Nurse Manager Succession Planning: An Essential Workforce Strategy to Retain and Attract Current and Future Leaders

Charged to identify solutions that support and enhance nurse leader practice, the AONL Workforce Committee created subcommittees to address the most pressing challenges for front-line nurse leaders. Recognizing that the roles of these leaders were evolving in the post-COVID era, the importance of robust succession planning emerged as a topic of study.

For the third release, the AONL Workforce subcommittee has created recommendations on the value of succession planning, a basic framework and two exemplars of succession planning. The goal of the subcommittee is to collect more exemplars to share with AONL members in the future.

The Workforce Committee and its subcommittees will continue to share their work throughout 2024. Insights, calls to action, and outcomes will be provided for implementing new care models, addressing the span of control, and technological solutions to reduce nurse manager workload.

Background

The post-COVID environment continues to present staffing challenges in all care environments, with specific concerns about nurse managers. Attracting and retaining essential nurse leader team members significantly affects current and future clinical and operational aspects of any health care organization. Significant research supports the case for creating and executing a strong nurse manager succession plan as a key element of the organizational workforce management strategy. Nursing workforce predictions indicate a significant turnover in nurse managers and a shortage of candidates for leadership roles (Labrague et al., 2021; Shirey, 2006; Warshawsky & Havens, 2014), with evidence suggesting that 50% of nurse leaders intend to leave their positions within five years, and 30% of those leaving their positions, are planning to retire (Warden et al., 2021). A report on intent for planned departures is also illustrated by the AONL Longitudinal Nursing Leadership Insight Study conducted by Joslin Insight (2024). With 2,477 nurse leader respondents the study indicated a 5% decrease in plan to leave year-over-year (2022 to 2023). Moreover, a total of 25% nurse leaders indicated intent to leave as "maybe" or "yes," with 22% of replies from the position of nurse managers or nurse directors.

Succession planning is defined as a systematic, proactive, strategic effort to ensure leadership transition into critical positions. It also fosters retention and development of future leaders to meet the organization's needs (Morris et al., 2020; Phillips, 2020; Strickler et al., 2016; Titzer et al., 2014; Whitney-Dumais & Hyrkas, 2019). The process includes identifying and mentoring potential leaders and engaging and developing internal talent (Jones & Rivers, 2021). It is objective and intentional, identifying current and future leaders and focusing on leadership continuity. Nurse manager succession planning is critical to developing a talent pathway.

Given health care organizations' current staffing crisis, front-line and nurse leader succession planning is more important than ever. An extended gap in nurse manager positions can result in poor outcomes (Morris et al., 2020). With high direct care nursing vacancy rates and turnover, ensuring a qualified leader is ready to fill a leadership vacancy when needed is essential. A succession planning program for nurse managers decreases turnover, replacement costs and time to fill positions. Formal succession planning programs lead to effective nurse managers, thus improving retention rates, staff engagement, patient care outcomes and financial performance (Morris et al., 2020; Phillips et al., 2017).

What We Know

Nurse managers are vital members of the nursing leadership team, with 24-hour responsibility for one or more nursing units (Labrague et al., 2021; LaCross et al., 2019; Phillips et al., 2017). As influential nurse leaders, they create a healthy work environment, increase nurse morale and engagement, improve staff retention, influence quality patient outcomes and improve employee and patient satisfaction (Labrague et al., 2021; LaCross et al., 2019; Phillips et al., 2017; Raso et al., 2020).

Units with nurse manager vacancies can have a negative impact on patient care and quality, patient experience, and may increase health care costs leading to budget deficits (Snavely, 2016). Furthermore, inadequate nurse manager selection and preparation directly affects the nursing work environment, turnover rates, quality of care and patient safety (McLarty & McCartney, 2009; Stichler, 2008). Ineffective leadership practices often result from a lack of preparation, resulting in decreased front-line employee engagement and confidence, and adverse financial outcomes (McLarty & McCartney, 2009). Traditional nurse manager selection methods have often included the promotion of excellent clinicians who need more management education and mentoring (McLarty & McCartney, 2009). A transparent and visible transition of nurse managers can alleviate workplace stress for staff, stabilize the work environment and reduce the potential impact on care quality (Chan, 2022).

