



## Enhancing the CEO-CNO Bond Through Mentoring

Division of Research  
American College of Healthcare Executives



**CEO Circle White Paper**  
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## Introduction

The relationship between hospital chief executive officers (CEOs) and their organizations' chief nursing officers (CNOs) is crucial to hospital-based patient care. This relationship is governed by the policies and procedures established and enforced by these senior leaders. The individual we refer to as the CNO has overall responsibility for the patient care provided by the hospital; he or she may also be referred to as vice president of nursing or vice president of patient services (Ponte 2006). The importance of the CNO role cannot be overstated. Based on research reported here, we conclude that the CEO has the ability to enhance the CNO's career and commitment to the hospital.

In April and May 2010, the American College of Healthcare Executives (ACHE), in collaboration with the American Organization of Nurse Executives (AONE), conducted a survey of CEOs and CNOs at American Hospital Association-listed hospitals. The two organizations had conducted a similar study in 2004, and one focus of the current work was to determine how the CEO-CNO relationship had changed in the ensuing six years.

Of the 1,244 CEOs of hospitals selected by ACHE to participate in the survey, 560 responded for a 45 percent response rate. Of the 1,103 CNOs selected by AONE to participate, 542 responded for a 49 percent response rate. At 161 hospitals, both the CEO and CNO responded. These matched pairs give us an important look at the level of communication between the two executives.

## Findings

### *CEO-CNO Relationships Today*

Considering all respondents, it appears that for the most part, CNOs report directly to the hospital's CEO, and this reporting relationship has grown in the recent past. Today, 85 percent of CNOs report directly to the CEO; in 2004, 76 percent reported directly to the CEO (Figure 1). Of the 15 percent who do not report directly to the CEO, 14 percent report to the chief operating officer (COO) or chief administrative officer (CAO), and the remainder report to other leaders such as a system chief nurse executive.

About 10 percent of CNOs surveyed told us that this reporting relationship had changed in the past two years. Where a change was seen, roughly half stated that the CNO had previously reported to the CEO and now reports to another senior executive; in the other half the CNO now reports directly to the CEO. In nearly all cases, however, CNOs are considered

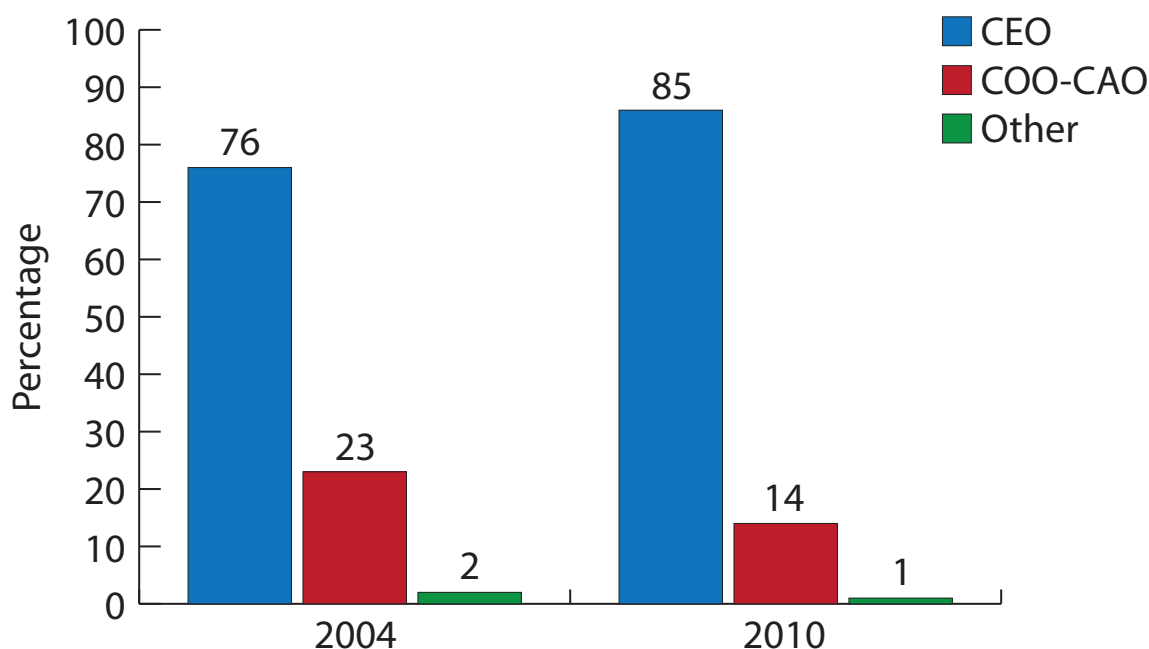
to be part of the most senior management team (Table 1). (Note: All tables appear at the end of this white paper.)

