ROUNDTABLE

# Physician Leadership Development for a Changing Industry

The role of physicians is changing dramatically. Physicians today are being called on to help lead healthcare organizations through major changes that will impact patient care, cost, and outcomes, as well as be accountable for the business of healthcare. As clinical care becomes entwined with financial results, the chief medical officer is responsible for better results at the bedside and on the balance sheet. Because business skills are not taught in medical school, hospitals and health systems are filling the void with rigorous leadership programs that prepare doctors for this critical new path. HealthLeaders Media recently convened four C-suite executives to discuss the key factors in identifying and developing physician leaders who will be effective in helping healthcare make the leap to value-based care and population health management.

## PANELIST PROFILES

**ROBERT BESSLER, MD**
CEO
Sound Physicians
Tacoma, Washington

**ZIAD HAYDAR, MD**
CMO
Ascension Health
St. Louis

**JEFFREY LIEBMAN**
CEO
Methodist University Hospital
Memphis, Tennessee

**MARK MONTONEY, MD**
CMO
Tenet Healthcare
Dallas

**JACQUELINE FELLOWS (MODERATOR)**
Senior Editor for Physician Leadership and Service Lines
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# Roundtable Highlights

**HEALTHLEADERS:** *What are the components of your physician leadership programs?*

**MARK MONTONEY, MD:** At Tenet, we have a leadership academy that is not exclusive to physicians. Physicians are a very important cohort in the academy, but we also have other clinical, nursing, and operational leaders. The academy was designed this way due to the critical importance of fostering and encouraging teamwork across disciplines. In fact, a key requirement of the 15-month curriculum at the Tenet Leadership Academy is a major collaborative project. A triad of physician, nursing, and operational leaders form a team, are given a defined project, and then work together and collaborate until the project is completed. The expectation is that projects such as these can be scaled into clinical operations.

**ZIAD HAYDAR, MD:** We do the same thing. We have an Ascension Leadership Academy, not exclusive to physicians, to prepare the leadership of the future. Academy participants include physicians, nurses, and other executives from our Health Ministries across the country. We also have an executive formation program, and it too is not exclusive to physicians. It is about people realizing their calling in a broad sense. It's not a Catholic theology school; it's more for people to explore questions like, "What's my personal mission?" "Why am I here?" "Is this a good fit?" It's an intensive program that physicians participate in, and that I have participated in. We also have multiple local continuous quality improvement programs. We are starting some additional work related to our employed physician groups. This act of focusing the employed groups on the quadruple aim of better patient experience, better provider experience, higher quality, and lower cost provides the context for what I call the mini-MBA type of local physician development program, so the education does not work in a vacuum. The education is not about going to school and getting an MBA or going to seminars. It's about the context where it is applied, and it's about the readiness of the organization to empower trained leaders and open seats at the table for them. This new work serves as the basis of physician formation. We are also just launching an interdisciplinary training program for physicians and nurses, which is one of the many MBA-type programs.

**JEFF LIEBMAN:** At Methodist we have a physician program as well. We do it in conjunction with University of Tennessee, and we have the hospital CEOs nominate physicians. We have a class that graduates every six months or so. The reason we do that is, number one, we want them to have more skill sets in business; number two, we're looking for future leaders; and number three, we realize that we've got to turn those informal physician leaders into more formal leaders. During that process, they get projects to work on, which are real-life, real-time projects that are at each institution, and we see whether or not we can apply those. We actually form little workgroups out of those as part of their assignments to graduate, and then we use them and see them as the future leadership on the medical staff at each one of the hospitals, and sometimes at the corporate office.

**ROBERT BESSLER, MD:** We have a Path to Partnership program. To build a team of leaders, it is critical that physicians engage as partners and work to achieve the goals of the hospital and the team. To become a partner in our practice, physicians are evaluated on how they support and live our core values of quality, teamwork, service, integrity, and innovation. Partners also demonstrate a high level of engagement by working on special initiatives and committee involvement with the hospital leadership.

Sound Physicians also developed Sound Core Competencies for our chief hospitalists, organized around the elements of what chiefs need "to be," "to do," and "to know." The "to be" element focuses on who the physician is as a leader and helps them understand their own strengths and areas for further development. They learn how to build and develop their teams. Next is "to do"; here we focus on understanding the value we deliver to our hospital partners and what leaders need to do to drive performance. Finally, the "to know" element is designed to understand the components of our model that drive performance improvement and lead effective teams.

