LEADERS
who GOVERN

Companion Guide

ACKNOWLEDGEMENTS

ABOUT THE LMG PROJECT

Funded by the US Agency for International Development (USAID), the Leadership, Management, and Governance (LMG) Project (2011–2017) is collaborating with health leaders, managers, and policymakers at all levels to show that investments in leadership, management, and governance lead to stronger health systems and improved health. The LMG Project embraces the principles of country ownership, gender equity, and evidence-driven approaches. Emphasis is also placed on good governance in the health sector—the ultimate commitment to improving service delivery and fostering sustainability through accountability, engagement, transparency, and stewardship. Led by Management Sciences for Health (MSH), the LMG consortium includes Amref Health Africa, International Planned Parenthood Federation (IPPF), Johns Hopkins University Bloomberg School of Public Health (JHSPH), Medic Mobile, and Yale University Global Health Leadership Institute (GHLI).

INTRODUCTION TO THE COMPANION GUIDE

This guide was developed as an abbreviated companion to the longer MSH publication *Leaders Who Govern* (2015), an electronic publication on good governance.

The purpose of the Companion Guide is twofold:

1. To facilitate finding practical information about specific aspects of good governance
2. To facilitate the teaching and testing knowledge of various dimensions of good governance of students, new board members, and others interested in improving governance

The Companion Guide is made up of four sections:

Section 1 – Key governance concepts. This section contains references to key governance concepts for those who have limited time to skim through the entire book of *Leaders Who Govern*. It presents the basic definitions of the concepts and refers to where you can find more detail within the book.

Section 2 – Tools and tips. This section contains a mixture of tools, tips, checklists, ideas, strategies, and do's and don'ts for specific elements of good governance. The references point the reader to selected pages of the full publication *Leaders Who Govern*. The section is organized around the question "What do you want to do, need to deal with, or want to know more about?" with topics arranged in alphabetical order.

Section 3 - Test your knowledge on common scenarios. This section consists of two parts. Part one contains brief descriptions of common and possibly familiar situations related to governance. They can be used in a classroom setting to have students explore strategies, with or without using *Leaders Who Govern* as a reference, or as part of an orientation session for new governing body members. Part two consists of a series of vignettes that focus specifically on the common issue of board-staff interference or micromanagement. The reader is asked to judge whether the board is micromanaging and overstepping its boundaries or not. Each vignette is accompanied by an expert opinion about how to deal with the issue. Those, too, can be used in a classroom or as part of an orientation of new governing body members, ideally with the CEO and senior staff in attendance.

The descriptions are tagged. These tags can be looked up in Section 2 for references to specific sections of *Leaders Who Govern* for examples, tips, checklists, or advice.

Section 4 – Troubleshooting. This section is written for people currently serving on a governing body or for CEOs and senior staff of organizations, agencies or institutions who are experiencing problematic situations, dilemmas, or challenges. Experts provide possible remedies to the situations. This section can also be used with Section 2 (tools and tips) to identify relevant sections of *Leaders Who Govern*. It can also be used in the classroom to test students' knowledge and understanding of key governance issues.

SECTION 1 KEY GOVERNANCE CONCEPTS

This section contains brief references to key concepts discussed in *Leaders Who Govern*. For those who have limited time to skim through the entire book, this section will provide you with the basics. Numbers in parentheses at the end of each paragraph refer to the section of *Leaders Who Govern* from which the text is derived and which can be consulted for more information.

WHAT IS GOVERNANCE FOR HEALTH?

Good governance for health is about making sure that the health needs of certain populations are met, whether by a government agency, a non-governmental organization, a civil society organization, or a private for-profit entity. The mission of these organizations or agencies is to protect, promote, and restore the health of the people they serve. Making sure this happens is what constitutes good governance. These organizations may handle one or more high-priority health concern(s), such as control of a communicable disease, case management for a non-communicable disease, or emergency obstetric and newborn care. They may also serve people in rural or urban areas in the form of governmental, nongovernmental, or private sector organizations (Preface: 1).

Many international organizations, such as the World Health Organization, the World Bank, the Organisation for Economic Co-operation and Development, the Governance Institute, and the European Union, advocate good governance. Although individually they may emphasize different dimensions of good governance, collectively they are concerned with the following:

- The rule of law, fairness, decency
- Participation, diversity of stakeholder voices, responsiveness
- Transparency, ethics, control of corruption, and accountability
- Efficiency and effectiveness of government, regulatory quality
- Political stability, safety
- Equity, human rights, and human development
- Consensus orientation
- Strategic vision
- Sustainable economic opportunity

(Introduction: 5)

A Distinction: Governing Versus Governance

Governing can be considered as the totality of interactions in which public as well as private actors participate, aimed at solving societal problems or creating social opportunities; attending to the institutions as contexts for these governing interactions; and establishing a normative foundation for all those activities.

Governance can be seen as the totality of theoretical conceptions on governing.

[Source: Jan Kooiman, "Governing as Governance."2003, Sage Publications]

Leaders Who Govern

Leaders who govern can be found on: boards; on governing councils; on local or regional coordinating committees; on traditional councils; or on advisory bodies. Leaders who govern may work in or on behalf of an organization, program, facility, agency, department, council, or ministry. They ensure that the mission of an organization or agency to deliver high-impact health services to individuals and communities, especially the most vulnerable populations, is advanced.

They make decisions about policy, plans, and rules of collective action for an organization, program, institution, or agency, in the private for-profit or nonprofit sector as well as government. The members of governing bodies define, promote, protect, and (re-) evaluate the achievement of the health mission of an organization, program, institution, or country. They do this by making critical decisions about: (1) setting strategic direction and objectives; (2) making policies, laws, rules, regulations, and/ or decisions; (3) raising and deploying resources to accomplish the organization's mission, strategic goals, and objectives; and (4) overseeing the work of the organization to achieve its mission.

For health organizations, the focus of this collective action is to strengthen health systems in order to expand timely and equitable access to quality health services. This leads to better, more sustainable health outcomes. Good governance is an enabler: leaders who govern enable managers, and managers enable service providers to do the work the organization or institution is mandated to do (1:7).

Effective Action for Good Governance – Five Domains

For governance to be effective, action is needed in the five s presented below: integrity, transparency of information, inclusion and engagement, trust, and accountability (11:2).

The Essential Duties of a Governing Body

The primary role of a governing body is oversight, which is carried out by exercising a set of duties that are widely accepted in the literature on good governance. They are:

Duty of Care: Members of a governing body must consider all reasonably available and pertinent information before taking action. Each member must act in good faith and in a manner he or she believes to be in the best interest of the organization.

Duty of Loyalty: Members must candidly and transparently discharge their duties in a manner designed to benefit only the organization, not individual interests. This duty incorporates the obligation to disclose situations that may potentially conflict with the mission, as well as a requirement to avoid competition of a governing body member's own business with the organization he or she is responsible for governing.

Duty of Obedience: Members are required to ensure that the organization's decisions and activities adhere to its fundamental purpose (1:2).

Members of a governing body have specific responsibilities and duties within the health program or institution. Their job is to create and enforce specific policies in the six key areas of: (1) quality performance; (2) financial performance; (3) planning performance; (4) management performance; (5) governance effectiveness; and (6) community relations and advocacy.