Sixty percent of both responding CEOs and CNOs report that the CEO hired the current CNO. At most hospitals, the relationship between the current CEO and CNO has been relatively brief—the median reported by CEOs was two years, while CNOs reported they had worked with their current CEO for a median of three years. In many cases both the CEO and the CNO have a much longer tenure at the hospital, but when turnover occurs in one or the other position the relationship must be reestablished.

**Today, 85 percent of CNOs report directly to the CEO; in 2004, 76 percent reported directly to the CEO.**

When asked who on the management team a physician should contact when he/she encounters a patient care or nursing issue, more than half of CEOs said that the physician should

**Figure 1: CNO Reporting Relationship, 2004 and 2010**



report the problem directly to the CNO. However, the majority of CNOs said that in their hospital, the physician should report the problem to the head of the department or service. It is likely that this difference is associated with the size of the hospital: When we compared the hospitals of the responding CEOs and CNOs, we learned that CNOs were more heavily represented from large hospitals, in large cities, and from system hospitals than the CEOs.

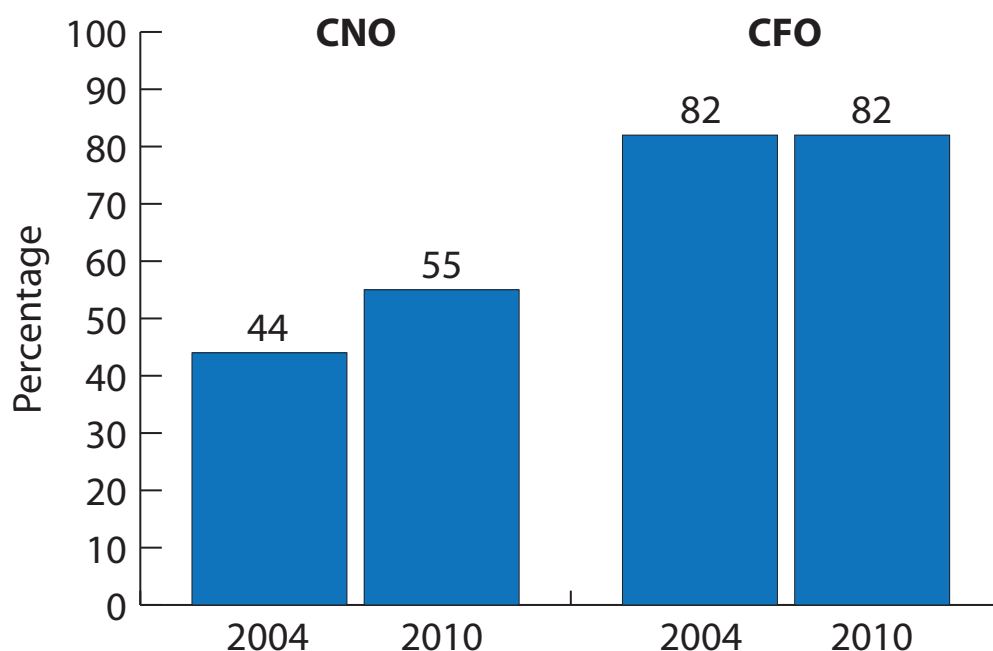
### *Board Role and Succession Plans*

The more salient the CNO is to the hospital's board, the more often one would expect the CNO to present to the board in person. According to 55 percent of CEOs in the study, their hospital's CNO reports to the board at every board meeting. However, only 44 percent of the CNOs in the study stated they report at every board meeting. Those hospitals that have a chief medical officer (CMO) ask them to report to the hospital board about as often as CNOs do (Table 2).

