

MINUTES

SPECIAL MEETING OF THE BOARD OF REGENTS FOR THE OKLAHOMA AGRICULTURAL AND MECHANICAL COLLEGES

JULY 23, 2009

Notice of this meeting was filed with the Secretary of State on July 10, 2009.

The Board of Regents for the Oklahoma Agricultural and Mechanical Colleges convened a meeting on Thursday, July 23, 2009, in the W. B. Skirvin Suite of The Skirvin Hilton Oklahoma City, One Park Avenue, Oklahoma City, Oklahoma.

Present: Mr. Calvin J. Anthony, Chairman; Mr. Greg L. Massey, Vice Chairman; Mr. Douglas E. Burns; Mr. Joe D. Hall; Mr. Jay L. Helm; Mr. Andrew W. Lester; Mr. Terry L. Peach; and Mrs. Lou Watkins.

Absent: Mr. Fred L. Boettcher

Others present: Dr. W. Douglas Wilson, Executive Secretary; Dr. Michael McElhenie, Managing Director, Metatropia Institute, LLC; Dr. Donnie Nero, President, Connors State College; Dr. JoAnn Haysbert, President, Langston University; Dr. Jeff Hale, President, Northeastern Oklahoma A&M College; Dr. David Bryant, President, Oklahoma Panhandle State University; Mr. V. Burns Hargis, President, Oklahoma State University and OSU System; and Ms. Shari Brecht, Administrative Associate.

At approximately 10:30 a.m., Board Chairman Anthony called the meeting to order. He confirmed with Executive Secretary Wilson that all proper documents for this meeting had been filed.

Approval of Agenda

Action: Regent Lester moved and Regent Helm seconded to approve the agenda for this meeting as posted.

Those voting aye: Board Members Anthony, Burns, Hall, Helm, Lester, Massey, and Watkins. No: None. Abstentions: None. Absent: Peach and Boettcher.

(A copy of the agenda, as approved, is identified as ATTACHMENT A.)

Methodology

Chairman Anthony noted that the Board has a guest joining the meeting to discuss possible consideration about evaluating and assessment tools for the OSU/A&M presidents. He said about 30 minutes has been allotted for a presentation by Dr. Michael McElhenie, Managing Director, Metatropia Institute, LLC, followed by questions and Board discussion.

Chairman Anthony asked Regent Massey, who has previously worked with Dr. McElhenie, to make a few comments and introduce Dr. McElhenie to the Board.

Regent Massey said through his banking organization, he and Michael McElhenie have worked together for the past two years. He expressed the belief that the Board could benefit from this same type of service by becoming more aware of the effectiveness of the OSU/A&M institutional presidents. He noted that there have been situations where the Board unexpectedly learned that it had an incorrect perception of what was believed to be an outstanding institutional president. He said he had similar situations in his organization of 20 banks. It is hard to get to all 20 banks very often. He was meeting the bank presidents about once a month and assumed what they were telling him was right; but, every so often something went wrong and then there was a real problem. He said he searched for over a year trying to figure out how the big growing companies monitor. He said comparatively First United Bank & Trust Co. is a fairly small organization—only a \$2 billion operation with 600 employees--so he knew the really successful large companies had to be doing something right to stay on top of the enterprises that are beyond their day-to-day observation. First United engaged Michael, and he has done incredible work for the organization. Regent Massey said a year ago he asked Michael if he knew of anybody who has done this type of work for universities, and Michael provided information on university work with which he has been involved. Regent Massey said he thought it was intriguing enough for a conversation with this Board. He noted that there is a brief bio sheet in the Board folders about Michael McElhenie, and he introduced him to the Board.

Dr. McElhenie thanked the Board for welcoming him. He said it is really great to have the opportunity to have a conversation that he does not get to have very often. Most of what is done with university presidents and heads of major institutions is not talked about; there is not much information to be found about it in academic literature; consultants are not talking at conferences about what they do with university presidents, etc. It is a very different kind of animal. As the Board knows, it is a very political environment. It is an environment where when talking about competence and the developmental needs of these top people, one must be very quiet about it, talk carefully, and use a lot of discretion. So, this is an opportunity for him to talk about a lot of work that he has done over the last 12-15 years that just doesn't get talked about very much.

Dr. McElhenie said this work started at the University of Pennsylvania when he did some work with David Smith, who is one of the most renowned experts on assessment of academic leaders and development of academic leaders. He said he had that luxury after forming a company in Philadelphia called Teleos Leadership Institute. He noted that the handout distributed lists companies he works with. He said he is kind of the consultants' consultant and works for a lot of

different companies. He has a controlling interest in some of those companies and is just a "hired gun" for others. He said Greg Massey knows him from the Stagen organization in which he is a principal. Dr. McElhenie said he believed the bio information on him that he sees distributed was pulled off the web from the Teleos organization, an organization that he founded with Annie McKee, who was one of the pioneers in an area called emotional intelligence. The critical set of competencies has to do with how individuals manage themselves, their relationships, and their emotions. He said what he wants to talk about today is something that has had a lot of research and activity done on it, but it is never published. Very rarely one may see an overview piece. About six months ago he passed to Greg Massey an overview piece that a colleague did for an HR publication; but, again, other than an occasional mention, one doesn't hear much conversation about what is going to be discussed today. Dr. McElhenie asked to reallocate the time a little bit and rather than him talking for 30 minutes, he would like to reference a discussion guide that he has distributed. (A copy of the handout titled, Competencies at the Top, A Discussion Focused on University Presidents and CEOs with the OSU/A&M Board of Regents, is identified as ATTACHMENT B and considered a part of these minutes.) He said one of the things he clearly understands about Greg Massey is that he knows a lot. He said he was sure this is true of the other Board members--they have a lot of knowledge and leadership experiences. So, he did not wish the Board members to feel that he is the expert sitting at the table. The Board members are the experts in this room, particularly with regard to this environment. He said one of the things he has discovered is that every single academic institution or group of institutions is unique in some way. He has found in working with Greg Massey that Oklahoma as a state is unique in many ways. He wants to really appreciate that about this System and, particularly, a number of unique environments--agricultural schools, technical schools--that sit underneath the Board's umbrella.

