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WITT / KIEFFER
Leaders Connecting Leaders

Best Practices in Identifying and Developing High Potential Talent

*A webinar for UHC member CEOs,
HR executives and other senior
leaders.*

Jim Gauss, President and CEO

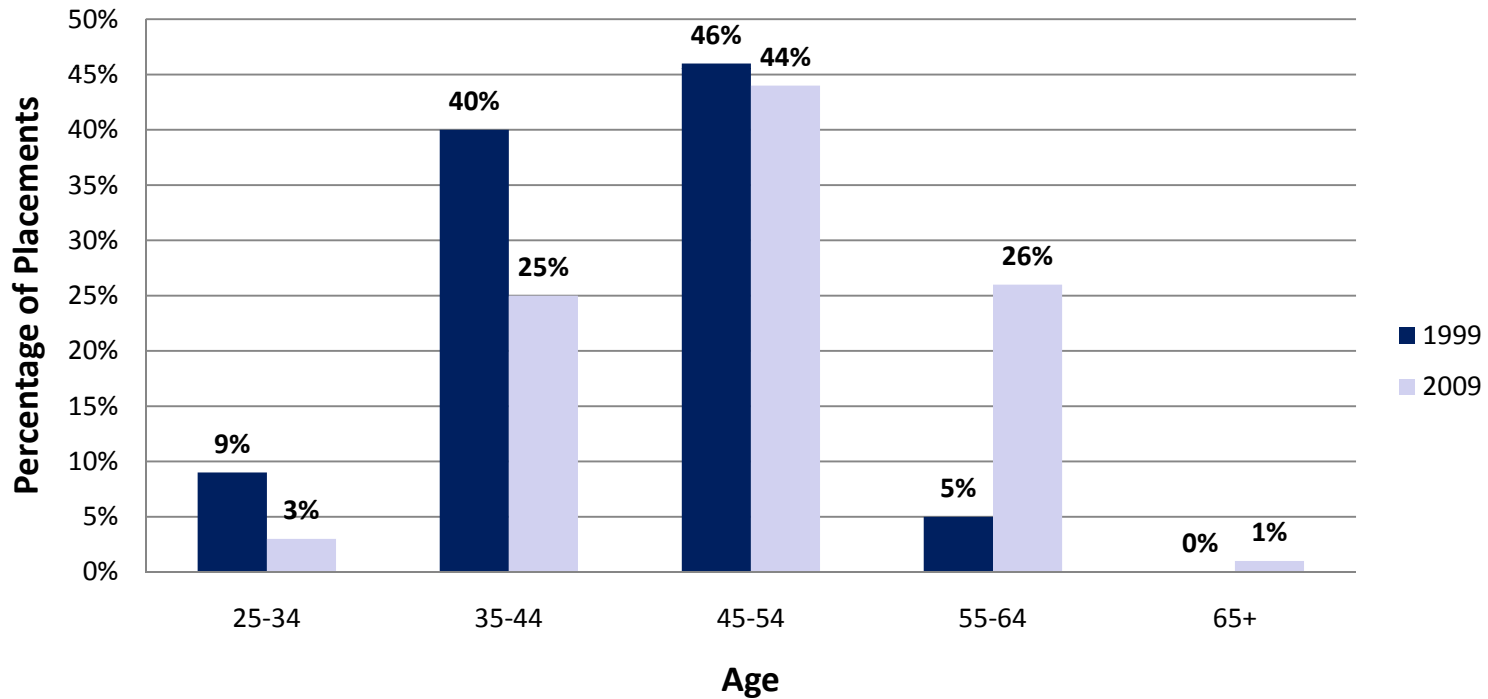
Karen Otto, Senior Vice President and
Academic Medicine Practice Leader

What We'll Focus on Today

- Aging leadership and labor force trends
- Academic medicine trends
- Talent management survey results
 - Best practices of leading healthcare organizations
- Diversity in the talent management system
- Open discussion