CNOs' frequency of reporting directly to the board at every meeting has increased in the past six years. In 2004, 44 percent of the CEOs surveyed said the CNO reported to the board at every meeting. Today, 55 percent indicate this is the case. By comparison, though, 82 percent of CEOs in 2004 and in 2010 stated that the hospital's chief financial officer (CFO) reported at every board meeting (Figure 2). This response suggests that, assuming it is a good idea for boards to take their responsibility for oversight of clinical processes and outcomes as seriously as it does the financial processes, progress is being made in that direction. However, much improvement remains to be achieved.

Formalized succession plans for the hospital's senior leaders are not common. Only 44 percent of CEOs reported such plans are in place for their own position, and only 39 percent of responding CEOs said that succession plans are in place for the CNO posts. (Even fewer, 36 percent, have succession plans for the CFO of the hospital.) Just under half of CEOs stated their hospital has a "second in command" who is capable of assuming the CNO post.

**Figure 2: CNO and CFO Reporting at Every Board Meeting, 2004 and 2010**



### *Career Goals and Facilitators*

Very few CEOs—only 15 percent—stated that their hospital’s CNO had expressed interest in becoming a CEO. When CNOs were asked if they aspire to a hospital CEO position, only 19 percent answered affirmatively. Another quarter of CNO respondents stated they were not sure whether they wanted a CEO position. Because the survey did not ask about CNOs’ aspirations to COO or other senior management roles, these percentages may underestimate the desire of current CNOs for upward career mobility (Table 3).

To determine whether CEOs were aware of the hospital CNOs’ aspirations, we looked at the matched pairs where the CEO and CNO of the same hospital both responded. The picture that resulted showed wide disparities between these two leaders. For example, while 28 CEOs stated their hospital’s CNO aspires to a CEO post, only 36 percent of the corresponding CNOs agreed. Forty-six percent of these CNOs were not sure, and the remaining 18 percent said they did not aspire to a CEO position. Among CEOs who said their hospital’s CNO does not aspire to be a CEO, two-thirds of the corresponding CNOs agreed with them.

Forty-seven percent of CEOs and 43 percent of CNOs agreed that their organization offered advancement potential for the CNO (Table 3). In data not shown, we discovered several hospital characteristics that are related to the CEOs’ appraisal of advancement opportunities for the CNO. We learned that large hospitals, not-for-profit religious and federal hospitals, and hospitals located in large cities are sites where relatively more CEOs perceive career opportunities for their hospital’s CNO than those based in small, state- and local government-owned, and rural hospitals. Not surprisingly, hospitals that are part of systems are also places where more advancement opportunities are thought to exist when compared to freestanding hospitals. Finally, CEOs of those hospitals

that have attained Magnet status (or that have a formal application on file) were more optimistic about career advancement for the CNO. (Data are available on request.)

Interestingly these types of hospitals offering advancement opportunities for CNOs were not confirmed by the CNOs’ own expectations, with the exception of city size. CEOs may have a wider purview of potential new leadership opportunities for CNOs than CNOs do for themselves. Or CNOs may have responded to the question by focusing strictly on the function of managing patient care rather than managing the entire hospital.

These differing results from CEOs and CNOs led us to look again at the subgroup of respondents where both the CEO and the CNO of the same hospital responded to the survey. The level of disagreement was great. Of the CEOs who said that advancement opportunities exist for the CNO in the hospital, only half of the CNOs agreed. And of the CEOs who said that advancement opportunities do not exist in their hospital, 58 percent of CNOs agreed. Thus, there appears to be a major disconnect between CEOs’ and CNOs’ understanding of what opportunities exist for CNOs. Based on this research, the chances of the CEO and CNO agreeing on advancement opportunities is just over 50 percent. This level of disagreement may be related to the relatively short average joint tenure of CEOs and CNOs. Agreement was high among the CEO/CNO pairs who had worked together for more than 10 years, but this was a very small number of cases.

