

Becoming an Excellent Subsidiary Board Chair

By Pamela R. Knecht, President and CEO, **ACCORD LIMITED**

The Scenario

Imagine this scenario: you have been elected chair of the hospital board, but you have never chaired a board. In fact, the hospital board is the only board of its type on which you have ever served. You are a leader in the community and care passionately about ensuring high quality, safety, and patient satisfaction. However, you now feel out of your element. And to complicate matters, your board is a subsidiary within a larger health system; it does not have all the governance responsibilities of a standalone board. This article is for you and all others who would like practical tips regarding preparing for and facilitating great subsidiary board meetings.

The Agenda

The first step in becoming an excellent chair of any board is developing a clear meeting agenda.

Tip #1: The agenda should clearly set expectations. The topics need to be aligned with the role of the subsidiary board and they need to include:

- Major topics of discussion
- The purpose of each discussion (e.g., secure approval, provide input, or educate)
- Timeframes for each agenda item (start and end times)

Key Board Takeaways

A key opportunity for subsidiary boards is to ensure they are aligned with and supportive of the system of which they are a part. Here are some specific ways to create those needed linkages:

1. Help your board members understand the system's long-term strategic plan and short-term strategic initiatives and your board's role in helping to achieve that direction.
2. Understand the structure and priorities of the system board and its committees.
3. Clarify the role, responsibility, and authority of your board and its committees vis-à-vis the system board and its committees (e.g., request the governance authority matrix).
4. Familiarize yourself with the system board's governance documents, processes, procedures, and policies (e.g., expectations regarding the credentialing process, methods for recruiting potential board members, and conflict-of-interest procedures).
5. Utilize the standardized formats for meeting agendas, minutes, reports, and dashboards to create consistency across the system.
6. Help your board committee chairs (if you have committees) to align their work with the system board committees.
7. Partner with the hospital president and the appropriate system-level governance contact to ensure frequent, two-way communication and information flow between the system and your board members.
8. Network with board chair colleagues across the system to share best practices in subsidiary governance.

- Framing questions for each topic (see below for an explanation)
- Names of the individuals leading each discussion
- Where to find background materials
- Requests and updates from the system

Tip #2: Partner with management regarding topics. The hospital

president and the governance support professional can draft an initial agenda for your review and revision based, in part, on what the system board would like your board to discuss. For instance, the system may want input on the proposed system-wide quality metrics. This partnering approach ensures greater alignment between the system and the hospital.

The key to being a great subsidiary board chair is to learn and then adhere to the role of the board within the system.

Tip #3: Be realistic about what you can accomplish. Most new board chairs put too many items on the agenda because they hope to get a lot done in their first meeting. However, they quickly learn that too many items result in an unsatisfying meeting experience. Either items are insufficiently discussed, or you run out of time to cover all the topics. Eventually, good chairs learn that only two or three major topics can be addressed in a one-to-two-hour meeting.

The Materials

Once the agenda has been agreed upon, the materials to support the topics must be carefully developed, again based on the role of your board within the system.

Tip #4: Ensure the materials focus participants' preparation.

This sounds obvious, but too often, well-intended executives provide too much information for the board. The chair should work with the hospital president to ensure the materials are at the governance level and provide the background needed for substantive discussion. Often, this means providing concise, graphical displays of trends instead of pages of detailed information. An additional challenge for subsidiaries is to ensure that the materials provided

to the board reflect that board's responsibilities. For instance, if the subsidiary board does not have final approval authority for financial decisions, reports on the financial situation should be clearly labeled informational and should be at a higher level than detailed profit and loss statements.

Tip #5: Create "framing questions" for each major topic. The chair should expect local hospital management to clearly articulate the question(s) they have for the board. For instance, management may want the board to discuss the results of the community health needs assessment (CHNA). A possible framing question for that agenda item might be, "What do you think are the top three healthcare needs that our organization needs to address, based on the CHNA?"

The Meeting

The key to chairing any effective board meeting is to help the participants express themselves.

Tip #6: Listen; do not lecture. It is often a challenge for highly intelligent, action-oriented leaders to prioritize listening over offering opinions. Yet, the job of a chair is to do just that—draw out each participant's thoughts about the topic. (As a reminder, chairs have no

special authority; it is only the full board that can make decisions.)

Tip #7: Prioritize discussion over presentation. Great meetings are ones in which there is robust discussion and debate. An expectation should be set that all will come to the meeting, having studied the materials. Verbal presentations of material that were in the packet should be forbidden. The chair may have to gently remind "presenters" to stop presenting and to engage the group in conversation.

Tip #8: Facilitate needed decision making. It is the chair who must help the group come to a decision about how to move forward. A nuance here is that the chair may need to remind the board of the purpose of each topic. Some topics will be for the board's information, some will be to secure the board's input, and some will need the board's formal approval.

Role Clarity Is Key

The key to being a great subsidiary board chair is to learn and then adhere to the role of the board within the system. This requires a strong understanding of the strategy, structure, policies, and expectations of the health system. And the board chair should have a positive working relationship with the hospital president. They should be partners who also respect the governance–management distinction. In this way, they can help provide the leadership needed to ensure both the hospital and the system are meeting their mission.

The Governance Institute thanks Pamela R. Knecht, President and CEO, ACCORD LIMITED, for contributing this article. She can be reached at pknecht@accordlimited.com.