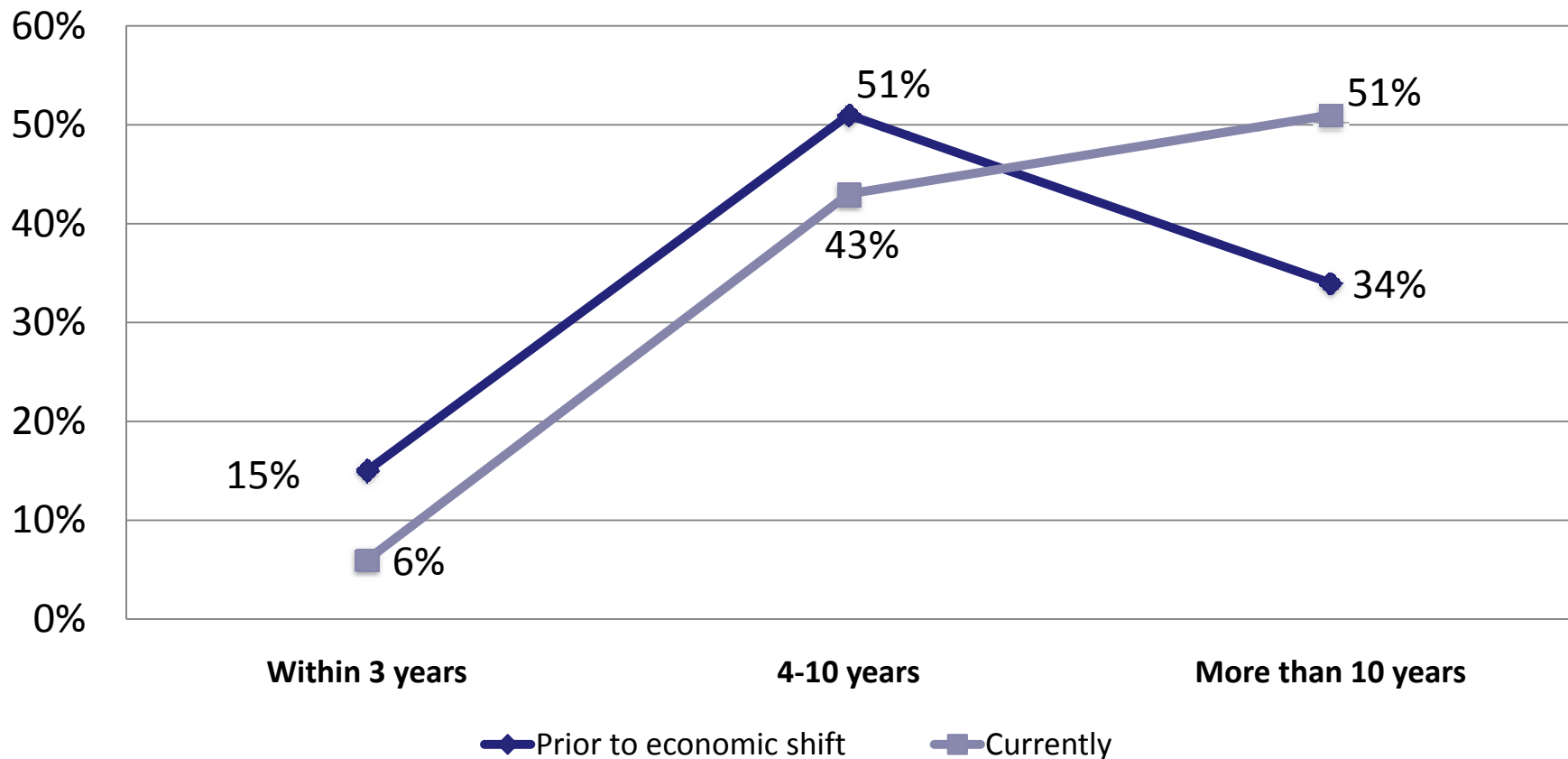
Aging Leadership Trends

**Aging Leadership: Witt/Kieffer
C-Suite