Systemness: Leading Healthcare Systems from Theory to Reality

David A. Rubenstein, FACHE

The feature article authors in this issue of *Frontiers of Health Services Management* perform an important service for leaders at all levels of health and healthcare organizations. Let's applaud them for that. Retired Memorial Hermann Health System leaders Charles D. Stokes, FACHE, and Rod Brace provide research and a description of what needs to be done to reach systemness; Aimee Daily, FACHE, chief transformation officer at Memorial Health System in Illinois, provides a useful description of her organization's road to systemness. We should take lessons, tools, and challenges from both feature articles and add them to our professional toolboxes. Then, we owe it to our teammates, patients, and many other stakeholders to develop the mindset to go beyond systems in name only to systems that exhibit true systemness, ones that successfully move from theory to practice.

Achieving systemness is a journey. Christopher D. Van Gorder, FACHE, whom I will introduce later, has been on that journey as CEO of a system for more than 20 years. Others I will introduce have been on their current CEO journeys for shorter, but just as impactful, times. Drawing from their stories, I will discuss the mindset of executive leadership that describes the goal and moves the system from theory to reality.

A System or Systemness?

Without a roadmap, all travels will get us somewhere—but not necessarily where we want to go. Ideally, we start our travels by defining our destination, our terms.

Simply put, a health system is a group of organizations operating under a single headquarters, each providing an assigned menu of services. Such a system usually includes medical centers, community hospitals, clinics, and associated units. On the other hand, a system may be a single community hospital with any number of community-based primary care clinics. If you lead a stand-alone healthcare organization with control of multiple components, you lead a system. In either case, large or small, you must plot your path to systemness with the support of skilled people who are able and willing to help lead the way.

Also in either case, systemness relates to the degree to which leaders can make, execute, and follow through on decisions that

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are in the best interest of the system as a whole. In this context, systemness supports the ultimate aims of the system but may not be optimal for its individual business units or stakeholders.

We Have Systems . . .

After being appointed in 2000 as president and CEO of Scripps Health, Van Gorder traveled the system's circuit to visit and introduce himself. He came away with a startling finding: For the hospitals, "the number one strategic goal was to steal as many patients as they could" from other hospitals, even other Scripps hospitals (personal communication, March 2021). Where two Scripps hospitals had overlapping service areas, they saw each other not as colleagues working to achieve system goals but rather as competitors.

Clearly, the situation Van Gorder faced was one of local leaders focusing entirely on success from their own hospital's perspective instead of the broader system's perspective, thus prioritizing local autonomy over centralized decisions and directions. He found a system, but a system without the benefits of systemness. As Leonard H. Friedman, PhD, FACHE, of George Washington University confirms, "Working on optimizing your part of the larger system often results in suboptimization of the whole system" (personal communication, March 2021).

Will system leaders find such disconnects moving forward in a post-pandemic, physical–virtual, safety-in-numbers environment? Clearly, we find that healthcare systems are growing ever larger and more complex. According to Kaufmann Hall's survey on healthcare mergers and acquisitions in 2020, in the teeth of the pandemic, 79 transactions were announced, down from the 92 transactions announced in 2019 but higher than the decade low of 74 transactions in 2010. Seven of the transactions announced in 2020 were "mega mergers" involving two companies with more than $1 billion in annual revenue (LaPointe 2021).

Systems are also evolving, changing, and refocusing; they need to wrestle with system disconnects while also facing other external and internal stressors. The US Army, Navy, and Air Force military medical services are transitioning their brick-and-mortar medical and dental treatment facilities from management by each respective service to management by a single Department of Defense organization, the Defense Health Agency. During this transition, the three services' surgeons general are working diligently to make sure that all subordinate commanders (leaders) and their systems achieve the larger service system's mission and vision to ensure medically ready forces and provide ready medical forces. To this end, Army Surgeon General LTG R. Scott Dingle maintains a systemwide focus on today's goals and objectives for the Army while preparing for its future. "Sound strategic planning coupled with transparent and flattened communications allow Army Medicine to balance the 'risk' between current and future priorities while keeping formations focused on today and the future," Dingle explains (personal communication, March 2021).

But Do We Have Systemness?

