

“LEVELING UP”

Improving Healthcare Performance
Through Strategic Leader Development

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Rising staff turnover has made it increasingly challenging for healthcare organizations to provide high-quality care that's also cost-efficient, equitable, and culturally aligned. Additionally, this has led to financial strain, given the need to bring in high-cost, temporary clinicians and devote substantial resources to ongoing recruitment efforts.

While there is no quick fix for many of these underlying issues, a growing number of top healthcare executives are looking to leadership development for solutions. Yet measuring the impact of these programs is a challenge, and the feedback on program effectiveness is largely concerning.

According to research conducted in 2023 by The Josh Bersin Company¹, a professional development academy for HR and learning professionals, only 25% of US enterprises believe their investments in leadership development are delivering high value. Furthermore, only 24% say their model is “up to date” or “highly relevant,” and only 15% actively monitor and mitigate leader burnout. It's no wonder they're not seeing the desired results.

¹Bersin, J. (2023, November 6). Companies have been neglecting their leadership, and it shows. [JOSHBER SIN.com. https://joshbersin.com/2023/11/companies-have-been-neglecting-their-leadership-and-it-shows/](https://joshbersin.com/2023/11/companies-have-been-neglecting-their-leadership-and-it-shows/)



“Leadership is now everyone’s job. The new employee or first-line manager who’s leading a project to save money or analyze the sales team is now a leader. What education, training, and perspectives have you given this person?”

– Josh Bersin,
Founder and CEO of
The Josh Bersin Company

For healthcare leaders to reverse current industry trends, they need leadership development programs that truly allow their people to “level up.” Those strategically investing in such efforts find that they can better engage and maintain a high-performing, diverse, and multi-generational workforce. This, in turn, leads to improved clinical, operational, and financial results.

Hospital CEO’s Top Concerns

For the second consecutive year, hospital CEOs ranked workforce challenges as their top concern. On an 11-point scale, with the lowest number representing the most pressing concerns, it received an average rank of 2.3. The 2023 findings were published as part of the American College of Healthcare Executives’ (ACHE) annual survey of top issues confronting healthcare.

ISSUE	2023	2022	2021
Workforce challenges (e.g., personnel shortages)	2.3	1.8	---
Financial challenges	2.6	2.8	4.1
Behavioral health/ addiction issues	5.3	5.2	5.4
Access to care	5.6	6.0	5.7
Governmental mandates	5.7	5.9	5.4
Patient safety and quality	5.9	5.9	5.0
Patient satisfaction	6.4	6.6	6.1
Technology	7.3	7.7	8.1
Physician-hospital relations	7.6	7.6	7.8
Population health management	8.7	8.6	8.4
Reorganization (e.g., mergers, acquisitions, restructuring, partnerships)	9.3	8.7	9.4

Chart: ACHE



What Is Leveling Up?

A phrase often used by video game aficionados, “leveling up” describes the moment when a player gets the needed experience to advance to the next stage in the game. It is usually accompanied by an increase in key attributes (e.g., health, strength, or magic) and may allow the player to access new and improved abilities.

Leveling up serves as an ideal metaphor for the ultimate goal of leadership development efforts in healthcare: enhancing those attributes that have been shown to drive high performance and have the greatest impact. These include:

- **Broader perspective.** Thinking beyond functions and siloes to consider the needs of the entire enterprise.
- **Enhanced focus on people.** Shifting from a task-oriented mindset to one that is more relationship-driven.
- **Comfort with risk-taking.** Being open to innovation, including unproven processes, new ways of thinking, and cutting-edge technology.
- **More agility.** Adapting more quickly to changing environments.
- **Greater self-awareness.** Understanding one’s strengths and gaps as well as the opportunities available for continuous growth and development.

Healthcare organizations that help their people make these particular strides are better poised to succeed despite industry challenges. What’s more, their people experience less burnout and stay with their employers longer.



