Board dynamics and relational tensions in the English NHS Foundation Trusts

Journal:	*Journal of Health Organization and Management*
Manuscript ID	JHOM-11-2020-0459.R3
Manuscript Type:	Original Article
Keywords:	board dynamics, board meetings, Public sector, NHS Foundation Trust

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ABSTRACT

Purpose (mandatory): This study explores interactional dynamics and relational tensions within English NHS Foundation Trust board meetings that are influenced by governance structure and the board composition.

Design/methodology/approach (mandatory): This paper draws upon an ethnonarrative approach to enable the understanding of the nuances of boardroom interactions. Data was collected through participant observation of board of directors' and board of governors' meetings and narrative interviews from directors and governors of two NHS FT. Data was analyzed through thematic narrative analysis to enable the identification and understanding of the patterns and the hidden tensions in boards.

Findings (mandatory): Findings reveal that board interactions are influenced strongly by the nexus of structural, contextual, and human elements of governance. Three main findings are highlighted: a lack of clarity of the governors' and chairpersons' roles which create ambiguities within board processes; the large size of the board of governors disrupts meaningful discussions in board meetings; the unacceptability and avoidance of governors' accountability by the directors creates a struggle for supremacy and legitimacy in boards.

Research limitations/implications (if applicable): Future research can explore both the positive and negative outcomes of board behaviors, which are influenced by the built-in tensions in governance structures. In addition, access to other spaces of governance, such as, subcommittee meetings and private board meetings can further enrich our understanding of board dynamics.

Originality: This study attempts to uncover the neglected modes of interactions within boards through a combination of two disparate perspectives: board structures/composition and interactions through an ethnonarrative approach.

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Paper Type: Research paper

Introduction

Historically, public boards have not been of much interest to researchers due to their passive role in decision making. Public sector reforms have transformed the passive role of boards to a more active role in decision making and strategizing (Farrell, 2005; Veronesi and Keasey, 2010). This process is referred as "boardization" by Wilks (2007). A review of the literature demonstrates a variety of board definitions within the public sector. For example, Van Thiel (2015) identifies: executive boards, boards of governors, governing boards, unitary boards, boards of trustees, management boards, boards of directors, supervisory boards, boards of commissioners, non-corporate boards, executive committees, and user boards. At times, some of these definitions are used interchangeably. However, the literature on public boards clearly differentiates the 'board of directors' from the 'user boards' within the public sector (Beck Jørgensen, 1999). The former is

appointed by the government to separate politics and administration whereas the latter consist of elected user representatives to improve the service quality provided for the public (Tomo *et al*., 2014).

In the English NHS (National Health Service), the governance structure has become more business-like. Most of the NHS trusts have been reconstituted as Foundation Trusts (FTs), which means that they are independently run and have a company style board of directors (Allen *et al*., 2012). NHS FTs have a dual board structure: the board of directors (nine to eleven members) and the board of governors (up to fifty members). The board of directors are accountable for strategic decisions and actions to their local communities. Board of directors comprises of five executive directors (including a general manager, a medical director, a senior nurse manager, a finance director, and a CEO) and five non-executive directors (NEDs) including the chairperson. The board of governors is elected, and some are appointed. They represent various constituencies and ensure that the interests of all the stakeholders are safeguarded. Governors can appoint or remove the NEDs, including the chairperson. The chairperson and the NEDs can appoint and remove the chief executive with the approval of the board of governors. This structure resembles the Anglo-Saxon unitary board model and at the same time nested with a two-tier European board model usually found in the Netherlands, Germany, and France (Chambers, 2012). Developed in post war Germany, the two tier board model separates the management board (*Vorstands*) from the supervisory (*Aufsichtsrats*) board (Chambers and Gregory, 2013). The management board (executive directors) is responsible for daily operations of the company whereas the supervisory board (NEDs) supervises and monitors the management board (Bezemer *et al*., 2014). This structure follows the principle of co-determination to improve cooperation between management

and workers in decision making. Similar structure is adopted in France to drive efficiency and to involve key actors in management (Chambers *et al.*, 2016). Thus, the unitary board structure encourages proximity between the executive and NEDs in the board of directors in the NHS FT (Chambers, 2012). Their decisions are scrutinized by the board of governors.

