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Report

The Canadian Health Leadership Network Learning and Development Outlook

***A Report on the Leadership Development Practices
in the Canadian Health Sector***

Prepared by:

The Conference Board of Canada

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Table of Contents

| | |
|---|-----------|
| <i>Executive Summary</i> _____ | <i>1</i> |
| <i>Chapter 1: Introduction</i> _____ | <i>3</i> |
| <i>Chapter 2: Methodology</i> _____ | <i>4</i> |
| <i>Chapter 3: Training, Learning and Development in Health Care Organizations</i> _____ | <i>8</i> |
| <i>Chapter 4: Leadership Development</i> _____ | <i>13</i> |
| <i>Chapter 5: Conclusions</i> _____ | <i>17</i> |
| <i>Appendix A: Bibliography</i> _____ | <i>18</i> |
| <i>Appendix B: Sample Characteristics</i> _____ | <i>19</i> |
| <i>Appendix C: Key Findings from Key Informant Interviews</i> _____ | <i>23</i> |
| <i>Appendix D: Survey Instrument</i> _____ | <i>25</i> |

Executive Summary

THE CANADIAN HEALTH SECTOR MUST BEGIN DEVELOPING ITS LEADERS OF TOMORROW TODAY

The health sector faces many hurdles that require urgent attention from its leaders. Canada's aging population will affect the health sector in two important ways. First, the health care workforce will be retiring in record numbers, draining the health sector of skilled employees and leaders. Second, the aging population will increase the demand for health care services, putting the health care system under mounting pressure.

To meet these challenges, the health sector must place a high priority on the professional development of both emerging and senior leaders. It is important to engage health care leaders in environments that will develop their leadership abilities. Yet, while many health care organizations are already delivering dedicated leadership development programs; many others are not yet doing so. **The extent to which Canadian health care organizations have effective leadership development programs in place was the first key question for this report.**

In order to deliver access to quality health care services, leaders will face the challenge of building the capacity of the health sector workforce. Jobs in the health sector are increasingly knowledge-intensive. Strong leadership will be required for employee development to be successful. Leaders will have to implement effective strategies for developing the required skills of their staff. **The extent to which the health sector is currently developing its employees was the second key question for this report.**

This report provides insight into the learning and leadership development challenges facing the health sector. It details the results of a study conducted by The Conference Board of Canada comparing leadership and development activities in the health sector to Canadian organizations as a whole. Health care organizations were surveyed regarding their

leadership and development practices. In addition, a dozen senior health care leaders were interviewed for their insights into current issues and practices.

A key finding of the research is that organizations in the health sector are committing less to the development of their employees than Canadian organizations as a whole. Particularly, Canadian health care organizations are *spending* less on employee development. In general, employees in the Canadian health sector are even less satisfied with their training, learning and development (TLD) opportunities than are employees in Canadian organizations as a whole.

The TLD practices within the health sector differ from other sectors. First, in comparison to Canadian organizations as a whole, health sector organizations rely more on informal learning by their employees (such as asking co-workers how to perform a task). Further, TLD strategies in health care organizations are often implemented in a much more decentralized manner than in Canadian organizations as a whole. Although this may be changing, TLD strategy is frequently created at the work unit level.

As for leadership development programs, organizations in the health sector already have many different types of programs in place. However, leadership development programs are less common in Canadian health care organizations than in Canadian organizations as a whole. Canadian health care organizations are less likely to offer their developing leaders mentoring, coaching, executive training or in-house development programs, among others. It can be argued that even though health sector organizations have a potentially greater need than Canadian organizations as a whole to develop future leaders, they appear to be trailing behind.

Similar to Canadian organizations as a whole, this study finds that health care organizations are not convinced of the effectiveness of the leadership development programs they currently have under way. They question the effectiveness of their

leadership development programs to actually develop participants' capacities to desired levels.

There are some positive signs for the future, however.

First is the very widespread agreement among health care organizations about the importance of developing their employees and future leaders. In fact, employee development is viewed as high

priority by many health care organizations. Second, many health care organizations feel that they are successful in using new knowledge to change their behaviours. Third, current leaders in health care organizations are already committed to finding solutions for the whole community.

With these mindsets, it is hoped that needed changes can be made in the near future.

Chapter 1: Introduction

Canada's Weakening Commitment to Employee Development

The Canadian health sector, like the rest of the Canadian economy, is being affected by demographic and technological changes to its workforce. And like the rest of the Canadian economy, the health sector may not be committing enough to the training, learning and development (TLD) of its employees.

Canada is falling behind on developing its workforce. Research conducted by The Conference Board of Canada shows that Canadian organizations are not increasing their commitments to the TLD of their employees. In fact, fewer Canadian organizations consider themselves “learning organizations” than in the past.¹ If this is not rectified, Canada's ability to maintain its high standard of living may be threatened in the future.

Canada's workforce is challenged by technological and demographic changes. The way in which Canadians work today is vastly different from the way their parents worked. Increasing globalization, shifting demographics, and technological changes mean Canadian workers face increasingly diverse and complex environments. Today work is much more skills and knowledge intensive than in the past.² The pace of change shows no signs of slowing. Tomorrow, even more skills and knowledge will be required in the workplace.

Canada's workforce is aging. Much of Canada's highly skilled labour is approaching retirement.³ In the coming years, Canadian workers will start to leave the labour force in greater numbers. By 2031, it is estimated that a quarter of Canada's population

will be senior citizens, nearly twice 2005 levels.⁴ Organizations will be challenged to replace the skills they already have, let alone add new skills and knowledge capabilities that the workplace is expected to demand.

Compounding these challenges is a tightening labour market and inflating wages. Job openings are being left unfilled and voluntary turnover rates are rising.⁵ Organizations are faced with challenges that would seem to make employee development more important than ever. Instead, Conference Board research has shown that spending on employee development has remained stagnant in Canada for a decade. In 1996, the average amount spent per employee in Canada was \$842. In 2006, that amount was \$852. In fact, when inflation is considered, the real amount spent on the TLD of Canadian employees has decreased 17 per cent in the past decade.⁶

The situation is even more serious when comparing Canada's recent record with our international competitors. In 2001, Canada ranked 12th in the world for organizational commitment to TLD. By 2006, Canada had dropped to 21st.⁷

Canada's leading benchmark, the United States, is pulling ahead of Canada. Currently, American organizations spend on average between 30 to 40 per cent more than their Canadian counterparts. In 2005, American spending per employee was estimated to be about \$US 1000.⁸

¹ Hughes and Grant, *Learning and Development Outlook 2007*.

² Statistics Canada, *Knowledge Workers in Canada's Economy, 1971 to 2001*

³ Statistics Canada, *Population Projections for Canada, Provinces and Territories, 2005 to 2031*

⁴ Statistics Canada *Population Projections for Canada, Provinces and Territories, 2005 to 2031*

⁵ Clarke, *Compensation Planning Outlook 2007*

⁶ Hughes and Grant

⁷ International Institute for Management Development (IMD), *World Competitiveness Yearbook*.

⁸ Sugrue and Rivera, *2005 State of the Industry Report*.

For the purposes of this report, the Canadian health sector was defined to be inclusive of all aspects of the health care community, including service delivery, policy analysis, and research activities.

Health Sector and Employee Development

The health sector is not immune to Canadian labour trends; in fact it may even be more vulnerable. In order to continue delivering top quality health care, the health sector must prepare for these same labour challenges. Finding a way for the health sector to cope with these changes needs to be a top priority for health sector leaders.

Increasing need for technical skills: Technology has played a large role in changing how health services are delivered. As a result, the formal education required to work in health care has increased appreciably in the past two decades. For instance, in most provinces, nurses are now required to possess a four year baccalaureate degree — at a minimum.⁹ Health care workers will be challenged to keep their skill sets up-to-date in the future. As a result, not only will high levels of formal post-secondary education be required, but continuous career-long learning as well. As new technologies are brought into practice, health sector employees will need to be given the means to develop the skills needed in order to use those technologies.

Retiring workers: The health sector will be particularly affected by retiring workers in an aging population. On average, health care workers are older than workers in other sectors.¹⁰ As other areas of the Canadian economy struggle to find ways to cope with the coming labour crunch, the health sector will feel the crunch sooner and harder than elsewhere.

Increasing demand for services: The aging population will increase the age of the health sector's clients. This will increase the demand for health care services. In order to deliver quality health care to Canada's growing number of senior citizens, the health sector will either need to find ways to increase

productivity or to expand its workforce. The health sector will have to recruit and develop more workers than to merely replace those lost to retirement. This may be starting to happen already as health care has one of the highest labour growth rates. Employment in health care and social assistance grew 3.2% from March 2006 to March 2007.¹¹

As a result, health care organizations are doing all they can to employ the skilled employees they need. In a tight labour market, there is increasing competition among health care organizations to attract and retain the workers with the right skills.¹² To keep their employees engaged, almost all organizations rely on their employees' commitment to "the cause". But this may not be enough to keep them. To retain skilled employees, health care organizations want to become an employer of choice.

In this environment TLD can become critical to an organization's continued success. Developing the skills of health care new employees would ease the labour shortage. Teaching them how to integrate new technology will allow them to keep pace with the changing workplace. Further, an emphasis on career development can be used as a way to recruit and engage workers. It is by having the right employees and by developing them through their careers that a health care organization can continue to fulfill its mandate.

However, previous research done by The Conference Board of Canada shows the health sector may be committing substantially less resources to the development of their employees than the Canadian average. On average, Canadian organizations spend \$852 per employee, or 1.80% of their payroll, on TLD. In contrast, Canadian education and health care organizations spend \$547 per employee, or 1.27% of their payroll.¹³ Other research conducted in the U.S. confirms that the health sector is spending less on the development of its employees.¹⁴ Given the growing challenges described above, the fact that the health sector is actually investing less than the Canadian average should be a concern.

