



Regional Health

POLICIES PROCEDURES STANDARDS GUIDELINES

TITLE:	CEO Performance Evaluation and Compensation	NUMBER:	BD-05
CATEGORY:	Board of Directors	PAGE:	1 of 3
DEPARTMENT SERVICE/PROGRAM:	Board of Directors	POLICY	<input checked="" type="checkbox"/> PROCEDURE <input checked="" type="checkbox"/>
INTERNAL DISTRIBUTION:	n/a	GUIDELINE	<input type="checkbox"/> STANDARD <input type="checkbox"/>
APPROVED:	Board of Directors	EXTERNAL DISTRIBUTION:	
		APPROVAL DATE:	April 11, 2001
		REVIEWED:	Oct. 19, 2011
		REVISED:	April 6, 2011

POLICY:

The Chair shall appoint an Evaluation & Compensation Committee as a Sub-Committee of Executive Committee of at least four (4) members.

The Evaluation and Compensation Committee shall review the process of Performance Evaluation and complete the CEO performance appraisal on an annual basis. Pursuant to Bill 46, a performance range of 0% to 10% will be assessed using the following criteria:

Achieving Results

1. Building Strategic Partnerships
2. Collaboration
3. Impact and Influence
4. Organizational Awareness
5. Results Orientation
6. Service and Quality Orientation

Leading Effectively

1. Building Organizational Capacity
2. Holding Self and Others Accountable
3. Visionary Leadership

Thinking Critically

1. Business Acumen
2. Strategic Orientation

Personal Effectiveness

1. Interpersonal Sensitivity
2. Leadership Presence

The Pay Rate for the CEO position will be established consistent with Bill 46 at the 50th Percentile of 300-499 bed hospitals participating in the annual OHA Salary Survey and the OHA Publication, "Guidelines and Principles for Hospital Executive Compensation" as a guide as per policy BD-06. This defined market and standard will be reviewed every three years to determine if it is still appropriate. The 50th Percentile of the survey will form the base salary. Up to 10% may be added as variable compensation based on

performance, such that pay based on performance will be a sum of up to 10% + any change in the base rate.

PROCEDURE:

The Evaluation & Compensation Committee will review annually the process of soliciting input prior to the completion of the Performance Appraisal. Each year the Committee will complete the evaluation using the following procedure:

1. Consistent with the TBRHSC Quality Improvement Plan, The CEO Goals and Objectives will be established at the beginning of the year and reviewed quarterly and prior to the completion of the performance evaluation.
2. The CEO will complete a self-evaluation for the review with the committee.
3. The committee will solicit input from Board members. Each Board member will complete multi-rater feedback form approved by the Evaluation and Compensation Committee.
4. The committee will meet to review all relevant factors that will go into the final evaluation. This will include:
 - a. A review of CEO Annual Goals and Objectives.
 - b. A review of strategic planning initiatives.
 - c. Input from stakeholders.
 - d. An anecdotal review of major events and milestones of the past year.
5. Some of these items will be measurable, but many will require the exercise of judgment by the committee members. This judgment must be exercised in good faith in a manner consistent with the Mission, Vision and Values of the Health Sciences Centre.
6. At a final meeting with the CEO, the committee will review its determinations, review the CEO's self-assessment, and finalize the evaluation.
7. At this point the committee will meld the results of the evaluation with the incumbent's position relative to the target market. A recommendation to the Board will include this review and the comparison between relative market position and relative performance. The recommendation will include base salary plus performance component of up to 10% of base salary.
8. Following approval, the committee will work with the CEO to set Goals and Objectives for the coming year.
9. Following the conclusion of the process the committee will meet to review its own internal procedures, forms, membership and administrative support to assure continuous improvement in the future.

CEO Performance Evaluation and Salary Review Process

