

Nurses as Leaders

By MARIE ROHDE

A growing number of health systems and hospitals are hiring nurses — instead of doctors or business administrators — for top leadership jobs. The clinical expertise of nurses gives them unique insight into how to provide quality care using fewer resources.

But that's not a new concept in Catholic health care, where nurses, most of them women and members of religious orders, held the reins of control long before it was commonplace for women to be in charge of a major institution. To be sure, having nurses at the top has waxed and waned at Catholic health care facilities, in part because of the declining number of women entering religious life and in part because the complexity of the business side of health care has brought in more top leaders who hold degrees in business rather than health sciences.

"I think that when we started having things like Medicare and Medicaid, some of us said 'Whoa, I don't have a background in the biz and maybe I should step back and not lead,'" said Sr. Carol Keehan, DC, president and chief executive officer of the Catholic Health Association. "Maybe we stepped back a little too quickly."

While not every nurse wants to move from bedside care to the C-suite, Keehan and others maintain that clinical skills plus business training make a strong match. If inclined to move into leadership, nurses need to learn to balance the business needs of their health care organizations, think strategically and sometimes step outside their comfort zone.

One big advantage for nurses taking on the task of transforming the business of health care is that Americans trust them. Nurses are ranked as the most honest and ethical of the professionals — higher than physicians, clergy and police officers, according to a 2014 Gallup poll. Nurses were rated as having "very high" or "high" hon-

esty and ethical standards by 80 percent of those polled, compared to 17 percent for business executives. Behind nurses were medical doctors, who received the highest ratings from 65 percent of respondents; police officers from 48 percent and clergy from 46 percent.¹

The timing is right for more nurses to enter the C-suite for other reasons as well. The health care system in America often is described as in transition or broken, and the fix isn't easy. The turnover among hospital CEOs is high, according to the American College of Healthcare Executives: In 2014 there was an 18 percent turnover at the top, down two percent from the year before but still among the highest rates seen over the past 15 years.²

EDUCATION IS KEY

Lawton R. Burns, a professor of health care management at the University of Pennsylvania's Wharton School, said 10 percent of the entering Master of Business Administration class this year are in health care, double what it was in 1994. His school offers a fellowship, the Johnson & Johnson/Wharton Fellows Program for Nurse Executives. The American Organization of Nurse Executives (AONE), a subsidiary of the American Hospital Association, also offers certification in nursing executive practice that has trained 90 nurses for each of the past two years, said Stacy Chappell, an AONE spokeswoman. In addition, colleges around the country are offering advanced-degree programs in nurse management as well as caregiving.



SR. CAROL KEEHAN, DC

CHA's Keehan is an example of a nurse rising through the ranks with the help of education. She entered the Daughters of Charity in 1965, intending to spend her life in the emergency room, she said, but when she hit a wall a few years later, that changed.



Sr. Keehan

"I had so many ideas of how to make health care better, particularly for people who could not afford it," Keehan said. "But my ideas were always shot down by people who would be talking about Medicare reimbursement and saying 'This isn't covered' and blah, blah, blah. That's what drove me to become competent in the business side."

Keehan received her master's in business administration in 1980 from the University of South Carolina. Widely recognized as one of the most influential leaders in health care, Keehan was credited by President Barack Obama for the Patient Protection and Affordable Care Act's passage in 2010, legislation she passionately works to protect and improve.

KATHLEEN SANFORD, RN

The number of nurse executives was small but growing by 1974, when Kathleen Sanford entered the University of Maryland's Walter Reed Institute of Nursing, the Army's highly selective training program. Few nurses reached the top jobs then, but the door was opening a bit.



Sanford

"The Army was beginning to have administrators who were nurses, but at that time they thought it would take a physician to lead a hospital," said Sanford, now chief nursing officer for Catholic Health Initiatives in Englewood, Colorado, adding that Army policy now requires that the most qualified officer — whether a physician or a nurse — gets the top job.

