

A STATEMENT TO THE BOARD OF TRUSTEES
ANTIOCH UNIVERSITY
DAN KAPLAN

June 6, 2002

This is an important moment for this Board and for Antioch. I think we are at a crossroads. Today, we can and we will shape what Antioch will become. ~~The Board sets the tone,~~ By our actions today, we can provide both the direction and the model.

Nearly three years ago, Bill Dietel met with us and made an observation that our institution was in a state of disequilibrium. He said the College, with its lack of ~~an~~ resources, was the major source of the problem and that if we were to truly reach our goal of being a university, of reaching Antioch's full potential as a university – we needed to correct the situation. Our answer was to set in motion the steps to beginning a capital campaign. A campaign designed to do just that -- to break the dependency ~~relationship amongst our campuses. To move Antioch toward a model of synergy. That has been the work I have been doing for the past three years. For when this capital campaign is successful, the non-residential campuses will be able to keep more of their resources and thus be stronger and healthier and Antioch College will be able to compete in a world where small liberal arts colleges must have an endowment to be on a level playing field.~~ we

Our work must be focused not only on the Campaign, but on the other governance issues which will drive that goal – moving from dependency to synergy. In my letter I outlined other specific steps which must be taken on this journey. But let me offer you another example.

As the Board of Trustees, our job is to focus on the macro issues – the kind that Bill Dietel referred to. Let's spend a second on the

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kind of information we get and whether it helps us see the big picture. Peter Drucker has said: What you measure you can improve. That is the test, does the information we as a board receive help us steer the institution? I think the answer is no and if you are like me you lived that first hand perhaps as you flew out here yesterday.

Let me give one example to you: as I sat on the plane yesterday plowing through the financial documents we were provided, I thought -- I can not tell from all of this material, how we are doing. Is this good news or bad news? I could not see the forest for the trees. It is certainly not a lack of information we are getting. Indeed, I think the problem is that it is the type of information we are getting. We are receiving "management" information -- not "governance" information. For instance, How many students are enrolled at Antioch? Is it more or less than last year? How many faculty do we have? What are the faculty earning on average? Are our enrollment numbers up or down? How is our retention rate across all of our campuses? How do these numbers benchmark against our performance in previous years? How do these numbers benchmark against other similar institutions? (Can you imagine the Board of Directors of General Motors meeting and reviewing the financials of their business without knowing how many cars they had sold in the previous year!) These are the critical metric drivers of Antioch's financial health. Not one of those questions was answered in the document we received. How are we to make decisions -- important strategic decisions -- if we are so focused on the micro that we not see the macro?

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At one private company board of directors on which I serve, they call it the "dashboard" report. It provides the board with the key information it needs to make the macro decisions. The key ratios, the key benchmarks. If the board needs to drill down to get more detailed information, it is readily available. This is a model I propose for this Board. I will work with the finance committee,

with Glen and with Jim to give the Board the kind of information it needs to make strategic, macro decisions.

I give that as but one example of how we as a Board, through our business can influence the institution. If we pay attention to the drivers of Antioch's finances instead of the details, we can help shape how Antioch is. We can make the important decisions because we can see where we are going.

This spring has been full of good Antioch experiences for me. In the best of ways, I am still getting my Antioch education, still learning and experiencing – and being better for it. I have attended numerous Antioch-related meetings, many of them for the Capital Campaign. I have spent time reading books and articles on boards. In April I attended an AGB seminar. I have been learning best practices and ideas from others which I think can help us be a better board. I spent many hours – during evenings and weekends in late April and early May putting together the letter which you received. The letter helped me to crystallize my thinking and to frame my point of view about what I see as the priorities for the Board and Antioch and what my role would be as chair.

I had an opportunity to speak with many of you about the letter – both on the phone and in person. I appreciate the comments you made to me and the questions you asked. Through our discussions, I got more concrete ideas – better ideas about how we could work together as a Board. What a great model for Board dialogue.

