The Future of Healthcare Radically Different Leader

A Guide for Developing Leaders
Capable of Radical Transformation



"We don't need to think out of the box, we need to create a new box where population health, predictive analytics, and social determinants move from philosophic exercises to the mainstream of clinical care and payment models."

Stephen Klasko, MD, Executive in Residence, General Catalyst, Former President and Chief Executive Officer, Thomas Jefferson University and Jefferson Health, Philadelphia

Introduction

At The Leadership Development Group, we believe leadership is the driving force that catapults change and connects Intention to execution. In the face of the serious and seemingly insurmountable challenges facing the United States healthcare industry, strong leaders have the platform and influence to ignite meaningful change at scale. As the industry changes and evolves under the pressures of disruption, what constitutes effective leadership must change along with it.

The American Hospital Association hosts a yearly Leadership Summit in San Diego, CA. During the three-day leadership event, Tracy Duberman, PhD, Founder and President of The Leadership Development Group, has led an interactive discussion featuring a panel of healthcare innovators and an audience comprised of over 120 hospital and health system leaders to examine the future of healthcare leadership and discuss approaches leaders will need to take to drive innovation, tackle health equity, and promote wellness.









Panelists:

- **1 Stephen Klasko,** MD, Executive in Residence, General Catalyst, Former President and Chief Executive Officer, Thomas Jefferson University and Jefferson Health, Philadelphia
- **2 Soujanya (Chinni) Pulluru,** MD, Chief Clinical Executive, Vice President Clinical Operations, Walmart Health Omnichannel Care
- **3 Craig Samitt,** MD, Chief Executive Officer and Founder, ITO Advisors, Former President & CEO of Blue Cross and Blue Shield of Minnesota
- **4 Phoebe L. Yang,** JD, Board Director, GE Healthcare, Former General Manager, Amazon Web Services. Healthcare

"It's time for healthcare leaders to dive deep and "get real" to break down the challenges to true healthcare transformation. We must address how different players in the industry can collaborate in radically different ways to achieve the affordable, accessible, equitable, and excellent care we all want and know we need."

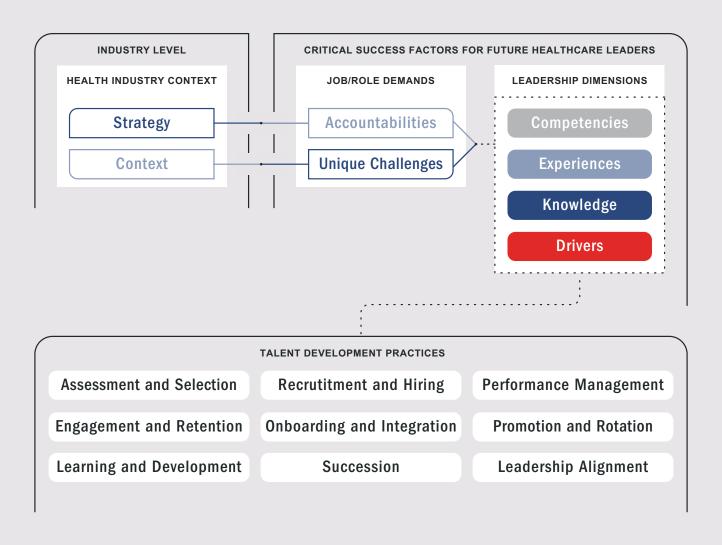
Phoebe L. Yang, JD, Board Director, GE Healthcare, Former General Manager,
 Amazon Web Services, Healthcare

Through a collaborative process leveraging the insights of the panel and the audience, a leadership success profile was created that considers the leadership dimensions required to drive transformative change. The basis of this newly derived leadership success profile is radical collaboration – the desire to cocreate, learn from, offer, and embrace diverse perspectives to problem-scope, idea generate, and innovate with others across historically competitive sectors.

What is a Success Profile?

A leadership success profile defines the dimensions of leadership, including competencies, experiences, knowledge, and drivers, which predicts success. Success profiles are leveraged to support a broad range of talent supply chain needs –such as recruitment, assessment, selection, development, succession, and more. Success profiles move leadership from a theoretical concept to a concrete scalable application aimed at helping organizations identify what is needed to drive performance. Below we outline the essential building blocks of leadership success profiles.