The members implement these policies as a group. They work with senior management and health workers to adopt service utilization and the financial goals that guide and measure the organization's overall performance and progress according to plan. As a part of this process, governing body members should (1:7):

- Establish policy guidelines and criteria for implementing the organization's mission and also review the mission statements of any subsidiary program units to ensure that they are consistent with the overall organization's mission

- Evaluate proposals brought to the board to ensure that they are consistent with the mission statement

- Monitor programs and activities of the health system and subsidiaries to ensure that they are consistent with the mission

- Periodically review, discuss, and if necessary, amend the mission statement to ensure its relevance

THE PRACTICES OF GOVERNING

The four practices described below have been distilled from the experiences of front line health sector leaders and managers, and from the study over the past few decades of governance across organizational types in the health and social sectors, including business, government, education and the principles of good governance advocated by the World Health Organization, the World Bank, the Organisation for Economic Co-operation and Development, the Governance Institute, and the European Union. These practices are:

- Cultivate accountability

- Engage stakeholders

- Set a shared direction

- Steward resources

A fifth practice was added later, as the work of governing is never done and thus *continuous enhancement* of the practices is always necessary (10:5-6). A full guide for each of the practices can be found here.

The basic responsibilities of a Governing Body

A governing body's responsibilities are often very general and do not always include guidance on what the members should actually do. There is a clear set of responsibilities for the governing body as well as an established way of implementing these responsibilities by relying on various subgroups or committees within the governance structure. Governing bodies are responsible for the following:

1. Determining mission and purpose
2. Selecting the executive director
3. Supporting and evaluating the executive director
4. Ensuring effective planning
5. Monitoring and strengthening program services
6. Ensuring adequate financial resources
7. Protecting assets and provide financial oversight
8. Building a competent governing body
9. Ensuring legal and ethical integrity
10. Enhancing the organization's public standing

Most health service governing bodies may carry out some but not all of these responsibilities. Yet they are all important. It may thus be important to review this list and set some goals to make sure all ten are addressed (Box 6.1 on page 6:4. Adapted from Richard T. Ingram, Ten Basic Responsibilities of Nonprofit Boards, Washington, D.C.: BoardSource, 2009.).

Imperatives of Good Governance

By designing and institutionalizing good governance practices, your organization can perform better and is also more likely to deliver better health outcomes that can be sustained. But the degree to which successful outcomes result from good governance is a function of how well you accomplish five imperatives (source: See USAID, "Accelerating Evidence Generation for Governance Contributions to Health Outcomes" [Washington, DC: USAID, 2014]. Available at: https://www.hfgproject.org/governance-workshop.)

Imperative 1: Process - Your governance processes must be inclusive, transparent, and accountable to all key stakeholders.

Imperative 2: People - The governing body should include a reasonable number of competent people who reflect the demographic characteristics of the beneficiaries of the health systems and have influence among those who control power and access to needed resources in the local context.

Imperative 3: Practices - The governing body's leaders must continuously discuss and implement actions that foster the use of the five essential governance practices mentioned above that MSH distilled from its research.

Imperative 4: Infrastructure – Good governance decision-making requires information that is accurate and timely.

Imperative 5: Performance - Health systems strengthening must be dedicated to achieving meaningful results, as measured in service utilization and sustained gains in health status. This requires the commitment to continuously design interventions in a way that enables measurement and study of the factors that maximize the impact of good governance (Introduction:7).

Types of Governing Bodies

Governing bodies may have different names depending on their sector, geographical focus, level of authority (fiduciary or advisory) and particular role. Some have very broad mandates and others are more focused.

For example, in the pharmaceutical sector there are various bodies responsible for important decision making that can have far reaching consequences for the population: **national regulatory authorities** responsible for registering and controlling medicines, **national procurement agencies and tender committees** that make decisions about import duties and tariffs affecting the price of imported medicines and thereby decisions on local production, and therapeutics committees at national, local, or institutional levels that advise on the selection of medicines for essential medicines lists and formularies (29:5).

There are licensing boards for doctors, nurses, midwives, pharmacists, laboratory technicians, therapists and other paramedical or allied medical professions. There are licensing boards that regulate private practice, including clinics, laboratories and pharmacies. And finally there are any number of **advisory councils, boards, and committees, including health governing bodies** that provide oversight of health service delivery and make important decisions within their system or sector.

What they have all in common is that their members should all have: (1) knowledge about the (health) needs of the beneficiaries; (2) technical expertise to guide the plans and performance of the organization or agency; (3) a network of relationships that can mobilize political support; (4) a reputation that enhances respect for the organization or agency from all internal and external stakeholders; and (5) especially in the private nonprofit sector, the ability to contribute to or secure funding for the long-term vitality of the organization's mission (6:2).

Public-sector (government), for-profit, and nonprofit or nongovernmental or civil society organizations (CSOs) all need to be well-governed in order to realize their mission. In the health sector, many public, civil-society, and for-profit organizations have responsibility for providing health services to the general population or to specific groups (6:2).

Public sector governance is different from governance in the private sector, which includes both for-profit firms and nonprofit organizations. Whereas in the private sector, the board and senior management have authority over two critical resources—people and money—in the public sector, the civil service system and a system of checks and balances can constrain the decision-making process and authority of a governing body. Because of tenure protection, staff removal can be complicated, as is the requirement to follow due process. This may hamper the governing body's ability to swiftly and efficiently address sensitive issues about strategic service investments, procurements, recruitment of health providers, and executive performance reviews. Division of power, term limits for elected officials, and competitive elections—where they exist—help to restrict the accumulation and abuse of power in the public sector (6:5).

Governing bodies of non-governmental and civil society organizations (NGOs and CSOs) often have resource constraints that may hamper the ability of a governing body to ensure the organization pursues its mission. They may not have some of the procedural constraints as public sector boards, but they face challenges common to any governing body: lack of experience of board members; interference with management tasks; lack of commitment; power struggles; conflicts of interest; and extended terms in office (6:11-12).

Private for profit sector bodies have their own challenges. Although they have more control over financial and human resources, the company's bottom line may tilt decision making towards increasing shareholder value. This is why some corporations establish foundations or nonprofits to pursue a social agenda (6:4-5).

Multisectoral bodies differ from traditional governance models in which national health policy decisions are made by a single entity, such as a Ministry of Health. Multi-sectoral bodies share decision-making responsibilities among multiple members representing different sectors and diverse constituency groups. Such multi-sectoral partnerships dedicated to public health have proliferated in recent years. Country Coordinating Mechanisms (CCMs) of The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) and AIDS commissions at the national and provincial levels are two prime examples of such bodies (6:9).

SECTION 2 - TOOLS AND TIPS

This section contains a list of tools, tips, checklists, ideas, strategies, and do's and don'ts for specific elements of good governance. The references, arranged in alphabetical order, point the reader to selected pages of the book Leaders Who Govern.

Note: The words "board" and "governing body" are used interchangeably.

