

BOARDS AND GOOD GOVERNANCE

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Chapter Focus

In global health, boards of directors, or boards of trustees, are groups of community, business, and health sector leaders who play a crucial role in creating the conditions within which people who deliver and manage health services are more likely to succeed. This chapter covers a wide range of concepts related to boards and good governance, with the intention of helping health system leaders, especially those in low-resourced countries, explore the power of the board to improve their systems and health outcomes. In particular, the chapter describes 5 key practices and 11 essential elements of a good infrastructure for effective board work.

Learning Objectives

Upon completion of this chapter, you should be able to

- define three practical benefits of an effective board for a healthcare organization,
- understand the typology of the governing bodies used within the health sectors of low- and middle-income countries,
- define five common risks of poor governance,
- describe five essential governance practices that drive board effectiveness, and
- identify five competencies of great board members.

Competencies

- Articulate and communicate the mission, objectives, and priorities of the organization to internal and external entities.

- Create an organizational climate built on mutual trust and transparency, with a focus on service improvement that encourages teamwork and supports diversity.
- Demonstrate effective interpersonal relationships and the ability to develop and maintain positive stakeholder relationships.
- Demonstrate reflective leadership by using self-assessment and feedback from others in decision making.
- Demonstrate high ethical conduct, a commitment to transparency, and accountability for one's actions.
- Evaluate whether a proposed action aligns with the organizational business/strategic plan.
- Connect the interrelationships among access, quality, cost, resource allocation, accountability, and community need.

Key Terms and Concepts

- Board of directors
- Board of trustees
- Competency-based governance
- Conflicts of interest
- Continuous improvement
- Culture of accountability
- Decision making
- Diversity
- Education
- Effective meetings
- Ethics
- Good governance
- Governing bodies
- Health systems strengthening
- Information technology
- Infrastructure for governance
- Member orientation
- Performance dashboard
- Performance indicators
- Policies and regulations
- Resource management
- Self-assessment
- SMART governance
- Stakeholder engagement
- Strategic direction
- Terms of reference (TOR)
- Web portal

A Scenario to Stimulate Strategic Thinking About Good Governance for Health

Imagine you are a senior staff member in a middle-income country's Ministry of Health. The Parliament has asked each community health center to form its own governing body from community leaders and health workers. The

terms of reference (TOR)¹ for these new bodies must be drafted within one month for consideration as a regulatory act in Parliament. What considerations should you weave into this proposed new policy? What should be the essential roles and responsibilities of the new community health center governing councils? How should you help the members of these governing bodies become educated about good board work? Consider these questions as you begin your journey into the realm of good board work as presented in this chapter.

terms of reference (TOR)
Documents used to define the scope of responsibilities for leaders, boards, and organizations.

Introduction

Do you want a stronger health system and better health outcomes? Then invest in smarter governance of the programs and organizations of your system.

Whether working in nongovernmental organizations (NGOs), civil society organizations (CSOs)², for-profit private sectors, or facilities run under public–private partnership (PPP) arrangements or decentralized/autonomous organizations of ministries of health, the people who lead, manage, or deliver health services benefit when governing bodies and governance decision-making processes are wise and ethical.³ This point is true particularly for low-resourced health systems in low- and middle-income countries, which are the focus of this chapter.⁴

Governing bodies make decisions about policy, plans, and rules for collective action. When good governance is evident, the members of governing bodies wield power and resources to define, promote, protect, and achieve the health mission of an organization, system, program, district, province, state, country, or institution. For health services organizations, the focus of this collective action is to strengthen health systems to expand access to health services, which in turn leads to better and more sustained health outcomes.

A health system consists of all the people, institutions, resources, and activities that have the primary purpose of promoting, restoring, and maintaining health (World Health Organization 2000). Health systems strengthening (HSS) involves activities in six internationally accepted core functions: (1) human resources for health; (2) health finance; (3) health governance; (4) health information; (5) medical products, vaccines, and technologies; and (6) service delivery (US Agency for International Development 2015).⁵ A well-performing health system is one that achieves sustained health outcomes through continuous improvement of these six interrelated HSS functions.

The principles and practices in this chapter apply to most types of organizations, regardless of wealth, and they have relevance both in healthcare and in sectors beyond health. They can also be used in organizations that purchase, finance, or regulate health services. Our focus in this chapter, however, is to

support better healthcare and make a greater health impact in health organizations in low-resourced communities around the world.

What Is Governance for Health?

Why do nations and communities need good governing bodies and community engagement? What is good governance? What are the essential practices for high-performing governing bodies? What are the benefits of these governing bodies? This chapter seeks to answer these strategic questions for leaders and managers working in the health sectors of low- and middle-income countries. It also highlights 11 infrastructure factors of good governing bodies that contribute to health system improvement.

Good governance for health is a mission-driven and people-centered decision-making process to achieve optimal health for the populations served. It is carried out by a group of leaders who are organized and entrusted by a government, civil society, private organization, or distinct population of stakeholders. Their job is to protect, promote, and restore the health of the people the entity serves. These leaders may handle one or more high-priority health concerns, such as control of a communicable disease, case management for a noncommunicable disease, or emergency obstetric and newborn care. They can also serve people in rural or urban areas through governmental, nongovernmental, or private-sector organizations. A study for the African Union estimated that more than one million people are serving in over 170,000 governing bodies in the health sectors of the union's 55 member states.⁶

We believe that good governance advances the mission of an organization or agency to deliver high-impact health services to individuals and communities, especially the most vulnerable populations. Good governing bodies can also engage local community leaders in ways that contribute to political stability and economic development.

Essential Practices and Characteristics

A governing body sets strategic direction and objectives; makes policies, laws, rules, regulations, and decisions; raises and deploys resources; and oversees the work of the organization. It seeks the best ways to achieve its strategic goals and objectives and enhance the long-term vitality of the organization to pursue its mission. To foster good governance for health, the people who govern, the governing bodies themselves, health sector leaders, and managers at all levels must become knowledgeable about good board work. This knowledge should include new organizational forms and practices of governing for health.

Good governance is based on five essential practices, which will provide a key framework for this chapter (*eManager* 2013):

1. Creating a culture of accountability
2. Engaging stakeholders
3. Setting a shared strategic direction
4. Stewarding resources responsibly
5. Continuous improvement of the four practices above

If robust infrastructure is in place for good board work, then continuous governance enhancement—the fifth practice—is easier to apply. Transparency policies will achieve little if the political system does not include the sanctioning of public officials when government corruption is exposed; penalties for service providers when poor performance or absenteeism is revealed; and safeguards or structural reforms in response to evidence of systemic governance problems. In recent years, much attention has been placed on the capacity of citizens to use information, the role of media and civil society groups as intermediaries to make information more accessible, and the extent to which the political space exists for citizens to exert influence and effect change; all of these concerns may be concerned when determining the efficacy of governance (Savedoff 2011).

The United Nations (UN) Economic and Social Commission for Asia and the Pacific (2018) asserts that good governance has eight major characteristics. It is

1. participatory,
2. consensus oriented,
3. accountable,
4. transparent,
5. responsive,
6. effective and efficient,
7. equitable and inclusive, and
8. in accordance with the rule of law.

Good government ensures that corruption is minimized, that the views of minorities are taken into account, and that the voices of the most vulnerable in society are heard. It is responsive to both the present and future needs of society.

The various types of organizations that make up a nation's health sector are all likely to have "boards." These boards may go by such names as a *board of directors*, a *governing body*, a *governing council*, a *board of trustees*, a *board of commissioners*, a *board of governors*, a *board of overseers*, or a *health committee*, and their roles and scope of authority may vary widely. The engagement of these groups with multiple stakeholders from their communities can represent a positive force for popular capitalism, democracy, and economic well-being. Health sector managers, therefore, must master a variety of concepts, strategies,

and processes for effective health system board work. This mastery can be challenging, however, because of the many obstacles that exist to good governance.

Obstacles to Good Governance

The promise and benefits of good board work can only be achieved when common obstacles are removed, reduced, or worked around. The most common obstacles are as follows:

1. The board is not given adequate authority to govern.
2. The board is unable to recruit talented and ethical people to serve on the board and its committees.
3. Board members do not understand their roles and responsibilities.
4. The board does not receive support (e.g., information, orientation, education, staff help) from managers to successfully engage in wise decision making.
5. The board does not commit to continuously evaluating and refining its governance processes and practices.

This chapter provides information to help board and administrative leaders overcome these obstacles by (a) being ever vigilant to identify and commit to remove each obstacle and (b) understanding and applying positive activities and practices to ensure success.

Leaders Must Take Action for Good Governance

If you are a good manager or healthcare provider, you should care about defining and supporting the infrastructure for good health sector governance. What actions should you take to encourage, enable, and empower good governance? What factors are known to facilitate or frustrate good governance? What are the benefits of good governance, and how can various stakeholders help maximize these benefits?

Your answers to these questions will vary somewhat depending on your organization, country, and community context. Your unique approach to good governance will also be shaped by your personal wisdom and influence, as well as by your commitment to ensuring the conditions necessary to continuously improve health services for those most likely to face illness, injury, and disability in your region, district, or catchment area.

Great leaders come in all shapes, sizes, ages, and genders. They represent a variety of backgrounds, experiences, nationalities, languages, cultures, and attitudes, and they come to work with diverse knowledge, skills, and competencies. The practice of **SMART governance** enables leaders and organizations to fully maximize these characteristics. SMART governance is stakeholder engaged (S), is mission (M) driven, is accountable (A) to beneficiaries and resource

SMART

governance

Governance that is stakeholder engaged (S), is mission (M) driven, is accountable (A) to beneficiaries and resource providers, mobilizes resources (R) to support the mission, and demonstrates transparency (T) in all plans and decision making aimed at accomplishing the mission.

providers, mobilizes resources (R) to support the mission, and demonstrates transparency (T) in all plans and decision making aimed at accomplishing the mission.

Leaders can take five key actions to build good governance:

- Action 1: Establish, champion, and publicize a clear strategic purpose or mission for the organization and its governing body.
- Action 2: Engage and empower competent people to work successfully in the organization's governing processes and decision-making structures.
- Action 3: Provide a consistent moral and ethical compass and conscience for the enterprise—whether it is an organization, program, facility, agency, department, council, or ministry—as it strives to achieve its mission.
- Action 4: Work with the chairperson of the governing body to define and continuously improve first four key practices for SMART governance:
 - 1. Cultivating accountability
 - 2. Engaging stakeholders
 - 3. Setting a shared strategic direction
 - 4. Stewarding resources responsibly
- Action 5: Support the availability of good information and infrastructure for decision-making processes that are consistent with SMART governance.