Success Profile Building Blocks



Health Industry Context

As an initial step in building the new leadership success profile, our panelists and audience were asked to describe the current state of the United States healthcare industry. Below are key themes which arose from our dialogue:

- Fragmented: The systemic misalignment of incentives and lack of coordination between key industry stakeholders has spawned inefficient allocation of resources – the result of which is burnout among providers, delivery of low-value (and occasionally harmful) care.
- Chaotic: The COVID-19 pandemic propelled an already strained healthcare system into a state of sustained chaos, leaving many across the industry physically exhausted and emotionally overwhelmed.
- Complex: As an industry comprised of disparate players - providers, payers, pharmaceutical organizations, government, policy makers, etc., the sectors must overcome their individual, single-sector, competitive mindset and collaborate to transform the industry.
- Unsustainable: The industry is rife with longstanding challenges regarding quality and patient safety, gravitate toward acute care rather than prevention and population health, and unsustainably drive up costs.
- Disrupted: The recent induction of major disruptive forces such as the COVID-19 pandemic, digital health, growing consumerism, the entrance of new nontraditional players, and mounting financial constraints has led to massive disruption.

The current United States healthcare system is at a major inflection point rife with opportunity to topple the old challenges and radically reimagine what care could look like in the future. Healthcare providers are facing this inflection point with one clear and distinct advantage over all other players - the patient/ provider relationship and the deep trust that comes along with caregiving.

"Incumbents in our industry are facing a major inflection point- where we will either disrupt or be disrupted. The most effective leaders will be the ones that embrace a new path forward, and are equipped to not only diagnose our industry's problems, but can also develop solutions that solve them."

 Craig Samitt, MD, Chief Executive Officer and Founder, ITO Advisors, Former President & CEO of Blue Cross and Blue Shield of Minnesota

Health Industry Strategic Priorities

Given the current state of the industry, healthcare systems will continue to experience reductions in inpatient utilization, a shift to digital and outpatient services, a full-scale adoption of value-based care delivery/financing based on value and equity, and a scarcity of key talent. With these conditions in mind, below is a summary of strategies and action plans our panelists and audience believe will be pivotal for healthcare organizations to thrive in the future.

- Collaboration and Building Partnerships:
 - When it comes to improving health and wellness at scale, the idea that healthcare leaders can do it alone even as anchor institutions has proven unrealistic.

 Much of what it will take to fix the industry exists outside the control of healthcare organizations and is instead spread among multiple diverse stakeholders such as payers, educators, policy makers, community health organizers, and others. Solutions will require building interdependent partnerships and alignment around broad common goals with others who have a stake in creating health and wellness.
- Community Engagement and Connection:
- To be successful in the future of healthcare, health systems will need to gain a deeper understanding of the communities they serve and what their needs are from both an acute care standpoint and a broader lens of overall health and well-being. It is clear that consumer behavior changed over the course of the pandemic. Given that deep listening is necessary to develop an understanding of community needs and expectations, the ability to understand, build, acquire, or partner to deliver care where consumers want it will be paramount in retaining future customer loyalty.
- Advocating for Critical Industry Needs:

Moving toward a better future for healthcare requires clearing major barriers that prevent the creation of alignment between what health systems are financially and regulatorily incentivized to do and what we know is necessary to create enhanced health and well-being. Executives in our session discussed the need for universal licensing, improved coding for social determinants,

- improved reimbursement for population health efforts, and improvements in the medical malpractice environment as critical areas for change advocacy.
- Improving and Enhancing Data: The
 metrics of success in the future healthcare
 environment are likely to look vastly different
 going forward. To deliver on key mandates
 such as health equity and the shift to valuebased care, healthcare leaders will need
 to identify what measures are effective at
 moving the needle and creating infrastructure
 to track, and improve these measures over
 time.
- Workforce Support and Transformation:

Leaders will need to develop their workforce to deliver care differently, understand the whole continuum of care, and reframe their mindset toward whole-person care. Further complicating this transformation is the critical need to improve the overall health and well-being of the healthcare workforce to reduce burnout, improve retention and recruitment, and respond to an increasingly competitive talent market.

With the healthcare industry context and strategic priorities defined, we moved the panelists and audience to consider the role of the future healthcare leader. Taken as a whole, the components outlined below make up the Future Healthcare Leader Success Profile including leader accountabilities, unique challenges, and leadership dimensions necessary to drive transformative change.

