

INVESTING IN PHYSICIAN
LEADERSHIP DEVELOPMENT:

Factors that Frustrate & Facilitate Effectiveness



NATIONAL SURVEY RESULTS



INTEGRATED HEALTHCARE
STRATEGIES™

Survey Sponsored By

Governance & Leadership Services
Integrated Healthcare Strategies
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San Diego, California



INVESTING IN PHYSICIAN LEADER DEVELOPMENT:
FACTORS FRUSTRATING AND FACILITATING
EFFECTIVENESS

NATIONAL SURVEY RESULTS

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PREFACE

HOW TO EXPAND YOUR RETURNS FROM INVESTING IN PHYSICIAN LEADERSHIP DEVELOPMENT

This survey gathers practical insights from 429 senior health sector leaders from across the U.S. (See Exhibit 1.) Conducted in the Fall 2007, the web-based survey tapped the experience of 236 CEOs (56.5% of respondents); 47 Chief Medical Officers (CMOs) were 11.2% of respondents; 67 senior HR officers (16.0%); and 68 other leaders that ranged from practice managers, board members and a mix of senior clinical managers. (See Appendix A for participating organizations.)

**EXHIBIT 1:
PHYSICIAN LEADER EFFECTIVENESS SURVEY RESPONDENTS**

Respondent Type	Percent	Number
President/CEO	56.5%	236
Chief Medical Officer (CMO)	11.2%	47
Vice President HR (CHRO)	16.0%	67
Other (See Appendix C)	16.3%	68
Skipped Question:		11
Total:		429

PHYSICIAN LEADER ROLES VARY IN PERCEIVED VALUE

As hospital systems rekindle their interests in physician practice acquisitions and co-venturing for enhanced quality and market position, there has been an increase in both the number of physician leader roles, but also substantial investments for enhanced physician leader effectiveness, such as:

- higher base pay;
- new incentive compensation arrangements linked to multiple performance metrics;
- expanded training for leadership competencies;
- added numbers and sophistication of medical staff support; and
- new forms of physician councils, committees or medical advisory boards that provide new levels of insight and counsel to CEOs and boards.

But with all these new investments, are the hospitals and hospital systems securing the desired results? How can boards and executive teams better develop the effectiveness of their physician leaders? Which leader roles are currently contributing the best value, and what strategies can help enhance the effectiveness of future physician leaders? This survey is directed at these important issues.

Participants in the 2007 survey find the most value is being contributed from the traditional roles of VPMA-CMO and Chief of the Medical Staff. (See Exhibit 2.)

**EXHIBIT 2:
INVESTMENT VALUE FROM PHYSICIAN LEADERS**

WHICH TYPE OF LEADER IS MOST VALUABLE?

LEADER ROLES	PERCENT GOOD OR EXCELLENT VALUE			
	CEO	CMO	CHRO	All Respondents**
VPMA-CMO	64.9	84.0*	76.7*	69.3
Chief of Medical Staff	66.4	80.8	63.0	67.3
Chair Clinical Department	41.9	38.5	33.3	40.1
Director of Quality	53.1	70.2	55.2	56.5
Director Informatics	33.8	65.4	51.9	39.8
Service Line Champion (Cancer, Cardiac, Ortho, Peds, OB, Neuroscience)	45.4	59.3	44.4	45.7
Physicians on Board	67.8*	40.7	62.1	60.2
Leader of Practice Management or Contracting MSO	22.1	33.3	25.9	26.8

*Most valued leader role for each respective respondent type.

** Includes "other leader" respondents (see Appendix C).

Source: Integrated Healthcare Strategies Physician Leader Survey Fall 2007

CEOs see highest value from physicians on their board (67.8%) and Chief of Medical Staff (66.4%). CMOs, however, see the largest value from their own role as CMO or VPMA (84.0%) and then Chief of Medical Staff (80.8%). CHRO parallel the CMO views at 76.7% and 63.0%, respectively, for VPMA-CMO and Chief of Medical Staff.

This report explores practical insights from across the U.S. about how high performing hospitals will need to continuously strengthen their physician leader development plans for these diverse physician leader roles. Appendix B provides a variety of useful data and comments from the survey participants. They are highlighted in the following pages.

METRICS OF EFFECTIVENESS

Exhibit 3 provides an indication of measures of effectiveness to which physician leader development should be directed in the coming years. All respondents suggest top priority should be focused on quality performance metrics of physician leader effectiveness:

- Quality metrics improve (96.1%)
- Clinical care guidelines are developed and being followed (94.4%)
- Improved satisfaction from physician colleagues with the work of physician leaders (89.4%)

These targets to gauge physician leader effectiveness are reinforced across the three response groups of CEOs, CMOs, and CHROs. Relatively lower priority at the moment is assigned to physician leader self-evaluations (41.8%) and employee satisfaction with work of physician leaders.

To probe further where physician leader development should be focused, a focus group was conducted among 26 physician leaders at a recent Physician Leadership Forum convened by The Governance Institute in Florida (see Appendix D). When asked to prioritize the top challenges that future physician leaders must be expected to direct their talents, the top five issues were not clinical outcome metrics, but some clear frustrations with intervening obstacles of apathy and mistrust. The top challenges were:

1. Physician apathy about being involved in hospital/medical staff activities (5.5 on scale of 7);
2. Dealing with disruptive physicians (and non-peer complaints) (5.1);
3. Recruitment and retention of physicians (5.0);
4. How to change physician attitudes to be collaborative across specialties (5.0); and
5. Medical staff mistrust of board, each other and management (5.0).

