



***A Survey of Board Governance in
Saskatchewan Regional Health Authorities
Practices, Issues and Opportunities***





TABLE OF CONTENTS

Reflections	1
Executive Summary	2
Objective.....	6
Background.....	7
Methodology	9
Governance Framework	10
Presentation of Survey Results	12
Survey Results.....	13
1.0 Purpose.....	14
1.1 Role, Mandate, and Values.....	14
1.2 Strategic Direction	18
1.3 Considerations.....	22
2.0 Accountability	23
2.1 Understanding Accountability	23
2.2 Accountability and Relationship with Ministry	26
2.3 Meeting Accountability Requirements	29
2.4 Considerations.....	35
3.0 Board Membership	36
3.1 Board Composition	36
3.2 Board Renewal and Appointment	39
3.3 Board Member Commitment and Satisfaction	42
3.4 Considerations.....	46
4.0 Board Structure	47
4.1 Board Practices	47
4.2 Agenda Setting	50
4.3 Committees	53
4.4 Considerations.....	56
5.0 Board Culture	57
5.1 Board Member Participation	57
5.2 Board Debate and Decision Making	60
5.3 Management's Role in Board Decision Making	66
5.4 Chairperson	69
5.5 Considerations.....	71
6.0 Information for Decision Making	72
6.1 Information Needs	72
6.2 Timing and Delivery of Information.....	76
6.3 Information Content.....	78
6.4 Financial Information	82
6.5 Risk Management.....	85
6.6 Considerations.....	88



7.0 Education, Training, and Evaluations	90
7.1 Board Education and Training	90
7.2 Board Evaluations.....	94
7.3 Considerations.....	96
8.0 Internal Relationships.....	97
8.1 Relationship with Senior Management.....	97
8.2 Management Performance Evaluation	100
8.3 CEO Appointment and Compensation	103
8.4 Considerations.....	105
9.0 External Relationships	106
9.1 Relationship with Public	106
9.2 Relationships with Ministry and Provincial Government	109
9.3 Relationships Within HealthCare Field	114
9.4 Considerations.....	116
Selected References	118



Reflections



It is difficult to overstate the importance of healthcare in our province. Because regional health authorities (RHAs) play a key role in delivering health services, how well these agencies are governed makes a real difference—both in the day-to-day impact on people's lives and in how money is spent in the single largest category of public spending.

We undertook this survey to gain an understanding of how well RHAs are governed, to identify issues as perceived by board members and senior management, and to identify opportunities to improve governance practices.

It should be noted that the Government and RHAs have invested a lot of effort in improving the state of governance. It shows. Our survey results reveal areas where board members and executives say there are few problems.

At the same time, the results show areas where further attention is clearly needed. Interestingly, in quite a few areas, board members have surprisingly different opinions from RHA executives (CEOs and CFOs). These gaps are worth exploring. There is an opportunity here to sit down, identify why views are different, and try to close the gaps.

The high response rate to our survey by RHA board members and executives is indicative of their keen interest in governance issues and their commitment to enhancing the effectiveness of governance. Given the length of the survey questionnaire, it is significant and much appreciated that many RHA board members and CEOs took extra time to raise additional governance issues or to offer further thoughts on particular aspects of the survey.

We hope this report on the state of RHA governance will serve as a valuable resource for meaningful dialogue between boards, executives, and government and will ultimately further enhance governance in the health sector.

I would like to express our appreciation to the board members and executives of the RHAs who completed the survey. A further thank you goes out to Maria Capozzi of the Auditor General of Manitoba Office who provided us with guidance on the project. I would also like to express a thank you to my team members of Mark Anderson and Whitney Mosley who led this project, and to the Johnson-Shoyama Graduate School of Public Policy at the University of Regina who gave us the opportunity to participate in their Executive Internship Program that enabled us to benefit from having Whitney join our Office for this project.

Bonnie Lysyk, MBA, CA
Provincial Auditor



Executive Summary

This report presents the results of a board governance survey conducted in Saskatchewan's regional health authorities (RHAs). Our survey was not an audit or evaluation of RHA boards. This study was undertaken to gain an understanding of the state of board governance in health regions, to identify issues as perceived by board members and senior management, and to identify opportunities to improve governance practices.

Board members and senior executives (the Chief Executive Officer and Chief Financial Officer) responded to questions about board governance practices. Their responses are highlighted around nine attributes of board governance. The results have also been divided into three different types – northern, urban/rural, and urban RHAs – to reflect the different challenges that RHAs face depending on their location.

1.0—Purpose

The purpose of RHA boards in Saskatchewan is to make decisions regarding the planning, organization, delivery, and evaluation of health services. We found that board members generally had a very positive view of their board in understanding this purpose and their overall governance expectations, compared to executives. More board members than executives agree their board demonstrates a high ethical standard and sets an appropriate “tone at the top.” Significantly more executives than board members report being concerned that some board members do not understand their role and responsibilities on the board. While very few board members think their board is overly focused on detailed operational issues rather than on strategic issues, over one-quarter of executives believe this is the case.

Fewer Northern board members than urban and urban/rural board members agree the actions and conduct of their board demonstrate high ethical standards and set an appropriate “tone at the top.” Significantly more urban/rural board members than urban and northern board members are satisfied with the performance of their RHA in achieving the goals and outcomes established by their board.

2.0—Accountability

To fulfill the role of RHAs in delivering health services, it is important that board members are clear on their accountability relationships—what they are accountable for and to whom. While RHAs are responsible for identifying local health needs, their primary responsibility is to the Minister of Health. It is interesting that most board members are of the view that their primary responsibility is to residents of the health region. Significantly more board members than executives agree the accountability requirements of the board are clearly understood by all board members.

We found in general that board members express satisfaction with the work of their board in fulfilling its accountability requirements. Most board members and executives say that accountability and reporting obligations to the Minister and/or Ministry are clear. Although just over three-quarters of board members think the Minister and/or Ministry provides the RHA with consistent messages about government expectations and



priorities, less than one-half of executives agree. Furthermore, more executives than board members agree that shared accountability and responsibilities between the board and government lead to problems. While close to three-quarters of board members are satisfied with their board's efforts in ensuring processes are in place to monitor, evaluate and continuously improve the quality of work-life balance, less than one-fifth of executives are satisfied.

When asked if they are satisfied with their RHA's efforts in ensuring the health status and health needs of the population being served are assessed on an ongoing basis, significantly fewer northern board members agree. Urban/rural board members are more satisfied than urban and northern board members with respect to their board's work in ensuring the privacy of health information, and in ensuring their organization's information systems and management practices meet their and the Minister's need for information.

3.0—Board Membership

Who serves on the board? The composition of a board can be a key element in its effectiveness. Both board members and executives throughout the province agree that representation of community values/ethics, representation of community demographics and diversity, and leadership skills are the three most important characteristics for board members to possess.

We found that most board members were positive about the composition of their board. However, only one-third of executives agree that the current composition of their board provides the necessary skills and experience to effectively lead their RHA. Moreover, while about one-fifth of board members are of the view that some board members are not qualified to be on an RHA board, over one-half of executives agree. Significantly more executives than board members also think it takes too long to fill vacant board positions when they arise. Overall, while close to two-thirds of board members are satisfied with the current method of appointing new members to the board, only 13% of executives agree.

4.0—Board Structure

Board structure provides the frame within which board governance takes place and includes items such as committees, bylaws, and policies. Most board members and executives are positive about the information their board receives from committees, about their board's bylaws, and about the provision and content of meeting minutes.

Board members seem to have a more positive outlook than executives with respect to the development of annual work plans and with the handling of conflicts of interest. While around two-thirds of board members agree their board develops an annual work plan to ensure its governance requirements are fulfilled, only around one-third of executives agree. Almost all board members agree they are satisfied that all conflicts of interest are disclosed to the board in a timely manner, while only around two-thirds of executives agree.

While the agenda for board meetings should be set by the board chairperson in consultation with the CEO, about one-third of board members and executives think the CEO usually sets agendas.



When asked if board agendas are usually set by the CEO, significantly fewer urban than urban/rural and northern board members agree. More northern than urban and urban/rural board members agree their board meetings deal with too many trivial matters and that their board relies on decisions made by committees and does not often revisit those issues.

5.0—Board Culture

Board culture describes the dynamics of how board members work together to achieve the goals of the organization. We found that both board members and executives think that overall, their board works well together as a team and that all board members have the opportunity to express their views at board meetings and that they do participate in the discussion. As well, both board members and executives agree their board's decision-making process facilitates considered and informed decisions. Most board members and executives also agree their chairperson does a good job of appropriately conducting the business of the board.

More executives than board members feel that decision making is difficult because some board members do not adequately understand the issues facing their RHA, and because some board members represent special interests.

While RHA boards across the province have similarly positive outlooks on the culture of their board, there are some differences. When asked if decision making is sometimes difficult because board members do not adequately understand the issues facing their RHA or because some board members represent special interests, more northern board members than urban or urban/rural board members agree. While almost all urban board members agree their board approves all key strategic decisions for the RHA, fewer urban/rural and northern board members agree.

6.0—Information for Decision Making

Timely, clear and accurate information is critical for boards to make well-informed decisions.

We found that executives have a more positive view of the information they provide than board members, with significantly more executives agreeing the information they provide is balanced, presenting both the positive and negative impacts of particular decisions. Significantly more board members than executives agree their CEO provides a lot of information at meetings verbally.

While many decisions hinge on financial information, about one-third of board members and executives agree that sometimes their board does not have enough time to discuss financial and/or budget issues. As well, about two-fifths of board members and three-fifths of executives agree that some board members do not have the financial capacity to adequately review budget statements.

More board members than executives report being satisfied with their board's efforts in identifying risks to their organization and ensuring that effective quality improvement and risk management practices are in place.



Fewer urban than urban/rural and northern board members find that decisions sometimes have to be deferred or delayed due to a lack of information. As well, fewer urban board members agree they are sometimes required to make immediate decisions on information received at a meeting itself. More urban/rural than urban and northern board members are satisfied their board receives adequate information to determine whether risks are adequately managed and agree they are comfortable with the risks they have decided to accept.

7.0—Education, Training, and Evaluations

Most board members and executives appear to be satisfied with their board's performance in developing processes for the ongoing education of board members, as well as with the governance tools offered by the Ministry of Health. Despite overall satisfaction with current education and training, over one-third of board members and one-quarter of executives feel the government should provide greater governance training and/or capacity building opportunities for RHA board members. Few board members and executives think that board members would not take the time to attend governance or industry-specific training or conferences.

In evaluating the performance of their board, few board members and executives think their current board is providing less effective governance than they would like.

Most board members throughout the province have attended governance training offered by the Ministry of Health and are of the view that it has provided them with enough governance training to help them be effective board members.

8.0—Internal Relationships

Maintaining a positive working relationship with senior management is important in ensuring effective governance. We found that board members and executives generally think that they have effective working relationships. Board members are generally of the view that the CEO and management team do a good job of advising boards about issues or challenges and of implementing board decisions. While very few board members agree that board members become too involved in management decisions and place unreasonable pressure on management, about one-fifth of executives agree with these statements.

Most board members and executives agree their board has established sound processes for the recruitment, appointment, and evaluation of the CEO. However, just over one-half of board members, and only one-fifth of executives agree their board has a succession plan in place for senior executives. While most board members feel they have established clear, measurable objectives for their CEO's performance and that they do a good job of holding management accountable for overall RHA performance, fewer executives agree.

While urban and urban/rural board members have similar responses, the responses of northern board members differ in several instances. For example, fewer northern board members agree that board members and management share a common view of the RHA's priorities and that board members and management have an effective working relationship. As well, fewer northern board members agree their board establishes sound processes for the recruitment, appointment, and evaluation of the CEO; ensures a



succession plan is in place for senior executives; and reviews and approves the CEO's expenses.

9.0—External Relationships

Most board members and executives agree their board adequately considers the interests of all key stakeholders in making decisions. However, about one-third of board members and executives indicate they are concerned their board does not adequately consult with the public. Most board members and executives also agree that the public does not adequately understand the mandate of their RHA and the issues that it faces.

Executives appear to be more concerned than board members that government overly interferes in the affairs of their board. Few board members and executives think that RHAs have sufficient influence over provincial policy decisions that affect healthcare. Over one-third of board members and almost one-half of executives believe the public policy initiatives the Government expects their board to undertake are not compatible with operational performance objectives. About one-half of board members and almost two-thirds of executives agree that the Minister and/or Ministry often makes decisions without adequately understanding the impact on RHAs. About one-third of board members and one-half of executives think their board needs to have a better relationship with the Minister/Ministry.

Most board members and executives agree their board does a good job of developing relationships and working with other organizations and RHAs. Although the majority of board members are satisfied with their board's work in developing effective working relationships with healthcare professionals, less than one-third of executives are satisfied.

Less than one-third of urban and urban/rural board members are concerned their board does not adequately consult with the public, while over two-thirds of northern board members think this is a problem. Significantly more urban/rural than urban and northern board members agree there is ample opportunity for their RHA to work with other RHAs to improve effectiveness or reduce costs.

Objective

This report presents the findings of a governance survey we conducted in twelve regional health authorities (RHAs) and the Athabasca Health Authority. Effective governance is of particular importance for RHAs due to the high value that people place on the healthcare system, the challenges in service delivery stemming from an aging population and limited resources, and the large budgets of RHAs (collectively \$2.9 billion in 2012-2013¹).

This survey was not an audit or evaluation of RHA boards; it was intended to increase awareness of current governance practices of these boards. In particular, the purpose of our study was to:

- Gain an understanding of the state of RHA governance

¹ Saskatchewan Ministry of Health. (2012). *Plan for 2012-13*.



- › Identify issues as perceived by board members and senior management
- › Raise awareness of governance issues and best practices
- › Enable board members and senior management to assess their governance practices against best practices
- › Identify opportunities for improvement of governance practices

Background

Regional Health Authorities in Saskatchewan

Regional health authorities (RHAs) in Saskatchewan are responsible for the planning, organization, delivery and evaluation of health services. RHAs are accountable to the Ministry of Health for fulfilling their roles and responsibilities. A board governs each RHA, with membership currently ranging from eight to eleven members appointed by Cabinet.

While included in our survey, the Athabasca Health Authority was not created by *The Regional Health Services Act*.² The Athabasca Health Authority was included in this survey because of similarities in its mandate, governance structure, roles and responsibilities, and accountability to the provincial government.

History

The Murray Commission on healthcare was established in 1988 in response to growing pressure to reduce government expenditures. One recommendation of this report was to replace “the over 400 individual hospitals, long-term care homes, home care service agencies, and ambulance organizations and their respective boards with 15 regional health authorities.”³ These new regional bodies “would be large enough to achieve appropriate economies of scale in delivering services but small enough to be responsive to local health needs.”⁴ As a result, in 1992 the over 400 individual hospitals, long-term care homes, home care service agencies, and ambulance organizations and their respective boards were amalgamated into 32 health districts with elected board members. Ten years later, the Fyke Commission on Medicare concluded that a reduction in districts to between 9 and 11 was necessary to achieve greater efficiency in the healthcare system. This led to the creation of *The Regional Health Services Act* in 2002, which established the current RHAs in Saskatchewan, with appointed board members.

² Athabasca Health Authority is a membership corporation, established under *The Non-profit Corporations Act, 1995*, and is jointly funded by the provincial and federal governments. Five groups comprise the membership: the Black Lake Denesuline First Nation, the Fond du Lac Denesuline First Nation, the Northern Hamlet of Stony Rapids, Uranium City, and Camsell Portage. These five members appoint Directors to serve on the Health Authority Board. Athabasca Health Authority, 2011 Annual Report.

³ Marchildon, G. (2005). Regionalization and Health Services Restructuring in Saskatchewan, p. 6.

⁴ Ibid., p. 2.



Work of the Ministry of Health in RHA Governance

During the 1990s, there was thought to be too much ambiguity between the role of the Government and boards of health districts. To address this, after RHAs were created a committee involving both Government and RHA board members was established.

The Saskatchewan Board Governance Toolkit is one outcome of this committee's work. This document helps educate board members and provides them with basic governance tools such as model general bylaws and guidelines for evaluating executives. To provide further education, governance education sessions were also offered to board members covering areas such as strategic management, risk management, and financial information. Responding to the interest of board members in having formal recognition of their education, in 2009 the Ministry of Health joined with the Johnson-Shoyama Graduate School of Public Policy and Brown Governance to offer a 4-module governance-training program that culminates in a final exam leading to certification as health director.

Grouping of Regional Health Authorities

RHAs in Saskatchewan face different challenges depending on their location. To provide insight into these challenges, and with input from the Ministry of Health, we divided RHAs into three types: urban, urban/rural, and northern, as outlined in **Figure 1** and **2**. The urban areas of Saskatoon and Regina are experiencing population booms, with everything from housing availability to healthcare delivery being stretched to capacity. Urban/rural RHAs include towns and small cities, as well as rural areas, with boards working to balance service accessibility with financial realities. Northern RHAs deal with the challenges of young, largely Aboriginal populations living in small, remote villages.

Figure 1 – Regional Health Authority Information

Regional Health Authority	Grouping	Covered Population Served ⁵ (2012)	Annual Budget from Ministry of Health (2012-2013) \$000s
Cypress	Urban/Rural	43,982	108,536
Five Hills	Urban/Rural	54,994	131,573
Heartland	Urban/Rural	43,626	81,947
Keewatin Yatthe	Northern	12,001	24,644
Kelsey Trail	Urban/Rural	41,902	103,570
Mamawetan Churchill River	Northern	23,833	25,431
Prairie North	Urban/Rural	78,072	190,746
Prince Albert Parkland	Urban/Rural	79,926	187,514
Regina Qu'Appelle ⁶	Urban	271,503	823,011
Saskatoon ⁷	Urban	323,938	921,990
Sun Country	Urban/Rural	56,890	122,807

⁵ Covered population is based on eligibility for health insurance benefits in Saskatchewan.

⁶ While Regina Qu'Appelle and Saskatoon are classified as urban for the purposes of this chapter, they also serve significant town and rural populations.

⁷ Ibid.



Regional Health Authority	Grouping	Covered Population Served ^a (2012)	Annual Budget from Ministry of Health (2012-2013) \$000s
Sunrise	Urban/Rural	57,678	179,888
Athabasca	Northern	2,608	6,425
TOTAL		1,090,953 ^a	2,908,082

Population source: Saskatchewan Ministry of Health, Covered Population, 2012

Budget source: Saskatchewan Ministry of Finance, Provincial Budget Estimates, 2012-2013

Figure 2—Information by Type

Information	Urban	Urban/Rural	Northern
Number of health authorities	2	8	3
% of annual budget	60	38	2
% of population served	55	42	4
% of population aged 0 – 24 years	32	33	50
% of population aged 25 – 49 years	36	30	32
% of population aged 50 -64 years	19	20	13
% of population aged 65 + years	13	17	6

Population source: Saskatchewan Ministry of Health, Covered Population, 2012

Budget source: Saskatchewan Ministry of Health Annual Report, 2012-2013

Methodology

Two surveys were developed by our office. One survey was designed for current and recent past board members, while the other was designed for executives of each RHA who work closely with the board: the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).

The survey took place in November and December 2012. Surveys were completed by respondents and reflect their opinions and experiences serving as board members and executives.

In total, 191 surveys were distributed and 132 were completed, giving an overall response rate of 69%. 80% of current board member surveys, 39% of former board member surveys, and 65% of executive surveys were returned.

For most questions, respondents were asked to rank how strongly they identified with different statements regarding board governance using a scale of 1 to 5 with values as follows: 1 = strongly disagree; 2 = disagree; 3 = neutral/neither; 4 = agree; 5 = strongly agree. For the purposes of this report, we grouped responses 1 and 2 together as “disagree” and grouped responses 4 and 5 together as “agree.”

^a The Ministry of Health publication “Covered Population 2012, Notice to Readers” notes that “The Covered Population figures have been closest to Statistics Canada population estimates in the years following a health card renewal...The next health card renewal year will be 2014.”

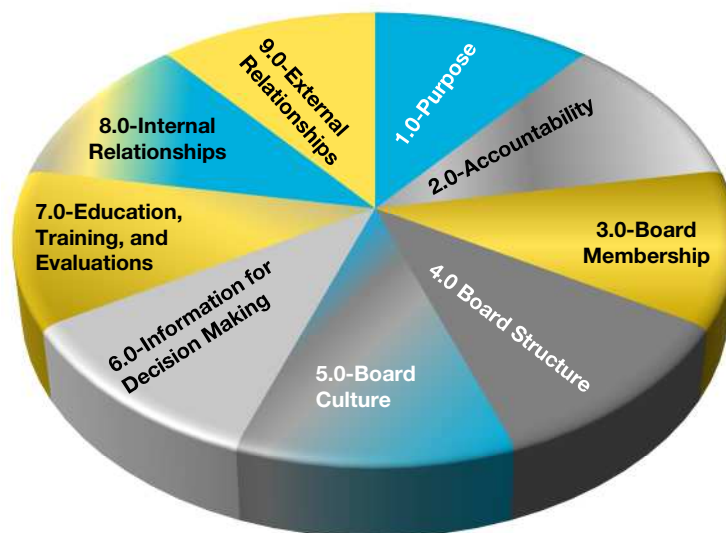


The practices reflected in our questions were developed from governance literature, the work of the Ministry of Health, and the work of other legislative audit offices. In particular we referenced governance studies developed by the Office of the Auditor General of Manitoba.

Governance Framework

The Ministry of Health's *Guide to Corporate Governance* (in the *Board Governance Toolkit*) describes governance as "stewardship where the governing body guides the strategic direction of the organization" (p. 3.1). The chapters of this report are organized around the nine governance attributes outlined in **Figure 3**.⁹

Figure 3—Nine Attributes of Governance



These attributes are outlined as follows:

1.0—Purpose

The purpose of RHA boards in Saskatchewan is to make decisions regarding the planning, organization, delivery, and evaluation of health services. It is important that board members understand the role of the RHA board, and their individual responsibilities as board members.

2.0—Accountability

To fulfill the role of RHAs in delivering health services, it is important that board members are clear on their accountability relationships - what they are accountable for and to whom. RHA boards must also ensure effective practices are in place to manage and monitor healthcare priorities for which they are accountable.

⁹ These attributes were developed from work done by the Office of the Auditor General of Manitoba.



3.0—Board Membership

Attributes of individual board members, the appointment process, and the commitment of board members strongly influence how well boards are able to carry out their duties.

4.0—Board Structure

Board structure provides the framework within which board governance takes place. Board practices, such as the number of meetings per year and conflict-of-interest policies, agenda setting, and committee organization and influence help shape board structure.

5.0—Board Culture

Board culture is affected by, and has a strong influence on, board member participation, debate, and ultimately, decision making. The board chairperson plays an important role in managing the board and ensuring a productive board culture.

6.0—Information for Decision Making

Board decisions are based on different types of information; thus, it is important that boards identify the information necessary to make well-informed decisions. Boards should also receive information in a timely and clear manner, so it can readily be used for decision-making.

7.0—Education, Training, and Evaluations

The provision of board education and training can be an invaluable way to increase the effectiveness of RHA boards. Education and training not only increase board member knowledge, but also promote a common understanding of the goals and work of their organization and the sector.

8.0—Internal Relationships

RHA boards work with senior management to deliver healthcare. Because of this, it is important that they have a positive working relationship where board members and senior management respect the role and authority of each other. As part of their responsibilities, boards are also responsible for evaluating senior management, and appointing and compensating the CEO.

9.0—External Relationships

Given their accountability to the provincial Government, it is important that boards maintain a positive and open relationship with the Ministry of Health. RHA boards should also work to develop positive relationships with the public and others working in the healthcare field.

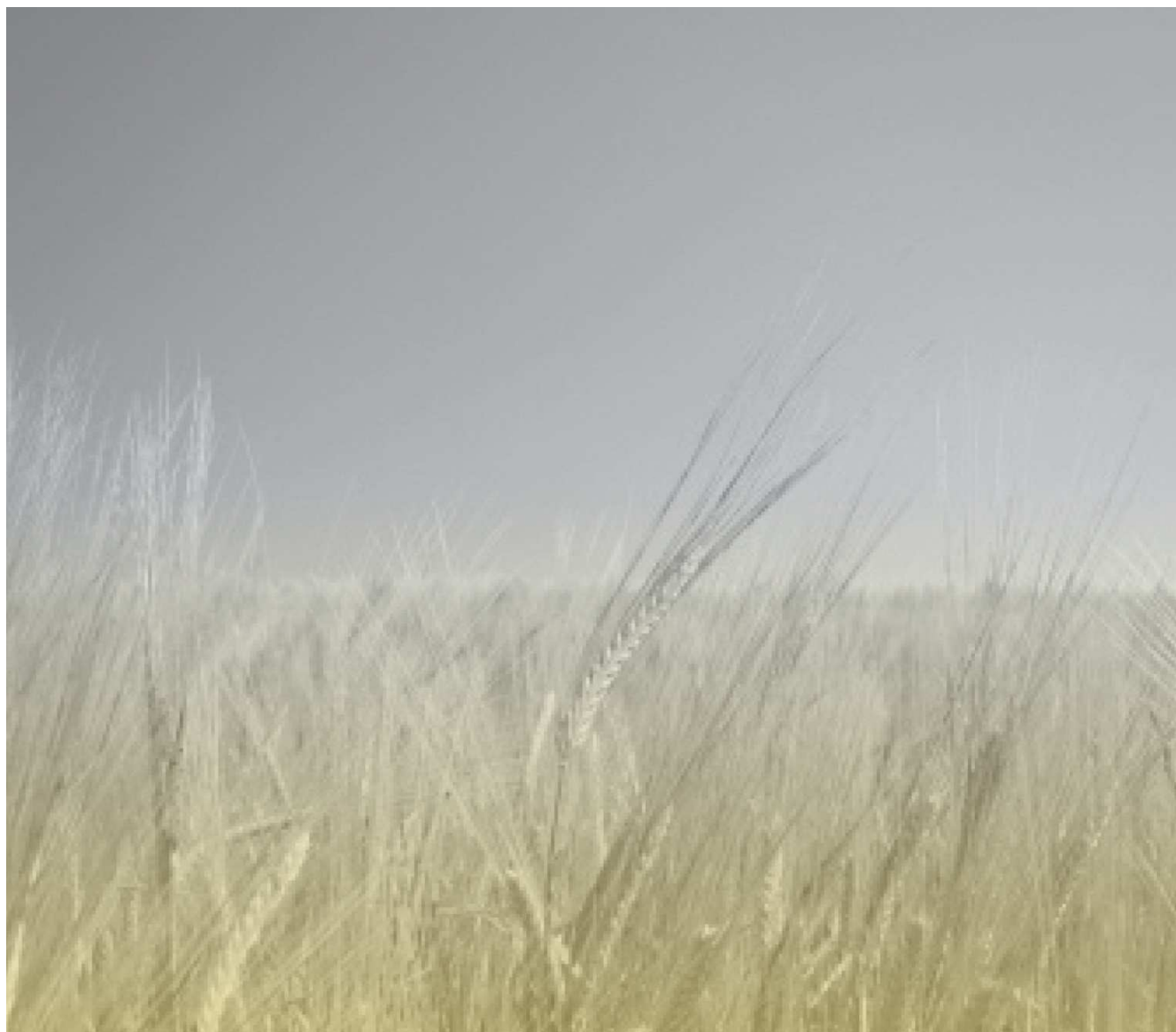


Presentation of Survey Results

Each following chapter begins with a general discussion of the governance attribute. The chapter is then divided into subtopics that begin with further discussion, followed by key observations, and then detailed results. Detailed results first include the split between board members and executives, followed by a breakdown of the responses of board members by RHA grouping (a geographic grouping of executives' responses is not provided due to the limited number of executives surveyed).

The survey results are presented in both a graphical and descriptive format. Responses for most graphs present the percentage of respondents who agreed, disagreed, or provided a neutral response. Responses of strongly agree and agree were grouped together to form the agree response, while responses of strongly disagree and disagree were grouped together to form the disagree response. Not all questions were applicable to board members or executives, and these are noted as "N/A" on the graphs.

At the end of each chapter is section called "Considerations" where we highlight selected issues for further comment.



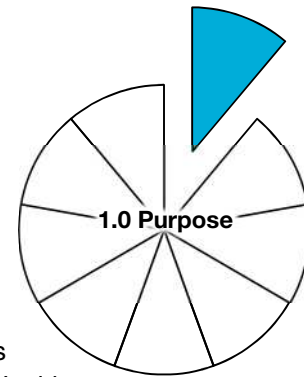
Survey Results





1.0 Purpose

RHA boards, together with the Ministry of Health and healthcare organizations, work towards the efficient delivery of quality health services to the people of Saskatchewan. The roles and expectations of the three parties are closely related, but distinct. To avoid conflict and duplication of efforts, it is important that all parties are clear on their roles. *The Regional Health Services Act* and the document *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities and Health Care Organizations* (in the *Board Governance Toolkit*) set out the legislative mandate, and roles and expectations of the Minister of Health, RHAs, and healthcare organizations.



While these documents set out the broad responsibilities of RHAs, it is up to individual RHAs to develop plans to work towards the strategic objectives set by the Ministry. These plans are unique to each RHA because, although directed by the same overarching responsibilities, each RHA faces specific needs and has unique strengths and challenges in meeting its needs. Without specific goals and measures to assess success in meeting these goals, health authorities run a greater risk of wasting resources and time, may not be as responsive to the needs of the people in their health region, and will be less likely to meet their responsibilities to the Minister.

1.1 ROLE, MANDATE, AND VALUES

To govern effectively, it is important that board members clearly understand their role and responsibilities. Using this knowledge of their role and responsibilities, boards should together establish the vision and mission, as well as directions, key expectations, and performance measures for their health authority.

It is also important that boards clarify the values and principles that guide their decisions. Given their appointment by the Government and the stewardship role they hold, boards should demonstrate high ethical standards that set an appropriate tone for the whole organization.

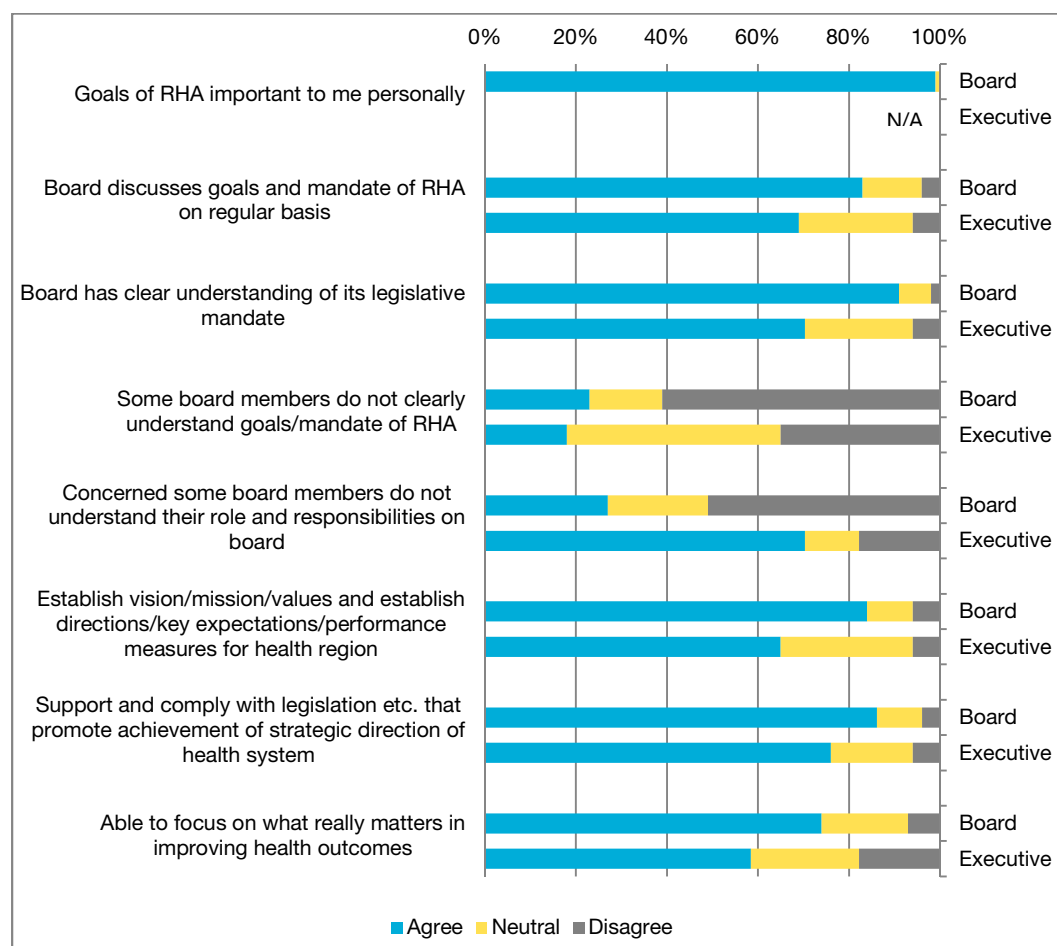
Key Observations

Most board members and executives (CEO/CFO) have a positive outlook on the role and mandate of their RHA board. The majority agree their board is able to focus on what really matters in improving health outcomes, discusses the goals and mandate of the RHA on a regular basis, and has a clear understanding of its legislative mandate. While less than one-third of board members report being concerned that some board members do not understand their role and responsibilities of being on the board, over two-thirds of executives are concerned about the understanding of board members. Few board members and executives agree that their board has not sufficiently clarified values and principles that guide its decisions. Significantly more board members than executives agree the actions and conduct of the board demonstrate high ethical standards and set an appropriate “tone at the top.”



Detailed Results

Figure 1.1a—Role and Mandate



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

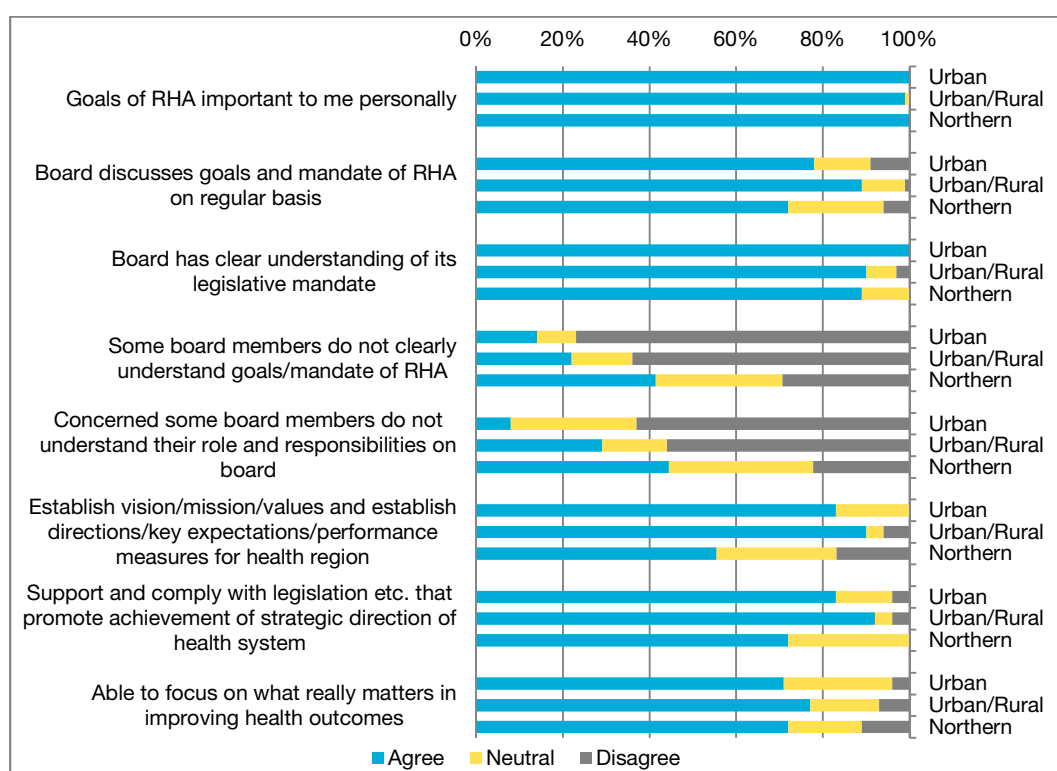
The survey found that:

- Almost all board members (99%) agree that the goals of their RHA are important to them personally.
- Boards discuss the goals and mandate of their RHA, according to 83% of board members and 69% of executives.
- The large majority of board members (91%) agree their board has a clear understanding of its legislative mandate. Fewer executives agree (71%).
- 23% of board members and 18% of executives feel that some board members do not clearly understand the goals and mandate of their RHA.
- Board members and executives responded differently when asked if they are concerned that some board members do not understand their role and responsibilities on the board. Only 27% of board members report being concerned, while 71% of executives are concerned.



- 84% of board members and 65% of executives are satisfied with their board's work in establishing vision, mission and values consistent with the strategic direction provided by the province, and in establishing the directions, key expectations and performance measures for their health region.
- 87% of board members and 76% of executives are satisfied with their board's work in supporting and complying with legislation, regulation, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system.
- Boards are able to focus on what really matters in improving health outcomes, according to 74% of board members and 59% of executives.

Figure 1.1b—Role and Mandate: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

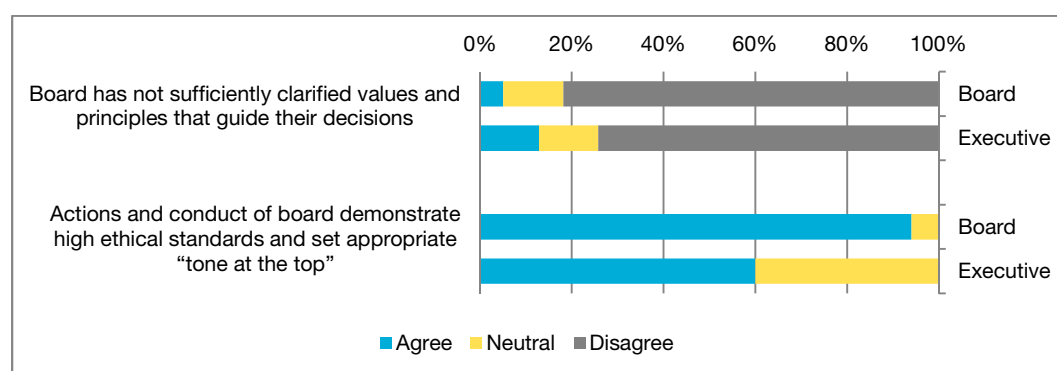
The survey found that:

- All board members feel the goals of their RHA are important to them personally: 100% of urban and northern members agree, and 99% of urban/rural board members agree.
- 78% of urban, 89% of urban/rural, and 72% of northern board members agree their board discusses the goals and mandate of their RHA on a regular basis.
- Board members throughout the province agree their board has a clear understanding of its legislative mandate: 100% of urban, 90% of urban/rural, and 89% of northern board members agree.



- 14% of urban and 22% of urban/rural board members feel that some board members do not clearly understand the goals and mandate of their RHA, while 41% of northern board members feel this way.
- While few urban board members (8%) are concerned that some board members do not understand their role and responsibilities on their board, 29% of urban/rural and 44% of northern board members think that this is an issue.
- The large majority of urban (83%) and urban/rural (90%) board members are satisfied with their board's work in establishing vision, mission and values consistent with the strategic direction provided by the province and in establishing the directions, key expectations and performance measures for their health region; however, only 56% of northern board members are satisfied.
- The majority of urban (83%), urban/rural (92%) and northern (72%) board members are satisfied with their board's work in supporting and complying with legislation, regulation, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system.
- Most board members agree that their board is able to focus on what really matter in improving health outcomes: 71% of urban, 77% of urban/rural, and 72% of northern board members agree.

