



The Governance Institute

# Governance Notes

OCTOBER 2024

## Making an Impact: Highlights from the 2024 Governance Support Forum

Our September 2024 Governance Support Forum, held at The Broadmoor in Colorado Springs, CO, brought together a diverse group of speakers and attendees from across the country. Many issues and solutions were discussed, solidifying the critical importance of the governance support function in healthcare organizations to drive governance effectiveness. This article highlights themes from two of the sessions at this forum, focusing on board member selection and simple governance support solutions that make a big impact. For even more insights and takeaways, you can view videos from this event [here](#).

### Board Member Selection: Harnessing the Board's Potential

Betsy Chapin Taylor, FAHP, CEO of Accordant, challenged her audience with this stage setter: "Imagine each member of the board is not just a steward of the mission but also a catalyst for growth and innovation. In today's fast healthcare climate, it is necessary for board members to perceive opportunities and drive solutions that elevate governance, enhance patient care, drive community impact, care for the well-being of our clinicians, and drive sustainability. It is not a luxury; it is a necessity."

#### What's Inside:

- Making an Impact: Highlights from the 2024 Governance Support Forum
- Standardizing Governance across the System

**Board member selection cascades from actions that drive values and enables success.**

**What does your organization *need* your board to do?**

**It starts with the organization's mission and then from there the strategic plan and future vision.**

## Selection Model Value Chain



Source: Accordant, 2024.

Board member selection cascades from actions that drive values and enables success. What does your organization *need* your board to do? It starts with the organization's mission and then from there the strategic plan and future vision. How do we support our unique organizational mission, vision, and values through board member selection? Having a generic list of board member competencies doesn't get to those unique, differentiated needs. Your competency list must be curated and tailored.

A board member selection framework should include:

- 1. Commitments:** candidates must believe in the work your organization is doing.
- 2. Competencies:** this list should be built on a more expansive view of what *your* organization needs from *your* board.
- 3. Connections:** who has the relationships in your community? This part of the board's role is more important than it has been in prior years due to the strategic need for community partnerships to address disparities, equity, and social determinants of health.

A clear and specific set of selection criteria helps boards understand who they are looking for and who is being chosen and why. Ensure there is a process to quickly and easily weed out suboptimal candidates.

### *Drivers and Actions of Board Roles and Responsibilities*

Once you have the needed people around the table, new board members need more specific examples of actions that are valuable to the organization, that can help a new board member understand how to apply their skills in the practice of oversight. Questions include:

- What does mission fulfillment look like?
- How do we fulfill our legal obligations?
- How does the board ensure quality and safety for all patients?
- What does it mean to be a financial steward of the organization?
- In what specific ways does the board hold management accountable to meeting the organization's goals?
- Do board members develop strategy or are they ensuring that strategy is created, providing insights and input to improve and refine it?
- What does the board member's advocacy role entail? How can board members serve as allies, help build relationships in the community, articulate the rationale for our non-profit status?

## Simple Solutions that Make a Big Impact

Governance Advisor Kimberly A. Russel, FACHE, CEO of Russel Advisors, led the group through a series of case examples representing typical issues of governance dysfunction and asked the audience to share their own solutions that can be applied in similar situations.

### *Problem: Boardroom Cliques*

Boardroom cliques can result in "group think" and a subset of board members becoming more powerful in decision making than those outside of the group.

What are some solutions governance support professionals can lead or help implement?

- Board diversity can help prevent cliques from happening in the first place. People from similar backgrounds tend to struggle more with "group think" and clique behavior.
- Seat assignments: When you have a merger that brings board members from two (or more) organizations onto one board, make sure they sit next to the people they don't know yet. This can be applied to all boards by assigning different seats for each board meeting to encourage individuals to get to know someone new and break old habits.
- Chair communication about behavior expectations during meetings: political ideology can be very polarizing. Governance support professionals can help their board chair frame language for directors, bringing it back to the mission, sticking to the facts at hand, staying focused on the agenda, etc.
- Hold a board retreat on culture with exercises to build trust and create a board mission statement that is aligned with the organization's mission.

- Put the behavior expectations in writing and share it out with board members, file it in an accessible place, remind them to refer to those periodically. For example, one organization has a “code of caring” that everyone in the organization is held accountable to, which is also used for the board.
- Include questions that get at this issue in meeting evaluations: how did I contribute to the meeting, how did board members interact with each other, did we align with behavior expectations, did we keep our focus on the mission?
- The governance support professional can listen and observe during meetings, take notes, and make recommendations to the board chair about how and what to change. If appropriate, give individual board members one-on-one opportunities to express concerns. It can be difficult to understand why a board member has a particular point of view, and such opportunities can be the best way to dig deeper.

