1. Duty of Care
2. Duty of Loyalty
3. Duty of Obedience
DUTY OF CARE

- Read and understand mission, vision, and governance documents
- Attend consistently board and committee meetings
- Be informed by obtaining and reviewing appropriate data and information
- Participate in board discussions and decisions
- Exercise same care as a prudent person would in handling of their own affairs
- Examine the performance of executive and trustees
**DUTY OF LOYALTY**

- Put organizational objectives above self-interest
- Avoid using organizational opportunities for personal interest or gain
- Establish and comply with the organization’s conflict of interest
- Disclose fully any personal financial interests / recuse yourself from voting when needed
- Avoid potential conflicts of interest by not entering into business relationships between board members and the organization
- Maintain confidentiality as required
DUTY OF OBEDIENCE

- Understand and adhere to all governing documents, including the bylaws, Articles, Enabling Legislation
- Know and comply with state and federal laws
- Ensure that all applicable laws and regulations are obeyed by individuals as well as organization
- Develop policies that assure the financial responsibility of the organization
- Ensuring that board decisions further the organizations mission and comply with the scope of governing documents
ROLE OF THE BOARD

Ten Basic Responsibilities of Nonprofit Boards

1. Determine mission, purpose, and advocate for them.
2. Select the chief executive.
3. Support and evaluate the chief executive.
4. Ensure effective planning.
5. Monitor and strengthen programs and services.

ROLE OF THE BOARD

Ten Basic Responsibilities of Nonprofit Boards

6. Ensure adequate financial resources.
7. Protect assets and provide proper financial oversight.
8. Build and sustain a competent board.
9. Ensure legal and ethical integrity.
10. Enhance the organization's public standing.

CEO/BOARD RELATIONSHIP

- CEO’s only accountability is to full board as a body, rather than to officers or board committees

- CEO works with AND for the board

- CEO should
  - be evaluated annually
  - have prior agreement on objectives
  - consider succession planning
TAKE A MOMENT...

Why do boards and CEO’s get in trouble?
GOVERNANCE BALANCING ACT
QUESTIONS TO HELP CLARIFY ROLES

1. Is it big?
2. Is it about the future?
3. Is it core to the mission?
4. Is it a high-level policy decision needed to resolve a situation?
5. Is a red flag flying or watchdog watching?
6. Does the CEO want & need the board’s support?
GOOD BOARD BEHAVIOR

- Do your homework
- Talk to the CEO or Chair in advance of bringing up potentially controversial issues
- Listen
- Participate and ask questions to gain knowledge
- Stay focused
- Be on time...
BAD BOARD MEMBER BEHAVIORS

- Involve yourself in management and/or operational issues outside of Board meetings and committees

- Share or divulge confidential information
  - Violate an individual patient’s right to privacy
  - Non-public financial or performance information
  - Personnel or employee issues

- Become “an ear” for disgruntled employees or patients

- Represent yourself to employees or patients that you can “fix” a problem for them

- Use your board position to suggest unsolicited advice or direction to employees

- Expect special services, access or accommodations which would not be made for other patients with similar circumstances
SIMPLE RULE

If you as a board member personally have a care or patient experience problem or if you hear from other patients or sources about problems,

“Take it to the CEO.”
GOOD MANAGEMENT BEHAVIORS

- Be respectful of board member time—remember that they are all volunteers
- Listen and answer the question asked. If you do not know, say so and follow-up...
- Meetings scheduled at convenience of board, not staff
- Specific actions required identified on agendas
- Concise, well developed advance materials
- Materials mailed in time for board members to read & review
- Support of an effective committee process
BAD BOARD AND CEO BEHAVIORS

- Domination of discussion-speeches
- Not being prepared
- Coming late and leaving early
- Not being honest about CEO performance or organizational performance
- Secret/off the record meetings
- Playing politics

- Conflicts of interest
- Breach of confidentiality
- “Representative” vs. board member
- Bringing operational issues to the board that are not related to strategy or performance indicators
TAKE A MOMENT…

Describe your ideal board.
## Governance Leadership Succession

<table>
<thead>
<tr>
<th>Potential Individuals Identified</th>
<th>Willing to Make a More Engaged Commitment</th>
<th>Ready and Willing to Compete from Board Consideration</th>
<th>Well-developed and Recruited Board Member Joins the Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>5</td>
<td>2-3</td>
<td></td>
</tr>
</tbody>
</table>

- Focus Group
- Short-term task force
- Assistance with events.
- Non-board committee member.

<table>
<thead>
<tr>
<th>+</th>
<th>++</th>
<th>+++</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation in leadership development</td>
<td>Probably a non-voting associate board member</td>
<td>Commitment to full board</td>
</tr>
</tbody>
</table>
COMMITTEES

- No set rules about number, size, or types of committees
- Standing, Ad Hoc, Task Force
- Standing may be identified in bylaws / check to see how committees are formed
- Keep the number manageable
- Generally, committees don’t have authority
- Work carried out by staff
COMMITTEES DO’S AND DON’TS

Do’s:

✅ Use to resolve specific issue and make a recommendation to the board

✅ Use them to save board time

✅ Use them as a pipeline for board membership

✅ Have a charter for every committee

Don’ts:

❌ Boards should neither re-do nor “rubber stamp” committee work

❌ Committee members should not interfere in daily operations

❌ Committees don’t set policy or act on their own
TAKE A MOMENT...

Imagine: The best board meeting you have ever attended.
HAVE YOU STOPPED TO THINK...

- How many hours a year does your board meet to conduct business? _______

- Is that the correct amount for the work your organization undertakes each year?
BOARD MEETINGS

- Boards only have authority when they meet officially as a group

- No one individual has authority; different from other forms of leadership

- Boards, not like Congress or courts, speak with one voice
MEETINGS (1/2)

- Build meeting agendas around priorities & relevant education
- Important to Less Important – flip the agenda
- Use consent agenda; timed agenda
- Build in one “deep dive” discussion
- Accurate & meaningful minutes
- Meaningful board meeting packets

Maximizing time together!!
MEETINGS (2/2)

- Tell patient stories linked to specific metrics
- Practice “decision sequencing”, no surprise decision requests
- Dashboards/Balanced Scorecards
- Executive Summaries
- Evaluate meetings

Maximizing time together!!
ASKING THE RIGHT TYPE OF QUESTIONS

Inquiry Questions

- How will this improve patient care?
- How does this fit into our strategic plan?
- Where is our performance now and where does it need to be? How does our performance compare to the best?
- What resources are you committing to solving this problem?
- How will this impact financial performance?
- When will we be able to show measurable results?
- What support from the board do you need?

Attack Questions

- Why haven’t you fixed that problem?
- Why didn’t you bring this to the board for approval?
- Why aren’t you doing something about those doctors?
- Where is your financial justification for this?
- Where are the details for this project?
- What is the FTE count this week?
- Who is responsible for this disaster?
RAISING THE BAR

Today’s health care environment demands more from governance than the just meeting the Duties (individual) and Roles (board).

1. Teamwork
2. Strategy
3. Knowledge
4. Community Representation
5. Engagement
6. Communication
7. Advocacy
TAKE A MOMENT...

- On a scale from 1-10 how effective are your board meetings today? ______

- What are 3 things you will start doing/add/takeaway from your next meeting to improve your board’s effectiveness?
  1.__________________
  2.__________________
  3.__________________
THANK YOU FOR SERVING!
QUESTIONS?

I appreciate your invitation!

Stacy G. Cantu, CGT, CAE
stacy.g.cantu@gmail.com

512.914.5356