



**Board of Trustees of the University of Oregon  
Presidential Factors Committee Meeting  
January 20, 2015**

**4:00 PM – Public Meeting – Ford Alumni Center, Room 403**

1. Convene
  - Call to Order
  - Roll Call
  - Introductory comments and review of agenda
2. President's Compensation – Research Update and Discussion
3. President's Contract
4. President's Annual Evaluation

Adjourn

**Committee Attendance**

Ginevra Ralph, Chair	Present
Andrew Colas	Present
Allyn Ford	Present
Susan Gary	Present
Ross Kari	Present

Presidential Factors Committee (PFC) Chair Ginevra Ralph called the meeting to order at 2:01 PM. Chair Ralph provided some brief introductory comments. Roll call was taken and all members are present.

**Presidential Compensation.** The committee discussed presidential compensation, including an analysis of the current presidential compensation plan at the University of Oregon. Trustee Allyn Ford noted that part of the committee's work is to make sure the compensation level is appropriate and competitive. Trustee Ross Kari noted that the information analyzed demonstrates that the salary level is not out of norms for peer institutions, but we have to consider whether the median is where we want to be to attract the right individuals. Trustee Connie Ballmer noted that recommendations from the search firm put total compensation around \$600K.

Ford notes a point of discussion needs to be the composition of the compensation and whether it makes sense to move toward some sort of incentive model. VPFA Moffitt provided the committee an explanation of how the current deferred compensation plan works. The committee discussed incentive compensation structures, noting that university's using such a structure are in the minority and what metrics might be appropriate at a university. The committee discussed considerations in determining an appropriate salary level, such as the market, the work, faculty and staff salaries, and peer institutions. The committee discussed engaging Mercer Consulting on a small project to evaluate national practices, and discussed the need to get an understanding of on-campus salary increases.

**Presidential Review and Evaluation.** Chair Ralph expressed a desire to include a greater component of campus and community listening as part of presidential review. The committee discussed the balance between evaluating the president's performance in conjunction with overall university process, and discussed what constituent groups might be involved in presidential reviews. The committee discussed the need for goals or aspects upon which to evaluate a president, but allowing for some discretion for the Board to interpret performance and responses. The committee discussed the need to do some research on best practices. The committee discussed other issues surrounding review and evaluation such as its attachment to compensation, the search, interim issues, campus community, retention, etc.

**Adjournment.** 2:56 PM.



**MEMORANDUM**

January 16, 2015

TO: Presidential Factors Committee  
Chuck Lillis, Board Chair  
Angela Wilhelms, Secretary

FROM: Ginevra Ralph, Committee Chair

RE: Discussion Points

The Presidential Factors Committee meets again on January 20. In advance of that meeting, I wanted to provide this discussion document to spur thought and planning. I anticipate covering three primary topics:

- I. Presidential Compensation – Update  
I will update you on the status of current research underway as a result of our last meeting.
- II. President’s Contract – Review  
I do not intend for us to spend much time at the meeting reviewing or discussing the current presidential contract, but I plan to “assign” that as homework with feedback and responses due at a future date. The current contract is one inherited from the days when OUS bore responsibility for the employment of UO’s president. I would like your careful thoughts on the document and whether there are items we should consider adding, deleting or modifying. The contract is attached for your review should you want a head start.
- III. Presidential Evaluation  
A major part of this committee’s charge is to structure and manage the president’s annual review. (Another large part is the president’s less frequent, but more comprehensive review, about which conversation will be deferred to future meetings.) The Presidential Review and Evaluation Policy outlines specific required and suggested components of the review, modeled after best practices in higher education. See page 2.

At our January 20 meeting, I would like the committee to discuss specificity with regard to these provisions. I expect we will touch on more than just these, but here are some discussion questions to get you thinking.

- What is it we are really trying to learn and understand?

- What types of questions/topics should be included in the self-evaluation?
- Other than those from whom we are required to seek input, which positions does it make sense to add (if any)?
- What is it exactly we would ask people?
- What is the best method to seek such input?
- Given the deadlines/windows set forth in the Policy, what is an appropriate and realistic working timeline?

