Turning Doctors Into Leaders

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Objectives

• Identify and develop strategies and tactics related to developing strong radiologist leaders
True or False?

• Only a radiologist can lead a radiology group?
Turning Doctors Into Leaders

• Harvard Business Review

• Thomas H. Lee
  – an internist and cardiologist, and is network president for Partners Healthcare System and chief executive officer for Partners Community HealthCare, Inc, the integrated delivery system founded by Brigham and Women’s Hospital and Massachusetts General Hospital.
Tough Medicine

• Performance matters
• “Value” is not a bad word
• Improvement in performance requires teamwork
Articulating Vision and Values

• What is the rational and the goals for the change?
  – The need to work differently in the future
  – Public reporting of quality
  – Patients First
    ◇ Physicians and everyone else comes second
Organizing for Performance

• High performance rather the units of service
• Cleveland Clinic
  – One year contracts
Developing a Measurement System

• Using peer pressure to improve performance
• Positive vs. negative motivators
Building Effective Teams

• Team building is a critical competency for leaders
  – Most MD’s did not join a larger group to work collaboratively
Improving Processes

• Lean – The Toyota Process
  – Leadership roles reserved for those who have the training
Cultural Barriers

• Why is value rejected?
  – Autonomy!
  – Appeal to the better angels!
    ◊ “The right thing to do”
Leadership vs. Management
Uniqueness of Governance in a Medical Group

- Shareholders/Owners
- Separated by Specialty
- Specialty Representation Expected
- Management Team
- Board Members
- Employees
- A Peer Group

Governance and Leadership becomes really important in times of change.
Leadership and Management Defined

• Both are distinctive and yet complementary systems of action

• Management is about coping with complexity - multiple tasks, allocating resources

• Leadership by contrast is about coping with change and inciting others into action

• The challenge is to combine strong management and effective leadership and use each to balance the other

“Leadership requires disturbing people.....
...... but at a rate they can absorb”

Leadership on the Line -- Heiftz
Leadership Does...

- Share the dreams and celebrate successes
- Have the pulse of the organization and moves swiftly to proactively respond to internal and external influences
- Provide character and enthusiasm to an organization
- Allow new ideas and other leadership styles
- Appear in many forms if received throughout the organization

Not everything that counts can be counted and not everything that can be counted should be counted.

Einstein

“You only get paid for risk”

Fritz Wenzel
Leadership

- Setting Direction
- Aligning People
- Motivating and Inspiring

Management

- Planning and Budgeting
- Organizing and Staffing
- Controlling and Problem Solving
Why Is It Important For Both?

• For a successful practice, both need to be accomplished effectively

• Physicians and employees will jump on board with a group’s mission and leadership style because of a sense of justice and common vision, but day-to-day, effective management is what will sustain the organization through daily encouragement and reinforcement
Medical Group Governance

**Duty of Care**

Requires board members to have knowledge of all reasonably available and pertinent information before taking action. The board member must act in good faith, with the care of an ordinarily prudent businessperson in similar circumstances, and in a manner he or she reasonably believes to be in the best interest of the medical group as a whole.

1. All board members receive an orientation on the duties of care, loyalty, and obedience to the organization’s purpose.
2. The board regularly reviews policies that specify the board’s major oversight responsibilities.
3. The board routinely seeks the advice of independent, outside experts when evaluating performance of the group.
4. Before approving major projects and transactions, the board or a committee of the board consistently reviews supporting documentation of financial feasibility and considers adherence to the mission.
5. Important background materials are always or nearly always provided to the board and committees at least one week in advance.
6. The board regularly monitors organizational performance against both board-approved goals and industry benchmarks (where available) for finance, quality, customer service, and business strategy.
Duty of Loyalty

Requires board members to discharge their duties unselfishly, in a manner designed to benefit only the corporate enterprise and not the board members personally.

7. All board members receive a detailed orientation and educational updates on the obligations associated with the duty of loyalty.

8. The board regularly reviews policies and procedures pertaining to conflicts of interest.

9. The board enforces a strict policy on confidentiality that requires board members to refrain from discussing board matters with non-board members.

10. Board members who knowingly violate conflict-of-interest and confidentiality policies are subject to removal from the board.

11. Board members are required to complete a conflict-of-interest/disclosure statement annually.
Duty of Obedience

Requires board members to ensure that the organization’s decisions and activities adhere to its fundamental corporate purpose and mission as stated in its articles of incorporation and bylaws.

12. The board takes identifiable steps, such as a mission integration assessment, to ensure that the organization’s mission and core values are understood and followed.

13. The board reviews the mission before or during most board meetings.

14. Before making major decisions, the board considers the impact of the decisions on the mission and rejects proposals that put it at risk.

15. The board or a board committee routinely reviews compensation for executives, board members (if applicable), and other physician leaders (medical directorships, etc.) to ensure appropriateness and alignment with statutory and regulatory guidelines.

16. A system is in place to measure the resources used in support of the organization’s charitable mission.
What can you do that management cannot do?

**Financial Oversight**

17. All board members receive ongoing education on the financial management and health of the medical group compared to industry norms.

18. The board approves long-range and annual capital and financial plans, and monitors results achieved against those plans.

19. The board demands corrective actions in response to under-performance on long-range and annual capital and financial plans.

20. The board requires that the strategic, quality, and master facilities plans are integrated with the financial plan.

21. The board and/or a board committee responsible for audit oversight meet independently with the external auditor at least annually.

22. The board and/or a board committee responsible for audit oversight have the sole authority to select the external auditor and to authorize independent reviews performed by another party if required.