Figure 1.1c—Values



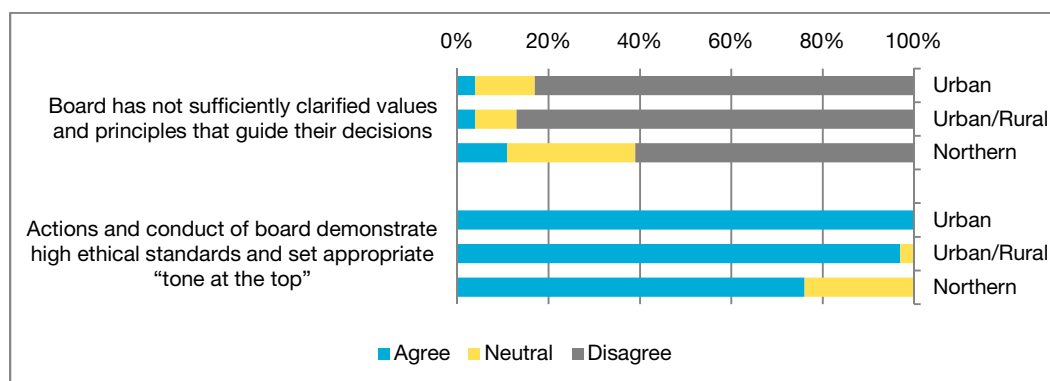
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- Few board members (5%) and executives (13%) feel their board has not sufficiently clarified the values and principles that guide their decisions.
- While 94% of board members agree the actions and conduct of the board demonstrate a high ethical standard and set an appropriate "tone at the top", significantly fewer executives agree (60%).



Figure 1.1d—Values: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Few board members across the province agree that their board has not sufficiently clarified the values and principles that guide their decisions: 4% of urban and urban/rural, and 11% of northern board members agree.
- › All urban board members and 97% of urban/rural board members agree that the actions and conduct of their board demonstrate high ethical standards and set an appropriate "tone at the top"; 76% of northern board members agree.

1.2 STRATEGIC DIRECTION

Given the importance of strategic planning, it is important that boards are active in providing input to the Ministry for the Ministry's setting of the overall strategic direction of the health system. Boards should be involved in developing plans and not merely ratify plans provided by management. Boards should identify specific performance goals and objectives they expect their RHAs to achieve in fulfilling their responsibilities. When making decisions, boards should then refer to their plans to determine whether their decisions are working towards the overall goals of their organizations. As well, it is important that boards receive adequate and timely feedback from the Ministry on their plans.

Key Observations

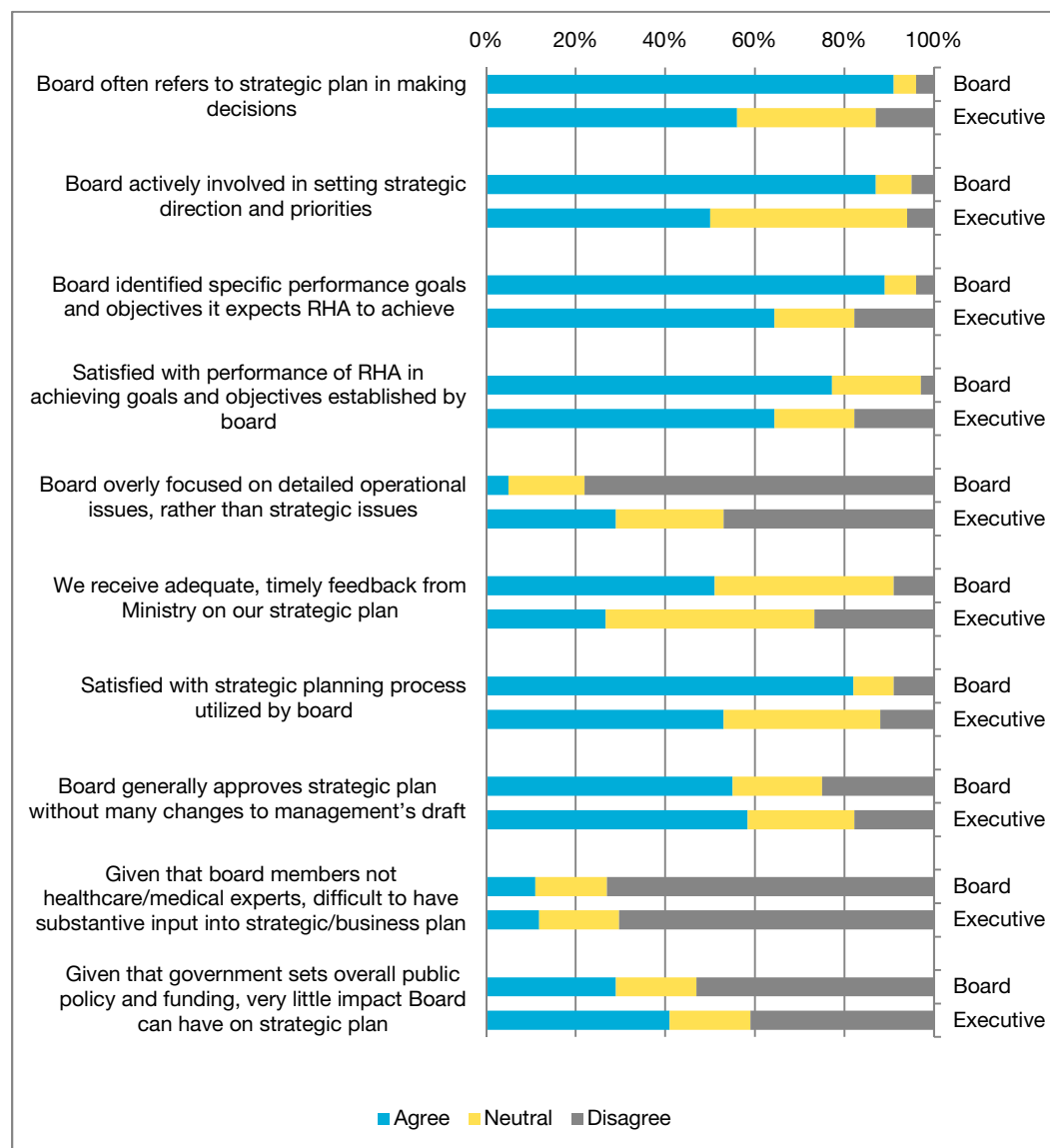
Significantly more board members than executives agree the board often refers to the strategic plan in making decisions and is actively involved in setting strategic direction and priorities. Although more board members than executives agree, both think their board identifies specific performance goals and objectives it expects the RHA to achieve and is satisfied with the performance the RHA is achieving. More board members than executives indicate they are satisfied with the strategic planning process utilized by their board. While very few board members think their board is overly focused on detailed operational issues rather than on strategic issues, over one-quarter of executives believe this is the case. Few board members and executives think it is difficult for board members to have substantive input into the strategic/business plan because they are not healthcare and/or medical experts. More board members and executives believe



there is very little impact the board can have on the strategic plan because the Government sets overall public policy and funding. With respect to feedback from the Ministry on their strategic plan, only one-half of board members say they receive adequate, timely feedback from the Ministry and less than one-third of executives believe the Ministry gives adequate and timely feedback.

Detailed Results

Figure 1.2a – Strategic Direction



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

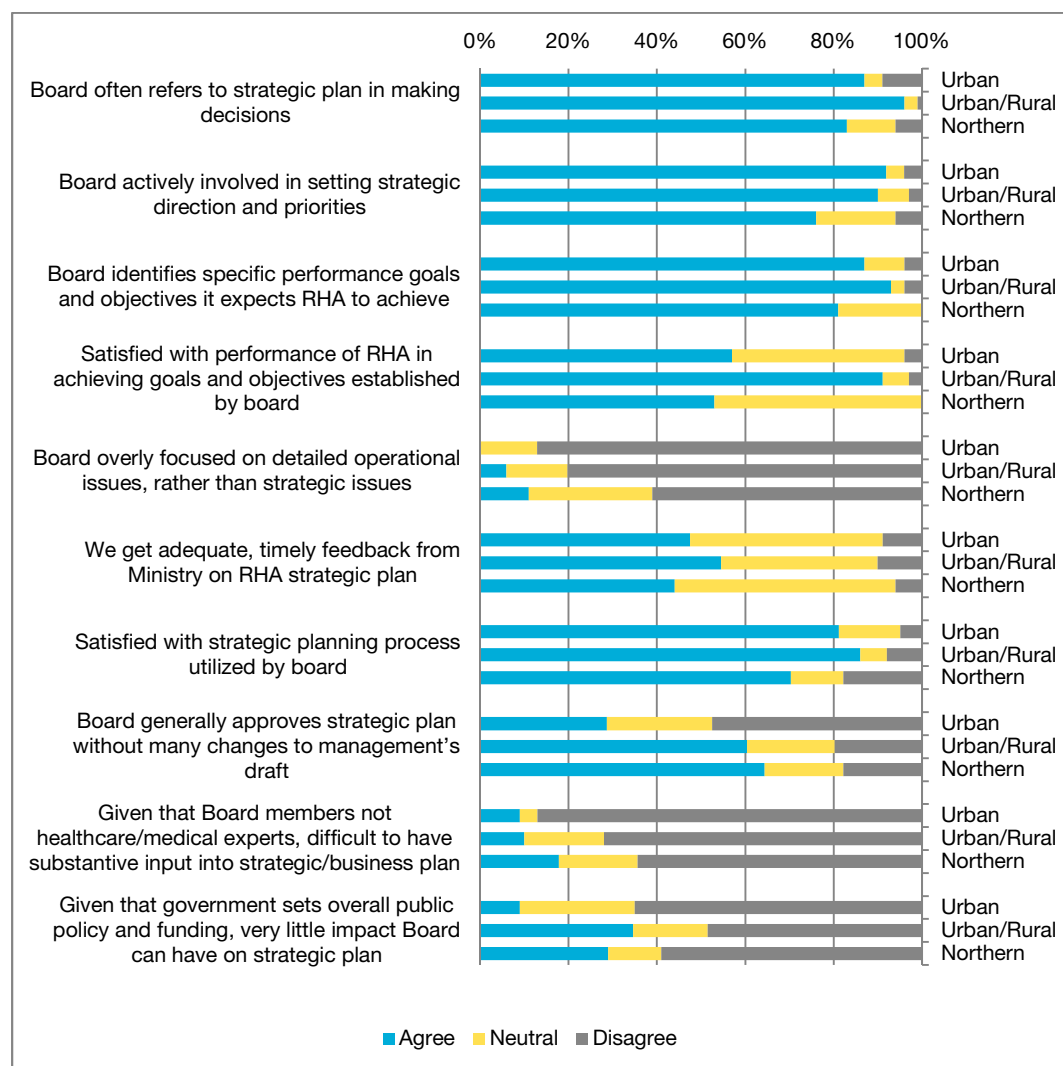
- While the large majority of board members (91%) think their board often refers to the strategic plan in making decisions, only 56% of executives agree.



- › Most board members (87%) feel their board is actively involved in setting strategic direction and priorities, while 50% of executives agree.
- › The board identifies specific performance goals and objectives it expects the RHA to achieve, according to 89% of board members and 65% of executives.
- › 78% of board members and 65% of executives are satisfied with the performance of their RHA in achieving the goals and objectives established by the board.
- › Very few board members (5%) but significantly more executives (29%) agree their board is overly focused on detailed operational issues, rather than strategic issues.
- › About one-half of board members (51%) think they receive adequate, timely feedback from the Ministry on their strategic plan; 27% of executives agree.
- › The majority of board members (82%) are satisfied with the strategic planning process utilized by their board, while only about one-half of executives agree (53%).
- › About one-half of board members (55%) agree their board generally approves the strategic plan without many changes to management's draft; 59% of executives agree.
- › Few board members (11%) and executives (12%) agree that it is difficult for board members to have substantive input into the strategic/business plan because they are not healthcare or medical experts.
- › 29% of board members and 41% of executives agree there is very little impact the board can have on the strategic plan given that the Government sets overall public policy and funding.



Figure 1.2b—Strategic Direction: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- Board members throughout the province agree that their board often refers to the strategic plan in making decisions: 87% of urban, 96% of urban/rural, and 83% of northern board members agree.
- The large majority of urban (91%) and urban/rural (90%) board members feel their board is actively involved in setting strategic direction and priorities for their RHA; 76% of northern board members agree.
- Board members throughout the province agree their board identifies specific performance goals and objectives it expects the RHA to achieve: 87% of urban, 93% of urban/rural, and 81% of northern board members agree.
- While the large majority of urban/rural board members (92%) are satisfied with the performance of their RHA in achieving goals and objectives established by the board, only 57% of urban and 53% of northern board members are satisfied.



- › Few board members agree their board is overly focused on detailed operational issues, rather than on strategic issues: no urban board members agree, and only 6% of urban/rural and 11% of northern board members agree.
- › About one-half of board members throughout the province feel that they get adequate, timely feedback from the Ministry on their strategic plan; 48% of urban, 54% of urban/rural, and 44% of northern board members agree.
- › Board members across the province are satisfied with the strategic planning process utilized by their board: 82% of urban, 86% of urban/rural, and 71% of northern board members report being satisfied.
- › 29% of urban board members agree that their board generally approves their RHA's strategic plan without many changes to management's draft, while 61% of urban/rural and 65% of northern board members agree.
- › Few board members throughout the province agree that it is difficult for board members to have substantive input into the strategic/business plan because they are not healthcare/medical experts: 9% of urban, 10% of urban/rural and 18% of northern board members agree.
- › While only 9% of urban board members agree there is very little impact their board can have on the strategic plan given that the Government sets the overall public policy and funding, 35% of urban/rural and 29% of northern board members agree.

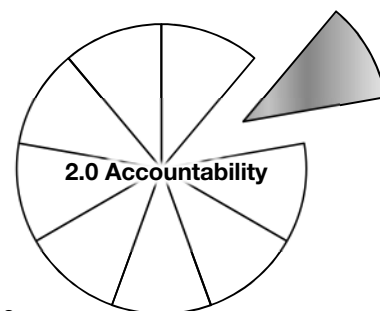
1.3 CONSIDERATIONS

It appears that there is room for dialogue on strategic planning. Boards are expected to provide input to the Ministry for the Ministry's setting of the overall strategic direction of the health system. Plans at the individual board level are a valuable tool for guiding decision making, for communicating consistent priorities, and for focusing boards on appropriate items for discussion (i.e., not detailed operational issues). However, we noted that board members appear to be more satisfied than executives with the preparation and use of strategic plans. As well, over one-quarter of executives are concerned their board is overly focused on detailed operational issues rather than on strategic issues. Also, a significant number of board members and executives believe that there is little effective impact they can have on strategic plans because Government sets overall priorities and funds accordingly.



2.0 Accountability

In their *Guide to Corporate Governance* (in the *Board Governance Toolkit*), the Ministry of Health defines accountability as “a relationship based on the obligation to demonstrate and take responsibility for performance in light of agreed upon expectations” (p. 2.5). Boards are accountable to the provincial Government through the Minister of Health. RHA boards represent local needs and concerns but are only indirectly accountable to the people of their health region, in that the people elect the Government to whom RHA boards are accountable.



It is not only important that RHA boards understand this accountability relationship with the Minister, but that the Minister provides clear accountability and reporting obligations, and consistent messages about Government expectations and priorities.

The first two parts of this chapter address board member and executive understanding of accountability in the health system, while the last two parts act as a check-up to see how board members and executives think they are doing with respect to meeting their responsibilities. Some of these responsibilities were taken from the document *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities and Health Care Organizations*.

2.1 UNDERSTANDING ACCOUNTABILITY

Board members require a clear understanding of accountability within the healthcare system. While RHAs are responsible for identifying local health needs and communicating with all stakeholders, their primary responsibility is to the Minister of Health. It is board members, and not the CEOs, who are ultimately accountable for the actions of RHAs.

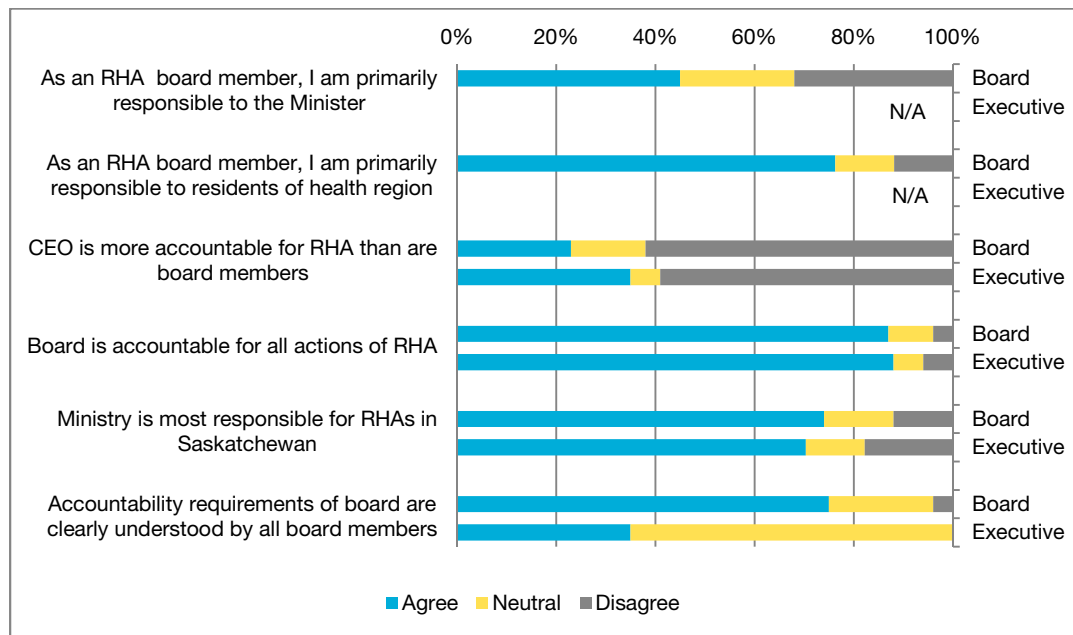
Key Observations

Most board members think their primary responsibility is to the residents of the health region. The majority of board members and executives (CEO/CFO) agree the board is accountable for all actions of the RHA. A slightly smaller percentage of both agree the Ministry is most responsible for RHAs. Significantly more board members than executives think that the accountability requirements of the board are clearly understood by all board members.



Detailed Results

Figure 2.1a—Understanding Accountability



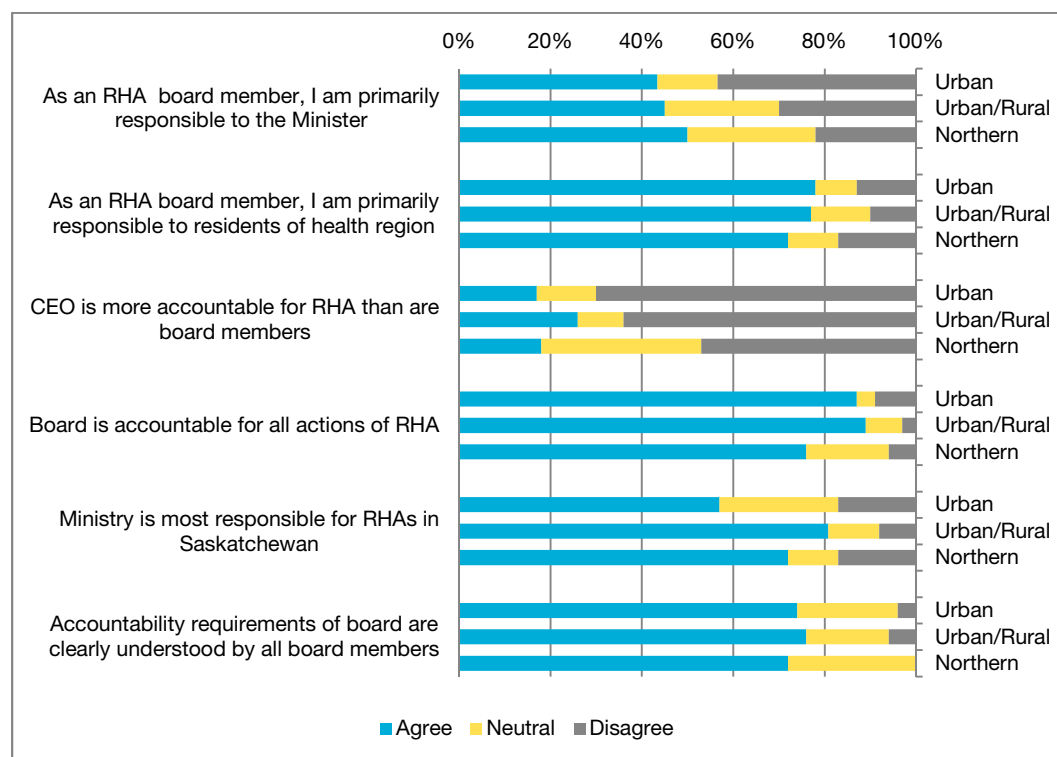
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › 45% of board members think their primary responsibility is to the Minister of Health.
- › The majority of board members (77%) think their primary responsibility is to residents of the health region.
- › Almost one-quarter of board members (23%) and over one-third of executives (35%) feel their CEO is more accountable for the RHA than are board members.
- › The board is accountable for all actions of the RHA, according to 87% of board members and 88% of executives.
- › Most board members (74%) and executives (71%) feel the Ministry of Health is most responsible for RHAs in Saskatchewan.
- › While 75% of board members agree that accountability requirements of the board are clearly understood by all board members, only 35% of executives agree.



Figure 2.1b—Understanding Accountability: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Most board members throughout the province are on the same page with respect to agreeing their primary responsibility is to the Minister of Health: 43% of urban, 45% of urban/rural, and 50% of northern board members agree.
- › The majority of board members are also on the same page with respect to agreeing their primary responsibility is to residents of the health region: 78% of urban, 77% of urban/rural, and 72% of northern board members agree.
- › 26% of urban/rural, 17% of urban, and 18% of northern board members think their CEO is more accountable than the board for all actions of the RHA.
- › Most board members throughout the province agree their board is accountable for all actions of the RHA: 87% of urban, 89% of urban/rural, and 76% of northern board members agree.
- › While 80% of urban/rural and 72% of northern board members agree that the Ministry of Health is most responsible for RHAs in Saskatchewan, only 57% of urban board members agree.
- › 74% of urban, 76% of urban/rural, and 72% of northern board members agree that the accountability requirement of their board are clearly understood by all board members.



2.2 ACCOUNTABILITY AND RELATIONSHIP WITH MINISTRY

Boards are ultimately accountable to the Minister for the actions of their RHA. For this relationship to be effective, boards and the Ministry must be clear on their responsibilities and ensure they fulfill them. As well, it is important that boards are given adequate authority, within the parameters set by the law and the Minister, to effectively govern RHAs and that they are clear on how the Ministry monitors RHA performance.

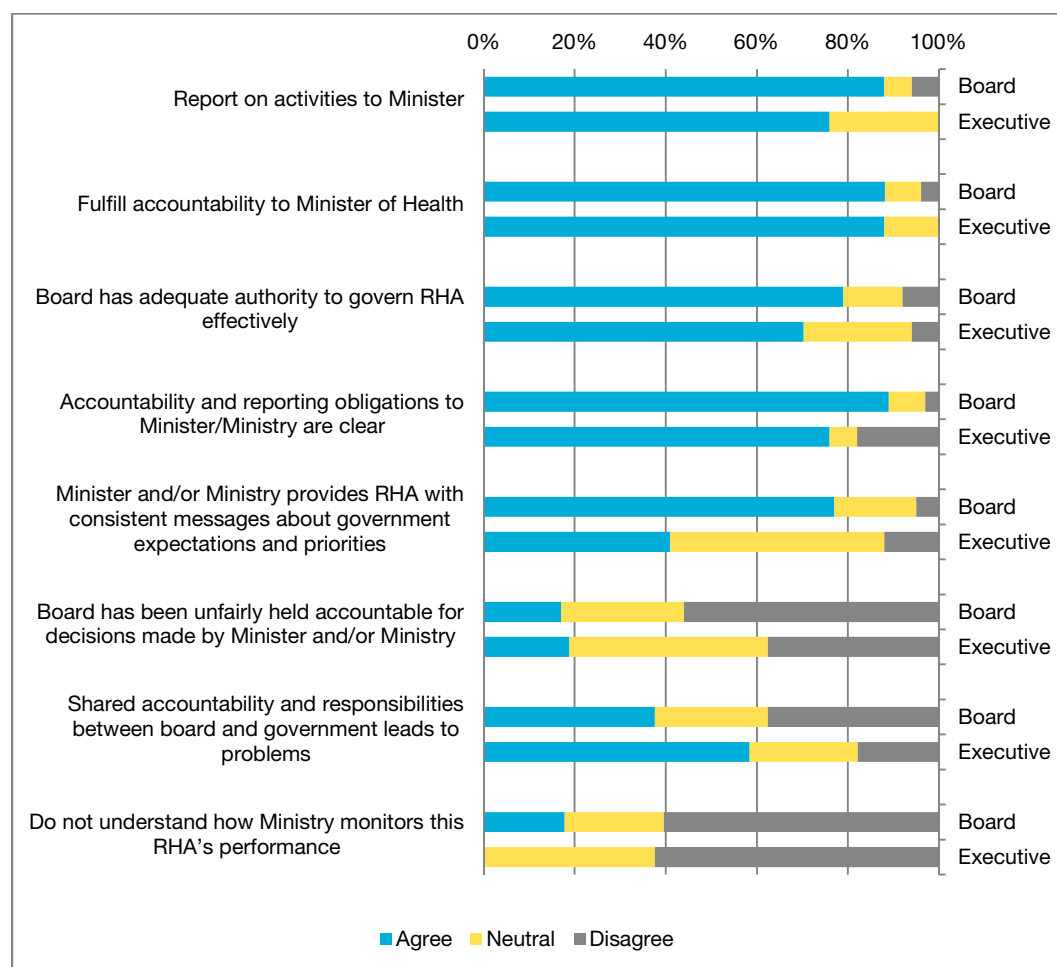
Key Observations

Most board members and executives appear satisfied with the reporting of RHA activities to the Minister and are satisfied their board fulfills its accountability to the Minister of Health. The majority of board members and executives also believe their board has adequate authority to govern the RHA effectively. Although most board members think the Minister and/or Ministry provides RHAs with consistent messages about Government expectations and priorities, less than one-half of executives agree. While about one-fifth of board members and executives feel their board has been unfairly held accountable for decisions made by the Minister and/or Ministry, over one-third of board members and over one-half of executives agree that shared accountability and responsibilities between boards and the Government leads to problems.



Detailed Results

Figure 2.2a—Accountability and Relationship with Ministry



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

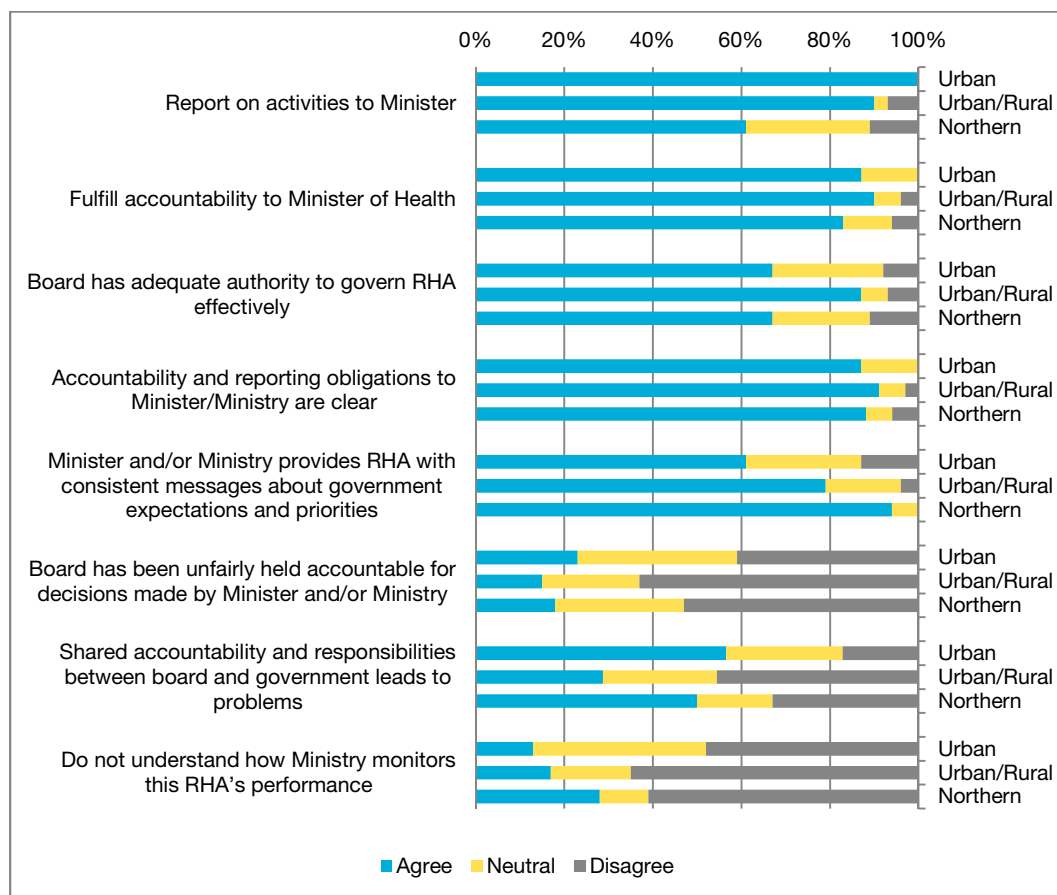
The survey found that:

- › 88% of board members and 76% of executives agree they are satisfied with the reporting of RHA activities to the Minister.
- › The large majority of board members (89%) and executives (88%) indicate they are satisfied their board fulfills its accountability to the Minister of Health.
- › Boards have adequate authority to govern RHAs effectively, according to 79% of board members and 71% of executives.
- › 89% of board members and 76% of executives agree that accountability and reporting obligations to the Minister and/or Ministry are clear.
- › While 77% of board members think the Minister and/or Ministry provides RHAs with consistent messages about Government expectations and priorities, only 41% of executives agree.



- › 17% of board members and 19% of executives feel their board has been unfairly held accountable for decisions made by the Minister and/or Ministry.
- › While 38% of board members agree that shared accountability and responsibilities between the board and Government leads to problems, 59% of executives agree.
- › 18% of board members agree that they do not understand how the Ministry monitors the performance of their RHA; no executives agree that they do not understand.

Figure 2.2b—Accountability and Relationship with Ministry: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › While 100% of urban and 90% of urban/rural board members indicate they are satisfied their board reports on activities to the Minister, only 61% of northern board members indicate they are satisfied.
- › Most board members across the province indicate they are satisfied their board fulfills its accountability to the Minister of Health: 88% of urban, 90% of urban/rural, and 83% of northern board members are satisfied.
- › While only 67% of both urban and northern board members believe their board has adequate authority to effectively govern their RHA, 87% of urban/rural board members agree.



- › The large majority of board members across the province think that accountability and reporting obligations to the Minister and/or Ministry are clear: 87% of urban, 92% of urban/rural, and 89% of northern board members agree.
- › 61% of urban, 79% of urban/rural, and 94% of northern board members think the Minister and/or Ministry provides RHAs with consistent messages about Government expectations and priorities.
- › 23% of urban, 15% of urban/rural and 18% of northern board members think their board has been unfairly held accountable for decisions made by the Minister and/or Ministry.
- › About one-half of urban (56%) and northern (50%) board members think that shared accountability and responsibilities between their board and Government lead to problems, while only 29% of urban/rural board members agree.
- › 13% of urban, 17% of urban/rural, and 28% of northern board members agree they do not understand how the Ministry monitors the performance of their RHA.

2.3 MEETING ACCOUNTABILITY REQUIREMENTS

This section describes accountability requirements of regional health authorities and shows the extent of board member and executive satisfaction with how these requirements are being met.

Key Observations

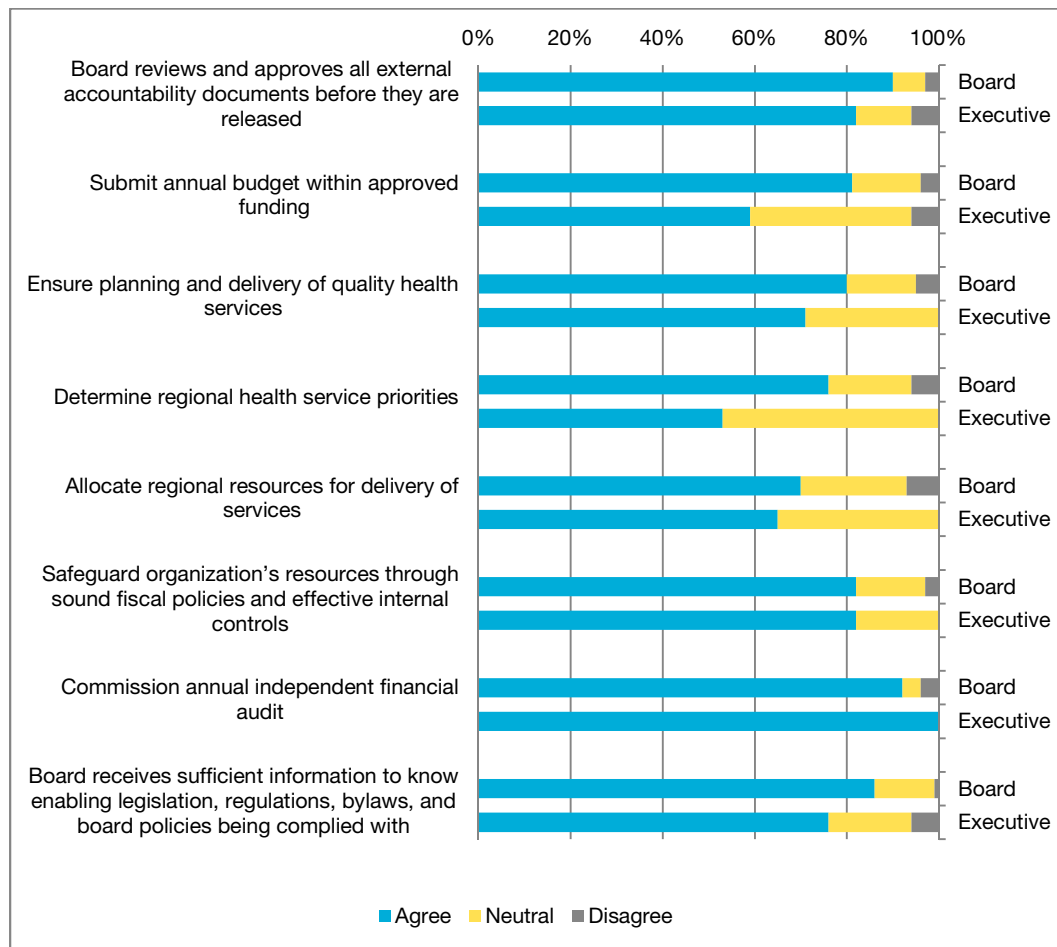
Board members and executives are quite satisfied with respect to their board's review and approval of all external accountability documents, commissioning of annual independent financial audits, and safeguarding of RHA resources through sound fiscal policies and effective internal controls. The majority of board members and executives are also satisfied with the work of their RHA in ensuring the planning and delivery of quality health services. Board members appear to be more satisfied than executives with respect to their RHA's submission of an annual budget within approved funding and in determining regional health service priorities.

Board members also appear to be more positive than executives with respect to their RHA's work in monitoring and quality management. For example, when asked about satisfaction with the RHA's work in ensuring the health status and health needs of the population are assessed on an ongoing basis, almost three-quarters of boards members are satisfied, but only about one-half of executives. As well, while over 80% of board members are satisfied with their board's work in ensuring the privacy of health information, just over 60% of executives agree. Most board members and executives are satisfied that efforts on improving efficiency have been worthwhile.



Detailed Results

Figure 2.3a – Meeting Accountability Requirements (Part 1)



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

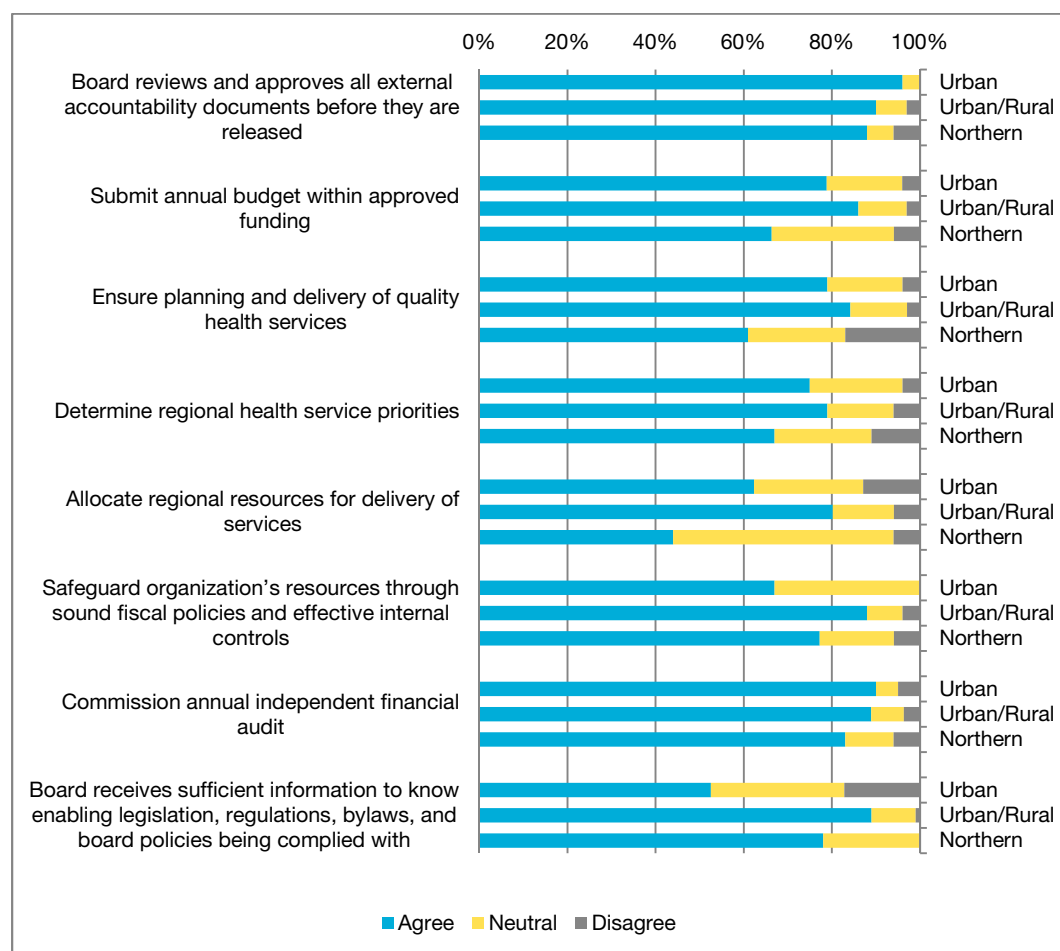
The survey found that:

- › Boards review and approve external accountability documents (e.g., annual reports) before they are released according to 90% of board members and 82% of executives.
- › While 82% of board members agree their board submits an annual budget within the approved funding, only 59% of executives agree.
- › 80% of board members and 71% of executives are satisfied with their board's work in ensuring the planning and delivery of quality health services.
- › While 76% of board members feel satisfied that their board determines regional health service priorities, about one-half (53%) of executives agree.
- › 70% of board members and 65% of executives are satisfied with their board's efforts in allocating regional resources for delivery of services.