¹¹ Statistics Canada, *Labour Force Survey*.

¹² Health Canada, *Health Human Resources Action Plan - Status Report*.

¹³ Hughes and Grant

¹⁴ Sugrue and Rivera

⁹ Pyper, *Employment Trends in Nursing*.

¹⁰ Statistics Canada, *The Retirement Wave*.

The health sector should not only be considering their employee development strategies but their leadership development strategies as well. With an aging population, many managers and professionals will also soon be retiring. Many of the today's health sector leaders will be leaving just as the health sector is put under strain by increasing demand due to an aging population. The health sector will be challenged to retain its current level of leaders, let alone add to it.

Further, health care may have a great need for leadership since it may have a higher proportion of managers and professionals in its workforce.¹⁵ There is a need for the health sector to develop more leaders to lead its expanding workforce. There is a pressing need to groom a new generation of leaders. The question arises as to how the health sector is developing its leaders of tomorrow.

CHLNet Initiative

Recognizing an imminent leadership shortage, a group of senior leaders in the health sector gathered in May 2006 to discuss the possibility of a national, coordinated approach to leadership

development. These meetings set in motion what would become the Canadian Health Leadership Network (CHLNet). The objective of the network is "to identify, bridge and support leadership development throughout the Canadian health and health care system by linking professional development offerings from collaborating organizations and developing a specialized curriculum built on evidence-informed core competencies or capabilities."¹⁶ Through the development of a web-based portal, CHLNet will identify the array of different leadership development activities underway, and facilitate the virtual and face-to-face networking of emerging and senior leaders.

CHLNet became concerned about the possible implications of research published by The Conference Board of Canada that showed a lack of commitment of the health sector to employee development. As a result, the network contacted The Conference Board of Canada to conduct more in-depth research into what the Canadian health sector is doing in terms of employee development, especially with regard to leadership abilities. The research done by the Board, with the guidance of CHLNet, will be detailed in the following chapter.

¹⁵ Statistics Canada, *The Retirement Wave*.

¹⁶ CHLNet, *eCHLNet: Canada's Premier Portal for Health Leadership Development*.

Chapter 2: Methodology

Since 1990, The Conference Board of Canada has been researching how organizations are committing to the development of their employees. The Learning and Development Outlook benchmarks the amount, focus and allocation of TLD expenditures in Canadian organizations. It also examines the means by which organizations are developing their pool of leadership talent.

The ninth edition of the Learning and Development Outlook was published in April 2007. For *the Learning and Development Outlook 2007*, 258 Canadian organizations, representing all geographic areas and sectors, provided detailed information about their TLD programs, including leadership development strategies. It was determined that the data collected for this report (collected in 2006) could offer valuable comparison data for the health sector.¹⁷

Together, the CHLNet and the Conference Board altered the Learning and Development Outlook survey to make the questionnaire more specific to health care, while allowing comparisons to the existing data. The questionnaire asked questions around the health care organizations' training, learning and development strategies. (For the survey instrument, please refer to Appendix D.)

CHLNet compiled a database of over 500 Canadian health care organizations, representing a very broad cross-section of the health sector. Many different types of organizations were included in this research initiative from government departments and professional associations to regional health authorities and health-based charities. **For the purposes of this report, the Canadian health sector was defined to be inclusive of all aspects of the health care community, including service delivery, policy analysis, and research activities.**¹⁸

¹⁷ For more information on the *Learning and Development Outlook 2007* report please visit www.conferenceboard.ca

¹⁸ Since the definition here includes such things as government agencies, professional organizations and health charities, the health sector discussed in this report is different from other definitions of health sector including

In March 2007, the head of each organization received a copy of the questionnaire. Organizations based in Quebec or New Brunswick received both English and French versions. Unfortunately, too few organizations completed the survey to provide adequate data for analysis. Several potential respondents voiced concern that the information requested was not readily available within their organizations. A revised, simplified questionnaire that requested less detailed information was released in April 2007.

In total, 48 questionnaires were returned. Since the heads of organizations likely delegated the responsibility of completing the questionnaire to staff members, the make-up of the 48 respondents in terms of role within the organization is not completely clear. Further the respondents may have had to refer to other personnel in the organization to complete the varying questions. Likely the respondents to each question occupy a range of positions, including human resource directors and executive assistants, among others.

Among the surveys that were completed, the respondents were often not able to answer all the questions. It is clear that many respondents were not able to access the information requested. Previous research of Canadian organizations reveals that many organizations do not track their TLD commitments in great detail. In fact, many do not track them at all. However, it may be that the health sector is tracking their commitments to TLD even less robustly than the average in other sectors.

With the observed response rate of slightly less than 10 per cent, the results of the survey should be considered with caution. Further compounding this is the above observation that many responding organization could not fill in the entire questionnaire. The author has endeavoured to report on clear differences and look to trends to validate any

the NAICS classification system used by Statistics Canada and others.

findings. (For a breakdown of the organizations in the sample in terms of type, size and region, please refer to Appendix B.)

The results of the survey sometimes raised more questions than they answered. To get a greater sense of what is happening in the health sector with respect to employee and leadership development, **the Board also conducted interviews with current senior leaders in the health sector.** Twelve CEO and Executive Director level leaders were interviewed in July and August, 2007 for up to an hour. These leaders were drawn from geographically diverse areas of Canada and represented a wide array of health care organizations. An anonymous list of the interview participants is presented in Table 4 above.

Table 1 - Interview Participants

| Title | Description of Organization |
|--------------------|---|
| President | National Disease-based Charity |
| CEO | National Health Charity |
| Executive Director | National Health Charity |
| President and CEO | Health Care Accrediting Body |
| President and CEO | RHA in Atlantic Canada |
| CEO | RHA in Atlantic Canada |
| CEO | Urban Hospital in Ontario |
| CEO | Urban Hospital in Ontario |
| CEO | Rural Hospital in Western Canada |
| Executive Director | RHA in Western Canada |
| Vice President | RHA in Western Canada |
| CEO | Provincial Chapter of a Disease-based Charity in Western Canada |

During the interviews the participants were asked for their opinions regarding the status of employee and leadership development in the health care field.

The discussions covered a range of topics; however, in particular interviewees were asked:

- What has been your personal experience with leadership development?
- What is your organization doing in employee and leadership development?
- What is your reaction to key CHLNet survey findings?
- What does the health sector need to do in order to develop the next generation of leaders?

The findings of the survey and interviews will be detailed in the subsequent two chapters. The next chapter will highlight how Canadian health care organizations are committing to the development of their staff, particularly how much and on what they are spending. The subsequent chapter will look at how Canadian health care organizations are developing their leaders of tomorrow. For a summary of the findings from the interviews, please refer to Appendix C.

It is hoped that the information detailed in this report will be a starting point for the discussions about how the health sector can ease their impending skilled labour challenges through employee and leadership development.

Chapter 3: Training, Learning and Development in Health Care Organizations

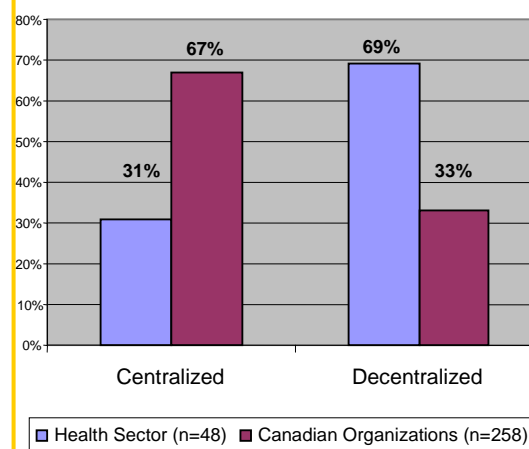
“If you look after your employees, the employees will, in turn, look after the clients” – CEO, Health Care Accrediting Body

Learning Structures and Controls

The health sector is very different from other sectors when it comes to the location of responsibility for developing its employees. Thirty-one per cent of responding health care organizations indicated that their training function was centralized. This is in stark contrast to Canadian organizations as a whole where 67 per cent indicated that their training function was centralized.¹⁹ (See Chart 1 below.) It is clear that the health sector is more decentralized in its approach to training, learning and development (TLD) than are Canadian organizations as a whole.

The decentralized nature of TLD in health care organizations seemed natural to the health care leaders that were interviewed for this initiative. Employee development in the health sector is based around providing clinical and technical training to its staff. Since the clinical and technical needs of staff vary so widely, the responsibility for employee development is allocated to the work unit level. To the leaders that were interviewed, this appeared to be an effective means of keeping technical and clinical skills up-to-date.

Chart 1: Proportion of Organizations with a Centralized TLD Function



Health care organizations track the hours of TLD provided to their employees at least as frequently as other organizations. More than half of responding health care organizations track the hours of training provided to their employees, about the same proportion as Canadian organizations as a whole (54 per cent for responding health care organizations, 57 per cent for Canadian organizations as a whole). However, despite many tracking the hours of TLD, only a handful of respondents were able to present the average number of hours provided to their employees.

