

Bridging the Leadership Development Gap for Minority Executives

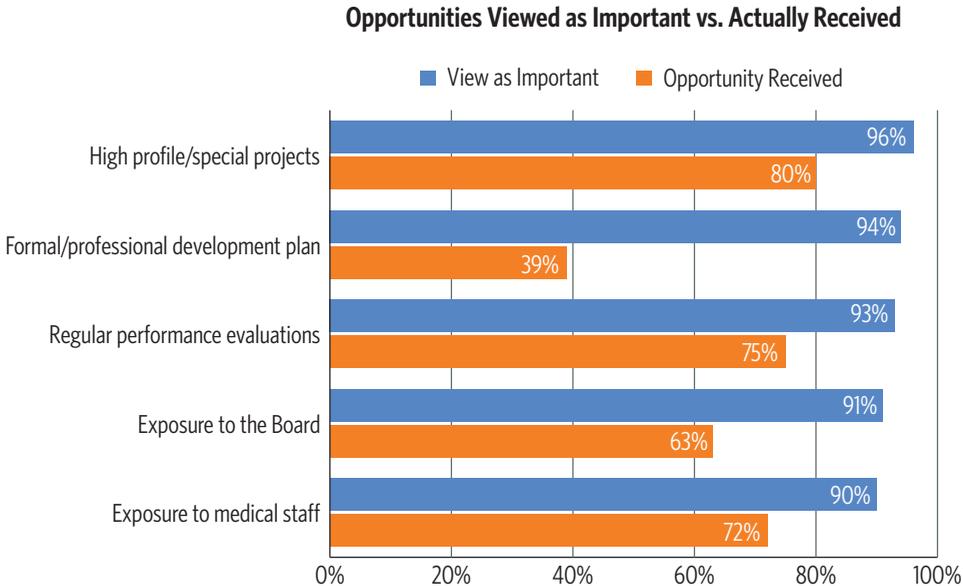
C-suite succession planning and leadership development play a critical role in identifying and grooming talented minorities for future roles, as well as bolstering executive diversity at the highest levels. However, in many hospitals and health systems, a wide gap exists between the career development opportunities that minority executives consider valuable to advancement and those they actually receive.

This is a key finding of a national survey of National Association of Health Services Executives (NAHSE) members, conducted by Witt/Kieffer on NAHSE's behalf. Survey highlights were presented at the NAHSE 2009 Annual Educational Conference in Orlando by Witt/Kieffer President and CEO, Jim Gauss and the firm's Diversity Practice Leader, Howard Jessamy. Tamara Smith, CEO of the YWCA National Capital Area, also presented. Tamara is the former President and CEO of Chartered Health Plan in Washington, DC.

Leadership development gap exists for future C-suite leaders

Survey results underscore a lack of alignment between leadership development opportunities that minority healthcare executives identify as important and those they actually receive. The five opportunities respondents rank as most/somewhat important include: high profile/special projects (96 percent), formal professional development plan/career path (94 percent), regular performance evaluations (93 percent), exposure to the Board (91 percent) and exposure to medical staff (90 percent).

However, the percentage of respondents who receive these opportunities during their career lags behind. The most dramatic difference is in formal professional development, where only 39 percent of participants report receiving opportunities even though 94 percent rate it important/somewhat important. Gaps also exist in each of the other categories. Only 80 percent of respondents receive opportunities to participate in high profile/special projects, 75 percent receive regular performance evaluations, 63 percent have exposure to the Board and 72 percent have medical staff exposure.

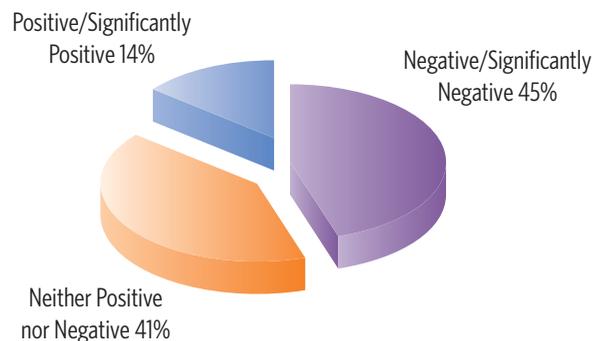


The effect of ethnicity on career development

Forty-five (45) percent of minority executive respondents report that ethnicity plays a negative/significantly negative role in their career development, while 41 percent say it plays neither a positive nor a negative role and 14 percent credit it with a positive/significantly positive role. Yet only one-fifth of the respondents believe age or gender plays a negative role in their career development. One respondent commented, “I get the sense that because Board members and others in senior leadership positions are not used to working with minorities in senior level positions, there is less comfort with and trust of capabilities in decision-making, thought processes and the general handling of certain roles.”

Other respondents note that despite years of diversity efforts in the healthcare industry, the C-suite remains overwhelmingly white. “As an African-American female, it is tough to break the ‘good-old-boys’ network and the color barrier. In the U.S. there are less than 10% black CEOs, far less than 5% black female CEOs and less than 2% black CEOs in government and academic medical centers, if the number is that high,” says one executive.