- › 82% of board members and executives are satisfied with their board's work in safeguarding the organization's resources through sound fiscal policies and effective internal controls.
- › 93% of board members and all executives report being satisfied that their board commissions an annual independent financial audit.
- › Boards receive sufficient information to know that their enabling legislation, regulations, bylaws, and board policies are being complied with, according to 86% of board members and 76% of executives.

Figure 2.3b—Meeting Accountability Requirements (Part 1): Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

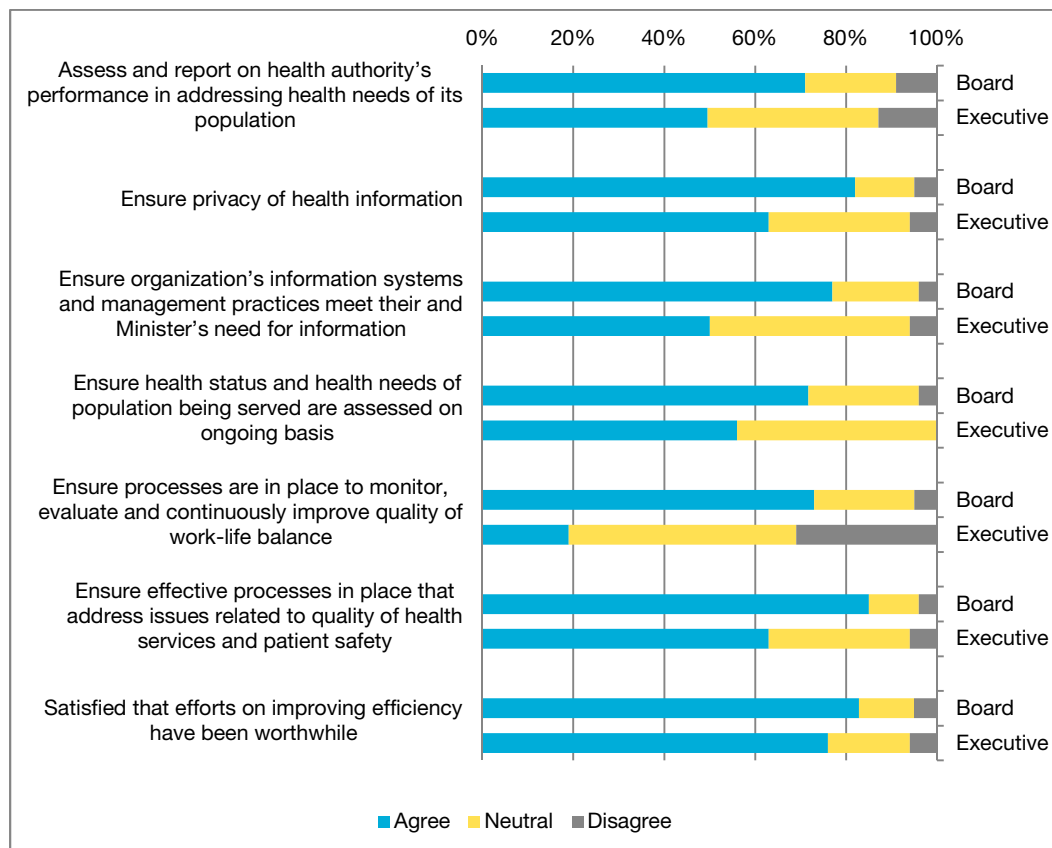
The survey found that:

- › Board members throughout the province agree that their board reviews and approves external accountability documents before they are released: 96% of urban, 90% of urban/rural, and 88% of northern board members agree.
- › 78% of urban, 86% of urban/rural, and 67% of northern board members think their board submits an annual budget within the approved funding.



- › 79% of urban, 85% of urban/rural, and 61% of northern board members feel satisfied with their RHA's work in ensuring the planning and delivery of quality health services.
- › Board members are on the same page with respect to satisfaction that their board determines regional health service priorities: 75% of urban, 79% of urban/rural, and 67% of northern board members are satisfied.
- › While 81% of urban/rural board members are satisfied with their board's work in allocating regional resources for the delivery of services, 63% of urban members and only 44% of northern board members are satisfied.
- › 67% of urban, 88% of urban/rural, and 78% of northern board members are satisfied with their board's work in safeguarding the organization's resources through sound fiscal policies and effective internal controls.
- › The majority of all members agree that their board commissions an annual independent financial audit: 90% of urban, 96% of urban/rural, and 83% of northern board members agree.
- › While 89% of urban/rural and 78% of northern board members agree their board receives sufficient information to know enabling legislation, regulations, bylaws, and board policies are being complied with, only 52% of urban board members agree.

Figure 2.3c—Meeting Accountability Requirements (Part 2)



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

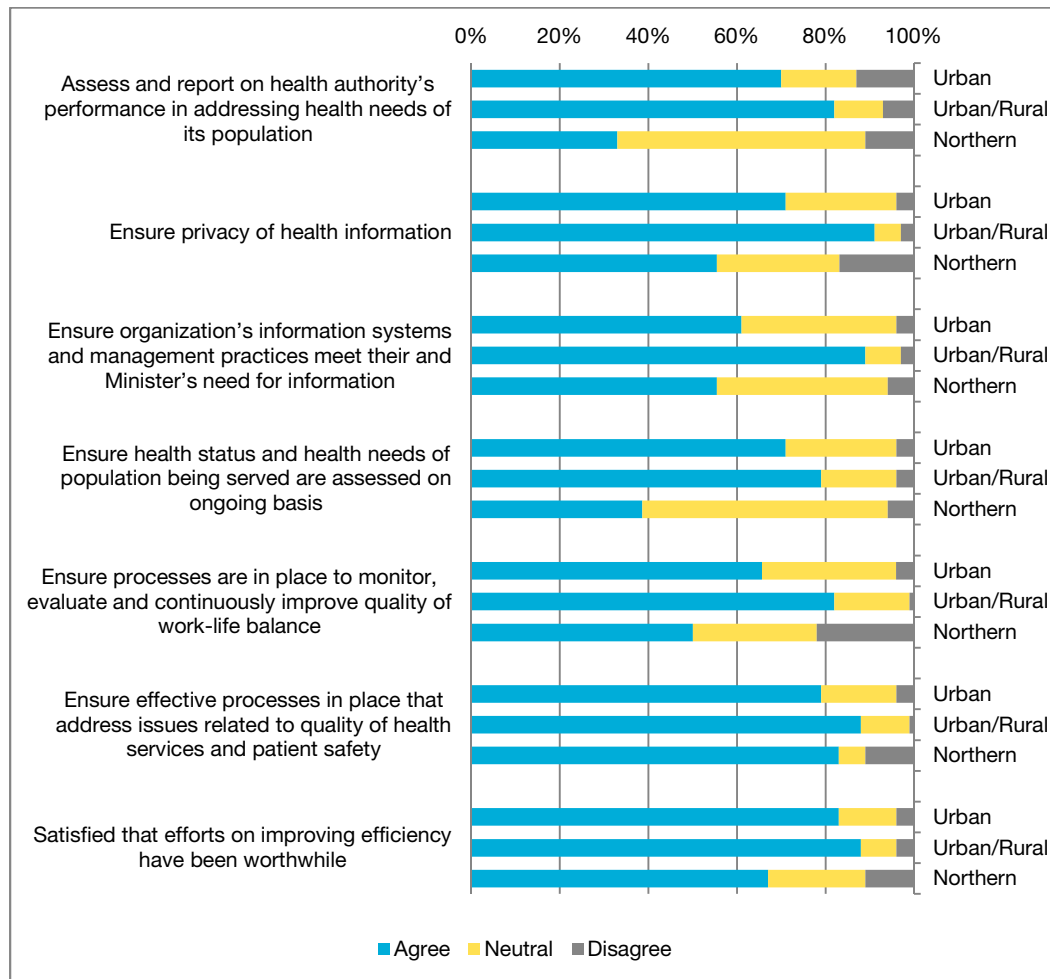


The survey found that:

- › With respect to satisfaction on their board's work in assessing and reporting on the health authority's performance in addressing the health needs of its population, 71% of board members are satisfied, while only one-half of executives are satisfied.
- › 82% of board members and 63% of executives are satisfied with their board's work in ensuring the privacy of health information.
- › While 77% of board members are satisfied with their board's work in ensuring the organization's information systems and management practices meet their and the Minister's need for information, only one-half of executives agree.
- › 71% of board members are satisfied with their board's work in ensuring the health status and health needs of the population being served are assessed on an ongoing basis; 56% of executives are satisfied.
- › 73% of board members are satisfied with their board's efforts in ensuring processes are in place to monitor, evaluate and continuously improve quality of work-life balance, while only 19% of executives are satisfied.
- › Most board members (85%) and 63% of executives are satisfied with their board's work in ensuring processes are in place that address issues related to the quality of health services and patient safety.
- › The majority of board members (82%) and executives (76%) are satisfied that efforts on improving efficiency have been worthwhile.



Figure 2.3d—Meeting Accountability Requirements (Part 2): Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- 70% of urban and 82% of urban/rural board members are satisfied with their RHA's work in assessing and reporting on the health authority's performance in addressing the health needs of its population, while only 33% of northern board members are satisfied.
- While 92% of urban/rural board members are satisfied with their RHA's efforts in ensuring the privacy of health information, only 71% of urban and 56% of northern board members are satisfied.
- With respect to the statement that board members are satisfied with their RHA's work in ensuring the organization's information systems and management practices meet their and the Minister's need for information, 89% of urban/rural board members are satisfied, while only 61% of urban and 56% of northern board members are satisfied.
- While 71% of urban and 79% of urban/rural board members are satisfied with their RHA's efforts in ensuring the health status and health needs of the population being



served are assessed on an ongoing basis, only 39% of northern board members are satisfied.

- › While one-half of northern board members are satisfied, 65% of urban and 82% of urban/rural board members are satisfied with their RHA's efforts in ensuring processes are in place to monitor, evaluate and continuously improve the quality of work-life balance.
- › 79% of urban, 88% of urban/rural, and 83% of northern board members are satisfied with their RHA's efforts in ensuring effective processes are in place that address issues related to the quality of health services and patient safety.
- › While 83% of urban and 88% of urban/rural board members are satisfied that efforts on improving efficiency have been worthwhile, only 67% of northern board members agree.

2.4 CONSIDERATIONS

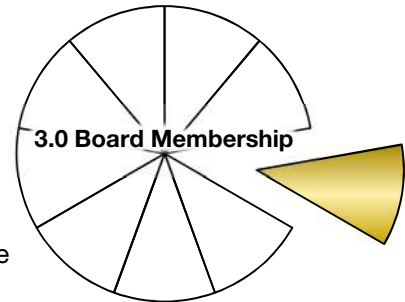
Most board members consider themselves primarily accountable to health region residents, and not to the Minister. Over one-third of board members and over one-half of executives think that shared accountability and responsibilities between boards and the Government leads to problems. It appears that opportunity exists for the Ministry to further clarify these areas. The Ministry may also want to consider the messages that it communicates to RHA boards, as less than one-half of executives agree the Minister and/or Ministry provides RHAs with consistent messages about Government expectations and priorities.

Although most board members are satisfied with their board's work in ensuring the privacy of health information, less than two-thirds of executives are satisfied, indicating this area requires further discussion.



3.0 Board Membership

The Ministry of Health invites interested Saskatchewan residents to put their names forward to serve on RHA boards, either as a board member, vice-chairperson, or chairperson. Cabinet then appoints board members for a period of not more than three years, although board members can be reappointed.



While the composition of a board is critical for it to function well, there is no one set of attributes that all board members should possess. Diversity of membership is considered a strength. However, given the importance of RHA boards in ensuring that local health needs and concerns are considered by health regions, it is important that board members are representative of the area they serve. Board members should be committed to their role, put in the necessary time and effort, and know that their work is valued.

3.1 BOARD COMPOSITION

Beyond regional representation, the skills and characteristics necessary for a board to work effectively depend on the type of board and its organization. Survey participants were asked to rank a list of skill sets and characteristics, both in terms of importance and the current representation of these on their board. Survey participants were also asked whether the current composition of board members provides the necessary skills and experience to lead their RHA effectively, and whether members are qualified to be on an RHA board.

Key Observations

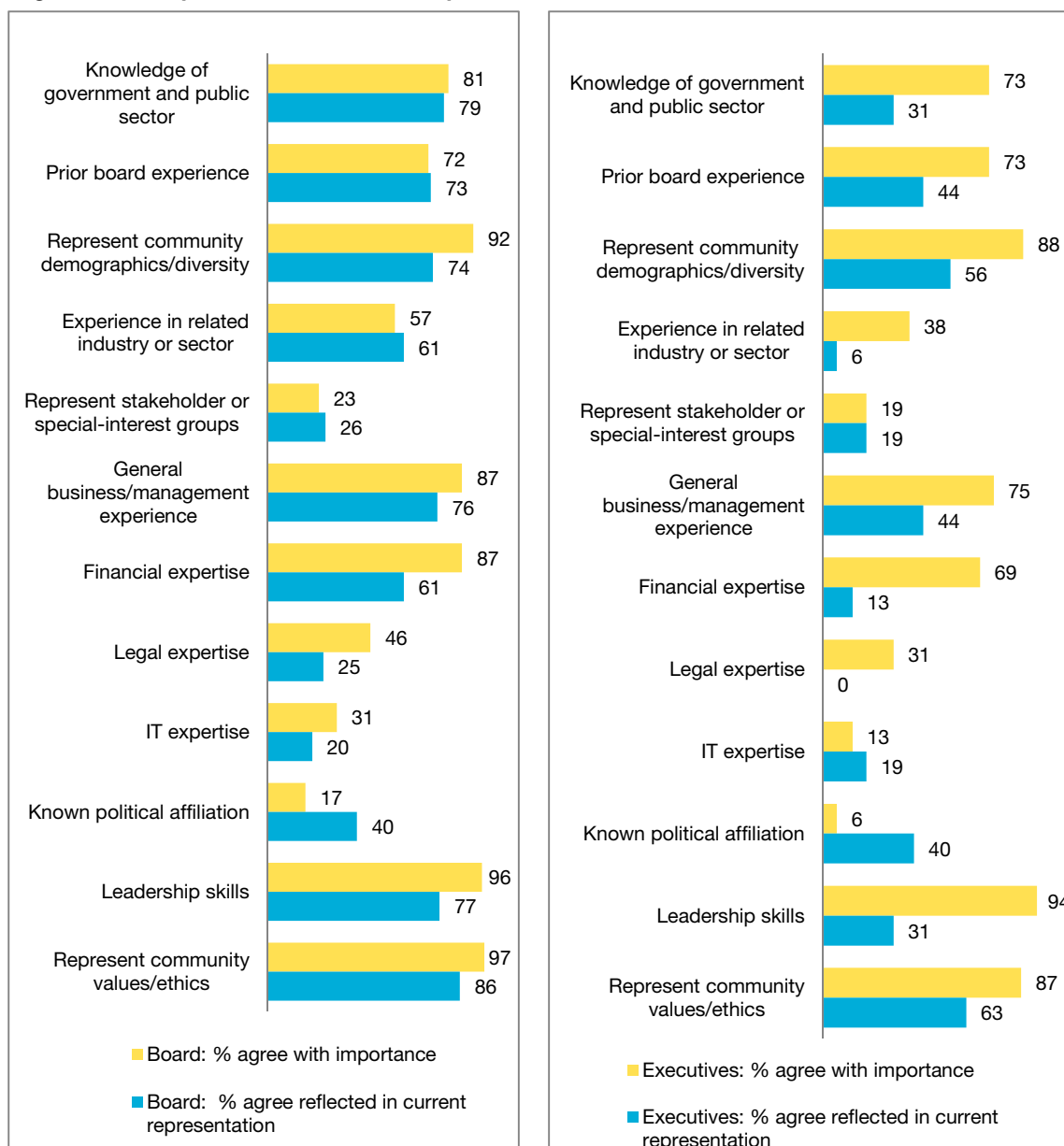
While most board members are positive about the composition of their board, only one-third of executives (CEO/CFO) feel the current composition provides the necessary skills and experience to be effective. A greater percentage of executives than board members also agree that some members are not qualified to be on an RHA board.

Board members and executives ranked representation of community values/ethics, leadership skills, and representation of community demographics and diversity in their top three skills and characteristics for board members to possess.



Detailed Results

Figure 3.1a—Importance and Current Representation of Board Member Skills and Characteristics



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

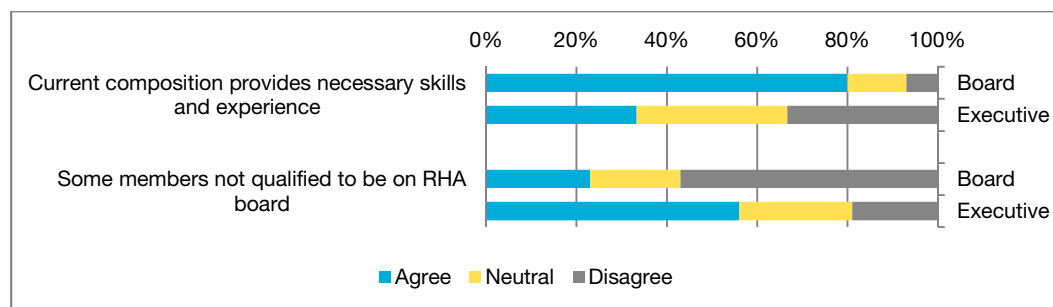
The survey found that board members and executives were on the same page with respect to the most and least important skills and characteristics for board members to possess.

- » Most important skills and characteristics for board members to possess:
- Representation of community values/ethics (board members 97%, executives 87%),
 - Leadership skills (board members 96%, executives 94%), and
 - Representation of community demographics and diversity (board members 92%, executives 88%).



- › Least important skills and characteristics for board members to possess:
 - IT expertise (board members 31%, executives 13%),
 - Representation of stakeholder or special-interest groups (board members 23%, executives 19%), and
 - Known political affiliation (board members 17%, executives 6%).
- › According to board members, the skills and characteristics currently most represented on boards are:
 - Representation of community values/ethics (86%),
 - Knowledge of government and the public sector (79%), and
 - Leadership skills (77%).
- › Meanwhile, executives think the skills and characteristics currently most represented on boards are:
 - Representation of community values/ethics (63%),
 - Representation of community demographics/diversity (56%), and
 - General business/management experience and prior board experience (44%).
- › Board members identified the following skills and characteristics as having the biggest shortfalls between their importance and their current representation on boards:
 - Financial expertise (26%),
 - Legal expertise (21%), and
 - Leadership skills (19%).
- › Executives identified the following skills and characteristics as having the biggest shortfalls between their importance and their current representation on boards:
 - Leadership skills (63%),
 - Financial expertise (56%), and
 - Knowledge of government (42%).

Figure 3.1b—Board Composition



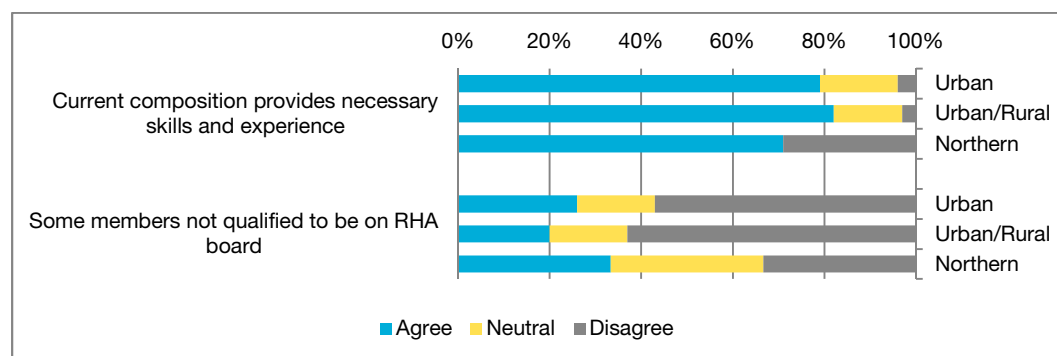
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › While the majority of board members (80%) agree the current composition of their board provides the necessary skills and experience to effectively lead their RHA, only 33% of executives agree.
- › 23% of board members and over one-half of executives (56%) agree that some members on their board are not qualified to be on an RHA board.



Figure 3.1c—Board Composition: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Most board members throughout the province agree the current composition of their board provides the necessary skills and experience to effectively lead their RHA with 79% of urban, 82% of urban/rural, and 71% of northern board members in agreement.
- › 26% of urban, 20% of urban/rural, and 33% of northern board members agree that some members of their board are not qualified to be on an RHA board.

3.2 BOARD RENEWAL AND APPOINTMENT

Boards need to have an effective renewal period, maintaining a balance between the fresh perspectives that new members bring and the experience of longer-serving members.

Key Observations

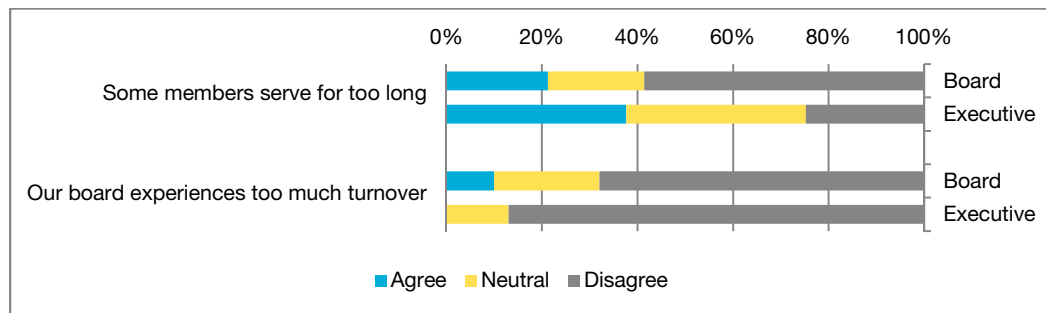
The average length of board membership amongst urban, urban/rural, and northern RHAs was about 4 years. About one-fifth of board members and one-third of executives indicate that some board members serve for too long. Fewer board members, and no executives think their board has too much turnover.

About one-third of board members and one-fifth of executives agree their board identifies skill sets required in future members. Of those that identify required skill sets, less than one-half provide the Government with this list. About one-fifth of board members and more than half of executives think that the Government does not take these preferred skill sets into account when appointing new board members. Just under one-half of board members and close to 80% of executives think it takes too long to fill vacant board positions when they arise. Although 63% of board members indicate they are satisfied with the current method of appointing new members to the board, only 13% of executives agree.



Detailed Results

Figure 3.2a—Board Renewal

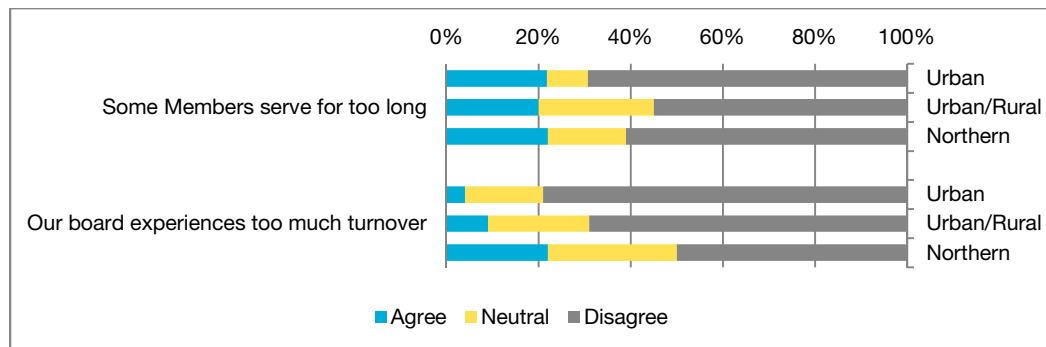


Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- 21% of board members and 38% of executives agree that some board members serve for too long.
- When asked if their board experiences too much turnover, 10% of board members and no executives agree.

Figure 3.2b—Board Renewal: Board Member Responses by RHA Type



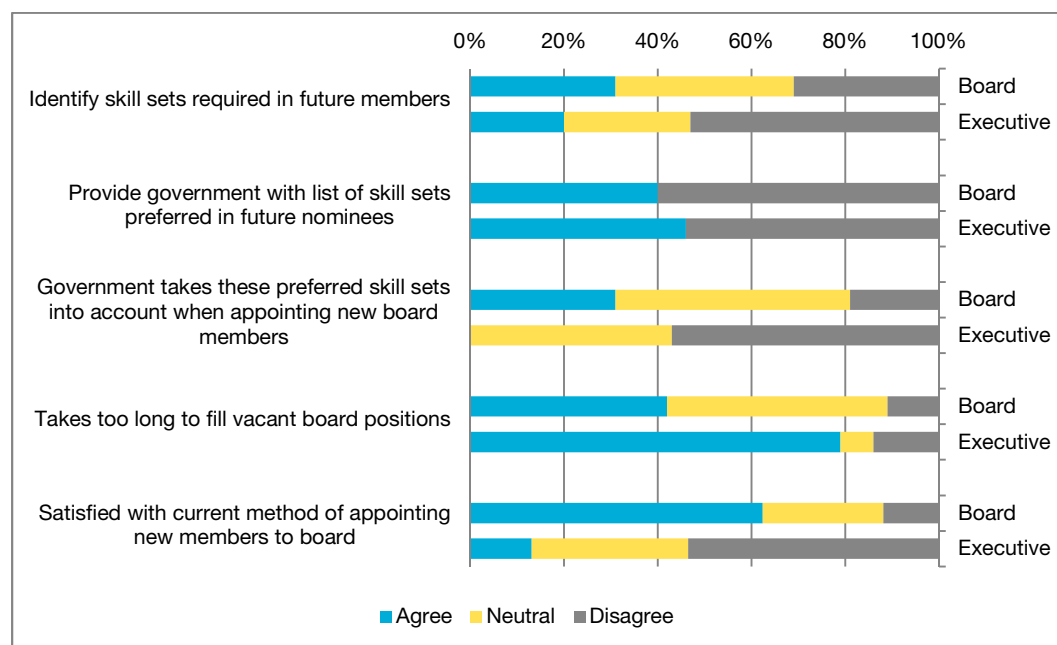
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- About the same percentage of board members throughout the province think that some board members serve for too long: 22% of urban, 20% of urban/rural, and 22% of northern board members agree.
- While only 4% of urban and 9% of urban/rural board members agree their board experiences too much turnover, 22% of northern board members agree.



Figure 3.2c—Board Appointment



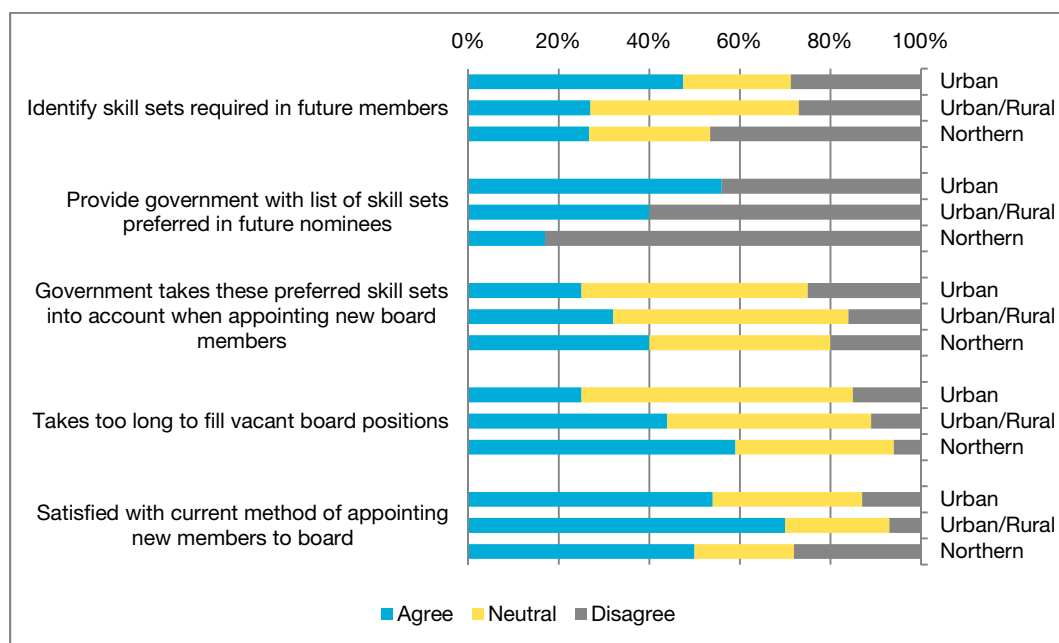
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- 31% of board members and 20% of executives agree their board identifies skill sets required in future members.
- When asked to either agree or disagree if their board provides Government with a list of skill sets preferred in future nominees, 40% of board members and 46% of executives agree.
- 19% of board members and 57% of executives think the Government does not take the board's preferred skills into account when appointing new board members.
- 42% of board members and 79% of executives think it takes too long to fill vacant board positions when they arise.
- While 63% of board members indicate they are satisfied with the current method of appointing new members to the board, only 13% of executives agree.



Figure 3.2d—Board Appointment: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › While 48% of urban board members agree their board identifies skill sets required in future members, only 27% of both urban/rural and northern board members agree.
- › When asked to either agree or disagree if their board provides Government with a list of skill sets preferred in future nominees, 56% of urban, 40% of urban/rural, and 17% of northern board members agree.
- › 25% of urban, 16% of urban/rural, and 20% of northern board members think the Government does not take these preferred skill sets into account when appointing new board members.
- › 25% of urban, 44% of urban/rural, and 59% of northern board members agree that it takes too long to fill vacant board positions when they arise.
- › When asked if they are satisfied with the current method of appointing new members to the board, 54% of urban, 70% of urban/rural, and 50% of northern board members agree they are satisfied.

3.3 BOARD MEMBER COMMITMENT AND SATISFACTION

To maintain a positive board culture, it is important that members are committed to their role as board members, do not find the time commitment to be excessive, feel satisfied with what they accomplish, and work with other committed board members.

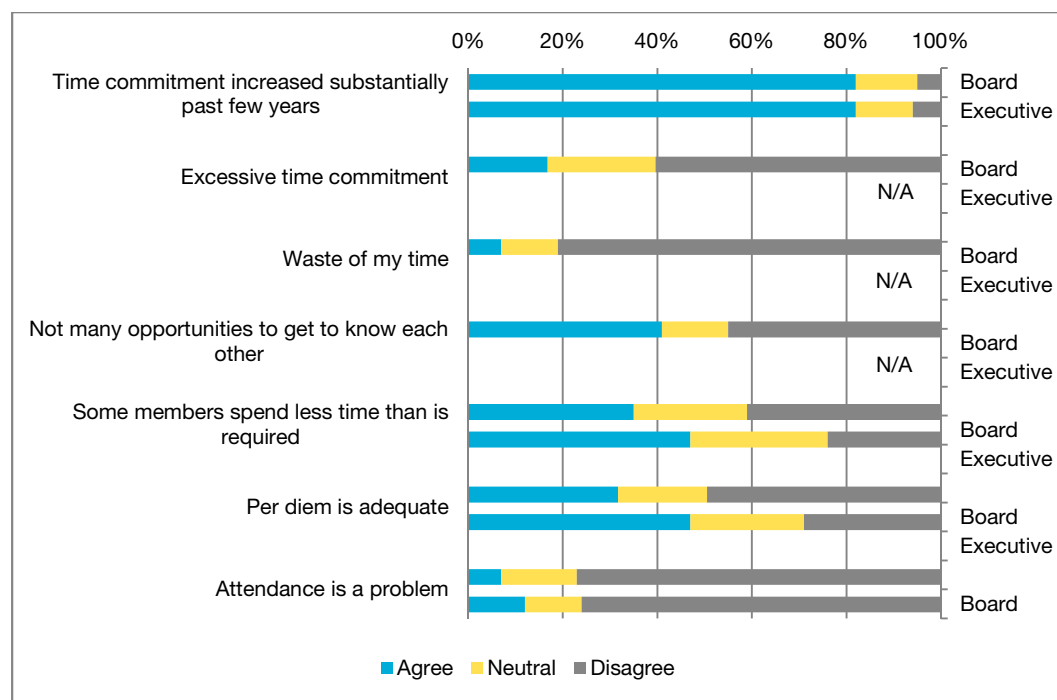


Key Observations

About one-fifth of board members (17%) think the time commitment to be a board member is excessive. While few board members and executives feel that attendance is a problem for their board, about one-third of board members and one-half of executives think there are some members on their board who spend less time than is required to do an adequate job.

Detailed Results

Figure 3.3a—Board Member Commitment



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

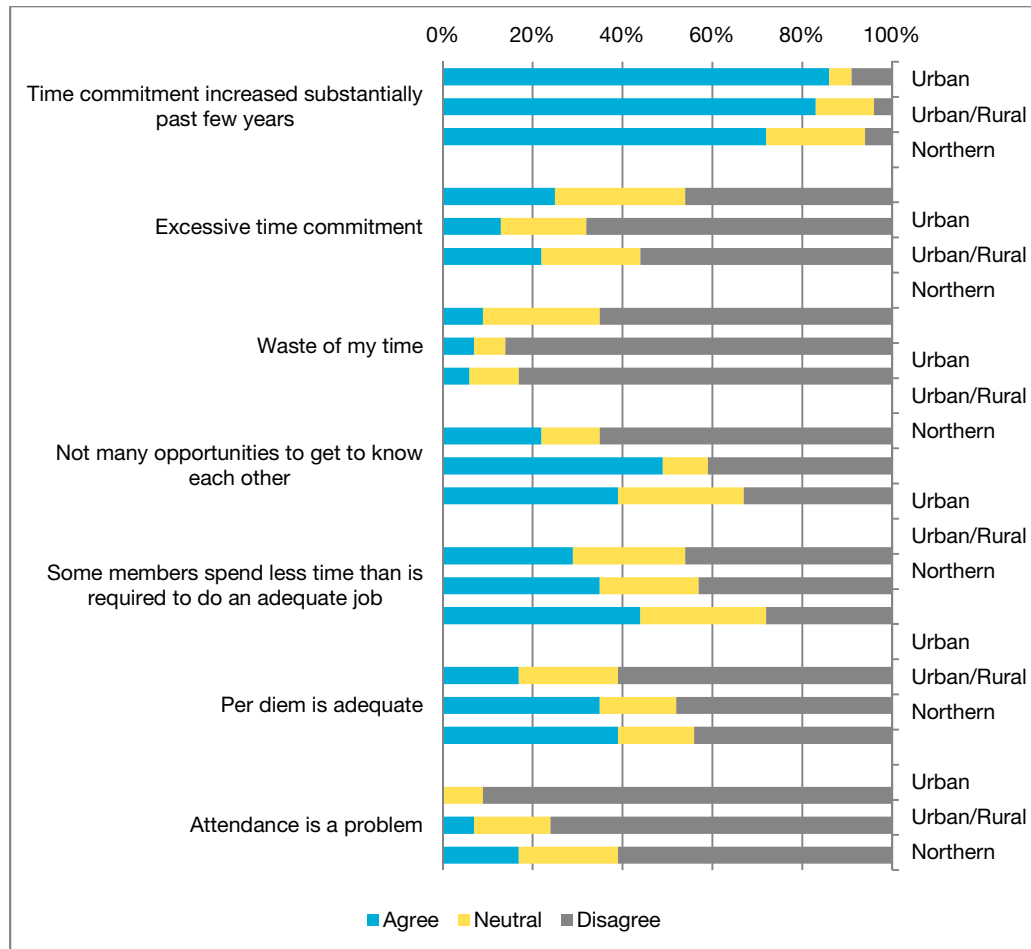
The survey found that:

- › The time commitment to be a board member is excessive, according to 17% of board members.
- › 7% of board members sometimes feel that being a member of an RHA board is a waste of their time.
- › 41% of board members think that there are not a lot of opportunities for board members to get to know each other outside of board meetings.
- › There are some members on their board who spend less time than is required to do an adequate job, according to 35% of board members and 47% of executives.
- › 32% of board members and 47% of executives think the per diem board members receive for their board involvement is adequate; one-half of board members disagree.



- Only 7% of board members and 12% of executives feel that attendance by board members at board meetings is a problem for their board.

Figure 3.3b—Board Member Commitment: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

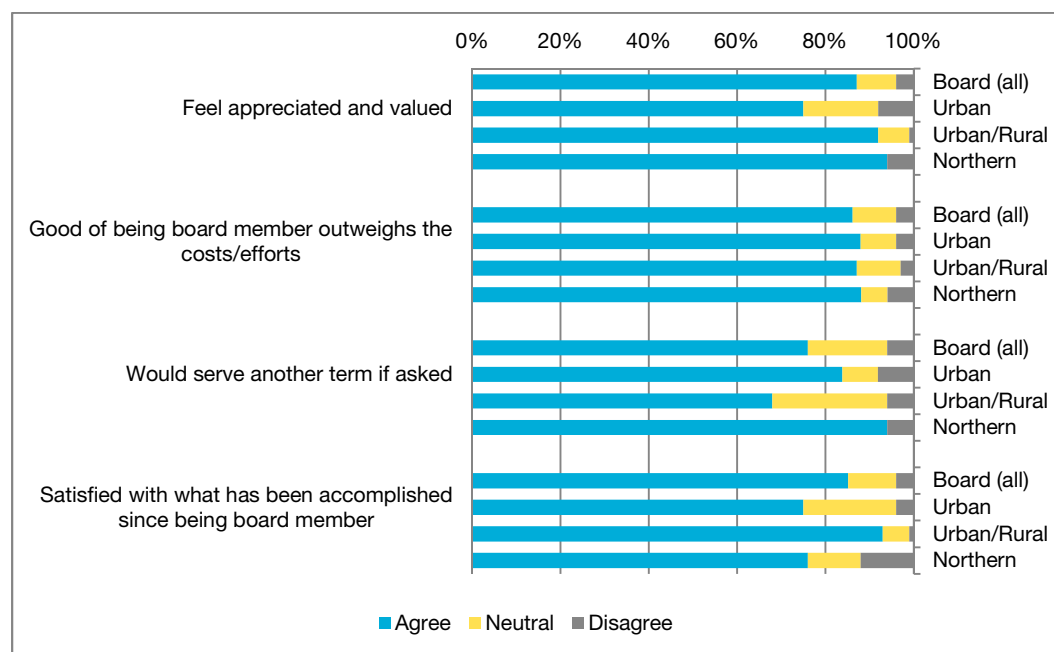
- 25% of urban, 13% of urban/rural, and 22% of northern board members think that the time commitment for their board is excessive.
- Few board members throughout the province sometimes feel that being a member of their board is a waste of their time; only 9% of urban, 7% of urban/rural, and 6% of northern board members feel this way.
- There are not many opportunities to get to know each other outside of board meetings according to 22% of urban, 49% of urban/rural, and 39% of northern board members.
- 29% of urban, 35% of urban/rural, and 44% of northern board members agree that some members spend less time than is required to do an adequate job.



- 17% of urban, 35% of urban/rural, and 39% of northern board members think their per diem is adequate. Meanwhile, 61% of urban members, 48% of urban/rural, and 44% of northern board members disagree that their per diem is adequate.
- No urban board members and only 7% of urban/rural board members agree that attendance is a problem for their board, while 17% of northern board members agree.

The following questions were posed only to board members because they relate to the degree of satisfaction and accomplishment that board members feel as a result of being on an RHA board.

