

UNLOCKING PERFORMANCE TODAY & TOMORROW

Patient Experience and Evolving Leadership

"In this year's survey, we are reminded of how important the patient experience is in shaping today's priorities--and the future of health care. Moreover, we are witnessing a generational shift within the health care leadership ranks as GenXers emerge to take on more senior roles and Baby Boomers exit the full-time workforce. It will be exciting to watch how this impacts the type and rate of change within our industry over the next 3 to 5 years."

– Mary Christensen
President & CEO of Experienced Resources

This marks our 9th straight year capturing the thoughts and concerns of health care leaders from throughout Minnesota, Wisconsin, and the surrounding states. In our 2015 survey, **Patient Experience** sits firmly atop the list of highest priorities identified by our respondents, followed by the ever-present issue of **Managing Financial Performance**.

The *Leadership Perspectives on Health Care* survey provides you a unique look into the dynamics and aspirations of Midwest health care leaders. Each year, we look forward to gathering and interpreting these survey results. We encourage you to use this information in discussions with your leadership team, broader organization, and board members.

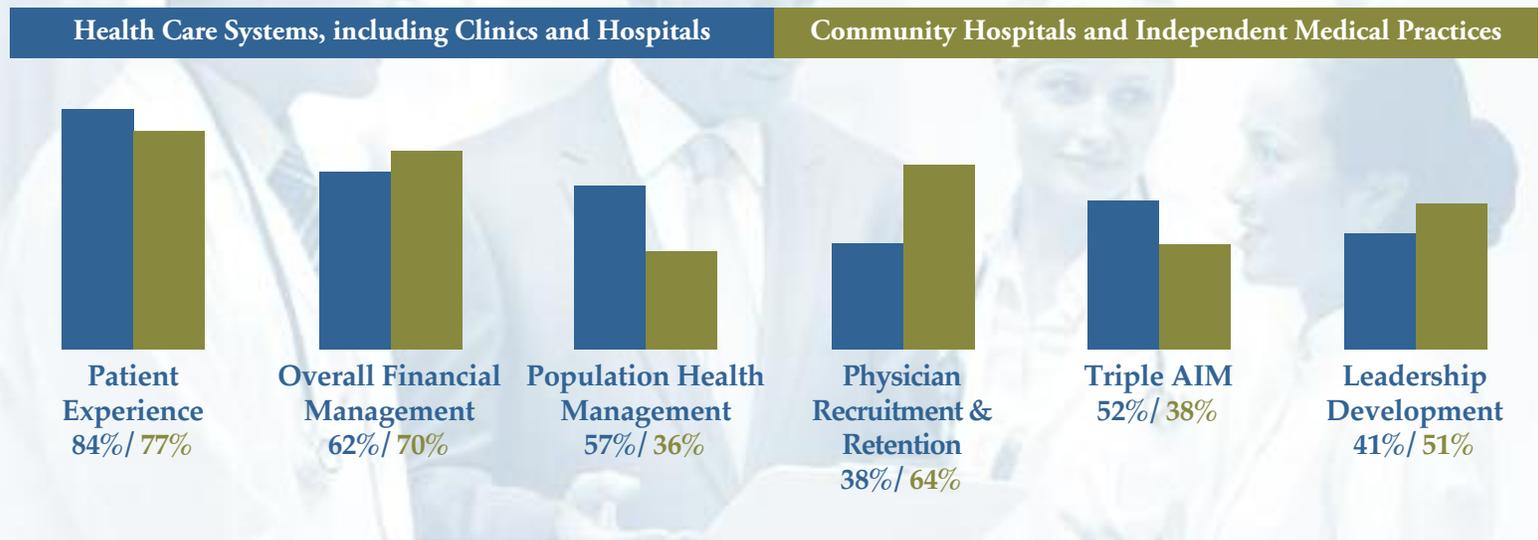
2015 SURVEY TOP PRIORITIES

C-level leaders reported their top five areas of focus for the coming year:



*CEO, COO, CNO, CFO, CIO, CMO

Which health care topics and trends will affect your organization most in 2015?



