



CEO Search Process

Resource Guide

FOR MORE INFORMATION

Dana Dahl, MBA, CPHQ, FACHE

Vice President of Membership Services and Rural Initiatives

573-893-3700, ext. 1314

ddahl@mhanet.com

MHANET.COM

Table of Contents

CEO Search Tips	2
Interview Guidelines	3
Search Firm Directory.....	4
Desired CEO Skills.....	5
Objectives to Become a Successful CEO	6
CEO Succession Planning – Do's and Don'ts....	6
MHA's New CEO Orientation and Support.....	7
Appendix A: Job Description Resources.....	8
Appendix B: Search Advertisements	9
Appendix C: Candidate Rejection Letter Examples.....	10
Appendix D: Sample Interview Questions	11
Appendix E: Interview Matrix	14
Appendix F: CEO Search Articles	15
Appendix G: Search Firm Interview Questions.....	16



Introduction

Hiring a competent CEO is the number one role of a hospital board, and perhaps one of the most important decisions the team will make. This resource guide should be used with other CEO search tools. Each hospital has different needs and every candidate is unique; however, with certain guidelines and tips, the search process can yield successful results. It is always a good idea to network with peers during the course of the search to ensure your hospital is maintaining its competitive edge in the field. Research will allow your hiring board to make an educated decision about the best candidate for your facility.

If you need assistance at any time throughout the search process, please contact Dana Dahl at ddahl@mhanet.com or 573-893-3700, ext. 1314.

Recommended Citation

Dahl, D. (2021). CEO search process resource guide. Missouri Hospital Association.

CEO Search Tips

- Create a strategic plan that establishes a timeline and budget for completing the search process, and considers your facility's available resources and processes. Be sure to communicate the timeline and plans to hospital staff, as they may be anxious of the change to the organization. Determine who will receive resumes, how applications and interviews will be processed, and how candidates will be informed of their status.
- Search firms are available for hire to assist with the process of recruitment and screening. (See page 4 for a list of Missouri search firms.) The vast majority of CEO searches are done by professional search firms. Managing the search process internally is challenging.
- In place of, or in addition to, a search firm, some hospitals form a committee of their board of trustees to guide the process. With this method, ensure the committee has considered all of the resources needed — staff and financial — to complete the task.
- If the search creates a gap in coverage, consider an interim CEO. Your organization should consider the skill set and work load of the interim CEO before an announcement is made.
- If the search yields a candidate before the current CEO has left, carefully consider how to train the new hire. It is important that the new CEO feels supported and that the exiting CEO does not feel rushed out.
- Critically review the current CEO job description and update it to include needed skill sets, personality traits and experience. Have a conversation about whether the candidate must reside in a certain city, county or vicinity because of call hours or availability.
- Before advertising the position, ensure that your hospital team has agreed on a salary range, contract terms and benefits.
- Review [Missouri Code of State Regulations – Hospitals](#) and the [CMS Conditions of Participation](#) regarding a CEO search and placement.
- When placing an ad, have multiple people review it to ensure that it is accurate, understandable and will attract the right candidates.
- Place ads in local and area newspapers, on recruitment websites and on your hospital's website. Be sure to establish an application deadline so that the search process is timely.
- Once resumes and applications are received, narrow down the candidate pool — ideally to three to five candidates. Enlist several team members to help with the review process. Make sure the process is as objective as possible. Administration staff and board members typically are good contenders for reviewing applications. It is wise to schedule interviews after all applications have been reviewed.
- Background checks are an important part of the hiring process. Does your hospital want to perform background checks on all applicants, only the pool of interviewees or just the candidate to which the job will be offered? Take into consideration expenses, time and efficiency. MHA's company, [Background Check Advantage](#), is available for all of your organization's background screening service needs.

