

Finding Executive Talent for Rural Healthcare Providers

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The following scenario is one that any rural healthcare provider dreads, but is crucial for the organization to carefully consider as it plans for the future:

The CEO resigns. He has been with the hospital for many years. The governing board of directors is taken by surprise at the resignation. It was so comfortable with the CEO that it never planned for new leadership. Simply put, there is no succession plan.

With the departure of a CEO or other C-suite executive, an organization faces difficult challenges to find top talent to replace them.

Rural healthcare organizations have their own set of issues when seeking executive talent. It is important to find the right fit which means finding someone who will align both personally and professionally with the organization and the community. The process begins with an honest evaluation of what it means to be

a healthcare executive in a rural setting.

Start with an organizational assessment

Being a small provider does not mean you cannot think big. Large providers typically begin their search process with an organizational assessment. This provides the framework for the search. Smaller providers should do the same. Often an experienced consultant leads this effort to identify and develop how to communicate the provider's mission, operations, strategic direction, challenges and opportunities. It's important to be realistic about what the provider and community offer, clearly defining strengths and weaknesses. This will serve to attract the best-qualified candidates who are the best fit for working and living in a small town environment.

Begin the search

With the organizational assessment in hand, the search committee can begin seeking a candidate that has the skill sets necessary to

continue the organization's strategic direction. A five to seven member search team tends to work best. A larger group can slow the process, while a smaller group might not represent a cross-section of views.

At the outset the search committee will benefit by facing the fact that there are often fewer candidates available for rural locations than for urban or suburban sites. Additionally, both the candidate and their families need to be comfortable with a rural environment, and the fact that access to certain services may be hours away from a city or suburb.

Find a good fit

While academic degrees and professional designations, such as an MBA or CPA, are valuable and should be considered, it is equally important to find a "people person" capable of building strong relationships in the community.

An executive needs to appreciate that a small community means it is likely that he or she will see patients, board members, hospital staff and administrators on an almost daily basis. He or she needs to understand the role of always being the representative of the hospital in the community. Being in touch and communicating with the community as well as building relationships with community leaders is key to success. This means that the executive will be expected to have a presence at civic organizations, charity events, and other committees and groups that serve and impact the community.

Leverage your network

Reaching out to the committee's

network can help to identify qualified candidates. However, board members might not be connected to the healthcare community beyond their own organization. In that situation, it pays to bring in a seasoned search consultant who understands rural healthcare, has a strong network, and can reach out to his network of professionals and colleagues on a regional and national basis to identify strong candidates. Simply placing a "help wanted" ad won't bring the best people for consideration.

One example involves Northern Inyo Hospital in rural Bishop, California (population 3,879), where the CEO retired after having been in the position for 15 years. The board of directors hired HFS Consultants to conduct a search for a new CEO. The search consultant was faced with the challenge of finding candidates who would be willing to live in the small town, be welcomed by the community, and also have sophisticated knowledge about today's healthcare landscape.

A nationwide search, leveraging the consultant's large network of contacts, turned up a top candidate on the East Coast who was very familiar with the area. Surprisingly, the candidate had worked in Bishop as a teenager. In addition, she had family in Southern California and welcomed the opportunity to live closer to them. Along with her personal connections, she had experience with critical access and rural hospitals. Without a strong network of industry connections, combined with the consultant's keen understanding of the needs of rural communities, this candidate, who ended up becoming CEO, may not have been found.

Hire interim leadership to fill vacancies

Because a healthcare organization usually cannot function well without C-suite leadership, along with the fact that a successful search may take several months, the board should consider hiring interim executives. Placing a proven interim executive on site within weeks after the resignation of a C-level person will help pave the way to an orderly succession. It will allow the organization to maintain its strategic direction while sustaining day-to-day operations, and it prevents the organization from hastily filling the permanent position and causing the organization to suffer in the long term.

Establish ground rules

When hiring an interim executive, establish objectives and define the mission and goals. Avoid giving false signals to a temporary appointment. Use the title, "interim CEO," which is more accurate than "acting CEO." It may also be in everyone's best interests to leave the C-level executive's office vacant to help avoid any misunderstandings. This can become especially relevant if the interim is an internal candidate for the position.

Invest in a professional recruiter

HFS's experience shows that investing in a professional recruiter for the search for a permanent executive results in the C-level executive having longevity with the organization and providing better contributions than when the board handles the search on its own. Contact HFS Consultants' Executive Search and Interim

Management team to find the right person for the job.

Sandy Haskins has over 35 years in hospital leadership positions with extensive experience serving as an interim hospital CEO and recruiting C-level interim and executive

leadership positions for hospitals and healthcare organizations. You can contact him at sandyh@hfsconsultants.com.

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