

managing moving pieces

BY DEBRA WALKER

I was speaking with a young woman who'd recently been treated for cancer. Shaking her head in exasperation, she recounted a series of “unnecessarily painful” experiences. There was the diatribe by the condescending oncologist about the in-network infusion center to which he was “forced” to refer patients. And the day her treatment was delayed because radiology hadn't received oncology's report. And how she had to repeat her clinical history and review her medication regimen four different times, in four different offices, in two geographical locations—in one day. And the close encounter with a supplement—“anaphylaxis in pill form”—recommended by a nutritionist who knew nothing of her severe allergy. The woman said the added burden of plugging the communication gaps around her own care was almost more than she could bear.

The woman's account illuminates one of U.S. healthcare's greatest challenges: coordinating services along the continuum of care. The Affordable Care Act and changes in demographics, provider reimbursement, and other market forces are creating a foundational shift. To navigate this upheaval and mitigate risk, more healthcare organizations are taking a Triple Aim approach (that's to say, focusing on population health, patient care, and cost reduction). While most welcome the change from a provider-centric, volume-based world, there are many more moving pieces for leaders to manage—and many more cracks for patients to fall through.



Six specific behaviors align best with leading in a mega-matrixed healthcare environment.



These pieces include the many mergers, acquisitions, and alliances within the industry. According to a PricewaterhouseCoopers report, 2016 has been the “year of merger mania,” and healthcare analysts expect the trend to continue unabated. Unfortunately, as entities come together, many continue to duplicate services, processes, and management structures. They remain siloed—both functionally and culturally. Absent an aligned coalition of system participants, care quality and efficiency cannot be optimized. And without this optimization, population health outcomes can’t be improved.

Fortunately, industry innovators are adopting an alternative strategic framework. This “systemness” approach supports fully integrated and coordinated care, intense physician and clinician engagement, and organizational consolidation. Likened to a “matrix on steroids,” systemness comprises interdependent entities working together in alignment.

Key to the success of systemness is clinical integration. According to the American Hospital Association, this is the means “to facilitate the coordination of patient care across conditions, providers, settings, and time in order to achieve care that is safe, timely, effective, efficient, equitable, and patient-focused.” Without this integration, patients are more likely to suffer redundancies in treatment and setbacks in recovery. Healthcare organizations also will suffer—with higher utilization and acute care costs, and lower reimbursement rates.

Systemness requires a different kind of leader

The move to systemness necessitates a new kind of leader. The traditional chain of command, with its clear-cut reporting lines, is replaced by a model in which accountability is spread among multiple stakeholders, and interdisciplinary collaboration is critical. For healthcare to coalesce a group of independently operating entities, it needs leaders who can:

- create alignment of purpose and practice
- build and optimize high-performance networks
- sacrifice some autonomy to strengthen crucial interdependence within systems.

Leaders in the structured hierarchies of the

recent past had vastly different role requirements and skill sets. The pressing problem for healthcare is that many remain in place—without the capabilities to lead forward. So, how best to proceed?

In preparation for this seismic shift to systemness, organizations must clearly define what adept leadership looks like at every level, accurately diagnose individual behavior strengths and gaps, and grow their people to lead in a new way.

Through our research and work with many healthcare systems, Development Dimensions International identified the leadership behaviors most aligned with systemness.

Energizing the organization

The refocusing of healthcare away from sickness and quantity, and toward wellness and quality is nothing less than transformational change. Leaders, therefore, must first and foremost create buy-in. They must effectively engage stakeholders and others within their realm of influence, and inspire the workforce to go above and beyond in support of system goals.

To gain this commitment, leaders must be compelling communicators. They need to paint a picture of purpose, so people can envision the potential impact of their personal contributions.

And, while most will agree with the *whys* of improving patient outcomes, members of the executive team may debate the *hows*. In some organizations, operational and strategic leaders, including chief nursing and medical officers, come to the table wearing their functional hats. In competitive exchanges over cost and future direction, they may revert to lobbying for their “constituencies” at the expense of collective system goals. Audrey B. Smith, co-author of *Leaders Ready Now*, says, “Leaders in systemness need to own their roles as part of the executive team mosaic.” Without unity at the top, a culture of single-minded purpose cannot flourish.

Cultivating networks and partnerships

In the context of systemness, building professional networks has little to do with career growth. Rather, it revolves around managing



the day-to-day in a way that helps leaders move the enterprise closer to its goals. Smith says strong leaders will draw members of their networks from three arenas: strategic (for industry, market, and customer insights); operational (for cross-organizational and cross-divisional issues and technical/functional expertise); and personal (for job and organizational advice).

Forging partnerships is equally important. To manage population health effectively, health-care leaders must pursue many “nontraditional,” community-based relationships. Partnering with schools, religious organizations, and other healthcare providers can increase consumer access to wellness education and preventive care. Contracting with suppliers that home-deliver meals and medical supplies can help manage chronic illnesses.

To establish and maintain the growing number of cooperative relationships required for systemness, leaders must be especially adept at interpersonal diplomacy. Potential partners must perceive them as authentic, empathetic, and trustworthy.

Driving execution

Clinical integration is a tall order for leadership. Even when all providers are in-network, inefficiencies in records management, referral streams, and follow-up care compromise patient health outcomes and satisfaction.

For leaders to achieve this ambitious goal, they must be able to break it down into a series of action steps with well-defined milestones. High-level strategies may play well in the boardroom, but they won't yield results unless skillfully translated for each role in the organization. Leaders' number 1 job is to communicate both the rationale behind the initiative and the value of assigned responsibilities for individuals, teams, and the organization. Job number 2 is to create accountability for these assignments, while ensuring the responsible parties are sufficiently skilled to be successful.

