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Succession planning for organizational stability

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The current healthcare landscape requires that leaders drive toward higher quality and improved patient experience while simultaneously decreasing expenses. Contemporary nurse leaders need advanced knowledge and competencies to successfully lead in this complex and challenging environment, and progressive leadership abilities are essential to meet these demands.¹ Nurse leaders must be flexible and agile to adapt to continuous change, along with being skilled at communication and relationship building and demonstrating sharp business acumen.

Compounding the urgency to create leadership development and succession programs for nurse leaders is the increasing rate of nurses planning to retire. Seventy-three percent of baby boomers plan to retire in 3 years or less, and it was predicted that there would be 67,000 nurse manager vacancies by 2020.^{2,3} Due to this impending shortage of nurse leaders, organizations need to educate and mentor future nurse leaders on advanced progressive and adaptive leadership skills.

Talented and knowledgeable healthcare leaders are vital for organizations to improve the patient experience and quality outcomes, and advanced leadership skills require experiential learning cultivated over time.¹ Structured education programs

that focus on evidence-based, advanced leadership competencies can provide a pool of adept and skilled nurse leaders at all levels who are prepared for future expanded organizational leadership opportunities. And developing internal candidates for promotion opportunities ensures that future organizational leaders understand the history and culture of the organization and are better prepared to move the organization forward.⁴

Although strategic and intentional succession planning is a characteristic of visionary organizations, nurse leader selection is often based on clinical expertise and education level without consideration of leadership ability.⁵⁻⁷ However, bedside clinical nursing skills don't necessarily translate into business acumen and skilled leadership. Technically talented nurses may fail to meet organizational leadership expectations due to a lack of formal leadership education and training. Conversely, nurses who possess leadership skills may not be promoted to leadership roles because the organization's leaders are unaware of their leadership capacity.

Formal succession planning strategies and programs can provide skilled and knowledgeable internal candidates to fill key vacancies. However, the vast majority (70%) of healthcare organizations don't provide any

type of succession planning program.⁸ Implementation of leadership development and succession planning for various leadership levels can offer the organization needed stability.

Our eight-hospital healthcare system in south central Pennsylvania made developing an engaged healthcare team one of the five strategies in its 2018–2019 annual plan. As an employer of more than 5,000 nurses and over 700 nurse leaders, we focused on implementing two professional development pathways—the nurse manager residency (NMR) and the nursing leadership academy (NLA)—to both attract and retain clinical nurses and nurse leaders.

Nurse manager residency

The nurse manager role is critical to nursing unit success. In one study of 291 nurse managers, 28% intended to leave within 2 years and 72% intended to leave within 5 years, leaving a difficult-to-fill knowledge and experience void.⁹ To provide leadership development for potential nurse leaders and a mechanism for succession planning, we launched a comprehensive professional development opportunity for clinical nurses to learn the various aspects of the nurse manager role and develop leadership skills. We wanted this program to be dynamic and robust; offer multiple educational approaches,

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● Succession planning for organizational stability

including formal lectures, independent learning, experiential leadership assignments, coaching, and mentorship; and provide 20/20 vision into what the nurse manager role entails.

The objectives of the 12-month NMR included developing a pool of candidates for nurse manager succession planning, providing residents with an opportunity to apply and demonstrate nurse manager competencies, and offering them an opportunity to discover if a nursing leadership role is their desired goal. This last objective is important to us; sometimes a person may desire a position without fully understanding the intricacies of the