**Robert Bessler, MD**
CEO
*Sound Physicians*

A few years ago we established our Emerging Leaders Program for physicians with high potential and interest in becoming chief hospitalists. Those who are accepted into the Emerging Leaders Program participate in a yearlong development program that includes mentoring and immersion into key leadership and relational skills.

For physicians in residency training, we designed the Compass Program, targeting chief residents who are candidates for leadership roles in the future. We select the best and brightest and

bring them into a 12-month leadership development program and offer a stipend to support their participation. Then, when they start their career with Sound, they are directly admitted into our Emerging Leaders Program.

Sound has a physician development department with a full-time staff of experienced physician leaders. The team's focus is to bring up the next generation of physician leaders. We start with onboarding training followed by development courses and conferences throughout the year for each of our physician leaders.

**HEALTHLEADERS:** *Are other C-suite executives supportive of these physician leadership development programs?*

**Ziad Haydar, MD**
CMO
*Ascension Health*

**LIEBMAN:** Yes. But we do it also for an additional reason, which is some of these places are not the easiest to recruit to for physician leadership. So if you have hospitals in locations that are not as desirable, and it's a competitive world for talent nationally now, then you want people who have roots in the community, and as you develop them it fills some of those key roles for you. It also educates them about the peculiarities of that individual market. Memphis is different than Boston, which is different than Atlanta, etc., which I think everybody really appreciates, and most people do participate. The CEOs are not teaching the program, but they do sit in on all the courses with the physicians who are being developed. The CEOs at every hospital go to the evening courses with them.

**MONTONEY:** The Leadership Academy that I referred to earlier actually started in the Vanguard system that I was part of, before its acquisition by Tenet. It was recognized by the executive leadership team at Tenet that this was a very effective way to identify emerging leaders and give them an additional skill set—bringing them together and having them work through projects that bring value to the organization. There's been great support for that, and I will add that it has also led to additional, discipline-specific leadership groups, such as our CFO forum. We are in the process of developing a similar forum exclusively for physicians. This goes to underscore the importance of building our bench strength internally. It is something that we are very focused on at Tenet.

**HAYDAR:** I believe leadership is key, and CEOs are key. To the extent that the understanding of what success means is role modeled by the CEO and everybody in the C-suite, and then it's cascaded down, then good things happen. The bell-shaped distribution for CEOs around our organization is similar to the bell-shaped distribution of CEOs around the country, with some exceptional leaders and some not as good, but most somewhere in the middle. But we are getting much further. It's no coincidence that the COO and I share the reporting on our system's performance. We stand together before the CEOs and say, "This is where we are," and we finish each other's sentences to role model what the definition of success is and to link the operational margin with the clinical outcomes. I expect us to have more clinical leaders, more physician CEOs. We already doubled our physician CEOs in 2014.

**BESSLER:** We have a component of our leadership philosophy, to Jeff Liebman's point of being in every community, communicating the idea that every doctor is leading every day, whether they realize it or not. Even if they aren't in an official leadership role, they are all leaders. We remind them, "When you're out working in the wards today, there's a team of people looking to you for leadership. If you are effective as a physician, you are a leader in your hospital and community. Because of you, the care is better, and the patient and staff experience is better." We want our physicians to appreciate the impact they have—not just to their patients and families, but how their role as a physician contributes to advancing our vision of improving quality and lowering the cost of care in the communities we serve every day and with each encounter.

**HEALTHLEADERS:** *Physicians are high achievers, but does that mean they are natural leaders? Or do you have to look for physicians who show the most promise of becoming leaders?*

**LIEBMAN:** I think it's a different problem. My biggest problem is physicians who think they're leaders, and they're not. What happens is they've probably gotten to a leadership position because they've either been there a long time or by default.

**HAYDAR:** Or they're loud.

**LIEBMAN:** Or they're loud, and therefore it's a political problem more than a developmental problem, because you've got two issues then. One, you make them aware, and then, are they going to go through the rigors of becoming a leader? If not, how do you replace them?

**HAYDAR:** There's one way to capture it, and it's to differentiate between those who are real "statesmen," or advocates, or those who have the potential for being champions, leading others to the common good versus those who are presenting their trade and have earned some allegiance from their

colleagues because they've been good with administration in tough transactions. The latter is not leadership. That's negotiation. That's not about the mission. That's more about maintaining the dysfunctions of the polarity in this industry.

