

SECTION 2

COMPOSITION AND COMPETENCIES

TOPICS

The Size of Governing Bodies

Types of People in a Governing Body

Competencies of Governing Body Leaders and Board Members

The Responsibilities of Governing Body Members

Governing Style Pathologies

This section describes the characteristics of good governing bodies, especially with regard to their size, composition, membership profile, and the competencies they need for success.

THE CHALLENGE

You are the new chairperson of a seven-person advisory council for a health district in Afghanistan. Your top priority is to improve the health of women and children. What qualities would you want in the six community leaders you choose to serve with you on the governing council? What knowledge, skills, and attitudes should they bring? How can you secure the additional competencies needed for the work of the governing body with only seven people engaged in the governing processes?

THE SIZE OF GOVERNING BODIES

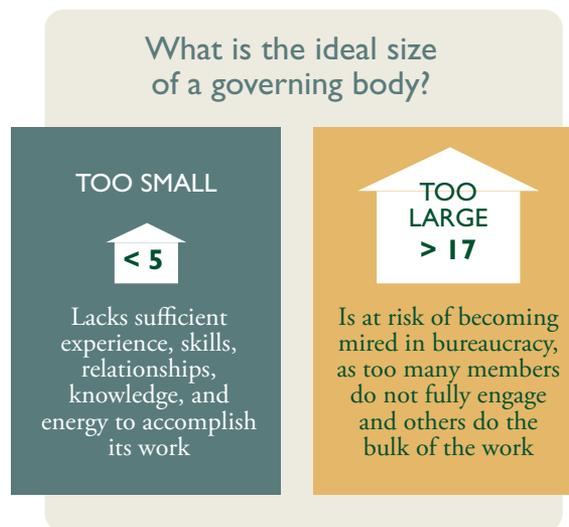
Is there an ideal size for governing bodies in health? Possibly, but the ideal size is likely to be different for each governing body. One size does not fit all. Each governing body needs to define its optimal capacity at any given time.

How Can You Determine the Best Size for Your Governing Body?

Start by asking what your governing body needs to accomplish. Optimal governing body size may vary depending on the governing body's mission, fundraising needs, where it is in its life cycle, and whether it is a national, provincial, or local governing body.

In most countries, the laws or ministry of health regulations may dictate the minimum size for your governing body. It may range from 5 to 25, with a useful size of usually 9 to 11 (see Figure 2.1). Some governing bodies function under a representational mandate of a certain number of people from certain health disciplines, employer groups, geographical areas, political groups, or ethnic groups. This requirement for the governing body members to represent a diverse set of constituencies creates pressure to increase their size. The ideal composition, however, should include people who can effectively advocate for the needs of the beneficiaries served by your health services organization, program, or institution. Because productive communication is affected by the size of a gathering, group dynamics should also be a criterion for limiting your governing body to a manageable size.

FIGURE 2.1 Determine the size of a governing body. We recommend 9–13 for optimal performance.



COMMON CHARACTERISTICS OF LARGE AND SMALL GOVERNING BODIES

Large governing bodies

Pros:

- With more people, it is easier to manage the workload of the governing body.
- Fundraising is less burdensome when divided among many members.
- More people represent more perspectives.

Cons:

- It may be difficult to engage every governing body member in a meaningful activity, which can result in loss of interest.

- Meetings are more difficult to schedule.
- There is a tendency to form cliques and core groups, damaging overall cohesion.
- A loss of individual accountability can occur.
- It may be difficult to create opportunities for interactive discussions.

Small governing bodies:

Pros:

- Communication and interaction are easier when members get to know one other as individuals.
- Potential satisfaction from service can be greater due to constant and meaningful involvement.
- Every person's participation counts.

Cons:

- Heavy workload may create burnout.

TYPES OF PEOPLE IN A GOVERNING BODY

To make good governance decisions that serve the mission of your organization, high-performing governing bodies need a variety of viewpoints. Whatever its mission, health services governing bodies usually seek people with backgrounds in medicine, nursing, public health, finance, community organizations, or general business management. These could be local or regional elders in the community, schoolteachers, business managers, health workers, farmers, religious leaders, physicians, or nurse-midwives.

