

# How Do U.S. Hospital CEOs Perceive Leadership Competencies of Health Administration Graduates?

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## Background

### Top Five Concerns of U.S. Hospital CEOs in 2014-2016

(ACHE, 2014, 2015, 2016)

- Financial challenges
- Patient safety and quality
- Governmental mandates
- Personnel shortages**
- Patient satisfaction

### Opportunities for Health Administration Programs and Educators

- To assess whether graduates from health administration programs meet the needs of U.S. hospitals across the United States
- To align curricula of health administration programs to meeting the needs of employers of health administration graduates

## Methodology

### Research Design of the Study

- It was a cross-sectional observational study, using a mixed-method approach.
- The study period was 2015.
- The unit of analysis was U.S. hospital CEOs.
- A survey instrument was developed to collect quantitative and qualitative data.
- Descriptive and inferential statistical methods were used to analyze quantitative data, and thematic analysis method was used to analyze qualitative data.

### Population and Sample of the Study

- Target population:** comprised of United States hospital CEOs who were FACHE credentialed.
- Final study sample:** comprised of 46 FACHE credentialed U.S. hospital CEOs.
- Respondents' demographic characteristics:** (1) Gender, (2) Age, (3) Graduate Degree Type, (4) No. of Yrs as a FACHE, (5) No. of Yrs in Current Position, (6) Hospital Location, and (7) Geographic Region.

## Results: Characteristics of the Study Sample

<b>Gender</b>	<ul style="list-style-type: none"> <li>Male: 87%</li> <li>Female: 13%</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>50 years old or younger: 20%</li> <li>Over 50 years old: 80%</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Earned a graduate degree in HCM or with a concentration in HCM: Yes--83%, NO--17%</li> </ul>
<b>FACHE Years</b>	<ul style="list-style-type: none"> <li>As a FACHE for fewer than 15 years: 53%</li> <li>As a FACHE for 15 years or longer: 47%</li> </ul>
<b>Position Years</b>	<ul style="list-style-type: none"> <li>In current position for 20 or fewer years: 94%</li> <li>In current position for more than 20 years: 6%</li> </ul>
<b>Hospital Location</b>	<ul style="list-style-type: none"> <li>Urban hospital CEOs: 15%</li> <li>Suburban hospital CEOs: 26%</li> <li>Rural hospital CEOs: 59%</li> </ul>
<b>Geographic Region</b>	<ul style="list-style-type: none"> <li>9% from Northeast, 20% from Southeast, 52% from Midwest, 15% from Southwest, and 4% from West</li> </ul>

## Results: Qualitative Analyses (Answered RQ2)

### Sample Hospital CEOs' Ranking of Health Administration Graduates' Healthcare Leadership Competencies upon Job Entry

NCHL Competencies	Top 15 Competencies
Self Development	<i>Self Development</i>
Information Seeking	<i>Information Seeking</i>
Analytical Thinking	<i>Analytical Thinking</i>
Organizational Awareness	<i>Organizational Awareness</i>
Accountability	<i>Accountability</i>
Achievement Orientation	<i>Achievement Orientation</i>
Change Leadership	<i>Change Leadership</i>
Interpersonal Understanding	<i>Interpersonal Understanding</i>
Professionalism	<i>Professionalism</i>
Communication	<i>Communication</i>
Strategic Orientation	<i>Strategic Orientation</i>
Financial Skills	<i>Financial Skills</i>
Initiative	<i>Initiative</i>
Performance Measurement	<i>Performance Measurement</i>
Community Orientation	<i>Community Orientation</i>
HR Management	
Relationship Building	
Self Confidence	
Team Leadership	
Collaboration	
Impact and Influence	
Information Technology Management	
Innovative Thinking	
Project Management	
Process Management and	
Organizational Design	
Talent Development	

## Study's Problem, Purpose, and Research Questions

**Problem** Extant literature offers limited empirical understanding regarding (1) U.S. hospital CEOs' perceptions of health administration graduates' leadership competencies upon job entry, and (2) which healthcare leadership competencies of health administration graduates are the most important to these CEOs.

**Purpose**  
1. Examine FACHE credentialed U.S. hospital CEOs' perceptions of health administration graduates' leadership competencies upon job entry.  
2. Investigate which healthcare leadership competencies are the most important.

**Research Questions**  
1. What are FACHE credentialed U.S. hospital CEOs' perceptions of health administration graduates' leadership competencies upon job entry?  
2. Which healthcare leadership competencies of health administration graduates are the most important to FACHE credentialed U.S. hospital CEOs?