#### **Implications for CEOs:**

- 1. Ask your hospital’s CNO about his/her career aspirations.**
- 2. Discuss with the CNO your views of his/her career advancement opportunities in your organization.**

## *CEOs as Mentors to CNOs*

Though in reality little opportunity may exist for the CNO to advance in that particular organization, any CNO can be prepared to take on broader responsibilities, whether in the same organization or elsewhere. More than a third (35 percent) of CEOs stated they actively mentor their hospital's CNO, but only 22 percent of CNOs stated their hospital's CEO actively mentors them. The highest proportion of both CEOs and CNOs stated that some mentoring and encouragement were provided by the CEO to the CNO. While only 12 percent of CEOs said they offered no mentoring to their hospital's CNO, fully 29 percent of CNOs said the CEO did not mentor them (Table 3).

To understand whether specific pairs of CEOs and CNOs agreed on the CEO's mentoring of the CNO, we considered the matched group where both the CEO and the CNO from the same hospital answered the survey. As shown in Table 3, when the CEOs said they were actively mentoring the CNO, only 50 percent of the CNOs agreed with them. The remaining CNOs said their hospital's CEO was doing "some" mentoring (32 percent) or not mentoring them at all (18 percent).

Similarly, when CEOs claimed they were doing some mentoring of the CNO, 52 percent of corresponding CNOs agreed. The CNOs who did not agree were roughly split between those saying the CEO was actively mentoring them and those saying the CEO was not mentoring them at all.

Finally, of the CEOs who stated they were not involved in mentoring the CNO, only 39 percent of the CNOs concurred. Fifty percent of the remaining CNOs said the CEO was doing some mentoring, and 11 percent said the CEO was actively mentoring them. Overall, these findings suggest that CEOs need to clarify what they perceive their role is vis-à-vis the development of the hospital's CNO.

A misperception exists between many CEOs and their hospital's CNO about their existing relationship regarding mentoring.

### **Implications for CEOs:**

- 3. Discuss what a mentor-protégé relationship with the CNO means in terms of the kinds of activities you will undertake separately and together.**

Table 4 shows how the type of hospital and other specific measures are related to how involved hospital CEOs are in mentoring the CNOs.

**Hospital characteristics.** Hospitals in large cities, that are part of a system, and that held Magnet status were more likely than other types of hospitals to have the CEO actively engaged in mentoring the hospital's CNO. Also, CEOs of federal government and investor-owned hospitals were more likely to mentor the CNO than CEOs of hospitals under voluntary or state and local governmental control. But size of hospital was not related to active CEO mentoring.

**One-on-one relationships.** Of four attributes of the CEO-CNO relationship examined, two were associated with active CEO mentoring: (1) whether the CEO hired the CNO and (2) the mean number of years that the CEO and CNO had worked together. Overall, 60 percent of CEOs in the study had hired their hospital's CNO. Of those CEOs who had done so, 40 percent were engaged in active mentoring; of those who had not hired the CNO, only 30 percent were actively engaged in mentoring.

Second, CEOs who were actively mentoring the CNO had worked with the CNO for a shorter time (mean of 2.9 years) than those who were not involved in mentoring (4.1 years). It appears that there may be an ideal time period when the CEO is in a working

relationship with the CNO for the mentoring process to take place. After a certain number of years, mentoring activities may have concluded or, if never initiated, it may be too late in the CEO's view to actively mentor the CNO (Figure 3).

