INTERPROFESSIONAL PRIMARY CARE (IPC) ORGANIZATIONS
LEAD EXECUTIVE ROLE ASSESSMENT FRAMEWORK

GUIDANCE DOCUMENT

MAY 2018

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We would also like to express our gratitude to the representatives from the Ministry of Health and Long-Term Care – Primary Health Care Branch for their time and valuable insights.

Sincerely,

Kavita Mehta, Association of Family Health Teams of Ontario (AFHTO)
Adrianna Tetley, Association of Ontario Health Centres (AOHC)
Marcela Killin, Nurse Practitioner Association of Ontario (NPAO)

INTRODUCTION

EXECUTIVE SUMMARY

Interprofessional Primary Care ("IPC") organizations in Ontario are accountable to the communities they serve, and the Ministry of Health and Long-Term Care or their Local Health Integration Network (the "Ministry/LHIN") to provide high quality services while operating in an efficient and responsible manner. IPC organizations provide a wide variety of services and often operate in complex environments, creating a need for highly skilled and experienced individuals to lead the organization.

Compensation levels for these leadership roles (the "Lead Executive") must serve to attract and retain effective leaders and appropriately reward the role for the responsibilities and the level of accountability associated with it, all while ensuring the amounts are reasonable and defensible to the organization's stakeholders. The Boards of Directors of these organizations have a fiduciary duty to stakeholders to ensure the compensation awarded to the Lead Executive follows a clear and defensible process, considering available funding and compensation best practices.

In the "Planning Document for 2018-2021 Recruitment and Retention Initiative" (May 2018), the Ministry states that "for Executive management positions, defined as management positions that report directly to the governing body, the Recipient must undertake a factor-based analysis to arrive at specific compensation level(s) [..]" (page 6). This Lead Executive Role Assessment Framework (the "Framework") is intended to provide Boards of Directors of IPC organizations with the tools to conduct a factor-based analysis and also determine an appropriate compensation range for their Lead Executive role.

Specifically, this Guidance Document has been developed for members of Association of Family Health Teams of Ontario ("AFHTO"), the Association of Ontario Health Centres ("AOHC"), and the Nurse Practitioners Association of Ontario ("NPAO") (the "member organizations"), who are comprised of the following types of IPC organizations:

- Aboriginal Health Access Centres ("AHACs")
- Community Health Centres ("CHCs")
- Family Health Teams ("FHTs")
- Nurse Practitioner Lead Clinics ("NPLCs")

The Lead Executive Role Assessment Framework will provide the Boards of member organizations with recommended ranges of compensation for the Lead Executive role in the organization, based on the responsibilities of the role and the size and complexity of the organization.

This Guidance Document focuses on three key items:

1. The background of the Lead Executive Role Assessment Framework, including why it was developed and the sources that informed the creation of the Framework.
2. How to use the Framework and interpret the results.
3. The Lead Executive Role Assessment Framework, for use by the Boards of Directors of member organizations.

BACKGROUND

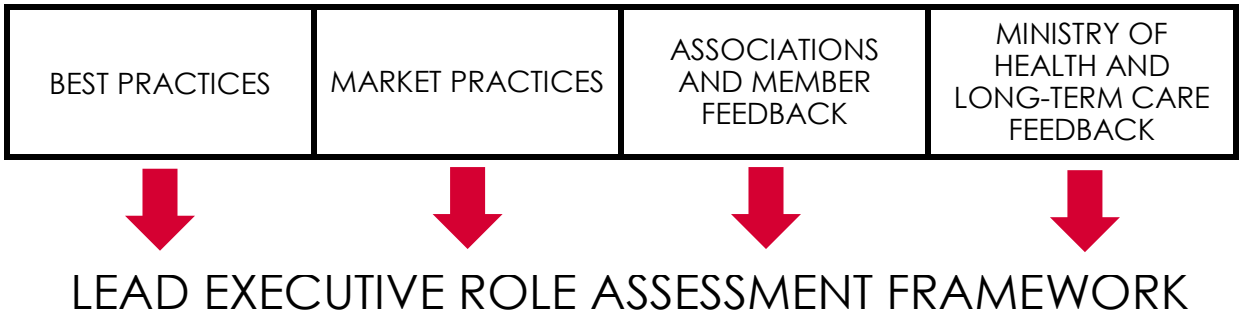
Purpose of the Lead Executive Role Assessment Framework and Guidance Document

This Guidance Document has been developed to assist the Boards of Directors of member organizations in the process of setting compensation for their Lead Executive role. These materials are intended to provide a level of guidance not previously available to all Boards and to ensure that the Boards of member organizations are referencing a consistent set of criteria for making compensation decisions.

