



Sample Chief Executive Officer Performance Appraisal Process and Assessment Form

Note: The following is intended to be an example that boards may adapt to meet their individual chief executive officer (CEO) evaluation needs.

The Board of Trustees is responsible for conducting the CEO evaluation and regularly reviewing the policy and process to ensure it contributes to the achievement of the organization's mission, vision and goals. The purpose of the CEO evaluation is to provide timely, clear and focused input to the CEO about how well he or she is performing in the key performance areas identified as most critical by the Board of Trustees in achieving the hospital's or health system's strategic objectives.

The CEO should be evaluated using criteria specified in a CEO compensation policy established by the Board, and agreed to by the CEO. The criteria used to evaluate the CEO and determine incentive payment should be based on a variety of factors that support the organization's mission, vision and goals. When mutually agreed-upon, the CEO evaluation may include a "360-degree" approach that seeks feedback on performance from the Board, medical staff leaders, senior management and the CEO.

The following assessment form provides an opportunity to evaluate the CEO's performance across three dimensions: essential CEO accountabilities, personal attributes and leadership qualities, and CEO goals and objectives. The next section describes how to use this form to create and conduct a CEO assessment process for your organization.

Creating a Customized CEO Evaluation

1. Modify the Assessment Form. The Board or an assigned Board committee should review the sample CEO assessment form included in this document and make modifications to adapt the assessment questions and criteria to the organization's unique needs.
2. CEO Self-Evaluation. The Chairman of the Board should initiate the CEO performance appraisal process by asking the CEO to complete a self-assessment. The CEO self-evaluation should ideally include a summary of achievements relative to the goals and objectives defined at the beginning of the planning year, and a self-appraisal of performance based on the CEO's key accountabilities in each of the areas also rated by the Board. *The CEO's self-ratings and*

comments should be incorporated into the Board's version of the evaluation prior to the distribution of the evaluation to the board. Placeholders for the CEO's ratings and comments are included in this evaluation form template.

3. Board Evaluation. The CEO evaluation should be distributed to all Board members, with clear instructions about how to consider the criteria in forming a rating of performance, the importance of providing comments where necessary, and the submission deadline. *The appraisal provided to Board members should include the CEO's self-ratings and comments.*
4. Summary Report. The evaluations should be collected, and responses compiled in a manner that reveals an overall Board performance rating in each area, the CEO's self-rating, and a summary of comments made by both Board members and the CEO.
5. Board or Committee Review. Board members (or designated Committee members) should meet to decide what to emphasize in their feedback to the CEO and discuss the final CEO appraisal report. The Board (or designated Committee) should also review the CEO's proposed goals for the coming year, make any modifications necessary, and collaborate with the CEO to ensure mutual agreement and commitment.
6. Final Documentation. The Board Chair should incorporate modifications to the evaluation requested by the Board (or designated Committee) and ensure preparation of final documentation of the CEO appraisal.
7. Personal CEO Feedback. The Board Chair (and identified other members of the Board) should meet personally with the CEO to discuss the evaluation results. This session should provide performance improvement feedback to the CEO, and stimulate a productive, two-way dialogue with the CEO that includes his or her responses to the evaluation, and personal commitments to leadership improvement. If a salary increase and/or bonus are communicated in the same meeting, care should be taken to spend appropriate time providing feedback and not let compensation become the principal focus of the conversation.

Assessment of Essential CEO Accountabilities

Please evaluate the CEO’s performance for each accountability area using the scale outlined below. Consider all criteria together when forming an impression about the CEO’s performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO performs *above and beyond* these accountabilities as a part of his or her leadership. The CEO’s performance in this area is *outstanding and exceeds my expectations*.

4 – Meets All Expectations: The CEO *always* practices these accountabilities as a part of his or her leadership. The CEO’s performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices these accountabilities as a part of his or her leadership, but not always. The CEO’s performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices these accountabilities as a part of his or her leadership. The CEO’s performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these accountabilities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO’s performance 2 or below, please provide specific suggestions for needed performance improvement.

Quality and Patient Safety	Please Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Ensures that quality and patient safety is a top priority at every level in the organization • Establishes and nurtures a culture built on quality, service and continuous improvement • Prioritizes delivering patient-centered care that meets the highest patient satisfaction and customer service standards • Advances the organization’s culture to ensure the patient experience is exemplary in every aspect of care • Ensures appropriate resources are allocated throughout the organization to deliver high quality, patient-centered care • Uses quality outcomes and data to drive actionable decision-making • Ensures that patients receive the right care, at the right place and at the right time 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of Essential CEO Accountabilities (cont.)

