



BOARD MANUAL

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SUBJECT:	Board Recruitment and Succession Planning		

Purpose

To ensure that the Board is consistently comprised of individuals who possess the skills, qualities, diversity and experience to collectively govern the Board effectively, this policy describes the procedures, selection criteria, process requirements, and practices to be applied during the recruitment and succession planning process.

Responsibilities

The responsibilities of the Governance and Community Engagement Committee (GCEC) in board recruitment and succession planning are stated in Policy 3-C-20, Terms of Reference – Governance & Community Engagement Committee. For greater clarity, the **GCEC** is responsible for:

- a. The annual recommendation of the Nominations Sub-Committee membership to the Board, and overseeing the work of the Nominations Sub-Committee
- b. Board succession planning in consultation with the Executive Committee
- c. The nomination of candidates for appointment as Directors at the Annual Meeting of the Corporation
- d. The nomination of candidates for the positions of Board Chair, First and Second Vice-Chairs and Treasurer and non-director Committee Members (also referred to as Community Members) at the special meeting immediately following the Annual Meeting of the Corporation
- e. The recommendation of Committee Chairs and assignment of committee membership among Directors and Community Members
- f. The review of and recommendations to the Board regarding the appointment of vacant positions or removal of directors or community members in midterm
- g. The administration of performance evaluation, and the review and development of skills, competencies, and expertise needed to achieve the Board's mandate
- h. The maintenance of policies required to effectively carry out the above functions

Only nominees recommended by the GCEC through the nomination process set out in this policy shall be eligible for appointment.

The Chair of GCEC is responsible for providing regular updates on board recruitment and succession planning to and seeking input as required from the Executive Committee.

The **Nominations Sub-Committee** is responsible for conducting the annual board recruitment process (Step 2) and making recommendations to the GCEC in accordance with this policy.

Members of the Corporation, who are also Directors of the Board, elect board directors at each year's annual meeting.

The **Board of Directors** are responsible for:

- a. Appointing the Chair and, members of the Nominations Sub-committee, based on the recommendation of the GCEC
- b. Providing input on candidates for nomination provided by the GCEC (pre-nomination)
- c. Electing the Chair, Vice-Chairs, Treasurer, Committee Chairs, and Committee Community Members
- d. Appointing the Past Chair as necessary
- e. Approving the membership of board committees

Guiding Principles

The following principles will guide the administration and decision making of all board recruitment and succession development activities.

- a. The recruitment, appointment and re-appointment processes will be consistent, rigorous and transparent.
- b. The appointment of Directors, Officers, Committee Chairs and Committee Members, the appointment of the Past Chair, and the granting of a one-year term extension as Past Chair will be based on skills, experience, personal qualities, expressed interests that best meet the skills and experiences outlined in the board skills matrix.
- c. The reappointment of Directors, Officers, Committee Chairs and Committee Members will be based on evaluation and will take into consideration attendance and results of the annual board evaluation including self and peer assessments. Renewal is not automatic.
- d. The Board should strive to recruit individuals with a mix of background, experience, and competencies that will enable GRH to achieve its strategic goals, fit well with the Board's needs, and that would help bring the diverse perspectives of the community GRH serves.

Processes

1: Needs Assessment and Recruitment

By December of each year, GCEC will survey all current board members and non-director committee members to:

- a) Review the board renewal cycle to identify upcoming vacancies
- b) Identify members' future intentions with respect to tenure, interest in committee membership and in taking on any of the leadership roles as a committee chair or

board officer. In the case of Committee Chairs, the respective outgoing Committee Chair provides feedback to the Chair of GCEC.

- c) Request a self-assessment of members' skills;
- d) Conduct a peer evaluation of all Board and Committee Members; and
- e) Develop a skills matrix of the Board and Committees.

In December or January, the GCEC will:

- a) Recommend to the Board the composition and Chair of the Nominations Sub-Committee; and
- b) Consider the need for any special Directors

2: Recruitment by the Nominations Sub-Committee

January to end of April

The Nominations Sub-Committee will conduct the annual recruitment process as follow:

- a. Begin the recruitment process by:
 - Inviting non-director members of committees to apply for vacant director positions;
 - Encouraging Board Members to recommend candidates;
 - Invite the Cities of Kitchener and Waterloo as well as the Region of Waterloo to provide nominees for consideration as part of the nominations process and
 - Advertising vacancies in local media as well as on the hospital website.
- b. Invite the current Board Chair to attend at least one committee meeting to discuss the current board skills profile, the effectiveness of the Board, and required skills for the next and future years.
- c. Receive all applications for appointment or re-appointment, either through an independent application process; nominations by the municipalities as described in 2 a) above; or nominations by members of the Corporation in accordance with Section 4.1(b) of the By-law.
- d. Review prospective candidates against the skills matrix as identified by the Board and described in this policy.
- e. Develop a short list of candidates for interview. In certain circumstances, Directors standing for re-appointment may be interviewed by the Nominations Sub-Committee. The Sub-Committee may recommend Directors and Special Directors who have been through a recruitment process for appointment or re-appointment without an interview.