Interview Guidelines

- ❑ Strategically develop an interview team, based on who the CEO will have the most interaction with on a daily basis. Consider members of the board of trustees, physicians, vice presidents and other key staff.
- ❑ Decide how the candidate will be selected — scoring matrix, majority vote, unanimous vote or someone's decision? Will internal candidates go through the same process as external candidates?
- ❑ It is ideal to give the candidate a tour of the facility so they can meet as many staff as possible, get a sense of the hospital culture and become aware of the environment.
- ❑ If your organization is interviewing someone that is not from the area, it is considerate to include their spouse in travel plans. Develop a plan to show the applicant and spouse around the community and what the area has to offer.
- ❑ It is best practice to conduct peer interviews so that multiple key team members have a chance to meet and provide input on the candidate. Peer interviews also give the applicant the ability to capture the essence of the organization's culture.
- ❑ Prepare a list of questions that provide insight into the skills required for the position so that you are easily able to assess whether the candidate will meet your organization's needs and where challenges may appear.
- ❑ An interview matrix is a helpful tool when there are multiple people interviewing candidates, such as in a peer interview. A matrix should be developed so your team can objectively and accurately assess and compare each applicant. Typically, the matrix uses a scoring format with total points. Include criteria that are critical to your hospital and the position's priorities and success.
- ❑ Be prepared to answer questions. Typically, candidates want to know about salary, benefits, hospital goals and culture, financial indexes, average daily census, and strategic alliances. Often, they also will inquire about key staff vacancies, turnover rates, physician recruitment and managed care contracts. It is best to be honest and positive. The goal is to inform the candidate and educate them on their role in enhancing any of those areas.
- ❑ When interviewing, use a combination of open-ended questions paired with a structured, uniform selection instrument. Open-ended questions enable a prospective CEO to tell his or her leadership story.



Search Firm Directory

A hospital may choose to partner with a search firm to identify, assess and select the best candidate for their needs. Search firms are equipped with the resources and staff to provide sophisticated selection methodology, interview tools and reference materials to their clients. Depending on the level of engagement with the firm, they also may assist with identifying the needs, challenges and culture that the hospital leadership want to focus on to hire the right candidate. Search firms are eager to secure your business, so it is recommended to negotiate the price for the contracted services. It is wise to request quotes from multiple search firms to ensure your facility is getting the best price and service to meet your unique needs.

Firms that provide health care searches in Missouri:

APS Staffing Solutions
Overland Park, KS
888-941-2771
www.apskc.org

B.E. Smith
Lenexa, KS
855-296-6318
www.besmith.com

Cejka Executive Search
St. Louis
800-678-7858
www.cejkasearch.com

EFL & Associates
Kansas City
816-945-5400
St. Louis
314-692-2249
www.eflassociates.cbiz.com

Nielsen Healthcare Group
St. Louis
800-581-8901
www.nielsenhealthcare.com

Witt/Kieffer
St. Louis
314-862-1370
www.wittkieffer.com

Desired CEO Skills

Health care is a rapidly changing sector, and it takes a dedicated and balanced individual to succeed in today's market. What are some of the traits today's health care CEOs need to be successful in their role? The below skill sets are only recommendations as each candidate and role is unique.

Education

- At minimum, a master's degree, preferably in health care administration, business administration or finance. Additional education and training, such as the [American College of Healthcare Executives](#) or other specialized programs are beneficial.

Experience

- The CEO candidate should have the ability to provide sustained leadership of the highest caliber in future, unexpected crisis.
- At least four years of experience as a CEO or chief operating officer of a hospital or medical center.
- Successful demonstration and experience in the following areas:
 - ✓ board of trustee relations
 - ✓ physician relations
 - ✓ community relations
 - ✓ hospital operations management
 - ✓ team building
 - ✓ leadership during a period of change or innovation

Management and Leadership Skills

- **Visionary** – a large part of the CEO's role is predicting and planning for the organization's future. Does this candidate have a good feel of where the health care field is headed within the next five years?
- **Open and collaborative** – it is important that information is shared between the senior leadership team and all other stakeholders. This helps staff, doctors and the board to understand, accept and cooperate in the actions required to meet the health care needs of the community.
- **Communication** – everyone should have a good communication skill set. A successful CEO has a communication style that promotes trust by being honest with the board, physicians and hospital staff about strategic actions.

