Predicting Physician Executive Performance

A Study by Witt/Kieffer and Hogan Assessment Systems
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Introduction: Why study physician executives?

Healthcare organizations today require strong physician leadership. Physicians have unique insight into what happens in the corridors of care as well as the intellectual capacity to grasp the broader challenges facing their organizations and the industry today. If hospitals, health networks, academic medical centers, medical group practices, and other organizations are to continue to change - to improve quality of care, reduce costs, shift from volume to value, address population health and wellness, and more - physicians who are also executives will help lead the way.

We are just beginning to understand how physician executives, individually and collectively, can best lead their organizations. To this end, in 2014 Witt/Kieffer* and Hogan Assessment Systems approached Providence Health & Services and Swedish Health Services to conduct a study of the system’s physician leaders. (“Providence” is headquartered in Renton, Washington, and operates in Washington, Oregon, Alaska, California, and Montana). The goal was to learn more about these executives through proven personality- and competency-based assessment methods.

The current work would also serve as a foundation for continued research into physician leaders. For Providence, it was a chance to inform its strategies around physician leadership and to support the learning and development of its current physician leaders.

Other objectives shared by Witt/Kieffer, Hogan, and Providence included:

- Understanding the core leadership competencies of a group of physician leaders and how these competencies may help or hinder the ability to lead
- Comparing the leadership competencies of physician leaders vs. general healthcare leaders to improve leadership development efforts
- Developing tools and methodologies to help physician executives continue to grow as leaders

Strong physician leadership is more important than ever to support organizational change in healthcare, improve quality and safety of care, and meet population health needs (National Center for Healthcare Leadership, 2014). Therefore, the characteristics of physician leaders deserve further study, particularly in order to build a foundation for future training and development efforts (Horwitz, Horwitz, et al., 2008).

* Witt/Kieffer conducts ongoing research on physician executives and supports the leadership assessment and development needs of clients through its Leadership Solutions practice. (www.wittkieffer.com/services/leadership-solutions/)
Key Findings

Despite a modest sample size and other limitations (discussed in the following section), several general conclusions can be drawn regarding the physician leaders who participated in this study:

1) Top-performing physician leaders tended to be more resilient, even-tempered, and motivated by sharing success compared to good performers.

2) Higher scores on the competency report predicted higher patient loyalty.

3) When comparing top-performing physician leaders to general healthcare leaders, trends in the data suggest there may be personality- and values-based differences.

While this research can be considered exploratory, it represents a step toward understanding physician leaders and those factors that may differentiate top performers from good performers, and between physician leaders and general healthcare executives. Hogan was able to correlate the existing 16 Competencies Leadership Model (p. 4) with key Providence performance outcome variables (i.e., operating commitments and performance ratings). This process provides a framework to gauge a physician executive’s potential for success on any one of those competencies.

Some of the qualities characteristic of top-performing physician leaders in the study appear in the graphic below.
**About the Study**

*(Note: A technical manual for this research is available from the authors.)*

Witt/Kieffer and Hogan began collaborating on research into the skills and competencies of leading healthcare executives in 2011. The initial objective was to design a custom selection report to evaluate the abilities of healthcare leaders and identify areas for potential improvement. The method was to be competency-based, derived from the 16 Competencies Leadership Model (Dye and Garman, 2015; see page 4), and include a scoring system to facilitate ease of interpretation. Healthcare organizations could align such a tool with other talent management tools to help them evaluate executives and executive candidates.

A first step was to create scoring algorithms for the 16 Competencies Leadership Model mapped to the Hogan Competency Model (HCM). Linkages between the two models were used to identify Hogan assessment scales predictive of performance: the Hogan Personality Inventory (HPI), Hogan Development Survey (HDS), and Motives Values Preferences Inventory (MVPI) assessment scales (Hogan and Hogan, 2007, 2009, 2010). The algorithms were refined over time and used to create the Witt/Kieffer Healthcare Executive Potential Report to share results and suggestions with healthcare executives assessed as well as their employers.