23. The board understands its options with respect to acquiring debt and, if applicable, participates in the establishment of the debt instruments.

- Limited Physician MAU’s
  - Partner Activity
  - Partner Status
  - Hospital Relations
- Network
- Protect
- Compliance
What can you do?

• Gain a great understanding of new and future reimbursement methods.
  – Quality
  – Total cost of care
  – Medical Home

• Understand that you could be more successful if changes were made
  – Friday afternoon clinics
  – Schedules
What Should We Do Differently?

- Recognize the industry is at an important cross road and change is inevitable.
  - If you do not grow ..... 
- Recognize the need to “lead more” and “manage less” 
  - Set Direction and Vision  
  - Spend time on alignment  
  - Motivate and energize  
  - Recognize and reward great management 
- Acknowledge that strategy and planning can not take place on the last Tuesday of each month from 6 PM to 9 PM 
- Ask yourself: 
  - Are we spending enough time on leadership activities?  
  - Are we building the leaders of the future?
Management...

• Provides stability with clear, consistent structure and messages

• Does not settle for today’s successes, nor external accolade.

• “The key to success is to be brilliant in the basics”
  
  *Vince Lombardi*

• “What gets measured gets managed”
  
  *Jack Welch*

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Sense of Direction

• When a clear sense of direction has been communicated throughout an organization:
  – Lower level employees can initiate actions with a better sense of security of doing the right thing (as long as their behavior is consistent with the vision).
  – Because everyone is aiming at the same target, the probability is less that one person’s initiative will be stalled when it comes into conflict with someone else’s.
Motivation & Inspiration

• Motivation and inspiration *energizes* people, not by pushing them in the right direction as control mechanisms do, but by satisfying basic human needs for achievement:
  – A sense of belonging
  – Recognition
  – Self esteem
  – A feeling of control over one’s life
  – The ability to live up to one’s ideals
Motivation & Inspiration (continued)

- Good leaders motivate people in a variety of ways:
  - Continuously articulate the organization’s vision that stresses the values of the group
  - Involve people in deciding how to achieve the organization’s vision
  - Support efforts to realize the vision by providing coaching, feedback and role modeling
  - Recognize and reward success

- The more that change characterizes our environment, the more leaders must motivate people to provide leadership. This is highly valuable because coping with change in any complex practice demands initiatives from a multitude of people.

Nothing less works
It Can Be More Than One Person...
Creating a Culture of Leadership

• Institutionalizing a leadership-centered culture is the ultimate act of leadership

• Recruiting people with leadership potential

• Leadership at an early age

• Create challenging situations

• Getting everyone to act as a leader or owner
When surveyed, what do you think were the most frequent answers given by 95-year-olds when asked: “What do you most regret not doing in your life?”

Answer – Not being a part of something that had lasting intrinsic value – i.e. a legacy

Creating something new that can endure time or individual leaders
Definition of a Succession Organization

- A perpetual organization built to stand the test of time
- Transferred from generation to generation
- An organization that is more than a place to work or a place to make money
Characteristics

• Survives and thrives through the different economic cycles

• Bigger than any one individual

• Recognizes the equal importance of strategy and culture
Characteristics (continued)

- Recruits and retains the people that fit the desired strategy and culture
- Individuals recognize that looking out for the organization is not only a responsibility, it is the best way to develop individual success
- There is a sense of “special”

Is this your Group? How do you communicate this?
What are the Barriers to Success?
Barriers to Success?
Alignment
Aligning People

• A central feature of modern organizations is interdependence, where no one has complete autonomy. We’re tied together by our work, technology, a common purpose, management systems and other facets.

• Put a human face on every story to assist the process of moving forward for the group – patient, employee, founding radiologist...
Aligning People (continued)

• Unless many individuals line up and move together in the same direction, people will tend to fall all over one another. Have you ever seen this with a group of physicians all with their own ideals of how to operate the practice?
Aligning People (continued)

• Visions/strategies are not necessarily accepted just because they are understood but because they strike the core of their professional careers (they want to be a part of the fun). Everybody wants to be on the winning team.

• Challenges in getting people to believe the message:
  - Content
  - Integrity
  - Trustworthiness
  - Consistency (words and deeds)
Acknowledgements

“What Leaders Really Do”
By John P Kotter
Resources

- How to Manage a Group of Professionals: *First Among Equals* (Author: Patrick J. McKenna & David H. Maister)
- Managing the Professional Service Firm (Author: David H. Maister)
- Mind of a Manager Soul of a Leader (Author: Craig R. Hickman)
- Good to Great: *Why Some Companies Make the Leap...and Others Don’t* (Author: Jim Collins)
- Confronting Reality: Doing What Matters to Get Things Right (Author: Larry Bossidy & Ram Charan)
- Executive Intelligence: What All Great Leaders Have (Author: Justin Menkes)
- Winning (Author: Jack Welch with Suzy Welch)
Resources

• Radiology Leadership Institute
• University of St. Thomas
  – Physician Leadership College
    http://www.stthomas.edu/cob/centers/healthmedical/
• American College of Physician Executives
Learning “Hopes”

• Recognize the industry at an important cross road and change is inevitable.
  – If you do not grow ..... 

• Recognize the need to “lead more” and “manage less”
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• Ask yourself:
  – Are we spending enough time on leadership activities?
  – Are we building the leaders of the future?
  – Can I lead and still take 12 weeks vacation?
  – Can we continue to be so “socialistic” in our ways?