ACCOUNTABILITY AND TRANSPARENCY (SEE ALSO ETHICS AND CORRUPTION)

- Five elements of accountability (graphic, 11:2)
- Personal accountability (see also Trust) (11:3, 12:5, 14:3-4)
- Accountability towards the community, social accountability (11:7, 14:8)
- Accountability of health care workers (11:4-5)
- Accountability and transparency in pharmaceutical systems (29.8-9)

AGENDAS AND CALENDARS

- What is a consent agenda? (16.7 see box 16:1)
- Meeting agendas (25:2)
- Flip the order of the agenda (25:5)
- Annual calendar of meetings (26:2-4)
- Develop meeting calendars (26:5)

ASSESSMENTS (ALSO: MEASURING PERFORMANCE)

- Conduct a formal annual assessment of individual members of the governing body (18:9 and 18:15, for governing competencies 15:3; against initial agreement: 17:15)
- Assess the governing body's performance (16:7-8)
  - Using an annual self-assessment (16:19 and 23:2-9, against terms of reference 16:15)
  - Using an advanced governance assessment instrument (23:12-20)

- Assess overall governance risk
  - [The Global Fund Risk Management Approach](#) is an easy to read and comprehensive guide to risk assessment. It is broader than governance risk but includes it.
- Assess the performance of the chief executive (16:9, 16:12 and 16:20-25, against terms of reference 16:17)
  - See also *Health Systems in Action*, chapter 7, 7:19-22
- Assess the overall organizational performance (sample indicators 9:3, measuring performance 11:5, 14:5)
- Assess workforce satisfaction and work climate (4:5-6)

Board-Staff Relationships (see also Duties and Roles)

- Board vs. management roles (1:8)
- Micromanagement
  - Understanding role of CEO vs. board (TOR of CEO at 16:17-18)
  - Examples of micromanagement (16:2)
  - Reasons for why boards get into micromanagement (16:4)
  - Oversee without micromanaging (16:5-7)
  - Shaping workforce policies while avoiding micromanagement (22:4)
  - Governance versus management (1:8-14, sample checklist 16:3)
  - Celebrate good collaboration (16:13)
  - See also *Companion Guide Section 3*, Test Yourself on Scenarios
- Relationship between governing body members and staff (2:6)
- Engagement with staff and health workers (12:6-7)
- Trusting relationship between board and staff (4:8-9)

Competencies (see Recruitment)

Corruption (see Ethics and Corruption)

Duties and Roles of Governing Bodies and Their Members (see also Terms of Reference)

- Five key actions for good governance (Introduction:1)
- General expectations of governing body members (2:4-5)
- Fiduciary responsibilities of governing body members (2:6)
- Basic responsibilities of governing bodies (6:4)
- Four duties of governing bodies (graphic 1:2)
- Oversight role/responsibility (11:8-9, 14:4)
- Leadership of chair and members of the governing body (13:4-5)
- Board chair support to CEO (16:12)
- Example: key governance authority (functional) matrix (1:25-1:39)
- Sample agreement for governing body members (17:15)
- Role of the board or governing body in succession planning, See *Managers Who Lead* (pages 250-255)

Ethics and Corruption

- Eradicating corruption (14:7-9)
  - Ethics and compliance initiatives (14:7)
  - Human resources management (14:8, 29:8-9)
  - In the pharmaceutical system (14:8)
    - Why pharmaceutical systems are particularly vulnerable to corruption (29.4); enhancing performance and ethical practices in pharmaceutical systems (29:9)
  - Participation of civil society (14:8)
  - Financial control systems (14:8-9)
  - Crime fighting (14:9)
  - Good practices (14:9)
- Governing body members' responsibilities for avoiding conflicts of interest (2:6)
- Statement of personal and professional standards (17:14)
- Member agreement sample (17:15)
- Sample conflict of interest policy (17:24) and annual declaration of conflict of interest for governing body members (17:27)
- Procedures for identifying and addressing conflict of interest (17:25-27)
- See also *Health Systems in Action*, Chapter 7, starting at page 7:22

Fundraising (see Resource Mobilization)

Information for Good Governance

- Use of information technology (11:8)
- Sharing information (11:6)
- Dashboards (15:12, use of for performance measurement, 11:5, 27:3)
- Web portals (15:12-13, 27:9)
- Dealing with information challenges (27:2)
- Types of information needed for good governance (27:4-5)
- Strategies to develop trustworthy information (27:5-6)
- Three ways to make information understandable and usable (27:8)
- New technologies that support the wise use of information (27:8)

Meetings (see also Agendas and Calendars)

- Expectations of governing body members for meetings (2:5)
- Strategies to improve the effectiveness of meetings (15:8-9, 16:6-7, 25:3, 25:8)
- Evaluations (16:7-8) and sample evaluation questions (16:8)
- Sample meeting attendance policy (17:16-17)
- How to avoid meeting too often or too long (25:3-6)
- Venues (25:6-7)
- Meeting minutes (25:7)
- Types of information needed to prepare for meetings (27:4)

Media Relations, Public Relations, and Communications

- Managing media relations (24:3-6)
- Sample media plan (24:7)
- Planning, preparing, and implementing communication with/to the public (24:8-9)
- Eight components of a good communication plan (24:2-3)
- Trusting relationship with media (24:4-6)

Orientation and Professional Development

- Member orientation (18:2)
- Information to be included in an orientation for governing body members (18:3)
- Information to be included in a handbook for governing body members (18:4)
- Building management capacity (14:5-6)
- Attitudinal shifts (15:2)
- Orientation and continuing education on governance for members of governing bodies (15:5-6)
- Tools for governing body member development (15:13)
- Ideas for governing body training topics (18:5)
- Ways to make member development valuable (18:7)
- Mentoring (15:6-7)
- Tips for organizing effective orientation programs (18:8)
- Examples
    - Coaching the leadership of a CCM (16:11)
    - Sample orientation program/handbook for a hospital governing body (18:11-14)
- See also understanding finances and how to read financial reports, *Health Systems in Action*, Chapter 7

Performance Improvement

- Improve governance in pharmaceutical systems 29:7-9;
    - See also *Pharmaceuticals and the Public Interest: The Importance of Good Governance* 7-16; enhancing performance and ethical practices in pharmaceutical systems (29:9)
- Functioning of sub-committees or groups (questions to ask 3:7)
- Continuous improvement of the governing body (strategies 15:14-15)
- Strategies to enhance demand for high performance (9:7, fostering a passion for 9:8)
- Questions to trigger ways to improve (9:4)
- Example: High-impact family planning environments (9:6)
- Challenges to high-performing cultures (28:3-4)

Policies for Governing Bodies

- Types of governing body policies (7:5, figure 15.2 on page 15:10)
- Develop and document policies for governing bodies (15:10-11)
- Policies on term limits, pros and cons (17:6)
- Policies on voluntarism and compensation (17:7, 17:21-23)
- Policies and systems regarding health workforce (22:2-3)
- Policies and legislation in the pharmaceutical sector (29:8)

Recruitment

- Size of board (2:1-3)
- Knowledge, skills, and attitudes
  - For board and committee chair (2:10-11)
  - For board members (2:11-12)
- Competencies, expectations of members (2:4-6)
- Identifying what kind of new board members to recruit (17:2)
  - Worksheet to determine missing expertise, skillsets, diversity on a board (17:12-13)
  - Diversity (2:2, 15:4-5, 17:8-9)
- Key questions to ask and actions to take when recruiting governing body members (17:3, 17:11)
- Building recruitment networks (17:8)
- Connecting with traditionally marginalized and excluded populations (17:9-11)
- Strategies to overcome challenges with recruitment and retention (17:4)
- Appointment of governing body members (17:4)
- Election of governing body members (17:5)