*The following is paraphrased from the Presidential Review and Evaluation Policy adopted by the Board of Trustees in September 2014.*

- The annual review shall take place each year between March 1 and June 30
- The annual review shall include the following components:
  - Self-evaluation including a retrospective component and a prospective component
  - Review survey completed by vice presidents, academic deans, officers of the university.
    - The committee may ask others to participate
    - The committee develops this survey annually; it is administered by the Secretary
    - Results are shared with the Board and President
  - Other information shall be solicited – regarding the President’s performance – from other members of the university community or external constituencies
    - Those from whom the committee solicits information, and how that information is obtained, is completely at the discretion of the committee
    - All material solicited is provided to the President
- The committee shall submit a report to the Board with findings, associated recommendations, and action items.
  - This report is due at the first regular Board meeting following completion of the review (June or September)

## EMPLOYMENT AGREEMENT AND NOTICE OF APPOINTMENT

THIS AGREEMENT is made and entered into by and between the University of Oregon ("University") and Dr. Scott L. Coltrane ("Interim President" or "Dr. Coltrane").

### 1.0 Appointment as Interim President

Under ORS 352.096, the University's Board of Trustees ("Board") may appoint and employ an interim president of the University. University policies also specify that when an interim president is appointed, the interim president will serve until the Board has appointed a regular institution president or until the interim president has been relieved of the presidential duties and responsibilities. Dr. Coltrane's term of employment as Interim President is August 7, 2014 through the earlier of June 30, 2015 or the date on which a regular successor assumes duties as the President of the University of Oregon, subject, however, to the provisions of the University's rules and policies with regard to interim presidents, including, but not limited to the provision that interim presidents serve at the pleasure of the Board.

### 2.0 Duties and Responsibilities

2.1 As Interim President, Dr. Coltrane is the executive and governing officer of the University of Oregon and reports to the Board. Charles Lillis, who is the Board Chair (hereafter referred to as "Chair") is, among other things, the primary spokesperson for the Board. Interim President is responsible to the Chair for all matters concerning the University and is an advisor to the Chair in matters of institutional policy and administration. Duties shall include, but are not limited to:

- (a) Institutional, faculty, and educational leadership;
- (b) Long-range planning, budget formulation, supervision of institution buildings, grounds, and equipment controlled by the University, administration of the affairs of the University as best serves the institution consistent with Board actions, directives, rules and policies;
- (c) Student recruitment and services, faculty recruitment;
- (d) Appointing, supervising, promoting, and dismissing staff members;
- (e) Preparing and issuing regulations, rules, and procedures useful to the University's welfare, consistent with Board actions, directives, rules and policies; and
- (f) Fundraising, development, and public and alumni relations.

2.2 Duties and responsibilities also include the expectations outlined in the attached Exhibit A, which is a memorandum to Dr. Coltrane from the Charles Lillis, dated August 7, 2014. Exhibit A is incorporated by reference into this Agreement.

### 3.0 Devote Best Efforts to the Work as Interim President

3.1 Interim President agrees to faithfully, industriously, and with maximum application of experience, ability, and talent devote full-time attention and energies to the duties of Interim President of the University.

3.2 Such duties shall be rendered at the University's campus in Eugene, Oregon and at such other place or places as the Board or Interim President shall deem appropriate for the interest, needs, business, or opportunities of the University.

3.3 The expenditure of reasonable amounts of time for personal or outside business, as well as charitable and professional development activities, shall not be deemed a breach of this Agreement, provided such activities do not materially interfere with the services required to be rendered to the Board or University under this Agreement.

3.4 Other than activities or services permitted by University rule or policy, Interim President shall not render services of any professional nature to or for any person or firm for remuneration other than to the Board or University and shall absolutely not engage in any activity that may be competitive with and adverse to the best interests of the Board and the University. The making of passive or personal investments and the conduct of private business affairs shall not be prohibited.

#### 4.0 Salary and Benefits

4.1 Beginning August 7, 2014, Interim President's monthly salary rate is \$36,667. This amount is based upon an annual full-time salary rate of \$440,004 at 1.0 FTE.

4.2 The following is included as part of the Interim President's compensation package for the period August 7, 2014 through the earlier of June 30, 2015 or the date on which a regular successor as UO President assumes his/her full range of duties:

(a) \$89,863 (this amount is based upon an annual amount of \$100,000) in deferred compensation for the Interim President to be credited to his account in the Oregon Public Universities Supplemental Retirement Plan or, if necessary, to his account in a tax-qualified excess benefit plan that would be excess to the Oregon Public Universities Supplemental Retirement Plan, with 1/328 of the \$89,863 credit to vest on each day during August 7, 2014 through the earlier of June 30, 2015 on which he is Interim President (there are 328 days inclusive during August 7, 2014 through the earlier of June 30, 2015).

