Select Perspectives

SELECT INTERNATIONAL HEALTHCARE

The New Physician Workforce: Three Steps to Ensure Alignment, Performance and Career Satisfaction

Define – Align – Develop

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Rapid Changes and New Expectations

The business of medicine, the relationship between physicians and hospitals and the demands on physicians, are changing at an unprecedented rate. Unfortunately, how we educate, select, integrate and develop physicians hasn't changed much in decades. As a result, hospitals are often disappointed with the degree of alignment with their medical staff, and with the performance of employed physicians. Physicians struggle to succeed and find career satisfaction. Consider what physicians are facing:

- Having been trained in a model of professional autonomy and a culture of expertise and competition, they are now asked to function as part of multidisciplinary teams
- Rapid advancements in diagnostic and treatment technology
- Increasing complexity of managing a private practice
- Adoption of electronic health records
- Uncertainty about the role and function of the independent medical staff
- The traditional solo and small group practice is disappearing
- The growth of large groups and hospital employment is challenging the sense of professional autonomy
- New payment methodologies that de-emphasize volume and reward outcomes and population medicine
- A new emphasis on patient expectations and satisfaction
- An increasing demand for services but a projected physician shortage

At the same time, hospitals and health systems need and expect more from physicians. The compassionate, paternal, solo practitioner, schooled in the art of medicine, champion of the individual patient, but oblivious to the business of healthcare or hospital administration, is no longer sufficient.

Successful reformation of the American healthcare system, with an emphasis on value-driven care, assumes a new level of collaboration between physicians and hospitals, and a new set of physician behavioral skills, including:

- Adaptability – Physicians are often naturally skeptical and resistant to change. They question data and want evidence that a change is in their patients' best interests. Today, though, they need to rapidly adapt to new technology, care delivery models and expectations. Some of these conflict with their traditional training and practice. Given their leadership role, when changes are in patients' and the organization's best interests, we need physicians to be *champions* of change.
- Innovation – We need physicians who will actively identify and develop ways to improve the quality of care, the patient experience, and to reduce costs.
- Collaboration – Physicians are not selected for medical school, or rewarded in their training, for collaborative behaviors. Their world values competition and fierce individualism. They value professional autonomy and the culture of expertise. These characteristics can make it difficult to function in a multi-disciplinary team setting—now critical to organizational success and patient outcomes.
- Patient-Focus – Physicians would likely argue that the entirety of their training and traditional approach to practice is "patient focused." The singular goal of the model is to successfully diagnose and treat the patient's condition. What we are asking of them now, though, is to more fully engage the patient and the family in their care, to work with colleagues, administrators and other disciplines to design care delivery models that more fully meet the patient's needs. This requires physicians to think outside of the traditional "provider-focused" organizational model.
- Business Acumen – Given the complexities of how care is provided and paid for, patient outcomes are inexorably linked to the business of healthcare. The inability or unwillingness to grasp practice economics means the practice can't meet the patient's needs and

may not survive. Failure to understand hospital economics and the cost of care means that the organization can't meet the needs of the community. Physicians must be active business partners in ensuring that payment models are aligned with the best care delivery models.

- Leadership – Even if they're not in an official leadership position, every physician, either in the OR, the clinic or on the unit, is in a leadership role. Traditionally, this has meant a hierarchical, authoritarian, expert form of leadership. What hospitals and treatment teams need now is a more collaborative, engaging approach to leadership.
- Emotional intelligence – Since the 1980's the business world has recognized a set of emotional and behavioral skills, distinct from intellect, that often predict success. Self and social awareness, social skills and self regulation allow an individual to navigate group dynamics, influence people and communicate effectively. These are what physicians need today and their absence is often the cause of their failure.

Expectations have changed in two other important areas:

Productivity – Physicians in private practice have a natural incentive to be productive. Historically, productivity decreases when a physician is employed but hospitals now expect a reasonable return on their investment. Physicians are now faced with a new emphasis on performance metrics. Bonuses are tied to productivity and patient outcomes. After negotiating what seems to be a fair bonus structure, though, physicians often discover that operational efficiencies make those goals unattainable.

Disruptive Behavior – Hospitals are less tolerant of physician disruptive behavior. It is costly. It's a career derailer. It impacts organizational success and even the quality of patient care. There is plenty of discussion about *managing* disruptive behavior but little about how to *prevent* it.

Some physicians are prone to disruptive behaviors. They have common personality traits like high levels of excitability, low levels of emotional control and personal trust, and difficulty getting along with groups. They exhibit what psychologists often refer to as "derailer" behaviors. These personality traits can often be managed. If a physician is aware of them, mentored and developed from day one, he has a much better chance of success. Similarly, these traits tend to manifest themselves under pressure - pressure to meet expectations that may be seen as unrealistic, particularly in the face of insufficient operational support. In other words, if we manage behavioral tendencies as we would with any other highly paid professional, and provide an environment where success is achievable, we can prevent some disruptive behavior.