Courage

Putting the goals of the organization above the needs of entities, functional areas, individuals, and self requires mettle. It's especially tough for leaders conditioned to autonomous rule.

Grow Into the Matrix

Leadership development must revolve around the patient- and population-serving needs of the organization. Assessment-based formal learning will build many of the leadership skills essential in systemness, including cultivating networks, influencing, leading change, and driving execution.

In *Leaders Ready Now*, authors Matthew Paese, Audrey B. Smith, and William C. Byham advocate for supplementing formal training with “growth challenges.” These are assignments with expanded responsibilities that are jointly designed by leaders and their management teams to further business objectives and accelerate skills acquisition. They enable organizations to task their most capable up-and-comers with mission-critical projects. As a first step, the authors advise building a bank of concerns that can later be translated into development opportunities.

For systemness, this “bank” would comprise common cultural, clinical, operational, and financial concerns. As an example of a growth-accelerating assignment, a leader in charge of a highly effective safety protocol at a rehab facility could oversee the rollout of that protocol in hospitals and surgical centers throughout the organization.

Exposure is an additional benefit. If leaders are to break down siloes, they need to acquire knowledge about the system's many entities and functional groups, and have opportunities to meet the people who work within them.

They are charged with challenging long-held strategic and operational thinking, but must do so from less powerful and prestigious platforms. The C-suite has moved. It has a new system address and is no longer home to many entity executives.

Leaders in a mega-matrixed environment also must act proactively and boldly. Every day, they're forced to make decisions with potential

life- and business-altering repercussions—and manage the fallout. Leaders who are conflict-avoidant will not survive. They won't withstand the resentment that goes along with closing a nonperforming facility, or transferring the cardiac care unit from a long-time member hospital to one newly acquired from a former competitor.

WITHOUT UNITY AT THE TOP, A CULTURE OF SINGLE-MINDED PURPOSE CANNOT FLOURISH.

Consumer mindset

More options for health coverage (via public and private exchanges), greater transparency (doctor rating and cost comparison sites, social media, etc.), and new reimbursement structures for quality outcomes have added to the purchasing power of healthcare consumers. As a result, leaders must ensure that a consumer mindset permeates the system culture.

Organizations cannot deliver exceptional service without knowledge. Data, collected and leveraged, is essential. Leaders must stay abreast of changing consumer preferences and priorities, and proactively identify customer service issues that can negatively affect retention. Fostering innovation that will delight the customer and increase satisfaction also is a crucial component of the leader success profile.

But focusing solely on consumers' practical needs is not enough. Patients also have very palpable personal needs. In healthcare's quest to improve care, caring is often overlooked. Leaders must ensure that patients feel valued and respected by the outcomes-obsessed practitioners who treat them.

Diagnose strengths and gaps

The healthcare industry is notorious for ushering individuals into roles they are ill-prepared to play. Given that the stakes are so high—that the patient's health is ultimately at risk—hiring and promotion decisions can't be left to a manager's intuition or prior relationship with a candidate.

Assessment science is the surest bet to manage and temper selection risk. Behavioral interviews, tests, and simulations can identify potential, measure readiness, and pinpoint

those who will thrive in a systemness culture. Assessments generate the objective data critical for evaluating leadership talent and diagnosing development needs.

Too often, organizations fail to give this data-gathering step the time and rigor it deserves. Instead, they allow subjective “data” into the evaluation process—and compromise important talent decisions as a result. Without assessment, succession planning comes down to the willy-nilly slotting of candidates into a nine-box grid. The results lack validity and meaning, and the organization's future leadership is jeopardized.

Assessments can screen for all the behaviors highlighted here, plus rate the strength of personal attributes so important to systemness: energy, service orientation, stress tolerance, and adaptability. Bifocal vision—the ability to see both the big-system picture and the day-to-day operational details—is an especially valuable asset. For leaders to execute strategy, they must be able to zoom in when obstacles arise and coaching is called for, and zoom out to manage systemwide integration.

The new leadership profile

When it comes to systemness and clinical integration, organizations are unfortunately (yet understandably) all over the map. Despite the magnitude of the changes we've witnessed thus far, the transformation in healthcare is far from complete. But that's not to say we don't know where it is going. “Patient first” and bottom-line realities will continue to drive better integration of care, which in turn will energize entities to work together to deliver that care.

But all of this is subject to the leadership skills of those in charge. Bigger won't be better if the people at the helm can't navigate the complexity of the evolving healthcare landscape. To keep abreast—and ahead—of all the dynamic changes, organizations need to build new leadership profiles rooted in the context of systemness, mitigate the risks of selection via assessment, and accelerate leader growth with reinforced formal learning.

■ **Debra Walker** is vice president of Development Dimensions International's Health Care Practice; debra.walker@ddiworld.com.



SUBSCRIBE TODAY!



INTERESTED IN SUBSCRIBING TO TD MAGAZINE?

RATES

\$150

Individual Domestic (United States)

\$300

Institutional Domestic (United States)

\$249

Individual International

\$399

Institutional International

To subscribe, go to www.td.org/tdsub.

Get even more when you become a member of ATD!

All ATD memberships include a monthly subscription* to *TD* magazine, plus access to Watch & Learn webcasts, digital publications, research, discounts on conferences, and much more.

For details about ATD membership, visit www.td.org/members.

*International members outside the United States, Canada, and Puerto Rico receive the digital *TD* magazine as part of their membership.

0316143.31610