**MONTONEY:** Just because someone is a good clinician doesn't necessarily mean he or she would also make an effective physician leader or executive. Historically, if you go back a decade or so, physician leaders often had a title such as vice president of medical affairs, but the job was primarily being a representative of peers and a bit of a bridge to the C-suite. These physician leaders typically weren't really engaged actively as a C-suite member or in change management and innovation, such as what's expected today. It was rare in those days, too, to see a physician in a nontraditional role as a chief operating officer or a CEO. That's still not necessarily common, but it's becoming a little bit more prevalent.

**BESSLER:** I think that the art and challenge is to know how to show leaders a mirror of themselves in their leadership effectiveness and then help them make changes to become more effective leaders. They need to understand there is a trail they leave behind as a leader—good or bad. If they aren't aware of how they show up, the repercussions can be significant. We know that without having the insight from the mirror, change doesn't happen. For sure, there are some physicians who are natural leaders, but the majority of us need to work at it and develop effective leadership skills. That's why we have invested so heavily in physician leadership development.

**HEALTHLEADERS:** *When these kinds of physicians are in a physician leadership program, is the curriculum enough to show them that some behavior change is necessary in order to lead?*

**BESSLER:** As a part of our structured leadership curriculum, all physician leaders from the chief hospitalist to the chief medical officers participate in an annual 360-degree review to help look at behaviors and how they show up as a leader. They complete a self-evaluation and receive input from their hospitalist teams, hospital administration, and business colleagues.

In addition, every physician participates in an annual bedside coaching session and receives direct feedback from an observer, targeting feedback on behaviors and interpersonal skills. In a related effort, we implemented a program called Patient Bedside Feedback, where our physicians receive feedback in real time so they can initiate interventions to improve quality and the patient experience of care (we reviewed the questions with CMS in advance). We thought doctors wouldn't want the real-time feedback, but now they crave it. Frequently we deliver positive feedback to physicians. Sharing with people what they are doing well and that they are appreciated is valued and infectious.

Finally, we are intently focused on performance analytics to drive continuous improvement. Every Friday our physician leaders receive a report which highlights a variety of performance indicators for their team. This evidence-based feedback helps our leaders foster a culture focused on awareness and continuous improvement.

**LIEBMAN:** Well, nomination and acceptance aren't always the same thing. We get more names probably than we can hold at any one time, and then what we try to do is raise the bar of participation so high that some people will self-select out. The program is rigorous: There is a monthly four-hour meeting; you're allowed to miss one out of 12 classes, and that's it, you don't graduate. We think we're doing as well as we can. It hasn't been in place that long, but so far it looks like we've been able to screen out those people who really weren't that serious about it, or really didn't understand that the basis of it was to really make you more participative at the end of the day.

**HAYDAR:** I've been in situations where young doctors would come to me and say, "I want to be like you. What should I do? Should I go get an MBA like you did?" I say, "No, no, that's not how it works. Instead of working 40 hours a week, you work 60. You volunteer. You get involved. You succeed leading quality. You move the dots. Then people will invest in you, and you can change your career." It is this idea to serve and create results beyond the call of duty that I think is the best choice; however, there's also a change in the fabric, a good change, with more women, more diversity in the workforce. It's creating more opportunities than before for people to function in teams without egos.

**Jeffrey Liebman**
CEO
*Methodist University Hospital*

**MONTONEY:** Something that I have found in leadership development programs, particularly for physicians, is that a light bulb typically goes off when they realize that developing the softer skills, like emotional intelligence, turn out to be perhaps some of the most important experience and education that they get. They come in thinking that if they don't have much of a background in finance or marketing, they need to get the basics there—things they would get in an MBA program. But the jobs that they may move into from a leadership perspective also require an incredible amount of skill in terms of understanding people, being able to negotiate effectively, and creating

win-win scenarios, stuff that you typically don't get in medical school or residency training.

