

| Version Number | Description of Changes | Effective Date |
|----------------|------------------------------------|----------------|
| 1 | Initial release | 2017-02-22 |
| 2 | Multiple policy and format updates | 2025-06-18 |

Policy Objectives

To establish a rigorous, transparent process aligned with the responsibilities of the Executive Performance and Development Committee (EPDC), for conducting an annual evaluation of the Chief Executive Officer's performance based on the Strategic Alignment and Performance Framework.

Guiding Principles

- 2.5.0** The Chief Executive Officer's annual performance appraisal is based on:
- priority organizational objectives, aligned with the organization's strategic planning and operational plan, aimed at improving the programs and activities of support services, administrative services and clinical programs, including service delivery;
 - the criteria defined in the Chief Executive Officer's performance evaluation grid;
 - compliance with the Board's policies on purposes and within the limits established in the Board's policies on executive constraints.

Definitions

Board goals: Strategic directions defined by the Board of Directors, outlining expected outcomes for patients, families and the community.

Chief Executive Officer Performance Evaluation Grid: Structured tool used to evaluate the Chief Executive Officer's performance according to qualitative and quantitative criteria.

Corporate Operational Plan: Plan detailing the annual activities required to implement strategic planning.

EPDC (Executive Performance and Development Committee): Committee of the Board of Directors responsible for overseeing the performance evaluation of the Chief Executive Officer and Chief of Staff, recommending performance objectives and making recommendations related to compensation.

Executive constraints: Board policies governing the limits within which the Chief Executive Officer must operate to achieve objectives.

Priority organizational objectives: Key objectives identified for the current year, aligned with overall HGH strategy.

Quality Improvement Plan (QIP): Annual document identifying priorities in terms of quality of care and patient safety, submitted to the Board for approval.

Procedure

- 2.5.1** The Board of Directors will ensure that an effective process is in place for the annual performance appraisal of the Chief Executive Officer based on the following elements:

- Review strategic priorities and operational plan for current year;
- Discuss opportunities for improvement with senior management;
- Discuss future plans and priorities.

- 2.5.2** The Board of Directors delegates oversight of the Chief Executive Officer's performance appraisal process to the EPDC. This committee is responsible for :

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- develop the Chief Executive Officer's performance objectives and recommend them to the Board for approval ;
- conduct the Chief Executive Officer's annual performance appraisal, including discussions with the Chief Executive Officer;
- make recommendations to the Board on the results of the evaluation and on annual compensation (including bonuses);
- support succession planning for the Chief Executive Officer.

Evaluation Process

The evaluation process will include the following steps:

- 2.5.3** In the fall, as part of the Board of Directors' annual retreat, the Chief Executive Officer presents the status of current priorities and proposes organizational priorities for the coming year. The Board will provide its suggestions and comments.
- 2.5.4** In January or December, the Chief Executive Officer will present the final version of the organizational objectives to the Board of Directors for approval.
- 2.5.5** In March, the EPDC reviews the priorities proposed by the Chief Executive Officer, in relation to strategic and operational plans, including the Quality Improvement Plan (QIP) through the Quality Committee, and the budget through the Finance and Planning Committee. The EPDC makes recommendations to the Board.
- 2.5.6** Approval of the complete plan will take place at the March board meeting, so that the plan and budget are ready for April 1, marking the start of the new fiscal year.
- 2.5.7** Annual priorities and action plans proposed by the Chief Executive Officer will be aligned, where appropriate, with the Corporate Operational Plan and the Quality Improvement Plan.
- 2.5.8** In addition, the annual priorities and action plans proposed by the Chief Executive Officer will be linked to the five strategic directions and the twelve priorities of the Strategic Plan.
- 2.5.9** At the end of the fiscal year, the Chief Executive Officer will submit a self-evaluation document to the EPDC, describing achievements in relation to the plan approved by the Board, as well as any other accomplishments he or she wishes to present. It will also cover the items on the evaluation grid.
- 2.5.10** The EPDC may collect additional information on each of the evaluation components (i.e. compliance reports, annual QIP report, etc.) as agreed with the Chief Executive Officer. The EPDC will solicit comments from Board members regarding the evaluation points in the grid.
- 2.5.11** The EPDC will review the information received and confirm the rating given to the results of the performance self-assessment. The EPDC will prepare an evaluation report for approval by the Board of Directors.
- 2.5.12** In the event of disagreement, the Chair of the EPDC, or the committee as a whole, will discuss the results of the assessment with the Chief Executive Officer.
- 2.5.13** The EPDC will then present a report and recommendations on the Chief Executive Officer's performance and bonus rate to the Board of Directors at its April or May meeting.