Placements - 10-Year Comparison**



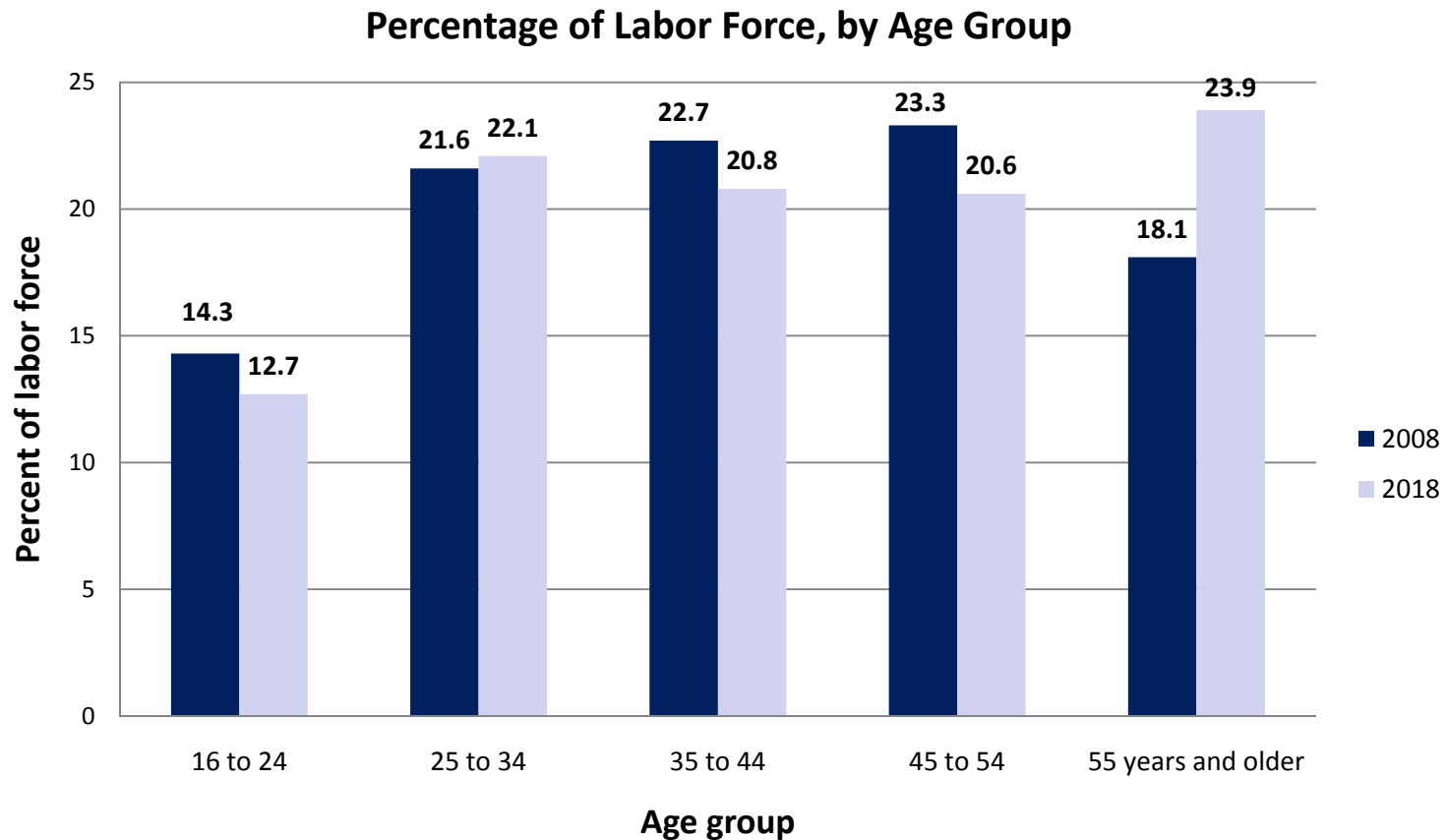
Aging Leadership Trends