If these are the challenges that will occupy physician leaders in the foreseeable future, physician leader competencies need to be directed at removing these largely psychological obstacles in order to be effective at more clinical or economic outcome metrics. (For complete list, see Appendix D.)

EXHIBIT 3
METRICS FOR PHYSICIAN LEADER EFFECTIVENESS

METRICS OF EFFECTIVENESS	PERCENT GOOD OR EXCELLENT AS MEASURE			
	CEO	CMO	CHRO	All Respondents**
1. Physician leader self-evaluation is high	38.6	52.2	46.2	41.8
2. Nurses' satisfaction with work of physician leader	79.3	87.5	84.6	81.1
3. Physician leader's enthusiasm for organization's plans and programs	85.8	68.0	78.6	82.6
4. Improved satisfaction from physician colleagues with work of physician leaders	92.1	81.5	96.3*	89.4
5. Employee satisfaction with work of physician leaders	71.6	72.0	84.6	74.9
6. Quality metrics improve	97.2*	100.0*	89.3	96.1*
7. Clinical care guidelines are developed and being followed	94.3	100.0*	92.6	94.4
8. Clinical service earns increased market share	78.1	69.2	88.0	80.5
9. Economic stability of physician leader's unit or service has improved	77.9	69.2	76.9	77.6
10. Enhanced respect from referring physicians	86.4	76.9	81.5	83.9

**Most important metric of effectiveness for each respective respondent type.*

*** Includes "other leader" respondents.*

Source: Integrated Healthcare Strategies Physician Leader Survey Fall 2007

STRATEGIES TO ENHANCE EFFECTIVENESS

Exhibit 4 provides a summary of strategies that the survey participants believe can yield expanded physician leader effectiveness (See Appendix B and Exhibit 6). Of the 12 key strategies, the top seven strategies expected to provide excellent or good value are:

1. Clear job descriptions of duties and desired results (89.8%)
2. More formal orientation to job duties (85.4%)
3. More administrative partnering (85.6%)
4. Easier access to staff support (81.5%)
5. More mentoring support (77.1%)
6. More competitive base pay for work (72.4%)
7. More incentive pay based on results (72.3%)

EXHIBIT 4
STRATEGIES TO ENHANCE PHYSICIAN LEADER EFFECTIVENESS

STRATEGIES	PERCENT GOOD OR EXCELLENT VALUE			
	CEO	CMO	CHRO	All Respondents**
Clear job descriptions of duties/results	86.6*	92.6	91.7	89.8*
Formal orientation to job duties	82.6	93.6*	83.3	85.4
Mentoring support	73.7	85.2	80.0	77.1
Administrative partner	82.0	88.5	96.0*	85.6
Easy access to staff support	80.5	84.0	80.0	81.5
Coaching about earning respect from physicians	62.9	93.6*	75.0	62.9
Competitive base pay for work	68.2	92.6	72.0	72.4
Incentive pay based on results	63.4	92.6	91.7	72.3
Website access to best practices information	60.7	50.0	74.0	59.7
Seminars with other medical directors from other cities	66.9	46.2	58.3	62.8
Support for mini-MBA executive education	45.1	34.6	61.5	45.9
Good access to Board of Directors	63.4	50.0	74.0	60.4

*Most important strategy for each respective respondent type.

** Includes "other leader" respondents (see Appendix C).

Source: Integrated Healthcare Strategies Physician Leader Survey Fall 2007

There are interesting subgroup differences in which strategies they believe will yield the most contribution to physician leader effectiveness; CMOs cite “coaching about earning respect of physician colleagues” (93.6%), tied with “formal orientation to job duties” (96.3%). These CMOs also rate base pay and incentive pay of higher value than do the CEOs and CHROs (averaging 92.6% versus 65.8% and 81.9%, respectively).

CMOs also see more value from “mentoring support” (85.2%) than do CEOs (73.7%) and CHROs (80.0%).

CHROs assigned their highest value to providing physician leaders access to an “administrative partner” (96.0%), while CEOs rated “clear job description of duties/ results” as the highest value (86.6%).

All leader types assigned their lowest value assessments to “support for mini-MBA executive educations.”

A second focus group of senior physician leaders in Minneapolis provided further insights into how best to develop effective physician leaders. (See Appendix E for participants.) This roundtable probe of strategies to enhance the development of physician leaders suggested these key considerations:

- Rely more on physician mentors with leadership experience
- Encourage formal leader education with these attributes:
 - Small cohorts of 7-11 physician leaders;
 - Case study focused;
 - Curricula divided into short, focused sessions with several weeks between to allow application in real world situations;
 - Encourage administrator partnering and collegiality;
 - Stress softer facets of leadership, such as:
 - ≈ Listening
 - ≈ Visioning
 - ≈ Verbal and written communications
 - ≈ Motivating groups
 - ≈ Strategic planning
 - ≈ Negotiations
 - ≈ Project and group management

To learn more about our research into physician leader competencies, and how to develop “Physician Leadership Academies,” contact jim.rice@IHStrategies.com.