It's hard to gauge how many administrators are nurses because they often don't list their nurs-

ing degrees in their titles, said Sanford. Sanford recalled attending a 2008 regional meeting of executives as part of her role as a member of the American Hospital Association board of trustees. There were only a few women at the meeting, and one told Sanford she "used to be a nurse." Sanford asked why the nurse-executive used the past tense in reference to her nursing credentials.

"You know I can't use RN after my name," the exec responded, according to Sanford. "If they knew I was a nurse, they'd never let me become an executive. None of the male execs would respect me."

Sanford said she has heard variations of the same story over and over again. In 2013, at another

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— Kathleen Sanford

meeting, a woman told her that when she was the chief nursing officer at a hospital, her CEO told her she'd never move into the top spot. "He told her that being female and a nurse meant she had two strikes against her," Sanford recalled, adding, "She's now a CEO."

Nurses don't move into the top ranks as fast as non-clinicians, Sanford said. Instead, they move up through the middle management ranks, thus know the system from the bottom up. That's an asset in the changing world of health care, she said.

Sanford proudly lists her RN along with her doctorate in business administration, her AONE certificate in executive nursing practice and her designation as Fellow of the American College of Healthcare Executives. She also has two master's degrees, one in human resources management and the other in business administration. She said she knows many nurses who hold double master's degrees and doctorates — getting an MBA is not just for those who want to be CEOs but because they need it in other administrative roles, she said.

"Running a nursing unit is better if you understand budget and finance," Sanford said. "Running

a nursing unit is like running a small business.

“As a night supervisor, I had to send someone out to an all-night drugstore because we didn’t have the meds we needed! Anyone who has been through adventures like that is prepared to face the problems we will be facing in health care tomorrow.”

After retiring from the military, Sanford chose Catholic health care.

“I came back to nursing and Catholic health care because we have the opportunity to change health care in America, and our [Catholic] values are the values we need in going forward,” she said.

SR. MARY JEAN RYAN, FSM, RN, MHA

Some hospitals and health care systems are intentionally looking for women leaders, especially candidates with a clinical background, said Sr.



Sr. Ryan

Mary Jean Ryan, Franciscan Sisters of Mary, a nurse who was the first CEO of St. Louis-based SSM Health.

In 1986, Ryan presided over the founding of SSM, a system of 15 hospitals and two nursing homes in four Midwestern states. During her 25 years at the helm, the system more than quadrupled its revenues while continuing to provide care for those who could not afford to pay. The system now has 20 hospitals, more than 60 outpatient care sites, a pharmacy benefit company, an insurance company, two nursing homes, comprehensive home care and hospice services, a technology company and two accountable care organizations. During her tenure at SSM, the health

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system was the first health care organization to win the Malcolm Baldrige National Quality Award in 2002.

Before her retirement in 2011, Ryan recognized that there were too few women in the top leadership positions, even at SSM. “Advancement of people to the presidency came from our chief operating officers,” she said. “We had no women COOs.”

She and others in leadership worked to promote women, and now five SSM hospital CEOs are women and others have moved into top leadership roles. How did she do it?

“We made a strong commitment that if we were filling a position, whatever search group we used had to present a panel of diversity that included women and people of color,” Ryan said.

Nurses who want to move into the C-suite have to prepare for the job, Ryan said. “A woman with [only] a baccalaureate in the midst of three or four other candidates with master’s degrees, she isn’t going to cut it. The formal education piece is really, really critical.”

SR. JUDITH ANN KARAM, CSA, MSHA

Sister Judith Ann Karam, congregational leader of the Sisters of Charity of St. Augustine, was a pharmacist, not a nurse, but she also had bedside and



Sr. Karam

clinical experience before moving into the C-suite. The immediate past president and CEO of the Sisters of Charity Health System based in Cleveland, Ohio, Karam said there always is a strain between the financial and the clinical viewpoints in administration. Whoever is in the top role needs to balance

the two, she said. Experience running a pharmacology unit in a nursing unit taught her about the need for such balance; “I didn’t make decisions only on the financial piece,” she said.

Each side needs to be aware of the other’s viewpoint, she said.

