

# 2023 Executive Workforce Trends



Sullivan Cotter's 2023 *Health Care Management and Executive Compensation Survey Report* highlights proprietary market findings from our latest survey, including changes in salaries and incentives, emerging executive roles, trends in executive compensation design, and strategies that organizations are considering to address executive recruitment, retention and performance. Learn more from the results, which includes critical benchmarking data on compensation levels and pay practices from nearly **3,100 organizations** representing nearly **42,200 individual incumbents**.

## Emerging Roles<sup>1</sup>



- Market/Division/Regional Roles
- Health Equity
- Patient Access
- Patient Experience
- Chief Physician Executive
- Digital Strategy

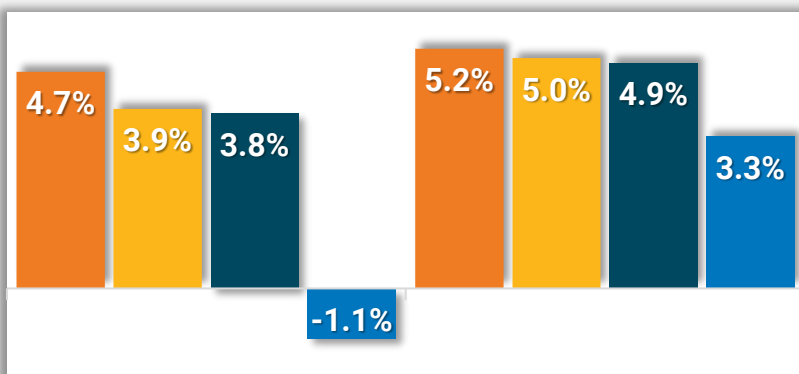
<sup>1</sup>Emerging roles listed reflect jobs with an increase in the number of positions reported

## The challenging environment impacted annual incentives, resulting in total cash compensation moving slower than base salaries

### Median Increase (2023 vs 2022)

Executives

Management



- Parent Base Salary
- Parent TCC
- Subsidiary Hospital Base Salary
- Subsidiary Hospital TCC

Note: Data reflects organizations that participated in both 2022 and 2023

Source: SullivanCotter 2022-2023 *Health Care Management and Executive Compensation Survey Report*



**Base salaries** for many jobs increased at a greater rate than the reported salary increase budget



**Total cash compensation** levels for many jobs increased at a slower rate than base salaries – impacted by annual incentive plan results



Increases in compensation for executives were **lower than those for management**

## Annual incentive plans include financial, quality, patient experience and people goals

Overall Measure Categories Included in Annual Incentive Plans	Prevalence	Weight
Financial	94%	32%
Quality	84%	22%
Patient Experience and Access	74%	19%
People	70%	18%
Patient Safety	57%	16%
Growth	41%	20%

### Emerging Measures

- Efficiency
- Employee wellness and safety
- DEI



## Key Takeaways

- 1 Anticipate **greater differentiation in salary increase budgets**; limited dollars focused on high-performers, those leading strategic initiatives and resolving internal inequity.
- 2 When adjudicating 2023 incentives, it is important to **balance performance and talent considerations**; waning use of discretion by committees as incentives are determined.
- 3 Review the **compensation philosophy** for flexibility to recruit, retain and reward; assess segmentation to tailor the program.
- 4 Evaluate **incentive performance goals and circuit breakers** to ensure they reflect changing business priorities and the uncertain environment.
- 5 Assess the **talent strategy** to build from within to support professional growth and culture; evaluate career architecture and **organization structure** (spans of control/levels) to optimize the workforce.

Source: SullivanCotter 2023 *Health Care Management and Executive Compensation Survey Report*

Learn More:

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