How Can You Use This?

Research from The Human Capital Institute suggests succession planning begin with a basic framework – purpose, level, assessment and nurturing.

Purpose: recognized the value of the process, that it presents an intentional solution for leadership continuity and that it is an essential element to the workforce strategy.

Level: begin building leadership pathways at various organizational levels, i.e., front-line nurse, charge nurse, etc.

Assessment: Use objective data and analytics to identify future leaders to include as part of the succession plan.

Nurturing: continuously develop those in the pathway to ensure retention and readiness for future roles.

In addition to establishing a framework, identify and include measurable goals to ensure the plan aligns with the investment of time and resources and the broader organizational goals (HCI, 2020).

The Succession Planning subcommittee of the AONL Workforce Committee provided exemplars of nurse manager succession planning strategies currently utilized in two organizations – an academic medical center and a community hospital. These exemplars offer insights into the process that can be adopted and refined in any nursing organization.

SUCCESSION PLANNING AT BAYLOR SCOTT & WHITE HEALTH

Baylor Scott & White Health is the largest not-for-profit healthcare system in Texas, which includes 51 hospitals, more than 800 patient care sites, more than 7,300 active physicians, over 49,000 employees and the Scott & White Health Plan. The BSWH Nursing Institute is comprised of four centers, one of which is the Center for Nursing Leadership. It provides nurses at the organization with growth opportunities at every stage of their career, whether a new clinical leader, manager, supervisor or future executive. The center offers training, experience, and guidance. Recognizing growth plans are necessary at every stage of a nursing career, BSWH leaders have created a succession planning program to help nurses build a roadmap based on individual goals and skills. A targeted program for developing new leaders guides them through a tiered pathway, building upon foundational competencies that serve as the basis of the BSWH nurse manager succession plan. Below the BSWH nurse manager succession planning process is detailed.

- **Succession planning begins at the local facility/regional level through the following processes:**
  - Identifying direct care nurses who are high performers with demonstrated leadership abilities and a willingness to become a nurse leader.
  - These nurses are offered an opportunity to participate in local/regional succession planning programs designed to prepare them for the next steps in becoming nurse leaders at BSWH.
  - The succession planning programs include learning and honing leadership competencies necessary to become an effective nurse leader.
- **Charge Nurse to Nursing Leadership:**
  - Charge nurses are offered the opportunity to build leadership skills that can translate to future roles by attending a training course including didactic and acquisition learning - communication, collaboration, decision-making, safe staffing and productivity.
  - The charge nurse is mentored by their nurse leaders to assume supervisor or manager roles in the future.
- **Shared Governance Structure Supporting Future Nurse Leaders:**
  - Within the BSWH shared governance structure, staff nurses serve as council leaders (chairs/co-chairs) at the department level.
  - This service is foundational in providing training in goal setting, meeting facilitation, effective decision-making and quality improvement methods.
  - Executive sponsors of their respective councils mentor the chairs and co-chairs.
  - Early exposure and experience in these leadership roles, supported by formal training, education and mentoring, lay the groundwork for nursing's leadership succession pipeline.
  - Many council chairs and co-chairs progress to assume formal leadership positions, such as nursing supervisors and nurse managers.
- **Boot Camp for New Clinical Leaders:**
  - Introduces new clinical leaders to their role and provides essential "survival skills" required to be successful as new leaders at BSWH. Boot Camp is a blended program with online e-learning modules and virtual classroom learning.

