New Blood for Your Board

Younger trustees add a powerful dynamic to boomer-heavy hospital boards. But getting them to commit involves some different ways of doing things.

Louito Edje, M.D., is used to being the “kid in the room.” The family practice doctor was 16 when she entered college at the University of Michigan, and 38 when she became the chief of staff at Promedica St. Luke’s Hospital in Toledo — the youngest person to hold that position in the hospital’s 100-year history.

Now 43, Edje is on the boards of directors at St. Luke’s and Toledo Children’s hospitals, where she is sometimes the lone voice younger than 50.

Her relative youth “absolutely” makes a difference, Edje says. Last year, when the Children’s board was doing its end-of-year assessment, she spoke up about one significant way they were behind the times. “I said, ‘We need to get rid of these huge board books, these reams of paper. Let’s do this electronically.’ I walk in with my iPad Mini and I expect to do all the board work with it.” Now all proceedings are available electronically.

Edje also rallied to add two physician positions to the St. Luke’s board. Before that, the only doctor on the board was the chief of staff. “If you wait to be chief of staff until you’re 60, you [wouldn’t] be on the board until you’re 60,” she says. “This is a way to get younger members.”

It’s an admirable goal, says John Combes, M.D., senior vice president of the American Hospital Association and chief operating officer of the Center for Healthcare Governance. “Young people are part of the stakeholder group, and we need to make sure to have their voice at the table. A lot of times, it’s a very different voice than we’re used to hearing.”

Don’t waste their time

Across the nation, hospital boards are getting grayer. In 2005, 29 percent of hospital trustees were younger than 50, according to the 2011 AHA Health Care Governance Survey Report. By 2011, only 24 percent were younger than 50.

That trend worries Jim Gauss, chairman of board services at health care recruiting firm Witt/Kieffer. “The majority of boards haven’t done a great job in their own succession planning,” he says. “When you look around the room and say, ‘Who are going to be the future leaders of this board in five or 10 years?’ Most [current trustees] will be finished with their board service. And they don’t have anyone in the pipeline.”

That doesn’t mean hospitals need to populate their boards with 30-year-olds, Gauss stresses, “but we certainly need to look more at candidates in the 40- to 50-year-old range.”

The challenge for hospital boards is finding qualified people, and then giving them more than just a seat at the table. Busy Gen Xers and Millennials expect the time they spend on board work to be meaningful and efficient.

At 48, Ries Robinson, M.D., is the only under-50 board member at Presbyterian Healthcare Services in Albuquerque, N.M. The chief operating officer of VeraLight Inc., he was recruited for his technological know-how.

At first, Robinson was “enormously hesitant” to commit. “I’m not retired, so time is my most valuable commodity,” he says. He was won over by how efficiently the board operates. A feedback mechanism after every meeting keeps a check on board members with a tendency to be overly talkative. And a dedicated person handles the information flow, streamlining board members’ access to it.

“All the information comes in through a tool called Board-Vantage,” Robinson says. “You get a laptop, and it’s all accessible and viewable via that single platform. That actually helps quite a bit. You’re not wasting time plowing through your emails to find this or that.”

Flexibility is key

Hospital boards in general need to pick up their pace to appeal to Gen Xers and Millennials, experts say. “Many boards meet too often and too long,” Gauss says. And with travel to and from, a board meeting can be a two- to three-day commitment.

It’s a commitment 45-year-old Sally Mills is willing to make. She loves governance and “would rather go to a board meeting than a cocktail party.”

Mills is an attorney; mother of two children, ages 8 and 12; and a board member of Blue Hill Memorial Hospital in Maine. To meet all the demands of her day, she goes to bed...
In 2011, only 24 percent of hospital board members nationally were younger than 50.

Most boards don’t pay enough attention to succession planning; bringing in younger people would help to ensure continuity.

The pace of board work needs to change to appeal to Gen Xers and Millennials. Many boards meet too often and for too long.

Time-challenged younger board members appreciate flexibility in the board schedule, information available electronically, and easing into board work before making a full commitment.

Sixty-two percent of nonprofit CEOs surveyed say that bringing more youth to the board would help bolster their organization’s mission.

ANOTHER PERSPECTIVE: Louito Edje, M.D., is convinced that adding younger voices to the boomers’ on her board enriches the conversation and promotes new ideas. Among other things, she helped her fellow trustees understand the benefits of making their meeting notes available electronically.
around 9 p.m., shortly after the kids, and gets up long before dawn. “I do well on committees that meet infrequently and give me tasks that I can do at 3 in the morning,” she says. “It doesn’t always work that way, but it’s nice to try.”

Mills says the Blue Hill board has made a concerted effort to recruit younger members. And they’ve been willing to change the rules to make that happen.

For instance, it’s considered less important to attend every meeting than to complete the tasks assigned by committee chairs. In her first year or so, Mills spent a good chunk of her pre-dawn time working on the merger of the hospital and the hospital foundation. “We attend what we have to attend for sure, but we try to be efficient,” she says, speaking for her younger colleagues. “We’re all parents and we’re all in the middle of our careers. And I think we look at the task of governing a little differently.”

Because it’s difficult to find someone to devote time to a board, “when you find that person, it’s important to be flexible and willing to try different arrangements,” Mills says.

Boards aren’t country clubs
One way to recruit candidates is to involve them in a committee first, before asking them to formally commit to becoming a trustee. “It may be much less time-intensive than being a full member of the board,” Combes says. “It also gives them the experience of working with the board and a better understanding of whether this is something they would like to pursue.”