Expected Retirement of CEOs



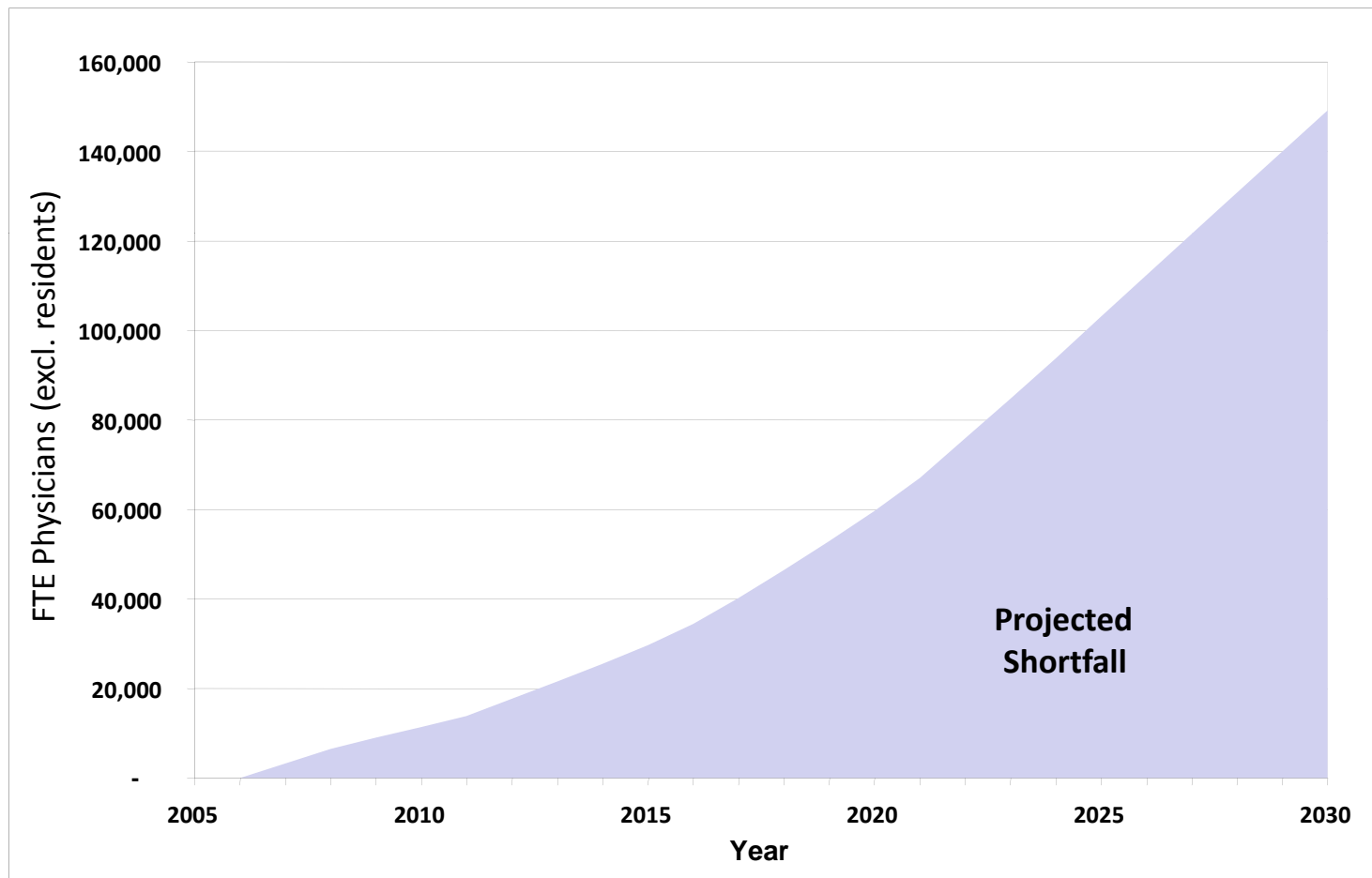
Source: 2008 Witt/Kieffer Survey on Economic Downturn

