

Governance Balanced Scorecard- The NYGH Journey

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Goals for today

Tell the story of the NYGH Journey;
Describe its impact on quality, safety, and
efficiency;

Share lessons learned; and

Provide a starting-point for other hospitals that
may wish to undertake similar work in
governance.

The NYGH Story:

- Financial deficit 2002: \$23M
- Post-SARS disconnect
- Concerns regarding patient experience, quality, safety and cost-efficiency
- Need for Culture Transformation

A Balcony Perspective...

“Because trustees are more emotionally distant from the day-to-day action of the organization, they are often in a better position to see things from a balcony perspective. They can observe the whole dance floor -- without getting caught up in the dance.”

- Ronald Heifetz,
Adaptive Leadership



North York
General Hospital
Including the IODE Children's Centre
Embracing Health

Governance Realities

- Changing external environment
- Healthcare/hospitals are complex entities
- Volunteer board, time constraints

How can the NYGH board “add value”?

Board - Staff Partnership

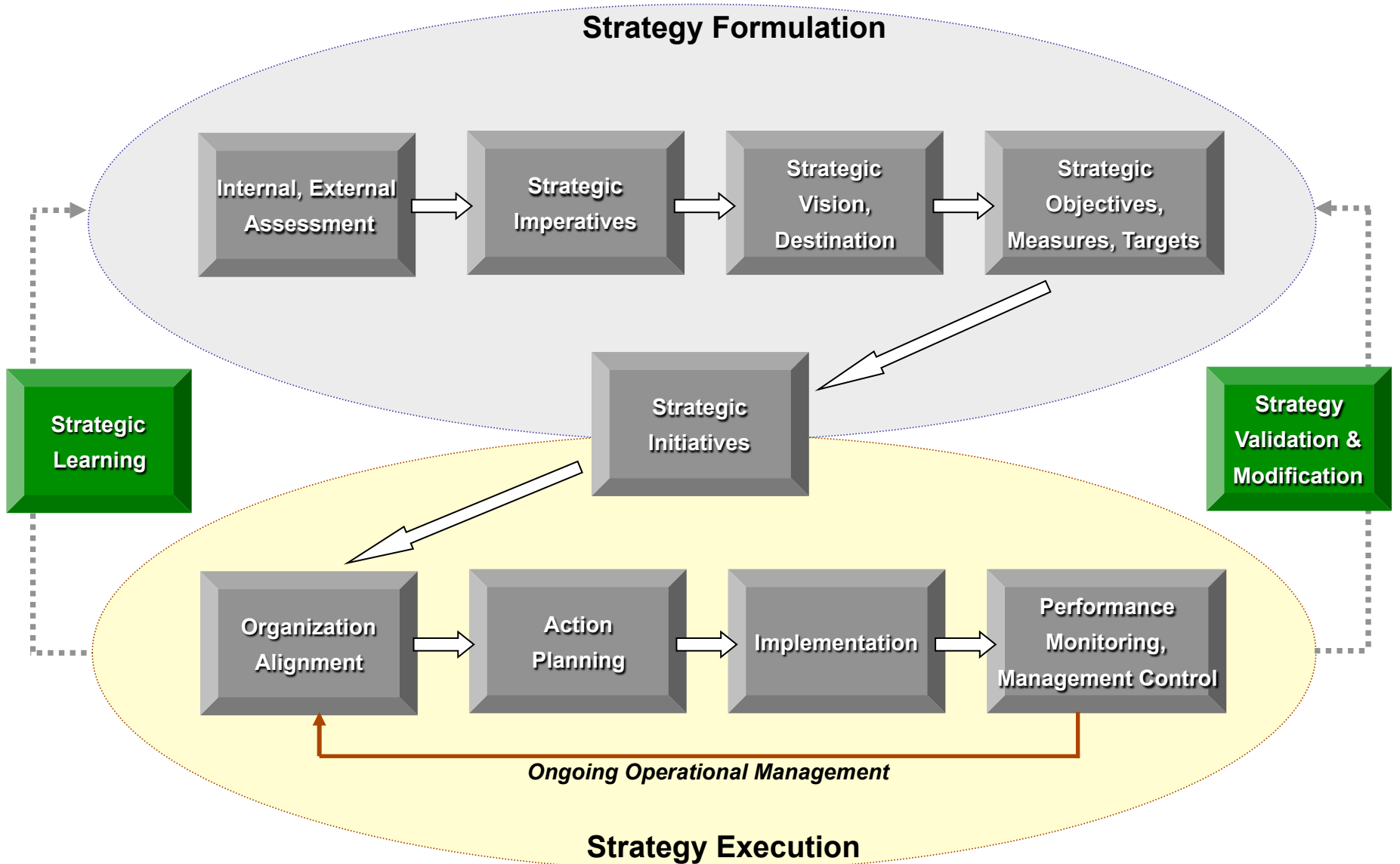
STAFF WISDOM

- Based on experience in the organization
- Based on specialized knowledge/expertise

BOARD WISDOM

- Based on distance from the daily routine
- Based on understanding of what the “owners” want/need/can afford.

