



Operating a health system has grown increasingly complex. As you look to address clinical workforce shortages, respond to revenue pressures, and identify new growth and diversification strategies, it's important to ensure that your executive leadership team is operating at peak performance.

Does your talent and rewards strategy support key recruitment, retention, and rewards objectives in a tight talent market? SullivanCotter outlines key priorities for organizations to consider as they review and assess the fundamentals of their executive compensation and governance programs.

Key Considerations



Prepare for a competitive talent market

- Source **qualified leaders** with the understanding that it will **take more time** and likely require **highly competitive compensation**
- Ensure that **peer groups** reflect the most **relevant talent markets**
- Maintain an appropriate **level of flexibility** in executive compensation philosophy and program administration to accommodate **critical hires** and **non-traditional talent markets**



Prioritize efforts to develop and retain key talent

- Develop a **clear and comprehensive talent strategy** alongside a process for assessing and developing leadership
- Identify **retention issues** and ensure action plans to **mitigate risk** and review and **refine succession plans** regularly
- Establish **clear titling** and **executive-level guidelines** to support career development and optimal structure



Assess incentive compensation plans

- Ensure the alignment of **incentive plan goals** with the organization's **near-term** and **long-term strategy**
- **Establish performance metrics and objectives** that take ongoing market volatility and uncertainty into account
- **Align executive incentives** with the broader workforce – including physicians, APPs and employees – to ensure progress on system-wide goals
- Implement meaningful and reasonable **circuit breaker provisions** that balance **financial stewardship** and the achievement of other **mission-aligned goals**