SUCCESION PLANNING FOR NURSING LEADERSHIP

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Need and Urgency

- **AONE Statistics**
  - 59% of hospitals are cutting administrative costs
  - 53% of hospitals are reducing staff

- **Yet- Nurse execs job is to**
  - Focus on quality and safety
  - Create a flourishing practice environment
  - Provide effective patient care within resources
So... We need to look at..

- Our Workforce
  - Quantity
  - Quality - Competency and Experience
  - Leadership
    - Development
    - Succession
Succession Management

The process by which business leaders *ensure* they have the right talent to achieve strategic goals.

This includes

- Ensuring the availability of ready successors
  - ... in the right place ... at the right time
- Building bench strength for key roles
- Aligning ready talent with the strategic direction of the larger organization.
- Filling key openings from within, without delay, and with confidence to maximize business results.
Why Increased Focus on Succession Management?

- More recognition that:
  - Having the right talent is critical
  - There are not enough of them around
  - They are more likely to leave
  - Not having them is very costly

So, organizations that identify, build, retain, and optimally deploy strong talent will have a distinct leadership advantage.
What Does Success Look Like?

Compared to *some benchmark*, having:

- Strong, high performing talent in pivotal roles
- Quick processes to successfully place superior talent in key positions
- A strong bench
- Robust processes for managing succession
- Effective acceleration of development and readiness
- Retention of critical talent
The Public Sector
US Dept. of Labor Statistics

We’re getting old: 45-64 group growing faster than any other

- Government folks even older:
  - 44% age 45+ (private sector 30% OFs)
- Fewer young people:
  - Government 27 % under 35 (private sector 43%)

• Only 9.1% of all RNs are under the age of 30. The average age of the RN population in the United States is 45.2 years.

Minority nurse.com
Where Does your Organization Stand?

Quick Survey:

Do you have a succession process in place?

How well is your organization’s succession management process working?

What are the biggest challenges in your organization’s succession process?
How do you know you have problems?

- Key roles unfilled for long periods
- Emergency outside hires
- Key roles filled mostly from outside
- Replacements unsuccessful
- High turnover among HIPOs. (High Potentials)
- Lack of bench strength is concerning Board/Execs.
- Complaints about promotion decision fairness.
Why the Need for Succession Planning in Nursing Leadership?

- Creates a “pipeline” of qualified individuals to “take over” when needed.
- Normal attrition and tight labor markets leave less people to choose from.
- Maintains continuity of organizational strategic goals and plans.
- Fewer staff = fewer potential leaders.
Why the Need for Succession Planning in Nursing Leadership?

- It is strategic, tactile and deliberate
- Planning provides continuity of leadership
- Boosts retention and morale by providing a clear career path
- Reduces replacement costs
- Assists in Creating a supportive, non-threatening environment aiding in work-life balance.
What’s at the Root of Problems with Succession Management?

- Lack of focus and attention from senior execs
- Optimistic pursuit of external players
- Lack of a dynamic succession management process
- Starting over every few years
- Lack of skill in decision making about people
- Lack of comfort making tough people decisions
Resources for Success

- Time
- Financial Support
- Competency development and assessments
- An educational plan
- A supportive culture
- Clear support, mentally and financially from executive leadership.
Have Role Models

Caution! Not all leaders are role models!!!!
Overview- Creating a Successful Plan-
Step 1

- Have administrative “buy-in” before implementation.
  - Leaders need to put aside the notion that they
    - are not leaving or are irreplaceable!
    - are now easier targets for removal
    - are going to “die in the chair”

- Have committed resources.
  - Promises won’t work!
  - Make it a priority
Overview- Creating a Successful Plan:

Step 2

- Review and find an appropriate process for your facility i.e.
  - Develop a leadership planning board
  - Identify a system to identify “high potential” or HIPO leaders.
  - Target “key positions” in the organization
  - Determine scope of work for these positions
  - Assign appropriate compensation to these jobs
Overview- Creating a Successful Plan- Step 3

- Develop an organizational program
  - Develop an educational plan
  - Provide a climate for motivation and retention
  - Implement mentoring models
  - Track employee performance
  - Have individualized formal management development plans in place
Six keys to a Dynamic Succession Management Process
Help Provide Focus: Discussion