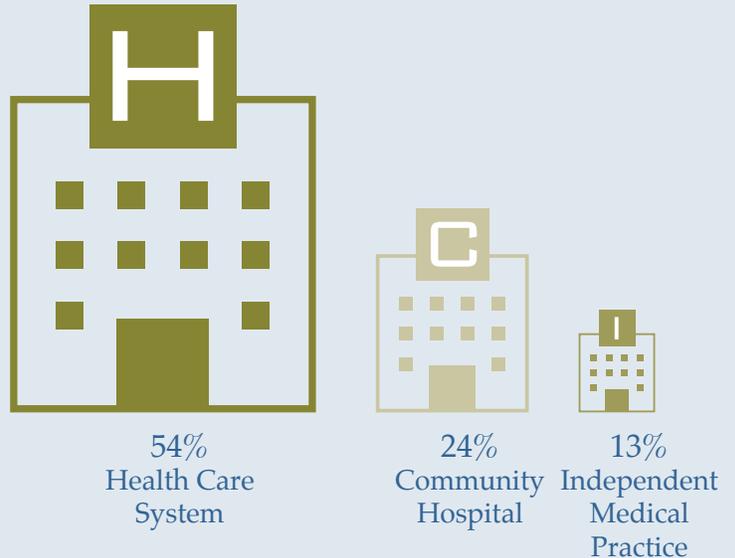
In the nine years that we have been conducting our survey, this is the first time that Patient Experience emerges as the Top Priority. Not surprisingly, Financial Management concerns are a close second, followed by Population Health Management for Health Care Systems and Physician Recruitment & Retention for Community Hospitals. Independent Medical Practices reported their Top Five Areas of Focus as i.) ICD 10; ii.) Patient Experience; iii.) Financial Management; iv.) Physician Recruitment & Retention; v.) Triple AIM.