4.3 In lieu of a University-provided vehicle, the Interim President will be paid a monthly vehicle stipend of \$1,200.

4.4 Interim President shall receive the same benefits as those provided to other University employees (subject to changes applicable to all University employees), currently including medical, dental, and life insurance, retirement benefits, accrual of vacation and sick leave, and staff fee privileges.

#### 5.0 McMorrان House

5.1 The Interim President is not required to reside at the residence, known as the McMorrان House, located at 2315 McMorrان Street, Eugene, Oregon, 97403. However, the McMorrان House shall be used by the Interim President to conduct University meetings and events on a regular basis.

#### 6.0 Travel Expenses

University will reimburse the Interim President and the Interim President's spouse for reasonable travel expenses, hotel bills, and other necessary and proper expenses in accordance with University policies when the Interim President is travelling on University business, except that payments will be made on behalf of the spouse only when the presence of the spouse is necessary to further the interests of the

University.

#### 7.0 Expense Receipts and Documentation

The Interim President agrees to maintain and furnish an accounting of expenses provided for in this Agreement in accordance with University policies and in reasonable detail.

#### 8.0 Non-Appropriation

If sufficient funds are not provided in future legislatively approved budgets to permit the University in the exercise of its reasonable administrative discretion to continue this Agreement, the University may terminate this Agreement without further liability by giving the Interim President not less than 30 days' notice. Termination due to non-appropriation shall not result in either party being entitled to liquidated damages.

#### 9.0 Severability

If any provisions of this Agreement shall be determined to be void, invalid, unenforceable or illegal for any reason, it shall be ineffective only to the extent of such prohibition and the validity and enforceability of all the remaining provisions shall not be affected thereby.

#### 10.0 Modification

This Agreement may not be modified or extended except by written instrument signed by the Interim President and authorized by the Board.

#### 11.0 Entire Agreement

This Agreement contains the entire understanding of the parties and there are no representations, warranties, covenants, or undertakings other than those expressly set forth herein.

#### 12.0 Prior Agreements

This Agreement cancels and supersedes any and all agreements entered into between the parties.

#### 13.0 Waiver

No delay or failure to enforce any provision of this Agreement shall constitute a waiver or limitation of rights enforceable under this Agreement.

#### 14.0 Non-Assignable

This Agreement is not assignable.

#### 15.0 Governing Law: Forum

This Agreement shall be interpreted and construed in accordance with the laws of the State of Oregon, without regard to conflicts of laws. Any lawsuit or claim arising from this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Lane County for the State of Oregon; provided,

however, if a lawsuit or claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

16.0 Applicable Laws and Regulations

All provisions of this Agreement are subject to the laws of the State of Oregon and the rules and regulations of the University.

DATED this 20<sup>th</sup> day of August, 2014



Dr. Scott L. Coltrane



Charles Lillis, Chair  
University of Oregon Board of Trustees

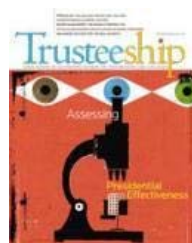


## Assessing Presidential Effectiveness

### Trusteeship

January/February 2010 Number: 1 Volume: 18

By Richard L. Morrill



I have to confess that during the nearly 20 years that I served as a college president at three institutions during the 1980s and 1990s, presidential evaluation was neither high on my agenda, nor a burning issue for other presidents in my professional circles.

In one presidency, I had an episodic annual assessment for a few years, but I can't recall anything that came of it. Another time I was informed during contract-renewal discussions that all the trustees and vice presidents had been polled, and that everyone except two board members expressed ready confidence in my leadership. There was no feedback about my achievements or shortcomings or methods of leadership, nor did I expect or ask for any.

No reproach of others is intended in my description of these circumstances because, in those days, the idea of evaluation translated into criticism and judgment. It made everyone uneasy, especially the president. While I enjoyed strong support and close ties with three different boards and their leaders, neither I nor the boards assumed that formal evaluation was a necessary part of the relationship. I should have known better, but I expect that my experience was closer to the presidential norm than the exception.

In the intervening years, however, evaluations--especially annual evaluations based on presidents' self-assessments--have become much more prevalent, as part of accreditors' expectations for institutional accountability and for many other reasons. More recently, some experts, including the Association of Governing Boards, have been making the case for a comprehensive presidential evaluation at set multi-year intervals, drawing on the results of annual evaluations.

