

# Effective and Efficient Board Meetings

—adopting habits of excellence



“Governance Conversations”  
Loma Linda University Health  
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# Objectives:

1. To understand best practices contributing to high effectiveness and efficiency in board meetings.
2. To accept personal responsibility for what I as a board member can do to effect good governance performance.
3. To recognize that effective and efficient governance meetings build trust and a sense of confidence in the organization and its leadership.




The most important human resource in organizations is trust!



# Two kinds of trust:

Personal trust: trust that employees and clients have in individuals within an organization.

Organizational trust: trust that an organization's purposes are valid and that its policies will be fairly administered and implemented as stated.



Effective and efficient Board meetings  
have a huge impact  
on the level of organizational trust.

# The Board performance challenge:

“...there is one thing all boards have in common, regardless of their legal position. They do not function.”

—Peter Drucker



This need not be the case in your organization!



# Board meetings—identify the parts

1. Before the meeting
2. During the meeting
3. After the meeting



# 1. Before the meeting:

- Establish a password-protected Board website
  - Roster of Board members
  - Membership of Board committees
  - Calendar of Board meetings
  - Pre-Board information packets
  - Archive of Board minutes
  - Archive of financial reports
  - Constitution and Bylaws of the institution
  - Chart of organizational structure
  - Board policies
  - Resource archive for Board member training materials



# 1. Before the meeting: (cont'd)

- Board member orientation—"What members need to know"
  - Institution's Constitution and Bylaws
  - Institution's mission
  - Organizational chart
  - Legal structure of the institution
  - Property (real estate) owned/rented/leased by the institution
  - Fiduciary obligations of trustees
  - Board meeting schedule for the next 12 months
  - Board policy manual
  - Access to minutes and other information

# 1. Before the meeting: (cont'd)

- Advance notification to members re: time and place
- Distribution of pre-meeting information packet
  - Draft minutes from last meeting
  - Report from administration
  - Latest financial information
  - Committee reports (if available)
- Agenda development and review
  - Board chair and administration consult on agenda content and sequencing. Basic rule: “No surprises!”
- Preparation of materials for distribution in meeting

# 1. Before the meeting: (cont'd)

- Board chair and administrator awareness of potential conflicts of interest:
  - If, before the meeting begins, there is a known potential for conflict of interest the Chair can alert the party(ies) concerned and select a preferred method of resolution.
  - Ultimately, the Board has the right to determine how a potential conflict of interest is handled: 1) no COI exists in this instance; 2) the party(ies) can remain in the room but do not have voice and vote on the matter; 3) the party(ies) must be excused from the room while the matter is considered.



# 1. Before the meeting: (cont'd)

- Physical accommodations for meeting:
  - Furnishings, lighting, sound, seating arrangement, etc.



# 1. Before the meeting: (cont'd)

- Seating arrangement:  
“Audience” style



## “Consultation” style



- Vary the seating plan (who sits where) to minimize ideological clustering or cliques



# 1. Before the meeting: (cont'd)

Adequate space for review of meeting documents





# Board meetings—identify the parts

1. Before the meeting
2. During the meeting
3. After the meeting



## 2. During the meeting: (cont'd)

- Location—the importance of meeting on site
  - Enhanced Board member awareness of institution
  - Attendance of staff invitees
- Preliminaries:
  - Start on time!
  - Confirmation of quorum
  - Introduction of new members/invitees/guests
  - Chair's opening remarks set the tone of the meeting
  - Schedule a recess if the meeting, or any section of it, is scheduled for more than 2 hours
- Begin with Mission (stories of institutional mission being actualized)

## 2. During the meeting: (cont'd)

- “Board meetings that start out inspirational have a chance of breeding inspired people. ‘A Mission Moment’ should be a standing agenda item that reminds people why they and the work of the organization are so important. People need a chance to share with others moments when the purpose of the organization and their personal association with it was made real.”

—Jeffrey R Wilcox, Long Beach Business Journal



## 2. During the meeting: (cont'd)

- Which of three Board meeting configurations?
  - General session—Addresses general agenda items. Selected staff, advisors, and invitees in attendance.
  - Executive session—Addresses agenda items involving confidential information. Only board members (and advisors, if needed) in attendance.
  - Privileged session—Addresses agenda items requiring attorney-client privilege (protected information). Only Board members and attorney(s) in attendance.