Resource Mobilization/Fundraising

- Fundraising responsibilities of governing body members (Box 2:6)
- Sources of funding (20:4-7)
- Practical ways to plan resource mobilization (20:8-9)
- Resource mobilization and stewardship in pharmaceutical systems (29.10)
- See also *Implementation Kit on resource mobilization.*

Roles (see Duties and Roles)

Stakeholder Engagement (see also Media Relations, Trust)

- Principles of citizen engagement (table 28.2 on 28:4)
- Engaging with health service users (12:6)
- Celebrating engagement (28:5-7)
- Establishing a shared strategic vision among key stakeholders (13:3)
- Reporting progress to key stakeholders (13:7)
- Stakeholder engagement in the pharmaceutical sector (29.9-10)

Strategic Planning

- Establish a shared strategic vision among key stakeholders (13:3)
  - Setting strategic direction in pharmaceutical systems (29:10)
- Create and implement a successful strategic plan (13:6-7)
- Innovation and design thinking for better governance (19:2-4)
- Value of scenarios and innovation labs (19:5-6)

Subgroups: Committees, Subcommittees, Task forces, Councils, Commissions

- Types (3:1-2)
- Purpose (3:2)
- Do's and don'ts (3:3)
- Inclusion of non-board members (3:3)
- Sample committee charters (box 3:1-3)
- Subgroups/committees in the pharmaceutical sector (29.2; 29.5; 29.8)

Terms of Reference (TORs)

- TOR for board chair (1:23), role of chairperson (1:12-14), not to be confused with TOR of CEO (16:17-18)
- Value of good TORs (8:1-2)
- Developing TORs (8:2)

- Example TORs:
  - Kenyan hospital management committees' 12 core responsibilities (1:4)
  - National Medicines Regulatory Authority (29:11)
  - Supply Chain Oversight Committee (29:11)
  - Hospital Pharmacy and Therapeutics Committee (29:12)
  - Quality Committee (hospital) (3:4)
  - Strategic Planning Committee (hospital) (3:5)
  - Governance Effectiveness Committee (3:6)
  - Country Coordinating Mechanism sample TOR (17:18) (see also *Global Fund* and *Grants Management Solutions* Websites)

Transparency (see Accountability)

Trust (see also Work Climate and Culture)

- Three relationships of trust in a health system (graphic on 12:5); building trust among stakeholders (12.4-5)
- Trusting relationship between board and staff (4:8-9)
- Ideas for enhancing and sustaining a culture of trust and transparency (4:13-15)

Work Climate and Culture

- Dimensions of culture contributing to its uniqueness (4:2-3)
- Assess workforce satisfaction and work climate (4:5-6)
- Ideas for enhancing and sustaining a culture of trust and transparency (4:13-15)
- Celebrating success and effort (18:9, 21:7, 28:2-7)
- The power of a positive enabling environment (9:4-5)
- Establishing and sustaining a culture of trust and transparency (14:13-15)
- See also *Managers Who Lead* (chapter 3)

SECTION 3 - TEST YOUR KNOWLEDGE ON COMMON SCENARIOS

This section consists of two parts: Part one describes common scenarios we have experienced ourselves or heard about from our colleagues, the people we surveyed, or the attendees of the LMG Project's governance roundtable meetings. Part two consists of a series of cases that focus specifically on micromanagement, where the reader is asked to consider whether the board is micromanaging and overstepping its boundaries or not.

For the first set of scenarios, references are included that allow the reader to consult selected parts of the book, listed in Section 2, to find tools, examples, advice, and do's and don'ts relevant to the queries in the scenario.

For the second set of scenarios focusing on micromanagement, expert opinions are provided about each situation.

Part 1 - Governing Body Scenarios

The scenarios below are inspired by the introductions that appear at the start of the chapters of *Leaders Who Govern*. Here are some ways to use them:

1. If you are the head or a member of a governing body and you want to test your or your team's ability to deal with scenarios that are similar or likely to occur, you can work through the scenarios most relevant to your situation.

2. If you want to educate your staff or fellow governing body members and you want to give them a grounding in governance issues, you can select one or two for discussion to start or end each of your meetings, or include more in a special educational meeting.

3. If you teach a class about governance and you want your students to explore real-life governance dilemmas, you can have small groups work on different scenarios or give them as homework.

4. If you want to test the knowledge and governance "savvy" when you are recruiting new governing body members, you can ask the candidate to give you a written or oral response to one or more of the scenarios that are most relevant to the work for which you are recruiting.

Educating on Management, Leadership, and Governance

You are advising the chairperson of a Provincial Health Council. She is frustrated when reviewing a work plan and budget of the provincial health office that calls for spending money on management, leadership, and governance education for several of the managers of the provincial health office as well as four new members of the provincial health council. She does not see the need for this kind of training and is wondering how the office and council will benefit. She asks why they need orientation to their work if they are supposed to already be smart and experienced in health services delivery. How can you help her better understand the value of such education in leadership and management (for the office staff) and governance (for the new council members)?

See Section 1 – Introduction.

Best Fit

You are the chairperson of a newly created seven-member health council for a health district. You have some influence over who will be the other six members. Your top priority is to improve the health of women and children. What kinds of people would you like to have on this council to govern with you? Describe the kind of person that would help you run a successful health council. Consider what you would do if you cannot fill these positions with people that fit the exact profile that you would like to have on your council.

See Section 2 - Recruitment.

Committees

As chief of the National Malaria Program, you want to improve the success of malaria prevention and treatment in your country. The governing body of the Ministry of Health has asked you to develop strategies to design, develop, finance, and implement program activities that will eventually eliminate malaria in all parts of the country. What types of committees or task forces would you need to help accomplish this goal? What would be their terms of reference to successfully support the work of the program's staff and governing body?

See Section 2 - Subcommittees, Task Forces, Councils, Commissions.

Preparing a Visit

You are the chair of the hospital board of a large, faith-based maternity hospital that also has a number of satellite health centers for outpatient care. You have gotten your fellow board members to agree that it would be good for them to meet the staff and observe the operations of the hospital and clinics. How will you prepare the board members for these visits and what could possibly go wrong? How will you minimize the negatives and maximize the positives of such involvement?

See Section 2 - Board-Staff Relationships; Orientation and Development.

Working with Politicians

Tensions between competing political parties make it difficult to establish a wise set of health sector plans and programs. Politicians frequently force a change in health ministers; furthermore, investments to improve the infrastructure and human resources for services in places far from the urban areas are always minimal. What can you do as a health care leader to improve the political and economic climate of the health sector? How can you make the case for more investments in the health system? How might governing bodies play a role in this?

See Section 1 - Introduction; and Section 2 - Media Relationships, Public Relations, and Communications.

A Range of Governing Bodies

The director general in the Ministry of Health is invited to do a radio interview to explain why the country has over 3,000 governing bodies for clinics, hospitals, and health professional schools. These range from community-level advisory councils to district, provincial and national governing bodies. How might you advise the director general to respond to questions about why there are so many governing bodies? How might he or she explain how their governance work varies? And how might he or she describe what the ministry is doing to make sure these various governing bodies work in concert with one another up and down the hierarchy?

