

Board Education: Raising the Bar

by Pamela R. Knecht

In some boardrooms, the topic of education for trustees elicits yawns, groans or even downright resistance. This may explain why findings from the AHA's Center for Healthcare Governance *2014 National Health Care Governance Survey* indicate a decline in every type of board education since the last survey (see Figure 1).

Given today's complex, rapidly changing environment, this situation is untenable. All board members must become and stay educated about myriad issues to govern their organizations effectively. Great boards, therefore, are "raising the bar" on board education. They are making time to determine exactly why their members are not sufficiently educated; they are taking responsibility for their own education; and they are holding their members accountable for being educated about the issues that matter.

Challenges to Effective Board Education

All board members know they must continually update their skills and knowledge to be effective overseers of their organizations, but there are significant challenges to actually making that happen: lack of time, increased complexity, unclear authority and insufficient expertise.

In my experience, the reason for insufficient board education is lack of time for both board member attendees and those who design and deliver the education—CEOs, C-suite executives, general counsels and governance staff. Some board members report spending as much as 100 – 125 hours a year preparing

for and participating in board and committee meetings; yet, most have "day jobs," and 88 percent of hospital and health system board members are not compensated outside of reimbursement for out-of-pocket meeting-related expenses for their board service, according to the *2014 National Health Care Governance Survey Report*, AHA's Center for Healthcare Governance.

And, many health system CEOs tell us they spend one-third to one-half of their time in board-related activities.

In addition to the above challenges, governance issues are getting more complex. For instance, it is now necessary for hospital and health system board members to have working knowledge of the massive transformation occurring in how health care organizations will be paid (e.g., based on quality outcomes for entire populations across the full continuum of care). This requires a different level of understanding and engagement than simply learning about fee-for-service reimbursement and payer mix.

Lack of clarity about who has the responsibility and authority to develop and implement board continuing education is likely another reason some boards are insufficiently educated. Far too many boards rely solely or heavily on the CEO and other senior managers to determine what education is needed and how it should be delivered. These boards often have not taken enough ownership of and accountability for their own educational needs, so the education they receive may not meet their expectations or individual requirements.

	2011	2014
Publications	83%	76%
On-site speakers	76%	75%
Destination educational events	72%	72%
Webinars and podcasts	N/A	33%
Membership in an outside governance support organization	36%	33%
Online education	35%	31%
Other	10%	10%

Source: *2014 National Health Care Governance Survey Report*, AHA's Center for Healthcare Governance.

A related challenge may be a more insidious problem in health care – insufficient expertise in the design and delivery of excellent educational content. In my experience, far too few health care organizations have senior-level individuals with expertise in executive education/development and organizational development/change. Most other fields have known for decades that their people are their most important resource and have hired executives and managers who understand adult learning theory, instructional design, change management and other related areas of expertise. All of these practices are applicable to educating board members, many of whom are executives in their “day jobs.” For instance, executives tend to value logical, data-based information and are most engaged when discussing challenging or strategic issues that are relevant to their organization.

Foundational Structures and Plans

To combat these challenges, the best boards are instituting a number of changes to ensure each of their members and leaders is sufficiently knowledgeable to perform their oversight responsibilities. In this context, “education” is the process of developing individuals’ knowledge, skills and attitudes.

Highly educated boards formally charge their Governance Committee (via a charter) with overseeing all aspects of board, committee and leader education – orientation, continuing development/education and evaluation. Governance Committees that follow best practice have developed a comprehensive Board Education Policy and Plan. This plan is a formal, systematic approach to learning that includes a series of educational/developmental events conducted over time to achieve specific objectives.

Well-developed board education plans include the following components:

- A board education policy that clearly states expectations for all board and committee members (e.g., mandatory attendance at orientation; requirement to participate in a minimum of 30 hours of education annually; board member responsibility for their own education to

keep up with health care and local market issues and trends.)