Labor Force Trends - Projected Labor Force



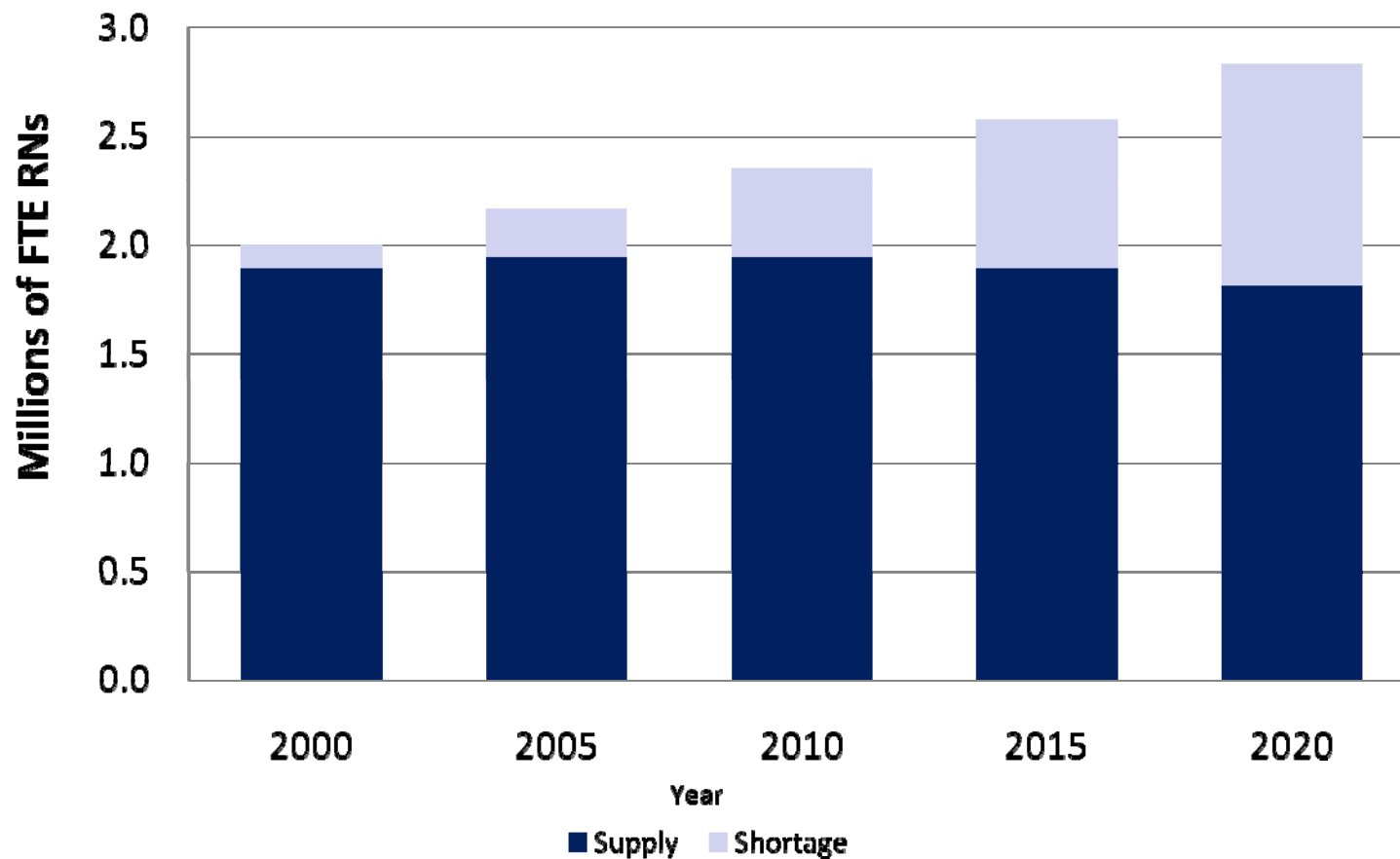
Source: Bureau of Labor Statistics Division of Industry Employment Projections

Labor Force Trends - Physician Shortage



Source: Lewin Group projections for AAMC Report (May 2007)

Labor Force Trends - Nursing Shortage



Source: Health Resources and Services Administration

Academic Medicine Leadership Trends

- Academic leaders need multi-disciplinary skills to face challenges:
 1. Increased clinical integration – different leadership skills required
 2. Growing demand for translational research across disciplines, e.g. cancer and economics
 3. Changing educational mission – how health sciences centers work in training and clinical experience – huge push for ambulatory, primary care
 4. Traditional M.D. scientist gives way to strong leader, active clinician, involved in research, education, training