In actual board process, the board of directors meet every month whereas the board of governors meet quarterly. Both the meetings have a public and a private session chaired by the same chairperson. Directors and governors attend public sessions of these meetings as members of the public. The presence of directors within board of governors' meetings are crucial to ensure the primary duty of accountability. Hence, the two-tier board model limits the power of board of directors but does not relieve them of their responsibility of patient safety and high quality care (Chambers *et al*., 2020).

Current knowledge of public sector boards tends to be limited (Hinna *et al*., 2010; van Thiel, 2015, Tomo *et al*., 2014). Two streams have advanced our understanding of public boards: the instrumental view (i.e., explicit terms of deliberations, decision making, structural, compositional, and functional aspects of boards), and the symbolic view (i.e., the 'social' and 'implicit' aspects of boards) (Freeman and Peck, 2007; Mannion *et al*., 2016). The instrumental view contributes to sizeable literature on public boards and is mainly performance based. It offers prescriptive and anecdotal advice on how to improve board performance by altering the structure, composition, roles, and functions of boards (Cornforth, 2001; Gnan *et al*., 2014). Conversely, the literature on the relational or symbolic view of public boards, which is about the 'real' happenings in boards, is very limited (Peck, 1995; Hinna *et al*., 2014; Chambers *et al*., 2016). The difficulties involved in gaining access to boards has compelled researchers either to rely on secondary methods (Peck,

1995; Petrovic, 2008; Pettorgrew, 2013) or on the retrospective account of board members (Watson *et al*., 2020). Typically, board dynamics are understood and investigated through various board documents, such as, meeting minutes and agendas (Peck *et al*., 2004; Schwartz-Ziv and Weisbach, 2013; Heemskerk *et al*., 2017). Observation of NHS board meetings reveal that published minutes seldom depict an accurate record of board meetings (Endacott *et al.*, 2013). Though some parts of the NHS FTs board meetings are publicly held, and there is some observational research to explore roles and behaviors of NHS boards, we still know less about *what boards actually do?* (Chambers, 2012; Endacott *et al.,* 2013; Chambers *et al*., 2016). Hence, the important question of "what happens in boards" require further investigation (Bezemer *et al*., 2014).

Board dynamics in public organizations tend to be complex given the variety of stakeholders involved (Allen *et al.*, 2012; Tomo *et al*., 2014). The quality of interactions has a crucial impact on relationships in public sector organizations (Veronesi and Keasey, 2010; Van Puyvelde *et al*., 2018). Empirical research on governance structures of NHS FTs informs us about the relational tensions between directors and governors (Allen *et al*., 2012; Mannion *et al.,* 2016) but does not address the way it influences processes and practices in boards. New directions call for researchers to: understand board behavior through close observation (Pettigrew, 2013;Tomo *et al*., 2014; Watson *et al*., 2020), investigate the influence of board composition on board governance (i.e., the way boards function) (Erwin *et al.*, 2018), and the way individual and collective behaviors are enacted in boards (Chambers *et al*., 2020).

Responding to the call for a new direction, this study unfolds the relational dynamics and the underlying tensions between directors and governors during board interactions in the NHS FTs

that are (re)shaped by governance structures and board composition. Board dynamics is influenced by board compositions, competence, characteristics, and compensation (Huse, 2005). Hence, two different streams of research may be combined – structural and interactional and this leads to a better understanding of board processes (Macus, 2008; Zattoni *et al*., 2015). Our study aims to explore the following two questions: "what kind of relational tensions exist between the directors and the governors due to governance structures and board compositions?" and "how do the directors and governors interpret and negotiate their interactions and relationships within and outside the board meetings?" This study is based on the notion that structural components alone do not determine board outcomes, it is also about ongoing interactions and the micro-processes involved therein (Cornforth and Edwards, 1999; Farrell, 2005; Erwin et al., 2018).

