



The Governance Institute's E-Briefings



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Welcome to The Governance Institute's E-Briefings!

This newsletter is designed to inform you about new research and expert opinions in the area of hospital and health system governance, as well as to update you on services and events at The Governance Institute. Please note that you are receiving this newsletter because you are a Governance Institute member or expressed interest at one of our conferences.

News, Articles, and Updates

Building Trust in the Triangle: Practical Insights from Governance Institute Conferences

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New relationships and new levels of coordination and collaboration, especially among healthcare organizations' boards, physicians, and managers are going to be required as clinical integration, physician alignment, accountable care, enhanced financial vitality, expanded referrals, and service volumes become increasingly important. Future organizational vitality needs "trust at the intersection" of boards, physicians, and executive leaders. This article shares the obstacles and benefits healthcare organizations have experienced due to trust, and ultimately aims to help hospitals and health systems improve this relationship.

Examples: The Impact of Trust

Lack of "trust in the triangle" has been known to create obstacles to needed organizational performance. Below are real examples of this occurrence heard at Governance Institute conferences:

- Radiology joint venture for a freestanding diagnostic imaging center was delayed for two years because the radiologist did not trust that the board and CEO were sincere about trying to get a win-win partnership, costing the organization almost a million dollars.
- The board's memory of a past medical staffs' competitive move frustrated the

ability to gain board approval of a new policy for call coverage among specialists.

- Radiologists' tensions with management disrupted rapport with referral doctors on interventional diagnostics, which turned off an important flow of patient care and revenues.
- Hospital recruiting and hiring certain specialist physicians eroded willingness of physicians to be active in medical staff leadership roles.
- Physician wrote a negative article in the local paper that caused patients to be skeptical about the quality of the organization's care.
- Sleep center opened by hospital caused pulmonary doctors to resist, and eroded trust because they were not involved in its design and operations.
- Physicians don't trust process to develop clinical care protocols, so are not using them and hurting the organization's quality of care and service volumes.
- CEO's lack of trust of board's treatment of confidential information holds back needed data for strategic planning.
- Primary care doctors hold back on use of new hospitalists due to lack of trust about the capabilities of the hospitalist, and the process the board and CEO followed to set-up the new program. But they never

met the hospitalist nor saw his excellent credentials.

- Physician investments in competitive centers, creates lack of trust with board that delays needed hospital investments into clinical integration for chronic disease management programs they really need.
- Physicians delay adopting new electronic medical record (EMR) because they are skeptical about the board's and CEO's sincerity that it really is a tool to enhance patient care.

Building trust between the board, physicians, and executive leaders can be beneficial to the board in several ways. Below are real examples where the presence of trust moved organizations to higher levels of organizational performance:

- Trust among community leaders enabled a system to acquire a smaller hospital.
- Because care givers trust each other, an organization was able to close unneeded inpatient beds and save money from improvements in clinical processes.
- Collaboration with specialists and primary care doctors helped develop a new stroke center.
- Trust facilitated willingness to have conversations about how to provide better care for the patients, which levered their influence with payers.
- CEO and board created a culture of trust that enabled clinical department leaders to support favorable review by a surprise Joint Commission survey.
- Trust enabled growth in primary care clinic network to expand care access for patients and communities.
- Faster rollout of physician office EMR due to trust levels developed over the past three years.
- Better specialty care because of willingness to establish relationships with tertiary care center.
- Board retreats now involve physicians to see where the organization is and where they need to travel together for the patients and the communities they exist to serve.
- Trust in ED physicians and board led to new urgent care program that freed up ED and expanded access for routine services.
- Mergers of programs and physician practices when they saw they all had a similar interest to serve patients more cost-effectively.

- Better board meetings when they cultivate open communications because they intentionally try to build trust and transparency.

Creating a Culture that Fosters Trust

Our participation in a study over the past year with hospital leaders offers many practical ideas about how to enhance a culture where trust is more likely to get established and to flourish. Random samples of their frontline suggestions are displayed below for your consideration, refinement, and adaptation to your unique situation:

- Encourage all three groups, physicians, board members, and managers to look not just for compromise but real collaboration.
- Encourage education about how people and groups can be adaptable; be flexible to have more versatile styles of the big c's of communication, cooperation, coordination, and collaboration.
- Have open and blame-free conversation about what trust is, how it can be eroded, and how it can be nurtured.
- Have joint and relaxed discussions with physicians, directors, and managers about how to build integrity, to walk-the-talk, to sincerely care about each other, to practice smarter listening, and to be more transparent in communications.
- Don't have surprises in meetings.
- Focus discussions on strategic metrics that matter for your organization's future vitality.

Specific Initiatives to Consider

This is a learning collaborative. Everyone is learning and adapting to understand the need for and nature of trust building ideas and actions.