He said the vast majority of the work he has done has been in Ivy League schools and major private and public institutions primarily in the northeast and the central north. He said he has not done anything below the Mason-Dixon Line in regard to this work; so, he is open to finding a number of unique components to the competencies necessary to be an effective academic leader in this environment. He clarified that in terms of education he went to school below the Mason-Dixon Line and has had considerable academic work with academic leaders in graduate school and undergraduate, but no post-graduate experience. The experiences he will talk about are from those institutions in the northeast and north-central area. He said he will not talk specifically about those other than the first project, again, due to the sensitive nature of the work. Kept confidential is who he is working with, the number of people working in those institutions as coaches or evaluators, etc. However, there are a few cases where some of the leaders have done some publishing of their own work--some of the braver academic leaders have actually written in their own college publications what was identified for them as "need development on."

(At this time, Regent Terry Peach joined the meeting.)

Dr. McElhenie said the first thing he would like to address with regard to the discussion guide is making sure everyone is on the same page about what is a competency. One of the most significant developments in HR and understanding of people is the idea of competence. He said it was developed by a mentor of his by the name of David McClelland back in the 1950s. He was one of the founders of an organization that has now become the Hay Group. A lot of folks

that have done compensation studies and used compensation tables really hark back to the work of the Hay Group. David McClelland is a father of modern-day competency modeling. Competency modeling essentially is looking at the whole person, not a partial view. Looking at a resume gives one a pretty good gauge of a person's basic knowledge, education, experiences, and skills accumulated, but, it really doesn't tell who that person is as an individual. It doesn't tell about ethics, capacities to deal with people, character, etc. Competency is one of those terms designed to help one understand the entire person.

One of the metaphors often used when talking about competencies is the iceberg. Above the waterline one sees a part of the iceberg—the rather superficial characteristics of the iceberg. But, remember that what brought the Titanic down was that which was below the surface, which is the greater mass of an iceberg. So, this metaphor is used to describe competencies as well. Competencies include things like knowledge and skills (things one is able to derive from a resume), but underneath the waterline are things like personality traits, motives, and values. These things are incredibly important to understanding who a person is and what they are capable of and, much more importantly, their capacity to be able to step up to challenges that they have never faced before. It is not knowledge and skills that will necessarily help them face up to challenges outside of their previous experience. It is going to be character, values, etc. It is going to be something called “world view”—those things that will make an individual be able to step up to a higher level.

He said every single case of an academic leader that he has seen has required that person to step up in some way from where they were previously to the academic position they took. Even if they ran a major global corporation, moving into a university president role from their previous role is going to invite them to step up in a way that they haven't stepped up before. Their capacity to step up is very much going to be based on things below the waterline, particularly in relation to personality traits and motivations. The motivation for a university president is radically different than that of a Fortune 500 banker.

To ensure that everyone is on the same page when he talks about Leadership, Dr. McElhenie referenced the very simple model on page 2 that is a combination of Who We Are, How We Lead, and The Climate We Create.

Who We Are is the whole iceberg. How We Lead is essentially the leadership styles and behaviors brought on a regular basis, how they show up, the conversations they have, their presence, etc. He knows there have been situations where departure was primarily due to a lack of presence; a lack of engagement; a lack of capacity to actively engage with the people on campus, off campus, and in the community. That is a critical attribute. An individual who can't translate from what they know and be able to engage becomes a major problem. Then there is a precursor variable often overlooked that comes before one gets to actual Results of The Climate We Create. He said one of the things he would say about Greg Massey in terms of the relationship that he has with his entire organization is that he is very aware of the climate that he creates. He said that is discussed almost every single time they meet. The climate is critically important. The climate of First United Bank is one of a high degree of loyalty, a high degree of ethics, and a high degree of attention to the client. Those things are critically important, and the words Greg Massey says and the words that every one of his top leaders says reinforce that

climate. If anyone speaks or interacts in a way that is counter to that climate, then it becomes known very quickly. Individuals have been removed because of incompatibility with the climate of the organization. On a university campus, the most important characteristic is to create a positive learning environment. A university president who is incapable of creating positive relationships one at a time and generating positive climate is actually a barrier towards effective learning. So, The Climate We Create is absolutely critical to the Results the institution is able to achieve. And it trickles down from the top.

Dr. McElhenie said Dr. Wilson previously shared with him the competency model the Board has used prior to this year for the OSU President, and he would like to look at that in relationship to a benchmark competency model that he and his colleague David Smith have put together. (Note: The referenced competency model used previously by the Board is the Evaluation of OSU System CEO and President used for FY2004, FY2005, and FY2006 to incorporate in the annual presidential evaluation process input from OSU administrators who reported directly to the OSU System CEO/President.) The comparison referenced by Dr. McElhenie is outlined on the next page of the handout.

It was noted where there were similarities and degrees of overlap between the two models, where characteristics of certain competencies fell within different categories, and where one model was more thorough than the other.

Given the diversity of the institutions it governs, Dr. McElhenie felt it may be well for the Board to increase emphasis on Promoting & Managing Diversity. The Board may have had or may in the future have some issue with individuals that are not necessarily as embracing of diversity as they need to be. With regard to Managing Conflict, it is critically important that the top leaders at these academic institutions be able to wade into the middle of potential conflict and diffuse it early. A good university president has some very fundamental skills required to be able to manage conflict such as tuning into someone else, understanding their world view, speaking their language, diffusing a potential emotional situation, having difficult conversations, and taking perspective.

Leveraging Technology has been found to be increasingly important. A good university leader understands how technology can be leveraged and finds new revenue potential in a way that others can't. Flexibility is found to be critically important. The environment is changing very rapidly. The president must be able to market the organization in new and innovative ways, which requires flexibility of thinking.