Each healthcare system leader might do well to develop criteria to determine the degree of systemness at their own system. The criteria would consider the following questions:

- Do we have a common culture?
- Do we have and acknowledge a systemwide strategic plan?
- Do we strive to meet the plan's associated system metrics and targets?
- Do we adhere to a systemwide capital improvement plan?

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- Do we value systemwide input to achieve decision-making that supports achieving systemness?

Each of us is aware of the benefits of systemness. A system that is attentive to both its whole and its parts can provide improved efficiencies; quality of care; and patient, family, and staff satisfaction. As Van Gorder explains, achieving systemness at Scripps Health was crucial for three reasons: (1) long-term survival, (2) care affordability, and (3) achievement of community mission (personal communication, March 2021).

In a military health system, systemness can save lives from the point of injury through many levels of subsequent care. Take, for example, a systemwide need to understand the tremendous impact of injuries caused by weapons used against American and allied forces in Iraq and Afghanistan. Although each service was focused on the unique needs of its warriors, the military health system focused on achieving a critical systemwide outcome. According to LTG Ronald J. Place, director of the Defense Health Agency, "clinical leaders from across the Army, Navy, and Air Force came together and contributed their knowledge and experiences to build a joint trauma system that collected treatment information across combat zones, scientifically assessed what were the most effective interventions, and then rapidly shared those findings" throughout the military health system. The result of systemness thinking and execution was that "the US military health team engineered the highest rates of survival from wounds ever seen in war" (personal communication, March 2021).

Measures of Success

While systems and the entities in those systems strive toward systemness, they must also measure their success toward reaching their goal. Van Gorder recalls employees in profitable regions who looked down on employees in other regions that were losing money; in turn, the employees in the struggling regions looked at their system colleagues and assumed they only took care of rich people and were not community oriented. "Both were wrong," according to Van Gorder (personal communication, March 2021). Both needed the other to achieve systemness.

As leaders develop systemwide strategic plans, make systemwide capital decisions, and push a systemwide brand, they must also choose and enforce systemwide measures of success. Those measures must be unique to each system—based on its mission and vision, as well as on the local geographical, political, and social environments. Appropriate measures will consider and evaluate

- the new reality of providing care in both a physical and virtual world,
- the degree to which patients and families exhibit brand and facility loyalty,
- staff and patient satisfaction with their experience across the system, and
- patient outcomes for similar care across component organizations.

The bottom line, in system thinking: Leadership must concentrate on the usual menu of targets and metrics while also developing a set of goals and objectives to determine the health and mission accomplishment of the system, as a system. Doing so can go far toward achieving the necessary responsiveness and flexibility. As Friedman reminds us, "chaos and complexity are requisite parts of any system, large or small" (personal communication, March 2021).

The Role of Leaders

As healthcare systems continue to grow or shrink, to develop and change, their leaders

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will continue to grapple with leading from theory to reality. Dingle's continuous messaging to his subordinates and stakeholders hearkens to the ultimate mission exemplar: the warrior in battle. "As a learning organization that must maintain systemwide focus on today and tomorrow, we require a strategy to guide and build a solid foundation that prepares us for challenges ahead," he explains (personal communication, March 2021). His guide is the Army Medicine Campaign Plan (2020), which establishes a vision of the future that formalizes the goals and objectives, desired outcomes, metrics as markers of progress, resources required, and timelines for achieving that vision.

To accomplish the goals of a strategic plan, leaders must first develop systemwide consensus on mission and vision. However, it is not enough for the leaders to know the mission and vision of the system; their staff and all-important rank and file also must know them.

Consensus is a twofold issue. The leaders must work with their brain trust to ensure that the system's mission and vision support its goals and those of its component organizations. In addition, the system's leaders must maintain a relentless focus on the mission and vision. With every stakeholder interaction (internal and external), every opportunity must be taken to highlight the system's reasons for existence and why it's important to be a system. Stakeholders can provide better support when they know what their leadership wants, and why.

No component leader wants to be constrained by the system, and no system leader wants its parts to operate in a silo. Loyalty in that to-and-fro is vital. The system's loyalty to its component organizations must be strong, just as the components' loyalty to the system must be strong. To that end, system leaders need to be precise in identifying and communicating their definitions of (and expectations for) the responsibility, authority, and accountability of component leaders. Each definition must be broad enough to allow those leaders to feel valued and free to do their job, yet be couched in terms that can maintain duty to the system. Note that this is about more than system success—it is also about recruiting and retaining superb talent to serve as leaders throughout the system.