Sources Used to Inform the Development of the Lead Executive Role Assessment Framework

The criteria used to guide the evaluation of the Lead Executive role in the Framework are based specifically on best practices for compensation, market practices for other healthcare organizations and the broader industry in Ontario, the knowledge and opinions of executives and Board Chairs of the member organizations and the Ministry of Health and Long-Term Care. This research was undertaken to ensure that the Framework embodies evidence-based best practices and is defensible.

Research and analysis was conducted by Accompass and a Working Group comprised of Lead Executives from the member organizations and representatives of AFHTO, AOHC, and NPAO. The research sources are summarized below:



Please refer to Appendix 1 for detailed information on the information sources used and links to the sources, where applicable.

Finally, the recommended compensation ranges that are tied to the Framework were developed based on the results of 2017 Interprofessional Primary Health Care Compensation Report and 2018 - 2021 Ministry funding levels.

PURPOSE OF THE FRAMEWORK

The use of this framework will assist the Boards of Directors of member organizations in assessing the role and setting a compensation range for their Lead Executive position. Specifically, the final output of the Framework is a suggested range of compensation for the Lead Executive at the organization, based on the responsibilities of the role and the size and complexity of the organization.

This Framework is the first of three steps that will impact the compensation of the person in the Lead Executive role:

1. **Lead Executive Role Assessment Framework**
2. **Individual Performance Assessment**
3. **Affordability (Funding Available)**

1

LEAD EXECUTIVE ROLE ASSESSMENT FRAMEWORK

The Framework provides a suggested range of compensation for the Lead Executive role, based on an assessment of the role's responsibilities and the organization's size and complexity.

This Lead Executive Role Assessment Framework applies only to this step.

\+

2

INDIVIDUAL PERFORMANCE ASSESSMENT

The Board's assessment of the person in the Lead Executive role will impact the Lead Executive's compensation within (or outside of) the suggested range of compensation based on considerations of the person in the role, such as:

- Skills and experience
- Performance in the role
- Recruitment and retention

\+

3

AFFORDABILITY (FUNDING AVAILABLE)

The amount of funding the Ministry or LHIN provides for compensation of the Lead Executive role. Compensation for the Lead Executive above the funded level must either come from other funding sources or from reallocations of Ministry or LHIN funding. Organizations that are multi-funded can fund compensation from other sources.

Boards of Directors must account for all three of the elements above in arriving at a compensation level for the Lead Executive. Following the completion of the Lead Executive Role Assessment Framework included in this Guidance Document, the Board must assess the performance and circumstances of the person in the role and affordability (funding available) to set compensation for the Lead Executive.

If processes are not in place at the organization to assess the Lead Executive's performance on an annual basis, then it is imperative that the Board implement such a process on a go-forward basis.

The Framework is not designed to, and should not be used to:

- **Assess the performance of the person in the Lead Executive role.**
- **Request additional funding for compensation for the role from the Ministry or LHIN.**

HOW TO USE THE LEAD EXECUTIVE ROLE ASSESSMENT FRAMEWORK

FRAMEWORK DETAILS

Covered Roles

To be considered a Lead Executive role, the position should have significant decision-making ability, be accountable for the operations of the organization, report directly to the Board of Directors, be responsible for managing staff, and be a signatory of the organization's Quality Improvement Plan.

For FHTs

For FHTs, the Lead Executive Compensation Framework applies to the Administrative Lead role only. The Framework has not been designed to address the role of the Lead Physicians in the FHTs, who may report to the Board and are provided with 'physician consulting' stipends for this role.

For NPLCs

For NPLCs, there may be the following 4 scenarios:

1. The Lead Executive is the Administrative Lead, performing **ALL** Lead Executive responsibilities
2. The Lead Executive is the Nurse Practitioner Lead, performing **ONLY** Lead Executive responsibilities
3. The Lead Executive is the Nurse Practitioner Lead, performing Lead Executive responsibilities **AND** patient responsibilities
4. The Lead Executive's responsibilities are shared between Nurse Practitioner Lead and the Administrative Lead

For NPLCs, this Framework applies to the Lead Executive only. Compensation ranges are assigned considering that the Lead Executive (whether the Administrative Lead or Nurse Practitioner Lead) performs **ONLY** Lead Executive responsibilities. The Framework has not been designed to apply to Nurse Practitioner-Leads performing Lead Executive responsibilities **IN ADDITION** to the existing patient responsibilities. For this latter scenario, where the Nurse Practitioner Lead has both patient **AND** Lead Executive responsibilities, compensation ranges should be assessed at the discretion of the Board, considering Ministry stipulations.

In some NPLC organizations, the Lead Executive Role may be divided into two roles as part of a Co-Leadership structure. In this situation, the Board must use discretion as to how the Framework will be applied, considering the responsibilities of the two roles.