A 2022 study published in the Journal of Patient Safety² showed that professional mobility and educational opportunities for learning and leadership helped achieve a 20% decrease in burnout among nurses and extended their tenures from 2.9 years to 3.5 years.



²Muir, K. J., Wanchek, T. N., Lobo, J. M., & Keim-Malpass, J. (2021). Evaluating the costs of nurse burnout-attributed turnover: A markov modeling approach. Journal of Patient Safety, 18(4), 351–357. <https://doi.org/10.1097/pts.0000000000000920>





“The contributions of FMG Leading have been an invaluable asset to the growth and performance of our leaders, their team, and the entire company. Our organization would not be where we are today without them.”

– Paul Viviano, CEO,
Children's Hospital
Los Angeles

Leveling Up: A Case Study

Take **Children's Hospital Los Angeles (CHLA)**, ranked among the leading children's hospitals in the nation on U.S. News & World Report's Best Children's Hospitals Honor Roll. A human capital assessment there revealed opportunities to improve leader quality, priming the organization to focus on helping physician leaders and their administrators lead collaboratively. At the same time, the hospital implemented a process to assess and develop leaders with the highest potential for growth.

Four years later, the organization has achieved more effective dyad partnerships and targeted operational improvements. It has also retained 92% of its high-potential participants with 40% of those retained translating their improved skills into promotions, medical group governance, and expanded leadership roles. Participants also report improved employee engagement, greater leadership confidence, and an increased willingness to take risks. Additionally, they feel more connected to the hospital and their peer community, exhibit an improved aptitude for leadership, and demonstrate greater self-awareness.

Of course, this hospital's leadership development program didn't materialize overnight—and the results weren't instantaneous. It was thoughtfully and collaboratively developed using a process that has been instrumental in many programs' success.



Proven Program Design

Drawing from over four decades of experience working with healthcare organizations, we have built a collaborative, data-driven method to design and implement bespoke leadership development programs. Our thoughtful and strategic method ensures programs reflect industry realities, enhance organizational culture, and exceed expectations.

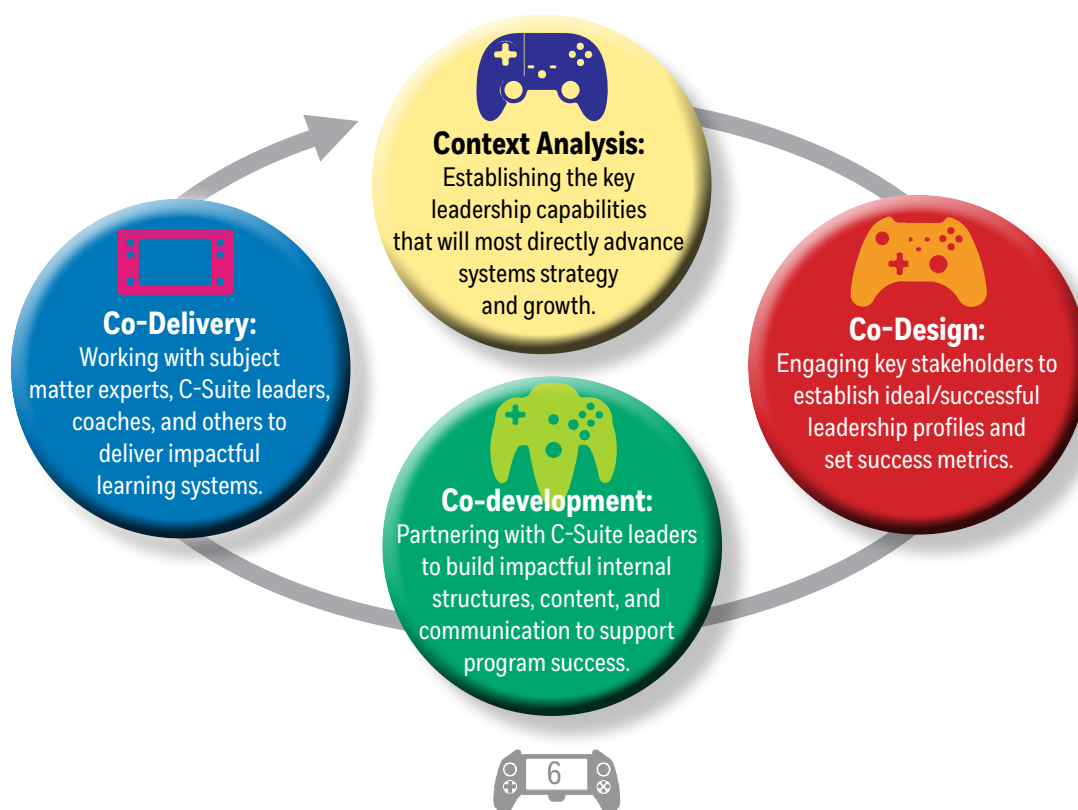
The process starts with a comprehensive **contextual analysis**. In-depth interviews and focus groups help identify the critical skill sets that leaders need their people to develop to support their organization's current and future goals. Once we've established these success profiles, along with key performance indicators, facilitators assess leaders' existing capabilities, support systems, and growth pathways with an eye toward when and how individuals who need to improve are plateauing, derailing, and, crucially, resigning. These insights form the foundation for creating a highly tailored, highly effective leadership development program.