Good Governance Benefits Health Sector Leaders

We believe that, if you invest your time, talents, and funds in these five key actions for better governance, you will reap the following five important benefits:

- Benefit 1: You will be more effective and efficient at building and operating health systems that save more lives and reduce more sickness.
- Benefit 2: You will waste less of your and your colleagues' time when planning, developing, and operating programs and institutions designed to promote, protect, and restore health for all people—especially the most vulnerable and disadvantaged.
- Benefit 3: Your career will likely be more satisfying, stable, secure, and economically attractive.
- Benefit 4: You, your family, and your community will be prouder of your work and the results you achieve.
- Benefit 5: The results you achieve will be more significant and more sustainable.

Why do we believe these bold assertions? We believe in the benefits of good governance because we have seen them in countries throughout Asia, Africa, Latin America, Europe, and North America. We also believe in them because we have forged a clear theory of change that focuses on SMART governance for health and the actions leaders can take to support better systems and better governance.

The work of effective leaders has been previously described in the Management Sciences for Health (2005) book *Managers Who Lead: A Handbook for Improving Health Services*.⁷ That book generally describes leaders and managers as the men and women who develop, lead, and manage not only health sector-related organizations but also boards, councils, and commissions dedicated to sustainable health systems strengthening. Roles may also include regional/provincial medical/health directors/officers; regional/provincial nursing officers; and district medical/nursing officers. Such individuals must realize that they have a role to play in health sector governance and that facilitating the work of governance boards/structures is part of their responsibility.

Good governance enables those who lead, manage, and deliver health services to be more effective and efficient by

1. establishing policies, plans, and procedures that remove obstacles affecting leaders and their work;
2. encouraging leaders to be more successful in supporting the governing body to accomplish the essential governing practices of
 - cultivating accountability,
 - engaging stakeholders,
 - setting a shared strategic direction,
 - stewarding resources responsibly, and
 - continuously improving the four practices above;
3. making available the resources—political, human, technological, and financial—that leaders and healthcare professionals need to do their work;
4. expecting, encouraging, and empowering leaders and managers to strive for service delivery that meets or exceeds standards of excellence; and
5. celebrating the organization’s journey toward stronger health systems and better health outcomes.

Good Governance Benefits Health Systems

Good board work not only helps health sector leaders better accomplish their work; it also has benefits for health systems and the populations they serve. Good governance creates the conditions in which the “eight rights” improve health systems to achieve better outcomes:

1. The right number of health workers
2. The right quality of health workers The right mix of health workers
3. The right facilities in which to work
4. The right budgets/financing
5. The right medicines, equipment, and supplies
6. The right clinical care protocols
7. The right cultural appropriateness of care

The idea of good governance can be a shallow, false promise—one that is often broken—if it is not understood and demanded by all those who lead, manage, and deliver health services. Good governance does not happen just because you hope it will. Hope is not a strategy. Good governance is more likely to be achieved if one makes a personal commitment to explore the many facets of good and poor governance, then takes action to embrace the good and combat the poor.

Good governing bodies offer the following ten major health system benefits:

1. They improve rapport and engagement with the community, generate support from the community, and enhance understanding of the health needs of people and communities for business planning and market planning.
2. They expand political influence with local and regional politicians to strengthen access to needed resources (whether human, financial, technical, or regulatory).
3. They leverage their members' experience and ideas to help develop better plans to expand equitable access to health services.
4. They encourage leaders to improve accountability to implement plans and improve performance for various constituencies and stakeholders.
5. They help support oversight, accountability, and professional growth for the chief executive officer (CEO), the senior management team, and leaders in numerous areas (e.g., medicine and nursing, health promotion, business expertise, finance, legal matters, marketing, process improvement, total quality improvement, public health, epidemiology). They also incorporate the thinking and tools of Six Sigma⁸, supply chain management concepts, and expertise in change management in turbulent times and with scarce resources.
6. They shield the CEO from pressures from politicians, health workers, staff, vendors, and unions.
7. They foster an objective view of strategic plans and tactical initiatives by posing challenging questions about meaning and importance.

8. They bring new and objective perspectives to problem definitions and problem resolutions.
9. They support the pursuit of philanthropy, grants, funding, or government backing to achieve the mission.
10. They serve as a sounding board to ensure clarity and to make plans, strategies, and resource investments more effective.

This results-oriented theory rests on five assumptions:

Assumption 1: Governance interventions (e.g., consulting, training, supportive resources, materials) should contribute to group decision making that has the following seven characteristics:

- Mission driven
- Practice based
- People centered
- Open and transparent
- Ethical and honest
- Evidence informed
- Results oriented

Assumption 2: This style of decision making should enable decisions in six spheres that are essential for protecting and strengthening pursuit of the organization's mission:

- Strategic planning focused on the needs of populations and communities
- Financial planning and budgeting
- Resource mobilization or increased revenues
- Design and delivery of services, and design and implementation of programs
- Quality assurance and service excellence for beneficiaries
- Development and management of human resources

Assumption 3: Decisions in these spheres are more likely to ensure the availability of services that cost-effectively protect, promote, and restore health in all segments of the population because they are delivered

- with the right quality;
- in the right place and time;
- with cultural sensitivity and appropriateness;

- affordably, as measured in terms of a beneficiary's money, comfort, and convenience; and
- with the right numbers and types of health workers who have the right knowledge, skills, attitudes, and competencies and are provided the right compensation, support, and incentives for service excellence.

Assumption 4: The availability of these types of services expands the likelihood that beneficiaries will use the services and that the services will be sustainable.

Assumption 5: The people using the services are more likely to achieve gains in health outcomes that are significant and sustainable.

Master Good Governance Practices

The five essential practices for good governance, as noted earlier, are (1) creating a culture of accountability, (2) engaging stakeholders, (3) setting a shared strategic direction, (4) stewarding resources responsibly, and (5) ensuring continuous governance improvement (*eManager* 2013). These practices have been distilled from principles that evolved over many years through the experiences of frontline health sector leaders and managers. They are also based on several decades of study of governance across a spectrum of organization types in health and other social sectors, including business, government, education, and the arts.

A good set of seven principles for a governing body, as enumerated by the International Planned Parenthood Federation (2007), is as follows:

- Principle 1: The governing body ensures member integrity and collective responsibility.
- Principle 2: The governing body determines the organization's strategic direction and policies.
- Principle 3: The governing body appoints and supports the executive director/CEO.
- Principle 4: The governing body monitors and reviews the organization's performance.
- Principle 5: The governing body provides effective oversight of the organization's financial health.
- Principle 6: The governing body is open, responsive, and accountable.
- Principle 7: The governing body ensures its own review and renewal.

Principles for good governance have also been set forth by a variety of organizations, including the Global Fund, the World Health Organization (WHO), the World Bank, the Organisation for Economic Co-operation and Development

EXHIBIT 10.1
The First Four
Key Governance
Practices and
Their Enabling
Factors

Effective Governing Practice	Enabler
Cultivate accountability	Openness and transparency
Engage stakeholders	Inclusion and participation Gender-responsiveness Intersectoral collaboration
Set shared direction	Effective leadership and management
Steward resources	Ethical and moral integrity Pursuit of efficiency and sustainability Measurement of performance Use of information, evidence, and technology in governance

Source: Reprinted with permission from *eManager* (2013).

(OECD), and the Center for Healthcare Governance of the American Hospital Association.⁹ Good governance is also taken to be key to the achievement of the UN's Sustainable Development Goal 3, which is to “ensure healthy lives and promote well-being for all at all ages” (UN 2018).

Exhibit 10.1 shows the first four key governance practices that effective boards strive to continuously improve. Improvement can be achieved through annual self-assessments and open conversations among governing body leaders, healthcare workers, and the organization's management team.

Five Imperatives

By designing and institutionalizing SMART governance practices, an organization can improve its performance and become more likely to deliver better health outcomes that can be sustained.¹⁰ The degree to which successful outcomes result from good governance is a function of how well the organization accomplishes five imperatives:

Imperative 1: *Process*. Your governance processes must be inclusive, transparent, and accountable to all key stakeholders (Ciccone et al. 2014).

Imperative 2: *People*. The governing body should include a reasonable number of competent people who reflect the demographic characteristics of the system's beneficiaries and who have influence among those who control power and access to needed resources in the local context (Kickbusch and Gleicher 2012).

- Imperative 3: *Practices*. The governing body's leaders must continuously discuss and implement actions that support the five essential practices of governance (*eManager* 2013).
- Imperative 4: *Infrastructure*. SMART governance decision making requires a good infrastructure of support staff and information that is accurate and timely (National Leadership Council 2012).
- Imperative 5: *Performance*. Health organizations must be dedicated to achieving meaningful results, as measured in service utilization and sustained gains in health status. This imperative requires the commitment to continuously design interventions in a way that enables measurement and study of the factors that maximize the impact of good governance (USAID 2014).¹¹

Infrastructure for SMART Board Decision Making

Good governance for health is about the art and science of good decision making relative to the policies, plans, and performance of the governing bodies that are charged to oversee the work and results of health organizations. High-performing governing bodies have systems and people that develop and manage sound decision-making processes. These processes have numerous elements that must work together in a well-organized and coordinated manner in challenging environments in low-resourced health systems and country contexts.

The decision-making processes for governing bodies should address ten questions:

1. Who makes the decisions?
2. How are parties informed and educated to participate in the decision making?
3. Who advises the decision makers in their process for decision making?
4. What criteria are used in the decisions?
5. How organized, ethical, effective, efficient, and transparent is the process of making decisions?
6. How are the decisions reported to stakeholders and beneficiaries in a way that is understandable and accessible?
7. How can beneficiaries and stakeholders best monitor the implementation of the decisions?
8. Who reports the progress and results of the decisions, and how?

9. How are the decision-making processes continuously improved?
10. How do stakeholders and beneficiaries best ensure improved accountability of the plans and investments based on these decisions and their decision-making processes?

