

# Building the Capacity for Change and Strategic Impact





## The Governance Institute®

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# The Governance Institute

# The Governance Institute provides trusted, independent information, tools, and resources to board members, healthcare executives, and physician leaders in support of their efforts to lead and govern their organizations.

The Governance Institute is a membership organization serving not-for-profit hospital and health system boards of directors, executives, and physician leadership. Membership services are provided through research and publications, conferences, and advisory services. In addition to its membership services, The Governance Institute conducts research studies, tracks healthcare industry trends, and showcases governance practices of leading healthcare boards across the country.

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# Introduction

oday's boards will soon be required to drive bigger, bolder changes in their organization, and many are not ready for this. The methods through which boards and executive teams develop strategic perspectives about the challenges their organization is facing is an important consideration in getting boards ready to deliver on change.

Board leaders serve in their best capacity when they drive change, especially in a time of challenge. Core governance functions and responsibilities must ground change delivery:

- The board's fiduciary duties of care, loyalty, and obedience are the foundation. A board must make good decisions and care for those decisions. Loyalty to the cause and the mission is extremely important. Obedience to policy is boilerplate for most boards, but this will be most important in the coming decade in healthcare.
- 2. **Risk management and problem solving is directly involved in the work of change.** The change mode we are looking at today has been defined by the last several decades of industry change and development.
- 3. **Change governance** is essentially the board's role and its own discipline in executing and sustaining that change.

Boards should periodically review the organization's purpose, mission, and vision, and assess what should remain the same and what needs to change and why. As we explore change governance, this toolbook aims to help boards, board leaders, and their senior leadership teams work towards answers and solutions to the really big challenges:

- Identify bold and practical strategic options that have the ability to drive change.
- Define impactful ways to assess options and ensure that they match your organization's goals and available resources.
- Determine specific ways your board can help shape the impact of change at your organization.

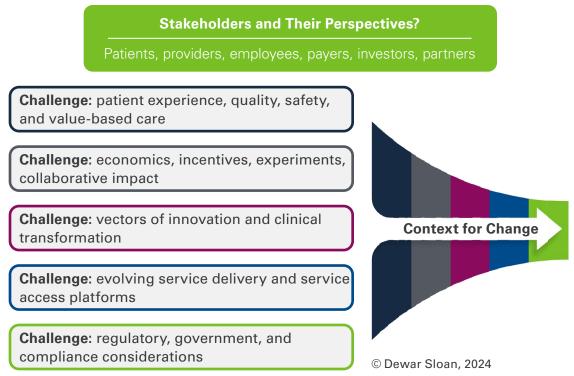
# Challenges and the Discipline of Perspective

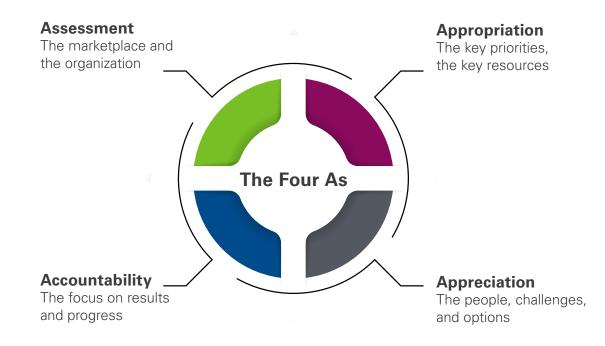
ot all board members have the same point of view, history, background, and experience. The narrative that we all share about how our organization is performing comes from different perspectives. Many of the issues facing healthcare organizations today are long-term challenges that represent a horizon of planning that spans from today through the next 25 years and more.

Some key challenges occurring in healthcare today that require the board to drive change include:

- 1. Improving patient experience, quality and safety of care, and equity, while also improving value and decreasing costs.
- 2. A challenging economic environment in which the incentives to improve quality and reduce costs remain misaligned.
- 3. Rapidly advancing technology and digital transformation requiring legacy healthcare organizations to think and act like start-up innovators.
- 4. Evolving service delivery models and service access management that is increasingly less (or no longer) dependent on hospitals.
- 5. A regulatory environment that is increasingly harsh towards provider organizations.