With regard to Passion for One's Work, it has been found it does not work very well when people take academic leadership positions out of obligation. They need to have a passion for it—either a passion for the institution or for the job, itself.

Self-confidence is critically important primarily for one most significant aspect of an academic leader job--networking. The effective leader must get out there and meet people, be absolutely confident in his capacity to work a room, an institution, sub-institutions, and small networks of people. Asking for what is needed is the critical thing that differentiates successful academic leaders that grow their institutions (particularly in regard to endowments and gifts) versus those

that don't. This Self-confidence includes the ability to directly ask for what is needed, without blinking.

Academic leadership requires Stamina/Energy. There is a lot of activity going on in these institutions internally and externally, and the leader must have energy and drive. It is not a place where he can rest on his laurels.

As the Board knows, it is absolutely required that academic leaders have Financial Management competency with the academic institutions to account for funds. If the individual has not had financial management competency prior to becoming an academic leader, chances are he is not going to develop it on the job because, No. 1, he has to be interested in it. Many people try to develop financial management skills on the back end of their career, and it is really difficult. If they weren't interested in it in college, they won't be interested in it now. Trying to save somebody who has not managed significant funds and teach them to do so is incredibly difficult. They can be provided support, but it will never be one of their core competencies. It is better to select the ones that are good at it than to struggle to develop it.

Dr. McElhenie asked if there were any questions or thoughts at this point, and he reiterated that he is completely aware of where they did this research and how it may be different than the OSU/A&M institutions.

Regent Lester said the Board governs five institutions—one very large and four fairly small ones. He asked how these issues, especially in the last category of Fundamental Skills fit with those small situations. Dr. McElhenie said the smaller institutions would have smaller scope and less complexity both internally and externally. He said it all depends on how much the Board requires those individuals to go out and get their own endowments and gifts and manage the internal complexity of the organization that exists. They are probably not unimportant, but not as important at the smaller institutions as in the complex institution. Dr. McElhenie said this also depends on how much those individuals are required to manage their own budgets.

Regent Massey asked how one can actually gauge these things. He said it has been a real struggle for him. The interaction of Board members is fairly limited with the Presidents; so, this past week as he was filling out the evaluation instrument, he does not really have a feel for how to gauge them on certain behaviors. Dr. McElhenie said he has seen boards do different things to gauge that. He said every single board that he currently interacts with has stepped it up with regard to measuring competencies. The old way was simply to use 360 evaluations, an interview-based process, or board relationships to be able to discern these things. Those systems work fine in institutions that are not necessarily growing. He said they have asked every single board to get much more disciplined about how they collect data on competencies. There are two ways of doing that. One is through direct board engagement in that the board decides who is going to be assigned and those board members actually spend more time at those institutions interviewing deans and some of the other academic sub-leaders in the organization. There are developed protocols for conducting those interviews to get at a wide variety of these competencies. There are basically very simple questions and very simple criteria used to measure people's responses to those simple questions. But, it is a little bit more disciplined of a process than this Board probably has done before.

Regent Burns clarified that it would be far more disciplined. He said his personal experience on filling out these presidential evaluations is that his knowledge base to really fairly assess each of the categories that appears on the four-page assessment is fairly limited. When it comes to Board relationships, all of the Board members have a lot of information on a personal level to really fill it out. But, with regard to the rest it is fairly vague inasmuch as they have gotten a general impression but it is more an impression than being factually based. One of the other struggles he has as a Board member is by virtue of the history of how these things have been done in the past. The presidents very understandably want to compare their results this year with what they were last year. That tends to promote maybe more generalization as opposed to the specifics that Dr. McElhenie advocates. For example, if one doesn't have any information on a category, does one give them No Rating; or, by virtue of the fact that a great deal of time was spent recruiting them and it is desired to maintain them as a competent president going forward, give them an Average. Anything less than a Very Satisfactory rating all of a sudden may be counterproductive. He said he struggles with all of that. Regent Burns said the thing he is most unsatisfied with regarding the way the Board currently evaluates presidents is not that it gets in the way of making a change when one is necessary, but it really does not give the kind of input to the president that is necessary to improve. He did not believe it is focused on development, and he said he has not heard Dr. McElhenie really address that subject.

Dr. McElhenie said he would like to respond to a couple of things. One is in relationship to Board evaluation of others. It has been found there is significant improvement by increasing the amount of discipline in the process—provide guidance on the questions to ask of other academic leaders and criteria by which to gauge responses. In terms of the process, if one was a significant part of the process of bringing on a university leader, then that person would not be involved in the evaluation process. That removes the conflict of interest. The other thing that has been done in the last few years—and this is going to speak to both the development side and the evaluation side—is create an organization of evaluators and coaches who provide a coaching role to academic leaders. This has been found to be the only real development process that works within this setting. It is a confidential one-on-one coaching relationship with a highly experienced executive coach who has specific experience coaching academic leaders--there are only about a handful in the country. The other part of that trio is an independent evaluator who understands these competencies and understands the job of a university leader. That independent evaluator is hired by the board and conducts those interviews. He said in the best practices he has seen to date, it is a combination of boards choosing amongst themselves who is going to spend time interviewing those academic leaders to get information on the top leader and an independent evaluator hired by the board to do parallel interviews and evaluation on the academic leader. In terms of the developmental process based upon that data, there will be identified around 3-5 key potential weaknesses that are fed back to that academic leader by the executive coach, and then that academic leader engages in a developmental process with the executive coach. The executive coach is not just a developmental resource but also somewhat of a developmental resource orchestrator. There are probably about half a dozen institutions in the United States that are exceptional at providing education to academic leaders. An organization called the Center for Creative Leadership, for example, has programs that are designed for academic leaders. It may be determined in the course of the evaluation that the academic leader could benefit from attending a leadership program. In such case, not only is that individual

going through that program, but he is also being supported by an executive coach to allow the skills he picks up in the course to get transferred back into the job.