## Data Collection Procedure

<b>Step 1</b>	Developed a survey instrument to collect both quantitative and qualitative data
<b>Step 2</b>	Sought ATSU IRB approval and obtained approval
<b>Step 3</b>	Emailed the survey to FACHE credentialed C-Suite Executives (CEO, CFO, CMO, CIO, CLC, and other) of U.S. hospitals
<b>Step 4</b>	Received 48 responses from CEOs of hospitals across all regions of the U.S.
<b>Step 5</b>	Excluded 2 responses that were incomplete
<b>Step 6</b>	Obtained the final sample of 46 completed responses from FACHE credentialed hospital CEOs in all regions of the U.S.
<b>Step 7</b>	Extracted both quantitative and qualitative data from the 46 complete responses

## Results: Quantitative Analyses (Answered RQ1)

1	<b>Information Seeking</b>	3.98	FACHE Credentialed U.S. Hospital CEOs Perceive these (Left Columns) Top 10 Healthcare Leadership Competencies as Possessed by Health Administration Graduates upon Job Entry (Ranking Scale: 1-5)
2	<b>Information Technology Mgt.</b>	3.98	
3	<b>Performance Measurement</b>	3.87	
4	<b>Professionalism</b>	3.87	
5	<b>Self - Confidence</b>	3.78	
6	<b>Achievement Orientation</b>	3.76	
7	<b>Analytical Thinking</b>	3.74	
8	<b>Collaboration</b>	3.72	
9	<b>Process Mgt. &amp; Org. Design</b>	3.67	
10	<b>Relationship Building</b>	3.67	
11	Communication	3.57	FACHE Credentialed U.S. Hospital CEOs Perceive these (Left Columns) Bottom 10 Healthcare Leadership Competencies as Possessed by Health Administration Graduates upon Job Entry (Ranking Scale: 1-5)
12	Team Leadership	3.57	
13	Innovative Thinking	3.52	
14	Financial Skills	3.46	
15	Self - Development	3.46	
16	Initiative	3.43	
17	<b>Interpersonal Understanding</b>	3.43	
18	<b>Project Management</b>	3.43	
19	<b>Community Orientation</b>	3.37	
20	<b>Talent Development</b>	3.24	
21	<b>Change Leadership</b>	3.15	
22	<b>Human Resource Management</b>	3.15	
23	Accountability	3.13	
24	<b>Impact and Influence</b>	3.11	
25	<b>Strategic Orientation</b>	3.11	
26	Organizational Awareness	3.07	

## Review of Related Literature

- The University of Chicago established the first graduate health administration program in 1934 (AUPHA, 2017).
- Mecklenburg (2001) challenged the industry of graduate health administration education to focus curricula and courses on the market needs of healthcare employers.
- Garman and Johnson (2006) introduced leadership competencies for health management education and presented a summary of seven competency models.

- Calhoun et al. (2009) identified four categories of competency based on the competencies established by the National Center for Healthcare Leadership (NCHL): (1) baseline, (2) distinguishing, (3) recommended, and (4) other.
- Friedman and Frogner (2010) focused on 27 competencies on the basis of those adopted by their CAHME accredited graduate health management program at George Washington University.
- Giles (2016) identified top 10 leadership competencies that were further grouped into five themes: (1) strong ethics and safety, (2) self-organizing, (3) efficient learning, (4) growth nurturing, and connection and belonging.

## Quantitative Data Analyses

- Frequency and relative frequency of the sample distributions were examined across the 7 demographic characteristics of the hospital CEOs.
- Chi-square tests were performed to determine equality of freq. distributions.
- Mean and standard deviation of the overall health leadership competency and the 26 NCHL competencies were evaluated individually across the seven demographic characteristics of the hospital CEOs.
- Univariate analyses of variance (one-way ANOVA tests) were completed to analyze differences in mean scores.
- Tukey's honestly significant difference analyses (also known as Tukey's post-hoc analyses) were conducted to determine groupings of hospital CEOs.

## Qualitative Data Analyses

- Qualitative data pertaining to FACHE credentialed U.S. hospital CEOs' expectations of health administration graduates upon job entry were coded according to the 26 competencies in the NCHL's Health Leadership Competency Model.
- A frequency distribution of the coding results was determined.
- The competencies were then ranked in a descending order on the basis of the results from the frequency distribution analysis.
- Top ranked competencies that matter the most to the sample hospital CEOs were identified, then mapped to the three themes of the Health Leadership Competency Model.

## References (Partial List)

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## Discussions

- FACHE credentialed U.S. hospital CEOs rated health administration graduates' leadership competencies upon job entry rather unfavorably.
- The study revealed a critical gap: health administration graduates upon job entry lack several top competencies sought by FACHE credentialed U.S. hospital CEOs
- (1) Self Development,**
- (2) Analytical Thinking**
- (3) Organizational Awareness**
- (4) Accountability**
- (5) Change Leadership**
- (6) Interpersonal Understanding.**

## Managerial and Policy Implications

- Administrators and educators of health administration programs have opportunities to review their current curricula and enhance learning activities and assessments by incorporating competency-based learning objectives.
- A continuous learning culture is necessary for higher learning institutions providing graduate health administration education to adapt to the changing needs of healthcare employers.
- Hospital administrators may implement formal training or mentoring program to help health administration graduates develop leadership competencies, particularly in the most sought-after competencies.
- In a shift from volume-based to value-based and outcome-focused payment system, U.S. hospitals ought to become continuous learning organizations, which may help develop early careerists who are health administration graduates.