

The Governance Institute presents

# Retaining Executive Leadership for Healthcare's Next Generation

November 4, 2021 | 2:00–3:00 p.m. Eastern



*Presented by*

**Andrew Chastain, President & CEO, WittKieffer**  
**Kimberly A. Russel, FACHE, CEO, Russel Advisors**  
**Marian C. Jennings, M.B.A., President, M. Jennings Consulting, Inc.**



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# Today's Presenters



**Andrew Chastain**

As President & CEO of WittKieffer, Andrew is responsible for charting the firm's strategic trajectory while ensuring excellence and exceptional service for the firm's clients. Andrew brings over 20 years of leadership experience to the firm and continues to play a key role in select, high-profile search assignments. As a trusted advisor, Andrew offers his clients a consultative approach with keen strategic insight to deliver proven results. He merges his extensive management and healthcare expertise to identify leadership needs while providing guidance through a rigorous assessment process to identify outstanding leaders for his clients.



**Kimberly A. Russel, FACHE**

Kim has served as a healthcare executive for over 38 years. For the past 25 years, Kim devoted her energy and talents to serving as a healthcare CEO, first at Mary Greeley Medical Center and from 2008 to early 2020, at Bryan Health. Earlier in her career, Kim served as Chief Operating Officer at the University of Kansas Hospital and in various executive roles at Iowa Methodist Medical Center (now Unity Point-Des Moines). Kim recently retired from Bryan Health and formed her own boutique consulting firm, Russel Advisors, which allows her to dedicate her time to advising and assisting healthcare boards and CEOs.



**Marian C. Jennings, M.B.A.**

With over 35 years of consulting experience, Marian is a skilled, well-known advisor to boards and executive management of not-for-profit hospitals, health systems, and other healthcare organizations across the U.S. She is also a regular speaker and author for numerous professional organizations. Marian's areas of expertise include governance assessment and enhancement; strategic planning, with a particular focus on integrating strategic and financial planning; and developing effective partnering strategies.



# Learning Objectives

After viewing this Webinar, participants will be able to:



**Explain why top talent in healthcare is becoming more difficult to find.**



**Describe the unique circumstances facing boards and senior executives related to talent retention and scarcity, including concerns related to workforce well-being.**



**Identify the leadership attributes needed for the next generation of healthcare.**



**Develop an action plan to tackle your board's executive retention and succession plan using tools that work.**



# Continuing Education

Continuing  
education  
credits available



In support of improving patient care, The Governance Institute, a service of National Research Corporation, is jointly accredited by the Accreditation Council for Continuing Medical Education (ACCME), the Accreditation Council for Pharmacy Education (ACPE), and the American Nurses Credentialing Center (ANCC) to provide continuing education for the healthcare team. This activity was planned by and for the healthcare team, and learners will receive 1 Interprofessional Continuing Education (IPCE) credit for learning and change.

**AMA:** The Governance Institute designates this live activity for a maximum of **1 AMA PRA Category 1 Credit(s)**™. Physicians should claim only the credit commensurate with the extent of their participation in the activity.

**ACHE:** By attending this Webinar offered by The Governance Institute, a service of National Research Corporation, participants may earn up to **1 ACHE Qualified Education Hour** toward initial certification or recertification of the Fellow of the American College of Healthcare Executives (FACHE) designation.

**Criteria for successful completion:** Webinar attendees must remain logged in for the entire duration of the program. They must answer at least three polling questions. They must complete the evaluation survey in order to receive education credit. Evaluation survey link will be sent to all registrants in a follow-up email after airing of the Webinar.

**CPE:** The Governance Institute is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its Web site: [www.nasbaregistry.org](http://www.nasbaregistry.org).

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits will be granted based on a 50-minute hour.

