

Trustee Insights

BOARD ASSESSMENT



Assessing the Engagement and Effectiveness of Boards

How to foster healthy dialogue and reflection

BY BARBARA H. LORSBACH

Engagement is an indispensable factor that gives a high-performing hospital or health system board its strength and vitality. Core to governing success are strong relationships, unity and an ability for board members to trust management and each other: All are traits of engaged, mature boards.

COVID-19 has tested boards'

abilities to lead in times of prolonged and daunting pressures. Time spent together as a board has been significantly challenged throughout the past 24 months. Conducting a board assessment is one of the most important actions that a board can take to evaluate and better understand trustee engagement and leadership effectiveness.

Governing Excellence and Board Engagement

Board service has never been more challenging. To respond to the extraordinary changes occurring in

the health care delivery system, trustees must be agile, astute and highly competent in carrying out their responsibilities and fulfilling the hospital's or health system's mission. Board members also must devote the time, attention and discipline to fulfill their commitment to the board and the responsibilities of trusteeship.

The board is responsible in every way for oversight of the organization's long-term success. Engaged trustees consistently ask themselves questions, including "What do we know today that we didn't know yesterday?" By staying well informed about new developments and evidence, engaged boards can understand emerging trends and the implications on the future well-being of their hospital or health system and the communities they serve.

Are Your Board Members Engaged?

Engaged trustees are motivated and willing to commit the time to govern effectively. They voluntarily seek to be well informed and knowledgeable. Engaged board members also think and speak confidently in discussions about a current crisis and complex future challenges, display creative thinking and consider situations from various angles.

Board member engagement can be measured by tracking attendance, evaluating preparation for meetings, having candid board discussions,

and assessing whether there's a positive, constructive relationship with the CEO and mutual trust and respect among board members.

Although these measures may be indicators of an engaged board, they give only a partial view of the extent to which board members are committed and feel valued for their significant contributions of time, talent and resources.

Board members themselves are the ultimate judges of whether board service is engaging. Without careful input and consideration, it is easy for leadership to draw conclusions that only partially reflect the trustee experience.

Challenges of Virtual and Hybrid Board Meetings

With the reliance on virtual and hybrid board meetings since the onset of COVID-19, the ways in which hospital and health system boards of trustees convene are likely permanently changed. In February 2021, the AHA Committee on Governance discussed the challenges and opportunities for hospital and health system boards during the COVID-19 pandemic, including adapting to virtual meetings. Committee members shared that the pandemic brought an entirely new perspective on virtual board meetings, and governing boards had to adapt quickly to meet virtually.

When it is safe to return to in-person meetings, some boards are likely to continue to convene virtually for committee meetings and possibly for full board meetings. Some boards intend to focus their board meetings more on strategy

Pulse Check of an Engaging Board Culture

- Our trustees feel valued and are enthusiastic about their board service.
- Our board members trust one another and trust management.
- Our board takes the time to discuss difficult issues.
- Our board meeting agendas and management style encourage openness and participation.
- Our governance culture is open to alternative views and constructively challenges "conventional wisdom."
- The majority of our meeting agendas and time together is devoted to strategic-level discussion and decision-making (what's coming versus what has happened).
- Our board engages in critical conversations to positively impact how trustees relate to the CEO and to one another.
- Our board uses a strong orientation program as a tool for productive engagement of board members.
- Our board participation prepares individual trustees for future leadership opportunities and challenges.
- Our board conducts an assessment annually and uses the results to develop actionable, measurable plans for governance improvement and engagement.

and generative issues, while their committees discuss other issues in more detail.

Despite quickly adapting in times of crisis, trustees have found virtual board participation brings some challenges:

- Virtual board meetings can create a "digital divide" or an uneven experience as board members use various e-devices and some boards encounter challenges accessing dependable internet services.

- Discussing complex issues and relationship building can be more difficult in a virtual setting.

It is important for every board to understand the impact of new meeting formats on trustees' satisfaction and engagement, as well as the implications for the board's ability to lead effectively.

Using a Board Assessment to Improve Engagement

When used effectively, a board assessment gives "voice" to each board member's perspectives and experiences in ways that video-based and in-person board meetings may not be able to achieve. In a board assessment, trustees are encouraged to candidly express their thoughts on a range of fiduciary, strategic and generative topics, as well as share their personal experience of feeling engaged and valued. When done consistently, the assessment process enables the board to identify critical gaps in members' sense of engagement. Then they can use this information to make improvements and work to achieve the level of governing excellence required for

success in today's challenging health care environment.

A well-designed self-assessment gathers board members' perceptions of:

- how well the board is fulfilling its roles and responsibilities;
- the board's effectiveness in developing and executing strategies;
- the board's leadership role in ensuring mission effectiveness;
- degree of consensus among board members on a range of important governance issues; and
- the level of commitment to the organization and governance excellence.

A board assessment also fosters healthy dialogue and reflection. Many hospital and health system boards conduct an assessment prior to their annual retreat, which typically gives them ample time to discuss the assessment results and explore ways to improve.

Assessment results help hospitals and health systems improve their governance culture and better understand the diversity of experiences and perceptions among board members.

Taking the Pulse of Board Engagement

A brief board assessment, or "pulse check," can be valuable to better understand how trustees think and act as well as their emotional connection toward the organization in times of rapid change. Shorter, more frequent assessments provide continuous feedback, which can assist leadership in identifying actionable priorities for improving the board's experience.

Hospital and health system governing boards do not become excellent by chance. They build performance excellence by purpose-

fully practicing leadership habits that function synergistically and consistently to ensure high performance and effective governance.

Fully engaging trustees is one of the most important governing leadership habits. Ultimately, no one knows better than board members themselves whether they feel a sense of engagement and fulfillment from their board service. Board assessments, when used consistently, will help ensure that the board performs its critical leadership responsibilities with a high level of accountability, trust, expertise and engagement.

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Please note that the views of authors do not always reflect the views of the AHA.