HSG | **Physician Network**
Building a Shared Vision

YOUR ROADMAP
TO SUCCESS

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## Building A Shared Vision
Your Roadmap To Success

# VISION

**Long considered the foundation for organizational success, it is often stated that "[l]eadership success always starts with vision."[1,2]**

New leaders are recommended to establish and convey their vision for the organization or specific area of responsibility shortly after assuming their leadership position.[3] And the transition affords an opportunity for the organization to regroup and re-evaluate strategy and direction.

**This concept is equally applicable to employed physician networks. Networks without a defined and clearly conveyed vision typically find themselves stuck in operational chaos, with individual components continuing to operate independently and the network struggling to become cohesive and synergistic.** The vision is the beacon that illuminates the target, draws the network together, and provides the foundation from which strategies necessary for success arise.

Why develop a *shared* vision? Isn't it easier for a leader to create his or her vision for the future and just tell everyone where the organization is going? Assuredly it's easier, but creating a vision in isolation and dictating it to subordinates may result in the vision not being fully embraced by the organization and, therefore, not as successful as it should be. Creating a shared vision in concert with key leaders and other staff promotes greater ownership of the vision and a greater opportunity for success.

## Consider the following viewpoint:

> **"AS COUNTERINTUITIVE AS IT MIGHT SEEM, THEN, THE BEST WAY TO LEAD PEOPLE INTO THE FUTURE IS TO CONNECT WITH THEM DEEPLY IN THE PRESENT.** The only visions that take hold are shared visions—and you will create them only when you listen very, very closely to others, appreciate their hopes, and attend to their needs."[4]

**Our experience with healthcare organizations – and physician groups in particular – supports the concept that creating a shared vision affords the greatest likelihood of buy-in, execution, and success.** Further, a strong, shared group vision, developed in conjunction with physician leaders, will catalyze development of a strong group culture aligned with requirements for enterprise success.

In this whitepaper, we outline the importance of establishing a shared vision, the elements it typically addresses, how to approach development and implementation, and what organizations can expect to achieve through it. While this discourse will focus primarily on employed provider networks, the outlined principles and approaches can be applied in various situations.

# **THE IMPORTANCE** OF ESTABLISHING A SHARED VISION

Creating a shared vision requires a collaborative approach, that senior leadership involve others in the process. The "others" involved are most often key formal and informal network organizational and physician leaders. **Involving physicians and other key staff in the vision development process is an important contributor to success for the following reasons:**

Including these individuals in the shared vision development process immediately **expresses the esteem with which those individuals are held and validates the importance of their involvement** to achieve the best possible outcome.

Physicians and other direct care providers have a **good understanding of how the group needs to evolve to thrive.** They understand how the network could better serve patients and how variability in care represents an opportunity to improve.

Direct involvement in the development process inherently **creates a sense of ownership in the final product and allows them to be active champions of the resulting product.** Thus, less time is devoted to obtaining "buy in" from key individuals and more time is dedicated to accomplishing the vision's objectives.

Communicating the shared vision informs the organization on its desired direction and the initial route it will take to get there. Some of our clients allude to their shared vision as a roadmap. Others call it their "constitution". The shared vision communicates the organization's goals so that all staff can understand and participate toward achieving those goals.

HSG's ideal shared vision is a comprehensive, descriptive narrative that clearly articulates how the organization will ideally look and function 10-15 years in the future. This is not the short, pithy "vision statement" that organizational members memorize and recite in elevator speeches or during accreditation surveys. The statement defines an idealistic future state in enough detail (often over 2-3 pages) so that all staff members can understand it and collectively work toward it.

**Executing the strategies derived from the shared vision drives progressive advancement toward the desired future state – and ultimate organizational success.**

## **EMPLOYING** THE SHARED VISION DOCUMENT

**The shared vision document is initially employed as the foundation from which strategies are developed to achieve the vision elements and sub-elements.** The resulting strategies are prioritized for implementation and action plans are created in sufficient detail to determine implementation feasibility – including the expected financial impact of implementation and execution.

