

**11/03/2005**  
***DRAFT***

**PPH**  
**SUCCESSION PLANNING POLICY**

The Board of Directors of Palomar Pomerado Health believes that it is good business practice to promulgate and maintain a "Succession Plan" for its CEO and senior management leadership team.

Therefore, it has adopted the following policy to assist the Board in the event of:

1. An immediate vacancy, unanticipated short-term or long-term caused by the death or extended disability of the CEO; or key member of the management team
2. An impending vacancy that will occur within several months caused by a notice of resignation.
3. An anticipated vacancy from a long-term notice by the CEO or member of the senior management team due to resignation or retirement.

The intent of this policy is to provide clarity to the transition process, with minimal disturbance to the performance and effectiveness of the health system, subsidiaries and related organizations.

**It is the further intent of this policy to encourage and enhance the professional growth and development of the Leadership Team. This may take the form of guidance mentorship, consultation, support and outside educational programs.**

**It is the responsibility of the Chief Executive Officer of the system in consultation with the Board Chair to develop and maintain this plan; and to review such with the Board on an annual basis as part of the incumbent's performance evaluation.**

1. Incapacitation for more than 30 days and less than one year.
  - a. In the event of incapacitation of the CEO, the situation will be evaluated by the Chair and Vice-Chair of the Board in consultation with the Chiefs of Staff of PMC and Pomerado Hospital, to determine the level of incapacitation and the need for immediate appointment of an interim CEO.
  - b. Appropriate arrangements will be made through the system's legal counsel and Chief Financial Officer for the interim CEO to have the necessary signing authority where required.
  - c. Further, a communications plan will be put together by the Board Chair in consultation with the Chief Marketing and Communications Officer to notify senior management, Board members, members of the Leadership Council, and Medical Staff and others in regards to the temporary appointment should such need to be made.
  - d. At the appropriate time during the period of incapacitation, the Board Chair, in consultation with the Chief Human Resources Officer of the system, will determine whether the incapacitation is temporary or permanent. If temporary, the interim CEO will continue in that role until the determination is made that the CEO is in a position to resume his original role.
  - e. If permanent, the members of the Board will confer on the process to select and appoint a Search Committee to commence the search for a new CEO.

- i. Once the process is agreed upon, it is the responsibility of the Board Chair to communicate with the leadership of the system, medical staffs, auxiliaries, foundation, and employees the plan of action to be initiated in search of the new CEO. This may take the form of hot lines, special newsletters, e-mails, telephone calls, etc.
- ii. External audiences to be communicated with will include community and business leaders in the district, members of the press, affiliates and partners of PPH, including Kaiser Permanente, Children's Hospital, UCSD and social service agencies associated with the system.
- iii. During this period the Chief Marketing and Communications Officer will serve as the spokesperson for the organization. All requests for information will be directed through this individual.
- f. In the event of temporary incapacitation of the CEO, individuals in the following order will be considered by the Board to fill the role for the period in question. (See Attachment A)

**2. Incapacitation of a member of the senior management team**

- a. It will be up to the CEO to determine the level and extent of incapacitation in consultation with the Chief Human Resources Officer.
- b. Should it be required that an interim leader be named, the CEO, after consultation with Board leadership, shall name an individual to fill the position.

- i. The following positions will be considered in filling key divisional roles:

(See Attachment B)

- c. In the event that the CEO determines, during this period, that the incapacitation is permanent, he will initiate a formal search to replace the incumbent. This may take the form of naming the interim leader to the position or initiating a candidate search process to identify and select an individual for the position.