Human Relations Skills

- relatable and can communicate effectively with all levels of employees within the organization
- high degree of personal integrity and honesty
- approachable and friendly to team members and patients
- good mentor to the members of the organization and within the community
- compassionate personality
- thoughtful and a good listener to earn the respect of the team
- good sense of humor
- tactful and diplomatic
- balanced personal and professional life

Objectives to Become a Successful CEO

One of the major contributors to the success of a CEO is having a good support system. The support system is mostly internal, including the administrative team, staff and physicians. However, support can come from external sources as well. The board of trustees members can serve as mentors in various roles and play a big role in providing support. Without support and mentoring, a CEO likely will have a high degree of difficulty becoming accustomed to the role, no matter their past experience or education.

The following are suggested objectives for CEOs who are new to their role or organization.

- Form a strong, open and collaborative relationship with the hospital's medical staff. These stakeholders are ingrained in processes throughout the organization, so becoming familiar with the "engaged" and "non-engaged" providers will be helpful. A key area for collaboration with medical staff is in managed care contracts. Working together will help gain the trust of this important stakeholder group.
- Develop an integrated health care delivery system in which the hospital is the primary regional center and provider. Assess the needs of your community and markets to develop and promote services that can create a competitive or financial edge for your organization.
- Continuously look for ways to keep hospital costs low. By closely tracking costs and revenue sources, your organization will be better positioned to make timely and researched strategic decisions.
- Develop a strong sense of teamwork among all levels of the hospital. Ensure that everyone is promoting a culture of teamwork.
- Implement clinical program enhancements, using information from peers, networks and other best practice sharing forums.
- Participate in community and civic activities and be a visible presence in the community where your hospital serves a majority of its patients.

CEO Succession Planning – Do's and Don'ts

CEO succession planning for is one of a CEO's and boards most important responsibilities. It is extremely risky to let CEO succession planning slide. Not having somebody ready when the CEO decides to leave, is forced out or dies, can put any company into a leadership crisis.

Here are six key directives to make CEO succession planning and the actual transition go smoothly.

- **Don't wait for a vacancy to begin the search.** The search for a CEO successor should begin the day a new CEO starts. This applies to small, medium and large companies. Today's turbulent markets, rapidly changing technology, new regulations and global competition can result in a need for a quick change.
- **Don't look in the rear view mirror.** Most companies have the tendency to select successors who have behaviors and attributes similar to the current and past CEOs. However, the best candidate should be experienced and aligned with the company's future business strategy and cultural choice needs, not the present or the past. For example, one company that had been slow to improve its internal technologies believed it was now necessary to become a technology leader. They looked for a successor with strong skills and a strong track record in new product development.
- **Look one or two levels below the CEO's current direct reports for viable CEO candidates.** High-performing new product division executives are often excellent choices who intimately know the details of the business.

- **Evaluate the soft people skills of CEO candidates.** Because CEOs need to work with different types of specialists within their companies, look for executives with humility, empathy, cosmopolitanism, grit and respect for all employees at all levels and in many types of jobs. Beware of arrogant, elite and big egos without sufficient empathy to understand and motivate today's knowledge workers. Their personal life style often provides clues of their workplace values and behavior. People who lead with fear and intimidation should be avoided in all CEO succession planning.
- **Perform a thorough background check.** Verify all academic credentials and past relationships with co-workers. Inquire and learn how well the candidate has dealt with personal or business adversity in the past. Determine what they read on a wide range of topics and determine their views on life-long continuing education. Interviews with current and former co-workers they worked with on large projects can be invaluable.
- **Look for clues that indicate visionary thinking.** Do they enthusiastically speak of new and emerging trends, new product and process technology and likely new regulations? Are they fairly cosmopolitan or local in their thinking? What do they read to spot early warning signals? And finally, are they considered to be simply managers with titles or are they truly leaders that people follow?

Whether replacing a dismissed CEO or planning to replace a CEO who is retiring, the same principles apply. Every board member should understand the need for innovation and organic growth in today's global economy and become well-versed in what characteristics are required in the leaders needed to bring them about.

MHA's New CEO Orientation and Support

Once your organization makes a decision on the best candidate for your health care team, the orientation process begins. The Missouri Hospital Association has a defined support system for new CEOs in Missouri's member hospitals. This external orientation and support is aimed at setting up CEOs for success. Please notify MHA when a new CEO has been hired, so we can update our database and begin the following process.

