



What Prevents Breakthroughs In Physician Leadership Performance?

The Tissue Paper Barrier

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A very smart and experienced physician leader recently asked me the following question:

“Why are we so stuck in physician leadership development and performance?”

His healthcare system has invested a lot of time, money and effort in developing physician leaders. They have not been avoiding the challenge. They have had both administrators and physicians involved in trying to achieve the desired physician leadership performance. His is one of the most admired organizations in healthcare and yet, with almost a sense of despair, he asked that question. The answer that popped into my head surprised both of us.

“The barrier to effective physician leadership development and performance has the consistency of tissue paper – but it is opaque, so healthcare systems don’t punch through it.”

The barrier is an outdated mindset about how to design physician leadership roles and relationships and how to develop the leadership competencies that are required in today’s healthcare environment. There is plenty of capability on both the physician and administrative sides to dramatically increase physician leadership performance if they punch through the tissue paper barrier together.

It’s Not an Indictment

That sounds like an indictment, but it isn’t. In dealing with the dynamic balance between the care of patients on one hand and the business of healthcare on the other, we have seen three periods of leadership challenge and response. Prior to the early 1980s there was sufficient money to fund both sides of the balance, so there was relatively little pressure to develop a large number of highly qualified physician leaders. Between the

early 1980’s and 2010 the game changed primarily because of changes in healthcare finance. Significantly more focus was placed on physician leadership development, but the game didn’t change dramatically. Now it has.

Why the Barrier is a Problem Now

Post 2010 the game has changed in fundamental ways – from financial and quality requirements to the integration of care across many corporate boundaries, professions and functions. And the game will keep changing. That means that healthcare organizations must become “agile organizations,” organizations that can design and implement strategies quickly and keep doing so as environmental realities keep evolving.

There is no chance of being an “agile organization” without an extended web of physician leaders that is closely aligned with administrative leaders. That is why the tissue paper barrier is now a problem. The old ways of thinking about physician leadership worked in the past. They won’t now, so we need a new mindset about physician leadership.

Punching Through the Tissue Paper Barrier The Vision

There are two major differences between the old physician leadership approach and the new approach required to build agile organizations:

Physician “Development” vs. “Physician Leadership “Performance”

Previous conversations were mostly about “physician leadership development.” The new conversations need to be about “physician leadership performance.” That is a profound shift and one that will lead to very different outcomes.

Leadership Pipeline and Leadership Web

Previous efforts focused on a pipeline for leadership development that primarily fed a few corporate leadership positions and a committee structure that could manage incremental change. The new focus needs to be on the rapid creation of a flexible web of leaders who can design and implement strategy in a rapidly changing environment – repeatedly. This is not an either/or issue, but the pipeline (in most instances) should not receive more than 20% of the time, attention and resources. The goal is an immediate impact on performance as well as long-term sustainability.

Ten Characteristics of the Required Leadership Web

1. The requirements of leadership are spread across an aligned and extended web of physician leaders
2. The leadership web includes formal and informal roles, large and small roles, roles that are ongoing and roles that are time and task specific
3. Large formal ongoing roles are limited
4. The variety of leadership roles closely matches the key work of the organization
5. The competencies of the physicians in each specific role match the work of that role
6. Physician leadership development is customized to the role and physician and it is delivered through multiple methods. It is most often “on-the-job” and “just-in-time” development.
7. Physician leaders are partnered with their appropriate administrative counterparts
8. Compensation is flexible - a combination of salaries for the large formal roles and flexible reimbursement for most roles
9. Compensation closely matches the work load required and is related to outcomes
10. There is a major focus on the development of a culture of effective followers to complement leadership

Punching Through the Tissue Paper Barrier Four Core Strategies

Building a web of physician leaders is very straightforward. It involves four core strategies: design the web, build the competencies, align compensation and do all of that in a way that is worthy of the physicians who make the commitment to lead. .

Strategy #1: Design the Web of Physician Leaders

- Map the work to be done and design the roles to match that work. The design can include large and small roles, formal and informal roles, roles that are ongoing and roles that are time and task specific. The reason to maintain as much flexibility as possible is to ensure that roles can be matched to work as priority work changes.

Leadership roles can take many forms. Some will be traditional such as CMO and VPMA. Some will become new traditions such as Chief Quality Officer or Chief Clinical Information Officer. Many will be project or initiative specific, such as leading PCMH implementation, the effective use of EMRs or the development of integrated delivery systems. Much of the opportunity and the flexibility will come from developing a variety of roles of smaller scale and scope – or teaming on an initiative - to bring newer leaders into the game and keep those in larger roles from being overwhelmed.