## 2. During the meeting: (cont'd)

- Respect and preserve Board member rights:
  - Access to information (documents, minutes, records)
  - Access to management
  - Access to meetings (with voice and vote)

## 2. During the meeting: (cont'd)

### Typical agenda pattern:

1. Confirmation of quorum
2. Devotional and prayer
3. Approval of the agenda
4. Remarks from Chair
5. CEO's report
6. Approval of previous Board minutes
7. Matters arising from previous Board minutes
8. Committee reports: (Finance, Medical Affairs, Quality, Compliance, etc.)
9. New business items for this Board meeting
10. Board member education/training
11. Adjournment



## 2. During the meeting: (cont'd)

- Key principle:

Deal with the  
most important agenda item  
before the midpoint of the  
meeting!

## 2. During the meeting: (cont'd)

- Role of the Chair

- Conduct the meeting in an orderly manner
- Members recognize the chair's authority to implement appropriate code of conduct for group decision-making
- Chair must not abandon 'meeting management' role to concentrate on 'agenda advocacy' role
- Encourage member participation, discourage member or 'clique' dominance
- Ensure fair opportunity for expression of all viewpoints
- Call for vote ("YES" first, but must also call for "No")
- Declare the outcome of the vote

## 2. During the meeting: (cont'd)

- Rules of Order

- Group decision-making needs a set of procedural rules in order for the group to function effectively. Small groups can work well on a rather informal basis. Larger groups (church business meetings, institutional boards, executive committees, constituency sessions) function productively only with carefully designed rules and procedures.



## 2. During the meeting: (cont'd)

- Rules of Order

- Rules of order facilitate orderly group decision-making.
- Official documents such as *The Church Manual*, General Conference Constitution, Bylaws and *Working Policy* take precedence over the Rules of Order, should there be any conflict.
- The Chair may rule on issues not specifically covered in the Rules of Order. If the ruling is appealed, the group shall decide the matter by majority vote.
- Business is conducted one item at a time.
- Courtesy, justice, impartiality and equality maintained.
- The majority rules while protecting the rights of the minority.

## 2. During the meeting: (cont'd)

- Rules of Order

- Some non-members of the group may be granted 'voice' but not 'vote'. The meaning of 'voice' must be clearly defined. Persons with "voice" can comment on motions but are not entitled to make or second motions.
- The will of the majority represents the body's decision
- The requirements for changing a previous action may be greater than the requirement for taking the action in the first place (protects against abuse of process)

## 2. During the meeting: (cont'd)

Rules of Order protect:

- The rights of the majority

- The rights of a significant minority

- The rights of individual members

- The opportunity for full and free deliberation

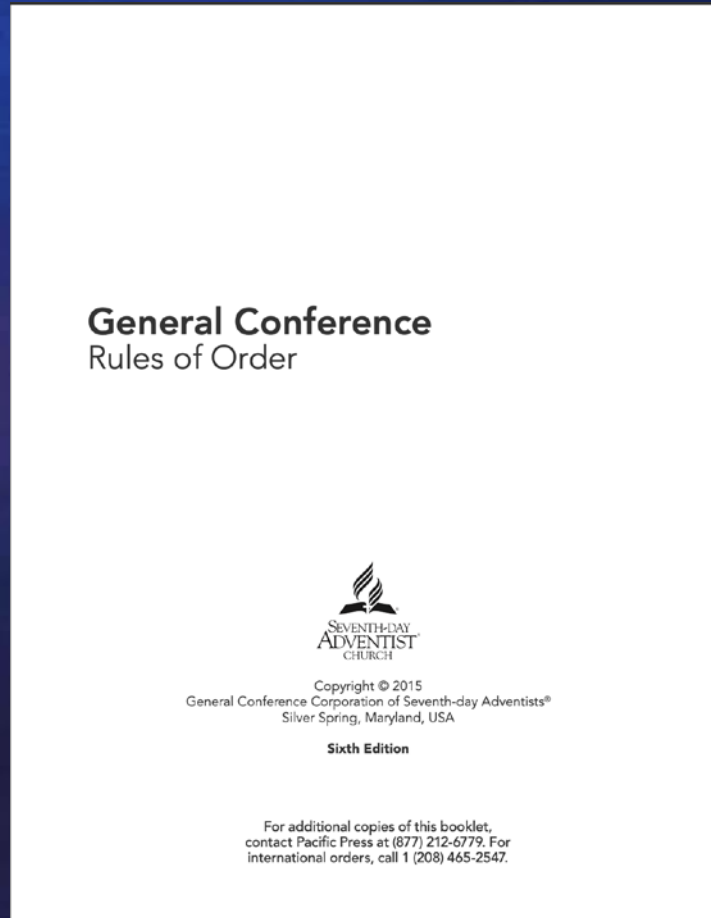
- The meeting from instability





## 2. During the meeting: (cont'd)

- Rules of Order



An electronic file of this document may be requested from [ghiconference@llu.edu](mailto:ghiconference@llu.edu)

## 2. During the meeting: (cont'd)

### ● Rules of Order

Rules of Order--Summary General Conference of Seventh-day Adventists								
Action Proposed in Motion	Type of Motion	Rank 10=highest	Precedence on the floor	Second Required	Debatable	Amendable	Majority Required	Reconsider
Fix time/place of further mtng	Privileged	10	Cannot interrupt spkr	Yes	No	Yes	Simple	Yes
Adjourn/recess	Privileged	9	Cannot interrupt spkr	Yes	No	No	Simple	No
Question of privilege re: organization of mtng re: comfort of members re: conduct of attendees	Privileged	8	Can interrupt spkr	No	No	No	Chair rules-- appeal by 2 persons	Yes
Table/Lay on the table	Subsidiary	7	Over present motion	Yes	No	No	Simple	No
Previous question, calling of	Subsidiary	6	Over present motion	Yes	No	No	2/3 majority	Yes
Limit/extend debate	Subsidiary	5	Over present motion	Yes	Yes	Yes	2/3 majority	Yes
Refer to Committee	Subsidiary	4	Over present motion	Yes	Yes	Yes	Simple	Yes
Amend the motion	Subsidiary	3	Over present motion	Yes	Yes	Yes	Simple	Yes
Postpone indefinitely	Subsidiary	2	Over present motion	Yes	Yes	No	Simple	Yes
Main motion	Main	1	If no other motion under consideration	Yes	Yes	Yes	Simple	Yes
Appeal re: point of order	Incidental	No rank	Can interrupt spkr	Yes	Yes	No	Simple	Yes
Divide the question	Incidental	No rank	Cannot interrupt spkr	Yes	No	Yes	Simple	Yes
Reconsider a voted action	Incidental	No rank	Cannot interrupt spkr	Yes	Yes	No	Simple	No
Refer back to Nom Comm	Incidental	No rank	Cannot interrupt spkr	Yes	No	No	Simple	No
Rescind/amend earlier action	Incidental	No rank	Cannot interrupt spkr	Yes	Yes	Yes	See note 1	Yes
Take from the table	Incidental	No rank	Cannot interrupt spkr	Yes	No	No	Simple	Yes
Withdraw or modify motion	Incidental	No rank	Cannot interrupt spkr	No	No	No	Simple	No

## 2. During the meeting: (cont'd)

### ● Rules of Order

Basic principles for adopting Rules of Order:

1. Rules of order facilitate a group's discovery of, and response to, God's will.
2. Official documents such as The Church Manual, General Conference Constitution, Bylaws and Working Policy take precedence over the Rules of Order, should there be any conflict.
3. The Chair may rule on issues not specifically covered in the Rules of Order. Any delegate can appeal the ruling. In such cases the group shall decide the matter by majority vote.
4. Business is conducted one item at a time.
5. Courtesy, justice, impartiality and equality are maintained.
6. The majority rules while protecting the rights of the minority.

Classification of motions:

1. Main motion: Presents new business to be considered.
2. Secondary motions: Help the group to decide what to do with the main motion or how to get things done in a meeting. Some carry a ranking value to indicate the order in which they are considered (i.e. a motion with a higher ranking number is considered before, or has precedence over, a motion with a lower ranking number). There are three types of secondary motions.
  - a. Subsidiary motions: Pertain to the handling of the main motion.
  - b. Privileged motions: Relate to special matters of immediate importance rather than to the main motion.
  - c. Incidental motions: Relate to questions of procedure on the pending business, but do not directly affect the pending business. These motions are considered immediately upon presentation by a member and thus not ranked.