With a full understanding of the organization's desired future state, experts then begin work on **program design**, creating a program model tailored to meet the established, specific, and measurable objectives. This design takes into account how different people best absorb new information and adopt new behaviors and mindsets, incorporating various programmatic elements such as observation, classroom learning, group discussions, action learning, and blended learning, depending on the required capabilities and organizational culture.

Once the big-picture program design is established, experts turn their attention to the finer details of **program development**, including specific content, speakers, delivery methods, and timing. For example, kicking off programs with real-time remarks by C-Suite leaders conveys the organization's commitment to the initiative and participants' individual professional success. After this, participants are primed to succeed and inspired to begin learning expediently from subject matter experts. High-quality program development also typically includes internal structures and two-way communications to reinforce learning and support success. This has the added effect of breaking down siloes and fostering closer connections among team members, which drives engagement and promotes retention.

Program delivery, or the implementation of the leadership development program, represents the culmination of this painstaking process. Like all the other development phases, it is advanced and executed with meticulous care to yield the most impactful learning experiences and ensure end goals are met if not exceeded. In addition, delivery aims to





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deepen the connections between program participants, both among each other and with the institution as a whole. Robust program delivery should always conclude with an impact assessment to inform future strategic efforts.

Considering that most healthcare organizations of a certain size have greenlit and discarded a variety of consultant-led endeavors, involving internal stakeholders in each phase of the process enhances the program's credibility and ultimate success. These stakeholders often include top executives and HR leaders, who improve program effectiveness by fully engaging in its design, development, and delivery. Their inclusion also helps alleviate concerns that those creating and implementing the program are seeking to replace existing teams, while making it possible for organizations to replicate successful programs far into the future.

By embracing this approach to “level up” their talent, organizations not only see their people grow as leaders but also experience dramatic increases in retention rates, higher levels of confidence and trust, and a deeper connection to institutional missions and values.