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References

- ❖ **HGH Bylaws:** Official document governing the operation, powers, responsibilities and structure of the Board of Directors and the governance of the HGH.
- ❖ **Terms of Reference for Board Committees:** Document setting out the mandate, composition and responsibilities of Board committees.
- ❖ **Chief Executive Officer Performance Evaluation Grid:** Reference document used to conduct the annual appraisal.
- ❖ **HGH Strategic Plan:** Document defining the vision, mission, values and strategic orientations for a given period.
- ❖ **Quality Improvement Plan:** A tool regulated by the *Excellent Care for All Act*, used by Ontario healthcare facilities.
- ❖ **HGH Annual Operating Plan:** Document that translates the organization's strategic priorities into concrete actions for the coming year, defining objectives, initiatives, responsibilities, timelines and performance indicators for all clinical, administrative and support areas.

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Appendix A - Timetable for the Chief Executive Officer's annual appraisal process

| Period | Step | Manager(s) |
|-------------------------------------|---|---|
| September / October | Presentation by the Chief Executive Officer of progress on current priorities and proposed priorities for the following year, as part of the Board of Directors' retreat. | Chief Executive Officer Board of Directors |
| January or December | Final version of priority organizational objectives presented for approval. | Chief Executive Officer Board of Directors |
| March | Review of priorities by EPDC (in relation to strategic plan, QIP and budget). Recommendations to the Board. | EPDC Quality committee Finance and Planning Committee |
| March (Board meeting) | Final approval of the plan and budget for the fiscal year beginning April 1. | Board of Directors |
| April / May | Presentation by EPDC to the Board: evaluation report, recommendations on performance and bonus. | EPDC Board of Directors |
| March to May | Gather feedback from board members, analyze Chief Executive Officer self-evaluation, obtain supporting documents (compliance reports, QIP, etc.). | EPDC |
| End of fiscal year | Submission of the Chief Executive Officer's self-assessment, including achievements in relation to the approved plan and the evaluation grid. | Chief Executive Officer EPDC |
| In the event of disagreement | Discussion between the EPDC (or its Chair) and the Chief Executive Officer on the results of the assessment. | EPDC Chief Executive Officer |

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Appendix B - Chief Executive Officer performance evaluation grid

The following grid is used by the Board of Directors to assess the Chief Executive Officer's performance on an annual basis. Each criterion is accompanied by a space for comments to enable qualitative feedback.

| Criteria | Comments |
|---|----------|
| 1. Leadership | |
| 1.1. Proven strategic thinking | |
| 1.2. Creative and determined | |
| 1.3. Board relations - a culture of no surprises | |
| 1.4. Unquestionable credibility and integrity | |
| 1.5. Senior management - developing operational plans | |
| 2. Quality and operations management | |
| 2.1. Quality, service and patient safety results - against plan | |
| 2.2. Incorporates patient experience into all operations | |
| 2.3. Quality processes | |
| 2.4. Use of resources | |
| 2.5. Administrative controls | |
| 3. Financial management | |
| 3.1. Operating costs - versus plan | |
| 3.2. Financial information | |
| 3.3. Capital reserves and planning | |
| 3.4. Risk management | |
| 3.5. Revenue generation - Market development | |

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| 4. Talent management | |
| 4.1. Management team development - succession planning | |
| 4.2. Lens cascade - LEM | |
| 4.3. "Rounding up employees through leadership | |
| 4.4. Model acting with tenacity and resilience | |
| 4.5. Upward and downward motivation and communication | |
| 4.6. Earns and maintains the respect of employees, medical staff, volunteers and the Board of Directors | |
| 4.7. Attracting and retaining staff | |
| 4.8. Relationships | |
| 5. Relationship management | |
| 5.1. Medical staff | |
| 5.2. Donors and Ministry | |
| 5.3. Community leaders and communities | |
| 5.4. Media | |
| 5.5. Other organizations and partners | |