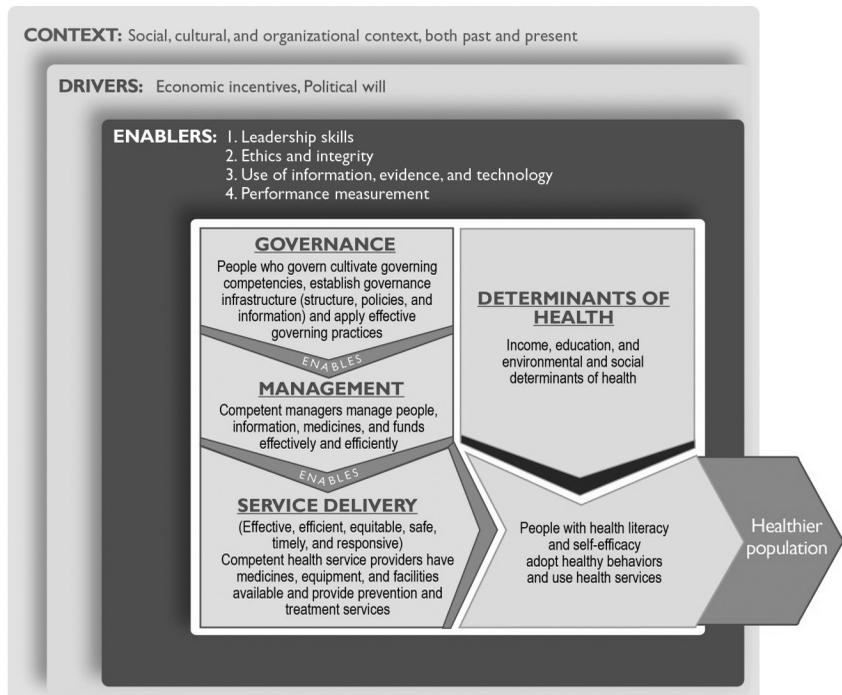
The answers to these questions are informed by a theory of change, illustrated in exhibit 10.2, that shows how good board work leads to stronger health systems and better health outcomes.

Managers seeking to enable good board work need to address key questions about the structures, practices, and infrastructure for governance decision making:

1. *Structures to house good governance.* What are the various types of settings and organizations in which governance decision making is to occur? What characteristics of the governing bodies are best suited for the unique country contexts and organizational settings in which these bodies find themselves? What characteristics will help them to succeed? What types of people are engaged in governance decision making for

EXHIBIT 10.2

Context, Drivers, and Enablers for Good Governance



Source: Reprinted with permission from Global Health Learning Center (2018).

health? What are their roles, responsibilities, and relationships? What competencies do they need to ensure that their time and talents are well used to accomplish good governance for stronger health systems and better health outcomes? Each of the challenges in this cluster is addressed below.

2. *Practices.* People engaged in governing bodies should master the five essential practices¹²:
 - *Culture of accountability.* Good boards must establish and sustain a culture of accountability through the following activities:
 - Cultivate your personal accountability.
 - Nurture the accountability of your organization to its stakeholders.
 - Foster internal accountability in your organization.
 - Support the accountability of health providers and health workers.
 - Measure performance.
 - Share information.
 - Develop social accountability.
 - Use technology to support accountability.
 - Provide smart oversight.
 - *Stakeholder engagement.* Engagement must be optimized to ensure a willingness to help implement decisions of the board. Seven activities help ensure good stakeholder engagement:
 - Extend sincere stakeholder invitations.
 - Achieve sincere stakeholder engagement.
 - Build trust.
 - Engage with patients.
 - Engage with doctors, other clinicians, and health workers.
 - Collaborate with other sectors.
 - Practice gender-responsive governance.
 - *Strategy development.* Six activities are key to accomplishing wise and successful strategic plans:
 - Define the target population health goals.
 - Establish a shared vision among key stakeholders.
 - Enable leadership in the organization.
 - Create a successful strategic plan.
 - Implement the strategic plan.
 - Report progress to the key stakeholders.

- *Stewardship of resources.* Resources (e.g., labor, equipment, supplies, money) are often in scarce supply. The six key activities for the efficient use of these resources are:
 - Wisely raise and use resources.
 - Practice ethical and moral integrity.
 - Build management and effective purchasing capacity.
 - Measure performance.
 - Use information, evidence, and technology in governance.
 - Eradicate corruption.
 - *Continuous improvement.* Improvement of the above practices helps sustain an effective and high-performing board. Seven activities support the continuous improvement of the board's decision-making processes:
 - Cultivate governance competencies.
 - Build diversity in the governing body.
 - Organize governance orientation and continuous governance education.
 - Perform regular governance assessments.
 - Run effective governing body meetings.
 - Make governance policies.
 - Use governance technologies.
3. *Infrastructure to enable practices.* Exhibit 10.3 shows 11 key systems and infrastructure elements that affect people's ability to participate effectively in governance decision-making processes and practices to maximize the vitality of organizations and their governing bodies. These 11 elements will be discussed at length in the upcoming sections.

Element 1: Types of Governing Bodies

Various types of governing bodies exist, and they have different degrees of control over the affairs of the health sector organizations they govern. These organizational structures can be established in different ways for both governmental and nongovernmental initiatives.

What problems arise from poor governance in health organizations? A survey of public health sector managers across 20 countries identified the following five major risks associated with poor health system governance (International Federation of Public Health Associations 2012):

1. The organization's plans do not reflect the needs of the populations they exist to serve.
2. The organization is not successful in mobilizing resources to implement their plans.

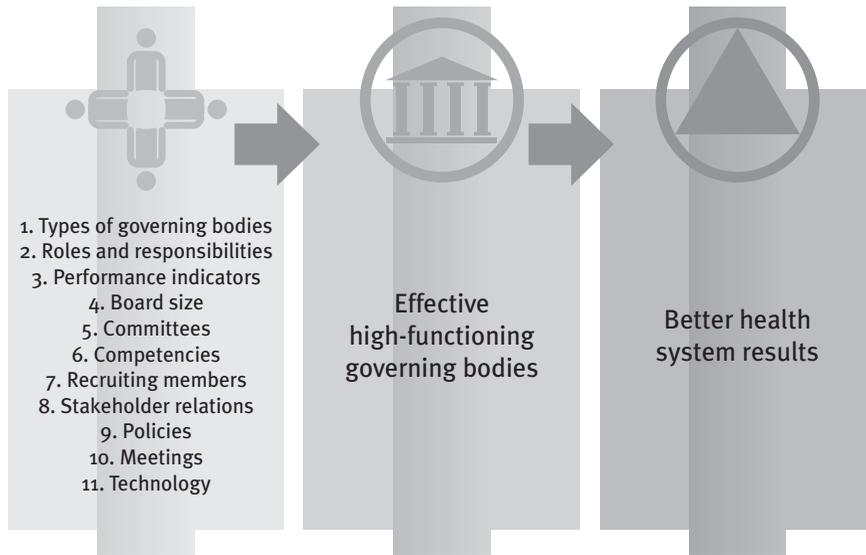


EXHIBIT 10.3
Infrastructure
of 11 Elements
for Good Board
Work

3. The services provided are not of high enough quality or convenience to satisfy the beneficiaries.
4. The scarce resources of the organization are not as well used as possible.
5. The organization has difficulty attracting and retaining health workers needed to serve the population.

To govern in a manner that minimizes these risks, governing bodies must embrace and master a defined set of competencies, which will be discussed in the section on Element 6.

Organizational Types

Health systems are composed of many organizations across a variety of venues:

- Hospitals
- Clinics
- Diagnostic centers
- Surgery centers
- Birthing centers
- Health insurance companies
- Health quality accreditation agencies
- HIV and AIDS programs
- Sexual and reproductive health programs
- Health and fitness companies

- Pharmacy shops
- Medical supply companies

All of these types of organizations are likely to have governing bodies charged with guiding, supporting, and overseeing the management of the organization. These roles can vary depending on how the organization is established in each country.

Governing bodies within countries' health sectors can be established by any of the following methods:

- Act of government (e.g., the governments of Kenya and Afghanistan)
- A country's laws for registration of for-profit entities or not-for profit entities
- Actions by a nongovernmental organization (e.g., an informal decision by a group of rural residents to form a cooperative to raise and sell chickens to support a small village health post)
- Civil society organizations (e.g., in Uganda)
- Local CSOs (e.g., a group of South African health leaders linking their family planning organization to the International Planned Parenthood Association via its formal accreditation process)
- CSOs formed by advocacy groups that leverage the expertise and resources of global alliances (e.g., the Center for Victims of Torture, Alliance Myanmar)

Levels of Governance

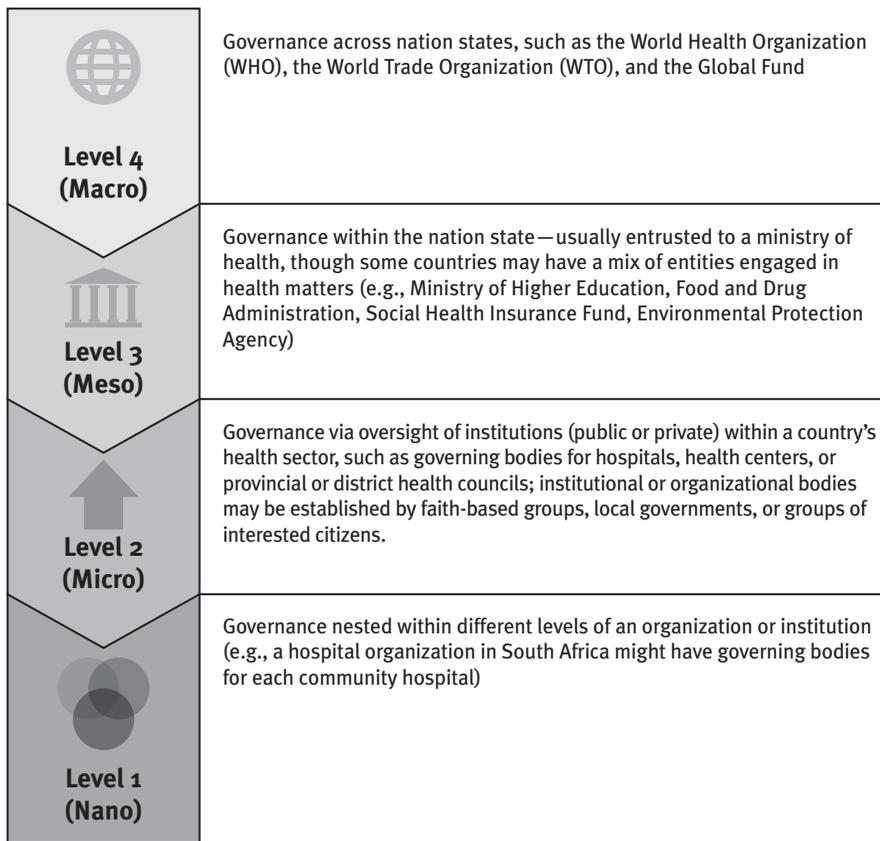
Governing bodies can also be established to deal with health challenges at four basic levels, ranging from global to local. These levels are illustrated and described in exhibit 10.4.