- Design leadership roles to match the available talent and map that talent based on interest and current capabilities. Leadership roles should not be seen as “representative” roles. Talent is the key

factor in selecting physician leaders, not the desire to have departments or organizations represented.

- Expand roles as capability increases. There may be significant numbers of physicians new to leadership roles who will rapidly increase their capabilities and their roles can expand to take advantage of the capability. It is better to start with smaller roles that can be rapidly expanded to match developing capabilities than to overwhelm new leaders.
- Expect that there may be significant, or even dramatic, changes in leadership structure to match the requirements for leadership in the emerging healthcare environment.
- The final step is to carefully recruit physicians into the appropriate roles, orient them and provide as much early support as possible to ensure successful initial experiences

Strategy #2: Customize Physician Leadership Development

- Map the competencies to be developed for the physicians in their specific roles and determine the patterns. There will be a few core competencies that need to be developed for all physician leaders – but only a few.
- Customize a development plan for each physician that matches their role and specific development needs, uses multiple methods and reinforces self-management of the process. In other words development is physician and role specific. It is primarily “on-the-job” training and development and it is “just-in-time.” Customization is key to both conserving resources (from time to money) as well as generating desired results quickly.
- Ensure that the appropriate relationships

are in place – with administrative partners, other physician leaders, coaches or mentors, etc. Reinforce both the importance of self-directed learning as well as frequent and informal accountability checks to ensure the desired experience and outcomes

Note: It is important to have a pipeline for physician leaders in place that takes a longer view, but for most healthcare organizations the strategy recommended here will bring the fastest and most focused benefits as well as significantly influence the leadership culture.

Strategy #3: Tie Compensation to Activities and Outcomes, Not Roles

- This is particularly important in situations where the physicians in leadership roles are also practicing medicine.
- Rather than salaries that are attached to roles and loosely tied to outcomes, tying compensation to specific activities and clear quantitative and qualitative metrics provides both flexibility and clarity about what is being rewarded. Some roles, like full-time physician-executive positions, will have traditional salaries tied to them .
- The leadership flexibility comes in keeping as much compensation as possible tied to the critical work of the organization at any time. When that work is finished, the compensation can be redeployed to new work that becomes the priority.

Strategy #4: Be Worthy of the Physicians Who Answer the Call to Lead (A Challenge for the C-Suite)

- Asking physicians to take on meaningful leadership roles and prepare themselves to do so carries a moral/ethical challenge for healthcare leaders. That challenge is to be worthy of those who say “yes” to the call

- to lead and put themselves on the line.
- We must acknowledge that we are asking physicians to move away, to varying degrees, from their areas of passion and preparation and enter a world that is profoundly different. They are leaving a history of success for the unknown.
 - This is a C-Suite challenge for two reasons. First, physicians will look to the C-Suite to judge whether the organization is really serious about physician leadership performance or whether it will be business as usual. Second, because the approach required now is so different from previous efforts it is the C-Suite that must provide the vision and resources and then

“hold the course.” The C-Suite cannot expect others to go against the entrenched approach to physician leadership development if they don’t lead the way.

Rapidly developing a high level of sustained physician leadership performance is a critical success factor for healthcare organizations in today’s environment. That is a radical change in the game, and it requires a fundamental shift in how healthcare leaders build that performance. Healthcare leaders need to punch through the ‘tissue paper’ barrier and adapt the 4 core strategies. If done with real commitment and follow-through, most systems will be very pleasantly surprised at the level of leadership performance their physicians will achieve – and how quickly they achieve it.

About O’Brien Group

The O’Brien Group® is an executive leadership consulting firm that works with healthcare CEOs, Physician Executives and their teams to strengthen team dynamics, better manage conflict and improve their readiness for reform.

The results: The health systems they work with now tackle big problems with a renewed sense of alacrity, lead their peers on numerous operational measures and have won Top 10 Best U.S. Health System Awards (Thompson-Reuters).

O’Brien Group’s team of former CEOs, psychologists and physicians will help you add new executive work practices, senior leadership approaches and *new ways of thinking* directly into your system’s business issues. They coach your team one-on-one AND as a group to help them think clearer, lead better change and achieve faster results in an environment moving at a speed the human brain has never encountered.

Using your “live” business issues as the agenda, O’Brien Group works alongside your senior administrative and physician executive teams to help you:

- Align system, region, hospital & physician group leadership relationships to accelerate the impact of major change initiatives.
- Improve executive team decision-making and take full advantage of the collective intelligence of the entire team.
- Develop more effective and efficient executive work processes.
- Lead more innovation without hurting operations.
- Train your mind to *lead through* the brain’s normal, automatic and dysfunctional responses to change.
- Create a cohesive and unstoppable senior executive team that exudes the personal courage and integrity that people will want to emulate and follow.

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