

Exploring the Latest Edition of the Guide to Good Governance

A flagship resource of the Ontario Hospital Association (OHA), the **Guide to Good Governance** (the Guide) was first launched in 2005 and is considered the definitive guide for good governance practices across hospital boards. Since its initial launch, the Guide has been updated twice in response to our evolving health care landscape and is now in its fourth edition. The current edition is updated throughout to ensure currency and accuracy. This document highlights specific notable revisions, additions, and shifts in emphasis.



Legislative and Policy Updates

Ontario's *Not-for-Profit Corporations Act* (ONCA) was proclaimed into force in 2021 and amended in 2023. The latest edition of the Guide integrates ONCA considerations throughout the Guide rather than providing a standalone chapter with higher level considerations. Information on ONCA continues to be available through the OHA's website at www.oha.com/ONCA

Other legislative updates include reference to the *Connecting Care Act*, Ontario Health, and the evolving executive compensation regulatory framework.

This version of the Guide more clearly delineates between legal compliance requirements and broader leading governance principles and practices. It has also been re-organized into a more user-friendly, digital format, and provides additional cross-referencing to resources including the re-developed *Guide to Hospital Statutory Compliance*.



Governance Framework and Board Responsibility

The Guide retains focus on the foundational framework for good governance: board quality (who), board role (what), and board structure and processes (how).

In addition, this version expands focus on board culture, role clarity, and director development as essential elements supporting effective board performance.



Role of Directors and Fiduciary Duties

The Guide updates commentary on fiduciary duty, standard of care, liability, conflict of interest, and director dissent to align with ONCA.

In addition, the Guide adds clarity on the dual-roles of directors in closed corporate membership models, expands on the boundaries of the business judgment rule, and situates fiduciary duty in the context of a high-performing health system.

Finally, the updated Guide provides an increased focus on how directors apply their duties and obligations in complex regulatory environments.



Board Composition, Education, and Evaluation

The Guide continues to focus on board size, composition, orientation, and board evaluation tools. It reframes quality as an ongoing development cycle and emphasizes onboarding and continuous director development.

The Guide also emphasizes the importance of diversity, performance-based renewal, individual director feedback and coaching.



Stakeholder Engagement and Transparency

The Guide discusses stakeholder engagement practices and includes forms and tools for stakeholder communication. In addition, the Guide updates the discussion of hospital stakeholders to be reflective of legislative and policy changes, and reinforces stakeholder engagement as central to health system performance and effectiveness.



Board-Management Relationship

The updated Guide provides more detail on the roles of (and line between) governance and management and the fluid and circumstantial nature of the board-management relationship. In addition, tools and diagrams to support understanding these principles are included.

The Guide also provides new information on resetting the board-management relations following changes in circumstances such as management turnover, or emergency.

→ Additional Resources

New Content:

- Form 3.5 – Board’s Response to Emergency Situations
- Form 3.11 – Sample Chief of Staff Performance Evaluation Policy
- Form 3.6 – Draft Whistleblower Policy

Updated Content:

- Form 7.3 – Sample Application for Board Membership
- Form 7.9 – Sample Board Peer Assessment Questionnaire
- Form 7.11 – Guideline on Creating a Board Self Assessment Survey
- Form 7.12 – Sample Committee Self-Assessment Survey
- Form 8.6 – Sample Committee Responsibilities: Governance and Nominating Committee