## Five Challenge Zones





To begin to tackle these challenges, boards must start with the "four As":

**Assessment:** Understand the realities of the marketplace compared with your organization's competitive position to determine if this is the right team (board and senior leadership) to address current and future challenges and drive change.

**Appropriation:** Effectively balance priorities versus resources based on your organization's moral charter and economic limit.

**Accountability:** Focus on results, process, and progress. The board, in conversation with the executive team, must acknowledge the handful of metrics that demonstrate what really matters in terms of leadership actions that will drive and accelerate progress.

**Appreciation:** It is imperative to recognize the difficulty of the work being done in healthcare organizations today. Different perspectives in the boardroom represent both the nature and the beauty of this work. Board members will see option A and consider option B, and the magic is when a board derives option C as something outside of historical biases and different from what competitors are doing. In this way, boards are getting ready for tomorrow while also taking care of today.

#### **Perspectives**

When making bold decisions focusing on bigger change, the stakeholder perspective must be included—patients, employees, providers, partners, and investors. What are their perspectives relative to that of the board and senior leadership? Where are the points of agreement? Then there is the crux: what do you find at the intersection of ideas? If we move this piece of the bigger puzzle, we can make progress.

The public perspective is important as well. Healthcare costs too much. Quality is inconsistent. The incentives are perverse. It's complicated and political. We are stuck in a crucible of great institutional force and value, with outside forces moving more nimbly and rapidly.

Finally, there are stakeholders within the enterprise—departments, ancillary services, and service lines all have teams of people with perspectives and points of view. Often it is these groups of people who see what is most relevant and consequential (e.g., the crux) to them.

The crux: what are the one, two, or three things that are really going to make a difference on the road to change for a healthcare system?

#### **Areas of Change**

The business model in healthcare has been changing for 50 years. Hospitals are expanding, moving ancillaries and services from inpatient to outpatient, and providing virtual care that couldn't have been done just five years ago. All of this has impacted platforms, access points, price/value models, and the very nature of space and place and time when it comes to access and cost. However, for the most part, these changes have come slowly and gradually, many forced by outside factors such as regulatory changes and alternative payment models. If there is a way to look at change today, it's through three different lenses:

- 1. Operational processes (throughput strategy)
- 2. Programs and resources (category strategy)
- 3. Business model/structure (enterprise strategy)

Lean and efficient processes and workstreams are maturing rapidly. New programs and resources are being selected and implemented via simulations between models and choices, shared facilities and joint ventures, and private–public partnerships that wouldn't have been considered by boards 10–15 years ago.

Each of these areas of change represent different levels of risk and operating and investment requirements, and each have "barriers to change"—some obvious and others that may be more hidden.

The promise of change comes with anticipation. We can't predict the risks and the timing, but we can anticipate many changes involving demographics, technology, government/policy direction—these things are reasonably predictable. What is less predictable is their direct impacts to our organization and how we should respond to those impacts.

## The Value Proposition of Change

- 1. Promises we make to stakeholders about the positive impact of change.
- 2. Assurances in advance that we can deliver on these promises. (This isn't as easy today as it was historically due to skeptical audiences and media and government scrutiny, increasing the importance of organizational credibility.)
- 3. People have to see the consequences of change, whether intended, lucky surprises, or unintended/collateral damage.

Boards need to understand both the expected and the anticipated, and account for the potential unintended consequences. For example, if you close a rural hospital in your system, people will have to travel further to access care, but you might also have improved quality of care and can account for the increased distance via expanded virtual health options.

#### **Matching Board Skills to Emerging and Future Trends**

Hospitals struggle for margin and there are many competitors for that margin pool: payers, pharmaceutical companies, physician groups, private equity firms, and others. Digital advances eat capital and culture on the road to implementation. Mergers and acquisitions are failing more often than succeeding in today's regulatory environment.

