



IOWA HOSPITAL
ASSOCIATION

Board Self-Assessment Guide

An evaluation of hospital governing board performance

A publication of the Iowa Hospital Association
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Introduction

This material has been prepared by the Iowa Hospital Association Council on Membership Services as a document by and for hospital trustees.

The Council is composed of hospital trustees and chief executive officers and has undertaken the preparation of this self-assessment document as a means to strengthen the governance function. Effective boards of trustees were never more important to hospitals than they are now. Self-evaluation is an important tool to be used to improve board effectiveness. We hope this document will further serve that purpose.

Why Self-Assessment

In this era of health reform and major changes in the health care delivery system, health care organizations are being challenged as never before. In many cases, external forces loom as a serious threat to institutional viability. Boards must be prepared to meet these challenges and to continue serving the needs of their communities. Self-assessment is a tool for boards to utilize to ask themselves how well they are prepared to meet these challenges.

Self-assessment can help show a board where its strengths lie as well as where improvement may be needed. It is an important function that should be an ongoing part of serving on any Iowa hospital or system board.

Guidelines for Effective Boards

The role of a health care governing board is to ensure that the hospital and/or system provides high-quality, affordable care which meets community and area needs. To carry out this role, governing boards need to effectively deal with several responsibilities, including:

- A. Establishing a mission and vision for the organization and approving goals, objectives and policies with a system for monitoring their implementation.
- B. Accountability for quality of care provided to meet this legal and moral responsibility the governing board must:
 - Establish and maintain effective medical staff credentialing;
 - Establish and maintain an effective system for quality control;
 - Establish a hospital and system-wide, total quality control system.
- C. Ensuring adequacy of funding both for current operations and future needs. Boards are responsible for reviewing and approving annual budgets, monitoring investment of monies not needed for day-to-day operation, raising capital for improvements and managing endowments.
- D. Planning for the future successful operation of the hospital/system requires development of a hospital strategic plan. In today's environment, planning requires assessment of community needs and services, assessment of the organization's capabilities and coordination with other health facilities and providers to develop a community based care network and integrated delivery systems that can function effectively in the current environment.
- E. An effective communications program where hospital/system policy and operations are understood by the citizens, community leaders and local government. The board should represent the organization to its communities and recognize the need to influence the broader political and economic environment in which the organization operates.
- F. Assuring that the organization is effectively managed through:
 - Recruitment, selection and retention of the best possible CEO;
 - Clear understanding of the roles of governance and administration;
 - Provision of adequate supplies, facilities, equipment and personnel to do an effective job.
- G. Ensuring the effective function of the board through:
 - Working together as a board by addressing issues using established policies and procedures.
 - Recruitment of interested, hard working members;
 - Comprehensive orientation for new members;
 - A planned program of continuing education for all board members;
 - Self-assessment to determine strengths and weaknesses.
 - Board succession planning.

How to Use These Materials

This assessment document for boards of directors and trustees is meant to be using the board's effectiveness.

Self-assessment should become a recurring process with a formal assessment performed at least once a year. Boards should review the goals, mission statement and strategic plan of the hospital prior to beginning the self-assessment. **Boards should tailor the questions included in this assessment as needed to fit their particular hospital/system.** However, questions that relate to the organization's strengths and those of its board members should not be omitted; it is as important for the board to be aware of its strengths as well as its deficiencies.

The value of this self-assessment depends to a large degree on the ability and willingness of the participants to be open and realistic as they answer the questions.

Boards should be prepared to take a hard look at their past performance, and based on what they see, be prepared to take steps to change their procedures, structure or composition to improve performance.

Following completion of the questionnaire by each board member, the questionnaire should be returned to the CEO, board chair, board committee chair, or outside consultant for tabulation and preparation of a report to the board at its next meeting. The meeting agenda should provide time for discussion and analysis of the results and preparation of plans to address areas that indicate need for improved performance. Future action may well include educational programs addressing needs identified.

Board Self-Assessment

The following two-part evaluation tool has been designed to help boards and board members to identify their strengths and weaknesses. The first part consists of a series of questions that evaluate the whole board. **If you are not sure of an answer, please leave it blank.** Part two is a short personal assessment for each member of the board.

