Leadership in a Health Care Organization: Not Like Private Practice

Physicians have traditionally been an independent breed. A standard cliché among my generation is that you go to medical school partly to become your own boss. Private practice has allowed for such independent-spirited behavior, and many of us have been captains of our own ships.

All that is changing. Physicians are becoming part of large organizations, and many are taking positions that involve leadership responsibilities. Very few residency graduates are starting their own practices, and the number joining private practices is shrinking. Many are becoming salaried employees of large medical groups or health care organizations. This may say something about the lack of independent business spirit among the new generation of physicians, or it may say something about the changing landscape of health care in America. In any case, this new generation seems to be coping with the situation reasonably well. But what about the generation that has been in private practice for some time?

Many family physicians are adjusting to this new reality of working for a large organization. Those in positions of leadership or management face an especially challenging transition. In 1995 I wrote an editorial for *Family Practice Management* about what I had learned in this process. Three years before, I had left behind 14 years of community practice in a small town to work for a large health care organization in a big city. Since then, I have worked for five large organizations, two not-for-profit community hospital systems, and three academic medical schools. I have learned much and have been well coached in leadership and management. I have also made some big mistakes along the way. Some of those mistakes came from the solo-practice mindset I brought with me. I hope my insights will be even more useful today than they were in 1995.

**Culture eats strategy for lunch**

Management guru Peter Drucker is credited with saying, “Culture eats strategy for breakfast.” It can also chew up employees who underestimate its strength. Every organization has a culture, and adapting to that culture successfully is vital for anyone who wants to survive in the organization, let alone have any management or
leadership success. If you are as self-confident as I was when I left private practice, you might think that you will change the culture of the organization you join. Although that might be true to some degree in the long run, thinking you can make that happen soon after you arrive is hopelessly naive, whether you come in as head of a department or head of the whole organization.

My first job coming out of private practice was to start a family medicine residency program in a community hospital that had never had graduate medical education. I informed the leadership of the leading medical groups what they would have to do to teach in the residency program. The idea of the residency was popular, but I had no idea how big a culture change I was asking for, and the resistance I faced was a shock. What I should have done was learn the culture first, and then learn how to work within it.

Eventually, I hired a management coach, and one of the first books he had me read was Organizational Culture and Leadership by Edgar Schein of the MIT Sloan School of Management. It remains a classic work for understanding organizational culture and how to lead successfully in different organizational contexts.

Beware of assumptions

Five years after Schein’s book came out, another seminal management book emerged: The Fifth Discipline: The Art and Practice of the Learning Organization by Peter Senge. Senge helps the reader understand organizations, and Senge focuses on how organizations should work. Senge’s work has continued to inspire leaders and managers to this day. Senge describes three common assumptions that new and naive leaders like me make when coming to an organization. I’ll put these in the context of my role and one that you may have.

I assumed it would be easy. Since primary care and family medicine are what health care organizations need most, I thought the organization would make it quick and easy to establish a new family medicine residency program. But my experience in small-group practice hadn’t prepared me for the fact that any member of a large organization has to move at the speed of the whole organization and in paths the organizations has laid out. Large organizations are complex, their decision-making processes may be convoluted, and each has different information channels. And it isn’t just that the decision-making process is slow, complicated, and unique to each organization: Simply learning how it works (and how to make it work) requires considerable time and effort.

In private practice, the clinical staff, the physicians, the operations staff, and the financial staff are all woven together as one system. In a large health organization, the clinical, operational, and financial are separate realms, each with its own language and processes. As a clinician, I thought good ideas based on sound reasoning would move quickly through those other realms, but that never happens. I’m dealing with one example of this now: My organization needs a memory assessment center, and one of the geriatricians is keen on leading it. From my perspective as a physician, setting it up seemed like a no-brainer. But that was before our financial staff questioned whether the geriatrician in charge would be as productive as he is now seeing patients on a normal schedule. That left me to figure out how to defend something that might not make financial sense to people whose sole concern is the financial well-being of the organization. Accounting pro formas are what matter to people working in the financial realm.