FACTORS FRUSTRATING EFFECTIVENESS

IT IS NOT EASY FOR PHYSICIAN LEADERS TO BE SUCCESSFUL

Exhibit 5 provides an overview of how survey participants define factors that serve to frustrate and impede the effectiveness and, hence, morale of physician leaders. (See Appendix B, Question 2.) Physician leader development programs will need to find ways to remove or avoid these factors. The top five barriers to physician leader effectiveness most often cited by the respondents were:

		% of Selected To Be in Top 5
1.	Resistance from other physicians about being led/ managed by a physician	50.0%
2.	No clear performance goals/measures	46.6%
3.	Lack of time and time management skills	45.5%
4.	Weak project management skills	42.1%
5.	Poor group/interpersonal management skills	37.7%

**EXHIBIT 5:
FACTORS FRUSTRATING PHYSICIAN LEADER EFFECTIVENESS**

TOP FACTORS	LEADER PERSPECTIVE*			All Respondents**
	CEO	CMO	CHRO	
Resistance from other physicians about being led/ managed by a physician	54.3%	46.7%	48.6%	50.0%
No clear performance goals/measures	43.2%	46.7%	45.7%	46.6%
Not enough staff support from hospital		46.7%		
Lack of time and time management skills	51.2%	40.0%	37.1%	45.5%
Weak project management skills	49.4%			42.1%
Poor group/interpersonal management skills	37.7%		48.6%	37.1%
No clear job duties		36.7%	31.4%	

**Percent of votes cast for this factor by leader type to be in top five. All respondents include about 16% other types of leaders, from Board members to middle managers. (See titles in Appendix C.)*

*** Includes "other leader" respondents.*

HOW WILL GREAT PHYSICIAN LEADERS MASTER THESE 300 NEEDED COMPETENCIES?

Physician Leader Competencies:

Domain	Number of Competencies
Domain 1: Communication and Relationship Management	25
Domain 2: Leadership	24
Domain 3: Professionalism	24
Domain 4: Knowledge of the Healthcare Environment	22
Domain 5: Business Knowledge and Skills - Overall Principles	36
Financial Management	35
Human Resources	24
Organizational Dynamics & Governance	18
Strategic Planning & Marketing	21
Information Management	36
Risk Management	18
Quality Improvement	17
	<hr/>
	total: 300

*Taken from Healthcare Leadership Alliance (HLA) Competency Directory User's Guide, November 2005
See <http://www.healthcareleadershipalliance.org/directory.htm> for detailed descriptions.

FACTORS FACILITATING EFFECTIVENESS

There is a growing body of knowledge about how high performance hospitals can enhance their physician leader effectiveness.

Unleashing and enhancing their effectiveness must not only focus on avoiding the previously cited factors that frustrate success, but must also be directed to enhance and accomplish the positive factors below and in Exhibit 6. (Also see Question 3 in Appendix B.)

		% Cited As In Top 5
1.	<p>Acceptance from physician colleagues</p> <p>How: Focus groups suggest effectiveness here is learned by a positive mix of demonstrated clinical expertise; sincere willingness to seek out input from colleagues by good listening, and then following up and following through on early wins; and ability to get things done for physicians promptly and smartly.</p>	77.1%
2.	<p>Clear performance expectations</p> <p>How: Establish formal position descriptions with tangible metrics for both process and outcomes with CMO, CEO, and even the Board.</p>	72.7%
3.	<p>Sincere encouragement from Board and management</p> <p>How: Establish annual calendar of relaxed and serious meetings around strategic plans, capital budgets, and operations, as well as the traditional focus on patient care quality and safety. Build in two- and three-way listening sessions among physicians, Board and executive leadership at retreats and even social gatherings. Rekindle "joint conference committees" with Board and physicians to establish new models of "Physician Leadership Councils" outside of the traditional medical staff invest in better physician leader development.*</p>	53.1%
4.	<p>Clear link of job to mission of excellent patient care</p> <p>How: Board provides visible and sincere investments of time and capital to create and nurture a strong culture that is:</p> <ul style="list-style-type: none"> • Patient centered • Performance driven • Values based <p>Build in more celebrations of physician leader accomplishments for enhanced quality and safety results.</p>	52.8%
5.	<p>Paired with management partner to do work</p> <p>How: Reorganize into enhanced reliance on service line management with clinical and administrative partners. Invest in training for continuous process improvement of group and project work around clear metrics of clinical care and service enhancements.</p>	42.1%

*See new website for additional strategies at www.IHStrategies.com/governance.html

Subgroup variations are modest as show in Exhibit 6.

**EXHIBIT 6:
FACTORS FRUSTRATING PHYSICIAN LEADER EFFECTIVENESS**

TOP FACTORS	LEADER PERSPECTIVE*			All Respondents**
	CEO	CMO	CHRO	
Acceptance from physician colleagues	79.1%	67.9%	78.1%	77.3%
Clear job performance expectation	69.6%	67.9%	62.5%	71.3%
Sincere encouragement from Board and management	58.1%	46.4%	43.8%	53.0%
Clear link of job to mission of excellent patient care	52.0%	64.3%	46.9%	51.8%
Paired with management partner to do work	43.2%	53.6%		42.1%
Professional recognition and appreciation events with Board and management			31.3%	

**Percent of votes cast for this factor by leader type to be in top five.*

*** Includes "other leader" respondents.*

Appendix B provides the relative ratings for all factors that might enhance the effectiveness of physician leaders. The respondents also cited additional strategies for consideration by boards and CEOs. Exhibit 6 suggests CEOs see it essential that physician leaders find ways to earn respect and acceptance from their physician colleagues. Easy to say, difficult to do.