See Section 1 - Introduction; and Section 2 - Media Relationships, Public Relations and Communications, Duties and Roles, Accountability and transparency.

District Health Councils

You have been asked to report to a special task force which has been formally appointed by the Health Committee of the Parliament. You are to explore the advantages and disadvantages of forming district health councils of five to seven community leaders and users of the district health services. How will you present what the advantages of such district health councils could be? What would they do? And what are some requirements for them to be successful?

See Section 1 - Introduction; and Section 2 - Media Relationships, Public Relations and Communications, Duties and Roles, Stakeholder Engagement, Performance Improvement, Governing Body Performance.

A Non-Performing Community Health Volunteer

You are the chair of a local health council. A women's group from a small village in your area has approached you and expressed frustration with their community health volunteer. Apparently she does not show up at appointed times and frequently does not have needed medicines. How do you plan to engage the rest of your governing body to improve the situation?

See Section 2 - Duties and Roles; Board-Staff Relationships (esp. Micromanagement).

A Guide for Governing Boards

You are the director of a large national program designed to provide integrated family planning and maternal and child health services for women. You believe there is a need to develop a guide for governing bodies of local health centers about how to perform their work because you have seen many that are either inactive or ineffective. What are the functions, key practices, and decision-making processes you want these local community governing bodies to follow?

See Section 2 - Board-Staff Relationships; Orientation and Development, Performance, Duties and Roles, Meetings.

A Call for Excellence

As the CEO of a provincial hospital, you and your governing body chairperson have decided to challenge the hospital's employees to improve the quality of all the services that the hospital offers. What are the characteristics, reward systems, and assessment processes you need to establish in order to create a culture in which all staff is held accountable for service excellence? And as leaders of the hospital (CEO and board) how could you best model in your own behaviors and practices what you want your staff to do and demonstrate ethical and transparent decision-making?

See Section 2 - Performance Improvement, Ethics, Personal Accountability, Transparency.

Diversity on the Governing Body

As the chair of the multisector National AIDS Commission, you want to engage more representatives of key populations (people who inject drugs, female sex workers, and men who have sex with men) in the governance decision-making processes. You have to convince your fellow board members why this is a good idea and then propose ways on how best to engage them. And after that, how could you engage these stakeholders to the point that they are willing to make a commitment to work with you over the next three to five years?

See Section 2 - Recruitment, Stakeholder Engagement.

Assessing Performance

You are a school teacher asked to chair a special task force to design ways to continuously improve the work of your governing body for a "food for families" program for the 20 schools in your school district. In order to determine whether the governing body is successful, you believe some form of assessment would be a good approach. How would you introduce the idea of assessment to the governing body? How would you go about analyzing the findings, draw conclusions, and then act on those that require action?

See Section 2 - Assessments

Diversion and Wastage

You are the chairperson of the governing body of an essential medicines warehouse and distribution system. Your management team has given you a report that the costs of some medicines are exceeding budget targets; some are not getting out to districts on time, some are near expiration dates, and others have been exposed to storage conditions that affect quality. There may also be some diversion as inventory numbers do not match. How should the governing body try to help management address these challenges without jumping into micro-management? What are the problems with micro-management? How can the governing body and managers best establish mutual trust as they seek to maximize their relative responsibilities and contributions?

See Section 2 - Board-Staff Relationships, Accountability, Transparency, Ethics, Corruption, Information.

Community Engagement

You have been asked by the chairperson of a provincial health council to recruit five leaders to form a task force that is to focus on reducing maternal mortality rates for the coming three years. In addition to including the few experts in obstetrics and maternal health in the region, how can you find and convince community leaders to serve and be effective in this task force?

See Section 2 – Recruitment.

Governing Membership Turnover

As the Chairman of the board, you notice that every year, 30-40% of your board members leave and you have to recruit new members. What could be the reasons for this turnover? For each of those reasons, propose what you and your fellow board members might do to reduce its effect.

See Section 2 - Recruitment, Policies, Work Climate, Meetings.

Engaging Youth

The high prevalence of teenage pregnancies in the district has led the district medical officer to ask for help from the district governing council to find ways to engage youth in family planning and reproductive health services. As a member of the council with some experience in youth-friendly reproductive health services, you have proposed a planning process that includes young people. How will you make sure that status, age, and political agendas will not silence the voices of those you would want to hear?

See Section 2 - Recruitment, Stakeholder Engagement.

Governing New Programs

You are the Chair of the board of a large reference hospital in the capital. The Ministry of Health has just enacted regulations that allow your hospital to start a performance-based financing (PBF) program. After some successful pilots the government is convinced that this innovative, results-oriented approach will improve both the quantity and quality of services. The approach incentivizes providers based on their achievement of agreed-upon, measurable performance targets. Incentives may include financial payments, bonuses, and public recognition. You have also been given permission to attract donations for capital improvements of the hospital. Since your duty is to ensure the financial viability of the hospital, its pursuit of its mission and its reputation, how will you work with management and get a good start on this new initiative? What might go wrong and therefore what should you be watching out for?

See Section 2 - Board-Staff Relationships; Duties and Roles, Resource Mobilization.

Conflicts of Interest

You are the medical director of a large regional referral hospital that is facing a severe shortage of nurses and laboratory technicians. One of your board members runs a school for allied health personnel and has proposed you contract with her school to deal with the shortages. Although this would allow you to act on the shortages right away, the costs are quite high and would exhaust your budget quickly. What are the issues you must consider as you develop a master plan for human resources development?

See Section 2 - Ethics and Corruption.

Assessing Decision-Making Processes

You are a new member of the CCM body. You have been asked by the chairperson to recommend a process for quarterly review of the decision-making work of the CCM. How might you best collaborate with the secretariat to develop such a program of review and then link it to process improvement activities?

See Section 2 - Assessments, Meetings.

Media Relations

The local radio station wants to do a series of three programs on the threat, prevention, and treatment of Ebola. You are a member of a taskforce made up of hospital staff and members of the hospital's board that has been set up to deal with media relations, and in this case to guide the work of the reporter. What should you consider as do's and don'ts you have to be aware of when dealing with the media?

See Section 2 - Media Relationships, Public Relations, and Communications.

Meetings

You are the chair of a regional health coordination committee. You want to improve the effectiveness and efficiency of your governance work. You have taken a closer look at how you plan and conduct your quarterly meetings quarterly as well as the meetings of the various committees and task forces. You have found that nearly all the meetings take too long, do not result in decisions, and are poorly attended. How can you improve the quality of the meetings? What are the characteristics of excellent meetings, and what infrastructure is needed to support such smart meetings?

See Section 2 – Meetings.

Annual Calendar of Meetings

The governing board of your teaching hospital needs to make certain types of decisions at certain times of the year. In order to better prepare and inform board members, and receive input from relevant stakeholders or particular staff, you, as the chairperson of the board, want to create a yearly calendar of meetings that address specific themes at specific times of the year. What are the key decision-making processes for your governing body, and what are the most logical times of the year these need to happen? How would you best develop and follow a calendar of themed meetings?

See Section 2 - Agendas and Calendars.