Indeed, in a 2006 publication, *The Leadership Imperative*, AGB recommended periodic comprehensive assessment of the president as a separate process from an annual evaluation. As part of the board's responsibility for evaluating "a president's performance based on clearly defined, mutually agreed-upon performance goals," the report said that a board can help "ensure the institution's continued vitality by conducting annual assessments and providing feedback on the president's performance. In addition, boards should conduct more comprehensive presidential evaluations every three to four years. These evaluations should be based in part on the quality of the executive leadership team as well as on the president's ability to engage the support of faculty and other stakeholders in defining and pursuing a strategic vision."

In retrospect, I see how I could have addressed some of the periodic frustrations of the presidency more adeptly, and how my work might have been both more satisfying and effective if my boards and I had engaged in systematic evaluations of my performance. Experience now has shown that a periodic evaluation of the president can become a decisive opportunity for a board itself to reach higher levels of performance. Indeed, presidential assessment provides the occasion for the board to deepen its understanding of the president and the organization, to connect and integrate elements of its own responsibilities, to intensify its engagement with the institution, and to broaden its influence in shared leadership.

An evaluation of the president takes the board inside each of the critical leverage points within the institution. In evaluating critical performance areas such as finance, fundraising, and enrollment, and in reviewing critical processes including strategy and collegial decision-making, the board has the chance to gain an integrated view of the president's work as a central part of an integral leadership process. The board should come away from the evaluation with a sharper sense of its own agency in shaping the future through its support of the president's efforts to improve the work of the office and the institution.

### Evaluations Increasing

A survey of higher-education governance conducted by AGB in 2008 found that approximately 90 percent of those queried conduct an annual assessment of presidential performance. Just a decade before, only 50 percent of the responding private colleges and 66 percent of the public institutions had developed policies on presidential assessment. Undoubtedly, the figures mask a wide variety of practices and protocols, influencing the formality and the effectiveness of the process. Nonetheless, it is safe to assume that virtually every college or university now uses more or less systematic methods to evaluate presidential leadership annually.

The comprehensive periodic evaluation of the president, involving an assessment every several years by both the governing board and a cross-section of faculty, staff, students, and other stakeholders, is less clearly in evidence. The 2008 AGB governance survey showed that 61 percent of private and 53 percent of public institutions use comprehensive

assessment.

Several forces have increased the importance of evaluating presidential effectiveness. One is governmental regulation. Higher education is deeply and systematically regulated by every level and form of government. In public institutions, presidential evaluation may even be required by statute or by the administrative requirements of central university offices or of state government. And just as in public institutions, the independent sector also must comply with regulations and standards set by regional and specialized accrediting bodies. The regional accreditors define presidential assessment as a responsibility of the governing board, or include it within their expectation that all administrative and educational programs must demonstrate how they measure their effectiveness. The form and frequency of presidential evaluation are not defined, but in most cases boards and presidents have to answer for it and document its completion.

The trend toward documented accountability is propelled by many other regulatory authorities and influences, several of which have sharp teeth. For example, IRS regulations stipulate the need for systematic compensation practices for "highly compensated" (above \$100,000 in 2008) officers and others involved in the governance of tax-exempt organizations. The IRS generally expects governing boards to compare the chief executive's salary and benefits with those of leaders in a comparable group of institutions and to make the decision deliberatively. Although formal presidential evaluation is not explicitly required, a systematic approach to evaluation and compensation clearly satisfies the regulation. The IRS can levy "intermediate sanctions" of tax penalties against a president and members of a board for serious violations or manipulations of reasonable standards of decision-making.

Many other political and legal realities are driving a broad and deep social concern for evaluation and transparency about executive compensation and other issues. Congressional investigations and hearings have been held in the past several years on the compensation of college presidents, the accuracy of financial reporting on the use of federal research funds, and on university tuition pricing and endowment spending patterns. And hardly a week passes without the higher-education press or local and national media reporting on the forced resignation or the abrupt termination of a college president, frequently in a swirl of public controversy. Further, through the anonymity and accessibility of blogs, issues can be kept boiling for months and sharp, even defamatory, personal attacks can become standard fare. In hostile public controversies about presidents, the good name of the institution suffers, disaffection grows among alumni and friends, battle lines form on campus, and future presidential searches may be damaged.

