

# The Physician Leader: What Physicians and Organizations Need to Know in the Era of Population Health

*By: Kathy Jordan and Regina Levison, Jordan Search Consultants*

The healthcare industry is changing more rapidly than it has since its inception. Provisions in the Affordable Care Act of 2010 ensured that millions of Americans now have health insurance and that the paradigm has shifted from volume to value. With population health as the leading construct, healthcare organizations are struggling to rapidly transform a system centered around individual physicians, detached practices, and RVUs to a cooperative ecosystem centered around the patient, long-term health outcomes, and a team-based approach to quality, multi-disciplinary care. This transformation necessitates a plethora of physicians who are both willing and able to lead. From the primary care physicians who will be required to lead the team responsible for patient care to Chief Medical Officers and Chief Operating Officers required to better manage the organization, the development of physician leaders will determine the success of population health management across the U.S.

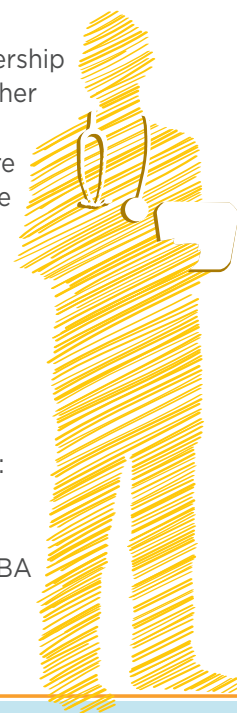
Today, approximately 5% of hospital leaders are physicians. This is expected to increase rapidly because the administrative decisions made under population health management will directly affect patient care. In theory, a business-savvy clinician would provide a myriad of competitive advantages. After all, physicians were trained to put patient care first; if that emphasis can be married with business acumen, everyone wins. This train of thought is why, in a survey conducted by The Advisory Board Company, 60% of hospitals reported a plan to hire more physician leaders over the next 5 years.

Experts agree. According to a whitepaper published by the American Association for Physician Leadership (AAPL), "Matured physician leadership will be essential for healthcare to continue moving toward higher quality, consistent safety, streamlined efficiency, and becoming value-based." But, how will mature physician leaders be developed when business, management, communication, and leadership skills are not taught in medical school and residency? And, how will healthcare organizations that have become accustomed to hiring corporate titans for administrators learn how to hire—and become comfortable with—physician leaders?

In this new era of collaboration, physicians and healthcare organizations must be committed to evolution in order to succeed.

## How Can Physicians Prepare for Leadership Roles?

The CanMEDS Physician Competency Framework identifies and describes several roles for physicians: medical expert, communicator, collaborator, manager, health advocate, scholar, and professional. Universities are responding to this description and the need to train physician leaders. According to a September 2014 article in *The Atlantic* titled "The Rise of the MD/MBA Degree," the number of MD/MBA programs has doubled in the past decade; now, more than half of the nation's 133 accredited medical schools allow students to simultaneously pursue an MBA and an MD. In addition, Masters programs in



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healthcare administration, public health, healthcare informatics, medical management, and population health have sprouted across the country. Dr. Stephen Klasko, president of Thomas Jefferson University, home of the first Masters and Ph.D. in Population Health programs says, “Jobs will be needed in healthcare 10 years from now that aren’t even imagined yet and a good many will be in population health.”

This job creation has already started. Executive-level titles like Chief Medical Officer, Chief of Clinical Integration, Chief Integration Officer, and Chief Transformation Officer indicate that clinical leadership is necessary to improve the health of populations—and healthcare organizations are hiring. Physicians and medical students are bearing witness to this change and know that to be competitive, leadership and business skills must become as routine as taking a patient’s history and physical. Take Scott Cowan, MD, a cardiothoracic surgeon at Thomas Jefferson University Hospital, for example. Mid-career, he knew that he wanted to pursue an administrative position. “I enrolled in the Masters in Quality and Safety Program in the College of Population Health at Thomas Jefferson University and I’m thoroughly enjoying it,” he said. “I see what is coming...quality, safety, reimbursement, and the overall health of populations will be forever linked. And I will be well-prepared to lead teams in this dynamic and evolving environment.”

In addition to obtaining a business, leadership, or management degree, below are the top recommendations for aspiring physician leaders.