Governing Body Diversity

Governing body diversity means having diversity in perceptions, attitudes, and philosophies. These extremely important personal qualities may be overlooked in some individuals because they are not necessarily related to traits that are easier to observe, such as gender, race, and social and educational background.

Such diversity in worldview and philosophy provides a broader set of perspectives, which, in turn, reduces the potential for blind conformity during your meetings. Diversity in expertise is also important, as it allows your governing body to reduce the chance of emotional positions that may be difficult to change once expressed. It is better to base decisions on facts and experience. Group diversity also reduces the social cohesion in a governing body, making a culture of open dissent easier to create. Boards that are not diverse in these many ways should encourage some turnover among governing body members.¹

1. Kenneth A. Merchant and Katharina Pick, *Blind Spots, Biases, and Other Pathologies in the Boardroom* (Business Expert Press, 2010), p. 125.

COMPETENCIES OF GOVERNING BODY LEADERS AND BOARD MEMBERS

High-performing governing bodies work to achieve “competency-based governance.” They govern by engaging participants who bring an optimal mix of the knowledge, skills, attitudes, experiences, and perspectives needed to succeed.

The competencies you need in your governing body members should be shaped by the nature of your mission and the challenges facing the organization over the next 3 to 5 years. It is often difficult to secure all of the experiences, backgrounds, and competencies you might want in your governing body due to the unavailability or unwillingness of people in your community or region to serve in these largely volunteer positions. As defined in [Section 17](#), Member Recruitment, you can follow a three-step process to secure a good mix of skills and knowledge among your governing body colleagues:

Step 1: Develop a clear vision and strategic plan for your program or institution. This will guide a conversation among your leadership about the ideal set of knowledge, skills, attitudes, and competencies needed to help improve the chances for accomplishing these strategic directions. A sample of such competencies is outlined in Box 2.1.

Step 2: In a matrix with desired competencies across the top and current members along the left side, plot how each of your current governing body members contributes to the list of needed competencies. Each person usually contributes at least three to five competencies. You will find gaps that can be filled in one of two ways: (1) by recruitment of members to the overall body or to committees and sub-groups of the governing body; or (2) by an annual educational program (See [Section 18](#)). This is called “competency mapping.”

Step 3: Recruit members who are able to bring a good mix of these competencies into the work of your governing body for the coming year.

See [Appendix 2.1](#), which defines in detail the traits needed by governing body members.

THE RESPONSIBILITIES OF GOVERNING BODY MEMBERS

Because governing bodies have basic collective responsibilities, individual governing body members are also entrusted with individual responsibilities as a part of their governing body membership. The obligations of governing body service are considerable; they extend well beyond the basic expectations of attending meetings, sharing experience and ideas, and perhaps participating in fundraising initiatives. Individual governing body members are expected to meet higher standards of personal conduct on behalf of their organization than those usually expected of other types of volunteers.

Yet, despite all these “special” responsibilities, the health services organization and its related or subsidiary organizations’ governing participants, as individuals, have no special privileges, prerogatives, or authority; they must meet in formal sessions to negotiate and make corporate/system decisions. The undertaking of serving as a governing body member is a complex one indeed.

Considering the complexities of governing body membership, there should be a clear statement of governing body members' responsibilities that is adapted to the strategic performance needs and circumstances of the health services organization. This statement can serve at least two purposes: (1) it can help with the process of recruiting new governing body members by clarifying expectations before candidates accept nomination; and (2) it can provide criteria by which the committee responsible for identifying and recruiting prospective nominees can review the performance of incumbents who are eligible for reelection or reappointment.

Prospective and incumbent governing body members of health services organization should commit themselves to the responsibilities shown in Boxes 2.1–2.6.