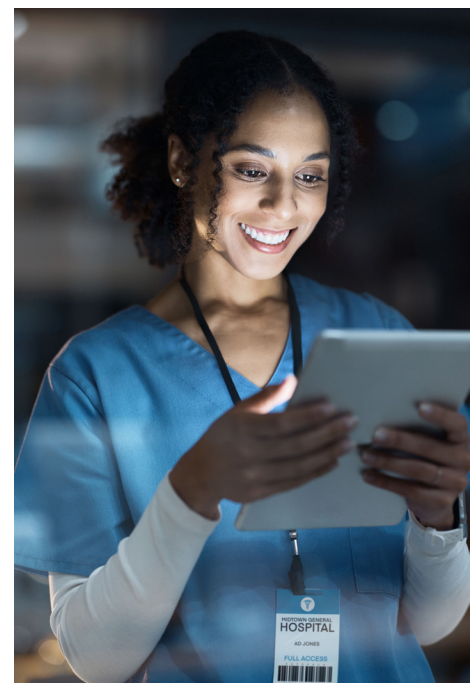


Critical Success Factors

Our experience leveling up healthcare leaders reveals that it often takes more than an expertly crafted and executed leadership development program. Institutions play a crucial role in ensuring the long-term success of leadership development initiatives by focusing on several critical success factors:

- **Strategic alignment.** Amid healthcare organizations' numerous competing and shifting priorities, programs must strategically align with enterprises' highest-level objectives, ensuring people are honing the skills that will drive value and maximize impact where it's most needed.
- **Collaborative networking.** Overcoming the relational obstacles that come with scale requires that organizations create pathways for leaders to build and maintain networks across the enterprise. Participating in tailored leader development broadens leaders' institutional perspectives, facilitates the sharing of best practices, encourages organic career advancement, and improves camaraderie—all of which strengthens retention.

- **Pre-boarding ambassadorship.** Healthcare historically excels at onboarding people regarding policies and procedures but not the realities of high-level institutional decision-making. Organizations that designate internal ambassadors to “pre-board” team members—shedding light on these roles and the complexities that come with them—can best prepare the next generation of leaders while reducing “us versus them” mindsets.
- **Commitment to sustain momentum.** Rather than relying exclusively on program-driven, bespoke leadership development in perpetuity, organizations can integrate key learnings into their foundations, expediting the impact of these programs and creating a sustainable model.
- **Executive sponsorship.** Executive sponsorship stands out as the common denominator among critical success factors. The active participation of top executives has the strongest overall impact on the strength of the program and best predicts its effectiveness. This stems partly from executives’ presence, which reassures participants that their commitment to the program will be time and energy well spent.



High-quality practitioners specializing in leadership development programming will help organizations implement these critical success factors if they’re not already present—a value-add that exemplifies the ideal partnership between such strategic advisors and their clients.



“The leadership sessions we delivered were a critical strategic action item for Avamere, part of a multi-step plan to focus on key leaders in the organization. If you’re looking for an organization that not only has a great mastery of leadership content, but also has excellent presenters and great collaborators, you can’t go wrong with FMG Leading – partnering with them on program design and facilitation was undoubtedly the right decision for us.”

*– Mike Billings,
former Chief Innovation Officer,
Avamere*



The concept of “leveling up” must be held alongside “growing in place,” which is also a worthy goal for many healthcare professionals.



Missteps to Avoid

Even the most well-defined and carefully designed leadership development programs can succumb to pitfalls, especially among first-time practitioners and those without sufficient industry expertise. Yet with the benefits of shared experience, organizations can avoid the most commonplace mistakes.

- **Emphasizing expectations over opportunity.** Executive leaders must be cautious about how they convey these initiatives. They should even use the phrase “leveling up” with care as it can inadvertently imply underperformance. In fact, the whole concept of leadership development is often misunderstood as an added responsibility for those who need to show improvement. In healthcare, this is especially problematic given the pressure and workload leaders already face. To avoid these misconceptions, organizations should intentionally position leadership development programs as singular professional growth opportunities for individuals highly valued by the enterprise. If participation becomes burdensome due to the time required, efforts should be made to transfer responsibilities while leaders are in the program.
- **Losing balance between programmatic and enterprise objectives.** Leadership development efforts are often reserved for top performers, creating an air of exclusivity around participants, and drawing top executives’ attention away from larger workforce needs and strategic plans. For example, program objectives might include retaining key talent, while big-picture workforce trends necessitate creating a strong pipeline of future leaders. Even the concept of “leveling up” must be held alongside “growing in place,” which is also a worthy goal for many healthcare professionals. Development initiatives that align program goals with enterprise strategy are far more likely to gain traction and have the desired impact.
- **Opting for off-the-shelf leadership development.** Compared to building a customized program, it is incredibly simple for organizations to send their people to events like off-site leadership development retreats. Unsurprisingly, these programs rarely yield meaningful institutional benefits; they exist in a vacuum with no ties to an organization’s strategy or culture. Rather than outsourcing these efforts, healthcare executives should directly support and influence their people’s leadership pathways. By engaging practitioners who can serve as trusted partners, they can tailor programs to meet organizational strengths and gaps, building community engagement and securing commitments to promote and complement internal efforts.