"The courage and collaborative innovation of leaders and health systems will define the ability to survive and thrive in the next iteration of health care delivery. More importantly it is our responsibility to work together to solve some of the toughest problems in inequity, inhumanity and lack of access in health care"

Soujanya (Chinni) Pulluru, MD, Chief Clinical Executive, Vice President
 Clinical Operations, Walmart Health Omnichannel Care

Critical Success Factors for Future Healthcare Leaders

Leader Accountabilities

Tomorrow's healthcare leaders will be held to a different set of accountabilities than those of the past. Below are insights from our panelists and audience:

- Population Health: Population health metrics, those that measure the health of the communities which healthcare organizations serve, will be the gold standard for evaluating impact in the future.
- Advocacy for Critical Needs: Leaders
 will be responsible for advocating for
 health and wellness goals and financial
 support for meeting those goals. Whether
 it is advocating for necessary changes
 in reimbursement models or in universal
 licensing, the healthcare leader of the future
 will need to create the conditions for health
 system success, both in and outside of their
 organization.
- Well-being of Workforce: With healthcare turnover and burnout at critical levels, healthcare leaders must establish the prevention of burnout and the restoration of the joy of a career in medicine, as core priorities. Addressing this issue with the same urgency and accountability used to solve other important business challenges is essential for the overall success of the industry.
- Equitable Health Outcomes: The COVID-19 pandemic shined a bright spotlight on health equity and social determinants of health, which motivated healthcare organizations to make greater strides in addressing those issues. Healthcare leaders of the future will play a pivotal role in ensuring everyone has fair and equitable access to healthcare.

Unique Leadership Challenges

The path to healthcare transformation will not be without its challenges. There are a few important hurdles and barriers that future healthcare leaders will be required to navigate. To help outline those challenges clearly, we turn to the work of healthcare futurist lan Morrison for his insights:

- New Market Entrants: Digital-first primary care and other scalable healthcare tech platforms are rushing to try to monetize what they see as the 'muda' (wastefulness) within healthcare and unlock the potential of valuebased care. This creates a new landscape of potential competition or collaborative partners for health system leaders.
- Consumer Disillusionment: In today's
 healthcare environment, cost and value are
 not aligned. Many Americans can not afford
 adequate healthcare services and many skip
 care because of cost. To drive improvement,
 healthcare leaders must create a system that
 understands and delivers the type of care
 that consumers are looking for at a price
 point that makes sense.
- Mounting Constraints: Scale and monopoly power is coming under increased scrutiny by policymakers, regulators, and legislators.
 A body of evidence shows that building on scale is not yielding better, faster, cheaper healthcare. Increased restraints on M&A activity within healthcare may further limit the financial moves the healthcare leaders of the future have in their arsenal.

• Burnout / War for Talent / Implications for AI: The great retirement, coupled with burnout and the shortage of providers caused by the pandemic, has created a war for talent. The implication for future healthcare leaders is that they must embrace machine learning and AI to respond to shortages. It is critical to create a technology infrastructure that works for clinicians, rather than creating additional work for clinicians through technology.

Leadership Dimensions

Leadership success profiles are dynamic benchmarks that align industry context, strategic priorities, role accountabilities, and unique challenges to specific leadership dimensions that drive a leader's ability to deliver results, including:

- KNOWLEDGE: Technical and/or professional information and know-how needed to drive strategic priorities.
- COMPETENCIES: A cluster of behaviors that when demonstrated regularly enable leadership success.
- EXPERIENCES: Educational and work achievements necessary to execute role accountabilities and overcome role challenges.
- DRIVERS: Personal dispositions and motivators that relate to how someone derives meaning or purpose and ultimately defines their sense of job satisfaction, success, or failure.

Given our experience working across the various sectors of the health ecosystem, with both incumbents and disruptors, in addition

to insights gleamed at the AHA Leadership Summit, we outline below the most pertinent leadership dimensions for future health system leaders.

KNOWLEDGE

- Social Determinants: Leaders will require
 a keen understanding of the economic and
 social conditions that influence individual and
 group differences in health status to create
 the types of programs and services that will
 impact overall health and wellness of the
 communities they serve.
- Diversity, Equity, Inclusion, Justice:
 Fostering a sense of belonging by centering, valuing, and amplifying the voices, perspectives, and styles of those within the health system, and within the broader community, will be critical to unlock the full potential of the workforce and address the challenges of health equity.
- Culture Transformation: To drive change leaders will need to understand how to engage their organization in full scale cultural transformation to re-imagine their mission, vision, and values.
- Technology System Design/ Data
 Infrastructure: Knowledge of how to
 systematically structure data to drive valuable
 insights will be critical to deliver a population
 health-based strategy and design systems
 to enhance productivity and enable success
 amidst workforce shortages.
- Community/Consumer Segmentation:
 Given the complexity and diversity of the
 communities served, healthcare leaders
 of the future will need to understand and
 address consumer segmentation.

- Risk-based Contracting: Future healthcare leaders will need knowledge of how to profitably structure risk-based contracts to reward providers for high value outcomes.
- Health Ecosystem: Leaders will need to collaborate with incumbents and disruptors to solve challenges going forward. This will require leaders to embrace the vantage points of the various sectors that comprise the health ecosystem, what they value, and their challenges.