Hospital boards are often structured in a way that discourages younger people from participating, says David Nygren, a health care governance consultant and the chairman of Boardsource, an organization that advises nonprofits on good governance. “They meet at odd hours of the day, at strange places that people can’t get to easily,” he says. “They have much more of a country club or retirement attitude that ‘We can meet whenever we want to meet.’”

The proceedings themselves are often also not appealing to younger professionals. “Good meetings are good meetings, but a lot of board meetings are bad board meetings,” Nygren says. “They don’t know how to be constructive. Chairmen are not effective leaders, CEOs are ponderous, and there are too many reports. Young people would say, ‘Give me this on the iPad and then let’s talk about it. Don’t give me all the same slides again. I’ve already studied it.’”

Edje says younger members on her boards are particularly concerned with making their contribution worthwhile. “The Millennials really want to make sure their time commitment is being used well, and they want to make an impact,” she says.

The days when hospital boards behaved like fraternities are over, says Jim Hinton, CEO and president of Presbyterian Healthcare and AHA chair-elect. “Boards have to make service meaningful. Governance needs to change, to not be the social club but the social conscience.”

Why care about youth?
The idea of serving as a hospital trustee doesn’t even occur to most young professionals, so it’s up to hospital executives and current board members to seek them out.

“They don’t spend much time in hospitals, so their first thought would not be to contribute their time and energy to a hospital,” Nygren says. “Their first thought would be to contribute time and energy to sports and fraternities and other sources of youthful life. But if invited, they’re very happy to participate in the health care system. These are bankers and lawyers and teachers and doctors. They’re good at what they do, so there’s no reason they can’t be able and constructive and contributing.”

Most hospital leaders understand the need to look beyond their boomer peers to enhance and sustain good governance. Sixty-two percent of CEOs surveyed for the 2012 Boardsource Nonprofit Governance Index said having younger people on the board would help “bolster their efforts to advance their organization’s mission.”

“A multigenerational household in any sense always benefits from different sources of wisdom and experience,” Nygren says. Younger board members bring a proficiency with technology, different insights about their communities and a better understanding of what appeals to certain employees, like the work-life balance so
many Gen Xers and Millennials cite as a top priority.

With health care now in full transformational mode, and all the complex payment, quality and consolidation issues that brings up, "while it might seem counterintuitive to bring younger members in," Gauss says, it "may be exactly the time to get a fresh perspective. Someone who's got a fresh look and doesn't carry any history or baggage."

Steve Lynn, board chair of the University of Arizona Health Network, agrees. "The older members bring much more experience," he says. "That's sort of a no-brainer. What the younger members bring is a freshness. They haven't been 'over-boarded' in their lives. They're not jaded and worn out."

Younger members also help ensure continuity, preventing "massive turnover in a short period of time," says Jamie Orlikoff, president of Orlikoff and Associates, a health care consulting firm specializing in governance and leadership. "If you don't have age diversity, the problem that presents itself is that this board will age out together — either hit their term limits, or retire or die within a relatively close period to one another," he says. "If you lose 80 to 90 percent of the board in a two- or three-year period, it creates very significant issues in board continuity. You may be able to recompose the board, but the problem is maintaining a governance culture, maintaining the board dynamics that you've worked so hard to develop."

Hospital leaders have recognized for some time that they need to rethink how they populate their boards. It's no longer a good policy to appoint individuals just because they are prominent in the community. Health care and hospital operations have become so complex and are changing so rapidly, it's critical that today's boards include people who are expert in specific areas, such as finance, law, mergers and acquisitions, and the like.

It's also critical that board members speak up and challenge conventional thinking — and challenge the hospital's executive and board leaders, too. That's something Generation X and Millennial trustees are more than comfortable doing.

"I'm probably a disruptive force on the board," Robinson acknowledges. But utilized effectively, disruptive forces can bring a powerful, positive energy to the table. — Laura Putre is a freelance writer in Cleveland.

---

EXECUTIVE CORNER

A Q&A with Jim Hinton, president and CEO of Presbyterian Healthcare Services and chair-elect of the American Hospital Association

What's the age range of Presbyterian's board?

HINTON | Between 40 and 70. We were looking for qualified people during the board restructuring, and the age range sort of worked itself out.

How do you select potential candidates?

HINTON | Competencies really drive the selection for our board. But then you get into the issue of gender, age and ethnic diversity. Those are absolutely considerations for us. We do have five generations of folks in the workforce. And five generations of customers receiving health care services — so age is an important perspective. But for us, age or ethnicity is secondary to competence.

Do you ever consider out-of-town candidates?

HINTON | We try to limit the number of non-New Mexico board members, so we mostly recruit in state. But we think that having the out-of-New Mexico perspective is really critical, too — hearing those stories and how others have approached things that may not be that different from what we're experiencing.

Do you think it's hard to find younger candidates because they want more down time with family and friends and aren't as willing to volunteer their time as their predecessors were?

HINTON | I understand the different generations and how we label them. I don't believe all the stereotypes are valid. The young people in our organization work as hard as anybody I've ever seen. Good organizations find people who want to work. Just because someone might be on the fringes, don't assume they don't want to serve a worthy cause. They might be concerned about their family, but they might also be interested in the quality of their local health system.

Do you worry that your board is too old because out of about a dozen members, only one is younger than 50?

HINTON | I really don't, and here's why. The board understands that to be effective, it has to make sure that all of the input to its decisions is complete and comprehensive. Good members, I think, are amazingly adept at ensuring that there aren't generational blind spots that they had not considered. They also have board committees with younger people on them and a management team that's relatively young that brings these ideas forward.