Boards also have to deal with cases in which a faculty or staff organization passes a vote of no-confidence in the president. The motives, circumstances, and influence of no-confidence resolutions vary widely, but they represent a decisive test of the nature of the board's support and evaluation of the president.

Though not a general pattern, some of the high-profile cases of termination and resignation reveal that a governing board's methods for evaluating and compensating the president have been flawed, confused, or unsystematic. With a solid process in place--including formal policies and practices concerning annual and periodic evaluation of the president--the governing board is in a much better position to anticipate problems in the president's leadership that may be emerging, and to assure the campus and other constituencies that systematic methods exist to consider issues and problems.

Most of the crises and challenges to presidential leadership turn on the president's methods of leadership and the expectations created by the organization's traditions and culture of decision-making. If the president were to receive clear and explicit feedback about these expectations early in his or her term, there is a realistic chance that it could make the difference in creating a productive presidency. At the first sign of a serious problem, it is important for the board to focus its annual or periodic evaluation processes on the troublesome issues and to provide the president with the mentoring or leadership-development opportunities that might be decisive in making improvements. Well before a crisis occurs, trustees could decide to initiate a comprehensive review that would give the board access to the opinions and the judgments of a cross-section of the campus community in a fair and systematic way.

Early evaluation cannot prevent all clashes, but the more the board knows, the more able it will be to transform the problem over time or, if ultimately necessary, to deal with the president's departure deliberately, keeping everyone's dignity intact and avoiding damage to the institution.

In both private and public institutions, documented presidential assessment has come to be seen as one of the central aspects of board accountability--a prudent means of demonstrating compliance with a variety of legal, social, political, and campus expectations concerning presidential leadership. Precisely how the process should be undertaken--by whom, when, using what methods, relying on what information, and to what end--remains a critical question. Happily, new ideas about leadership and ways of conducting assessments have emerged in recent years, which set the stage for effective and rewarding approaches to presidential evaluation and professional development. (A guide to assessing presidential leadership and effectiveness, to be published by AGB early this year, will contain examples of assessment instruments, procedures, protocols, and best practices.)

In 2001, AGB issued a useful booklet on annual presidential assessment called *Annual Presidential Performance Reviews*. The author, Merrill Schwartz, AGB's director of research, recommends a series of principles and practices to define the various steps in presidential evaluation. The core is a written self-assessment by the president that is then reviewed by the board or a board committee and discussed with the president. Annual assessment is typically understood to be a board responsibility that does not involve

direct participation by other constituencies.

The newer concept of comprehensive presidential assessment differs in that experts recommend that it incorporate the perspectives not only of the governing board, but also of staff, faculty, students, alumni, and other stakeholders. Ideally it builds on an annual process that includes a presidential self-assessment and a variety of strategic and operational goals. If recent self-assessments are not available--if, for example, they have been done orally or sporadically--a comprehensive periodic process lacks an adequate foundation. The board members involved will have to create their own evaluative framework, including a presidential self-assessment, and a series of relevant goals, expectations, and performance indicators. Done correctly, every comprehensive presidential review will include a clear focus on the relationship between the board and president, as well as a review of other academic and administrative mechanisms of decision-making. It may well lead to the board's own self-assessment or to a commitment to undertake a joint presidential and board review at a future date.

## What to Ask?

Every question or comment about presidential performance reflects hidden presuppositions and underlying criteria. The questions reflect expectations for the role, the responsibilities of the position, and the competencies leadership is understood to include. The evaluation of presidential leadership also has to resonate with the specific mission and vision of each institution and what it means for the president (and other leaders) to fulfill the mission and vision.

The focus should not be narrowly on the president as a solitary individual but rather on the wider organizational and social context in which the president operates. In both annual and comprehensive reviews, the criteria for leadership should be grounded in the goals, expectations, and metrics that have been established jointly by the president and the board. These will have been expressed in operational and strategic plans, prior annual presidential assessments, reports, memoranda, and contracts. The goals and indicators will not have the same powerful simplicity as the financial bottom line of a corporation. Nevertheless, they will define aspirations and provide measure-able benchmarks that reflect presidential leadership and convey wider strategic possibilities for the organization. Both annual and comprehensive assessment provide the opportunity to assess goals and expectations from the past and to renew, recon-figure, and create goals for the future.