Academic Medicine Leadership Trends

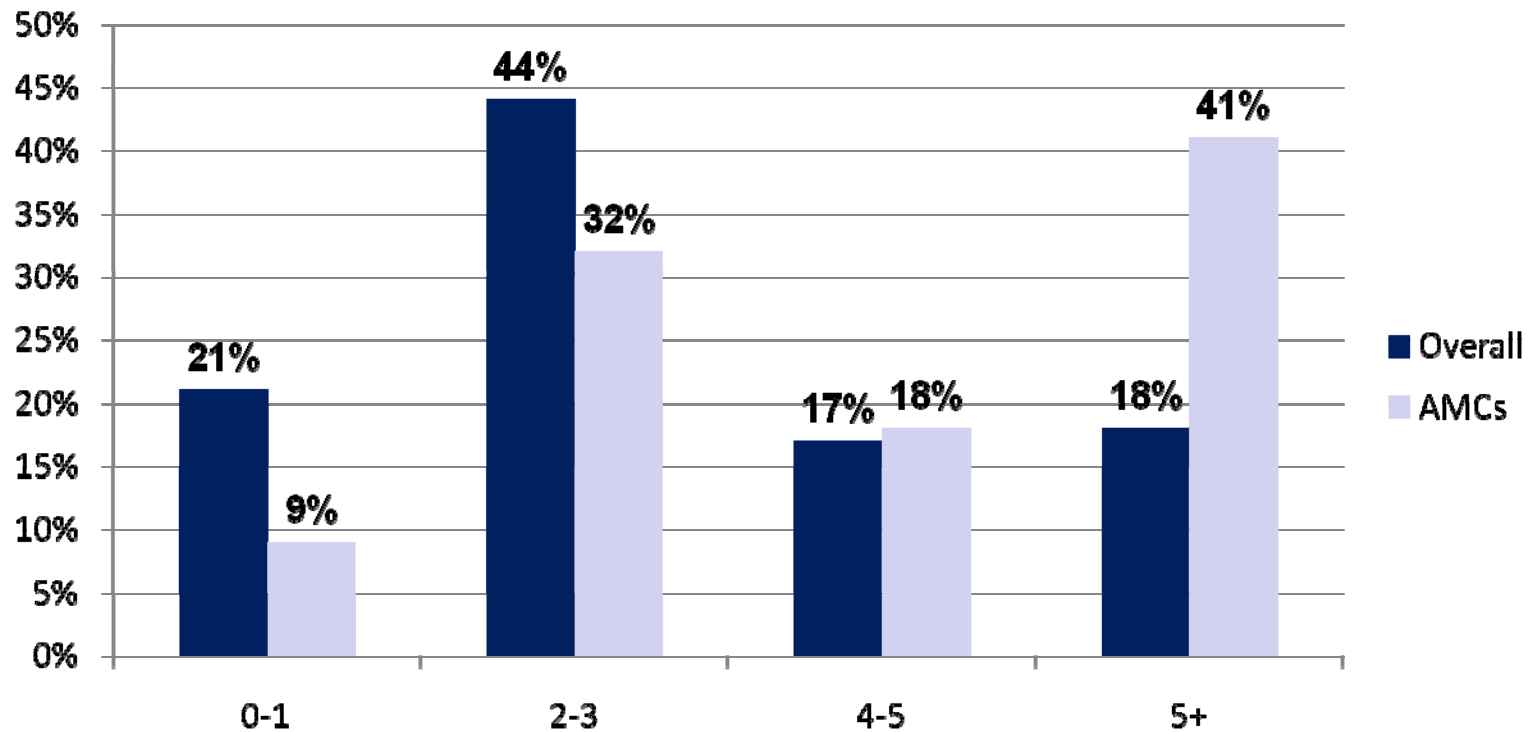
A 2010 Witt/Kieffer survey on the changing physician executive role found differences among AMC respondents:

- 64 percent of senior physician executives in AMCs have five or more years of tenure, compared with 39 percent of overall respondents with the same amount
- AMCs promote from within more often than other healthcare organizations – 91 percent of AMC respondents state their senior physician executive was promoted from within
 - 73 percent of overall survey respondents made the same claim

Academic Medicine Leadership Trends

AMCs have more physician leaders in the pipeline than other types of healthcare organizations.

