



Physicians Key in Value-Driven Environment

Executive and board support is needed for physician leadership that lasts.

Collaborative leadership with physicians will be essential for hospitals to successfully create and maintain agile organizations that can compete in the rapidly changing healthcare landscape. From traditional leadership roles to new responsibilities, clinician participation and input is crucial for making logical and lasting changes in care delivery.

It falls to the C-suite and the board not only to demonstrate commitment to developing and supporting physician leaders, but also to provide the vision and resources to hold the course.

Although relatively few physicians serve in executive leadership roles, identifying those who are willing to lead may not be a daunting task because physicians have their own reasons for effecting change. However, because engaging physicians in leadership is a key strategy for success in today's value-driven environment,

healthcare executives and boards must work together to pave the way for successful physician leader development. Some physicians are eager to make the transition—more than you may realize.

“Primary care doctors in particular are getting worn out, especially with the data requirements resulting from healthcare reform,” says Gordon Barnhart, senior partner, physician leadership and performance, with the O'Brien Group. More doctors taking on leadership roles in healthcare organizations may have a positive impact and reduce the stress of the changes accelerated by reform requirements, he says. However, physicians' success in new roles depends on putting into place a viable structure to build and sustain physician leadership. “Creating the architecture is the name of the game for healthcare organizations—you will pay for it down the road if you don't pay attention to it now,” Barnhart says.

It falls to the C-suite and the board not only to demonstrate commitment to developing and supporting physician leaders, but also to provide the vision and resources to hold the course. One of their first actions should be to ensure there

are physician trustees on the board contributing to discussions about physician leadership development. “The best physician board members think strategically and work as team players,” Barnhart says. “They need to be able to hold their own and be respected by other board members. The board will look first to its physician members for their perspectives on physician leadership development needs.”

Physician leaders can fill three types of roles: formal, new and flexible. Formal roles, such as the CMO or other traditional positions, merit analysis to see whether they should be redefined, re-energized or, in some cases, eliminated, particularly as new roles surface that more closely align with evolving care delivery models. Roles may also be reorganized so current leaders are not spread too thin. Some new physician leadership roles, such as the chief medical information officer, are emerging, while flexible roles may serve a purpose for a time and then be phased out. An example of such a role may be a physician who could coach peers on using EHRs.

Physician leadership also is imperative at different levels in the

organization. On the front line, point-of-care physicians skilled in quality and safety improvement and capable of leading multidisciplinary care teams are critical to creating high-value care for patients. Co-managing service lines with other staff members requires physicians who understand budgets, organizational development and management of staff and resources. Physician leaders in the C-suite need to develop and execute skills in visioning and strategic direction to effectively lead the entire organization.

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By definition, agile organizations not only know how to set and execute strategies that match the nature and depth of change in their markets, but also how to match leadership to those strategies.

The board and leadership team should consider their inside pool of potential physician leaders and what kinds of clinical leadership skills should be sought outside the organization. Cultural acceptance, costs and the need for an outside perspective all enter into that equation. For example, some leaders will be most successful if they are established internal leaders respected by their peers.

However, when new skillsets are necessary, the best choice may be a physician leader who comes into the organization with innovative

ideas but doesn't threaten established leaders.