A Failing Approach

While all of these changes have been taking place, little has been done to prepare and develop physicians to succeed. Three factors contribute to this failure:

Physicians are Poorly Equipped to Handle the Changes

A few progressive medical schools and residency programs are incorporating training on emotional intelligence and the business of healthcare. Most physicians, however, enter the workforce woefully unprepared for all they'll face outside of the exam room or operating suite. They have little training on how to function within an organization, to work in teams, to lead, communicate with patients, how a hospital or practice operates and how our healthcare system operates around them, or how to take charge of their own career.

In other industries, we commit resources to structured training and development to give highly paid, valuable employees the tools and skills to succeed. Similar efforts for physicians are still in their infancy. Older physicians struggle to adapt to a changing world. Younger physicians have unrealistic expectations and a poor understanding of what will really determine their success.

An Out Dated Approach to Recruiting and Turnover

Physician recruiting remains a numbers game. The hospital is looking for a certain number of physicians to build its network and often willing to over-spend. Recruiters are trying to improve their "time to fill" metric and fill quotas. The physician candidate is unaware of what he needs to succeed and defaults to focusing on only the salary number. He can negotiate productivity and quality bonuses, but knows nothing about the infrastructure and support necessary to meet the goals.

Physician turnover is increasing and the bulk of it takes place in the first few years of practice. Surveys show that the number one reason for leaving is not money. Early turnover is almost always about a poor fit or a failure to meet the physician's expectations.

Turnover can derail a career and negatively impact a hospital's quality, patient satisfaction and care delivery initiatives. Losing a single physician costs a hospital as much as $1 million. Yet, with every loss, they return to the same approach and start the cycle all over again.

Hospitals Assume that Employment Ensures Alignment

Some hospitals actually consider "employment" as an alignment strategy. Ask them about alignment and they talk about joint

ventures, new program development and employment models. Alignment, as an initiative, is as important with employed physicians as it is with independent physicians. Signing an employment agreement does nothing to ensure that a physician's goals are aligned with yours or that he is collaborative, adaptable and patient-focused.

The result? Physician turnover and disruptive behavior are on the rise. We have a shortage of skilled physician leaders. Physician career satisfaction is declining. Hospital CEOs still rate physician alignment as one of their biggest challenges. Patient safety, outcomes and cost metrics still lag.

A New Approach – Three Simple Steps

The vision is of productive, collaborative, innovative physicians who take leadership roles in transforming healthcare. Certainly some are well-suited to the task. Medicine has always had its share of dynamic leaders. The new challenges we face, though, require that every physician is capable of assuming this role to some degree. We can take our cue from other industries where talent at the highest levels is systematically chosen and developed. We can do this without sacrificing the special nature of medicine – the sacred pact between doctor and patient and the physician's role as his patients' champion. Rather than de-valuing physicians, this approach acknowledges that physicians aren't merely clinical commodities, but the driving force behind success.

Step 1 - Define What Success Looks Like

In one respect, this approach is not really new. Talent wins. Attract and retain the best physicians and you increase your chances of success. The difference is in how we *define* talent. Graduates from the best schools, from the most prestigious fellowship programs, are still valuable, but we need to consider other critical skills.

Before you can begin finding and developing these new physicians, you need to define, with some specificity, what they look like. Do the foundational work to figure out what physician behaviors align with your vision, mission and values. What are the specific behavioral competencies that will predict success - perhaps some combination of collaboration, business acumen, compassion, patient-focus, adaptability and leadership. But go further. What specific behaviors will be expected? Which are unacceptable?

Now define specific performance expectations related to volumes, gross revenue, patient satisfaction scores and other outcomes metrics. Finally, define non-clinical responsibilities and expectations. Do you expect the physician to participate in program development, quality and cost initiatives, administrative, management or leadership efforts?

Step 2 - Align Goals and Expectations

Now that you have a better picture of what you are looking for, how do you ensure that the physician's goals and expectations are aligned with yours? This is a three step process: (1) An analysis of "operational fit"; (2) A new approach to the physician interview; and (3) An analysis of relevant behavioral skills.

Operational Fit

We sometimes hear that recruiters do the work to ensure a good fit. The results would indicate otherwise. Recruiters, either internal or contracted, only scratch the surface. They aren't physician *performance* experts. They are physician *placement* experts. It's not much of an exaggeration to say that the current "fit" analysis is rarely more than the hospital deciding it needs a surgeon, the surgeon confirming that the hospital has an OR, and the courtship begins.