Note 1: Needs 2/3 majority unless prior notice has been given that a motion to rescind a previous action will be proposed.



## 2. During the meeting: (cont'd)

- Boardroom culture:

- “Safe to talk” atmosphere—a responsibility of all
  - Regard for fiduciary obligations (duty of care, loyalty, and obedience)
  - Focus on governance, resist gravitational pull towards management
  - Dissent focused on ideas not personalities
  - Preservation of confidentiality
  - Conflicts of interest appropriately managed
- 
- “...the highest-performing companies have extremely contentious boards that regard dissent as an obligation and that treat no subject as undiscussable.” —Sonnenfeld

## 2. During the meeting: (cont'd)

- Voting:

- No voting by proxy. Members must be present to vote.
- No 'late voting' allowed after counting of ballots is announced.
- Chair may vote to make or break a tie unless the chair has already voted by ballot, etc.
- The chair first calls for the 'yes' vote.
- The chair must always call for the negative vote—even if it is clear that a large majority is in favor.

## 2. During the meeting: (cont'd)

- Voting:

- The Board can determine the method of voting: by voice, by physical signal (raising hand), or secret ballot.
- Secret ballot most effective way of avoiding group pressure.
- Members are not required to vote; abstaining from voting has no effect on the outcome of the vote.
- The majority view (“in favor”, “opposed”) of those voting represents the decision of the group.
- In some jurisdictions the vote count must be recorded:  
# in favor \_\_\_\_ #opposed \_\_\_\_ # abstaining \_\_\_\_.



## 2. During the meeting: (cont'd)

### ● Board self-evaluation tool:

Governing Boards Self-Assessment Questionnaire		
Name of institution _____		
Date: _____		
Please complete the questionnaire by circling one element of the response scale (N 1 2 3 4 5) for each of the core governance responsibilities and indicators. Opportunity for comments is provided at the end of the questionnaire.		
Core Governance Responsibilities and Indicators	Practices typical of "Distinctive" rating	Trustee/Advisor Evaluation N = No knowledge/not applicable 1 = Poor, 2 = Fair, 3 = Good, 4 = Very Good, 5 = Distinctive
		Using the scoring definitions above, circle the most appropriate response below
1. Shaping mission and strategic direction	Board members have a common understanding of the organization's mission and vision. Mission and vision are used in policy and strategy decisions. The denominational identity and spiritual mission of the organization are kept in high profile and the success of the organization is evaluated against these.	N 1 2 3 4 5
2. Strategic planning and policy decisions.	Board has established a process for strategic planning and the board has quality engagement in the process.	N 1 2 3 4 5
3. Select, evaluate and develop executive leadership.	The Board has a leadership succession plan. The Board follows a regular executive evaluation system. The Board follows systematic search processes to fill vacancies in top leadership positions.	N 1 2 3 4 5
4. Ensure adequate financial resources.	The Board knows the long-range financial needs of the institution. Board members individually support the institution.	N 1 2 3 4 5
5. Provide expertise, access and influence to support organizational objectives.	Board membership has broad range of expertise and is thus capable of addressing most needs. Board members proactively engaged and effective in achieving access and influence goals.	N 1 2 3 4 5

## 2. During the meeting: (cont'd)

### ● Board self-evaluation tool:

Core Governance Responsibilities and Indicators	Practices typical of "Distinctive" rating	Trustee/Advisor Evaluation N = No knowledge/not applicable 1 = Poor, 2 = Fair, 3 = Good, 4 = Very Good, 5 = Distinctive Using the scoring definitions above, circle the most appropriate response below
6. Protect and enhance reputation of the organization.	Board members are effective ambassadors, proactive in building awareness and goodwill for organization.	N 1 2 3 4 5
7. Oversee financial performance and ensure risk management.	Board is active in preparing/reviewing multi-year financial plan. Board monitors financial statements regularly; ensures timely, independent audit of financial results and internal controls; understands compliance issues with various regulatory bodies. Organization maintains compliance and receives maximum period of accreditation.	N 1 2 3 4 5
8. Monitor performance and ensure accountability.	Board routinely monitors and evaluates performance, using the results to inform the strategic plan, resource allocation, and evaluation of officers. Where possible the performance is compared to comparable institutions.	N 1 2 3 4 5
9. Improve board performance.	Board evaluates its performance regularly (annually) and uses the information to develop plans to improve board effectiveness. Directors believe current size adequately balances coverage of roles, diversity, cohesiveness in meetings, and workload. Formal process for identifying/recruiting directors. Chairs of board and committees have the necessary skills for effective leadership of meetings. Healthy atmosphere for effective discussion and efficient use of time. Directors feel involved and that their contributions are needed and valued. Annual calendar of board meetings known well in advance. Quality background materials sent in advance. Directors arrive well prepared for meetings. Minutes are circulated in a timely manner.	N 1 2 3 4 5
Comments: (General or specific comments about any aspect of governance or board performance on any of the three boards are welcome.)		