**Field of study:** Business Management & Organization

**Program level:** Overview

**Prerequisites:** None

**Advanced preparation:** None

**Delivery method:** Group Internet based

**Maximum potential CPE credits:** 1



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# Disclosure Policy

- As a Jointly Accredited Provider, the Governance Institute's policy is to ensure balance, independence, objectivity, and scientific rigor in all of its educational activities. Presentations must give a balanced view of options. General names should be used to contribute to partiality. If trade name are used, several companies should be used rather than only that of a single company. All faculty, moderators, panelists, and staff participating in the Governance Institute conferences and Webinars are asked and expected to disclose to the audience any real or apparent conflict(s) of interest that may have a direct bearing on the subject matter of the continuing education activity. This pertains to relationships with pharmaceutical companies, biomedical device manufacturers, or other corporations whose products or services are related to the subject matter of the presentation topic. Significant financial interest or other relationships can include such thing as grants or research support, employee, consultant, major stockholder, member of the speaker's bureau, etc. the intent of this policy is not to prevent a speaker from making a presentation instead, it is the Governance Institute's intention to openly identify any potential conflict so that members of the audience may form his or her own judgements about the presentation with the full disclosure of the facts.
- It remains for the audience to determine whether the presenters outside interests may reflect a possible bias in either the exposition or the conclusion presented. In addition, speakers must make a meaningful disclosure to the audience of their discussions of off-label or investigational uses of drugs or devices.
- All faculty, moderators, panelists, staff, and all others with control over the educational content of this Webinar have signed disclosure forms. The planning committee members have no conflicts of interests or relevant financial relationships to declare relevant to this activity. *One presenter has a financial relationship with The Governance Institute or its parent company, NRC Health. This relationship does not affect the educational purpose of this program.*
- This educational activity does not include any content that relates to the products and/or services of a commercial interest that would create a conflict of interest. There is no commercial support or sponsorship of this conference.
- None of the presenters intend to discuss off-label uses of drugs, mechanical devices, biologics, or diagnostics not approved by the FDA for use in the United States.



# Agenda

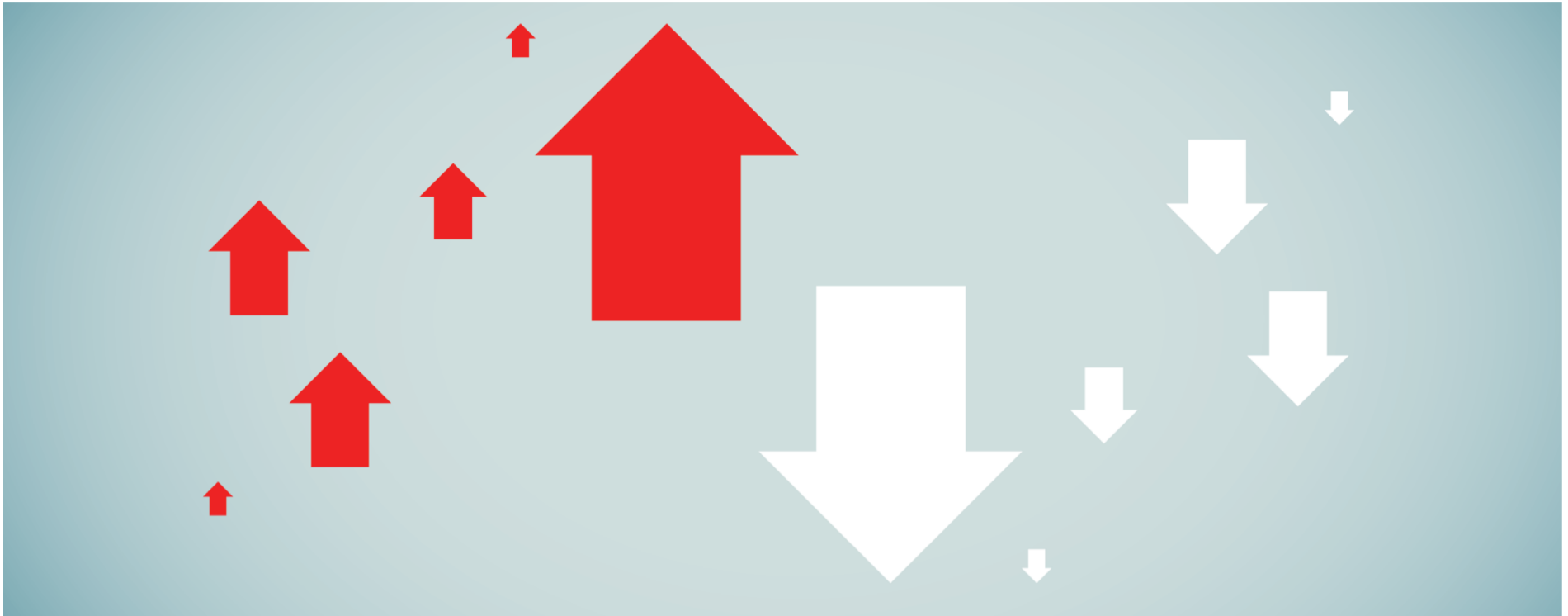
- Setting the Stage
- How to Start the Difficult Conversations
- Making Executive Retention & Succession Planning a Board Priority
- Facilitated Discussion & Audience Q&A