**HEALTHLEADERS:** *What types of capstone projects that have been developed in your physician leadership programs are now part of your organization's operation?*

**Mark Montoney, MD**
CMO
*Tenet Healthcare*

**MONTONEY:** In one of our markets, the team looked beyond traditional case management to identify community resources to effectively manage a population that was prone to readmission. It was in San Antonio, in a largely Hispanic community with chronic disease. It has had an impact on reducing readmissions, and it was interesting from the perspective that it stretched the team out of its comfort zone. I believe everybody on that team was from a hospital, and they had to think a lot more broadly than the walls of the hospital. It also required them to connect with resources external to the organization and pull everything together in a relatively short period of time. Fifteen months is not a lot of time to frame that type of project, but it was very well done, successfully implemented, and is showing results in the first year. Now the thing about readmissions, I think we all know, is while there are some common threads, there is also some uniqueness to each community. Here, they identified issues that wouldn't necessarily be obvious to the root cause of readmission. The things we usually think of—medication reconciliation, smooth transition of discharge orders—all of those are important, but this got down to transportation and resources. Believe me, every person around this table is thinking about readmission reduction. The opportunity to scale this approach, at least portions of it, is being pursued.

**HAYDAR:** The first example that comes to mind is from Ascension's executive formation program. People were questioning whether we really walk the talk in terms of compassionate termination, when that step unfortunately becomes necessary. So we revamped our whole policy of termination, with a very significant focus on transition assistance and finding jobs and paying coverage in terms of healthcare benefits. The lower you are on the pay scale, the more it benefits you. That came out of leadership development. There are other programs, like what Dr. Montoney is describing—the house calls program, readmission programs, etc.—and I'm trying to challenge people and tell them that scalability is the new innovation. There's not much we cannot do on a small scale.

**LIEBMAN:** We're trying to take these projects and get them to think about how we might combine technology with enhancing the care at the same time—for example, reducing marginal cost per discharge. A good example is telestroke. We pay a certain amount of money for neurological coverage across a fairly small footprint compared to these other organizations around the table. Having said that, each one of our hospitals over the years has viewed themselves as a complete full-service hospital. But you might have the best stroke doctor 15 or 20 minutes away, so I think the projects they're working on are such things as, how do you reduce your neurological coverage costs by using telestroke services and making sure you have rapid transport systems in place? That gets to how it can be done, and what does it mean for the medical staff left? We think we've got to look more at where do we do the best job at a certain program and how do we leverage that capacity we have?

**BESSLER:** Our thesis is really around not having better doctors but having better processes to drive reproducible results and emotional intelligence—doctors who "get it." Then it is about innovation and scalability. But you know, leadership is kind of where it begins and ends in that regard.

We have lots of examples of capstone-type projects, but I'm very proud of our patient experience initiative, which we call our PX Program. A few years ago I stood up in front of all our leaders and said, "We've got to make a dent here. We're going to invest a lot of resources. We're going to name a patient experience champion at each site. We're going to bring best practices and tools. We're going to implement them. We're going to run a clinical process." A year later the team innovated and created the Patient Bedside Feedback program. Our hospitalist nurses, who are an integral part of our practice to drive performance improvement, round on patients every afternoon using a Web-based tool and provide the hospitalist team with feedback in real time. We use this feedback to address issues and also let doctors know what's going well. We rolled that out to the organization after a rigorous pilot project that came out of our Clinical Innovation Council's Big Clinical campaign, designed to identify great ideas that can have a major impact on quality and safety. We always have a number of Big Clinical pilot projects underway. If the pilot data shows us the idea works, we have the infrastructure to implement change management organizationwide. That's a scalable innovation led by a team empowered to drive change.

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# Developing the Next Generation of Physician Leaders

SOUND PHYSICIANS™

**Sound Physicians invests significantly in developing physician leaders. We provide:**

- Onboarding and enculturation of all new physicians
- A focus on nurturing and celebrating core values
- Leadership career pathways
- Performance dashboards and feedback loops
- Comprehensive training and coaching
- Focused competency-based skills training
- Formal performance evaluations
- Dedicated administrative time
- Emerging Leaders 12-month intensive program
- National and regional leadership conferences

Sound Physicians is committed to driving measurable improvements in quality while lowering the cost of care in the communities we serve nationwide. By making significant investments in developing effective physician leaders and providing them with infrastructure, they're able to drive quality and patient satisfaction improvements for our hospital partners and enjoy a sustainable career. With more than 1,750 providers serving more than 180 hospitals and post-acute partners in 35 states Sound is making a difference in care delivery.

**Hospital Medicine...** ***the way it should be.***™

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