Element 2: Roles and Responsibilities

Although legislation or regulations may guide the formation of a governing body, the terms of reference are often very general, with few concrete guidelines. Managers should expect to help draft these guidelines for the composition and work of their governing boards. The fundamental role of a governing board is to protect the mission of the organization by accomplishing certain essential oversight duties, as shown in exhibit 10.5.

Each board member's primary responsibility is to refine and serve the organization's mission by developing, monitoring, and enforcing specific guidelines in six key areas:

1. Quality performance
2. Financial performance

EXHIBIT 10.4
Levels of
Governance


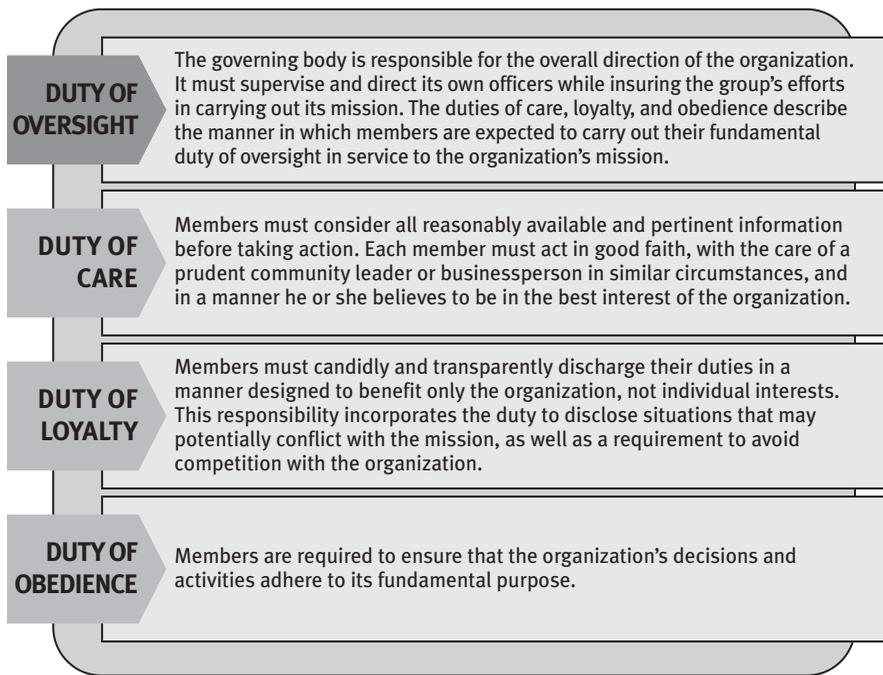
3. Planning performance
4. Management performance
5. Governance effectiveness
6. Community relations and advocacy

The governing body works with senior management to adopt specific outcome targets to measure the organization's vitality and overall performance. As members work to define and monitor progress toward these targets, they must be careful to remain in their governing role and not slide into trying to do management's job.

Element 3: Performance Indicators

The ultimate role of the governing body is to guide the organization to achieve key performance indicators related to health improvement. The organization's mission, goals, and strategic challenges should define this target list of performance indicators. Examples of organizational performance indicators for leadership and governance might include the following (WHO 2010)¹³:

EXHIBIT 10.5
Essential
Oversight
Duties



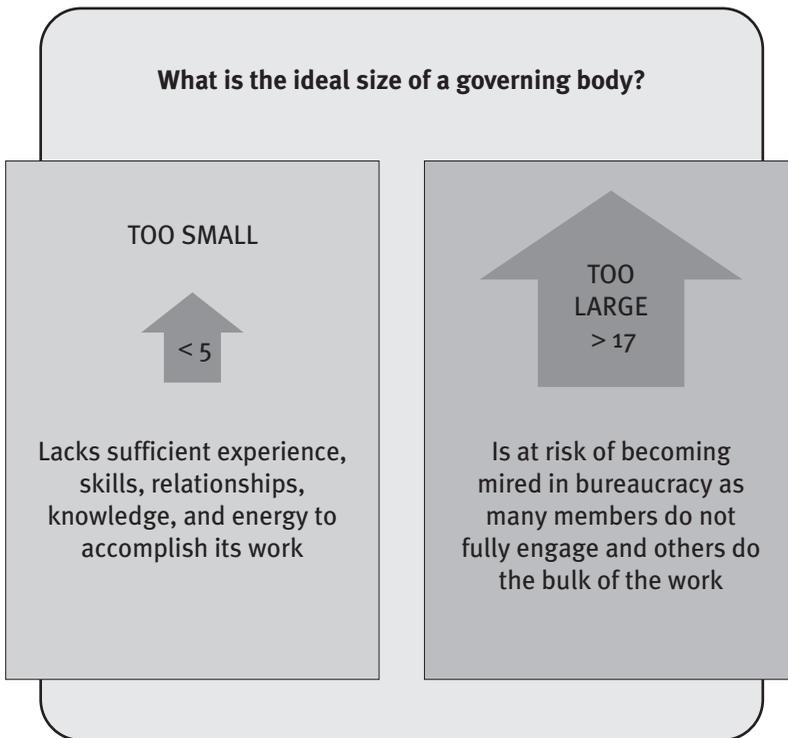
- Existence of an up-to-date strategy linked to national needs and priorities
- Existence of medicine policies specifying cost-effective options
- Existence of a national strategic plan for tuberculosis
- Existence of a comprehensive policy for maternal health
- Existence of a comprehensive plan for childhood immunization
- Existence of mechanisms for obtaining patient input

Board members should discuss the importance of the various indicators, determine which ones are best for the organization, and consider the advantages and disadvantages of gathering data to track them. The indicators selected should influence the knowledge, skills, and attitudes needed within the governing body to successfully conduct its work.

Element 4: Board Size

Given the need for diverse competencies and the drive toward key performance indicators, how large does an organization's governing body need to be? No particular size will be ideal in every situation, but studies of group dynamics across various countries and cultures tend to suggest that 9 to 13 members is usually appropriate. If a group grows to more than 17 members, decision making can become cumbersome. If it has fewer than 7 members, it risks losing

EXHIBIT 10.6
Ideal Size of a
Governing Body



diversity of thought, political connections, and the wisdom needed to protect and pursue the organization's mission, plans, and goals.

In Zimbabwe, for example, the hospital management boards of the six central hospitals have an average of 8 or 9 members. The management board of Parirenyatwa Central Hospital, in Harare, has (1) a public health specialist; (2) an accountant, (3) an auditor, (4) a human resource management specialist, (5) a surgeon, (6) a representative of the medical school, (7) a lawyer, and (8) the hospital's CEO. Zimbabwe has eight provincial hospitals, which have hospital management boards similar to those of the central hospitals, and 60 district hospitals, governed by district health councils. Zimbabwe's 1,600 rural health centers have health center committees, each with about 12 members.

Element 5: Effective Committees

Many effective governing bodies rely on committees, councils, work groups, or task forces. These subgroups remain under the control of the governing body and are not independent, but they are often authorized to perform common duties to help cultivate underrepresented competencies and relationships, as well as to provide additional time and energy for the work of the board. Committee service can also be a good way for a member to prove her value to the group and to earn greater responsibility for expanded future roles.

Committees can be formed for a variety of routine functions, including the following:

- Strategic planning
- Community health needs assessment
- Finance, audit, and capital fundraising
- Quality assurance
- Continual governance improvement
- Designing new policies (e.g., policy for user fees and collections)
- Clinical audit

Committees are most effective when they function with a formal charge, follow an annual work plan, and receive staff support to accomplish their measurable objectives. Most of the subgroups are advisory to the overall governing body and work for a defined period of time. A provision for the disbanding the a subgroup after a certain point is often called a “sunset provision.”

Committee Benefits and Challenges

Why form committees and other subgroups? Won't they create confusion or complexity for the board? Advantages of committees include the following:

- They enable a sharper focus on key areas of interest and importance to the organization.
- New experiences and insights improve decision making.
- Subgroup members may possibly serve as future governing body members.
- Political influence can be expanded through member reputations and relationships.

Committees, however, also have disadvantages:

- They lead to more meetings and more work for members.
- More staff work and time are needed to support the subgroups.
- Decision-making processes may be delayed.

Element 6: Competency-Based Governance

Competency-based governance—in which the people serving in the governing body bring a mix of competencies to decision-making processes—tends to yield higher performance. Attracting and retaining people with the appropriate competencies is more likely if they

- know their roles;
- are supported by staff;

- are encouraged to make transparent and ethical decisions;
- are proud to serve the organization; and
- work with leaders who respect and celebrate their efforts, time, and talents.

Good decision-making processes for a governing body demand solid structures and strategies that facilitate members' access to the right information and their ability to meaningfully engage in group decisions. This section of the chapter will discuss those structures and strategies related to competencies and recruitment.

Identifying Member Competencies

Good governance is both an art and a science. Studies of high-performing governing bodies suggest that they have a passion to identify a set of key competencies and then support those competencies' development. Such governing bodies consist of members who bring an optimal mix of the knowledge, skills, attitudes, experiences, and perspectives needed for successful work. No single member is likely to have all of the competencies needed to protect and pursue the organization's mission, but most of the desired attributes can be included in the collective balance of the group.

Examples of good competencies include the following:

- Is passionate and knowledgeable about the health and well-being of the people the organization serves
- Is respected by the communities served
- Has experience assessing the health needs of high-risk populations
- Is able to listen to others' ideas
- Is a logical thinker and problem solver
- Is knowledgeable of health risks and ways to address them
- Possesses community organization skills
- Has experience in medicine, nursing, or public health
- Is a champion for good teamwork
- Shows wisdom in mobilizing resources and relationships to support the mission and plans

Managers can use this sample list to take stock of the governance competencies in their own organization's governing bodies.

Building Diversity in the Governing Body

Governance for health is driven by the needs of the people the organization exists to serve. An effective governing body must make sound decisions about what people's health needs are, and then establish policies, plans, and programs

to meet those needs. Therefore, good governance requires the engagement of diverse stakeholders who reflect the unique ages, genders, races, ethnicities, religions, and other characteristics of the beneficiaries. Members of the governing body should also reflect a diverse range of skills and experiences, possibly including such people as lawyers or business people with no direct medical experience. Women, who are often major recipients as well as providers of health services, should be well represented in the governing process. Successful leaders work hard to invite, enable, and empower women to serve in governing bodies in the same capacities as men.