Physician leaders at a recent conference indicated that one of their biggest frustrations to earn support from other physicians is a difficult blend of mistrust and apathy. Appendix D illustrates the top ten physician leader frustrations.

USING SURVEY FINDINGS FOR ACTION PLANNING

The leaders of high performance hospital systems understand that their future vitality is a direct function of how well they develop, engage, empower, and support a new generation of physician leaders; physician leaders who have the skills and resources to overcome the barriers and frustrations to effectiveness surfaced in this survey; physician leaders who are supported to implement the strategies cited here as critical to physician leader effectiveness.

We encourage hospital system boards, executives, and physician leaders to use this report as a catalyst for a 90-minute, action-oriented discussion about how this survey might stimulate a fresh approach to bolder and more focused physician leader development, support, and performance-driven compensation.

DEVELOP A “999 ACTION PLAN”

Leadership teams often find that in such a discussion, you can help ensure more effective follow-through and follow-up by asking each person to suggest two or three practical, big-yield actions to achieve:

- In the next nine days
- In the next nine weeks
- In the next nine months

Brainstorm then prioritize actions for each of these time horizons that will strengthen your organization’s investments into enhanced leadership effectiveness of your CMO, medical staff leaders, and especially your medical directors.

Integrated Healthcare Strategies has developed new resources to help boards better develop and compensate their physician leaders. Turn to our Knowledge Center at www.IHStrategies.com to see an upcoming series of white papers on physician leadership.

APPENDIX A: PARTICIPATING ORGANIZATIONS

NATIONAL WEB SURVEY ON FACTORS FRUSTRATING AND FACILITATING EFFECTIVENESS OF PHYSICIAN LEADERS

We appreciate the insights shared from one or more senior leaders at each of these leading organizations.

Abington Memorial Hospital	Children's Medical Center of Dallas
Adena Health System	Christiana Hospital
Advanced Home Care	CHRISTUS Health
Adventist Health System Sunbelt Health Care Corporation	Columbus Regional Hospital
Akron General Medical Center	Conemaugh Health System
All Children's Hospital	Cook Children's Health Care System
Allina Hospitals & Clinics	Covenant Medical Center-Cooper
Anne Arundel Medical Center	Detroit Medical Center
Arkansas Children's Hospital	DuBois Regional Medical Center
Ascension	Edward Hospital & Health Services
Atlantic Health System	EMH Regional Medical Center
AtlantiCare Health System	Fairview Health Services
Avera St. Luke's	Faxton Campus - St. Luke's Healthcare
AvMed Inc.	FHN Memorial Hospital
Baptist Health	Firelands Regional Medical Center
Bay Area Medical Center	FirstHealth of the Carolinas
Bayshore Community Hospital	Fletcher-Allen Health Care
Beatrice Community Hospital	Forrest General Hospital
Beebe Medical Center	Freeman Health System
Bethesda Healthcare System Inc.	Fremont Area Medical Center
Blessing Hospital	Gateway Regional Medical Center
Blue Ridge HealthCare System	GBMC Healthcare Inc.
Bon Secours Charity Health System	General Health System
Brackenridge Hospital	Genesys Health System
Brockton Hospital	Gillette Children's Specialty Healthcare
Bronson Healthcare Group Inc.	Glens Falls Hospital
California HealthCare Foundation	Good Samaritan Health Systems
Cardinal Health System	Good Shepherd Medical Center
Carilion Clinic	Graham Hospital
Cascade Healthcare Community	Greene Health Partners Inc.
Cathedral Healthcare System	Group Health Inc. (dba HealthPartners)
Catholic Health Initiatives	Gwinnett Hospital System
Cedars-Sinai Medical Center	Harrison Medical Center
CentraCare Health System	Hartford Hospital
Central Georgia Health System	Hawaii Pacific Health
Charleston Area Medical Center Health System Inc.	Health Capital Consultants LLC
Children's Hospital Medical Center of Akron	Health Quest
Children's Hospital of Orange County	HealthEast
Children's Hospitals and Clinics	Henry Ford Health System
	Henry Mayo Newhall Memorial Hospital
	Highland Park Hospital
	Holy Family Memorial

Hospital for Joint Diseases
Hunterdon Healthcare System
Huntington Memorial Hospital
InteCardia Inc.
InterHealth Corp.
Intermountain HealthCare Inc.
Jupiter Medical Center
Kaleida Health
Kansas City Hospice
Kaweah Delta Health Care District
Kennedy Krieger Children's Hospital
King's Daughters' Hospital and Health Services
Kootenai Medical Center
Lakeland Regional Health System
LakeView Community Hospital
Lancaster General Hospital
LeBauer HealthCare
Lexington Memorial Hospital
LifeSource - Upper Midwest Organ Procurement Org Inc.
Loma Linda University Medical Center
Martin Memorial Health Systems Inc.
Mary Greeley Medical Center
Mary Lanning Memorial Hospital
Memorial Medical Center
Mercy Health Services
Mercy Medical Center - North Iowa
MeritCare Health System
Methodist Hospital of Southern California
Mills-Peninsula Medical Group
Ministry Health Care
Monongalia Health System
Morton Plant Mease Health Care
Mount Nittany Medical Center
Mount Sinai Medical Center
Nash Health Care System
Network Health Ventures - Physicians Professional Corp.
North Broward Hospital District
North Carolina Baptist Hospital
North Country Health Services
North Memorial Health Care
Northwest Community Healthcare
Northwest Medical Center