## **ATTACHMENT A**

- A. Chief Financial Officer**
- B. Chief Administrative Officer – Palomar Medical Center**
- C. Chief Administrative Officer – Pomerado Hospital**
- D. Chief Nurse Executive**
- E. Other members of the senior leadership team**

## ATTACHMENT B

Position	Interim Officer
Chief Administrative Officer Palomar Medical Center	1. Chief Nurse Executive 2. Chief Financial Officer 3. Chief Administrative Officer Pomerado Hospital
Chief Administrative Officer Pomerado Hospital	1. Chief Nurse Executive Pomerado Hospital
Chief Financial Officer	1. Corporate Controller 2. Director of Financial Planning
Chief Nurse Executive	1. Associate Chief Nurse Executive Palomar Medical Center 2. Associate Chief Nurse Executive Pomerado Hospital 3. Executive Director Nursing Education, Quality and Research 4. Service Line Administrator Emergency, Trauma and Forensic Health
Chief Outreach Officer	1. Director Rehabilitation Services 2. Director Villa Pomerado and PCCC 3. Director of Escondido Surgery Center
Chief Marketing and Communications Officer	1. Director Marketing, Palomar Medical Center 2. Marketing Manager, Pomerado Hospital
Chief Human Resources Officer	1. Executive Director of Compensation/Benefits and Recruitment
Chief Informatics Officer	1. Director of System Applications 2. Chief Medical Informatics Officer
Chief Quality Officer	1. Director of Quality and Case Management Services 2. Chief Medical Quality Officer
Chief Fund Raising Officer	1. Senior Director of Individual Giving

## **IMPENDING VACANCY CAUSED BY RESIGNATION OR TERMINATION**

In the event of an impending vacancy in the CEO position, the following plan will be initiated:

1. The Board shall meet as soon as practicable following notification of the vacancy.
  - a. In order to insure stability at the time of an immediate vacancy (within 30 days) an interim CEO will be named.
  - b. The Board, in consultation with the leadership of the medical staffs, shall determine whether the use of an outside management firm is appropriate or whether there is adequate internal leadership to assume responsibilities for the CEO.
  - c. It is anticipated that the chart of succession leadership (developed in the event of the CEO's incapacitation, see Attachment A) will be used as a basis for making this decision.
2. The Chair of the Board in consultation with the Vice-Chair, Treasurer and Chief Human Resources Officer will determine the level and extent of compensation (including any bonuses and/or benefits) to be paid to the individual assuming the interim CEO role during the period in question.



3. Within 30 days of notification by the CEO of his impending resignation or retirement or in the event of termination, the Board of PPH shall form a search committee made up of a minimum of not less than five nor more than eleven members; with the Chair to be named by the Chair of the Board of PPH.
4. Representation on the Search Committee may include but will not be limited to:
  - a. Representation from the Medical Staffs of Palomar Medical Center and Pomerado Hospital
  - b. Representation from the Foundation
  - c. Community Leaders
  - d. Auxiliaries
  - e. Affiliated Partners
  - f. Staff Members of PPH
5. The role of the search committee will be to:
  - a. Manage the search process, including initiation of RFPs for selection of a search firm
  - b. Interview and selection of a search firm, if appropriate
  - c. Review and approve the Success Profile (job description/requirements) for the CEO position
    - i. Interview candidates and screen references
    - ii. Recommend candidates to the PPH Board for approval.
6. The search committee will meet within two weeks of their appointment to begin the selection process and the Chief Human Resources Officer will serve as staff to the committee.

7. Should the vacancy date be later than one year or longer, a search committee will be formed within six months of the CEO leaving the position to allow time for adequate selection of the incumbent's replacement and an effective transition to occur.
8. It is anticipated that the Chair of the search committee will make regular and timely reports to the Board on the progress of the search.
9. Should the CEO be replacing a member of the senior management team, he will be expected to make regular reports to the Board and appropriate Board committees on the progress made to fill the position.

## **PALOMAR POMERADO HEALTH PRESIDENT AND CEO JOB DESCRIPTION**

Reporting to the PPH District Board, the Chief Executive Officer is responsible for the strategic and day to day management of all programs, services and facilities of the Health System to effectively meet the health care needs of the citizens of the District, as defined in its mission and vision statement.

He is responsible for planning and goal development to insure the effective stewardship and viability of the System, the organizational direction, control and use of resources and the effective management of staff to support and carry out the policies and directions of the Board.

The incumbent is further accountable for insuring that all necessary licensure, regulatory and accreditation requirements are met. He is responsible for developing and maintaining appropriate evaluation mechanisms to insure the ongoing monitoring and improvement of the quality/safety of programs and services for PPH, in conjunction with the medical staff leadership of the System.