More and more, healthcare organizations understand the necessity of strategically investing in their people's growth and development. Yet only a select few have successfully identified the kinds of programs — and partners — that ensure these efforts succeed in keeping top talent employed, engaged, and aligned while continuously broadening their professional capabilities. The organizations that truly help their people “level up,” reaching their fullest individual and collective potential, will be the ones to overcome today's industry challenges, achieve financial and operational success, and meet the escalating, ever-changing needs of their patient populations.



ABOUT THE AUTHORS



Leslie Solomon, Ph.D. is a Principal at FMG Leading, supporting the firm's healthcare practice by helping leaders and organizations design, measure, and maximize the impact of their human capital and corporate culture. She helps her clients build leader and team capabilities that transform organizations and cultures, integrating evidence and emerging practices to design and deliver programs targeting a wide range of strategic human capital initiatives. As an executive coach and facilitator, Leslie helps senior leaders build emotional intelligence, challenge existing assumptions, and increase capacity for change.

Prior to joining FMG Leading, Leslie worked at Palomar Health as Vice President of Culture and Talent Planning. She also spent over 15 years as an organizational consultant and manager of training and development in the BioTech and Pharmaceutical industries. Leslie's clients have included: Pfizer La Jolla Labs, UC San Diego Health System, Agouron Pharmaceuticals, Pyxis Corporation, Advanced Cardiovascular Systems, and Edwards Life Sciences.



