

# How a Board Self-Evaluation Triggered Improved Board/Medical Staff Relations

Yaffe & Company Case Study

## Challenge

Shortly after the new CEO arrived at the rural 60-bed community hospital, he knew a big challenge lay ahead of him. The employee and medical staff morale was low, and they lacked a trust and confidence in the executive staff and board of trustees. Board members expressed concern about their own effectiveness, as well as issues with the employees. Even the competitors were aware of the hospital's internal issues, particularly the lack of a strong, collaborative strategic plan with its physicians, and they began encroaching into their market. The CEO and board knew they needed to make changes, and they approached Yaffe & Company to assist them.

## Objectives

1. Assist the hospital in identifying their problems
2. Facilitate the initiation of a plan for improvement
3. Help the CEO and board institute a process to ensure consistent progress of the plan
4. Monitor and regularly reassess board effectiveness

## Solution

Yaffe & Company first surveyed board members about their own effectiveness in various areas. The average rating of the board self-evaluation was a middle-of-the-road 3 out of 5 (with five being the best). The three main areas of concern identified by the board related to:

- development of the hospital's strategic plan
- board members' education and development
- board/medical staff relations



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STRENGTHENING GOVERNANCE

Next, Yaffe surveyed the physicians to ascertain their overall view of the hospital's performance. The three areas rated the lowest by the physicians all dealt with a lack of information and responsiveness from the board and senior leadership.

In order to collaborate on the identified issues in the hospital, the board, executive staff, and medical staff leaders all gathered to attend a full-day offsite retreat. Two Yaffe team members, a career governance consultant and a former hospital CEO, presented the survey results and facilitated an open and forthright discussion among the attendees, with no preconceived notions of what the outcomes should be. During the retreat, participants vented frustrations, but also laid out what needed to be worked on. As an outgrowth of that retreat, a two-year action plan was devised with the objective of building a stronger foundation to assure the future success of the institution. Then each board committee created a working committee to develop a specific plan to present for approval to the full board. After this, the board, executive team, and medical staff worked together toward achieving these plans. For example, one such plan included the Board making a commitment to enhance communications with the Medical Staff about major decisions, both before and after those decisions were made. This addressed the issue of trust and confidence between the staff and board and greatly improved the situation.

Eighteen months after the initial survey, the board once again conducted the same survey. What a difference. The board's overall average rose significantly to 3.9 out of 5, with the strategic planning and management oversight concerns scoring more than a full point higher than they had initially.

## Result

The implementation of the hospital's plans greatly strengthened the board and executive staff relations with the medical staff and employees. The new efforts and commitments resulted in marked improvement in the hospital's ability to recruit new doctors, begin new outreach clinics, and improve market share in the community.

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*Annually, or at least every other year, conduct a board self-assessment. While one survey alone is an excellent tool for assessing how the board feels it is doing and identifying areas for improvement, a comparison of the results with the previous year's results hone in on the persistent problem areas that require action to produce improvement.*

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**Now**, five years after the initial surveys were conducted, the hospital continues to annually survey its board with Yaffe & Company to monitor progress and ensure they aren't losing ground in already improved areas and that the board continues to develop and strengthen its relationship with the medical staff. And even though the hospital has had board and CEO turnover, the board self-evaluations have consistently remained 3.9 or higher.