Figure 3.3c—Board Member Satisfaction: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- 75% of urban, 91% of urban/rural, and 94% of northern board members feel appreciated and valued as a member of their board.
- The good they are able to do as board members outweighs the costs and efforts, according to 88% of urban, 88% of urban/rural, and 89% of northern board members.
- Most board members agree that the time commitment required to be an RHA board member has increased substantially in recent years: 86% of urban, 83% of urban/rural, and 72% of northern board members agree.
- 83% of urban, 68% of urban/rural, and 94% of northern board members would serve another term if they were asked.



- › The majority of board members agree they are satisfied with what has been accomplished since they have been board members: 75% of urban, 93% of urban/rural, and 76% of northern board members agree.

3.4 CONSIDERATIONS

Although board members appear to be quite positive on the composition of their board, executives expressed considerable concern. Only one third of executives are of the view that the current composition of their board provides the necessary skills and experience to effectively lead the RHA.

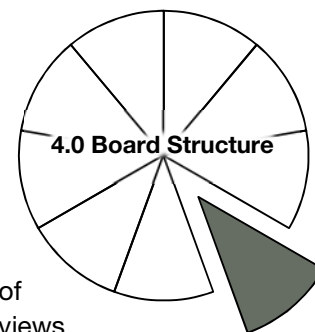
Both board members and executives identified finance and leadership as two areas with the biggest shortfalls between the importance of having board members with these skills and the current representation of board members with these skills. Given these shortfalls and our survey result that less than one-third of boards identify skill sets required in future members and share this list with Government, boards should make every effort to identify the needs of their board and clearly communicate these needs to the Ministry.

While Cabinet appoints board members, RHAs may seek to influence this decision by identifying missing skill sets on their board and communicating this information to the Ministry.



4.0 Board Structure

A board's structure forms the frame within which board governance takes place. Thus, an important step in ensuring that a board is capable of good governance and decision-making is setting up and maintaining an appropriate structure and organization. Well-organized boards hold an adequate number of meetings each year, have accurate and timely minutes, conduct reviews of board bylaws and work plans, ensure sound conflict of interest policies are in place, and have appropriate agendas.



Committees are also an important part of a board's structure and organization. They are able to examine and debate issues in a more focused way than the full board due to the fewer number of people, and the interests or expertise of these people in a specific area. Committees report their findings and recommendations back to the board, which can then make a decision informed by the committee's work.

Without proper structures and organizational procedures in place, boards run an increased risk of confusion, inefficiency and lack of effectiveness.

4.1 BOARD PRACTICES

Boards have a certain degree of flexibility in deciding what is best for their board with respect to the timing and frequency of board meetings. Some boards find fewer but longer meetings work better, while other boards prefer holding shorter meetings more often.

Board minutes provide an important record of meeting proceedings. It is both in the interests of and the responsibility of all board members to ensure the accuracy of the minutes, as they serve as the record of board actions and decisions.

Within RHAs, board bylaws guide board operations. Annual work plans, meanwhile, help ensure the board's focus on working towards specific governance requirements or responsibilities.

While board members are asked to self-identify for conflicts of interest prior to their appointment, it is still important that boards are able to deal with conflict of interest issues as they arise.

Key Observations

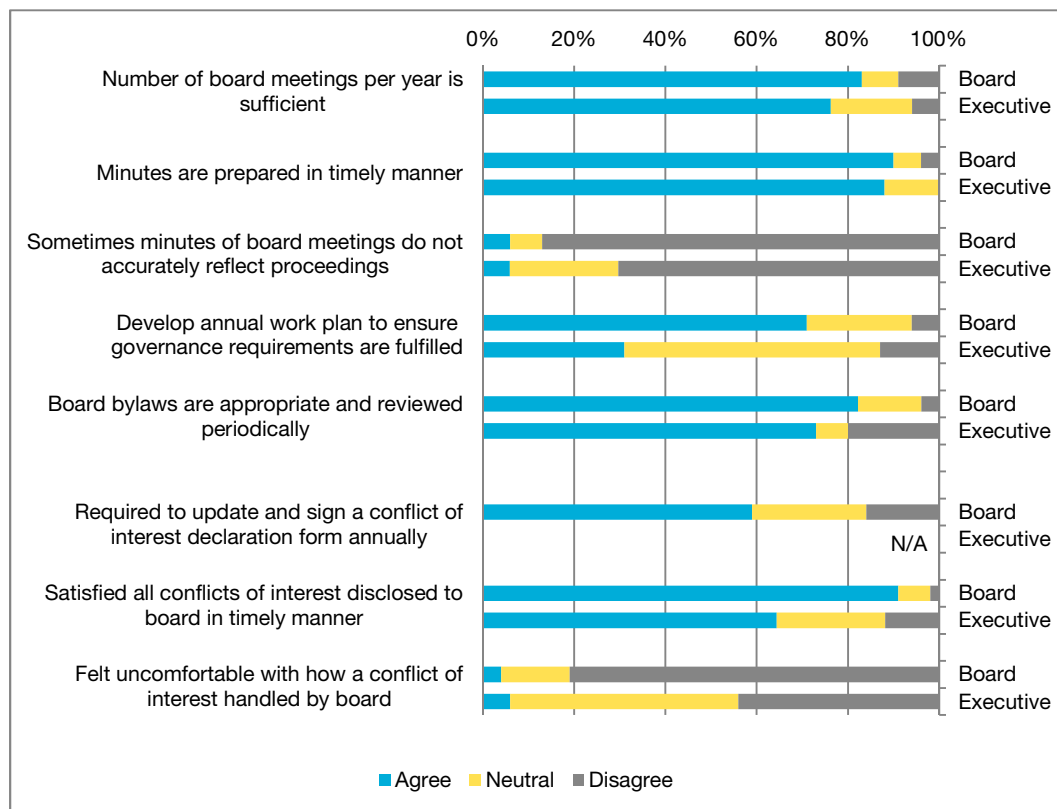
Most board members and executives (CEO/CFO) think that the number of board meetings per year is sufficient and that accurate and timely minutes of board meetings are prepared. The majority of board members and executives also agree that board bylaws are appropriate and reviewed periodically. While most board members think their board develops an annual work plan to ensure governance requirements are fulfilled, less than one-third of executives agree. Over 90% of board members are satisfied that



all conflicts of interest are disclosed to the board in a timely manner, while about two-thirds of executives are satisfied. Very few board members and executives agree that on occasion they have felt uncomfortable with how a conflict of interest was handled by their board.

Detailed Results

Figure 4.1a—Practices



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

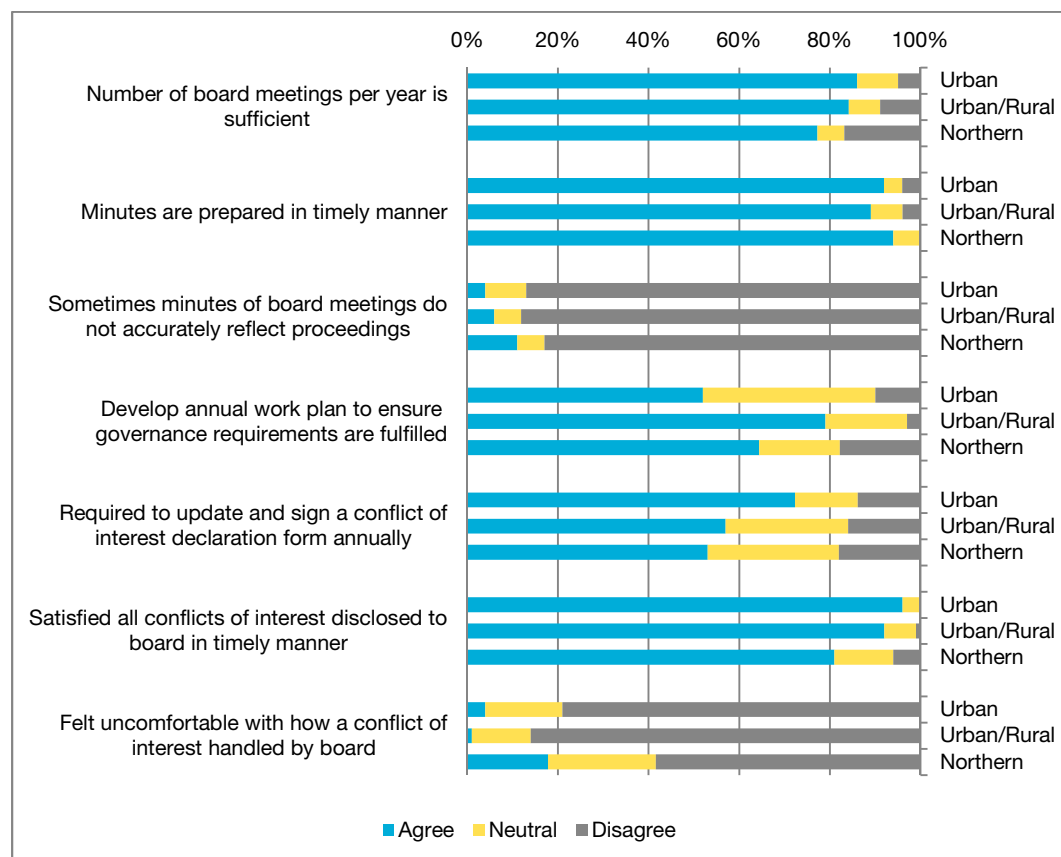
The survey found that:

- › The number of board meetings per year is sufficient, according to 83% of board members and 77% of executives.
- › 90% of board members and 88% of executives think minutes of board meetings are prepared in a timely manner.
- › Few board members (6%) or executives (6%) feel that sometimes minutes of board meetings do not accurately reflect the proceedings.
- › While 71% of board members agree that their board develops an annual work plan to ensure governance requirements are fulfilled, only 31% of executives agree.
- › Board bylaws are appropriate and reviewed periodically, according to 83% of board members and 73% of executives.



- › 59% of board members agree they are required to update and sign a conflict of interest declaration form annually; 16% of members disagree.
- › The large majority of board members (91%) are satisfied that all conflicts of interest are disclosed to the board in a timely manner; only 65% of executives are satisfied.
- › Few board members (4%) and executives (6%) agree that on occasion they have felt uncomfortable with how a conflict of interest was handled by their board.

Figure 4.1b—Practices: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › The number of board meetings per year is sufficient, according to 86% of urban, 85% of urban/rural, and 78% of northern board members.
- › Board members throughout the province had a similar response when asked if minutes of board meetings are prepared in a timely manner: 91% of urban, 89% of urban/rural, and 94% of northern board members agree their minutes are prepared in a timely manner.
- › Only 4% of urban, 6% of urban/rural, and 11% of northern board members think that sometimes minutes of board meetings do not accurately reflect the proceedings.



- › About one-half (52%) of urban members agree their board develops an annual work plan to ensure governance requirements are fulfilled, compared to 79% of urban/rural and 65% of northern board members.
- › While 73% of urban members say they are required to update and sign a conflict of interest declaration form annually, fewer urban/rural (57%) and northern (53%) board members say they are required.
- › Most boards members throughout the province are satisfied that all conflicts of interest are disclosed to their board in a timely manner: 96% of urban, 92% of urban/rural, and 81% of northern board members are satisfied.
- › While very few urban (4%) and urban/rural (1%) board members say they have on occasion felt uncomfortable with how a conflict of interest was handled on their board, 18% of northern board members say they have on occasion felt uncomfortable.

4.2 AGENDA SETTING

The Chairperson is responsible for setting the board's meeting agenda, and he or she should work with management in performing this task. It is important that board members do not play a passive role, and that they have the opportunity to add to the agenda as needed.

The size of the agenda must be large enough to ensure that all matters requiring attention are included. However, it is important that agendas do not waste time with trivial matters, contain too many items, or force some matters to be rushed through without providing adequate time for discussion.

Boards should have the opportunity to discuss matters without management present to allow for frank and open discussion. Scheduling such discussions on a regular basis helps eliminate possible tension with management if such a meeting is specifically requested, and it eliminates the possible discomfort of board members in requesting such a meeting.

In addition, boards are permitted to hold a meeting or part of a meeting in camera (i.e., not with the public present) in specific circumstances. Decisions reached during in camera, or private, sessions must still be dealt with by resolution in public meetings.

Key Observations

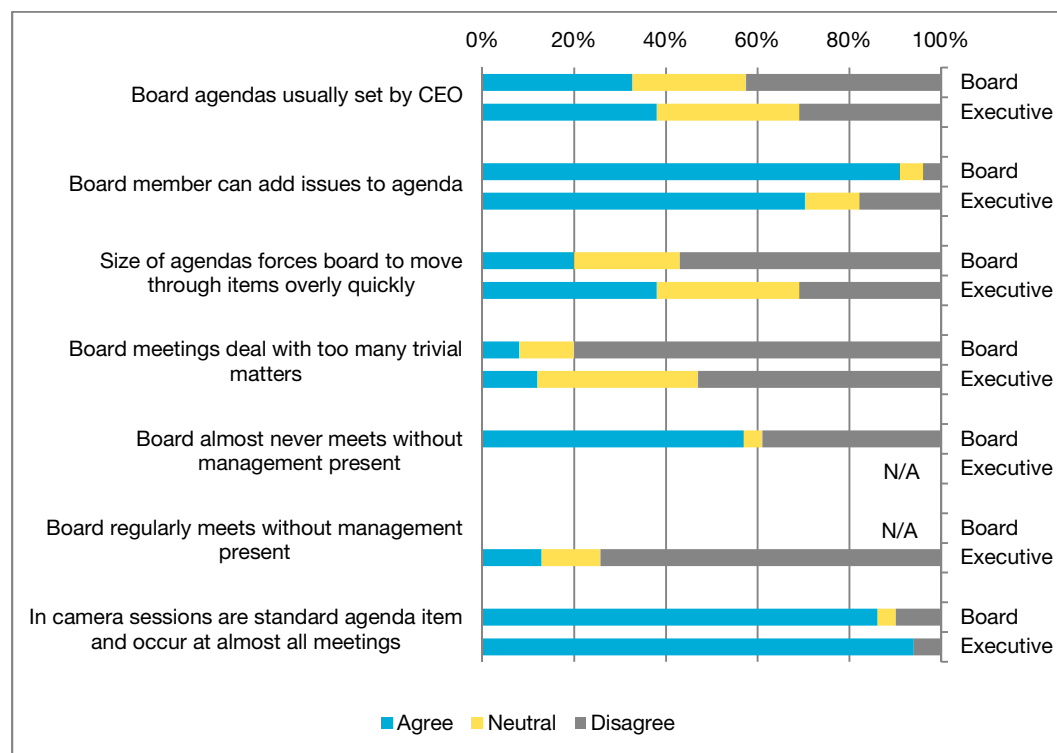
About one-third of board members and executives agree that board agendas are usually set by the CEO. The majority of board members seem confident that they are given opportunities to add issues to the agenda; executives are less confident that board members are given this opportunity. While few board members and executives agree their board meetings deal with too many trivial matters, about one-fifth of board members and over two-thirds of executives think the size of the agendas forces their board to move through items overly quickly. The majority of board members and executives agree their board does not usually meet without management present. The



majority of board members and executives also agree that in camera (i.e., without the public) sessions are a standard agenda item and occur at almost all meetings.

Detailed Results

Figure 4.2a—Agenda Setting



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

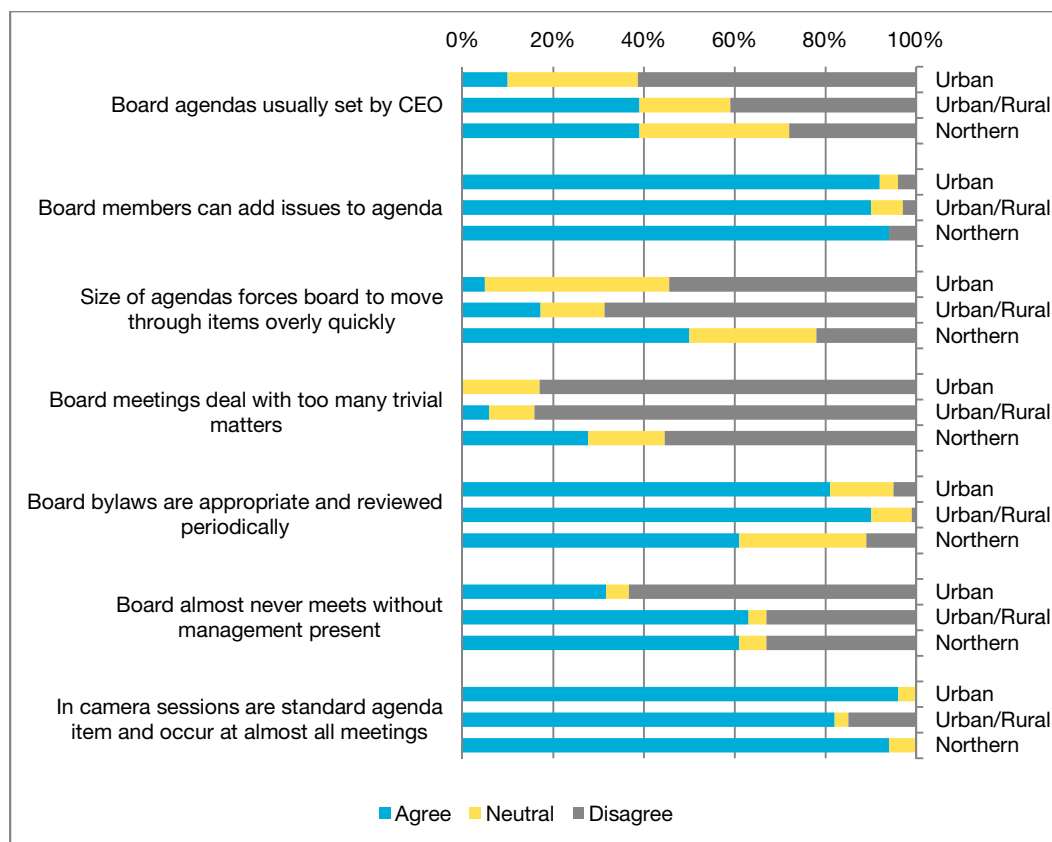
The survey found that:

- About one-third of board members (33%) and executives (38%) agree that board agendas are usually set by the CEO.
- While 91% of board members agree they are given an opportunity to add issues to the board's agenda, as required, only 71% of executives agree that board members are given this opportunity.
- 20% of board members agree the size of the agendas force their board to move through items overly quickly; 38% of executives agree.
- Few board members (8%) and executives (12%) agree their board meetings deal with too many trivial matters.
- 57% of board members agree their board almost never meets without management present.
- Only 13% of executives agree their board regularly meets without management present; 75% disagree.



- › In camera sessions are a standard agenda item and occur at almost all meetings, according to 87% of board members and 94% of executives.

Figure 4.2b—Agenda Setting: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › While only 10% of urban board members agree their board agenda is usually set by the CEO, 39% of both urban/rural and northern board members agree.
- › A similar percentage of board members throughout the province agree they are given an opportunity to add issues to the board's agenda, as required. 91% of urban, 90% of urban/rural, and 94% of northern board members agree.
- › While only 5% of urban board members agree the size of their agendas force their board to move through items overly quickly, 17% of urban/rural, and one-half of northern board members agree.
- › While no urban board members and only 6% of urban/rural board members agree their board meetings deal with too many trivial matters, 28% of northern board members agree.
- › While 81% of urban and 90% of urban/rural board members agree that board bylaws are appropriate and reviewed periodically, only 61% of northern board members agree.



- › 32% of urban board members agree their board almost never meets without management present, while 62% of urban/rural and 61% of northern board members agree.
- › In camera sessions are standard agenda items and occur at almost all meetings, according to 96% of urban, 82% of urban/rural, and 94% of northern board members.

4.3 COMMITTEES

The mandate and authority of each committee should be clearly articulated and periodically reviewed so that the work of committees can remain focused. Without focus, committees run the risk of taking on unnecessary work or not accomplishing what they should. Boards should carefully consider the number and composition of committees. An annual evaluation of the performance of each committee can help ensure the effective functioning of committees.

In some cases, boards may decide to revisit decisions or recommendations made by committees if board members are not comfortable with the work of the committee. Committee meetings should be held far enough in advance of board meetings so that relevant information brought up in committee meetings can be included in pre-meeting information for board members.

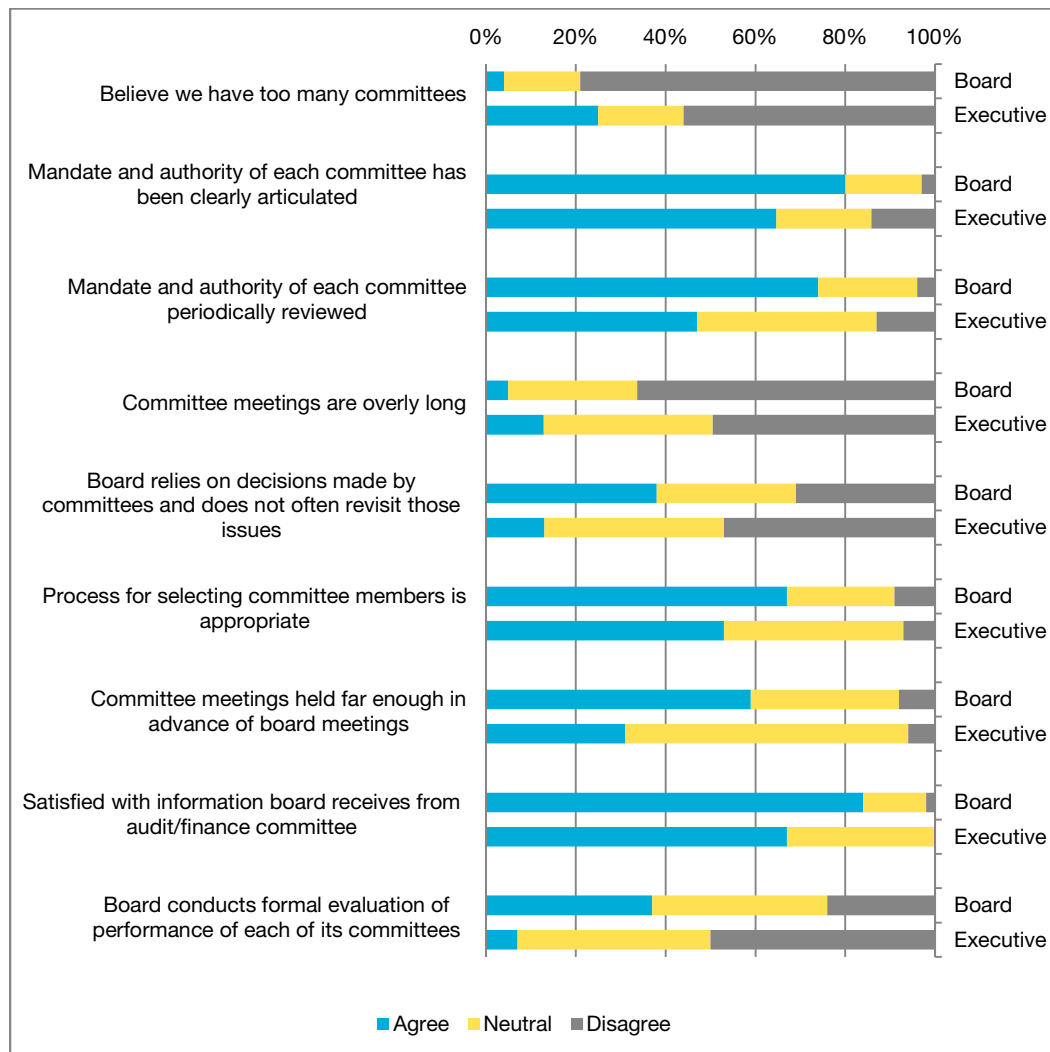
Key Observations

While very few board members think their board has too many committees, one-quarter of executives think this is the case. It appears that not many boards conduct a formal evaluation of the performance of committees, as only 37% of board members and 7% of executives agree this occurs. Boards sometimes revisit issues discussed by committees, 38% of board members and 13% of executives are of the view that boards do not often revisit issues discussed by committees. The large majority of board members and executives indicate they are satisfied with the information their board receives from their audit/finance committee.



Detailed Results

Figure 4.3a – Committees



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

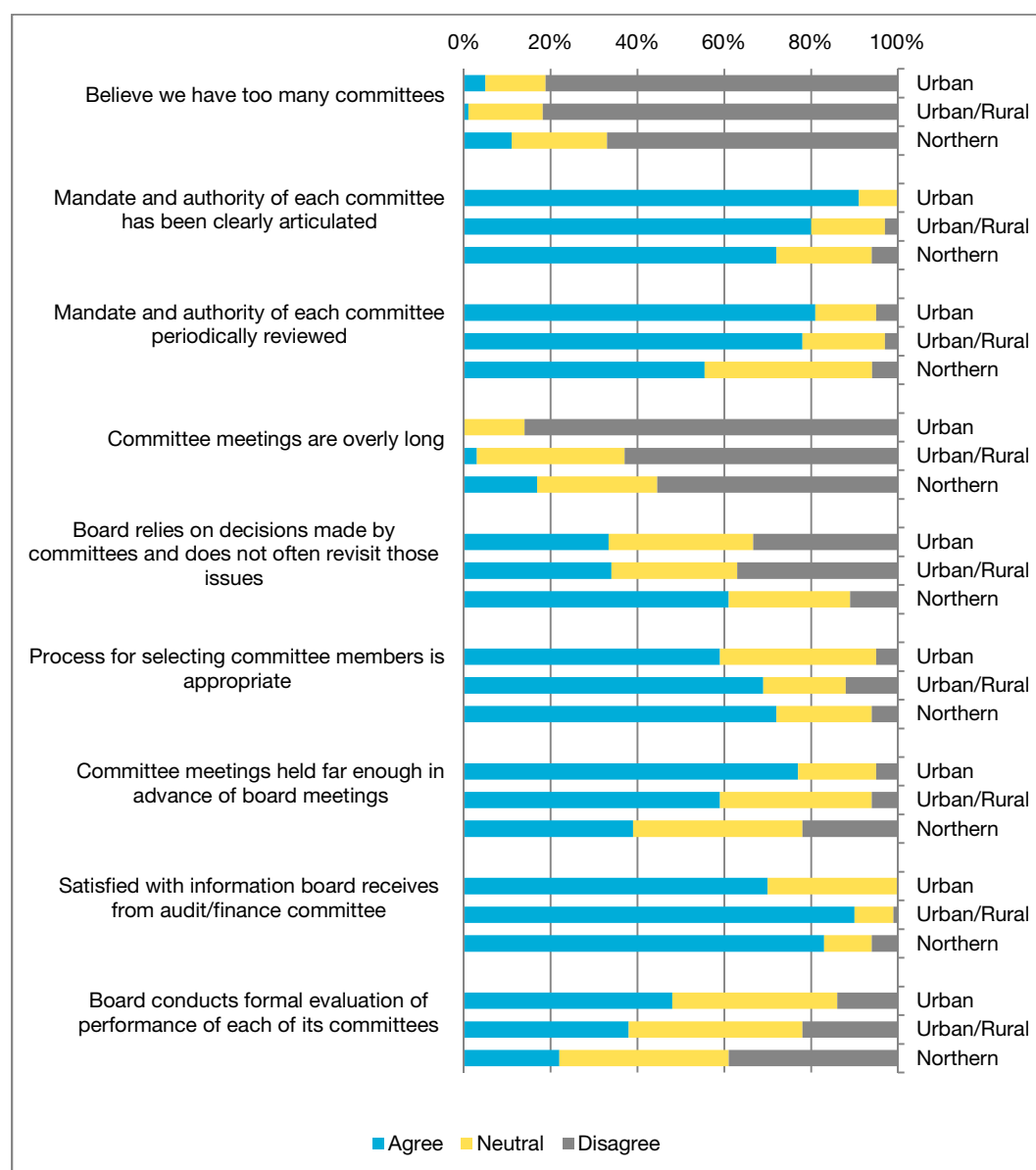
The survey found that:

- While only 4% of board members agree their board has too many committees, one-quarter of executives agree.
- 80% of board members and 64% of executives think the mandate and authority of each committee has been clearly articulated.
- While 74% of board members agree the mandate and authority of each committee is periodically reviewed, only about one-half (47%) of executives agree.
- Few board members (5%) and executives (13%) think that committee meetings are overly long.



- 38% of board members and 13% of executives think their board relies on decisions made by committees and does not often revisit those issues.
- The process for selecting committee members is appropriate, according to 67% of board members and 53% of executives.
- 59% of board members and 31% of executives feel that committee meetings are held far enough in advance of board meetings.
- The majority of board members (84%) and executives (67%) feel satisfied with the information their board receives from the audit/finance committee.
- While 37% of board members agree their board conducts a formal evaluation of the performance of each of its committees, only 7% of executives agree.

Figure 4.3b—Committees: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012



The survey found that:

- › Only 5% of urban, 1% of urban/rural, and 11% of northern board members believe their board has too many committees.
- › The majority of board members throughout the province agree the mandate and authority of each committee has been clearly articulated: 91% of urban, 80% of urban/rural, and 72% of northern board members agree.
- › While 81% of urban and 78% of urban/rural board members agree the mandate and authority of each committee is reviewed periodically, only 56% of northern board members agree.
- › No urban and only 3% of urban/rural board members agree committee meetings are overly long, while 17% of northern board members agree.
- › About one-third of both urban (33%) and urban/rural (34%) board members agree their board relies on decisions made by committees and does not often revisit those issues; 61% of northern board members agree.
- › The process for selecting committee members is appropriate, according to 59% of urban, 69% of urban/rural, and 72% of northern board members.
- › 77% of urban, 59% of urban/rural, and 39% of northern board members think committee meetings are held far enough in advance of board meetings.
- › Most board members throughout the province are satisfied with the information their board receives from the audit/finance committee: 79% of urban, 90% of urban/rural, and 83% of northern board members are satisfied.
- › While close to one-half (48%) of urban board members agree their board conducts a formal evaluation of the performance of each of its committees, only 38% of urban/rural, and 22% of northern board members agree.

4.4 CONSIDERATIONS

Boards must work diligently and carefully to ensure that they fulfill their governance requirements. Boards that do not have an annual work plan to assist them in doing this should consider developing one.

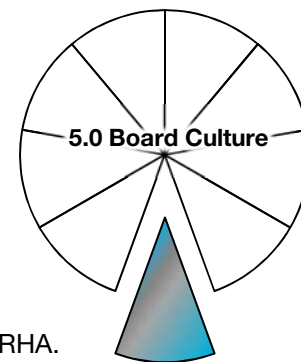
Some board members and executives agree that the size of agendas forces their board to move through items overly quickly. It is also interesting to note that about one-third of board members and executives agree that agendas are usually set by the CEO. Boards, and particularly the chairperson, must ensure that they are actively involved in setting agendas and allocating reasonable amounts of time.

Boards should on occasion meet without management present. Boards should consider setting this as a regular, recurring item in agendas.



5.0 Board Culture

Board culture describes the dynamics of how people within the board's structure and organization work together to achieve the goals of the organization. The importance of ensuring effective teamwork to allow for informed decisions cannot be overstated. "Even if boards have the right structure, their success is often determined by simply how well board members work together."¹⁰



Board members need a clear understanding of issues facing their RHA. They should participate in discussions and feel comfortable asking questions, taking opposing views, and voting against motions or proposals they disagree with, so that board discussion and debate can lead to clear and informed decisions. At the same time, once boards reach a decision, it is important that board members put their differences aside and assume collective responsibility for the decision made. Without the benefit of active debate and the sharing of different opinions, boards run a greater risk of simply rubberstamping management's recommendations.

The leadership of the chairperson is critical in establishing and maintaining a positive board culture. A capable chairperson can encourage the participation of all board members, resolve conflicts that may arise, and ensure the productivity of board meetings.

5.1 BOARD MEMBER PARTICIPATION

Boards should foster a culture of participation. Board members should not feel constrained or reluctant to ask questions or participate in discussions. Board members should know that they can influence board decisions.

Key Observations

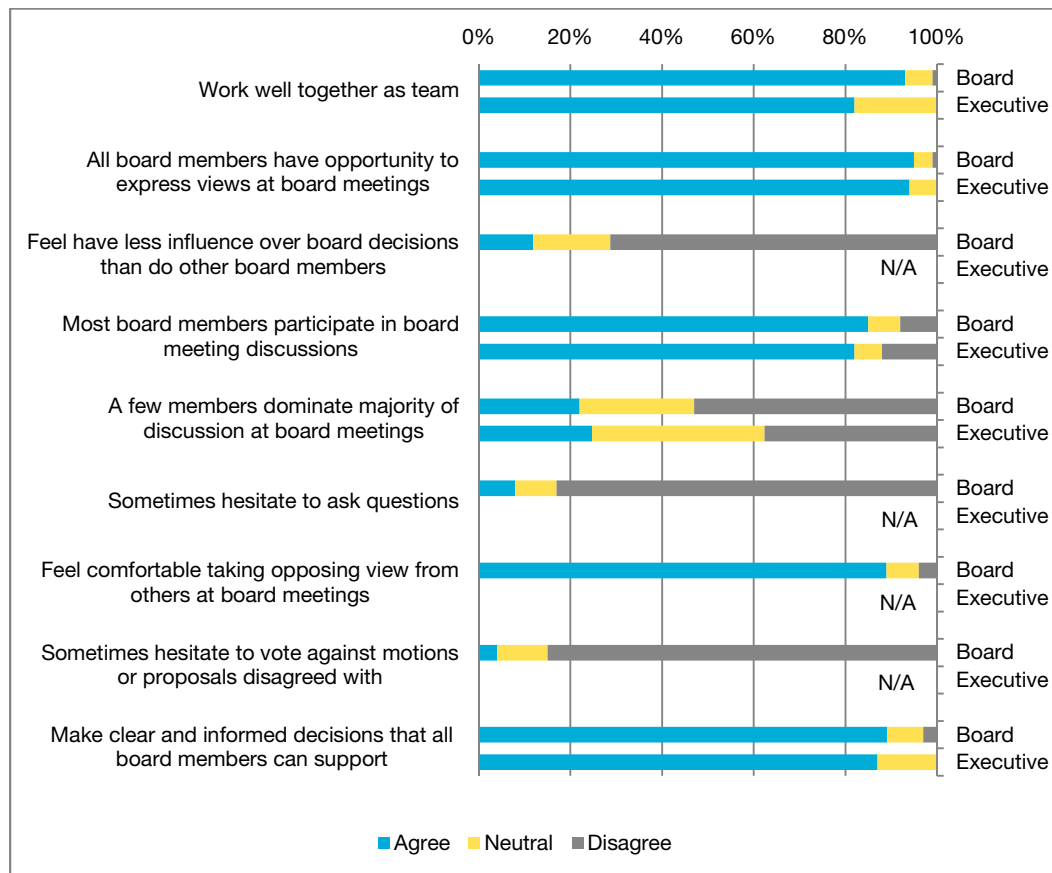
Most board members and executives (CEO/CFO) think that overall, their board works well together as a team and that all board members have the opportunity to express views at board meetings and participate in discussions. Few board members sometimes feel they have less influence over board decisions than do other board members. Even fewer board members agree they are sometimes hesitant to ask questions or hesitate to vote against motions or proposals with which they disagree. Most board members indicate they are comfortable taking an opposing view from others at board meetings. About one-quarter of board members and executives agree that a few members dominate the majority of discussion at board meetings. The majority of board members and executives are satisfied with their board's efforts in making clear and informed decisions that all board members can support.

¹⁰ LeBlanc, R. & Gillies, J., (2005) *Inside the Boardroom: How Boards Really Work and the Coming Revolution in Corporate Governance*, p. 248, cited in Office of the Auditor General of Manitoba (2009).



Detailed Results

Figure 5.1a – Board Member Participation



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

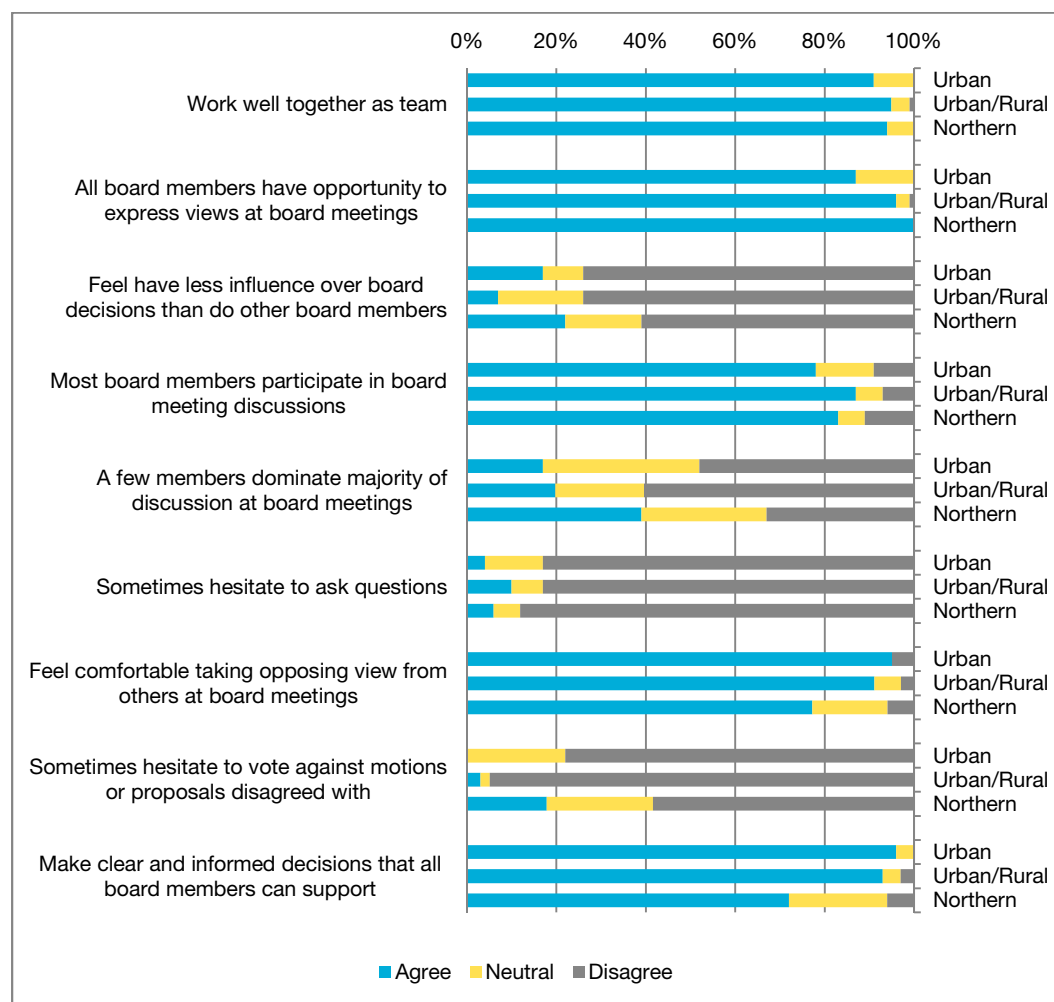
The survey found that:

- 93% of board members and 82% of executives think that overall, their board works well together as a team.
- All board members have the opportunity to express their views at board meetings, according to 95% of board members and 94% of executives.
- Few board members (12%) sometimes feel they have less influence over board decisions than do other board members.
- The majority of board members (85%) and executives (82%) think that most board members participate in discussions at board meetings.
- 22% of board members and 25% of executives agree that a few members dominate the majority of discussions at board meetings.
- Few board members (8%) agree they are sometimes hesitant to ask questions.
- Most board members (89%) agree they feel comfortable taking an opposing view from others at board meetings.



- › Very few board members (4%) agree they sometimes hesitate to vote against motions or proposals with which disagree.
- › Most board members (90%) and executives (87%) are satisfied with their board's efforts in making clear and informed decisions that all board members can support.

