

# CEO Focus

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## Advancing Governance through the CEO–Chair Relationship and Clear Board Roles

By Jason Shenefield, M.B.A., FACHE, President and CEO, *Phelps Health*

**In the summer of 2021, I had the opportunity to step into my first CEO role at an organization I had worked at for five years as the COO.**

With over 25 years of healthcare experience, one of my biggest reservations about accepting the CEO position was working with the board. The five-member board was split on most topics at the time. I had worked in other organizations where the board was not in a good place and recalled seeing the stress of the CEOs trying to navigate the dynamics. As the new CEO, I knew I had to lead the organization differently and help the board work better together.

One of the long-standing traditions at my organization was that each board member met with the CEO for a monthly one-on-one meeting. I tried to accommodate those meetings for the first couple of months and quickly realized that some of the board members used this opportunity to further their own agendas or “make things happen.”

I decided I would keep an open-door policy but wasn’t going to individually meet with each board member on a regular basis. The only board member with whom I would keep a one-on-one meeting was my board chair. Most of the board accepted and understood the need for this change.

As a county hospital, our board seats are potentially open to an election every year. Within my first year as CEO, we had some changes on our board, which resulted in a new board

chair, the election of a new board member, and our county commissioners filled a vacant board seat. Once these changes happened and all the seats were filled, differentiating between management and governance became a priority topic.

## Clarifying Governance Roles and Communication Channels

The new board chair immediately began working with me to set agendas, amend our hospital bylaws, update board policies, and get rid of unnecessary policies that blurred the lines between management and governance. The board chair and I also worked on communication channels. Historically, board members would contact anyone in management within our organization to ask questions, gather information, or even make recommendations for changes.

The board chair and I were able to change this routine so that, ideally, if other board members had concerns, questions, or ideas, they would contact the board chair or myself. As the primary contacts, we were able to discuss and determine how to handle these topics or concerns. These small but dramatic changes started to help alter the way our board meetings went. Board members and staff knew ahead of time what to anticipate at board meetings, and we avoided “surprise” topics being brought up in the middle of board meetings.

The key to our success was that the board chair and I were committed to staying in sync and supporting one another. We often spoke throughout the month to discuss potential topics the board could be involved in eventually deciding. While not everything is perfect, we have come a long way by simply establishing a chain of command in our organization that hadn't existed before.

## Adding Advisory Board Members

The final issue the board chair and I worked on was addressing the unknown of board elections. The biggest challenge with our elections is that candidates often have personal agendas instead of supporting the organization as a whole. Also, if a new board member has never been on a healthcare board (or any type of board), getting them up to speed takes time.

We appointed four advisory board members without voting privileges to assist in acclimating potential new board members when we revised our bylaws. The current board carefully chose members to serve on the advisory board from the community who bring

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diverse expertise and perspectives that complement the five-member board, and who may be interested in running for a board seat in the future.

My favorite part of having an advisory board is that, if they win the election, the learning curve for becoming an effective board member will be greatly reduced. We recently completed an election and one of the advisory board members ran unopposed.

I believe taking actions that lead to positive outcomes is a key way to measure success. With the changes we have made at the board level, we have successfully aligned our board, CEO, and senior leadership team. This alignment has resulted in a cascade effect throughout our organization.

We also have seen positive outcomes in our employee engagement. Our patient experience scores have had two consecutive years of continual improvement, which has not happened in many years. Our significant organizational changes have led to recognition by Becker's Healthcare as one of 153 Great Community Hospitals and by *Forbes* as a Top-100 Employer in Missouri for 2023. In addition, our board chair was recognized as the Missouri Hospital Association's Trustee of the Year in 2023 for the work she has done to make a positive impact on our organization and board as a whole.

We are far from done, but we have come a long way.

## Key Board Takeaways

- Establish clear lines of communication so that board members know who to contact with questions, concerns, or ideas.
- Educate board members on the roles of governance versus management, and make sure policies help define the division of responsibilities.
- Develop a solid relationship with your board chair, where you are both committed to staying in sync and supporting one another.
- Ensure that personal agendas are set aside and everyone is working toward a common goal to support the organization as a whole.
- Intentionally create a pipeline of potential new board members and ensure those selected can get up to speed quickly.

*TGI thanks Jason Shenefield, M.B.A., FACHE, President and CEO, Phelps Health, for contributing this article. He can be reached at [jshenefield@phelpshealth.org](mailto:jshenefield@phelpshealth.org).*

