

The Governance Institute

Best Practices for Committee Membership, Size, and Leadership

- Five to nine people is considered to be the ideal size for good decision making according to group dynamics experts (not 25 as seen in some committees).
- The committee must have at least one independent expert per responsibility (e.g., the Securities and Exchange Commission requires that at least one member of the audit committee of a publicly traded company be a Certified Public Accountant).
- The chair should be a board member, which allows improved lines of communication between the committee and the board.
- Include plans for chair succession, orientation, and coaching (be intentional about leadership development and succession).
- All board members should serve on at least one committee, but not too many; make sure to spread the work across all board members to use their time and expertise well. This also ensures that there is not an “exclusive” group that knows everything because they serve on all the committees. One way to handle this is to use the “rule of three”: each board member serves on just three governance entities (e.g., one board and two committees).
- Use non-board members from the community. This helps to increase expertise and creates a pool of potential board members. It can also increase the percentage of “independent” committee members.
- Control the number of non-committee members in the room (do not allow lots of staff/employees who are not committee members to sit in on committee meetings; bring individuals in to present, as needed, and then ask them to leave).
- Ensure appropriate physician involvement in committees (include physicians and other caregivers on some committees like finance, quality, and community benefit; however, be sure to maintain appropriate independence, as described below).
- Maintain sufficient “independence” of committee members (learn the IRS and other definitions of “independent” board and committee members and use that information to create a written board/committee policy regarding who can/cannot serve on the board and certain committees. Also address whether employed physicians can serve on committees).