Figure 5.1b—Board Member Participation: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Board members throughout the province agree that overall, their board works well together as a team: 91% of urban, and 94% of both urban/rural and northern board members agree with this statement.
- › The majority of board members agree that all board members have the opportunity to express their views at board meetings. 87% of urban, 96% of urban/rural, and 100% of northern board members agree.
- › While only 7% of urban/rural board members sometimes feel they have less influence over board decisions than do other board members, 17% of urban and 22% of urban/rural board members agree with this statement.



- › Most board members agree they participate in the discussion at board meetings: 78% of urban, 87% of urban/rural, and 83% of northern board members agree.
- › 17% of urban, 20% of urban/rural, and 39% of northern board members feel that a few members dominate the majority of discussion at board meetings.
- › Only 4% of urban, 10% of urban/rural, and 6% of northern board members agree they sometimes hesitate to ask questions.
- › The large majority of urban (96%) and urban/rural (92%) board members feel comfortable taking an opposing view from others at a board meeting, while 78% of northern board members feel comfortable.
- › No urban members and only 3% of urban/rural board members agree they sometimes hesitate to vote against motions or proposals with which they disagree, while 18% of northern board members indicate they do sometimes hesitate.
- › While the large majority of urban (96%) and urban/rural (93%) board members are satisfied with their board's efforts in making clear and informed decisions that all board members can support, only 72% of northern board members are satisfied.

5.2 BOARD DEBATE AND DECISION MAKING

To carry out their role, boards need to draw on the views of all board members. Differences of opinion and opposing viewpoints should be expressed to permit the board to come to informed decisions.

Key Observations

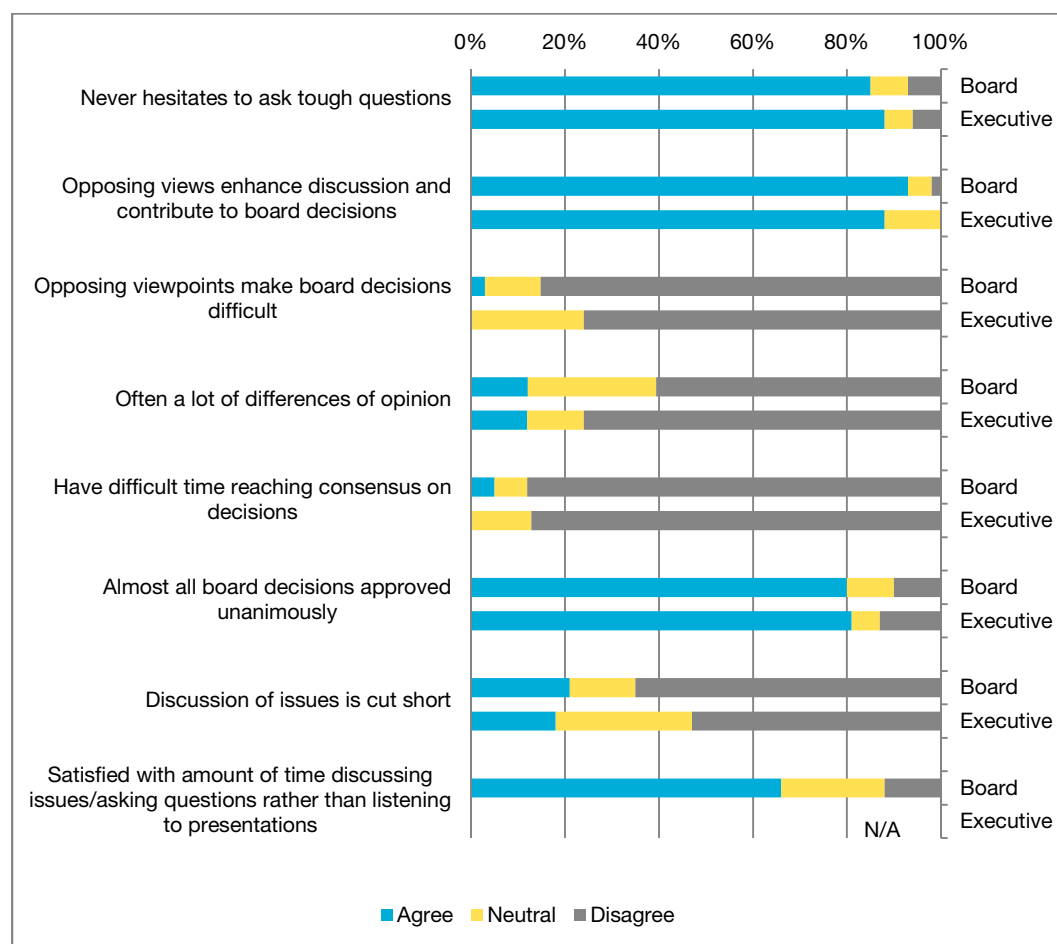
Boards do not hesitate in asking the tough questions, according to most board members and executives. While the majority of board members and executives believe that opposing views enhance discussion and contribute to board decisions, few board members and executives think that opposing viewpoints on their board make decisions difficult or that there are often a lot of differences of opinion on their board. The majority of board members and executives agree that almost all board decisions are approved unanimously and that their boards do not often have a difficult time reaching consensus on decisions. About one-fifth of board members and executives feel that their board's discussion of issues is sometimes cut short. About one-third of board members are satisfied with the amount of time their board spends discussing issues and asking questions rather than listening to presentations.

The majority of board members and executives are confident their board approves all key strategic decisions for the RHA and generally makes good decisions. Most also agree their board's decision-making process facilitates considered and informed decisions. More executives than board members feel that decision making is difficult because some board members do not adequately understand the issues facing their RHA, and because some board members represent special interests. Most board members and executives agree that debates on matters before the board may result in changes to management's original proposals and recommendations.



Detailed Results

Figure 5.2a – Board Debate and Decision Making (Part 1)



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

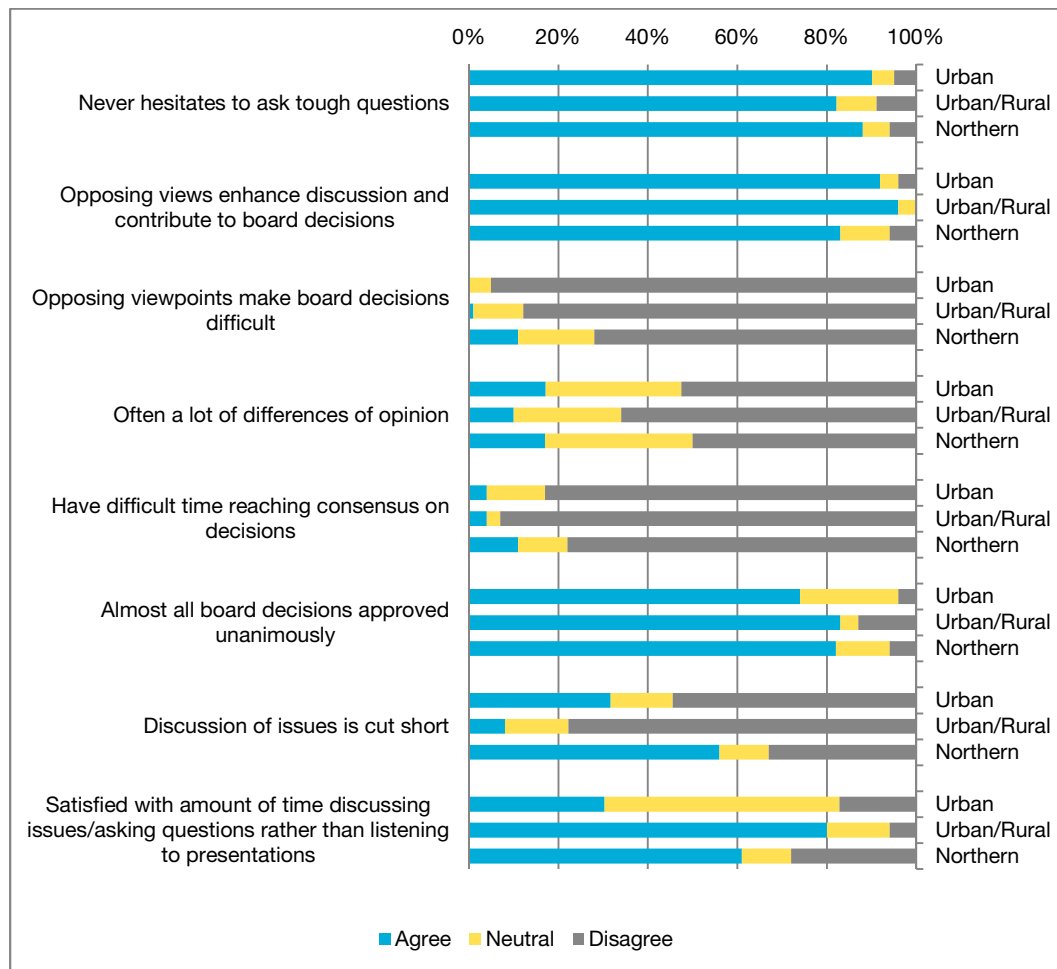
The survey found that:

- › Boards never hesitate to ask the tough questions, according to 85% of board members and 88% of executives.
- › The majority of board members (93%) and executives (88%) believe that opposing views enhance discussion and contribute to board decisions.
- › Very few board members (3%) and no executives think that opposing viewpoints on their board make decisions difficult.
- › Only 12% of both board members and executives agree there are often a lot of differences of opinion on their board.
- › Very few board members (5%) and no executives agree that their board has a difficult time reaching consensus on decisions.
- › Almost all board decisions are approved unanimously, according to 80% of board members and 81% of executives.



- › 21% of board members and 18% of executives sometimes feel that the board's discussion of issues is cut short.
- › About one-third of board members (66%) are satisfied with the amount of time their board spends discussing issues and asking questions rather than listening to presentations.

Figure 5.2b—Board Debate and Decision Making (Part 1): Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

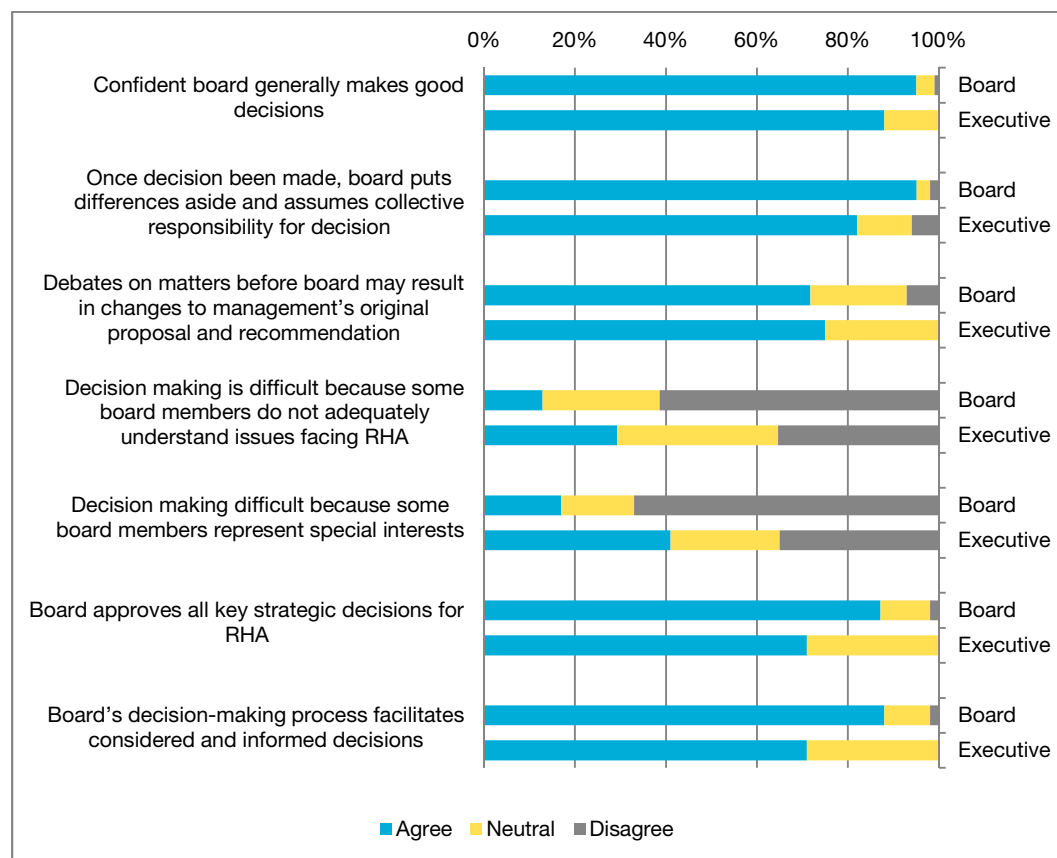
The survey found that:

- › Most board members throughout the province agree their board never hesitates to ask the tough questions: 91% of urban, 83% of urban/rural, and 88% of northern board members agree.
- › 91% of urban, 96% of urban/rural, and 83% of northern board members agree that opposing views enhance discussion and contribute to board decisions.
- › While no urban board members and only 1% of urban/rural board members agree that opposing viewpoints make board decisions difficult, 11% of northern board members agree.



- 17% of urban, 10% of urban/rural, and 17% of northern board members agree that there are often a lot of differences of opinion on their board.
- Only 4% of both urban and urban/rural board members agree their board has a difficult time reaching consensus on decisions; 11% of northern board members agree.
- The majority of all board members agree that almost all board decisions are approved unanimously: 74% of urban, 83% of urban/rural, and 82% of northern board members agree.
- Board members respond quite differently when asked if they sometimes feel the discussion of issues is cut short. While only 8% of urban/rural board members feel this way, 32% of urban and 56% of northern board members feel that discussion is sometimes cut short.
- Urban/rural board members (80%) are more satisfied than urban (30%) and northern board members (61%) with the amount of time their board takes to discuss issues and ask questions rather than listen to presentations.

Figure 5.2c—Board Debate and Decision Making (Part 2)



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

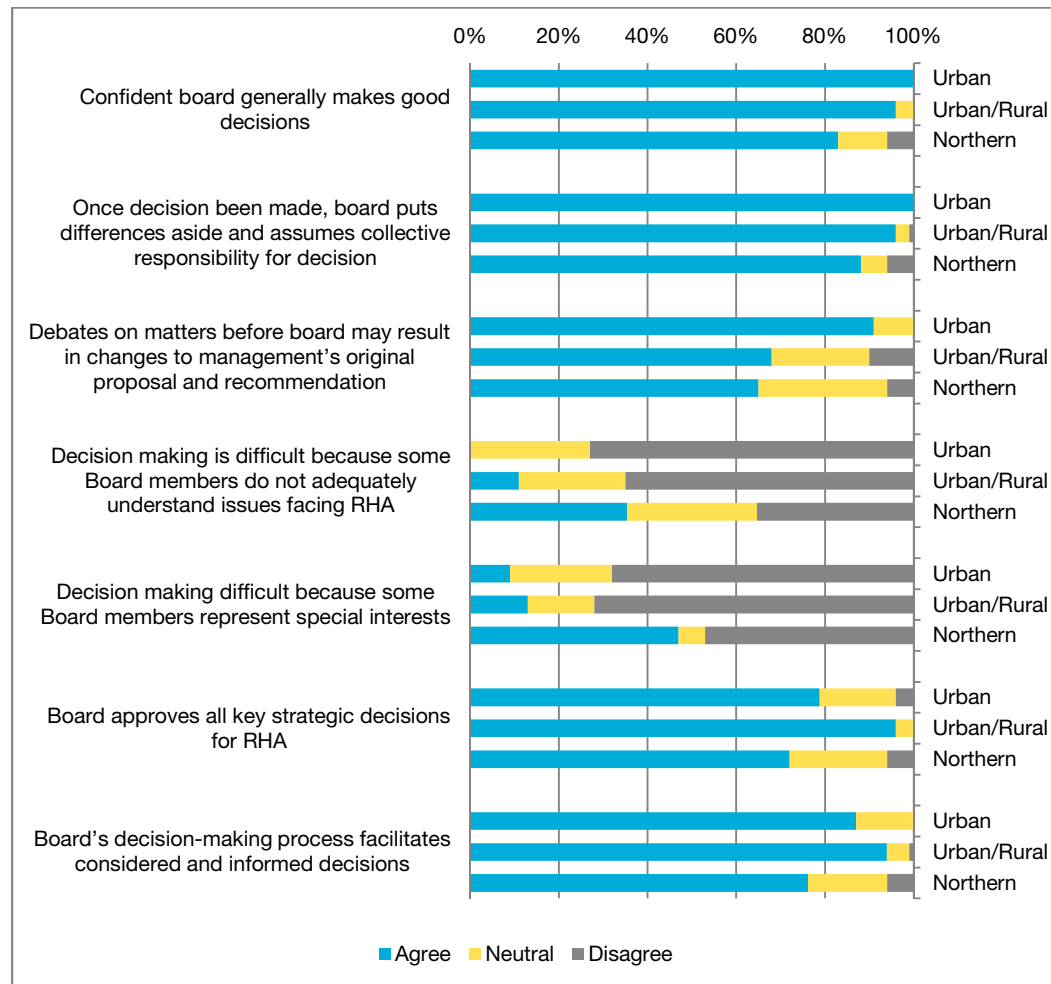
- The majority of board members (96%) and executives (88%) feel confident their board generally makes good decisions.



- › Once a decision has been made, the board puts differences aside and assumes collective responsibility for the decision, according to 96% of board members, and 82% of executives.
- › Most board members (71%) and executives (75%) agree that debates on matters before the board may result in changes to management's original proposal and recommendation.
- › 13% of board members and 29% of executives feel that decision making is difficult because some board members do not adequately understand the issues facing their RHA.
- › 17% of board members and 41% of executives agree that decision making is difficult because some board members represent special interests.
- › The majority of board members (88%) and executives (71%) agree their board approves all key strategic decisions for the RHA.
- › The board's decision-making process facilitates considered and informed decisions, according to 88% of board members, and 71% of executives.



Figure 5.2d—Board Debate and Decision Making (Part 2): Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- Board members throughout the province are confident their board generally makes good decisions: 100% of urban, 96% of urban/rural, and 83% of northern board members feel confident.
- 100% of urban, 96% of urban/rural, and 89% of northern board members agree that once a decision has been made, their board puts differences aside and assumes collective responsibility for the decision.
- 91% of urban board members agree that debates on matters before the board may result in changes to management's original proposal and recommendation, while only around one-third of urban/rural (68%) and northern board members (65%) agree.
- No urban board members and only 11% of urban/rural board members agree decision making is difficult because some board members do not adequately understand the issues facing their RHA; 35% of northern board members agree.



- › While only 9% of urban and 13% of urban/rural board members agree decision making is difficult because some board members represent special interests, 47% of northern board members agree.
- › 96% of urban/rural board members agree their board approves all key strategic decisions for the RHA, while 78% of urban and 72% of northern board members agree.
- › The majority of board members throughout the province agree their board's decision-making process facilitates considered and informed decisions: 87% of urban, 93% of urban/rural, and 77% of northern board members agree.

5.3 MANAGEMENT'S ROLE IN BOARD DECISION MAKING

Passive boards are a key issue in board governance. While management is responsible for making day-to-day decisions for the RHA, it is the board's responsibility to make governance decisions. Because of this, boards must ensure they are comfortable evaluating management's suggested solutions and alternatives, and ensure they do not merely rubberstamp management decisions.

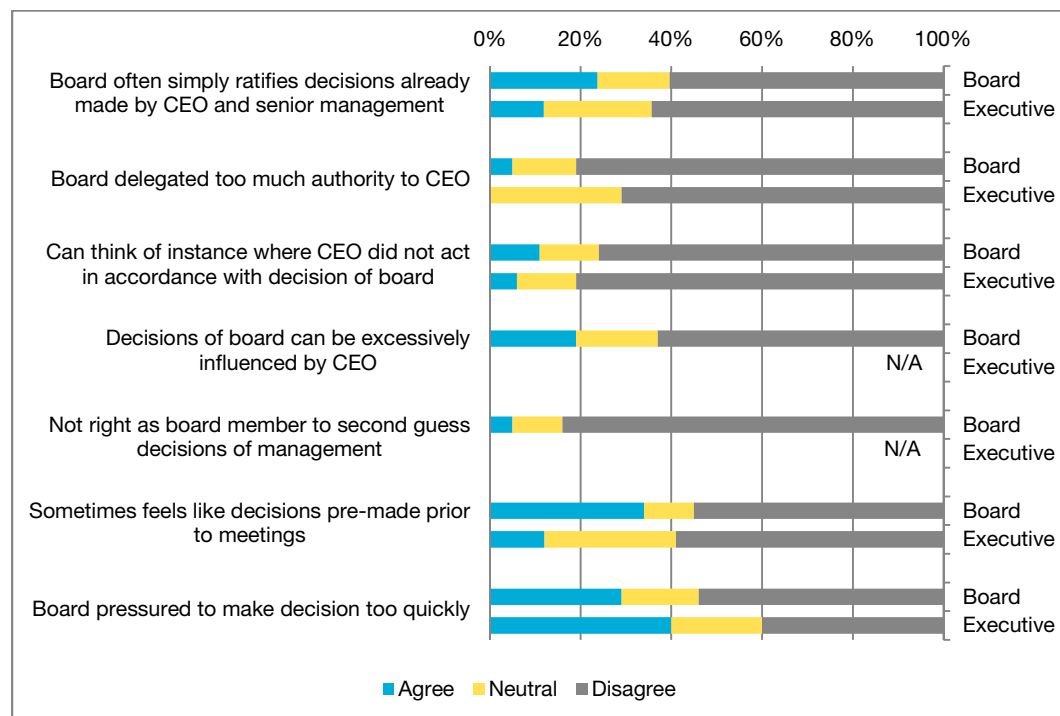
Key Observations

Almost one-quarter of board members are of the view that the board often simply ratifies decisions already made by management. 35% sometimes feel that decisions are pre-made prior to board meetings. Around one-third of board members and 40% of executives say that their board can be pressured to make decisions too quickly.



Detailed Results

Figure 5.3a – Management’s Role in Board Decision Making



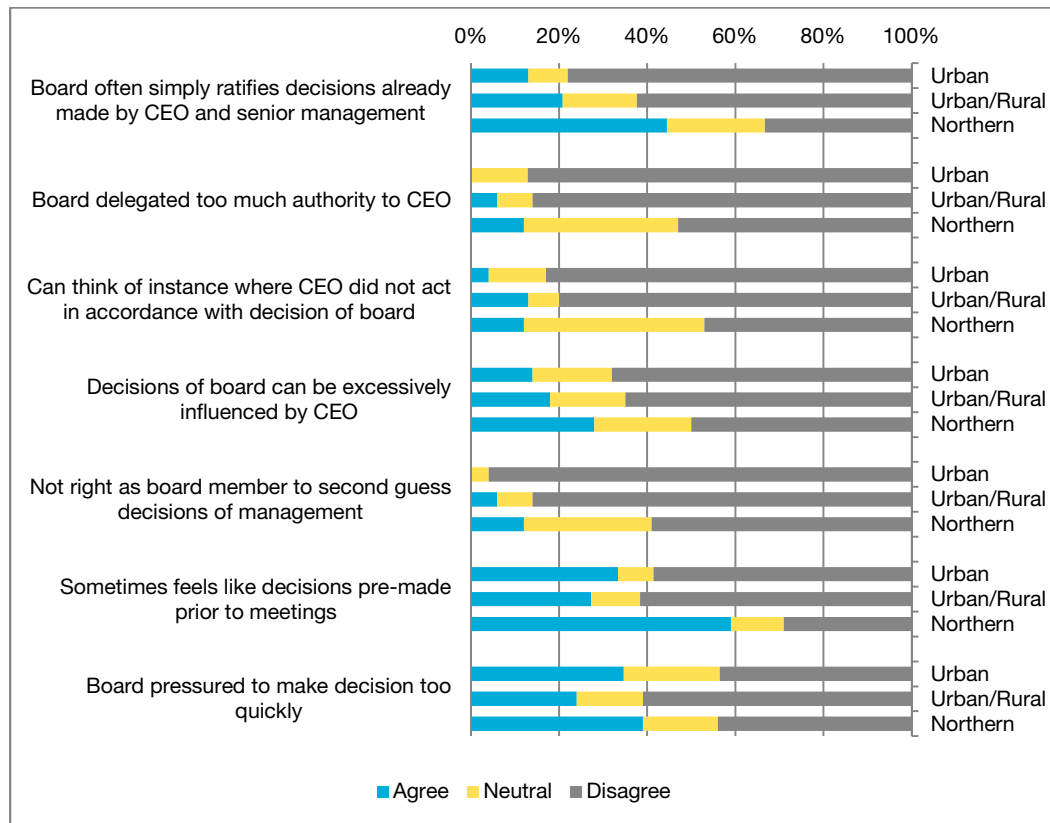
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- 24% of board members and 12% of executives agree that board members often simply ratify decisions already made by the CEO and senior management.
- Only 5% of board members and no executives think their board has delegated too much authority to the CEO.
- Few board members (11%) and executives (6%) can think of an instance where their CEO has not acted in accordance with a decision of the board.
- 63% of board members disagree that decisions of the board can be excessively influenced by the CEO.
- Very few board members (5%) feel that it isn't right for them to second guess decisions made by their RHA's senior management.
- Close to one-third of board members (34%) feel that sometimes decisions are pre-made prior to board meetings; 12% of executives agree.
- Around one-third of board members (29%) and 40% of executives think that on occasion, their board is pressured to make a decision too quickly.



Figure 5.3b—Management's Role in Board Decision Making: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- ▶ While 13% of urban and 21% of urban/rural board members feel their board simply ratifies decisions already made by the CEO and senior management, 44% of northern board members think this is the case.
- ▶ No urban, and few urban/rural (6%) and northern (12%) board members think their board has delegated too much authority to the CEO.
- ▶ 4% of urban, 13% of urban/rural, and 12% of northern board members agree they can think of an instance where their CEO did not act in accordance with a decision of the board.
- ▶ Decisions of the board can be excessively influenced by the CEO, according to the views of 14% of urban, 18% of urban/rural, and 28% of northern board members.
- ▶ No urban, and few urban/rural (6%) and northern (12%) board members feel that it isn't right as board members to second guess the decisions of management.
- ▶ Significantly more northern board members (59%) agree with the statement that it sometimes feels like decisions are pre-made prior to meetings, as opposed to urban (33%) and urban-rural (27%) board members.



- Board members across the province agree that sometimes their board is pressured into making a decision too quickly: 35% of urban, 24% of urban/rural, and 39% of northern board members agree.

5.4 CHAIRPERSON

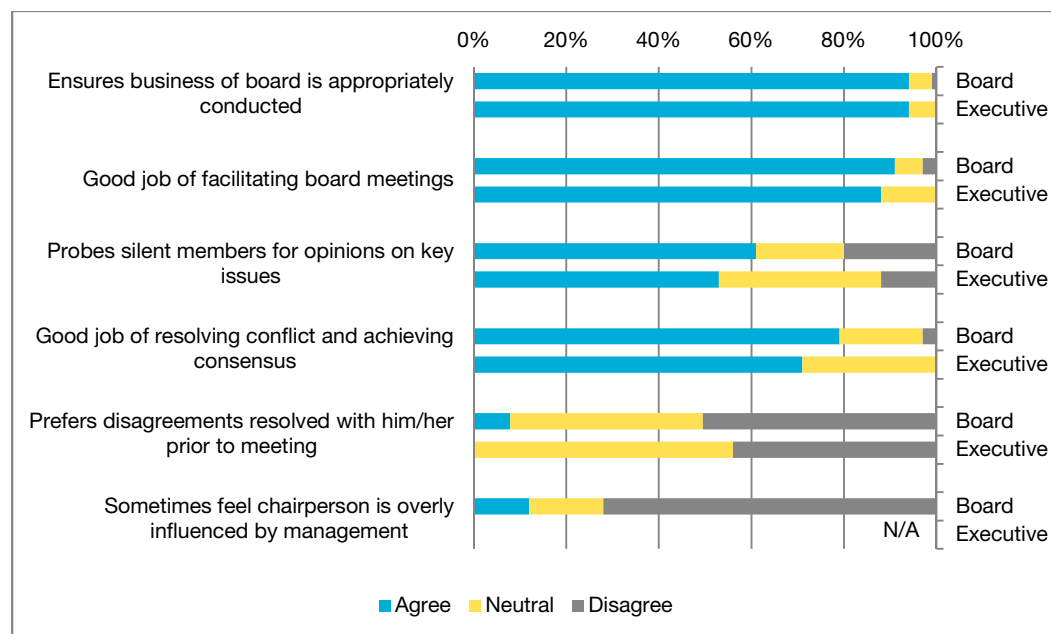
A capable chairperson is necessary to facilitate board meetings and ensure the business of the board is being appropriately conducted. While the chairperson works closer with management than the other members of the board, the chair still represents the board. The chairperson plays a key role in maintaining positive team dynamics, managing conflict on the board, and ensuring that all board members participate in productive discussions and debates.

Key Observations

The majority of board members and executives agree their chairperson ensures the business of the board is conducted appropriately and that the chairperson does a good job of facilitating meetings and resolving conflict and consensus. Few board members and no executives agree their chairperson prefers that disagreements are resolved with him or her prior to the board meetings. Just under two-thirds of board members and about half of executives think their chairperson probes silent members for their opinions on key issues. Few board members sometimes feel that their chairperson can be overly influenced by management.

Detailed Results

Figure 5.4a – Chairperson



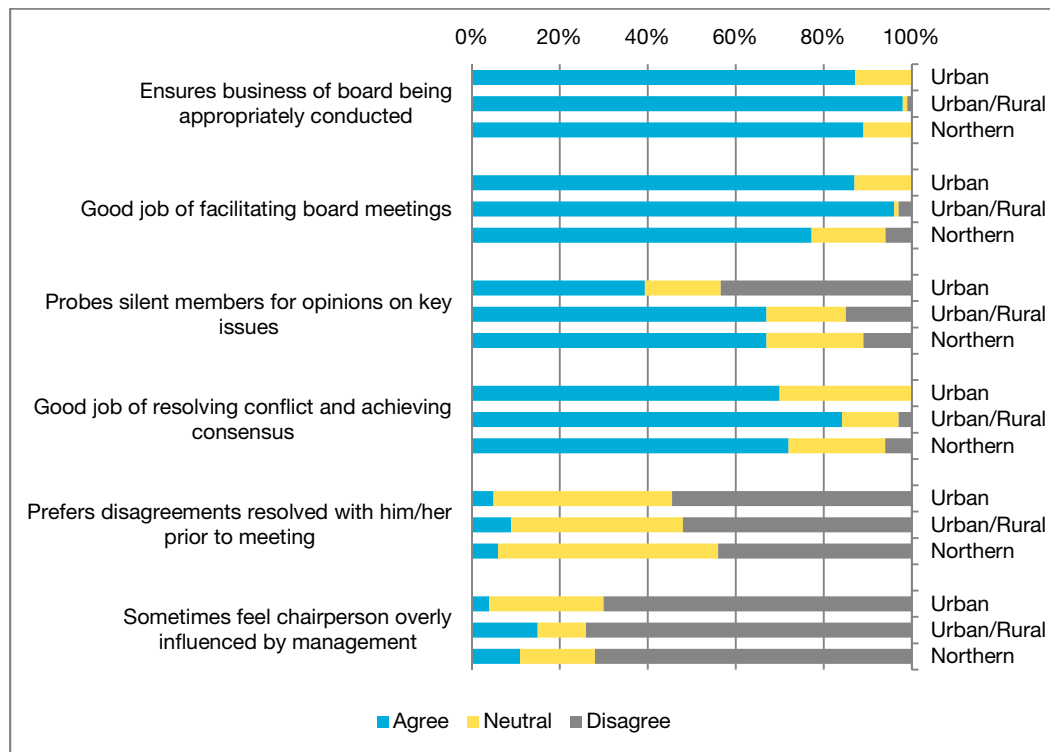
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012



The survey found that:

- › The chairperson ensures the business of their board is being appropriately conducted, according to 94% of both board members and executives.
- › The large majority of board members (91%) and executives (88%) think their chairperson does a good job of facilitating board meetings.
- › 61% of board members and 53% of executives agree their chairperson probes silent members for their opinions on key issues.
- › The chairperson does a good job of resolving conflict and achieving consensus, according to 79% of board members and 71% of executives.
- › Few board members (8%) and no executives agree their chairperson prefers that disagreements are resolved with him or her prior to board meetings.
- › 12% of board members sometimes feel that their chairperson is overly influenced by management.

Figure 5.4b – Chairperson: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › The chairperson ensures the business of the board is being appropriately conducted, according to 88% of urban, 97% of urban/rural, and 89% of northern board members.



- › 87% of urban, 96% of urban/rural, and 78% of northern board members think their chairperson does a good job of facilitating board meetings.
- › 67% of both urban/rural and northern board members agree their chairperson probes silent members for their opinions on key issues, while only 39% of urban board members agree.
- › The chairperson does a good job of resolving conflict and achieving consensus, according to 70% of urban, 85% of urban/rural, and 72% of northern board members.
- › Few members throughout the province agree their chairperson prefers that disagreements are resolved with him or her prior to the meeting. Only 5% of urban, 9% of urban/rural, and 6% of northern board members agree.
- › 4% of urban, 15% of urban/rural, and 11% of northern board members sometimes feel that their chairperson is overly influenced by management.

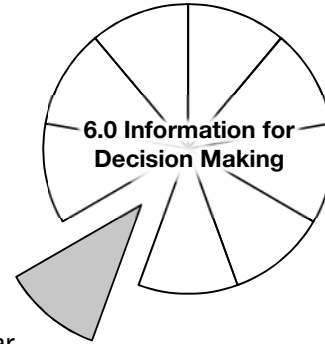
5.5 CONSIDERATIONS

Most board members and executives believe that opposing views enhance discussion and contribute to decisions. Thus, it is interesting that few say that there are often a lot of differences of opinion on their board. Also, over one-third of board members sometimes feel decisions are sometimes pre-made prior to board meetings and one-quarter of board members are of the view their board often simply ratifies decisions already made by the CEO and senior management. Boards must ensure they do not allow management to take over their decision-making role.



6.0 Information for Decision Making

Decisions of boards are based on information. This gives management a certain degree of influence over boards due to its control over what, when, and how boards receive information. Because of this, boards must ensure they are not passive in accepting information. Rather, boards should assess their information needs on a regular basis, communicate these needs to management and ensure that management meets these needs.



As many board decisions have financial impacts, it is important that board members become comfortable with examining budgets and financial statements and understand the financial ramifications of their decisions. If board members are unclear about financial information presented to them, they must ask for clarification from management, consult their audit/finance committee, or seek external expertise.

Boards also play a critical role in managing risks. Timely, accurate and relevant information from management is critical in ensuring effective risk management.

6.1 INFORMATION NEEDS

Information provided to boards should enable board members to make well-informed governance decisions and allow them to monitor the performance of their RHA. In providing a complete picture, management must ensure they share negative or difficult information with boards. As well, management should ensure that recommendations regarding decision items are accompanied by alternatives.

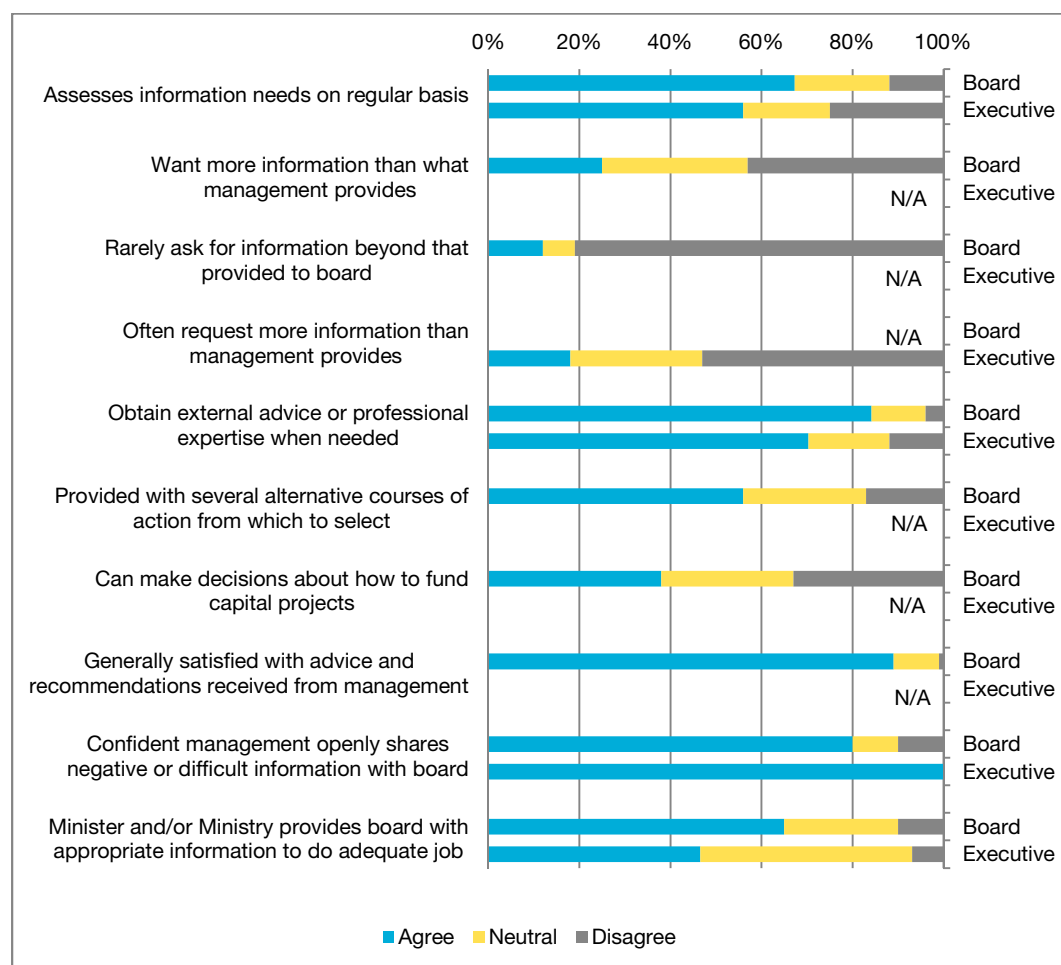
Key Observations

Board members and executives are not of the same opinion as to whether board members often request more information than what management provides. Few board members agree their board rarely asks for such information. At the same time, few executives agree their board often requests more information. Most board members and executives agree their board obtains external advice or professional expertise when needed. Just over one-half of board members agree that when making decisions they are provided with several alternative courses of action from which to select. While most board members are generally satisfied with advice and recommendations received from management, fewer board members agree that the Minister and/or Ministry provides their board with appropriate information to do an adequate job. Less than one-half of executives agree the Minister and/or Ministry provides their board with appropriate information to do an adequate job.



