Filling the Void Created by CNE Vacancies

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Journal of Nursing Administration, Vol. 22, No. 10 (October), 1992, pp. 21-24

Contract management can provide interim chief nurse executives (CNEs) during the search process for a permanent executive. Experienced and effective, interim nursing executives can communicate to all audiences, prepare the organization for the next permanent nursing executive, and their presence avoids problems that arise during a long recruitment period. Typically interim nursing executives find that working through contract management is a rewarding and challenging experience.

When a hospital's chief nurse executive (CNE) position is vacated, it often takes 6-8 months for administrators to find a capable, creative, well-trained nursing administrator to deal with the many and complex problems facing the nursing profession today. This absence of leadership is often preceded by a period of time in which the incumbent is either making the decision to leave or when serious problems are arising in nursing care delivery, as judged by the administrator, medical staff, or nursing staff. Until a suitable, replacement is found and can begin to make necessary changes, these problems not only continue - they grow. The entire process leading up to the separation and ensuing search for a suitable replacement can extend to at least 1 year of floundering, uncertainty, and a rapid deterioration of services.

During this time, the self-confidence of the nursing staff is at low ebb and they lack the spirited and committed direction needed to motivate them. Not having a CNE for a length of time is a disservice to nursing staff and to patients.

Contrary to the belief that the hospital is making a financial gain during the period of time that the CNEs salary is not being paid (or at least not incurring the cost of severance pay plus a new nurse executive's salary), there are visible as well as intangible costs. They include lack of leadership measured by reduced productivity, poor budget compliance, decline in preparation of accreditation and licensure visits, employee attrition, decline in interdepartmental planning and program implementation, and physician and employee low morale. These costs can run the organization even further aground. It is estimated that it takes 3 days of work to make up for 1 vacation day. To be without a CNE for 6 months will certainly cost the organization 1 year of makeup time.

Acting Nurse Executives Face a Myriad of Problems

If administrators place a noncandidate member of the nursing staff in an acting CNE position, as is often the case, additional problems can arise. Uncertainty as to how to
handle the underlying causes of existing problems leads to reactive rather than pro-active behavior on the part of the acting executive.

To compound the problem, the interim or acting non candidate may have difficult with his or her new role of working within the hospital’s administrative structure. This can lead to disillusionment, apathy, ineffectiveness, and hostility, making it even more difficult for the noncandidate to resume an effective second-in-command role within the organization when a permanent CNE is found and on board.

Among the many problems that can arise from this dilemma is the way in which the entire nursing profession is perceived. To place a member of the nursing staff in the acting position, who has not had the education or experience necessary to administer and provide leadership, only reinforces the negative notion that nurses are interchangeable resources rather than specialists. It negates the choices that all nurses make to determine which role in a particular organization they can assume with unlimited confidence, competence, and joy. In smaller hospitals, it is difficult if not impossible to find an interim CNE within the ranks who is educationally or experimentally prepared.

**Contract Management: An Innovative Solution**

There is a new and innovative alternative, offering a solution to this undesirable healthcare management situation in which hospitals often find themselves. The solution is to turn to contract management, a service that provides experienced and effective nurse executives who are able to fill the void on an interim basis and can prepare the organization for the next permanent CNE.

**Case Study**

The management style of a CNE in large mid-western hospital endorsed the theory of complete and total independent nursing management of nine major nursing divisions. This resulted in the organization’s frustration and inability to make and communicate centralized decisions regarding the entire nursing service. This management style affected the CEO and became intolerable to the medical staff.

An interim, nonnurse administrator, who was a strong authority figure, was assigned to replace the CNE in an effort to regain some centralized control over budget, staffing, capital equipment, policy, and procedure issues. The plan failed and revolution was imminent. By the time a decision was made to search for a new CNE, too much time had lapsed, resulting in extreme discontent on the part of everyone involved in the situation.

Finally, a contract management employee was brought in. For 9 months, a credible nurse executive was given an opportunity to centralize the appropriate functions while retaining the realistic empowerment of the independent nursing divisions. Management meetings were established, and uniformity in nursing education, nursing practice, and nursing communication with executive management, medical staff, and the governing board was soon achieved.

When a new CNE was employed, she was free to enter the situation with the necessary reorganization behind her. She was allowed to develop her own
management style with the nursing divisions and all other members of the hospital's staff.

In another example, a large university teaching facility in the south had a CEO who could not arrive at a decision among several candidates that a search firm had presented. The match that the CEO, medical staff, and the university were seeking did not seem to exist among the candidates.