Regent Burns asked Dr. McElhenie what his experience has been with the attitude of the presidents being asked to participate in such programs. Dr. McElhenie said it is very mixed. It depends on their previous experience. For example, there was a VP who came from a very large equipment manufacturer in the United States where there was a culture of development. That VP, who eventually became an academic leader, was used to a development process in that every single individual in that organization had to devote a minimum of two weeks of their time to ongoing training and development. That academic institution became a model in the northeast for development. This happened seven years ago, and that influenced a lot of other academic institutions in the area to place emphasis on development. As much as academic institutions are about education, the internal leaders of the organization don't necessarily grab onto development. It depends upon their previous experiences with development and their own attitudes about their own development and how much they have attended to it.

Dr. McElhenie said when talking about development of academic leaders, one must have to think about development not from a singular perspective. Most effective academic leaders that he works with recognize that they are not just a single competency or just a single individual but, rather, that they have many aspects of themselves that are pertinent to the job they do. They work on their development continually—physically, emotionally, cognitively, relationally in terms of their leadership capacity, even spiritually. All aspects of development are critical for their effective functioning as an academic leader. Any one of those areas if they are rather underdeveloped can trip them up, even physically. Academic leaders who don't take care of themselves physically burn out. The lagging line of development can be the Achilles' heel—for example, the emotional/sexual development in Bill Clinton almost got him kicked out of office.

Dr. McElhenie said just like an alcoholic, the first step to improvement is admitting there is a problem. That is why in terms of development the only developmental process that he has seen to be effective because of the political nature of these positions is a confidential one-on-one relationship with someone who has experience developing these types of individuals.

Chairman Anthony noted Dr. McElhenie has said those are scarce. Dr. McElhenie said it is becoming more common. He knows of only two major Ivy League institutions that their top leader is not working with an executive coach.

Dr. McElhenie said after what happened at Harvard several years back, that board now feels it has done what needed to be done to ensure that individual has someone watching for any of those potential development weaknesses and, more importantly, making sure that the individual's strengths are being leveraged in the best interests of the institution. Without going into specifics, because of some of the early incidents with the Harvard situation, communications are critically important. The executive coach that is being engaged at Harvard is an expert in communication. That is seen as a critical issue given how public the leader of that institution is. It happens to be quite fortunate that the Harvard Negotiation Project is right there on campus and some of the best communication consultants have been trained in that entity so they have a ready resource to be able to provide that kind of coaching on a regular basis. Not a single bit of

communication comes out of that top office now without being screened by one of the communication consultants.

The point he is making is that the one-on-one confidential executive coaching relationship allows this kind of territory to be covered with an individual academic leader. That opportunity is not provided by peer coaching, groups of academic leaders coming together, conferences, etc.

Regent Hall said he would like for Doug Wilson to comment regarding this, also. He expressed his belief that a shortcoming currently may be the perception by the presidents that the Regents are not approachable—which he realized since the newest president has probably called him more than all the other presidents combined. He said he did not know whether this is due to him being the newcomer, whether the Regents give off the aura they don't want to be bothered, etc. He said after listening to this conversation he wondered if consideration has been given to assigning a Regent to a president in some sort of rotating fashion such that if that president has an issue during that time period (whether it is a year or two years) that Regent would be his contact and he would feel freer to use it. Regent Hall said it may be that Dr. Wilson's great management in addressing the inquiries from the presidents prevents them from contacting the Regents or perhaps the Regents have given off an attitude in the past such that the presidents are hesitant to do that. He said he does not know if any such structure exists, but felt that is a shortcoming currently. He said sitting on the Board side he knows that every member of the Board of Regents would do anything they could at any time to help the presidents if that Regent had some expertise that could prove helpful. Regent Hall said some mechanism to open up that communication would be helpful.

Dr. Wilson said a pairing of a President with a Regent has not occurred. He expressed his belief that the presidents are more inclined to contact Board members as an alignment on issues. For example, if a president is going to build a building or select an architect, that president would likely call Regent Joe Hall or Regent Jay Helm. If the president is going to develop a policy, that president would likely call Regent Andy Lester or Regent Doug Burns. If the president has an oil and gas issue, that president would likely call Regent Doug Burns.

Regent Hall said he knows one of the institutional presidents has never called him the entire time he has been on the Board, but the newest president has called him probably ten times. Regent Hall said he is sure some of that is personality and comfort level.

Dr. McElhenie said Regent Hall's question does bring up a best practice that he has seen replicated across a number of institutions which is the one-on-one relationship between the academic leader and executive coach and a third individual brought in who is a regent. What happens is that between the executive coach and the academic leader they create a development plan to work on with the academic leader being primarily accountable. However, in that relationship aspects of the development plan (not everything) are to be presented to the board. The first way of doing that is to present it to the assigned regent. It becomes a triad of the academic leader, the executive coach, and the assigned regent/board member. That is the initial relationship. In a sense, the board member acts as an internal mentor in the process, although not on every single aspect of the developmental process because some of it needs to be held confidential. For the ones that can be acknowledged there can be input. There certainly is

expertise among the governing board members to be able to provide guidance for some of those key developmental actions. But, it is the job of the executive coach and the academic leader to discern which aspects to share with the board and what guidance could be provided by the board.

Regent Burns asked what costs are associated with the coach.

Dr. McElhenie said academic leader coaching ranges from \$15,000-\$30,000 for a period of six months to a year. There is a wide variety, depending upon who is secured as the executive coach. If there is a competency evaluator available typically it is only \$3,000-\$5,000 for a couple days of work for those individuals to collect data and present to the board what they discover.