“[TLD strategy is] up to the needs of a department and the views of that manager. It is not an organizational priority” – CEO, Disease-based Health Charity

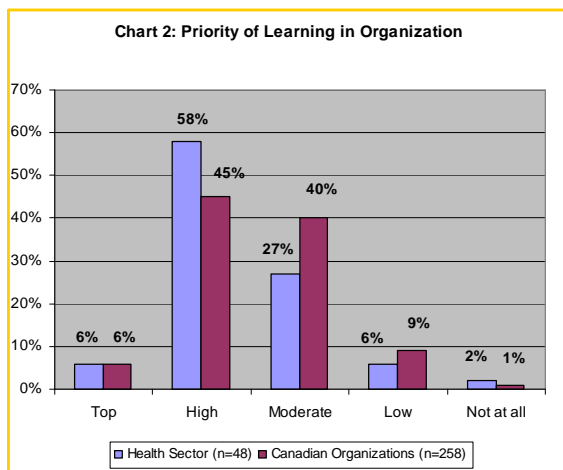
¹⁹ All data for the health sector in Chapters 2 and 3 come from the CHLNet Learning and Development Outlook Survey conducted in the spring of 2007. All data for Canadian organizations as a whole come from The Conference Board of Canada’s Learning and Development Outlook survey, conducted in the summer of 2006.

Leaders who were interviewed agreed that a decentralized TLD strategy has created organizational hurdles, but many stated that this will

be changing. Some health care organizations are realizing that health care employees will soon need more than the skills required today. They recognize that employees need to start developing the skills for tomorrow as well. Most organizations appear to have recently instituted programs responsible for tying together organization-wide employee development practices, or are in the process of formalizing one. Most were optimistic that they would be able to make strategic employee development plans in the future, while still being able to provide ongoing clinical and technical development at the work unit level.

The Role of Learning in the Organization

How learning is viewed in an organization tells a lot about the organization's commitment to developing its employees. Respondents were asked about the priority they feel their organization places on learning. Nearly two thirds of respondents indicated that learning is either a high priority or a top priority in their organization. Only eight per cent of respondents indicated that learning was a low priority or not a priority. Although not statistically significant, the health sector appears to give a slightly higher priority to learning than Canadian organizations as a whole. (See Chart 2 below.)



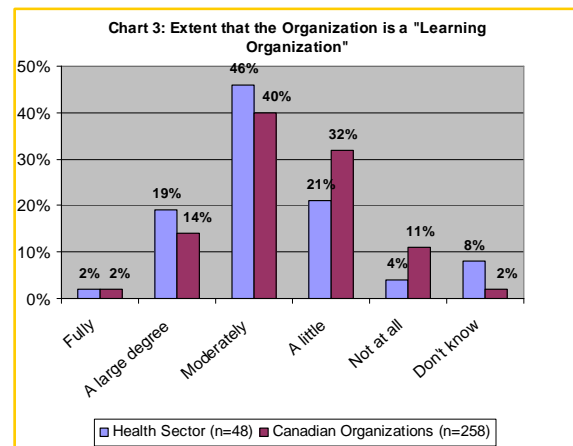
Learning Organization

An organization that is “skilled at creating, acquiring, interpreting, transferring, and retaining knowledge, and at purposefully modifying its behaviour to reflect new knowledge and insights.”

Source: Garvin, *Learning in Action*, p.78

Respondents were asked if their organization was a “learning organization”. (For the definition of a learning organization, please see the box above.) Two thirds of responding health care organizations (67 per cent) felt moderately or strongly that their organization was a learning organization. A slightly greater proportion of respondents felt that way than those in Canadian organizations as a whole (56 per cent). In comparison, only four per cent of respondents felt they were ‘not at all’ a learning organization, compared to eleven per cent for Canadian organizations as a whole. (See Chart 3 below.) In general, it appears that health care organizations are more likely to consider themselves to be a learning organization than Canadian organizations as a whole.

“Health Care is an aspirational industry.” – CEO, Large Urban Hospital

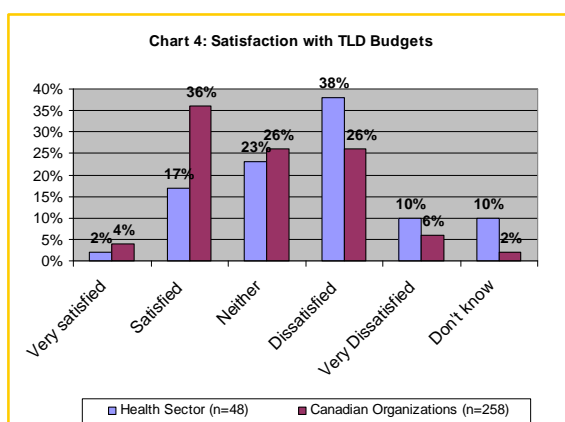


Among the leaders that were interviewed, there was a general consensus that health care organizations consider employee development to be very important. Many leaders held that in their organizations learning was part of the culture. For some institutions, teaching, whether it is teaching new doctors or the general public, is part of their mandate. Some leaders, however, wondered if employee development was so entrenched into the health care mindset, why should getting employee development programs in place be as difficult as they have experienced?

Satisfaction with Learning Activities and TLD Budgets

Respondents widely differ in the level of their satisfaction with the activities undertaken by their organizations to develop staff. Forty-four per cent of respondents indicated that they were satisfied with the activities of their organization, while 29 per cent were dissatisfied. A further 21 per cent indicated that they were neither satisfied nor dissatisfied.

“Is everyone involved in continuing education? No. Should they be? Yes. Will they be? Yes!” – CEO, Regional Health Authority



A far more compelling story is revealed when respondents were asked about their satisfaction with their TLD budgets. Only 19 per cent were satisfied, as compared to 48 per cent who were dissatisfied. Further, when compared to the level of TLD budget satisfaction found in Canadian organizations as a whole, responding organizations appear significantly less satisfied with their TLD budgets. (See Chart 4 above.)

“In the 1990’s... education was the first place to get cut. We are now paying the price for that decision.” – CEO, Regional Health Authority

Spending on Employee TLD

In terms of TLD budgets, the sample varied from a zero dollar budget to a \$15 million budget. On average, the amount that each organization spent on TLD last year was \$1.2 million. Many respondents were unable to provide estimations of the amount their organization spent on TLD.

The results of the CHLNet survey confirm that the health sector is spending less on the development of their employees. Previously referenced Conference Board of Canada research found that education and health care organizations are spending \$547 annually per employee or 1.27% of payroll, which is considerably less than the national average. The results of this survey reveal a similar number, with responding health sector organizations spending \$632 per employee or 1.04% of payroll.²⁰ (See Table 1 below.) Although there is some disparity between these two data points, they form a trend that confirms that the health sector is investing approximately 30 to 40 per cent less in the development of their employees than Canadian organizations as a whole.

Most leaders interviewed agreed that the health sector was spending less than Canadian organizations as a whole. They felt that there was considerable pressure to reduce all administrative cost to maximize the amount spent on their mandate, whether that is patient care, or research grants. Since employee development is seen as an administrative cost, senior leaders must constantly defend their budgets for employee development.

“There is a feeling that the money should not be spent on anything that is not mission-based...But we have to learn that it is okay for that to happen” – President, Disease-based Health Charity

Further, the leaders sympathized with the plight of their employees. Since there is so much pressure to keep administrative costs down, salary costs are minimized, often to the point where many organizations are chronically understaffed. This means that many employees have a workload that can ill-afford further burdens on their time. It is hard to motivate overworked employees to engage in employee development.

²⁰ This number is based on 18 observations. Although 48 surveys were completed, many respondents were not able to detail the information necessary to make valid calculations. In this report, where the number of valid responses is significantly lower than 48, the number of responses will be reported. In this case, despite the modest sample size, the findings concur with other research that lends a degree of confidence to the results.

Table 2: Amount Spent per Employee and Amount Spent as a Per Cent of Payroll*

| | <u>\$ per employee</u> | <u>% of payroll</u> |
|----------------------------------|------------------------|---------------------|
| Education and Health Care (n=59) | \$547 | 1.27% |
| CHLNet Survey (n=18) | \$632 | 1.04% |
| Canadian Organizations (n=258) | \$852 | 1.80% |

* NOTE: The 258 Canadian Organizations participated in the Learning and Development Outlook 2007. The 59 education and health care organizations are a subset of that group. The 18 CHLNet respondents provided data specifically for this research initiative.

Many health care organizations also rely on “non-employees” for service delivery. Examples of this might include a hospital which relies on physicians with privileges and volunteers for service delivered to their clients, as well as board members for governance. This fact complicates the above observations somewhat. The extent to which these “non-employees” are receiving training is an important point.

Responding organizations confirm their reliance on volunteers. Twenty out of the 37 organizations that were able to estimate the number of volunteers helping their organization, reported having over 100 volunteers. For some organizations, volunteer development may be as critical as employee development. Some leaders interviewed saw their volunteers as a pool, not only of skilled labour, but of potential leadership talent as well.

“Our success is due to the expertise of our volunteers” – CEO, Disease-based Health Charity

Many of these non-employees are members of accredited professions that have their own training standards and continuous development programs. Physicians and nurses might be required to take training on their own, or at least through their professional associations.

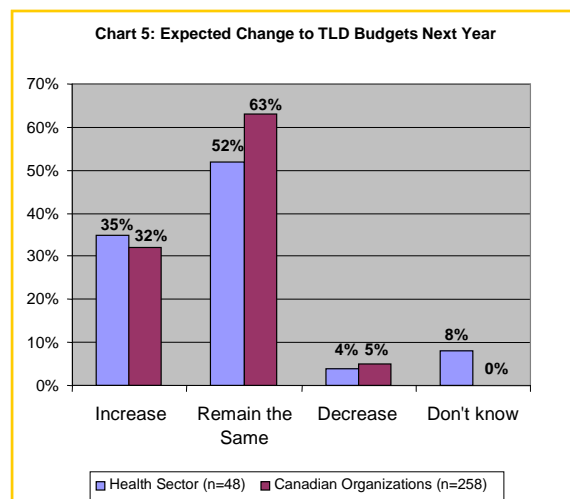
The leaders in the health sector that were interviewed agreed that organizations rely a great deal on the professional colleges to help maintain the clinical and technical skills of their employees. However, these leaders would not rely on these bodies to provide their employees with anything other than clinical and technical skills, such as managerial or leadership

training. To them, that was the job of their organization and not the job of the professional bodies.