The Lead Executive roles in the member organizations will typically have the following titles:

- Executive Director ("ED")
- Chief Executive Officer ("CEO")
- Administrative Lead
- Nurse Practitioner Lead

Note: These titles represent common titles for roles that typically have the responsibilities of a Lead Executive. The title of the role should not be used to determine if the role has the responsibilities of a Lead Executive.

In some circumstances, the top position in the organization may not have the level of responsibility and influence to be considered a Lead Executive for the purposes of the Framework. In this case, the Board must reclassify the role as a different position and follow a separate process to determine the appropriate level of compensation. More detail on this process is provided in the Framework (pages 11 – 12).

Elements of Compensation Covered

The Framework provides guidance on the level of total annual base salary for the Lead Executive role, which is defined as the total base salary paid to the Lead Executive from **all funding sources**.

Other types of compensation, such as benefits, perquisites, and pensions are not covered by the Framework.

HOW TO APPLY THE FRAMEWORK

Board Independence

The Framework is designed to be filled out and applied by the Board of Directors of the organization.

The Framework assessment process should be done independently of the Lead Executive and the Lead Executive should not be the individual completing the Framework.

As some Boards may need further guidance in the application of the Framework, they may choose to retain the services of an independent third-party advisor, such as Accompass, to assist with their processes.

Considerations of Lead Executive Performance

The purpose of the Framework is to determine the scope of the Lead Executive role. The Framework is not designed to, and should not be used to, assess the performance of the person in the Lead Executive role.

The performance of the person in the role should be assessed by the Board separately and can serve to impact their placement within the suggested salary range.

Board Discretion

The Framework is standardized and applies to AHACs, CHCs, FHTs, and NPLCs in the same way to ensure consistent assessments and guidance for all member organizations. The Framework functions as a guideline and is not intended to force organizations to provide a certain level of compensation.

As the nature of these organizations is diverse, not every type of Lead Executive staffing arrangement will be fully covered by the Framework. In these situations, the Board must use discretion to determine how best to interpret the result of the Framework assessment and apply the result to their organization's specific circumstances.

Given the need for discretion, the Board must be able to defend its assessment of the Lead Executive role using the Framework and any additional discretionary adjustments that are arrived at outside of the Framework to stakeholders.

Regular Reviews

The nature and operations of the organization can change over time, in-turn influencing the responsibilities of the Lead Executive role. To address this, it is important that the Board conduct a review of the Lead Executive role on a regular basis, ideally once per year, to ensure the assessment of the role reflects its current state.

INTERPROFESSIONAL PRIMARY CARE (IPC) ORGANIZATIONS

LEAD EXECUTIVE ROLE ASSESSMENT FRAMEWORK

LEAD EXECUTIVE ROLE ASSESSMENT FRAMEWORK

FRAMEWORK DESIGN

The Lead Executive Role Assessment Framework follows a 4-step process to determine the overall complexity and associated compensation range for the role being assessed, as follows:

	CONSIDERATION	OUTCOME
STEP 1 Determine if the role should be classified as a Lead Executive	The design of role and its accountabilities are assessed to determine if the role, in its current state, should be benchmarked as a Lead Executive for compensation purposes.	**Classified as a Lead Executive:** Move forward to Step 2. **Not a Lead Executive:** Reclassify the role using the 2012 and 2017 Interprofessional Primary Health Care Compensation Reports.
STEP 2 Determine if the role is either "Strategic" or "Operational"	The specifics of the Lead Executive role are assessed to determine if the role is viewed as being more strategic or operational in nature.	The role is classified as "Strategic" (S) or "Operational" (O).
STEP 3 Determine the level of complexity of the role	The responsibilities of the Lead Executive role are assessed on a variety of criteria to determine the relative level of complexity of the role.	The level of complexity of the role is defined as "normal" or "complex" (+).
STEP 4 Determine the size of the organization that the role leads	The size of the organization that the Lead Executive role is responsible for is defined based on financial and operational measures.	The relative size of the organization is defined as Level 1, 2, or 3.

STEP 1 – DEFINE THE ROLE

The purpose of this step is to determine if the role being evaluated is considered a "true" Lead Executive role for compensation purposes. This assessment is based on the design of the role and its accountabilities, and not the title of the role.