Norton Healthcare
Pacific Medical Centers
Palmetto Health Baptist Richland
Park Nicollet Health Services
Parma Community General Hospital
Parrish Medical Center
Peninsula Regional Medical Center
Piedmont Mountainside Hospital
Pinnacle Health System
Planned Parenthood Minnesota-ND-SD
Pocono Health System
Portneuf Medical Center
Providence Health Center
ReDiscover
Regional West Medical Center
Resurrection Health Care
Rockingham Memorial Hospital
Roswell Park Cancer Institute
Sacred Heart Hospital
Saint Anthony Medical Center
Saint Barnabas Health Care System
Saint Francis Hospital
Saint Francis Medical Center
Saint John's Health System
Saint Mary's Medical Center
Saint Michael's Hospital
Salem Community Hospital
Salem Hospital
Salina Regional Health Center
Salinas Valley Memorial Healthcare System
Schneck Medical Center
Scott & White Hospital
Scottsdale Healthcare
Sierra Vista Regional Health Center
Sir Mortimer B. Davis Jewish General Hospital
Skaggs Community Health Center
Slidell Memorial Hospital
Southeast Missouri Hospital
Southern New Hampshire Medical Center
Southern Ohio Medical Center
Sparks Health System
St. Alexius Medical Center
St. Anthony Regional Hospital
St. Bernards Medical Center

St. Elizabeth Medical Center-South
St. Joseph Memorial Hospital
St. Luke's Hospital
St. Mary's Hospital & Medical Center
St. Mary's of Michigan
St. Michael's Hospital
St. Paul/Zale University Hospitals
St. Peter's Hospital
St. Vincent Health System
St. Vincent Hospital
Stormont-Vail Healthcare
Suburban Specialty Care Physicians
Sutter Health
Texas Children's Hospital
The Nebraska Medical Center
The Washington Hospital
ThedaCare Inc.
Touro Infirmary
Tri-City Health Care District
TriHealth
Trinity Mother Frances Health System
Trover Foundation
Truman Medical Center
UAB Health System
Union Hospital
University Medical Center Corporation
University Medical Group
Valley Health
Virginia Mason Medical Center
Wadley Health System
Washington Hospital
Wayne Memorial Hospital
West Jefferson Medical Center
White Plains Hospital Center
Women's Hospital
Yampa Valley Medical Center
Yuma Regional Medical Center

APPENDIX B: DETAILED RESPONSE DATA BY QUESTION

Q1: Which of the following positions do you hold at your organization?

<i>Answer Options</i>	<i>Response Percent</i>	<i>Response Count</i>
President/CEO	56.5%	236
Chief Medical Officer	11.2%	47
Vice President of Human Resources	16.0%	67
Other (please specify)	16.3%	68
	answered question	418
	skipped question	11

Q2: Factors that Frustrate Success of Physician Leader Effectiveness (please select only top 5 most important):

<i>Answer Options</i>	<i>Response Percent</i>	<i>Response Count</i>
No clear job duties	32.9%	96
Not enough staff support from the hospital	17.8%	52
Lack of orientation to job responsibilities	30.1%	88
Lack of help to develop work plan for job responsibilities	22.6%	66
Poor group/inter-personal management skills	37.7%	110
Weak project management skills	42.1%	123
Lack of time and time management skills	45.5%	133
No clear performance goals/measures	46.6%	136
Low level of base pay for the job	7.2%	21
Unfocused incentive pay linked to performance	16.4%	48
Resistance from other physicians about being led/managed by physician	50.0%	146
Resistance to work/report to a hospital executive by physician leader	16.8%	49
Lack of respect and encouragement from the board	3.4%	10
Inadequate budget to do the job	11.3%	33
Lack of praise from board and management	3.1%	9
Lack of praise from other physicians	16.1%	47
Marketplace too demanding and competitive	13.4%	39
Lack of tools or technologies to do the job	14.7%	43
Lack of education about group or project management	31.5%	92
Other more important frustrations (please specify): (See Appendix B2)		35
	answered question	292
	skipped question	137

**Q3: Factors that Facilitate Success of Physician Leaders and Medical Directors
(please select only top 5 most important):**

<i>Answer Options</i>	<i>Response Percent</i>	<i>Response Count</i>
Enthusiastic support from nurses	21.8%	59
Sincere encouragement from board and management	53.1%	144
Acceptance from physician colleagues	77.1%	209
Clear job performance expectations	72.7%	197
Significant hourly fee for work performed	14.8%	40
Significant monthly retainer fee for work performed	10.3%	28
Quarterly performance bonus for exceptional results	3.7%	10
Professional recognition and appreciation events with board and management	23.6%	64
Appreciation and recognition in public reports or ads by the hospital or system	6.3%	17
Expanded access to staff support from hospital employees	22.1%	60
Preferential practice management support from hospital	3.7%	10
Access to funding of CME on clinical topics	5.2%	14
Access to funding of physician leadership educational opportunities	28.8%	78
Paired with management partner to do work	42.1%	114
Use of special PDA phones and related IT support for the job	1.1%	3
Access to respected physician or manager mentor	24.4%	66
Provided personalized leader skills and knowledge coach	12.5%	34
24/7 access to job success tools via internet	2.2%	6
Clear link of job to mission of excellent patient care	52.8%	143
Other more important frustrations (please specify): (See Appendix B2)		12
	answered question	271
	skipped question	158

Q4: To what degree do you believe your organization is receiving good value from your physician leaders?

