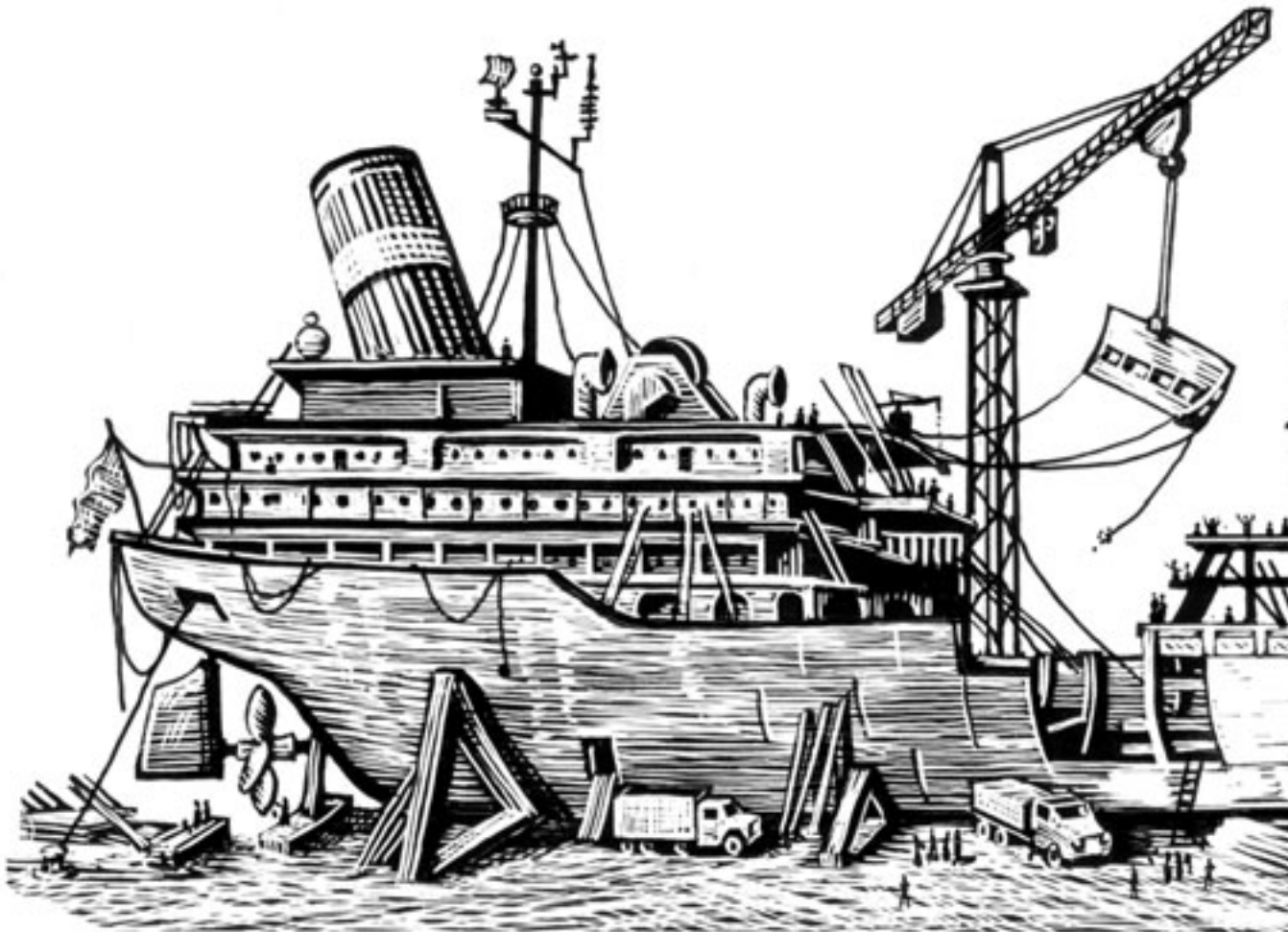


RESTRUCTURING

FOR Good Governance

Concerned about “barnacles” on its aging, bicameral board structure, Brown University turned its standing and advisory committees inside out.