Please review the criteria below and consider if the role meets each of the following:

		(✓)
DECISION MAKING	The role is the lead decision maker at the organization and can directly influence strategic direction and all, or the vast majority of, the operations at the organization.	☐
ACCOUNTABLITY	The role is accountable for all outcomes and operations at the organization, including functions such as strategic planning, quality of care, risk management and compliance, finance, human resources, organizational performance and reporting, etc.	☐
REPORTING RELATIONSHIP	The role reports only to the Board of Directors of the organization.	☐
LEADERSHIP	The role is responsible for managing, directly or indirectly, all, or the majority of, staff in the organization.	☐
QUALITY IMPROVEMENT ACCOUNTABILITY	The role is accountable for **and** is a signatory of the organization's Quality Improvement Plan ("QIP").	☐

IF THE ROLE MEETS **ALL** OF THE ABOVE CRITERIA:

The role is considered a Lead Executive position for the purposes of this Framework.

PLEASE PROCEED TO STEP 2

IF THE ROLE DOES NOT MEET **ALL** OF THE ABOVE CRITERIA:

The role is not considered a Lead Executive for the purposes of this Framework.

PLEASE REFER TO THE 2012 AND 2017 INTERPROFESSIONAL PRIMARY HEALTH CARE COMPENSATION REPORTS FOR REFERENCE ON ROLES AND COMPENSATION:

- 2012 INTERPROFESSIONAL PRIMARY HEALTH CARE COMPENSATION REPORT (FINAL REPORT) (English Only)
- 2012 INTERPROFESSIONAL PRIMARY HEALTH CARE COMPENSATION REPORT (TECHNICAL REPORT) (English Only)
- 2017 INTERPROFESSIONAL PRIMARY HEALTH CARE COMPENSATION REPORT - MARKET REFRESH (English Only)

When the role does not meet all the above criteria, it may be more accurately classified as a management or administrative level position. Data provided in the 2012 and 2017 Interprofessional Primary Health Care Compensation Reports can be used to properly assess these roles.

STEP 2 – DETERMINE IF THE LEAD EXECUTIVE ROLE IS STRATEGIC OR OPERATIONAL

Every Lead Executive role has a strategic focus, but some roles are structured to focus more on managing the operations of the organization, while others focus more on leading the strategy of the organization. The purpose of this assessment is to determine if the Lead Executive role, **in its current form,** has more of a strategic or operational focus and to classify it accordingly.

The table below illustrates strategic responsibilities that a Lead Executive role would typically have:

STRATEGIC RESPONSIBILITIES	
Strategic Planning and Implementation	Advocacy
Programs and Services Development	Communications, Public Relations, and Marketing
Partnerships Development & Community Engagement	Risk Management and Compliance
Provincial and Local Health Initiatives	

Please refer to Appendix 2 for additional details on the common activities involved with the responsibilities listed above.

Please review the criteria below to determine if the Lead Executive role is strategic or operational:

		(✓)
STRATEGIC FOCUS	From the Board's perspective, the Lead Executive role is viewed as a strategic role in its current state.	☐
ROLE RESPONSIBILITIES	The Board views the role as **directly responsible** for the majority (at least 4 of 7) of the "strategic responsibilities" listed above.	☐
TIME EXPECTATIONS	The Board **expects and requires** the person in the Lead Executive role to spend a minimum of 50% of their working time on fulfilling strategic responsibilities. *	☐

* Note: General views are that Lead Executives should dedicate the vast majority of their time to strategic functions (close to 80%), although this may vary by organization size.

IF THE LEAD EXECUTIVE ROLE **MEETS ALL** OF THE ABOVE CRITERIA:

THE LEAD EXECUTIVE ROLE IS CLASSIFIED AS STRATEGIC (S)

IF THE LEAD EXECUTIVE ROLE **DOES NOT MEET ALL** OF THE ABOVE CRITERIA:

THE LEAD EXECUTIVE ROLE IS CLASSIFIED AS OPERATIONAL (O)

It is important to note that this classification can change over time as a result of changes in the organization or sector, and this is why the evaluation must be conducted on a regular basis. This assessment is meant to classify the Lead Executive role in its current state.

STEP 3 – DETERMINE THE COMPLEXITY OF THE LEAD EXECUTIVE ROLE

Based on the clear differences inherent in the Lead Executive role between organization types, operations, and organizational structure, this assessment is meant to determine if the Lead Executive role is viewed as being significantly more complex as a result of the nature of the organization and the associated responsibilities for the role.

