



## INTEGRATED HEALTHCARE STRATEGIES™

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# What Makes a Successful CEO Search Committee?

Presented by Integrated Healthcare Strategies  
as Authored by Roger Samuel

In our work with boards of independent hospitals and health systems, we are frequently asked, “what is the ideal composition of our CEO search committee?” Here, we outline the most commonly asked questions, and offer our best advice based on the experiences of our MSA Executive Search consultants who have worked with boards and search committees for over thirty years.

### **1. What is the ideal size of the committee?**

One common misstep made by boards, usually in an effort to be inclusive, is to make their CEO search committees too large. We recommend that the committee be comprised of no fewer than five members and no more than nine. Too few, and you run the risk of not being inclusive or representative enough - leaving the heavy lifting of assessing and ultimately recommending to the full board the next leader of your organization to too small of a group. When the group gets too large, you run many risks, including difficulty in scheduling and the possibility of the group breaking into factions. The larger the group, the greater the chance of healthy disparate opinions becoming unhealthy and potentially derailing into parking lot fodder.

### **2. Should members of the Medical Staff be included on the committee?**

Absolutely! We have heard board members say that because there are no physicians on the board, they don't feel the need to include them on the search committee. After all, choosing a CEO is board work, right? True...but before you make a final decision to exclude physicians from your CEO search committee, ask yourself, is there a more important constituency to the success of our enterprise than our medical staff? Including physician leaders on the search committee will garner a level of “buy-in” from the medical staff that is critical to the success of the incoming CEO. In addition, physicians will offer a perspective on candidates that simply can't be replicated by those with no clinical experience. Another reason we hear for a physician-less search committee is cultural - “our medical staff is typically at odds with our administration, and including a doctor on the search committee will be counter-productive or even disruptive.” It has been our experience that even a physician who has a reputation for

disruptive or adversarial behavior within the hospital is honored to be asked to serve on the CEO search committee, and will take the responsibilities inherent in the assignment seriously and appropriately.

### **3. Is it appropriate that the Board Chair serve as Chair of the search committee?**

There are two schools of thought on this topic; a central point to consider before answering this question is the overall leadership style of the Board Chair. If there is a concern - based on past observed behavior - that your Board Chair will use his or her positional power to steer the committee towards his or her desired outcome, then it may be best for the organization to select another board member to chair the search committee. However, the advantages of the Board Chair serving as search committee Chair are multi-fold in terms of the message it sends to both candidates and organization stakeholders, including employees, medical staff, and the community. If your Board Chair is nearing the end of his or her term, it may present the perfect opportunity to ask the incoming Chair to serve as the search committee Chair - with the soon-to-be outgoing Chair serving as a member of the committee. A second option is to have co-Chairs - either the present and future Board Chairs, or the present and immediate past Board Chairs - leading the committee.

### **4. Is it appropriate to have a member of administration, say our Nursing Leader, serve on the search committee?**

We can think of almost no scenario in which we would endorse having a member of your administration serve on the Search Committee. Choosing the organization's next CEO is exclusively the responsibility of the board, and including a member of management or another employee - who will ultimately report to the selected leader - is fraught with downsides. We strongly recommend that members of management and other organizational stakeholders have an opportunity to participate in the *interview* process - ideally with finalist candidates - but not in the *selection* process. This principle would also apply to physicians who may technically be contracted by the organization, but are de facto employees. We do however, recommend staffing the search committee with the organization's top Human Resources executive, who will ideally serve as an objective, non-voting liaison between the committee and internal stakeholders.

### **5. We're a small community hospital, and the interest from the community at large about who will be our next CEO is huge. Should we include a community member who's not on the Board on our Search Committee?**

For almost the same reasons articulated in the answer to question four, we recommend against this. In all likelihood, your board is a cross section of the community(s) the organization serves, and the community entrusts you with the stewardship of the enterprise - this trust should transcend to the selection of the next CEO. In certain circumstances, it may be appropriate to

include a select few community leaders in the interview process, but most often this should be limited to key stakeholders most closely aligned with the organization.

In our experience with committee members, serving on the search committee to select the organization's next CEO is not only the most important work most trustees will do as members of the board, but is also likely to be the most rewarding work. A carefully thought-out process to select committee members will add tremendous value not only to the process, but to the outcome.

### ***About Integrated Healthcare Strategies***

*Integrated Healthcare Strategies provides not-for-profit healthcare organizations with direct access to a comprehensive array of healthcare-specific services, delivered by professionals from the industry who understand the rigors of running a healthcare organization – from the lunchroom to the Board Room. Its client list is a “who’s who” of healthcare organizations including over 1200 major healthcare providers, 1,800 hospitals and 700 independent and affiliated medical groups. Integrated Healthcare Strategies specializes in the areas of physician strategy and compensation, employee compensation, executive compensation, human capital solutions, labor relations, leadership transition planning, executive search, employee surveys, performance management and board governance solutions.*

### ***About the Author***

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