Thereafter, the shared vision document and associated strategies become yardsticks against which progress can be measured. A matrix can be devised that lists the vision element and related strategies and annotates the priorities (e.g., short, intermediate, or long term), current status (e.g., completed, in progress, TBD), and pertinent details or comments (e.g., Leadership Council Charter signed October 24, 2016; first meeting November 15, 2016 – or – deferred until EMR updated in March 2017). When used appropriately, the matrix can simultaneously serve as a monitoring tool and a "network journal", as it chronicles desired actions and associated accomplishments.

The shared vision document guides leadership's thinking during the decision-making process. The document provides a standard against which options are evaluated. Decisions should align with and directly or indirectly promote vision elements. After all, the shared vision delineates what the group determined to be important and what it should aspire to become. Thus, options contemplated and decisions made should fully align with and wholly support vision objectives.

Having said that, the document cannot be set in stone and rigidly adhered to. It should be reviewed regularly (not less than annually) and adjusted, as needed, to ensure it remains pertinent for changing operational environments and circumstances. It must continue to reflect what the organization aspires to become – which may change over time.

### THE SHARED VISION DOCUMENT IS AN EXCELLENT TOOL.

**As an educational tool**, it can be used to inform current and potential future staff of organizational direction.

**As a screening tool**, it can be used to determine the cultural fit of potential new hires, particularly when recruiting new direct care providers. If the candidate cannot envision harmoniously functioning in the network's desired ideal future state, he/she is not likely a good cultural fit and should not be pursued.

# **EXPECTED OUTCOMES** OF A SHARED VISION

The primary desired outcomes of a shared vision - establishing the future direction for the group, defining the strategies to get there, the relative priorities of the strategies, and the specific action plans and financial analyses - have already been discussed. There are other outcomes and advantages.

The process of **developing and employing the shared vision allows the organization to achieve secondary outcomes that are equally important** – engaging physicians and other care providers, defining a common culture, and driving positive change across the network.

**ENGAGING PHYSICIANS AND OTHER DIRECT CARE PROVIDERS.** This starts at the beginning of the process – with the designation of a steering committee. The steering committee consists of formal and informal provider leaders and key administrative leaders working together to develop the vision. The process instills a sense of provider ownership in the end product, which is reinforced when provider members of the steering committee present the vision (and associated strategies) to their peers.

Provider engagement increases with implementation of the strategies. Most vision statements contain elements related to physician and other direct care provider leadership and often lead to the development or modification of a representative network leadership or advisory council – often composed of steering committee members. This group takes on the task of further prioritizing strategies, developing action plans, executing action plans, monitoring results, and developing further action plans based on initial outcomes.

The planning, implementation, and execution of the action plans are transparently communicated to the entire group through decided mechanisms, including regularly scheduled group meetings. In this manner, provider leaders continue to own the process, advocate actions to their peers to obtain further feedback and buy-in, and champion the implementation and execution. **The ongoing process progressively builds provider engagement and ownership. This process drives organizational change and vision fulfillment.**

**DEFINING A COMMON CULTURE.** Many groups enter the vision development process as a collection of relatively autonomous practices – each exhibiting their own identity, culture, and methods of conducting business. Networks of these disparate practices consistently envision a more cohesive group. The vision statement can directly aid this transformation.

- **First,** the vision statement projects a future state that was not previously declared. The individual practices were likely satisfied maintaining the status-quo, moving into the future in the same manner in which they functioned in the past – it's familiar, comfortable, and preferred. The vision statement provides answers to their typical questions of "why change" and "into what".
- **Second,** the vision statement often contains behavioral norms and shared expectations that begin to define the desired common culture for the group. These often build on fundamental values that exist within the group but have not been formally promoted as the foundations of the network's culture. Bringing them to the foreground and emphasizing their shared importance to the group commences active culture development.
- **Third,** the vision statement can be used as an educational tool for all network provider and non-provider staff – both current and future – as noted above. By defining what the network aspires to be and is working toward, it can be a unifying influence on the adoption of a common culture and identity.

