

**Memo regarding composition of the board and the election process.**

**To: The board of the WAEH**

**From: Advisor to the board**

**Date: 24 October 2018**

**Introduction.**

This memo is written based on the discussions we had in the board meeting in September. We agreed on a bigger board to achieve an even better connection to the members and we agreed to change the procedure for nominating board members to be elected in the board. This memo describes the new procedure and also the changes in the structure document of the WAEH. The last part of this document describes the next steps.

**A bigger and a more diverse board.**

We agreed to have a board of maximum 12 board members in total. This gives the opportunity to get 4 active new members on board where the existing board thinks they can contribute to the challenges and opportunities of the WAEH. More diverse means that instead of wait and see who applies for a board membership the board works out a vision what sort of board members the WAEH needs to steer the association. Criteria could be a mix of doctors and managers, a mix of gender, a mix of regional background, certain expertise, knowledge of big hospitals or smaller hospitals (associate members) (eg expertise on sponsoring, expertise on helping hospitals in developing countries, expertise in research, expertise in project management etc).

Resulting from this vision we can start looking for candidates who have the background we need. For doing that we need a board member advisory committee. This committee has the task to prepare a proposal for board candidates to the entire board. It also has the task to update the vision on the board composition and bring this to the entire board for approval. The last task is that this committee looks to the performance of existing board members and decide if they can go for re- election.

The importance of this new procedure is that we ask potential board members as a board our self. They have to be appointed by the member meeting but instead of more than one candidate for a board seat we come up with one candidate. The member meeting can only disapprove this proposal if the candidate gets a majority against him or her. With this procedure the candidates are almost certain to be appointed. This makes it more attractive for candidates to agree that they are a candidate. As a board we only get the candidates we want and add value to the existing board members. In this way we have also more assurance that we protect the mission and vision of the association.

It is proper governance that we keep the rule that board members are appointed for a period of 4 years and we also stick to the rule that the member hospital has the seat, so when a CEO of a board member changes job or retires the seat will be taken by the new CEO of that member hospital. After 4 years the board member can be re- elected if the board advisory committee proposes that he/ she can go for re- election. The maximum period is 12 years, so a board member can be re-elected two times. I propose that the last rule applies for a person and is not attached to the hospital. So for example David can be board member for 12 years as a maximum but if after twelve year there is a new CEO from Moorfields he/she can be nominated as a board member and that person can go for another 12 years. In that way we keep the active hospitals on board and we still have new persons with the right profile in the board.

### **How to get to a bigger board**

In the document Structure and governance of the WAEH it says in paragraph 4 that the board decides from time to time what roles are required and who should undertake those roles. In the attached proposal for changes in the structure document the new procedure is written down and has to be approved by the member meeting.

The most important changes are:

- Change the maximum number of board members from 8 to 12
- Change the procedure for nominating board members.
- Apply the maximum of 12 years to the person, not the hospital. This makes it possible that the active members can deliver good candidates for more than 12 years.

As a board we have to install the board member advisory committee. In most boards this committee has as members the chair, the vice- chair and a board member. I propose this board takes the same approach.

To get a balanced step-down scheme I propose we expand the board the coming member meeting with three members. This means that in the coming member meeting 4 members have to be appointed by nomination by the board (see the attached scheme). In 2020 we can expand the board by another member to come to twelve. When we do it in this way we come for most years on 3 board seats to be nominated. If we want an even more balanced scheme we could appoint one of the new board members for 3 years for the first period.

### **Decisions to be taken by the board**

1. The board agrees on this document and on the new structure document.
2. The board installs the board member advisory committee. The proposal is this committee has 3 board members being the chair, the vice chair and a member. This committee will be supported by the advisor to the board.
3. This committee makes a proposal for the profile of the total board to discuss in the next board meeting and also makes a proposal for the nomination of 3 new board members.
4. Other formal steps are:
  - Get approval of the member meeting for the new structure and a new way of proposing candidate board members to the member meeting. We could do a written member meeting by asking all the members to approve the new structure by mail. This makes it possible that we can appoint the new board members in the member meeting in London. The new board members who are nominated can be asked already to join the board meetings informally, after step 3 is taken.

The advisor to the board, Wim Oosterom, 26 October 2018.