## 2. During the meeting: (cont'd)

### ● Board meeting assessment tool:

Board Meeting Assessment Tool	
Name of institution: _____	
Date: _____	
Indicate with a checkmark (✓) your evaluation of this Board meeting using a scale of 1 through 5 where 1 = "unsatisfactory" and 5 = "excellent".	
1. <b>Physical arrangements:</b> Seating and room space accommodations are comfortable; table space for documents/materials review; lighting and sound systems adequate; no ambient noise; room temperature appropriate; access to restrooms, etc.	
My assessment: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Observations: _____	
2. <b>Agenda and materials:</b> Agenda and appropriate materials received in advance; draft minutes for approval; access to archived documents; reports concise and informative; agenda reflects governance focus; ready access to governance document, etc.	
My assessment: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Observations: _____	
3. <b>Role of Chairperson:</b> Effective meeting management; engagement of all members; maintains meeting decorum; conflicts of interest managed; agenda management optimized; facilitates, not dominates, good group discussion and decision-making; etc.	
My assessment: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Observations: _____	
4. <b>Boardroom culture:</b> Safe to talk; absence of groupthink; respectful dialog; room for thoughtful dissent; conflicts of interest managed; adequate information for decision-making; regard for rules of order; respect for majority vote as 'group decision'; efficient use of time; etc.	
My assessment: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Observations: _____	
5. <b>Governance expertise and focus:</b> The Board understands and respects the boundary between governance and management; the full range of governance responsibilities is addressed; Board expertise is appropriate for the institution; etc.	
My assessment: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Observations: _____	
6. <b>My role in the Board meeting:</b> My presence makes a difference; my contributions to discussion are valued; I feel my time is well-spent; I am excited about the mission and future of this institution; I willingly invest time and energy for the institution between Board meetings; etc.	
My assessment: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Observations: _____	



# Board meetings—identify the parts

1. Before the meeting
2. During the meeting
3. After the meeting



### 3. After the meeting: (cont'd)

- Board Meeting Minutes: (information to include)
  - Date and time of the meeting
  - Names of the participants
  - Type of meeting (general/executive/privileged session)
  - Agenda items and topics discussed
  - Actions voted
  - Next meeting date and place
  - Supporting documents used in the meeting

### 3. After the meeting: (cont'd)

- Board Meeting Minutes:
  - Content of the Minutes is the responsibility of the Board
  - Actions can be briefly stated but should provide essential and relevant information: Who? What? Where? When? How? Why?
  - It is not always necessary to summarize discussion although brief introductions to action statements can provide relevant context.
  - Minutes, when approved, are legal documents—thus the need for care in what they do/do not contain.
  - Basic premise: “If it isn’t written down, it didn’t happen.”
  - Attach supporting documentation to permanent record.



### 3. After the meeting: (cont'd)

Timely documentation of Minutes

Who should review the Minutes before publication

Minutes—"draft" status until approved at next meeting

Secure Board website for archival of Minutes

Implementation of Board actions: who is responsible

Minutes (when approved) are legal documents



## Timeliness in recording of minutes:

And while the Great Ones repair to their dinner, the Secretary stays, growing thinner and thinner. Racking his brains to record and report what he thinks they will think they ought to have thought.

London Institute of Directors  
1971 Standard Manual



# Board meetings—identify the parts

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# Three critical conclusions:

1. Excellence in governance may seem to be so distant and elusive that enthusiasm for progress is dampened.
2. Improvement in governance is readily within reach!
3. Every Board member has the opportunity and responsibility to make a positive difference now.

# Effective and Efficient Board

## Meetings

—adopting habits of excellence



*Start  
Somewhere  
Now!*