



BOARD WORKS

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◆ A CASE FOR EXECUTIVE SESSIONS

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Executive sessions are essential for conducting board business. I have learned through service on boards, extensive reading, and many consultations that the reasons for meeting in executive session vary widely.

The CEO's involvement in executive sessions also varies greatly. Some CEOs believe they should be present for every executive session except the one that sets his or her compensation. However, the CEO being present at all executive sessions suggests a fundamental lack of trust or a board without a clear sense of its leadership authority.

I believe that boards should have regular executive sessions with and without the CEO. A national board that meets only three times a year might have such sessions at each meeting. However, a board that meets more frequently might schedule them on a quarterly basis. Critical personnel issues require executive sessions as needed.

◆ SETTING THE AGENDA

When the CEO is present, agendas for executive sessions typically include:

- personnel matters, for which the CEO wants counsel, such as hiring decisions for senior staff, compensation questions, and disciplinary matters;
- legal proceedings that need to be treated confidentially;
- questions about constituent or public relations that need careful discernment;
- major programmatic developments or anticipated structural or operational changes;
- constructive self-evaluation of the board's work or interaction with the CEO if the issues are too sensitive to address in the public session; and
- a time for genuine connection with the CEO on his or her feelings about performance and fit for the CEO role.

The CEO should not be present during executive sessions when the agenda focuses on:

- board member discipline;
- identification of issues or questions that the board members want to raise with the CEO;
- some elements of the annual CEO appraisal;
- discussion of the CEO's compensation and contract; and
- decisions concerning the need to develop or modify policies that proscribe certain actions by the CEO.



Scheduling Meeting Times

Some boards schedule a brief executive session at the beginning of each meeting. The chair can set an overall tone for the meeting, the board can get its bearings, and everyone can identify topics that they hope the board will address later. Boards that begin with an executive session also tend to hold a second executive session after the public meeting.

Other boards – probably more typical – schedule the executive session at the end of the board meeting. After the public meeting, senior staff members are dismissed so the board and CEO can spend time in executive session. Toward the end of this session, the CEO is also dismissed.

For further information or to suggest topics for future issues of Board Works, please contact MHS Alliance at Emily@mhsonline.org.

◆ MAINTAINING MINUTES

Sometimes, board minutes contain only a brief official minute that indicates that the members met in executive session. Such a minute becomes the only public record that an executive session was held.

This simple notation can also be expanded with a brief description of the topics covered during the executive session.

In still other cases, when the board deliberates and makes a decision, a separate set of minutes is kept. These minutes are typically written by the board secretary and are not circulated among the board or in the

organization. An official copy of these minutes should be placed in a confidential file with the organization. This practice raises the question of whether the CEO has access to this file. In most cases, the answer is yes.

So what are the implications for these minutes and communication with the CEO? In general, nothing should be recorded in the minutes of an executive session, even if the CEO was not present, that cannot be disclosed to the CEO. The minutes should focus on the essence of the discussion without attributing any comments to specific board members.

◆ BRIEFING THE CEO

I believe strongly that the board chair should brief the CEO on the key themes and any resulting outcomes of executive sessions soon after the session has ended. In an organization with high trust, solid performance, and few critical issues, the board chair should report to the CEO within 48 hours. This reporting can be done by phone or in a face-to-face meeting. When trust has deteriorated, CEO performance has flagged, or the

organization is facing some kind of crisis, the board chair should provide feedback to the CEO as soon as possible after the executive session has ended.

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