Measuring Success

You are the chair of a governing body that oversees the plans and performance of provincial programs for family planning and reproductive health. The programs are supported by a mix of funding sources. Each of these donors wants to know what you are accomplishing with their funds to improve the health of women and reduce preventable maternal and infant deaths. What few key indicators would provide the most valuable information and how would you be able to obtain these easily with minimal extra cost? How can data for these indicators best be visually displayed to help your governing body make judgments about how well the program is performing and support timely interventions to celebrate or correct the performance?

See Section 2 - Assessments, Information.

Workplace Climate

As nurse leader recently promoted to chair the governing body of a health center, you would like to work with the medical director to create a more positive culture among the employees and volunteers working in the health center. You do not have a lot of money for special pay, most of the workers are in government posts with a weak performance management program, and the working conditions are not ideal. In such a setting, what could you do to create a workplace climate that celebrates success and excellence rather than one that punishes failure? What are low-cost actions you could take to recognize, encourage, and reward positive behaviors and practices to improve worker morale and for enhanced service quality?

See Section 2 - Work Climate and Culture.

To improve transparency and evidence-based decision-making in the selection of products for inclusion in the formulary list of approved medicines for your hospital, you, as the chair, have tasked the hospital director to establish a pharmacy and therapeutics committee. An experienced pharmacist yourself, how might you assist the director to ensure the safe and cost-effective prescribing and use of medicines in the hospital? What criteria would you look for in the selection of members for the committee? Since there has not been such a committee before, how can you ensure the legitimacy of the new committee so that all medical staff will adhere to formulary recommendations?

See Section 2 - Duties and Roles, Accountability and Transparency.

PART 2: MICROMANAGEMENT OR NOT?

Members of governing bodies should see themselves as overseers, not implementers. When governing bodies overstep the line between governance and management, they can easily become micromanagers. If you suspect that your governing body might be overstepping, ask yourself these questions:

- Would you engage in this level of detail if you were on a corporate board?
- Is the issue related to policy and strategy?
- Are you a disinterested party or motivated by personal concerns?
- Is this an issue of execution or does it raise matters of values?

Now test your ability to distinguish governing from micromanaging in the scenarios below.

Lights Out

While walking to an evening board meeting, Trustee A notices that some outside lights have burned out. She picks up her cell phone and calls the evening manager to let him know. Is this micromanagement?

Comments: If this is a one-time occurrence, many would say it is not micromanagement and that the trustee is simply being helpful. The trustee likely does not intend to direct staff work. However, it fits the definition of micromanagement in that an individual trustee has called a staff member other than the CEO and essentially told him or her what to do. A better alternative is for the trustee to talk with the CEO (or established designee) when she gets to the board meeting.

Consent Agenda

The board meeting always includes a consent agenda that covers personnel hiring and routine contract and purchase approvals. A consent agenda is a board meeting practice that groups routine business and reports into one agenda item. The consent agenda can then be approved in one action, rather than filing motions on each item separately. Trustee B regularly removes the items on contracts and purchasing from the agenda, so that he can review the process for each item to ensure the staff did enough to get the best price. Is this micromanagement?

Comments: Individual trustees have the right to remove items from the consent agenda and should do so if they need to discuss the item. However, the consent agenda is designed to quickly deal with routine and required approvals so that time can be spent on discussion of strategic health care issues. Trustee B's actions take up a great deal of time and reflect a lack of trust in administrative decisions, and therefore are considered to be micromanagement. The board should address the reasons behind his actions. Is it a lack of clear policies and procedures on contracts and spending, or a lack of support for the policies? Do the procedures adequately ensure that purchasing processes are legal and fair and that there are adequate checkpoints? Are the dollar amounts that determine whether a purchase or contract requires board approval set at the right levels? Does Trustee B have a reason to distrust the administration? Is he attempting to show that he is performing his fiduciary role? Possible solutions include revisiting the policies and auditing the procedures to assure Trustee B that the purchasing and contracting policies and procedures are fair, prudent, legal, and contain adequate checks, and that the administration can be trusted. Other trustees may talk with Trustee B about how his activities are interfering with board time for other discussions. They may help find other ways to exhibit their responsibility for fiduciary oversight.

Planning Committee

Trustee C is a member of the organization's planning committee. The chair of the committee, out of respect for the board member, makes sure to seek her approval on the proposed revisions to the center's goals. The board member reports to the board each month on committee activities. Is this micromanagement?

Comments: Including trustees on health sector organization planning committees provides a trustee perspective and link to the board. The intentions are good, but the practice may create problems later. Trustees, by virtue of their positions, may have much authority and power. In this situation, the individual trustee's approval exercises too much influence and thereby "micromanages" the planning process. She should refrain from such active participation on the committee and have more trust in the committee chairperson and its members.

A Call for Data

Trustee E wants to know what the error rate in medications is and what kind of support is provided to ensure that patients receive the right medicine. He does not want to bother the CEO, so he calls a senior nurse to find out that information. The nurse calls the manager of health statistics, who then begins preparing the report. Is this micromanagement?

Comment: While it is laudable that Trustee E is interested in medicine errors and services, his request to the nurse has the effect of directing staff time and is therefore micromanagement. Trustee E should contact the CEO, who can provide both background information and knows the implications of the request for staff time. If the CEO judges that the request would take substantial time, he or she can refer the request to the board as a whole for approval. The CEO also can ensure all trustees receive the same information.

Protest

A young person's parent calls Trustee F to complain about her daughter not getting into the nursing program. The trustee calls the CEO to find out why and asks the CEO to call the parent. Is this micromanagement?

Comment: It is not micromanaging to ask the CEO to respond to questions from community members.

Then, at the next board meeting, Trustee F asks for a report on how students are admitted into the nursing program. After the meeting she tells a newspaper reporter that she is conducting an investigation into the admission process. Is this micromanagement?

Comment: It is not micromanaging to ask for reports on a health program's processes at board meetings; however, expecting reports without considering the ramifications involved can lead to problems. Trustee F crossed the line into micromanagement when she announced an investigation to a reporter. She is now operating independently and is not part of the governing body as a whole. In addition, media relations are the responsibility of the CEO (or the board chair regarding board matters), not individual trustees.

Consequences

After hearing a staff report at a board meeting about proposed program cuts at community outreach centers in the district due to budget constraints, the board expresses concern that the patients and enrollment in the outreach areas will be disproportionately affected. The board asks the CEO to find a way to keep the health centers operating fully. Is this micromanagement?

Comment: The board has acted as a whole to direct the CEO to revisit budget cutbacks. Whether or not the health system provides service throughout the district and who the organization serves are strategy and policy issues and are appropriately the role of the board.

SECTION 4 - TROUBLESHOOTING

As part of its mandate to improve the knowledge and practice of good governance in the health sector, the LMG Project's governance experts surveyed health managers in some 20 countries about good governance, conducted desk research and convened experts in a series of Round Table conferences in Washington, D.C. Five symptoms emerged that indicate that an organization or agency needs to pay attention to its governance practices.[1]

Some of these can be explained by weaknesses in management and/or leadership. However, all have their roots in poor governance. A robust and well-functioning governance structure that provides for proper oversight would go a long way towards preventing or resolving these issues. The symptoms are:

1. The organization's plans do not reflect the needs of the populations it exists to serve.

2. The organization is not as successful in mobilizing resources to implement its plans as it could be.

3. The services provided are not of high enough quality or convenience to satisfy those that the organization is mandated to serve.

