

Board Policy Manual

Policy & Procedure: DIRECTOR RECRUITMENT, SELECTION AND SUCCESSION	
Developed By: Governance and Nominating Committee	Number: 4-C-1
Date of Origin: May 2018	Review Date: March 31, 2026
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1. Purpose

The purpose of this policy is to ensure that the Board is composed of directors who, collectively, possess the skills, experience, personal qualities, and diversity required to provide effective governance and leadership for the Corporation. This policy establishes an integrated approach to:

- Director recruitment and selection
- Director succession planning
- Orientation, development, and renewal of directors
- Selection of Board and Committee leadership

2. Policy Statement

The Board is committed to a **rigorous, consistent, transparent, and equitable** process for recruiting, selecting, renewing, and developing directors and Board leaders. Through the Governance and Nominating Committee, the Board will:

- Ensure continuity and renewal of Board membership
- Align Board composition with current and future organizational needs
- Promote equity, diversity, and inclusion
- Prepare directors for leadership roles and unplanned vacancies

3. Equity, Diversity and Inclusion

The Board is committed to equity, diversity, and inclusion in director recruitment, selection, and succession. The Board will seek a composition that reflects the diversity of the communities it serves and will conduct all processes in a fair, transparent, and inclusive manner, consistent with organizational values and applicable legislation.

Equity, diversity, and inclusion will be considered alongside skills, experience, and personal qualities when assessing Board composition and candidates.

4. Board Composition and Terms

4.1 Board Composition

Board composition, categories of directors, and voting status are governed by the applicable Hospital Bylaws.

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4.2 Term of Office

Elected directors are elected for terms of up to three (3) years and may serve a maximum of twelve (12) consecutive years, unless extended in accordance with the Bylaws. Director terms are staggered to meet legislative requirements and ensure continuity.

5. Director Recruitment and Selection

5.1 Director Selection Criteria

The Governance and Nominating Committee will assess prospective directors against universal competencies, collective Board competencies, and personal and behavioural qualities to ensure the Board, as a whole, is capable of fulfilling its fiduciary, strategic, and oversight responsibilities.

Director selection is based on the needs of the Corporation at the time of recruitment, informed by the Board's skills matrix, succession plan, and future strategic priorities.

a) Universal Competencies (Required of All Directors)

All directors are expected to demonstrate the following foundational competencies:

Strategic Leadership

Directors must demonstrate the ability to think strategically, align decisions with the mission, vision, and values of the Corporation, and contribute to long-term planning within the context of a publicly funded hospital system.

Analytical and Systems Level Decision-making

Directors must be able to understand complex issues, assess risks and impacts, and analyze matters from a system-wide perspective rather than a narrow or operational lens.

Financial Literacy Appropriate to Health Care

Directors must possess sufficient financial literacy to understand budgets, financial statements, funding models, and financial risks relevant to hospital governance.

Governance and Fiduciary Accountability

Directors must understand the role of the Board versus management, fiduciary duties, statutory obligations, and the ethical and legal responsibilities of directors of a not-for-profit hospital corporation.

Integrity and Ethical Conduct

Directors are expected to act with integrity, objectivity, honesty, and good faith, demonstrating respect for differing views and maintaining confidentiality and trust at all times.

Commitment and Preparedness

Directors must demonstrate the willingness and ability to devote the time required to attend meetings, prepare adequately, participate actively, and engage in orientation and ongoing education.

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Effective Communication and Collaboration

Directors must be able to communicate clearly, listen respectfully, and work constructively as part of a collective decision-making body.

Conflict of Interest Awareness

Directors must be free from unmanaged conflicts of interest and demonstrate the ability to recognize, disclose, and appropriately manage potential conflicts in accordance with Board policy.

b) Collective Board Competencies

In addition to universal competencies, the Governance and Nominating Committee will ensure that, collectively, the Board possesses an appropriate balance of skills, experience, and perspectives, including but not limited to:

- Financial expertise and audit oversight
- Human resources and labour relations
- Risk management and conflict resolution
- Not-for-profit and public-sector governance
- Clinical knowledge and patient advocacy
- Quality improvement and patient safety
- Community engagement and public relations
- Strategic planning and changing management
- Legal, regulatory, and contract management
- Information technology, digital health, and capital projects

The presence or absence of any single competence will be assessed in relation to overall Board composition, rather than as a requirement for every individual director.

c) Personal and Behavioural Qualities

In addition to skills and experience, prospective directors are expected to demonstrate:

- Sound judgment and independence of thought
- Respect for Board decisions and collective accountability
- Ability to engage in constructive challenges without personal bias
- Openness to learning and continuous improvement
- Leadership potential for future Board or Committee roles

6. Eligibility and Disqualification

No person shall be qualified for election or appointment as a director if they do not meet eligibility requirements set out in the Bylaws or if they meet any disqualifying criteria, including those related to age, legal capacity, bankruptcy, conflicts, employment status, or elected office, except where permitted by resolution of the Board.

