

PRESIDENT & CHIEF EXECUTIVE OFFICER SUCCESSION PLANNING PROCESS

BRD 435

INTRODUCTION

The Board of Directors of Northern Health (the “Board”) has laid out a process for President and Chief Executive Officer (the “CEO”) succession planning, which assigns responsibility to the CEO for preparation of a succession plan. This plan is provided to the Governance & Management Relations Committee (the “GMR Committee”) for review; the responsibility for approval of the plan rests with the Board.

PROCESS

There are three components to CEO succession and coverage planning:

1. Vacation and other short term coverage.

It is expected that there will be times when the CEO will be unavailable for short periods due to vacation or participation in events or conferences. During these occasions the CEO will ensure that appropriate executive level coverage is in place and communicated.

2. Immediate coverage should the CEO become unavailable indefinitely or for an uncertain period.

Should the CEO not be available, Northern Health will require interim leadership until a replacement can be found, or until the incumbent is able to return. During this time, the organization’s primary need is for stability of direction, stability of financial management, and effective communication between the Board, executive team, key external bodies, and the provincial government.

Upon notification that the CEO has become unavailable, the following actions occur:

- a. The Board Chair (the “Chair”) will convene a meeting to advise the Board of the situation and seek a decision by the Board that the succession plan should be implemented
- b. The Chair will consult with the Minister of Health and/or Deputy Minister regarding a proposed candidate for interim CEO
- c. The Chair will communicate to the interim CEO the need to assume acting duties for an interim period, and develop with the interim CEO an immediate communication to all staff and medical staff, Board members, and key external audiences identifying the appointment of an interim CEO

Author(s): Governance & Management Relations Committee

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The Board will normally designate an interim CEO from the Executive due to their familiarity and knowledge of Northern Health and of Board and Ministry of Health processes. The Chair, in consultation with the Board, will assess the needs and issues facing the organization and recommend an interim CEO to the Board who is best positioned to address these needs. The Board may choose to select an interim CEO external to the organization if circumstances are such that an external appointment will best serve the needs of Northern Health. At this meeting consideration should be given to the likely duration of the acting assignment for the interim CEO and the approach to compensation that is warranted

If the interim CEO is designated from the Executive, the Chair should provide the interim CEO with an opportunity to develop a plan to reassign their existing duties to ensure that the CEO duties will be assumed on a full time basis. Upon assignment of these duties, the Chair will confirm the appointment of the interim CEO. The interim CEO will exercise all authority resting in the CEO position subject only to such reporting and monitoring requirements as the Board may wish to adjust for the duration of the interim appointment.

3. Executive Search for a Permanent CEO

When the Chair determines a permanent replacement for the CEO is required, the Chair will convene a meeting of the Board to establish a task force to direct the recruitment process and will normally assign to the Vice President - Human Resources the task of preparing recommendations for the search process for consideration by the Board, including the potential use of an executive search firm.

There is considerable depth of knowledge and skill on the executive team of Northern Health. A number of executive team members would potentially be capable of assuming the CEO position in Northern Health or elsewhere. The development of these senior leaders is a critical component of effective long term CEO succession planning.

Therefore, the CEO will identify those executive team members with the leadership attributes and competencies necessary to perform CEO level work. The CEO will work with these leaders to ensure that ongoing developmental and learning opportunities are made available. Annually, and in accordance with the GMR Committee work plan, the CEO will prepare a succession plan. The CEO will provide the Board, in a Board-only session, with a summary report outlining those executive team members who are demonstrating CEO level competencies and leadership attributes.

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