

The New Leader

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American College of Surgeons
Young Surgeons Leadership Conference
Washington, DC
June 22, 2003



THE CENTER FOR
LEADERSHIP DEVELOPMENT
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The Changing Health Care Environment and Its Impact on Leadership Requirements at Academic Medical Centers

External (Industry) Changes/Forces

- ↓ reimbursement for clinical services
- Rise of for-profit hospitals and insurers
- Reductions in GME funding for AMCs
- Medical malpractice crisis
- National nursing shortage
- ↑ in health information access (Internet)
- Explosion in biotechnology



Health care becomes a business, governed by market forces and escalating competition



Magnitude of change, turbulence and uncertainty in the environment increases dramatically and show no signs of abating



The demand for more and better leadership increases at a time when many people lack a clear sense of what exemplary leadership is all about



Leadership development becomes the single most important organizational competency for ensuring long-term success

Internal (Organization) Changes/Forces

- ↑ in physical plant size and # of faculty
- Resource constraints (\$, space, time)
- ↑ emphasis on contracting & marketing
- ↑ focus on performance/accountability
- ↑ in collaboration; shift away from "silos"
- Huge lag in information technology
- Physician disenfranchisement



Increase in organizational bureaucracy, complexity, anxiety and stress



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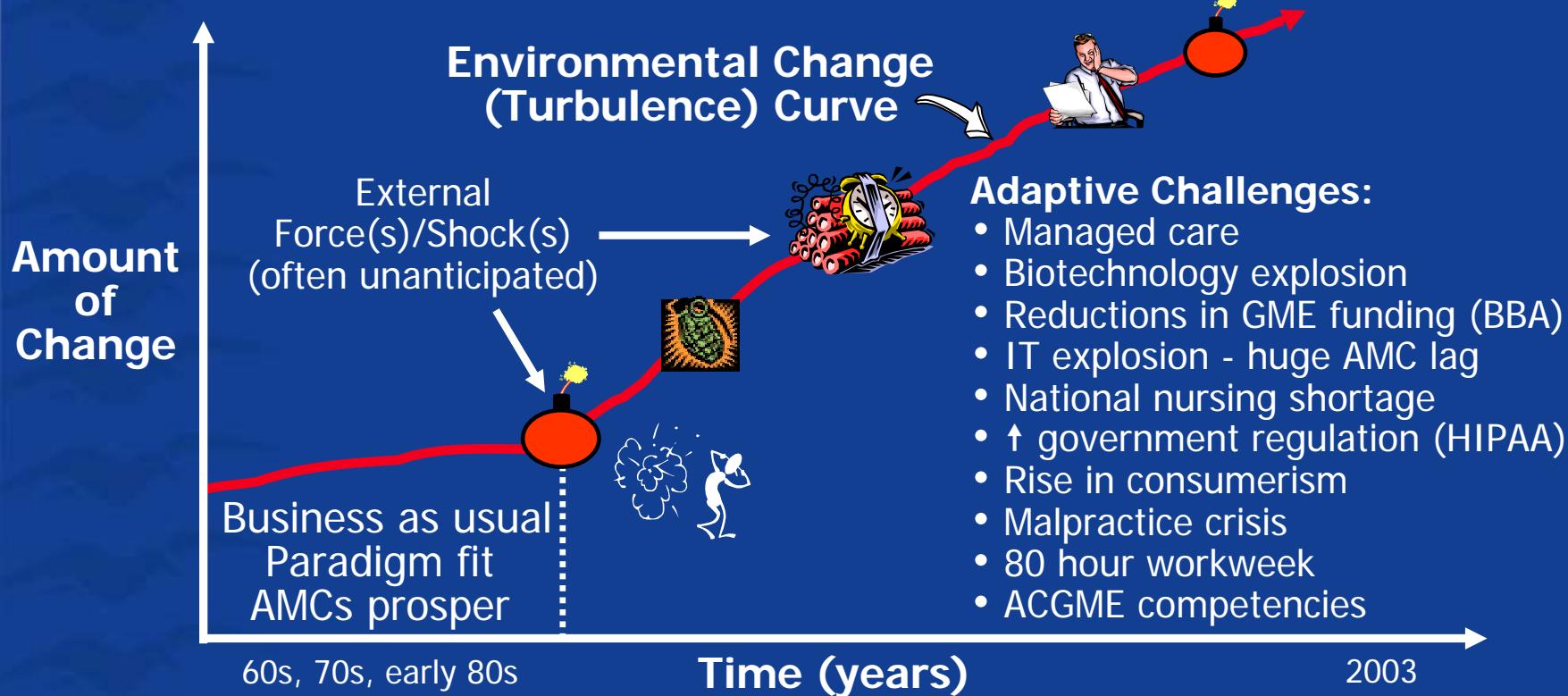


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Beginning in the late 1980s, AMCs were confronted with a series of external shocks that can be described as adaptive challenges...