The following steps can help enhance the diversity of a governing body:

- Make a commitment to diversity in the governing body. Draft a simple diversity policy statement, and fulfill that commitment.
- Identify and remove barriers that might prevent members of certain groups—particularly those groups that are often marginalized, including youth, people with disabilities, ethnic minorities, and sexual minorities—from serving on the governing body. In selecting new members, consider representatives from the diverse communities being served. Ensure that the governing body membership reflects the diversity of the community.
- Maintain a governing body skills profile. Recruit new members based on the skills and characteristics that are currently lacking in the body as a whole—those skills and characteristics that are needed now or will be needed in the future.
- When recruiting for the governing body, consult with stakeholder constituencies about who might best represent their interests.

The next section offers practical approaches for recruiting and retaining diverse and effective board members.

Element 7: Recruiting Members with Governance Competencies

The recruitment of valuable members is essential for good governance. To support this goal, governing bodies are periodically encouraged and supported by chairpersons and their management to ask and answer the three questions shown in exhibit 10.7. The governing body should work with management and staff to blend the answers to these three questions into a single master list, which will clarify the set of desirable knowledge, skills, and the attitudes that prospective members should have. The full governing body can then discuss the pros and cons of the various characteristics and prioritize them down to an essential 10 to 15. These competencies then become a guide for finding, recruiting, and appointing or electing members.



Key questions to ask when recruiting governing body members

To accomplish our mission, what are the most important sets of knowledge, skills, and attitudes we need among our members?

What are the biggest challenges and obstacles we will likely face in the next two to three years? What experiences and competencies do we most need among our members?

To achieve our goals over the next three years, what actions, relationships, and investments will be most essential? What relationships and behaviors do we most need among our members to help lay these foundations?

EXHIBIT 10.7 Key Questions to Ask When Recruiting Governing Body Members

Challenges to effective recruitment and retention can be overcome through three main strategies, as illustrated in exhibit 10.8 and described in the list that follows¹⁴:

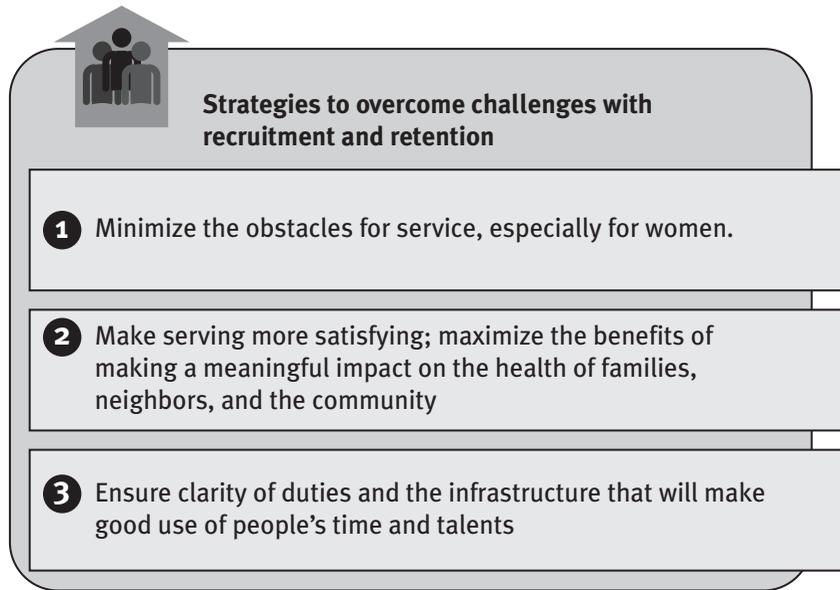
Strategy 1: *Minimize obstacles to service.* The CEO and governing body leaders should develop an action plan to minimize common obstacles or challenges to recruiting competent board members. Common obstacles include the following:

- Discouragement resulting from the feeling that improvements in health will be impossible because of low resource availability

Challenge: Many provincial and district health councils work in constrained resource settings, where provision of necessities is often difficult.

Solution: Seek resources from diverse sources, including the local community and the people themselves. The search for funding must be driven by clear and well-developed strategic plans and budgets that explain how much funding is needed and how it will be wisely used. Be open to in-kind contributions of volunteer time and money for specific services or material needs. Requests for funding and in-kind contributions must be based on trust from citizens and beneficiaries;

EXHIBIT 10.8
Strategies
to Overcome
Challenges with
Recruitment and
Retention



the organization and the governing body have to earn this trust through transparent decision making and results-oriented reporting of quality service delivery experiences.

- Concern that roles and responsibilities are not well defined or valued

Challenge: People are more willing to work and volunteer their time and reputations if they understand what is expected of them and of others engaged in the same challenge.

Solution: Develop, publish, and review job descriptions for membership in the governing body. Celebrate the good work of your organization so that people will be proud to be associated with the work it does in the community.

Challenge: Many health sector governing body members are asked to give significant amounts of time and effort on a voluntary basis.

Solution: Acknowledge the realities of service. Make it easier for people to be willing to provide this time by making sure that meetings are scheduled at convenient times, are well run, and are efficient. You may also advocate for some modest benefits, such as refreshments at meetings, easy-to-understand data for decision making, and a small stipend. Also, be up-front if time will not be compensated.

- Belief that meetings are confusing, ineffective, and not well managed

Challenge: Good governing body members are often driven away by the feeling that their time and talents are wasted in boring or poorly run meetings, or by the belief that their reputation might become associated with members who are unethical or difficult to work with.

Solution: Conduct periodic assessments of how your meetings are run, and identify ways to improve their functioning and results. Also, consider how attracting and retaining good governing body members helps to attract other talented people who are willing to serve, either on the board itself or on one of its committees.

Strategy 2: *Maximize the benefits of service.* Recruitment is easier when potential members can clearly see the benefits that will occur if they invest their time and talents. In addition to advocating for the role of the organization in promoting positive health outcomes, a good governing body can also yield the following key benefits:

- Decisions are more likely to reflect an understanding of key health risks and improvement needs in the community.
- Service improvement plans are more likely to be implemented, and significant and sustainable results and performance targets are more likely to be achieved.
- The resources needed to strengthen the organization are more likely to be mobilized and expanded.
- Communities are more likely to access and support the organization's health services if they see leaders serving as effective role models.
- The organization is more likely to reach target populations in a responsive and culturally appropriate manner.

High-performing governing bodies periodically show how their work maps back to these important benefits.

Strategy 3: *Reinforce clarity and support.* Among the most essential ways to support the recruitment and retention of talented members are the following:

- Regularly thank and publicly recognize members for their service, and remind them that their work yields meaningful results.
- Frequently remind members of their roles and responsibilities.

- Make it easier for members to participate by managing key factors that contribute to good decision making:
 - Provide accurate information to guide the organization's performance.
 - Provide practical staff support for member engagement.
 - Make sure meetings are reasonably scheduled, conveniently located, and efficiently run.
 - Establish processes that are transparent, open, and inclusive of service beneficiaries and vulnerable populations.
 - Rotate leadership to promote equity.

Element 8: Stakeholder Relations

Governing bodies contribute to the vitality of their organizations by leveraging members' relationships and contacts to support the organization's mission and work. As you take into account the key stakeholders with whom you would like to develop a better rapport, consider the following situation:

You are the nurse executive director of a large maternal/child health program in Dhaka, Bangladesh. Your governing body chairperson has just informed you that her cousin, the deputy minister of health, is not happy with how politicians in your province receive progress reports about the reduction in maternal deaths. As a result, you must deliver a presentation next week to the Ministry of Health about how you and your board will commit to improving stakeholder relationships in the coming year.

Consider how the information in this section might help you prepare for such a challenge.

Wise governing bodies establish a culture that expects, encourages, and supports the development of positive working relationships among key stakeholder groups. These groups will vary from one organization to another, but they may include some or all of the following:

1. The ministry of health or other public institutions (e.g., Social Security, ministry of education)
2. Politicians and community leaders
3. Religious leaders
4. Major employers/businesspeople
5. Health workers
6. The media
7. Beneficiaries of the organization's services, who are also often financiers

8. Purchasers of health services, such as public or private insurance organizations
9. Financiers of the organization (e.g., investors, donors, public sector, public–private partnerships)

Most high-performing governing bodies see the following stakeholder activities as indicative of a good relationship:

- Knowing and supporting the organization’s mission
- Identifying new ways to improve services
- Helping recruit and retain good health workers
- Helping secure political support
- Promoting increased use of services
- Fundraising to support the organization

To cultivate good stakeholder relationships, the board should seek to identify other groups in its district, county, region, province, or country with which it can build positive and sustainable outcomes.

Actions for Building Good Stakeholder Relations

A governing body is likely to achieve greater success if it employs the following five actions to develop positive relationships with stakeholders:

1. Clearly define why each group is important to the success of the mission.
2. Ask stakeholder groups for their ideas, and sincerely listen to their insights and comments; practice appreciative inquiry.¹⁵
3. Reach out to each group, and engage in collaborative governance planning meetings that are shaped by a clear recognition of the interdependencies among the social determinants of health.¹⁶
4. Earn trust by engaging in open, transparent, and honest two-way conversations about areas of mutual interest and need.
5. Develop transparent plans for collective action¹⁷ to coproduce meaningful programs for health gains among target populations.

Avoid the following taboos:

- Acting and/or speaking inconsistently
- Seeking personal rather than shared gain
- Withholding information
- Lying or telling half-truths
- Being close-minded

Building Trust

Trust is a major component of successful interpersonal relationships both inside and outside governing bodies. A commitment to building trust can help board members better connect with one another as well as with stakeholders and partners.

Consider the following five methods to build trust and cultivate positive relationships:

1. Be reliable.
 - Do what you say you will do.
 - Honor your promises.
 - Acknowledge the significance of a promise.
2. Be honest.
 - Tell the truth.
 - If you do lie, admit to it.
 - Speak from the heart.
3. Be open.
 - Volunteer information.
 - Do not omit important details.
 - Acknowledge secrets while protecting your privacy.
 - Do not mask truths.
 - Demonstrate that you expect reciprocal openness.
4. Keep confidences.
 - Avoid gossip—both telling and listening.
 - If you do break a confidence, apologize as soon as possible.
5. Be consistently competent.
 - Display loyalty.
 - Develop your skills.
 - Demonstrate a strong moral ethic.
 - Remain neutral in difficult situations.
 - Aim to be objective and fair.
 - Behave consistently.

