ABSTRACT
Many healthcare professionals question whether the industry’s hospitals and multi-site systems are implementing the necessary executive development and succession planning systems to ensure that high potential managers are prepared and aptly selected to assume key executive roles. Survey data, case studies, and cross-industry comparisons suggest that healthcare organizations may face a leadership crisis as the current generation of chief executive officers (CEOs) nears retirement while traditional means of developing the leadership pipeline, including middle-management positions and graduate programs requiring formal residencies, continue to dissipate. Given the daunting challenges that accompany the healthcare industry’s quest to identify, develop, and retain leadership talent, this article provides best practice findings from a qualitative study of 13 healthcare organizations with a record of exemplary executive development and succession planning practices. CEOs from six single-site hospitals, six healthcare systems, and one medical group were interviewed to identify industry best practices so that healthcare practitioners and educators may utilize the findings to enhance the industry’s leadership capacity.
The best practices that emerged from the interview data include: 1) implement formal mentoring programs and create opportunities for informal mentoring; 2) develop challenging action learning assignments for high potential managers; 3) implement organization-wide forums to expose high potential managers; 4) consider a diverse range of internal candidates for succession and avoid grooming an heir apparent; and 5) modify executive performance appraisal processes to ensure active participation and commitment to succession planning.

BACKGROUND AND INDUSTRY CHALLENGES
A wealth of recent research indicates that there is growing uncertainty about the next generation of leaders in the healthcare industry. Practitioners and academics alike question whether healthcare organizations are implementing the necessary executive development and succession planning systems to ensure smooth transitions at the executive ranks. Furthermore, many wonder whether aspects of the healthcare industry dissuade leaders from entering and remaining in healthcare management. A nationwide study of 1,600 hospitals and health systems demonstrated that nearly two thirds of responding CEOs believe there is a shortage of healthcare leaders who are prepared to assume executive roles in the future (Doody 2002). A majority of these CEOs also noted that the healthcare industry drives away many of its future leaders through lack of resources, proper mentoring, and developmental opportunities. Jordan Hadelman, chairman and CEO of executive search firm Witt/Kieffer, notes that “healthcare CEOs are too pressed by the day-to-day challenges and financial pressures of running their organizations to invest time in sorely needed development of future leaders” (p. 98).

Several industry trends also contribute to the perception that healthcare organizations are facing a leadership crisis. One such issue is the trend among hospital CEOs to retire between the ages of 55 and 60, suggesting that many of the nation’s top 40 hospital systems will need to identify a new CEO in the near future (Thrall 2001). Also contributing to the ‘leadership vacuum’ perspective is the decreasing number of graduate programs in healthcare administration that require formal residencies, a trend that deprives students from graduating with critical field experience. Furthermore, the industry overall has experienced tremendous reductions in middle-management positions that provide valuable developmental experiences and contribute to succession planning. Consequently, executive development programs in hospitals and healthcare systems must strive to fill a need that universities, mentors, and middle-management levels once provided.
Unfortunately, the healthcare industry overall has been slow to invest in executive development and succession planning activities. The American Management Association’s benchmarking data on U.S. companies’ leadership development expenditures in 2002 demonstrate that the healthcare industry invests just 1.25% of payroll on leadership training and development compared to an average of 4% for the top 100 companies (Melum 2002).

In light of these trends and the gathering concern over the future of healthcare leadership, I sought to examine how highly successful hospitals and healthcare systems are addressing this issue through executive development and succession planning practices. Specifically, I identified thirteen diverse hospitals and healthcare systems with a record of highly successful leadership development programs, and conducted in-depth interviews with the CEO of each organization. A key goal of the study was to add needed detail and context to extant survey evidence on the industry’s leadership shortage (e.g., Doody 2002; Thrall 2001). In addition to learning about executive development and succession planning practices at each organization, I gathered the CEOs’ perspectives on the outlook of leadership talent and development in healthcare as well as their personal leadership philosophy and developmental experiences. Ultimately, this study sought to generate a series of executive development and succession planning best practices that healthcare organizations utilize to attract, develop, and retain leadership talent.