Selecting Physicians Leaders: Past and Present

What was Important in the Past

- National stature and visibility
- Recruited from a prominent institution
- Track record in research/funding
- Clinical (technical) competency
- Some people skills



Achievement oriented abilities



Main emphasis on what the candidate has accomplished him/herself; performance metrics simple to assess and benchmark

What is Also Important Today

- Understands the business of medicine
- Communication (listening) skills
- Ability to build a team
- Tackles adaptive challenges
- Success in developing others



Learning/teaching oriented abilities



Emphasis on the leader's ability to learn & change and help others succeed; indicators are softer, more qualitative than quantitative



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PENNSYLVANIA STATE UNIVERSITY
Milton S. Eisenhower College of Medicine

Selecting Today's New Leader

10 Abilities/Qualifications

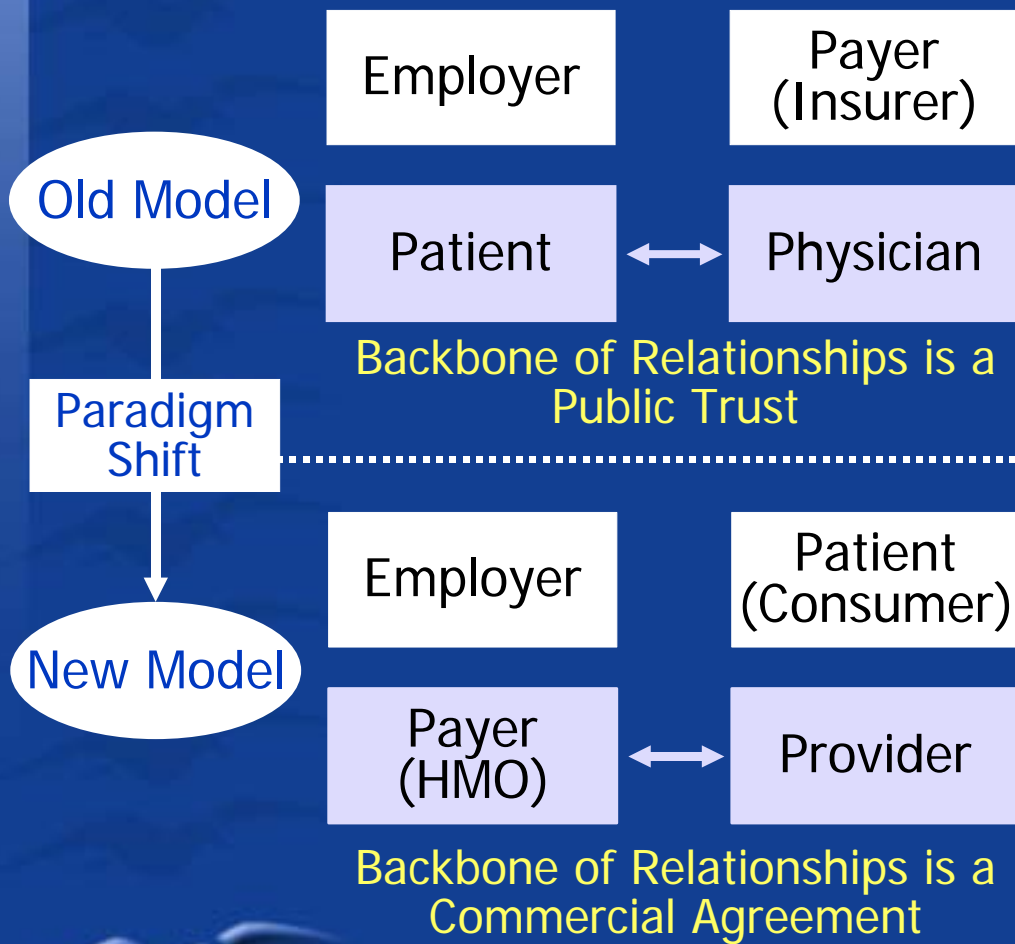
- 1) Experience with the components and demands of running a (often large and complex) department/division in an AMC
- 2) A capacity (hunger) for learning and growth**
- 3) Able to get people on board with a common vision by building trust, teamwork & clarity
- 4) Strong communication skills
- 5) Relentless about focusing on results
- 6) Fit with the organization's values and guiding principles
- 7) Capable of making decisions without perfect information
- 8) Emotionally competent (Emotional intelligence, EQ)
- 9) Success in developing other people (leaders) and nurturing leadership as an organizational capacity
- 10) A willingness to search inside