Full Board Evaluation

Section 1

Some of the questions do not apply to all hospital boards due to statutory requirements. In those instances, please mark “question does not apply.” While a “yes” or “no could answer some of these questions” we believe it is important to ascertain the feeling of the board on these subjects. Therefore, we ask that you use the scale provided.

Using the following definitions of levels of performance, please indicate below your perceptions and evaluations of the Board’s work performance. Mark only those categories you feel able to evaluate board performance. Feel free to make additional written comments.

- 1 Strongly Agree
- 2 Agree
- 3 Disagree
- 4 Strongly Disagree
- 5 No opinion
- 6 Question does not apply

STRONGLY AGREE
 AGREE
 DISAGREE
 STRONGLY DISAGREE
 NO OPINION
 DOES NOT APPLY

Board Composition

- | | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 1. Recognizing statutory requirements, the board consists of a workable number of members (no more than 15) to function effectively and efficiently as a group. |
| 1 | 2 | 3 | 4 | 5 | 6 | 2. Board membership is reflective of the makeup of the community being served with needed professional skills/talents and appropriate racial and gender mix. |
| 1 | 2 | 3 | 4 | 5 | 6 | 3. If legally permissible, the chief executive officer (CEO) should be a member of the board. |
| 1 | 2 | 3 | 4 | 5 | 6 | 4. If legally permissible, the board should include one or more medical staff members. |
| 1 | 2 | 3 | 4 | 5 | 6 | 5. Prospective board members are identified by a nominating committee or through |

STRONGLY AGREE
 AGREE
 DISAGREE
 STRONGLY DISAGREE
 NO OPINION
 DOES NOT APPLY

another organized succession planning process.

- | | | | | | | | |
|---|---|---|---|---|---|-----|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 6. | The legal responsibilities and the potential liabilities of governance are clearly spelled out to board members. |
| 1 | 2 | 3 | 4 | 5 | 6 | 7. | Board members regularly attend board meetings in order to conduct business and make informed decisions. |
| 1 | 2 | 3 | 4 | 5 | 6 | 8. | Board members are protected against the potential liabilities of governance through indemnity arrangements, insurance and other measures. |
| 1 | 2 | 3 | 4 | 5 | 6 | 9. | Board members are appointed for a specified period of time with provision for reappointment, and with a limit on the number of terms. |
| 1 | 2 | 3 | 4 | 5 | 6 | 10. | Board members are required to disclose possible conflicts of interest before their appointment and periodically throughout their terms as trustees. |

Support for Trustee Education

- | | | | | | | | |
|---|---|---|---|---|---|-----|---|
| | | | | | | 11. | The board provides opportunities for development through: |
| 1 | 2 | 3 | 4 | 5 | 6 | a. | A formally established program for orienting members. |
| 1 | 2 | 3 | 4 | 5 | 6 | b. | Continuing education sessions for all board members, including discussions of local and national hospital issues. |
| 1 | 2 | 3 | 4 | 5 | 6 | c. | Reimbursement of expenses for local, state and national conference and seminar attendance. |
| 1 | 2 | 3 | 4 | 5 | 6 | d. | Subscriptions to periodicals on health care management and trusteeship. |
| 1 | 2 | 3 | 4 | 5 | 6 | 12. | Members are encouraged to identify areas where further board education is needed or in which additional information would be helpful. |

Board and Committee Procedures

- | | | | | | | | |
|---|---|---|---|---|---|-----|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 13. | The hospital/system has one or more statements/documents that are periodically reviewed and revised that identify the hospital's/system's direction and role (e.g., mission, vision, values, philosophy statements). |
| 1 | 2 | 3 | 4 | 5 | 6 | 14. | The board has a written set of bylaws that are periodically reviewed. |

STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NO OPINION	DOES NOT APPLY	
1	2	3	4	5	6	
						15. The roles, responsibilities, functions, relationships and authorities of the board members and officers, the CEO, and the medical staff are in a written statement (e.g., bylaws, policy, job descriptions, and procedures).
						16. The board conducts business using formal procedures, such as “Robert’s Rules of Order”.
						17. Board meetings are scheduled at appropriate intervals.
						18. The length of board meetings is realistically based on planned agendas.
						19. The board has the necessary information to arrive at responsible decisions.
						20. The board conducts its deliberations in a thoughtful and objective manner.
						21. The bylaws provide for a committee structure with board member participation allowing the board to fulfill its responsibility.
						22. Standing and ad hoc committees report regularly to the full board.
						23. Committees are reviewed annually with regard to composition, goals, responsibilities and performance.