2015 Survey Highlights

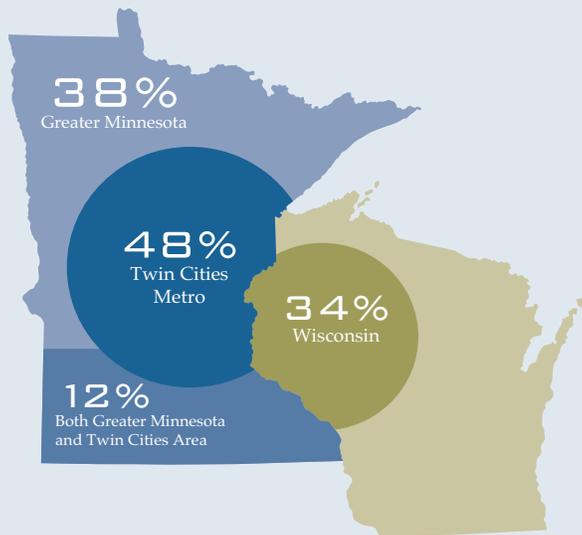
Leadership Role



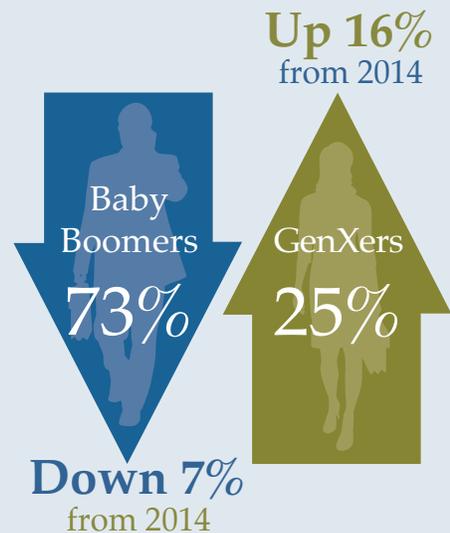
Organization Type



Geographic Location



Leadership Generations



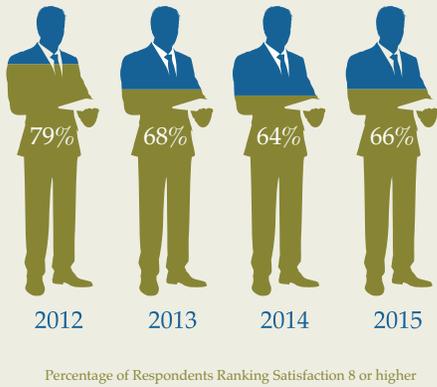
A CHANGING LEADERSHIP WORKFORCE

We also see another “first” in this year’s survey. In evaluating our 2015 results, there is clear evidence that Baby Boomer health care leaders are now leaving the workforce. Baby Boomers, born between 1946 and 1964, represented 80% of our respondents in 2014 whereas this same group only represents 73% this year. Likewise, in 2014, 16% of our survey respondents were GenXers. In 2015, this same group born between 1965 and 1979, represents 25% of our respondents. This appears to indicate a sizable drop in the number of Baby Boomer health care leaders in the workforce and a comparable increase in the number of GenX leaders now occupying health care leadership roles.

Sixty-four percent of Baby Boomers expect to remain with their organization for 1 to 5 years while 51% of GenX leaders expect to do the same. It’s safe to assume that the GenX leaders will continue to occupy full-time roles within the health care industry whereas Baby Boomer leaders will likely look for interim and project work, or exit the industry altogether. For years, U.S. population statistics have indicated that no generation succeeding the Baby Boomers will be large enough to fill all of the vacant positions left after Boomers retire. In reflecting on this year’s survey results, one could conclude that this impending leadership void could begin to materialize as soon as 3 to 5 years from now, when both Baby Boomers and GenXers begin to make their moves.

JOB SATISFACTION

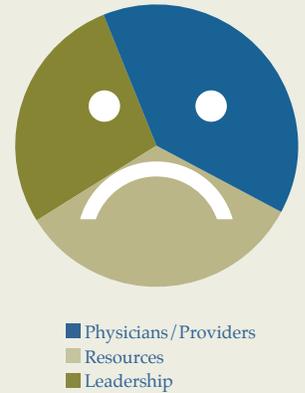
Job Satisfaction in Director Level Positions and Above



Job Satisfaction by Position



Greatest Source of Dissatisfaction



80%

of leaders are **confident** or **very confident** that they possess the resources to meet their priorities during the **coming year**.

(on a scale of 1 - 10 with 10 being the highest)

70%

of leaders are **confident** or **very confident** that they possess the resources to successfully meet the challenges **beyond 2015**.

(on a scale of 1 - 10 with 10 being the highest)

CONFIDENCE TO MEET THE CHALLENGES

As seen in the above statistics, our leaders feel confident in the resources their organization possesses to meet the challenges ahead. For the coming year and beyond, the survey respondents' overall confidence level is 4.0 out of 5.0 (4 is "Confident" and 5 is "Very Confident"). Nearly one-quarter of the respondents are "not sure" if their organization possesses the resources to successfully meet the challenges of 2015.

In defining their greatest gaps, one Independent Medical Practice leader stated, "Having sufficient resources, time, and talent are all gaps. The work is getting very complex and requires new skills. Leadership is burning out". A Hospital COO commented, "We have the correct people but they have 'day jobs'. Our changing care model impacts both culture and workflow. Addressing this challenge correctly will be very time intensive and will stretch our existing resources much thinner".

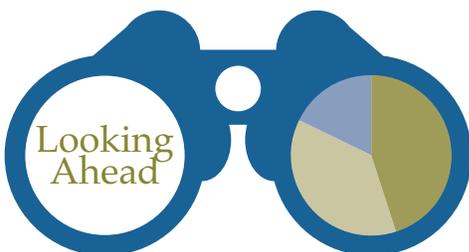
Perhaps more clearly today than in year's past, leaders seem to know what work needs to be done. The common challenge is balancing limited resources with increasing demands, particularly related to comprehensive care model redesign and improvements in patient experience.