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6.1 Eligibility

All director candidates must meet the eligibility requirements set out in the applicable Hospital Bylaws and any relevant legislation governing public hospitals and not-for-profit corporations.

6.2 Disqualification Criteria

A person shall not be qualified for election or appointment as a director if they meet any disqualifying criteria under the Bylaws, including but not limited to the following, unless expressly permitted by resolution of the Board where allowed:

A candidate is disqualified if they:

- Are under eighteen (18) years of age
- Have been found incapable of managing property under applicable legislation
- Have been found incapable by a court in Canada or elsewhere
- Have the status of bankrupt
- Are an ineligible individual under the Income Tax Act (Canada)
- Do not reside or carry on business within the catchment area served by the Corporation, except where permitted by Board resolution
- Are a current or former employee or Professional Staff member, except as permitted under the Public Hospitals Act or by Board resolution
- Are a related person to a member of the Professional Staff or an employee of the Corporation, except where permitted by unanimous resolution of the Board
- Have been, within a defined period, an employee, contractor, or credentialed staff member of the Corporation, except by resolution of the Board
- Are an elected official or a candidate for elected office
- Have any conflict of interest that cannot be appropriately disclosed, managed, or mitigated in accordance with Board policy

6.3 Conflict of Interest Disclosure

All prospective directors must disclose any actual, potential, or perceived conflicts of interest. The Governance and Nominating Committee will assess such disclosures in accordance with the Bylaws and the Conflict-of-Interest Policy when determining a candidate's suitability for nomination.

7. Nomination and Election Process

The Governance and Nominating Committee will:

1. Assess current and future Board competency needs
2. Receive and review applications
3. Interview and reference-check candidates
4. Recommend nominees to the Board
5. Conduct elections or appointments in accordance with the Bylaws
6. Whenever possible, ensure geographical representation is equal on the board.

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8. Director Orientation and Development

All new directors will receive orientation to the Board, committees, governance responsibilities, and organizational operations. Mentorship and education opportunities will be provided to support effective contribution and leadership development.

9. Assessment and Renewal of Directors

The Board will regularly assess:

- Board composition and future needs
- Individual director performance
- Leadership potential and development needs

Assessment tools may include self-assessments, peer evaluations, attendance review, and discussions with the Board Chair.

10. Committee Assignments and Leadership

10.1 Committee Assignments

Directors are assigned to committees based on skills, experience, and interest, with the goal of balanced exposure and leadership development.

10.2 Selection of Committee Chairs

Committee Chairs are selected based on experience, performance, leadership capability, and interest, following an annual review process.

11. Selection of Board Officers

11.1 Chair

The Chair is selected through a structured succession process to ensure continuity, effective leadership, and alignment with Board needs.

11.2 Vice Chair

The Vice Chair is selected from elected directors based on leadership readiness, experience, and organizational needs.

11.3 Treasurer

The Treasurer is selected from elected directors based on leadership readiness, experience, and organizational needs.

11.4 Secretary

The Chief Executive Officer shall be Secretary, ex-officio as per the Part A Bylaws Section 8.7 Duties of the Secretary.

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12. Conflict of Interest

All director candidates must disclose any actual or potential conflicts of interest. The Governance and Nominating Committee will assess conflicts in accordance with the Bylaws and Conflict of Interest Policy.

13. Review and Revision

This policy will be reviewed regularly by the Governance and Nominating Committee and revised as required to ensure alignment with legislation, Bylaws, and best governance practices.

References

Hospital Documents: *(based on New Hospital Bylaws Part A)*

GMCH Part A Bylaws Article 3.1 Composition of Board

GMCH Part A Bylaws Article 3.3 Qualifications of Directors

GMCH Part A Bylaws Article 3.8 Nomination Procedure for Election of Directors

NWHC Part A Bylaws Article 3.1 Composition of Board

NWHC Part A Bylaws Article 3.3 Qualifications of Directors

NWHC Part A Bylaws Article 3.8 Nomination Procedure for Election of Directors

Other Documents:

OHA Guide to Good Governance, Fourth Edition, Chapter 7

Keywords