Strategy Management System



Strategic Imperatives

- Quality, Patient Safety & Experience
- Stakeholder engagement
- Fiscal health
- Enterprise Risk Management
- Accountability Agreements (e.g. LHIN)

Destination Statement

Governance for a community teaching hospital in a continuum of healthcare, providing compassionate and quality care to diverse communities in North Toronto and beyond – creating a destination of choice for patients, employees, physicians and volunteers.

Governance Outcomes (Customer-Stakeholder Objectives)

- NYGH provides consistently safe and high quality of care and services
- NYGH is recognized as an innovative and collaborative leader
- NYGH has highly committed, competent, and aligned staff, physicians, and volunteers
- NYGH fulfills its compliance and accountability commitments

Governance Process Overview

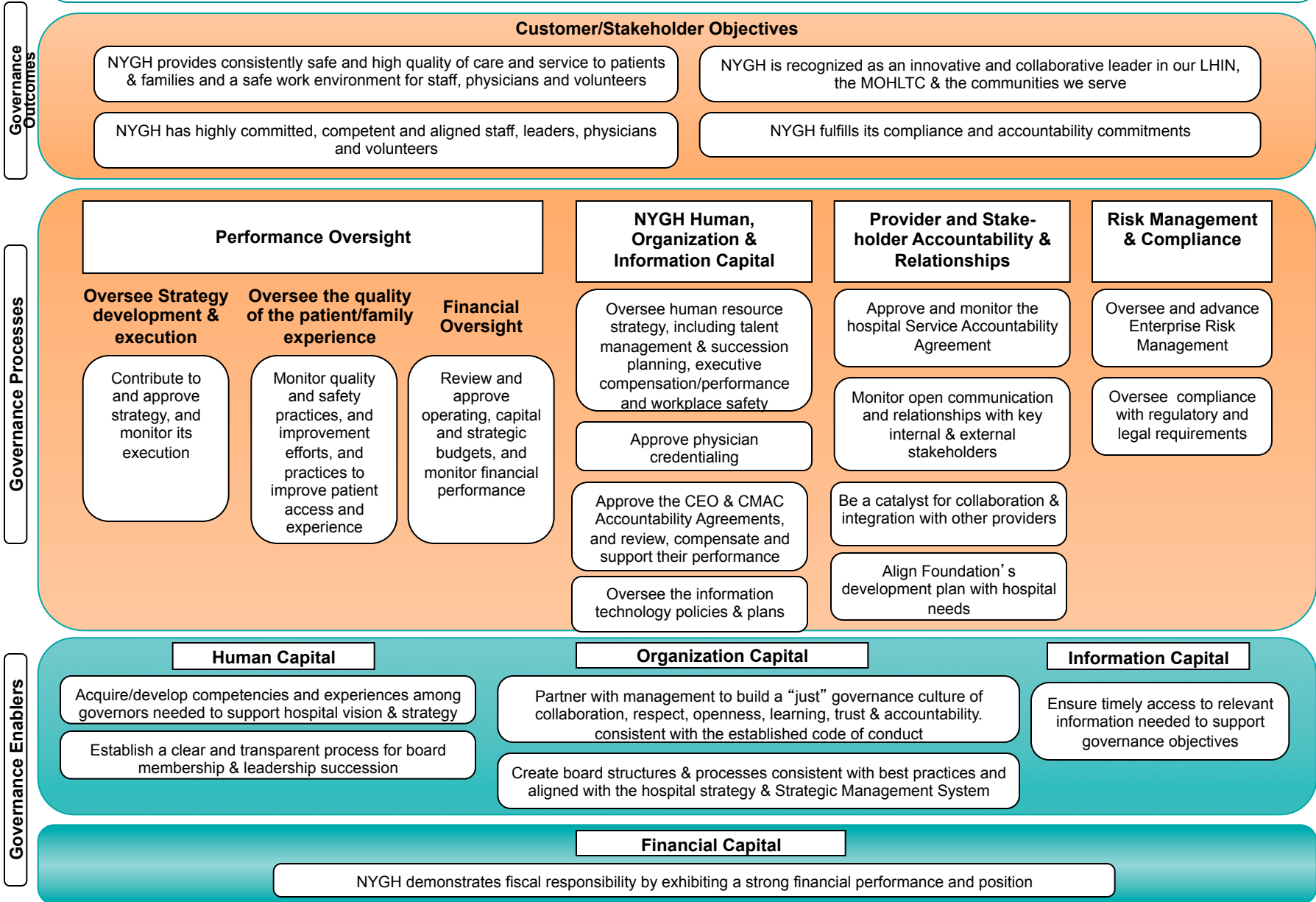
Performance Oversight for:

- Strategy Development & Execution
- Quality of Patient/Family experience
- Financial management
- Human, Organization and Information capital
- Stakeholder accountability and relationships
- Risk management and compliance

Governance Enablers

- Human Capital - Governors' competencies, leadership succession
- Organization capital - building a “just” governance culture, board structures and processes
- Information capital - timely access to information
- Financial capital - strong financial position

Governance for a model community teaching hospital in a continuum of healthcare, providing compassionate and quality care to diverse communities in North Toronto and beyond -- becoming a health care destination-of-choice for patients and families, physicians, employees and volunteers.



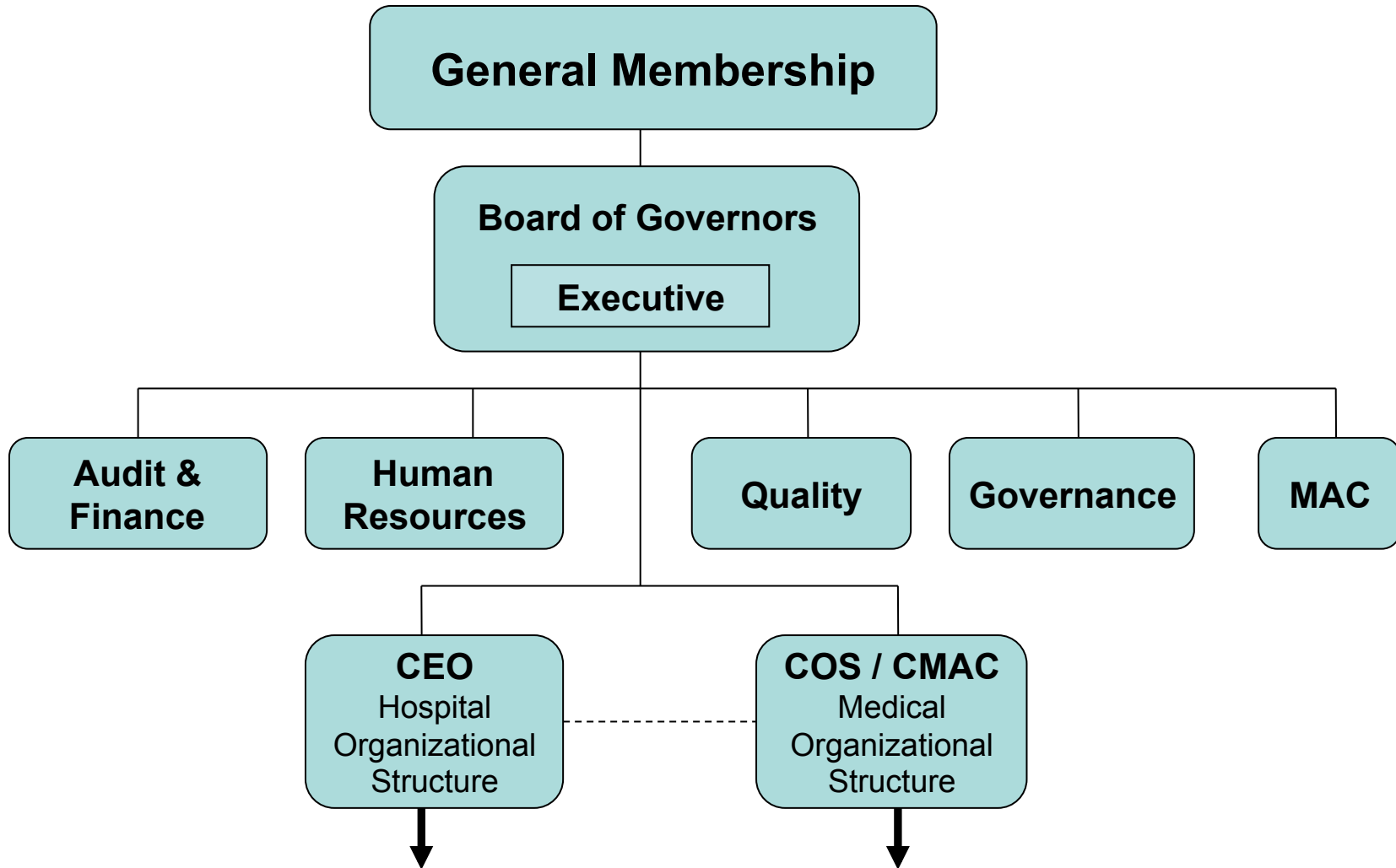
Governance Balanced Scorecard

PERSPECTIVE	OBJECTIVES	MEASURES	TARGETS	Cttee	June 2009
Governance Outcomes					
Customer/ Stakeholders Outcomes	<ul style="list-style-type: none"> NYGH provides consistently safe & high quality of care & service to patients & families (& a safe work environment for staff?) CSO1 	<ul style="list-style-type: none"> HSMR (preventable deaths percentile) 	<ul style="list-style-type: none"> Less than or equal to 95 (performance corridor 96-100) 	Qual	
	<ul style="list-style-type: none"> NYGH is recognized as an innovative & collaborative leader in our LHIN, the MOHLTC & the communities we serve CSO2 	<ul style="list-style-type: none"> Board satisfaction with recognized community, innovative and collaborative projects involving strategic partners. 	<ul style="list-style-type: none"> 100 % good to excellent 	Exec	
	<ul style="list-style-type: none"> NYGH has highly committed, competent & aligned staff, leaders, physicians & volunteers CSO3 	<ul style="list-style-type: none"> Engagement survey: <ul style="list-style-type: none"> Employees Volunteers Physicians 	<ul style="list-style-type: none"> 5% higher on overall question from previous survey 	HR MAC	
	<ul style="list-style-type: none"> NYGH fulfills its compliance & accountability commitments CSO4 	<ul style="list-style-type: none"> Percent of Service Accountability Agreement targets met 	<ul style="list-style-type: none"> 100% 	Exec	
Governance Processes					
Performance Oversight	Strategy Development & Execution				
