The Value of Dyads for Improved Healthcare Leadership

Executive Summary

To help ensure continuing high-quality medical care and ongoing business success within a rapidly changing healthcare industry, many organizations are employing healthcare dyads—formal leadership partnerships between respected physician leaders and skilled administrators—to capitalize on the strengths and attributes of each. This white paper presents a guide for making a healthcare dyad successful within any size or type of healthcare organization.

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Introduction

As fee-for-performance changes and competitive pressures increasingly dominate healthcare, the importance of high-quality leadership in the healthcare industry has never been greater.

Consider that in the past 25 years, nearly 2,000 hospital mergers occurred, and in the last ten years, the number of hospital-employed physicians (as opposed to those in private practice) increased significantly. For the first time ever, fewer than half of U.S. physicians are independent practitioners.

Combine these operational challenges with major regulatory uncertainties; significant demands related to quality, outcomes, and cost-reduction; and increasing population health needs, and you have an increasingly complex healthcare leadership environment.

Amid such profound challenges, many leading healthcare systems are turning to a dyad model of leadership, pairing a skilled senior physician with an experienced administrator to achieve a "best of both worlds" leadership system. Typically, the dyad leaders collaboratively run an organizational unit, region or business segment, such as acute care centers, physician practices or urgent care centers.

If your healthcare organization is not already employing a dyad leadership model, chances are it will soon. According to a New England Journal of Medicine Catalyst Insights Council survey, nearly three-quarters (72 percent) of 868 respondents said their organizations use a dyad leadership approach, and 85 percent believe it is effective.[1]

The basic reason behind the increasing popularity of dyads is simple: healthcare leadership today has become too complex for single individuals to master—as they continue with their other clinical or administrative responsibilities. By combining physician and executive leaders whose skills, experience, and knowledge translate into dyad teams, healthcare organizations are delivering a more powerful, quality- and team-centric approach to healthcare.

Explaining Dyad Leadership in Healthcare

While dyad leadership may be a new concept in some healthcare organizations, in others, such as within the famed Minnesota-based Mayo Clinic, the physician/administrator partnership model has successfully existed for decades.[2] Essentially, the dyad leadership model capitalizes on the typical attributes, experiences, and responsibilities of a physician leader and senior administrator; balances each participant's strengths and development opportunities; and combined, delivers a powerful team to address a myriad of vexing healthcare challenges.

See below for a chart indicating the typical primary and shared responsibilities of a physician leader and healthcare administrator.

Primary and Shared Responsibilities of a Physician Leader and Administrator

Physician Leader	Both	Healthcare Administrator
Quality of clinical professionals	Mission/vision/values	Day-to-day operations: • Problem solving • HR functions • Team functions/development • Finance/budgets/revenue & expense management • Capital planning • Collaboration across departments • Policies/procedures • Scheduling
Provider behaviors	Strategy	Practice management
Provider production	Culture	Performance reporting
Clinical innovation	Overall performance	Supply chain
Patient care standards	Compliance	Support systems
Clinical pathways/models	Internal organizational relationships	Other duties, as determined by role or assigned
Referring physician relations	Staffing models	
Orientation/mentorship	Recruitment	
Other duties, as determined by role or assigned	Input into dyad partner's primary responsibilities	

While it may have worked years ago for physicians to have only limited business and leadership training in an era when physician practices were small (or solo) and clinical compensation was based on production, today most physicians work in mid- to large-size healthcare organizations with compensation determined by performance and outcomes. Patients have also changed. Nearly half of all U.S. adults now experience one or more chronic diseases. Thus, the likelihood of these patients' physicians leading or working as key members of multi-disciplinary care teams has significantly increased, amplifying the need for physicians to possess fundamental business and leadership skills.

The problem is, most U.S. physicians were not taught leadership or administrative skills in medical school or have not had an opportunity to learn about them in clinical practice. Common business leadership skills—such as providing productive developmental feedback, effectively resolving personnel conflicts, and allocating scarce resources—are often foreign to physicians.