- Look through the list of six key determinants of a dynamic succession management process
- Choose *two* that are most relevant to you and your organization
- Indicate those by raising your hand
Six keys to a Dynamic Succession Management Process

1. Solid Understanding of Talent Needs
2. Dynamic, Targeted Data on Talent
3. Carefully Managed Talent Reviews and Decisions
4. Realistic, Robust Approach to Develop Talent
5. Dynamic Evaluation
6. Core Principles, Policies, and Frameworks
Key #1: Talent Need Questions

- Which roles are most critical?
- What types of talent do we need in each role?
- How many do we need in each role?
- How will our needs differ in the future?
Typical Pitfalls

- Review of needs doesn’t adequately consider the longer-term
- All roles treated as equally important
- Performance requirements are too generic, not aligned with changing business needs
- Competencies not differentiated among various roles or levels
Challenges and Success Factors Differ by Level

- Consider how senior executive roles differ from mid-mgmt. roles on:
  - Financial responsibility
  - Value chain responsibility
  - Complexity
  - Breadth of Responsibility
  - Strategic focus
  - Stakeholders

- Visibility:
  - Internal and external
Key #2: Dynamic, Targeted Data on Talent

Reliance on error-prone Boss Judgments about People

- **Typical rating errors**
  - Different standards, experiences, exposure to the person being rated, and biases.
  - Difficult to accurately compare one person’s performance and capabilities with another.
  - Rating people the same in order to avoid tough conversations.

- **Lack of agreement when evaluating talent.**
How Solid are “Boss” Evaluations?

- How confident are you in your talent evaluators?

- How can you be sure you are identifying and investing in the right talent?
Differentiating Performance

COMPETENCIES

HIGH
Average
Low

RESULTS

A Players
B Players
C Players

Misses Target
Meets Target
Exceeds Target
Key 2- Typical Pitfalls

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A More Dynamic Measure of Readiness: Formal Assessment

- Measures of experience, cognitive ability, and work style/motivations
- Business simulations of the unique challenges in the next level role
- Multiple, objective, highly trained assessors
- Specific performance standards
- Benchmarking of talent—comparison to the broader market
A Quality Assessment Program Can Help Your Organization To...

- Provide key insight about applicants and employees
- Improve the quality of your new hires
- Reduce employee turnover
- Increase employee satisfaction and productivity
- Coach employees to maximize their strengths
- Develop career paths for your employees
- Determine your future leaders
- **Improve your organizations bottom line**
Key #3: Carefully Managed Talent Reviews and Decisions

- Education
- Demographics Data
- Experience
- Current assignment
- Tenure in current role
- Accomplishments
- Strengths

- Development needs
- Development plan
- Language proficiency
- Mobility
- Goals/career preferences
- Retention Risk
- Performance
- Potential
- Readiness
How Do Decisions Get Made?

- Boss’ view prevails?
- Most senior person in the room decides?
- Consensus?
- Path of least resistance?
- Those who sound most informed and impartial decide?
- Those who have the best data decide?
- Weighting views based on strength of the data?
- ???
Key #4: Realistic, Dynamic Approach to Develop Talent

Discussion

How does your organization develop potential?

- Readiness?
- What aspects of development work best?
- How often do people actually develop in the ways people had planned or hoped?
- What pitfalls are at work in your development processes?
  - What are the consequences of these?
Developing Talent (cont)

How are the various conditions required for real development ensured?

- For Example:
  - 360 Assessment
  - Mentorship
  - Leader Program Development

What conditions are managed well and where are the choke points?
Key #5: Dynamic Evaluation

**TYPICAL METRICS**
- % of open positions filled internally
- % of open positions filled from succession list
- Diversity
- Cross-functional assignments
- Turnover of key talent

**ADDITIONAL METRICS**
- % of A players among those promoted, hired
- Selection of A, B, and C players, by source
- Turnover of A, B, and C players
- Talent developed by key leaders
- Overall supply vs. future needs
- Business impact of talent differences
Key #6: Core Principles, Policies, and Frameworks

Core Principles, Policies, and Frameworks

- Responsibilities of corporate vs. operating units and line vs. HR
- Consistency of process and practices across units
- When positions should be filled internally vs. externally
- Target diversity level

