

# National Rural Health Association

## Issue Paper

May 2007

### Recruitment and Retention Of a Quality Workforce in Rural Areas

A series of Policy Papers on The Rural Health Careers Pipeline  
Number 10: Health Care Administration

#### **Introduction and Background:**

Although the origin of health care administration as a recognized profession can be argued, it can be traced in one context to the first graduate program in Hospital Administration offered at the University of Chicago in 1934. Prior to that time, the health care administrator, hereinafter referred to as HA, was frequently referred to by title as hospital administrator, superintendent, executive director, or by the profession such as M.D., Medical Doctor. This paper is not intended to limit the discussion to hospital administration. On the contrary, there are rural health administration opportunities in a wide variety of fields.

Today, though there are recognized, accredited schools of Hospital Administration, many of which have adopted a broader description for the degree, e.g., Health/Health Care Administration, there are no absolutes, unless specified by the organization, with respect to the academic preparation of the person who is the number one administrative officer of any particular health care organization. He or she can be of any background, is not necessarily a college graduate, or, if so, may come from any variety of fields of education due primarily to the fact that this position is not registered, nor licensed, nor required by state or federal regulation to be other than "qualified" by training or experience. The challenge for the future of rural HAs is complex and requires more of an assessment of appropriate skills and characteristics of tomorrow's leaders for academics and governing boards as well as practitioners in this position as opposed to whether we have a "short-

age" of qualified practitioners given there appears to be no shortage of applicants, (qualified is in the eyes of the employer), for any HA position in America.

#### **Issues:**

##### ***Defining a qualified HA***

The background of practicing health care administrators is varied and atypical involving numerous variables. Among them is the size of the facility. There may be a correlation with academic preparation/requirements of the organization and size of the organization. The smaller the facility, the more likely it is that the organization will not have a hard-line requirement for an advanced degree in health care administration, but this is not always the case. There are those organizations that may, due to a variety of reasons such as previous occupants of the position, culture, or history, that may want to consider other than a "classic" candidate, i.e., a graduate of a hospital or health care administration program and may, for example, prefer a graduate of the business school, perhaps a behavioral program or an individual with a clinical background.

##### ***Complexity of the organization***

Not all small and rural health care organizations are identical even with essentially the same description, e.g., Critical Access Hospital, County Health Department, Rural Health Clinic, Federally Qualified Rural Health Clinic, and a growing number of health care networks requiring yet additional skills and experience among others. They differ in scope and complexity which may affect both recruitment and retention. These factors must be considered in the

recruitment of the candidates making description of the organization a pertinent part of the screening and selection process.

### ***Governing board understanding of the needs of the organization and related issues***

A critical issue in the recruitment and retention of the HA is the governing board of the organization which is ultimately charged with both. The governing board of most voluntary, not-for-profit organizations has two major responsibilities: the hiring and evaluation of the HA and the legal, fiduciary responsibility for the organization. In the former, given there generally isn't a license or regulation governing the HA position other than cited above or referred to by "qualified" or "recommended," the board is not limited to specific criteria.

Many board members of rural organizations have limited experience with hiring executive level professionals. Most small and rural organizations do not have succession plans in place. The selection or replacement decision can be influenced by other factors such as organization relationships, emotion, influence of select board members, physicians, community leaders, support for other officers of the organization who are in place, e.g., the chief nurse executive, chief financial officer, human resource director, head of laboratory, etc., all of whom can be "qualified" or "deserve a chance."

Boards may feel they can identify their HA candidates without resorting to using outside resources such as a professional recruiter due to costs or other reasons.

Criteria other than education, experience, and skill sets can be often overlooked. Fundamental questions of character, personality, cultural fit, community relationships, are often cited as very important to the success of the CEO in selection and retention.

To contract or not to contract is also debatable. There are those who would argue that the HA contract is as good as his/her previous day's performance. Also, it can be easily argued that the HA's performance and ability to take risks can be directly related to the "confidence" he/she has with support for his/her decisions particularly if there is less than a desirable outcome of a particular decision.

Boards will continue to be challenged in defining and selecting the "right" person to fulfill the leadership roles as we are experiencing more frequent turnover in many organizations and the aging of the workforce is affecting HA positions as well.

### ***Academic preparation***

What is the right curricula for an HA? This is another debatable topic. What courses are important now and for the foreseeable future? Will they differ dramatically? Who shall decide? Forti & White (2001) reported that 27 percent of students who were exposed to rural internships accepted positions in rural health care facilities upon graduation and most of them were still in those positions five years later.

### ***"Fair", i.e., adequate compensation and benefits***

Certainly not unique to the HA profession in rural health care organizations, but equally challenging for recruitment and retention are compensation and benefits. As with many organizations, the larger the revenue base or number of employees, the larger the salary and greater the benefits, (again with exceptions) which could be argued is even more striking for the rural HA. He/she has most of the same responsibilities and demands with fewer administrative or management resources to delegate. It can be argued that he or she must be even "more qualified" to be an HA of a rural health care organization.