As mentioned, many clients employ the document during the recruitment process to determine cultural fit. If the prospective recruit cannot envision practicing in the described environment, the individual is likely not going to be a good fit. Avoiding the recruitment avoids certain cultural conflict.

These clients also incorporate the document and associated strategies into the onboarding and orientation processes – reinforcing the importance of the network's vision in daily operations and cultural development. **The common theme resonates, builds momentum, and becomes the new reality.**

**DRIVING CHANGE.** In addition to driving change through strategy development, action plan implementation, and homogeneous culture cultivation, the vision and related strategies drive change through direct linkage with operational decision-making. They provide a measuring stick against which proposed operational initiatives and budgetary requests can be gauged. As one of the criteria for initiative consideration and funding, leadership can require that proposed initiatives and funding requests advance an existing vision element or contribute to a meaningfully revised vision element.

In summary, **incorporating the vision and associated strategies into daily operations and employing it in ways that contribute to defining the "brand" the group desires to promote advances and strengthens network function and outcomes,** including more actively and effectively engaging providers, establishing a common purpose, identity and culture, and driving positive change.

## **EXPECTED OUTCOMES** OF A SHARED VISION

While each organization's vision for the future will be unique, the vision document typically addresses these **common key elements of organizational success:**

**STRATEGIC FOCUS.** The cornerstone for a high-performing organization. Strategy accomplishes the vision and establishes short- and long-term objectives for the group. Organizations can become mired in the daily operational grind and neglect strategic focus and reflection. Committing to reviewing the shared vision on a regular basis (usually annually), and revising it as necessary, highlights the need to think strategically.

**INFRASTRUCTURE.** Operational leadership, IT, HR, accounting and finance, revenue cycle, and purchasing – must be adequate to meet the network's needs. And having the right management infrastructure is a key. A weak management team, or one that is spread too thin, will not be able to achieve the desired results.

**PHYSICIAN LEADERSHIP.** Clinician leadership is increasingly indispensable for organizational success. Organizations must cultivate key physician (and advanced practice professional) leaders who understand clinical, market, and economic issues, are committed to improving quality, are willing to accept accountability, model and drive the organization's culture, and hold peers accountable.

**QUALITY.** Creating an organization built on and known for quality is the lynchpin of value-based reimbursement. Quality, in this sense, encompasses the entire spectrum of clinical quality, patient engagement and satisfaction, organizational safety, and operational efficiency. Defined customer service standards and quality metrics must be in place to demonstrate to payers and the public that you can produce results – while continually improving the results and being nimble enough to respond to changing requirements of an evolving market.

**CULTURE.** To be successful, the organization must share a homogeneous culture based on clearly defined, shared expectations that drive behavioral norms. A homogeneous culture is the mortar that holds the organization together and allows it to thrive. A shared vision sets the stage for defining and developing this type of culture – which then forms the foundation for the collective group brand.

**BRAND / IDENTITY.** The organization's brand is how it is perceived by the community it serves. It requires consistent, reliable performance of desired processes across the entire organization during every customer interaction. It translates into hiring the right staff, engaging the community through effective marketing, and acting on customer feedback, such as complaints, customer satisfaction surveys, and focus groups.

**FINANCIAL SUSTAINABILITY.** Regularly performing internal assessments to identify opportunities for improvement is key to financial sustainability. Routine monitoring of key performance indicators and revenue cycle function allows the organization to keep abreast of performance on a real-time basis and adjust accordingly.

