

The 21st century healthcare executive

Envisioning the future leadership of an accountable care organization.

Just after the turn of the century, we published *Creating the Healthy Hospital*, a white paper on physician leadership co-authored with William J. Fulkerson Jr., MD, who is now Senior Vice President for clinical affairs of Duke University Health System.

Dr. Fulkerson's prior position as the top leader of his hospital, and his transition from 'hospital' to 'system' leadership, says everything about what has changed – and what will continue to evolve – in the delivery of healthcare.

Then, our focus was 'technology and clinical connectivity'. Today, our focus for the 21st century healthcare executive is on how those two concepts have set the stage for 'accountable care' – the linchpin of healthcare reform that will engender a new level of 'system-ness'.

In such a revolutionary time, identifying and cultivating candidates for leadership – including physician and nurse leaders – who fit well and will drive the success of your organization remains paramount. Several fundamental requirements can guide you in this process.

Ability to integrate teams and align incentives. As articulated by the American Medical Group Association, accountable care organizations (ACOs) "are clinically accountable to the communities they serve, coordinate care, have invested in use of electronic health records, and embody ideas of continuous quality improvement". Such systems, in which accountability, risks and rewards are shared, must be built on the foundation of credibility and trust.

The industry's maturation toward accountable care creates the absolute necessity for leaders with the track record and reputation that prove their skills in integrating teams and aligning incentives.

Leadership of diverse management teams. As healthcare organizations succeed in developing more diverse management teams, the most senior executives will need to be effective at leading diverse groups and using each member's expertise to advance the organization toward becoming an ACO. Beyond racial, cultural and gender diversity, tomorrow's healthcare management teams also will include members with very different professional and



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educational backgrounds, forms of expertise and knowledge bases.

The richer the diversity of viewpoints, the more effective the idea generation process will be, with better outcomes the likely result. It takes courage, open-mindedness and competence for a leader to hire senior managers who are not in the leader's image. It will be increasingly critical to the success of an organization, however, not only to hire such people but to listen to them. ACOs will approach management decisions from multiple perspectives.

Fostering of innovative thinking and problem-solving. The ACO leader must encourage a culture of innovation throughout the organization. The culture must begin with the leadership team and flow through the entire organization. Leaders set the direction for innovation by first identifying a vision for the organization that reflects a true marketplace assessment and the support of its important stakeholders.

As buy-in to the organizational vision evolves, the leader can then encourage development of solutions and ideas that will help support the vision. Creation of a culture in which people feel that their ideas will be valued will result in effective, often creative problem-solving and innovations that can make an organization more competitive and cutting-edge.

Developing a strong pool of leadership talent within today's healthcare management ranks is a critical need of the industry as a whole. As a healthcare executive leading your organization toward a system of accountable care, ask yourself questions such as: Does the leadership team need an infusion of new talent with different skills or capabilities? Do current leaders need to undergo intensive assessments to identify their skill and knowledge gaps in delivering accountable care? How can training resources best be utilized to maximize the potential of mid-level managers and build bench strength within the organization? Do we need skilled assistance in objectively identifying talent from within and outside our organization who will share our vision, understand our culture and fit our team?

Whatever the answers to these questions, addressing them proactively will help you build the leadership team of an ACO. ■