Perhaps the greatest challenge health care organizations face over the next decade is physician engagement. As integration and value-driven care continue to advance, physician leaders will be increasingly called upon to meet the demands of a changing landscape.

“Effective physician leadership will ensure physician engagement.” Although this simple axiom states an essential truth, its results can be difficult to achieve. That’s why boards must count physician engagement and leadership among their organization’s top strategic priorities.

For many years I conducted CEO searches for health care organizations. Demonstrating strong physician relations skills and collaborative working relationships with physician leaders was a key requirement boards had for all prospective candidates. In today’s changing health care environment, those skills are more important than ever. Executives who involve physicians in decision-making, strategy development and other leadership activities can be recruited for that alone. Hiring a CEO with a track record of developing physician leaders is a board imperative.

Creating a robust system to identify potential physician leaders is a critical first step for CEOs. Boards should ensure their CEOs are constantly on the lookout for future physician leaders and have formalized processes to cultivate them.

Identifying leaders
Cultivating physician leaders can begin informally, with the CEO having initial conversations with physicians who have participated in care improvement initiatives or other activities that may indicate their interest in and aptitude for leadership roles. These discussions may take place with physicians three to four years out of residency as well as with more established practitioners.

Conversations with potential physician leaders may occur over several months or even a few years, during which CEOs should take the time to observe whether the physicians exhibit traditional leadership traits such as the ability to create a vision and encourage others to achieve goals. CEOs also can use this time to build relationships with the physicians and introduce the concept of leadership. This approach begins to identify a cadre of interested, high-potential physician leaders.

One CEO I worked with held monthly, informal meetings with a variety of physicians. He also invited some high-potential physician leaders to sit in on the meetings. The theme of the meetings was simply “physician engagement and leadership issues.” No minutes were kept, and no assignments were made. The CEO used these meetings to apprise physicians of key strategic issues and to hear what was on their mind. Occasionally he sent them an article or book on a strategic subject and suggested they discuss it. This unofficial leadership education and involvement allowed the CEO to further develop physicians into leaders and learn about issues critical to them.

As potential physician leaders begin to emerge, CEOs can employ more formal cultivation methods: for example, asking the physicians to serve on the organization’s strategic planning task force or an organizational policy-setting committee. This level of involvement also gives board members the opportunity to meet and assess emerging physician leaders.

New physician leaders are likely to ask a CEO why they are being involved more in organizational leadership. The answer should be that the CEO has observed their leader-
ship skills and interests, believes they have great insight into the organization’s future needs and would like to include them in helping steer the organization forward. CEOs also can discuss how these physicians might prepare themselves to become leaders by participating in internal leadership programs or outside education. More formal, targeted leadership development also requires health care organizations to identify and share with potential leaders competencies required for specific roles and assignments.

CEOs should consider developing physician leaders from within rather than always hiring an outsider to assume a leadership role. Finding experienced physician leaders can be difficult, and bringing in an outsider can be risky and costly when things don’t work out. CEOs who spend the time to cultivate potential leaders internally, assess their commitment and motivation to become leaders and support them to achieve their goals typically find it is time well spent.

Development
Identifying potential physician leaders is just the beginning of the journey. CEOs who help new physician leaders grow into their roles can benefit from considering questions such as the following:

- What are the new physician leader’s clinical and interpersonal reputations?
- Has the individual shown leadership tendencies or traits in clinical practice and in interactions with other leaders?
- Would the new leader benefit from mentoring and/or executive coaching?

Typically, physician leadership development places too much emphasis on an educational curriculum and classroom training to groom future leaders for full-time positions. It ignores the likelihood that a number of physicians may never give up their clinical practice but are quite capable and willing to fill part-time roles. Failing to consider them for these roles may deprive hospitals and health systems of physicians who could become some of the organization’s best leaders.

Boards that make physician leadership development a priority for the CEO ensure that this important process is not left to happenstance or delegated to lower levels of the organization. To reinforce the importance of this priority and determine how effective the process is, boards should consider physician leadership development as one criterion in the annual CEO performance evaluation.

The bottom line
The health care field needs more physician leaders to help guide clinical integration and address changes in health care delivery. Boards must ensure that physician engagement and leadership development is a key strategic initiative led by the CEO.

The process of identifying, developing and engaging up-and-coming physician leaders has become a critical part of the job of today’s CEO. Those who excel in this work will advance the success of their organizations and benefit their careers. Effective boards will make physician engagement and leadership development a strategic priority for the organization and the CEO.

Editor’s Note: This column was adapted from a version that appeared in the summer 2014 issue of Chief Executive Officer, a publication of the American College of Healthcare Executives.

Carson F. Dye, FACHE (carson@dye@exceptionalleadership.net), is president and CEO of Exceptional Leadership LLC, Toledo, Ohio.

Reprinted with permission from the April 2016 issue of Trustee magazine, vol. 69, no. 4. © 2016 by Health Forum Inc. Permission granted for digital use only.