BOX 2.1 General expectations of governing body members

- Knowing the health services organization's mission, strategic purposes for community service, goals, policies, programs, services, strengths, and needs
- Performing the duties of governing body membership responsibly and conforming to the level of competence expected from governing body members, as outlined in the duties of care, loyalty, and obedience (see [Section 1](#)) as they apply to nonprofit governing body members
- Suggesting possible nominees to the governing body or advisory councils who are clearly women and men of achievement and distinction and who can make significant contributions to the work of the governing body and the organization's progress
- Serving in leadership positions and undertaking special assignments willingly and enthusiastically
- Avoiding prejudiced judgments on the basis of information received from individuals, and urging those with grievances to follow established policies and procedures through their supervisors. (All matters of potential significance should be called to the attention of the executive and the governing body's leadership, as appropriate.)
- Helping establish and nurture exemplary relationships with various community organizations and associations not only to inform the plans of this health services organization, but also to help assure the cost-effective implementation of those plans via influence with these other organizations
- Following and staying informed about trends in the local and national health care industry—especially trends in quality and patient safety; health care economics; medical technologies; and regulatory frameworks for health centers, hospitals, or community economic development
- Bringing good will and a sense of humor to the governing body's deliberations

BOX 2.2 Expectations of governing body members for meetings

- Preparing for and participating in governing body and committee meetings, including appropriate organizational activities; attending at least three-quarters of all governing body meetings either in person or via teleconference
- Asking timely and substantive questions at governing body and committee meetings consistent with the governing body member's conscience and convictions, while at the same time supporting the majority decision on issues decided by the governing body
- Maintaining the confidentiality of the governing body's executive sessions, and speaking for the governing body or organization only when authorized to do so
- Suggesting agenda items periodically for governing body and committee meetings to ensure that significant, policy-related matters are addressed

BOX 2.3 Relationship between governing body members and staff

- Counseling the chief executive as appropriate and supporting them through difficult relationships with organizations or individuals.
- Avoiding asking for special favors of the staff, including special requests for extensive information, without prior consultation with the chief executive, governing body, or appropriate committee chairperson.

BOX 2.4 Governing body members' responsibilities for avoiding conflicts

- Serving the organization as a whole rather than any special interest organization or constituency. Regardless of whether or not the governing body member was invited to fill a vacancy reserved for a certain constituency or organization, their first obligation is to avoid any preconception that they “represent” anything but the organization’s best interests.
- Avoiding even the appearance of a conflict of interest that might embarrass the governing body or the organization; disclosing any possible conflicts to the governing body in a timely fashion.
- Maintaining independence and objectivity and doing what a sense of fairness, ethics, and personal integrity dictate, although not necessarily obliged to do so by law, regulation, or custom.
- Never accepting (or offering) favors or gifts from (or to) anyone who does business with the organization.

BOX 2.5 Fiduciary responsibilities of governing body members

- Exercising prudence with the governing body in the control and transfer of funds and in serving as a well-informed champion for patient safety and excellent clinical care outcomes.
- Faithfully reading and understanding the organization’s financial statements and otherwise helping the governing body fulfill its fiduciary responsibility as a respected, not-for-profit, health services organization.

BOX 2.6 Fundraising responsibilities of governing body members

- Assisting the health services organization’s philanthropic trust council or foundation and related development committees and staff by implementing fundraising strategies through personal influence with others (corporations, individuals, and foundations).

GOVERNING STYLE PATHOLOGIES

How do governing bodies make decisions? There is a misconception that good members must always get along and find it easy to agree on what needs to be done, how, and by whom. Our experience is that while you want to avoid heated arguments and conflict among governing body members, a bit of dissent can be healthy.

First, however, let's review how some leaders use power to reach agreement in the governing process. Governing body leaders should be aware of these strategies and competencies for influencing the work of others for the benefit of achieving the organization's health services mission.

Individuals with both the will and the skill to influence the behavior of others can use any of many influence tactics. One article identified nine common influence tactics:²

1. **Rational** persuasion uses logical arguments and factual evidence.
2. **Consultation** requires involving the people who are being influenced in the decision-making process. It carries with it a willingness to modify the outcome to deal with concerns and suggestions raised.
3. **Inspirational** appeals arouse enthusiasm by appealing to a person's values, ideals, aspirations, feelings about success, or all four.
4. **Personal** appeals tap into a person's feelings of loyalty or friendship.
5. **Ingratiating** appeals seek to have the person think favorably of the requester—or at least to put them in a good mood before the request is made.
6. **Exchange** appeals offer an exchange of favors, a promise to reciprocate a favor at a later time, or a promise to share the benefits.
7. **Pressure** uses demands, threats, or persistent reminders to influence the person to do what is wanted.
8. **Legitimation** seeks to establish the legitimacy of a request through a claim of the right to make it or a reminder that it is consistent with organizational policies, practices, or traditions.
9. **Coalition** tactics involve seeking the aid of others to persuade the target person to do something, or using the support of others as a reason for the target person to agree to the request.