Number of potential physician leaders: Overall vs. AMC respondents



Source: 2010 Witt/Kieffer survey on the changing physician executive role

Talent Management Survey Results

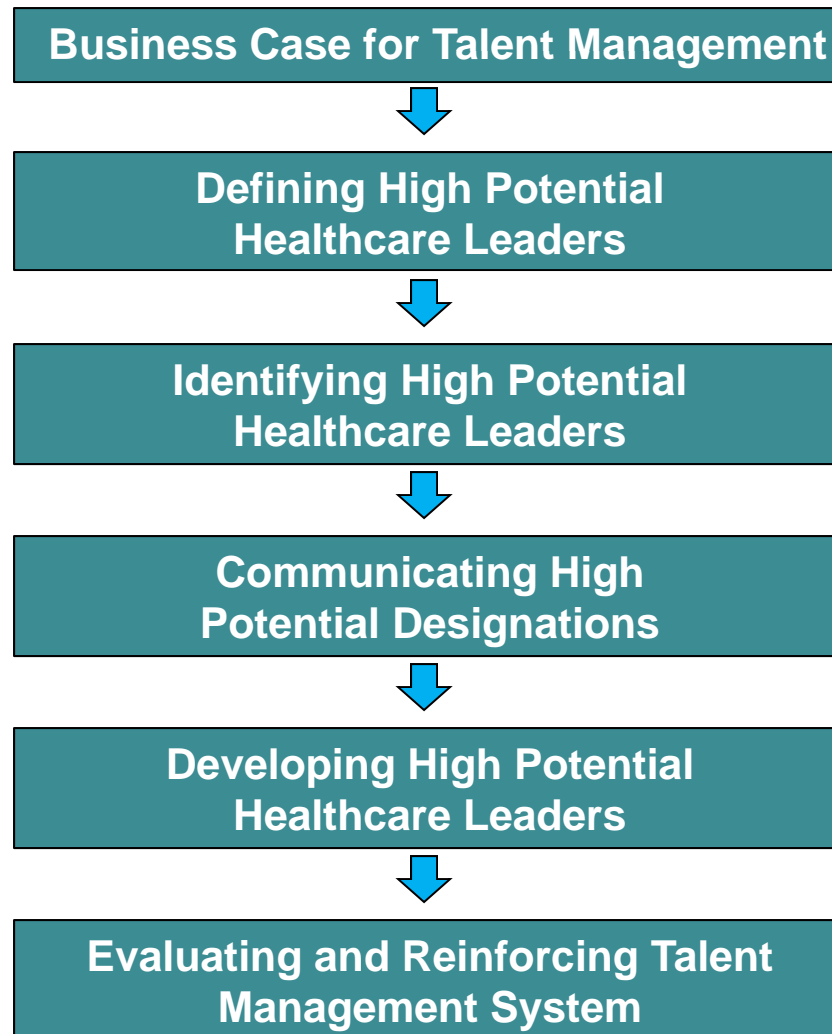
- Conducted by Kevin Groves, Ph.D., Graziadio School of Business & Management, Pepperdine University and Witt/Kieffer
- Purpose was to study and identify:
 1. Practices and policies for identifying high potential talent
 2. Leadership competencies and other defining characteristics of high potentials
 3. Development practices and policies targeted to high potentials
 4. Opportunities to improve talent management processes

Talent Management Survey Results

- 15 participants from 13 healthcare systems including Clarian Health Partners, Inc., Scripps Health, Trinity Health, Kaiser Permanente, among others.
- Interviews with Senior VP of HR, Chief Learning Officer, VP of Learning and Organizational Development, VP of Strategic Talent Management, EVP and Chief Administrative Officer.
- Organizations were selected according to the following criteria:
 - multi-hospital systems with a minimum of three hospitals or sites
 - demonstrated best practices in talent management systems
 - a track record of effective executive succession decisions

Talent Management Survey Results

Six Phases
Identified:



1. Build the Business Case for Talent Management

Key Drivers and Success Factors:

- Workforce demographics
- Strategic priorities
- Diversity

Focus and Key Outcomes:

- Create urgency for talent management
- Elevate priority with top management and board

2. Define High-Potential Healthcare Leaders

Key Drivers and Success Factors:

- Business strategy
- Competencies
- Readiness and motivation

Focus and Key Outcomes:

- Develop three-dimensional model of high-potential healthcare leader

3. Identify High-Potential Healthcare Leaders

Key Drivers and Success Factors:

- Talent management review session
- People, tools and processes

Focus and Key Outcomes:

- Identify and codify strategic talent across the system

4. Communicate High-Potential Designations

Key Drivers and Success Factors:

- Implicit designation by advanced development plans
- Training managers with scripts

Focus and Key Outcomes:

- Emphasize development, not status
- Manage equity view, morale and turnover

5. Develop High-Potential Healthcare Leaders

Key Drivers and Success Factors:

- Experiential learning
- Stretch assignments
- Action learning projects

Focus and Key Outcomes:

- Shed silo view of organization
- Develop strategic and system competencies

6. Evaluate and Reinforce Talent Management System

Key Drivers and Success Factors:

- Evaluation metrics
- Alignment of incentives
- Board engagement

Focus and Key Outcomes:

- Embed and enhance talent management system
- Develop learning and development culture

Diversity in the Talent Management System

Talent Retention:

- An inclusive environment reduces turnover and saves money.

Demographic Change:

- Adapt, learn to connect across cultures, or get left behind.