# Setting the Stage



# Demand is Up | Supply is Down





# Drivers of Demand and Supply

## Drivers of Increased Demand

Burnout

Pent-up retirements

Planned retirements

Expansion of the marketplace

## Drivers of Reduced Supply

Exits from the industry

Changing skills required

New entrants into the marketplace

**Humana**    **one medical**

 **OPTUM**

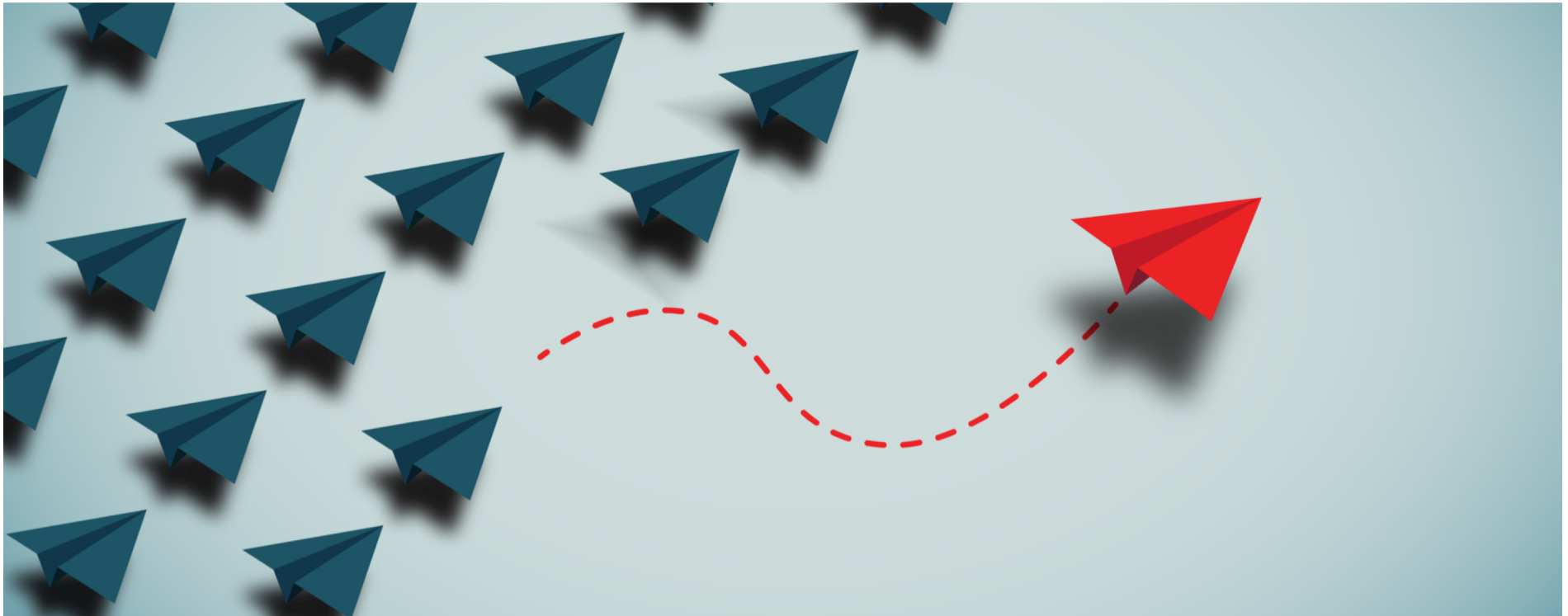
 **CVS Health.**

**DOLLAR GENERAL**

**Walmart+**



# Changing Profile of Healthcare Leadership



# How to Start the Difficult Conversations



## Polling Question #1

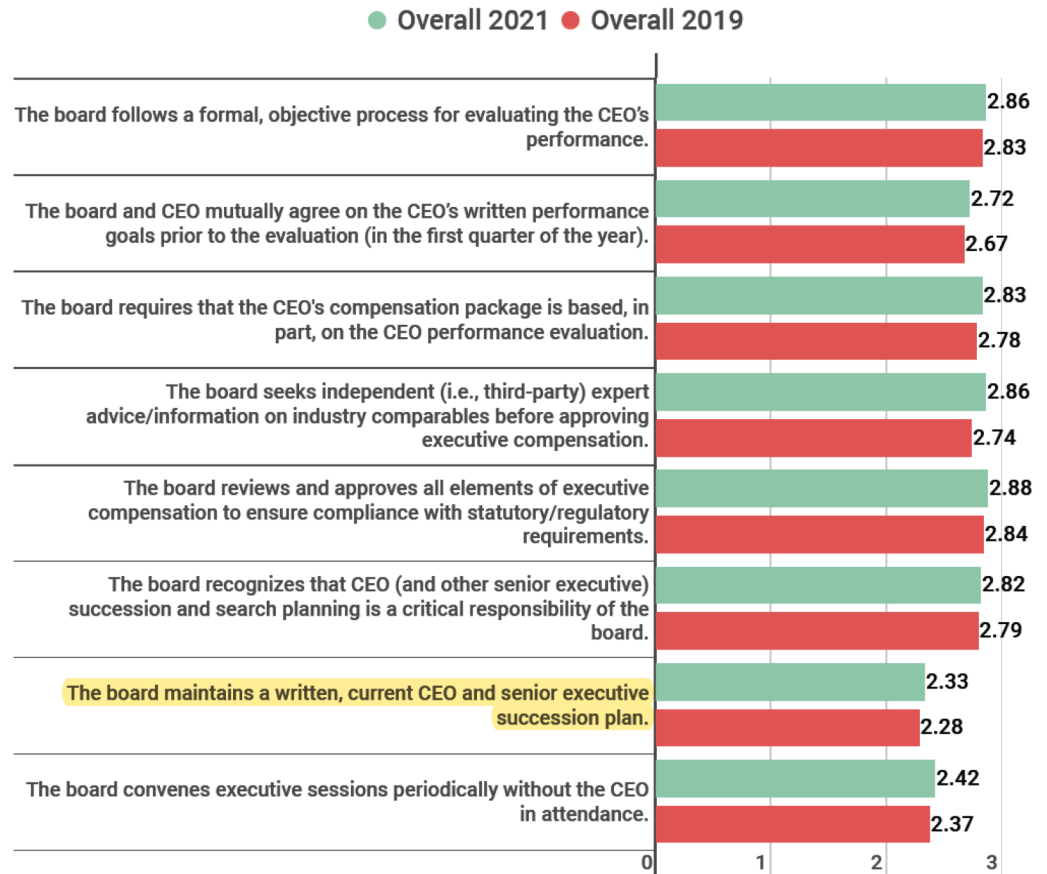
Does your board maintain a written, current CEO succession plan?