Regent Peach asked how frequently the executive coach meets with the academic leader. Dr. McElhenie said it is typically 2-3 times per month with one of those being face-to-face and two by phone. Again, it depends on the issues the academic leader is facing. The coach is not there just to be the sole developmental resource. In some ways he acts like a clearinghouse while pointing the academic leader towards other educational opportunities that exist, like Harbor Negotiation Project (which is an exemplary institution for teaching communication skills to top level leaders).

Regent Helm said he could see where this could be of benefit especially with non-traditional academic leaders being employed and moving from the business world into the position of president at an educational institution where the coach who has experience can help that leader deal with deans, faculty, students, etc. That is a different atmosphere than the business atmosphere, and it could be very beneficial to have that type of coaching, especially during the first year of transition.

Dr. McElhenie said people often use these coaches for transitions, and there are two kinds of transitions that have been identified--moving from one environment to another (such as from the business environment to the academic environment) or moving from one level of an academic position to a significantly higher level position (that is a significant transition as well). Technical management capacity is more important in a mid-level academic position while social networking, business development capacity, and getting the endowment become more important at the higher level position. There is a shift between those mid-level positions and higher level positions in terms of capability.

Regent Helm noted that the Board is seeing that a lot of pure academicians have not been trained in the financial side of operations or management of a large number of people, often resulting in a lack in those areas. Regent Burns added that this is often also true with regard to social and political skills.

Chairman Anthony said he understands the coach, the president, and a regent would form a triad, but he has a question about trying to interface the evaluation itself. He asked if that would entail board action like this Board will be doing today and, also, if the evaluation or measurement part of success or failure is not locked up in just that triad, how the actual evaluation occurs.

Dr. McElhenie said one way to think about it is almost like an audit function, which is desired to be semi-independent. For example, a compensation or evaluation subcommittee might include board members but would also include independent evaluators as would be done to perform an audit of the financial records. In many respects those independent entities act as evaluators and provide data to internal people to be able to make sure that the information that exists amongst the board is also incorporated into that overall evaluation. It is that subcommittee's job to create the evaluation for each one of those academic leaders. Generally it is the top one or two academic leaders--CEOs and Presidents--that are subject to that level of evaluation scrutiny. A good way to think about it is like an audit. The independent evaluators would be like independent accountancy.

Regent Burns asked if in that example the independent auditor would conduct a 360 type of evaluation in some fashion.

Dr. McElhenie said generally the people who know about the individual's performance are few and far between. It is generally the academic leader's executive assistant that has incredible knowledge. Generally they have loyalties, but remember the evaluation is not good/bad; it is competency based/behavior based. The question of what the person is doing is posed. An individual can't fudge that. A good evaluation just can't be fudged. It is about competencies with specific criteria and individuals being asked to describe a behavior. There is no positive or negative to it at all. Essentially, the auditors act as the collection mechanism. That individual's executive assistant is usually a very critical resource, and typically the top sub-academic leaders (vice presidents and deans) in the organization are very valuable sources of information. Typically there are one or two informal leaders that are critical to the institution. They are generally the individuals who provide the greatest endowments/gifts. They are powerful people in the community that most often board members know for each institution—those people in the community who would be pointed out to a new university president as the top five people he/she needs to know in this community. Those individuals are great sources of data as well. Your auditors would go into those places.

Regent Massey said the institutions governed by the Board represent unbelievable extremes—one president has 30,000 students and another president has 2,000 students. It was similar at his bank. What was done in that organization was to actually have a full-time coach work with all of their bank presidents. He said he wondered if there might be a way to address all the A&M presidents outside of OSU in a similar fashion because it would likely not be economically feasible otherwise.

Dr. McElhenie said it would absolutely be possible to have a single individual who could provide an evaluation and executive coaching function in such a manner. In the case of the bank organization, the primary reason that president advocate is successful in that job is trust. That individual is trusted. He is the kind of individual one looks at, interacts with, and knows he has no other agenda, and everybody knows that about him. In selecting that individual trust is absolutely required. The default is that an external person could be trusted more than an internal person, which is why he advocates for the external coach to be an individual not of the community, not of the institution. That is not to say that there is not an individual who fits the bill and is highly trusted by the academic leaders in the organization.

Regent Hall asked Dr. Wilson's opinion about whether he believes the current system is antiquated or whether he is comfortable with it.

Dr. Wilson said it is a system that has been used for years, so he believed it is worthwhile to explore what is new or different, and that is why he is intrigued by what Greg and Michael have brought forward. Dr. Wilson noted that Michael started off saying this is an area that is just not talked about. He agreed and said there is nothing to be found in AGB literature--it is a very neglected piece. He said he has been more intrigued by the developmental aspect. He expressed his belief that the Board hires presidents, gives them a pat on the back, and shoves them out the Board room door with a "Go to it." While the Board provides support, it does not provide any developmental assistance, and he expressed his belief that would be of great help. He said he is wrestling with the mechanics of this because currently every member of the Board knows the same thing and does the same thing, primarily. There are not segments of the Board engaged in presidential evaluation; rather, it is done by everybody. He said he is wrestling with how best to proceed since this Board has nine very busy people and the depth to which they can engage in evaluation processes just by virtue of time is limited.

Regent Hall said it is intriguing to him as he reflects back on when a change in a president position was last believed needed that the prior year review did not indicate unacceptable. No one who went to the meeting that day was thinking the presidency was going to be vacated. He expressed his belief that the Board probably has not been as responsible as it should have been.

Regent Burns said it demonstrates that the evaluations are meaningless with the following exceptions. The reality of it is in terms of whether to keep the president or not--ultimately the current evaluation process is pass/fail. Also, Regents use the process to emphasize an area where they would like work done. With those exceptions there has not been much utility in the evaluation process except perhaps to the extent that many of the presidents put a great deal of importance upon that evaluation. It is their personal evaluation, and to the extent that it has some low mark, it worries them what the meaning is, yet there is rarely any follow up. Regent Burns said what has always disturbed him the most is (1) it has been kind of a meaningless exercise except to the extent of pass/fail, and (2) there really hasn't been any development. He expressed his belief that was the purpose of it, yet there has not been follow up.

