

# Taming a Runaway LTC Board

**W**orking with boards of trustees can be both extremely frustrating and highly rewarding, according to two speakers at the annual meeting of the American Association of Homes and Services for the Aging in October. As Douglas C. Eadie put it, "A board of trustees is a delicate instrument. Give it either too much or too little to do, and you're asking for trouble."

Eadie, president of Strategic Development Consulting, Inc., Cleveland, said that when board members are confused and unhappy about their roles, they tend to take it out on each other and on the organization's CEO. "Governance languishes," said Eadie, "and the whole organization suffers as a result."

## A RUNAWAY BOARD

David M. Gehm described his own experience with an organization that had a poorly functioning board. Gehm is today CEO of Lutheran Homes of Michigan, Inc., a thriving 104-year-old ministry that operates two rural nursing

*"A board of trustees is a delicate instrument," said Eadie.*

homes. But Lutheran Homes was having serious difficulties when he went to work as an administrator there in 1990, he recalled. "Morale was bad, turnover was high, and we didn't even have promotional materials to give to interested families," Gehm said, adding that all these problems could be traced to the board.

Some board members seemed to have little interest in the ministry, he said, while others meddled in the work of its administrators, and still others refused to consider making any changes in the organization.

"At the time I was hired, the board was actually talking about doing away with the CEO position, which members said wasn't really needed," Gehm said. "Our board was about as dysfunctional as it could be."

But it soon became apparent to a majority of board members that the ministry had to have a change of direction, Gehm said. To this end, Lutheran Homes hired Eadie as a consultant. Eadie suggested that a retreat be arranged for board members. His proposal was accepted, though with-

## DO NOT BE AFRAID OF THE MEDIA

Attorneys for long-term care centers often advise them to avoid the media, said Kathy Kerchner, president of InterSpeak, Inc., a Scottsdale, AZ, consulting firm, who also spoke at the annual meeting of the American Association of Homes and Services for the Aging. "If you have a fire, for example, lawyers may tell you not to talk about it to reporters. But that's not really very realistic."

Kerchner, a former TV news anchor, said spokespersons for long-term care centers should instead learn *how* to talk to reporters. "Remember that when

you're answering a reporter's questions, you're dealing with perceptions, not reality. Reporters tend to think negatively—the glass is not only half-empty but dirty. Don't fall into that game. Force yourself to answer negative questions positively."

Kerchner also offered spokespersons the following advice:

- Do not let reporters put words in your mouth. Say what you want to say.
- Build conversational "bridges." A bridge takes you from the reporter's agenda ("How many persons were injured in the fire?") to your own ("Our

rapid response ensured that injuries were few and minor").

- Be clear. Stay away from jargon or technical language that neither reporters nor their audiences are likely to understand.

- Hold your ground. Do not let reporters bully you into saying more than you planned to.

"Remember that there's going to be at least one paragraph about that fire in your local paper," Kerchner concluded. "Your job is to make sure that paragraph shows your nursing home in a positive light."

out much enthusiasm, according to Gehm. "We'd had other retreats, but they were usually social occasions and little work was done at them."

### A WORKING RETREAT FOR BOARD MEMBERS

However, Eadie intended his retreat, planned for July 1994, to be different. "We were going to discuss change, which is always very serious business," he said. "If you don't take command of change, someone else will change you."

Following Eadie's advice, an ad hoc implementation committee was formed to plan the retreat.

The committee—which included Lutheran Homes' CEO, several staff members, and representatives of both the board and the Lutheran parishes that sponsor the ministry—established the retreat's priorities and assigned persons to carry them out. Eadie provided on-site training for the retreat's facilitators. "But I believed it was essential to engage the board from the beginning," he added. "I planned the retreat so that, as the board bought into the plan for change, my own role would progressively diminish."

The two-day retreat began with a discussion of the state of the nursing home industry in Michigan, Gehm said. With that as a background, the board discussed Lutheran Homes' strengths and weaknesses. "We talked about our core values, who we were, and what we wanted to become," he said.

The participants then had what Eadie called "a very intense discussion" of the proper relationship between the ministry's board and its administrators, especially its CEO. "They decided that the new board would have to be an active leader instead of a passive audience, that it would have to set policy instead of merely rubber-stamping it," he continued.

"Policy" was a key word, Gehm added. "We decided we had to get the board out of operations and into strategy and policy."

### THE NEW, STREAMLINED BOARD

Today Lutheran Homes' board is very different, Gehm said. "We pick members with much more

*"We decided we had to get the board out of operations and into strategy and policy," Gehm said.*



David M. Gehm and Douglas C. Eadie

care than formerly—we used to take just any warm body. Now we search for candidates we recognize as forward-looking people. And once they're actually on the board, we give them training—in managed care issues, for example. We want everyone to understand what they're talking about."

Today board membership is stable, but only after a period of some turmoil, Gehm added. "We quietly encouraged some former members to resign. Others we just ignored, until they got the idea and resigned on their own."

Whereas the old board had a dozen committees—"some of which rarely met"—the current board has just four, including an executive committee, Gehm said. The executive committee—made up of the CEO, the board officers, and the three working committee chairpersons—nominates new board members. "Membership is much more diverse than it was when I came here," Gehm added. "Today it includes a doctor, two women, a banker, two ministers, several business people, and a couple of blue-collar workers."

This more vigorous and diverse board is leading Lutheran Homes in new directions, Gehm said. "Because our two nursing homes are in rural areas, we've generally had a rural orientation—a fact which tended to irritate our city parishes. But now we're planning to build a third nursing home, this time in the Detroit area. Thanks to our new board, we're moving ahead."

—Gordon Burnside