How to Turn Your Tired Board Meeting into a Super-Charged Governing Activity

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Overview

- ✓ What is the Board's job?

- ✓ How should this translate to the content of Board meetings and deliberations?

- ✓ Other ways you can create more productive, dynamic Board meetings

- ✓ Things you can do structurally to build a more engaged Board

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What one word best describes your Board at this time?

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"There is one thing all Boards have in common...they do not function."

Peter Drucker

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What is the Board's job?

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Governance is the act of governing. It relates to decisions that *define expectations, grant power, ~~or~~ (and) verify performance.*

Governance entails a posture and set of tasks that are profoundly different from management.

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Yet the default *modus operandi* of many if not most not-for-profit Boards is management.

The Board's Job

✓ Represent and advocate for the organization in the wider community (and raise $$ if Board has accepted that duty)

✓ Understand community needs, interests, movements, etc. as they relate to org

✓ Set purpose, strategic direction, and desired outcomes

✓ Hire, evaluate, and fairly pay a CEO (and discipline/terminate when necessary)

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The Board's Job (cont'd)

✓ Set policies and parameters within which executive/organizational conduct can occur

✓ Monitor organizational performance and results (i.e., progress/achievement of outcomes)

✓ Oversee/decide on org name/identity, legal matters, strategic partnerships, real estate purchases/leases/major renovations, investment of reserves, …

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How should the Board's job translate to the content of Board meetings and deliberations?

Focus far more on outcomes, successes, important developments, strategic questions, and tending to key governance processes...

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...and far less on inputs and outputs, management issues, tactical questions, and matters that belong to Board committees to address first.

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# What are the intended outcomes of your clinic?

Do your Board meetings address those intended outcomes?

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Jettison the traditional Board meeting agenda...especially endless reports and approvals that are mostly recitations of historical events.

Use a consent agenda to act quickly on (or acknowledge receipt of) minutes, financial reports, and other routine matters.

<u>Develop and adhere to a printed agenda</u>. New items cannot be brought before the Board unless the Board approves a motion to add them to the agenda.

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Start the meeting on time.
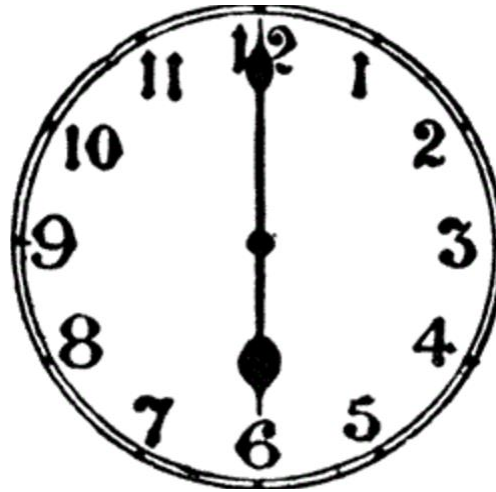
Do not allow endless discussion or debate on a motion. Encourage Board members to "call for an end to debate" or "call for the pending question" if discussion goes too long. Such a motion requires no second, no discussion is allowed, and requires 2/3 majority for approval.

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Create an agenda item in every Board meeting for a <u>special guest</u> to speak and/or be recognized.

Assign a Board member to complete a <u>Board meeting evaluation</u> tool during the meeting and report results at the end of each meeting.

Other ways you can create more productive, dynamic Board meetings…

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Provide opportunities for the Board to meet socially outside of Board meetings

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Rotate the meeting venue

Consider a more egalitarian room set-up

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Consider fewer, shorter Board meetings. And make every one of them count.

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How Often Does Your Board Meet?

❖ 4 or less times a year

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❖ 5-7 times a year

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❖ 4 or less times a year

❖ 5-7 times a year

❖ 8-11 times a year

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How Often Does Your Board Meet?

❖ 4 or less times a year

❖ 5-7 times a year

❖ 8-11 times a year

❖ 12 or more times a year

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How Long Does Your Board Meet?

➢ 75 minutes or less

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How Long Does Your Board Meet?

➢ 75 minutes or less

➢ 76 to 120 minutes

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How Long Does Your Board Meet?

- ➢ 75 minutes or less
- ➢ 76 to 120 minutes
- ➢ 121 to 180 minutes

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How Long Does Your Board Meet?

➢ 75 minutes or less

➢ 76 to 120 minutes

➢ 121 to 180 minutes

➢ 181 to 240 minutes

How Long Does Your Board Meet?

➢ 75 minutes or less

➢ 76 to 120 minutes

➢ 121 to 180 minutes

➢ 181 to 240 minutes

➢ 4 hours or more

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Feed the Board a meal at meetings. Breaking bread together is a unifying custom.