Detailed Results

Figure 6.1a – Information Needs



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

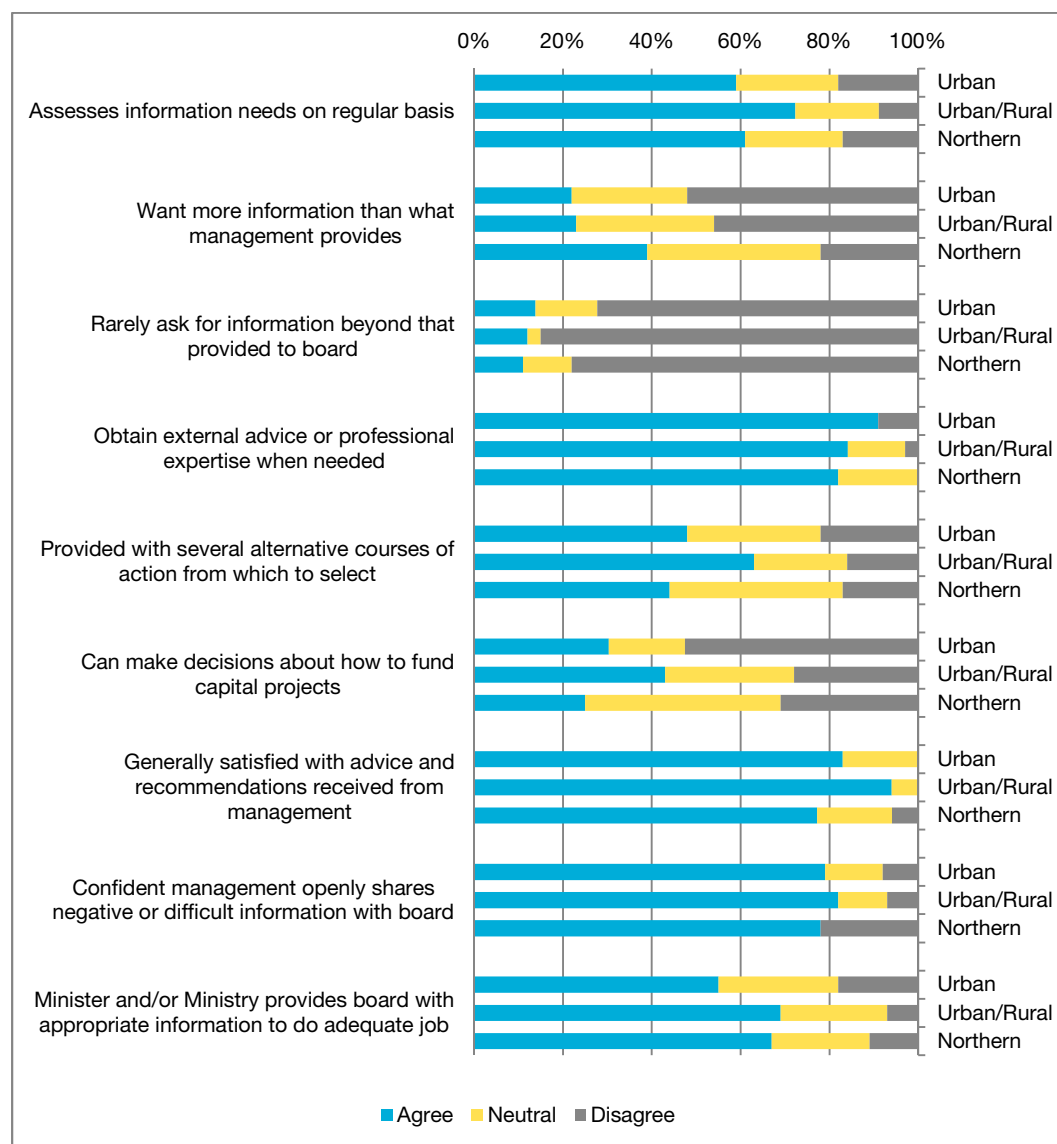
- › 68% of board members and 56% of executives agree their board assesses its information needs on a regular basis.
- › One-quarter of board members agree they would like to see more information than what management provides.
- › Only 12% of board members agree they rarely ask for information beyond that provided to the board.
- › 18% of executives agree their board often requests more information than management provides.
- › Boards obtain external advice or professional expertise (i.e., not from management) when needed, according to 85% of board members and 71% of executives.



- › Just over one-half (56%) of board members agree that in making decisions, they are provided with several alternative courses of action from which to select.
- › 38% of board members agree they can make decisions about how to fund capital projects, while 33% disagree.
- › 89% of board members report being generally satisfied with the advice and recommendations they receive from management.
- › While 80% of board members are confident management openly shares negative or difficult information with the board, all executives are of the view this type of information is shared.
- › The majority of board members (65%) and about one-half of executives (47%) think the Minister and/or Ministry provides the board with appropriate information to do an adequate job.



Figure 6.1b—Information Needs: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › 59% of urban, 73% of urban/rural, and 61% of northern board members agree their board assesses its information needs on a regular basis.
- › While 22% of urban and 23% of urban/rural board members agree they would like to see more information than what management provides, 39% of northern board members agree.
- › Few board members across the province agree they rarely ask for information beyond that provided to the board: 14% of urban, 12% of urban/rural, and 11% of northern board members agree.



- › The majority of board members across the province agree their board obtains external advice or professional expertise (i.e., not from management) when needed: 91% of urban, 85% of urban/rural, and 82% of northern board members agree.
- › 63% of urban board members agree that in making decisions, they are provided with several alternative courses of action from which to select, while about one-half (48%) of urban and 44% of northern board members agree.
- › 30% of urban, 43% of urban/rural, and 25% of northern board members agree they can make decisions about how to fund capital projects.
- › 83% of urban, 94% of urban/rural, and 78% of northern board members agree they are generally satisfied with advice and recommendations received from management.
- › Board members throughout the province express about equal levels of confidence that management openly shares negative or difficult information with the board: 79% of urban, 82% of urban/rural, and 78% of northern board members agree.
- › About one-half of urban members (55%) agree the Minister and/or Ministry provides the board with appropriate information to do an adequate job, while 69% of urban/rural and 67% of northern board members agree.

6.2 TIMING AND DELIVERY OF INFORMATION

It is important that board members receive information for meetings well before the meetings so they have an opportunity to read through and understand the materials. If board members do not receive this information beforehand, it is difficult for them to meaningfully contribute to the discussion and debate around issues. Board members should not be asked to make decisions based on information only received at the meeting itself. While verbal presentations are an important part of board meetings, management should also provide documentation to board members, to permit board members to evaluate and verify information provided to them.

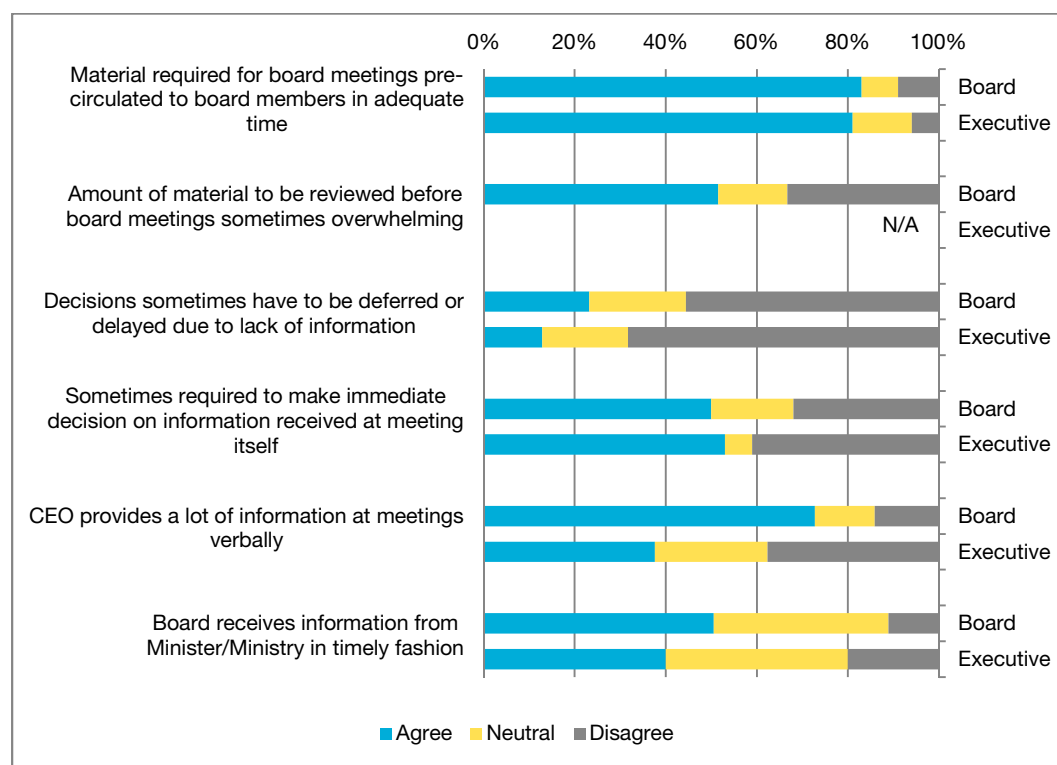
Key Observations

Most board members and executives (CEO/CFO) agree the material required for board meetings is pre-circulated to board members in adequate time. About one-half of board members think the amount of material to be reviewed before board meetings is sometimes overwhelming. Just under one-quarter of board members and only 12% of executives agree decisions sometimes have to be deferred or delayed due to a lack of information. One-half of board members and executives agree that board members are sometimes required to make an immediate decision based on information received at the meeting itself. One-half of board members and fewer than one-half of executives agree their board receives information from the Minister and/or Ministry in a timely fashion.



Detailed Results

Figure 6.2a – Timing and Delivery of Information



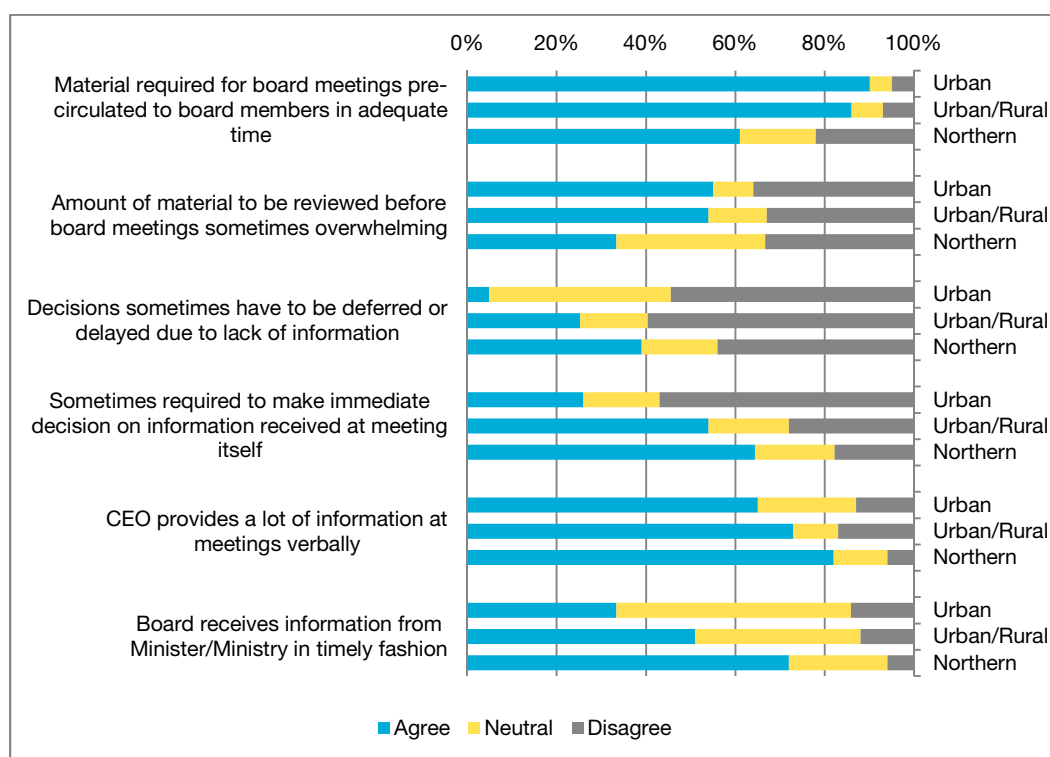
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Material required for board meetings is pre-circulated to board members in adequate time, according to 83% of board members and 81% of executives.
- › About one-half (51%) of board members think the amount of material that needs to be reviewed before board meetings is sometimes overwhelming.
- › 23% of board members and 13% of executives agree that decisions sometimes have to be deferred or delayed due to lack of information.
- › One-half of board members and about one-half (53%) of executives agree that board members are sometimes required to make an immediate decision based on information received at the meeting itself.
- › While 72% of board members agree their CEO provides a lot of information at meetings verbally, only 38% of executives agree.
- › One-half of board members, and 40% of executives agree their board receives information from the Minister and/or Ministry in a timely fashion.



Figure 6.2b—Timing and Delivery of Information: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › While most urban (91%) and urban/rural (86%) board members agree material required for board meetings is pre-circulated to board members in adequate time, only 61% of northern board members agree.
- › About one-half of urban (55%) and urban/rural (54%) board members think the amount of material to be reviewed before board meetings is sometimes overwhelming; about one-third of northern board members agree.
- › Very few urban board members (5%) find that decisions sometimes have to be deferred or delayed due to a lack of information, while 25% of urban/rural and 39% of northern board members find this to be the case.
- › 26% of urban, 54% of urban/rural, and 65% of northern board members agree they are sometimes required to make immediate decisions on information received at the meeting itself.
- › 65% of urban, 73% of urban/rural, and 82% of northern board members agree their CEO provides a lot of information at meetings verbally.

6.3 INFORMATION CONTENT

The content of material given to board members should have an appropriate level of detail and give a complete and fair representation of all relevant facts. Both board



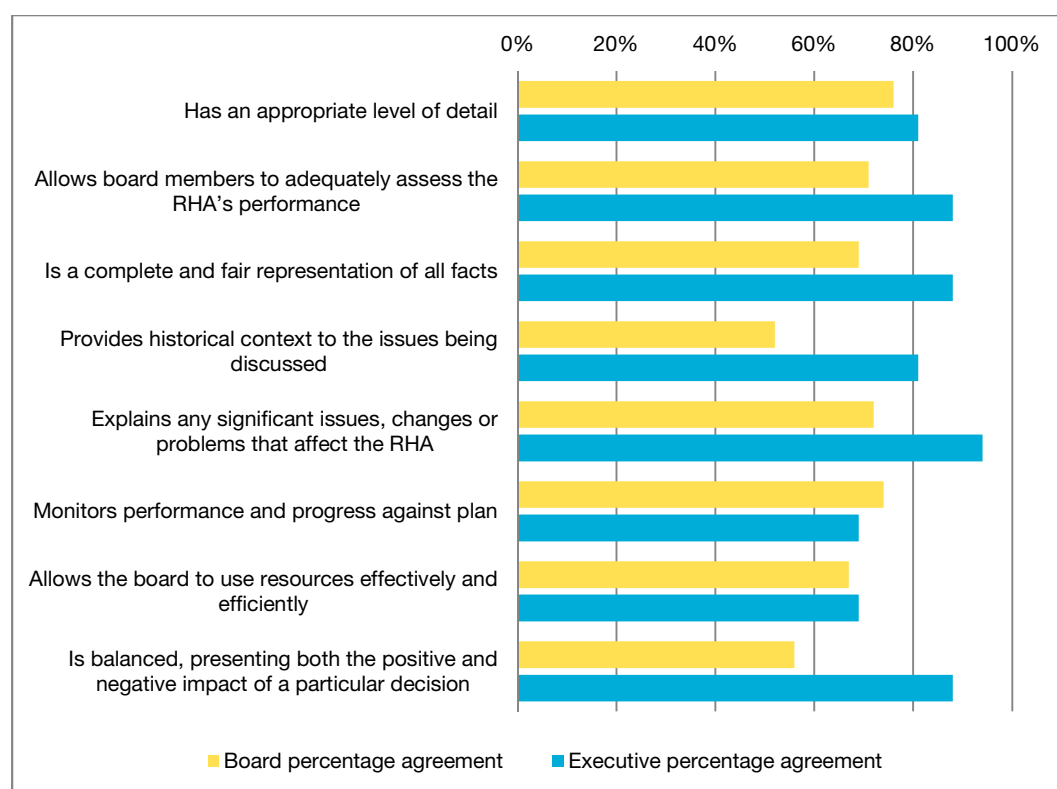
members and executives were asked as to whether information provided to their board met certain criteria. Board members exclusively were asked to comment on what improvements in pre-meeting information they would like to see.

Key Observations

Executives are more positive than board members about the content of information that management provides to board members. However, the majority of board members seem satisfied with the information they receive: information has an appropriate level of detail, allows board members to adequately assess the RHA's performance, and allows the board to use resources effectively and efficiently. While the majority still agree, significantly fewer board members than executives agree that information provides historical context to the issues being discussed and that the information is balanced, presenting both the positive and negative impact of a particular decision.

Detailed Results

Figure 6.3a — Information Content



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

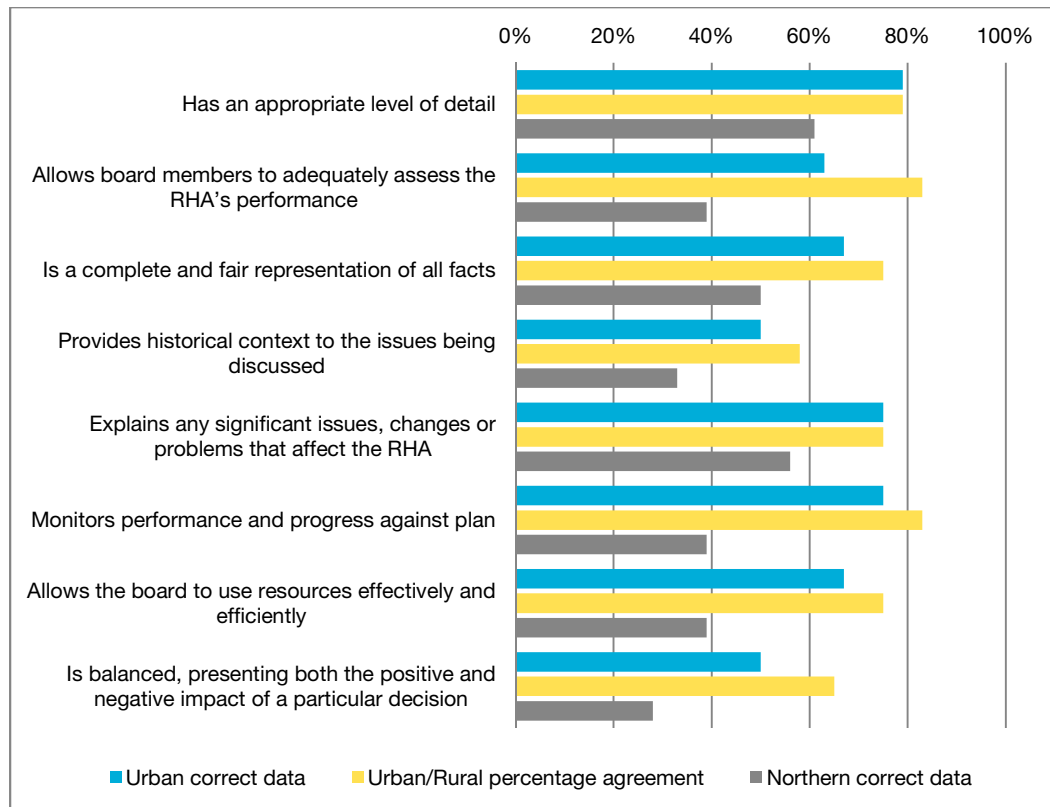
The survey found that:

- › 76% of board members and 81% of executives think the information has an appropriate level of detail.
- › Information allows board members to adequately assess the RHA's performance, according to 71% of board members and 88% of executives.



- › 69% of board members agree that information provided is a complete and fair representation of all facts; 88% of executives agree.
- › Just over one-half of board members (52%) think that management provides an historical context to the issues being discussed; 81% of executives think this is the case.
- › Information given explains any significant issues, changes or problems that affect the RHA, according to 72% of board members and 94% of executives.
- › 74% of board members think that information allows them to monitor the performance and progress of the RHA against plan; 69% of executives agree.
- › About the same percentage of board members and executives agree that information allows the board to use resources effectively and efficiently: 67% of board members and 69% of executives agree.
- › 56% of board members and 88% of executives feel the information given to them is balanced, presenting both the positive and negative impacts of a particular decision.

Figure 6.3b—Information Content: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

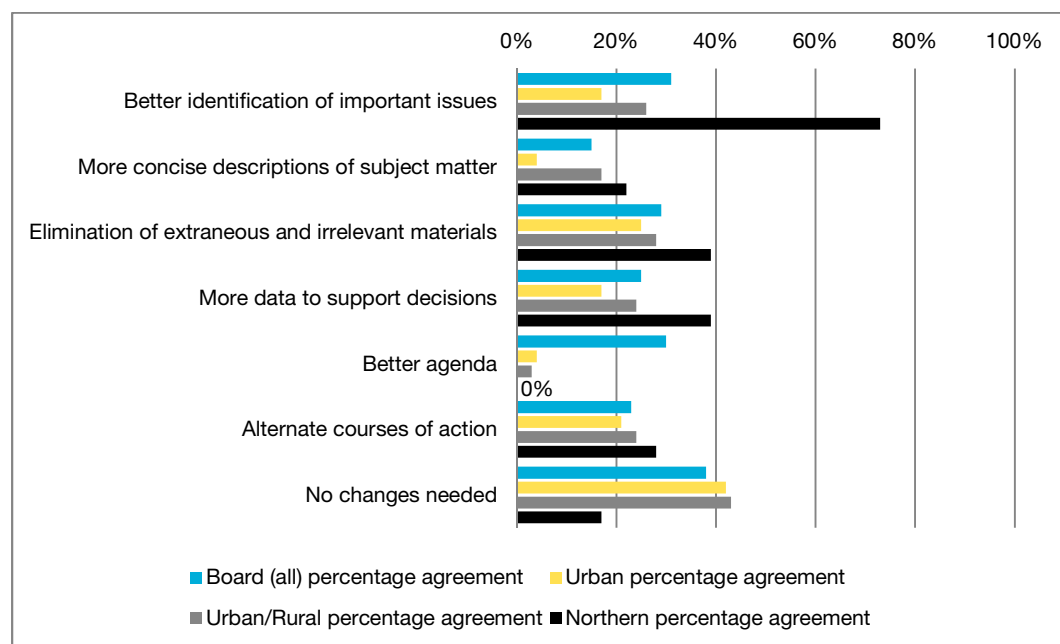
The survey found that:

- › 79% of both urban and urban/rural board members think the information given to them has an appropriate level of detail; 61% of northern board members agree.



- › 83% of urban/rural board members think information given from management allows them to adequately assess the RHA's performance; 63% of urban and only 39% of northern board members think this is the case.
- › 67% of urban and 75% of urban/rural board members think information given to them is a complete and fair representation of all facts; only one-half of northern members agree.
- › One-half of urban, 58% of urban/rural, and 33% of northern board members feel that management provides an historical context to the issues being discussed.
- › 75% of both urban and urban/rural board members agree information given to them explains any significant issues, changes or problems that will affect the RHA, only 56% of northern board members agree.
- › 75% of urban and 83% of urban/rural board members agree that information allows them to monitor performance and progress of the RHA against plan; only 39% of northern board members agree.
- › 67% of urban, 75% of urban/rural, and 39% of northern board members feel that information given to the board allows them to use resources effectively and efficiently.
- › One-half of urban and 65% of urban/rural board members think information given to them is balanced, presenting both the positive and negative impacts of a particular decision; only 28% of northern board members think this is the case.

Figure 6.3c—Pre-Meeting Information Improvements Desired: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012



The survey found that:

- › 17% of urban and 26% of urban/rural board members think that pre-meeting information should better identify important issues. 73% of northern board members are of this view.
- › 4% of urban, 17% of urban/rural, and 22% of northern board members think information should contain more concise descriptions of the subject matter.
- › 25% of urban, 28% of urban/rural, and 39% of northern board members think extraneous and irrelevant materials need to be eliminated.
- › 17% of urban, 24% of urban/rural, and 39% of northern board members feel there needs to be more data to support decisions.
- › 4% of urban, 3% of urban/rural and no northern board members think that there needs to be a better agenda.
- › 21% of urban, 24% of urban/rural, and 28% of northern board members feel pre-meeting information needs to contain more alternate courses of action.
- › 42% of urban, 43% of urban/rural, and 17% of northern board members think that no changes are needed with respect to pre-meeting information.

6.4 FINANCIAL INFORMATION

Adequate monitoring of an RHA's performance involves analysis of financial information. Because of this, management needs to provide boards with appropriate financial information. Because financial expertise varies, management must ensure that it adequately explains the financial information presented to boards.

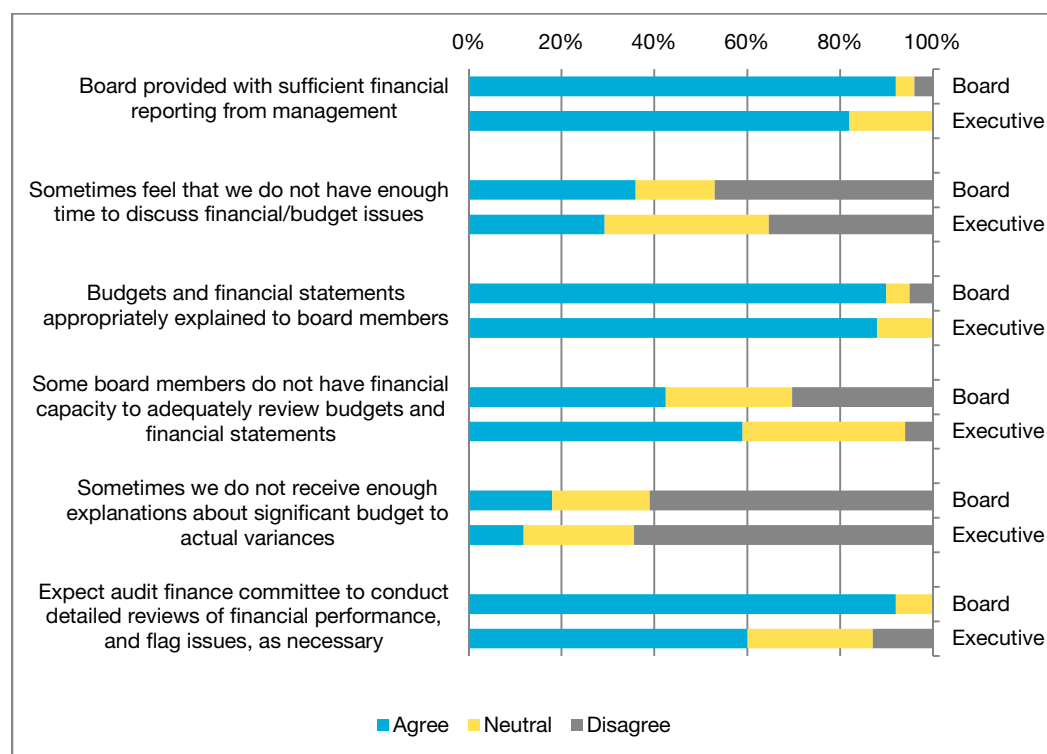
Key Observations

The majority of board members and executives agree their board is provided with sufficient financial reporting from management and that the budgets and financial statements are appropriately explained to board members. About one-third of board members and executives feel that sometimes they do not have enough time to discuss financial and/or budget issues. While the large majority of board members (92%) agree they expect the Audit and/or Finance Committee to conduct detailed reviews of financial performance and flag issues as necessary, only 60% of executives agree.



Detailed Results

Figure 6.4a – Financial Information



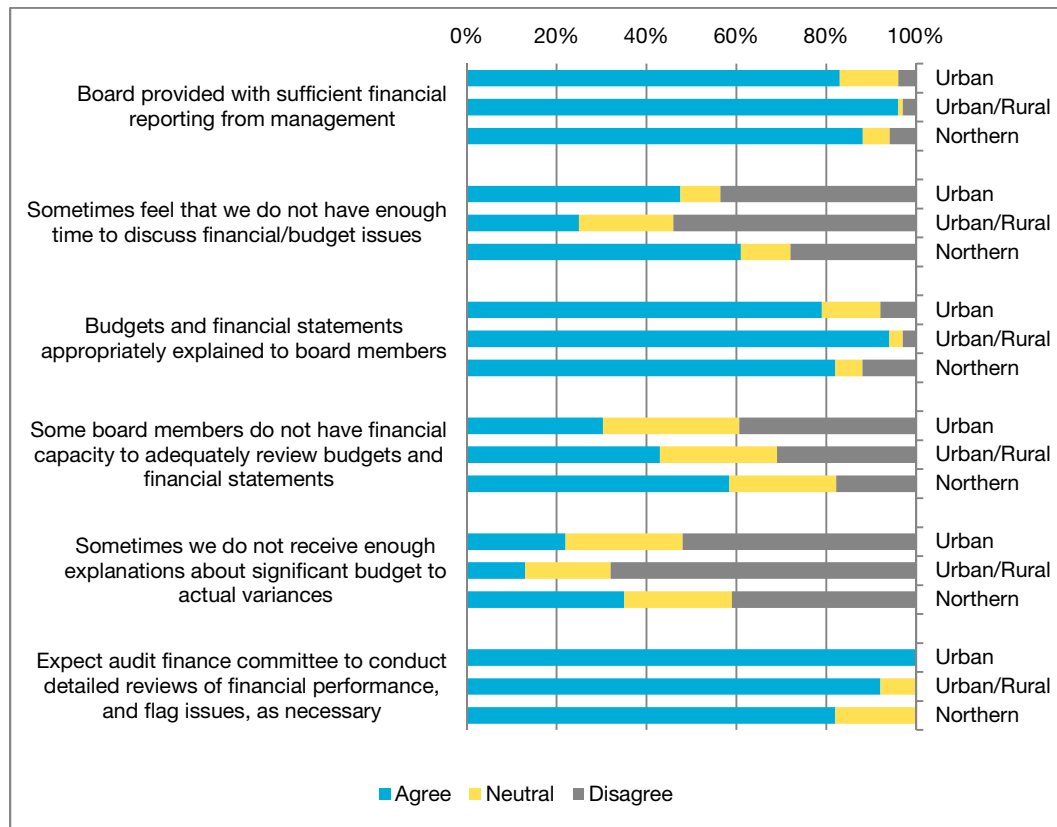
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Boards are provided with sufficient financial reporting from management, according to 92% of board members and 82% of executives.
- › 36% of board members and 29% of executives agree that sometimes their board does not have enough time to discuss financial and/or budget issues.
- › Budgets and financial statements are appropriately explained to board members, according to 89% of board members and 88% of executives.
- › 42% of board members and 59% of executives think that some board members do not have the financial capacity to adequately review budgets and financial statements.
- › 18% of board members and 12% of executives agree that board members sometimes do not receive enough explanations about significant budget to actual variances.
- › The large majority of board members (92%) agree they expect the audit/finance committee to conduct detailed reviews of financial performance, and flag issues, as necessary; 60% of executives agree.



Figure 6.4b—Financial Information: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- Board members throughout the province agree they are provided with sufficient financial reporting from management: 82% of urban, 96% of urban/rural, and 89% of northern board members agree.
- One-quarter of urban/rural board members feel they do not have enough time to discuss financial and/or budget issues, while about one-half (48%) of urban board members and 89% of northern board members agree.
- 79% of urban, 94% of urban/rural, and 82% of northern board members think that budgets and financial statements are appropriately explained to board members.
- 30% of urban, 43% of urban/rural, and 59% of northern board members agree some board members do not have the financial capacity to adequately review budgets and financial statements.
- 22% of urban, 13% of urban/rural, and 35% of northern board members feel that sometimes they do not receive enough explanations about significant budget to actual variances.
- Board members expect the audit/finance committee to conduct detailed reviews of financial performance, and flag issues, as necessary according to all urban board members, 92% of urban/rural board members, and 82% of northern board members.



6.5 RISK MANAGEMENT

Boards should regularly include issues related to risk management on agendas and specify the scope and frequency of risk reports received from management. This helps ensure boards receive adequate information to determine whether risks are adequately managed. Given the large role of technology and its associated risks, it is important that boards are informed about steps to manage IT risks. Since risks are always present even with effective management, boards should ensure they are clear about the risks they have decided to accept.

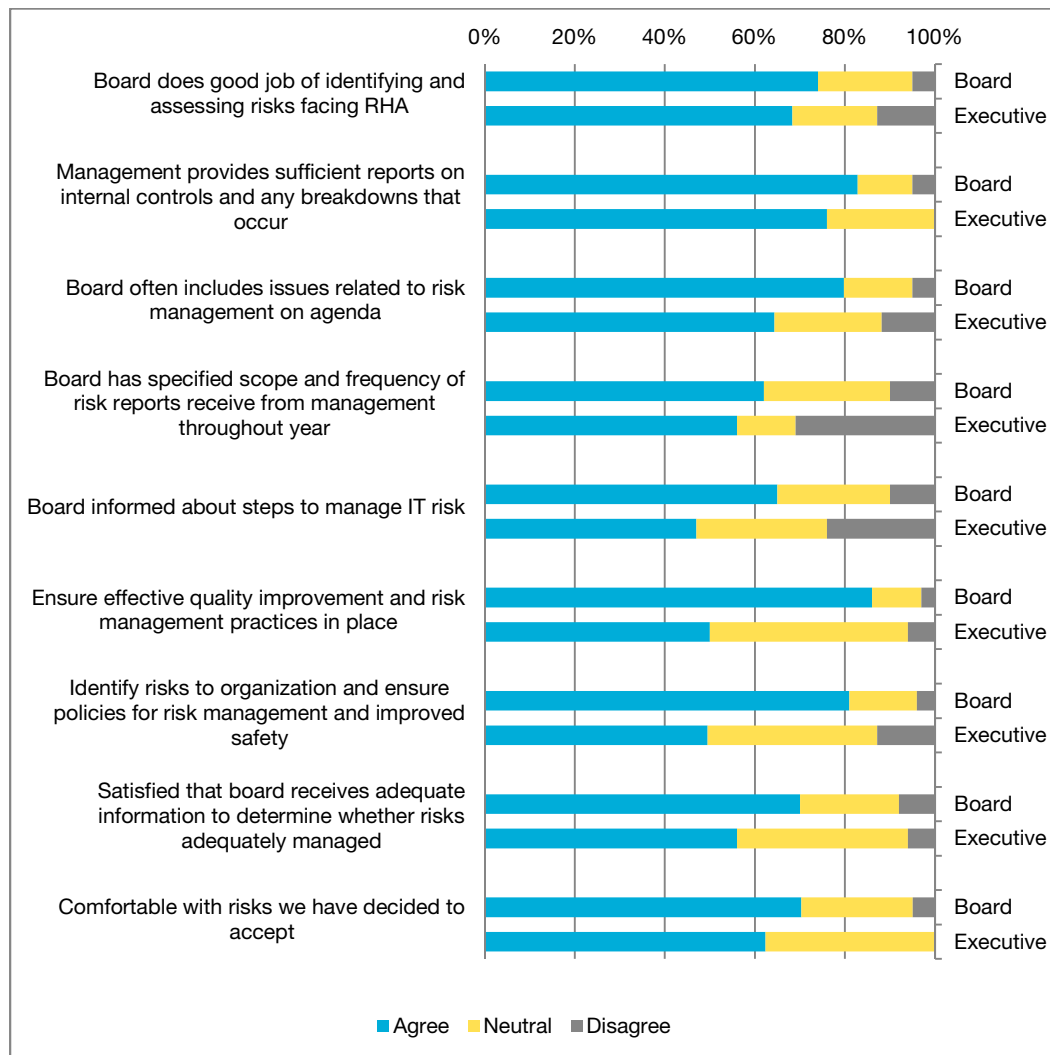
Key Observations

Most board members and executives agree that management provides sufficient reports on internal controls and any breakdowns that occur. However, board members and executives are less confident that their board receives adequate information to determine whether risks are adequately managed. Board members appear more confident than executives with respect to ensuring quality improvement and risk management practices are in place, identifying risks to the organization, and ensuring policies for risk management and improved safety are in place. The majority of board members and executives agree that boards do a good job of identifying and assessing risks facing RHAs and that they are clear about the risks they have decided to accept.



Detailed Results

Figure 6.5a – Risk Management



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

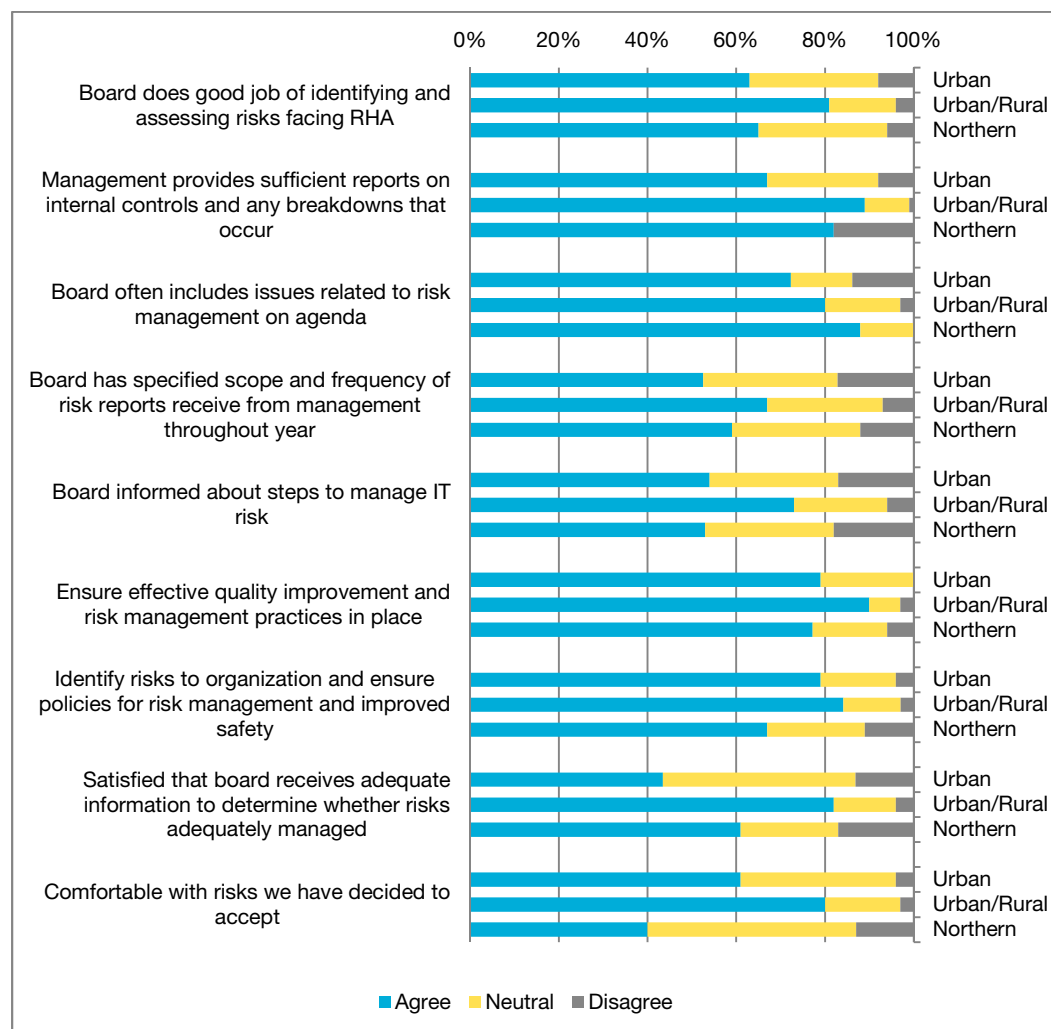
The survey found that:

- Most board members (74%) and executives (69%) think their board does a good job of identifying and assessing risks facing the RHA.
- Management provides sufficient reports on internal controls and any breakdowns that occur, according to 82% of board members and 76% of executives.
- Most board members (79%) and about one-third of executives (65%) feel their board often includes issues related to risk management on the agenda.
- 62% of board members and 56% of executives agree their board has specified the scope and frequency of risk reports received from management.