Practical actions to apply these strategies are:

1. Be clear about the behaviors and actions you need from the governing body. Ideally these should correspond directly to the mission of the organization and its plans and budgets for success.

2. G. Yukl, P. J. Guinan, and D. Sottolano, "Influence tactics used for different objectives with subordinates, peers, and superiors," *Group & Organization Management*, 1995; 20 (3), pp. 272–96.

2. Have a discussion with other governing body members about the top two to three factors that could get in the way of accomplishing the desired behaviors/actions.
3. Have an open and candid discussion about one or two actions that you can take to remove an obstacle or reduce its negative impact on organizational success.
4. Assign personal accountability to one or more people to use their best-faith efforts to remove the obstacle and to put in place conditions that will nurture the successful work of the governing body to accomplish the organization's mission and plans.
5. Monitor and celebrate progress to implement the conditions that enable the group's decisions and behaviors to be as positive as possible.

Good governing bodies encourage diversity among their members in order to make better decisions and avoid common pathologies that are counterproductive to good governance. Our work with public hospitals in Nigeria identified several required competencies, of which the top five were:

1. A need for experience in how to form partnerships between public and private sector health providers;
2. Understanding of best practices for the work of governing bodies;
3. How to innovate in service delivery design, patient safety, and quality of service;
4. How to engage with beneficiaries/patients in the community to increase the utilization of services;
5. How to earn trust among health workers and physicians.³

These competencies are less a function of a person's background or demographic profile and more a function of experience in health systems strengthening.⁴

Governing Body Dysfunctions

Governing body dysfunctions are also a function of “groupthink,” where discussion and thinking are not stimulated by healthy disagreements. In governing-body settings, the absence of conflict does not necessarily indicate agreement. It could indicate confusion, timidity, acquiescence, or apathy. Dissent helps reduce destructive conformity, shared information bias, and pluralistic ignorance.⁵

3. Workshop by Commissioner of Health and Anadach Group, Lagos State, Nigeria, January 11, 2011.

4. World Health Organization, Measuring Health Systems Strengthening and Trends: A Toolkit for Countries (Geneva: WHO, June 2008). Available at: http://who.int/healthinfo/statistics/toolkit_hss/EN_PDF_Toolkit_HSS_Introduction.pdf

5. Merchant and Pick (2010), pp. 123-24.

Dysfunctional social networks. When governing body members form groups, cliques, or coalitions, some individuals may exercise power based on their desire to be accepted into various social networks rather than on their best judgments. Sources of such social ties may include paternalism, friendships, and common tribal, ethnic, educational, religious, or work backgrounds. These social ties, which contribute to high social cohesion in a governing body, offer some advantages; governing body members are typically more comfortable, and meetings are likely to proceed smoothly, with relatively few distractions and relatively little confrontation. However, social cohesion—even among just a few governing body members—can negatively impact the overall governing body power dynamic and affect their decision-making and judgments.⁶

Social loafing. You may find that some of your governance colleagues are not as engaged or as helpful as you need them to be. Most governing bodies probably are getting less effort out of their individual members than they would if those directors were contracted individually as consultants whose job it was to provide governance oversight. This seems to be true because of what psychologists call “social loafing.” It is the tendency for individuals to reduce the effort they put into a task when they are working as part of a group as opposed to working alone.⁷ To minimize this pathology, you can consider the following actions:

- **Clearly post** each person’s agreed-upon tasks in the minutes of the meetings, in a chart on the wall where the governing body meets, or in periodic memos, notes or emails to all of the governing body members;
- **Clearly report** on the progress of each participant to accomplish their tasks;
- **Clearly praise the progress of each participant** to improve the chances that they will not only want to continue to work to accomplish their tasks, but also be willing to take on additional responsibilities in future planning cycles.

Discuss these actions with governing body leaders to adapt them to your setting.

Additional ideas are shared in [Section 17](#) on member recruitment.

6. Merchant and Pick (2010), p. 95.

7. S. J. Karau and K. D. Williams, “Social loafing: A meta-analytic review and theoretical integration,” *Journal of Personality and Social Psychology*, 1993; 65 (4), pp. 681–706.