Please complete the following scorecard to determine the relative complexity of the Lead Executive Role. If the answer to a job criteria question is "Yes", the score for the question is "1", whereas if the answer is "No", the score for the question is "0":

	JOB CRITERIA	SCORE	COMMENTS / RATIONALE
1	Does the Lead Executive work strategically with the Board of Directors to develop the strategic plan?		
2	Is your Lead Executive accountable for providing additional services outside of interprofessional primary care service offerings? (Services such as: Diabetes Education Programs, Pathways to Education, Supervised Injection Sites, Regional Telemedicine Clinics, Early Years, Traditional Healing, Immigration, Supportive Housing, etc.)* * This list is illustrative and not exhaustive.		
3	If your Lead Executive is accountable for providing 3 or more additional services similar to those listed in #2 above, an additional point is rewarded.		
4	Does your Lead Executive lead community / sub-region / LHIN-wide / provincial / federal initiatives (i.e. Health Links, Palliative Care, Opioid Strategies, etc.)*? * This list is illustrative and not exhaustive.		
5	If your Lead Executive leads 3 or more initiatives similar to those listed in #4 above, an additional point is rewarded.		
6	Due to a limited staffing model (and lack of senior roles), does your Lead Executive role also lead one or more of the following functions (Note: All Lead Executives are accountable, this is speaking to management of day-to-day activities): A) Finance B) Human Resources C) Legal (regulatory) D) Health & Safety E) Risk Management F) Quality Improvement		
7	If 3 or more of the listed functions in #6 above apply, an additional point is rewarded.		

	JOB CRITERIA	SCORE	COMMENTS / RATIONALE
8	Does your organization receive regular funding from 3 or more sources? (Applicable additional funding sources are: other provincial ministries, other levels of government funding, and affiliated physician groups)		
9	Is your Lead Executive directly accountable for more than 1 full service location/satellite?		
10	Is your organization based in a Northern or remote community?		
11	Does the Lead Executive role require either of the following: 1. A person with a masters level degree 2. A person with 5+ years of executive leadership experience at a health care organization.		
12a	**AHACs & CHCs Only:** Does the organization have a formalized volunteer program led by designated staff with approximately 50 volunteers or more?		
12b	**FHTs Only:** Does your organization have an academic designation?		
12c	**NPLCs Only:** Does your organization operate on a co-leadership structure?		

TOTAL SCORE (OUT OF 12) ☐

RESULT

IF SCORE IS 8 OR ABOVE	IF SCORE IS BELOW 8
✚	**No Effect**

IF THE TOTAL SCORE FOR THE LEAD EXECUTIVE ROLE IS 8 OR ABOVE:

THE LEAD EXECUTIVE ROLE IS CLASSIFIED AS HAVING ADDITIONAL COMPLEXITY (+)

IF THE TOTAL SCORE FOR THE LEAD EXECUTIVE ROLE IS BELOW 8:

THE LEAD EXECUTIVE ROLE IS CLASSIFIED AS HAVING A NORMAL LEVEL* OF COMPLEXITY

*Please note that "normal" complexity is still viewed as complex; however, this assessment is conducted on a relative basis.

STEP 4 – DETERMINE THE SIZE OF THE ORGANIZATION

The size of the organization has a significant impact on the overall scope of the Lead Executive role. The purpose of this assessment is to determine the relative size of the organization that the Lead Executive manages.

Please complete the table below to determine the relative size of the organization:

	FACTORS	WEIGHT	SCORING CRITERIA (POINTS) 1	2	3	4	SCORING	DETAILS
All Organizations								
1	**Annual Budget**	50%	Up to $1M	More than $1M to $3M	More than $3M to $10M	More than $10M	/4	The total annual budget to provide all of the organization's services. **This does not include funding for one-time programs.**
2	**Number of Employees (Full Time + Part Time)**	30%	Up to 10	11 to 20	21 to 60	More than 60	/4	This figure includes all full-time and part-time staff employed by the organization. It does not include contract positions or volunteers.
AHACs, CHCs, & NPLCs								
3	**Number of People Served Annually**	20%	Up to 3,000	3,001 to 6,000	6,001 to 12,000	More than 12,000	/4	The approximate annual number of individual people receiving primary care and/or other programming services.
FHTs								
3	**Number of Affiliated Patients (Rostered & Not Rostered)**	10%	Up to 10,000	10,001 to 20,000	20,001 to 30,000	More than 30,000	/4	The total patient population for the organization, including both rostered and not rostered patients.
4	**Number of Affiliated Physicians**	10%	Up to 5	6 to 13	14 to 19	More than 19	/4	The number of affiliated physicians that the organization works with.