#### Implications for CEOs:

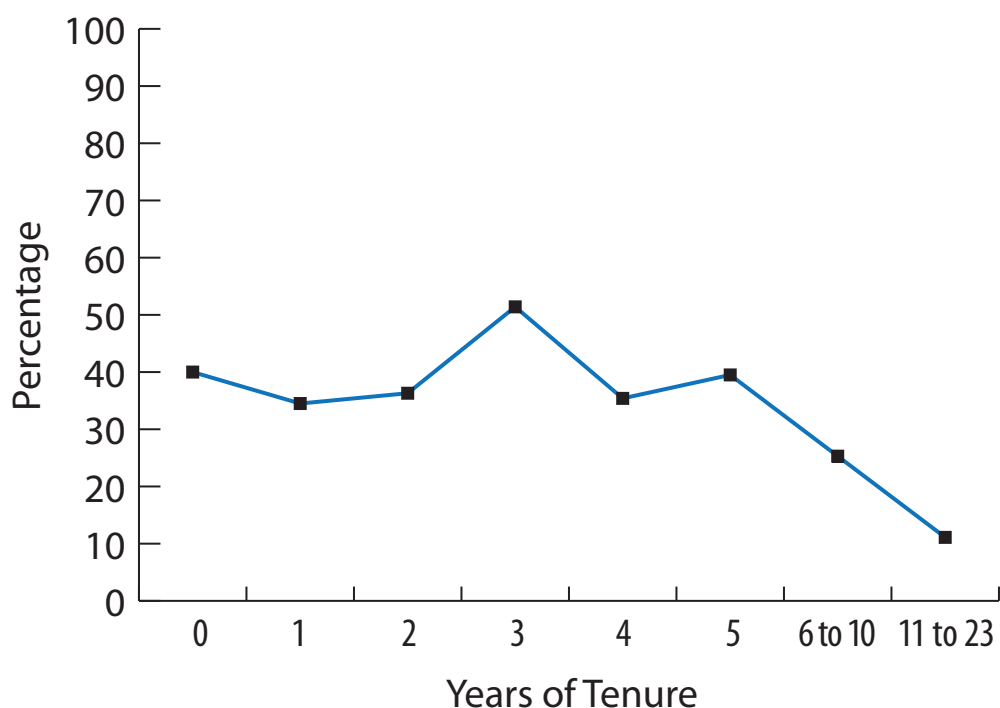
4. **Discuss your role as a mentor when you hire the CNO.**
5. **Establish a mentor-protégé relationship early with the CNO.**

The CNOs reported an even stronger association between being hired by their hospital's CEO and being actively mentored by him/her. When the CEO hired the CNO, 27 percent of the CNOs reported that the CEO was actively mentoring them. But when the CEO did not hire the CNO, only 15 percent were being actively mentored by the CEO.

**Processes.** Hospitals that had established a formal CNO succession planning process are more likely to be led by a CEO who was actively mentoring the CNO. Forty-four percent of the CEOs in hospitals with succession planning reported they were actively mentoring their hospital's CNO, compared to just 29 percent of CEOs in hospitals without CNO succession planning. CNOs reported similar findings, but those results failed to reach statistical significance.

CNOs who stated that they presented to the board at every meeting were also more likely to receive active mentoring from the CEO. Twenty-six percent said they were being actively mentored, and 25 percent said they received no mentoring. By contrast, of CNOs who said they never reported to the board, only 16 percent said the CEO at their hospital mentored them actively, and 59 percent said they received no mentoring. Of course, reporting to the board on a frequent basis may be considered part of the mentoring process itself.

**Figure 3: CEO Actively Mentoring the CNO, by Joint Tenure**





**Implications for CEOs:**

6. **Establish a formal succession process for the CNO position.**
7. **Consider having the CNO present a report to the board as often as every meeting.**

**Aspirations.** CEOs who were more likely to be active mentors to the hospital's CNO also declared that opportunities were available for the CNO to advance his/her career at the hospital. Similarly, 60 percent of CEOs who reported that the CNO had expressed an interest in becoming a CEO (whether at this hospital or another) also said they were actively mentoring the CNO. The corresponding figure for CEOs who said that the hospital's CNO had expressed no such interest was 31 percent.

