

**Case study presentation for Society Street:
Trustees and Governance
12 June 2019**

Good morning, my name is Katy Amberley and I am CEO at BSH.

There are many nautical references in everyday life and our wider culture.

Recently, I learnt a new one. The word governance is believed by some to come from the Greek “kybernan” which means “to steer or pilot a ship”. How fitting for this year’s Society Street.

I was asked to consider three challenges that our Boards face:

1. Making decisions
2. Succession planning
3. Ensuring diversity

These are particularly hard for professional membership bodies, because our boards are likely to be wholly or mainly elected from a membership drawn from one profession. Group think and a lack of diversity are almost in-built.

I believe there is some evidence to show that boards function better if they are more diverse. But it is very hard to make good decisions if everyone on the Board comes from the same profession and approaches issues in similar ways. There is no outside voice to offer real challenge or suggest that a different approach might work better.

How can you ensure you have all the skills you need on a board which is wholly or largely elected from one profession? This in turn can discourage younger members and those from different ethnic backgrounds from putting themselves up for election and so, inevitably, you end up with a board in which the same people hold successive offices over a long period.

We end up with a lack of diversity in the broadest meaning of the word; this entrenches the problems around making decisions and succession planning, and we have a perfect storm of things that can go wrong.

How can we ride that storm and steer our ship away from the rocks and into safe harbour?

To answer this, I will share with you a true story about my organisation.

Once upon a time, there was a professional membership society. Its name was BSH. It did the usual professional membership society things. It had a big annual meeting; it had a journal for its members; and it published best practice guidelines.

Over many years, it had built up secure income streams and large reserves and it owned its own offices. So, it didn’t have to worry about finances.

Because of this, it didn’t worry that it offered few benefits and that its membership numbers had plateaued; nor did it worry that attendance at its annual meeting remained static and the meeting content and format had failed to move with the times.

It had been plying its trade across the same sea route for rather a long time.

One day, a new Trustee joined the Board. He was co-opted to fill a vacancy because there were not enough candidates for all the positions available (for, amongst the problems of the Society, was a lack of engagement with its members, who didn't readily stand for election).

This new Trustee felt the Society was "in the doldrums". He had been involved with another organisation which had undertaken a review of its activities and become re-energised as a result. The new Trustee suggested a top to bottom review of the BSH by external consultants. The Board agreed and the Society put itself up for a 360 appraisal.

Some months later, the consultants said that they had found "much to admire, some things to question and others to criticise".

One of the areas where the consultants found things to criticise was the charity's governance. This in turn was affecting other areas of its work: there was no strategic direction; the running of the annual meeting; and its internal and external communications.

In other words, the Society had lost its bearings and needed a new compass to reset its course.

The Board was open to reforming itself and decided to appoint lay people as full Trustees. Other medical societies had already done this and spoke highly of the results. Fortunately, BSH Articles allowed this. BSH put some of those long built-up reserves to use and employed an external company to do the legwork. Within a few months we had two lay Trustees: one a communications expert, the other very experienced in finance and business. Both were experienced Trustees who also brought a fresh approach to governance and how boards work.

Each has helped the Society in the past three years whilst were choosing a new route and then steering a new course for the good ship BSH.

Our communication expert Trustee became our first non-member to chair a Board Subcommittee, leading it and the Society through a membership engagement review. The result of this work was that we revised our membership categories so we could appeal to wider groups than just our traditional base of consultant haematologists.

In the past year, we have noticed that not only are we gaining more members but that people from under-represented groups are applying in greater numbers than ever before.

Our business and finance Trustee took over the chairmanship of our trading subsidiary through which we run our annual conference; its finances are in better shape than they were before. Our meeting has almost doubled in delegate numbers and gone from 350k to 700k in sponsorship in three years.

As for the medical Trustees, they have been very pleased with the success of the experiment and have just reappointed the lay Trustees to another three-year term. In the new Articles which were passed at a General Meeting in 2018, we have provision for up to four lay Trustees. We are now recruiting new lay Trustees to overlap with our current ones therefore ensuring the succession.

So, getting that bit of diversity onto the Board really worked. There is a better age, gender and ethnicity balance on the Board today too.

The same is true for other Board Subcommittees, e.g. our Communications Committee has not just junior doctors as members but a Physician Associate and medical students.

I do not think these operational successes are unrelated to the governance reforms we have undertaken and, particularly, the recruitment and deployment of our lay Trustees.

In terms of succession planning we have reformed the terms of office of some of our elected Board members too. Our President – who is the Board Chair – now serves a two-year not a one-year term. And our elected Trustees may now serve two consecutive three-year terms of office; this means we have a better balance of new Trustees and older hands with some collective memory.

Well isn't this all lovely? BSH was able to do all the above and the sun shone all through a period of plain sailing.

Yes, we were lucky: we had a Board that was prepared to co-opt an outspoken fellow member; it agreed to his suggestion of an external review; to open up the Society to extensive scrutiny by consultants; to listen to their criticisms; and then to carry out the consultants' recommendations. Finally, the Society's Articles enabled the Board to appoint lay Trustees without further changes being needed.

But in general people don't like change and often resist it; there can be other, practical obstacles too.

So be pragmatic. Idealism is a wonderful thing, but idealism tempered by realism will often get you further in the long run.

If a full governance review is too complex don't attempt it. Enact a smaller change that you can undertake more easily and whose results will be more quickly apparent.

For example, imagine how it would have been if the BSH's governing document had said that only members could become Trustees?

If this is your Society's situation, why not co-opt lay people as non-voting advisors to the Board? Very few governing documents won't allow this. You will get that external voice, those new opinions and greater diversity.

But what if your governing document doesn't allow even this?

Your Subcommittees, whose terms of reference will be governed by the Board, could be a place to start. Why not appoint some lay people – or under-presented groups within your membership – to them, instead? Demonstrate the benefits of wider diversity and good governance and then, perhaps, in a few years' time, your Society's membership will be happy to vote in changes to your governing document that will allow you to appoint lay people as full Trustees.

A quick win may come from a quarter that doesn't immediately suggest a connection with governance. For us, this was communications, another weakness that our consultants identified. In 2014, BSH owned or was associated with five separate websites, none of which looked alike, and our brand was incoherent.

It was so obvious that things were not working well that we all agreed to the reform. Firstly, we wrote a communications strategy and then over the next two years we rolled out the objectives within it. Five years on, we are reaping the benefits, having built a really good website, with a coherent brand which has in turn helped us to improve our communications with members and with external stakeholders. We have open rates for our monthly bulletins of 40-45% and seen exponential growth in our Twitter following which was less than 500 in 2015 and is now well over 6000.

Our fractured brand was a good representation of how the whole organisation was running, due to lax governance, as a series of silos with no over-arching strategy. To paraphrase Charles Dickens, BSH was “not forty children conducting themselves like one, but every child was conducting itself like forty”.

Please don't take away from this case study the idea that there was no resistance to the changes at BSH and that we don't have further work to do; neither is true! The reform of the lax governance that underpinned our annual meeting, was tough. Our lay Trustee helped us navigate some very choppy waters there!

But that is a story for another time.

One final, watery metaphor: “A fish stinks from the head”.

So, get the governance right and many other areas of your work will also run much better!