In 2014, Witt/Kieffer and Hogan sought to adapt the report to evaluate physician leaders. This work began with physician leaders at Providence. First, Hogan used information and data from Providence job analyses to identify scales related to success across competencies in the “Physician Leader” role. Next, over 120 physician leaders across the health system completed the HPI, HDS, and MVPI.

Hogan and Witt/Kieffer then created an online performance rating form based on job analysis results and the competency assessment model. Items included emotional intelligence, making decisions, adaptability, earning trust, developing teams, and patient experience, among others. Using this form, supervisors provided overall performance and competency ratings for 85 physician leaders. Finally, Hogan analyzed all data to examine: 1) characteristics predictive of key performance outcomes; and 2) characteristics related to competency ratings to modify algorithms for a unique, custom Physician Executive Potential Report.

**Limitations**

It is important to acknowledge limitations of this initial research, namely the small sample size of physician leaders studied, especially when compared to the general healthcare benchmark group. Other limitations include potential reporting biases by supervisors at Providence, access to limited performance metrics, and the representativeness of the physician population studied.

**Variables (As Defined by Providence)**

- **Physician Leaders:** Physicians who split their time between administrative roles and practicing medicine
- **Good Performers:** Based on a 1-5 rating scale, performance rating score of “Meets Some Expectations” (3) and “Meets Most Expectations” (4)
- **Top Performers:** Based on a 1-5 rating scale, performance rating score of “Exceeds Expectations” (5)
- **Patient Loyalty Score:** % of promoters - % of detractors
A Closer Look at Competencies and Assessments

The 16 Competencies Leadership Model*

The 16 Competencies Leadership Model was developed by Carson F. Dye, FACHE, and Andrew N. Garman, PsyD, for their book Exceptional Leadership: 16 Critical Competencies for Healthcare Executives (first published by Health Administration Press in 2006, with a second edition in 2015). Witt/Kieffer has used the model as a means of assessing leaders based on critical competencies needed on the job for healthcare leaders. It has integrated the use of the model with personality assessment methodologies created by Hogan (p. 5).

The 16 Competencies Leadership Model was intended to be far different from traditional experience- and skills-oriented executive assessment methods. It was designed to be industry-specific — indicative of what actual healthcare leaders were, are, and should be doing — and to emphasize big-picture leadership areas such as vision, awareness, and a leader’s “way with people.” The graphic below illustrates the competencies.

More about Hogan Personality Assessments

For three decades Hogan has been a leader in personality assessments, emphasizing a strict adherence to empirical and scientific evidence in the practice of talent management. Physician executives from Providence involved in the study were asked to complete three of Hogan’s personality assessments.

Hogan Personality Assessments

**Hogan Personality Inventory (HPI):** a measure of normal personality; used to predict “bright-side” personality, or what is seen when people are at their best.

**Hogan Development Survey (HDS):** identifies “dark-side” personality-based performance risks and derailers of interpersonal behavior — what is exhibited when people are stressed or when their guard is down.

**Motives, Values, Preferences Inventory (MVPI):** reveals a person’s core values, goals, and interests — what a person desires and strives to attain.

The Hogan assessments present results as they might relate to a person’s professional behavior and reputation, not necessarily how he or she views him or herself.
Results and Analysis

1. Top-performing physician leaders tended to be more resilient, even-tempered, and motivated by sharing success compared to good performers.

The results indicated several characteristics that differentiate “Top Performers” from “Good Performers.” Physician leaders who received higher performance scores are:

- **Resilient under pressure, able to handle competing priorities with ease, and optimistic and confident.**
  - The physician executives who were rated as Top Performers by their supervisors had higher scores on Adjustment than Good Performers, indicating that being composed under pressure, confident, and having high self-esteem is important for performance.

- **Even-tempered, not letting small things become bothersome**
  - (as shown by the Excitable scores), and *trustworthy and approachable* (as shown by the lower Skeptical scores for Top Performers). Per Hogan, the Excitable characteristic suggests someone who is moody, hard to please, and emotionally volatile, while Skeptical suggests someone suspicious and sensitive to criticism. The lower percentiles for Top Performers suggest that they are less vulnerable to these tendencies.
Motivated by sharing credit with others and achieving results, as shown by lower Recognition scores for Top Performers. The MVPI Recognition scale measures whether an executive is “responsive to attention, approval, and praise.”