“There is a strain, and that’s why we have to keep an open dialogue with our nurses, our chief nursing officer, to make sure there is not any circumstance that compromises the care we are providing our patients. That would not only compromise our care but our values and what it means to be a faith-based institution serving



people. The balance is critical,” said Karam.

In recent years “patient-centered care” has become a buzzword in the redesign of health care, but that concept always has been at the core of nursing, Karam said. “If you look at health care today, I don’t think there’s ever been a time where we’ve needed executives with a clinical background more.”

She and many others in Catholic health care were strong advocates of the Affordable Care Act. “We put our hearts and souls into passage of the ACA. Why? Because it’s going to help people, and it comes out of our mission to serve God’s people,” she said.

The implementation of ACA legislation has not been easy, especially for those on the business side, she said.

“Right now we are experiencing reductions in the reimbursement we were counting on when we supported the ACA,” said Karam. “But we continue to support it, and we continue to fight for our reimbursement. We can’t have safety net providers not being able to sustain themselves or the people and communities we serve.”

SR. MARY ROCH ROCKLAGE, RSM, RN, MHA

Hospitals and health care systems need to provide better on-the-job training for their leadership, not just nurses, but those with business degrees, said Sr. Mary Roch Rocklage, RSM, the now-retired first president and CEO of St. Louis-based Mercy, one of the largest Catholic systems in the country.



Sr. Rocklage

Rocklage got a master’s degree in health administration in the 1960s, but the leader of her community knew she was not ready to lead. “She said, ‘Well, you can’t be an administrator,’ so for the next two years I helped out where needed,” Rocklage said. “I was put in charge of supplies after a guy quit. I didn’t know doodley-doo about that, but I learned it was the heart and soul of the institution.”

It was a blessing, she now acknowledges.

Rocklage eventually moved up the executive ladder, although she prefers the title administrator to that of executive. “If you look up the meaning of administrator, it means to serve. If you are in leadership you are called to serve everyone,”

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— Sr. Judith Ann Karam, CSA

she said. “You’re not a slave — our role in leadership is to run interference for everyone else so they can do what they were hired to do.”

She looks at her early, fill-in-where-needed, assignment as an internship in which rotating through a range of departments taught her how everything was interconnected. That kind of experience is important, especially for executives with a business-only background, she said, and such “internships” were a common practice in some hospitals through the 1970s.

Rocklage said an internship or mentoring program should be brought back in all health care organizations because it helps a leader “understand what it means to serve in an institution that is both a business and a ministry.”

Mercy has implemented a modest new internship program for administrators, and it is expanding, Rocklage said.

“If we don’t attend to the business side, our doors will close,” she said. “If we don’t attend to the ministry aspects, someone should close our doors. It is a healthy tension, and it is also life-giving.”

DEBORAH PROCTOR, RN, MS

Deborah Proctor is a top executive who defies the conventional wisdom that a nurse needs a business degree to enter the C-suite. She has a master’s degree in nursing, not business, but is the successful CEO and president of St. Joseph Health, a \$6 billion a year, not-for-profit system that serves parts of California, Texas and New Mexico.



Proctor

She acknowledges that she does not have in-depth financial expertise, but added: “I never felt

it hampered me. I knew when I came into this role that I had to surround myself with the right business experts, and I did.”

Proctor, who retired in December 2015, began her nursing career in 1973. “It’s a crazy story of following multiple avenues and taking opportunities,” she said of her work that went from the clinical to teaching to leadership development. Her major role, she said, was to help organizations develop cultures for success.

She advises those aspiring to the C-suite to take advantage of opportunities. She took advantage of many that were outside her comfort zone, she said, and that served as the education she needed to take her place at the top.

At one point, Proctor took a job as the senior vice president of human resources for an organization. “I didn’t know anything about human resources,” she said. “The CEO thought I could do the job because I knew about organizational culture.”

Too often people who have the ability are afraid to take a challenging position, afraid they don’t have the expertise. “I think that sometimes women who want to step into executive roles put strict limitations on themselves,” she said.

Nurses have unlimited career options today, she said, adding that they are especially suited to

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— Deborah Proctor

executive roles. Those choosing nursing careers share the desire to serve others, Proctor said, and that engenders the compassion she believes is necessary for effective leadership.