AHACs, CHCs, & NPLCs

	ANNUAL BUDGET		NUMBER OF EMPLOYEES		NUMBER OF PEOPLE SERVED ANNUALLY		
Score (out of 4)		x		x		x	
Weight	50%		30%		20%		**TOTAL SCORE**
Result		+		+		=	

FHTs

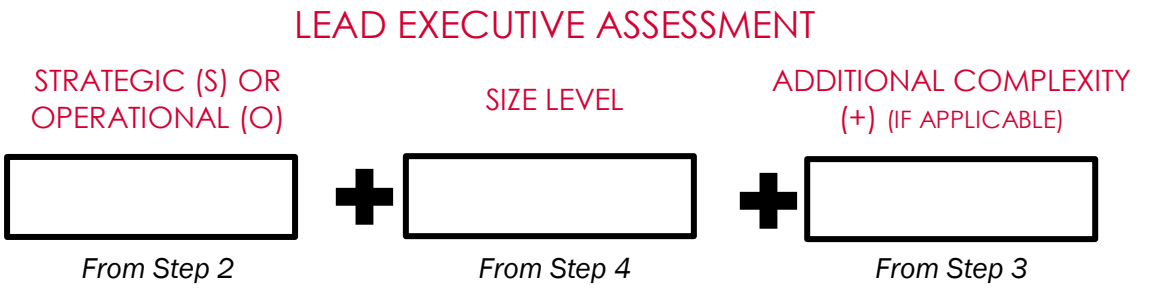
	ANNUAL BUDGET		NUMBER OF EMPLOYEES		NUMBER OF AFFILIATED PATIENTS		NUMBER OF AFFILIATED PHYSICIANS		
Score (out of 4)		x		x		x		x	
Weight	50%		30%		10%		10%		**TOTAL SCORE**
Result		+		+		+		=	

TOTAL SCORE	ORGANIZATION SIZE
1 to <2 points	Level 1
2 to <3 points	Level 2
3 to 4 points	Level 3

RESULT = LEVEL

DETERMINING THE OVERALL ASSESSMENT OF THE LEAD EXECUTIVE ROLE

Based on the results of Steps 1 – 4, the overall assessment of the Lead Executive role can be determined. The chart below illustrates the "naming" process based on the Framework assessment:



Examples:

O 1 An operationally focused Lead Executive role at a smaller organization

S 3 + A strategically focused Lead Executive role with additional complexity at a larger organization

S 2 A strategically focused Lead Executive role at a medium-sized organization

DETERMINING THE COMPENSATION RANGE FOR THE LEAD EXECUTIVE

Based on the assessment of the Lead Executive role, the tables below outline the suggested compensation ranges for the role.

These compensation ranges are derived from the market compensation data outlined in the 2017 Interprofessional Primary Health Care Compensation Report and current Ministry funding levels for 2018 – 2021.

SUGGESTED COMPENSATION RANGES

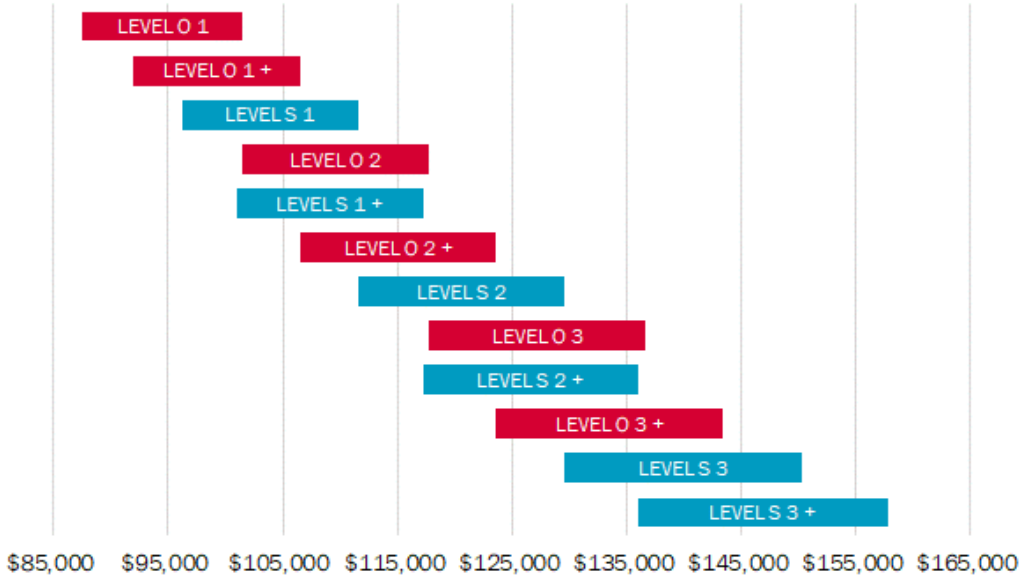
IF THE LEAD EXECUTIVE ROLE IS OPERATIONAL (O)

LEVEL O 1	LEVEL O 2	LEVEL O 3
$87,500 - $101,500	$101,500 - $117,740	$117,740 - $136,578
LEVEL O 1 +	**LEVEL O 2 +**	**LEVEL O 3 +**
$91,875 - $106,575	$106,575 - $123,627	$123,627 - $143,407

IF THE LEAD EXECUTIVE ROLE IS STRATEGIC (S)