## The Board's Responsibilities

The evaluation of the president is one of the critical means at the board's disposal to give form to its own effectiveness in defining, monitoring, evaluating, and assuring accountability for the mission, as well as improving the quality of the institution that it serves. A task that the board may at first approach with diffidence can become a way for it to be engaged in integral leadership without being intrusive and sliding into the role of management. In exercising one of its primary responsibilities, the board can find ways to renew and energize its own work and sense of purpose and to reach toward a higher level of performance.

Appraisal typically focuses on quite specific past achievements or failures, on goals met or not met, on actions taken or avoided. Evaluations of both achievements and failures are essential for several reasons. The achievement of goals deserves recognition and rewards, and it provides motivation and confidence for people to aspire to yet higher levels of accomplishment. But failures, too, can offer deep lessons for leadership and can contribute substantially to the future success of both individuals and organizations. The lessons of failure have to be diagnosed without blame and fault-finding, though, to reveal analytically and dispassionately what went wrong and why. The point is to learn from mistakes and failures by encouraging people to debate them openly in a search for the answers.

This analysis needs to be tied to a focus on development that is forward-looking and that charts a set of possibilities to improve performance in the future. The point is to learn from the past to prepare for the future.

The difference between appraisal and leadership development often turns on the attitudes that people carry with them to the process of evaluation, however. To be sure, the notion of evaluation calls to mind rankings and scorecards, and some people will bring a judgmental rather than developmental attitude. Board members or other participants may harbor resentments towards the president or they may have personal agendas that distort their judgment. Even more likely, they may bring a strong friendship with the president into the process. Board members sometimes dismiss criticism because it creates potential complications for them, either leading to their personal discomfort or producing a drain on their time and energy if the problem is serious.

In these circumstances, a few board members may turn appraisal into faultfinding or praise-giving, with both negative and positive evaluations becoming a pretext for other motives. Neither criticism nor praise by itself describes a path forward; it doesn't delineate an issue to address, a process to improve, a goal to set, or a talent to develop.

There are, of course, no fail-safe ways for the evaluation process to ban faultfinding or reflexive praise. Nonetheless, a place to start is with the board's conscious commitment to the purposes of developmental assessment--in support of the effectiveness of the president and the success of the institution. Board members assume a formal responsibility to serve the best interests of the institution and to discharge a crucial fiduciary responsibility. Trustees who let personal interests or pretexts determine their evaluation of a university leader fall short of fulfilling the responsibilities they have accepted. In doing so, trustees forego invaluable opportunities to learn from the

information they have received how to more effectively develop the capacities and effectiveness of the president. the power and possibility of presidential assessment resides in capturing and interpreting feedback in ways that make it a continuing source of improvement.

## References

William E. Shelton and James Leroy Smith. "[Barriers to Effective Presidential Assessment.](#)" ([/trusteeship/2008/novemberdecember/barriers-effective-presidential-assessment](#)) November/December 2008.

Robert H. Atwell, "The Craft of Presidential Assessment." March/April 2007.

## About the Author

Richard L. Morrill serves as president of the Teagle Foundation and as chancellor of the University of Richmond, an honorary role he assumed after serving as president. he has served as a senior consultant for AGB and is the author of a monograph on presidential evaluation to be published by AGB early this year, from which this article is adapted.

## Barriers to Effective Presidential Assessment

### Trusteeship

November/December 2008 Number: 6 Volume: 16

By James LeRoy Smith

[Bill Shelton \(/bios/bill-shelton\)](#)



*It is time for the board of Hyderland University to conduct a performance review of its president, who was hired three years ago. In accordance with board policy and the terms of the president's contract, formal evaluations at three-year intervals following the appointment are required.*

*The trustees are generally supportive of the president but also believe it's a good time to take an in-depth look at the institution under the president's leadership. The economic climate of the state has been deteriorating, and there is a projected downturn in the number of high-school graduates over the next five years. Strong, effective leadership will be essential at Hyderland in responding to these challenges.*

*As the board prepares for the evaluation, the president contacts the chair and requests that the process be delayed for another year. Two years ago, the president engaged a consulting firm to evaluate and propose an administrative reorganization, and the final report has just arrived. Several changes have occurred in the senior administrative ranks since the president arrived on campus, and there are numerous interim appointments due both to failed searches and the postponement of permanent appointments until the reorganization is completed. Several other consultants have been engaged to look at subunits of the university, resulting in multiple personnel and functional changes. Consequently, the president and the senior staff have yet to solidify a university strategic plan that provides clear direction and measurable goals. Without a strategic plan, can the board effectively evaluate the president's leadership?*

*Should the board suspend its policy and postpone the evaluation for a year? Or should trustees move forward with the assessment as required by the policy and terms of the president's contract?*

A core responsibility of governing boards is the periodic evaluation of institutional leadership, starting with the president. Many very legitimate administrative techniques take time--and often more time than anticipated. But sometimes the use of those processes may deter boards from fulfilling their responsibility for assessing the president's performance in a timely manner.

