

The President's House

A very important but potentially explosive institutional resource is the president's house. The house is a central element of the president's personal life, and it is also likely to be the setting for very important donor development and community events. But previous presidents may not have kept the house looking its best, or the house may not be suited to these kinds of activities. The candidate considering the offer of a presidency may want to stipulate that purchase of a new house by the institution, or upgrading of the existing house, is a condition of acceptance of the offer. A candidate should do this with the greatest caution and awareness of the risks.

Ideally, the board has addressed all issues associated with the house before the offer is even extended, relieving the president of the political burden of doing so. But if the house is going to incur costs during the term of the new president, either for purchase or for upgrading, the costs should be handled with extreme care. There are many approaches to managing these costs. For example, the board can set out a budget in advance, with a rationale that clearly shows the potential to attract additional institutional resources, and not simply an enhanced lifestyle for the president and his or her family. A committee of the board can oversee unusual or unusually large expense items, such as a home theater, a lap pool, a high-end kitchen, or an elevator. Systematic efforts can be made, once the home is ready, to use it for high-profile donor- or community-related events, in order to demonstrate the institutional value of the enhancement.

A very different situation is the potential president who does not wish to live in the house that has always been the president's residence. This might be because the president is a single person who wants his or her social life to be less visible to students and colleagues. Or it might be because the house is too small for the president's family, or because it is located on a noisy busy street or near the site of many student parties. Whatever the circumstances in each situation, it is essential to give careful attention to all matters associated with the president's house; there are few issues that can spin so quickly out of control in the early months of a presidency, and all these issues should be addressed as part of reviewing and accepting an offer.

Personnel Decisions

Another typical investment of new institutional resources for a new president is the creation of new senior staff positions, sometimes as part of an administrative reorganization. It can be a good idea to raise these issues as part of the negotiation process, but it incurs certain risks as well. On the negative side, a board

that is investing a great deal in the transition to a new president (e.g., paying a salary higher than they had paid your predecessor and higher than they had expected to pay, and also likely paying a substantial fee to the search consultant), may become edgy at the thought of creating an expensive new position such as a vice president for planning or chief of staff. On the positive side, creation of the position may be viewed favorably because it symbolizes the new direction that you and the board are setting for the institution (e.g., increasing extramural support by creating a vice president for research, or addressing regional concerns by creating a vice presidency for economic development), or because it frees you to become more fully involved in fund-raising (e.g., creating the position of chief operating officer or executive vice president who can take care of internal management issues while you are off campus meeting with donors). Consider whether the creation of a new position is an essential element of your package, or something that will be part of the planning process over the first year or two as you examine the current use of resources and consider a range of priorities and possible reallocation of resources.

There may also be some members of the senior leadership team or the president's office staff whom you wish to remove. In many cases, you will not know this before accepting the position. But it is still worthwhile to learn whether any of these individuals are going to be protected by trustees or other key constituencies. Talk with the board chair about any limitations on your ability to build your own team.

FAMILY ISSUES

Family members should have been brought into the search process before there is an offer, but sometimes the institution does not support this; some institutions will say that, once the offer is extended, the selected candidate will be invited to bring his or her family to visit the campus. These institutions often regret this approach because it delays the decision of the candidate who has been offered the job. But sometimes the search process was not the problem; it may be that the candidate's family has not fully come to terms with the possibility of getting this offer, or with the potential disruption its acceptance would entail, and their decision-making process is still at an early stage. Even though they may have visited the campus, they may not have really thought about what it would mean to leave a job, friends, family, and the familiar and satisfying lives they have been leading. Children can present particularly difficult issues but they are quite unpredictable; they may say they can not bear the thought of moving, but if forced to move by a family decision they may surprise everyone by thriving. It can be hard for parents to insist on a move in the face of tears and tantrums, but many parents have found that things work out differently from what the child anticipates—sometimes for better, and sometimes for worse. Your aging parents may have encouraged you to consider this attractive career move, but when the time comes for you to discuss moving 1,000 miles away, they may

balk. These considerations can be difficult to deal with before the offer is on the table, but the more you can anticipate your response to an offer, the better your decision making will go if that offer is made.

COMPENSATION AND CONTRACTUAL ISSUES

The compensation package is surely a central feature of any job offer. During the search process, many college and university administrators will say that they did not go into this line of work to get rich, and that money is not their deciding factor. But when the offer is formulated, they may discover a greater interest in compensation than they had earlier indicated. No one likes to take a cut in pay, so a current salary that is high may make a new offer look less attractive. There are many institutions that pay high salaries in part because they believe—correctly—that high salaries make their senior administrative team much less likely to be attracted to other offers. Some candidates are less than forthright during the search process about their salary expectations, hoping that when an offer is made they will have the upper hand and be able to request and to get a better salary than the institution had planned to pay. In general it may be true that a higher salary will be offered than the institution had initially anticipated. But I have seen several candidates whose salary demands during compensation negotiations were not met; the institution withdrew the offer and offered the position to someone else. Do not assume that you hold all the cards in compensation discussions. It depends on many things, including whether there is an attractive candidate waiting in the wings who will accept a more modest offer.

The compensation package can vary widely. Some institutions (particularly regional public institutions) may offer a salary defined within a narrow and predetermined range, and the same benefits provided to all employees. Others may offer a much more complex package that includes deferred compensation, pay for performance (i.e., bonuses), club memberships, renovation and redecoration of the president's house, a car for both business and personal use, a spousal appointment and/or travel support for the presidential spouse or partner under certain conditions, entertainment allowances, paid board memberships, golden handcuffs that provide special compensation if you are still on the job in five years, and more. Appendix D contains a detailed list of items to consider as you review an offer.

Almost all institutions have legal counsel review the contract or salary letter, and candidates should do the same. A lawyer can be sure that all critical issues are considered before an agreement is signed (e.g., spousal compensation; process for evaluation, renewal, and salary adjustment; and deferred compensation). The candidate's lawyer can clarify key elements of the agreement (e.g., what "termination without cause" means), and can be sure that important issues are addressed that might otherwise be overlooked (e.g., how performance evaluation

will be handled). Using a lawyer to negotiate the agreement is less common, but doing so can be helpful in many ways, particularly if the negotiations are potentially difficult. If the candidate and the institution work with a presidential compensation specialist, he or she should be able to provide comparable salary data that puts this offer into a larger context. For some institutions, comparable salary information is available from other sources, such as a network of peer institutions.