4. The scarce resources of the organization are not producing value for money.

5. The organization is less likely to attract and retain the health care workers needed to serve the population.

Lackluster performance of the governing body or poor oversight can be caused by many different factors. If these are not addressed, the potential of a governing body will not be realized.

You can use the list of commonly occurring governance troubles below[2] to see if there is one that describes, or closely describes, a problem you are currently experiencing with your governing body, whether as a CEO or as a governing body chairperson, or a donor. Suggestions on how to remedy these conditions are proposed. See also Section 2 - Tools and Tips for suggestions or advice on what you might do.

Note: The term "governing body" refers to a variety of structures in the public or the private sector such as councils, committees, or boards. What they all have in common is that they carry overall responsibility for performance of the organization, agency, institution, or program.

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1. The complete findings of the survey can be found on LeaderNet: http://leadernet.org/wp-content/uploads/2015/05/LWG-Survey-Responses-for-LeaderNet-Seminar.pdf
2. This list was originally published in Health Systems in Action: An eHandbook for Leaders and Managers. Cambridge, MA: Management Sciences for Health, 2010 (page 3:45).

Troubleshooting

Poor or absent strategic thinking about the organization's mission. There is no shared understanding of what the organization is supposed to be doing now and in the future. For example, there may not be clarity about what the organization or agency is all about, its organizational mandate or mission may be missing, not articulated clearly or inaccessible. There may not be a shared vision or even an understanding of what a mission and vision is and why they are important. There may not be any high level strategic goals and programs attached to each of those. There may not be consensus on how to measure the organization's performance. Or there is no clarity on how the necessary resources will be mobilized. Senior leadership may not have considered scenarios that require investments now or the development of contingency plans.

> **Remedy**: Here are some questions to ask: is a strategic plan, does it consider the needs of the population that the organization is intended to serve? Is it ever consulted or refreshed? If the answer to these questions is no, consider introducing the practice of strategic planning, or at least periodic exercises to think about the future, the current situation and the gap between the two. Chapter Five (Planning the Work and Working the Plan) of Health Systems in Action can give some guidance on planning.
>
> Make sure that existing strategic plans are reviewed and periodically refreshed. When a new three- or five-year cycle starts, make sure the process includes a thorough review of past performance, the current situation by looking at data, observing what is happening and not happening in the facilities, and by listening to the voices of those who are served by the organization or who have a stake in its success.

Lackluster or non-performance of governing body and/or organization. The governing body is not fulfilling its responsibilities of oversight, as specified in the terms of reference. This is usually a symptom of missing governance infrastructure.

> **Remedy:** Create or review terms of reference and job descriptions; improve meeting management; ensure that meetings focus on issues of strategic importance for the organization; create or revise induction/orientation for new members; create or review educational programs; conduct self-assessments; review procedures for decision-making on matters related to finance, organizational performance, staff development, resource mobilization, and stakeholder relations (see also information deficit below).

Lack of commitment and/or high turnover. Governing body members were selected without consideration of their availability and do not clearly understand the time commitment involved. Or members perceive too little satisfaction and too many obstacles to service.

> **Remedy:** Carefully select governing body members, providing potential candidates with detailed information about the governing body's mandate so they know they

have simply an advisory role or have fiduciary responsibility, member duties, and required time commitment. Develop and implement a meeting attendance policy. Find out what the obstacles are for serving on the governing body and minimize them. Find ways to increase the satisfaction of being on the governing body by finding out what its members value (visibility, being of service, professional development, acknowledgement of expertise, etc.).

Power struggles. Governing body members have hidden agendas or previous relationships with other members that reduce their objectivity or promote unproductive conflict among members.

> **Remedy:** Establish a diversified governing body that makes decisions based on multiple perspectives and evidence (if possible).Watch out for and counteract external pressures by making them visible and discussable. The board chair should be alert to inappropriate alliances or conflicts and address them as soon as they appear.

Conflict of interest. Governing body members seek some type of benefit or financial gain from their service on the board by providing paid services, selling services through family, friends, or acquaintances, or expecting and demanding other benefits (i.e. use of the organization's vehicles, paid trips, fancy hotels, lavish meals, and other reimbursements). Governing body members that serve on the staff of a competing organization have divided loyalties.

> **Remedy:** Develop, implement, and strictly enforce an explicit and comprehensive conflict of interest policy and a related code of ethical conduct that is reviewed and acknowledged periodically by all governing body members. The policy should provide guidance on how to manage potential conflicts of interest, particularly in situations where there are only a few experts available (e.g. pharmaco-epidemiologists who may consult for the pharmaceutical industry and also serve on government committees).

Overly long tenures. Long-term board members may become lethargic, disconnected, and uninspired. Although they are ineffective, board members may be reluctant to leave for a variety of reasons (they founded the organization, they think they are indispensable or want to retain the prestige of serving on the board).

> **Remedy:** Develop, implement, and enforce an office term limit and requirements for continuing service on the board. To maintain continuity, however, do not replace the majority of governing body members at one time.

Lack of experience. Members of the governing body have a poor understanding of the organization, lack experience in reviewing financial and programmatic reports, and/or do not fully understand their roles. The board intervenes as little as possible in defining the direction of the organization or makes inappropriate decisions.

> **Remedy:** Conduct an orientation for every new member when he or she starts. On an ongoing basis, educate both new and old board members about their roles and responsibilities. Provide information about the organization's programs and guidelines for reviewing financial reports.

Dysfunctional social networks. When governing body members form groups, cliques, or coalitions, some individuals may exercise power based on their desire to be accepted into various social networks rather than on their best judgments. Such ties may be based on deference, indebtedness, friendships, or common tribal, ethnic, educational, religious, or work backgrounds. Social cohesion—even among just a few governing body members—can negatively impact the overall governing body power dynamic and affect their decision-making ability and judgment.

Remedy: Create opportunities for creating social cohesion with those not part of the clique or dominant or in-group. As chair, be alert to clique formation and split such groups into different (sub) committees.

Social loafing. This term is used by psychologists and refers to the tendency for individuals to reduce the effort they put into a task when they are working as part of a group as opposed to working alone. It can produce resentment and frustration among those who feel they do all the heavy lifting.

Remedy: To minimize this issue, you can consider the following actions: Clearly post each person's agreed-upon tasks and deadlines in the minutes of the meetings, in a chart on the wall where the governing body meets, or in periodic memos, notes, or emails to all of the governing body members; clearly report on the progress of each participant in accomplishing their tasks; acknowledge the efforts and progress of each participant to improve the chances that they will not only want to continue to work to accomplish their tasks, but also be willing to take on additional responsibilities in future planning.

Interference with management tasks/micromanagement. Committed, well-meaning governing body members misinterpret their roles and try to interfere with the decisions made by the CEO and other senior managers. They question how business is conducted and constantly suggest changes. A common characteristic of low-performing governing bodies is when the chair or members try to second guess, overrule, or run around managers, either because they think they can do the job better or because they are not doing their job well enough.

