



North Central Accountable Community of Health

Board Governance

July 16, 2021



Today's Objectives

- Review Board survey results
- Identify opportunities for improvement
- Review Governance Models
 - More detailed review of Policy Governance
- Provide direction to Executive Committee



Board Survey Results

Board Survey Results – Key Comments

- I think the roles could be defined more, at times I feel as if the board gets into the weeds of programs and funding.
- We are working on governance improvement (examples: operating at a global level and allowing management to focus on operations; policy development; equity issues) and providing education to Board members.
- There should be proper board orientation and training with clear expectations provided. There are too many times in board discussions where there are "crickets". That should not happen.
- Training on effective board governance is needed.
- I think the structure of the Board and Board Governance is terrific.
- None - the process is very good
- I'm not really aware of anything.

Board Survey Results

- What are your initial thoughts on the Board Survey results?
- What survey results and/or board comments stood out to you the most?

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Board Governance – What is it?

Can be defined as the combination of policies, systems, structures and an operational framework to ensure leadership makes appropriate decisions and takes appropriate actions to deliver services in an effective and accountable manner.

Bottom line...what board processes do you have in place to ensure success and accountability?



Policy Governance Primer – *Common Board Problems*

- Difficulty finding consistency in board decision-making process.
- Lack of clarity, inconsistency of board role.
- Board members directing staff.
- Lack of the right information or too much of the wrong information.
- Overemphasis on operational details.
- Lack of accountability to stakeholders.

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Board Governance Models

- Status Quo / Traditional
 - Well known and familiar.
 - Heavily reliant on By-Laws.
 - Board Committees can overlap with Operational Committees.
 - Generally silent on the accountability mechanisms and expectations for reporting-back when the Board delegates its powers.

Board Governance Models

- Cortex Model
 - Board's main job is to clarify and set the outcome measures of success.
 - An *Accountability Framework* is created around the outcome measures and identifies who is responsible for leading action in each area – Board, CEO, ED or Staff.
 - Board can be very dependent on Management to do much of this research and develop draft performance statements.

Board Governance Models

- Policy Governance – Carver Model
 - Focused on defining the “Ends” of the organization – i.e., what the organization strives to achieve.
 - Policies are created by which the Board and Management must abide in its pursuit of the ends.
 - Board can spend so much time focused just upon policy-building, that they miss attending to some of their other responsibilities.



Policy Governance Primer – *4 Basic Principles*

1. Clear delegation of authority.
2. Increased accountability.
3. Strict boundaries between board and staff.
4. Efficiency – board member time and organizational oversight.



Policy Governance Primer – *Model Concepts*

Model Concepts:

1. Clear organizational purpose – ENDS.
2. Clear standards for board operations.
3. Board delegates its authority to the Executive Director (ED) only.
4. Identification of the MEANS that the ED is not allowed to use.
5. Clear standards for ED performance.

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Policy Governance Primer – *The ENDS*

1. Desired end results.
2. What does success look like?
3. Includes enough detail to allow board to monitor achievement.
4. “What benefit...for what population...at what cost?”



Policy Governance Primer – *The ENDS (cont.)*

Example...

1. *Organization XYZ exists for the health benefit of XYZ Community through the creation and/or facilitation of policies, strategies and programs that: (1) improve access to care and (2) create healthier living environments.*



Policy Governance Primer – *Clear Standards for Board Operations*

1. Board speaks with one voice.
2. Clear guidance on board members' responsibilities.
3. Board sets policy, not operations.
4. Board reviews measurement reports and ED reports that allow it to see that operations are going well, according to policies and standards.
5. Board delegates information gathering and research to committees – committees recommend action to the full board.



Policy Governance Primer – *Delegation of Authority to ED*

1. Board defines ED accountabilities.
2. ED accomplishes these accountabilities through paid staff and operational committees.
3. ED supervises staff and evaluates their performance.
4. Board does not delegate or assign tasks to staff.
5. ED reports on relevant policies and metrics to show the board that policies are followed.



Policy Governance Primer – *MEANs the ED May Not Use*

1. Board defines organizational goals.
2. Board defines ED accountabilities.
3. Board defines the MEANs the ED may not use called Executive Limitations (*unethical, illegal, unlawful, inappropriate, disrespectful, discriminatory*).
4. All other MEANs are fair game for the ED to use in achieving organizational goals.

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Policy Governance Primer – *Clear Standards for ED Performance*

1. How do you know if the ENDs are achieved?
2. How is achievement measured?
3. What information must the ED produce (the minimal needed) for the board to accurately assess his/her achievement?



Policy Governance Primer – *Potential Benefits*

1. Strong focus on outcomes and accountability.
2. Attractive to high performing EDs.
3. EDs have freedom and strategic agility to achieve board-stated results inside board-set parameters.
4. Allows for systematic way to monitor policy compliance.
5. Maximizes everyone's time.
6. Minimizes confusion of roles, responsibilities and outcomes.

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Policy Governance Primer – *Potential Challenges*

1. Board members naturally gravitate to details.
2. Can be more pressure on ED.
3. Can lead to board disconnect from operations.
4. Requires board members' commitment to accountability.

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Policy Governance Primer – *Implementation Issues to Consider*

1. Requires up-front work to set up the framework.
2. Full implementation can be time consuming and requires board engagement.
3. Takes discipline.
4. Can lead to board disconnect from operations.



Policy Governance Primer – *Hybrid Options to Consider*

1. Identify key outcomes and policies that need immediate attention and monitoring.
2. Use Policy Governance model to develop policies and oversight process for key outcomes and policies.
3. Develop a realistic timeline for completion of approved Board Policy Manual.
4. Commit to additional training and education.
5. Continue to have board agenda item on what is working and what needs improvement regarding board governance.

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Follow Up Questions

Follow Up Questions

- What elements of the Policy Governance model do you feel could help the North Central ACH board?
- What elements of the Policy Governance model concern you the most – or where you feel would be the most difficult for the North Central ACH board to implement?
- What direction would you like to give the Executive Committee based on today's discussion?

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Next Steps