ANSWER OPTIONS	EXCELLENT VALUE	GOOD VALUE	SOME VALUE	NOT MUCH VALUE	NO VALUE	N/A	RESPONSE COUNT
VPMA or CMO	111 42.5%	70 26.8%	17 6.5%	5 1.9%	0 0.0%	59 22.6%	261 100.0%
Chief or Medical Staff	64 24.3%	113 43.0%	57 21.7%	20 7.6%	1 0.4%	8 3.0%	263 100.0%
Chairperson of Clinical Dept.	13 5.0%	92 35.1%	112 42.7%	27 10.3%	3 1.1%	15 5.7%	262 100.0%
Director of Quality	60 23.1%	87 33.5%	40 15.4%	13 5.0%	0 0.0%	61 23.5%	260 100.0%
Director of MedInformatics	28 11.2%	71 28.5%	23 9.2%	9 3.6%	0 0.0%	118 47.4%	249 100.0%
Service Line Champion*	24 9.4%	93 36.3%	77 30.1%	20 7.8%	3 1.2%	39 15.2%	256 100.0%
Physicians on Board of Directors	51 19.2%	109 41.0%	65 24.4%	17 6.4%	0 0%	24 9.0%	266 100.0%
Leaders of Practice Management or Contracting MSO's	19 7.4%	50 19.5%	38 14.8%	19 7.4%	2 0.8%	133 51.8%	257 100.0%
						answered question	269
						skipped question	160

*e.g. Cancer, Cardio, Ortho, Peds, O/B, Neurosciences.

Q5: What are the best ways to measure the effectiveness of a physician leader or medical director in a hospital or system like yours?

ANSWER OPTIONS	EXCELLENT	GOOD	NORMAL	FAIR	POOR	RESPONSE COUNT
Physician leader self-evaluation is high	22 9.2%	78 32.6%	96 40.2%	23 9.6%	20 8.4%	239 100.0%
Nurses' satisfaction with work of physician leader	55 22.2%	146 58.9%	37 14.9%	8 3.2%	3 1.2%	248 100.0%
Physician leader's enthusiasm for organization's plans and programs	100 39.7%	108 42.9%	36 14.3%	7 2.8%	1 0.4%	252 100.0%
Improved satisfaction from physician colleagues with work of physician leader	125 49.2%	102 40.2%	23 9.1%	3 1.2%	1 0.4%	254 100.0%
Employee satisfaction with work of physician leader	54 21.5%	134 53.4%	52 20.7%	9 3.6%	2 0.8%	251 100.0%
Quality metrics improve	194 76.1%	51 20.0%	9 3.5%	1 0.4%	0 0.0%	255 100.0%
Clinical care guidelines are developed and being followed	181 71.8%	57 22.6%	13 5.2%	0 0.0%	1 0.4%	252 100.0%
Clinical service earns increased market share	93 37.8%	105 42.7%	39 15.9%	7 2.8%	2 0.8%	246 100.0%
Economic vitality of physician leader's unit or service has improved	71 28.4%	123 49.2%	49 19.6%	6 2.4%	2 0.8%	250 100.0%
Enhanced respect from referring physicians	112 45.2%	96 38.7%	38 15.3%	4 1.6%	0 0.0%	248 100.0%
						answered question 260
						skipped question 169

Q6: Some hospital Boards and executives would like to receive more value from their investments in Medical Director positions. Please indicate the degree of value you believe each of the following strategies will contribute to a hospital or system like yours during the next 2 years?

ANSWER OPTIONS	EXCELLENT VALUE	GOOD VALUE	SOME VALUE	NOT MUCH VALUE	NO VALUE	RESPONSE COUNT
Clear job description of duties/results	122 49.8%	98 40.0%	25 10.2%	1 0.4%	0 0.0%	245 100.0%
Formal orientation to job duties	102 42.3%	105 43.6%	35 14.5%	1 0.4%	0 0.0%	241 100.0%
Mentoring support	80 32.8%	108 44.3%	48 19.7%	8 3.3%	1 0.4%	244 100.0%
Administrative partner	94 38.5%	115 47.1%	31 12.7%	4 1.6%	1 0.4%	244 100.0%
Easy access to staff support	53 21.8%	145 59.7%	43 17.7%	3 1.2%	0 0.0%	243 100.0%
Coaching about earning respect from physicians	47 19.3%	106 43.6%	73 30.0%	17 7.0%	2 0.8%	243 100.0%
Competitive base pay for work	45 18.5%	131 53.9%	61 25.1%	6 2.5%	2 0.8%	243 100.0%
Incentive pay based on results	70 28.9%	105 43.4%	49 20.2%	14 5.8%	5 2.1%	242 100.0%
Website access to best practices and information	41 16.9%	104 42.8%	82 33.7%	16 6.6%	1 0.4%	243 100.0%
Seminars with other medical directors from other cities	52 21.5%	100 41.3%	84 34.7%	6 2.5%	1 0.4%	242 100.0%
Support for mini-MBA executive education	25 10.2%	87 35.7%	90 36.9%	38 15.6%	6 2.5%	244 100.0%
Good access to Board of Directors	41 17.1%	104 43.3%	72 30.0%	20 8.3%	4 1.7%	240 100.0%
						answered question 248
						skipped question 181

APPENDIX B2: ADDITIONAL IDEAS FROM PHYSICIAN LEADER SURVEY

RESPONSES WERE ENTERED BY SEVERAL RESPONDENTS

Additional Ways to Measure Physician Leader Effectiveness:

- Low physician turnover in the department.
- The feedback needs to be from a 360 degree process.
- Measurable improvement in quality/clinical benchmarks.
- Focus is on patient/staff so patient satisfaction and staff satisfaction should also be a part of the evaluation and incentive metrics.
- Superior clinical outcomes measures.
- Clinical innovation achievements.
- Engagement of physician community in hospital leadership.
- Medical staff satisfaction with communication and involvement.
- Medical staff satisfaction with decision-making.
- Better performance with mandated pay-for-performance by CMS and others.
- Presentation and support for evidence-based medical practice.