Similar findings are observed for CNOs. An association is seen between the CNOs reporting active mentoring by their hospital's CEO and the CNOs' perceptions of opportunities for their career at the hospital. Likewise, more CNOs who expressed an interest in advancing to CEO status stated they were actively mentored by the CEO.

**Implications for CEOs:**

8. **Recognize that actively mentoring the CNO may enhance his/her perception that career advancement opportunities are available at the hospital.**

**Background.** Table 4 shows that neither the CEO's age nor the CNO's age was related to active mentoring by the CEO. However, for CEOs, being in the CEO role for a shorter duration is associated with more active mentoring of the CNO.

**Implications for CEOs:**

9. **Know that neither the age of the CEO nor that of the CNO is associated with active CEO mentoring of the CNO.**

Female CEOs and those who had trained as nurses were significantly more likely to be actively mentoring the CNO at their hospital. But there was no greater likelihood that CNOs who had training in business or healthcare management were actively mentored by the CEO.

## Conclusion

The analysis of CEO-CNO pairs showed that their perceptions of their relationship and of the CNO's future opportunities can be quite different. As much as a third of the time, when the CEO says that the CNO has not expressed a desire to be a CEO, the CNO may actually aspire to a CEO position or be open to it. Only half of CEOs and CNOs agree on whether opportunities for advancement exist for the CNO in the organization. And when the CEO states that he/she provides active mentoring to the CNO, the CNO agrees with this statement in only half the cases.

Based on these findings, we can see that a critical need exists for CEOs to (1) communicate more openly with their hospital's CNO about his/her aspirations and the professional opportunities available to the CNO in the organization and (2) develop a common understanding of the mentor-protégé relationship. If CEOs undertake such discussions, the leader with overall responsibility for patient care will likely remain an integral part of the senior management team and will contribute more fully to the hospital's and the community's well-being.



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**TABLE 1**  
**CEO and CNO Relationships**

	<u>CEO Responses</u> (n = 560)	<u>CNO Responses</u> (n = 542)
To whom does the CNO report?		
CEO	85 %	78 %
COO/CAO	14	19
Other (e.g., system CNE)	1	3
	100 %	100 %
	(560)	(541)
Reporting relationship changed in past two years:	9 %	14 %
CNO considered part of most senior management team:	98 %	96 %
Current CEO hired the CNO:	60 %	60 %
Median years CEO and CNO have worked together in current roles:	2	3
Median years employed in current role:	4	4
Median years employed in current hospital:	5	6
Appropriate contact when a physician encounters a patient care or nursing issue:		
CEO	5 %	1 %
CMO	7	2
CNO	56	38
Head of department	20	53
Other	13	6
	100 %	100 %

*Note: Percentages may not total to exactly 100 due to rounding error.*

**TABLE 2**  
**Board Role and Succession Plans**

	<u>CEO Responses</u>			<u>CNO Responses</u>		
How often leaders present to the board in person:						
	CNO	CFO	CMO	CNO	CFO	CMO
Every board meeting	55 %	82 %	53 %	44 %	79 %	41 %
Every other board meeting	15	6	12	11	5	10
Less often	25	8	20	34	9	30
Never	4	4	15	11	6	19
	100 %	100 %	100 %	100 %	100 %	100 %
	(549)	(544)	(413)	(539)	(536)	(433)
Hospital has a formalized succession planning process for leaders:	CEO	CFO	CNO	CEO	CFO	CNO
	44 %	36 %	39 %	32 %	27 %	32 %
Hospital has a designated "second in command" capable of assuming CNO post:		48 %			40 %	