While some physicians may think it's simple to lead large teams of highly trained peers and professionals, the reality is quite different. For instance, under today's value-based compensation model, clinicians are increasingly judged based on relative performance. A physician leader who supervises other clinicians may lack the core evidence-based leadership skills required to properly assess other clinicians' performance, not to mention navigate other challenging business-centric topics such as salaries, incentives, metrics, and contracts. Instead of trying to fly solo on such crucial decisions, a physician leader would likely be much more effective handling subjects like these in partnership with a professional administrator as part of a dyad.

Recognizing the increasing importance of business and leadership skills in physicians, many U.S. medical schools have updated their curriculums to follow suit. Nearly half of all U.S. medical schools now offer joint M.D./M.B.A. programs. Still, these changes do not help current physicians who never had such learning opportunities available or future physicians who opt out of taking these optional business or leadership courses, and as a result, lack significant business and leadership knowledge and experience.

Why Dyad Leadership is Needed Now

With massive, paradigm-shifting transformation happening in healthcare, such as the transition to value-based payments under the Medicare Access and CHIP Reauthorization Act (MACRA), all physicians—and the administrators who work with and support them—will need to adapt to new business and leadership demands.

"Changing reimbursement dynamics and an aging population requiring more comprehensive care are challenging healthcare leaders to think very differently in terms of effectively delivering healthcare," says MDA Leadership CEO Scott Nelson. "Quality healthcare leadership means figuring out how do you offer the best possible care, as close to the patient as possible, and as affordably as possible. That's a conversation tailor-made for dyad leaders to address."

By definition, dyad leaders need to be "big picture" thinkers and doers. Intrinsically, a well-functioning dyad leadership model demonstrates cooperation and collaboration between its chief participants, and fosters similar behaviors among clinical and administrative staff members who work with or for them. However, this is often a foreign concept to physicians—trained to operate in a command-and-control environment in which they call the shots—who now must learn how to delegate, mentor, and collaborate within a dyad structure.

Yet out of necessity, dyad leaders must think of what's good for their team, and thus, increasingly evaluate themselves based on their own unique strengths and development areas, and think about ways in which they can improve themselves. Once accustomed to thinking and leading in this way, dyad leaders are also more likely to encourage other team members to engage in similar, team-centric behaviors, cascading these positive behaviors throughout an organization.

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Dyads help an organization's key leaders deliver on core responsibilities—as well as large-scale initiatives—by taking advantage of the dyad leaders' combined attributes. This approach ensures that these dyad leaders are collaboratively reaching their full potential and delivering maximum value. It also helps these leaders, particularly physicians, avoid the stress and burnout common in the highly demanding healthcare industry. Whenever a dyad leader stumbles, as can often happen, the other leader can and will be there for support and encouragement.

It's a leadership dynamic that's worked for decades within the Mayo Clinic, where all professional staff—clinicians and administrators—are salaried and receive no incentive pay. Freed from pursuing individual financial incentives, clinicians and administrators can instead focus on working well together as a combined unit. They can then ensure that their interests are aligned and decide on what's best for each patient. Considering that the Mayo Clinic is consistently ranked as the nation's top hospital and number one in more specialties than any other U.S. hospital, the success of Mayo's dyad approach speaks for itself.[3]

Making Dyad Leadership Successful

What makes a healthcare dyad succeed? Ultimately, it's due to the qualities of the physician leader and administrator who constitute the dyad. Physician leaders and administrators, before entering into a dyad, typically already possess the core necessary attributes to succeed in this leadership model. Successful dyad physician leaders likely have impeccable clinical credentials, strong relationships and influence with their physician peers, and a clinically-trained ability to think as part of a larger system. Successful dyad administrators usually have solid management skills (e.g., in finance, HR, and operations), a strong attention to organization and detail, and a practiced ability to relate well to other leaders. Overall, these are individuals who are likely already highly respected by their peers.

Overwhelmingly, interpersonal skills are the most important attribute for healthcare leaders, according to the New England Journal of Medicine Catalyst Insights Council Leadership Survey, "Leading Physicians and Physician Leadership." Ninety percent of survey respondents said interpersonal skills were the most important quality to lead other physicians, and 82 percent said the same about leading a healthcare organization, far outpacing other critical attributes such as administrative and clinical skills.

Combined as a dyad, a physician leader and successful administrator can add value through their collaborative ability to solve complex problems and communicate well with others. Dyad participants also typically share a desire to join forces as part of a high-quality, high-performance team—as opposed to standing out as solo practitioners.