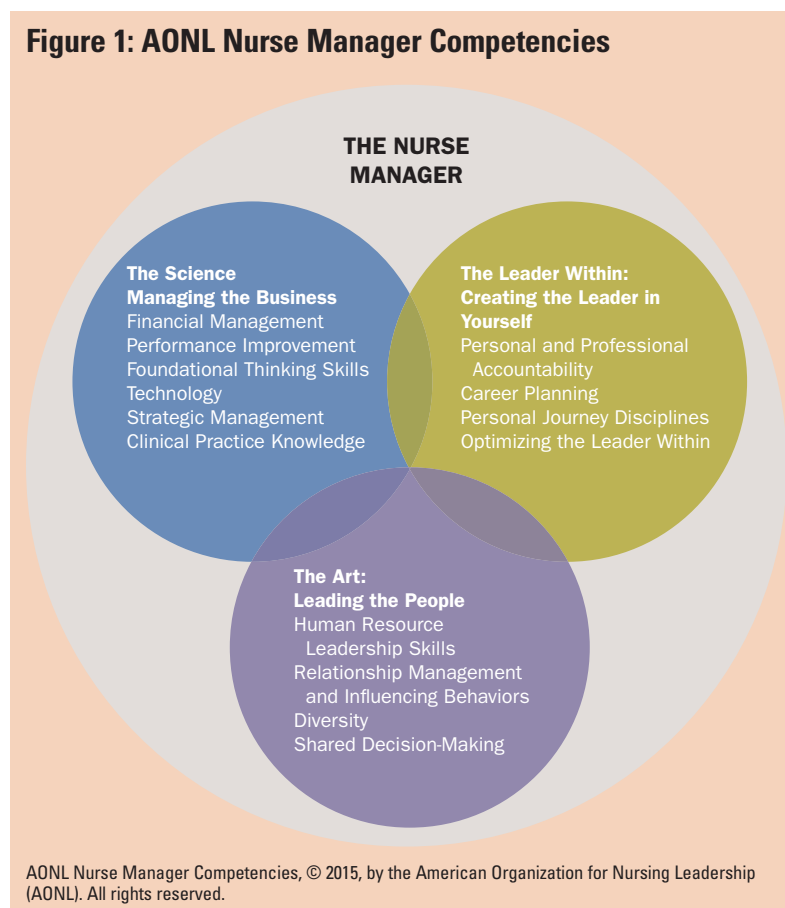
role. In some instances, the transition into the nurse manager role is difficult and not what the individual expected, which can lead to failure. The NMR gives residents a commitment-free opportunity to understand the nurse manager role and determine if it's a professional development journey they want to pursue.

Assembling the team

The first step in developing the NMR was to assemble a team that included key stakeholders. The system chief nurse executive was our executive sponsor and program development was led by the system director of nursing practice and professional development.

NMR steering committee members included nursing directors and nurse managers representative of all the healthcare system's acute care hospitals. The initial focus for the NMR was to develop nurse manager succession planning in the acute care environment because that was where the need was greatest. The steering committee developed the NMR's purpose, objectives, program components, curriculum, and criteria for participation. We've now streamlined this committee to consist of one NMR facilitator at each hospital. The facilitator group meets bimonthly to discuss the current state, as well as opportunities for improvement.

Figure 1: AONL Nurse Manager Competencies



Framework

The American Organization for Nursing Leadership's (AONL) Nurse Manager Competencies were selected as the model for the NMR because these competencies correlate with what we feel is required of nurse managers at our organization.¹⁰ (See *Figure 1*.) The AONL Nurse Manager Competencies include the following domains: The Science: Managing the Business; The Art: Leading the People; and The Leader Within: Creating the Leader in Yourself. Each domain contains skills, knowledge, and abilities on which the emerging nurse leader needs to focus. We also correlated the organization's nurse manager job description accountabilities and incorporated the American Nurses Association's (ANA) Nursing Administration: Scope and Standards of Practice.¹¹

Curriculum

Curriculum development was the next step in the planning process.

The NMR curriculum consists of three components: participatory learning, functional didactic lectures, and experiential learning.

Participatory learning is the crux of the program and includes residents shadowing a different NMR preceptor each quarter to gain insight into a variety of leadership styles and exposure to different patient care areas in the hospital. The NMR preceptors are selected by their CNOs and nursing directors based on leadership skills that match the curriculum focus for the quarter. We also encourage residents to spend time with managers at other hospitals within the system if the geographic location isn't prohibitive. We've found value in the residents being exposed to not only different types of nursing units, but also different healthcare facilities to appreciate the value of a healthcare system. The residents have also asked to shadow other nurse leaders for a day or two, including the nursing supervisor and nursing directors, which has provided them with a more comprehensive view of leadership.

Functional didactic lectures cover topics included in the AONL Nurse Manager Competencies, as well as topics related to our healthcare system's strategic plan. Our organizational learning and development leadership team provides several leadership-focused programs throughout the year that we invite our residents to participate in. We also developed NMR roundtables on a variety of topics that align with the AONL Nurse Manager Competencies and the ANA Nursing Administration: Scope and Standards of

Practice, such as leadership styles, coaching and developing the professional nurse, mental health and self-care, and healthcare bioethics. The roundtable presenters are internal experts both from within and outside of nursing, and participants include the residents and experienced nurse leaders, which provides amazing synergy. The sharing of real-life experiences among the group has been beneficial for our residents, and the experienced leaders appreciate the networking and professional development opportunity. The roundtables were initially held monthly but after the first year, they switched to bimonthly, with each session covering two different topics. The residents are also invited to attend the healthcare system's quarterly leadership forums, as well as their hospital's leadership meetings.

