

Trustee Insights

INNOVATION



Sustainability is a Group Effort

International Hospital Federation CEO Ronald Lavater describes tools to grow sustainably

BY SUE ELLEN WAGNER

Ronald Lavater is CEO of the International Hospital Federation (IHF), a global not-for-profit, non-governmental association for health care management leaders. He is a health care

executive with 25 years of leadership experience in public, non-profit and investor-owned hospitals and health care companies in the U.S. and international markets. Sue Ellen Wagner, vice president, trustee engagement and strategy at the AHA, spoke with him about sustainability efforts in the hospital space.

Sue Ellen Wagner: *Can you tell us about the International Hospital Federation and its focus?*

Ronald Lavater: The International

Hospital Federation is a global NGO that has been around since 1929. It was founded by national hospital associations that came together and needed a venue to talk, collaborate and share ideas. The American Hospital Association was one of the founding members and our first World Hospital Congress was in Atlantic City the same year of our founding. For the 95 years since then, the IHF continues to represent the voice of hospitals on the global stage. Through our members, we represent nearly 60 countries and more than 28,000 hospitals. The World Hospital Congress is now on its 47th edition, which was originally held every other year and is now annual. This year's meeting takes place in September in Rio de Janeiro, Brazil.

Our goal is to provide our members with a platform for knowledge exchange, learning and networking with different health care leaders to improve their skills. And if hospital leaders are running their institutions using best practice, it improves health outcomes for everyone, everywhere.

Wagner: *Thank you. That's great background. Can you also tell us what led to the creation of the Geneva Sustainability Centre and its purpose?*

Lavater: The Geneva Sustainability Centre's purpose is to drive net zero, climate resilient and sustainable health care in support of IHF members. Our Centre was estab-

lished in 2022 as an initiative for our members who recognized they needed to address the sustainability challenges of today and tomorrow. What we aim to do is bring together experts who could share best practices and practical knowledge to help them on their sustainability journey.

We equip hospital leaders with the information and tools to drive the sustainability transformation at leadership, management and institutional levels. We were very fortunate to receive grant funding in Geneva which allowed us to recruit top experts in the field. With a team of seven dedicated colleagues, we are assisting hospital leadership teams to steer their organizations toward low-carbon, resilient and sustainable care delivery.

Wagner: *Can you tell us how our U.S. hospitals are performing with attention to sustainability and progress measures compared to other parts of the world?*

Lavater: Several American hospitals and systems have made great progress in advancing sustainability in their organizations. However, we find that sustainability is not yet a top priority for most American hospitals. The U.S. is lagging behind other high-resource countries in advancing sustainable and low-carbon health care delivery. We have found one reason is the misconception about the cost of sustainability and the effort to get started. Actually, sustainability can also lead to saving money, beyond its importance for reducing health care's carbon footprint. I understand this because for most of my career I worked in hospital administration, and sustainability just was not high on the agenda. We believe there is a

knowledge gap, and the IHF through the Geneva Sustainability Centre can help address this. Again, there are really great examples in the U.S. of hospitals and health systems taking a leading position — like Kaiser Permanente and Providence. But, overall, the country isn't giving it enough attention, even though it should.

Wagner: *It should, and I agree. There is a Sustainability Accelerator Tool, or SAT, which I'm assuming helps with this. Can you talk about what led to the creation of this tool and then how Deloitte and AHA became involved?*

Lavater: First, we developed a Sustainability Assessment Framework working with Deloitte. We collaborated with Deloitte because of their expertise in this field and their worldwide presence. It was an approach to provide hospitals a way of determining their sustainability maturity. The second phase was to take this framework and turn it into a digital tool. For that, we developed 23 core indicators for sustainability, and we piloted this with hospitals around the world. The feedback was uniformly positive.

For the third phase, we worked with partners around the world to ensure that the tool found its way to hospitals and hospital systems and that's where AHA came in. We went to our members and said, "We have this great tool for hospitals within your network." And we're really happy with the partnership. AHA has been a strong partner of the IHF since its founding, and this allows us to bring this global knowledge to hospitals throughout the country through a trusted partner. Partnering with AHA to launch the SAT in the

U.S. was a big step to improve the health of all people by setting a sustainable course for the future in the U.S.