At the beginning, dyad participants will likely spell out their roles and identify complementary opportunities. They'll ensure that each party has ample chances to succeed individually,

while also watching for potential collaborative occasions. Typically, they'll not only hold each other accountable for their joint performance, but also ask their immediate colleagues and those who report to them for input on their joint efforts.

"Our clients' dyad leadership partnerships allow each participant to focus on what they do best, and bring out the best in each other," said Nelson. "Physician dyad leaders are able to focus on being the best possible care providers they can be, and administrators on creating an optimal care environment. Together, they become a highly effective and necessary leadership team to take our clients to the next level of performance."

Once you've identified a physician leader and administrator you'd like to pair in a dyad partnership, the next step is getting them started in this effort and providing them with ongoing support. If a physician leader and administrator are unfamiliar with the dyad leadership model, it will be necessary to introduce the model and provide them with a variety of ongoing dyad-related tools and assistance, including individualized assessments and coaching.

While it's possible to establish a dyad leadership model on your own, many organizations find value in employing a consultant like MDA Leadership to assist with or lead the dyad-building and development process. Such external firms often employ a variety of assessment and development solutions, and have the expertise to assess the dyad participants, deliver insightful feedback to these senior executives, develop meaningful growth plans, and provide executive coaching to elevate individual and team performance.

The individualized assessment and coaching provided by a third-party organization can be particularly valuable on the physician side of the dyad. Many healthcare organizations are hesitant to provide development feedback to physicians, especially from physician to physician. With an external organization assessing both dyad participants and providing this feedback, that dynamic is removed.

A typical engagement with an external dyad consulting firm will vary, yet often includes a three-phase process as follows: 1) An initial meeting with and assessment of dyad participants as well as discovery interviews with key stakeholders; followed by individual and joint review of assessment insights with the dyad participants; followed by growth planning and alignment; 2) Group data review and planning; and 3) Individual/group coaching with the dyad participants over a pre-determined amount of time (or sessions). All of this work should be tailored to the specific needs and culture of the healthcare organization and its key stakeholders, as no two healthcare organizations are identical. Generally the client identifies a lead HR professional to help oversee the process. See above for a graphic of how a typical three-phase dyad coaching approach might be structured.

A Typical Three-Phase Coaching Model for New Dyads

Setting the Foundation
- Initial meeting between dyad members and coach
- Administer assessment instruments
- Discovery interviews with select key stakeholders for each dyad coachee

Phase I Dyad Coachee Feedback, Growth Planning, and Alignment
- Individual feedback
- Joint dyad feedback session
- Individual identification of priorities and growth planning
- Joint dyad growth planning and alignment meeting

Phase II Group Data Review
- Discuss organizational themes and implications
- In-person group feedback/growth planning

Phase III Initial Coaching Curriculum
- Face-to-face coaching conversations
- Phone interview with HR dyad partner
- Summary meeting to discuss progress and develop post-coaching plan

The organization's internal HR representative should be present throughout the dyad engagement to champion the process, watch out for any warning signs (such as a lack of engagement from one or both dyad participants), and minimize any internal pushback to the dyad model from other staff members. The latter can occur in organizations in which the dyad model is new, as healthcare organizations can be reluctant to embrace change.

Conclusion

Given the profound changes occurring in the U.S. healthcare industry, "business as usual" leadership approaches will no longer work as effectively as they once did, if they ever truly did. That is why a majority of leading healthcare organizations are adopting a dyad model to leverage the inherent strengths of clinicians and administrators, and provide the leadership necessary to address several complex operational and clinical needs.

Rather than seeking to create high-performing dyad leadership teams on their own, healthcare organizations often turn to qualified experts like MDA Leadership to provide the objective assessment, coaching, and development insight necessary to help dyad leaders achieve their peak potential. By turning to such an external resource, healthcare organizations can bolster the leadership competencies and performance of their dyad participants, and in turn, the performance and productivity of their organizations.

[1] 2017 New England Journal of Medicine Catalyst Insights Council survey
[2] https://www.mgma.com/resources
[3] https://www.mayoclinic.org/about-mayo-clinic/quality/rankings

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