Change governance requires a more contemporary mix of board talent. Like most organizations, we hear of nominating committees that bring smart, well-intentioned people to join the board. Just as important as getting all of the "smart people," what do they bring thought-wise and behavior-wise to the boardroom? Today's boards need technical insight and knowledge, creative thinking and curiosity, and resource thinking that is productive and thoughtful about how to get more from less. Today's boards also need people with solutions skills, whether from engineering or other fields, as well as relationship and interaction skills. We don't normally look for people who are great at debate skills and can win every argument, but we should look for people who understand the original meaning of the argument and can compare and contrast ideas about what could be best for the organization.

If people struggle with change, this is a tough place and time to be at their best. Change must be in the mindset and "heart-set" of good people.

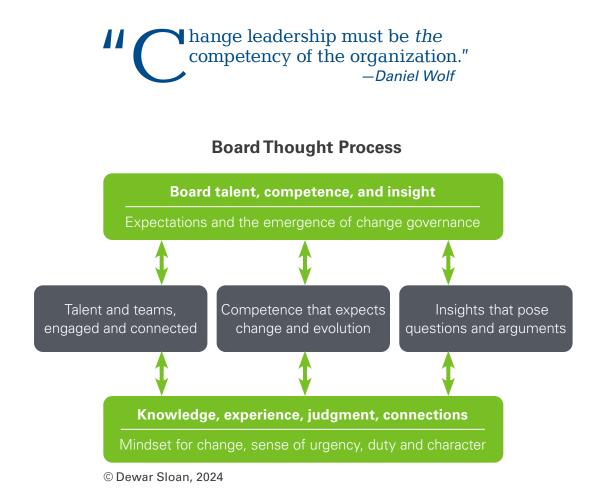
- 1. Change leadership and management could be the primary sustainable competitive edge.
- 2. Change, governed wisely, reflects directly on the purpose and mission of the organization.
- 3. Change, governed poorly, finds its place on the front-page news with negative comments.

Boards must not rush into decisions without deliberation, scenario planning and learning, careful questions, and taking the time necessary to think about what it might not be considering but should.

For example, organizations that push as much as possible on reducing costs might succeed by a reduction of 25 percent, at best. Most organizations don't get even this far, and those that do cannot get beyond that without doing damage to the organization and its patients. Yet between all of the stakeholder forces and incentives, this is a very difficult road to follow. There are processes and models we can apply, but we need to look at what costs don't have any value, and what forces of change don't take us on a road towards progress. The discipline comes in when boards can stay focused, persevere, *and find the crux*.

Here are some questions to consider in the context of leadership challenges and the discipline of perspective:

- How can we find the crux and drive strategic change in a disciplined way?
- Are we looking at new and different kinds of options and choices than we were before, or do they look very similar to the same old thing?
- How many different stakeholders will be impacted?



#### **Case Examples**

#### **Redefining an Institutional Identity**

One health system board was faced with several challenges surrounding a new affiliation with a top medical school. This new relationship required broadening the perspectives of teaching and research beyond clinical care, which was essentially a redefining of the institution's identity and purpose. As a part of this journey, the board was confronted with the challenge of technology changes—an area of discomfort. So it went to work expanding the skillsets of its board members and senior leadership. The board looked to an associated business school that tracks technology change. Through this relationship, the board was able to bring skills and concepts to governance and senior leadership to enable a deeper comfort with addressing technology challenges and broadening the strategic goals and future vision given its new identity.

I profile. That is still looking for the traditional profile. That is still important, but I can attest to how much more dynamic and challenging the conversations become when you add board members who come from outside healthcare with a wider, non-traditional range of experience."

-Daniel Wolf

#### **Diversifying the Board's Perspective with Younger Board Members**

Another board brought on a new board member in their 40s (most of the other board members are over 50 and some are in their 60s). The board member brings a new perspective that is different and helpful. The board retains members who have broad experience and knowledge, recognizing the benefits of legacy as well, while striving to maintain the right balance. It developed a board composition report with over 15 demographic and skill categories, recently adding leading innovation and change, technology in healthcare, and state demographics. As members term off the board in the next few years, the hope is to bring on more younger members with philanthropic power and political connections.