I assumed the organization would adjust to me. Every organization embodies a complex set of behavior patterns, values, and
beliefs that tend to perpetuate themselves. Of course any organization must evolve to survive in the long-term, but while you may be an important part of this evolution, organizations change slowly. Ultimately you will be called upon to adjust to the organization rather than vice versa. We all think that we can bring our private practice savvy into the organization and make it more efficient. I and everyone I know who has moved from an efficient private practice into a complex health care organization is amazed by the difficulty and complexity of getting things done.

I assumed everyone would help me. Since family medicine is so clearly needed and my role has often been to develop and expand primary care, I used to assume that I would have all the support and assistance the organization could offer. But change or development in one area usually means de-emphasis in another. Some members in the organization will always be skeptical of or threatened by change, and they may act in ways intended to prove themselves right at the expense of your success. Moreover, even with general conceptual support for what you do, everyone is busy keeping his or her own house in order and may not have time to assist you. I have often felt that I would succeed despite the organization rather than because of it.

The “laws” of organizations

Senge offers several “laws” of organizations. Five of them, in particular, strike me as applying directly to my experience and that of my colleagues who are trying to build something new within their organizations.

Every problem was once a solution (that someone was invested in). Before you go after perceived problems aggressively, think about who may be threatened by your actions – for example, key specialists in an environment of surplus or overpaid specialists. Your goal may be increased reimbursement for family physicians, and the additional income may have to come from monies now given to specialists. You will need a good relationship with key specialists in your organization to succeed.

The harder you push, the harder the system pushes back. Pushing your agenda or pushing for change is usually counterproductive. Learning the pace at which change takes place in an organization and the processes by which change proceeds is difficult and requires a great deal of patience.

Faster is slower. This follows directly from the above. If you try to accomplish something too fast and end up failing, you may not get another chance for quite a while. Slow and steady progress toward a goal will achieve the desired result in the quickest way. Don’t try to make things happen too quickly. Help them fall into place.

Cause and effect are not closely related in time and space. For the quick, analytical mind, this may be frustrating. Taking a historical perspective is important. The managed care changes we went through in the ’90s were a result of health care spending in the ’70s and ’80s, and not some 1990s’ invention. The patient-centered medical home and accountable care organization movements of today, and related transitional models at the microsystem and macrosystem levels, are a result of our history of uncontrolled growth in costs without improvement in quality and of new health information technologies. Sometimes the right thing seems to happen for what seems to be the wrong reason.

There is no blame. Blaming someone in your organization for a bad situation doesn’t improve the situation; on the contrary, it creates new problems. Assuming a victim mentality will compromise any chance of success you may have. Organizations are complex obstacle courses, even though almost everyone is simply trying to do the right thing. Blame just creates a new obstacle. Within an organization, any personal agenda takes a back seat to what the organization as a whole is doing or wants to do. Your job is to work within the organization to accomplish whatever the organization wishes or needs. However good they are, your ideas will seem bad if they are not in step with the organization’s goals. If you push your ideas anyway, you will be seen as a problem, not a solver of problems.

Don’t look back

Many family physicians are joining large organizations, and for many different reasons. It may make sense for your practice and community, or you may have leadership goals that can only be realized in a large organization. Regardless, understanding organizational behavior and culture will be critical to your success.
Leadership in a large health care organization can be very satisfying. Once you learn the culture and become a functional part of it, you come to enjoy the complexity and the relationships you form with a diversity of people. Being collegial with leaders in nursing, pharmacy, and even finance, as well as physicians, is both satisfying and educational. You’ll find that it broadens your understanding.

If you work in a large organization where your primary role is patient care, and if your leadership efforts seem to be failing, concentrate on taking good care of your patients. After all, that is what you went to medical school for. By pouring your energies into patient care, you’ll be able to avoid frustration with the pace of change. Keep your eyes and ears open for positive organizational developments, and you may get to seize opportunities to nudge things in the right direction.

It took me two years to get over the loss of my patients in private practice and feel comfortable in a large organization. Once I adjusted to the roles and relationships, I began to really like it. Now, I would not go back to a small practice. Not only will you learn much about any organization you join, you will learn much about yourself in the process.


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