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For an efficient board, mutual respect and a collegial culture are mandatory

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Codes of conduct and other strategies may help boards promote collegiality and avoid dysfunction

Creating a collegial pension plan culture that promotes an effective working environment isn't easy.

"The culture of a board needs work and dedication," said Amy McDuffee, Westminster, Colo.-based founder and CEO of Mosaic Governance Advisors LLC, a public pension plan governance consulting firm.

It's a great opportunity for board chairs to take the lead and help develop a culture of cooperation and respect, Ms. McDuffee said.

Self-evaluations can help boards create a constructive culture, she said.

Currently, some boards are loath to conduct self evaluations due to open meeting laws that require them to conduct these evaluations in open session, other experts say.

"Ironically, most states' open meeting laws contribute to this lack of communication because the board members are not allowed to get together outside of the public board meetings and discuss common interests, even to evaluate their own effectiveness," said Harvey L. Leiderman, San Francisco-based partner at law firm Reed Smith LLP.

The question is whether open meeting laws can be modernized to reflect best practices, Ms. McDuffee said.

Codes of conducts, self-assessment and meaningful evaluations are best practices, she added.

Some problems can be avoided during the new board member onboarding process.

"You can't just hand people a piece of paper and say, 'here you go,'" Ms. McDuffee said.

Instead, the new member orientation process is an opportunity for the board chair as well as the executive director to set the tone of good board governance, she said.

Part of the process is making sure that each board member is heard. One way is to have an informal practice that when the board is hearing an action item, there is ample time for discussion. If the agenda item concerns policy, boards should allow for more than one reading to give members time to digest the material, voice opinions and concerns, and ask questions.

"These problems, to the extent they become problems, don't spring up overnight," she said.

If the CEO or executive director senses a board member has a problem, one of them could ask the member about it," Ms. McDuffee said. They can inquire about how the member feels about the issues being brought before the board, the member's concerns and how to alleviate them. The board chair is steward of the culture, she added.

"The board should be a group of leaders working as a team, not as a set of individuals," she said.

Indeed, creating an atmosphere of mutual respect is key to a successful board.

"Where you have dysfunction, in my opinion, it results from a breakdown of collegiality," Mr. Leiderman said.

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