Element 9: Governance Policies

Good governing bodies use written policies to guide the effectiveness and efficiency of their decision-making work. A set of written policies and procedures can be extremely useful in helping governing bodies carry out their responsibilities. Potential advantages include the following:

- The written set of policies and procedures quickly acclimates new board members to key responsibilities and processes.

EXHIBIT 10.9
Policies
for Good
Governance

- It reminds seasoned board members of efficient practices.
- It enables transparent decision making.
- It helps build credibility with patients, clients, and beneficiaries.

In many organizations, the board has a manual of policies and procedures¹⁸ that provides instructions for how the board should do its work, how it should receive compensation for expenses, and how it should make decisions in such areas as the following:

- Strategic visioning and planning, quality assurance, fiscal health, management, and relations with stakeholders and government agencies
- Descriptions, expectations, and performance reviews for the chairperson, members, committees, and senior managers
- Committee work plans
- Meeting calendars
- Meeting agendas
- Periodic governance assessments
- Plan for ongoing governance improvement

The manual may also contain policies on the following topics:

- Conflicts of interest
- Code of ethics and conduct
- Whistleblower protection

- Confidentiality
- Record retention and document destruction
- Member expenses
- Budgeting
- Capital expenditures
- Financial control
- Investments
- Financial audits
- Risk management
- Fundraising
- Sexual harassment

Five key areas of policy are highlighted in exhibit 10.9 and described in the sections that follow. These areas tend to be particularly important for health services organizations.

Term Limits

Term limits usually define the number of years a person is allowed to serve on a governing body. Not all boards use term limits, but, for public and nongovernmental organizations, common term lengths are one, three, and four years. Many organizations allow for consecutive terms. Term limit policies may apply to the governing body as a whole or just to the chairperson.

Term limits, whether for the chairperson or other members, can be beneficial for a number of reasons:

- *Graceful exit.* Term limits allow for people who are not performing effectively to retire gracefully. The downside is that an effective member or chair may have to be forced out early.
- *Recruitment.* Serving on a governing body can require an intensive commitment of time and energy. Prospective members are more likely to serve if they know their investment has an expiration date.
- *Leader development.* Boards that know they will need a new chair and members every few years will be more likely to recruit new people with an eye toward future leadership roles. Candidates who want to build their own leadership skills will be more likely to say yes if they know there are future opportunities.
- *Resource mobilization.* Board members are potentially the organization's most powerful connections with politicians, donors, health sciences schools, and government or private health purchasers. Leadership transitions provide an opportunity to engage fresh avenues to resources that have relationships with the new leader.

- *Healthier governing bodies.* Term limits provide periodic injections of new energy and ideas, help prevent member and chair burnout, and reduce the likelihood that a few individuals will dominate discussions and decisions.

Chief Executive Oversight

One of the most important and delicate responsibilities of the governing body is to establish and nurture a positive relationship with the organization's managing director or CEO. The board is responsible for the oversight and review of performance across agreed-upon areas of authority, accomplished through routine CEO performance evaluations. The CEO performance review process is not an activity that many governing body members enjoy, but it is fundamental to good governance. It aligns the organizational mission, values, goals, and objectives with organizational and CEO performance.

Key actions for good CEO performance reviews include the following:

- Make performance evaluation an ongoing process, not just an annual occurrence.
- Focus on things that the CEO can actually control.
- Involve the CEO in the process, ensuring that he understands the evaluation objectives and elements.
- Make sure the performance criteria are agreed to by all parties.
- Pay attention to the CEO's personal leadership and management style, in addition to work activities.
- Focus on activities that fulfill the organization's mission and help accomplish its goals.

An effective evaluation should accomplish at least the following:

- It should clarify the board's expectations of the CEO.
- It should provide clear goals to help the CEO identify and prioritize tasks.
- It should educate the board about the nature of the CEO's roles and responsibilities.

An effective evaluation also benefits the CEO in a number of ways:

- It helps the CEO develop and upgrade her competencies and experiences.
- It gives the CEO an opportunity to engage in self-assessment.
- It provides the CEO with honest feedback, direction, and reaffirmation.

- It eliminates surprise—such as the evaluation pattern known as “Good job, good job, good job—gone!”

A good performance evaluation ultimately nurtures the growth and development of both the chief executive and the organization.¹⁹

Ethics and Conflicts of Interest

High-performing governing bodies establish policies concerning ethical behavior and conflicts of interest. Appropriate member behavior must be in accordance with the board’s role and responsibilities. Members should know the difference between governance and management, consider service a responsibility of citizenship, and find enjoyment in such service.

Appropriate behavior should have several key characteristics:

- Respect for the organization, the management, the clinicians, the employees, and other members
- Openness in discussions and decision making
- Confidentiality—the more sensitive the issue under discussion, the more important the confidentiality

Conflicts of interest can arise in a variety of instances, including the following:

- When a board member’s relative wants a job
- When a member has business dealings with the organization
- When a member has knowledge about the organization’s planned new services, which could compete with a friend’s business

The key challenge is not determining whether a conflict of interest exists but rather ensuring that it is managed carefully and in a disciplined manner. Some boards may decide that a potential conflict of interest precludes service; however, such a rule might not be necessary for effective governance. Policies addressing conflict of interest usually require members to disclose potential conflicts and, if necessary, to abstain from voting on matters related to the conflict.

Member Orientation and Education

High-performing governing bodies require members to receive a formal orientation to their roles and responsibilities, as well as ongoing education to help support their capacity development. The ability to bring new members up to speed quickly is a key determinant of board effectiveness.

All governing bodies need continuous education and development of competencies, and this process should begin when members are first approached

to serve. At that point, members should be provided with a copy of their job description and a set of the board's values or code of conduct. Effective governing bodies conduct a structured orientation program within 30 days of a member's appointment. Large organizations may include a written orientation guide that covers such topics as the following:

- Mission and vision of the organization
- History of the organization
- Programs and services
- Staffing
- Strategies, plans, and planning processes
- Trends in service utilization and financial performance
- Funding (annual budget and funding sources)
- A candid SWOT assessment (i.e., an assessment of the organization's strengths, weaknesses, opportunities, and threats)
- Legal issues and risk management
- Terms of reference, expectations for participation, and code of conduct
- Board operations and policies
- Calendar of meetings
- Subcommittee work plans and opportunities for service

Wise, effective, and efficient governance does not just happen. Those who govern must invest individually and collectively to continuously improve their knowledge about how the organization functions and how its governance can be improved. Member education must be an ongoing process. The following strategies can help with the effective delivery of useful, current information in a relatively short amount of time:

- Develop and implement a new member orientation program.
- Begin each meeting with a brief (i.e., an education session that provides relevant background information about an issue on that meeting's agenda).
- Try to orient new members in time to attend the board's annual retreat.
- Establish a minimum number of continuing education hours for members.
- Conduct mini-retreats whenever all or most members attend the same education event.
- Create a leadership development/coaching framework within the existing board.
- Lay the groundwork for good quality of care and financial decisions by providing informal courses (possibly taught by an experienced member) for members who lack such expertise.

- Establish a “buddy system” in which experienced members are assigned to take new members under their wing.
- Have one operational area executive give an update at each meeting (rotating among all areas).
- Collaborate with other organizations to develop or present member education programs.
- Use self-assessments to measure progress and to help establish future education needs; ask members for their perceptions of the board’s effectiveness and for suggestions on topics for future education or discussion.

Qualitative responses from governing body self-assessments have indicated that members benefit from professional development training in the following areas (University of Kansas Community Tool Box 2018):

- Resource mobilization and the role of members in raising funds
- Legislation applicable to for-profit or nonprofit organizations and their governing bodies, as appropriate
- Leadership succession and the role of the board
- Board member duties as individuals
- Funding sources, financial management, and the fiduciary role of the board
- Human resources (including staff compensation and benefits) and the role of the board in human resource management
- Strengthening accountability and transparency
- Measuring organizational impact
- Risk analysis and management
- The role of the governing body in supporting the chief executive

Governing Body Self-Assessments

A high-performing governing body continuously improves its own performance by periodically conducting self-assessments—organized quantitative evaluations of the board’s satisfaction with all aspects of its performance. A self-assessment combines positive statements about the governance environment, processes, focus, and progress with member recommendations to improve performance. Done correctly and consistently, the process enables the board to accomplish several key goals:

- Setting measurable objectives for improving governance to boost the organization’s performance

- Assessing the board's effectiveness in improving the organization's performance
- Developing and implementing governance improvement strategies
- Evaluating performance to support sustained improvement

In addition, an excellent governing body self-assessment process with achieve several major outcomes:

- It will define the most critical governance success factors.
- It will secure confidential, broad-based member input on the critical aspects of successful governing leadership.
- It will create an opportunity to address major issues and ideas in a nonthreatening, collaborative manner.
- It will clearly demonstrate where the governing body is either in or out of alignment with leadership fundamentals and issues.
- It will objectively assess the degree of common understanding, expectations, and direction for the governing body among its members.
- It will assess deficiencies that might affect the governing body's ability to fulfill its fiduciary responsibilities.
- It will identify opportunities for meaningful leadership improvement.
- It will help administration better understand and respond to the governing body's leadership education and development needs.

Self-assessment is an ideal way to engage members in an anonymous, confidential evaluation of the board's overall performance, while at the same time inviting them to consider their own personal contributions. However, conducting the self-assessment is only the first step toward improving governance performance. To be successful, the assessment must serve as a catalyst to engage board members in a discussion of findings that highlight performance gaps and areas where members lack consensus. Additionally, it must facilitate the development of an action plan for better decision making, with responsibilities, time frames, and projected outcomes.

Ideally, governing bodies should assess their performance annually. Many boards conduct their self-assessment as part of an annual educational and planning retreat, in which they set aside time to discuss the results and explore ways to improve board and leadership performance. Some boards are able to design and conduct their own self-assessments, compile and analyze the results, and facilitate the development of an action plan using internal resources. Other boards rely on outside consultants who offer tested and proven tools and techniques.

Consider following this ten-step plan for conducting your own governing body self-assessment:

1. Determine the unique objectives and projected outcomes of your assessment.
2. Design draft evaluation criteria and a measurement methodology (for example, a scale from 5, for “very satisfied,” to 1, for “very dissatisfied”).
3. Print a draft questionnaire and test the criteria and methodology for relevance and completeness in meeting your assessment needs.
4. Distribute your self-assessment questionnaire to all trustees with a stamped, self-addressed envelope, ensuring both anonymity and confidentiality. Alternatively, you can develop a web-based self-assessment that can be administered online.
5. Compile the results and produce a report. The report should include graphs that depict areas in order of priority, from highest to lowest average score. Include verbatim comments and a brief analysis of key themes and findings.
6. Hold a special governing body meeting or retreat to review the assessment results and discuss their implications for all aspects of board activities and performance.
7. Appoint a committee or task force to develop specific recommendations for improvement. Then prioritize the most important areas of governance focus, and determine the resources required for success.
8. Impellent the recommendations. Assign responsibilities, and determine outcomes.
9. Document and regularly report on the progress of the approved governance improvement initiatives.
10. Continually reassess governing body performance.