- **Supervisor Transition to Leadership:**
  - Introduces clinical leaders at the nursing supervisor level to their role and provides critical skills and behaviors required to be successful as a new leader within BSWH.
  - This year-long program includes interactive virtual classes and group mentoring sessions facilitated by trained mentors.
  - Emphasis is placed on applying new knowledge into practice, building on the foundation set by attending Boot Camp for New Clinical Leaders.
- **Foundations of Nursing Leadership:**
  - Implemented to hone novice nurse managers' competencies and skills.
  - Focuses on the development of nurse managers.
  - The year-long program includes interactive, live, virtual, in-person classes and group mentoring sessions.
  - Emphasis is placed on applying new knowledge in the workplace, including skill augmentation in peer mentoring groups facilitated by trained mentors.
- **BSWH/Southern Methodist University Nurse Executive Fellowship Program:**
  - Succession planning for director and above roles.
  - This program supports the Nursing Institute's succession planning strategy for developing and retaining talented, aspiring leaders to assume higher levels of leadership within BSWH.
  - It is modeled after an MBA program specialty for clinical leaders.
  - High-performing, high-potential nurse leaders at the manager and director levels are selected to enroll in this program.
  - *Selection Process:*
    - *Begins with a nomination from their CNO or VP of Nursing.*
      - *Both the nominee and the one-up manager complete a performance-potential assessment.*
    - *The nominee must complete a comprehensive application that includes specific metrics for the area(s) they manage, including, but not limited to, educational preparation, documentation of completion of required organizational courses, leadership experience, outcomes of key patient and staff indicators, and national board certification.*
    - *A selection committee reviews the application.*

SUCCESSION PLANNING AT GOSHEN HEALTH

Goshen Health is a not-for-profit health care system located in northern Indiana and is comprised of Goshen Hospital, a 103 private room acute care hospital, Goshen Center for Cancer Care, Goshen Heart & Vascular Center, and Goshen Physicians. With over 140 providers, 1900 colleagues and 40 locations, Goshen Health services the health care needs of its four surrounding counties. Goshen Hospital is also a four-time Magnet® designation recipient and currently on their journey to obtain their fifth designation from the American Nurses Credentialing Center (ANCC). All Goshen Health colleagues are provided the environment to live out the organization's mission, vision and values daily. At the heart of the culture is The Uncommon Leader program. Through this participative management program, all colleagues are empowered to improve processes by submitting and implementing ideas, including cost savings ideas that improve efficiency and the quality of patient care. Since 1998, colleagues have implements more than $97.9 million in cost savings ideas.

The Uncommon Leader culture at Goshen Health sets a foundation for colleagues to develop fundamental skills necessary for leadership. However, Goshen Health's CNO recognized the value of in-depth leadership coaching beyond the executive level and engaged a nurse leader coach for the nursing directors and managers. The purpose of the engagement was to develop skills that supported influencing and motivating staff, building teams, and improving decision-making and conflict resolution skills. With more than 15 novice nurse leaders, the CNO prioritized fostering a transformational leadership culture. While leadership books, classes and conferences are plentiful for new nurse leaders, the CNO envisioned real-time, in-the-moment leadership coaching for the nursing leadership team.

The highly experienced nurse leader coach shadowed each nurse leader for one week, utilizing a variety of assessment tools in the process. Those tools included the American Organization for Nursing Leadership self-assessment tool, individual performance reviews, and direct observation feedback. From the shadowing and tool utilization experience, individual SMART goals were established. Weekly meetings were held to discuss progress toward goal achievement. If barriers were identified, the nurse leader coach assisted in addressing obstacles. If the goals were not attained within the allotted period, a plan was developed to address ongoing work toward goal achievement.

A post-program survey revealed that nurse leaders rated the leadership coaching program as 4.9 on a 5-point scale. Most respondents reported they strongly experienced an improved confidence level in their leadership, communication and decision-making skills. All participants (100%) reported they would recommend a nurse leader coach to friends and colleagues. The model continues to be embedded in nursing leadership development plans and is integral to succession planning.

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