

# The Criticality of the Chief Nursing Officer Role

Success or Failure is in Your Hands

HealthLinx®



HealthLinx® | 1404 Goodale Blvd, Suite 400, Columbus Ohio 43212 | 800-980-4820 | [www.HealthLinx.com](http://www.HealthLinx.com)



## Introduction

Although it may seem apparent that the Chief Nursing Officer (CNO) is both necessary and critical to any hospital organization, it may be surprising that little has been published about why this true. The intangible factors associated with the success or failure of the individual fulfilling this daunting role are poorly understood. The CNO is leading more than 60% of the manpower of your organization and is responsible for the tone, tenor, and work production of your primary product, patient care.

## CNO Survey Results

The published results of Jones, Havens and Thompson's (2008) national CNO survey (a sample of 667 U.S. CNOs) revealed a workgroup in turmoil and in many ways reflect the larger instability of executive leadership across the healthcare system. Although many CNO respondents indicated that their current position was satisfactory and relationships with colleagues were strong, the CNO respondents' personal history showed that 13 percent had left a position in the past two years and 25 percent had left a position in the past 5 years. Of those who had left a position, approximately 25 percent reported that they were asked to resign, were terminated, or otherwise lost their position involuntarily. This 25 percent general turnover was substantially less than the 62 percent turnover reported in 2005 by VHA (Voluntary Hospitals of America). Either number is distressing and reflects the great volatility in this role.



### **CNO Churn and Leadership Stability**

Reports such as these, as well as the organizational database and experience of HealthLinx, demonstrate that numerous CNOs across the approximately 5,800 U.S hospitals are planning to leave their current role in the next five years. Many are planning to retire, seek a promotion, or seek greater work-life balance, and some are planning to leave their role because of the perceived lack of power and authority. This, coupled with the reports of involuntary departures, spells significant movement and gaps in leadership.

It is known, however, that workforce forecasting is often not accurate. Barton-Smith, Aaronson and Jones (2003) indicate that anticipating regional economies and workforce supply and demand is inexact at best. They make two primary points. First is that the “healthcare workforce supply is inversely related to business cycles in the overall regional economy and to the perception of longer-term employment opportunities elsewhere; and secondly, that healthcare workforce demand is driven by longer-term trends in demographics, per capita income, technology, and consumer expectations.” More simply, what this means is that typical predictive methods do not work in healthcare. Because healthcare is delivered locally and is not realized in the same way as supply and demand businesses, we have more obstacles to confront.

The importance of the stability of the nursing leader to any successful healthcare organization would typically be presumed, but we can see that this is not generally the case. The reasons behind a CNO departure may signal larger organizational struggles; the aftermath of a CNO departure, however, becomes the most critical focus for that organization. Evidence suggests that when these departures occur there is often no suitable replacement waiting in the wings to immediately take over. What often happens is the appointment of a lower level operative who is thrust into this role



unprepared, more often creating an even greater sense of urgency. Although succession planning has been discussed extensively in the literature, it is often not in place when the critical vacancy emerges or the succession plan that was designed by an involuntarily replaced CNO is disregarded.

### **Essential Factors to Consider when Replacing a CNO**

Many organizations find themselves in an unexpected situation when a CNO vacancy arises. In this event, there are 12 main points to consider when moving to fill this leadership gap:

- 1. Why did the previous CNO depart?** Does the selection team for a new CNO understand and agree upon the contributory factors, good or bad? Have any adjustments been made or planned?
- 2. Why would someone want to be the CNO in your organization?** Organizations frequently desire a candidate who has been a CNO previously. Why would someone make a lateral move to your organization? What desirability factors are you offering?
- 3. Will a new CNO be adequately prepared to drive success?** This includes educational preparation, related experience, and clinical knowledge. Will this individual be situated commensurately with other executive leaders? In other words, will the same level of administrative support be present? Is this person a full member of the executive team?
- 4. Is the executive leadership team cognizant of the responsibilities of the CNO and are they supportive of these expectations?** In other words, are operational goals aligned?



5. **Are the financial resources allocated to nursing and nursing services equitable and likely to drive the intended outcomes?** Is the CNO involved in budgeting?
6. **Is the compensation model for the CNO equivalent to the other executive leaders?** What are the market forces in your region and nationally?
7. **Is the CNO role in your organization situated for success within the existing structure?** Does the CNO report to the most senior executive in the organization, and will this executive engage with the CNO in the same way that she or he engages with other executive leaders?
8. **Does the CNO have authority to make decisions that directly impact the staff who report to her/him?**
9. **Is the CNO expected to personally cover gaps in other vital leadership vacancies?**
10. **Will other nursing leaders have a voice in selecting the new CNO?**
11. **Is the CNO role respected by the Medical Staff?** Does the CEO make the distinction between the medical and nursing professions?
12. **Who in your organization will drive the search for a new CNO?** Do they have the expertise to screen candidates? Do they have the time to dedicate to this crucial activity?

If you find yourself in the inevitable position of needing to replace a CNO who has already exited your organization or announced a retirement, or if there is a silent or planned desire to replace a CNO, design a comprehensive plan to align the right leader with your organization's needs. We would love to share our proven 120-day project plan for leadership alignment and placement with you.



References:

Jones, C.B, Havens, D.S., and Thompson, P. A. (2008). Chief Nursing officer retention and turnover? A crisis brewing? Results of a national survey. *Journal of Healthcare Management*, 53(2), 89-106.

Smith, D.B., Aaronson, W. Jones Jr., R.L., The perils of healthcare workforce forecasting: A case study of the Philadelphia metropolitan area/ practitioner application. , *Journal of Healthcare Management*, 48(2), 99-110.

HealthLinx<sup>®</sup>



HealthLinx<sup>3</sup> | 1404 Goodale Blvd, Suite 400, Columbus Ohio 43212 | 800-980-4820 | [www.HealthLinx.com](http://www.HealthLinx.com)

HealthLinx<sup>®</sup>