“When I hire a physician, I expect a qualified physician... I don’t expect a leader” – CEO, Large Urban Hospital

Despite the lower levels of spending in the health sector relative to Canadian organizations as a whole, respondents to the survey were optimistic about the future for their TLD budgets. Thirty-five per cent of respondents expect an increase next year, compared to only four per cent who expect a decrease. Overall, an estimate of an average increase of eight per cent is anticipated for next year.

However, these anticipated increases are similar to the expectations of other Canadian organizations. Other Canadian organizations have shown in the past that their expectations do not come to fruition. Over the past decade, The Conference Board of Canada’s Learning and Development Outlook has asked Canadian organizations about their expectations for their TLD budgets. Each time the question has been asked, many more respondents have expected increases rather than decreases. (See Chart 5 below.) However, the overall amount spent per employee has not gone up in the past decade. Although TLD budgets in the health sector are expected to rise, as we have seen elsewhere, this may not actually happen

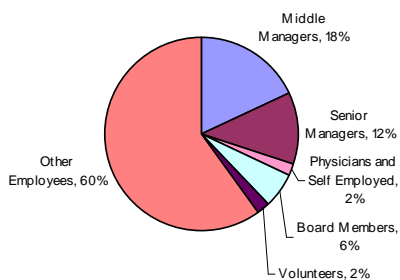


The Nature of TLD Spending

Twenty three respondents were able to detail the proportion of the budget given to each employee group in their organization. They indicated that 30 per cent of the TLD budget is spent on middle and senior managers. It is this 30 per cent that likely has to cover leadership development activities. Ten per cent is spent on the “non-employees”, including volunteers, board members and physicians. As mentioned previously, the degree to which these groups are supported in their development is an important issue. The remaining 60 per cent of the TLD budgets are spent on all remaining employee groups. (See Chart 6 below.)

Though not entirely comparable with the data from other Canadian organizations, it is interesting to note that the data for senior management in the health sector seems to be the same as with Canadian organizations as a whole. Canadian organizations as a whole spend 10 per cent of their TLD budgets on senior management. The data from responding health care organizations suggest that twelve per cent of TLD budgets are spent on senior management.²¹

Chart 6: Amount of TLD Budget Spent on Different Groups (n=23)

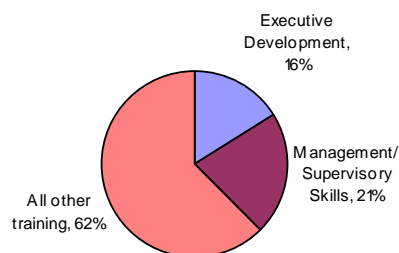


A similar view is seen when looking at the types of training organizations are purchasing. Thirty-one respondents were able to estimate the budget that went to certain types of training: executive

²¹ The two surveys differed somewhat in how this question was asked. The CHLNet survey asked for amounts spent on the employee groups shown in Chart 6, while the original Conference Board survey asked for different employee groups such as trades, professional/technical and non-technical, etc. as well as senior management

development, supervisory/management skills and all other forms of training. Respondents estimated an average of 16 per cent of all training budgets go to executive development, while 21 per cent go to management and supervisory skills development. The remaining 62 per cent is spent on all other types of training, from professional development to health and safety training. (See Chart 7 below.) The health sector is spending a considerable share of their TLD budgets on leadership development activities.

Chart 7: Proportion of Budget Allocated to Different Types of Training (n=31)



“It is a hard road to get funding for leadership development.” – Vice President, Regional Health Authority

The leaders that were interviewed pointed out that getting budget approval from the boards and ministries for clinical and technical training was never easy, but it can be done. Other types of training, however, such as managerial and leadership training is even harder. To forge a proactive strategy of leadership development, leaders must successfully be able to make the case to those that hold the purse strings.

How are they Learning?

For many health care organizations, developing employees’ skills will be an important challenge going forward. However, as we have seen in the health sector, spending on TLD is relatively low. Just how organizations are getting by becomes an important question.

A possible answer is found by looking beyond formal learning. Canadian organizations as a whole seem to be estimating that a lot more *informal* learning is occurring than in the past. In 2004, Canadian organizations estimated that 33 per cent of all learning within their organization was done informally. In 2006, that number had risen to 42 per cent. There may well be an increasing reliance on informal learning in workplaces in Canada.

Formal versus Informal Learning

All learning can be described as either being formal learning or informal learning.

Formal Learning

The *organized transfer* of work-related skills, knowledge and information. It includes activities such as classroom courses, structured on-the-job programs, workshops, seminars, instructional CDs and online courses.

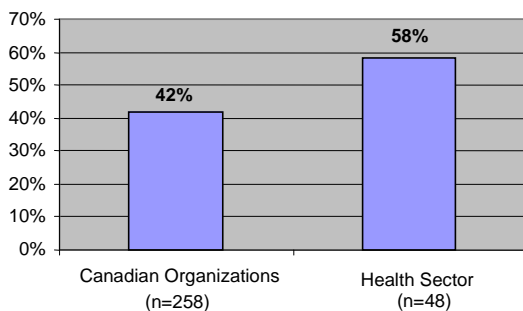
Informal Learning

The *unstructured transfer* of work-related skills, knowledge and information, usually during work. It includes ad hoc problem solving, incidental conversations, some types of coaching and mentoring, group problem-solving, lunch and learns, and communities of practice.

Source: The Conference Board of Canada.

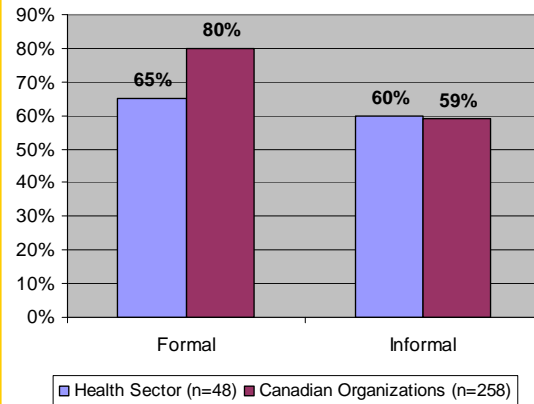
It would appear that if anything, Canadian health care organizations are even more reliant on informal learning than Canadian health care organizations as a whole. Respondents estimated that 58 per cent of all learning in their organizations occurs through informal means. (See Chart 8 below.)

Chart 8: Amount of All Learning Occurring Informally in the Organization



If the health sector is more reliant on informal learning, then it may have to support its occurrence in the workplace more. And it is true that 71 per cent of responding health care organizations report that they demonstrate support for informal learning on the job. However, their support for informal learning is no more prevalent than what Canadian organizations as a whole report (70 per cent of Canadian organizations as a whole also reported that they support informal learning).

Chart 9: Organizations with Formal and Informal Learning Goals Included in Development Plans



Health care organizations are somewhat less likely to include formal education goals as part of employee development plans than other organizations. They are however, as likely as Canadian organizations as a whole to include informal goals as part of development plans. In fact, health care organizations seem to include informal plans almost as frequently as formal ones. (See Chart 9 above.)

“The health care community is in a continuous learning mode... But how to corral that into a personal development plan?” – Executive Director, National Health Charity

Responding health sector organizations are not significantly more likely to have a budget set aside specifically for informal learning opportunities than Canadian organizations as a whole (33 per cent versus 28 per cent). However, those responding health care organizations that do have budgets for informal learning have a higher proportion set aside than Canadian organizations with informal learning budgets. Responding health care organizations with

budgets for informal learning set aside 45 per cent of the TLD budgets to informal practices. Canadian organizations as a whole that have budgets for informal learning set aside on average 20 per cent.

These data on how health care organizations learn, point to some interesting findings with respect to informal learning:

The health sector may rely more on informal learning.

- In general, the health sector does not support informal learning any more than Canadian organizations as a whole.
- There seems to be a contingent of health care organizations that are supporting informal learning to a great deal, including sizable financial budgets.

Chapter 4: Leadership Development

So far, this report has discussed how Canadian health care organizations are developing their staff.

Although these TLD strategies include leadership development, they also include many other types of skills development as well. This chapter will discuss leadership development directly. The previous chapter raised the following question: if development is so important, and yet spending on development is relatively low, how *are* Canadian health care organizations developing tomorrow's leaders?

Coaching and Mentoring Programs

Mentoring Versus Coaching

Mentoring and coaching programs support leadership development, but involve different processes.

Mentoring

The process by which individuals transfer their knowledge and experiences in a one-on-one counseling or teaching role to improve the learning or development of less experienced workers.

Coaching

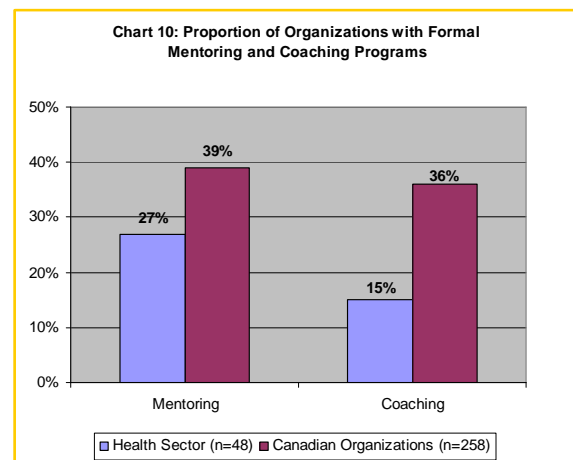
The process by which individuals impart advice or expertise in tutoring or collaborative situations to develop the professional or organizational performance of other workers.

