

What makes a healthcare board great?

Michael Walsh, Partner Powerhouse Partners

Serving on a public healthcare board is an honour and a privilege. It is also an enormous responsibility and challenge. I have worked with many healthcare boards and have found that great boards understand the particular challenges of public sector healthcare services and are successful across seven dimensions.

These seven dimensions are over and above the generally accepted foundational requirements of board performance due to the complexity of the healthcare industry. The seven dimensions are at the strategic level recognising the important and different role of the board from the executive leadership and operations of the organisation. The seven dimensions that make healthcare boards great are:

1. **Safety** – keeping people safe
2. **Sustainability** – optimising resources
3. **Performance** – exceeding expectations
4. **Governance** – strong, clear and inclusive
5. **Strategy** – visionary, holistic and achievable
6. **Connection** – engaging and open
7. **Collaboration** – partnering across the system

Safety. Great boards make patient safety the number one priority. If services are not safe, the other dimensions are unimportant because the board is unlikely to survive the dissatisfaction of the community. Great boards regularly review, at a strategic level, quality and safety outcomes, systems, processes and structures. Great boards promote and support staff to live a safety culture. Patient, staff and visitor safety is considered in all decision making.

Sustainability. The community and healthcare funders expect healthcare boards to optimise their resources and live within their means, particularly in an environment where healthcare budgets are growing faster than nearly any other area of public expenditure. Great boards continuously review investment decisions to stay on budget and to remain confident they are using available resources wisely. Great boards also ensure sustainability over the long term by including demand management, service reform and service expansion in their strategy. Great boards understand the complexities of demand management and drivers of expenditure. They ensure that financial responsibility and decision making is vested in capable people working as close to patients as possible.

Performance. Great boards focus on exceeding expected performance and know that data alone is not meaningful information for decision making. They understand the key performance indicators and what they mean for their organisation. They are proactive in addressing deteriorating performance and often identify additional lead indicators in areas of concern. They achieve a balance between too few and too many indicators and insist that information presented is understandable and aids decision making.

Governance. Great boards govern strongly and inclusively. They ensure the accountability and risk management frameworks are contemporary and their strategic decisions are clear. They know that communicating openly, listening to senior and other staff within the service and regularly

visiting and walking around and talking with staff, patients and visitors is all part of governing. They ensure the role of the board is separate from the role of the executive, but they also know it's important to understand the culture, mood, attitudes and approaches of people working in and accessing the healthcare services.

Strategy. Great boards are proactive, not passive. They are continually and actively looking to see how healthcare can be improved, reformed or become more sustainable. Great boards prepare the organisation for the future. Great boards take a strategic approach to reform and are ambitious but realistic. They understand the broader healthcare reform agenda including evolving funding models (e.g. value-based care); evolving service models (e.g. virtual care); evolving digitisation (e.g. clinical decision support and artificial intelligence); and, evolving clinical models (e.g. personalised medicine). They ensure their strategy is holistic (e.g. integrates digital transformation into service reform), has a clear roadmap to move from current state to future state and is supported by an investment roadmap that is refreshed on an annual basis. Great boards understand the change management challenges and take an inclusive approach to strategy development and celebrating successes.

Connection. Healthcare services are highly valued by the community. Great boards maintain open and strong communication with key community decision makers, influencers and partner organisations. Great boards understand reputational risk and have a communication plan that includes regular input from consumers and the community, and local elected officials, media and significant businesses. Great boards ensure that any member of their community can provide them feedback.

Collaboration. The healthcare sector is a complex eco-system and, in the case of state or territory healthcare boards, they are part of a networked system of healthcare services. Great boards are good partners. They understand their ecosystem (and the sometimes competing priorities and funding incentives) and they are open to new ways of working and negotiating priorities with other services to strengthen the value of their service, improve the ecosystem as a whole and ultimately improve patient care.

The seven dimensions are not just a set and forget checklist. Great boards excel on these seven dimensions and regularly revisit how they are going to identify opportunities for improvement.

Is your health board great?



Michael Walsh was Director-General of Queensland Health from 2015 to 2019 leading a Department of Health and statutory public hospital and healthcare services providing healthcare to the approximately five million people in Queensland. Michael now works as an advisor assisting boards and organisations to simplify the complex, achieve real improvements and thrive in challenging environments. Michael provides strategic advisory services in leadership development, health service strategy, governance, digital transformation, change management and program assurance. Michael can be contacted by email at: Michael.Walsh@powerhousepartners.com.au Website: <https://powerhousepartners.com.au>