# Discernment of Strategic Options and Choices

s boards consider how they will drive bigger, bolder changes to address today's healthcare challenges, remember the power of mission discernment. This can be embedded as part of the perspective of problem solving across the system. The key point? Little ideas can result in big things.

To drive bold change, board leaders and members need to be active in the exchange of insights that inform near- and long-term planning and decision making. The aim is to exchange ideas that might stretch the mission and vision and help with risk management. The foundation of a board that functions like this is board engagement.

Every hospital and system has multiple options for change. Exchanging insights amongst boards and executive teams helps refine those options across the four As:

- 1. **Assessment:** what options do we look at to assess our conditions, challenges, and opportunities?
- 2. **Appropriation:** what criteria do we use to narrow down the options into the "should do" category?
- 3. Accountability: are all of us accountable in an overlapping way?
- 4. **Appreciation:** are we recognizing that our "super-wicked" challenges call for change-driving leadership?

"Super-wicked" challenges are complex to the degree that you cannot solve them all at once; rather you must take them on in steps or stages. But it cannot be slow and incremental. The aim, then, is to discern how to work better, smarter, and faster.

Economic performance, comparative advantage, and corporate stewardship takes board time. Boards should look at critical priorities near term and long term, and the options for change:

- What are the strategic objectives and intentions for this organization?
- What are the risk management considerations for delivering care in alternative settings?
- What do we want to be and do and how can we provide for the patient populations and stakeholders who support them?
- Do we have the capacity to do what we really need to do for patients, considering our providers, insurance companies, and the economic conditions of our primary and secondary markets?

Boards must be wide open to ideas about what is moving the marketplace locally and globally, and also must be wide open to changes that could be good for stakeholders. This is an era of optionality, a strategy construct that has accompanied the roadmap of change in most industries across the modern era.

#### The "Could Do" and the "Should Do"

Appropriation impacts operating budgets, workforce capacity, capital budgets, and the importance of time itself. For most organizations, there are 100 things they could do but only three to four that they should do. The list must be narrowed down against some kind of criteria. The question today is, what are those criteria and should they be changing given the complexities and bold changes required?

Appropriations work takes a disciplined approach of developing strategic options and concepts and putting them on paper. Then boards and executive teams together must argue their way through each option—these are the logical, prospective arguments that get at the pros and cons of these options.

We don't always have time to put all of the options on the table. What are some ways to protect the board and organization from a blindsided or narrow curation of options that might look too similar to what was done in the past?

Finally, it's about making or postponing a choice. Most organizations do not have more resources available than priorities—service line plans, major resource alignment and capital funding, credit status issues, competitor advantage questions, and more. Two key questions for boards and senior leaders to tackle are:

- What is the value-added significance of each option?
- What is the risk significance of each option?

But when looking at making bigger, bolder decisions today, it is necessary to rethink how we organize, curate, or perfect each strategic option that will be presented to the board. In most organizations, there is (real or imagined) pressure to reduce the number of options before everyone has had their chance to argue through the details. We don't always have time to put all of the options on the table. So, in the curation of these options, details sometimes suffer. What are some ways to protect the board and organization from a blindsided or narrow curation of options that might look too similar to what was done in the past?

Appropriation is a major touchpoint when it comes to strategic options. What are the main criteria your board entertains to review options? How do you line up resources against priorities?

#### **Case Example: Creative Reallocation of Resources**

A health system invested in a very large, multi-year facility upgrade that has been derailed by a tremendous increase in materials costs. There have been several hard conversations with the board going back and forth about the increased costs and how to mitigate them. Solutions proposed looked across all areas of the organization to identify savings opportunities. The decision was made to adjust two of the system's critical access hospitals to function more like service line departments; they will have services such as outpatient care, radiology, and physical therapy. The services that are no longer being provided at these two sites of care are provided in facilities nearby that can handle additional capacity, so it won't result in a negative impact to the patients in the community. The cost savings is being reallocated to account for the increased budget for the multi-year facility upgrade.