Primary Research Goals

The focus of this study centered on three related research goals. First, in an effort to identify effective executive development experiences and practices, CEO respondents were asked to describe the path that they followed to become CEO of their respective organization. Given the respondents’ success in reaching the highest echelon of the industry, I sought evidence of learning and developmental experiences that facilitated their ascension to the chief executive office. Specifically, the CEOs were asked to reflect on their career path and articulate the two or three defining moments of their career. Given the overwhelming evidence that mentoring plays a critical role in executive development (e.g., Grazier 2002; Chao, Walz, and Gardner 1992), the CEOs were asked to discuss any mentors that may have contributed to their development and any valuable lessons learned through mentoring relationships. A key goal of the present study was to determine the extent to which early learning and developmental experiences contributed to the CEOs’ advancement into top executive positions, and how such experiences may inform healthcare executive development practices.
Second, this study sought to examine the specific executive development practices at the CEOs’ organizations. In addition to gathering descriptive information on specific practices, I asked respondents to articulate the leadership competencies that are developed through the reported practices. The intent was to understand the range of leader skills, knowledge, experiences, and competencies that are developed through executive development best practices, such as mentoring programs, 360-degree feedback, special job assignments, executive coaching, action learning projects, and educational programs. Although theoretical and empirical research on executive development suggests a range of highly effective practices (e.g., Day 2001), very little research has examined the efficacy of such practices in healthcare organizations. Thus, a key goal of this research was to gather evidence of executive development practices that are particularly effective in healthcare organizations. In doing so, the results of this study may be shared with the healthcare community in the form of best practices and recommendations for practicing managers and healthcare management educators.

The final research question addressed the form and effectiveness of succession planning practices in healthcare organizations. Prior research indicates that succession planning in many companies comprises little more than creating lists of high potential employees and the positions that they may occupy upon the incumbents’ departure (Fulmer and Conger 2003). Furthermore, a recent survey of randomly selected nonprofit healthcare CEOs in the U.S. demonstrated that their respective organizations do not emphasize succession planning to the same degree as their public company counterparts (Biggs 2002, 2004). The nonprofit healthcare CEOs reported that the top five issues their boards should address include (1) financial survival, (2) strategic planning, (3) conflict of interest among board members, (4) quality-of-care oversight, and (5) board evaluation and education. In contrast, a recent survey of public corporation CEOs demonstrated that CEO succession planning was the second most important issue confronting boards of directors (National Association of Corporate Boards of Directors 2002). Indeed, there is a clear need to study the nature and effectiveness of succession planning practices in healthcare organizations. Thus, CEOs in the present study were asked to describe their organization’s approach to succession planning for executive positions, how leadership talent is evaluated through management levels, and which factors are most critical for ensuring effective succession decisions.

**STUDY PARTICIPANTS AND RESEARCH METHODS**

The sample of CEO participants was selected based upon their respective organization’s outstanding record of leadership development best practices.
and demonstrated effectiveness in executive succession decisions. The criteria for leadership development best practices, and thereby CEO inclusion in the study, were derived from the extant research, particularly reviews and meta-analyses by Collins and Holton (2004), Burke and Day (1986), Kur and Bunning (2002), and Day (2001). According to these reviews, best practice leadership development methods include 360-degree feedback, executive coaching, mentoring, networking, job assignments, and action learning. The best practice leadership development methods are summarized in Table 1.