- While 65% of board members think their board is informed about steps to manage IT risk, 47% of executives agree.
- While the majority of board members (86%) are satisfied with their board's work in ensuring that effective quality improvement and risk management practices are in place, only one-half of executives are satisfied.
- While most board members (81%) are satisfied with their board's efforts in identifying risks to their organization and ensuring policies exist for risk management and improved safety, only one-half of executives report being satisfied.
- 70% of board members and 56% of executives are satisfied their board receives adequate information to determine whether risks are adequately managed.
- The majority of board members (71%) and executives (63%) are comfortable with the risks their board has decided to accept.

Figure 6.5b—Risk Management: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012



The survey found that:

- › 81% of urban/rural board members agree that their board does a good job of identifying and assessing risks facing the RHA, while 63% of urban and 65% of northern board members agree.
- › 89% of urban/rural and 82% of northern board members agree that their management team provides sufficient reports on internal controls and any breakdowns that occur; 67% of urban board members agree.
- › The majority of urban (73%), urban/rural (80%) and northern (88%) board members feel their board often includes issues related to risk management on the agenda.
- › About one-half of urban board members (52%) and 59% of northern board members agree that their board has specified the scope and frequency of risk reports received from management; 67% of urban/rural board members agree.
- › 73% of urban/rural board members agree their board is informed about steps to manage IT risk, while only about one-half of urban (54%) and northern (53%) board members agree.
- › Board members throughout the province are satisfied with their board's efforts in ensuring that effective quality improvement and risk management practices are in place. 79% of urban, 90% of urban/rural, and 78% of northern board members report being satisfied.
- › 85% of urban/rural board members report being satisfied with their board's work in identifying risks to the organization and ensuring policies exist for risk management and improved safety, while 79% of urban and 67% of northern board members are satisfied.
- › Only 43% of urban board members report being satisfied their board receives adequate information to determine whether risks are adequately managed, while 82% of urban/rural and 61% of northern board members report being satisfied.
- › While 61% of urban and 80% of urban/rural board members are comfortable with risks their board has decided to accept, only 40% of northern board members are comfortable.

6.6 CONSIDERATIONS

Board members need to be clear about their information needs. Board members indicate they are sometimes required to make immediate decisions based on information just received and are not always provided with alternative courses of action. These are areas for improvement.

Over 40% of board members and nearly 60% of executives indicate that some board members do not have the financial capacity to adequately review budgets and financial statements. This may be an area where additional training would fill a gap in understanding.



About two-thirds of board members and fewer than one-half of executives think the Minister and/or Ministry provides their board with appropriate information to do an adequate job. Boards and executives should discuss and clarify their information needs and expectations, and clearly communicate these to the Ministry.



7.0 Education, Training, and Evaluations

Boards in different sectors offer unique challenges. Because of this, even people with prior board experience will not be familiar with all aspects of RHA governance. It is important that all board members become familiar with how their board and region operate. Board orientation is a crucial step in building this familiarity.



Ongoing training is also important. Coming from diverse backgrounds, board members do not necessarily have knowledge in key areas. To help educate board members, the Ministry provides board members with the opportunity to receive ongoing education in board governance. The board itself should identify further training needs and implement plans to meet these needs.

Boards should evaluate their own performance. Without review and modification, boards are at increased risk of developing poor practices that can lead to inadequate governance.

7.1 BOARD EDUCATION AND TRAINING

It is important that board members receive adequate education and training. In particular, to help boards function effectively, all board members should have sufficient education regarding their duties, responsibilities, and potential liabilities as board members.

Key Observations

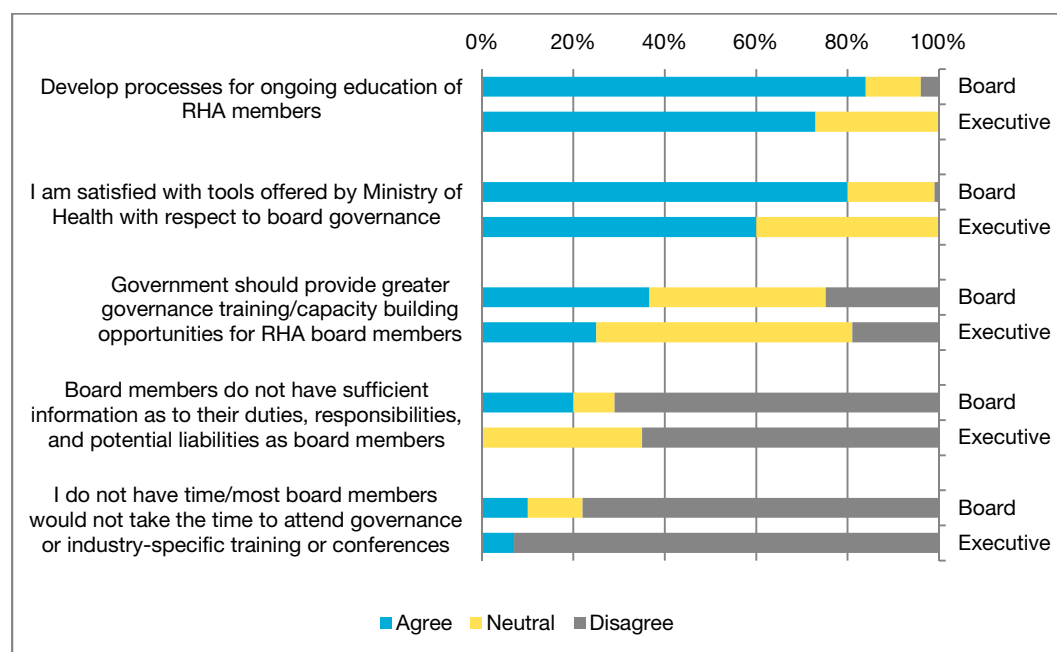
Most board members and executives (CEO/CFO) are satisfied with their board's performance in developing processes for the ongoing education of board members, as well as with the governance tools offered by the Ministry of Health. Despite these findings, over one-third of board members and one-quarter of executives feel the Government should provide greater governance training/capacity building opportunities for RHA board members. Although no executives agree, 20% of board members think they do not have sufficient information as to their duties, responsibilities, and potential liabilities as board members. Few board members and executives agree that either they or most board members would not take the time to attend governance or industry-specific training or conferences.

The large majority of board members received an orientation provided by their board and find that the orientation was useful. The large majority of board members also attend governance training offered by the Ministry of Health, and agree they are provided with enough governance training to help them be effective board members.



Detailed Results

Figure 7.1a—Education and Training



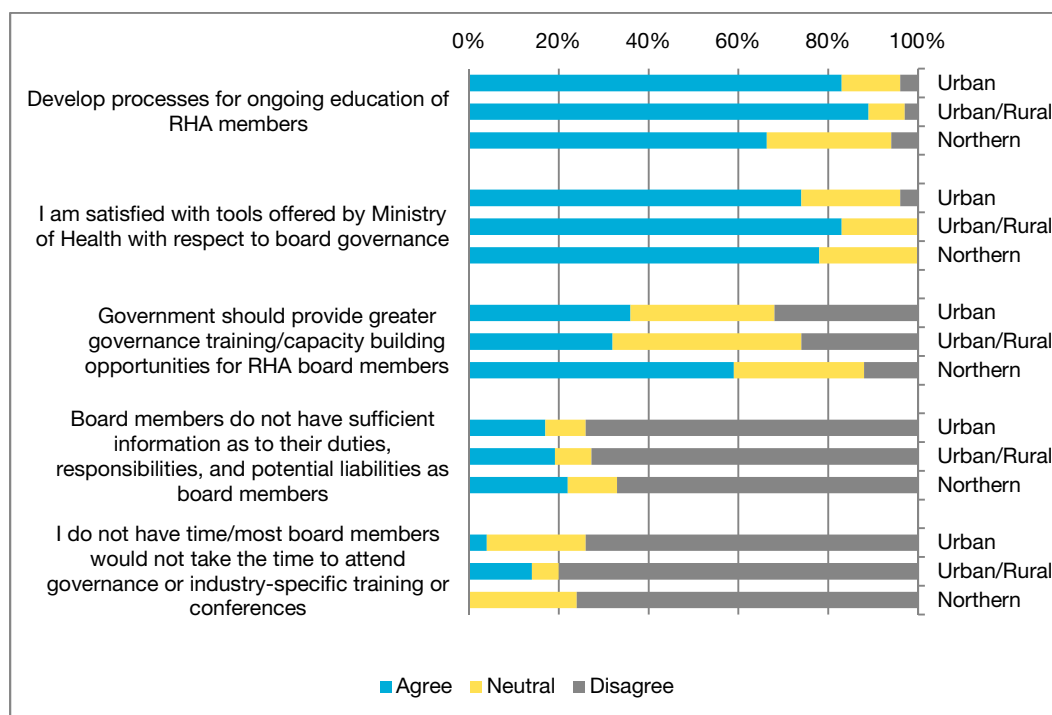
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Most board members and executives are satisfied with their board's performance in developing processes for the ongoing education of regional health authority members: 84% of board members and 73% of executives indicate they are satisfied.
- › 80% of board members and 60% of executives agree they are satisfied with the tools offered by the Ministry of Health with respect to board governance.
- › 37% of board members and 25% of executives feel that the Government should provide greater governance training and/or capacity building opportunities for RHA board members.
- › While 20% of board members agree that board members do not have sufficient information as to their duties, responsibilities, and potential liabilities as board members, no executives agree.
- › Only 10% of board members think they do not have time to attend governance or industry-specific training or conferences and only 7% of executives think that most board members would not take the time to attend these events.



Figure 7.1b—Education and Training: Board Member Responses by RHA Type



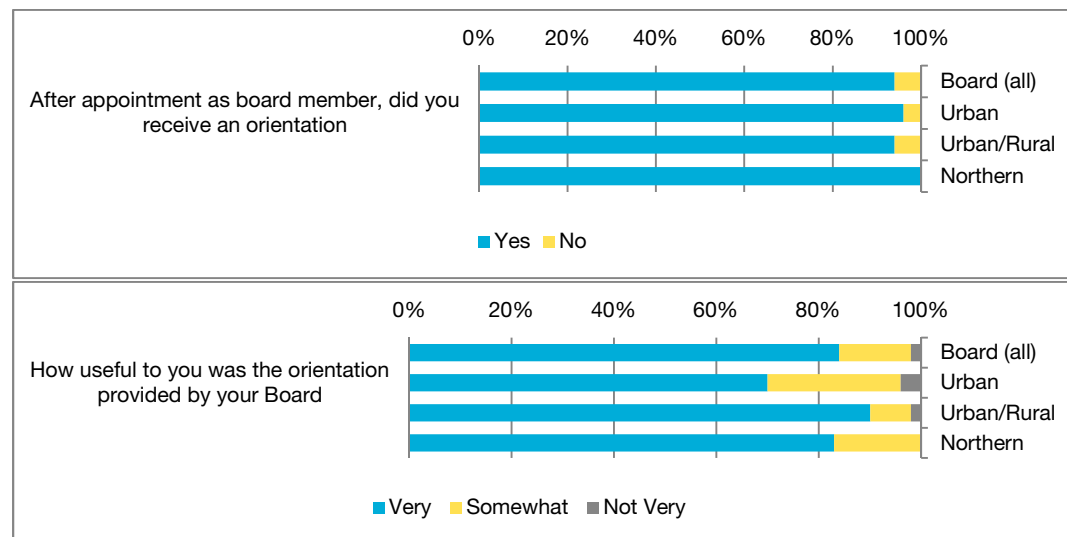
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › 83% of urban, 89% of urban/rural, and 67% of northern board members are satisfied with their board's efforts in developing processes for the ongoing education of RHA members.
- › Most board members throughout the province agree they are satisfied with the tools offered by the Ministry of Health with respect to board governance: 74% of urban, 83% of urban/rural, and 78% of northern board members are satisfied.
- › While 36% of urban, and 32% of urban/rural board members agree Government should provide greater governance training/capacity building opportunities for RHA board members, 59% of northern board members agree.
- › 17% of urban, 19% of urban/rural, and 22% of northern board members agree that board members do not have sufficient information as to their duties, responsibilities, and potential liabilities as board members.
- › 4% of urban, 14% of urban/rural, and no northern board members agree they do not have time to attend governance or industry-specific training or conferences.



Figure 7.1c—Orientation: Board Member Responses by RHA Type

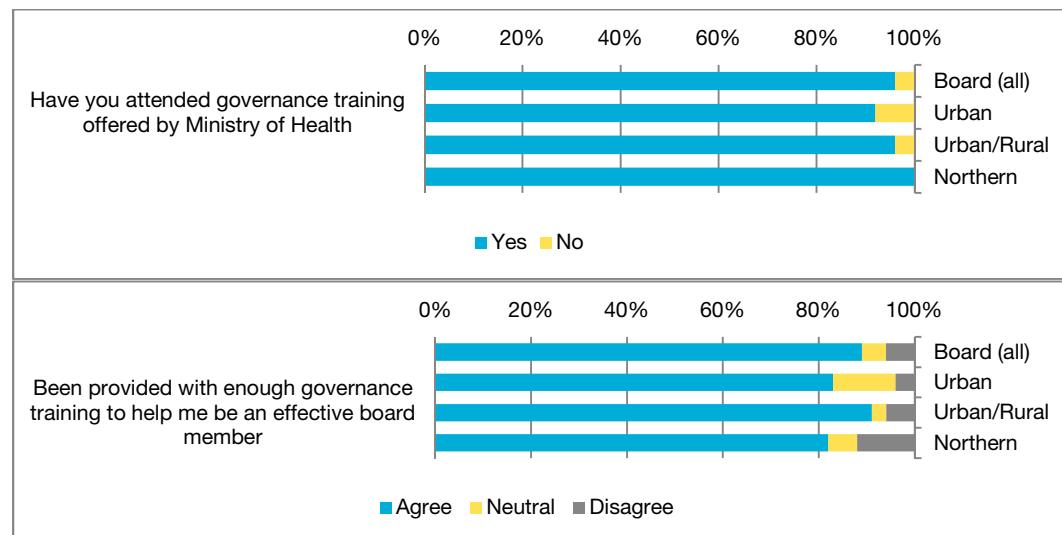


Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Almost all board members throughout the province received an orientation after their appointment as a board member: 96% of urban, 94% of urban/rural and all northern board members report they received an orientation.
- › 70% of urban, 91% of urban/rural, and 83% of northern board members feel the orientation to their board was very useful.

Figure 7.1d—Governance Training: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Almost all board members throughout the province have attended governance training offered by the Ministry of Health: 92% of urban, 96% of urban/rural, and all northern board members report they have attended governance training.



- 83% of urban, 92% of urban/rural, and 82% of northern board members agree they have been provided with enough governance training to help them be effective board members.

7.2 BOARD EVALUATIONS

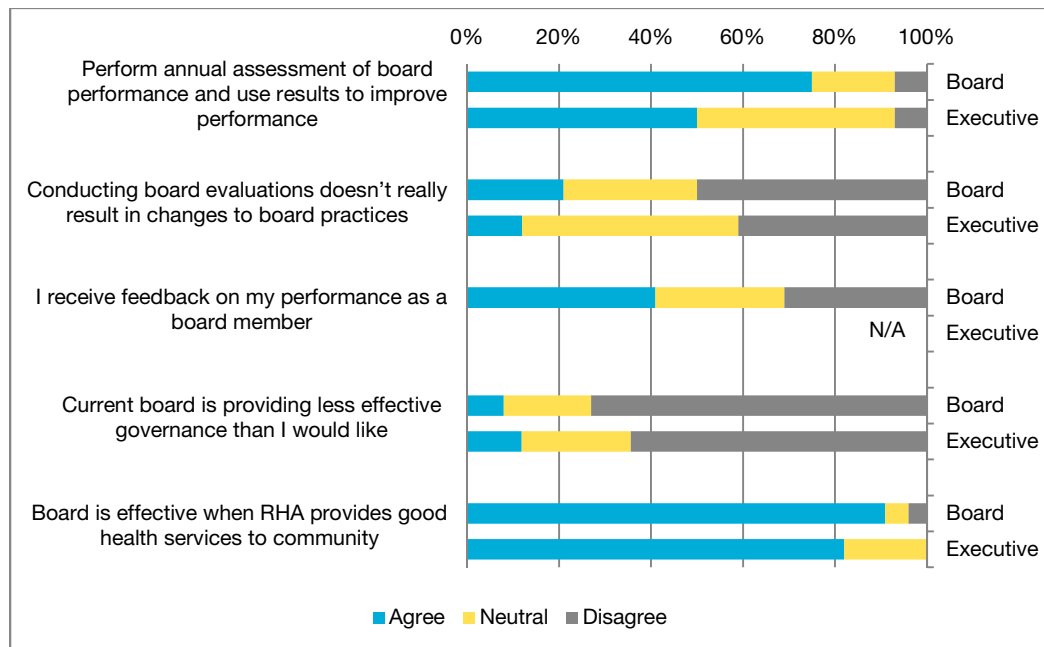
It is important that boards conduct regular assessments of their performance and use these results to improve their performance. Individual board members should also receive feedback on their performance in order to enhance the overall functioning and capacity of the board to govern.

Key Observations

Most board members and executives agree their board is effective when the RHA provides good health services to the community. Most board members agree their board performs an annual assessment of board performance and uses those results to improve performance, but only about one-half of executives believe this is the case. As well, less than one-half of board members agree they receive feedback on their performance as a board member. Few board members and executives think the current board is providing less effective governance than they would like.

Detailed Results

Figure 7.2a—Board Evaluations



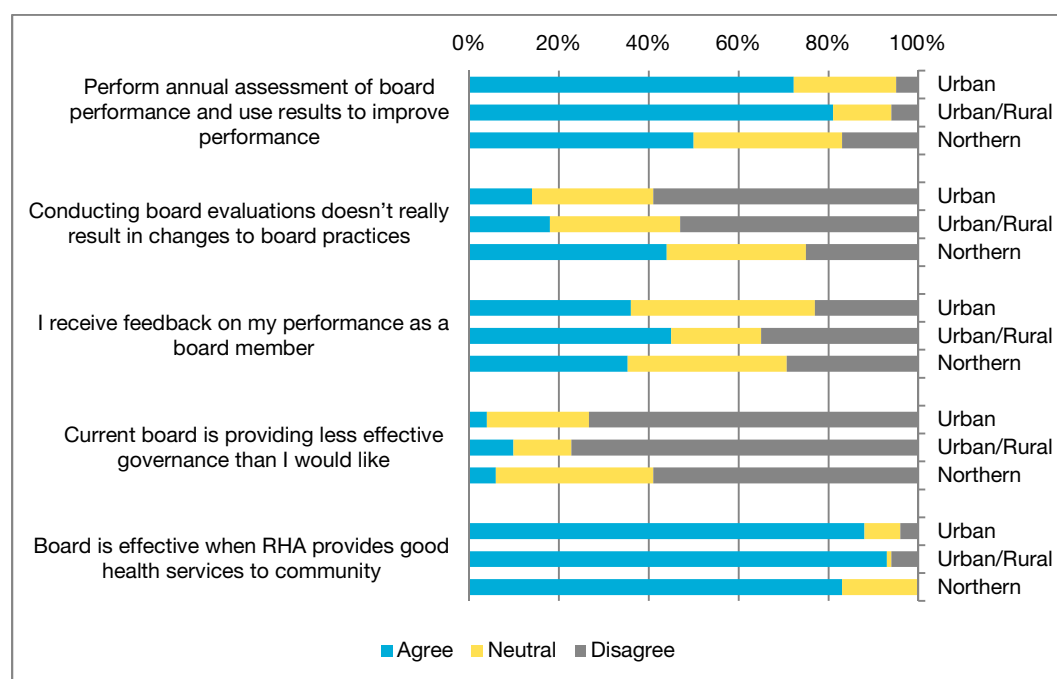
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012



The survey found that:

- › While 75% of board members are satisfied with their board's work in conducting and utilizing annual performance assessments, only one-half of executives are satisfied.
- › 21% of board members and 12% of executives agree that conducting board evaluations does not really result in changes to board practices.
- › 41% of board members agree that they receive feedback on their performance as board members.
- › Few board members (8%) or executives (12%) agree with the statement that their current board is providing less effective governance than they would like.
- › RHA boards are effective when the RHA is providing good health services to the community, according to the views of 90% of board members and 82% of executives.

Figure 7.2b—Board Evaluations: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › While 73% of urban and 81% of urban/rural board members agree their board performs an annual assessment of board performance and uses those results to improve performance, only one-half of northern board members agree.
- › Less than one-half of board members throughout the province receive feedback on their performance as a board member: 36% of urban, 45% of urban/rural, and 35% of northern board members receive feedback.



- › While 14% of urban and 18% of urban/rural board members agree that conducting board evaluations does not really result in any changes to board practices, 44% of northern board members agree.
- › Only 4% of urban, 10% of urban/rural, and 6% of northern board members think their current board is providing less effective governance than they would like.
- › Most board members throughout the province agree that their board is effective when the RHA is providing good health services to the community: 88% of urban, 93% of urban/rural, and 83% of northern board members agree.

7.3 CONSIDERATIONS

It is interesting to note that most board members and executives are of the view that their board is effective when the RHA provides good health services to the community. Although the RHA may be providing good health services, this does not necessarily mean that board governance is effective.

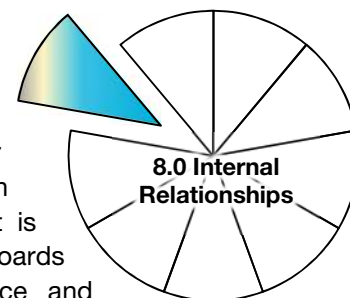
Board members and executives expressed appreciation for the governance education provided by the Ministry of Health. The Ministry could consider building on the program, as a significant number of board members and executives expressed an interest in further governance training/capacity building opportunities for RHA board members.

Fewer than one-half of board members agree they receive feedback on their performance as a board member. Promoting more effective boards by providing feedback to board members is an area that should be explored.



8.0 Internal Relationships

RHA boards are responsible for working with senior management to advance the goals of the Ministry of Health and achieve the RHA's strategic plan. Senior management is responsible for the day-to-day operation of the RHA, while boards are responsible for overseeing management's performance and questions of governance.



A positive working relationship between board members and senior management helps promote the success of the RHA in advancing the Ministry's goals and the RHA's plans. Conversely, a strained relationship is detrimental to any progress of the RHA.

Key components of maintaining a good relationship between board members and senior management include sharing a common view of RHA priorities, openly communicating, and clearly defining their respective roles and expectations in carrying out these roles.

Achieving and maintaining a clear understanding of the respective roles of the board and management can be difficult. Senior management should be empowered to make decisions regarding day-to-day operations without interference from the board. Too much deference to management is also an issue and the relationship between a board and senior management will deteriorate if board members feel they simply rubberstamp decisions of senior management. Boards must set clear expectations for senior management, openly communicate these expectations, and provide feedback on management's performance in meeting the board's expectations. As part of its responsibility to oversee management's performance, a board must also oversee the appointment, compensation, and expenses of the CEO to help ensure that public money is being well spent.

8.1 RELATIONSHIP WITH SENIOR MANAGEMENT

To work well together, board members and executives must share a common view of the RHA's priorities and clearly delineate their separate roles and authorities. Management must ensure it advises the board about issues or challenges facing the RHA, so that board members can make informed decisions. Board members, meanwhile, must ensure they focus on issues of governance and not become too involved in management decisions.

Key Observations

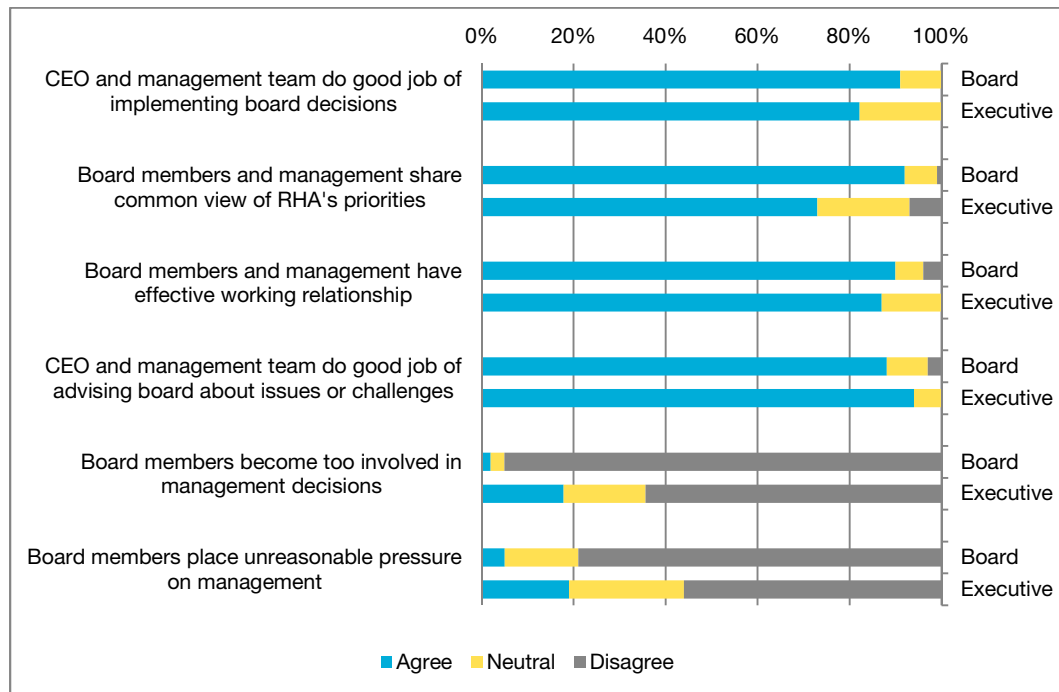
Board members and executives (CEO/CFO) generally believe that they have effective working relationships. They are of the view that the CEO and management teams do a good job of advising boards about issues or challenges and of implementing board decisions. Most board members and executives do not think that board members are too involved in management decisions. However, 18% of executives do think that boards become too involved in day-to-day management decisions. 19% also indicate



that boards sometimes place unreasonable pressure on management to get the job done.

Detailed Results

Figure 8.1a—Relationship With Senior Management



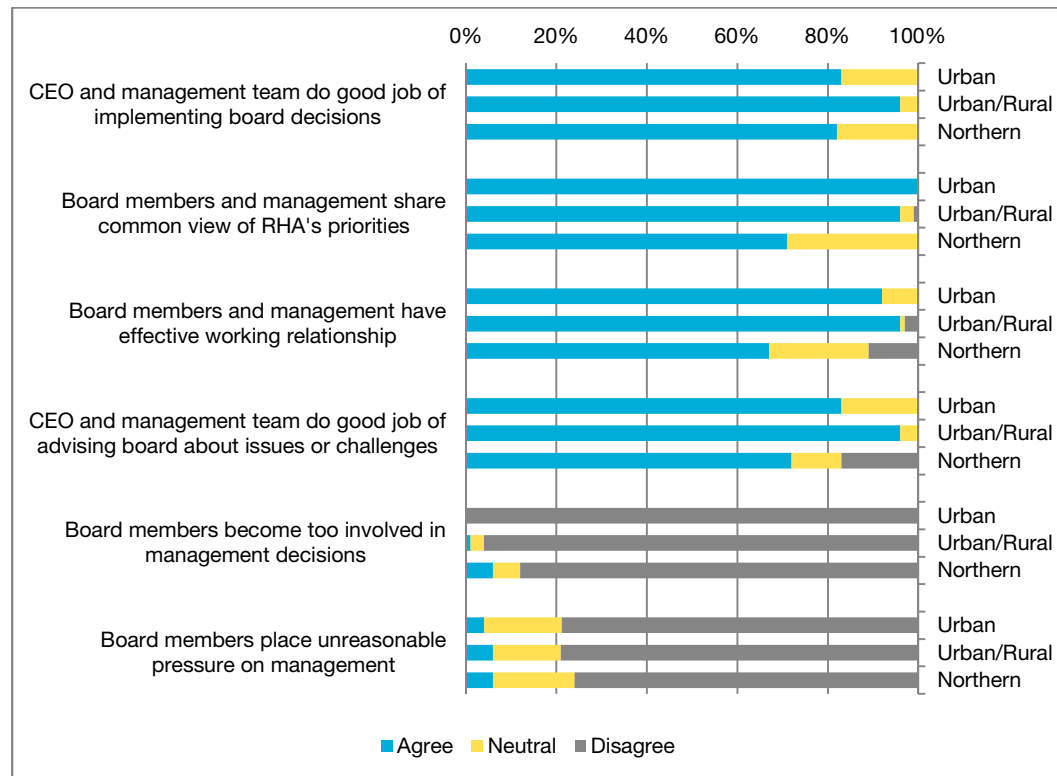
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › The CEO and management team do a good job of implementing the board's decisions according to 91% of board members and 81% of executives.
- › The majority of board members (92%) and executives (73%) agree that board members and management share a common view of the RHA's priorities.
- › Board members and management have an effective working relationship according to 90% of board members and 83% of executives.
- › Most board members (89%) and executives (94%) feel that their CEO and management team do a good job of advising the board about issues or challenges faced by the RHA.
- › While only 2% of board members think their board sometimes becomes too involved in day-to-day management decisions, 18% of executives say that the board sometimes becomes too involved at this level.
- › Very few board members (5%) and one-fifth of executives agree that board members sometimes place unreasonable pressure on management to get the job done.



Figure 8.1b—Relationship with Senior Management: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Most board members across the province agree their CEO and management team do a good job of implementing board decisions: 83% of urban, 96% of urban/rural, and 82% of northern board members agree.
- › While almost all board members from urban (100%) and urban/rural (96%) regions agree that board members and management share a common view of the RHA's priorities, significantly fewer northern members agree (71%).
- › Fewer northern board members (67%) agree that their board has an effective working relationship with the CEO, as opposed to urban (92%) and urban/rural (96%) board members.
- › While 83% of urban board members and 96% of urban/rural board members agree that their CEO and management team do a good job of advising the board about issues or challenges faced by the RHA, only 72% of northern board members agree.
- › Very few board members throughout the province think that board members become too involved in management decisions: no urban, 1% of urban/rural, and 6% of northern board members agree.
- › Only 4% of urban, 6% of urban/rural, and 6% of northern board members feel that board members sometimes place unreasonable pressure on management.



8.2 MANAGEMENT PERFORMANCE EVALUATION

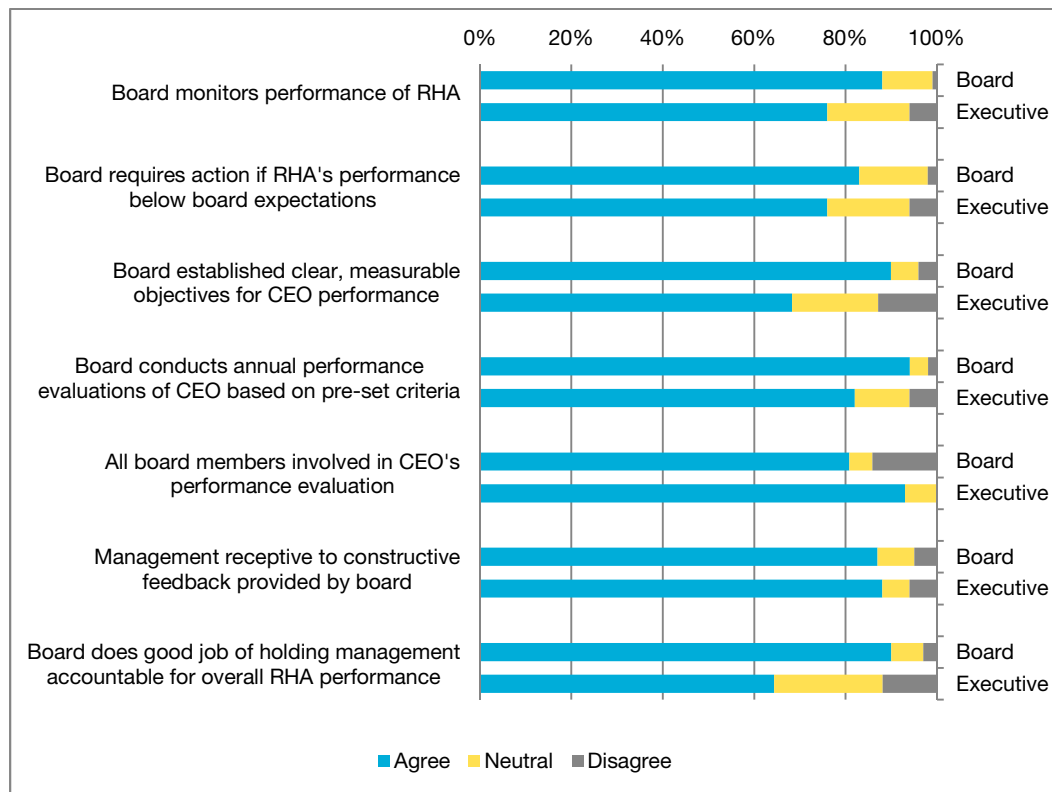
With respect to monitoring performance, it is important that boards establish clear, measurable expectations for their CEO and perform annual performance evaluations. Boards must also take or require action if the CEO or RHA is not meeting board expectations. Multiple board members should be involved in evaluating the CEO's performance.

Key Observations

Board members and executives agree their board monitors the performance of their RHA and requires action if the RHA's performance is below board expectations. As well, boards agree they conduct annual performance evaluations of their CEO based on pre-set criteria. While most board members feel they have established clear, measurable objectives for their CEO's performance, fewer executives feel this is the case. As well, while board members think their board does a good job of holding management accountable for the overall RHA performance, fewer executives agree.

Detailed Results

Figure 8.2a – Management Performance Evaluation



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

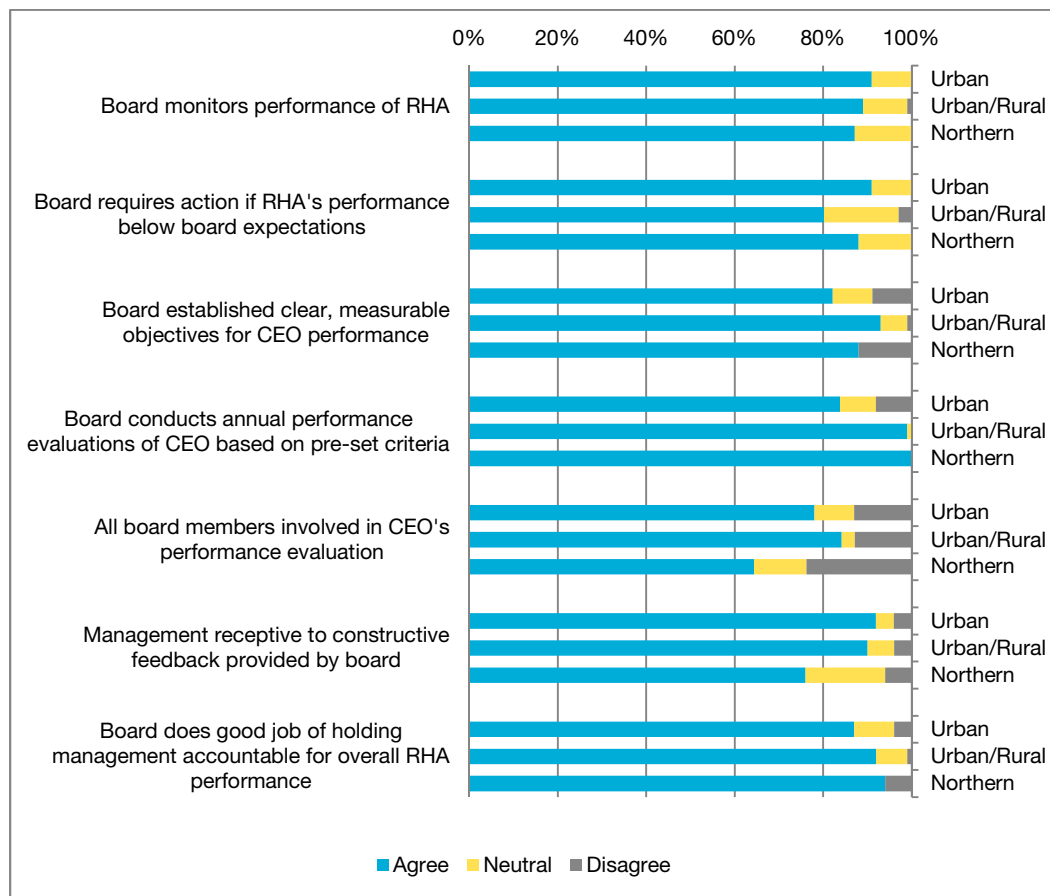


The survey found that:

- › Board members (88%) and executives (76%) are confident that their board monitors the performance of the RHA.
- › The majority of board members (83%) and executives (76%) are also confident that their board requires action if the RHA's performance is below board expectations.
- › Boards establish clear, measureable objectives for the CEO's performance according to 89% of board members and 69% of executives.
- › 95% of board members and 82% of executives agree that their board annually conducts performance evaluations of the CEO based on pre-set criteria.
- › Most board members (80%) and executives (93%) feel that all board members are involved in their CEO's performance evaluation.
- › Management is receptive to constructive feedback provided by their board according to most board members (87%) and executives (88%).
- › A large majority of board members (90%) feel that their board does a good job of holding management accountable for the performance of the RHA; only 65% of executives agree.



Figure 8.2b—Management Performance Evaluation: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › Board members across the province agree their board monitors the performance of the RHA: 91% of urban, 89% of urban/rural, and 88% of northern board members agree.
- › 91% of urban, 81% of urban/rural, and 88% of northern board members feel their board requires actions if the RHA's performance is below board expectations.
- › Most board members throughout the province agree their board has established clear, measurable objectives for their CEO's performance: 83% of urban, 93% of urban/rural, and 88% of northern board members agree.
- › 83% of urban board members think their board conducts annual performance evaluations of the CEO based on pre-set criteria, while 99% of urban/rural and 100% of northern board members think this is the case.
- › 65% of northern board members agree that all board members are involved in their CEO's performance evaluation, as compared to 78% of urban and 85% of urban/rural board members.



- While 91% of urban and 90% of urban/rural board members think management is receptive to constructive feedback provided by the board, only 76% of northern board members agree.
- Board members across the province agree their board does a good job of holding management accountable for the overall performance of the RHA: 87% of urban, 92% of urban/rural, and 94% of northern board members agree.

8.3 CEO APPOINTMENT AND COMPENSATION

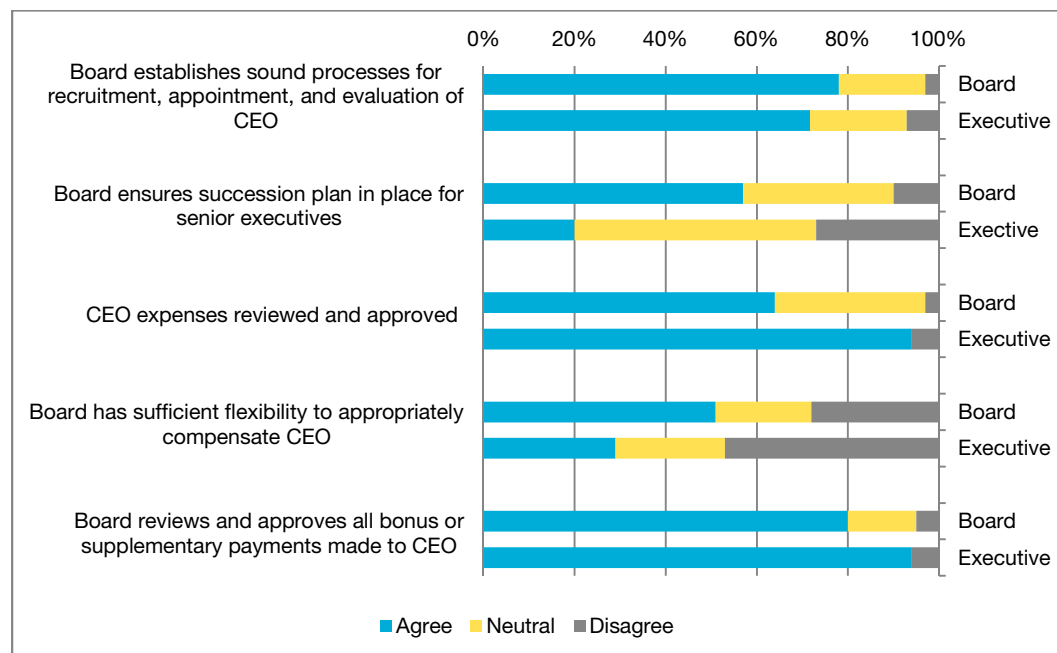
In addition to monitoring CEO performance, RHA boards are responsible for hiring and ensuring succession plans are in place for senior executives. As well, boards are responsible for reviewing and approving CEO expenses and bonus payments.

