How to Recruit a High-Performing Hospital Board

Ron Robertson and Melanie Serjak

John Rogers (not his real name) found himself across the boardroom table from a selection committee, as one of over 100 applicants competing for three vacancies on the board of governors. After a comprehensive interview and an even more extensive reference-checking process, John hoped the rigorous selection procedure would bring about a result in his favour. What was so unusual about this competition? If he won, he would be expected to work for free.

Being chosen for the Board of Governors of The Ottawa Hospital is as tough as being chosen for the board of a major bank. The hospital knows that a high-performing board can add immense value. Eight years ago, the entire board of the hospital was dismissed by the province of Ontario because of continuing deficits. The hospital’s reputation, vision and direction were at stake. At that time, the unusual decision was taken to adopt a rigorous approach to selecting members of the hospital board – the same kind of diligent selection and assessment process used for highly paid corporate executives.

One might assume that adopting such a thorough and detailed process for selecting volunteer board governors would be a deterrent for most candidates. In fact, precisely the opposite has occurred. Today, The Ottawa Hospital’s Board of Governors is held in high esteem. Vacancies, when they come up, are coveted. Many are convinced that the effectiveness of the board is due to the comprehensive, competitive nature of the recruitment and selection process.

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“The Ottawa Hospital Board is regarded as a model of good governance,” says Jim Nininger, former president of the Conference Board of Canada. “The rigour of our recruitment process has produced exactly the results we were seeking.”

While each board search should be customized, in general there are seven steps that underlie an effective process. This article details the various phases of effective board recruitment.

Phase One: Identify Important Board Characteristics

What exactly is your board seeking in a new director? Answering this question may not be easy, but it is critical. Good specification leads to good recruitment. To help you identify the skills that are required for your new director, list the competencies and qualities required by your board as a whole, and then conduct a gap analysis to identify the competencies and qualities that are most needed in incoming directors.
Phase Two: Recruit Directors
Successful board recruiting uses either or both of the following two approaches:

- The broad campaign. In this approach, prospective candidates are identified by advertising, The Ottawa Hospital advertises board vacancies because of its desire to be open and transparent, which is key to maintaining goodwill in the community. The broad approach, however, has a disadvantage. Not all of the attributes being sought by the board may be found among the applicants. In fact, some of the most desirable or highly qualified individuals in your community may not apply of their own accord. Because the broad approach typically results in a higher number of applicants, more candidates will have to be “rejected.” To counteract the potential for ill will among stakeholders, the chair of The Ottawa Hospital sends a personal note thanking all applicants and advising them of the result of their application.

- The focused campaign. With this approach, prospective candidates who have very specific attributes desired by the board are identified either by a recruiter or by stakeholders such as existing board members. These individuals are then approached, one at a time, to determine their interest. The advantage of this alternative is that few, if any, candidates will need to be rejected. However, there is one main disadvantage: in multi-stakeholder organizations, there is often an expectation of openness and transparency, which a focused campaign cannot provide.

Which approach should you use? You might, in fact, use components of both types of campaigns. The path you choose will depend on your sense of what is most appropriate in your unique circumstance.

Phase Three: Rate the Applications Using a Selection Committee
When it comes to rating the applications, the work you did in phase one, identifying the skills required of the incoming director, pays off greatly. The clear list of criteria against which candidates are assessed helps each member of the search committee rate the curricula vitae with consistency. At The Ottawa Hospital, each member of the selection committee rates each applicant based on the pre-established criteria. The committee then meets to share and discuss their ratings. The outcome of this discussion is a short list of candidates to be considered further.

Phase Four: Hold Preliminary Meetings with Candidates
In some circumstances, the individuals you most want to attract may have questions to be answered before agreeing to be serious candidates. An effective protocol in these instances is to set up an exchange-of-information meeting. While there is no hard and fast rule as to who should attend the meeting from your board, a reasonable number might range from one to three people. The board chair and the head of the governance or nominating committee are natural choices.

Important tasks at the end of the meeting are to outline the next step and ensure that the individual does not feel that he or she will necessarily be appointed to the board. Allow yourself and the candidate some future flexibility by ending the discussion with a cordial closing statement: “I have thoroughly enjoyed our meeting and hope you feel the same. The next step in our process is an interview with our selection committee. For our part, the most difficult job we have is to put together a team of directors whose capabilities actually complement one another and also provide our board with other characteristics we are seeking. Although we cannot promise you a board position, I hope you will apply.”

Phase Five: Conduct Selection Committee Interviews
The selection committee interview has two primary purposes: to determine if the candidate has acquired sufficient governance knowledge and skills to serve on the board, and to sense whether the person may have any behaviours that may be dysfunctional on the board. At The Ottawa Hospital, the interview panel usually consists of several members of the board, a senior community leader external to the board and a partner from the recruiting firm. Interviews typically last from 20 to 30 minutes. The questions are focused on matters of governance, such as the following:

- In your opinion, do boards make a difference to the effective performance of an organization, and, if so, how?
- What is the difference between the role of the board and the role of management?
- Would you please give us some examples of some of the contributions you have made to other boards on which you have served?
- Why are you interested in serving on the board of this organization?

At the end of the interview, the leader of the selection committee thanks each person and advises that the final selection will be made by mixing and matching the backgrounds of various individuals so that the many different needs of the board are satisfied from the relatively few positions available.

Phase Six: Check References
In the domain of board recruiting, reference checking, as with interviewing, is a very delicate area. Few candidates are keen to
have their references checked in a formal, open way, only to be turned down. Perhaps even fewer referees want to be responsible for a director being turned down. But reference checks should not be avoided. Anyone who has served on a board with a “loose cannon” knows how distracting that person can be!

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Reference checking is an issue that The Ottawa Hospital has faced in its selection process and has worked through very delicately. When preliminary calls are too sensitive for the board itself to make, an executive search firm may be retained to do the work on the board’s behalf. If at all possible, reference calls should be made before a candidate is advised that he or she is the board’s choice. Otherwise, if the reference reports were to result in the board changing its decision, the candidate may blame his or her referees.

The list of questions our firm asks referees is extensive and can include some of the following:

- How was the candidate’s record of attendance at board and committee meetings?
- How would you describe the candidate’s level of preparedness for the meetings?
- What would you say are his or her overall best qualities from which a board could benefit?
- If you were going to change one thing about the candidate, what would it be?
- Is there anything else you would want to know about the candidate if you were the chair of the board?

Phase Seven: Report to the Board

At The Ottawa Hospital, the selection committee presents to the board its recommendations along with a summary of the accumulated knowledge of each candidate. The report includes comprehensive information on each candidate, such as the following:

- An “executive summary” highlighting each candidate’s strengths as well as areas of concern
- Consolidated answers and comments collected from referees, which are combined so as to not identify who said what
- Observations on what assistance may be needed to help each candidate transition smoothly into the board position

After reviewing the report, the board makes the final decision as to who will be appointed. The chair typically notifies the successful candidates, and an official announcement is prepared.

For more detailed information regarding board director recruitment, please call 613-749-9909 to request a copy of our booklet Recruiting Board Directors for Non-Profit and Public Sector Organizations.

About the Authors

Ron Robertson is managing partner of odgers Berndtson in Ottawa, Ontario, and chair of the firm’s board recruiting practice.

Melanie Serjak is principal of odgers Berndtson.