LEVEL S 1	LEVEL S 2	LEVEL S 3
$96,250 - $111,650	$111,650 - $129,514	$129,514 - $150,236
LEVEL S 1 +	**LEVEL S 2 +**	**LEVEL S 3 +**
$101,063 - $117,233	$117,233 - $135,990	$135,990 - $157,748

FRAMEWORK COMPENSATION RANGES SUMMARY



MINISTRY OF HEALTH AND LONG-TERM CARE FUNDING RATES

The table below summarizes the Ministry funding rates for executive level positions for the next three years:

POSITION	2018 / 2019 FUNDED RATE	2019 / 2020 FUNDED RATE	2020 / 2021 FUNDED RATE
Director	$85,332	$89,001	$92,472
Executive Director – Level 1	$86,606	$90,330	$93,853
Executive Director – Level 2	$98,601	$102,841	$106,852
Executive Director – Level 3	$114,957	$119,900	$124,576

The suggested compensation ranges on the previous page represent the market-appropriate level of compensation for Lead Executive roles, while the Ministry funding rates represent the funds that will be provided to member organizations for their executive roles. If the Board decides to provide compensation above the applicable funded rate to the Lead Executive role, funding for this additional compensation must come from other funding sources or from reallocations of Ministry or LHIN funding. The Board must apply their discretion as to the level of compensation provided to the Lead Executive role and how compensation is funded, given the available sources.

INTERPRETING FRAMEWORK RESULTS

INTERPRETING FRAMEWORK RESULTS

This section provides high-level advice for Boards on how to interpret the results of the Framework and how to assess individual considerations for the person in the Lead Executive role, as part of the 2nd step in the process of determining compensation for the Lead Executive, as outlined on page 6.

It is important to note that after an assessment of the individual in the Lead Executive role is performed, the available funds to provide compensation must be considered to determine the final level of compensation for the Lead Executive as part of step 3, as outlined on page 6.

SETTING COMPENSATION RELATIVE TO THE SUGGESTED SALARY RANGE

Once the Framework assessment process has been completed and a suggested base salary range has been determined, the Board will need to consider what changes, if any, should be made to the compensation of the Lead Executive relative to the suggested range.

The table below provides guidance and questions that the Board should ask when determining the final compensation level for the person in the Lead Executive role.

RESULT	BOARD CONSIDERATIONS
Lead Executive pay is below the suggested range	**Gradually increase base salary into the range** **Questions for the board to ask:** • "Do we feel an increase is warranted?" • "Is an increase affordable under the current Ministry budget?" • "How will the increase be accounted for?"
Lead Executive pay is within the suggested range	**No change or minimal increases** **Questions for the board to ask:** • "Are we comfortable with the Lead Executive's positioning within the range?" • "Do we feel we have retention concerns?"
Lead Executive pay is above the suggested range	**"Red circle" the person in the role (no increases in base salary)** **Questions for the board to ask:** • "Should we review current compensation practices?" • "Are we comfortable not providing annual increases going forward until compensation is in-line with the suggested range?"

For NPLCs

In NPLCs where the Lead Executive role is split between Co-Lead Executives positions, the Board must apply judgment and discretion in to how compensation is allocated to these roles, considering elements such as the share of the role that the individual performs.

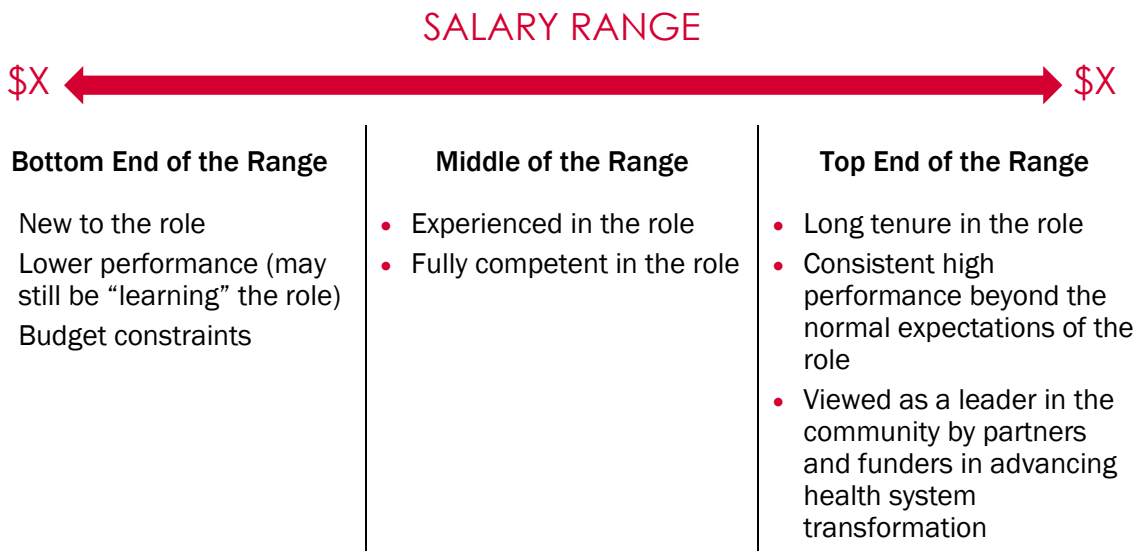
SETTING COMPENSATION WITHIN THE SUGGESTED SALARY RANGE