- congratulatory and welcome letter
- introductory phone call from MHA's CEO, Herb B. Kuhn
- formal on-site orientation from membership services contact
- welcome contact from MHA board member
- council president invitation to next district meeting
- list of legislators and the state advocacy agenda
- MHA's priority quality and patient safety initiatives
- on-site Hospital Industry Data Institute training
- on-site visit with MHA's CEO within the first year
- annual group new CEO orientation session at MHA's office
- targeted resources
- hospital-specific reports to show the value their organization receives from MHA

Best of luck in your search for a new CEO. Again, this is one of the most important, and sometimes difficult, decisions your facility will make. If you have questions or need assistance, contact Dana Dahl at ddahl@mhanet.com or 573-893-3700, ext. 1314.

APPENDIX A

Job Description Resources

Creating an effective job description is critical to finding the right candidate. A well-written job description can convey the roles and responsibilities of the position and the organization's culture. Setting the stage in the description will help attract the right candidates. The following resources offer guidance on how to build and revise a CEO job description.

American College of Healthcare Executives

<http://www.ache.org/newclub/career/comploff.cfm>

Healthcare Administration Center

<http://www.healthadmincenter.com/ceo-job-description-what-does-a-ceo-do/>

Heart of the Rockies Regional Medical Center

[President/CEO Job Description](#)

Simone JoyAux.com

<http://www.simonejoyaux.com/downloads/JobDescriptionCEO.pdf>

Template.net

<https://www.template.net/business/sample-chief-executive-officer-job-description/>

APPENDIX B

Search Advertisements

A good advertisement, whether printed or virtual, will help recruit good applicants. Your organization should consider the best advertising methods to meet its unique needs. The following resources offer guidance on developing an effective ad.

Indeed.com

<http://www.indeed.com/q-Hospital-CEO-jobs.html>

Career Builder

<http://www.careerbuilder.com/jobs-chief-executive-officer>

APPENDIX C

Candidate Rejection Letter Examples

Once your organization has extended an offer to a candidate, it is courteous to notify other applicants that the position has been filled. Most organizations only notify applicants that were interviewed; however, some notify all of them. The following resources offer guidance on writing rejection letters.

Workable.com

<https://resources.workable.com/candidate-rejection-letter-template>

The Balance

<https://www.thebalance.com/job-rejection-letter-sample-1919101>

Mars

<https://www.marsdd.com/mars-library/job-rejection-letter-sample-unsuccessful-candidates/>

Find the Right Job

<http://www.findtherightjob.com/employer/5-job-candidate-rejection-letter-samples-ease-hiring-process/>

APPENDIX D

Sample Interview Questions

Personal

- Why are you interested in becoming the CEO of this facility?
- What aspect of your work experience has given you the greatest feeling of achievement and satisfaction?
- What part of your work have you found to be frustrating or unsatisfying?
- Is there anything that makes you nervous about getting this position?
- If you are hired for this position, how do you think the organization would be different in five years?
- What management strengths would you bring to our hospital?
- What do you believe will be your greatest challenge at our hospital?

Management Skills

- The pandemic demonstrated that health care organizations must be open to partnerships with other community organizations. Please give an example of a partnership you negotiated with both similar and dissimilar. Please describe your current or most recent position. How did you help that organization accomplish its goals and mission?
- Describe a project that required major effort by many members of your staff. What criteria did you use to choose those who would participate?
- Tell us about a time that you delegated responsibility for a project and it didn't go well. Why do you think the outcome failed and what did you do about it?
- Describe, in detail, your experience in managing and leading an organization similar to this one.
- Do you have a personal philosophy on management?
- How do you accomplish team building and positive morale?
- How do you keep track of projects or tasks that require your attention? Also, how do you keep track of tasks you've delegated to staff?
- What was the toughest decision you had to make in the last five years? What made that business decision so difficult?
- Tell me about your experience in working with a board of directors. What approach do you use?
- Have you ever had an experience in which you failed to gain cooperation the first time, but later succeeded? What made the difference?
- What do you think is the role of the CEO in the strategic planning process?
- As the CEO, how would you proceed if the board of directors adopted a policy or program that you felt was not consistent with the goals of the organization?

