



Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

2016 EXECUTIVE COMPENSATION STUDY

CEO & COO



Chief Executive Officer (CEO)

Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

	<u>System</u>	<u>Hospital</u>
• Average Salary:	\$1.3M	\$645.3k
• Median Salary:	\$901.8k	\$697.5k
• 2016 Projected Pay Increase:	4.6%	5.9%
• 2016 Projected Total Comp Increase:	6.3%	6.3%
• Top CEO criteria for compensation is operating margin:	93%	
• CEOs want incentives based on clinical performance:	95%	
• CEOs want business intelligence as the basis for comp:	24%	
• CEOs want physician alignment as the basis for comp:	64%	

Sources: Mercer, Towers Perrin Watson Wyatt, Modern Healthcare, AON Consulting, Hospital & Health Networks, Hewitt & Associates, HealthLeaders



Chief Operating Officer (COO)

Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

	<u>System</u>	<u>Hospital</u>
• Average Salary:	\$712.5k	\$509.1k
• Median Salary:	\$576.2k	\$436.9k
• 2016 Projected Pay Increase:	4.6%	5.4%
• 2016 Projected Total Comp Increase:	5.8%	5.9%

Sources: Mercer, Towers Perrin Watson Wyatt, Modern Healthcare, AON Consulting, Hospital & Health Networks, Hewitt & Associates



Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

2016 C-Suite Compensation Forecast: *(Base/Total Comp)*

NET HOSPITAL REVENUE

	<u>> \$250M</u>	<u>>\$500M</u>	<u>>1B</u>	<u>AVERAGE</u>
CEO	\$282k/\$454k	\$773k/\$866k	\$978k/\$1,786k	\$463k/\$715k
COO	\$269k/\$312k	\$474k/\$499k	\$641k/\$898k	\$379k/\$544k
CNO	\$189k/\$289k	\$277k/\$394k	\$389k/\$498k	\$285k/\$409k
CHRO	\$148k/\$189k	\$229k/\$284k	\$383k/\$409k	\$245k/\$398k
CME	\$299k/\$389k	\$468k/\$588k	\$571k/\$748k	\$429k/\$575k
CFO	\$232k/\$278k	\$431k/\$521k	\$519k/\$617k	\$399k/\$477k

Sources: Towers Perrin Watson Wyatt, Mercer, Hewitt & Associates



Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

Bonus Program Prevalence:	<u>% Using</u>	<u>Effectiveness</u>
• Group Incentives:	59%	39%
• Lump Sum:	39%	61%
• Gain Sharing:	19%	55%
• Key Contributor:	8%	30%

Executive PERQs Prevalence:	<u>% Using</u>
• Physical Examinations:	77%
• Employment Contracts:	68%
• Car or Car Allowance:	61%
• Non-Qualified Deferred Compensation Plan:	39%

Source: Hay Group Prevalence Report



Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

CEO Workforce Demographics:

For Free Networking Assistance or Job Leads call Michael Colosi at (717) 575-7817.

CEO Reasons for Turnover:

Sources: ACHE, AON Consulting, Mercer, Watson Wyatt, NSI



CEO Priorities: (N=455)

- Quality of Care & Patient Safety: **91.7%**
- Hospital-Physician Relations/Integration: **73.0%**
- Financial Reimbursements/Regulatory Mandates: **69.9%**
- Cost Containment: *(Includes cost of labor and contract labor)* **66.2%**
- Retaining Talent or Employee Turnover: **64.9%**
- Registered Nurse/Professional Recruitment: **63.7%**
- Competing for Patient Volume: **61.3%**
- Regulatory Mandates/Health Reform Changes: **59.2%**
- Population Health: **55.6%**
- Capital Equipment and Technology Acquisition: **50.0%**
- Healthcare Uncertainty: **47.8%**
- Mergers & Acquisitions: **36.9%**

Source: NSI 2016 CEO HELP Survey



How will hospitals fuel growth & fiscal expectations?

- Increase Market Share: **68%**
- Lower Operational Cost: *(Eliminate Agency/Travel staffing)* **62%**
- Strategic Marketing: **59%**
- Improve Capital Access and Financial Stability: **58%**
- Expand Outpatient Services: **56%**
- Acquire Physician Practices: **38%**
- Enter into Joint Venture or Hospital Mergers: **37%**
- Increase Bed Capacity: **11%**

CEO Financial Forecast for 2016:

Positive – 44%

Flat – 35%

Negative – 21%



Why NSI?

Nursing Solutions, inc

Permanent Nurses, Permanent Solutions!

- NSI is a high volume nurse recruitment firm; that only recruits within the continental U.S. for “**Experienced RNs**”, as **your** core staff.
- NSI utilizes a full service executive search model.
- Focus is on cultural fit and core competencies to enhance retention capacity. NSI **first year retention rate of 94.2%**.
- Founded in 2000, NSI continues to lead the industry:
 - Proven success rate with an average **time-to-fill of 34 days**.
 - High quality; with an 82% interview-to-offer rate and an average **RN experience rate of 14.5 years**.
 - **One (1) year replacement guarantee**.
- All NSI engagements are “**Risk Free**” since you must hire the nurse **before** NSI is paid.