Table 1: Leadership Development Best Practices

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<thead>
<tr>
<th>Leadership Development Practice</th>
<th>Description</th>
<th>Key References</th>
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<tbody>
<tr>
<td>Executive Coaching</td>
<td>Practical, goal-focused one-on-one learning; usually with a professional coach or more senior manager</td>
<td>Hall, Otazo, and Hollenbeck (1999) Kilburg (1996) Olivero, Bane, and Kopelman (1997)</td>
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<tr>
<td>Job Assignments</td>
<td>Providing stretch assignments in terms of job role, function, or geographic area; often requiring skills and knowledge just beyond the individual’s capability</td>
<td>Campion, Cherskina, and Stevens (1994) McCauley and Brutus (1998) Ohlott (1998)</td>
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All CEOs were recruited for the study through contacts at a leading national healthcare executive search firm in the U.S. Discussions with senior partners at several of the firm’s locations identified thirteen healthcare
organizations renowned for best practice leadership development methods and highly successful CEO successions. These healthcare organizations included six single-site hospitals, six healthcare systems, and one medical group across the Western U.S. The single-site hospital CEOs included James Anderson (Mayo Clinic Scottsdale), John Evans (Central Washington Hospital), Thomas Priselac (Cedars-Sinai Health System), Stephen Ralph (Huntington Memorial Hospital), Michael Stephens (Hoag Memorial Hospital Presbyterian), and Ronald Werft (Santa Barbara Cottage Hospital). The representative medical group CEO was Robert Pearl (Permanente Medical Group California). The healthcare systems CEOs included Barry Arbuckle (MemorialCare), Van Johnson (Sutter Health), Kevin Lofton (Catholic Health Initiatives), Robert Pallari (Legacy Health System), William Nelson (Intermountain Health Care, Inc.), and Chris Van Gorder (Scripps Health).

The primary method of data collection was in-depth, open-ended interviews with each executive. The interviews with Thomas Priselac, Stephen Ralph, Michael Stephens, Barry Arbuckle, and Chris Van Gorder were conducted in person at the respective CEO’s office, while the remaining CEOs were interviewed via telephone. In some cases, follow-up interviews were conducted with senior human resource management professionals to gather additional information on executive development and succession planning practices. Each interview was recorded, transcribed, and analyzed using the content analysis technique (Weber, 1985), a quasi-statistical approach that turns textual data into quantitative data for statistical testing. To implement the content analysis technique, I teamed with two healthcare professionals to independently code the interview text according to the three primary research questions. Next, we compared one another’s codes, discussed disagreements, and arrived at an agreed upon list of primary codes. In order to gain verification of the coding scheme outside our research group, we sent our list of codes and transcripts to two outside reviewers. Once additional codes were added and modified according to the reviewers’ feedback, we clustered the master list of codes into nine primary themes for analysis. The nine themes and their respective codes uncovered a range of best practices for executive development and succession planning in healthcare organizations. (Results of the content analysis, including themes, codes, and the number of CEO references to each code are available from the author upon request.)

**KEY FINDINGS AND BEST PRACTICE RECOMMENDATIONS**

The results of this study revealed a series of critical findings regarding executive development and succession planning practices across leading healthcare organizations. Below, each finding is presented in the form of a best
practice recommendation so that practicing healthcare managers and educators may utilize this research to enhance the industry’s leadership capacity. Furthermore, each best practice recommendation is discussed in the context of other relevant research and supported with salient CEO excerpts.

1. Implement formal mentoring programs and create opportunities for informal mentoring relationships to develop.

Analysis of the interview data revealed that CEOs benefited from powerful mentoring relationships that not only facilitated their respective careers, but also heavily influenced their own leadership philosophy and approach to working with senior administrative teams and site leaders. When asked to describe the defining moments of their careers, most CEOs cited critical turning points in relationships with their mentors and key leadership lessons learned from their mentors. The many leadership lessons learned from their mentors included: 1) providing executive development opportunities to managers in the early stages of their careers; 2) empowering site administrators and physicians in healthcare organizations; 3) engaging in long-term, strategic thinking; and 4) adopting a 360-degree perspective on mentoring and learning from other healthcare professionals. A sample of interview responses across these leadership lessons is provided in Table 2.