The system leader must also understand the obstacles that stand in the way of achieving the system's defined mission and vision. Those obstacles will arise from both the system and the component organizations because their perspectives often differ. There is only one solution: The system leader must dedicate time to leave headquarters and visit the components. Understanding the degree to which understandings of mission and vision are aligned, or not aligned, is critical.

Every decision and directive that the system imposes will affect the component organizations. The system's leader and senior executives need to appreciate the importance of thinking beyond the decision or directive and work to understand the potential results—the success and health of the system are at stake.

Leadership Skills and Attributes

To achieve systemness in an ever more complex and competitive healthcare environment, leaders must lead with existing skills, even while recrafting them or developing new skills in themselves and in others.

Friedman suggests that systemness requires healthcare leaders to think in circles rather than straight lines. Reaching systemness is not so much a matter of organizational charts and lines of authority as it is about understanding the many and overlapping abilities and needs of the components.

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While thinking in circles is important, leaders also must practice selflessness, according to Place. This requires a collective effort to avoid the "not invented here" syndrome; the deadliest threat to any organization is the belief that the best ideas come from the top, Place warns. Furthermore, Van Gorder recommends transparency in getting both established and rising leaders to understand the big-picture reason for change.

That big picture is not, however, a static image. Dingle suggests that system leaders should be agile and adaptive, because what we know today may change tomorrow. The changes may come from outside the system, but they may also come from within. Success takes time, and efforts need to be altered or halted if they just do not work out. Place notes that perseverance is important because "not every initiative is a success, and in particular, not every effort is immediately successful" (personal communication, March 2021).

The ability to teach others is also an important system leadership skill. Van Gorder does this through the Scripps Leadership Academy and Physician Leadership Cabinet. Dingle and Place employ formal and informal military education venues. In all cases, they strive to improve their leaders' ability to question (Van Gorder), their ability to differentiate the important from the urgent (Dingle), and their curiosity (Place).

System leaders need to be visible, too. As noted earlier, appreciating and reacting to what is happening at the component organizations cannot be done from the system's central office. Sharing and assessing the vision, rationale, value, and plan to achieve systemness must be done on the ground. Likewise, receiving regular input from component leaders about obstacles in their way must be done on the ground. An Army adage is to take care of the "tip of the spear"—the front line. In health and healthcare, that is where systemness is achieved.

While being visible, leaders must also communicate. In fact, communication is two-way and applies to both leader and staff—from system to component, and from component to system. Just as many careers are thwarted by an inability to communicate well, so are systems likewise thwarted. As primary communicator, an effective leader uses this critical skill to drive the system closer to systemness.

Finally, system leaders need to be aware of their *personal* mission and vision and urge component leaders to identify their own. Warriors who are recognized for valor on the battlefield, and emergency medical, fire, and police professionals who are recognized for bravery in the conduct of their duties, are wont to state, "I don't see myself as a hero; I was just doing my job." They are the ones who know their personal mission and vision and use that knowledge to drive themselves to reach organizational mission and vision. We all need that north star.

Conclusion

GEN Gordon R. Sullivan was the Army's 32nd chief of staff. He frequently cautioned commanders, leaders, and planners that "hope is not a method." He wrote a book with the same title (Sullivan and Harper 1996). We all should take stock of that advice as we lead organizations from systems of competing parts to systems exhibiting systemness.

This work is not for the faint of heart. Van Gorder has been at it for more than 20 years; LTG Dingle is redirecting Army Medicine's efforts; and LTG Place is building nothing less than a new Defense Health Agency from parts of other systems.

This issue's feature articles highlight the same need for strong, prepared leaders

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to move systems toward systemness. Daily points us to the end state of "integration opportunities to achieve the systemness that is representative of a true health system." Stokes and Brace highlight the need "for healthcare leaders to consider systemness with more intentionality."

Let's not merely hope our current skills will enable us to lead systems to true systemness. Instead, let's have the mindset to identify and then develop the skills necessary to ensure systems reach syst emness.

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