Financial Leadership	Please Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Financial results in the past year met or exceeded financial goals for the organization’s growth • Sets the tone for financial discipline and the importance of financial balance to achieve the mission and vision • Ensures adequate internal systems are in place to protect the organization’s financial health • Continuously explores opportunities to strengthen the organization’s financial position and organizational growth and development • Engages the board in robust dialogue about financial reports and plans, providing sufficient and clear information about progress and results achieved • Ensures an annual audit of financial operations, with a careful and thorough review by the board 	<p>Comments:</p> 					
<p>CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]</p> <p>CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]</p>						

Assessment of Essential CEO Accountabilities (cont.)

Medical Staff Relations	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Develops and maintains effective relationships with physicians employed by and associated with the organization • Encourages open communication and dialogue with physicians • Encourages physician collaboration across the system of care to foster commitment to a shared vision • Meaningfully involves the medical staff in efforts related to quality improvement, patient safety and patient satisfaction • Develops and implements a medical staff development plan consistent with the organization’s strategic plan and goals • Inspires loyalty among the medical staff to further the mission and vision of the organization • Ensures an adequate supply of physicians and physician specialties exists to meet the health needs of the community 	<p>Comments:</p> 					
<p>CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]</p> <p>CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]</p>						

Assessment of Essential CEO Accountabilities (cont.)

Community Health and Partnerships	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Instills community health and well-being as a fundamental organizational belief • Collaborates with community leaders to assess the health needs of the community and design programs and services to maximize resources to address those needs • Seeks community partnerships to maximize resources and impact on the greatest community health needs • Ensures resources and programs are made available to address community health improvement challenges and needs 	Comments: 					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of Essential CEO Accountabilities (cont.)

Strategic Development	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Collaborates with the board to set the strategic direction for the organization • Develops, communicates and leads the implementation of the strategic plan in a manner consistent with the organization’s mission, vision and values • Engages internal and external stakeholders to develop strategies and plans to move the organization in the desired direction • Ensures that short-term and long-term goals and priorities are communicated and well-understood by the board, employees, physicians and the community • Considers evolving internal and external trends and factors, and adjusts plans as necessary 	<p>Comments:</p> 					
<p>CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]</p> <p>CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]</p>						

Assessment of Essential CEO Accountabilities (cont.)

Board Relations	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Keeps the Board well-informed of important developments and issues • Ensures a positive working relationship with the Board founded on honesty, trust and collaboration • Recommends appropriate actions and policies for Board consideration, providing clear and timely information to inform deliberation and decision-making when appropriate • Directs the functions of the organization in accordance with the mission, vision and direction established by the Board • Ensures continuous education for the Board on issues/topics important to ensure effective, evidence-based governing leadership 	<p>Comments:</p> 					
<p>CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]</p> <p>CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]</p>						

Assessment of Essential CEO Accountabilities (cont.)

Leadership and Culture	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Provides focused and effective leadership that ensures commitment to the organization’s mission and vision Sets an organizational tone that attracts, retains, motivates and develops a highly qualified workforce Encourages all to capitalize on opportunities to improve productivity, quality and patient satisfaction Earns and maintains respect of employees, volunteers, the medical staff and the Board Ensures the right people are in place to carry out the organization’s strategic direction Ensures that ongoing and relevant educational programs and training opportunities are provided to ensure effective skill-building among employees and physicians Embeds the importance of the consumer experience throughout the organization 	<p>Comments:</p> 					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of Essential CEO Accountabilities (cont.)

Leadership Team Relations and Development	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Recruits and develops a cohesive leadership team to implement organizational goals and strategies Ensures meaningful and challenging goals for performance improvement Holds leaders accountable for achieving performance goals Maintains an open, honest, trusting and collaborative relationship with senior leaders Develops future leaders within the organization 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of Essential CEO Accountabilities (cont.)

Advocacy and Fundraising	Circle the Applicable Performance Rating and Write in Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Represents and promotes the interests and image of the organization to the government, accrediting bodies, the media and the community at large Works with the fund development staff/Foundation Board to implement a fundraising program that meets established goals Establishes relationships with prospective donors 	Comments: 					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities

Please evaluate the CEO’s performance for each personal attribute and leadership quality area using the scale outlined below. Consider all criteria together when forming an impression about the CEO’s performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO’s personal attributes and leadership qualities extend *above and beyond* these attributes as a part of his or her leadership. The CEO’s performance in this area is *outstanding and exceeds my expectation*.