Table 2: Leadership Lessons Learned from Mentoring Relationships

Providing Development Opportunities to Others

I think if I had not had that experience of starting off going to board meetings, working on projects that were of significance to the organization, I think that I probably would be more reluctant to give people that opportunity now when they come into this organization. So because of that orientation and the opportunities [my mentor] gave me, it has translated into an administrative resident here right now who is working on a problem related to increasing group health costs. It’s a very important issue for us and that’s her project, so she’s giving board presentations, attending medical executive staff meetings, and I just don’t know that I would have been as open to creating those opportunities for somebody just starting out if my mentor hadn’t had that orientation with me and other administrative fellows that were around at the time.

Ronald Werft, CEO, Santa Barbara Cottage Hospital

Value of Empowerment

I have each of the hospital administrators reporting directly to me, and I encourage that kind of a candor in private or even within the executive cabinet group, yet I don’t question the loyalty of my team. I really love empowerment. I learned part of that what not to do with empowerment and what to do with empowerment from my mentor. I like a candid, open relationship with my staff and part of the way I try to demonstrate that is I’ve always said ‘Look, we have lots of meetings, usually they’re group meetings with my team, and if you want to have a one-on-one with me on a regular basis, let’s do it. It’s your call, but I’m not going to require you to do that.’

Chris Van Gordor, President & CEO, Scripps Health
Table 2: Leadership Lessons Learned from Mentoring Relationships (cont’d)

Long Term, Visionary Thinking
I learned from him the ability to take a very long term, visionary perspective. There may be a lot of hurdles in the way but he said “let’s overlook that now let’s not let that restrain our thinking, we’ll figure out how to deal with those hurdles and we may find one we can’t get over and we’ll have to revise our plan” but just a striking ability to be visionary and he is still that way today in his thinking. Barry Arbuckle, President & CEO, MemorialCare

360-Degree Perspective on Mentoring
I think that in a healthcare organization there is less of the vertical relationship that you might see in a traditional business and so you essentially work with individuals trying to solve a particular problem. You’re going to work with physicians, you’re going to work with administrative individuals, nursing leadership, and as you solve problems you’re always learning from the people you’re solving with. They have very good ideas and different ways of thinking. You can watch them as they lead the people that they have accountability for, and so I think it’s much more of an interim or progressive process than the kind of traditional mentoring role where you’re in a job and you can see the person ahead of you and three people ahead of you and you learn from one particular person doing that individual job. Robert Pearl, CEO, Kaiser Permanente Medical Group

Research on mentoring relationships in organizations provides strong evidence that employees with mentors are much more likely to experience a range of positive outcomes, including greater promotions and compensation, enhanced job performance, organizational commitment, and job satisfaction, and reduced turnover intentions (Graizer 2002; Chao et al. 1992; Walsh et al. 1999; Whitely et al. 1991). However, a national study of 540 healthcare managers indicated that despite the many benefits of mentoring relationships, 59% of respondents were not involved in a mentoring relationship within the past five-year period (Walsh et al. 1999). While most CEOs in the present study reported that their organizations promote the value of mentoring and encourage the formation of informal mentoring relationships, Mayo Clinic Scottsdale augments existing informal mentoring relationships with a formal mentoring program designed to provide employees greater access to highly experienced Mayo leaders. Based on the premise that employees need multiple mentors at different points in their career, and that access to experienced leaders through informal means is often quite difficult for many employees, the Mayo mentoring program develops leadership competencies through personal coaching, group discussions, career guidance, and exposure to Mayo leaders. Indeed, this approach to mentoring is consistent with research that suggests informal mentoring alone is often insufficient for building leadership capacity and maximizing workforce potential (Kram 1983; Kram and Isabella 1985).
2. Create action learning, project-based ‘stretch’ assignments that truly challenge high potential managers.