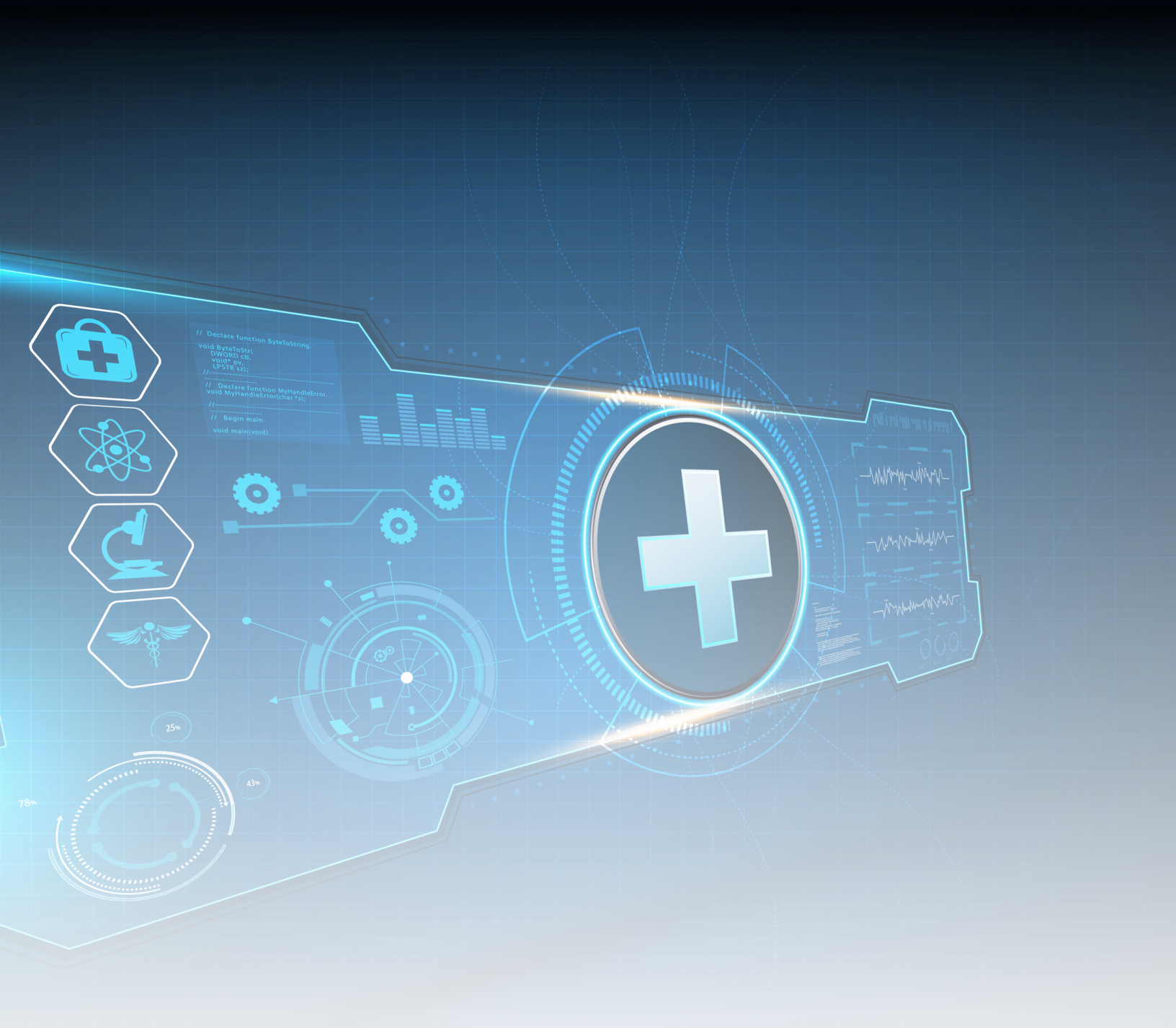
Jennifer Perry serves as Managing Principal for FMG Leading, where she focuses primarily on large-scale change, team development, and strategic planning for FMG Leading's healthcare and private equity clients. She partners with organizations to drive transformational growth and sustainable change, with a focus on leadership quality, strategic alignment, and execution. As an executive coach and facilitator, Jennifer's clients draw on her expertise to deepen self-awareness, leverage strengths, and translate goals into action.

Previously, Jennifer worked at St. Joseph Health System as SVP Organizational Effectiveness and Strategic Planning, and as a Senior Manager with Deloitte Consulting serving the healthcare and insurance industries. Her clients have included industry-leading organizations such as UC San Diego Health System, Sound Physicians, Children's Hospital Los Angeles, Surgical Care Affiliates, and Catholic Health Initiatives.



John Hill is a Principal and Executive Advisor at FMG Leading, where he helps healthcare leaders reach transformative performance. An influential executive coach and strategic advisor with more than 25 years of executive experience in healthcare, he offers unique and experiential techniques to improve the high-performing leader experience.

John's career as a healthcare executive has spanned nationally recognized for-profit and non-profit health systems in highly competitive urban markets and rural communities, as well as physician groups. He is the former CEO of Bozeman Health in Montana. John also served as Senior Vice President and CEO at PeaceHealth Oregon West Network, President and CEO at HCA's Medical Center of Aurora/Centennial Medical Plaza, and Chief Operating Officer of HCA's Medical City - Dallas.



ABOUT FMG LEADING

The advisors at FMG Leading partner with C-suite leaders and investors who are on a mission to elevate healthcare. FMG Leading helps organizations build the alignment, agility, and strategic focus required to deliver world-class outcomes and fulfill healthcare's promise.

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