



Meaningful Communication Is Key to Successful Health System/Local Board Governance Integration

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By now, most boards within health systems are well-versed in the principles of good healthcare governance. Many have implemented governance best practices such as annual board and committee evaluations, robust director orientation and training programs, and intentional efforts to recruit a more diverse, competency-based board of directors.

Some system boards have even undergone the demanding work of revamping their board functions and governance structure, ensuring that every board's work and the committee structure are carefully aligned with the ongoing refresh of the system's strategic direction. But only a **few** system boards have successfully brought their local boards along on the good governance journey.

A system board may claim it has engaged its regional/community/local hospital boards, but we often hear otherwise from the local board members and system leadership. One health system CEO described it to us this way, "We have 10 different local boards with 10 different ways of governing."

Here is a short quiz you can use to determine whether your local board governance is aligned with your system board governance. Ask local hospital leaders and board members the following:

- What is ABC Health System's mission?
- What are the steps in ABC Health System's strategic planning process, and what is our board's role related to that?
- What are ABC Health System's top three strategic priorities for the coming year?
- What is the communication protocol between our local board and the system board?
- Are our governance policies, processes, and practices aligned and standardized with the system's expectations?
- What process or structure does ABC Health System have to share best practices amongst the local boards on a regular basis?

Depending on the answers to these questions, it may be time to partner with the system to invest in developing your local board to better align with the system board's principles and practices of good governance.

Without a thoughtful plan to inculcate good governance throughout the system, it is only a matter of time before you might experience a culture of "us vs. them," or have board members who are unengaged or unsure of their role. High-performing health systems invest not only in themselves but also in local governance. These systems allocate resources to help strengthen their local board governance and individual board members.

→ Key Questions for Local Boards

- Is there a clear understanding among your local board(s) of the benefits of being a part of this health network system?
- How satisfied are you with the feedback or support received from the system board on improving your local board's governance practices, policies, processes, board meetings, and committee reporting?
- How aligned is your local board with the system board regarding the system's long-term strategic direction, goals, and priorities?
- Are board members clear about difference in the decision-making authority of the local board in relationship to the system board?

Recommendations

Aligning and integrating system and local boards around governance is often a multi-year process and may feel daunting at first. Your system board leadership should partner with your board on this journey. Board chairs can help support this work by advocating for regular updates to and from the system, building checkpoints into the board calendar, and including alignment education and discussion items into meeting agendas. Below are additional recommendations for actions that can be taken by the system to host important aligning activities for local boards to participate in. If your system leadership has not yet provided these or similar opportunities to your local board, this information can help you begin the conversation.

The key to successful integration, based on our experience, is when we question everything as a matter of **meaningful communication**: a process of actively listening (input) with the desire to understand different perspectives (thruput) and provide clear

message points or information (output). Putting this framework into practice, we offer some sample questions and corresponding suggestions:

How do we improve communication and create a shared culture between our board and the system?

- Share questions, concerns, and insights with the system on a regular basis. System board leaders should **conduct an annual road trip** or a listening tour with each local hospital board. Local board chairs and CEOs are encouraged to prepare for these visits in advance by gathering feedback from board members through formal (e.g., annual assessment) or informal (e.g., open dialogue) methods.
- **Participate in an annual all-boards summit** hosted by the system that brings the system and local boards together. This is a forum where everyone receives the same message simultaneously (e.g., strategy updates and the sound bites on the top three strategic priorities for the coming year), and board members from all boards have an opportunity to meet and learn from one another under the umbrella of the full system.
- **Follow a communication protocol and cadence** provided by the system. In the same way that corporations have quarterly calls with investors and analysts, virtual meetings can connect system and local boards on a routine basis for specific updates, to celebrate wins, and share best practices.

How does the system communicate the same information to every new director who joins a local board?

- Ensure that all new board members **participate in a comprehensive and consistent governance orientation program** developed by the system that allows for customization of local-board level information.
- If possible, the system should **appoint a governance liaison to be the consistent point of contact** for all local board leaders and CEOs. This person should have direct access to the system CEO, board chair, and others who set governance policy for the system.

How do we all participate in creating consistency in communication and governance practice up and down the system?

- **Use meeting agenda templates, dashboards, assessment tools, skills matrix templates**, and other governance-related documents standardized and provided by the system for local boards.
- **Participate in a board chair training** provided by the system for all local board leadership on how to facilitate effective board meetings. The training should emphasize the board chair's responsibility for setting the tone of the meeting;

keeping conversations on topic and at the governance level (“noses in, fingers out”); keeping the mission, vision, and strategy at the forefront of board decisions and discussions; ensuring the ask of the board is clear in each meeting; building the agenda to allow for 70 percent discussion, 30 percent presentation; creating a culture of respect between the board and management; and eliciting participation from all board members.

- **The system can conduct a governance support training** for all staff members who support local boards. Consider standardizing and training them on how to communicate to board members, capture meeting minutes, update board rosters, track term cliffs, etc.
- **Use the same terms and acronyms defined by the system to maintain ongoing and aligned understanding.** For example, clarify what is meant by “strategic-level,” ensuring everyone has a shared understanding of what is and is not considered strategic.

We know several health systems that recognized early on the importance of bringing their local boards on the same journey as the system board to good governance. They have partnered with their local boards to implement many of these practices and are seeing valuable results.

When meaningful communication becomes a core operating value, relationships between the system and local boards strengthen. Board members row in the same direction toward a shared vision, speak the same language, and serve the mission in a consistent way. They realize what it means to be part of a unified system and experience a culture of “us.” In turn, this allows board members to better serve and advocate for the patients, employees, and communities they represent.

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