Wagner: *What are your goals for the SAT? What's the outcome that you're seeking to achieve?*

Lavater: The vision for the SAT is to ensure that the barrier to integrating sustainability is minimized. Hospitals and hospital groups can easily understand where they are today on their sustainability journey and how they can move forward. Sustainability is a collective undertaking that requires all organizations to work in concert.

Our long-term goal is to create a platform of continuous knowledge exchange between hospitals at different levels of maturity to push forward the agenda on sustainability. So, if you have a global platform like the SAT, it's not just about measuring yourself, but also learning from what other hospitals are doing. It's a knowledge exchange platform, not just a measurement tool. We didn't want to just point out where you're falling short. It's more like highlighting and sharing best practices around the globe, specifically related to different sustainability areas. We can create ideas and the people who are leading sustainability in hospitals in the U.S. can say, "Ok, I can learn something from this. It won't maybe fit exactly into the context that I work in, but it has sparked some ideas on how I can go along on this journey."

Wagner: *That's great. Can you tell us about the resources available through the tool and how are they developed?*

Lavater: The tool and its content were developed in collaboration with

experts from around the world that represent the state of the art for sustainability in health care. The SAT provides valuable guidance to hospitals and health care groups, and we'll continue to develop the tool. We are very focused on the practical aspects of running a hospital versus policy development. We are also working with many of our member hospitals to develop case studies that are relevant and useful to share good practices, enriching our database continuously.

As we get more information into the tool, it becomes more valuable. The information is easy to read and understand for hospital leadership teams versus policy papers used by regulators. It is a practical tool for the operators of hospitals and hospital groups to learn about what's going on around the globe and measure their progress. It also has a board reporting element. We wanted to create something that would allow hospital leaders to report more easily their sustainability journey to their board.

Wagner: *That is really important, and that leads into the next question. Why should boards be concerned about sustainability?*

Lavater: Hospitals are the institutional representation of the 'do no harm' principle. Management teams around the world follow that principle to improve the health of the community. And boards play a crucial role to ensure that all actions within a hospital align with this principle.

Sustainability is at the forefront of upholding this principle and boards must ensure that the activities within their organizations do not harm the community, both

directly and indirectly. By reducing your carbon footprint, you're actually improving the health of your community, right? The health care sector is just one sector, but it's fundamental to improving the health of your community and reducing your carbon footprint. Moving to sustainability is core to that. And the governance needs to oversee that.

So, what we wanted to do is to have a tool that management can use to hopefully foster cultural change within the hospital. A tool that provides boards with insight on their hospital's performance, but also a comparison with other hospitals within the country or beyond. We also see the tool as an educational resource for boards on sustainability and all the core elements of it. It's not just carbon reduction, it's also about equity and governance and looking at the way you operate the facility.

Wagner: *How can the SAT help boards track their sustainability strategy?*

Lavater: The SAT is designed to create strategically relevant sustainability reports that can inform a hospital board of their current sustainability maturity. They can see how far they are on the sustainability journey, where the main opportunities are, and their performance on several key indicators. They also access benchmarking with other hospitals around the world. It also provides the ability to track performance on a hospital group level. It's a way to get engaged and also, it's really just one tool for hospital leadership to use at the staff level, senior level and board level. But it doesn't replace the real driver for change and sustainability,

which is leadership — and leadership needs to be committed to it. And to commit to it, you need to understand it and then you need to embed it in the way you manage the facility.

As I mentioned earlier, as a former manager of hospital facilities, I understand the importance of leadership in driving sustainability initiatives. Leaders need to understand what is going on in current operations, but to also envision the future and know where you need to take the organization. Communicating this vision to the board for guidance, for advice, for input is also crucial.

In today's world, sustainability leadership is a core competency for effectively managing hospitals. And the health sector trails many other sectors. If you talk to people in manufacturing, they have been talking about overall sustainability for decades.

I just clearly see that the skills needed to run a facility today include sustainability, and we're happy to contribute to this through partnerships with organizations such as AHA and Deloitte. It's always great collaborating with them and we hope to make some improvements around the globe.

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Please note that the views of interviewees do not always reflect the views of the AHA.