boards to maximize impact. This requires oversight against potential risks to uphold the institution's reputation and requires collaboration between boards, presidents, and cabinet members. With enhanced risks such as financial sustainability of the institution, cost of attendance, student wellness, admissions, athletics, and accreditation occupying board agenda time, it is more important than ever that risk management be a top priority of institutional boards. Risk oversight is not just about identifying and prioritizing possible risks that could occur, but also crisis



communications planning, rehearsal, and understanding the board's role in a crisis.

6. Commitment

Trusteeship is a critical role requiring significant investment of time. Some new or even experienced board members are surprised by the time required to perform as a professional trustee. World-class per-

formance in all endeavors requires significant time, and the commitment required to become an effective trustee is no exception. My recommendation is that board members spend several hours per week—aside from board/committee meetings and preparation—learning about topics that may help advance the institution's mission. For comparison purposes, corporate directors spend more than 250 hours each year on their directorship roles, while the average trustee spends less than 100 hours annually on matters related to trusteeship. For board members who need to read about board governance, strategic planning, technology, global oversight, AI/predictive analytics, and other topics about board leadership, AGB's digital library of books is now available online at AGB.org to further your professional development.

As you approach the year ahead and the multitude of areas you have to oversee, I urge you to take a step back and set a vision for how you can approach your leadership role in a more thoughtful, engaged, strategic way. The success of students and the vitality of your institutions depend on it.

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