The acting nurse executive was uncomfortable in the position, and reluctant to make management decisions due to a combined lack of self-confidence and concern. She looked forward to returning to her previous position and feared the possibility of making enemies of those people who she knew within the ranks. She was also a long-term employee of the facility whose vision of nursing was to return the nursing department to the way it was when she began her career in nursing.

This vision was not compatible with the facility's plans to modernize the physical plant and recruit newer and better-trained physicians. The acting CNE's lack of a masters degree and subsequent training also hindered her ability to maintain a liaison with the university.

Contract management provided an interim CNE on a 1-year contract, to assist in achieving the teaching facility's goals. After 8 months at the facility, the interim nurse executive was offered and accepted an invitation to become a permanent CNE, much to everyone's satisfaction.

**Apparent Advantages to Contract Management**

Several advantages to contract management are apparent:

- Interim contracted management can step in and release the energies of the associate-level directors and assist them in regaining confidence in the organization and themselves.
- Medical staff, nursing staff, and the hospital community will respond favorably and quickly to an experienced, effective, and communicative team builder, albeit an "out-sider", who will evaluate the nursing practices and level of patient care in a considerate, objective, and nonthreatening manner.

Contracted interim CNEs know how to assimilate quickly and communicate with the administrative team, medical staff, and governing board. At the same time, they are able to communicate reasons for change to the nursing staff.

Some situations may require an interim nurse management team, which contract management firms can effectively provide. These teams usually include a special projects person, educational staff, and someone who is capable of filing a middle-management position. For a contract management team to maximally benefit a facility, care and time are spent in the team-building process before its arrival at the site in question. Clearly, the interim team that has already worked together is ideal. All candidates must be carefully screened, meet the expectations of the client and the contract management firm, and be supported by the contract management firm's staff.
Typically, nurse executives find employment as an interim CNE a challenging and rewarding experience. Eager for leadership roles, they are given opportunities to work closely with hospital administrators who place an emphasis on and value leadership. They can demonstrate their ability to function at a high level and turn around problem situations without worrying about playing the usual long-term politics found in most organizations. Consequently, they can concentrate on cultivating relationships based on truth and candor, moving swiftly to resolve problems.

Especially suited for this challenge are those who can bond quickly with the hospital staff who will most likely remain within the organization after the change. They must have teaching skills and the ability to orient the new, permanent CNE in an effective manner. In addition, they must be team players and motivators and have the skills and experience to match the institution's crisis needs, i.e., regulatory agency inspections, budget preparation or readjustment, human resource management, and human relationship skills. They must be willing to relocate approximately every 4-6 months.

In a few cases, the organization desires a "maintenance" interim CNE whose prime responsibility is to keep the existing system operational vs. creating a change in the systems. The maintenance interim CNE must know how to adapt to the organizational style of the management quickly and keep the vital nursing leadership functions moving without a need to do things their way.

Few firms specifically offer contract management service for interim CNEs, although much has been reported in the media regarding firms that provide interim personnel for chief financial officer and operating officer positions, as well as positions in traditional medical departments such as Emergency, Anesthesia, Radiology, and of course, the well-known dietary and housekeeping contract management firms.

Interim contract management firms are often found in the "yellow pages" in major cities. Frequently they are found by networking with healthcare colleagues and sometimes they can be found working closely with executive nurse recruitment firms. It should be noted that the services contract management firms provide are different from recruitment firms. Contract management firms only provide interim placement and do not search for permanent replacements. Some contract management firms advertise in professional publications and are represented at conventions and conferences.

Contracts are typically structured so that the interim CNE receives his or her ultimate salary and benefit package based on the scale of the organization plus a premium for interim services. Either the interim person is a contractee of the organization, is an employee of the contract management firm, or is contracted as a self-employed freelancer.

Out-of-pocket expenses are typically paid for by the client hospital. Depending on the contract, transportation, relocation, and housing costs may be included in the benefit package. The client hospital usually arranges health benefits. However, for self-employed workers, health benefits are not a consideration because most freelancers have access to group policies through various professional organizations.
Career Opportunities Benefit Varied Interests

Although travel and relocation are frequently necessary career considerations, the opportunity to work with a contract management firm in an interim nurse executive position is an exceptional opportunity and learning experience for the nurse executive who is close to retirement, one who is retired and looking for a few months of challenging work, or someone in between jobs who wants to see and experience another part of the world (literally and figuratively).

Conclusion

Although change can prove beneficial, it is often met with resistance. It can, however, present a golden opportunity to delivery quality healthcare administration backed by an innovative contract management firm. This valid alternative of welcoming change as opportunity is well worth serious investigation and consideration by hospital administrators and nursing professionals.

References