COMPETENCIES

- Radical Honesty: Being honest and realistic about what is and is not within the control of an individual/sector/industry and being realistic about the time and resource allocations required to contribute to a solution.
- Radical Collaboration: Taking the time to build relationships with key stakeholders that have a stake in the challenge at hand and working collaboratively to develop a definition of success that incorporates all perspectives.
- Radical Creativity: Breaking free of old paradigms of 'how things have always been done', and instead challenging oneself and key stakeholders to answer the question: 'what would be the most crazy, disruptive, positive thing that we could do together to make transformative change?'
- Radical Failures: Approaching change and disruption with a sense of fearlessness and a willingness to embrace failure as an opportunity to learn.
- Radical Trust: Understanding that leading change at scale requires relinquishing control and allowing others to fully lead critical components of a change effort.

- Radical Optimism: The ability to look beyond short-term losses and inspire others to focus on the actions they can take to impact long-term gains.
- Radical Intellectual Humility: The courage to admit that no one person/sector/industry holds all the answers and the courage to seek out, partner, and/or rely on others to drive real change.
- Radical Resilience: The ability to spring back from, successfully adapt from, and advocate for ways to overcome adversity.

EXPERIENCES

- Intersection of Traditional Medicine and Population Health Management:
 Healthcare leaders of the future will benefit from experience in both individual patient care delivery and strategies to manage and support the health of populations. Population health requires aggregating data to provide a general direction, while traditional medicine requires precision and deep knowledge of the individual and their specific health needs to provide an exact course of action. An understanding of the benefits and limitations of each and the complex ways in which they are interrelated will help propel healthcare leaders of the future to success.
- Multiple Sector Experience: Having experience leading across multiple sectors of the health ecosystem will prepare healthcare leaders to view challenges more easily from various perspectives.

- Not "Entrenched" in Healthcare: Driving healthcare transformation will require doing things differently than in the past. For this reason, healthcare leaders of the future will require a broader perspective, rather than being tied to 'the way we've always done things.'
- Change Management: Experience with and knowledge of change management principles, methodologies, and tools, coupled with a solid understanding of how people and organizations go through a change and the change process will help equip future healthcare leaders for success as they drive transformation.
- Partnership Development: Partnership development is the process of identifying, vetting, launching, and managing a mutually beneficial partnership between two or more organizations. Experience with partnership development will allow future healthcare leaders to build partnerships that allow multiple organizations across sectors to combine their strengths, resources, perspective, knowledge, networks, and reach to solve shared challenges.

DRIVERS

Healthcare leaders of the future will be driven by...

- Wellness: The pursuit of activities, choices and lifestyles that lead to a state of holistic health for the populations they serve.
- Equity: Meeting communities where they are and allocating resources and opportunities as needed to create equal outcomes for all community members.
- Innovation: The implementation of creative ideas to generate value and create improvement.
- Altruism: The principle and moral practice of concern for happiness and well-being of other humans.
- Learning: Creating a culture that promotes curiosity, remaining unafraid to make mistakes and share them with others.

Embedding Leadership Success Profiles



"Don't let healthcare disruption (and eventually transformation) be something that happens to you. Instead, be a part of the solution by building the requisite leadership capacity to step up to the challenges at hand and create a United States healthcare system we can all be proud of. The provider sector is the primary owner of the patient/clinician relationship and patient trust - the sanctity of that relationship is too important to sit on the

sidelines. Be a convener of key stakeholders that impact health and wellness within the populations you serve and tirelessly advocate for the regulatory, reimbursement, and other changes you need to be successful. A better future is possible and TLD Group wants to help you develop the leadership necessary to reach it."

Tracy L. Duberman, PhD, MPH, President and Founder of The Leadership
 Development Group

To drive innovation, tackle health equity, and promote wellness at scale within the US, the future healthcare leader will be radically different than today's leader. The creation of future healthcare leaders success profile is the first step in creating transformative change. The natural next step is to turn our attention to how these leadership behaviors and attributes can be intentionally developed, recruited, and rewarded to move the needle on driving change at scale.

At TLD Group, it is our mission to create a more interconnected and equitable health ecosystem by developing leaders who are collaborative change agents. Our expert leadership development consultants can work with individuals and teams within and across the various sectors which comprise the health ecosystem to develop skills and create plans to tackle the biggest challenges facing healthcare today.

Contact us to identify where your leadership gaps are now; begin to build a pipeline for change; understand which roles and skills you need to hire versus develop; and deliver on your strategy with the right people in place. We can help your organization drive the future of healthcare.

At TLD Group, we ignite leaders, teams, and organizations to align passion to purpose and transform the health ecosystem. If you're looking to build the leadership skills necessary to execute your strategy, we would love to hear from you!

Get in touch with us!

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