Effect of Ethnicity on Career Development



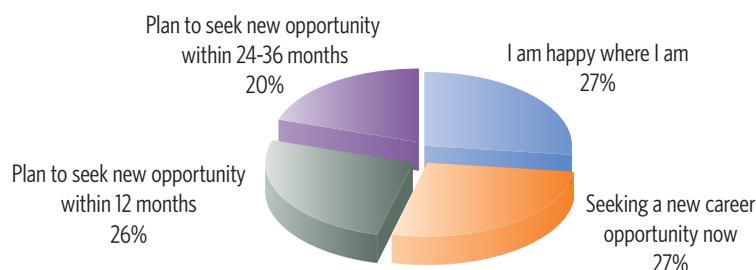
Experience does not always lead to career advancement

Forty-one (41) percent of respondents report over two decades of experience, yet only 27 percent are C-suite executives. Some respondents express frustration with their lack of ability to advance their careers — despite feeling qualified. One respondent comments, “My peers are being groomed for C-suite positions while there is no one who looks like me nor anyone with a diverse background in my organization at the C-suite level other than physician leaders. I often feel over-qualified for the work I do.” Another writes, “It seems like advancement has plateaued for me and African-American colleagues, even when we do the right things.”

Over half plan to seek new career opportunities within 12 months

Twenty-seven (27) percent of survey respondents are actively looking for a new position, and another 26 percent plan to make a career move within 12 months. The top five reasons they would accept a new position include: higher compensation (93 percent), increased responsibility/authority (86 percent), increased job security/stability (84 percent), enhanced benefits/retirement package (83 percent) and relocation package (73 percent).

Career Plans



Clearly established goals are critical to a smooth leadership transition

Ninety-five (95) percent of survey respondents identify clearly established 12-18 month goals as most important/somewhat important to ensuring a smooth transition to a new position. Other key requirements include: clearly defined management roles (94 percent), a formal position description (93 percent), clear understanding of the organization's financial condition (92 percent) and clearly defined roles of governance and expectations of the Board (91 percent).

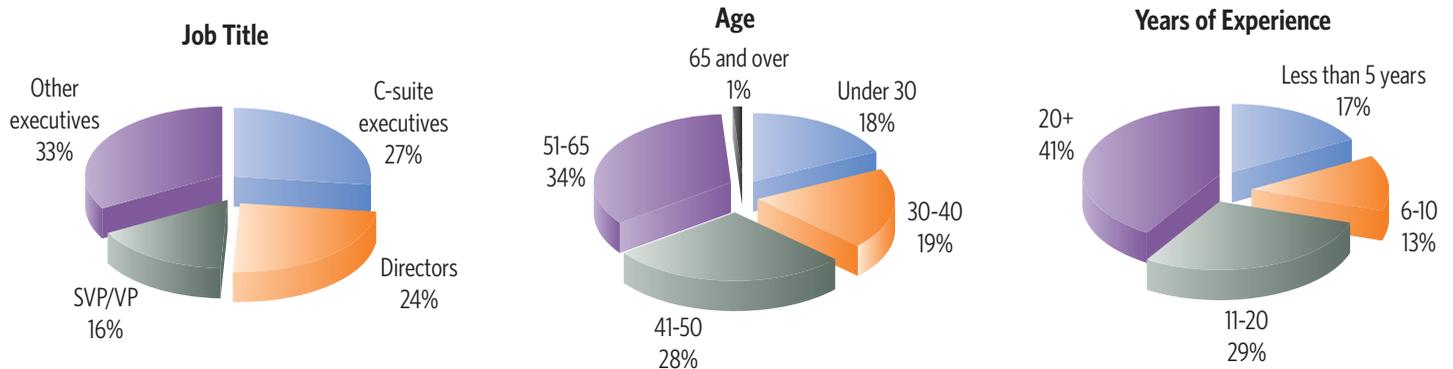
Demographics

The survey was sent to 1,898 NAHSE members and received an eight percent response rate. C-suite executives account for more than a quarter — 27 percent — of survey respondents; followed by directors at 24 percent; senior vice presidents and vice presidents (SVP/VP) represent 16 percent; and the remaining 33 percent hold other executive positions.

Thirty-five (35) percent are over the age of 51, another 28 percent are ages 41-50. Fifty-three (53) percent of respondents are male, 47 percent are female.

Forty-one (41) percent of respondents have 20 or more years of experience in health care; 29 percent have 11-20 years; 13 percent have 6-10 years and 17 percent have five or fewer years of experience.

Thirty-five (35) percent are from organizations with net patient revenue of \$1 billion or more; 27 percent are from organizations with \$500 million - \$1 billion in net patient revenue; 20 percent are from organizations with revenue of \$100 - \$500 million; and the remaining 18 percent are from organizations with less than \$100 million in revenue.



About Witt/Kieffer

Witt/Kieffer is the nation's leading executive search firm specializing in health care and higher education. The firm conducts executive searches on behalf of hospitals, health systems, universities and colleges, academic medical centers and medical schools, as well as associations, community service organizations and other not-for-profit institutions. Our mission is to identify outstanding leadership solutions for organizations committed to improving the quality of life. The firm's values are infused with a passion for excellence, personalized service, diversity and integrity.

Witt/Kieffer consultants in 17 locations nationwide provide clients with strategic consultation in searches for presidents and CEOs, as well as COOs, CFOs, CIOs, physician executives, provosts, deans, chairs, chief development officers, chief enrollment officers and other senior executives. Witt/Kieffer is committed to providing educational information and research reports on healthcare and education leadership and governance, diversity, succession planning and career management, among other topics.

For more information, visit www.wittkieffer.com.

WITT / KIEFFER
Leaders Connecting Leaders

Locations Nationwide:

www.wittkieffer.com

Oak Brook, IL	Nantucket, MA	Philadelphia, PA
Emeryville, CA	Bethesda, MD	Pittsburgh, PA
Irvine, CA	Minneapolis, MN	Dallas, TX
Denver, CO	St. Louis, MO	Houston, TX
Atlanta, GA	New York, NY	Seattle, WA
Burlington, MA	Toledo, OH	