### *Problem: Quiet Boardroom*

When board members aren’t engaging in discussions, they may begin to question what their purpose and impact is, along with the value of their time. Decisions might become unanimous, primarily supporting management’s recommendations without doubting or questioning the rationale.

What are some root causes of a quiet boardroom and some solutions governance support professionals can lead or help implement?

Root causes:

- When someone has a dissenting view, they are continually shut down so they stop expressing their viewpoints.
- If board members don’t read their packets ahead of time, they may come to meetings unprepared to discuss or ask questions.
- If the issue was already discussed in a committee meeting, there might not be anything new to add.
- If management reports during board meetings are lengthy and solutions are presented “fully packaged,” there may not be enough time left to generate deliberation and debate, and board members may not understand that they have the opportunity to make changes.

Solutions:

- Help board members keep sight of the “why”—why they are needed, what their role is as a director, and how they fulfill that role (e.g., participating in discussions, asking questions).

**When board members aren’t engaging in discussions, they may begin to question what their purpose and impact is, along with the value of their time.**

- Make sure that the board packets are the right length—not too long, not too short, and at the strategic/governance level so that board members don't get into the weeds in their discussions.
- Make sure there isn't redundant or overlapping work being done in committees vs. at the full board level.
- Adjust to different personality styles; help the board chair find different ways to encourage different personalities to either speak up and contribute or provide space for others' views.
- Provide an executive summary to the board in advance (as part of the board packet) that summarizes the most important key issues and lists specific questions the board will be asked to provide feedback about during the meeting.
- Have breakout sessions during the board meeting to enable small group discussions and report-outs to the full board.
- Agendas should include current challenges and future issues that foster generative conversations.
- "Think, feel, do": bring the point of view of the board member into the agenda building process, and use this to frame the questions management brings to board meetings (what do we want them to think about, how do we want them to feel about an issue, what do we want them to do?).

### *Problem: Too Many Boards*

In a system with multiple boards, the roles and purpose of each board can become confusing, overlapping, duplicative, and/or eroded. Managing meetings and committees, communication/reporting, and decision-making authority can become a continuous Rubik's Cube puzzle.

What are some solutions governance support professionals can lead or help implement to streamline and simplify governance structure?

Solutions:

- Hold an annual "all boards" retreat that includes all CEOs and senior leaders. Use this opportunity to share and discuss system-level strategies, including what financial decisions are being made for different locations and why. This can be a starting place for ongoing communication from the system to the subsidiaries throughout the year.
- Have a system liaison who represents the system CEO and board to serve as the conduit to share system-level information with subsidiaries and bring information and feedback from local communities back to the system.

- Maintain a small number of seats (two?) on the parent board for local delegates to help local organizations feel more integrated into the system. This can rotate yearly based on which organization is the newest member of the system.
- Reinforce the primary roles of the subsidiary boards with regular system CEO messaging to emphasize their importance and what their priorities should be within the context of that important role (e.g., quality comes first).
- Have people with specific skillsets at the local level serve on system board committees.
- Help find the intersection points in board meeting agendas from the system and the local levels to align discussions. Share information from the system board packets to local boards as appropriate, which helps keep communication lines open and build trust.
- Use an authority matrix to ensure every board has clarity on their own responsibilities, what decision-making authority they have, and where other responsibilities within the system lie, along with the reasoning behind the structure.

# Standardizing Governance across the System

By Kayla Wagner, Senior Editor, *The Governance Institute*

**Health system governance is often complex.** There are different boards, each with their own responsibilities, levels of authority, and culture; yet all need to be rowing in the same direction to advance the system's mission and vision. The governance support team plays an essential role in ensuring governance practices are aligned across the system. Having a unified approach to governance will allow for consistent processes, more efficient decision making, clear roles, easier best-practice sharing, and ultimately promote a greater sense of systemness. This article highlights governance documents, tools, and practices governance support professionals (GSPs) can standardize to create a more unified approach to governance systemwide.

## Meeting Materials

Standardizing meeting materials is always a good place to start. GSPs can implement standardized templates for agendas, minutes, executive summary pages, dashboards, and other documents included in the board's meeting materials. The system-level governance support team should develop these templates,<sup>1</sup> train GSPs throughout the organization around how to effectively utilize the documents, and then make them easily accessible.

An added advantage is having a common, secure board portal for board and committee members across the system. Using the same tool means all boards are accessing materials and communicating in a similar fashion. This also enables all serving in governance to access specific materials related to the system, its governance, or even have shared educational materials.<sup>2</sup>

## Annual Calendar

At the end of the year, the system governance or executive committee should commit time preparing the board plan for the upcoming year, with leadership from the system CEO and board chair, support from the GSPs, and approval from the full board. This calendar often lists which items will be reviewed and approved at system board meetings (e.g., strategic plan, audit, operating budget, executive performance and compensation, etc.) and prioritizes board education topics. The subsidiary boards and committees can then review and create a plan that appropriately aligns with the system board's work.