Complex Learning Problems (Adaptive Challenges)

- Challenges (problems) for which a technical solution is inadequate
 - Throwing resources at the problem won't solve the problem
- A problem that the boss can't solve for you
 - The people with the problem must learn to solve it.
 - Adaptive work requires people to change; it requires that people learn (and grow), often by working together.
 - Leaders will add clarity and direction by articulating and embodying values and guiding principles as much as by providing clear-cut strategies and goals.



Adaptive Challenge: Changes in Health Care Delivery Relationships



Characteristics:

- ◆ Doctor-patient relationship was the foundation of the delivery system
- ◆ Collegial relationship between payer and physician
- ◆ Substantial physician & patient choice
- ◆ Quality is the 1^o performance measure

Characteristics:

- ◆ Commercial agreement forms basis of the health care system
- ◆ Wary relationship between HMO & MD
- ◆ Restricted physician & patient choices
- ◆ Free-market competition
- ◆ Cost is the 1^o performance measure

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The Work of Leadership - Vision

A clear, compelling direction aligned with a focused, understandable strategy

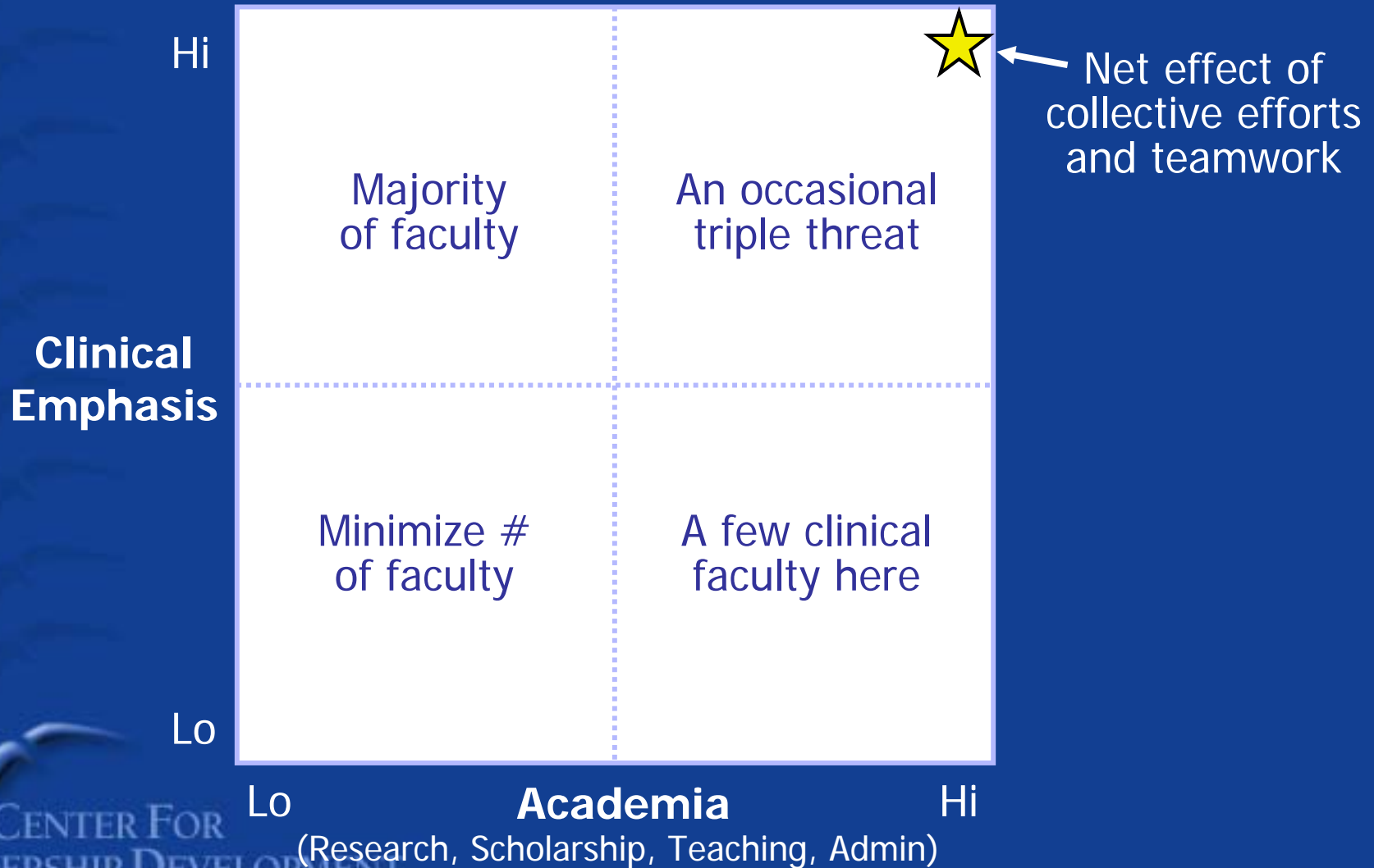
That everyone is aligned with, committed to and contributes to