Element 10: Effective Meetings

Because much of the work of a governing body is conducted in meetings, those meetings need to be well planned and managed to ensure optimal results. As you explore this section, consider the challenges in the following situation:

You and the governing body chairperson want to improve your work by improving the effectiveness and efficiency of your meetings. How can you achieve this goal? What are the characteristics of excellent meetings, and what infrastructure is needed to support them?

Excellent meetings require a combination of dedicated participants, useful agendas, relevant information, convenient venues, and a commitment to continual improvement.

Meeting Participants

Most governing body meetings include only members of the body and a few of the organization's senior leaders. If the group becomes too large, productive conversations can be difficult. However, occasional guest speakers can add valuable information and perspective to the decision-making process. The guests themselves also benefit because they can observe the work of the governing body and better support its plan and decisions.

The following are some examples of valuable meeting guests:

- Clients with positive or negative stories about their experiences
- Health workers focused on new trends or issues that the organization is likely to face
- Politicians or media representatives interested in supporting the organization's programs and services
- Governing body members from a similar organization
- Business leaders from other high-performing service providers (e.g., people from the hotel or airline industry)
- Visiting or diaspora health experts
- Donors, philanthropists, and funders

Meeting Agenda

The agenda provides an essential roadmap for a good meeting. The chairperson and the managing director or CEO should develop the agenda well in advance of the meeting. Every community and culture has different views and requirements for meetings and discussion. However, certain topics are common to most board meetings:

- Welcome and introduction of guests or new members
- Review of the last meeting's minutes
- Reports on subgroups
- Identification and discussion of current action items
- Other business
- Closing comments and agreement on the next meeting's priority topics
- Adjournment

The meeting agenda should include a clear-cut purpose and objectives, and it should be circulated to attendees in advance of the meeting. If the design of a meeting agenda remains unchanged for a long period, recipients may look at it less closely and have difficulty distinguishing between important and unimportant topics. Therefore, the design should be refreshed periodically.

During the meeting itself, the progress of agenda items should be tracked carefully. The chair of the governing body should limit extraneous input, comments, and personal agendas. A question-and-answer or “other business” section should be built into the agenda to encourage participants’ involvement and to address outstanding issues that members might have.

Most high-performing governing bodies meet five to seven times a year, with each meeting lasting two to three hours. Longer meetings tend to burn out member enthusiasm and make discussion less productive. More frequent meetings may be necessary if the organization is addressing a health crisis or facing political or financial challenges. If a board is required by law or regulation to meet more frequently (for example, monthly), consider hosting guest speakers, continuing education workshops, or strategic planning retreats.

Meetings should be structured so that about 80 percent of the time focuses on the future and strategies for dealing with expected problem areas and 20 percent of the time is devoted to a review of past history.

Meeting Information

Effective decision making requires good information that drives discussion and supports the consensus needed to take action. Unfortunately, too many governing bodies encounter five fatal information weaknesses, as shown in exhibit 10.10. In considering the information to be provided, remember that a governing body has limited time. If it spends hours sorting out unnecessarily complex information, it might not have time to address other significant and strategic matters.

As the meetings occur, someone needs to take minutes to ensure that key actions, information, and conclusions are captured and stored for the future. The following practical guidelines can help ensure that the minutes are taken in a form that is accessible and usable for future decision making:

- A staff person should be assigned the role and the resources to take notes on information flows and decisions made by the board.
- The minutes should capture key points, but they should not be so detailed that they inhibit open discussion or become too long to read.
- Where applicable, the minutes should include charts or graphs to help visualize activities.
- The minutes should be made available in digital formats.
- Members should be given the opportunity to challenge or edit any errors in the minutes.

Meeting Venues

Meetings can be more interesting and more productive if they occasionally occur in different settings. Almost any location can serve as a meeting venue as long as it meets the following basic criteria:

EXHIBIT 10.10
Five Fatal
Information
Weaknesses

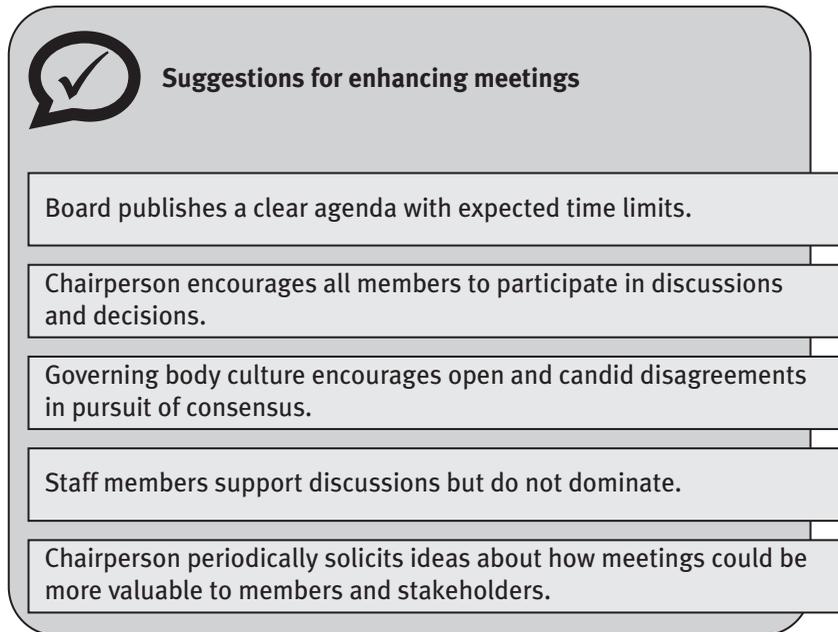
Information is . . .		Practical ways to deal with each of these challenges
 . . . nonexistent	Ask management for regular reports on client/patient care, service delivery trends, and current finances.	
 . . . not provided with enough time for members to digest it	Ask experts to provide clear and easy-to-understand information at least three to five days in advance of each meeting. Request a short interpretation of data messages and trend implications.	
 . . . not provided in a way that is easy to understand	Data should tell a clear story if shown in charts, pictures, or graphs. If accompanied by footnotes, trends and implications should be summarized.	
 . . . too verbose or complicated	Ask management for one-page summaries of all data reports. Trust leaders and subcommittees to do deeper analysis of complex data.	
 . . . inaccurate or even dishonest	Be very clear about expectations for timely and accurate data. Ask for second opinions. Praise reports that are transparent, honest, and clear. Replace staff who cannot provide information that meets these criteria.	

- The location is comfortable and safe.
- It is easily accessible, even for vulnerable and marginalized participants.
- It is located close to where health services are provided.
- It provides audio-visual capabilities.
- It offers basic refreshments.

Meetings that occur once or twice a year can be scheduled in different venues to add interest and energy. Alternative locations to consider may include schools, hospitals, government buildings, health centers or screening clinics, and even buses or mobile settings that visit various organization sites (e.g., clinics, satellite offices) and carry out discussions on the road.

Continual Meeting Improvement

As with all practices and processes, good governance is enhanced when members remain ready to continually improve what they do and how they do it. Specific suggestions for meeting enhancement are provided in exhibit 10.11.²⁰

EXHIBIT 10.11**Suggestions
for Enhancing
Meetings**


Suggestions for enhancing meetings

- Board publishes a clear agenda with expected time limits.
- Chairperson encourages all members to participate in discussions and decisions.
- Governing body culture encourages open and candid disagreements in pursuit of consensus.
- Staff members support discussions but do not dominate.
- Chairperson periodically solicits ideas about how meetings could be more valuable to members and stakeholders.

A governing body will often work for a consensus decision, but it may need to settle for a simple majority vote. In health services organizations, members do not “vote their shares,” with one individual being able to outvote the rest. Instead, they reach a common understanding of the issues and hopefully achieve near-unanimous support of the final decision. At the same time, disagreement can have value, in that it can help the board to explore many facets of an issue before arriving at a wise choice. A governing body that is always in agreement may be suffering from **groupthink**—a condition in which the group weakens its decision making by inappropriately reaching consensus without considering alternative approaches or assumptions.²¹ Groupthink can stifle member enthusiasm and result in missed opportunities for smarter problem solving and service innovations.

groupthink

A condition in which the group weakens its decision making by inappropriately reaching consensus without considering alternative approaches or assumptions.

Element 11: Board Work Technology

To make good decisions, boards must have easy access to essential information about the various topics under discussion. This information must be accurate, honest, easy to understand, and readily available. This section examines the role of technology in developing, managing, and using information in decision-making processes to support effective governance.

financial performance, operations, service to patients, human resources, quality of care, customer service, and patient safety. Dashboards are helpful for monitoring an organization's progress in fulfilling its mission and meeting its goals. The governing body typically receives an integrated quarterly report covering programs, operations, and financial issues, with a brief narrative summarizing the past quarter's performance and drawing attention to trends of note.

Web Portals

As internet access have expanded in low-income countries, **web portals** have become more feasible as an option to support the work of governing bodies. A web portal is a basic website where the materials that members need for their work are stored. When used correctly by all parties, portals can improve the quality and efficiency of the information exchange between the board and management staff.

The benefits offered by web portals include the following:

- Time and cost savings (no need to print voluminous materials prior to meetings)
- Better-prepared members (round-the-clock access to relevant information)
- Better-educated members (access to helpful references and resources for capacity development)

In addition, portals can streamline the following tasks:

- Member and manager communication and document sharing
- Oversight procedures
- Staff updates to meeting information

Cell Phone Applications

The use of mobile phones and tablets is expanding worldwide, and these technologies are increasingly being used by boards to improve their work and make better decisions. A cellular phone or tablet can enable two-way communication among governing body members, managers, and health workers, which means that information can be pushed or pulled to enable more responsive and reliable decision making.

Information that can be pushed to members' devices includes the following:

- Meeting agenda reminders
- Progress reports tracking service utilization goals
- Community events to build stakeholder relations
- Monthly financial reports

web portal

A basic website on which all the materials needed for a work function are stored.