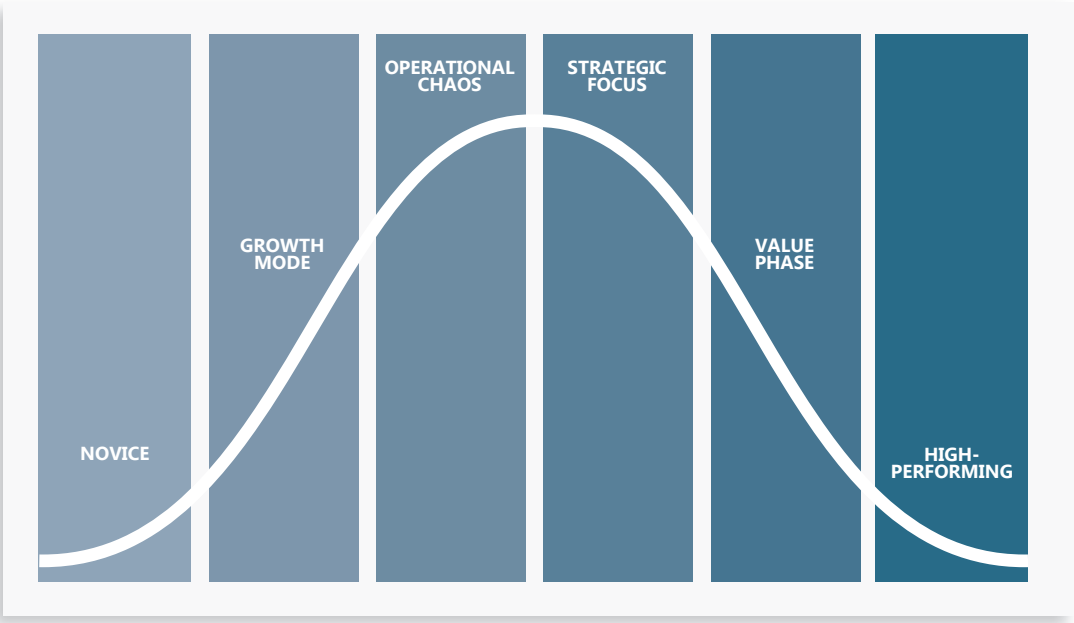
**ALIGNED INCENTIVES.** Aligning incentives across the organization helps to assure that everyone is rowing in the same direction and pursuing common goals and objectives. Most often, this alignment manifests in effective compensation plans that tie total compensation to performance in terms of productivity, quality, safety, patient experience, and operational incentives. To be effective, incentives must be understandable, realistically achievable, and represented through clear metrics that further the organization's goals and objectives, and promote a shared group culture.

## WHAT PROMPTS ORGANIZATIONS TO DEVELOP A SHARED VISION?

Many times, the impetus for developing a shared vision occurs during assessment of the network's performance and progress. The impetus may also be related to a leadership transition in which the incoming leader realizes the value of a vision and associated strategies to guide the network.

Developing a shared vision is a key intervention in helping employed provider networks "get over the hump" and progress past the state of Operational Chaos. A previous HSG whitepaper details the maturation phases employed physician networks progress through en route to the penultimate phase of a high-performing organization (HSG Physician Network Growth Phases: Accelerating the Performance of Your Network). **These "growth phases" are outlined in Figure 1 below.**