#### Accountability

Bold change brings with it a look at accountability from a broader perspective—beyond the standard fiduciary and functional duties—specifically, the board's accountability for understanding the forces of change and contributing insights, providing feedback on specific designs for programs, access issues, risk factors, political and regulatory changes, and so forth.

This new kind of board work is about looking ahead, planning ahead, and moving ahead, with an eye on direct accountability of the board and of the institution itself (largely management). Some questions to consider include:

- Do you talk about accountability as a board and with the executive team together?
- Do you review accountability for strategic options as a regular part of your board meetings?
- If we are going to change access in our primary and secondary areas, do we discuss who is accountable and how does that echo and translate into the community?

Bolder options require strong accountability. Boards have certain powers and responsibilities, some of which are delegated to their executive teams. When the decision is made to change the charter of a hospital, or change the organization's approach to service line access or availability, who gets to pull the lever and why?

#### Hatching, Arguing, Curating, and Advancing Options

If we go back to the list of challenges outlined earlier, there will always be strategic options related to improving patient experience and value-based care, tied to data and incentives. There are also options tied to technical and clinical transformation: service delivery mode and access management, compliance/regulatory considerations, state-specific issues, insurance-specific issues, revenue stream considerations, and Medicare/ Medicaid concerns.

There is a method and a madness to hatching options and then arguing, refining, and advancing them. Sometimes it is disciplined, generated internally by the executive team or department managers. Or it may come from board members who have a lot of healthcare experience. How do we bring new board members up to speed with the motivation and the confidence to say, "I am curious about these options, but I don't

think the same way as the rest of the board?" That is a tough hurdle to clear. How do we do that? This is a matter of **board engagement** in challenges and the options for strategic and operational change.

#### Case Example: Finding the Right Balance of Perspective

A hospital-based system is shifting towards outpatient care. Getting away from the "hospital-centric" identity is something the board and senior leaders are working through. There are two facets to that mindset: 1) the hospital as a provider of inpatient care; 2) the hospital as an administrative institution. Years ago, the hospital was a workshop where doctors came to practice and the hospital essentially provided the practice facility. Now the hospital is the center of the system-wide planning, and as a result, the medical staff and clinical-orientated issues have been pushed aside because the leadership focus is more administrative as opposed to clinical. The hospital's success doesn't include enough of the practicing physicians' perspective. As one board member said, "We are doing fine without it, but we need to do so much more with it. We are trying to find the right balance."

#### **Considering Consequences**

Strategic options have near- and long-term consequences. In this context of bold change, we should expect the options we are considering now to have significant and major consequences.

Some questions to consider include:

- Who are the consequences impacting?
- Who are the people who will see and feel these consequences? Patients, providers, employees, the community at large?
- How will you be measuring your options and their impacts?
- What about the unintended consequences, both good and bad?
- Who should be involved in exploring the downstream consequences and potential scenarios? If we close the hospital down the road, what does it look like for patients in 10 years? What are the consequences five and 10 years from now and where do those conversations take place?

#### **Case Example: Measuring Progress Now and Far**

At one organization, when making the decision to take action or not, the senior administration brings to the board an analysis of the expected consequences (financial, patient care, and community impacts). On a shorter-term basis (one to three years out), the administration will provide the board with post-implementation reviews of strategic initiatives. But some things have a longer horizon, where the results or ROI might not be fully revealed and the board and some of the senior leadership team may have turned over by the time the ramifications come to light. Physicians and employees are normally part of the organization for a longer period of time in comparison. As a result, physicians tend to be skeptical of decisions made by administrations and boards because the people involved come and go. The post-implementation review has to continue for a longer period of time, and this organization's leadership doesn't yet have a good answer to this challenge.

# Establishing the "Reset" for Governance and Leadership

This final section brings together the most important strategic, cultural, and structural aspects of the board's work in driving change. We will examine key elements of governance critical to effectively making an impact, such as developing and exchanging insights and assumptions, ensuring clear communication, matching structure and culture to strategy, and navigating boardroom friction related to bold change. Interactive conversations help boards and senior leaders work together to discover the benefits of collaborative governance, forward planning, and the risk management needed for boards to make sustained advancements for their healthcare organizations.