	<ul style="list-style-type: none"> Contribute to and approve strategy, and monitor its execution P01 	<ul style="list-style-type: none"> Board satisfaction with involvement in strategy development and with performance reports & review process 	<ul style="list-style-type: none"> 100% good to excellent 	Exec	
	Quality of the Patient/Family Experience				
	<ul style="list-style-type: none"> Monitor quality & safety practices and improvement efforts, and practices to improve patient access & experience P02 	<ul style="list-style-type: none"> Board satisfaction with quality, safety, access & experience reviews 	<ul style="list-style-type: none"> 100% good to excellent 	Qual	
Financial					
NYGH Human, Organization, & Information Capital	<ul style="list-style-type: none"> Review & approve operating, capital & strategic budgets, and monitor financial performance P03 	<ul style="list-style-type: none"> Board satisfaction with budget processes and with the reviews of financial performance. 	<ul style="list-style-type: none"> 100% good to excellent 	Fin &Aud	
	<ul style="list-style-type: none"> Oversee human resource strategy, including talent management & succession planning HOI1 	<ul style="list-style-type: none"> Board approved CEO succession plan and talent management plan for senior management 	<ul style="list-style-type: none"> Annual 	HR	
	<ul style="list-style-type: none"> Approve physician credentialing HOI2 	<ul style="list-style-type: none"> Board satisfaction with the physician credentialing process 	<ul style="list-style-type: none"> 100% good to excellent 	MAC	
	<ul style="list-style-type: none"> Approve the CEO & CMAC Accountability Agreements, and review, compensate & support their performance HOI3 	<ul style="list-style-type: none"> Approved CEO & CMAC Accountability Agreements. Annual performance reviews for CEO & CMAC completed & documented. 	<ul style="list-style-type: none"> Annual Annual 	Exec	
Provider & Stakeholder	<ul style="list-style-type: none"> Oversee the information technology policies & plan HOI4 	<ul style="list-style-type: none"> Board approval of the information technology policies & plan 	<ul style="list-style-type: none"> Annual 	All & Exec**	
	<ul style="list-style-type: none"> Approve & monitor the hospital Service Accountability Agreement PSA1 	<ul style="list-style-type: none"> Approved negotiated SAA 	<ul style="list-style-type: none"> Annual 	Fin & Aud	