Regent Massey said something the regional board is really struggling with right now is hiring. He said the competency model his bank developed is for hiring practices as well as ongoing learning. Thinking back to the iceberg analogy, when interviewing people for these positions, one is looking at the top of that iceberg and not underneath. In his area of the state, Southeastern Oklahoma State University hired a president that had a very short tenure, and East Central University had one who only lasted between six months and a year. Their resumes looked good, but underneath the iceberg they didn't have the ability to really run the operation. In this Board's last presidential searches for NEO and OSU the ultimate selections were candidates that Regents already knew very well; but, if selections had to be made just from information on a resume, a better process is needed to really understand these competencies before saying that person is going to be in charge.

Regent Peach said he is looking at this coaching opportunity in a different way. He believed it is a way to transition long-term presidents into the new era of education. There are A&M presidents who have been president at their institution for several years, and it has been felt they have done a good job. But, how many questions might they have if they had a coach to present how to transition to this new job that it is today and not the job that it was when that individual was hired. They wouldn't want to share that with the Board. A coach could help the presidents be better. Regent Peach asked if anyone is using this coaching method to help good presidents learn how they can be great presidents.

Dr. McElhenie affirmed this. He said it is rare, but there are individuals who recognize that their institutions have to change to be able to keep up. For example, there is an institution in the northeast that recognizes that its future success will depend upon how plugged in it is internationally. The academic leader in that institution admitted that was not his forte and hired a coach to be able to engage in trying to figure out what it takes to be able to effectively create and manage these international satellite operations. In all respects in the course of the three years that has been going on it has been pretty successful. That executive coach didn't have much academic experience, but he had a considerable experience with international educational entities.

Chairman Anthony asked if Dr. McElhenie had any closing remarks he would like to make and noted that he was intrigued by the questions listed on the last page of your handout.

Dr. McElhenie said that is a checklist of best practices discovered in regard to how boards attend to some of these human capital aspects. He encouraged the Board to feel free to go through the questions. He said they can be good fodder for follow-up conversation to this discussion. Dr. McElhenie said he is a big fan of metaphor. His dad was a fighter pilot. He was trained in an aircraft that moved rather slow. He had a luxury of going down to Miramar recently and got to fly an F22 aircraft, which was just cancelled. He said it was amazing. He got to see for the very first time a heads-up display where it actually projects some of the instrumentation right out there on the wind screen. He said it is absolutely necessary for pilots to have a heads-up display just because of how quickly this plane moves and how maneuverable it is. Then, his dad said it is like what Michael does with his organizations—trying to provide a heads-up display so they can make quicker moves. Dr. McElhenie said that is essentially what he is proposing for the Board--to create a heads-up display that provides better information sooner about the impact that these academic leaders are having on their institutions in order to engage them in the more rapid adjustments they need to make to be more successful. It is a different time. These institutions are evolving and require a little bit of difference from the Board and possibly some support in a different way.

Chairman Anthony expressed appreciation to Dr. McElhenie for coming today and sharing this information. Dr. McElhenie thanked the Board for the opportunity. He asked that if there should be questions or a need to engage him in any other way to please feel free to contact him.

(At this time, Dr. McElhenie left the meeting.)

Chairman Anthony said his sense is that the Board needs to reevaluate its presidential evaluation/assessment process and institute a development tool for the presidents rather than just a pass/fail. There followed discussion among the Board members regarding interest in pursuing this type of approach, the proposal made by Dr. McElhenie, and what type of fee structure this might entail.

Regent Massey said the type of coach hired for a president would be unique to the requirements of that president and his/her institution and circumstances.

Dr. Wilson expressed his belief that the presidents would welcome evaluation feedback—here is what people are saying about you and how you are doing. That provides motivation.

Regent Burns noted that it is critical how this is approached. Transition is going to be very important.

Chairman Anthony said this entails a bigger scope of helping all of the presidents. This is an area where the Board would have a chance to not only avoid potential problems but also to help the presidents improve themselves. He asked if the appointment of a task force of Regents willing to look into this further might be a good approach. Such a group and Dr. Wilson could work with Dr. McElhenie to develop some strategies and possibly at a recommendation on how to best move forward.

Regent Helm said if nothing else Dr. McElhenie could assist in changing the evaluation premises—this should entail evaluation, development, and hiring practices.

Regent Massey agreed. He said as he said up front, this is not just an evaluation. It is hiring, onboarding, setting expectations, and staying informed and current.

Regent Hall said this is a worthwhile investment for something so critical.

Regent Peach said he believed the Board is looking at this too much from the evaluation of presidents and should be looking more at the potential of what the presidents can do for the next 20 years for the campuses under the Board's governance. He expressed his belief that the Board has institutional presidents who, if given the opportunity to have a coach help them transition their institution and leadership style for the next ten years, would be eager to do so. They have to understand that this is not the environment into which they were hired and that if they are going to be competitive and their universities are going to grow, they need that leadership development.

Regent Massey volunteered to be on the task force mentioned. Chairman Anthony asked Regent Massey to chair the task force. Regent Peach and Regent Lester also volunteered to be on the task force.

There followed discussion regarding how this process might work within the OSU/A&M System of institutions and presidents.

Dr. Wilson said he and the task force will likely need another discussion session with Dr. McElhenie. He said he, personally, needs to think this through and how it applies. While Regent Massey is very astute at this process, today is his first dose and he felt as though he were drinking out of a fire hose. He expressed his believe that it will be possible in working with Dr. McElhenie for the task force to arrive at a process that will be a fit. At that point, it will be possible to find out what it is going to cost and the approach that would work best.

Executive Session

Action: At approximately 11:55 a.m., Regent Massey moved and Regent Lester seconded that the Board convene in Executive Session for the purpose as stated on the agenda.

