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Notes from a Human Resources Perspective Highlights from the 2012 AAMC Annual Meeting

San Francisco on the eve of a presidential election is an interesting place in which to discuss weighty matters such as change, leadership, and creativity. Folks with political opinions and burning pulpits compete for prime corner spots at the most popular streetcar stops, so disparate and diverse opinions are loudly, freely, and passionately shared.

At the 2012 Annual AAMC meeting, the theme was clear, consistent and compelling: academic medicine is at its own crisis point, and we must change many of the fundamental ways in which we achieve our mission if we are to remain viable and dynamic. We've heard it before of course. The dramatic changes in funding, regulations, and education have been troubling our leaders and keeping us busy for several years.

This time, thanks to an excellent group of planners, strategic thinkers, presenters, and keynote speakers, the message was one of optimism and forward focus. Three of the sessions I attended made particularly strong impressions on me and I want to share some observations and impressions with you.

One of the named lectures at this year's meeting was presented by Mark Smith, M.D., M.B.A., president and chief executive officer of California HealthCare Foundation. Dr. Smith presented the Alan Gregg Lecture titled "Tomorrow's Doctors, Tomorrow's Cures, Yesterday's Prices." His talk focused on the spiraling costs of health care and provided his audience much food for thought.

Dr. Smith challenged the notion that we need more doctors, and thoughtfully presented a summary of the current trends in health care – including one he refers to as "drugstore health care." This approach focuses on basic clinical care for routine illnesses and provides both education and menu-based costing to patients on a walk-in basis. It is occurring across the country in Wal-Marts, major drugstore chains, and community centered clinics. He argues that for the patients who use them, these centers are efficient and affordable – and that for routine care and prevention we should encourage their development.

Regarding the physician shortage, Dr. Smith proposes that rather than a shortage of physicians, we have a "capacity mismatch." Arguing in favor of his theory, Dr. Smith talked about the fact that virtually nothing – except the delivery of health care – is accomplished the way it was 20 years ago. He says, "Doctors are doing things nurses should be doing, nurses are doing things patients should be doing for themselves, and people are doing things machines should be doing."

Think about what a radical change this could mean for the staffing of your own clinical enterprise or practice plan!

Cost shifting has essentially run its course, and cost pressures will become a greater challenge in the next several years. According to Dr. Smith, academic medical centers may no longer be likely to have the leverage from prestige they enjoyed in the past. He contends that patients' preferences in quality health care have more to do with relationships and communication with specific health care providers than they do with the perceived gain of affiliation with prestigious institutions.

What can or should be done? Dr. Smith ended his presentation with what some might consider proposals for radical change. But if not now, when? So, the following are some of the things that he suggests might be done:

First, medical schools should be free or nearly free for those qualified to attend. Training should be shortened by 30%. Educators and leaders should understand that in today's medical arena "smart phones are the most important medical device." Relative to the pedagogy of the educational process, we should stop training and encouraging "lone rangers" and begin to think in terms of "teams" versus "stars." More of our content focus should shift from physics to psychology, from calculus to communication, and from organic chemistry to organizational behavior. Have you noticed yet that these are all issues well within the purview of our human resources leaders?

Dr. Smith says that our deans should encourage the development of radically less expensive training models, change some of the pre-med requirements to humanities-based strengths, partner with smart people in business and engineering schools to learn and then teach systems reengineering. We ought to bring continuing medical education for doctors into "at least the 20th century."

Teaching hospitals, Dr. Smith says, currently function like hotels. Their apparent goal is to get patients in, charge as much as possible for a bed, talk them into additional services and then get them out when another reservation is looming. Instead, we should be developing sites that are convenient, cost less, and provide the most direct services. Offer service guarantees (remember those far off days of "total quality management"?) and consistently and comprehensively report quality results in the most critical and critically acclaimed areas of expertise. Create organizations out of practice plans and hospital partnerships, with an eye to creating revenue streams that depend upon keeping patients out of hospitals. Novel idea, that one.

How to do all this? First, harness that cloud. Dr. Smith argues that AMC's have not made the best use of technology. We need to enhance our connectivity in all directions. Most importantly, we must enhance our organizational capabilities. Train leaders to lead, Create collaborators out of individual contributors. And design our own solutions.

"Opportunity is missed by most people because it is dressed in overalls and looks like work."
Thomas A. Edison

This quote, part of the presentation by Dr. Mark R. Laret, chief executive officer of the University of California's San Francisco Medical Center, was one of my favorite take-aways from the meeting. Dr. Laret served as chair of the AAMC's board of directors for 2011-2012, and titled his talk "Thinking Differently about Academic Medicine."