FUTURE CHALLENGES

Leaders were asked to look beyond 2015 and identify the major issues that they expect their organizations will be confronting. Eighty-six percent of respondents took the time to answer this important question, and their insights provide us with a valuable look into the future.

"We will continue to face the challenges of declining reimbursement and higher expectations from our patients for increased access and new models of care."

— A Wisconsin CEO



- Managing Reimbursement with VBP, etc. (23%)
- Changing care delivery models (19%)
- Physician Relations (9%)

EXECUTIVE SUMMARY:

Over the years, it's been said that the Baby Boomers have always believed it was all about them. Well, maybe the time has come where it is all about them. At the same time, according to this year's survey results, it appears the Baby Boomers are not alone—it's also all about the Patient.

The 2015 *Leadership Perspectives on Health Care* survey revealed two key trends: **The generational shift within health care leadership ranks** that experts have predicted for years is now underway. Secondly, the **Patient Experience** has risen to the top of the priority list in many health care organizations throughout our region.

As for Baby Boomers, based on our survey and the number of announced retirements, they have clearly begun moving out of the traditional workforce. The question is, how do we retain their knowledge and experience as we navigate the continued change in health care? Likewise, with the limited resources currently available, how do we adequately prepare our GenX leaders to effectively lead the health care industry? This new generation of leaders may be the most highly-educated group that we have ever seen. How do we leverage that knowledge along with the Boomers' experience to continue the health care transformation?

Throughout our 2015 survey, we see the call for stronger leadership – more of it, better leadership skills and improved leadership development opportunities. The focus on leadership is especially prevalent within independent practices this year, with 57% of Community Hospitals and 42% of Independent Medical Practices citing Leadership Development as a key area of focus for 2015. The challenge is the balance between recognizing the need for leadership development and the reality of resourcing it.

We are excited to have 50 of our 149 respondents from Wisconsin this year. Despite any rivalries on the football field, when it relates to healthcare challenges, leaders in Minnesota and Wisconsin appear to think alike. Not only are their areas of focus and top priorities much the same, but the specific rankings of such priorities are virtually identical.

When rating their confidence in meeting 2015 priorities, Minnesota leaders came in at 3.8 out of 5, while Wisconsin leaders felt slightly more confident at a 4.0 out of 5. Thirty-one percent of our Wisconsin leaders expect to remain with their current organization for 3 to 5 years with a nearly identical number of Minnesota leaders feeling the same way at 32%.

The overall optimism expressed by our survey participants is encouraging, particularly as it relates to possessing the resources needed to meet their top priorities. Despite often limited resources, there is a clear message by our respondents to charge forward, make the changes needed to re-design day-to-day activities around an exceptional patient experience, while continuing to create greater engagement among physicians and staff. In the words of one Minnesota health care system leader, "More than anything, we just need the time to focus and get all the work done."

In reflecting on the greatest gains that their organization made this past year, another CEO in greater Minnesota stated, "We spent the year getting organized for reimbursement reform, lining up the talent needed, developing a strategy, and actions focused on operational efficiencies and streamlining our revenue cycle." Only another health care leader could understand just how much time and effort the previous statement truly represents.

2015 will undoubtedly be another year of great challenges. As we have stated throughout this executive summary, health care leaders see it as the "year of the patient". To paraphrase a few leaders, it's about building a better experience for patients today—and a better industry for the future. Whether you're a Baby Boomer in the latter stage of your health care career, a GenXer on the rise, or a Millennial just starting out, our industry needs all leaders "turning the keys that will unlock health care performance today and tomorrow."

About Experienced Resources

Experienced Resources provides health care organizations immediate leadership support to accomplish mission critical work. We achieve this by carefully matching the client's needs to our team of experienced leaders and supporting the engagement from start to finish.

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*Flexible Leadership Solutions for Today's Health Care*SM

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of Bridging the Gap

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