- Agreed-upon principles regarding board education programs (e.g., must be aligned with the organization’s mission, vision and values; must focus on organization-specific strategic issues and initiatives; must utilize methods that are based in adult learning theory);
- Identification of various audiences and their educational needs (e.g., new board members; existing board members; potential board and committee chairs);
- A comprehensive orientation program for all new board and committee members (e.g., facility tours and mentoring in addition to presentations by board leaders and senior management);

Some “Hot” Board Education Topics

- ◇ Moving to Value-Based Reimbursement
- ◇ Healthcare Trends 2020
- ◇ Addressing the Triple Aim
- ◇ Board Oversight of Quality and Safety
- ◇ Consumerism’s Impact on Healthcare Organizations
- ◇ Strategic Partnerships and Affiliations
- ◇ Evidence-based Health care Leadership
- ◇ Creation and Governance of Physician Organizations
- ◇ Conflict of Interest Management
- ◇ Aligning Governance Structures with the Organization’s Strategy
- ◇ Governing Systems of Care
- ◇ Committee Optimization
- ◇ Community Health Needs Assessment and Assurance

- Individual development/educational plans for each board member (e.g., identification of each member’s areas for improvement and a customized, individualized development/education plan to address those areas);
- Targeted board leadership development and succession plans (e.g., written leadership position descriptions including expected competencies; identification of “high potential” leaders; individualized development plans including rotations through key committees);
- A continuing education program for the full board that includes:
 - A clear set of topics and the recommended sequencing for addressing them (see side bar on this page for some current topics)
 - Specific learning objectives for each educational session
 - Recommended educational methods (e.g., internal retreats; regular board meetings; outside conferences; reading materials);
- Master board and committee calendar that shows the timing of all orientation sessions, educational events and retreats over the next 12-24 months (see Figure 2 for an example);
- Direct link to the annual board self-evaluation process (e.g., topics for additional education are identified through the full board self-assessment and individual self-assessments);
- Annual budget to support the entire board education plan.

Advanced Educational Practices for Boards

Specific techniques used by high-performing boards that have raised the educational bar include:

- Reserve time for some education at each board and committee meeting (e.g., provide 20-30 minutes of edu-

cation on a topic about which the board will need to make a decision in the near future).

- Assign a specific article for pre-reading and ask a board or committee member to lead an interactive discussion on that topic.
- Require that board members who attend external conferences/ educational sessions share what they learned with the full board or relevant committee.
- Ensure that education on specific topics is made available to board members as part of their individual development plan that flows from their own board member self-assessment.
- Provide the full range of educational methodologies (e.g., articles and books; case studies; webinars; interactive, web-based learning; on-site presentations by internal experts; off-site/external presentations/ conferences; board retreats; on-site educational sessions with external experts).
- Do “rounds” with clinicians to better understand health care delivery.
- Require that all educational sessions include facilitated discussions of the potential implications of the topic for the hospital/ system.
- Use a secure board portal to provide multiple resources (e.g., history of the hospital/system; bylaws; relevant articles; webinars; videos of presentations given by internal or external experts).
- Change the board meeting calendar to ensure that two

to four meetings a year are dedicated solely to in-depth education on a critical topic.

- Conduct at least one board retreat a year, ideally two, to allow sufficient time for discussion of educational topics.
- Ensure that there is sufficient expertise within the management team to provide knowledgeable support to the Governance Committee as it oversees board education.
- Add to the Governance Committee some members with expertise in training and development.
- Hold individual board and committee members accountable to the board education policy requirements (e.g., do not reappoint members if they have not met the expectations for orientation or continuing education; revisit the board selection process to ensure potential members are willing and able to commit the time needed for current educational requirements).

- If necessary, revisit board structures and practices (e.g., number and type of committees; meeting frequency) to free up time for full board and board and committee member development.

Conclusion

Boards must elevate their own performance to ensure they are providing the level of oversight now expected by regulators, accreditation agencies, and most importantly, people in the communities they serve. Carefully constructed, rigorous, individualized board education and development is essential to assure high-performing governance now and in the future.

Pamela R. Knecht is president and CEO of **ACCORD LIMITED**, a Chicago-based governance and strategic planning consulting firm. She can be reached at pknecht@accordlimited.com.

Figure 2