Dr. Laret began by reminding us all of just what is rocking our world. The world of academic medicine, he says is "in great peril." Clinical income is "under siege", even though it covers most of the costs of our education system and our underfunded research.

At the same time, society is demanding a change. The prevailing attitude is one of appreciation for what we accomplish and admiration for what we do – accompanied by a demand that we do more of it, do it more efficiently, and do it with far less funding – about 30% less, according to projected federal budget numbers.

In fact, our nation spends too much on health care. And it is up to those of us who lead academic medicine to see that the costs are controlled. The question is how we do this while still carrying out our globally critical mission. Dr. Laret was eloquent in his own definition of the mission of academic medicine: "With high ethical standards, and with a belief in the value of every human being, our mission is to train the next generation of physicians and caregivers to carry out biomedical and population health research and to care for our patients and our communities."

If our mission is constant and all else is changeable, he says, then everything needs to be about how we are structured and organized to fulfill that mission. The question is not whether we can do it. When faced with pressures in the past, we certainly changed when we had to. Market, regulatory and legislative pressures have always brought us to dynamic changes – though often at the last possible moment, and often with great reluctance. But change we did. This time, Dr. Laret says, we face the need to "completely reconceptualize the very ways in which we achieve our core institutional purpose."

Here are a few of the challenging questions Dr. Laret posed for his audience: Why does the old model of an office visit to a physician still persist? Why do we appoint a stellar academician with zero business experience to lead a 30 million dollar enterprise with 100 or more employees? Why haven't we yet learned to collaborate across schools of medicine, schools of nursing, schools of public health, schools of pharmacy to better prepare for a future of collaborative and team-based health care? Is it because we have been lulled into complacency by our privileged position in society?

Finally, are we as leaders open to what society is asking of us? Do we have the courage to embrace new collaborations and to nurture, protect and celebrate those who challenge us and our traditions? We should find and support those leaders who create "protected zones" where others can significantly challenge status quo or current thinking. We need radical new thinking when we have been accustomed to networks that are exclusive and risk averse.

Personally, I took from this passionate and forward thinking presentation a renewed sense of determination. So, pass me a pair of overalls, please!

Dr. Darrell Kirch, AAMC president, reinforced the idea of courageous and innovative leadership in his keynote address: “From Moses to Multipliers: The New Leaders of Academic Medicine.”

Dr. Kirch used the iconic image of Moses as a charismatic, chosen, and singularly powerful individual – the quintessential picture of the leader who knows exactly what needs to be done, when, by whom, and for how long. He used this example to define just what we do NOT need in the current academic medical time of great challenge and change.

What we need instead are “multipliers” – leaders who don’t have to have all the answers or wield all the control. Multipliers, according to the recent book written by Liz Wiseman*, are leaders who empower the broader community to exercise and unleash their own knowledge, skill, creativity and innovation to accomplish organizational or common goals. Multipliers, according to Wiseman and McKeown, do not have to be geniuses; in fact, their value to the organization is that they are instead the “genius-makers.”

Dr. Kirch reminded the audience that we have existed in the hierarchy that is academic medicine, and that we must think in new ways about collaboration and the relationships we must build if we are to change the very structure of our world. He says that we “have the opportunity to bend the cost curve in medical education, research, and patient care ourselves and reinvest any savings back into our missions, rather than depend on increasing levels of government support.”

The AAMC, through Dr. Kirch, is committed to the development of exactly the kinds of leaders we need now – through a values-based and future-oriented approach that helps leaders “be and act” in ways that multiply the leadership potential of the talented and committed people within their organizations. Now is a time of unique opportunity for human resources leaders and senior administrators. We should learn all that we can and encourage our own risk-takers and innovators.

One of the featured “headliners” at the meeting this year was Walter Isaacson, who shared stories from his biographies of Benjamin Franklin, Albert Einstein, and Steve Jobs. He told the story of how, several times throughout his career, Steve Jobs, in an effort to encourage forward thinking and new ways of doing old things, would look his audience of one right in the eye, intent, unblinking, for several moments, and then say, “Don’t be afraid, you can do it.”

- *Multipliers: How the Best Leaders Make Everyone Smarter*, Liz Wiseman with Greg McKeown, 2010, HarperCollins Publishing, New York, NY

Questions or comments?

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