- f. Interview short -listed candidates to assess their interest and qualifications against the Board's needed competencies.
- g. Prior to recommending any appointment of a new Director or Special Director, the Chair of the Nominations Sub-Committee will conduct a reference check.
- h. By the May GCEC meeting, recommend to the GCEC nominees for appointment or re-appointment to the Board, committee assignments among existing Directors, appointments of non-director Committee Members, and candidates for the positions of Chair, Vice-Chairs, Past Chair (if applicable), Treasurer and Committee Chairs

3: Recommendations to the Board by the GCEC

- a. Prior to the May board meeting, advise candidates that the committee has identified them as a potential Director or Committee Member and confirm if they would be willing to take on the proposed responsibilities.
- b. At the May GCEC meeting, finalize the recommendations for Directors, Officers, Committee Chairs and Committee Members.
- c. At the May board meeting, provide the Board with information about the candidates and consider the Board's feedback.

4: Appointment Process

At the Annual Meeting of the Corporation in June, the Chair of GCEC will present the proposed candidate(s) for Director(s) of the Corporation for election. The Governance and Community Engagement Committee may, at its discretion, present all nominees together as a slate. If the slate is not approved, the Chair shall call for a vote separately for each nominee. If any nominee is not successfully appointed by the voting members of the Corporation at the Annual Meeting, the GCEC will nominate a new candidate for appointment either at the same meeting or a subsequent meeting of the Members of the Corporation.

5. Appointment of Officers, Committee Chairs and Committee Members

At the organizing meeting immediately following the Annual Meeting of the Corporation, the proposed candidates for Officers, Committee Chairs and Committee members will be presented by the Chair of the GCEC to the Board of Directors for approval. If any candidate is not successfully appointed by the voting Directors at this meeting, the GCEC will nominate a new candidate for appointment either at the same meeting or at a subsequent regular Board meeting.

Selection Criteria

1: Individual Competencies

The Board requires that all Directors have the following skills and personal qualities:

- a. Strategic Leadership:
 - i. A commitment to the mission, vision and values of the Corporation, the internal strategic plan of the Corporation and its responsibilities as a publicly funded hospital
 - ii. The capability to exercise leadership in the development of the Corporation
- b. Analytical Decision-Making:
 - i. An understanding of the strategic impacts of identified issues and proposed recommendations and impacts
 - ii. A capacity to resolve difficult and complex issues
 - iii. An ability to analyze situations and problems from a systems perspective
 - iv. The capacity and ability to provide valued knowledge, experience and counsel to the Board, the CEO and Chief of Staff
- c. Financial literacy applicable to health care
- d. Governance literacy:
 - i. An understanding of a director's role and fiduciary duties, and the role of the Board
 - ii. An understanding of the distinction between the strategic and policy role of the Board and the day-to-day operational responsibilities of management
 - iii. An understanding of the range of obligations and constraints imposed upon directors of the corporation
- e. Integrity:
 - i. Personal integrity
 - ii. Objectivity
 - iii. High ethical standards
 - iv. Respect for the views of others
- f. Commitment:
 - i. Make an active contribution at meetings and on behalf of the Board where required
 - ii. Demonstrate a willingness to devote the time necessary to board work, including orientation and education
- g. Communication: An ability to communicate effectively

- h. Teamwork: Demonstrated ability to work as part of a team
- i. Conflict Resolution: An absence of potential conflicts and ability to recognize and manage potential conflicts of interest

2: Collective Competencies

The Board requires the following collective competencies:

- a. High level of leadership and/or executive experience
- b. Strategic planning experience
- c. Board and governance experience
- d. Business acumen
- e. Finance and audit skills and experience
- f. Experience in the health field and an understanding of the provincial and local health care landscape and dynamics
- g. Knowledge of the academic environment including health sector related research and health professional education
- h. Government relations
- i. Legal
- j. Risk management/ insurance
- k. Quality and performance management
- l. Human resources/ labour relations
- m. Information technology and information management
- n. Ethics
- o. Public affairs, communications and stakeholder/community engagement
- p. Patient and health care advocacy
- q. Community knowledge and involvement
- r. Other specific knowledge and/or experience that the Board may identify from time to time.

Committee Assignments

The goals in committee assignment among directors are as follow:

- a. Provide exposure to the Board's overseeing role in core functions/services of the hospital
- b. Encourage individual Directors to experience a variety of board committees
- c. Ensure continuous renewal of committee membership

- d. Provide opportunity for Directors to demonstrate leadership skills and assess them for potential Committee Chair positions

Relevant Provisions

- a. No more than two (2) consecutive 3-year terms are served by any Director on any one standing committee
- b. Each director shall serve on the Quality and Patient Safety Committee at least one year within their first two (2) consecutive terms
- c. Based on experience, skills & interest, each Director is assigned to one or more standing committees each year
- d. Ex-officio members (CEO, COS, CNE and Chair of Medical Staff Association) are not eligible to be the Chair or a Vice-Chair (By-law 5.1.c).