4 – Meets All Expectations: The CEO’s personal attributes and leadership qualities in this area are *always* exhibited as a part of his or her leadership. The CEO’s performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices the personal attributes and leadership qualities in this area as a part of his or her leadership, but not always. The CEO’s performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices the personal attributes and leadership qualities in this area as a part of his or her leadership. The CEO’s performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these personal attributes and leadership qualities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO’s performance 2 or below, please provide specific suggestions for needed performance improvement.

Serves as a Change Agent	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Embraces the transformation occurring in health care delivery and financing Thinks innovatively Exhibits a high level of emotional stability Seeks and values the opinions of others Continually seeks new information and perspectives Values a diversity of opinions 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities (cont.)

Risk-Taking and Problem-Solving	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Keeps a constant pulse on shifts and trends in the health care, political, social and technological environment • Encourages staff to challenge the status quo • Takes calculated risks • Leads the organization to be agile and adaptable • Thinks quickly and assimilates ideas well in providing direction and leadership • Handles ambiguous situations well, always bringing focus to the organization’s pursuit of its mission and vision • Allows for failure as long as the risk does not cause personal harm or irreversible loss to the organization 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities (cont.)

Continuous Leadership Improvement	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Committed to continually improving personal leadership performance • Demonstrates self-discipline • Assumes responsibility for adverse outcomes • Demonstrates humility • Perseveres through challenges 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities (cont.)

Systems Thinking	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Establishes a unifying vision and culture across the organization • Considers the big picture when making decisions • Builds interconnectedness in the system to achieve organizational success 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities (cont.)

Partnership Focus	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Seeks partnerships that help achieve the organization’s mission and vision and improve community health • Is willing to cede some control for the sake of partnerships that better local health and health care • Considers non-traditional partnerships that improve patient value and continuity of care 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities (cont.)

Communication	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Values transparency • Seeks new and better ways to communicate with employees, physicians, patients and key stakeholders • Maintains open lines of communication at all levels • Maintains a strong rapport and professional working relationships at all levels 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Assessment of CEO Personal Attributes and Leadership Qualities (cont.)

Ethics	Circle the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Maintains a high level of commitment to the mission and vision Combines strong ethical judgment with technical and management skills Exhibits values of fairness, honesty and compassion 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members]						
CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

CEO Goals and Objectives

Please evaluate the CEO's achievement of goals and objectives using the scale outlined below. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeded My Expectations: The CEO's achievement of this goal extended *above and beyond*. The CEO's performance in this goal area *exceeds my expectations*.

4 – Met All My Expectations: The CEO performed well in this area *and met all of my expectations* in achieving this goal.

3 – Met Most of My Expectations: The CEO *primarily achieved this goal and met most of my expectations*.

2 – Met Some of My Expectations: The CEO *did not fully achieve this goal, and only met some of my expectations*.

1 – Did Not Meet My Expectations: The CEO *did not achieve this goal, did not perform well in this goal area, and did not meet my expectations*.

N/A – Not Applicable: Not applicable or was not been observed.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement.

E X A M P L E	Circle the Applicable Rating and Include Your Comments					
Goal: <u>Improve HCAHPS Patient Survey Summary Star Rating From 3 to 4 Stars</u>	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • Initiate organization-wide survey to identify staff and physician ideas • Provide education on best practices in various linked areas • Highlight successes 	Comments: 					
CEO Self-Rating: 5 CEO Comments: I am pleased to report that thanks to the hard work across our organization, we have achieved a 5 star HCAHPS rating!						

CEO Goals and Objectives (cont.)

Goal: [insert goal here]	Circle the Applicable Rating and Include Your Comments					
	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • • • 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members] CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Goal: [insert goal here]	Circle the Applicable Rating and Include Your Comments					
	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • • • 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members] CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Goal: [insert goal here]	Circle the Applicable Rating and Include Your Comments					
	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • • • 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members] CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

CEO Goals and Objectives (cont.)

Goal: [insert goal here]	Circle the Applicable Rating and Include Your Comments					
	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • • • 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members] CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Goal: [insert goal here]	Circle the Applicable Rating and Include Your Comments					
	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • • • 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members] CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Goal: [insert goal here]	Circle the Applicable Rating and Include Your Comments					
	1	2	3	4	5	N/A
Objectives: <ul style="list-style-type: none"> • • • 	Comments:					
CEO Self-Rating: [Insert CEO rating from self-evaluation here before giving to Board members] CEO Comments: [Insert CEO comments from self-evaluation here before giving to Board members]						

Summary Comments

Please include below any other comments about the CEO's performance, or any circumstances that may have influenced the CEO's performance in the past year.