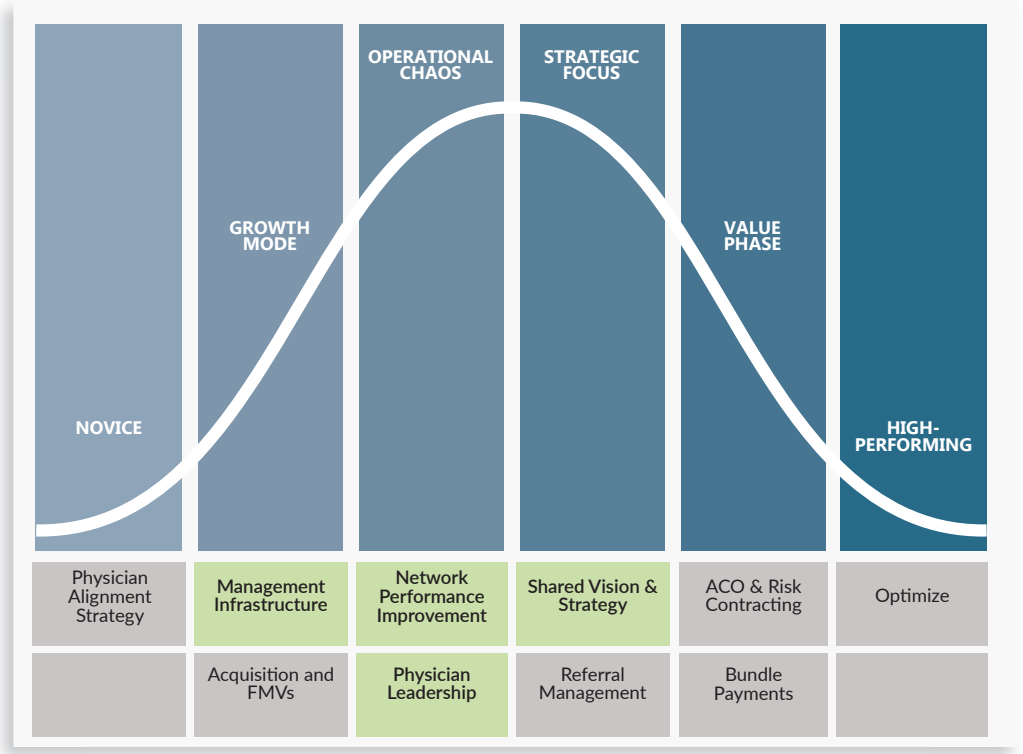
**HSG Physician Network**
Growth Phases



Each network growth phase has its own characteristics, management challenges, and corresponding initiatives that must be tackled for the group to successfully move on to the next phase of maturation and performance. Understanding where your network is in its growth trajectory is critical to crafting the strategies that will propel the organization forward to achieve its vision.

**In the Operational Chaos phase, employed physician network growth has typically outstripped management infrastructure capabilities, and the management team is often focused solely on firefighting – trying to put out the daily operational fires.** This leaves no time for strategy. The entire organization experiences frustrations. Senior management and the Board are concerned with increasing practice subsidies (losses) and often start to "cut" to address the deficits which can, ironically, exacerbate the dysfunction and lead to even greater losses due to additional inefficiencies created by the cuts. While daily operations at the practice level may not seem to be chaotic, the network lacks a real plan and a cohesive, concerted approach.

Progressing to the Strategic Focus phase shifts attention to introspectively determining what framework and capabilities might be necessary to transform the network into a high-performing organization. A shared vision provides the insight and direction needed to propel the network forward. Figure 2 below highlights the position shared vision development has in the transition and highlights other closely associated interventions – addressing management infrastructure, provider leadership, and operational performance.




We have found that concentrating on the shared vision invariably exposes issues associated with these other functions and leads to strategies to directly address and improve them. **The applicability of the emphasis can be illustrated through client Case Studies.**

# CASE STUDY

**This case study demonstrates a relatively fluid transition from Growth Mode to Operational Chaos, then employing a shared vision for a timelier entry into the Strategic Focus phase.**

## PRECIPITATING FACTORS

President of employed physician group overwhelmed by rapid growth of group, the inability to engage physicians in group operations, and the inability to effect positive change to advance the group's function.

## BACKGROUND

- The group experienced significant growth – particularly from 2012 through 2015 – primarily through practice acquisition.
- Group consists of 146 physicians and 46 Advanced Practice Professionals, spanning 19 specialties, practicing in 37 locations spread over 6 counties.
- Management infrastructure has not kept pace with growth and has experienced considerable strain.
- Group's practices functioning in a semi-autonomous fashion – continuing much of the operational processes that were in place prior to the practices' acquisition.
- Signage initiatives were being introduced to create a common identity.
- Physician leadership council created in past year functioning as communication vehicle, at best.

## AREAS OF INTERVENTION

- Create a common vision for the group which includes the desire to be a more cohesive group functioning as a single multi-specialty entity with standardized operations and practices.
- Outline key strategic initiatives required to implement the vision elements.
- Convert physician leadership group from communication vehicle to decision-making participant.
- Expand physician leadership group to represent demographics of group, with greater primary care membership and Advanced Practice Professional representation.
- Evaluate current management infrastructure and recommend needed changes.