Additional Strategies to Enhance Physician Leader Effectiveness: Boards, CEO's and CMO's should do more of these...

- Finding ways to improve the quality of conflict.
- Redefine roles of medical staff leadership.
- Change medical staff structure-to add value, and as a must do to better meet regulatory pressures or licensure and quality reasons. Change of structure should also be to provide better value to patients or fellow physicians.
- Education is necessary but difficult to provide. I have tried ACPE, VHA and Advisory Board Physician Leadership Courses with limited success. The ability to bring the knowledge home and apply it seems to be the missing link.
- I have a CMO who does not really need a job description to know what to do - and that is a really important measure!
- Time with executive team to understand strategic direction/priorities.
- Leadership training (on healthcare environment and on effective physician leadership).
- Good administrative infrastructure a must -- medical director should have appropriate access to board and executive tier, but not in a "work around" way.

Additional Factors that Facilitate Physician Leader Effectiveness: Boards, CEO's and CMO's should do more of these...

1. RESULTS!!!
2. Good interpersonal skills in supervising other physicians and nurses.
3. Real support in money, equipment and personnel from Board/Management.
4. Clear levels of authority--then get out of the way and let the Med Dir do his/her job.
5. Let the Med Dir know h/she is trusted.
6. Doctors like to know they are being treated fairly...They do not expect special treatment...they want a level playing field.

7. Work performed is clearly translated into improved patient care.
8. Support physician's participation in Certified Physician Executive Program.
9. Clear role and responsibilities that are acknowledged and accepted by the Medical Staff.
10. Clear compensation design practice.
11. Independence and self-directedness of physician leaders.
12. Collaborative style of individual physician leaders.
13. Understanding the critical role the medical staff plays in insuring the long-term viability of their workplace.
14. Formal management education/training.
15. Sense of ownership for project results, service line development.

Additional Factors that Frustrate Physician Leader Effectiveness: Boards, CEO's and CMO's should do more of these...

1. Generally, doctors are not prepared to be managers. They lack the skills needed for "planning and long-term organization." As professionals, they deal with immediate decisions and are not accustomed to planning with a long-term view.
2. Other physicians do not like being "led" by anyone associated with the hospital.
3. Challenging conflicts that require advanced conflict management skills—which we are still learning.
4. Inconsistencies in physician preferences—some want something one way, others want it another.
5. Excessive concern for financial returns to physicians.
6. Lack of skills in managing conflicts of interest.
7. Inability to embrace the collective strengths of a large group practice.
8. Leaders need to be held accountable for performance.
9. Lack of physicians willing to participate in leadership roles.
10. Confused or conflicting expectations of physicians about physician leader's role (advocate for medical staff versus advocate for hospital).
11. Resistance from senior management to define job responsibilities & to well use physician leaders.
12. We have made great progress with physician leadership, so view my survey input and this comment in that context. The single greatest challenge starts with the screen through which individuals pass to get into medical school. The screen selects for independence rather than team orientation. As a society, we need to change the screen to seek out entrants with social skills that are aligned with working in teams.
13. Physician Leader does not want to be the "bad guy" with colleagues and enforce policies/procedures, as well as implement necessary protocols.
14. Lack of effective working relationship within senior management group.
15. Physician's education, training and experience is totally opposite from what is needed for leadership. (P.S. I am a physician CEO).
16. Misaligned incentives between facility and physicians.
17. There is a need for more leadership development (not for the medical director) but for those h/she directs. Most doctors have had no leadership training in school therefore, the haven't learned to be good "followers" much less leaders. We need to help develop followers as well as leaders.
18. Conflicting priorities with other executives.