- 1 For sample templates, see The Governance Institute's template collection at [www.governanceinstitute.com/templates](http://www.governanceinstitute.com/templates).
- 2 Pamela Knecht, "Governance Practices that Support Systemness," *Subsidiary Focus*, The Governance Institute, October 2022.

## Sample Calendar: Meetings by Focus Area/Strategic Pillars

2025	February	April	June	August	October	December
Strategic Focus:	2025 strategic plan review & 2024 performance	Community needs assessment	Mid-year performance review	Annual audit & compliance update	Board succession planning	Board self-assessment & performance review
Performance Metrics:	2024 strategy metrics	Operational dashboard	Strategic initiative metric tracker	Audit findings & conflict-of-interest dashboard	Operational dashboard	Goals achieved; 2024 plan and operational dashboard
Board Education:	DE&I President & CEO "state of the union"	Quality	Audit & Compliance Regional, state, and federal legislation updates/implications	President & CEO update Intentional Governance	Innovation & technology	Year-end review of system strategy

## Governance Documents

In addition to standardizing meeting materials, GSPs can work with general counsel to standardize (to the extent possible) additional governance documents, such as bylaws, charters, and governance policies for all entities within the system. The responsibility and powers of both the system board and the hospital boards should be clearly delineated in the governing documents. This includes having a governance authority matrix that lists the role, responsibility, and authority of each board and committee.

## Orientation and Continuing Education

Scheduling one annual board orientation session for all new board members across the system is often best if possible. This is not only an efficient use of time but will also help new directors have a better understanding of the whole organization and its governance structure. It also helps eliminate any variations in messaging that would occur if there were siloed sessions. Another added benefit is that these new members get the chance



to learn together and meet, which can increase the feeling of systemness. GSPs can then pair new members with seasoned veterans from their individual boards as part of onboarding to learn more about their specific role (e.g., if they are on a subsidiary board, it will be helpful to hear details about the hospital they are overseeing and their specific governance authority and responsibilities).<sup>3</sup>

For continuing education, there are often topics that all boards in the system need to learn about, whether related to the overall system strategic plan or healthcare trends. Inviting all board members to attend education sessions together (either virtually or in person) ensures everyone hears the same information and supports a culture of systemness. If the sessions are in person, there is also the opportunity for board members throughout the system to build relationships and share best practices.

## Key Takeaways

- Create standardized templates for board meeting materials, including agendas, minutes, and executive summaries.
- Utilize a common, secure board portal.
- Create an annual board calendar for the system and use that as the framework for planning subsidiary board work.
- Standardize bylaws, charters, and governance policies for all entities within the system (as much as possible).
- Develop a clear governance authority matrix and ensure all board members understand their roles and responsibilities.
- Hold system-wide orientations and all-boards continuing education sessions.
- Use the same board self-assessment tool systemwide.

## Board Self-Assessments

Utilizing the same board self-assessment tools (e.g., The Governance Institute's BoardCompass<sup>®</sup>) systemwide ensures that all are evaluating board practices using similar metrics. This will make it easier to identify challenges and best practices in each entity and across the system. The results will also set the foundation for developing annual system-wide and entity-specific board development goals.<sup>4</sup>

By focusing on these areas, the health system's GSPs can create more consistent governance across the organization. This can drive meaningful changes in governance practices that promote a systemwide culture of unified, high-performing governance.

**Having a unified approach to governance will allow for consistent processes, more efficient decision making, clear roles, easier best-practice sharing, and ultimately promote a greater sense of systemness.**

---

3 Lauren Schantz, "Toward a More Perfect Union: How Governance Support Professionals Can Promote 'Systemness,'" Governance Notes, The Governance Institute, June 2019.

4 Knecht, October 2022.

## Additional Resources

For a deeper dive on this topic, view these TGI resources:

- [Modernizing Governance at HSHS to Position for a New Healthcare Future](#) (case study)
- [“Governance Practices that Support Systemness”](#) (Subsidiary Focus Article)
- [“The Role of Communication in Building Systemness”](#) (System Focus Article)
- [“Toward a More Perfect Union: How Governance Support Professionals Can Promote ‘Systemness’”](#) (Governance Notes Article)
- [“Meaningful Communication Is Key to Successful Health System/Local Board Governance Integration”](#) (Subsidiary Focus Article)
- [Governance Support Templates](#) (sample charters, agendas, board calendars, governance authority matrix, and more)