**What to communicate to HIPOs**

- How to prepare HIPOs
- How to deal with blockers
- Criteria for promotion
- Key definitions
- How to deal with failures
Need for Core Principles, Policies, and Frameworks

- **Typical consequences when they are absent:**
  - Inconsistency, lack of integration
  - Inefficiency
  - Confusion
  - Consternation
  - Conflict
  - Sub-optimization
Overcoming Common Challenges

- Don’t make the plan a secret
- One size does not fit all
- Evaluate and plan for short and long term success
- Perform a supply and demand analysis
Overcoming Common Challenges

- Have a clear “job filling” process
- Have a clear business/project plan
  - Includes leadership skill set deliverables
For Success...

Organization Leaders Must Be:

- Self-Reliant
  - Practicing relationship Management
- Confident
  - Able to allay anxiety
- Risk Takers
- Guides
- Role Models
- Supporters and Transitionalist
Case Study - Guiding Principles

- The capacity for leadership is widely held
- The aspiration for leadership is narrowly held
- The skills of leadership are learned skills
- Great leaders develop over time and experience
- Leadership happens in the relationship between the leader and environment
Step 1: The Ideal Nursing Leader Composite

Brainstorm the characteristics of the ideal nurse leader

Verify against a standard leadership competency checklist

AONE
Nurse Manager Leadership Collaborative Learning Domain Framework

Science Skills Managing the Business
- Financial Management
- Human Resource Management
- Performance Management
- Foundational Thinking Skills
- Technology
- Strategic Management
- Clinical Practice Knowledge

The Leader Within Creating the Leader in Yourself
- Personal & Professional Accountability
- Career Planning
- Personal Journey Disciplines
- Center for Nursing Leadership Dimensions

Art Behaviors Leading the People
- Human Resource Leadership Skills
- Relationship Management & Influencing Behaviors
- Diversity
- Shared Decision Making

THE NURSE MANAGER
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Step 2: Build a Competency Model

- To get there, you have to first decide where you are going.
- Have a competency model for leadership and specify it to our discipline’s needs
Step 3: Complete a SWOT or GAP Analysis

- The Magnet Recognition Program® Application Manual
- Health System Leadership Competencies
- Meta-analysis of Gallup Research: What employees really want from us (Buckingham & Coffman, 1999)

Addresses:
- Leadership competencies of individuals
- Leadership enabling in the environment
Step 4: Complete an Action Plan

- Address gaps
- Focus on leadership competencies
- Focus on environment of leadership
- Best Practice based
Step 5: Validate the Gap Analysis and Action Plan

- Member check with Nursing Leadership
- Analyze in light of nurse satisfaction survey results
Step 6: Deploy the Competency Model

- Job descriptions
- Recruitment materials (e.g. print ads, online)
- Interview guides for hiring
- Leadership orientation
- Performance appraisals (developmental goals)
Step 7: Implement the Action Plan

- Guides senior nursing leadership work
Step 8: Design and Implement the Succession Planning Process

- What is the Health System Process
- Meet with Corporate VP to identify leadership aspirations
- Complete a self assessment and supervisor assessment
- Design & implement development plan with supervisor
Step 9: Design the Nursing Leadership Program

- CNO sponsorship
- Nursing leadership work group design & oversight
- Everybody plays
- Classroom, self-directed and mentored experiential learning
- Link to performance appraisal-goal setting & measurement
- Internal and University courses: Foundation / prerequisite
- Nursing Leadership
- Academy: System nursing leadership learning needs
Setting the Foundation
Overview of leadership
Nursing success factors
Self-management
Managing others

- Motivating others
- Communicating
- Effectively
- Crucial conversations
- Healthcare as a business
- Change management
Remember-

- People don’t quit their jobs-

- They quit their bosses!
Our succession planning services include:

- Organizational readiness assessments
- Facilitating meetings to determine strategy, direction, success factors, and goals
- Competency assessments using 360 feedback instruments, the MBTI, and other tools.
- Personal development plans for each person which include job rotations, projects, opportunities, education, and coaching
- Educational programs (Leadership Academy) design and delivery