INTRODUCTION

Academic medical centers (AMC) occupy important positions in a transforming healthcare landscape. This Industry Report spotlights the vital need for “next-generation” AMC leadership to drive fundamental change. The subject is explored from multiple perspectives. Current executive demands and requirements are summarized, including diversity imperatives. Success strategies are then offered for both recruiting and developing today’s and tomorrow’s academic leaders.

NEXT-GENERATION LEADERSHIP DEMANDS

The AMC leadership profile is multifaceted and evolving in response to complex healthcare dynamics. Leaders must be change agents as well as strong administrators, guiding new directions in care provision, discovery, and medical education.

HEALTHCARE DELIVERY

AMC leaders are navigating such powerful trends as:

- **Continued shift to value-based care.** Though still dominant, fee for service continues to give way to managed care, shared services, capitation, and other value-based models that shift risk to providers and necessitate more efficient operations. The challenge was succinctly framed by a group of leading executives: “Academic centers that are unable to improve performance on measures of quality and value will be at risk for reductions in the revenue that is needed to support clinical services and teaching programs.”¹

- **Rising consumerism.** Leaders must develop clinicians adept at using technology to deliver care experiences that are more accessible, convenient, and similar to what patients expect from their retail encounters. Growing competition from non-traditional providers makes this task critical.

- **Physician shortages and burnout issues.** The Association of American Medical Colleges projects shortages of up to 124,000 physicians by 2034.² Retirements are a significant factor: one-third of active doctors will be over age 65 in the next decade.³ Equally important is the need to combat growing clinician burnout that was clearly exacerbated by the pandemic. Medical schools are the front line in combatting these problems.

MEDICAL EDUCATION AND TRAINING

Leaders will look to educational innovation to prepare students for the future of medicine. The pandemic accelerated consideration of curricular and training changes such as:

• Developing telemedicine practice techniques. Training best practices for remote care is a necessity.

• Improving digital fluency. Doctors and physician leaders are becoming increasingly savvy users of technology. Medical education itself is building technology into its pedagogy in the form of virtual simulations, artificial intelligence, augmented reality, and more.

• Expanding public health knowledge. The pandemic clearly demonstrated the benefits to students and the healthcare system alike of integrating public health more extensively into the curriculum.

• Broadening the knowledge base. As a group of AMC leaders recently asserted, “For academic centers to navigate the transition to value-based care … trainees in diverse fields will need to acquire a deep and meaningful understanding of systems design, population health, quality of care, appropriate utilization, social determinants of health, and costs.”

NEXT GENERATION LEADERSHIP COMPETENCIES
The traditional divide between business and clinical leaders continues to collapse. All AMC leaders must display broad management abilities, including strategic and financial acumen, especially as organizations grow in size and complexity. Next-generation leaders also must possess a high “emotional quotient” and a range of crucial soft skills such as conflict management, collaboration, ability to create engagement and followership, and commitment to inclusion.

Executing with speed is another requirement. A recent survey of healthcare executives found that 93% believe they are “innovating with an urgency and call to action this year.” Another analysis offered advice to “help your team learn together at speed” in order to “co-create the future with leadership.”

LEADERSHIP DIVERSITY MUST BE ADDRESSED
The academic leadership cadre must become substantially more diverse, especially given AMCs’ bellwether status in healthcare. The diversity gap in medicine is persistent. Figure 1 shows the magnitude of the challenge, indicating just 11% of active physicians are Black, Hispanic, or Native American.

Work needs to be done on the academic side as well. Underrepresented minorities (URM) comprised less than 10% of medical school faculty in 2018. Hospital leadership exhibits yet another deficiency: URMs were just 11% of hospital executives and 14% of board members, according to a 2015 study.

RECRUITING SUCCESS STRATEGIES
Consistently finding candidates who fulfill the requirements just described can be a tall order. Long-standing AMC recruitment practices need modification to adapt. Based on AMN research and experience, six recommendations are offered to foster recruiting success.

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8 Ibid.
ADOPT A STRATEGIC APPROACH

Significant benefits accrue to those who closely align definition of leadership roles and requirements with the academic enterprise’s short- and long-term strategies. This congruence ideally encompasses governance issues, the intersection of clinical and academic mission, growth strategies, and research priorities. Outside consultation with experienced AMC leaders can bring a broader perspective and much-needed objectivity.

CAST A WIDE NET

The current executive talent market is highly competitive. Recruitment is intense for leaders in diversity, behavioral health, OB-GYN, and a host of other disciplines. Searches often require larger candidate panels as a result. The AMC response must be proactive, utilizing multiple internal and external sourcing avenues as well as technology to help identify and communicate with candidates.

DEVOTE ATTENTION TO HIGH POTENTIAL MID-CAREER LEADERS

Recruiting proven senior leaders is a natural desire, but the competitive market and the need to match next-generation profiles often make that goal problematic. A viable alternative is to target emerging leaders with advancement potential. The risks in this strategy can be mitigated through tools such as formal external leadership assessments of candidates.

REDUCE RELIANCE ON TRADITIONAL EVALUATION METRICS

AMCs place great emphasis on academic credentials such as number of publications. These markers are important but, in many cases, insufficient to evaluate candidates for next-generation leadership. Interviewing should focus on uncovering demonstrated competencies outlined in this report.

STREAMLINE RECRUITING

Talent management experts have urged various “lean recruiting” models designed to overcome inefficiencies such as:

- Lack of standardized recruiting processes.
- Delays at multiple points across the journey.
- Interviewing too many candidates.
- Gaps in communication among search participants.

