

Executive Succession/Continuity Plan

Maryland Hospital Association

Procedure for the Appointment of a staff lead in the Event of an Unplanned Absence of the President & CEO

1. Purpose

In order to ensure the continuous coverage of executive duties critical to the ongoing operations of the Maryland Hospital Association (MHA) and services to its members, the Board of Trustees is adopting policies and procedures for the temporary appointment of a designated staff lead in the event of an unplanned and/or extended absence of the President & CEO.

The Board believes that due diligence in exercising its governance functions requires that it have a short-term executive succession/continuity plan in place. It is expected that this plan will ensure continuity in MHA's external relationships and in internal staff functioning.

2. Priority functions of the President & CEO position at MHA

The full President & CEO position description is attached.

Among the duties listed in the position description, the following are the key functions of the President & CEO to be covered by a designated staff lead:

- a) Serve as the organization's principal leader, representative, and spokesperson.
- b) Support the Executive Committee and Operations Committee
 - ensure the continued integrity and strength of MHA's Executive Committee and Operations Committee leadership;
 - facilitate the ongoing work of the Executive Committee and Operations Committee by presenting governance issues, coordinating its activities and preparing materials for the Executive Committee's and Operations Committee's consideration;
 - assist with recruitment and orientation of new Executive Committee and Operations Committee members;
 - present reports to the Executive Committee and Operations Committee; and
 - hold weekly conference calls with MHA Chairman.
- c) Convene and lead the MHA senior management team and operations team.
- d) Participate, as appropriate, in the recruitment, interview, selection, and evaluation process for directly supervised staff and other key executive level positions.
- e) Strategize the organization's short-range and long-range program and project goals, particularly in organizing and planning:
 - identify overall resource needs and development goals; and
 - maintain accountability for current year operating budget and for the organization's overall financial performance.

3. Succession plan in event of a temporary, unplanned absence -- SHORT-TERM

a) Definitions

- A temporary absence is one in which it is expected that the President & CEO will return to his or her position once the events precipitating the absence are resolved.
- An unplanned absence is one that arises unexpectedly, in contrast to a planned leave, such as a vacation or a sabbatical.
- A short-term absence is three months full-time absence or less.

b) Who may appoint the Designated Staff Lead

- The Executive Committee authorizes its officers to implement the terms of this short term executive succession/continuity plan in the event of the unplanned absence of the President & CEO.
- In the event of an unplanned absence of the President & CEO, the (fill in title)_____ shall immediately inform the Chairman of the Executive Committee of the absence.
- As soon as is feasible, the Chairman shall convene a meeting of the Officers to affirm the procedures prescribed in this plan or to make modifications the Committee deems appropriate.

c) Standing appointee to the position of Designated Staff Lead

- The (fill in title)_____ shall serve as the Designated Staff Lead in the absence of the President & CEO.

d) First back-up for the position of Designated Staff Lead

- Should the (fill in title)_____ be unable to perform as Designated Staff Lead, the first back-up appointee will be the (fill in title) _____.
- The Executive Committee may decide to appoint one of the back-up appointees to the designated staff lead position. The Executive Committee may also consider the option of splitting executive duties among the two designated appointees.

e) Authority and restrictions of the appointee

- The person appointed as Designated Staff Lead shall have the full authority for decision making and independent action as the regular President & CEO.

f) Executive Committee responsible for oversight of and support for the Designated Staff Lead

- As with the President & CEO, the Executive Committee will have the responsibility for monitoring the work of the Designated Staff Lead. The Executive Committee will also be alert to the special support needs of the executive in this temporary leadership role.

g) Communications Plan

- As soon as possible after the Designated Staff Lead has begun covering an unplanned absence, staff will develop an appropriate communications strategy, suitable to the situation, to communicate as necessary the temporary leadership structure to key internal and external parties.

4. Succession plan in event of a temporary, unplanned absence -- LONG-TERM

a) Definition

- A long-term absence is one that is expected to be more than a three month, full-time absence.

b) Procedures

- The procedures and conditions to be followed shall be the same as for a short-term absence with one addition:
 - o The Executive Committee will give immediate consideration, in consultation with the Designated Staff Lead, to temporarily backfilling the management position left vacant by the Designated Staff Lead. This is in recognition of the fact that, for a term of more than three months, it may not be reasonable to expect the Designated Staff Lead to carry the duties of both positions. The position description of a temporary manager would focus on covering the priority areas in which the Designated Staff Lead needs assistance.

5. Succession plan in event of a PERMANENT unplanned absence

a) Definition

- A permanent absence is one in which it is firmly determined that the President & CEO will not be returning to the position.

b) Procedures

- The procedures and conditions shall be the same as for a long-term temporary absence with one addition:
 - o The Executive Committee shall appoint Transition and Search Committees to plan and carry out a transition to a new permanent President & CEO.

6. Approvals and maintenance of record

a) Signatories

- This plan shall be signed by the Executive Committee Chairman, the President & CEO, the human resources director, and the appointees designated in this plan.

b) Maintenance of record

- Copies of this plan shall be maintained by the Executive Committee Chairman, the President & CEO, the Designated Staff Lead, the back-up appointee, the human resources director, and MHA's legal counsel.

Albert Counselman
Executive Committee Chairman

Carmela Coyle
President & CEO

Name
Human Resources Director

Name
Title (Designated Staff Lead)

Name
Title (Designated Staff Lead)

Date