Another highly consistent finding across the CEOs’ responses was the extent to which they sought and accepted challenging, stretch assignments that often entailed leaving comfortable positions behind and venturing into risky territory. Many CEOs emphasized their willingness to leave jobs in which they were quite successful and accept highly challenging assignments elsewhere. In several cases, CEOs were asked early in their careers to take on critical assignments that were well outside their area of expertise. For example, Barry Arbuckle, President and CEO of MemorialCare, described an unusual case in which his health system conducted a major outsourcing of the entire information systems division, and subsequently asked him to assume a new role:

We outsourced everybody, including the chief information officer, which was a fundamental error to outsource that kind of talent. We outsourced the worker bees, and every living being that dealt with information systems (IS), and so we needed an internal person to manage that contract. They said what about [me]? Why him? He has no IS background, but he’s got a powerful computer so he must know how to use it. So I actually had to manage the system on IS, and I didn’t know a thing about it.

While taking on such unusual and challenging experiences certainly facilitated the careers of the CEOs in our study, it also contributed to the executive development philosophy and practices at their respective organizations. Many CEOs discussed the value of basing executive development programming on assignments that truly stretch high potential employees while also providing greater visibility to senior management. Overall, most CEOs reported that their respective organization’s approach to executive development focuses on project-based learning assignments that address current business issues and challenges. This type of hands-on leadership development method, dubbed ‘action learning’ by Reginald Revens in the early 1960s, has been a very popular approach to executive development since the widely reported successes of General Electric’s Crotonville program (Tichy 1989; Noel and Charan 1988; Day 2001). Table 3 provides a sample of CEO responses regarding the integral role that project-based, action learning methods serve in their organizations’ executive development programs.

3. Create single site- or system-wide forums to expose high potential managers and enhance their visibility across the organization.

Although mentoring programs and action learning projects emerged as core executive development practices, the CEOs also emphasized that these activities are insufficient to ensure the most qualified managerial personnel are
At many of the CEO organizations, effective succession planning also comprised a means of exposing high potential managers and enhancing their visibility across the organization. Similar to General Electric’s Crotonville executive development program (Tichy 1989), several CEOs described the development and outcomes of a formal leadership academy at their respective organization. MemorialCare’s Memorial Academy, Scripps Health’s Scripps Leadership Academy, and Catholic Health Initiatives’ Leadership that Shapes the Future are examples of leadership academies that serve the purpose of simultaneously developing high potential managers and exposing them to multiple stakeholders.

The MemorialCare, Scripps Health, and Catholic Health Initiatives leadership academies share remarkably similar characteristics as well as a few important differences. Each program is comprised of action learning projects
and executive-taught workshops that are intended for early to mid-career managers who would benefit from in-depth exposure to managerial expectations and the inner workings of their respective organization. In essence, the academy provides an intensive orientation to both the organization and the leadership role. "I view it as really the glue that holds us together and that will help us to sustain the things that we’ve been able to develop because it’s the very core of what we feel our leaders need to be all about," explains Kevin Lofton, CEO and President of Catholic Health Initiatives. Similarly, Arbuckle adds that "the Memorial Academy gives those hand-picked 20 management folk from throughout the system a chance to lift the corporate veil and really see how this company works." While the Memorial Academy and Scripps Leadership Academy consists of 6-7 and 12 sessions, respectively, spread over the course of one year, the Catholic Health Initiatives program is an intensive week-long series offered to mid-level managers (Leadership that Shapes the Future I) and VP-level executives (Leadership that Shapes the Future II).

Across all of the leadership academy components, the action learning project and consequential exposure to senior executives and board members are critical program outcomes. At the Memorial and Scripps leadership academies, project topics are generated by executive team members, board members, and Academy alumni. At the end of the one-year programs, participant teams present the results of their project to their peers, executive team members, and board members at graduation ceremonies. Alternatively, the Leadership that Shapes the Future program allows participants to generate the project topic, and then present a project proposal at the end of the one-week program. The program faculty and senior executive team monitor progress on the projects throughout the year and provide necessary support to ensure completion.

