CEO TURNOVER STUDY

Boards Keep Replacing the Wrong Variable

219 hospital CEOs changed seats in seven months. I asked the people who live it what is really driving it. This is what 66 of them said, why the churn will not stop until boards fix the setup rather than the seat, and the questions every board should ask before it authorizes the next search.

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THE SHORT VERSION

In roughly seven months, 219 new hospital CEOs were appointed across U.S. health systems, close to the 241 that all of 2025 produced. When I asked the people who live that churn what is driving it, the largest answer by a clear margin was not a bad-leadership answer. "The job got impossible" took 37 percent, and "no succession bench" another 18 percent. Together, more than half the room is pointing at the setup, not the person in it.

This piece is about what that means for the next board about to authorize a search. If the setup is not diagnosed and fixed first, that search will almost certainly be

followed by another one, and the expensive cycle most systems are now stuck in simply repeats.

I run healthcare executive searches across U.S. health systems most weeks of the year. The seats I fill, CEO, COO, CMO, CNO and physician leadership, are the ones that decide whether a system holds or stalls. So when 219 hospital CEOs changed seats in seven months, the figure Scott Becker keeps tracking, I did not want to theorize about it from the outside. I wanted to hear from the people inside it, and then tell you honestly what I see when I am the one hired to go and replace them.

1. The number, and why it is not what it looks like

219

new hospital CEO appointments, Dec 2025 to early Aug 2026 (Becker's Hospital Review)

241

total for all of 2025, for scale

~31%

of 2026 appointments were COO-to-CEO promotions, up from ~20% the year before

Becker's Hospital Review tracked 219 new hospital and health system CEO appointments, permanent and interim combined, between the last day of 2025 and early August 2026. For scale, the whole of 2025 produced 241. So in roughly seven months the sector had already turned its top seat over almost as many times as it did across the prior full year. At first glance that reads like an instability story, or a bad-leadership story, that a lot of hospital CEOs were not good enough and the market corrected. From where I sit, that is not the pattern.

The churn is not spread evenly across weak individuals. It clusters around seats that have quietly become unsurvivable. The same role, in the same kind of system, keeps burning through capable people on roughly the same timeline. When a job defeats one leader, you can call it a hiring miss. When it defeats three in a row, you

are no longer looking at a people problem. You are looking at a design problem. The number is large enough, and the pattern consistent enough, that it is worth asking the people closest to it what they actually believe is going on.

2. So I asked the people who live it

I ran a poll from my own feed and kept the votes anonymous, so people could be straight rather than diplomatic. The question was simple: what is really driving the wave of hospital CEO turnover? Sixty-six healthcare leaders voted, and a long thread of operators weighed in underneath.

I will be honest about what this is and is not. A poll like this is a straw poll, not peer-reviewed research, and 66 votes is a reading of a room, not a national dataset. But it is a room full of the people who sit in and around these seats, and the result squares closely with what I watch happen when I am hired to fill the vacancy. When the signal from the field and the signal from the desk agree, it is worth taking seriously.

3. The 55 percent that reframes everything

37%
"The job got impossible"

18%
"No succession bench"

55%
point at the setup of the role, not the person in it

Here is the part most of the coverage skips. Put "the job got impossible" and "no succession bench" side by side and you have 55 percent of the people who live this pointing at the same thing. Not a weak leader. A broken setup. A role loaded past what any one person can carry, with nobody built up behind them to share the weight.

That single observation reframes the whole conversation. When a system loses its CEO, the reflex is to run a search and replace the person. But if more than half the market is telling you the problem is the setup, replacing the person just resets the clock on the same failure. You pay for the search, you onboard a new leader into the identical conditions, and eighteen months later you are back where you started, wondering why the "turnaround hire" turned over too.

4. What "impossible" actually means

"The job got impossible" is easy to nod along to and easy to dismiss as a complaint. It is neither. It is a precise description of what has happened to the mandate. Consider what now sits on a single hospital CEO's desk at the same time:

Margins that are thin, flat or negative, with little room for error. A workforce shortage and a burnout problem that never fully recedes. Payers denying and down-coding at scale, increasingly with their own AI auditing tools that strain revenue the system already booked. Consolidation and M&A pressure, as buyer or as target. A physician enterprise that has to be led, not just employed. Platform decisions, Epic among them, that are ten-year financial and operating commitments dressed up as technology purchases. Community and political exposure that can turn a clinical or financial decision into a public one overnight. And a regulatory load that grows every year.

Any one of those is a job. Stacked together, and frequently handed over with less authority and fewer resources than the accountability that comes attached, they produce a seat that chews through good people on a predictable cycle. None of this excuses a genuinely weak leader. It describes the conditions a strong one is now being asked to survive, and it explains why the survival rate is falling.

5. The quiet answer underneath the loud one

Eighteen percent named "no succession bench," and in my experience it sits directly underneath "impossible" rather than beside it. A leader with nobody ready behind them absorbs every hard call alone, and a role with no relief valve gets heavy fast. One of the operators in the thread, who leads in post-acute, put it exactly right.

> **"A leader with nobody ready behind them carries every hard call alone, and the job gets heavy fast. When I've hired leaders, one question told me a lot: who have you developed who now runs something bigger than you gave them."**
>
> Dr. Shubam Gautam, post-acute executive

Systems do not build benches for understandable reasons, none of them good enough. Short-term pressure crowds out the long work of developing people. Development looks like a cost until the moment you need it, at which point it is priceless and unavailable. Incumbent leaders, stretched themselves, rarely have the time or the incentive to grow a successor who could one day replace them. And too many boards treat succession as a document reviewed once a year rather than a practice run continuously.