To put it in more colloquial terms, a coach is like the coach of a sports team, a mentor is like the veteran captain. The key difference is that mentoring focuses on the *transfer* of knowledge and skills. Coaching is more about the *development* of knowledge and skills.

Both mentoring and coaching can be either formal or informal relationships. Informal relationships probably occur all the time in organizations on their own. Some organizations formalize these relationships. It is these formalized relationships that we are discussing here.

Source: The Conference Board of Canada.

Coaching and mentoring are two types of one-on-one, highly interactive means of developing leadership talent into effective leaders. (For definitions of both please see above box.) Formal coaching and mentoring programs have become popular ways in which organizations develop their pool of leadership talent. They are also common in organizations in the health sector. Currently, 27 per cent of responding organizations have formal mentoring programs in place. Another 17 per cent are considering introducing a formalized mentoring program. Meanwhile, 15 per cent of responding organizations have a formal coaching program, with another 13 per cent considering one. Although formal mentoring and coaching programs are relatively common in health care organizations, they are less common than they are in Canadian organizations as a whole. (See Chart 10 below.)



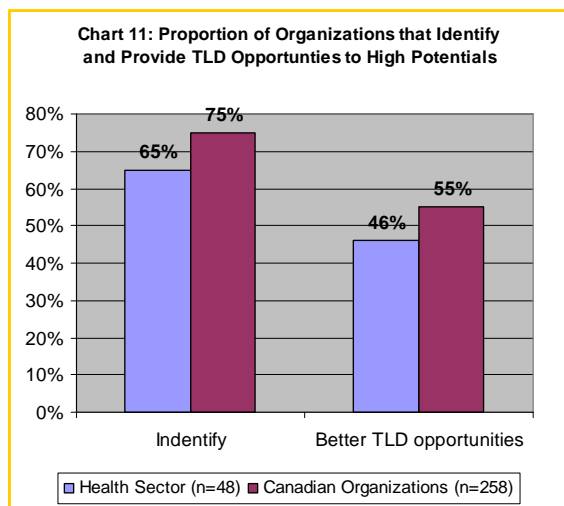
Identifying High Potentials

"I was tapped on the shoulder." – CEO, Regional Health Authority

Another common practice to develop future leaders is to identify those individuals that have high leadership potential. Often, these high potential individuals are

given more training, learning and development (TLD) opportunities. In this way, tomorrow's leaders can be groomed early and effectively.

Identifying high potentials is a common practice in health care organizations. Nearly two thirds (65 per cent) of responding organizations currently identify high potentials. Many organizations are also taking that next step by providing their high potentials with greater learning and development opportunities compared to those not identified as high potentials. Nearly half (46 per cent) of all responding organizations not only identify high potentials, but provide them with greater learning and development opportunities than employees not identified as high potentials. Although this is common, again these programs seem, if anything, to be slightly less common than in Canadian organizations as a whole. (See Chart 11 below.)



Leadership Development Practices

“The health care community has an imminent leadership shortfall on the near horizon.” – CEO, Rural Hospital

The table below indicates the proportion of organizations offering different types of leadership development to middle management, senior management and high potentials. (See table 2 below.) It shows that many other types of programs are available at organizations within the Canadian health sector. Purchasing leadership development “off the shelf” from external trainers is a common way to develop leadership talent, especially among middle

managers, where 73 per cent of responding organizations are involved in that practice. In-house programs are also quite common to middle and senior management, slightly less so for high potentials.

Table 3: Proportion of Health Care Organizations Offering Various Leadership Development Practices to Certain Groups

| <u>Leadership Development Practice</u> | <u>Middle Management</u> | <u>Senior Management</u> | <u>High Potentials</u> |
|---|--------------------------|--------------------------|------------------------|
| External Off the Shelf (Developed and offered externally) | 73% | 65% | 33% |
| In House Leadership Programs (Developed and offered internally) | 56% | 50% | 29% |
| Executive Education (at College/University) | 31% | 50% | 25% |
| 360 Degree Assessments (standardized survey of superiors, co-workers and staff) | 29% | 38% | 10% |
| Coaching* | 33% | 27% | 27% |
| Mentoring* | 33% | 27% | 33% |
| Planned Career Assignments (job assignments with different divisions or regions, etc) | 29% | 23% | 35% |
| Action Learning (simulations) | 19% | 15% | 13% |
| Other | 6% | 2% | 6% |

* Note: Respondents were asked what employee groups were involved in coaching and mentoring "practices". Earlier, they were asked to whether their organizations had "formal programs" of mentoring and coaching. This difference in terms might explain the higher numbers seen here than previously mentioned above.

Table 4: Proportion of Health Care Organizations Offering Various Leadership Development Opportunities to Certain Groups

| Leadership Development Practice | Groups | |
|---|----------------------|--------------------------------|
| | Health Sector (n=48) | Canadian Organizations (n=258) |
| External Off the Shelf (Developed and offered externally) | 79% | 85% |
| In House Leadership Programs (Developed and offered internally) | 58% | 74% |
| Executive Education (at College/University) | 58% | 69% |
| 360 Degree Assessments (standardized survey of superiors, co-workers and staff) | 46% | 49% |
| Coaching* | 44% | 53% |
| Mentoring* | 44% | 40% |
| Planned Career Assignments (job assignments with different divisions or regions, etc) | 44% | 55% |
| Action Learning (simulations) | 25% | 27% |
| Other | 6% | 7% |

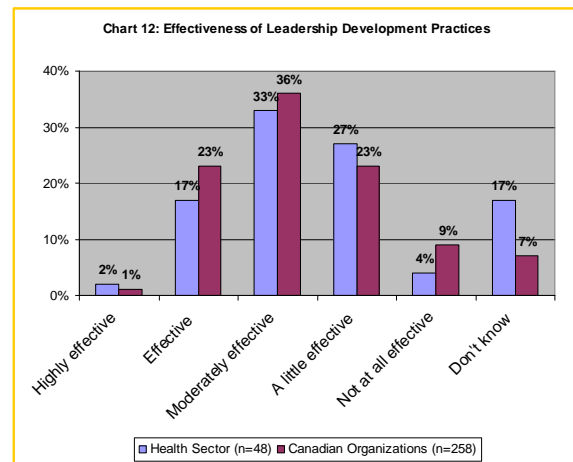
* Note: Respondents were asked what employee groups were involved in coaching and mentoring "practices". Earlier, they were asked to whether their organizations had "formal programs" of mentoring and coaching. This difference in terms might explain the higher numbers seen here.

However, again in comparison with Canadian organizations as a whole, the data indicate that health care organizations are a step behind. There is a subtle trend that, although many different types of leadership development practices are being undertaken by health sector organizations, they are less common than in Canadian organizations as a whole. The chart below shows the proportion of organizations that utilize a given practice to any middle managers, senior managers or high potentials.

(See Table 3 below.) Health care organizations are slightly behind on almost all practices.

Effectiveness of Leadership Development Practices

Respondents held mixed opinions on the effectiveness of their leadership development practices. A third of respondents (31 per cent) felt that their practices for preparing leaders were either not at all effective or only a little effective. Another third (33 per cent) felt that their practices were moderately effective. The final third was split between those that felt that their practices were effective (or highly effective) at 19 per cent, and those that did not know at 17 per cent. (See Chart 12 below.) This lack of conviction over the effectiveness of the leadership development practices is seen in Canadian organizations as a whole as well. Organizations in the health sector are no more convinced of the effectiveness of their leadership development practices.



The leaders who were interviewed represented a wide variety of organizations. It was not surprising then, that the leadership development background of the leaders interviewed was equally as diverse. Some leaders had considerable formal leadership development, while others had very little. Their opinions varied about the effectiveness of leadership development programs. Some felt that formal leadership development and educational attainment was critical in grooming effective senior executives, while others felt that hands-on experience was the only real way of developing leadership skills. Some emphasized that only a small percentage of people really had what it takes to take on a senior

management role, while others spoke of “lighting the spark in everyone”. As a result, it was not surprising that some managers felt that it was their formal leadership development experiences that allowed them to succeed, while others felt that they were left to do so on their own.

“You get what you ask for and maybe ineffective leaders are not any better...People must be cautious in understanding that leadership development has limitations.” – CEO, Health Care Accrediting Body

Some leaders felt that leadership development in the health sector could be improved in the following ways:

- Formal training should be more practical and hands-on. It does not need to be so theoretical.
- Health care leadership should be more closely tied to the specific complexities of the health care system.
- Business skills should be emphasized more.

Many health care leaders interviewed were the first to admit that health care organizations do not do enough long term planning. According to them, they need to demonstrate strategic planning practices as evidenced in the private sector. As a result, many leaders in health care felt that the health sector is inherently reactive rather than proactive. It can only change when faced with a crisis. They believed that the

leadership issue is not viewed as a crisis. So until the health sector views leadership development as a crisis, not enough will be done.

“Elsewhere change is the norm. Here it is the exception... health care as a whole looks at six months down the road. Business looks five years down the road all the time.” – CEO, Rural Hospital

Working Towards a Leadership Solution

Although there was a lot of frustration, there was also a lot of optimism and determination. There was a commitment from all leaders interviewed to develop a leadership strategy on a broader context than in just their organizations. Almost all realized that the need for leadership is not simply an organizational issue, but one for the whole health sector. The consensus was that a national solution must be found. There was a widespread understanding that the only way to fix the problem is to work together and get beyond the silos of differing professions, regions and mandates.