...that motivates people to create a healthy organization – one where the politics and hidden agendas are noticeably low and trust, clarity and teamwork are widespread, enabling people to tackle adaptive challenges

...that creates meaningful work that satisfies basic human needs for self-determination, achievement and learning, being part of something larger than oneself and the ability to live up to and live out one's values

The result being an organization that is profitable, allowing it to improve the value it offers its stakeholders and have a sustained life

Building a World Class Department: Clinical Care and Academics as Complementary and Linked Activities



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Mentor Roles and Responsibilities

| Traditional View | | Contemporary View |
|--------------------|---|----------------------|
| Paternalistic | → | Empowering |
| Boss/Authority | → | Coach/partner |
| Stern/strict | → | Inspiring |
| In charge | → | Lets go |
| Protective | → | Liberating |
| “Raise” the mentee | → | “Develop” the mentee |



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Personal and Organizational Leadership - Parallels

Personal Leadership

- ① Who am I? Why am I alive?
 - What's my purpose and calling?
 - What's the meaning of my work?
- ② Where am I today?
 - Self-assessment
 - Reflection and awareness
- ③ Where do I want to go?
 - Desired future
 - Personal goals
- ④ What do I do to get there?
 - Education/experience
 - Values, moral/ethical standards
 - Journey of self-development

Organizational Leadership

- ① Who are we? Why do we exist?
 - Mission
 - Purpose
- ② Where are we today?
 - Organizational assessment
 - Environmental analysis
- ③ Where do we want to go?
 - Vision
 - Goals and objectives
- ④ How do we get there?
 - Strategy
 - Core values; guiding principles
 - Commitment; passion

Leadership development is ultimately a continuous process of self-awareness, self-discovery and self-development...

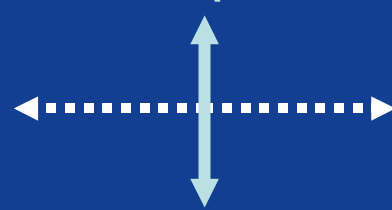
Honing the Vision

Linking Leadership Development with Performance

LEADERS

Learning and growth
Meaning and purpose
Passion and energy
Dignity and joy

Development



LEADERSHIP

Organizational learning
Organizational culture
Teamwork
Loyalty and trust

Performance

Greater Individual Success

- ◆ More competent
- ◆ More productive
- ◆ Promotion/advancement
- ◆ Improved confidence
- ◆ Better leader

Greater Business Success

- ◆ Improved customer satisfaction
- ◆ Improved employee morale
- ◆ Better outcomes
- ◆ Stronger mission execution
- ◆ Stronger financial performance