Scope of Responsibility

						24. The board exercises its authority to make those policy and other decisions that the board should make.
						25. The board effectively fulfills its responsibility for establishing and maintaining the organization’s long-range or strategic plan.
						26. The board reviews the organization’s financial position on a regular basis, using budget reports and other documents in order to ensure long-range financial stability.
						27. A performance evaluation of the CEO should be done annually.
						28. The board has policies, a process and guidelines for reviewing and approving contracts for all professional services.

STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NO OPINION	DOES NOT APPLY	
1	2	3	4	5	6	
						29. The board makes informed decisions on medical staff appointments, reappointments and clinical privileges and fulfills its responsibility for a properly functioning medical staff.
						30. The board effectively monitors and evaluates all areas of performance, including quality of care.
						31. The board refrains from making decisions related to the implementation of policy that should be made by the CEO and management staff.
						32. The board refrains from making decisions related to the implementation of policy that should be made by the medical staff.
						33. The board seeks opportunities to communicate with the community regarding hospital/system services and programs and to inform and seek input to determine unmet health care needs.
						34. The board effectively represents the hospital/system in the political arena, influencing the decision-making process.
						35. The board actively participates in the fund-raising and development program.
						36. The board receives an accurate record of deliberations made during its meetings through the timely distribution of minutes.
						37. Board members receive meeting notices, written agendas with appropriate materials well in advance of meetings.
						38. Background material is supplied early enough for study before board meetings.
						39. Board members routinely receive relevant hospital/system publications, such as magazines, newsletters, bulletins, press releases, brochures and announcements.
						40. The board has adopted a policy and process to manage and reduce risk.
						41. The board receives sufficient status reports on the implementation of board actions and decisions.
						42. The board has established an effective means to promote open communications between the board, medical staff and hospital staff.

STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NO OPINION	DOES NOT APPLY	
1	2	3	4	5	6	
						43. The board receives feedback from the elected or appointed head of the medical staff on the implementation of board decisions affecting the medical staff, and generally shares information, ideas or concerns with the board.
						44. To facilitate communication among the board, the administration and the medical staff, various means are used such as:
						a. The President of the medical staff attends board meetings.
						b. A joint conference committee.
						c. Medical staff membership on board committees.
						d. Administrator and trustee attendance at medical staff meetings.
						e. Board membership on medical staff committees.
						f. Exchange of board minutes and medical staff minutes.
						g. Special ad hoc committees formed to deal with issues affecting the board, administration and medical staff.

Comments: _____

	VERY SATISFIED				VERY DISSATISFIED
How Satisfied Are You That You					
Understand the organization’s mission?	1	2	3	4	5
Have a positive working relationship with other board members and with the CEO?	1	2	3	4	5
Are knowledgeable about the organization’s major programs and services?	1	2	3	4	5
Follow trends and important developments in health care?	1	2	3	4	5
Understand the organization’s budget process and are knowledgeable about how funds are spent?	1	2	3	4	5
Prepare for, attend and participate at board meetings, as well as other activities of the organization?	1	2	3	4	5
Take advantage of opportunities to enhance the organization’s public image by periodically speaking to leaders in the community about the work of the organization?	1	2	3	4	5
Suggest agenda items for future board meetings?	1	2	3	4	5
Advise and assist the organization when your help is requested?	1	2	3	4	5
Participate in outside educational opportunities to remain current on changing health care issues and trends?	1	2	3	4	5
Understand the confidential nature of board deliberations and maintain privacy regarding issues and information discussed in board meetings?	1	2	3	4	5
Find serving on the board to be a satisfying and rewarding experience?	1	2	3	4	5

