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SHOULD THE BOARD HOLD EXECUTIVE SESSIONS?

By Jan Masaoka • August 1, 2008

Nonprofit boards are often criticized for a lack of vigor, being subservient to their executive directors, and for weak evaluation of their chief executive. The need for frank and informal discussion about staff performance, and the importance of the board developing a sense of itself, are just two reasons why many boards hold executive sessions.

An executive session is a meeting (or part of a meeting) of the board without staff present. In some cases an attorney or other advisor may be present, but not staff. Executive directors are often sensitive to the idea of executive sessions because they think that important matters necessitate input from them (and they just don't like the idea--period!).

Because one of the board's chief responsibilities is to assess the performance of the agency and its executive director, boards often need to discuss sensitive issues without staff present. Some instances needing candor and confidentiality:

- Annual meeting with the auditor
- Evaluation of the executive director, and establishing the executive director's salary
- Conflicts between two board members, or serious criticism of a board member by another
- Investigation into concerns about the executive director, or a report from a management consultant
- Review of salary schedule, compensation policy, etc.

Some organizations establish a type of "semi-executive session" during which the executive director is present, but no other staff. Such sessions may include discussions concerning:

- Lawsuits, complaints, or grievances from staff or former staff;
- Individual staff situations
- Evaluation of the executive director with the executive director.

If the chief executive is also a board member, as a matter of law, he or she is entitled to participate in any board meeting, even an executive session. In order to exclude a chief executive who is also a board member from a session, the executive must agree. This is one reason many boards feel it best not have the chief executive -- or any staff member -- on the board.

Despite a certain awkwardness that occurs when staff are asked to leave the room, and despite the frequent need to overcome resistance on the part of the executive director, there are some discussions that are appropriately held just among board members, such as those listed above. For example, one board member might want to raise a concern about the Development Director to see whether others share the concern or whether his negative experience was the exception. Another board member might want to discuss an issue involving herself and another board member without getting staff involved. A frank discussion of the executive director's strengths and weaknesses usually results in both sides being more clear about each other's expectations.

EXECUTIVE SESSIONS AS REGULAR PRACTICE

An executive session is also an important way in which a board develops a sense of itself as a body, rather than the more common feeling of being a group of individuals who listen to and advise the executive director. This "sense of self" is an intangible yet critical underpinning for board leadership.

But calling for an executive session without warning in the middle of a meeting can send any executive into paranoid shock. An effective way to avoid the feeling that "executive session means bad news for staff" is for board chairs to routinely put executive sessions on every agenda or on four agendas per year. That way, the board can meet privately without having to raise tension simply by doing so. In any case, the board should not feel uncomfortable asking staff to be excused for part of any meeting, and the executive director may even volunteer: "Would you prefer to excuse staff for this next agenda item?"

The minutes of the meeting should indicate that the board met in executive session, and report on the topic of the discussion, although the specifics (such as the amount of a lawsuit settlement) may be confidential and appear only in a set of confidential-to-the-board minutes or other notes.

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