Things you can do structurally to build a more engaged Board

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Right-size your Board

How Many Board Members Do You Have Currently?

✓ 3-6 Board members

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How Many Board Members Do You Have Currently?

✓ 3-6 Board members

✓ 7-11 Board members

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How Many Board Members Do You Have Currently?

✓ 3-6 Board members

✓ 7-11 Board members

✓ 13-17 Board members

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How Many Board Members Do You Have Currently?

✓ 3-6 Board members

✓ 7-11 Board members

✓ 13-17 Board members

✓ 18-24 Board members

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How Many Board Members Do You Have Currently?

✓ 3-6 Board members

✓ 7-11 Board members

✓ 13-17 Board members

✓ 18-24 Board members

✓ 25 or more Board members

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Studies in the field of group behavior suggest that a group of 7-11 people is ideal for strategic discussions and decision-making

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Term limits...

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Whether you have term limits or not, what is more important is making clear at induction that <u>nomination to another term is not a given</u> but will be subject to careful analysis of a member's track record of service.

Criteria for nomination to another term

✧ Adherence to Board-stated expectations for Board members, typically…

- o Strong meeting attendance record
- o Active participant in key discussions/decisions
- o Offering of subject matter expertise (e.g., finance, law, marketing, etc.) when needed by Board
- o Effective ambassador in the community
- o Made personal financial contributions
- o Actively participated on one or more committees
- o Attended special events

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Being elected to serve on the Board of a free/charitable healthcare clinic should be widely viewed as:

- ❖ An extremely high honor
- ❖ A prestigious responsibility
- ❖ A wonderful opportunity to serve your community
- ❖ A solemn obligation

Do not let anybody or anything water it down!!

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Strategic, rigorous Board recruitment, application, screening, and induction

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Ideal Board Member

✓ Passion for the cause

✓ Ability to connect meaningfully with stakeholders and understand community needs/issues

✓ Critical thinking skills

✓ Strategic, "big picture" orientation

✓ Ability to translate group values into written policies

✓ Capacity to dissent but accept and support the decision of the majority

✓ Disciplined, diligent, prepared, attentive, participatory

✓ Previous Board experience not needed!

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Executive Committees

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Why Executive Committees Are Bad
(Most of the Time)

❑ Results in a two-tiered Board – few with lots of info/power and rest with much less (violating duty of care?) who can easily feel disenfranchised

❑ If there's a critical decision to be made, the full Board needs to be engaged, not just a small group; teleconferencing eliminates logistical challenge of convening a Board meeting on short notice

❑ Typically focus on administrative/managerial decisions, indicating little/no delegation of authority

❑ Wears out otherwise good, competent Board members as well as CEOs

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Differentiate Board Committees from Administrative/Operational (or Executive Driven) Committees

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Biggest Reason Boards Falter or Fail

They lack a thorough understanding

of what true governance is

AND

They lack a model for

practicing good governance

OR

They lack the discipline and commitment to
adhere to the model

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The Board is "on the hook" (read: liable) for everything that happens in the organization, good and bad.

If your clinic is ever sued, chances are very good that the Board will be named in the suit.

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How can a Board that meets ___ hours per year possibly exercise prudent control over the organization in such a manner as to 1) prevent bad things from happening, and 2) assure that good things happen?

"We cannot solve our problems with the same thinking we used when we created them."

Albert Einstein

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There's A Better Way: Policy Governance®

- Policy Governance® is a logical, consistent, integrated <u>system</u> of governance

- Created by John Carver, PhD, who wrote *Boards That Make a Difference* (1990); sometimes referred to as the "Carver model"

- In use in corporate and nonprofit Boards around the world, including free/ charitable clinics and associations!
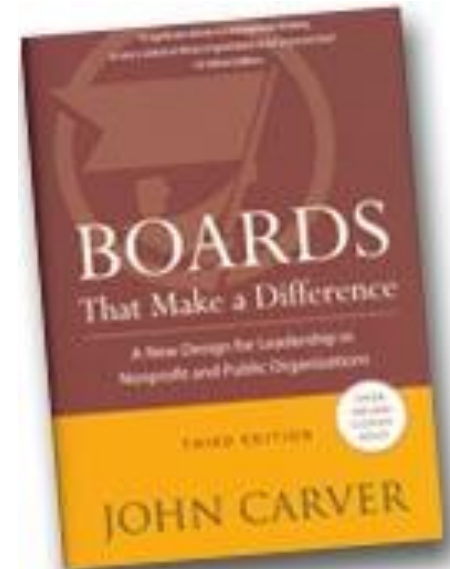
Policy Governance is a registered service mark of John Carver

Questions?

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