Selection of Committee Chairs

In considering the selection of Committee Chairs, the goal is to identify individuals who possess the skills and key attributes for higher leadership position. Committee chairpersonship provides leadership development and assessment opportunities. All Committee Chairs should plan for and prepare a committee member to act as their alternate during their absence.

All current and former Committee Chairs are in a “succession pool” for consideration for the Vice-Chair positions.

Relevant Provisions

- a. See Terms of reference for the Nominations Sub-Committee (3-C-25) for selection limitation for the Chair of the Nominations Sub-Committee
- b. The Treasurer will become the Chair of the Resources Committee

Experience Considerations

- a. Completion of at least one year as a Director
- b. Minimum of one (1) year served on the committee for which the candidate is being considered; a minimum of one (1) year as a standing Committee Chair; or experience and knowledge that supports a successful chairpersonship
- c. Willingness to make the commitment to as a Committee Chair
- d. Subject matter confidence

Selection of the Board Vice-Chairs

In selecting the Vice-Chairs, the goal is to select the best candidates that meet the needs at the time. The Vice-Chairs are usually being prepared for the role of Chair. Dependent on the tenure, and the current needs of the Board, the progression from the Second to First Vice-Chair and from the First Vice-Chair to the chair position may not be automatic, or in that sequence.

Experience Considerations:

- a. Completion of at least two years as a Director
- b. Experience in having chaired a minimum of one standing or special committee of the Board
- c. Potential for a constructive working relationship with the President / CEO
- d. Ability to take on the responsibilities of the Chair at any given time during the term as one of the Vice-Chairs

Selection of the Board Chair

In selecting the Board Chair, the goal is to select the best candidate for the position that meets the needs at the time.

Term of Board Chair

The Board Chair will serve an initial term of one (1) year, renewable annually at the discretion of the Board. The tenure of the Board Chair is normally two (2) years, but may be more or less, dependent on the needs and requirements of the Board and the hospital. No one may serve as Board Chair for more than three (3) consecutive years.

Experience Considerations:

- a. Minimum of three (3) years served on the Board
- b. Minimum of one (1) year served as Chair on a standing Committee
- c. Able to promote an active, involved & informed board
- d. Be progressive and seek alignment between government priorities and stakeholder requirements
- e. Demonstrates the desired competencies that 'fits the needs of the time
- f. Leadership qualities that set the 'Tone at the Top'

Appointment and Term of Past Chair

An individual may be appointed as the Past Chair for a non-renewable, one-year (1-year) term upon completion of their term as the Board Chair.

Mid-term Appointments

Director Vacancy – refer to Article 4.5 of the by-law

Committee Member Vacancy

If a mid-term vacancy arises on a committee or the need for an additional committee member is identified outside of the usual annual appointment process, the Chair of the Committee may recruit and recommend a suitable candidate to the GCEC. The GCEC will nominate the candidate to the Board for the appointment.

Committee Chair or Board Officer Vacancy

In the event of a mid-term vacancy of a committee chair or board officer, the GCEC will be guided by the process and considerations stated above and nominate a director for appointment as a committee chair or an officer by the Board.

The term of all mid-term appointments is for the remaining period of the current one-year term.

Conflict of Interest

The Nominations Sub-Committee will ask each candidate recommended for appointment to disclose any material relationship with the Corporation that may potentially result in a conflict of interest or interfere with the exercise of the individual's independent judgment. The Nominations Sub-Committee will consider potential conflicts within the context of the By-law and the Conflict of Interest Policy (3-B-5) in assessing the suitability of the candidate for recommendation.

In the event that members of the GCEC are also seeking appointment as officers or committee chairs, they will be excluded from the GCEC's deliberations in relation to the position for which they are a candidate.

Appendix A: Application for Board of Directors/Board Committees

References

Grand River Hospital Corporation By-law No. 1 (2016)

- Article 4 – Board of Directors
- Article 5 – Officers of the Board and of the Corporation
- Article 7 – Committees of the Board

3-B-5 Conflict of Interest Policy

3-B-10 Statement of Roles and Responsibilities of the Board

3-B-15 Position Description for the Board Chair

3-B-15.1 Position Description of the Past Chair

3-B-16 Duties of the Vice-Chairs

3-B-19 Position Description of a Board Committee Chair

3-B-14 Duties and Expectations of a Director

3-C-20 Governance Community Engagement Committee Terms of Reference

3-C-25 Nominations Committee Terms of Reference

4-D-2 Board Orientation

4-D-6 Board Evaluation Process