Clinician Executives: A New Breed of Leader

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The face of the healthcare CEO has been changing over the past decade, during which we have seen the emergence of a new breed in upper management, the clinician executive. These are healthcare professionals who have often held previous leadership positions, such as chief nursing officer or VP of medicine, and whose career path has seen them progress towards the top job in their organization.

In order to excel in management, these clinicians have had to develop broad skill sets that are not part of the traditional clinical curriculum: finance, human resources, organizational development, project and change management, corporate governance and more. Such an exhaustive professional development regimen takes time, effort and perseverance – yet once these skills are honed, the clinician executive can be an extremely effective CEO or COO. I believe, in fact, that this new breed of clinician executive is the best fit for the current healthcare paradigm.

In the post-war era, hospitals and health authorities were traditionally led by MDs who had little or no formal management training. Organizational structures were highly hierarchical, with a strong emphasis on medicine and a somewhat paternalistic view of the patient. Formalized, top-down decision-making, however, often became impractical as organizations grew larger and more specialization was necessary. As the baby boom exploded, demographic and social transformation further multiplied the administrative complexities that healthcare leaders had to embrace.

The 1960s to 1980s healthcare paradigm saw the birth of medicare and massive government spending. Deficit financing, large capital investments and the like created a requirement for executives with strong financial and project management skills. Technocratic relationships emerged between the bureaucracy and healthcare

organizations. This was the era of the professional administrator-executive who typically held a graduate-level degree in hospital administration, public/business administration or some other management specialty. Sophisticated management instruments were implemented in order to monitor and direct the growth of healthcare institutions. Professional administrators, with their keen mind for systems, processes and cost analyses were, however, not necessarily in touch with clinical realities. Executives who saw sick patients as inputs and treated ones as outputs were at odds with clinicians who took a more nuanced approach to healthcare. Luckily, there was enough money in the system for both to do their job with a fair degree of autonomy.

Then came the austerity measures of the '90s. As governments slashed health budgets, executive jobs suddenly got a whole lot tougher. The financial bottom line became the main driver of decisions surrounding patient care. Clinicians, deeply invested as they were in the principle of "first, do no harm," reeled in shock. Downsizing and layoffs sparked crises and uncertainty. Poor communication and change management often led to low staff morale, disgruntled patients and political backlashes.

As the dust settled, management renewal began to take place and clinicians increasingly took on the responsibility of aligning care delivery with broader organizational objectives. They sometimes had little choice but to take on the task – there were fewer people around in the wake of cuts. Organizations had to re-tool on the fly with little downtime. Whether it meant enhancing government and policy engagement or managing inside organizations, new skills and approaches were required. Change management took on a new importance, as transformation was driven by increasingly fast rates of change in technology and medical science. Innovations in information technology, in particular, revolutionized the workplace, and their adoption was accompanied by a certain flattening of organizational structures. In most settings, instant communications and more expansive collaboration networks meant that team-based approaches delivered on their promise of higher productivity and effectiveness.

Today's new realities – notably, the increased healthcare needs of an aging baby boomer demographic, coupled with a large cohort of health professionals approaching retirement age – will see the healthcare system transform radically as it seeks to treat more people using fewer resources. This will require innovative approaches to care delivery. Governments dealing with a dwindling tax base will press for austerity measures as they see an increasingly large proportion of their budgets eaten up by healthcare. Providers will need to adopt lean thinking and maximize value for money.

In my opinion, clinician executives are the best-suited individuals to lead the health system transformation that will mark the coming years. One of the major advantages that clinician executives possess is, not surprisingly, their high degree of familiarity with what goes on in the clinic. Classically trained administrators have little opportunity to acquire a deep understanding of medicine or first-hand experience of clinical scenarios in their myriad permutations. Yet, this knowledge is crucial to the development of more efficient delivery and higher standards of care. In dealing with problems that pose a high degree of management complexity, clinician executives have the advantage of being able to draw upon their intimate knowledge of evolving protocols, interdependent healthcare roles, scope of practice issues and clinical risk.

Client-centred care, which is fast becoming the gold standard, is a concept that comes more naturally to clinician executives. Throughout their education and training, clinicians are deeply imbued with the notion that their first priority is the patient. The core value of accountability is the "magnetic north" of a moral compass that underlies their professional ethic.

Empathy and compassion compel clinicians to look beyond the biological aspects of a medical condition. They are trained to consider a wide range of interrelated factors such as psycho-social dynamics, the needs of the family and other determinants that could affect diagnosis and treatment. This ability translates into more expansive executive decision-making. Rather than viewing problems in isolation, clinicians naturally factor in the competing demands of various stakeholders in an effort to strike the right balance.

Balance is, in fact, at the core of what I like to call the "double bottom line," where financial considerations and patient outcomes are systematically weighed against each other – but not in opposition. The double bottom line is rather a feedback loop in which both these variables influence each other. Better and longer-lasting patient outcomes deliver more value to the health system, though they can sometimes spell greater up-front costs for care providers. Clinical innovations that attack the wider root causes of an illness (obesity) rather than merely treating its symptoms (diabetes complications) require the kind of broad thinking that goes beyond strict cost–benefit analysis.