Research on board dynamics

Most of the research on public boards is narrow in focus. Examples include: the role of individual board members in the governance process instead of the way a board works as a group (e.g. Ferlie *et al*., 1996; Pugliese *et al*., 2015; Walshe and Chambers, 2017), the implications and effectiveness of using private sector governance model in the public sector (Ferlie *et al*., 1995; Clatworthy *et al*., 2000;), ways to improve accountability and performance in routine situations (Howard and Seth-Purdie1, 2005) and in crisis (Jas and Skelcher, 2005). Conventional research on boards concentrates on the agency theory and the cross-sectional studies that use input-output models to investigate the impact of board structures and compositions on board effectiveness and performance (Pugliese *et al*., 2015). This has often yielded conflicting results (Brundin and Nordqvist, 2008; Hinna *et al*., 2010) as board behavior varies despite similar and stable board structures (Dalton *et al.*, 1998; Pugliese *et al*., 2015).

According to Huse (2007), behavioral studies can be studied from two dimensions: the human dimension that describes board characteristics (i.e., characteristics of the actors, demographic composition, compensation, competence/skills and motivation) and the behavioral dimension which is related to board processes (i.e., interactions, ethics, decision making processes, emotions, relationships, conflicts etc.). The latter also concentrates on board characteristics and less on board processes and practices (Hinna *et al*., 2010; Tomo *et al*., 2014). Similarly, we know more about the "what" of board governance – structure and basic principles in the NHS instead of the "how" of board governance – that is, board dynamics, processes, and overall functions (Veronesi and Keasey, 2010; Collum *et al.*, 2014; Aly *et al.*, 2022). The relatively less literature on the latter focusses on: the role of NEDS and governors in board governance (Wright *et al*., 2012; Tweed and Wallace, 2021) and associated behaviors for effective boards to ensure quality and patient care (Chambers *et al*., 2017; Chambers *et al*., 2020), the way NHS board meetings are conducted (Peck, 1995; Peck *et al*., 2004; Veronesi and Keasey, 2010), various strategies used by NEDs to create accountability in boards (Sheaff *et al*., 2015); perspectives of directors and governors regarding accountability in boards (Dixon *et al*., 2010), and so forth. Some of this research employs observational methods, which further reveals the emergence of board dynamics as a significant element, but largely overlooks the interactional dynamics and the way it influences board processes and practice.

The formal separation of the two boards in the NHS FT complicate interactions among board members. Research on two tier boards reveal that structural and behavioral factors create additional challenges for NEDs to address information asymmetries and relational tensions between the two boards (Bezemer *et al*., 2014). On the other hand, monitoring function may be

compromised in a unitary board model. An ideal board model cannot be determined as corporate scandals have emerged in both the board structures. Observational research emphasizes the need to build a culture of high challenge, high trust, and high engagement in the NHS boards (Chambers, *et al.,* 2016). NEDs engagement in meetings depends on individual personality, knowledge, and experience (Mannion *et al*., 2016; Chambers *et al*., 2017). The relationship between executive and NEDs is relatively developed in the NHS (Sheaff *et al*., 2015) whereas the relationship between directors and governors is still in its infancy (Allen *et al*., 2012). Several governors are unable to carry out their role of creating accountability due to the lack of role clarity and the lack of influence they have over the FTs (Dixon *et al*., 2010; Allen *et al*., 2012). This has compromised their ability to ensure safer care for the NHS FTs (Mannion *et al.*, 2016) despite of their enthusiasm and motivation to serve as governors (Wright *et al*., 2012).

Furthermore, there are extraordinary changes in board roles, behaviors, and relationships during crisis (Mordaunt and Cornforth, 2004; Lorsch and McIver, 1989). Crisis raises the question of appropriate monitoring and risk assessments by board members and challenges board reputation (Reid and Turbide, 2011). NEDs adopt an active strategic supervision approach that intensifies monitoring of the executive board during crisis (Eulerich and Stiglbauer, 2013). Hence, board meetings become sites of formal spaces of interactions for organizational governance (Bieber, 2003; Lawler and Finegold, 2006). It is the main arena where board members perform their roles and discharge their duties (Bezemer *et al*., 2014). Studies looking at board meetings concentrates on two elements: the duration of contributions within board meetings and the way turn-taking behaviors influence specific agenda items (e.g. Bezemer *et al*., 2014; Pugliese *et al*., 2015). It indicates that that there is a remarkable similarity in the way they are conducted whereas

interactions varied across and within boards. For example: information is often shared in the form of agenda items prior to the board meetings; meetings begin with the review of the minutes from previous meetings; and each item on the current agenda is discussed with the chairperson who leads and manages the discussion (Peck, 1995; Bezemer *et al*., 2014; Pugliese *et al*., 2015). It largely glosses over, or ignores, the content and quality of interactions; the contribution and the way in which the arguments are expressed, both in language and embodiment; and the way it (re)shapes the relational and interactional dynamics in boards. The close observation of board meetings and a narrative approach give voice to board members. It allows us to explore how participants create, maintain, and disrupt board dynamics.