*Note: Percentages may not total to exactly 100 due to rounding error.*

**TABLE 3**  
**Career Goals and Facilitators**

	<u>CEO Responses</u>	<u>CNO Responses</u>		
CNO aspires to CEO position:				
Yes	15 %	19 %		
No	83	58		
Not sure	2	23		
	100 %	100 %		
<i>(Note: Question to CEOs asked if CNO expressed interest in becoming a CEO; question to CNOs asked if they aspire to a hospital CEO position.)</i>				
Responses of paired CEOs with their hospital's CNO	(row percentages)			
CNO aspires to CEO position:	CNO agrees	CNO is not sure	CNO disagrees	n
CEO says CNO does aspire	36 %	46 %	18%	28
CEO says CNO does not aspire	67	20	13	127
	<u>CEO Responses</u>	<u>CNO Responses</u>		
Current hospital offers career advancement opportunities to CNO:	47 %	43 %		
Responses of paired CEOs with their hospital's CNO	(row percentages)			
Advancement opportunities in hospital:	CNO agrees	CNO disagrees	n	
CEOs say that advancement opportunities exist	50 %	50 %	72	
CEOs say that advancement opportunities do not exist	58	42	81	
	<u>CEO Responses</u>	<u>CNO Responses</u>		
Role of CEO as mentor to CNO:				
Active	35 %	22 %		
Some encouragement	53	49		
None	12	29		
	100 %	100 %		
Responses of paired CEOs with their hospital's CNO	(row percentages)			
Role of CEO as mentor:	CNO says CEO actively mentors	CNO says CEO does some mentoring	CNO says CEO does not mentor	n
CEO says he/she actively mentors CNO	50 %	32 %	18 %	56
CEO says he/she does some mentoring	22	52	26	85
CEO says he/she does not mentor	11	50	39	18

**TABLE 4**  
**CEO Involvement in Mentoring the CNO**  
 CEO and CNO Responses  
 (row percentages)

	CEO			CNO		
	Active n = 195	Somewhat n = 295	No n = 65	Active n = 119	Somewhat n = 265	No n = 157
Overall row percentage	35	53	12	22	50	29
<b>Hospital characteristics</b>						
<u>Size of hospital</u>						
1–50 beds	25	60	14	14	54	32
51–100	36	53	11	24	47	28
101–200	44	47	9	26	46	29
over 200	35	53	12	21	50	29
<u>Control</u>						
Not-for-profit religious	30	60	10 *	24	52	24
Not-for-profit secular	35	53	11	22	48	30
Investor owned	44	51	5	22	58	20
State or local government	26	53	20	21	41	38
Federal	45	45	10	21	36	43
<u>Size of place</u>						
Large city	38	52	10 *	23	49	28
Small city	39	52	9	21	49	30
Rural	14	62	24	11	47	42
<u>System membership</u>						
Freestanding	27	57	16 *	21	49	30
System member	40	51	9	23	49	28
<u>Magnet status</u>						
Magnet or filed for	41	50	9	30	46	24 *
No	34	54	12	20	50	31

\*Chi square significant  $p < .05$ .

**TABLE 4 continued**  
**CEO Involvement in Mentoring the CNO**  
 CEO and CNO Responses  
 (row percentages unless otherwise specified)

	CEO			CNO		
	Active	Somewhat	No	Active	Somewhat	No
<b>One-on-one relationships</b>						
CEO hired CNO	40	50	10 *	27	52	21 *
CEO did not hire CNO	30	56	15	15	44	41
Mean number of years together	2.9	3.9	4.1 †	3.7	4.0	3.4
<b>Processes</b>						
Formal CNO succession planning process	44	49	7 *	27	48	25
No formal process	29	56	15	20	50	31
CNO presents to board at every meeting	35	54	11	26	49	25 *
CNO never presents	46	50	4	16	26	59
<b>Aspirations</b>						
Opportunities at hospital for CNO advancement	48	47	5 *	32	53	15 *
Lack of opportunities	25	57	18	14	46	40
Interest in becoming a CEO	60	33	7 *	33	38	29 *
Not interested	31	57	13	17	53	30
<b>Background</b>						
Mean age	53.5	53.7	55.3	53.0	54.7	54.4
Mean tenure in role	5.3	6.4	7.8 †	4.8	5.5	5.6
Female	46	46	9 *	22	49	29
CEO trained as nurse	49	44	6 *	NA	NA	NA
CNO trained in business or healthcare management	NA	NA	NA	21	49	31

\*Chi square significant  $p < .05$ .

†Logit regression  $F$  test  $p < .05$ .



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