Those voting aye: Board Members Burns, Hall, Helm, Lester, Massey, Peach, Watkins, and Anthony. No: None. Abstentions: None. Absent: Boettcher.


(At 11:55 a.m., the Special Board Meeting moved to the Henry Overholser Suite of The Skirvin Hilton Oklahoma City to continue the executive session during lunch.)

(At 1:00 p.m., the Special Board Meeting returned to the W. B. Skirvin Suite and continued in executive session.)

(Regent Peach left the meeting at 4:45 p.m.)

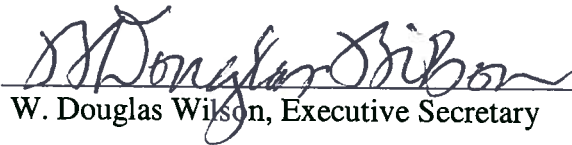
At approximately 4:47 p.m., it was announced that the Special Board Meeting was in Open Session, and the meeting was adjourned.

BOARD OF REGENTS FOR THE OKLAHOMA
AGRICULTURAL AND MECHANICAL COLLEGES



Calvin Anthony, Chairman

ATTEST:



W. Douglas Wilson, Executive Secretary

Certified correct minutes subject to approval of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges on September 11, 2009.



Shari Brecht, Administrative Associate

A G E N D A

SPECIAL MEETING OF THE BOARD OF REGENTS FOR
THE OKLAHOMA AGRICULTURAL AND MECHANICAL COLLEGES

July 23, 2009 -- 10:30 a.m.*

W. B. Skirvin Suite
The Skirvin Hilton Oklahoma City
One Park Avenue
Oklahoma City, Oklahoma

Notice of this meeting was filed with the Secretary of State on July 10, 2009.

Business to be discussed:

- (1) Approval of Agenda.
- (2) Consider information and a possible recommendation concerning the methodology used for evaluation/assessment of institutional presidents under the governance of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges.
- (3) Executive Session, if so approved by the required number of Board members present, for the purpose of considering evaluation/assessment and other information relevant to the employment of Oklahoma A&M institutional presidents. (Oklahoma Open Meeting Act §307B.1.)
- (4) Consider or take any action with reference to the matters contained in the immediately preceding item.

* The Board will continue meeting over lunch in the Henry Overholser Suite of The Skirvin Hilton Oklahoma City and then return to the W. B. Skirvin Suite.

Competencies at the Top

A Discussion Focused on University Presidents and CEOs

with the

OSU/A&M Board of Regents

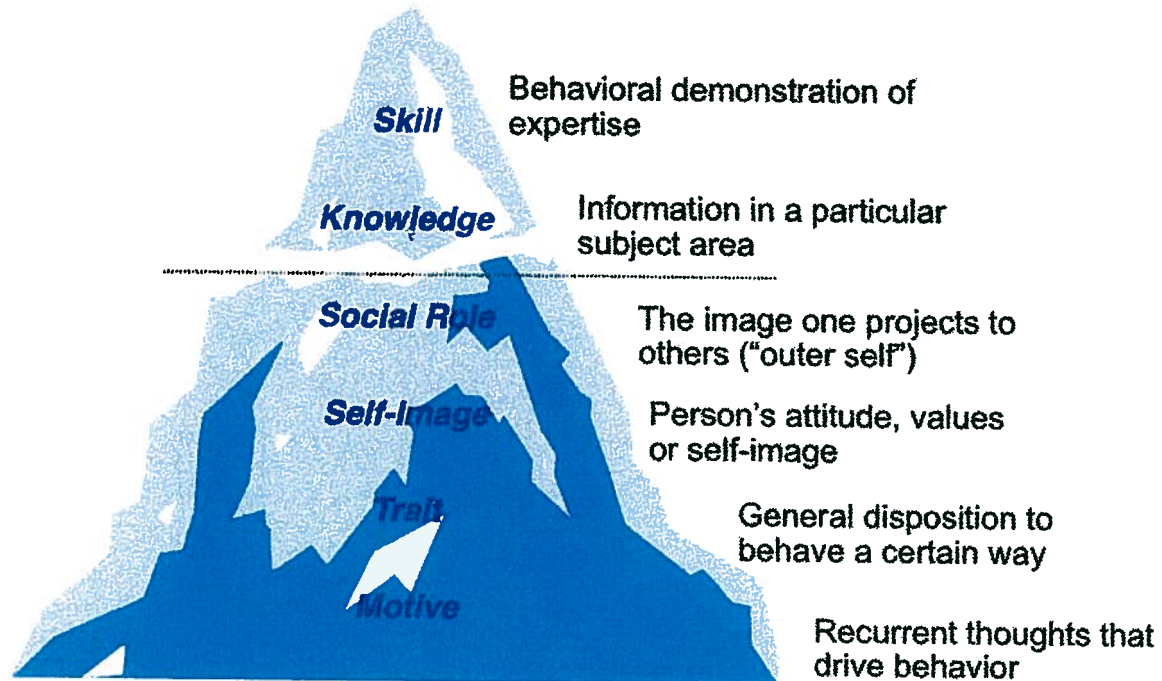
Led by:

Michael McElhenie PhD

of

*Metatropia Institute
Stagen Leadership Institute
Teleos Leadership Institute
Dynamic Results
Southern Methodist University*

What do we mean by competency?