Remedy: During orientation, clearly define governing body members' roles and their relationship with professional staff, especially with the CEO and management team. Create and share written guidelines for this relationship and revisit these from time to time to see if they help. Frequent check-in meetings between the chair and the CEO will help to explore areas of confusion regarding the needs of the governing body members for information for good decision-making and to clarify the governing body's role in policymaking and strategic direction-setting and what the responsibilities of management are. Here are a few very specific things to avoid: (1) creation of committees or subcommittees that mirror the structure of the organization; (2) review of the details of plans, projects, and policies; (3) the CEO leaving responsibility for the organization's mission, values, culture, and performance planning agenda to the governing body; (4) surprises. The micromanagement scenarios at the end of Companion Guide Section 3 (test yourself) can be consulted to see if micromanagement is something to which the governing body chair and members may need to pay attention.

Tense relationships between governing body and staff. The following are some examples of how such tensions can be manifested:

- When there is a sense of a "master-servant" relationship, with the governing body as "master" and CEO as "servant"

- When there are mismatched expectations and the CEO focuses only on his or her area of functional expertise and expects the governing body to look out for the rest, and this is never clarified

- When the organization gets into trouble and mutual blame is inevitable

- When the governing body chair or members are unwilling to consider points of view that differ from their own, or when any of the parties are not listening to each other and are unwilling to be influenced

- When there is an atmosphere of judgment and lack of trust and confidence in each other

- When there is pseudo consensus or groupthink, both psychological phenomena triggered by a desire for harmony or conformity among members of a group that result in poor or irrational decision making outcomes

Remedy: Clarify expectations. Discover the aspirations of members of the board and senior staff. Model constructive challenges by asking good questions like, "Is there another way we could look at this?" Share responsibility for failures and celebrate success. Create a climate of caring, courage, and candor to avoid pseudo consensus as it may hide a fear to speak out.

Bad media publicity. Media reports, whether on TV, via radio, or in newspapers or magazine articles, and social media can enhance or undermine your organization or a particular program the organization is trying to highlight or promote. Journalists or bloggers do not always accurately represent what your organization intended to communicate. It is easy to be misquoted and/or misunderstood. One wrong word can ignite a firestorm. In cases of perceived or actual unethical practices, handling the media takes particular skill. Social media can be particularly problematic as false information is impossible to remove and nearly impossible to correct.

Remedy: Prevention is always better than cure. Have there been "media storms" in the past—bad publicity related to falsified or stolen medicines for example, or other forms of corruption? Having procedures for dealing with such crises will allow for a more measured and rational response. Part of this includes proactively establishing good working relationships with media partners. If the organization does not have a communications director, work with the CEO to determine a person internally to handle media relations. Ensure that staff is educated regarding media relations. Develop and follow written media relations protocol in times of negative publicity, only allowing the CEO and chairperson to deal with the media to avoid confusion and contain the damage, as your reputation and trustworthiness may be at stake. See also developing a media plan here [Appendix 24:1].

Information deficit. There are several challenges with information for governing body members. Either the information they need is not available; there is not enough time to digest the information before a governing body meeting; the information is not provided in a format that is easy to understand; there is too much to read; or the information is inaccurate or possibly even dishonest. Of course this can be a deliberate tactic—a controversial issue may be placed at the bottom of the reading pile, hoping that people will have lost energy and/or focus and the measure to vote on will pass easily.

> **Remedy:** Work with management to secure and report on the most essential information in the form of one-page summaries, graphs, pictures, and stories about service use, customer satisfaction, cost (broken down at least by staff salaries, medicines and supplies, and utility costs). Make sure that information about critical issues is at the top of the reading pile so that it gets people's full attention. Trust management to read and study the long reports (governing body member should have access to those lengthy reports if they so desire but do not expect that all members want this). Ask management to provide a brief description of trends and their interpretation of the data and on what they want the members of the governing body to focus. Make required reading (or viewing) materials available at least three to five days ahead of the governing body meeting. Many organizations now use governance dashboards (or balanced score cards as they are sometimes called). (See Section 2 - Tools and Tips of this Companion Guide).

Inability to change a dispiriting culture. In most countries the public sector is set up to be inert, independent of the efforts of individuals and even section leaders to change the culture. There is safety in being inert and usually not much individual risk, where efforts to change the culture may trigger negative consequences when the status-quo is being questioned. The effects of an inert, uninspiring, or maybe even toxic culture are serious and long-lasting. In the private sector the forces favoring inertia are less formidable.

> **Remedy:** Have at least one governing body meeting a year that focuses on worker morale or the work environment. Conduct periodical surveys on work climate and make the results discussable, even if they are not very flattering to management. Mobilize management to find ways to include work environment improvements in the budget and/or find low-cost ways to make small improvements based on workers' suggestions or requests. Study larger improvement and involve, where needed and appropriate, the Civil Service Commission and political appointees to bring about desired changes, especially if the low morale has created problems that affect their constituencies. Celebrate success and achievements whenever you can but beware of singling out individuals. This tends to create a backlash due to jealousy or subjective or unsubstantiated criteria. Instead always focus on team success and team accomplishments.

Financial crises. Sudden crises that require laying off staff or cutting programs not only create negative publicity, they also suggest that the governing body was not paying enough attention to detect signs of imminent distress.

> **Remedy:** Financial crises, if not triggered by sudden external events over which no one had control, can have different causes. It is the governing body's responsibility to

be aware of potential risks, and if a crisis occurs to identify possible causes and intervene as early as possible. Oversight includes establishing and periodically reviewing key financial indicators, using actual (rather than estimated) financial and cost data for planning and evaluating, and looking at factors that influence long-term financial health, such as the capacity to mobilize funds, financial safety nets and the appropriate use and control of resources.

Fraud and corruption. Although all organizations are open to the risk of fraud, corruption, and financial mismanagement, when the organization moves large quantities of pharmaceutical products and medical supplies, their vulnerability to fraud and corruption is particularly high because of a number of factors: the market values of the items is usually high, making them a target for theft; public pharmaceutical budgets can be large, thereby attracting offers or requests for kickbacks and bribes; the supply chain often involves many players and when controls are weak, falsified or substandard medicines may be inadvertently or deliberately purchased or supplied; and clients who are largely uninformed about what they need and rely on advice from health care providers.

Remedy: It is the governing body's responsibility to ensure that that policies, guidelines, and standard operating procedures that specify how medicines will be selected, financed, procured or sourced, stored, and distributed within the organization, and prescribed, dispensed, or supplied to patients are in place. These documents should be reviewed regularly to ensure that they comply with best practices, incorporate adequate checks and balances, and are enforceable. To minimize corruption in decision-making, ensure members of committees (e.g. for awarding of tenders), selecting medicines are appointed on the basis of objective criteria, conflict of interest policies are in place and adhered to, and meeting reports and decisions reached are made publicly available. Make sure that adequate resources are allocated for oversight and audit, securing and tracking the movement of medicines and money, and to enable staff to adhere to best practices, such as separation of key responsibilities. (Refer to Section 29 and UNDP 2011: Fighting Corruption in the Health Sector: Methods, Tools, and Good Practices and Strengthening Pharmaceutical Systems [SPS], Pharmaceuticals, and the Public Interest: the Importance of Good Governance [MSH, 2011]).