Methodology

This study employs a combination of ethnographic and narrative approaches to provide an insight into what happens within boardrooms and how 'inner happenings' are made meaningful to board members. This methodological approach is focused purely on board dynamics within each meeting, which are subsequently summarized within the minutes (Peck *et al*., 2004; Freeman and Peck, 2007; Heemskerk *et al*., 2017).

Gaining access to the boards was the most challenging part of this study. This involved discussion on the aims of the research and the possible impact of the findings on improving governance. Initial encounters in the field revealed that methods of improving governance were the dominant discourses aired in the board meetings, but these were not enacted. Initially the first author attended several NHS board of directors' and board of governors' meetings held in public to select the boards for the study. It was observed that the NHS boards shared a similar pattern in the way they

operated. They appeared formal with routinized practices. However, on deeper analysis it was found that board dynamics varied among different boards despite of the similarities in their governance structure. Two NHS FT university hospitals that were undergoing a crisis and allowed access were chosen for this study. The crisis led to heated debates between directors and governors as compared to NHS FTs without crisis. Theoretically, this helped to study board dynamics in similar situations and with similar governance structure.

Data collection

Data was collected through participant observation in ten public board of directors' meetings and six board of governors' meetings from both the NHS FTs. Access to only two private board of directors' meetings was also granted in one of the NHS FTs and is a limitation for this study. This did not include the board of governors' private meetings. In this study, the first author was not a board member which prevented active participation in board meetings. The degree of participation in participant observation depends upon the nature of the research setting (McKechnie, 2008). "Moderate participation occurs when the ethnographer is present at the scene of action, is identifiable as a researcher, but does not actively participate or only occasionally interacts with people in it" (DeWalt, 2011; p. 23). The first author was present at the scene of action, actively interacted with board members before and after the meetings, and limitedly interacted with board members who attended board meetings as members of the public during public sessions.

Audio recording was not allowed due to the fear that it would jeopardize the natural discussion in board meetings. Hence, extensive field notes were taken to record the dialogue in the meetings.

The first author also ensured that the meeting agendas were read beforehand to enable an understanding of the context of the discussion.

Participant observations were complemented by both the ethnographic interviews and the in-depth semi-structured interviews of seven directors and fourteen governors. Ethnographic interviews occurred spontaneously and helped to gain understanding about the lives and behaviors of the participants in the natural settings (Allen, 2017). The purpose was to seek clarity and understanding of the dialogue and interactions in board meetings. The semi-structured interviews ranged from thirty minutes to an hour. They were conducted twice to gain in-depth insights to emergent issues in boards on different occasion. It helped to understand the way meanings and interpretations changed as situations and crisis unfolded over time. Memos and any additional interpretations were also recorded in a diary soon after the board meetings.

Data analysis

Data on the entire corpus was analyzed through thematic narrative analysis. In thematic narrative analysis, the emphasis is on "the told"; the events and cognitions to which language refers (the content of speech)" (Reissman, 2007; p. 58). It focuses on the "what" of the stories and seeks to identify shared elements across the dataset (Riessman, 2008). Firstly, narratives were identified in the text. Determining the boundaries of the narratives required a highly interpretive process. The text was (re)read several times to identify a clear beginning and end of the narrative. This was done to keep the story/account intact which is the essence of thematic narrative analysis. Secondly, inductive codes, themes and thematic categories were developed to search for patterns within the narratives (Braun and Clarke, 2006; Riessman, 2008; Frost, 2011). In this way, the researcher

could gain access to the respondents' interpretations and the multiplicity of voices that described their lived experiences within and beyond the board meetings in a specific context of action and interactions.