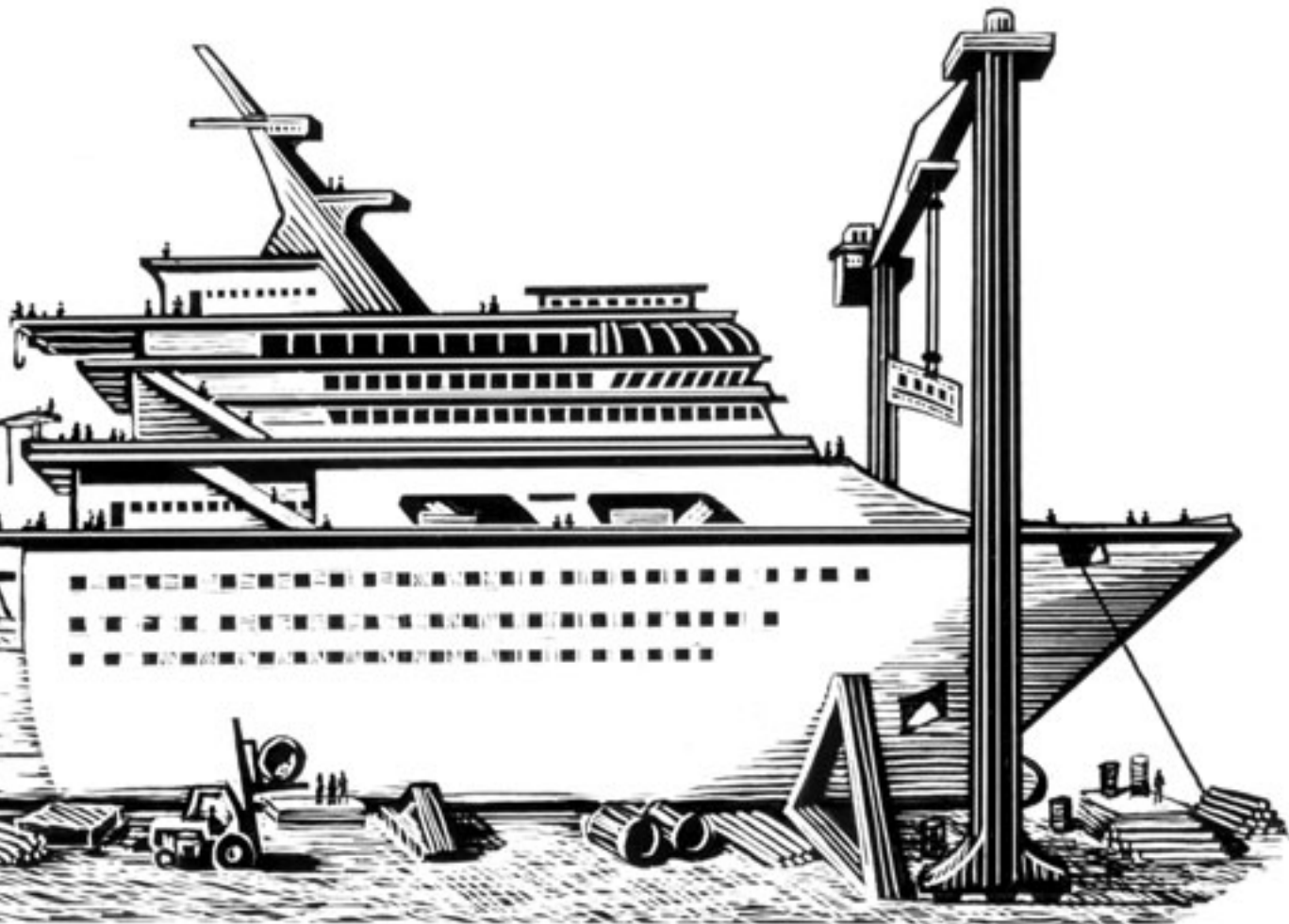
• BY STEPHEN ROBERT AND RUSSELL C. CAREY •

A **ERICAN HIGHER EDUCATION** has never been more in need of good governance than it is right now. Yet much of the structure many boards have inherited or created tends to stall or impede timely, well-informed, and broadly supported decision making. At many institutions (ours included), layers of governance have been added with each passing year, slowly but surely strangling the university's ability to move forward in a coherent and strategic manner.

When Brown University President Ruth J. Simmons took office in 2001, the time seemed

right to undertake a review of our governance structures. Back then, the reasons for making good governance a high priority were not widely understood, and the idea was met with some skepticism by members of the Brown community. Simmons, however, argued that a good governance system could accomplish a great deal. As she put it:

First and foremost, it identifies groups of participants best able to make particular contributions and frees them to accomplish that task with a minimum of drag and inefficiency. A good governance system will not make up for participants



with insufficient knowledge to make appropriate judgments; however, a flawed governance system that leads to uneven judgments or circumvents the capacity of experts to apply their knowledge can dramatically reduce the effectiveness of an institution. Every organization—be it Brown or a multinational corporation—must seek a system that has broad and relevant participation, clear expectations and lines of accountability, transparency of structure and process, and constant assessment to eliminate the barnacles that necessarily appear as governance mechanisms age.

