Creating a process for assessing leaders reinforces a commitment to governance accountability and continuous improvement.

A board committed to continuous improvement realizes that the value of assessing its performance goes beyond meeting Joint Commission or other external requirements. It knows that regular self-evaluation gives it the information needed to understand and build on its strengths and identify and minimize its weaknesses. Performance evaluation also allows the board to demonstrate its commitment to improving performance, even as it holds the CEO and the rest of the organization accountable for doing the same.

That is why during the past 20 years, board evaluation has expanded to include more than periodic full-board performance assessment. Many boards now also evaluate individual member performance at least once during each member’s term and take the time to assess the quality of board and committee meetings.

These evaluation practices are moving into the governance mainstream, but evaluating the performance of board leaders, especially the board chair, has received less attention.

A lack of focus on board-chair evaluation is not really surprising. Today, many boards still feel uncomfortable about assessing the performance of individual members. After all, most hospital trustees serve voluntarily without compensation. Somehow, pointing out weaknesses and requiring action plans to address them seems at best ungracious and at worst asking way too much of a good-hearted volunteer—especially someone who goes the extra mile and agrees to “lead the leaders.”

Unfortunately, today the stakes are too high for boards to lose the will to evaluate performance at the top. No single board member has the opportunity to have greater influence on the board’s success than the chair. Through establishing meeting agendas, presiding over meetings, guiding the board’s decision-making processes, influencing the selection of board officers and committee chairs, and working most closely with the CEO, the board chair has enormous effect on determining the board’s work and how well the board accomplishes it.

An effective board uses several mechanisms to ensure that the board chair remains accountable to the board. The board can avoid having a chair who exercises inappropriate authority and set its chair up for success by providing constructive feedback about what he or she is doing well and how to lead more effectively. One way the board can achieve these goals is to put in place a systematic, objective process for evaluating the chair that seeks input from all board members.

**Board Chair Performance Evaluation Process**

To build upon a history of conducting meaningful performance evaluation and to reinforce a commitment to governance accountability and continuous improvement, boards can take the following steps to facilitate an effective board-chair evaluation.

1. **Establish a written job description for the position of board chair.** This document clearly defines what is expected of the board chair and establishes clear parameters for what the board chair must and must not do.
very act of developing this job
description will help take what has
been implicit in the chairperson
role and make it explicit and sub-
ject to discussion among board
members. This results in clarifying
expectations and defining the role
and relative authority of the chair-
person position, which is the first
step in performance evaluation.

3. Develop and apply a clearly
defined process for conducting
the board-chair performance
evaluation. The process should be
linked to the board chair’s term(s)
of office and used by the board in
determining whether to renew the
term of the chair. Steps in this
process should include:

- Agreeing on a formal, written
  job description for the position
  of board chair.

- Agreeing on a written set of per-
  formance evaluation criteria
drawn from the job description.

- Establishing the time frame for
  the performance evaluation.
  For example, if a board chair has
  a term of two years, with a maxi-
  mum of two consecutive terms,
  performance evaluation might be
  conducted six months prior to
  the expiration of the first term so
  that the results can be used by
  the board to determine whether
  the chair should be elected to a
  second term, and if not, allow
  enough time for the board to
  select another chair.

- Gathering the data. First,
each board member is asked to
complete an evaluation of the
board chair using a standard
form containing the criteria
from the job description. These
assessments are completed
anonymously. Next, a commit-
tee of the board aggregates
and analyzes the results of the
evaluations.

- Sharing the results. The results
are then presented to the full board
for discussion in a session where
the board chair is excused. The full
board agrees on the outcomes of
the evaluation and on the feedback
that will be given to the board
chair. Several board members are
then charged with meeting the
board chair to communicate the
board’s feedback, including the
decision about whether an addi-
tional term is appropriate or not,
along with other recommendations
for improvement.

- Making modifications. The
results of the evaluation are then
used to modify and refine the
board-chair job description and
subsequent evaluation processes.

Ensuring a commitment to candid,
constructive performance evaluation
is central to a leadership culture that
values continuous improvement,
because the quality of governance
that was sufficient to get us to where
we are today will be insufficient to
get us to where we need to be tomor-
row. This same thinking applies even
more strongly to evaluation of the
board chair, because no one has more
influence than the chair on the
board’s overall effectiveness.

James E. Orlikoff is senior consultant
and Mary K. Totten is director of con-
tent development for the Center for
Healthcare Governance, a community of
board members, executives and thought
leaders dedicated to advancing excel-
lence, innovation and accountability in
healthcare governance.

Center for Healthcare Governance
1 N. Franklin St., Ste 2800
Chicago, IL 60606
(888) 540-6111

Governance Insights
Reprinted from
Healthcare Executive
JAN/FEB 2009
ache.org