

Why Secret Meetings Are Bad Strategy

By Glenn H. Tecker

Q: When is it acceptable for board members, the executive committee, or officers to meet without the chief staff officer?

A: When they're preparing to negotiate the CEO's contract or compensation.

Q: When is it unacceptable for board members to meet without the chief staff officer?

A: At any other time.

Why do I take such a hard line on secret meetings? Because even when the board has the best intentions, there is no evidence that meeting without the CEO does anything but encourage further poor practices.

Secret sessions are just too risky and have too terrible a track record in the association world to be good practice.

Scandals, well covered by the national press, have made governance a hot topic. Bad boards in the for-profit sector (Enron, Tyco, WorldCom, Anderson, and so forth) prompted Sarbanes-Oxley. Poor governance in nonprofit organizations with quasi-governmental roles and boards disproportionately composed of politicians (U.S. Olympic Committee, American Red Cross, Smithsonian, and so forth) prompted new IRS forms. Very privately held "family foundations" used by the "uber wealthy" as a tax strategy prompted requirements that nonprofit organizations declare their mission and document their pursuit of that permissible purpose. These new congressional and IRS reporting requirements reflect good practices already in place in well-led associations.

Unfortunately, well-intentioned—and some not-so-well-intentioned—individuals and organizations are misconstruing this desire for greater transparency as a license for more secrecy.

The paradox is that abuse, dishonesty, unsupported opinion, bad judgment, and malpractice are far more likely to occur in a closed meeting—regardless of its avowed intention—than in a more fully-informed discussion with honest exchange.

Secret meetings, whether they're known or unknown to the executive, enable participating adults to avoid facing problems like adults. Meetings without the benefit of hon-

est dialogue signal your board's tacit acceptance of underlying problems that will remain unaddressed. The secondary, symptomatic, or symbolic problem that serves as the focus of attention during secret sessions will merely be replaced by another issue until the fundamental problem is addressed.

Until such boards confront their own (a) insufficient self-confidence or (b) insufficient trust in their own opinion or information—with the CEO present—there is little probability that either the relationship or the association will be improved.

It doesn't matter whether the secret meeting is convened for mischievous or well-intentioned purposes. It doesn't matter whether the general topic is disclosed to the CEO or not, before or after the meeting. It doesn't matter whether the proponents of "secrecy" disguised as "confidentiality" are armed with (bad) advice from outside organizations that believe honest conversation requires excluding the staff.

Secret sessions are just too risky and have too terrible a track record in the association world to be good practice. In the absence of the CEO's knowledge and perspective, the group is dramatically more likely to make an uninformed or bad decision.

Just as important, your association risks doing long-term damage as your members and staff lose confidence in your leaders' ability to deal maturely with uncomfortable issues.

Q: When is it acceptable to meet in a closed session for board members only?

A: When an attorney specializing in association or non-profit law says the reason for secrecy is legally permissible.

Q: When is it unacceptable to meet in a closed session for board members only?

A: At any other time.

Why am I so opposed to closed sessions? Because trade, professional, philanthropic, and charitable organizations are inherently democratic institutions that are permitted certain special considerations in exchange for the expectation that they operate transparently.

There are some legitimate reasons for closed sessions. These reasons include discussing confidential personnel issues, negotiating a price on the sale of an asset, and adjudicating an allegation as part of a dispute-resolution process. But closing a session because the topic is sensitive—or because the board wishes to avoid discussing a controversial issue among the membership—usually is neither legitimate nor wise.

"The AGI will conduct itself in an atmosphere that is open and transparent with the goal of enhancing trust and understanding. Unless there are compelling reasons to the contrary, the AGI will provide to members, stakeholders, external bodies, and the public relevant information affecting them and the actions of the AGI in a timely fashion."
—From the Transparency Policy Statement of the United Kingdom's Association for Geographic Information.

If your board finds itself at odds with a member over an issue of access or disclosure, the association can easily find itself in a no-win situation.

If you believe your association could be harmed by public disclosure of certain information, you have a duty to ask legal counsel how to appropriately protect the association's interests. But you have an equal duty to seek expert counsel if you believe your association could be harmed by keeping from members or the public any information that you have a duty to disclose or they have a right to know.

If your board finds itself at odds with a member over an issue of access or disclosure, the association can easily find itself embroiled in a no-win situation. Your best strategy is to be willing to face the truth and to bolster that strategy with dependable legal advice.

The potential consequences of bad judgment—again, no matter how well-intentioned your actions—are too significant for you to risk a legally-questionable decision. This is true no matter how politically or emotionally attractive the decision to hold a closed session might seem.

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Do's and Don'ts of Board-Staff Relations

By Susan S. Stratton, CAE

Too often, there's an assumption that "board member" translates into "boss of the staff." This is not correct. The board's only employee is the chief executive officer. The executive, not the board, employs the staff.

To do your best for your association, honor the hierarchy defined in the organizational chart. To put it another way: Work through channels. Here are a few specifics:

- **Do follow your chief executive's lead.** Because CEOs are accountable for positive board relations, they determine the best communication channels for fulfilling board requests. Many chief executives choose to be the direct link between board and staff in all matters. Ask your CEO about his or her preference and heed the response.
- **Don't give staff assignments unless you have a specific contact person,** such as a committee liaison or administrative assistant to the board. By asking staff to do something, you may undermine the chief staff executive's priorities and, consequently, the executive's accountability.
- **Do resist the urge to criticize or compliment staff directly.** If a performance problem concerns you, express it to the chief executive. When a compliment is due, ask the CEO to deliver it to the appropriate parties on your behalf. When

you single out one person for praise, you may be undermining the morale of a team.

- **Don't intervene if a staff member approaches you about a problem with the chief staff executive.** The person is likely trying to do an end run around the boss. If you get involved, you undermine the employer-employee relationship. Instead, redirect that staff person to his or her immediate supervisor to resolve the issue.
- **Do keep relationships with staff professional, not personal.** When board members befriend staff members, the latter can easily misconstrue and feel as though they have special privileges. This could cause them to lose sight of the proper employer-employee relationship with the CEO and undermine the board's work.

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"It was early in my career; I once made a mistake and sent something out about the elections that had a significant error. It was a major mistake, I admit it. The powerful board chair at the time demanded I be fired, but I was fortunate. My CEO said it was a mistake and did not heed the demands. The volunteer continued to press for some time, years even, but my CEO stood his ground."
—A long-time, successful association CEO