### ***Recognition of the variability of environments and expectations of the HA***

The environments in which HAs practice vary widely and the skill sets/competencies will vary in number, strength, and intensity. Administration is a health profession and Area Health Education Centers (AHECs) may wish to consider facilitating rural placement of students in health administration programs.

Similarly, Federally Qualified Health Clinics (FQHCs) and Rural Health Clinics (RHCs) face a different environment from hospitals, long-term facilities, etc., making it imperative that further research and evaluation are in order to determine the "right fit."

More organizations are seeking and have become part of a growing number of health care

networks to achieve a number of tangible and intangible benefits from the development of buying groups, Group Purchasing Organizations (GPOs) to the opportunity for sharing and seeking solutions to common issues and challenges.

### **Recommendations**

*The NRHA supports the following policy recommendations:*

- **Develop guidelines of academic/experiential/skills/character/personality, core competencies, and tools to assist governing boards**

The ultimate “success” of a particular HA or his/her organization in itself begs multiple definitions and descriptions. What is likely to have more success is to recommend to a number of nationally recognized organizations whose members are HAs e.g., the American Hospital Association (AHA), American College of Healthcare Executives (ACHE), National Rural Health Association (NRHA), American Public Health Association (APHA), and perhaps the Office of Rural Health Policy (ORHP) to commission a project wherein a short “workbook” is created for governing boards of rural health providers that would specifically address their roles and responsibilities in the recruitment and retention of their executives. Included may be the need for a set of competencies for HAs.

An effort to develop an understanding of such a core set of competencies was written in the *Journal of Healthcare Management*, 2005. This study described an approach that used a purposeful sample of American College of Healthcare Executives (ACHE) affiliates who represented different geographical regions and health industry segments to construct a framework composed of critical health care issue clusters. A panel of health care executives then specified five sets of entry-level behavioral competencies that would be required to address the clusters of critical issues. Although the behavioral competencies identified by the executives in this study were anchored to a framework, their empirical association with performance was not tested.

Generally speaking, competencies may include among others: structuring and posi-

tioning health organizations to achieve optimum performance; financial management; leadership and interpersonal communication; quantitative skills; legal and ethical analysis; health policy; population health; and outcome measures. Additionally, they may include programs and courses in annual meetings and other opportunities for practitioners in the field to earn continuing education credits.

- **Identify sources of funding for a rural executive internship for college students to increase their interest in working in a rural facility.**

- **Encourage better representation of the community in rural health organization leadership positions.**

As our rural communities continue to diversify, so should our efforts to diversify our leadership. NRHA leadership should avail itself of the resources found within the Institute for Diversity and similar efforts to promote this recommendation.

- **Advocate for reauthorization and reinstatement of funding for the Health Care Administration Traineeship as part of the Title VII health professions training.**

### **Summary**

The recruitment and retention of qualified HAs is extremely complex relative to some other rural professions, e.g., technologists or other licensed or registered health care professionals. Nonetheless, the importance of training and retaining leaders of health care organizations is of paramount importance with increasing demand for services and diminishing resources. These HAs will be instrumental in setting the course for the future of health care policy, programming, access, and delivery of health care services to the rural population.

A major strategy to ensuring adequate preparation and retention is the need for guidelines and tools to assist interested and responsible parties in making the right selection and development of retention programs.

## References

- Ackerman, Ken. et.al. (2004) *Governing Executive Compensation: Demystifying the Board's Role, a Guide to "Getting it Right."* Clark Consulting Company. 9 pp.
- Forti, E.M., & White, A. (2001). A rural service-learning model for health administrators. *The Journal of Health Administration Education*, 19, 403-416.
- Klegon, Doug, Garman, Andy, and Keene, Pamela A. (2004) *Succession Planning Routinely Done by 21% of Freestanding U.S. Hospitals*, a study by ACHE.
- Metzler, Chris J. (2007) Strategic Diversity Recruiting Workshop, UWM School of Continuing Education, Ithaca, New York
- Moscovice, Ira and Elias, Walter, (2003). Networking for Rural Health, Using Rural Health Networks to Address Local Needs. *Academy Health*. 48 pp.
- Robertson, R and D Cockley. (2004). Competencies for Rural Health Administrators. *Journal of Health Administration Education*. 21(3):329-341
- Shewchuk, Richard M., O'Conner, Stephen J., Fine, David J., (2005). Building an Understanding of the Competencies Needed for Health Administration Practice. *Journal of Healthcare Management*. Volume 50 Number 1.
- Weil, Peter. (2006). Via email. (pweil@ache.org)

## Contributing Authors

This policy paper was prepared for the National Rural Health Association by: D. David Sniff, Esther Forti, and David Hartley

[www.NRHArural.org](http://www.NRHArural.org)

**Administrative Office**  
521 East 63rd Street  
Kansas City, MO 64110  
816/756-3140



**Government Affairs/Policy Office**  
1600 Prince Street, Suite 100  
Alexandria, VA 22314  
703/519-7910