“We need to bring all the players to one table so we don’t duplicate or step on each others’ toes.” – CEO, Rural Hospital

Chapter 5: Conclusions

Like all Canadian sectors, the health sector is going to be challenged to develop and maintain a highly skilled workforce. Continued change to the health sector in terms of technology will make new skills essential to delivering high quality care. The aging population will thin the ranks of highly skilled employees, while putting increased demand on the health care system, likely causing the health sector to expand its workforce. This trend may have started already as the health sector is experiencing high rates of employment growth. Annual growth in the health care and social assistance sector is above three per cent.²² New employees will need to develop the right skills so that growth in the health care system does not mean a reduction in the quality of service. Training, learning and development (TLD) may be part of the solution mix for many organizations in the health sector.

Developing leadership in the health sector is part of this challenge. New employees will need experienced leaders to manage how the increased demand on the health care system will be met. Existing employees today will need to be developed into the leaders of tomorrow. However, the health sector will be particularly challenged in developing those leaders. Many of today's leaders will soon be retiring. This will make it difficult for organizations to add to their leadership ranks, while fighting hard to maintain current numbers. Effective succession strategies are just the beginning of this process. A more in-depth strategy of leadership development may be required.

The health sector is being challenged to develop the needed skills and leadership talents of its workforce. The challenge is likely exacerbated due to several facets of the health care organizations. Findings of this research initiative show that health sector organizations:

- often lack a centralized training function to implement, direct and evaluate the development requirements of staff;

- spend less on the training, learning and development of each employee (perhaps 25 per cent to 35 per cent less);
- have employees that are less satisfied with their TLD budgets;
- offer fewer formal leadership development practices for their emerging leaders; and
- are not convinced of the effectiveness of their leadership development practices.

Further, developing emerging health care leaders will become an important priority as the health sector moves forward. It is clear that the health sector has a considerable way to go to catch up to Canadian organizations as a whole — which itself is not a class-leading benchmark.

The learning that occurs in health care organizations also seems to happen differently than in other organizations. Health care organizations seem to rely more on informal learning. Currently, it is estimated that 58 per cent of all learning occurs informally. However, they do not seem to support informal learning any more frequently.

Despite all this, health care organizations do have assets that could help the health sector achieve the change it requires. There are some positive findings with respect to TLD in the health sector that can be leveraged to effect needed change:

- TLD is a high priority to health care organizations;
- Many health Care organizations are “learning organizations”, meaning they effectively use new knowledge to change behaviour; and
- TLD budgets are expected to grow; and
- Senior health leaders are committed to working together to find a solution.

²² Statistics Canada, *Labour Force Survey*.

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Appendix B: Sample Characteristics

The mandate for the Canadian Health Leadership Network involves a very broad definition of the health sector. Their aim is to develop leadership “across a broad cross-section of the health community in Canada”.²³ As a result of this approach the population sampled for the purpose of the survey included a varied spectrum of organizations involved with the delivery of health care, its policies and people. The survey was delivered to health authorities, health care professional associations, charitable organizations, education institutions, government ministries and others.

| | Respondents |
|---|-------------|
| Regional Health Authority | 16 |
| Professional Association/Licensing Body | 14 |
| Health Care Institution | 11 |
| Health Charity | 3 |
| Health Education | 2 |
| Provincial Government | 1 |
| Hospital Foundation | 1 |

| | Respondents |
|---------------------|-------------|
| <\$10 million | 13 |
| \$11-\$25 million | 6 |
| \$26-\$50 million | 6 |
| \$51-\$99 million | 8 |
| \$100-\$500 million | 8 |
| \$501-\$999 million | 3 |
| \$1 billion + | 4 |

The respondents that make up the sample for this report then represent a wide variety of organizations, from East to West, from big to small, from front line

service delivery, to behind the scenes policy analysis. A full third of responding organizations (16 of 48) are regional health authorities. Another significant proportion of the sample was made up from professional association and licensing bodies (14). A final large group indicated that they were a health care institution. See table 5 above for the full list.

As a result of the varied types of organizations, the size of the organization also varies greatly. 13 organizations have annual budgets of less than \$10 million dollars, while four organizations have budgets in excess of \$1 billion dollars. (See Table 6 above.) The trend holds when examining organizations by number of employees. 11 have 25 or fewer employees, while 18 have more than a thousand. (See Table 7 below.) There are a number of very large organizations in the sample and a number of very small ones, with fewer mid-sized ones.

| | Respondents |
|------------|-------------|
| 1-25 | 11 |
| 26-50 | 4 |
| 51-99 | 3 |
| 100-249 | 2 |
| 250-499 | 4 |
| 500-999 | 5 |
| 1000- 4999 | 11 |
| 5000+ | 7 |

The trend towards very different organizations continues with regard to the degree of unionization within the organizations. Seventeen organizations have no unionized employees at all. Twenty-nine organizations indicated that their workforce is highly unionized (50% unionized or higher). Only two organizations had proportions of workers being unionized in the 1-49% range. In general, either

²³ Canadian Health Leadership Network (CHLNet).

organizations were either highly unionized, or had no unionization at all. The two groups seem to balance each other out since when taken altogether as the sample had an average unionization level of 50 per cent.

The sample consists of organizations from across Canada. Organizations in the sample come from 9 provinces (all save Prince Edward Island), with none from the territories. Almost half came from Ontario, likely a combination of Ontario's large population and that many national bodies are headquartered in Ottawa. (See Table 8 below.)

| | Respondents |
|---------------------------|-------------|
| Newfoundland and Labrador | 2 |
| Nova Scotia | 2 |
| Prince Edward Island | 0 |
| New Brunswick | 2 |
| Quebec | 2 |
| Ontario | 23 |
| Manitoba | 2 |
| Saskatchewan | 6 |
| Alberta | 6 |
| British Columbia | 2 |
| Territories | 0 |
| Unknown | 1 |

The main question here is what does the sample represent? What population is it trying to measure? And to what extent is the sample representative of that group? As mentioned above the mandate for the CHLNet seeks input from very broad cross-section of health care organizations. Basically, if an organization was primarily involved in some of form of health care, from policy to research, the CHLNet wanted to measure their employee development strategies. Although being very inclusive, this was a challenge since it was very hard to understand the make-up of such a diverse group. Clearly the wide range of organizations in this sample, the very small to the very large reflects this.

With the population so diverse, it is hard to say precisely whether or not the sample is representative of the population. The moderate number of responses does not help the matter either. The results do not form a scientifically, objective, quantitative measurement of the training, learning and development in health care organizations. One must not overstate the empirical *validity* of the data. Rather the researchers looked for trends and for convergence with other information before making conclusions. At the end of the day, the sample, the survey and the data described in this document were meant as a starting point to the discussion of what is happening in the health sector with respect to leadership development.

Appendix C: Key Findings from *Key Informant Interviews*

The key informant interviews were successful at shedding further light on the status of training, learning and development (TLD) in the health sector. These interviews particularly emphasized the status of leadership development. These findings have helped add valuable information and context to this report. Below are the key findings that came out of those interviews.

1. There is general consensus that employee development is important. Some institutions are in fact academic hospitals where education is part of their mandate. But they are not the only ones who feel that education is part of their organizational culture. But this culture of learning may not extend beyond clinical/technical training. It is possible to get budget approval from the ministry and the boards for clinical and technical training. But can other types of training, such as leadership development get sufficient budgets?
2. The importance of employee development may be a recent realization. In the 1990's, the cutbacks culled education budgets. They are now paying for those decisions. In the last few years it has become increasingly important to health care organizations. Today, most organizations seem to either have a plan unveiled in the past 4 years, or are in the midst of formalizing their plan. There is a sense that mindsets are changing in this regard.
3. There are organizational pressures that make effective employee development difficult. The first is pressure put on people's time. Employees have many responsibilities on the job and rarely have the time to take training. Often training is seen by employees as another task to get done during the day and one that is not absolutely currently necessary. The second pressure is budgetary. Even organizations that have the money are under pressure to put the money towards "the cause" and not on "administration costs" like training.
4. Health care organizations do not do enough long term planning. They need to do five year planning as regularly as they do in the private sector. Many feel that the health sector is inherently reactive rather than proactive. It can only act on crises. Until something comes along to force it to move, there is a sense of inertia. Staff training, including leadership development, is not yet viewed as a crisis. So until it does become a crisis, little will be done.
5. The TLD system in the health sector does a good job at providing clinical/technical training to its staff. It is a tactically based system that may overlook the business, administration and leadership training that would improve the health sector on a strategic level. As a result, front-line managers are often promoted from clinical/technical positions to managerial positions with insufficient management and leadership skills. This does appear to be changing. Many organizations are creating the means by which people get the skills they need to do the next job.
6. There is a commitment to discuss employee development, and particularly a leadership strategy, in a broader context than merely at their organizational level. Almost all realize it is not just an issue for their own organization, but in fact an issue for the whole community. Most leaders are dedicated to finding answers for the community at large. There is a commitment to work together to get beyond the silos of differing professions, regions and mandates.
7. Despite a willingness to work together, there is a keen sense that there is a tight labour market. Organizations are doing what they can to attract and retain the best. And if that means an employee development plan then so be it. If it means that they wrest away qualified, skilled professionals from another, so be it.
8. There is a sense that the health sector cannot offer the same pay as the private sector. If that is true then they are considering what else they have to offer employees. Some leaders point to a work/life balance. Many spoke of "the cause", where people are passionate about what they are doing. But others spoke that an emphasis on career development may be a way to recruit and engage their workforce.