Residents are required to complete a performance improvement or evidence-based practice (EBP) project to provide them with a basic understanding of project management through an experiential learning experience. (See *Table 1*.) The project can be done within or outside of their home unit and must be based on a unit or hospital goal. The final project presentation occurs in December during NMR graduation with hospital leadership present.

The residents are provided with a core curriculum as a guide to ensure that they gain appropriate experiences and meet with selected leaders throughout the year. Each quarter is assigned an AONL Nurse Manager Competencies domain, with The Science domain spread over two quarters. There are learning objectives and

evidence of accomplishments associated with each domain to provide residents with a comprehensive leadership experience over the course of the year. The core curriculum also guides the residents' monthly meetings with the hospital's NMR facilitator to review their progress and learning opportunities within the program.

Candidate selection

Residents are chosen on an annual basis. Criteria include clinical nurses with an interest and demonstrated competency in leadership, an above-average performance evaluation score, a letter of recommendation from an immediate supervisor, and a bachelor's or master's degree in nursing or current enrollment in a BSN program on track to graduate within the coming year. The NMR candidate must attest to being able to fulfill a full-time position for the next year, with 40 hours every 2 weeks dedicated to the NMR and the remaining 40 hours fulfilling their current clinical role. Applications also include responding to two essay questions on leadership experience and personal goals for the NMR. Interviews take place at the candidate's home hospital in front of a panel of nurse leaders. Each hospital determines the number of accepted residents based on succession planning needs.

Outcomes

Outcome measurements for the NMR include successful completion of the program and succession into a nurse leader role. Although our goal is that all residents complete the program, we don't expect a 100% succession rate because one of the NMR's

goals is to provide an opportunity for clinical nurses to determine if a nurse leader role is a good fit for them. Residents may decide leadership isn't a good fit or it may not be the right time to pursue a leadership role. We still consider this a success because the NMR gives residents a broader vision of and appreciation for professional nursing leadership that they'll share with their clinical nurse colleagues.

In the first 2 years of the program, we've had 11 residents, 10 of whom completed the program (91%). As for succession, we had a 100% succession rate for the four residents during the first year and a 50% succession rate during the second year. Our third year is commencing soon, with 11 selected residents across our healthcare system.

Qualitative outcomes include many comments from residents regarding the value of the networking and camaraderie they experienced within their NMR cohort. One resident noted, "The NMR program allowed me to step inside the manager role and experience healthcare from the

leadership point of view. I was able to network with many leaders and develop relationships. When I was hired into the nurse manager role, I was able to hit the ground running because I was already familiar with many of the processes." Another resident commented, "The NMR provided a formal, structured succession plan with consideration for my specific interests and aspirations. As a result, I was able to effectively connect my nursing and shared governance knowledge with my NMR leadership experience to identify a leadership opportunity that was the right fit for me." Another resident stated, "I think the greatest piece I learned was that I could act as a leader outside of my home unit. I knew I could lead within my unit but the fact that I was able to implement changes and educate on new practices with a different group of nurses helped me feel like I could be successful in a management role on any unit."

Nursing leadership academy

Strategic planning and succession planning go hand in hand to

ensure that future leaders are identified and adequately prepared for executive leadership roles, continuity is maintained, and the organization's mission continues. Healthcare organizations must prioritize leadership development and put financial support in place for such programs.¹⁰ Likewise, our organizational strategic plan defines the need to develop current nurse leaders as a strategic priority.

The 12-month NLA was created to provide didactic learning experiences and involvement in participatory, experiential learning. The goal of the NLA was to offer a structured and comprehensive learning opportunity to prepare current nurse leaders for future expanded leadership roles.

Assembling the team

The NLA steering committee was comprised of executive nurse leaders representing both inpatient and ambulatory nursing, including the chief nurse executive, CNOs from each acute care hospital, nurse executives representing ambulatory settings, human resources executives, system executives, and the director of the system's organizational learning and development department. This group developed the purpose and goals of the NLA, set criteria for nomination, and reviewed prospective candidates.