To ensure validity, transcripts were shared with the co-authors. Codes were also cross checked, and this helped in the modification of themes. The process of building thematic categories was also shared with the co-authors to improve validity. The coding process is shown in Fig 1.

The board context and the conduct of board meetings

The NHS FTs under study were experiencing a crisis, which allows us to study board dynamics in a homogenous situation. The NHS FT A was undergoing an executive succession. The chairperson had been removed by Monitor and an interim chairperson was appointed to overcome the poor rating of the NHS FT in governance standards. Monitor is the sector regulator for health services in England and it ensures that healthcare providers are properly led to safeguard the interests of the patients. The CEO's term was about to expire in the next months and the board was waiting impatiently to appoint a new CEO. A few NEDs had also resigned amid crisis. Those who remained on board were blamed by the governors for poor performance and for concealing information from them. The NHS FT B was also in crisis for failing to meet the cleaning standards set by the CQC (Care Quality Commission) and had received an unsatisfactory report from them. The chairperson was under the spotlight for hiding information from the governors. Thus, in both the cases, the situational crises were intense. Loopholes had been exposed in governance structure and processes which made the interactional and relational dynamics among directors and governors more challenging.

The board of directors' meetings were held monthly whereas the board of governors' meetings were only held quarterly. All the meetings consisted of one hour private and a public session. The board of governors' meetings were held in large rooms to accommodate size of the membership. Aside from the governors, the board of directors, staff members, and people from the press attended governors meeting held in public. The public rarely attended all the public board meetings except for the annual general meetings. The board of governors' meetings followed parliamentary procedures and adversarial style of governance. The executive directors reported one by one to the governors on the request of the chairperson. The governors then probed further and commented on every executive director's report. They termed this as "challenging" directors as reflected in the following narrative:

> *"So, it's been like a kind of a parliament…very diverse group of people. There is an agenda which is determined by the directors, the managers, but also by events…the natural timetable of things that must be done every year and that's only time just to sort of put up and ask a question, make a challenge or whatever" (Public governor).*

The NHS FT B was characterized by spontaneous and heated debates in the board of governors' meetings as compared to NHS FT A. The board of directors' meetings in both Trusts appeared calmer as few directors actively engaged in the discussions. The chairperson, CEO, and the director of finance were the main actors in the board of directors' meetings in both Trusts as financial matters constituted a major part of the agenda. NEDs asked probing questions on occasion, but they appeared to be supportive in comparison with the adversarial- style of the governors. It was noted that discussion amongst the board members in the board of directors' meetings held in public

appeared to be pre-planned and members were more likely to report than make decisions. Actual decision making tended to be in private and preceding sub-committee meetings. Furthermore, it was generally decided in the private meetings which information could be accessed in the meetings held in public.

Findings:

Findings revealed that the respondents' narratives revolved around the ambiguities and conflicting roles; the (mis)management of meetings due to board size and conflicting voices; and the struggle to gain supremacy and legitimacy in boards. These are discussed in detail as follows.

Ambiguities and conflicting roles in boards

The ambiguities in roles and the existence of dual conflicting roles emerged as a common theme from the data. The dual board structure with different roles and responsibilities and the variety of governors and directors, each pursuing their own interests, created multiple and conflicting voices in board meetings. This became apparent during the crises in both Trusts. The chairpersons and the CEO's were under pressure as the governors blamed them for hiding the actual problems within each Trust. Chairpersons (particularly NEDs) chaired the meetings of both the directors and the governors. Governors often expressed their mistrust and indicated that they believed that the chairperson was 'taking sides' and protecting the directors. However, it was equally difficult for the chairperson to balance his role as the chairperson of both meetings.

> *"I think in a way the role of the chairman is critical because he chairs the governors (meeting), but he is also a director. So, he is in both camps. So, his job description*

says that he must lead the board of governors, and I think when he leads the board of governors, he must be trying to fulfil their aims and objectives, as well as the directors. So, it's a challenging role. Isn't it?" (Public governor).