- **Join a Team:** Physicians are trained to be deficit thinkers—to autonomously identify a problem and come up with solutions. Joining a committee or a group that emphasizes collaborative brainstorming and participatory decision making and leverages the skills and experiences of multiple people is a good place to start to shift this mindset. The sooner “me-centered” thinking can authentically become “we-centered” thinking, the better.
- **Commit to Lifelong Learning:** Dedicate yourself to understanding the healthcare revolution—from the legislation to reimbursement to public policy. Leaders must be educated about the change they are tasked with managing.
- **Seek Out Leadership Opportunities Within Your Organization:** Sit on a strategic planning or technology committee and make administrators aware that you are interested in being a part of the changes that are happening.
- **Seek Out Leadership Opportunities Within Your Industry/Spheres of Influence:** Leadership opportunities exist within professional societies and associations, and even within your personal life. Run for a leadership position in your professional organization or a seat on the board of a school or charity about which you are passionate. All of these experiences will help you to become a better listener, collaborative thinker, and, ultimately, a better leader.
- **Find Ways to Make a Meaningful Impact:** Get involved in projects, programs, committees, and organizations to which you can meaningfully contribute. Volunteer to help teams working to create bottom-line change so that you can illustrate contributions to reducing costs or turnover, streamlining operations, or improving revenue. According to a survey conducted by the American Hospital Association, more than 80% of hospital executives see transformational change/change management among the most critical leadership skills; innovative thinking/creativity, and critical thinking/strategic planning were not far behind. Involvement in teams with impactful goals and outcomes will help you to hone these skills.
- **Become a Resource:** Listen to mentors, colleagues, and co-workers and educate yourself about the financial implications of the healthcare changes. Write op-eds and seek out interview and lobbying opportunities. According to a June 2015 article published by *Hospitals and Health Networks*, “In a rapidly changing field, effective leaders require ‘learning agility’ and emotional intelligence’ as much or more than traditional skills.” Aspiring physician leaders must be visionary, with a comprehensive knowledge of healthcare’s evolution. They must exhibit strong communication skills, change management skills, emotional intelligence, and technical/financial skills.

Physician leaders are no longer made by 50 years spent in a facility, a steakhouse handshake, or a close relationship with a board member. Physician leadership positions today require quality—and qualifications. And candidates are getting serious about it. When Jordan Search Consultants recruits for physician leadership positions, we find that more than 50% of the candidates we are considering have engaged a career coach to help them improve the business side of their CV. The competition for a physician leadership role is fierce—and rightly so; these positions will be responsible for defining healthcare in the next decade and beyond.

## How Can Organizations Recruit the Right Physician Leaders?

There is a strong correlation between physician-led hospitals and high hospital quality scores. Multiple studies have found that the best performing hospitals are led by physicians; overall hospital quality scores can be up to 35% higher when a physician is helming the organization. John Combes, M.D. and President and COO of the American Hospital Association's Center for Healthcare Governance agrees that clinical leadership is imperative to improving the health of populations: "Putting physicians in leadership roles is critical to making the shift towards value."

But organizations can't just put any physician in a leadership role; they need to put the right physician there. To that point, more than 20% of the physician candidates Jordan Search Consultants assesses indicate interest in a leadership opportunity; of those, 10% or less are qualified to assume a leadership position in the current healthcare environment.

In addition to prioritizing candidates with a business, leadership or management degree, organizations should shortlist physicians with the following qualities.

- **Listener:** A physician leader must be able to listen—and really hear—what colleagues are saying in order to make informed, collaborative decisions. Good listening skills often translate to enhanced conflict management abilities, too.
- **Connector:** Part mediator, part listener, part intelligent communicator, a physician leader must be able to build a sense of connectivity among people and across systems.
- **Learner:** A physician leader must demonstrate an insatiable curiosity—about technology, the new value as opposed to volume financials, and cost centers. They must display an interest in broad, strategic matters that will add value to the organization and demonstrate a keen understanding of the competitive landscape and the overall healthcare environment.
- **Collaborative Communicator:** A clinical leader must be able to articulate a value proposition to which people want to contribute. He/she must be able to communicate effectively at all levels of an organization and to encourage others to share their views in an open and non-judgmental environment.
- **Inspirer:** With a sense of commitment to a shared purpose, much can be accomplished. That's why a physician leader must be able to engage, develop, and motivate others to build consensus.
- **Facilitator:** When evaluating for leadership, look for candidates who have skills and experiences that match the organization's vision. Individuals who are leaders facilitate the success of others. Identify candidates who seem comfortable in facilitating and navigating change; those will be the nimble leaders today's healthcare organization needs.



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According to Dr. David Nash, Founding Dean of the Jefferson College of Population Health at Thomas Jefferson University, this list should continue to evolve. “I think we are taking the right steps right now to be successful in the healthcare environment in the near future,” he said. “We have taken massive strides towards more comprehensively educating physicians who have shown a propensity for leadership, but as the healthcare industry continues to evolve, the qualities of a competent physician leader should similarly change.”

With more and more organizations putting “leadership” at the top of their skill wish lists for physicians, organizations can forge ahead by breaking leadership into a set of desirable qualities and traits. By more clearly defining leadership, facilities can better assess potential leadership candidates who embody the characteristics needed to accomplish the organization’s strategic goals.

## Final Thoughts

In the era of population health management, the need for competent physician leaders will increase exponentially. Not only will primary care physicians (PCPs) direct care management teams to manage patient populations, but advanced practice providers, nurses, social workers, pharmacists, and other non-clinical workers will also be required to lead teams and colleagues. The new paradigm necessitates it, but the statistics for best practices support it.

According to a white paper published by the American Association for Physician Leadership, there is a link between physician leadership and organizational success; 21 of the 29 pioneer Accountable Care Organizations that earned bonuses from the Centers for Medicare and Medicaid Services were organizations led by physicians. Effective clinical leaders will be the determining factor for success and growth in this new healthcare environment; as such, it is imperative that physicians are well-equipped to lead and organizations are prepared to better evaluate effective leaders. The competent, effectual physician leader appropriately employed by a strategic, visionary organization will create the dynamic needed to successfully navigate this new era of healthcare and improve the health of populations nationwide.



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