## RESULTS AND IMPACT

Created Leadership Council subcommittees devoted to conducting the detailed work in:

- Quality and Patient Experience
- Clinical Informatics
- Finance and Operations

Injected desired physician and APP involvement with operational issues – including policy and procedure development and operational standardization.

Enhanced revenue cycle function which increased patient revenue capture and improved the group's financial status.

Revamped management infrastructure to meet the needs of the group, including addition of COO position.

Created the foundation for developing a more cohesive group culture.

# CASE STUDY

**This case study demonstrates that employed networks can linger in Operational Chaos for an indefinite period of time after significant network growth until a concerted effort, driven by a shared vision and embraced by Administration, moves it forward.** The Growth Phases are not time-limited, but are capability and focus limited. Resolute effort and energy are required to get the network "over the hump" and progress toward high performance.

## PRECIPITATING FACTORS

The employed group's physician leadership council was functioning outside of the operational structure and was ineffective with moving employed group forward.

Unable to achieve common focus for employed group.

CMO roles (especially in employed group) not clearly defined and leading to conflict.

Medical and surgical specialties will move to new Medical Office Building, which will require completely new paradigm of operations.

## BACKGROUND

- Hospital/system employed group consisting of more than 75 providers in various specialties and practice locations representing more than 95% of the Medical Staff.
- Little growth in employed group in past 8-10 years since Surgical Group was employed, due to financial concerns and its potential loss to the market.
- Medical Specialty Group acquired approximately 12 years ago, under similar circumstances.
- Family Medicine practices part of the group for more than 20 years.
- All three specialty "groups" practicing relatively autonomously – most notably the surgical group that had not changed business operations or location since acquisition – and reluctant to engage.
- Administrative Director of employed group and CMO not aligned in organizational structure or function.

## AREAS OF INTERVENTION

- Create a common vision for the group which included the desire to be more cohesive, functioning as a single multi-specialty entity with standardized operations and practices.
- Outline key strategic initiatives required to implement the vision.
- Recommended organizational structure that formalized dyad leadership for the group, established clear reporting relationships, and created formal physician leadership roles within the group (Physician Advisory Council).
- Revised, defined CMO roles within the employed group and the Hospital/ system, shifting focus to employed group and overall system clinical oversight.
- Created VPMA role to address hospital-based issues, such as medical staff services, credentialing, etc.

## RESULTS AND IMPACT

Vision creation shifted focus to entire employed group rather than specialty siloes and accelerated ability to implement vision strategies.

Group utilizing vision as its "constitution" to:

- Provide roadmap to future success
- Educate all staff of group's goals and direction
- Screen new hires and provider recruits for cultural fit

Accelerated group evolution to meet demands of value-based care – including taking a more active role in ACO participation.

Enhanced collaborative interactions among physicians and management and provided greater voice to physicians in group and system operations – including expansion of physician representation on Senior Management Team.

Strengthened organizational infrastructure and function.

Management and physicians agree the process set the stage for real progress.

# CASE STUDY

**This case study demonstrates a unique application of the shared vision approach.** This organization decided to initiate shared vision development to create a virtual multi-specialty group to address more cohesive functioning and transitions of care between disparate specialty groups. The system started their journey by proactively creating a shared vision, then pursuing group development according to the vision and associated strategies. This application of the process injected strategic energy from the start, leading to rapid group development and enhanced performance and value.

## PRECIPITATING FACTORS

CMO of two jointly led hospitals recognized need to better coordinate/align services provided by emergency medicine, hospital medicine, and primary care – the specialties that account for most of the hospitals' primary contacts with its patient population.

Patient transitioning between these specialties represent significant opportunities to enhance safer, more seamless transitions of care.

CMO desired to create a "virtual" multi-specialty group of the three specialties to address mutual issues.

## BACKGROUND

- Hospitals are part of a seven-hospital regional system.
- Each targeted specialty is represented in separate, formal medical staff department, linked only by Medical Executive Committee.
- The only cross-departmental activity is informal conversations between the department chairs.
- Target specialties represent a mix of employed (hospital medicine and primary care), independent (primary care), and exclusively contracted (emergency medicine) physicians.
- Emergency medicine and hospital medicine services significantly rely on part-time physician coverage, though each is making in-roads toward more full-time staffing.