The shift in staff governors' role from union representatives to governors also led them to intrude in matters that were beyond their jurisdiction. For instance, governors wanted to be involved in the appointment of the chairperson of their health partner and wanted to participate in the appraisal process of the NEDs but were instantly stopped by the CEO in board of governors' meetings. On another occasion they raised clinical matters in board of governors' meetings held in public which the chairperson thinks that they had no role as it compromised patient confidentiality.

"We had a question from the governor during the day about surgical procedures, quite inappropriate for the governor to be asking…it will be inappropriate for me even to ask actually. It was a clinical matter which he should be raising within the clinical context" (Chairperson).

Such ambiguities in governor's role disempowered them as they were often declined information due to various reasons. It prevented them from performing their role as governors. Regarding the Health and Social Care Act 2012, governors were expected to create accountability in boards, approve the appointment of the CEO, chairperson, the NEDs and the auditors; decide the remuneration of the CEO and the NEDs, and receive the annual report and accounts of the Trust. Counterintuitively, several governors stepped into the role of the NEDs as they also held the executive directors to account. Often, governors compared themselves with the NEDs and believed that they were performing a similar job but were not paid. However, various directors described

the governor's role as 'prescriptive' and confused the role of the NEDs and the governors, thereby creating tensions between the two groups.

> *There is still confusion between NEDs and governors. Some of the governors' act like NEDs, and some of the NEDs perceive governors as a bit of a pain in the neck. One non-executive said… 'I see governors' generating lots of heat, very little light' and I thought that is a very, very valid opinion. I don't disagree with that. I would just like to know how I can generate more light to satisfy you". But it's a problem what the governors constitutionally can or can't do... (Public governor).*

Interestingly, the governors' role was also regarded as ambiguous by the executive directors who believed that only NEDs could hold them to account.

> *"Governors don't understand their role in the organization, because they think they are here to hold the executives to account, which is not their role at all to the board. It is the non-executive role to hold the executives to account…and I think that's where the problem arises". (Executive director).*

The ambiguous nature of various roles (specifically of governors) and processes created several relational tensions within the boards. Some governors believed that it was the attitude and actions of all the actors in board meetings that shaped their relational dynamics. As one of the patient governors stated in a conversation after the board meeting:

> *"…It's not really the structure or the board of governors themselves but it seems our actions really…between all the different players" (Patient governor).*

Governors also lacked an understanding of board processes as they wanted to participate in board of directors' meetings. In fact, they were not members of the board of directors and attended these meetings as a member of the public. Hence, they could not engage like directors in the board of directors' meetings. Unlike other NHS Trust meetings that the first author attended, the chairpersons of the NHS FTs were generous as they allowed governors to ask questions either at the beginning or at the end of the board of directors' meetings. The chairpersons of both the Trusts devoted more time to educate governors about their roles during board meetings. Thus, it was challenging for the chairpersons and the CEOs to manage governors during the board meetings due to ambiguities in roles.

Board diversity, accusations, and the (mis)management of meetings

The involvement of staff, patients, and members of the public in the running of NHS FTs allowed several voices to be heard since several directors and governors interacted in the board of governors' meetings. Hence, tension had been deliberately built into the governance structure of the NHS FT.

> *"There is a little tension built into the system really. Deliberately created tension, if you like" (Patient governor).*

It was observed that the chairpersons found it challenging to manage several conflicting voices in board of governors' meetings which affected the quality of the discussion. Time was limited and frequently, agenda items could not be discussed individually. Some agenda items were discussed in detail, leaving little time to complete the rest, to conclude meeting in time. The large size of the board of governors was also problematic due to the multiple interests represented. Governors

considered quarterly meetings as insufficient for meaningful discussion. In addition, the chairperson found board of governors' meetings difficult to manage and to make them work collectively as a unified force due to the sizeable membership and diversity of competencies. . the board of directors' meetings were easily manageable due to the manageable size of the board which facilitated more effective decision making.

> *"Our board of directors, although it increases to 13 members, is the optimal size for effective decision making…It is far more difficult if you have got 30 people on board who have been elected… They have been chosen by their popularity. So, we have a broader spectrum of intellectual capability, and…managing their emotions, and then trying to get them to act as one unified force, where they have very different perceptions of their roles is more challenging. I guarantee you will see that in lots of meetings" (Chairperson).*

The perceived mismanagement of meetings prompted several governors to feel unwanted and made them consider quitting the board. Governors and chairs appeared to be equally frustrated by the ineffectiveness of the meetings in both Trusts. The large group of governors, usually eager to participate in the meetings, was difficult for the chairperson to manage. All voices could not be heard in a limited time. Consequently, governors often ended up speaking together.