Governance Balanced Scorecard - 2

Accountability & Relationships	<ul style="list-style-type: none"> Monitor open communication & relationships with key internal & external stakeholders PSA2 	<ul style="list-style-type: none"> Board satisfaction with the communication & relationships with key internal and external stakeholders. 	<ul style="list-style-type: none"> 100% good to excellent 	Exec	
	<ul style="list-style-type: none"> Be a catalyst for collaboration & integration with other providers PSA3 	<ul style="list-style-type: none"> Number of aligned system integration projects 	<ul style="list-style-type: none"> 3 	Exec	
	<ul style="list-style-type: none"> Align Foundation's development plan with hospital needs. PSA4 	<ul style="list-style-type: none"> Board approved "Memorandum of Understanding" with Foundation. 	<ul style="list-style-type: none"> Annual 	Exec	
Risk Management & Compliance	<ul style="list-style-type: none"> Oversee & advance Enterprise Risk Management RSM1 	<ul style="list-style-type: none"> Board approval of risk management plans and practices 	<ul style="list-style-type: none"> Annual 	All & Exec**	
	<ul style="list-style-type: none"> Oversee compliance with regulatory & legal requirements RSM2 	<ul style="list-style-type: none"> Board satisfaction of management reports on the status of compliance & improvement efforts 	<ul style="list-style-type: none"> 100% good to excellent 	All & Exec**	
Governance Enablers					
Governance Human Capital	<ul style="list-style-type: none"> Acquire/develop competencies and experience among governors needed to support the hospital vision & strategy G1 	<ul style="list-style-type: none"> Implementation of Board competency enhancement plan 	<ul style="list-style-type: none"> Executed Plan 	Gov	
	<ul style="list-style-type: none"> Establish a clear & transparent process for Board membership & leadership succession G2 	<ul style="list-style-type: none"> Implementation of approved governance, recruitment, nomination, & election processes applied in appointing new members & chair positions. 	<ul style="list-style-type: none"> Executed Plan 	Gov	
Governance Organization Capital	<ul style="list-style-type: none"> Partner with management to build a "just" governance culture of collaboration, respect, openness, learning, trust & accountability, consistent with the established Code of Conduct G3 	<ul style="list-style-type: none"> Board and Management assess overall governance culture 	<ul style="list-style-type: none"> 100% good to excellent 	Gov	
	<ul style="list-style-type: none"> Create Board structures & processes, consistent with best practices & aligned with the hospital strategy & Strategic Management System G4 	<ul style="list-style-type: none"> Board members (& Strategy Team?) satisfaction with: <ul style="list-style-type: none"> Board meetings Clarity of Board roles & responsibilities (& objectives, metrics, targets & initiatives) Efficiency & effectiveness of overall Board & Board Committees (e.g. utilization of time & competencies discussion, decision protocols, etc) Level of engagement of members (by theme/ task, etc) Board size, composition, quality Board committees & structure 	<ul style="list-style-type: none"> 100% good to excellent Best practice Best practice 	Gov	
Governance Information Capital	<ul style="list-style-type: none"> Ensure timely access to relevant information needed to support governance objectives G5 	<ul style="list-style-type: none"> Board satisfaction with Board briefings, accessibility of information, etc. 	<ul style="list-style-type: none"> 100% good to excellent 	Gov	
Financial Capital	<ul style="list-style-type: none"> NYGH demonstrates fiscal responsibility by exhibiting a strong financial performance & position F1 	<ul style="list-style-type: none"> Actual vs. budget financial performance 	<ul style="list-style-type: none"> Net bottom line >0 	Fin & Aud	