Framework

The AONL Nurse Executive Competencies were selected as the framework for the NLA because they include competencies that correlate with what our team feels is required of executive nurse leaders at our organization.¹² (See *Figure 2*.) The compe-

Table 1: Project examples

NMR

- Development of a shared decision-making leader orientation
- Acuity-based staffing model in an outpatient oncology center
- System substance abuse and breast milk education form
- Investigation of stay interviews to promote nursing retention
- Process change for metabolic disease testing to ensure compliance

NLA

- Draft day: an employee retention program
- Discharge education
- Fall reduction
- Employee engagement: working together to provide excellent patient care
- Intermediate accommodation costs
- Rehabilitation AM workflow
- Medical group clinical boot camp
- Know me applies to employees as well
- Outpatient palliative care to improve outcomes in heart failure patients

tency domains are communication and relationship management, knowledge of healthcare environment, leadership, professionalism, and business skills and principles. Skills, knowledge, and abilities are included under each domain.

The communication and relationship management domain includes effective communication, relationship management, influencing behaviors, diversity, community involvement, medical/staff relationships, and academic relationships.

The knowledge of healthcare environment domain includes clinical practice knowledge, delivery models/work design, healthcare economics and policy, governance, EBP/outcomes measurement and research, performance improvement/metrics, patient safety, and risk management.

The leadership domain includes foundational thinking skills, personal journey disciplines, systems thinking, succession planning, and change management.

The professionalism domain includes personal and professional accountability, career planning, ethics, and advocacy.

Finally, the business skills and principles domain includes financial management, human resource management, strategic management, and information management and technology.

We also supplemented the AONL framework with Daniel Pink's book *A Whole New Mind*, which challenges us to use right brain thinking, a skill not always included in basic leadership development programs because leadership competencies tend to

Figure 2: AONL Nurse Executive Competencies



be more left brain focused.¹³ However, today's leaders are called on to be visionary, out-of-the-box thinkers. Pink describes six absolute essentials for professional leadership success and personal fulfillment: design, storytelling, symphony, empathy, play, and meaning. Adding Pink's work provided us with a true 360-degree view of leadership development.

Curriculum

Program components of the NLA include a nursing leadership intensive, functional didactic lectures, participatory learning, and experiential learning.

The 4-day leadership intensive features internal executive

leaders and external experts speaking on a variety of topics based on the AONL Nurse Executive Competencies. Topics include transformational leadership; communication, relationship management, and influence; talent management; corporate finance; disruptive innovation; and self-care. We brought in an outside healthcare strategy and design consulting firm to present disruptive innovation, challenging the NLA cohort members to develop out-of-the-box solutions to an organizational imperative using a hack-a-thon format. Hack-a-thon project topics have included knowing the patient as a person, communication, and diversity.

● Succession planning for organizational stability

Throughout the year, the NLA cohort members reconvene monthly to continue work on the hack-a-thon project or engage with internal and external speakers on a variety of healthcare leadership topics. The monthly roundtable sessions also provide time for cohort members to network with each other and develop working relationships. For example, the NLA cohort members joined the physician leadership academy members to discuss polarity management during one of the roundtables. This session provided NLA cohort members with the opportunity to understand alternate viewpoints from their physician counterparts who were facing similar issues.

We invite NLA cohort members to attend two executive-level governance meetings during the year to give them exposure to board of director meetings and other executive-level meetings for an executive system view.

Our boards and executive leaders have been very supportive of promoting this experience.

Project management is also an expectation of NLA cohort members and has taken various forms over the past few years. Some cohort members have completed individual projects with a view of how the successful initiative could be spread at the hospital or system level, whereas others continue to work on the hack-a-thon project throughout the year.

Candidate selection

Unlike the NMR, potential NLA cohort members don't apply, but rather are nominated by their CNO or executive nurse leader. (See *Table 2.*) NLA candidates have a proven track record of capability in leadership or leadership experience at other organizations. Criteria for successful nominees include administrative management success, demon-

strated leadership ability, values that align with the organization, and known leadership succession aspirations. The candidates' CNO or executive nurse leader notifies them of their nomination and then they're presented to the steering committee. Candidates must commit to attending the 4-day intensive in its entirety, as well as most of the roundtables throughout the year. Each NLA cohort averages 25 to 30 nurse leaders from across the healthcare system.