> *"Meetings need to be controlled. People must feel at the end they were given a fair go…and frankly, one person should speak at a time" (Staff governor).*

The large board size of the governors resulted in diverse and divergent preferences that had to be managed by the chairpersons to prevent board members from going astray. In general, both

chairpersons and governors were dissatisfied with the composition of board of governors which influenced the conduct of their meetings. This also created a space for accusations. For instance, governors blamed the chairperson for managing the board of governors' meetings inappropriately. Others, including the chairperson, blamed the legislation for creating room for governors to intrude into operational matters.

Struggle to gain supremacy and legitimacy in boards

Both the directors and governors engaged in a struggle to gain acceptability and supremacy either by avoiding or creating accountability in boards. the emergence of the unexpected crisis intensified the need for accountability. In general, directors were considered 'superior' since they were responsible for all strategic decisions and unlike governors were paid for their services. Governors felt inferior for being unpaid. They believed that directors were not as accountable as they should or could have been. They did not respond well to the issues related to accountability as it challenged their power and status.

> *"I don't think they are very comfortable with it. They don't like it, and the stronger the point, obviously the more they get uncomfortable…in a way you are challenging their judgment, their decision making, their leadership qualities. That goes to the heart of who they are and what they do really! This can create a bit of a distance between the directors and the governors. So, I don't think they respond very well" (Public governor).*

Consequently, directors engaged in various tactics to avoid accountability and attempted to control power by controlling information. For example, information sharing was delayed until it was

already on the media. Governors felt that they were treated as 'outsiders' and were excluded from the governance process due toa lack of involvement in decision making; a lack of sharing information before and after the meetings; a selective sharing of information. This prevented them from holding directors to account. Their accountability was seen an intrusion into operational matters by the directors, which created mistrust between the two groups. On the other hand, directors justified their actions (of holding information) by suggesting that confidential information could not be shared with the governors. This resulted in governors feeling worthless and excluded from board processes.

> *I too got quite frustrated with one of our directors who didn't consider my involvement important enough to feed back to me on something. He went and took a decision what was contrary to what he had told me. He was gonna do in the private meeting. And I was disappointed at that. But he is a salaried employee of the Trust. He is paid to make those decisions. I am a governor in an honorary capacity. And I think the lines on protocol are a little bit muddled here (Patient governor).*

Board of governors' meetings were often regarded as rubber stamping exercises where directors' decisions were already taken behind the scenes, and this further added to governors' feelings of powerlessness. This affected their prestige, which is one of the reflections of power (Tajfel, 1982: 18).

> *Realistically we can only rectify what we are recommended. Chair says: 'I propose this because of A, B, C, D. There is ten minutes of questions and then he says 'right!*

Put it to vote. Everybody happy?' agree or abstain, and that's it. So, we are pretty much rubberstamping authorities, but that's what they are there for. The constitution didn't give us any other powers (Public governor).

Governors, however, had their own views of 'being superior' since their role was to hold the directors to account and approve the appointment of the NEDs and the chairperson. The way they held directors to account in the board meetings reflected their efforts to gain more influence and acceptance of their status within board processes. On the other hand, directors frequently became defensive instead of treating governors as 'critical friends'. This concept is a dominant discourse in the NHS boards where the focus in on creating accountability to improve the governance process. Some governors, however, were blamed by fellow governors for creating relational tensions due to their way of creating accountability in boards.

"You can make the challenge in a way by setting a scene, and acknowledging their point of view, but maybe kind of establish other possibilities rather than just being critical. I suppose governors could do better in a way that they should manage how to challenge" (Patient governor).

Consequently, coalitions were set up by governors not only to gain supremacy or legitimacy but also to improve status and alleviate feelings of worthlessness. These coalitions were obvious specifically in board of governors' meetings as governors supported each other when raising issues and questions.