- How do you think your current staff — at all levels — would describe you?
- Give an example of when you had to work under pressure or during an emergency — how did you react?
- Describe how you approach conflict resolution.
- What experience have you had in reducing or reorganizing staff to meet the needs of reduced census or a loss of physician services?

Financial Management

- Tell us about your experience in managing finances and budgets.
- Do you have experience in negotiating managed care contracts?
- Provide a few examples of programs or services which you have implemented that produced positive revenue flow.
- How well versed are you in coding for diseases and treatments in the billing process?
- How effective have you been at recruiting physicians? What do you consider your strong points when negotiating with a physician?
- Do you have any experience in writing or managing health care grants?

Innovation

- Describe a project or idea that you originated last year. What were the results?
- What did you do for your last organization that made a difference; the one in which you will be remembered?
- What changes have you made to make your organization more effective or efficient?
- Have you ever had to champion an unpopular change? What approach did you take to gain cooperation? How did it work out?
- How important do you see innovation and learning as a guiding principle in the organization?
- What experiences have you had in the development of the operation of a locally integrated system of health care delivery?

Communications and Community Relations

- How do people react when you ask them questions or delegate responsibility to them? Do they understand your directions? Are they willing to assist?
- What procedures do you use to evaluate your staff's performance?
- Describe a situation in which a staff member had a performance or disciplinary issue — how did you handle it?
- Give me an example of a time that you were a spokesperson for an organization.
- How do you stay informed about current initiatives and information related to the health care field?

- How do you think hospitals can remain the major convener in the delivery of health care in the community?
- What do you consider the most important communication skill necessary for this position?
- Illustrate that you understand marketing and can effectively promote services and programs.
- Have you helped develop a strong image of your facility within the community?

Notes

APPENDIX E

Interview Matrix

A good way to ensure that all candidates are being objectively assessed during the interview is to use an interview matrix. The matrix should list desired attributes for the position and organization, along with a specified method of scoring. Each interviewer should score every applicant, so the candidates can be ranked. A sample template follows.

Company Name *Interview Matrix*

Date: _____

Candidate Name: _____

Job Position: _____

Score the candidate using the following: 1=Very Poor 2=Poor 3=Fair 4=Good 5=Very Good

Desired Attribute	Candidate Score	Comments
Positive Attitude		
Professional Appearance		
Has Desired Competencies for Job		
Relevant Work Experience		
Educational Background		
Communication Skills		
Attention to Detail		
Budget Experience		
Management Experience		
Amount of Research Into Hospital/Position		
Knowledge of Current Health Care Issues		
Community Involvement Experience		
Relations With Medical Staff		
Board of Trustee Relationships		
Total Score:		

APPENDIX F

CEO Search Articles

Your Next CEO

<http://www.trusteemag.com/articles/974-your-next-health-care-ceo>

The CEO Search

<http://www.trusteemag.com/articles/694-the-ceo-search>

The New CEO

<http://www.trusteemag.com/articles/491-the-new-ceo>

The CEO Turnover Crisis

<http://www.trusteemag.com/articles/509-the-ceo-turnover-crisis>

Are you Ready for a Gen X CEO?

<http://www.trusteemag.com/articles/116-ready-for-a-gen-x-ceo>

Six Essentials for Managing Internal Candidates

<http://www.trusteemag.com/articles/623-six-essentials-for-managing-internal-candidates>

APPENDIX G

Search Firm Interview Questions

Storbeck/Pimentel

<http://storbeckpimentel.com/selecting-a-firm/selecting-a-search-firm-key-question>

Agility Executive Search

<http://agilityexecutivesearch.com/10-key-questions-ask-executive-recruiter/>

The Ladders

<https://www.theladders.com/career-advice/10-questions-to-ask-recruiter-1-to-avoid/>

CSI Executive Search

<http://www.csi-executivesearch.com/client/choosing-an-executive-search-firm.html>



© 2021 Missouri Hospital Association
P.O. Box 60 • Jefferson City, MO 65102-0060 • www.mhanet.com