The Causal Model of Leadership

Who We Are

leads to

How We Lead

leads to

The Climate We Create

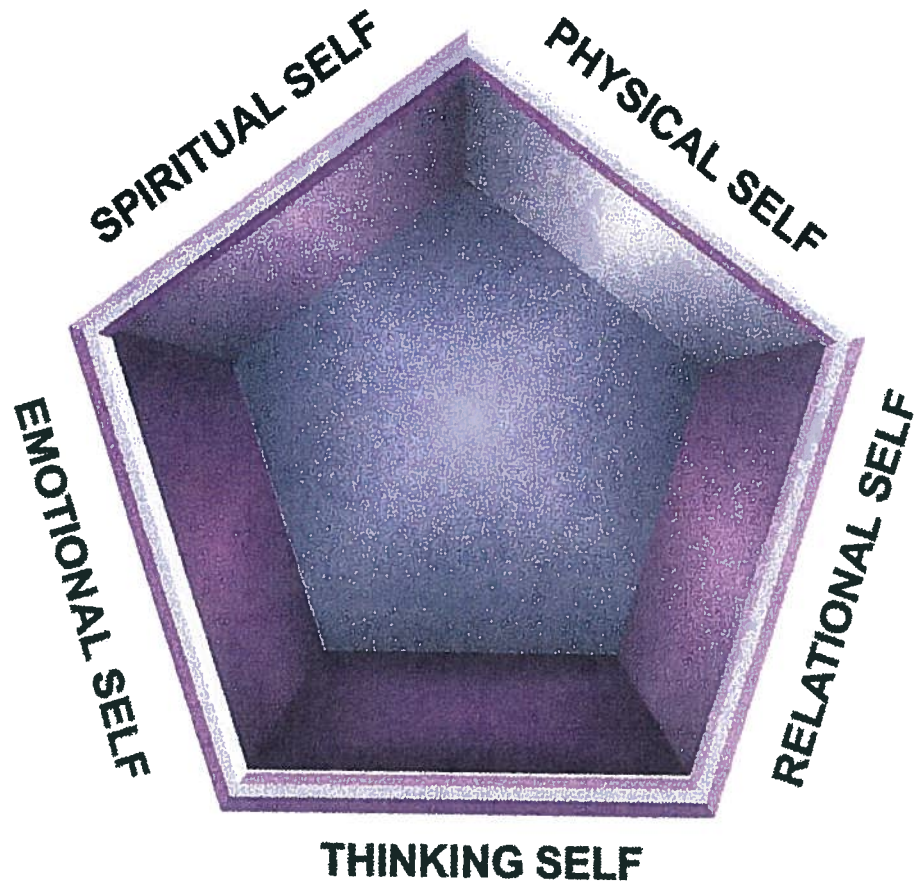
leads to

Results

Higher Education Leadership Competency Model Comparisons

CLUSTERS	Benchmark University President Competency Model*	OSU System CEO/President Competency Model
Leadership	<ul style="list-style-type: none"> ▪ Visionary Leadership ▪ Decision-Making 	<ul style="list-style-type: none"> ▪ Forward Thinking ▪ Risk Taking ▪ Strong Sense of Mission ▪ Executive Impact
Building & Managing Relationships	<ul style="list-style-type: none"> ▪ Clear Communication ▪ Working Collaboratively ▪ Interpersonal Sensitivity ▪ Promoting & Managing Diversity ▪ Managing Conflict 	<ul style="list-style-type: none"> ▪ Communication Skills ▪ Listening ▪ Commitment to Others
Cognitive	<ul style="list-style-type: none"> ▪ Analytical & Systems Thinking ▪ Leveraging Technology ▪ Flexibility 	<ul style="list-style-type: none"> ▪ Analytical Thinking
Personal Responsibility	<ul style="list-style-type: none"> ▪ Accountability ▪ Passion for One's Work 	<ul style="list-style-type: none"> ▪ Executive Judgment ▪ Focus on Results
Fundamental Skills	<ul style="list-style-type: none"> ▪ Self-confidence ▪ Stamina/Energy ▪ Financial Management 	

*Compiled by David H. Smith & Michael McElhenie (1999 - 2009); n = 17 major universities in NE & Central US



**Being an Effective University Leader
Requires Attention to ALL Aspects of What
it Means to be Human**

Effective Top University Leaders Can Recognize, Understand and Capably Lead ALL Worldviews

Dominant Current Worldviews					
	Opportunist	Traditional	Achiever	Pluralistic	Integral
Core Values:	Power, freedom, control, respect, dominance	Tradition, order, stability, security, Truth	Achievement, success, opportunity, winning	Fulfillment, connection, making a difference	Integration, authenticity, flexibility, complexity
Goals & Desires:	Self-gratification, gain control, be invulnerable, break free	Order, duty, faithfulness, stability, do the right thing	Good Life, success, advancement, winning	Making a difference, self-expression, cultivating relationships, fairness	Making sense of complexity, integration of polarities, fulfill potential
Strategy:	Take risks, confront adversaries, intimidation, power plays	Follow the rules, do the right thing, sacrifice now for future reward	Be smarter, plan the game better, faster, more efficiently, excel	Respect and cooperate with others, question conventional thinking	Discern complex patterns, integrate discrepant data
Assets:	Action-oriented, spontaneous, assertive, independent, strong, risk-taking	Controls impulses, imposes structures, follows convention, loyal to group	Rational, analytical, ambitious, competitive, strategic, innovative	Empathetic, egalitarian, cooperative, unconventional	Flexible, complex, context-aware, compassionate, authentic, non-defensive

Checklist for Board Members

- Does the Board have a committee dealing with human capital or HR issues besides a compensation committee?
- Does each Board Member have free and easy access to the Top Five (or so) leaders at each campus?
- Does succession management information reach the board via channels other than the President or CEO?
- Does President or CEO performance information reach the board via multiple, reliable channels?
- Do your universities incorporate "succession planning" and leadership development into its strategic plans?
- Does the compensation system reward results as well as how those results are achieved?
- Have the Board and Universities identified the values foundational to its long-term success and incorporated these into performance feedback systems?
- Is there a "zero tolerance policy" for breaches of ethics?
- Does the Board promptly deal with any leader who produces solid results, but does so outside of the identified values?
- Are tools - including interviews - used in the hiring and promotional processes aligned with the identified values and required competencies?
- Are top leaders provided confidential personal and leadership development resources (e.g., access to top-level training, executive coaching, peer "referent" groups, etc.)?