A real bench is not a slide in a board deck. It is two or three leaders a layer down who are being deliberately stretched, handed real profit-and-loss responsibility, and made visible to the board before there is a crisis. Where that exists, the next CEO transition is a promotion and a steady hand. Becker's own data hints at the scramble underneath: COO-to-CEO promotions jumped to roughly 31 percent of all new CEO appointments in 2026, up from about 20 percent the year before, as boards reached for the nearest ready hand. Where that hand has genuinely been developed, the transition holds. Where it does not, every transition is a panic and an outside search, and the new arrival inherits the same thin air that pushed the last one out. A CEO without a bench is not only a succession risk. They are a flight risk, because the role never gets lighter.

6. Accountability without authority

Under both of the leading answers sits a single mechanism, and one of the sharpest voices in the thread named it directly. Holly Young is a CHRO who has sat in the interim CEO seat herself, so she has seen this from both sides of the table.

> **"CEO turnover isn't always a leadership failure. Sometimes it's a governance failure disguised as a hiring decision. Boards approve strategies, hire executives to execute them, and then replace those executives when the results don't materialize. But how often does the board examine whether the operating model was capable of supporting the strategy in the first place? The question I would love to see answered is how many of those 219 departures actually resulted in a better-performing organization, versus simply another expensive executive search."**
>
> Holly Young, CHRO and former interim CEO, private equity and healthcare

That is the heart of it. The board approves a strategy. It hires a leader to execute that strategy. When the results do not come, it replaces the leader, and it rarely stops to ask whether the operating model, the resources and the authority it provided were ever capable of delivering the strategy in the first place. The CEO is held accountable for an outcome they were never equipped to produce. The turnover that follows is recorded as a leadership failure, when a fair reading would call it a governance one. Her closing question should be printed on the wall of every board that is about to open a search: did the last change actually produce a better organization, or just another expensive search?

7. On the way out, they look identical

Here is the judgment that makes this hard, and it is the one I spend most of my time helping boards get right. A mediocre leader and a strong leader handed an impossible setup look almost identical on the way out. The results stalled, the

board lost confidence, the departure got arranged. From the outside, the two stories are indistinguishable, and boards routinely file the second as the first.

The difference is not visible in the outcome. It is visible in the setup. Did the leader hold the authority the accountability implied, or only part of it? Did they inherit a bench or an empty one? Was the operating model capable of the strategy, or quietly not? Was the trajectory improving before it stalled, or was it never going to work with the resources on the table? Answer those honestly and the two leaders stop looking the same. The boards that can tell the difference stop replacing the wrong variable. The boards that cannot keep swapping out people and keep getting the same result, because the thing that was actually broken was never on the hiring committee's agenda.

8. What the data asks of a board

Three things, and not one of them is "run another search."

Diagnose the setup before you judge the person. Before you conclude the leader failed, establish whether the operating model, the resources and the authority added up to the strategy you approved. If they did not, no hire fixes that, and the next leader will fail in the same place. This is the single cheapest and most skipped step in the entire cycle.

Build the bench before you need it. The systems that are not in crisis are the ones that developed leaders a layer down, so the next move is a promotion rather than a scramble. Succession is not a once-a-year HR file. It is the cheapest insurance a board can buy, and the only version that works is the one you fund before the emergency, not during it.

Hire for the setup you actually have, with eyes open. The best appointments I make are not the ones with the glossiest resume. They are the ones where the board and the leader are honest with each other up front about what the job really is, what authority and support come with it, and what winning looks like in year

one. A candidate who understands the real shape of the seat, and signs up for it anyway with the resources named, is worth far more than a star who was sold a version of the job that does not exist.

Before you authorize the next search, ask

1. Did the departing CEO actually hold the authority, resources and operating model needed to deliver the strategy we approved?
2. What has changed about this role over the last five years that we have never properly resourced?
3. Who sits one layer down, and are we developing them or merely employing them?
4. If we replace the person and change nothing else about the setup, what honestly makes the outcome different this time?
5. Are we hiring for the job as it is now, or for the job as it was when we last wrote the description?
6. Have we been straight with candidates about what this seat actually carries, or are we selling a version that does not exist?
7. What would it take to keep our strongest internal leader, and have we offered it?
8. Did our last leadership change produce a better-performing organization, or just another search?

9. The same pattern runs through the clinical suite

This is not only a CEO story. The identical mechanic runs through the CMO, CNO and physician-enterprise seats I fill. Clinical leaders are increasingly handed operational accountability without the operational authority to match it, asked to own throughput, quality and cost while sitting a step removed from the levers that actually move them. The result is the same quiet burnout and the same revolving door, one tier down, and it feeds the instability at the top. A system that fixes the setup only for its CEO, and leaves its clinical leaders carrying accountability they cannot act on, has solved a third of the problem.

10. The bottom line

> **"219 is not a leadership crisis. It is a design problem wearing a leadership crisis costume."**

The turnover is real, the strain on these leaders is real, and some share of those departures genuinely were the wrong people. But the data from the people who live it, and the pattern I watch from the desk, both say the same thing: the dominant driver is the setup, not the seat.

The boards that understand that will spend the next two years diagnosing operating models, building benches and contracting honestly with the leaders they hire. The boards that do not will spend it running searches, and running them again, replacing the one variable that was never the problem. I would rather help a board do the first. It is cheaper, it is kinder to good people, and it is the only version that actually ends the churn.

That is the view from the desk.

LET'S TALK ABOUT THE SEAT, AND THE BENCH BEHIND IT

If you sit on a board or in the chair and you are weighing the setup, the succession bench, or the next search, that is the conversation I have every week. Confidential, from the desk, no pitch.

Book a confidential conversation

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