

PERSPECTIVES FROM THE FRONT LINES: RECRUITING EXECUTIVE LEADERSHIP

CHIP NAGLE President

We have three quarters of the year behind us. It's busy out there, the executive marketplace is dynamic, and we continue to observe several macro-level trends. We believe these trends will continue to impact healthcare organizations for the foreseeable future. The overarching consideration is that for the last decade or so there has been an executive talent drain so the war for talent will go on unabated. Senior executive turnover has increased, and two specific areas are experiencing a lot more executive turnover than others; revenue cycle and supply chain. My take is the pandemic itself exposed systemic flaws in these functions that might have otherwise gone unnoticed.

We are certainly seeing more early retirements and resignations than usual as well as executives who are sometimes quietly or in confidence shortening their career runways. The stress of the pandemic and the enormity of rebuilding culture are the most cited rationales.

Candidates for very senior leadership positions are routinely asking about the potential for hybrid working models. This is creating a good deal of angst for many hiring authorities who are "boomers" as they struggle to consider these requests realizing correctly, in my opinion, that if they do allow them, other executives in or just outside the C-Suite will demand the same concession. Many organizations are now being confronted with compensation package demands that will upset internal equity, but the ante for successfully recruiting and retaining top talent has definitely gone up.

Recruiting executive leadership has become more difficult and the timeframe to process finalists has lengthened for many organizations. The stress generated from the pandemic is the root cause. Many executives we speak to who are considering high potential candidates for positions that are clearly the next step in their career progression are finding that many of the candidates are deciding not to pursue those aspirations because that would add the personal stress of a family move to the professional stress they continue to experience and that amount of stress makes the opportunity a no-go.

Expect to see more counteroffers to high value professionals from their current employer than usual. We are seeing this happen in our work and expect this trend to continue in the future. Initially, the pandemic will be the scapegoat, but the ongoing talent drain will be the ultimate culprit.

Talent acquisition remains very important but to seal the deal you need to retain the talent you acquired. Retention of top talent is a big strategic differentiator now and will become even more important in the future. We address this when we start a search using assessments plus perceptions to better define "fit" and we coach the chosen professional from four to six months post hire. Acquisition and retention are key building blocks in a talent solution.