19. Many docs simply view this as a way to get money out of a hospital, with no intention of delivering real value. Hospitals are finally saying that this model is no longer acceptable, but rather are demanding value for the money.
20. Inability or lack of interest in being disciplined in their expectations, management style and outcomes with physician colleagues.
21. Absence of understanding that physician behavior and attitude and organizational performance are tightly linked.
22. Overall fragmentation of the healthcare system.
23. Perception that organization has an excessive focus on goals other than patient care / benefit.
24. Lack of commitment or experience with co-management structure / culture.
25. Lack of evidence-based and best practices resources.
26. Lack of training in process improvement techniques / tools.
27. No time due to patient load.
28. Lack of clarity about the physician leader's role/responsibilities with medical staff leadership.
29. Insufficient expertise in fundamentals of management (operations, employee relations, financial).
30. Leader role just not valued in a way similar to clinical work.
31. Conflicting priorities within management team.
32. Perpetual focus on short-term budget goals as opposed to long-term quality goals.
33. Conflicts of interest.
34. Complexity of healthcare issues beyond my direct control.
35. Medical staff burn out.
36. Absence of management skill.
37. Leadership experience on the part of general medical staff/elected medical leaders makes communication of complex strategic difficult for anyone who has a phys leadership job: I see that as the key problem at my shop. It's a problem we've begun (18 months ago) with a Physician Leadership Academy for elected (and probable future elected) physician leaders.
38. Concern on part of the Medical Director that actions too severe might compromise referral relationships.
39. Physician Apathy.
40. Lack of Departmental Physician Leadership skills.
41. Disconnection between medical staff leaders; lack of integration among medical staff leadership team.
42. The key components seem to be: lack of accountability, competition for time - leadership role and clinical activities, perceived lack of authority with medical staff, and unwillingness to take a hard stand with problem MD's.
43. Private practice physicians having unaligned financial incentives to partner with hospital.
44. Lack of trust amongst physicians and leaders.
45. Lack of clear role definition and authority.
46. This is probably one of the most difficult positions within the executive team—the balance that must be brought to this role is critical to ensure acceptance by the general medical staff and representation of the strategic imperatives of the organization. Keys to success include artful relationship and communication skills, integrity and trust.
47. Competing priorities.
48. Occasional role conflict between department chair and medical director.
49. Constraints on peer review activities by hard to stay focus due to fire fighting.
50. Medical director too often floats outside of medical staff process.

APPENDIX C: POSITION TITLES OF “OTHER” RESPONDENTS

Administrative Director, Human Resources	President/CEO Emeritus
Assistant Administrator, Physician Services	Program Director
Assistant Director, Human Resources	Project Manager for COO/CFO
Asst Vice President-Corporate	Senior Vice President
Asst. Administrator - Ancillary Services	Senior VP, Administration
Board Chair	Senior Wage/Salary Analyst
Chief Human Resources Officer/SVP	Sr. VP, Organizational Effectiveness
Chief Learning Officer / VP	SVP Medical Staff Affairs
Chief Operating Officer	SVP, HR
Chief Operating Officer	SVP/COO
Compensation Analyst	Vice President Medical Affairs
Corporate Compliance Officer	Vice President of Physician Services
Director Compensation	Vice President of Quality and Performance Improvement
Director of Human Resources	Vice President Physician Affairs
Director, Business Services and Operations Support	Vice President Physician Practices
Director, Human Resources	Vice President/Executive Director
EVP System Development	Vice-President of Medical Affairs
EVP/COO	VP & General Counsel
Executive Director-Faculty Group Practice	VP Medical Staff Services
Executive Director Primary Care Network and PHO	VP Physician Services
Executive Director, House Staff Office	VP/COO of physician group employed by hospital
Executive Director, Physician Services	
Executive Vice President	
Executive Vice President & Administrator	
Executive Vice President/COO	
Human Resources and Chief Administrative Officer	
Human Resources Director	
Human Resources Manager	
Manager of Compensation	
Manager Organizational Development	
Manager Physician Services	
Medical Director	
Paralegal/Contracts Manager	
Patient Satisfaction Coordinator	
Personnel	

APPENDIX D: PHYSICIAN LEADER FRUSTRATIONS

TAKEN FROM NATIONAL PHYSICIAN LEADERSHIP CONFERENCE
THE GOVERNANCE INSTITUTE
OCTOBER 15, 2007 - FLORIDA

ITEM (<i>Importance – 7 point scale criterion</i>)	SCALE	AVERAGE
Physician apathy about being involved in hospital/medical staff activities (classic structure frustrates dealing with this)	7	5.5
Dealing with disruptive physicians (and non-peer complaints)	7	5.1
Recruitment and retention of physicians	7	5.0
How to change physician attitudes to be collaborative across silos/specialties	7	5.0
Med staff mistrust of board, each other and management	7	5.0
Emergency Room call coverage/pay (actually across specialties)	7	4.7
Lack of experience with effective group or project management	7	4.6
Unclear performance goals/measures for leader position	7	4.6
Lack of orientation to leader position responsibilities	7	4.5
Getting other clinicians and workers to focus on quality-safety	7	4.4
Dealing with an impaired physicians	7	4.4
How to manage physicians with conflicts of interest	7	4.1
Turf battles among physicians over use of new technologies	7	4.1
Lack of appropriate physician leader compensation	7	4.0
Acceptance of EMR among colleagues	7	4.0
Align physicians along service lines	7	3.8
Overall care system complexity and confusion within the hospital	7	3.8
Privileging for non-physician practitioners at hospital	7	3.8
Credentialing low volume practitioners (not much exposure to them)	7	3.7
Lack of appreciation of work as physician leader from physician colleagues	7	3.6
Inadequate budget to do the physician leader work/position	7	3.6
Lack of apparent influence with hospital board/management	7	3.4
Credentialing new technologies ala Da Vinci	7	3.4
Lack of appreciation from hospital board/administration	7	3.3
OR throughput – inefficiencies conflict pressures	7	3.3
Not enough staff support from the hospital/medical staff office	7	2.8
JCHO/JCI accreditation mandates	7	2.7
How to implement “Medical Home” in primary care	7	2.0
N=26		

Source: James Rice and Hugh Greeley

APPENDIX E: PHYSICIAN LEADER ROUNDTABLE

OFFICES OF INTEGRATED HEALTHCARE STRATEGIES
OCTOBER 17, 2007 - MINNEAPOLIS, MINNESOTA

MODERATOR:

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