- a. Yes
- b. No
- c. In progress
- d. Don't know



# Begin With Data

- The Governance Institute’s biennial survey of hospitals and healthcare systems continues to show over the past decade that maintaining a written, current CEO and senior executive retention plan is among the lowest-adopted board practices across *all* types of boards.



## About CEO Retention...

- Board-CEO relationship
- Board chair-CEO partnership
- Strategic governance
- CEO professional development support



# Why Is Succession Planning “Unmentionable”?

- Responsibility not delineated
- CEO reluctance
- Subject feels awkward to all parties
- Other governance priorities



# From “Unmentionable” to Governance Action

- New CEO scenario
- “Leadership development”
- Board chair/CEO
- Emergency succession plan first
- “Due to the pandemic...”
- Board education
- Employment contract cycle





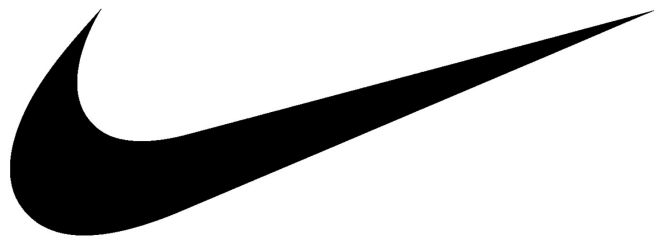
# Succession Planning Role of Current CEO

- Formulate & execute the internal leadership development plan.
- Oversee succession plan development for all leadership roles.
- If needed, initiate your own succession planning discussion.
- Advise the board on internal executive talent.
- Advise the board on future CEO skill set requirements.



# Making Executive Retention & Succession Planning a Board Priority





*Yes, just do it....*



## Polling Question #2

Has your board incorporated leadership development *and* succession planning into the CEO's performance expectations?

- a. Yes, for both of these
- b. Yes, but for leadership development only
- c. Yes, but for CEO succession only
- d. No
- e. Don't know



## Too Many Priorities...Too Little Time

“What you  
measure is what  
you get”

*So be careful what you measure,  
and worry about what you don't!*

- Include executive retention and succession as **board goals**; build updates into executive session(s) of annual board work plan.
- Incorporate leadership development and **succession planning** into the CEO's performance expectations.



# Leadership Retention: Create Your Own Next Generation

**Many successful corporations pride themselves on their ability to promote from within. This is not serendipity.**

## Management Work

- Identify who is prepared to *or could be cultivated* to replace each current senior leader.
- Implement and monitor individualized leadership development plans.
- Conduct robust annual talent reviews of physician and administrative leaders.

## Board Work

- Expect and endorse leadership development plans.
- Create opportunities for directors/trustees to interact with “up and comers,” both formally and informally.





# Ensure a Smooth Transition from Current CEO to the Next

Especially important if replacing a long-serving CEO:

- Show strong, unanimous board support.
- Help the new CEO understand your:
  - Culture
  - Strategic direction
  - Short-term priorities
- Help him/her develop strategically or politically important connections
  - Internally
  - Externally



***Establish clear year-one  
CEO performance  
objectives and  
expectations***





## Polling Question #3

Have you identified who would serve as an interim CEO in case of an unexpected and precipitous CEO departure?

- a. Yes, and the board has approved the plan
- b. Yes, but informal plan/not board approved
- c. No
- d. Don't know



## Maintain Up-to-Date CEO Departure Contingency Plan



- Who will serve as interim CEO?
- If no internal candidate(s), to whom would you turn and what external resources would you use to fill the interim role?



# Discussion & Audience Q&A



## Contact Us...

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