9. Further, although leadership is agreed to be an important need, many feel that it is only one of many skills that will be needed. Leadership development is only one of many development needs. The “skills crunch” will effect all positions. In fact, some people feel that leadership is not the problem per se, but providing leaders with the right skills, such as business skills, is where the real challenge is.
10. There are a wide variety of organizations in the health sector. There is an equally wide variety of leaders in the health sector. Many have very different backgrounds. No one qualification is the key (although the Masters of Health Administration does seem to be a common credential, especially at the hospital and RHA level). This variety continues to their perspectives on the effectiveness of leadership development. Many feel that they had ample support from formal education and learning environments, other feel they were left to sink or swim.
11. There is a lot of variance in the degree of effectiveness that people place in formal leadership training. Many feel hands-on and mentoring is the only real way to go. Others emphasize formal programs with educational attainment. Again, no single model appears to be clearly favoured. Many feel that everyone is a leader, at least to a degree, while others emphasize that only a small proportion really have what it takes.
12. Some organizations, especially the health charities, emphasize the role of volunteer development in their organization. Some see their volunteers as a great pool of leadership talent to be developed.

Appendix D: Survey Instrument



The Canadian Health Leadership Network Learning and Development Outlook Survey

Please return by May 2nd, 2007 to:

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The Conference Board of Canada
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Ottawa, Ontario K1H 8M7
E-mail: hughes@conferenceboard.ca
Tel: (613) 526-3090 ext. 263
Fax: (613) 526-4857

To receive an electronic version, please contact Derek Hughes using the e-mail address shown above.

Respondent Information:

Name: _____

Title: _____

Organization: _____

Address: _____

City: _____ Prov.: _____ Postal Code: _____

Telephone: () _____ Fax: () _____

E-mail: _____

Your position can be best described as: Executive/Senior Management Middle Management Training, Development, Learning Specialist Other _____

ABOUT THE SURVEY

Health organizations in Canada have identified a common concern about the looming crisis of health care leadership in this sector. They recognize a clear and urgent need to focus on succession planning and leadership development for a broad cross-section of the health community in Canada.

Learning and development are critical components to the improvement of the health community's most prized asset – its human capital. Your organization has been selected to participate in the Canadian Health Leadership Network's Learning and Development Outlook survey. This initiative will examine the learning and development investments, policies and practices in Canadian health organizations. The findings will provide insights into understanding the learning and development issues facing Canadian health organizations – in particular, the issues specific to developing clear career paths in health care for young leaders. In addition, the data allow health organizations to benchmark their overall efforts in learning and development against best practices in Canada.

To bring about effective, unbiased results, The Canadian Health Leadership Network (CHLNet) is working with The Conference Board of Canada. The Conference Board of Canada has considerable expertise in exploring the learning and development environments in Canadian organizations. This survey branches off from that research, modifying the questions asked to be relevant in health organization settings. This allows for a comparison between the health community and the general population of Canadian organizations. The Conference Board was also selected as they provide a trusted, third party perspective to the research at hand.

We appreciate your participation in this survey. A complimentary copy of the report will be sent to all respondents. After completing the questionnaire, mail it back using the business reply envelope that has been provided.

STATEMENT OF CONFIDENTIALITY

To ensure you anonymity, your responses to this survey will be combined with those of other respondents, and results will be reported in the aggregate – responses will not be attributed to a specific organization or individual.

Information collected in this survey will be managed in accordance with the Conference Board's privacy policy.

To review the details of this policy, please see <www.conferenceboard.ca/privacy_policy.htm>

GLOSSARY

GENERAL:

Payroll: includes wages and salaries of employees but does not include benefits or perks provided to employees.

Training/Formal Learning: Training or formal learning is the formal transfer of work-related skills, knowledge and information. It may be offered on-site or at another location during work hours or at other times. It may be paid for entirely by the employer or shared with others. With formal learning, the control of learning rests primarily in the hands of the organization. Please consider only training that was planned in advance with a structured format and a defined curriculum. Training includes such activities as classroom courses, structured on-the-job programs, workshops, seminars, instructional CDs, and formal online courses. Informal, unstructured on-the-job training is **not** included.

Informal Learning: Informal learning differs from formal learning in a number of ways. With informal learning, the control of learning rests primarily in the hands of the learner. Informal learning can be deliberately encouraged by an organization or it can take place even in an environment not highly conducive to formal learning. While informal learning is not typically classroom-based or highly structured, some types of informal learning contain structure, such as a formal mentoring program. Other types may be unstructured and incidental, such as a hallway conversation on work-related matters. Informal learning can include, but is not limited to: external conferences, mentoring, coaching, ad hoc problem solving groups, webinars, briefings, informal discussion groups, lunch and learns, orientation sessions, communities of practice, and so forth.

EMPLOYEE GROUPS:

Non Technical: Refers to positions that do not require the technical skills associated with the professional, technical, scientific or positions but nevertheless do require occupation-specific skills (e.g., administrative and support staff, cleaning and maintenance staff, security guard).

Professional, Technical & Scientific: Refers to positions that require professional-level, technical or scientific skills (e.g. lab technician, policy analyst, social worker, policy analyst, economist, lawyer, legal assistant, accountant, consultant).

Clinical care providers: Refers to positions that provide front line health care services (e.g. nurses, paramedics). Please include any physicians that are on a alternative payment plan.

Supervisory: Refers to managers who manage people at the supervisory or front-line level (e.g., team leader, first line manager).

Middle Management: Refers to managers who manage people and/or processes at the middle-management level. Refers to managers who plan, develop and implement policies and/or programs at the middle level (e.g., director, fire captain, chief planner).

Senior Management & Executive: Refers to managers who manage people and/or processes at the senior or executive levels. Refers to managers who plan, develop and implement policies and/or programs at the senior or executive levels (e.g., Vice-President, Chief Administrative Officer, Commissioner).

Physicians and self-employed professionals: refers to those positions that are not direct employees of the organization but provide services to the organization as a free for service. Physicians that are on an alternative payment play should be considered as clinical care providers.

Volunteers: refers to non-paid members of the community that work with the organization provide service, administration functions or other support.

Elected officials: Refers to senior community members chosen to oversee the operations of the organization (board members).

High Potential Employee: Employees identified with possessing specific leadership skills and attributes and who have the potential to develop into a senior leadership role.

MENTORING:

Definition: Mentoring is where an individual shares his or her knowledge and experience in a one-on-one counselling or teaching role to improve the learning or development of another, usually less-experienced, person.

Formal Mentoring: Refers to a mentoring relationship that is facilitated and supported by the organization. The degree of structure can vary from one organization to another but the organization makes tools available to facilitate the creation and maintenance of the relationship.

Mentor: Refers to an individual who shares the knowledge or experience with a mentee.

Mentee: Refers to an individual who is the recipient of knowledge provided by a mentor.

COACHING:

Definition: Coaching is where an individual imparts advice or expertise in a tutoring or collaborative situation to enhance the professional or organizational performance of another person or group of people.

Formal Coaching: Refers to a coaching relationship that is facilitated and supported by the organization. The degree of structure can vary from one organization to another but the organization makes tools and resources available to facilitate the creation and maintenance of the relationship.

Coach: Refers to an individual who transfers the advice or expertise to the learner or learners.

Learner: Refers to an individual group who is the recipient of expertise provided by a coach.

PLEASE NOTE THAT THIS IS THE SHORTER VERSION OF THE SURVEY. AS WE WOULD GREATLY APPRECIATE RECEIVING COMPLETE INFORMATION FOR THE ANALYSIS, PLEASE INDICATE IF YOU WOULD AGREE TO ANSWER THE FULL VERSION.

YES, WE AGREE TO RECEIVE THE FULL SURVEY.

PLEASE ANSWER *ALL* QUESTIONS IN THIS SURVEY AS THEY APPLY TO YOUR ORGANIZATION

Unless otherwise indicated, please use the same time-period for reporting data throughout this survey:
Report data for the calendar year 2006. If your organization's budget or fiscal year is not the calendar year, please indicate below the 12-month period for which you have training data. *The 12-month period you indicate in this question will be referred to as "2006" for the remainder of the survey.* If you have a detailed business plan for the year 2006, please use it as a guide.

Reporting period: ____/____ (month/year) to ____/____ (month/year)

SECTION 1: ORGANIZATION INFORMATION

Organization Profile

1. The main sector classification in which your organization operates: (check only one)

- | | | | |
|--|---------------------------|--|----------------------------------|
| <input type="checkbox"/> ₀₁ | Regional health authority | <input type="checkbox"/> ₀₈ | Professional association |
| <input type="checkbox"/> ₀₂ | Health care institution | <input type="checkbox"/> ₀₉ | Health research |
| <input type="checkbox"/> ₀₃ | Community based care | <input type="checkbox"/> ₁₀ | Health policy |
| <input type="checkbox"/> ₀₄ | Public health education | <input type="checkbox"/> ₁₁ | Health charity |
| <input type="checkbox"/> ₀₅ | Federal government | <input type="checkbox"/> ₁₂ | Health promotion organization |
| <input type="checkbox"/> ₀₆ | Provincial government | <input type="checkbox"/> ₁₃ | Patient groups |
| <input type="checkbox"/> ₀₇ | Municipal government | <input type="checkbox"/> ₁₄ | Professional education |
| | | <input type="checkbox"/> ₁₅ | Other (please specify): _____ |

2. Annual budget at last fiscal year ending (month/year): ____/____ (Please check the appropriate box).

- | | |
|---------------------------------------|-------------------------------|
| <input type="checkbox"/> ₁ | \$0 – \$10 million |
| <input type="checkbox"/> ₂ | \$11 – \$25 million |
| <input type="checkbox"/> ₃ | \$26 – \$50 million |
| <input type="checkbox"/> ₄ | \$51 – \$99 million |
| <input type="checkbox"/> ₅ | \$100 – \$500 million |
| <input type="checkbox"/> ₆ | \$501 million – \$999 million |
| <input type="checkbox"/> ₇ | \$1 billion + |

3. How much of your annual operating budget is devoted to payroll
(Include wages and salaries only. (Benefits should not be included.)