Globalization:

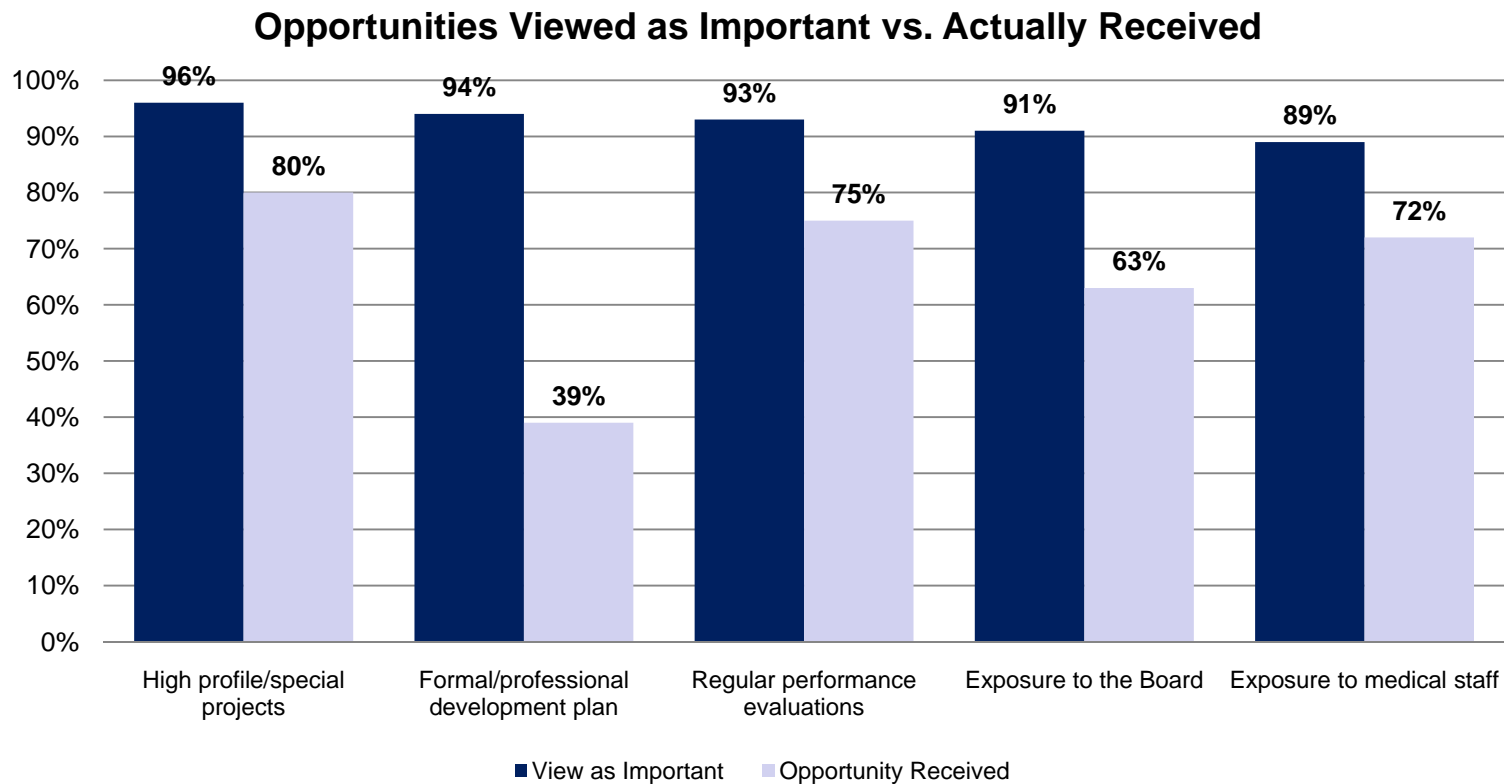
- Even if you don't plan to go global; globalization is coming to you!

Labor/Talent Shortage:

- The battle for talent will be immense. Organizations **MUST** create inclusive environments if they plan to be viable.

Diversity in the Talent Management System

A Witt/Kieffer 2009 survey of National Association of Health Services Executives (NAHSE) members highlights gaps in career development:



Diversity in the Talent Management System

Developing a Diverse Leadership Team:

- Starts at the top – board/CEO/senior management
- Define diversity broadly
- Make diverse leadership a strategic priority
- Identify metrics to be tracked, measured, monitored
- Examine the possibilities and pitfalls in diversity recruiting and retention
- Mandate diverse slates for leadership positions

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