There is clearly a range of important benefits that accrue to organizations that invest in the development of a leadership academy as a vehicle for exposing high potential managers. In addition to limited costs and reduced dependence on consultants, leadership academies serve as a powerful vehicle for promoting cultural understanding across hospitals in multi-hospital systems and facilitating the integration of system culture. Furthermore, action learning projects are showcased for senior management teams to allow for greater contact with high potential managers who may not otherwise have any exposure to the upper levels of the organization. Arbuckle explains that, "the Memorial Academy has been a good thing for us to be able to see talent that might exist that we wouldn’t otherwise get to see. It gives my level exposure to someone that, unless we had some reason to cross paths, I would never cross their path and if I did, it would be fairly brief. Some managers may
not have been on the fast track, but then they were part of this Academy and all of a sudden, when a position like the CEO of one of the other hospitals opened up, that was the person to take. Even though some people thought it an odd choice, it was the right choice because we actually got to see them in a way that nobody else had seen them.”

4. Avoid selecting an heir apparent for key executive positions and consider a diverse range of internal candidates.

Consistent with the philosophy of many highly successful and visionary companies, such as those studied in classic Collins and Porras’ (1994) text, the CEOs reported that their organizations rely heavily on replacing key executives with internal candidates. They also emphasized a strong commitment to identifying high potential managers, providing them the necessary development activities, and exposing their talents to senior executives and board members. Most CEOs reported that their organizations focus on identifying and developing multiple potential successors to key executive positions rather than grooming an heir apparent. Although executive team members are expected to identify and develop someone who could immediately serve in an emergency situation, most of the organizations do not target individuals for succession to key executive positions. Thomas Priselac, CEO of Cedars Sinai Health System, noted, “We certainly have an expectation that in every key executive position, there is someone who is identified as someone who could step in for the short-term. I would say that it would be more the exception rather than the rule where there would be a kind of conscious commitment to groom someone for specific succession. The approach we take is to work on their people skills development and leadership capabilities in general.” Of course, the enormous risk in identifying and developing an heir apparent is the possibility of that person leaving the organization and the inflexibility that saddles the succession decision. The general consensus among the CEO respondents is that organizations are better served by investing the necessary time and effort in identifying and developing multiple high potential managers to ensure flexibility in key executive successions.

A related best practice regarding succession planning is the importance of adopting a diverse view of potential successors. Many CEOs emphasized the importance of considering multiple candidates for a given vacancy and not devoting undue attention to the immediate direct reports as likely successors. As multiple candidates from different functional areas are tasked onto action learning projects or stretch assignments, it is increasingly important to provide such personnel with assurances that their careers are not in jeopardy if the projects fail. Barry Arbuckle asserted, “It doesn’t have to be the obvious
person in the hierarchy because I’ve seen it just too many times where we took somebody out of this little niche and stuck them in a different area and an amazing blossoming occurs. Sometimes it doesn’t work and you can’t penalize that person…if they don’t work out here, we’ll move them over here and we don’t just wipe them out and say you’re on your own.” Similarly, a critical consideration for the succession decision is the opportunity to enhance the diversity of the senior executive team. Several CEOs cautioned that relying too much on executives to identify high potentials increases the possibility of biased decisions. Robert Pallari, President and CEO of Legacy Health System, stated that “…the weakness [of asking executives to identify and groom high potentials] is obvious; you can fall in love with yourself and your image in the mirror and you can be incredibly insulated if you’re beginning to hire [and develop] only like and then like picks like. I try to balance that as best I can by recognizing that across the broader 200 plus managers in our organization we still have a tremendous amount of diversity, and from that we’re going to have people looking.”

5. Modify executive performance expectations and the executive performance appraisal process to ensure active participation and commitment to succession planning.

The final succession planning best practice that emerged from the CEO responses concerns the manner in which succession planning is executed throughout the organization. As opposed to traditional practices of assigning the responsibility to human resources and using bench strength charts, the CEOs emphasized the importance of weaving succession planning responsibility into the fabric of senior executive performance expectations and performance appraisal process. In many of the CEOs’ organizations, senior executives are expected to devote significant time and effort in developing mentoring relationships with their direct reports. These one-on-one relationships consist of regular conversations concerning the direct report’s key strengths, areas for improvement, career aspirations, and career planning discussions. Just as line managers are often called upon to assist in other key human resource functions, such as selection and performance appraisal procedures, executives in the CEOs’ organizations are required to provide career planning counseling and feedback on leadership competencies that are in need of development.