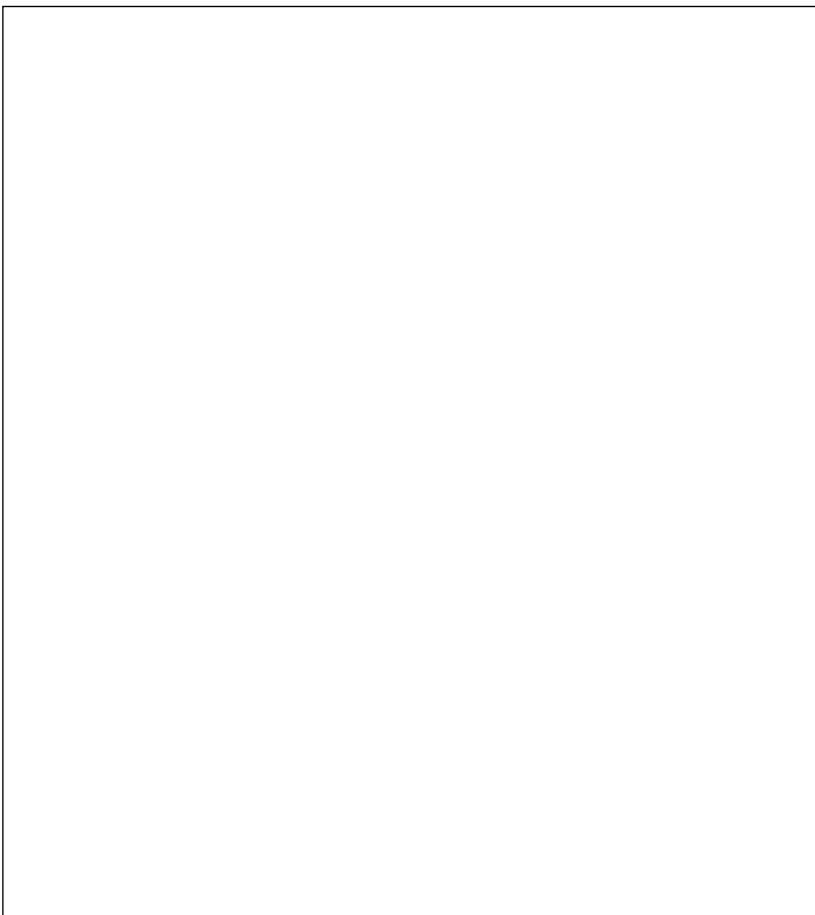
Healthcare boards and executives also should bear in mind that physicians need to achieve practical goals.

"The physician's question will always be, 'What do you want me to make happen? What's the value I can add?'" Barnhart says. "Executives sometimes haven't thought through that question—and it may be best for physicians to take the lead in designing some initiatives because executives don't know exactly what needs to be created. Physicians often have on-the-ground experience that can be applied to designing

physician leader roles in ways that support better performance and outcomes."

A successful physician development strategy starts with these four components: focusing on the evolution toward value-based care, weighing how physicians can best contribute to improving quality and the patient experience, lowering costs, and more efficiently managing resources.

As for the board's needs, trustees will want to know the resources the organization requires to effectively develop physician leaders and the consequences to the hospital or health system of not having enough or the



right kind of physician leadership to achieve the organization's goals.

In addition, CEOs must consider what support their boards need to understand and responsibly monitor physician leadership development. The chief executive should designate an executive-level point person that the board can look to for ongoing updates and education, and he or she should consider making available outside experts who can share what other systems are doing to develop physician leaders.

If physician leadership development is a board priority, a dedicated physician leadership development team should be created. And a board

committee should monitor the team's work using trackable metrics to measure progress.

"Healthcare organization boards and leaders have to know what they want physicians to accomplish in order to measure progress," Barnhart advises.

He adds it may take a year or two to gain the experience necessary to be confident about outcomes and measures, especially for new physician leader roles, so it is best to view metrics development flexibly, refining measures as outcomes continue to be monitored and measured. He also recommends physicians share their leadership

initiatives with trustees at board meetings.

The CEO can expect board members will want physician-leadership-development updates and input on how the board can further help physicians succeed as leaders. "If leadership knows the board will continue to ask for progress reports, they will pay attention, which creates 'dynamic accountability,'" Barnhart says.

Dynamic accountability boils down to frequent and informal check-ins on priority initiatives organized around three questions: what do we have to celebrate, what have we learned since the last check-in and what is the right action going forward?

Ideally, if physician leaders are placed in roles that match organizational priorities, they may view their relationship with the organization in a new light. If physicians see themselves contributing and making a difference in leadership roles, they will view leadership as a mechanism for creating meaning, as they work with the board and executive team to shape the value-based era of healthcare. ▲



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