I wanted to just say a few words about what I learned in the discussions I had with some of you. Among the things I heard comments on -- many of you mentioned the consent agenda and asked how that would work. There seemed to be a general agreement that our agendas need to be more aligned with our priorities and they should be less cluttered with housekeeping matters. The work of the Future of Antioch Committee is now

beginning – and we must align our agenda with the work which the Chancellor and the ULC are doing. Other trustees liked the idea of attending AGB seminars on the various committees we have in order to learn from others how we can improve how we work. I had a good email discussion with a couple of people about the kinds of information we should be getting as a board and how it should be presented. This was good dialogue, and it's the way I want to work as Board Chair.

I also learned that it was important to the Board to have a choice in electing a chair. To a person, everyone seemed glad that there would be a choice. I share that opinion.

It is clear that there are significant issues on this board revolving around trust and around perceptions there are “insiders” and “outsiders.” I have some good ideas about why this is the case. One source of this issue is around the role of the Executive Committee. The business of the Executive Committee is to transact the business of the University *only when it is not feasible for the full board to meet. The Executive Committee must in no way usurp the functions of the Board.* That bears repeating.

We – as a board – or as an Executive Committee or as the investment committee – must transact our business in open ways. Everything we do must help to build trust, to use all the talents at our disposal, and we must avoid anything, which undermines ~~the group as a whole~~. At the same time we must do everything we can to build the group. Whatever the reality of the situation, it is the perception that matters. I want this to go away. It gets in the way of doing Antioch's business, of building a better, stronger Antioch.

A year ago, the ad hoc committee put forth a recommendation that the Executive Committee operate as a kind of kitchen cabinet, because we felt the board chair needed a kitchen cabinet. ~~We~~ felt the Board Chair needed to consult more with members. The

The committee

that trust

problem is that you cannot legislate the way a board chair works – just having an Executive Committee does not turn it into a kitchen cabinet. I will work to change the culture of the Board – to one built on a foundation of trust and inclusion. The way I worked this spring – reaching out to nearly all of you is how I want to act as Board Chair. But I am going to need your help. If you feel like you are on the outside, for some reason, find a way to get inside. If you feel your talents are not being called upon, speak up. This board needs all of the energy, ideas, and spirit it can muster.

There is a historical context for today's vote. One can trace what we have done here over the past six years – beginning with the work an ad hoc committee on governance led by Peggy began six years ago. The meetings we have had with Bill Dietel – in Washington and here in Seattle. The tremendous number of hours that went into the Ad Hoc committee's work with Fred Miller, which the board adopted last June in Keene. The tremendous contribution which Bruce made in transitioning leadership at the CEO level, and which Jim McDonald made in leading the Financial Stabilization Committee. All of this work has helped prepare Antioch for its future. And today we are on the ~~doorstep~~.

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Let me share with you my list of the three favorite things I do as a board member:

1. I love asking people for money for Antioch
2. I really enjoy the faculty and student presentations we get during our board meetings and
3. I love going to Antioch graduations

In the past few years, I have attended the College graduation, Santa Barbara, and this spring Keene. As I mentioned in my letter, the impact that Antioch had and will have on the lives of those graduates reconnects me and I hope all of us with why we toil in these meetings. It is our shared purpose.

I would like to end with a couple of personal comments.

I am lucky enough that my work – as a consultant – allows me to proactively define my time commitments – and I have done so in such a way that I have adequate time for my work, Antioch, and my family. I want a balanced life, divided between earning an income, giving to something I love, and being with the people I love.

When I think about my work here, I think about my kids , or their kids or the universe of children and adults in our country. I want all of them to have the choice to go to a place as special, as remarkable, as life changing as the place where I went to College. That is what drives me.

I know I will be a good board chair. I understand Antioch – I know its strengths and I know its weaknesses.

I am excited and charged and ready. I know there are really good times ahead for us as a Board and for Antioch. Thank you.