Many people at Brown devoted significant time to thinking about how best to do that. The work, while rewarding, has not been easy. The 600-member Brown faculty, for example, confronted a structure that consisted of 44 university-level committees with 237 faculty membership slots. One professor noted that faculty spent more time filling committee positions than discussing issues of concern. Worse, many thought committees of administrators were still making consequential decisions without appropriate faculty participation.

After much productive and deliberate debate, the faculty approved a new system of 15 faculty committees consisting of approximately 135 members, with an appropriate balance of faculty and administrative responsibility. Although the new structure has experienced growing pains, and some adjustments have been necessary, most faculty agree the structure is a significant improvement.

While the faculty review proceeded, the Brown Corporation (the institution’s bicameral governing board, which is composed of a board of trustees and a board of fellows known collectively as “the Corporation”) undertook a comprehensive self-review and three years ago approved a dramatic restructuring of the board’s committees and operations. Those changes have been significant in both their scope and their depth, and the improvements have been real and far reaching.

They included a reduction by half in the number of standing committees, a new standard that assigns each member to one of four

primary committees, and an improved alignment of the corporation’s governance architecture with the campus organization and processes. Because we believe others may be able to benefit from our experience, this article will describe the process, the restructuring, and the results (so far) of our quest for good governance.

Strategy Over Operations. We began the restructuring process by surveying the governing boards of ten peer institutions and comparing them with Brown’s. Three significant differences were readily apparent: Our board had more members (54) than most others, chartered more and larger committees, and included former members and nonmembers on our committees.

The size of the Brown Corporation is fixed by charter, and while ours is large compared with other boards, changing its size was not considered. However, conversations with many board members revealed that some of the other differences presented substantive challenges to our work.

Interviews with many members produced positive feedback and constructive criticism about their service and Brown in general. The dominant themes were various versions of (1) “I don’t know what is expected of me in my service”; (2) “Many of the committee meetings I attend are ‘show and tell’ but don’t accomplish specific objectives”; and (3) “The university doesn’t fully utilize my skills or doesn’t ask enough of me—I’d like to do more.”

Such challenges are not unique to Brown. Harvard University Professor Richard P. Chait, who studies higher education and nonprofit board effectiveness, has noted that the organization and operation of governing boards tend



to focus members on operations rather than strategy, lead them to deal with immediate concerns rather than long-term challenges, and otherwise mire members in minute levels of detail. For Brown's board members, these realities tended to reduce the intensity of involvement, accountability, and sense of ownership.

Some members expressed dissatisfaction with meetings—the lack of strategic direction, inadequacy of time allotted for discussion (as opposed to passive presentations), and insufficient use of members' experience and knowledge. Others said that the limited time scheduled for committee reports hampered their understanding of what was taking place in committees other than their own. Opportunities for sharing information across com-

T*he most significant and valuable change was the reduction in the number of standing committees.*

mittees were inconsistent and ineffective, compromising the quality of decision making. This weakness became glaring as the pace and volume of decision making increased dramatically over the initial year of planning for Brown's academic-enrichment initiatives. The results of the board's self-review indicated that the existing structure was not optimal for sound governance.

Prior to considering options for restructuring, board leaders agreed on three primary goals: (1) that the board should work as effectively as possible; (2) that substantially more time should be allotted for policy-level discussions, debate, and strategic planning; and (3) that every member should have a rewarding and meaningful volunteer experience. Establishing these goals early in the process was critical to our success in restructuring and has paid

dividends we continue to reap today. Our objectives included the following:

- significantly increasing members' sense of ownership of the work of their committees, and encouraging them to feel accountable to their colleagues for the work being done in their area and its effective support of the over-all goals of the university;
- enabling members to devote the majority of their time to substantive policy discussions, with significant relevant information provided in advance by the administration;
- providing clear and transparent lines of authority and responsibility for specific areas of the board's business;
- creating a culture of consistent goal-setting, reporting, and assessment that enables the board to focus on the areas of greatest importance and to measure institutional progress over time;
- promoting and demanding integrated decision making and consistent communication among the various committees;
- increasing the intensity and strategic nature of meetings, agendas, and discussions and ensuring that the board has sufficient time to do so when meeting as a whole;
- explicating clear expectations and responsibilities for the senior staff who support committee chairs and committees;
- allowing members to "audit," or sit in on, committees of which they are not members; and
- increasing the opportunities for board members to interact informally with faculty and students.

The changes we implemented to achieve these objectives included the following:

- The number of standing committees was reduced from 21 to 11 through consolidation or transformation. Only current board members are allowed to serve on most committees. All committees have a regular reporting schedule, and all members (including the chair) are subject to term limits.
- The board's meeting schedule was reorganized to allow time for longer committee

meetings and a dedicated session for strategic discussions. A minimum of three hours during each of three weekend meetings a year is allocated to this purpose.

- A series of advisory councils and a president's leadership council were created to encourage a rational system of engagement opportunities apart from board meetings.