In order to reset governance and leadership to drive bold change, boards and senior leaders must:

- Define the key elements of governance necessary to drive change.
- Develop the ideal boardroom culture for having trusting, energetic conversations.
- Identify ways to manage and move past any board friction that may arise when discussing bold change.

#### **Engaging Boards in Honest Conversations about Change**

Most healthcare organizations today are a little bit skeptical of their own strategic agenda. Healthy skepticism is a good hallmark, but the tensions today sometimes get politically or socially protected from more disciplined arguments or difficult conversations. What do we mean by an argument or friction? This is about exploratory discovery, case making, logic building—emotionally secure arguments to help us understand what change is going to require. It takes participation and recognition to take the conversation further.

### Change becomes a core competence of the board and organization:

- 1. How does the board maintain a curious, thoughtful, courageous, safe, disciplined, and secure place for debate?
- 2. How does the board generate the balance of insights and influence with constructive skepticism and proof checks?

#### **Honest Conversations About Change**

### Honest conversations about change? Robust, deliberate conversations, and the right boardroom culture Open conversations Open conversations Open conversations about culture about strategy about structure Direction Principles Networks Integration Trust/power Organization Execution Confidence Leadership

#### **Requirements: character, competence, and connections**

Building the mindset, the capacity, and the courage for change

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#### **Case Examples**

#### **Dealing with Multiple Changes at Once**

One organization is going through several major changes simultaneously: expanding the hospital, building a new cancer center, a transition with the revenue cycle department, and the CEO is retiring. Over the past two years the board has been in constant change discussions. Now they are working on how to sustain that. Most of the hard, thoughtful, deeper conversations happen during executive sessions. The insights, influence, asking the hard questions, and ensuring they are following the strategic plan is balanced with healthy skepticism, including about the timing of certain aspects of the plan. Executive leadership has done their due diligence in making sure everything has been implemented smoothly so far. The board has been completely engaged in this process from the start. So the feeling at this stage is that the organization has planned well and followed suit on what it should do in order to make changes happen smoothly.

#### Aiding Decisions with a Visual Timeline and Feedback Loop

An administrative team member in a clinically integrated network works with a wide variety of locations and specialty groups. There is a "seamless connections program," which aims to move patient referrals seamlessly from one group to another. This requires significant management behind the scenes including project management, training, and group support. The biggest help has been offering a visual plan and timeline for the board. Providing those who are impacted by this program a follow-up opportunity to provide data to the board about the program's effectiveness has resulted in the board having more supporting data for subsequent, impactful decisions and changes. Feedback helps those involved feel multiple avenues of the impact of their work and drives conversations to support more safety and trust.

#### **Dealing with the Natural Points of Friction**

Individuals may be comfortable with friction, but collective groups of people that serve as constraints to change are more common. Alongside groups that constrain change are people trying their best to serve their stakeholders despite many barriers. This creates zones of friction that can potentially widen the barriers to change. It is generally thought that breaking through that friction is essential to change. Making bold changes also requires board maturity—knowing when to focus on the right parts of the strategic plan.

- Reducing friction (cutting out the noise) is a way to be better stewards of other people's time.
- Reducing friction should help us make the right things easier and the wrong things harder.

Questions to consider:

- How do we tackle friction in strategic conversations?
- How can the board and executive team bring the nature of strategic, cultural, and structural friction into full view?
- How can we approach friction as something that informs an approach to change governance, risk, and decision making?

#### **Case Examples**

#### **An Outside Perspective**

A health system is two years into its five-year plan. It is led by a strong CEO and a lot is going well but there is also a long list of challenges. At a board retreat last spring, there were concerns that the conversations would be "the same old thing." The board discussed bringing in an outside speaker. A board leader recommended a speaker who could help the board and senior leaders think differently. The speaker reviewed the organization's data and situation, asked questions, and came with his own outside perspective built on decades of experience in the industry. Questions were of the challenging nature: "You are telling me one story, but when I look into what you are actually doing and what the data is showing me about your performance, it doesn't line up as much as you might think. Are you really aligned with your strategic plan? Have you really said what the future is going to look like?" It stunned every person in the room. "We thought we were doing ok," said a board member. "It turned out we needed that friction, to be a little less sure that all was well, and to be able to think further out." At a subsequent strategic planning committee meeting, someone brought up the speaker's questions again. The board now has a little bit more courage to have those challenging discussions.

