

Consumer Commission: Defining the Board's Role in Addressing and Advancing Consumerism

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As with any group of people drawn together under a common objective, personalities form the fiber of a board. At the most basic level, boards are comprised of people from different walks of life, touting experience from various industries, with views that are individually unique. In healthcare boards, these personalities do have one shared trait: the bravery to shepherd an organization through massive change in an inherently complex industry.

Beyond bravery, board members from outside of healthcare are instilled with an intriguing duality: they maintain one foot in their native industry and the other in healthcare. But because healthcare is so complex and ever-changing, something interesting happens to the theoretical (and ideal) duality of the board member. In most cases, it vanishes. Board members may arrive with fresh, "off-campus" ideas for improving healthcare, but they become indoctrinated by healthcare's labyrinth-like thinking and overmatched by the entrenched barriers to change present in every corner of healthcare. Their outside experience often becomes a casualty of orientation.

There are good intentions to this abandonment—for one to learn and understand a new field they must actively guard against assumption. In healthcare, board members have much to learn. They're likely to be there because they have a keen interest in healthcare, perhaps a desire to learn more and make a difference in such a vital industry. Board members may feel another desire: a longing to be accepted by the more tenured, established members of the board. In this conundrum, board members may give up their initial ideals for change to be accepted.

Healthcare, however, is not an industry that can afford to defer to current thinking. After decades of ignoring consumer—and even patient—perspectives in favor of nurturing physician and payer relations, healthcare is pricing itself into a mess. Costs are out of control, physicians and nurses are burnt out, and patients are left holding the bill and wanting for more. Fueled in part by health reform, and in large part by the need for more affordable care, consumers have had enough of the current state of healthcare. The industry is now teetering on the brink of a consumer-led transformation.

Industry stakeholders are in desperate need of understanding their audience—an audience they've paid little attention to until now. As necessitated by population health, they must discover what makes consumers tick. To confront these challenges, the healthcare industry and the hospitals and health systems it comprises are in dire need of outside perspective. This quality is made abundantly available through the dynamic of a board. How to harness this unique perspective became an area of intense focus.

Focusing the Board on Consumerism

A few years ago, after lecturing on consumerism at a Governance Institute Leadership Conference, I was asked—or rather tasked—by a forward-thinking board member of a fairly advanced health system to put together the criteria for members of a "consumer commission," a group of organizational stakeholders who track the consumer perspective and report back to senior leadership in order to include it during the formation of strategy. This internal force is sorely lacking in most hospitals and health systems as most struggle to regularly incorporate the patient perspective into their strategy—let alone the broader consumer view. Following my lecture, this board member dutifully requested I take this thinking to the next step and truly define its structure and, perhaps more importantly, its members. As I turned to the whiteboard, I was struck by a very simple idea: the consumer commission already exists within all organizations. It's known as the board of directors.

The board has an ability to inform the outside, consumer point of view perhaps better than any other structure within the organization. Consider the qualities necessary for my "consumer commission" concept:

- Influence within and outside of the healthcare industry
- A working knowledge of the local community, including its nuances and pitfalls
- A working knowledge of the hospital or health system and its governance, finances, and operations
- An ability to meet frequently and consistently to cover topics of importance

Key Board Takeaways

Healthcare organizations need to understand what makes consumers tick. Forming a "consumer commission" that tracks the consumer perspective and reports back to senior leadership can help in these efforts. The board has the outside perspective and know-how to make up this group. A few essential directives for a consumer commission include:

- Keep the pulse of the community.
 - Be brand guardians through measuring and managing perceptions/satisfaction.
 - Develop a strategic plan for how to measure consumer sentiment toward organizational activity.
 - Commit to a frequency for review and correction of activities based on consumer views.
- The desire to set performance goals for the organization—and the time to track them

The above qualities are word-for-word what I defined as criteria for members of a consumer commission. Yet no nationwide executive search will be necessary. Those who fit this criteria are already installed within the organization. In fact, they've already formed a group and meet with a determined frequency. If you have a board, you have a consumer commission just waiting for activation.

Should you choose to move forward with this idea, there are a few things to consider. Like any group, there must be goals installed to track activity. The board has many duties—CEO compensation, regulatory fulfillment, etc. Yet all of those activities serve the ultimate purpose of improving the care provided to consumers. To that end, a few essential directives for your new (old) consumer commission:

- Keep the pulse of the community—know when issues are bubbling up before they hit it big.
- Be brand guardians through measuring and managing perceptions and satisfaction (including internal and external brand strengths—and weaknesses).
- Develop a strategic plan for how to measure consumer sentiment toward organizational activity.

- Provide a platform for marketing/ planning to share their work and gain valuable board feedback.
- Ensure “consumerism” is a source of input to the organization instead of an ambiguous external force.
- Commit to a frequency for review and correction of activities based on consumer views.

Much like the requirements of a consumer commission member, the activities described above are congruent with the

skill set and duties of a board member. Improving what we do for those we serve is at the heart of consumerism, and it’s firmly in line with the focus of the board. As myriad factors push healthcare in a bold new direction, the need for reinvention is necessary. Consumers are calling for more information, more education, and even more transparency throughout their healthcare experiences. The board, a longtime fixture of healthcare, is primed to guide and support such reinvention. Not revolution, but rather a shift in purpose

and support for new voices in an effort to improve healthcare for all. Consumers and the board may seem like strange bedfellows but as healthcare evolves they may make quite the match. ●

The Governance Institute thanks Ryan Donohue, Corporate Director of Program Development, National Research Corporation, and Governance Institute Advisor, for contributing this article. He can be reached at rdonohue@nationalresearch.com.