He is accountable for the creation of a working environment that encourages best practice, ethical management, high levels of productivity and a focus on those to be served by the District.

**Minimum education:** Master's Degree in Health Care Administration or related field

**Minimum Experience:** 5-7 years progressive position growth in a health care system or related entity and 5 years experience as a CEO.

**Preferred Experience:** 10-15 years progressive growth with 10 years experience as a CEO.

**Skill Requirements:** See attached.

# **SUCCESS PROFILES FOR CEO AND SENIOR MANAGEMENT TEAM**

On an annual basis the Board and CEO will review and update the job description and requirements for the incumbent's position. It is further expected that the CEO will do the same with his senior management team and that such position descriptions will be kept on file in the CEO's office.

These job descriptions will be used as a basis for evaluating the performance of the leadership group and to identify areas for growth and development of the incumbents who hold these positions.

# **PRESIDENT AND CHIEF EXECUTIVE OFFICER**

## **PALOMAR POMERADO HEALTH**

### **1. Healthcare Leadership Competencies**

The individual must have an:

- a. Ability to provide a clear sense of purpose and mission for the organization and an ability to craft an effective vision for the system.
- b. Ability to work in an effective and collaborative manner with Medical Staffs in the provision of clinical services to members of the District.
- c. Ability to build a team oriented, open and positive culture. One that is receptive of change throughout the system to meet the needs of those served.
- d. Ability to advocate with various constituency groups on behalf of PPH the health care needs of the citizens of the District and an ability to appreciate and work within the political environment.
- e. Ability to effectively and efficiently manage large complex operations and systems and build infrastructures to support such.

## **2. Basic Skills Required**

**The individual must have:**

- a. Strong knowledge and understanding of human relations and servant leadership skills, marketing and communications, information systems and technology development, quality improvement processes and systems; knowledge of philanthropy and experience in gaining philanthropic support.**
- b. Excellent visioning and measurement skills, strategic planning, goal setting and, an ability to be creative in the conception of new ideas and directions that can help develop the organization.**
- c. Financial management background and experience in large organizations with a strong grounding and fundamental knowledge of healthcare finance and reimbursement.**
- d. Coalition and consensus building skills as well as excellent listening, teaching, communications (oral and written) and negotiation skills.**
- e. Excellent understanding of and effective management and support of Boards of Directors with particular experience in the public setting preferred.**

- f. An ability to model the organization's values and beliefs through his/her
  - 1. compassion for others
  - 2. recognition of the importance of innovation and creativity, with particular emphasis on teamwork and trust building
  - 3. demonstration of integrity, humility, selflessness and other behavior, as personal attributes and a strong appreciation for the importance of the need for recognition and appreciation of others.
- g. High level of maturity, self-confidence, patience and tolerance of diversity and have an ability to effectively work in a dynamic and changing environment.
- h. An ability to make structure out of ambiguity and the capability to make decisions, recognizing opportunities to fulfill the mission and goals of the health system.
- i. Flexibility in dealing with a broad range of interests in order to create "win-win" situations and build unity and support for achievement of the organization's goals.
- j. An ability to absorb and process a wide range of information as well as have excellent skills in multi-tasking and management of issues, challenges and opportunities.
- k. A high energy level and commitment to improving the quality, effectiveness and timeliness of the services provided by PPH.



## **STEPS IN ESTABLISHING SUCCESSION PLAN**

1. Approval of succession planning philosophy and policy by the Board - November
2. Discussion of policy with senior leadership – November/December
3. Updating of position descriptions and skill requirements for EMT by EMT members – November/December
4. Review and agree upon position descriptions of EMT with the CEO by January.
5. Completion of self-assessment by team as to needs in present positions and needs of the group
6. Completion of assessment by MHC as to readiness of key staff to move to the next level in the organization
7. Creation of a plan of development and support for each member of the team including projects/opportunities for leadership, educational programs to attend, etc.
8. Evaluation of growth annually and readiness to assure a larger role in the organization.