Outcomes

Outcomes tracked for the NLA include AONL Nurse Executive Competencies assessment, internal hospital and system promotions, and employee engagement scores. (See *Table 3.*) Each NLA cohort member is asked to complete the online AONL Nurse Executive Competencies Assessment Tool before and at the completion of the program. During the first NLA cohort, we saw an increase in each of the five competency domains, with the largest increase being in the business skills and principles domain. The second cohort saw an increase from preassessment scores in all domains; however, its largest increase was in the communication and relationship management domain. This is especially interesting considering the communication project that the cohort members focused on throughout the year.

We're tracking promotions longitudinally for both cohorts. For the first cohort, 39% have received leadership promotions since beginning the program. For the second cohort, 19% have transitioned to new positions

Table 2: Comparison of the NMR and NLA

	NMR	NLA
Framework	AONL Nurse Manager Competencies ANA Nursing Administration: Scope and Standards of Practice Healthcare system nurse manager job description	AONL Nurse Executive Competencies
Focused group	Clinical nurses with leadership aspirations	Experienced nurse leaders (manager/director level)
Goal	Attainment of a nurse manager or similar leadership role	Succession into a higher level or system leadership role
Experiences	Shadow nurse managers Organizational leadership education and roundtables Performance improvement or EBP project	4-day intensive Interactions with system leaders Hack-at-thon group project or individual project at the hospital or system level
Length of program	1 year	1 year

within the healthcare system. It's important to note that the second cohort's experiences were altered somewhat due to COVID-19 and its impact on workload and meetings. Regarding employee engagement, we saw an increase in both the manager effectiveness index and employee engagement index for the leaders in the first cohort. We'll be tracking scores for the second cohort, which recently ended.

NLA cohort members have provided positive feedback about their experience. Comments have included: "Relationships...opportunity to meet and network," "Thoughtfulness that was put into our development," "The gift of opportunity and recognition," "Appreciate each other's strengths and characteristics," and "Helped to rejuvenate me." A common theme was appreciation for professional development.

A stable future

Participation in formal programs focused on nurse leader development improves leader readiness to fill vacancies, ensuring hospital and organizational stability.¹⁴⁻¹⁶ Organizations considering implementing leadership development programs should determine their succession planning needs and explore the return on investment.

The cost for our NMR program is based on the average RN salary at 0.5 full-time equivalent for 1 year, which is approximately \$37,400 per resident. No other costs were realized for this program. As for the NLA, costs are limited to the use of external consultants brought in to provide expertise on certain topics.

Table 3: NMR and NLA outcomes

NMR				
Year	Number of residents	Completed program	Succeeded into formal leadership role	Percentage of those who succeeded
2019	4	4	4	100%
2020	7	6	3	50%
2021	10	n/a	n/a	n/a
NLA				
Year	Number of cohort members	Completed program	Succeeded into advanced leadership role	Percentage of those who succeeded
2019	23	23	9	39%
2020	28	27	5	19%
2021	29	n/a	n/a	n/a
Nurse Executive Competencies assessments				
		First assessment (mean)	Second assessment (mean)	Delta
AONL Nurse Executive Competencies				
Professionalism		3.72	3.73	0.01
Leadership		3.31	3.41	0.10
Business skills		2.82	2.95	0.13
Communication and relationship building		3.37	3.60	0.23
Knowledge of healthcare environment		2.96	3.22	0.26
Overall averages		3.33	3.38	0.15

The cost to replace a nurse manager is estimated to be \$23,075; however, there are additional soft costs to consider, including stress on other managers covering the vacancy, potential staff turnover related to disruption in leadership, and potential interim pay while a replacement is being identified. At our organization, average time to fill a nurse manager position with an external candidate is 33 days.¹⁷

Having a nurse manager "at the ready" to fill the position decreases fill time and provides stability for staff during uncer-

tain times. During the COVID-19 surge, we had an immediate need to open additional beds on a repurposed nursing unit. One of our residents stepped up to provide immediate leadership for a new unit and is now a permanent nurse manager. From our perspective, the program value far outweighs the cost.

The NMR and NLA have proven successful at our organization by providing professional leadership development for nurses at all levels. Future plans include inclusion of an ambulatory nursing leadership development pathway for the NMR and

● Succession planning for organizational stability

interprofessional candidates for the NLA. Both programs continue to evolve based on feedback from residents and cohort members. **NM**

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