Board members, physicians, and managers can all help build trust through three actions:

1. Do what you say, mean what you say, give the other party the benefit of benign intent, and follow-up on what you say you will do.
2. Find ways to thank each other for what you do for the patients and communities you exist to serve.
3. Ask the quiet ones for their ideas and insights in a non-threatening manner, and then listen sincerely to what they have to say. Learn to listen, and listen to learn.

Board members, specifically, can help build trust through these actions:

- Invite diversity into the board processes and encourage candor and non-threatening openness about needs, threats, opportunities, plans, and progress.
- Conduct meetings where all are invited to participate and share questions and ideas. Build honesty and integrity in all meetings and interactions.
- Invite physicians into strategic planning sessions, and then show that you value their experience and insights.
- Design opportunities for social interactions among all board members, physicians, and managers so they can see their shared and sincere interest in having a culture that is: patient-centered, performance-driven, and values-based.
- Establish open door interactions 3–4 times per year with medical staff leaders about strategic challenges and opportunities facing the organization.
- Once a year, design “scenario-based planning” opportunities or “case studies” in the hospital/system where physicians, board members, and managers join together to look at the future needs and expectations of patients, then explore sensible ways to meet or exceed these expectations; you are all in this together.
- Invite patients into at least one board meeting per year so all are reminded their work is all about the patient’s needs.
- Plan and conduct at least one tour of your care deliver sites per year where board, physician, and administrative colleagues interact with frontline workers and reinforce your shared passion for healthcare enhancements.
- Attend community events in which all share the podium to assert in public your shared vision and values for enhanced healthcare services.
- Inform CEO that the board does not want his/her job, but does desire to serve the community by being as well informed as possible before making board level policy and strategic decisions.
- Ask managers friendly but pointed questions about how recommended actions or investments meet your organization’s mission and represent good stewardship initiatives.

- Conduct meetings in open and transparent style, with relaxed opportunities for engagement with physicians and managers about strategic challenges and opportunities.

Physicians can help build trust through these actions:

- Be open to move beyond past transgressions or omissions.
- Make a best faith effort to think first about the patient and the community before self or practice.
- Provide tours for board members of your practice, and be open to talk about your dreams and fears as related to what is good for your patients and family.
- Help organize education opportunities about trends in medical care and technologies of value to your patients, the community, your practice, specialty, and the hospital.
- Explore how principles and practices of “servant leadership” can improve your prospects to secure what you need for your patients and practice.
- Guard against fueling rumors by seeking out the facts and background to a situation before jumping to conclusion or a “solution.”
- Be willing to be vulnerable when you don’t have all the answers, but be willing to work in groups to help define problems and solutions that can be win-win.
- Acknowledge that the board and management’s time frame for “fast action and follow-through” may be different than yours, but it does not mean lack of interest or agreement or commitment.
- Model the golden rule, even as you set high standards for patient safety and superior clinical outcomes for your patients.

Managers can help build trust through these actions:

- Don’t micro-manage, as it suggests a lack of trust. Mistrust breeds erosion of trust. Sharing trust builds a positive cycle of trust. Demonstrate this in front of board members and physicians.
- Find visible ways to show how you “walk-the-talk,” as well as “talk-the-talk.”
- Be honest, forthright, and tell others when you are not sure of the answers. A bit of vulnerability can be much more tolerated

than stiff wisdom that is always quickly shared.

- Guide conversations even into and through controversial arenas if it is in the best interest of patients and the organization.
- Acknowledge which decisions may have risks and weigh the pros and cons objectively, especially in high-tension zones of physician relations, patient safety, and large capital projects.
- Be willing to admit errors and lack of information, but work hard to make it right or available as soon as possible.
- Provide as much lead time to digest issues and options; board members and physicians may not have the same knowledge or preparation as managers, so a little patience goes a long way.
- Convene quarterly lunch meetings with board chair and lead physicians about patient-focused activities.
- Practice and model “active listening.”
- Be a champion for a “culture of celebration” for physicians, employees, and board members.

There are few magic answers for trust building in the volatile arena of healthcare delivery and

finance. The key is to mutually agree we need more of it, and work together to make small progress every day, in every way. And adopt a mindset that trust must be earned; it takes a long time to build but a small time to lose since it is fragile and not easily earned back.

Please consider the ABCs of trust building in healthcare organizations:

A. *Ask* questions (and listen sincerely to the answers):

- What do you need from the relationship?
- What are past transgression/omission that we need to move beyond?
- What are 1–2 behaviors or actions that will show my respect and support for your needs?

B. *Beware* of big three taboos:

- Overpromise and under perform
- Dishonesty or lack of integrity
- Gossip

C. *Chase* three deceptively simple actions:

- Nurture a culture of “psychological safety”
- Follow-up and follow-through
- Be vulnerable as a servant leader who thanks often, and complains infrequently

The Governance Institute thanks James A. Rice, Ph.D., FACHE, for contributing this article. He can be reached at jim.rice@ihstrategies.com.