CAMPBELLFORD MEMORIAL HOSPITAL	Subject: **ANNUAL CORPORATE GOALS**
Board of Directors Policy Manual	Policy # 5-330 Approved by: Board of Directors Issue Date: February 2023

Revised (R) / Reconfirmed (RC) Dates

POLICY

The Board has an active role in the oversight, insight and foresight with respect to annual corporate goals. Specifically the Board will have appropriate

a) Oversight – Monitoring of goals
b) Insight – Ensuring goals are SMART (Specific, Measureable, Achievable, Realistic, Timely)
c) Foresight – Goals are weighted to reflect a desired strategic end position

PURPOSE

To ensure the Hospital establishes, monitors and takes appropriate action with respect to annual corporate goals consistent with the Corporation's strategic plan inclusive of the vision and mission.

PROCEDURE

Establishment of SWOT (Strengths, Weaknesses, Opportunities, Threats)

The Board will provide Oversight, Insight and Foresight through a collaborative approach working with Management to:

1. Develop a current SWOT (Strengths, Weaknesses, Opportunities, and Threats) position for the Hospital, which is consistent with the strategic plan.
2. Create a revised SWOT, utilizing the previous SWOT, which is reflective of the current Mission, Vision and Values.

Development of Annual Corporate Goals

1. Management will prepare draft goal statements following a template outlined in Appendix A for consideration by the Board. The goals will be based upon a number of factors including:
   - a revised SWOT
   - external policy directions such as MoH or Ontario Health policy
   - previous year's goal status

2. Management will categorize the goals into the scorecard categories of:

   i. Experience (Representing experiences of patients, and clients)
   ii. Quality (Inclusive of activities from the Quality Improvement Plan)
   iii. People (Including Staff Satisfaction, and Talent Management)

iv.   Finance (Inclusive of Operating and Capital Expenditures)

3. Board committees will review, revise and recommend the goals for approval to the Board.

Goal Category	Committee Responsible for Review
Experience	Quality
Quality	Quality
People	Resource/Audit
Resources	Resource/Audit

Targets for Each Goal

Management will draft for the Board's consideration targets for each goal using a 5-point scale.

- Score 1 - Below expected performance
- Score 2 - Predictable outcome based upon previous experience
- Score 3 - A stretch target which meets the expected outcomes.
- Score 4 - Breakthrough Exceeding Expectations.
- Score 5 - Significant Breakthrough Exceptional performance.

Notes

Predictable performance (score of 2) could include a result that is a negative slide from the previous year, holding the gains from the previous year, or an improvement over previous year that occurs without any focused effort. The predictable performance is the reference point for all other scores.

Predictable performance (Score 2) is evidenced based such as documented reference points, external performance targets, etc.

Stretch Targets are results that "nudge the dial" above the predictable performance. The results can only be achieved through planned activities by the corporation.

Breakthrough Performance includes results that were not anticipated in the "normal course" of performance improvement.

Weight Assigned to each Goal

1. Management will propose overall weights for the goals having considered the significance of each goal as it pertains to the vision and mission of the organization

2. The Board will finalize the weights.

   The corporate goals will be weighted by relative importance, with the sum of all goal weights totaling 100%. It is recommended that goals have a weight of 10% or higher to ensure there is a degree of significance. As there are a small number of goals (maximum of 10), there is no need to have goals with a" must have achievement" or minimum threshold.

Board Oversight - Responsibility for each Goal

Following approval of the annual corporate goals, the Board will deliberate on the respective role it will assume pertaining to each goal.

Board

The Board will develop an annual work plan that links its activity to each corporate goal.

Committees

Each of the goal will be assigned to a committee for oversight. Each committee will have a work plan to outline tasks it will undertake in supporting the achievement of the corporate goals. Tasks could include – oversight of reported outcomes (e.g. the scorecard), insight - supporting the development of strategies to help achieve the goal, or foresight - discussing long term break through targets.

A scorecard will be prepared by Management outlining progress against the target, status and commentary. The scorecard will highlight the status of the goal as follows

The status of each goal will be reported upon including:

Green – on plan, or achieved goal.

Yellow – In progress, no definitive trend to suggest goal will not be achieved.

Red – Likelihood of not achieving goal.

When a scorecard indicates that a goal is in the red category, Management will provide a description of the problem and outline a corrective action. In cases where the scorecard indicates either yellow or green, there will be no additional information provided to support a "deep dive".

Exception Rule

In the course of normal operations in healthcare, there are factors beyond the control of the organization, which can negatively impact performance. To ensure that appropriate and accountable performance is measured, the organization has made a provision for exceptions to the calculations of performance targets. More specifically either the CEO or COS may propose to the board exceptions to the method of calculation of performance measures during the fiscal year. For example, should the hospital incur a significant and unusual patient disease admission (eg SARS) these volumes may be removed from calculation of expected performance.

CEO Annual Work Plan

The CEO will develop an annual work plan that links his/her activity to each corporate goal.

i.   The CEO's work plan will be documented in the corporate accountability structure such as LEM (Leader Evaluation Manager – A Studer Group Software Program which includes an automated tracking of corporate goals and related 90 day action plans of managers)

ii.   The CEO will include in his/her monthly report to the Board a status report of each goal versus the plan. In addition the report will include an overview of activities the management team is undertaking in support of the goals.

Year End Evaluation of Goals

1. Staff and Board Performance evaluation

The annual corporate goals will be utilized to inform the evaluation of staff and Board performance. In some cases the total corporate performance may be utilized, in other cases, a sub set of the goals may be factored into the evaluation of the staff member. Annual corporate goals can also be utilized to evaluate team performance.

2. Corporate Performance evaluation

a. Calculation of

The overall corporate performance is calculated having considered the weight of each goal and the relevant year-end score of the measure associated with the goal. The example below depicts a year-end position with 4 annual goals.

	Weight	Year End Measurement Score (1-5)	Total
Goal 1	50%	3	1.50
Goal 2	10%	2	0.20
Goal 3	10%	4	0.40
Goal 4	30%	3	0.90
Total	100%		3.00

b. Expected Minimum Corporate Performance

Utilizing the framework for targets (above), where "3" represents a stretch target, an overall total score of 3 or more would result in overall organizational performance objectives being met. (Note: this suggests that it is possible to have a goal with a yearend score of less than 3).

Appendix A

Goal Setting Template

1. Goal Statement.

Insert SMART Goal Statement:

2. Rationale – Describe why the goal is of strategic importance to the organization.

3. Outline Proposed Targets

	Score	Target	Evidenced Based rational for the Target
Under Performance	1		
Predictable	2		
Stretch	3		
Breakthrough	4		
Significant Breakthrough	5		

Appendix B

Evaluation and Monitoring of this Policy and Procedure

The compliance with this policy and evaluation of the appropriateness of the policy will be carried out by

Most Responsible	Activity	Frequency
Chair of Board		
President/CEO		
Chief of Staff		
Board of Directors		
Quality Committee		
Governance Committee	Review of Policy for effectiveness	Annual
Resource Committee		
Other		