



Hospital Focus

Attracting Top CEO Talent: A Continuous Process

By Larry McEvoy, M.D., Founder, Epidemic Leadership

Sooner or later, your organization will face the reality of needing to attract top talent to the CEO suite. Whether you're looking or not, you should be focused right now on how you attract and hold executive talent. As a retiring CEO said recently, "If I knew then what I understand now, I would have started succession planning right away in a wider fashion." In a world where CEO turnover is 18 percent a year, the competition for the "right talent" is fierce, and independent hospital boards must reflect thoughtfully about how they'll position their organization as an attractive landing (and staying) place for the right CEO. The person in that role will have a cascading, powerful, and incomplete influence on how all other talent in the organization is attracted and retained. While selection is key to sourcing, spotting, and matching that talent, the best search in the world cannot define how attractive you are as an organization.

Overseeing the "attractability" of the organization is an essential part of a board's strategic governance responsibilities. If you're not presently attracting your next CEO, every single person in your organization is nonetheless in the midst of a constant, real-time decision-making process: "Should I stay or should I go?" To be successful, you need all the people who can bring value to be thinking "I

Key Board Takeaways

- **Create a strategic risk/advantage audit**—of the entire organization. Whether you're actively sourcing new executive talent now or planning for the future, this exercise will help you define the kind of talent you're seeking and will guide the capacity and development plans mentioned below. And it says to incoming talent, "We know our role, and we've got a clear sense of what we really need in you."
- **Create a capacity plan.** Attractive organizations don't just plan and monitor what they need to do; they map and develop the human capacity to be able to adapt, lead, and execute across broader agendas and more complexity. Identifying the systemic leadership ecology—the roles, skills, and relationships—mapped to your strategy drives a systemic approach to leaders and teams. Too often organizations leave these "operating system" dynamics to chance. If nothing else, you'll be internally recruiting your best and brightest in real time.
- **Make onboarding about strategic transition, not name badges and report-outs.** Attraction continues, and strengthens, with a well-designed plan to get key relationships grounded in a shared new reality. The board, executive team, physicians, and employees all have a stake in seeing and creating new clarity out of a CEO change. Designing this process thoughtfully and prospectively is key.
- **Don't depend on the search firms to attract the candidate** (their job is introduction and background validation). Define who you need against your strategic audit and your capacity plan. Don't be afraid to look at unconventional career paths and backgrounds—people who can validate they've done what you need them to do, but who also have shown the ability to do things they haven't done before.

want to stay, and I want to do more, and this place values who I am and what I bring...and I want to tell my professional friends." These issues become all the more stark against the prevalence of both physician and executive burnout.¹

¹ [The Impact of Burnout on Healthcare Executives: A Witt/Kieffer Study](#), January 19, 2019.

The "right" CEO is certainly attracted by the MVSOM (mission, vision, values, strategy, operations, and market) resume of an organization. The harder part for incoming talent to see are the things that will keep them there: board and executive function, physician leadership capacity, and the effectiveness of relationships between the key bodies and cultures of the organization. Even a healthy relationship between the board and

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the CEO is requisite but insufficient to attract not just the CEO but all other talent, who each live professionally in an interlinked relationship of varying "attraction" or "repulsion." In essence, attracting talent means that a board governs with the awareness of the ever-present selection/attrition tension within the organization and understands that succession is a continuous bidirectional process, not the occasional triggering of a predetermined plan to fill org chart boxes.

While the "grocery list" of what an organization must do is long and well-described—lower cost, increase quality, evolve business structures, grow financial sustainability, invest in reliability, drive innovation, interface with a wide external ecosystem of stakeholders—describing it doesn't make it easy to execute. More troublesome, no single person can execute on these deliverables with only their individual expertise, and some things in an organization need to stay repetitive, reliable, and unchanging, while a host of others require disruption, innovation, adaptation, and wholesale change. Into these complementary functions the organization must attract someone who can capably facilitate both consistency and change, across innumerable topics and processes, at scale.

So, who are you attracting? First, someone who can:

- Create capacity across and within many levels.
- Maintain identity and consistency.
- Create profound change.

These are unusual individuals. These days, no matter how well someone can perpetuate the healthy status quo, you're looking for someone who can create change, and they've got to see your organization as a place ready to make that happen.

What are they looking for? The convenient answer is "a healthy organization with a bright future, a functioning present, thriving people, plenty of capacity for improvement, and no risk." Such organizations don't exist, at least in pure form. Underneath the formal performance and structures of an organization, all of which are mutable, are the more foundational elements that we often lump as "culture"—the patterns of relationships that define how an organization thinks, acts, and interacts. Given that these patterns represent longer-term trends, a board's ability to showcase cultural health—the organization's "potential energy" for driving performance and vitality—is key to attraction.

Where will they find it? They'll know the basics, but your ability to attract skilled, courageous talent lies in the "real story" of your organization.

While CEO searches could cynically be described as the "deception of perfection" on both sides, your best story is the one about what you're building, not what's already done. Let curious executive talent hear and understand your aspirations, your warts, and your confusion. You're looking for capability and trust, and so are they. The conversation will help you see who they really are, and you'll be setting them up for success.

How do you showcase it? Let them meet the people. In an era where there's too little trust between executives and physicians, administration, and employees, create wider dialogue between candidates and physicians, employees, and leaders. While this may challenge your risk tolerance, well-designed forums can go a long way toward creating an "I can see myself here" impression and will engender trust within the organization as well.

When does "attractability" begin? Nearly all healthcare organizations are working off the same "grocery list" of things to get done. "Attractability" begins and deepens the moment you move from the grocery list to building trust that you're ready to support and move with a new CEO—that as a board you understand the development of capacity is a key need and focus and you're committed to working with the CEO as he/she works to create a culture that can drive performance and engagement. The best talent isn't looking for "easy" or "done," they're looking for the support and trust necessary to build what isn't yet done. They're interested in key relationships, patterns of thinking, and the ways you develop people and processes.

The Governance Institute thanks Larry McEvoy, M.D., past-CEO of Memorial Health System and the President and CEO of Epidemic Leadership, for contributing this article. He can be reached at larry@epidemicleadership.com.