Clinician executives enjoy a high degree of credibility in their dealings with other health professionals. This credibility is especially valuable in the context of negotiations. A certain measure of trust and respect is automatically granted to a fellow clinician, even if he or she occupies a non-clinical role. Most clinician executives maintain their licence or registration – not because their job requires it, but because they identify strongly with their profession and maintain a sense

of belonging. The spirit of trust, empathy and collegiality that binds clinicians together lays the foundations for a strong *esprit de corps* within an organization. This insider's perspective allows clinician executives to "get" the broader organizational culture of healthcare institutions. They understand what motivates fellow clinicians and staff. Clinician executives are consequently able to reward hard work and high performance with the things people really want – which, quite often, is not more money. Aligning employee wants and needs with broader organizational objectives is a powerful strategy for effecting change.

Successful clinician executives are able to tap into a variety of personal motivators to compel employees to invest personally in the success of transformation initiatives, each contributing his or her specialized skills towards something bigger. Team effectiveness is maximized, and we see the creation of winning conditions for meaningful change – a climate of innovation in which we see the systematic and continuous integration of improvements.

Today's new healthcare paradigm puts strong emphasis on interprofessional collaboration, a concept that translates well from the clinic to the boardroom. Clinician executives can raise productivity and enhance quality by adapting lessons learned in collaborative care settings, applying these towards the broader cultural development of their organization. As health systems increasingly adopt pay-for-performance models, executives with a first-hand understanding of where efficiencies can be found will know what issues to tackle as a first priority.

One of the thornier problems all health executives face is the difficult task of establishing performance indicators that directly correlate with the imperatives of the double bottom line. Although institutions traditionally focus on their strict operational concerns, cost–benefit measurements that consider impacts on the wider health system can be extremely useful. The value inherent in positive patient/family experiences, the adoption of healthier behaviours and other such intangibles is difficult to capture in metrics. Longer-term clinical outcomes can also be expensive and hard to track.

Permanent electronic health records (EHRs) that would follow patients throughout their lifetime would be of immense benefit in this respect, but unfortunately Canada has been slow to implement such a scheme. With the increasing adoption of interprofessional collaboration models, universal EHRs would greatly facilitate patient hand-offs, reduce duplication of tests and procedures, streamline prescribing and enhance continuity of care. Aggregate data would also serve as a powerful tool for establishing benchmarks for wait times and for gauging the effectiveness of public health initiatives.

One of the last things an executive wants to see in the middle of organizational restructuring is a mass exodus of talent. This will be all the more true as mass retirements hit a healthcare sector that is already struggling with skills shortages. Executives will need to demonstrate solid human resources management skills in order to attract, develop and retain a top-notch workforce. Project management skills will also take on prominence as executives work to integrate innovative clinical approaches with new technologies and implement systems able to track sophisticated metrics. Considerable financial acumen will also be needed in order to make a convincing business case that will garner the up-front investments required. Such skill sets are not easily acquired in typical clinical settings.

In order to excel in managing and leading today's complex healthcare system, aspiring clinician executives have to broaden their leadership and administration skills. Clinicians usually acquire management training from outside sources: executive development programs, workshops and seminars, and university degrees. It takes a great deal of personal commitment to take on the challenge of mastering a new discipline while meeting the heavy work demands of the clinic. Even the most flexible training program will test the clinician's time management skills their limits. The reward, however, is worth the effort.

Healthcare organizations have a duty to create professional development opportunities for those clinicians who are willing to take on the challenge of embarking on the executive track. At the very least, senior management should strive to remove any financial or professional disincentives that might stand in their way. Interestingly, organizations with sufficient vision and resources to offer in-house executive development programs have been able to reap a double benefit. Not only do participants value the opportunity to apply their learning to actual workplace scenarios, such programs also allow the relevance and impact of their training to be directly observed by their peers. This, in turn, can inspire other employees to follow in their footsteps.

Extending profile and visibility to positive role models helps create this kind of leadership chain reaction. Not only does it aid in succession planning, it provides an added incentive for employees to excel. With large numbers of executives currently approaching retirement age, more attention needs to be paid to minimize the potential gaps caused by departures and promotions. It goes without saying that aspiring leaders should be afforded every opportunity to take on new roles, have special projects assigned to them and engage in mentoring and cross-training activities that will allow them to fill in for colleagues. Senior executives should also reward performance excellence with incremental gains in autonomy and responsibility so that up-and-comers can progressively flex their leadership muscles.

The line that has traditionally divided care delivery from administration has blurred considerably – and as healthcare continues to be rationed by cash-strapped governments, clinician executives will be well placed to lead the major transformations that the system will demand. Their intimate knowledge of clinical realities, coupled with the proper management sills, will give them the edge in marrying productivity gains with quality improvements that keep the patient at the heart of the healthcare equation. In delivering the best possible value for each healthcare dollar spent, they will help ensure the long-term sustainability of the healthcare system and build a healthy future for us all.