- A permanent review process was established to monitor the board's effectiveness on an ongoing basis.

While all of these changes have proved valuable, perhaps the most significant was the reduction in the number of standing committees. This has allowed each committee more time for meetings and enabled them to focus on strategic discussions rather than operational details. Additionally, the board stipu-

lated that each member could serve only on one of four primary committees (academic affairs, budget and finance, advancement, and campus life), thereby ensuring greater accountability and ownership. It also resulted in committees of approximately 13 members each, a smaller average size that has facilitated improved participation.

New Roles for Emeriti Trustees. The board faced several challenges in changing its governance system, particularly given its long history and limited changes over the years. Of particular concern was the impact of the changes on former, or emeritus, board members. In 2003, Brown had 175 living emeriti members, a number we expect will grow to 220 in 2009 because of the changing demographics

A BRIEF HISTORY OF GOVERNANCE AT BROWN UNIVERSITY

Brown University is governed by a charter granted to the College of Rhode Island in 1764 for the purposes of "forming the rising generation to virtue, knowledge, and useful literature, and thus preserving in the community a succession of men duly qualified for discharging the offices of life with usefulness and reputation."

The charter was approved by the general assembly of the English Colony of Rhode Island and granted by King George III. The university was at the time, and continues to be, among the few higher education institutions with a bicameral governing board, composed of a board of trustees and a board of fellows known collectively as "the Corporation." That organizational structure and the charter itself have remained essentially intact, undergoing only three amendments in the ensuing 242 years. In fact, that

constancy is both a strength and a weakness of the modern university.

While only one reference to a committee can be found in the Brown Charter (actually, a provision for a minor quorum), the corporation has chosen to carry out its duties through a variety of committees deemed suitable at given points in its history. Standing, ad hoc, and special committees have been formed and, on occasion, discontinued. The first, an executive board, was formed in 1850, only to be abolished 12 years later amid concern that it had usurped responsibilities reserved for the board of fellows.

In the more recent past, the number and type of committees has varied considerably. In 1975, there were 15 standing committees, a number that rose as high as 23 in the early 1990s and in 2001 stood at 21, when the current corporation began its reforms.

—S.R. and R.C.C.

of the corporation and term expirations. These members represent a wide variety of professions, experiences, connections to Brown, and geographic locations.

Brown was atypical among its peer institutions in terms of the number and engagement of its former board members, especially with regard to membership on standing committees. However, these individuals are central to the university's aspirations for continued success and growth. To preserve and enhance these important relationships, the board established a task force to review and make recommendations about the engagement and responsibilities of emeriti members.

The task force began its work focused in large part on these members' expressed dissatisfaction with the governance changes, but it

ening and enhancing communications with them (which is now done with regularity and success via e-mail).

Among these steps, the most ambitious was the creation of the advisory council program. Before 2003, Brown had no systematic way of engaging alumni and friends at high levels of university governance outside of the board's committee structure. The advisory councils fill this need and provide senior officers with sources of support and expertise.

Advisory councils have been established in admissions, athletics, creative arts, diversity, engineering, information technology, library, media relations, and biology and medicine. Fifty-seven emeriti, along with other supporters, now serve on the advisory councils, six as chairs. These councils, along with a newly established emeriti executive committee charged with overseeing and supporting emeriti engagement, have helped mend some bad feelings associated with the governance changes.

Several new advisory councils now engage alumni and friends and have helped mend some bad feelings associated with the governance changes.

quickly recognized it had an opportunity to strengthen the mutually beneficial relationships between emeriti and current trustees. Accordingly, task force members examined ways to engage emeriti more effectively and systematically.

Their recommendations included the following: keeping emeriti members actively engaged in the leadership of the university through a strong and vibrant advisory council program; inviting emeriti to two full board meetings each year; engaging them in regional activities in support of the university; reestablishing an organization responsible for overseeing and supporting their activities and engagement and incorporating the organization's charter into the board's bylaws; and keeping emeriti members informed of university activities, news, and events by strength-

Fruits of Self-Review. All of these changes were implemented during the summer of 2003, so we are now in our third academic year of the new structure. Although we consider the changes to be a work in progress, we have found it easier to make difficult and complicated decisions within the new structure and to gain greater campuswide support.

In addition, the self-examination process has been worthwhile and will earn us greater support from all of our stakeholders over time. The principles we articulated were clear: participation, accountability, transparency, and assessment. We believe these principles apply to any organization that wants to make good decisions and engender trust. Effective governance may be hard to develop, but it is well worth the effort. ♦

Stephen Robert (stephen_robert@brown.edu) is chancellor of Brown University in Providence, R.I. Russell C. Carey (russell_carey@brown.edu) is vice president and secretary of the university.