To ensure active participation and commitment to succession planning, many of the organizations also incorporate succession planning into the executive performance appraisal process. Kevin Lofton, President and CEO of Catholic Health Initiatives, said that “the supervisor is supposed to talk in
each case with the person reporting to them about just where they are career wise in terms of aspirations, where they are going, etc. Then we’ve been able to take certain dimensions and then overlay them into our performance review process. This is the first year that we’ve actually incorporated the succession planning dimensions in the performance review.” Similarly, Robert Pallari, President and CEO of Legacy Health System, reports that “we require every manager in our organization, as a part of their performance review, to have identified two people within their own supervisory purview to develop. Managers must believe that [the persons they identified] have demonstrated high potential, and then we try to talk with those people about the possibilities of moving up in the organization and assess their interest and so forth.”

Incorporating succession-planning responsibilities into executive job expectations and performance appraisal criteria are effective means of ensuring that succession planning is a top priority among executive personnel.

LIMITATIONS AND FUTURE RESEARCH

Although this study provided rich qualitative data regarding executive development and succession planning best practices, a number of limitations should be noted. First, the relative number of participating organizations and executives was somewhat limited. Furthermore, the range of participating organizations was restricted due to the fact that the sample was selected based on demonstrated excellence in CEO successions and leadership development practices. Thus, the key findings regarding talent management practices at the sample organizations are unlikely to reflect the healthcare industry overall. Finally, several best practice organizations declined to participate in the study because of company policy precluding participation in such research studies, time constraints, and resistance to the recording of interview responses, thereby limiting the sample’s range and diversity.

Despite the range of best practice findings regarding leadership development and succession planning, a critical analysis of the organizations’ talent management systems reveals several areas of improvement and opportunities for future research. First, very few executives described efforts to empirically evaluate the efficacy of their respective organization’s talent management practices. Several recent leadership development reviews and meta-analyses (e.g., Collins and Holton 2004; Kur and Bunning 2002; Day 2001) concluded that most organizations fail to empirically evaluate the implementation and outcomes of leadership development programming, thereby precluding opportunities to diagnose problem areas and needed programmatic changes. Second, surprisingly few of the executive responses described 360-degree feedback as a core leadership development practice. In fact, several executives
indicated a general resistance to 360-degree feedback because of a perceived lack of convincing evidence for the efficacy of such practices. As suggested above, rigorous evaluation studies of the impact of executive development programming would likely quell the reservations of such executives. Indeed, healthcare management educators are aptly suited for partnering with healthcare practitioners to design and implement rigorous yet practical evaluation studies for the purposes of assessing outcomes and diagnosing programmatic changes. Given the paucity of evaluative research on leadership development practices, healthcare organizations would benefit from consultation with outside researchers and healthcare management educators to design appropriate evaluation studies that assess changes in participants’ knowledge (learning), behavior (expertise), and results (performance) (e.g., Collins and Holton 2004; Kirkpatrick 1998).

**CONCLUSION**

The best practice findings of this study suggest that healthcare organizations should utilize a range of executive development and succession planning activities to identify, develop, and retain leadership talent. Countering several industry trends and the perception that the healthcare industry suffers from a ‘leadership vacuum’, the CEOs in this study offer powerful evidence of exemplary healthcare organizations enacting dynamic, cost-efficient methods of executive development and succession planning. Overall, this article offers healthcare organizations several industry best practices to ensure that their high potential managers are prepared and aptly selected to assume key leadership roles in the future.

**REFERENCES**


Kram, K., and Isabella, L. “Mentoring Alternatives: The Role of Peer Relationships in Career