Please answer as a dollar figure: \$ _____ **OR** as a percentage: _____%

4. How much of your annual operating budget is devoted to formal training / learning development ?

Please answer as a dollar figure: \$ _____ **OR** as a percentage: _____%

5. Please indicate the number of **employees** in your organization or activities in Canada:

_____ TOTAL EMPLOYEES (IN FULL-TIME EQUIVALENTS)

_____ TOTAL NON-EMPLOYEES (SUB-SECTIONS BELOW)

| | |
|----------------------------------|---------|
| PHYSICIANS | _____ % |
| ELECTED OFFICALS (BOARD MEMBERS) | _____ % |
| VOLUNTEERS | _____ % |

6. Approximately what percentage of employees in your organization belong to a union ? _____%

7. To what degree is learning a priority in your organization?

| | | | | | |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Top priority | High priority | Moderate priority | Low Priority | Not a priority | Don't know |
| <input type="checkbox"/> ₁ | <input type="checkbox"/> ₂ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ | <input type="checkbox"/> ₆ |

8. How satisfied are you that the learning and development activities meet the organization's learning needs?

| | | | | | |
|---------------------------------------|---------------------------------------|---|---------------------------------------|---------------------------------------|---------------------------------------|
| Very satisfied | Satisfied | Neither satisfied nor dissatisfied | Dissatisfied | Very dissatisfied | Don't know |
| <input type="checkbox"/> ₁ | <input type="checkbox"/> ₂ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ | <input type="checkbox"/> ₆ |

9. How satisfied are you that the learning and development budgets meet the organization's learning needs?

- | | | | | | |
|---------------------------------------|---------------------------------------|---|---------------------------------------|---------------------------------------|---------------------------------------|
| Very satisfied | Satisfied | Neither satisfied nor dissatisfied | Dissatisfied | Very dissatisfied | Don't know |
| <input type="checkbox"/> ₁ | <input type="checkbox"/> ₂ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ | <input type="checkbox"/> ₆ |

Training/Learning and Development Structure and Tracking

Learning occurs in the workplace formally

Training/Formal Learning Training or formal learning is the formal transfer of work-related skills, knowledge and information. It may be offered on-site or at another location during work hours or at other times. It may be paid for entirely by the employer or shared with others. With formal learning, the control of learning rests primarily in the hands of the organization. Please consider only training that was planned in advance with a structured format and a defined curriculum. Training includes such activities as classroom courses, structured on-the-job programs, workshops, seminars, instructional CDs, and formal online courses. Please **do not include** informal, unstructured on-the-job training.

10. Is your organization's training/formal learning function *primarily*:

- ₁ centralized or
₂ decentralized ?

11. Does your organization track:

- training/formal learning data? ₁ Yes ₂ No
- hours of training/formal learning received by your employees? ₁ Yes ₂ No

SECTION 2: LEARNING INVESTMENT

- | | | | | | |
|---|-----------------------|----|-----------------------------------|----|-----------------------|
| 12. How will your organization's <i>per capita expenditures</i> in training/formal learning change in <u>2007</u> compared to <u>2006</u> ? | Increase (Enter %) | OR | Remain the same (Please check) | OR | Decrease (Enter %) |
| | | | <input type="checkbox"/> | | |
| 13. How will your organization's <i>payments to outside trainers or training companies</i> change in <u>2007</u> compared to <u>2006</u> ? | Increase (Enter %) | OR | Remain the same (Please check) | OR | Decrease (Enter %) |
| | | | <input type="checkbox"/> | | |

14. What percentage of your organization's total training/formal learning expenditure is allocated to each of the following employee categories?

- If you **don't know** the answer, please write "D.K."*
- If the employee category is **not applicable** to your organization or If you have a specific employee category, but no training expenditures are allocated to it, please write "0"*

| Staff Categories | % of Total Training Expenditure |
|---|--|
| Management (<i>e.g. manager, team leader, director</i>) | _____ % |
| Senior management & Executive (<i>e.g. vice president, president</i>) | _____ % |
| Physicians and self-employed professionals | _____ % |
| Elected officials (<i>board members</i>) | _____ % |
| Volunteers | _____ % |
| All other staff | _____ % |
| Total – all staff | 100% |

15. a) Does your organization have budgeted dollars specifically set aside for informal learning opportunities?

- ₁ Yes ₂ No (*If no, please go to question 16*)

b) If yes, what percentage of your organization's learning budget is allocated to:

| | |
|---------------------------------|---------|
| Training/formal learning | _____ % |
| Informal learning | _____ % |

SECTION 3: LEARNING RECIPIENTS, PROVIDERS AND DELIVERY

16. Are formal learning or training goals (courses, workshops) included in employees' individual career development plans (e.g. goals and objectives plan, performance evaluation)?

- ₁ Yes ₂ No ₃ Development plans not done

17. What percentage of your total training expenditure (analysis, design, and delivery) is allocated towards each of the following?

% of Training Expenditures

| | |
|-------------|---|
| _____ % | Executive development refers to developing the leadership skills of current and potential senior executives; focuses on responsibilities for leading organization-wide initiatives and/or major health service units; including decision making, change management, strategic planning, policy and goal setting. |
| _____ % | Management/supervisory skills training refers to programs to improve the ability and effectiveness of employees to lead, manage and supervise projects and teams/groups; includes such topics as human resource management, project and process management, coaching, and planning and budgeting. |
| _____ % | Other (please specify) _____ |
| 100% | Total |

Learning occurs in the workplace informally.

Informal Learning Informal learning differs from formal learning in a number of ways. With informal learning, the control of learning rests primarily in the hands of the learner. Informal learning can be deliberately encouraged by an organization or it can take place even in an environment not highly conducive to formal learning. While informal learning is not typically classroom-based or highly structured, some types of informal learning may contain structure, such as a formal mentoring program. Other types may be unstructured and incidental, such as a hallway conversation on work-related matters. Informal learning can include, but is not limited to: external conferences, mentoring, coaching, ad hoc problem solving groups, webinars, briefings, informal discussion groups, lunch and learns, orientation sessions, communities of practice, and so forth.

18. What percentage of employee learning in your organization occurs through:

| | |
|-------------------|--------------|
| Formal learning | _____ % |
| Informal learning | _____ % |
| Total | 100 % |

19. Does your organization demonstrate support for informal learning on the job (e.g. designated time during office hours for reading, work-related conversation with peers, communities of practice, etc.)?

- ₁ Yes ₂ No

20. Are informal learning goals (e.g. mentoring, conferences, etc.) included in employees' individual career development plans (e.g. goals and objectives plan, performance evaluation)?
- ₁ Yes ₂ No ₃ Development plans not done

Mentoring and Coaching Programs

21. Does your organization have a
- a) **formal mentoring** program? ₁ Yes ₂ No ₃ Considering
- b) **formal coaching** program? ₁ Yes ₂ No ₃ Considering

Leadership Development

22. a) Do you identify high potentials in your organization?
- ₁ Yes ₂ No (*If no, please go to question 23*)
- b) If yes, do high potentials receive greater learning and development opportunities compared to non-high potentials?
- ₁ Yes ₂ No
23. How effective are your leadership development practices for preparing leaders to lead in today's complex environment?

| | | | | | |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Highly effective | Effective | Moderately effective | A little effective | Not at all effective | Don't know |
| <input type="checkbox"/> ₁ | <input type="checkbox"/> ₂ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ | <input type="checkbox"/> ₆ |

24. For each of the following leadership development practices, please indicate who is eligible to participate. (Check all that apply)

| | Do not offer | Supervisors and middle managers | Senior managers & executives | High potentials |
|---|---------------------------------------|--|---|---------------------------------------|
| Executive education programs at major colleges and universities (e.g. E/MBA program) | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| In-house leadership programs (e.g. developed internally) | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| External off-the-shelf programs (e.g. developed or offered externally) | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| Planned career assignments (e.g. pre-planned job assignments in different functions &/or regions to build experience & breadth of knowledge) | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |

| | | | | |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Coaching | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| Mentoring | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| 360-degree assessment | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| Action Learning.(e.g.simulations, scenario planning, etc) | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |
| Other (Please specify) _____ | <input type="checkbox"/> ₁ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ |

25. Do you use any technology based leadership development programs?

₁ Yes ₂ No

26. Do you use any external training providers for leadership development programs?

₁ Yes ₂ No

27. How effective do you think External Training Providers are?

| | | | | | |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Highly effective | Effective | Moderately effective | A little effective | Not at all effective | Don't know |
| <input type="checkbox"/> ₁ | <input type="checkbox"/> ₂ | <input type="checkbox"/> ₃ | <input type="checkbox"/> ₄ | <input type="checkbox"/> ₅ | <input type="checkbox"/> ₆ |

28. What percentage of training activities received a return of investment evaluation?

(if none received a return on investment evaluation, please write "0") _____ %

29. A learning organization is "an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights." On the following scale, please indicate how closely this statement characterizes your organization.

| Fully | To a large degree | Moderately | A little | Not at all | Don't know |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> _1 | <input type="checkbox"/> _2 | <input type="checkbox"/> _3 | <input type="checkbox"/> _4 | <input type="checkbox"/> _5 | <input type="checkbox"/> _6 |

**Thank you very much for your participation.
Please return completed questionnaire by May 2nd , 2007**

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