It is the Board's responsibility to determine the appropriate positioning for the person in the Lead Executive role relative to the suggested salary range. At this point in the process, the Board should consider elements specific to the person in the role, such as their:

- Skills and experience,
- Performance in the role, and;
- Recruitment and retention considerations

People who are new to the role and / or less experienced are typically positioned at the lower end of the range and are moved up through the range as their experience and performance improve. In some cases, increases in compensation may need to be made to address retention concerns for the individual or to attract someone with the necessary skills into the role.

The diagram below illustrates how these considerations can be applied:



Positioning the person in the role outside of the range determined to be reasonable by the Board should be done only to address special circumstances that are permanent for the person in the role. For example, compensation for the person in the role should not be set above the top end of the range to address responsibility for a special project that will eventually end.

APPENDIX

APPENDIX 1: FRAMEWORK RESEARCH SOURCES

INFORMATION SOURCES

BEST PRACTICES	• Ontario Pay Equity Legislation (1) • Common Job Evaluation Methodologies
MARKET PRACTICES	• Ontario Regulation 304/16 "Executive Compensation Framework" (2) • Report of the Independent Expert Panel on Executive Compensation in the Hospital Sector (3) • Principles and Guidelines for CCAC Chief Executive Officer Compensation (4)
ASSOCIATIONS AND MEMBER FEEDBACK	• Interprofessional Primary Care Senior Executive Compensation Guideline Survey results (March 2018) • Working sessions with the Working Group made up of members from all Associations (January – April 2018) • Detailed feedback sessions with Lead Executives and Board Members of representative member organizations (March 2018)
MINISTRY OF HEALTH AND LONG-TERM CARE FEEDBACK	• Feedback session with representatives from the Ministry of Health and Long-Term Care (March 2018)

Links

1. www.payequity.gov.on.ca/en/tools/Pages/guide_to_act.aspx
2. https://www.ontario.ca/page/broader-public-sector-executive-compensation-guide
3. https://www.rvh.on.ca/account/SiteAssets/SitePages/account/Independent%20Expert%20Panel%20on%20Executive%20Compensation%20in%20the%20Hospital%20Sector%20Report.pdf
4. http://healthcareathome.ca/southeast/en/performance/Documents/Principles-and-Guidelines-for-CCAC-CEO-Compensation.pdf

APPENDIX 2: STRATEGIC RESPONSIBILITIES DETAILS

STRATEGIC RESPONSIBILITY	ILLUSTRATIVE WORK TASKS
Strategic Planning and Implementation	• Working with the Board to develop strategic plans that fulfill the mandate of the organization. • Developing operational plans and activities to achieve the goals and objectives and developing metrics to measure progress.
Programs and Services Development	• Reviewing and approving investments in the organization to maintain quality service, safety and confidentiality. Secures Board approval as needed. • Participating in research aimed at improving service delivery and practice-based initiatives.
Partnerships Development & Community Engagement	• Leading the process to identify and establish partnerships and alliances with other healthcare organizations and community groups.
Provincial and Local Health Initiatives	• Organizing and managing relationships and collaboration with provincial and local organizations to deliver specialized services and health programs.
Advocacy	• Participating in relevant meetings, presentations and related activities in the community. • Overseeing the preparation of briefs and correspondence to government and other relevant stakeholders on issues of concern.
Communications, Public Relations, and Marketing	• Serving as the spokesperson and ambassador for the organization and representing the organization in the community and with the media. • Developing communications and public relations strategies.
Risk Management and Compliance	• Developing internal process and controls to manage all types of risk (i.e. health and safety, financial, information / privacy). • Communication to the Board to keep them informed of all types of risk. • Ensuring that the organization complies with all provincial and federal regulations across all areas. • Developing reports to keep the Board informed of regulatory changes and compliance issues.

Note: The table above is intended to illustrate key tasks involved for the strategic responsibilities considered and is not intended to be an exhaustive list.

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If the Board would like to engage Accompass as a third-party advisor to assist in the process of applying the Framework, please contact Jonathan Foster at Accompass:

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