Key Observations

Most board members and executives agree that their board has established sound processes for the recruitment, appointment, and evaluation of the CEO and that their board reviews and approves all bonus or supplementary payments made to the CEO. Just over one-half of board members and less than one-fifth of executives agree that their board has a succession plan in place for senior executives. About one-half of board members feel they do not have sufficient flexibility to appropriately compensate their CEO.

Detailed Results

Figure 8.3a—CEO Appointment and Compensation



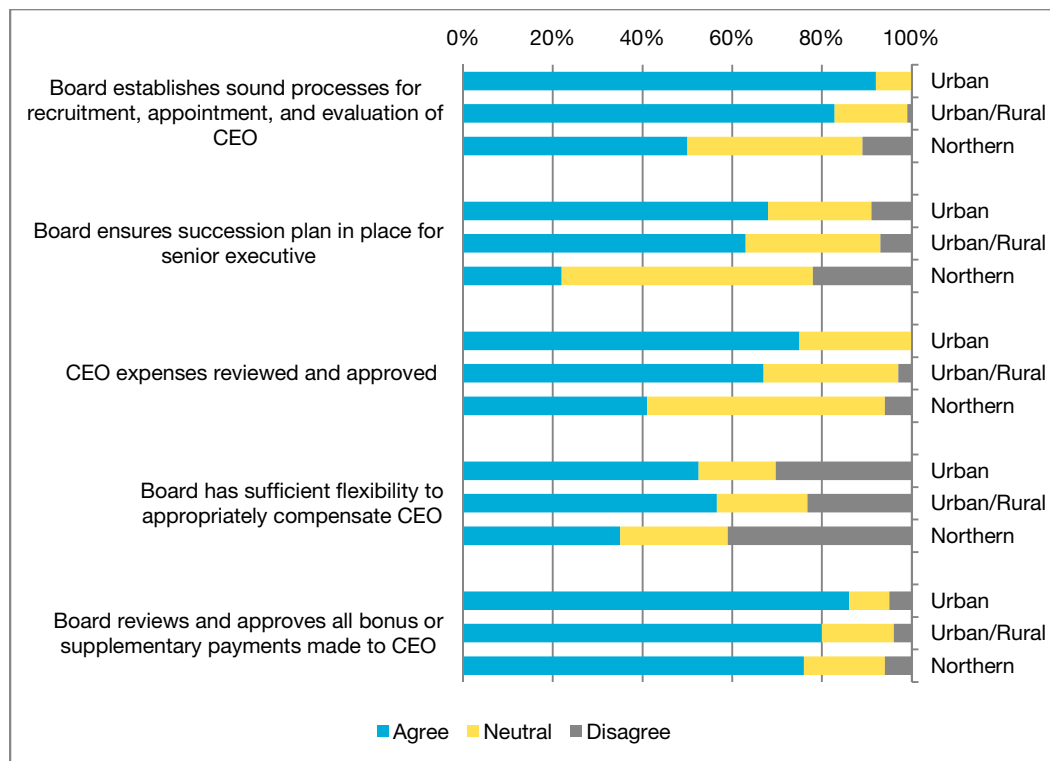
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012



The survey found that:

- 78% of board members and 71% of executives are satisfied their board has established processes for the recruitment, appointment, and evaluation of the CEO.
- Just over one-half of board members (57%) are satisfied with their board's work in ensuring a succession plan is in place for senior executives. One-fifth of executives are satisfied.
- Around two-thirds of board members (64%) agree that their CEO's expenses are reviewed and approved by the board chair, or are delegated to a committee or board member. Executives are more confident than board members, with 94% agreeing that the CEO's expenses are reviewed and approved in this manner.
- About one-half of board members (51%) are of the view that they have sufficient flexibility to compensate their CEO appropriately; 29% of executives agree.
- Boards review and approve all bonus or supplementary payments made to the CEO according to 80% of board members and 94% of executives.

Figure 8.3b—CEO Appointment and Compensation: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- While most urban (92%) and urban/rural (82%) board members are satisfied that their board has established sound processes for the recruitment, appointment, and evaluation of the CEO, only one-half of northern board members are satisfied.



- › 68% of urban and 63% of urban/rural board members are satisfied with their board's work in ensuring a succession plan is in place for senior executives; only 22% of northern board members are satisfied.
- › Only 41% of northern board members agree that their CEO's expenses are reviewed and approved by the board chair (or delegated to a committee/board member), while 75% of urban and 67% of urban/rural board members agree.
- › Around one-third of northern board members (35%) feel their board has sufficient flexibility to appropriately compensate the CEO, while about one-half of urban (52%) and urban/rural board members (56%) agree.
- › Most board members throughout the province agree their board reviews and approves all bonus or supplementary payments made to the CEO: 86% of urban, 80% of urban/rural, and 76% of northern board members agree.

8.4 CONSIDERATIONS

The board-management relationship is key to effective governance and functioning of the RHA. Further attention to the respective roles of the board and management would appear to be a good idea since many more executives than board members are of the view that the board sometimes becomes too involved in day-to-day management decisions.

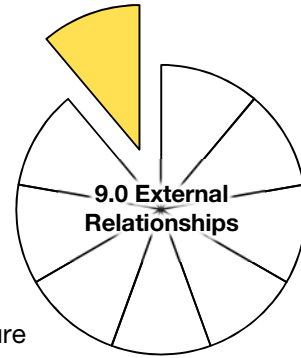
Further attention could also be paid to evaluation of senior management. It is striking that while 90% of board members feel that their board does a good job of holding management accountable for the performance of the RHA, only 65% of executives agree. As well, although most board members appear confident that they have established clear, measurable objectives for CEO performance, fewer executives agree.

Boards and management need to consider succession management. Less than two-thirds of board members and only one fifth of executives are satisfied with their board's work in ensuring a succession plan is in place for senior executives.



9.0 External Relationships

This chapter examines boards' relationships with the public, the Ministry of Health, the Provincial Government, and others in the health sector. The quality of healthcare services is very important to the people of Saskatchewan. One purpose of the board system of governance in regional health authorities is to help ensure that local health needs are considered in healthcare decisions. Without adequate consultation and communication with the public, the healthcare system runs a greater risk of being unresponsive to the needs of the people of Saskatchewan.



As established in chapter two, boards are ultimately accountable to the provincial Government through the Minister of Health. RHAs must work collaboratively with the Ministry in developing RHA plans to advance Ministry priorities.

RHAs have a responsibility to consider the healthcare needs of all people in Saskatchewan, not only those people within their own region. It is important for RHA boards to look within and beyond the borders of their health region to pursue opportunities to work with other RHAs and healthcare organizations.

9.1 RELATIONSHIP WITH PUBLIC

According to the Ministry of Health, RHAs “are responsible for effectively communicating to the public about their mandate, strategic direction, priorities, the services provided by the regional health authorities as well as those provided by healthcare organizations and any other organization that provides services on behalf of the regional health authority” (*Board Governance Toolkit*, p. 12). As well, they are responsible for “[establishing] effective relationships with stakeholders and their communities” (p. 13). It is important that boards adequately consider the interests of all key stakeholders in making decisions, and consult with the public.

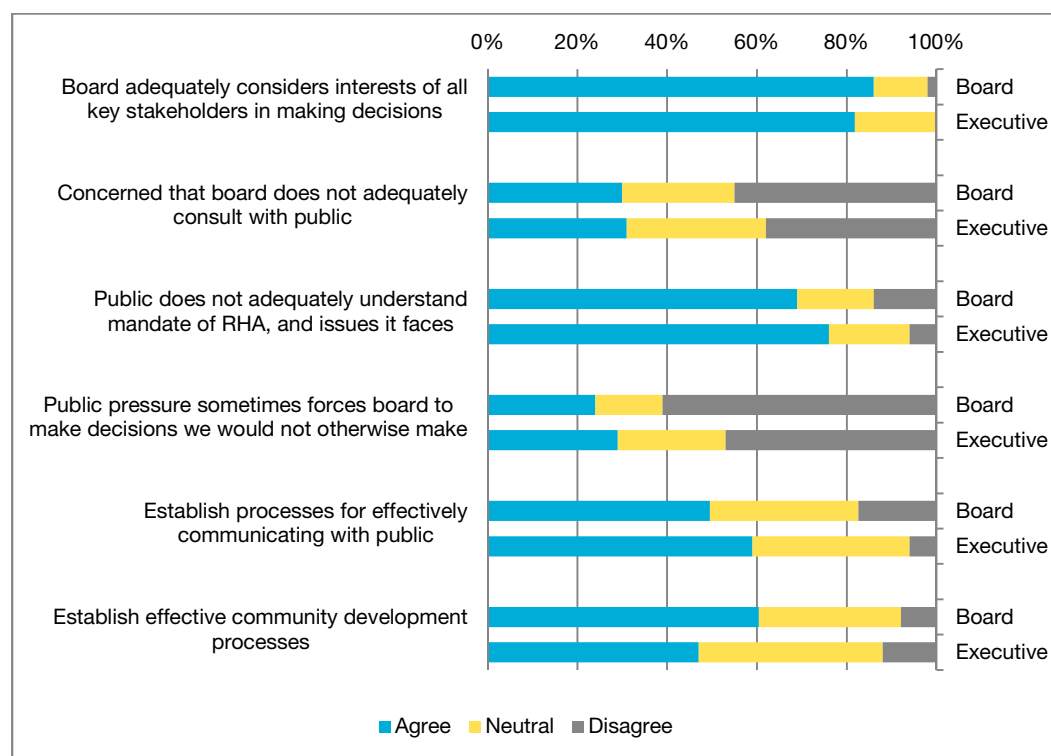
Key Observations

Most board members and executives (CEO/CFO) agree their board adequately considers the interests of all key stakeholders in making decisions. However, just under one-third of board members and executives indicate they are concerned their board does not adequately consult with the public, and over two-thirds of board members and executives feel the public does not adequately understand the mandate of the RHA and the issues that it faces.



Detailed Results

Figure 9.1a – Relationship with Public



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

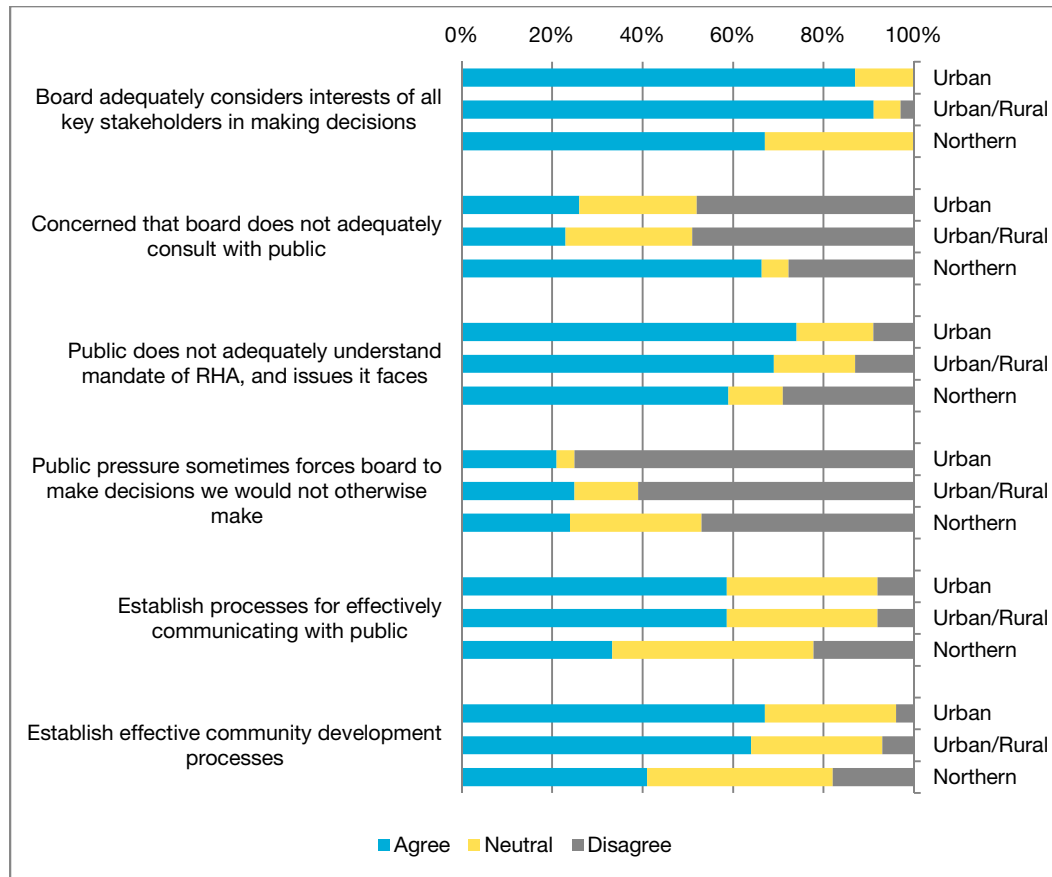
The survey found that:

- › Boards adequately consider interests of all key stakeholders in making decisions, according to 86% of board members and 81% of executives.
- › Board members and executives are both split as to whether their board adequately consults with the public. 30% of board members are concerned that their board does not adequately consult with the public, while 25% are neutral, and 45% think that adequate consultation with the public is not a concern for their board. Meanwhile, 31% of executives are concerned their board does not adequately consult with the public, while 31% are neutral, and 38% think that adequate consultation with the public is not a concern for their board.
- › The public does not adequately understand the mandate of RHAs and the issues they face, according to 69% of board members and 76% of executives.
- › 24% of board members and 29% of executives agree that public pressure sometimes forces their board to make decisions it would not otherwise make.
- › About one-half of board members (54%) and 59% of executives are satisfied with their board's work in establishing processes for effectively communicating with the public.



- 61% of board members and 47% of executives are satisfied with their board's work in establishing effective community development processes.

Figure 9.1b—Relationship with Public: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- The majority of urban (87%) and urban/rural board members (92%) agree that their board adequately considers interests of all key stakeholders in making decisions, while only 67% of northern board members agree.
- Around one-quarter of urban (26%) and urban/rural board members (28%) are concerned their board does not adequately consult with the public while 67% of northern board members think this is a problem.
- Most urban (74%) and urban/rural (69%) board members feel the public does not adequately understand the mandate and issues of their RHA; slightly fewer northern board members agree (59%).
- 21% of urban, 25% of urban/rural, and 24% of northern board members think public pressure sometimes forces their board to make decisions it would not otherwise make.



- › While 58% of urban and urban/rural board members are satisfied with their board's work in establishing processes for effectively communicating with the public, only 33% of northern members are satisfied.
- › 67% of urban and 64% of urban/rural board members are satisfied with their board's work in establishing effective community development processes, while only 41% of northern board members are satisfied.

9.2 RELATIONSHIPS WITH MINISTRY AND PROVINCIAL GOVERNMENT

Good working relationships between boards and the Government, and understanding of the other's responsibilities, will assist in the effective delivery of healthcare. Boards should be proactive in trying to assist the Minister and/or Ministry in understanding issues and funding needs faced by RHAs.

Key Observations

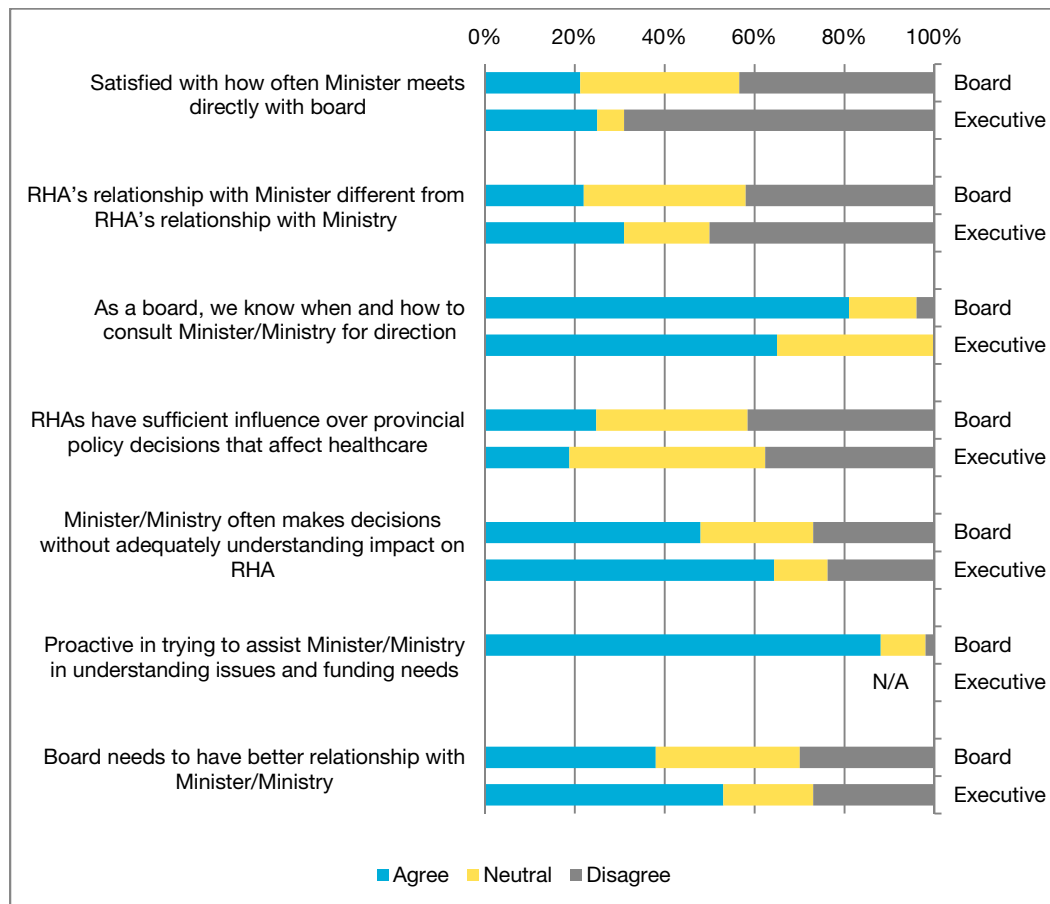
Most board members and about one-third of executives are confident their board knows when and how to consult the Minister and/or Ministry for direction. Close to one-half of board members, and two-thirds of executives agree the Minister and/or Ministry often makes decisions without adequately understanding impacts on RHAs. Only about one-fifth of board members and one-quarter of executives are satisfied with how often the Minister meets directly with their board. Over one-third of board members and about half of executives think their board needs to have a better relationship with the Minister and/or Ministry.

The majority of board members and executives agree their board understands the priorities of the provincial Government and that the priorities of the provincial Government align with decisions their board has been making. However, over one-third of board members and close to one-half of executives agree that public policy initiatives the Government expects the board to undertake are not compatible with their operational performance objectives. While a small majority of board members agree the Government does not overly interfere in affairs of their board, significantly fewer executives agree.



Detailed Results

Figure 9.2a – Relationship with Ministry of Health



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

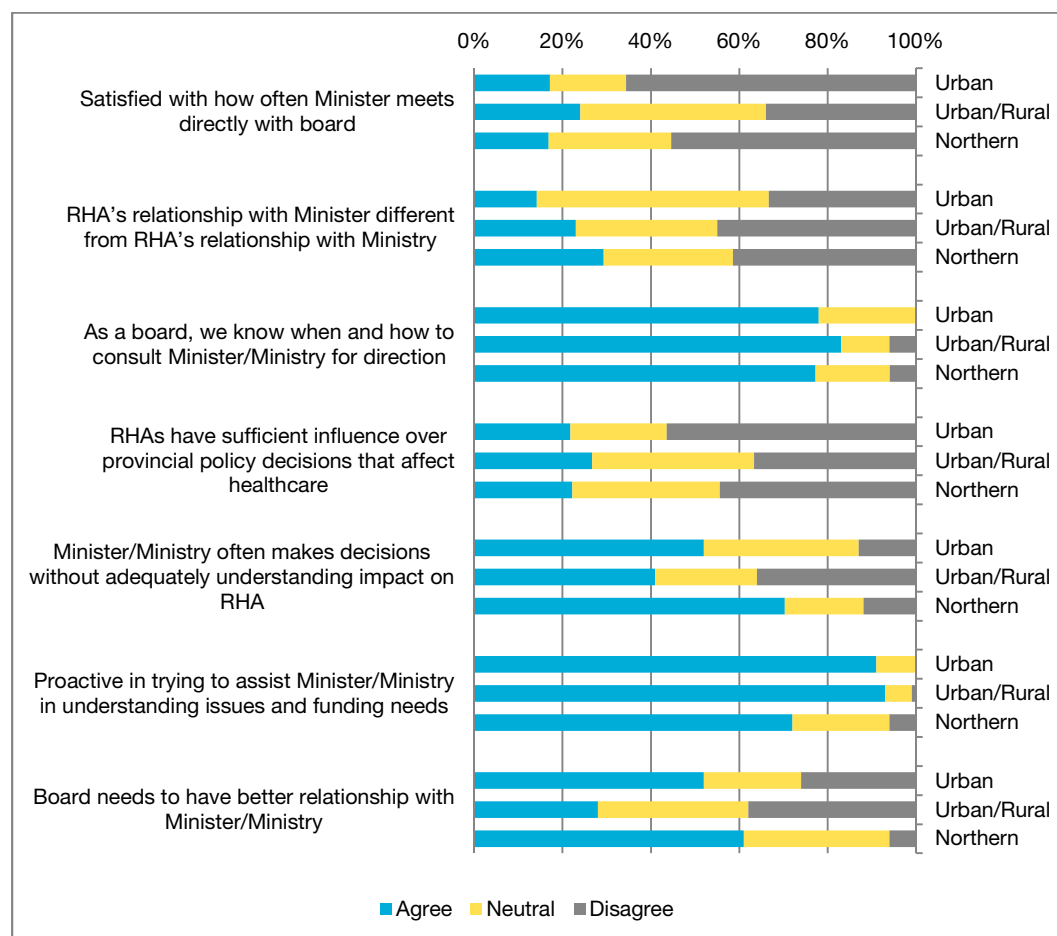
The survey found that:

- Only 21% of board members and 25% of executives report being satisfied with how often the Minister meets directly with their board.
- Board members and executives are split when asked if their RHA's relationship with the Minister is different from their RHA's relationship with the Ministry. 22% of board members and 31% of management agree, while 42% of board members and 50% of executives disagree.
- The majority of board members (81%) agree their board knows when and how to consult the Minister and/or Ministry for direction; 65% of executives agree.
- One-quarter of board members and 19% of executives think that RHAs have sufficient influence over provincial policy decisions that affect healthcare.
- Almost one-half of board members (48%) and two-thirds of executives (65%) agree that the Minister and/or Ministry often makes decisions without adequately understanding the impact on RHAs.



- › Boards are proactive in trying to assist the Minister and/or Ministry in understanding issues and funding needs according to 88% of board members.
- › Over two-thirds of board members (38%) and about one-half of executives (53%) think their board needs to have a better relationship with the Minister and/or Ministry.

Figure 9.2b—Relationship with Ministry of Health: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

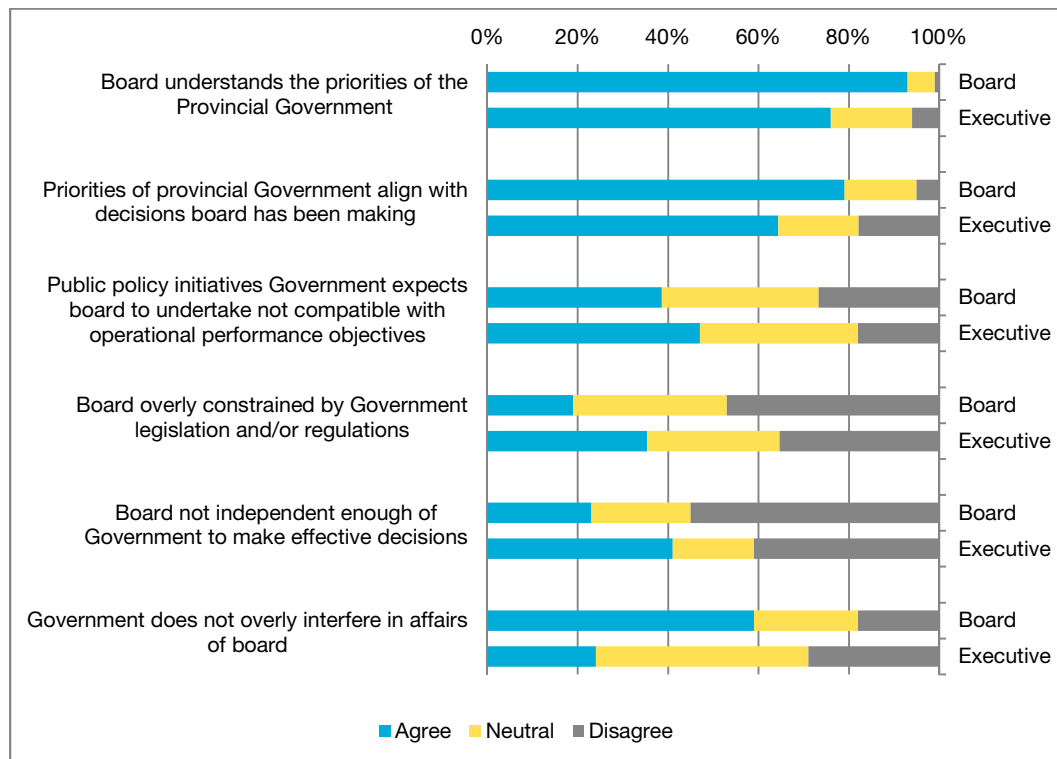
The survey found that:

- › Only 17% of urban, 24% of urban/rural and 17% of northern board members report being satisfied with how often the Minister meets directly with their board.
- › 14% of urban, 23% of urban/rural, and 29% of northern board members agree that their RHA's relationship with the Minister is different from their RHA's relationship with the Ministry.
- › Board members across the province agree that as a board, they know when and how to consult the Minister and/or Ministry for direction. 78% of urban, 83% of urban/rural, and 78% of northern board members agree.



- Similar percentages of board members agree that RHAs have sufficient influence over provincial policy decisions that affect healthcare: 22% of urban, 27% of urban/rural, and 22% of northern board members agree.
- About one-half of urban (52%) and 41% of urban/rural board members feel the Minister and/or Ministry often makes decisions without adequately understanding the impact on RHAs; 71% of northern board members believe this is the case.
- 91% of urban and 93% of urban/rural board members think their board is proactive in trying to assist the Minister and/or Ministry in understanding issues and funding needs, whereas 72% of northern board members are of this view.
- About one-half of urban (52%) and 61% of northern board members agree that their board needs to have a better relationship with the Minister and/or Ministry. Urban/rural members are split on the issue, with 28% in agreement, and 38% disagreeing.

Figure 9.2c—Relationship with Provincial Government



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

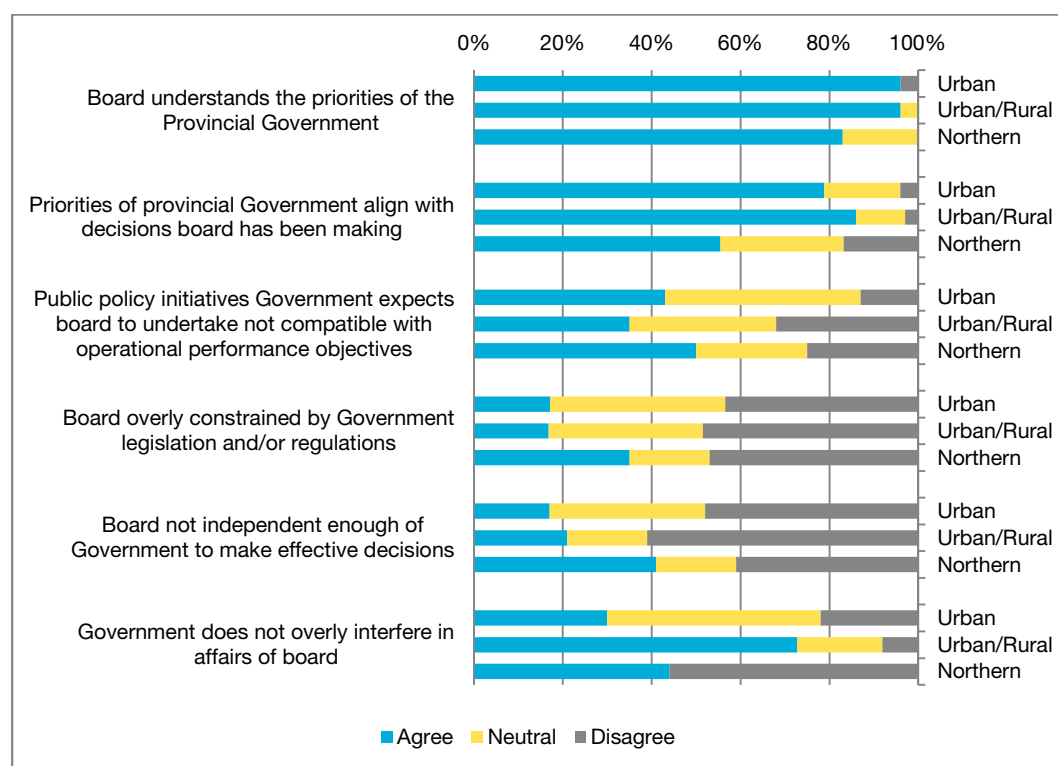
The survey found that:

- Most board members (93%) and executives (76%) agree that the board understands the priorities of the provincial Government.
- The majority of board members (79%) and executives (65%) think the priorities of the provincial Government align with decisions their board has been making.



- 39% of board members and almost one-half of executives (47%) agree that public policy initiatives the Government expects their board to undertake are not compatible with operational performance objectives.
- Boards are overly constrained by Government legislation and/or regulations, according to 19% of board members and 35% of executives.
- 23% of board members and 41% of executives believe their board is not independent enough of Government to make effective decisions.
- Government does not overly interfere in the affairs of their board, according to 59% of board members and only 24% of executives.

Figure 9.2d – Relationship with Provincial Government: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- Board members throughout the province agree their board understands the priorities of the provincial Government; 95% of urban and urban/rural, and 82% of northern board members agree.
- While 78% of urban and 86% of urban/rural board members agree that priorities of the provincial Government align with decisions their board has been making, only 56% of northern board members agree.



- › 43% of urban, 35% of urban/rural, and 50% of northern board members agree that public policy initiatives the Government expects their board to undertake are not compatible with operational performance objectives.
- › 17% of both urban and urban/rural board members agree their board is overly constrained by Government legislation and/or regulations; 35% of northern board members agree.
- › While 17% of urban and 21% of urban/rural board members agree their board is not independent enough of Government to make effective decisions, 41% of northern board members agree.
- › Most urban/rural board members (72%) agree that Government does not overly interfere in the affairs of their board. Relative fewer urban (30%) and northern (44%) board members agree.

9.3 RELATIONSHIPS WITHIN HEALTHCARE FIELD

Due to the rising costs of the healthcare system and the challenge of meeting changing needs and priorities, it is important for boards to work with other organizations and RHAs to improve the effectiveness of health programs and delivery, and to reduce costs.

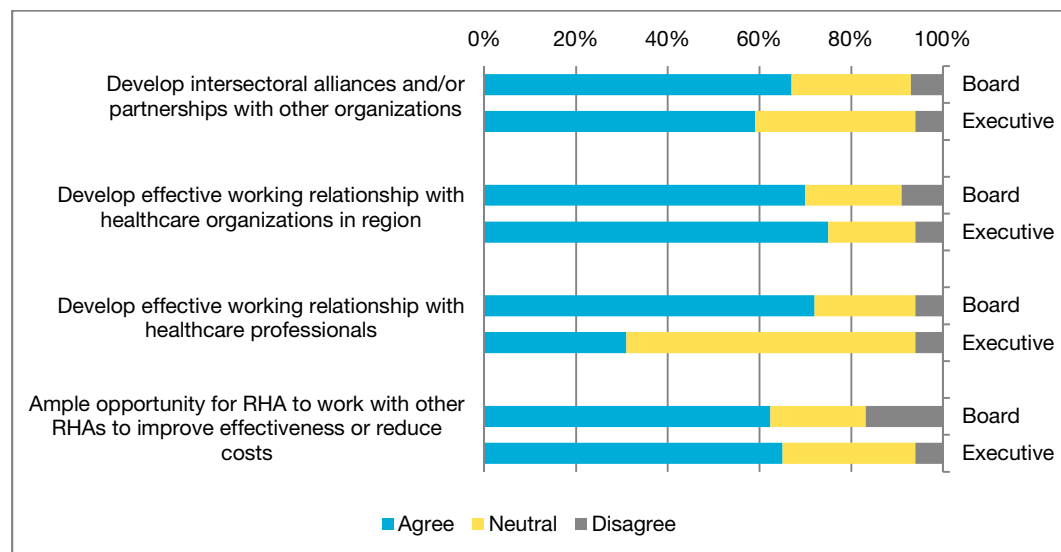
Key Observations

Around one-third of board members and executives are satisfied their board does a good job in developing partnerships with other organizations. As well, most board members and executives are satisfied with their board's work in developing effective working relationships with other healthcare organizations. However, while most board members indicate they are satisfied with their board's work in developing effective working relationships with healthcare professionals, significantly fewer executives agree.



Detailed Results

Figure 9.3a – Relationships Within Healthcare Field



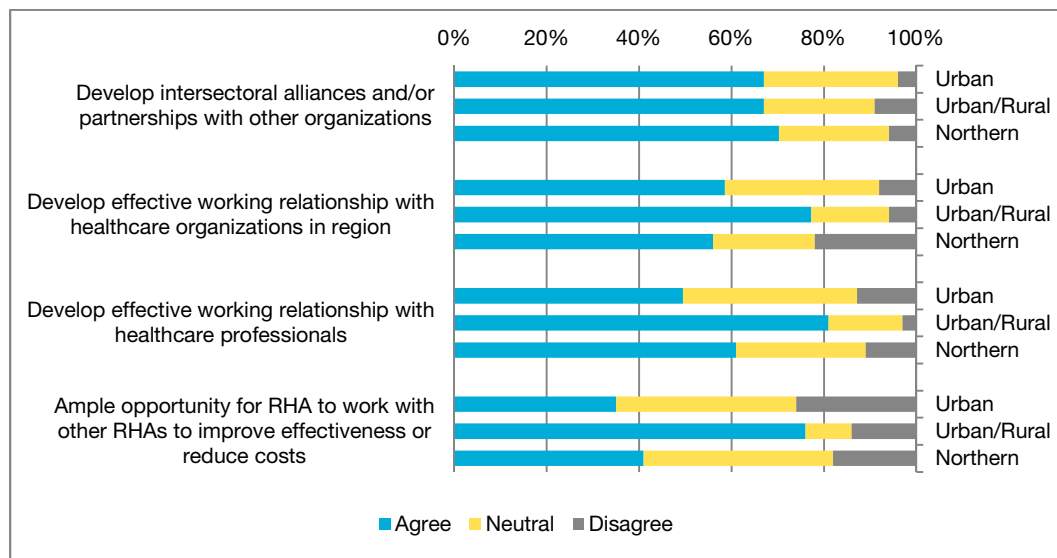
Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- › 67% of board members and 59% of executives are satisfied with their board's work in developing intersectoral alliances and/or partnerships with other organizations.
- › Most board members (70%) and executives (75%) are satisfied with their board's work in developing effective working relationships with healthcare organizations in the region.
- › While the majority of board members (72%) are satisfied with their board's work in developing effective working relationships with healthcare professionals, only 31% of executives are satisfied.
- › 63% of board members and 65% of executives are satisfied that there is ample opportunity for their RHA to work with other RHAs to improve effectiveness or reduce costs.



Figure 9.3b—Relationships Within Healthcare Field: Board Member Responses by RHA Type



Source: Office of the Provincial Auditor of Saskatchewan, RHA Governance Survey, November 2012

The survey found that:

- Board members in all regions were about equally satisfied with their board's work in developing intersectoral alliances and/or partnerships with other organizations. 67% of urban and urban/rural board members, and 71% of northern board members report being satisfied.
- 78% of urban/rural board members report being satisfied with their region's work in developing effective working relationships with healthcare organizations. Fewer urban (58%) and northern (56%) board members report the same level of satisfaction.
- Boards differed with respect to their satisfaction in developing effective working relationships with healthcare professionals. While 81% of urban/rural board members are satisfied, only 61% of northern board members and one-half of urban board members are satisfied.
- 75% of urban/rural board members agree that there is ample opportunity for their RHA to work with other RHAs to improve effectiveness or reduce costs; only 35% of urban and 41% of northern board members agree.

9.4 CONSIDERATIONS

While Board members and executives feel that they adequately consider the interests of all key stakeholders in making decisions, they acknowledge that more work can be done in consulting the people that the RHA serves. Boards should consider ways in which they can consult with the public, and how as a board they can better communicate to the public regarding the mandate of the RHA and the issues that it faces. It is also worth noting that while almost three-quarters board members indicate they are satisfied with their board's work in developing effective working relationships with healthcare professionals, less than one-third of executives indicate they are satisfied.



Opportunities for improvement exist in the relationship between boards and Government, as over one-third of board members and one-half of executives agree their board needs to have a better relationship with the Minister and/or Ministry.



Selected References

- Athabasca Health Authority. (2011). *Annual Report 2001: Healthy Land Healthy People*.
www.athabascahealth.ca/images/reports/AHA2011_Web.pdf. (31 January 2013).
- Marchildon, G. (2005). *Regionalization and Health Services Restructuring in Saskatchewan*.
www.irpp.org/events/archive/nov05JDI/marchildon.pdf. (31 January 2013).
- Office of the Auditor General of Manitoba. (2003). *An Examination of RHA Governance in Manitoba*. Winnipeg: Author.
- Office of the Auditor General of Manitoba. (2009). *Study of Board Governance in Crown Organizations*. Winnipeg: Author.
- Saskatchewan Ministry of Finance. (2013). *Provincial Budget Estimates 2012-2013*.
www.finance.gov.sk.ca/budget2012-13/2012-13Estimates.pdf. (15 April 2013).
- Saskatchewan Ministry of Health. (n.d.). *Saskatchewan Board Governance Toolkit*. Regina: Author.
- Saskatchewan Ministry of Health. (2012). *Covered Population 2012*.
www.health.gov.sk.ca/covered-population-2012. (23 April 2013).
- Saskatchewan Ministry of Health. (2011). *Covered Population 2011*.
www.health.gov.sk.ca/covered-population-2011. (31 January 2013).
- Saskatchewan Ministry of Health. (2012). *Plan for 2012-13*. Regina: Author.
- Saskatchewan Ministry of Health. (2011). *Plan for 2011-12*. Regina: Author.