Board Structure



Strategic Initiatives

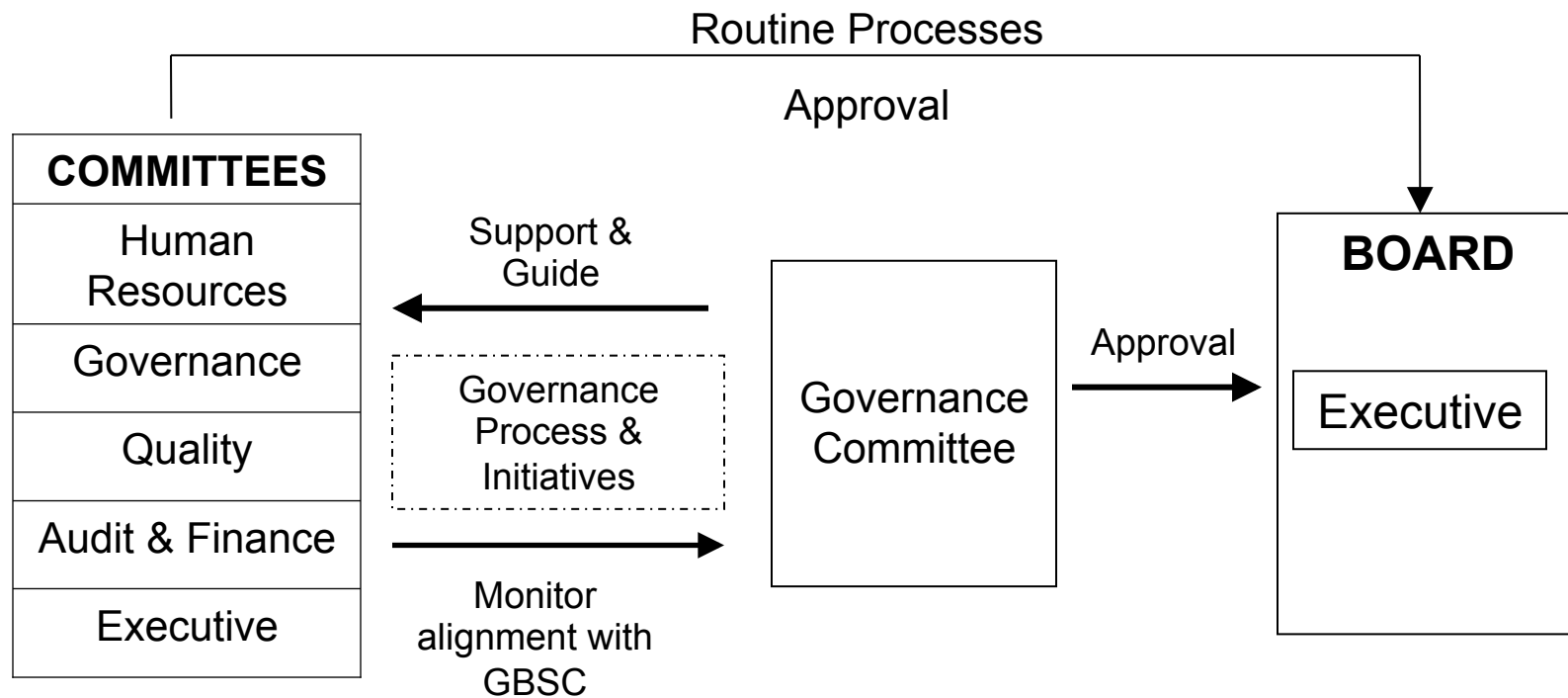
- Engagement Survey and Planning
- Talent Management, Succession Planning, HR Strategy
- Quality, Safety & Service Plan
- CEO/ CMAC Accountability Agreements

Implementing the Governance Balanced Scorecard

It's not about a scorecard; it's about:

1. Improving Governance processes
2. Institutionalizing a system, building capacity that will survive individual members, boards, politics
3. Alignment of Governance and Hospital processes
4. Using a scorecard to implement Board initiatives through appropriate committees

Information Flow



Office of Strategy Management

- Board survey
- Board Performance Report
- Identification of priorities
- Refresh Governance Strategy Map & Balanced Scorecard

Key Outcomes

- Alignment of Governance and Organizational Strategy
- Identification of Governance “added value” opportunities
- Focused use of time – Board & Management
- Common language, common framework for Governance and Management
- Helps to create a resilient organization

Quality Improvement & Impact: Breadth

- Strategic alignment focus
- Staff / physician / volunteer engagement
- Enterprise risk management
- Quality of care / patient safety

Quality Improvement & Impact: Depth

- Governance Balanced Scorecard has specific process objective on monitoring of Quality and Board satisfaction with Quality processes
- Positioned to accommodate new legislative directives (e.g. Excellent Care for All Act)
- Bedside to Boardroom approach:
 - Formal Incident Reviews
 - Summary to Board Quality Committee
 - Quality dashboard

Lessons Learned

- ☺ Timing
- ☺ Level to initiate at: Governance, Corporate or Programs
- ☺ “Hardwiring” execution accountabilities – clarity in expectations and approaches
- ☺ Board Chair, CEO & CMAC support
- ☺ Leadership capacity building
- ☺ Alignment and cascading from Governance to operations
- ☺ Board’s value-added focus

Thank You



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www.nygh.on.ca