What It Means
The results above are exhibited as mean comparisons to more clearly demonstrate the data. Taken together, the graphs suggest that a few select characteristics are clear differentiators between Good Performers and Top Performers. Qualities such as flexibility, optimism, even-temperedness, and a willingness to share praise and approval with others are predictive of strong physician leadership. This is important insight for healthcare organizations such as Providence who are looking to successfully develop physician leadership internally and recruit new leaders as well.

2. Higher scores on the competency report predicted higher patient loyalty.
Physician leaders who have higher physician loyalty ratings scored higher on physician leader competencies. Physician executives who received higher patient loyalty ratings within their respective practices are likely to be:

- Persistent, self-confident, and willing to lead and mentor team members
- Decisive, assertive, and open to new ideas/methods
- Able to build a healthcare environment focused on professionalism and providing high-quality patient care

It was found that scoring algorithms for the competencies are predictive of patient loyalty as indicated by significant relationships. (There were strong, meaningful correlations for all competency algorithms except Energizing Staff and Stimulating Creativity.) In other words, as physician leaders score higher on the algorithms, an increase in patient loyalty is seen.
What It Means
Patient loyalty has never been more vital to the success and future of health systems. Those systems that understand what it takes to keep patient satisfaction and loyalty high will tend to thrive. In this light, identifying and developing high-performing physician leaders is important. Not surprisingly, there has been a shift in the industry towards physicians assuming greater leadership roles given their unique understanding of the patient experience. The chart on p. 7 underscores the rationale for this trend.

3. When comparing top-performing physician leaders to general healthcare leaders, trends in the data suggest there may be personality- and values-based differences.
The research presented here sheds light on the personality of and values held by Providence physician leaders versus a large cohort of general healthcare executives. This benchmark includes data from health systems and other care providers and represents executives ranging from managers and directors to CEOs. These charts show mean comparisons and should be viewed as “trends” observed in the data.

Despite differences in sample size, comparing Top Performers with general healthcare leaders suggests that the physician leaders are:

- More focused on learning and remaining current with changes in the medical field (expressed by the Learning Approach score differential)
- More resilient and persistent under pressure (Adjustment)
- Unafraid to approach problems uniquely and innovatively (Imaginative)
What It Means
Understanding potential differences between physician leaders and broader healthcare executives allows organizations to support each group in developing their own competencies and leadership abilities, and in working better with each other. It can also help health systems create the right mix and team structure for these executives.

The curious, scientific, data-driven approach to learning representative of Providence physician leaders suggests that these executives might be well suited for positions which require an ability to absorb large amounts of new information and adapt to a new healthcare landscape. Meanwhile, the discrepancy in Commerce orientation may suggest that physicians are not predisposed to look at bottom-line issues and may need additional support and training in areas related to commerce and finance.

Conclusions and Implications: What has been learned about physician leaders
Through this research we have gained a better grasp of what characteristics and competencies define physician leaders at Providence, and separate Good Performers from Top Performers within that system. From these individuals studied, we can draw general conclusions about success-enabling factors for other physician leaders, and about connections between high-performing physician leaders and patient loyalty. This type of information can help Providence, as well as peer organizations, better evaluate current and prospective physician leaders and utilize their talents in conjunction with non-physician leaders.

We have also been able to fine-tune our healthcare leadership assessment model and tailor it to physician executive competencies. Witt/Kieffer is now able to offer this tool to clients and produce a corresponding Witt/Kieffer Physician Executive Potential Report for physician leaders.

Witt/Kieffer and Hogan look forward to refining this assessment model as more data is collected, and helping organizations to train and improve physician leadership as the industry continues to evolve.
References


For More Information

The following contacts are provided for those who wish to learn more about this research study and physician executive performance.

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About Hogan
Hogan is a global provider of personality assessments and consulting services. With nearly three decades of experience, Hogan helps businesses dramatically reduce turnover and increase productivity by hiring the right people, developing key talent, and evaluating leadership potential.

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