“If you don’t have a sense of compassion and understand what’s going on with your employees on the front lines, I think you are less likely to be effective as an executive,” Proctor said. “To this day, I remember very specific patients I took care of.”

One patient she still thinks about came into a newly opened burn unit in a for-profit hospital. Proctor was an intensive care nurse assigned to work with nurses who had experience with burn victims. Burns covered 80 percent of the patient’s body, Proctor said, adding that caring for the patient ultimately led to her moving to a not-for-profit, faith-based organization.

“We had to transfer the patient from our hospital because the patient couldn’t afford to pay,” she said. “It went against my whole being. The patient needed to be stabilized, not transferred.”

BARBARA SAVAGE, RN

Barbara Savage, a health care leader in the state of Washington, is a nurse who learned to lead on the job rather than in a classroom, she said, and she took on some nontraditional roles along the way.



Savage

For a dozen years Savage cared for the mentally ill in rural Washington, where she saw needs in her community and found solutions in a variety of ways, from initiating health education to being in charge of operations for an insurance

company. She also served as the interim CEO of a health maintenance organization in the area.

Savage now is a Providence Ministries sponsor, a community of lay leaders working with members of the Sisters of Providence to find ways to carry the Catholic health care mission into the future.

“I was trained as a clinician, and I didn’t really have a goal to be an executive,” said Savage, who began her career in the 1960s. “It just happened.”

Though it was not the case when Savage took her first administrative assignment, women have moved into top leadership roles in Washington health care organizations, she said. “I’d say about 40 percent are women now, and most came from the clinical side.”

Now retired, she has been working as a mentor for nursing students at Gonzaga University in Spokane, where she lives.

“A lot of these young women have more self-confidence [than those of earlier generations],” Savage said. “I think they have more options and are willing to go out and get what they want. They’re also becoming nurse practitioners, tak-



ing over more of the medical roles that physicians held, too.”

Nurses in administrative roles reinforce the health care mission of the institution, she said. “They’ve seen suffering and they’ve seen joy at the bedside,” Savage said. “Nurses have a voice that brings us back to why we’re here in the first place.”

DEB FISCHER-CLEMENS RN, MS

Health care leadership isn’t limited to the hospital or health care system boardrooms. Deb Fischer-



Fischer-Clemens

Clemens, of South Dakota, has taken it to the world of politics.

In nursing school at Mount Mary College in Yankton, South Dakota, one of Fischer-Clemens’ professors was fond of telling students that they had more options than ever before and that as nurses they needed to find their passion and follow it.

For Fischer-Clemens, who also holds a master’s degree in health services administration, following her passion meant melding her love for nursing with politics. She got involved in public policy after working for years in bedside care and as director of nursing for Avera, a health system formed by the merger of systems operated by two religious orders that serves 1 million people in five Upper Midwestern states.

“I was a very non-political person when I started nursing,” said Fischer-Clemens, now Ave-

ra’s senior vice president for public policy.

It was the failed attempt to reform health care under the Clinton administration that prompted Fischer-Clemens to run successfully for the state legislature in 1995, a post she held until 2000. She since has worked on a wide range of health care issues in the five states Avera serves as well as in Washington D.C. She has lobbied for mental health coverage parity and mandatory coverage for breast exams, domestic violence and human trafficking, all things that have an impact on health care, she said.

“My clinical experience is very helpful,” said Fischer-Clemens. “I am an advocate for patients, staffs, physicians and facilities.”

Nurses, Fischer-Clemens said, are key to making the Affordable Care Act work. “Nurses need to be on board, and they need to be at the table to get things done.”

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NOTES

1. Rebecca Riffkin, “Americans Rate Nurses Highest on Honesty, Ethical Standards,” Gallup, www.gallup.com/poll/180260/americans-rate-nurses-highest-honesty-ethical-standards.aspx.
2. American College of Healthcare Executives, “Hospital CEO Turnover 1981-2015,” *Research and Resources*, www.ache.org/pubs/research/ceoturnover.cfm.

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