APPENDIX 2.1

Practical Traits Needed for Key Governance Players

Research by the Governance Institute and Integrated Healthcare Strategies suggests that governing bodies and governing body leaders of health services organizations need certain attributes to thrive. The findings of this work are summarized here to facilitate discussion among local governing bodies and management of the actions needed for more success in “continuous governance improvement” by health services organizations.

BOARD AND COMMITTEE CHAIR TRAITS FOR BETTER GOVERNANCE

Knowledge Needed

1. How to champion the needs of the community and not just the organization
2. The organization’s strategic challenges and needs
3. When to take risks intended to be for the strategic good of the overall organization
4. What external economic and regulatory trends in the industry could arise and threaten in the future
5. How to help all governing body members understand time commitments needed for excellent governance
6. The history and heritage of the organization as a local community resource
7. The diversity of backgrounds and needs of all segments of our community
8. The importance of having everything we do be value-based and mission-driven
9. The value of governing body self-assessments to keep us sharp
10. How to be a positive change agent with other governing body members

Skills Needed

1. How to perform consensus decision-making among diverse governing body and committee members
2. How to practice better strategic planning and budgeting
3. How to use scenario-building exercises
4. How to run meetings and small organizations
5. How, when, and where to use written and verbal communication skills—especially verbal skills as a spokesperson for the organization with key stakeholder organizations
6. How to set accountabilities and celebrate successes in committees
7. Diplomacy skills for working with all types of people
8. How to draw out ideas and gain buy-in from all governing body members
9. Some specialty skills from finance, legal, real estate development, or insurance

Attitudes Needed

1. Honesty and integrity
2. Openness to new ideas and approaches
3. Openness to the role that spirituality can play in the healing process of the whole person and in their families and the community
4. Willing to listen and to be approachable
5. A can-do attitude
6. Willingness to build energy and ideas from all players
7. Upbeat and enthusiastic
8. Trust carrier not stress carrier
9. CEO ally
10. Praise-giver and success-sharer
11. Continuous quality improvement—the key to add value to our patients

BOARD MEMBER TRAITS FOR BETTER GOVERNANCE

Knowledge Needed

1. Knowing when to speak up and when to appreciate when silence is golden
2. Service on many other governing bodies for experience in governance
3. Understanding industry trends, issues, challenges, and opportunities facing our local organizations
4. Our current financial position, trended for the last 3 years, and benchmarked against peer health systems
5. Community demographics and needs, both in the aggregate and for each segment of our market
6. How to build partnerships with other community organizations to pool our resources and expertise for the greatest good for the greatest number
7. General experiences in life and with the lives of our neighbors
8. Our missions and values as a respected local resource, and the plans and budgets needed to achieve them
9. Basic financial planning and management, and health economics
10. How employees think we could be doing things better for the community we serve
11. An appreciation for the complexity of the tasks we face
12. Medical and information technology trends and their consequences for our plans and performance
13. Our competitive posture vis-a-vis technology and costs per unit of care
14. Our sources of funding
15. The difference between governance and management

16. The ins and outs of care management
17. Social responsibility as the core value in a democracy
18. Real estate and land development

Skills Needed

1. How to relate to and be supportive of people of all demographic backgrounds
2. Long-range strategic and financial planning
3. An ability to think creatively
4. An ability to build consensus around our plans and apply tactics to get them implemented
5. Leading organizations of diverse people toward shared goals, missions, and values
6. Analysis of our competitive position for quality, supporting health workers, and costs
7. How to read and understand basic financial ratios that tell us about the financial health of the organization
8. Listening abilities
9. Building and nurturing community relations in times of stress and change
10. How to separate the important from the trivial

Attitudes Needed

1. Change is our constant companion
2. Dare to be great and innovate
3. Entrepreneurial mindset to be decisive in all the right moments
4. Optimistic but realistic
5. Collaboration is essential for success
6. Openness and honesty in all our dealings with health workers and management
7. Value continuing education to maximize our talents and contributions
8. Willing to be a positive and constructive “question raiser”
9. Servant leader for what is best for the people and communities we exist to serve
10. Focus on our targeted consumers—*“The Patient Comes First”*