*The Leadership Imperative*, the report of the recent AGB Task Force on the State of the Presidency in American Higher Education, identified presidential assessment as essential to the successful implementation of an "integral leadership" model. While the respective benefits of leadership evaluation for the president, governing board, and institution have been well documented, the task force acknowledged the challenging aspects of effectively assessing presidential performance, defining it as "one of the board's most complex and sensitive tasks."

Governing boards historically have exercised considerable latitude in designing and implementing evaluation procedures. Although commonly accepted performance-assessment tools and schedules exist, presidential evaluations take many forms, ranging from highly structured procedures to self-evaluations to casual discussions between the board and president. Variables such as board structure, presidential leadership style, longevity in office, and organizational culture may influence the format and context of the assessment.

Effective leadership evaluations, however, all share several common components. These include a mutually understood assessment process; a specified evaluation period; and, most importantly, clearly defined measures upon which the evaluation will be based. These ingredients create the framework for a successful leadership-assessment process--unless campus circumstances hinder the procedure.

Several administrative procedures or strategies, while legitimate and helpful in their own right, may make it hard for the board to decide when it is a fair and appropriate time to evaluate the president. The challenge arises when the aggregate effect of these procedures and activities, over an extended period, creates a state of institutional flux and ambiguity about its direction. The resulting atmosphere of uncertainty can have a detrimental impact on the ability to accurately assess both institutional and presidential performance. The evaluation process can be delayed or even derailed.

It is the responsibility of the board to evaluate the campus milieu and determine the potential repercussions when indicators such as the following are present: the absence of straightforward strategic plans; extended work on updating the campus master plan; complicated, rather than succinct, budget summaries; delays in relevant and timely dashboard reports on such items as progress toward academic goals, expansion of

research support, fundraising plans, or institutional morale. If reports or updates on many of these items are always "in progress" or "not quite ready," it may be appropriate for board members to set a firm deadline and proceed according to that schedule.

We certainly are not advocating the abandonment of proven administrative techniques. On the contrary, many of these are effective and necessary management tools. But there are instances in which they can be over-used or make it difficult to assess important aspects of the campus. Here are some situations trustees can watch for:

**Continuous administrative reorganization.** There are times when the administrative organization of a campus or campus system should be restructured. Typically this is appropriate when new leadership takes over, when there is significant change in institutional mission, or in advance of major planning initiatives. The justification for, and intended outcomes of, the restructuring should be clearly communicated to the trustees, as well as to the campus community, and should reflect a collaborative process. When the restructuring process extends over a protracted period or happens so frequently that trustees and other constituents are unsure about who is responsible for various important functions, it may be time to request clarification as to the rationale and completion date of the reorganization.

**Frequent senior personnel changes.** The president relies heavily on his or her administrative team to carry out the vision and agenda for the institution. That team must consist of individuals who enjoy the confidence of the president. Consequently, from time to time the president may need to make changes in the leadership team. However, when the speed or frequency of changes in senior personnel impedes the institution's ability to function with clear goals and direction, trustees may need to examine more closely the reasons contributing to the "revolving door" and the cost both financially and programmatically to the institution.

**Heavy reliance on interim appointments.** Interim appointments provide flexibility in time, structure, and personnel for the institutional leader and, as such, serve as a valuable administrative tool. An ongoing heavy reliance on interim appointments, however, can create a perception of indecisiveness, flux, and organizational drift. It can stymie the planning process, forestall genuine goal setting, and blur the institution's vision. Trustees should request that the status of all interim appointments, including current appointees, timelines for permanent appointments, and any potential ramifications be provided in regular dashboard reports to the board.