Having only two choices presented to the board is not enough. Every facet of an issue must be explored. Introducing friction takes time, across several meetings. If something is important enough to require bold change, that time should be taken. Line up some allies who will argue the issue from different points of view.

#### The Importance of Structure and Learning from Mistakes

One board brought in an outside consultant to assess how to build a better governance structure, with the right talent, to make more significant impact. The board started by reducing the number of board members, and then added two committees with renewed, more clear charters. Additional effort was put into thinking about the skills needed to be a board member for the future of the organization. This resulted in changing the board's selection and nomination process for new board members. Those changes have made a difference in the quality of board conversations and the board feels more aligned with senior management and the strategic direction of the organization.

One of the members of this board said, "The competitive landscape has changed and with all of the advances in AI, boards will need to become nimble. Going back over committee charters, dialing in the skills needed, and identifying meaningful board goals will be more important. Finding a way to engage the board in a different way will, by itself, bring value to the organization and thus has the potential to reshape our value to our community."

There were some mistakes made along the way and the board was receptive about the need for course correction. Having a negative experience made the board stronger they were more connected with the work instead of fixating on perfection. This journey has shifted the board's focus to those areas of friction where directors hadn't been looking previously because things had been running "smoothly enough."

# Conclusion: Emerging Blueprint for Bold Change

B old changes require a high level of clarity from the boardroom to the loading dock. To build change capability across the organization, and to gain that clarity, we must understand the challenges we are up against, ensuring that every stakeholder is painting the same picture and has an aligned list of priorities. Priorities and resources must then be integrated. All of this requires the right structure and talent.

A strategy can "look good on paper" but still remain unclear about exactly what it is and how it will be implemented. A clear sense of continuous adaptation is the competitive edge organizations must be seeking today.



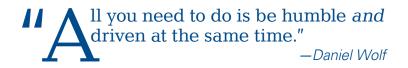
Clarity: the product of insights and assumptions, perspectives, and options—with room for continuous proof-testing, and ready-testing

#### **Key Elements of Governance to Drive Change**

The dual-dynamics of strategic intent and strategic impact are very important to consider. They frame the hospital or system's capacity for change and sustenance over time.

Where are we going from here? This is our ultimate existential question. The key elements of governance to drive change can be framed by three questions:

- 1. Do we have the right direction, focus, and choices? If those are clear, decisions are easier. If they are unclear, it leaves the whole organization confused.
- 2. Do we have the right kind of integration of resources and priorities? Too many priorities and not enough resources is a problem. Not enough of the right priorities or wasted resources is also a problem.
- 3. Do we have an execution mindset, and are our actions lined up with our strategic impact and intent?



Finding a clear sense of reality and readiness for both near- and long-term conditions of change (especially change that is possible for the organization to do), requires clarity on stakeholder concerns, value proposition, and the organization's capacity to deliver on the promise.

We are challenging boards like never before to take a hard look at your readiness for change. Here are some discussion questions for your board and senior leadership to spend time ruminating on, potentially at a retreat focused on driving bold change:

- 1. When considering readiness for bold, significant change, what does readiness mean for the board and other stakeholders?
- 2. How does the board approach the "readiness for change" question and the intentions for strategic change over time?
- 3. How does the board address the consequences of change, the different options for change, and the degrees of change?
- 4. Do we have a clear picture of our challenges, a clear argument for our strategic agenda, and clear alignment of our culture and structure that goes with our strategy?
- 5. Have we invited readiness for change in our boardroom conversations? Have we raised concerns about readiness?
- 6. Given our standing in the marketplace, are we confident of the organization's readiness for change, near and long term?