"...they might be meeting outside, or they might be emailing and whatever. So, if one says something, two three come up in support of that person (Staff governor).

Both directors and governors, therefore, engaged in a struggle to gain status and power in board meetings and used various tactics to avoid or to create accountability in boards.

Discussion

This study explores the interactional and relational dynamics of boards in a public organization that is undergoing a crisis and has two boards – board of directors and board of governors. These boards encompass different roles, powers, and purpose. Despite several calls from researchers, board interactions have rarely been studied due to issues of accessibility. This study provides an inside view of the board dynamics through close observation. Driven by the deliberate structural tensions in the NHS FTs, this study reveals the hidden tension and the relational dynamics between directors and governors during crisis. It contributes to the literature on boards by bringing together two disparate perspectives, that is, structural/compositional and interactions to understand the behavioral aspect of boards. This is significant as it opens the lid of the 'black box' on board behavior.

Our research confirms previous findings that board meetings in the NHS consist of symbolic ritualized practices (e.g. Peck, 1995; Peck *et al*., 2004) and follow similar patterns in the way meetings are conducted (Endacott *et al*., 2013). This study, however, offers new insights on board dynamics. It reveals hidden tensions, emotions, ambiguities, conflicting roles, mistrusts, and resistance in board meeting that surface during adverse situations. This is due to the way boards are structured and the way their roles are defined. It also helps to address previous concerns, which imply that the impact of board of governors on board governance is much less than anticipated within public organizations (e.g. Bennett, 2002), specifically in the NHS (e.g. Deffenbaugh, 2012;

Wright *et al*., 2012). In this article we have shown that board structures and compositions affected the relational aspect of boards in three main ways. First, the large size of the boards and the electoral method of the appointment of the governors generated variations in terms of intellect, knowledge, and experience. It created multiple voices and interests in board meetings that influenced meaningful discussion. Secondly, findings pointed to the explicit relational nature of role-taking and role-giving in boards, providing a view of emergent conflicts and the struggle to legitimize and acknowledge roles. The different interpretations of their roles prompted governors to step into the role of NEDs for which they faced strong resistance and disapproval from the directors. The board meetings became the sites where role dynamics were highlighted, specifically by governors. Thirdly, the existence of two boards led to the struggle of both the directors and governors to gain supremacy and legitimacy in boards. It became explicit when executive directors avoided governors' accountability due to their inferior status and refused to acknowledge their roles. In response, governors mobilized to form coalitions to take collective actions against the directors in board of governors' meetings.

Although directors and governors were often frustrated during board of governors' meetings, the positive or negative influence of relational tensions on board outcomes and effectiveness is yet to be determined. Our findings show that the perceived purposive tension built into the governance structure of NHS FTs influenced the way directors and governors worked together to achieve board agendas. The disorderliness frequently created in board of governors' meetings, prevented the flow of the meetings since the governors kept on emphasizing their interests within the context of the agendas. It would be worthwhile, therefore, to explore whether board effectiveness is achieved due to a perceived build-up of tensions within the NHS FTs or to the rhetorical claims made by

the policy makers. Further, it will be useful to replicate the findings of this study in routine board interactions through a larger study since board practices vary as per circumstances. This will determine if the dysfunctionality of the relationships between directors and governors amplify during crisis. This study also indicates the sense of powerlessness of the governors. Future research can explore its role in influencing board dynamics.

The findings of this paper are informative for both practitioners and policy makers in the NHS in two main ways. First, the ambiguities in the governors' role, and the overlapping of their roles with the NEDs to improve accountability, creates relational tensions as governors struggle to gain acceptability in board meetings. Secondly, boards of governors appear to be passive bodies where members are given limited time to discuss and debate several agendas within board meetings. The exceptionally large size of each board of governors has given rise to concerns over the impact of this substantial membership on the effectiveness and outcomes of these board meetings. It is important, therefore, for policy makers to clarify governors' roles in these NHS FTs. It is also vital to design processes that would elevate governors' feelings to enhance their enthusiasm, knowledge, and experience in the governance process.

Statement of ethics approval:

This study did not require approval from the NHS ethics committee. The ethics approval was taken from University of Essex. The reference no is 10/EB/44/HM.

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Fig 1: Themes and thematic categories