**Consultants.** Consultants can be a valuable asset for institutional leaders in bringing a fresh perspective, unique professional skills, and cost-effective solutions to organizational challenges and opportunities. Indeed, the use of consultants to tackle specific projects and issues may represent the wisest use of institutional resources, rather than hiring full-time employees to undertake the tasks. This approach can become a potential liability, though, when excessive reliance on multiple outside consultants is perceived to be a costly and unnecessary duplication of expertise already available in the campus community. When the implementation of consultants' recommendations dominates staff time and attention, and process rather than outcome becomes the priority, the institution can suffer. From a governing board's perspective, a periodic dashboard report on the use and cost of consultants may provide a gauge to determine the overall value the institution is receiving from the use of consultants.

**Multiple planning initiatives with no completion date or measurable goals for implementation.** Universities are complex entities with multiple bottom lines. The most effective use of institutional resources depends on well-designed, clearly articulated planning documents that serve as road maps to fulfilling the institution's mission and goals. Collaborative participation by the faculty, staff, and other representatives of constituent groups, appropriately arranged, is one of the most important benefits of the planning process. However, planning becomes a non-productive, time-consuming activity when the emphasis is on initiating planning processes rather than on completing and implementing plans. The morale of faculty and staff members declines and skepticism increases when there seems to be no meaningful outcome from the time and energy invested by many individuals in the planning processes. Governing boards have a core responsibility to ensure that appropriate plans, with measurable outcomes, are in place to guide the institution. Those plans serve as a primary assessment measure for the board in the performance reviews of the president.

**Leadership by "best sellers," not "best practices."** Leadership is a very attractive topic for publishers, and invariably some "how to" leadership books become best sellers. Rarely does a totally new leadership concept emerge, but catchy buzzwords and phrases may gain currency. For example, consider the phrase "get the right people on the bus." Certainly having the right leadership team is valuable, but much more is needed. Where is the bus going? What measures will be used to determine if this was the best mode of transportation? Is the bus ever going to leave the station? Using pop phraseology on occasion may be an effective administrative technique to gain attention, muster support, or reinforce a leadership initiative. A caution signal should flash, however, when it seems the emphasis is more on rhetoric than substance, when references to the leadership jargon replace a fundamental reliance on modeling activities upon demonstrated "best practices."

**Riding one horse.** Institutions of higher learning are typically resistant to change--and with considerable justification. On occasion, a leader must concentrate personal and institutional energies on a single project if a specific, clearly needed change is to be realized. A university is a highly complex organization, however, and seldom is a single initiative sufficient to address the myriad of challenges confronting the institution. Nor

should it serve as the "end-all" for leadership assessment. It is appropriate to celebrate the outcome--for example, hiring a well-known person, a change in classification, athletic successes, a major gift--but then the leader needs to head to the corral and saddle up for another challenge. A complex organization cannot be measured by a single component, so a protracted focus on a single achievement is not necessarily the measure of effective leadership.

**Flipping.** Perhaps the ultimate barrier to effective evaluation of leadership is the uncertainty created by the prospect of the imminent departure of the institution's leader. This can happen if the leader's name surfaces frequently in external searches, for example. The recurring speculation may occur without any direct action, or even knowledge, by a president. Turnover among college presidents these days is significant, and the number of presidential searches in a given year may exceed 300. But such speculation becomes detrimental when the institution's constituencies decide that the current leader is probably going to leave soon and thus is not going to follow through on directives or institutional planning processes and the like. It then becomes quite difficult for the institution to achieve its goals and for the governing board to fairly assess presidential performance. Whether or not a president is considering another appointment, institutional goals and the intended roads to their attainment should be the collaborative achievement of all university leaders (see the "integral leadership model" cited above) and should not hinge on a single administrative position. A strategic plan--developed through a collaborative process, approved by the board, and understood by the university community--is the strongest measure to offset the potential disruption caused by flipping.

These are a few examples of administrative situations that may have the unintended consequence of compromising the process of assessing an institution's leadership. Individually and when used for specific projects, virtually all of the administrative strategies we've mentioned can be effective tools for leaders. It is the compounding impact of and/or protracted reliance on these techniques that may hinder the governing board's ability to conduct a performance review of an institution's leader. It is imperative that the governing board maintain an active dialogue with the president that clarifies the intent and parameters of various approaches to planning.

Trustees also must ask appropriate, yet pointed, questions when vacancies go unfilled, for example, or initiatives or reorganizations are never quite complete. The informed board will be better equipped to factor the potential impact of the management strategies being used into the performance review and, consequently, to fulfill one of its core responsibilities.