Technology can help. Remote video interviewing aids efficiency and reduces costs. Mobile and social communications foster steady connection with a wide talent pool, both during searches and for ongoing pipeline cultivation. Data analytics generate insights that can speed the recruiting process.

PURSUE A COMPREHENSIVE DIVERSITY RECRUITING STRATEGY

Every AMC leadership search engagement today requires assembling a candidate panel with sufficient diversity. Sustained recruiting for diversity is a comprehensive endeavor. Recommended steps include:
• **Accelerate faculty diversification.** As described earlier in connection with leadership, concentrating on more plentiful mid-career rather than senior appointments may offer a quicker path to faculty diversity.

• **Implement a systematic, multi-level program.** Figure 2 shows a methodology for academic institutions that can yield lasting results. It logically implements steps through actions such as defining a pilot program and task force, executing faculty and trainee URM recruiting, tracking results, and other components.

• **Couple with unconscious bias training.** Everyone involved in the process must be aware of the myriad ways that bias can creep into interviewing and evaluation.

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**LEADERSHIP DEVELOPMENT SUCCESS STRATEGIES**

Leadership development (LD) programs complement recruiting in creating and sustaining next-generation leaders. Most AMCs perform LD, but it is frequently limited to the classic lecture/case study construct. A survey of programs at AAMC schools concluded that they “can improve by basing content on a leadership competency model, incorporating multiple approaches to teaching, and implementing more rigorous program evaluation.”\(^\text{10}\) Robust internal LD incorporates the following elements:

**SYSTEMATIC CANDIDATE IDENTIFICATION**

Continually identify individuals who exhibit leadership potential. One barrier is physician attitudes. In a 2019 AMN survey, over one-third of organizations indicated they experience little to no physician interest in entering leadership positions (Figure 3). The mix may be more favorable in AMCs as opposed to community hospitals, but physician willingness levels are a concern. The pandemic has not helped. Thirty percent of doctors responding to a study showed decreased trust in healthcare organizational leadership as a result of the COVID-19 experience.\(^\text{11}\)

Deans and department chairs should meet regularly to identify faculty with potential, gauge interest, and nurture consideration of the leadership path.

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MANAGEMENT SKILLS TRAINING

Rigorous clinical training leaves little time to acquire business skills like finance, strategy, people management, and negotiating. Strong LD programs move beyond a few management seminars to provide physician leaders with deeper, more consistent learning on these subjects as well as exposure to varied responsibilities through project assignments.

MENTORING AND COACHING

Research consistently corroborates the efficacy of mentoring in improving leadership skill and performance. AMCs should approach mentoring by:

- Selecting mentors and coaches who are committed and adept at the process.
- Allowing time for mentoring.
- Utilizing dyad/triad management programs within the teaching hospital to help clinical and administrative leaders learn from each other.
- Incorporating coaching into formal leadership onboarding. Helping new leaders get off to a good start is an often overlooked effort. Such coaching is particularly valuable support for emerging leaders and those from URM backgrounds.

BIAS TRAINING

Unconscious bias training should be part of an AMC’s ongoing LD framework. The aim is to help leaders understand attitudes that thwart development of diverse staffs and inclusiveness. A corollary consideration today is that unconscious bias extends to technology. The rapidly-growing use of artificial intelligence is stimulating concern about racial and other biases embedded in algorithms. An extensive study of the topic arrived at the firm conclusion that “biased algorithms are deployed throughout the healthcare system, influencing clinical care, operational workflows, and policy.”

SUCCESSION PLANNING

Another way to maintain a vigorous leadership talent pipeline is through succession planning. AMN research has shown inconsistent deployment of succession programs in healthcare organizations. Medical school deans should promote the idea openly and guide faculty chairs to assess potential successors through the lens of next-generation leadership requirements. An analysis of the subject recommended that department chairs “begin considering their planned succession between one and five years after their initial appointment” and “mentor potential successors in acquiring future-oriented, institution-based leadership qualities.”

SUCCESS STRATEGIES

RECRUITING

- Adopt a strategic approach
- Cast a wide net
- Devote attention to mid-career potential leaders
- Reduce reliance on traditional evaluation metrics
- Streamline recruiting
- Pursue comprehensive diversity recruiting

LEADERSHIP DEVELOPMENT

- Systematic candidate identification
- Management skills training
- Mentoring and coaching
- Bias training
- Succession planning

12 University of Chicago Booth School of Business Center for Applied Artificial Intelligence, Algorithmic Bias Playbook, June 2021.
CONCLUSION

Leadership is a major currency of success in achieving healthcare’s transformative goals. As they have in the past, academic medical centers will be at the forefront of producing the necessary leadership. They will need to deepen their understanding of the manifold requirements for truly next-generation leadership and pursue the recruiting and development strategies delineated in this report. AMN will continue to work alongside AMCs as they implement the roadmap to success.

For more information visit www.besmith.com/practices/academics-life-sciences/

ABOUT AMN LEADERSHIP SOLUTIONS

We are guided by the fundamental belief that attaining and supporting the best performing healthcare leadership talent is vital to meet strategic objectives, improve patient care, enable organizational growth, and spur innovation. AMN Leadership Solutions brings together the breadth and depth of AMN Healthcare, B.E. Smith and Merritt Hawkins to help healthcare organizations identify and secure leaders and make those objectives a reality. As people who have served in healthcare leadership roles, we are a trusted and credible advisor. We know that healthcare leadership is more than a job. It’s a responsibility and a passion. It’s a calling that has a higher purpose.