- Stock-out reports
- Staffing vacancies

Information that can be pulled from members' devices includes the following:

- Responses to policy changes
- Board self-assessments
- Availability for special meetings
- Ideas to improve service utilization

As internet bandwidth and coverage continue to improve, new web-based applications are being adopted to move information for board decision making to and from members' phones. Management Sciences for Health has developed the Govern4Health software application to demystify health governance and provide practical tasks and activities for health leaders, managers, and people who govern. The app, which is free to download, offers evidence on why governance matters, a tool to assess gender responsiveness, and a variety of tips for continual governance enhancement.²²

Summary

Good governance for health is a mission-driven and people-centered decision-making process carried out by a group of entrusted leaders who have the responsibility to protect, promote, and restore the health of the people being served. An organization's governing body—often known as a board of directors or a board of trustees—sets strategic direction and objectives; makes policies, laws, rules, regulations, and decisions; raises and deploys resources; and oversees the work of the organization. It seeks the best ways for the organization to achieve its strategic goals and objectives and enhance its long-term vitality.

This chapter has identified five essential practices of good governance: (1) creating a culture of responsibility, (2) engaging stakeholders, (3) setting a shared strategic direction, (4) stewarding resources responsibly, and (5) continuous improvement of the first four practices. The chapter has also explored 11 essential elements of a good infrastructure for effective board work: (1) types of governing bodies, (2) roles and responsibilities, (3) performance indicators, (4) board size, (5) effective committees, (6) competency-based governance, (7) recruitment of members, (8) stakeholder relations, (9) governance policies, (10) effective meetings, and (11) board work technology. Across these practices and elements, the chapter has presented a wide range of concepts, guidelines, and suggestions to support stronger health systems and better health outcomes.

Scenarios for Discussion

Rather than provide traditional discussion questions, we have provided a set of five scenarios that can be used for group discussion to support the application of SMART governance in realistic settings. Readers should work through the scenarios using the concepts presented in the chapter.

Scenario 1: Policy to Address a Global Health Problem

By 2025, sub-Saharan Africa will overtake the rest of the world in prevalence of and mortality from noncommunicable diseases (NCDs). The double burden of HIV/AIDS and NCDs will exert a major toll in the region in terms of lost economic opportunities and slowed poverty-reduction initiatives, particularly because it will largely affect the most productive age group (i.e., people between 20 and 45 years of age). HIV and NCDs share similar health system challenges and also disease screening and management algorithms. How can good governance prepare sub-Saharan African countries to address this expected double challenge?

Scenario 2: Role of Local Health Organization Boards

Imagine you are a senior staff member of the Strathmore University program in health services management in Nairobi, Kenya, and Kenya's Ministry of Health has contracted with your program to develop a training program for the decentralized county health boards. With a new constitution enacted in 2010, Kenya created a devolved system of government with 47 counties, each headed by an elected governor. Health services were devolved to the counties, with the national government, through the Ministry of Health, retaining the functions of policy formulation and the setting of quality standards. Transition to the devolved system of government posed some challenges for health service provision, particularly in terms of the following leadership, management, and governance issues:

- Problems with redeployment of health workers to the counties (e.g., lack of harmonization of terms of services, lack of training for health workers on new leadership and management responsibilities)
- Lack of training for the various boards of management on their key roles
- Lack of clarity regarding the roles of the national and county governments in purchasing and deploying vital diagnostic and treatment equipment

The Parliament has asked each county to form its own governing body from civic and business leaders. The terms of reference for these new bodies must

be drafted within two months for consideration as a regulatory act in Parliament. What are the key considerations you would weave into this proposed new policy? What should be the essential roles and responsibilities of the county health boards?

Scenario 3: Conflicts of Interest

As a local restaurant owner, you have served on the Western Cape Provincial Health Council in South Africa for the past three years. You and the chairperson have become increasingly nervous that the behavior of a small number of your colleagues on the governing council might be unethical and that conflicts of interest might be affecting their decision making at meetings. One of the board members has a construction company and seems to be steering the procurement to build two new health centers to his friends. You have organized a meeting with the hospital's CEO and chairperson to discuss ways to update policies and procedures for the coming year. How should you best prepare for this meeting?

Scenario 4: Board Education

The Parliament of the Czech Republic wants to improve the quality of pharmaceuticals available for elderly patients with chronic disease. Low-quality generic drugs for diabetes have been coming into the country from India and need to be better regulated. You are serving on the new National Board for Quality of Essential Medicines, and you have been asked to prepare a comprehensive educational program for the board. The program needs to cover the board members' roles and the challenges they face in overseeing the manufacture and distribution of safe and effective pharmaceuticals for diabetes. You have 90 days to recommend your approach. How would you develop the work plan for this challenge, and what forms of educational materials and experiences would you consider?

Scenario 5: Board Meetings

Your private hospital has monthly board meetings that now last more than five hours. Discussions drift between considerations of quality of care, loss of money, changes in the supply of health workers, and bickering about the lack of diversity on the board. Board members also complain about the poor quality of information provided to the board by management just two days before the meetings. The morale among board members and managers is low, and frustrations are building to an unhealthy level. You have been asked to form a three-person committee to assess the situation and suggest ways to improve meeting quality. How would you evaluate the scope of the problems? What types of changes do you think the committee should consider to ensure that board members and managers feel their time and talents are being well used to serve the mission of the hospital?

Notes

1. Terms of reference (TOR) are documents used by multinational aid and finance organizations to define the scope of responsibilities for leaders, boards, and organizations that are expected to deliver value for money in defined contracts. For more information, see the World Bank's *Writing Terms of Reference for an Evaluation: A How-to Guide*, available at http://siteresources.worldbank.org/EXTEVACAPDEV/Resources/ecd_writing_TORs.pdf.
2. Civil society organizations (CSOs) exist in all countries as a “third sector” between public-sector government and private-sector commercial companies. The terms *CSO* and *nongovernmental organizations (NGOs)* are often used interchangeably.
3. The organization Transparency International has called for good governance of healthcare organization across the globe. For more information, see www.transparency.org.uk/wp-content/plugins/download-attachments/includes/download.php?id=1407.
4. The authors recognize that nongovernmental and private-sector health systems in low- and middle-income countries today are playing a more significant role in health services delivery. For insights into the growing role of private health services organizations, see the World Health Organization (WHO) paper available at www.who.int/bulletin/volumes/91/3/12-110791.pdf.
5. See www.usaid.gov/sites/default/files/documents/1864/HSS-Vision.pdf to review the health systems strengthening policy framework presented by the US Agency for International Development.
6. Per correspondence with Mahesh Shukla, Management Sciences for Health, and meetings with the African Union in Addis Ababa, Ethiopia, in summer of 2015.
7. *Managers Who Lead* can be accessed at www.msh.org/sites/msh.org/files/mwl-2008-edition.pdf.
8. A discussion about Six Sigma in healthcare can be accessed at www.isixsigma.com/industries/healthcare/six-sigma-powerful-strategy-healthcare-providers/.
9. The Global Fund's governance policies can be found at www.theglobalfund.org/en/governance-policies/. Recommendations from the World Health Organization can be accessed at www.euro.who.int/__data/assets/pdf_file/0019/171334/RC62BD01-Governance-for-Health-Web.pdf. Information from the World Bank is presented at www1.worldbank.org/publicsector/anticorrupt/Corruption%20WP_78.pdf, and information from the Organisation for Economic Co-operation

and Development is at www.oecd.org/els/health-systems/governance-health-systems.htm. The Center for Healthcare Governance of the American Hospital Association presents a governance tool kit at <http://trustees.aha.org/boardeval/archive/tools/competency-based-governance-tool-kit.pdf>.

10. For evidence that good governance matters, see the sources provided by the US Agency for International Development (USAID) at www.hfgproject.org/governance-workshop/.
11. On July 23, 2014, the USAID Health Finance and Governance (HFG) project hosted a one-day workshop at the National Press Club in Washington, DC, about generating evidence of governance contributions to health outcomes (see the website in the previous note). The event brought together health and governance professionals from USAID, prominent external organizations such as the WHO and the World Bank, and implementing partners to discuss key evidence gaps and to develop an action plan to address them. A list of participants is available at www.hfgproject.org/wp-content/uploads/2014/09/July-23-2014-USAID-HFG-Governance-Workshop-Participant-List.pdf.
12. The model guiding these practices was developed by colleagues in Management Sciences for Health in a USAID-funded Leadership, Management, and Governance Project, under cooperative agreement NO. AID-OAA-11-00015; used by permission.
13. The WHO lists a variety of indicators in *Monitoring the Building Blocks of Health Systems: A Handbook of Indicators and Their Measurement Strategies.*, which can be accessed at www.who.int/healthinfo/systems/WHO_MBHSS_2010_full_web.pdf. In addition, USAID's *Vision for Health Systems Strengthening* report, available at www.usaid.gov/sites/default/files/documents/1864/HSS-Vision.pdf, offers a number of illustrative indicators on page 21.
14. Concepts in this discussion have been adapted from a presentation by James Rice for the Management Sciences for Health (MSH) Leadership, Management and Governance Project meeting accompanying the 13th World Congress of the World Federation of Public Health Associations in Addis Ababa, Ethiopia, in 2012.
15. For insights into the concept of appreciative inquiry (AI), see the materials provided by the AI Commons at <https://appreciativeinquiry.case.edu/>.
16. See www.who.int/social_determinants/en/ for resources provided by the WHO about the social determinants of health.
17. The Collaboration for Impact offers a variety of resources about collective impact at www.collaborationforimpact.com/collective-impact/.

18. A complete sample policy from the Global Fund can be accessed at www.theglobalfund.org/en/governance-policies/. A policy from the International Planned Parenthood Federation (IPPF) can be accessed at www.ippf.org/sites/default/files/ippf_code_of_good_governance.pdf.
19. Additional information about the CEO performance review process is available at www.integratedhealthcarestrategies.com/Library/KnowledgeCenter/articles/executive-consulting-strengthening-the-ceo-performance-review-process.
20. For another perspective on meeting enhancement, see the *Fresh Tracks* article at www.freshtracks.co.uk/ten-reasons-why-meetings-fail/, which identifies a set of ten meeting problems that should be avoided. Another set of suggestions, drawn from the work of school boards, is available from Charter Board Partners at www.publiccharters.org/wp-content/uploads/2014/09/Paper-Governance-Best-Practices-for-Highly-Effective-Charter-School-Boards.pdf.
21. For more information about groupthink, see the Psychology Today resource at www.psychologytoday.com/basics/groupthink.
22. See www.lmgforhealth.org/Govern4HealthApp for more information and access to the Govern4Health app.

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