Take steps to understand a candidate's expectations regarding work hours, patient volumes and other productivity goals. How much operational support (staff, space, equipment) will they need? Interest and experience with non-clinical responsibilities? Is the surgeon willing to collaborate with a hospitalist program? Has the physician ever used a mid-level provider?

Even if you find areas where expectations and goals aren't aligned, the relationship may still work. This process gives you the chance to resolve differences from day one, rather than finding out two years later that you have an unhappy physician. A simple, 20 minute "operational fit" survey can often prevent the $1 million turnover loss.

The Interview

The physician interview is traditionally useless as a predictor of success. The science and art of the interview have rarely been applied to physicians. Physicians often conduct the interviews even though they've had no training. They make the common mistake of focusing on first impressions, on the candidate's training, communications skills and on general "likeability." None of these predict performance. Of course, you cannot interview a physician as you would a nurse or patient-care technician, but you can incorporate behavioral interviewing techniques.

A simple example: If your organization has identified "adaptability" as an important competency, the traditional interview may include the following question:

"*We are going through a good bit of change. Are you comfortable adapting to change*?" Not surprisingly, the candidate's response is generally "*Yes*."

A structured, behavioral approach to the same question:

"We are going through a good bit of change which can be a challenge. Have you had to deal with changes to your practice, perhaps changes you didn't necessarily agree with, and how did you deal with it? What was the outcome?" If the candidate can't think of a single example, he's never had his adaptability tested. If he has, physicians more so than other professionals, are likely to be forthright and tell you about the experience, even if their response was to resist the change. The best case scenario is he cites an example and can tell you that although he questioned it, he did so in a constructive manner and eventually adapted and even suggested further improvements for the good of the organization. This is the adaptable candidate.

Physician Behavioral Assessments

Finally, more organizations are using physician-specific assessments to understand behavioral strengths and weaknesses. Well designed tools are able to predict an individual's level of emotional intelligence, ability to collaborate, adapt, respond to stress and lead. These can be used to screen out candidates who are clearly not a good cultural fit, or to help understand and prevent possible problems. They can be used near the end of the recruiting process or early in on-boarding. They can take anywhere from 20 minutes to several hours for a more robust, in-depth assessment. These are the tools that companies use to help in executive hiring decisions. In the past, organizations were leery of testing physicians, but there is a growing realization that the value of the information more than out-weighs concerns about candidate reaction. It is important, though, to choose the right tool(s) for the situation. Start with a tool designed for a healthcare setting – ideally for physicians. It must also be appropriately positioned as a way to ensure a good fit for both parties and to ensure that the physician has the best chance to grow and succeed.

Step 3 - Develop Each Physician Resource

You bring a physician into the organization. You've done all you can to address realistic expectations and goals. While you don't have complete alignment, you both understand where there are challenges. You understand the physician's behavioral tendencies and they fit your culture although you have a few concerns. Now what? At this point, most physician groups or hospitals drop the ball. They plug the physician in and hope for the best. Perhaps there is a report card tracking performance metrics. Perhaps there are meetings where performance metrics are discussed. Perhaps a more senior physician teaches them how to navigate organizational challenges. Perhaps the physician develops into the high performing leader you need – or perhaps not.

In any other industry, we'd never leave this much to chance. Think of each physician as an important executive hire who's growth will contribute to your success. Consider the following framework of a development program:

- A useful practice report card that tracks meaningful metrics. These should include both individual and organizational metrics to encourage accountability for organizational success.
- On-going evaluation of operational barriers to success – satisfaction with practice growth efforts, ancillary services support, facilities and staff. Nothing frustrates a physician more than being challenged on performance expectations when no one recognizes or addresses the operational barriers.
- Engage the physician in creating a development and growth plan. What are the short and long term career goals and the action plan?
- Use the behavioral assessment to address important behavioral weaknesses. What's the plan for improving collaboration, leadership, communication or emotional intelligence?
- On-going education on leadership skills, practice and hospital economics and related topics.

Conclusion

Perhaps no area has been so ignored in the push for healthcare reform, than the need to prepare and position physicians to succeed – to succeed in their careers in the face of great changes – and to succeed as leaders and partners in changing the way care is delivered. The template for success already exists. Other professions have adapted to similar challenges. Define how the work environment and demands have changed and start developing the requisite skills during education and training.

Hospitals, health systems, physician groups and physicians, themselves, will benefit from this relatively simple three step process of defining what the new vision looks like, putting in place a process to understand and improve alignment, and then implementing a developmental plan for every one of these valuable resources.

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