## AREAS OF INTERVENTION

- CMO and Director of Primary Care championed the initiative.
- Elected to create vision for new "virtual" multi-specialty group and then create leadership structure.
- Comprehensive interview of all physicians from the three specialties regularly involved in patient care in and around the two facilities.
- Presented proposed vision to same physicians prior to finalizing vision and associated strategies.

## RESULTS AND IMPACT

Achieved "collective" buy-in during all-provider meeting. Mood focused on how virtual group could achieve positive change.

Created solid foundation upon which to build cooperative efforts to address mutual patient care issues.

Paved the way for expanding physician engagement in effecting change and a more homogeneous culture.

Vision Steering Committee transitioned into the Physician Leadership Council – perpetuating corporate knowledge and project momentum.

Leadership Council members expressed greater understanding of others' viewpoints and impact of actions across specialties.

Input from interview process translated into initial "problem" list.

# HOW SHOULD AN ORGANIZATION APPROACH SHARED VISION DEVELOPMENT?

**ESTABLISH OVERSIGHT**

- Assemble steering committee of formal/informal physician/APP leaders and system/network administrators.
- Task them with defining what the group will look like in 10-15 years.
- Ask them to describe a group with which they will be proud to associate.

**SOLICIT INPUT**

- Via interviews, standardized survey, and targeted data review.
- Provide for participation by providers, executives, and practice managers.
- Focus on group aspirations and perceived issues and barriers.
- Responses provide baseline understanding of the group characteristics and performance.
- Standardized survey helps to objectify and quantify personal opinions.

**REVIEW DATA**

- Targeted data review supports or refutes prevailing opinions.
- Review industry trends and success factors from other organizations.
- Review local market factors, such as level of managed care, etc.
- Review internal system strategic planning materials.
- Qualitative and quantitative analyses inform the development of a draft narrative vision.

**DRAFT VISION**

- Draft typically 2-3 pages, outlines the ideal state to which the group aspires.
- Addresses clinical leadership, quality, culture, brand, financial sustainability, aligned incentives, etc.
- Clearly conveys elements the group feels are crucial to its long-term success.
- Process enables clinical/non-clinical staff understanding vision intent, minimizing risk of individual interpretation.

**REVIEW DRAFT VISION**

- Draft vision and background data reviewed and edited by the steering committee.
- Editing process focuses on content, presentation, and clarity, rather than wordsmithing.
- Clinicians identify patient care/service area(s) missed or not fully captured in the original draft.
- Emphasis and sequencing change with each draft, as committee members internalize the content.

**FINALIZE VISION**

- Steering committee presents draft to entire group for open discussion.
- Physicians and other front-line clinicians add further insights, building sense of ownership.
- Steering committee debates and assimilates group's input to create a final version.

**STRATEGY DEVELOPMENT**

- Vision serves as foundation for core strategies to achieve the vision elements are derived.
- Strategy development builds support for the process as the group sees the shared vision leading to positive actions.

## CONCLUSION

**Creating, communicating, executing, and regularly revisiting a shared vision sets the framework for employed physician network success.** It helps to galvanize your physician group around an aligned, common vision for the group's future. The vision development process engages physicians, and that engagement increases with strategy formation and implementation. And, incorporating the vision and associated strategies into daily operations advances and strengthens the desired outcomes of engaging physicians, establishing a common purpose, identity, and culture, and driving positive change in the organization.

**To discuss how HSG can work with your organization to craft and incorporate a shared vision with your employed physician network, contact us at 502.814.1180, info@HSGadvisors.com, or directly to our leadership group below.**



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"As counterintuitive as it might seem, then, the best way to lead people into the future is to connect with them deeply in the present. The only visions that take hold are shared visions—and you will create them only when you listen very, very closely to others, appreciate their hopes, and attend to their needs."

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