

Never the Twine Will Meet

By Dan Clark

My Father's garage was a place of wonder and adventure for me as a child. There were some neat tools whose names I had not yet learned. In addition, there was all his stuff. For example, in every corner, it seems now, stood bundles of magazines tied with rope and twine. He had *Life*, the *Saturday Evening Post*, and an assortment of others. As a young teen, I was disappointed to learn he never owned a girlie magazine; I know because if he had, it would have been in that garage with all the others.

I vaguely recall overhearing a conversation in which Dad said he saved the magazines because they could come in handy for looking up historical events, or just for the fun of perusing the past, or researching some topic. I know he could not name a research topic at the time, and no research took place to my knowledge. He even thought some magazines might become collectors' items.

Dad was one of those people who had trouble discarding anything because, "as soon as you throw it away, you'll need it." So there was also jar after jar of screws — machine screws with no matching nuts, sheet metal screws and no metalwork projects in sight, and an assortment of wood screws no two the same. Yet, some day...

As a young adult, I exhibited similar tendencies. In middle age, however, I have become effective (not perfect) at weeding things out and throwing things away, especially if I know there is another copy I can access. It's a similar discipline to question the value of a report that has been produced a long while. Yet, as I traveled America and met many credit union people, I find that my Father's attitude about saving things is evident in thousands of board agenda packets circulated to hundreds of thousands of directors every month.

Over the thirty-plus years I have observed credit union boards, one of the steps toward board effectiveness was the agenda packet and reports produced in advance of the meeting. Once an innovation, it is now ubiquitous. Along the way, creative managers have provided new materials to inform and educate directors. As a result, board packets gradually gained weight. Some have grown to defy available report covers; maybe twine will have to hold them together. E-packets, on the other hand, will also get too big and no one will notice.

It is a good idea to be critical and examine what you are presenting to your board. It is a reasonable assumption that liability may attach to a director who does not read and use all that you send on a regular basis. In addition, it is easy for a director to miss something important because it's buried in the unnecessary. A valuable *Life* magazine, the one with the picture of the sailor kissing the girl after WWII, could have been in Dad's garage, but there was little hope in finding it.

In general, boards squander valuable meeting time reading figures aloud and hashing over historical things. It's like driving forward while looking in the rear-view mirror. Perhaps we should take the position that directors must read and understand everything in the packet (except for FYI items I will mention later). Such a position may force a needed and valuable weight reduction. Fewer and briefer, more targeted reports will save preparation and meeting time.

It's a good thing to periodically examine what you are presenting to your

At the meetings, disallow general discussion of reports. However, if time permits, allow questions for greater understanding of activities and trends reported on. Allow discussion of report contents only as it relates to the future.

Peter Drucker suggests that the mission of a corporate board is, "To help management substitute foresight for hindsight." Accepting that, I suggest the mission of the board meeting is to discuss the future, blending the power and wisdom of the directors with management's vision and expertise. Therefore, the top priority agenda item for a board meeting is a strategic question — a strategic issue, the strategic plan.

Boards practice some traditions that have no legal foundation or meaning that I can find. For example, many boards approve reports. Unless specifically required in law or regulation, do not have the board act to approve or even accept a report. Explore this further in Roberts Rules of Order, Newly Revised, Paragraph 50, "Reports, Boards and Committees." In subsection, "Motions to adopt an entire report," it states, "... an affirmative vote ... has the affect of the assembly's [board's] endorsing every word of the report — including the indicated facts and the reasoning — as its own statement." It concludes with, "Adoption of an entire report is seldom wise ..."

Time is not the consideration here. Some credit unions put reports on their consent agenda to save time; a forward step. However, you should not do efficiently what you should not do in the first place.

Items of interest to directors that may need no discussion or action you can label "FYI," for your information. By adding those items to an agenda, there is a record of your providing them to the board. Examples of FYI items include correspondence from regulators, letters from grateful charities, and the CEO's report on a conference attended.

The credit union system is important to the American people. We should not tie up our directors' limited and valuable time wading through unnecessary materials looking for the gems that they presume are there, somewhere. Drop reports and data no longer relevant to your future so the gems are easy to locate, and there is sufficient time to learn their meaning. Concentrate precious face-to-face board meeting time on the road ahead.

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