

AWARD RECIPIENT INTERVIEWS

The National Center for Healthcare Leadership is honored to present the 2014 Gail L. Warden Leadership Excellence Award to Dr. Glenn D. Steele, Jr., president and CEO of Geisinger Health System and Nancy M. Schlichting, CEO of Henry Ford Health System for using evidence-based leadership and innovative practices to improve healthcare. Through their work, they have succeeded in bringing high-value and accessible healthcare to their communities in their quest to advance population health. Dr. Steele is recognized for seeking better patient outcomes while reducing the total cost of delivering medicine. Ms. Schlichting is credited with creating a patient-centered health system focused on enhancing the patient experience, while improving its surrounding communities. With an openness to new thinking, a desire to mentor the next generation of leaders, and a commitment to change, Dr. Steele and Ms. Schlichting have permanently transformed healthcare leadership.

NANCY M. SCHLICHTING CEO, Henry Ford Health System

EDUCATION

AB, public policy studies, Duke University,
magna cum laude
Master of Business Administration,
Cornell University

CAREER

Henry Ford Health System

CEO (2011-present)
President & CEO, Henry Ford Health System; president & CEO,
Henry Ford Hospital; executive vice president & COO; senior vice
president & CAO (1998-2011)

Summa Health System

Executive vice president & COO (1997-1998)

Catholic Health Initiatives

President, Eastern Region (1996-1997)

Riverside Methodist Hospital

President & CEO; president & COO; executive vice president & COO
(1988-1996)

Akron City Hospital

Executive vice president & COO; vice president, strategic planning;
assistant director, operations (1980-1988)

OTHER AWARDS & RECOGNITIONS

Adjunct Faculty, Department of Health Services Administration Program,
University of Alabama-Birmingham, 2003-2007

Preceptor, Master of Healthcare Administration Program, University
of Minnesota, 1990-1999

Adjunct Professor, New York University, Wagner Graduate School
of Public Service, 1992-1996

Fellow, American College of Healthcare Executives

BOARDS & AFFILIATIONS

Walgreen Co., Board member

American Hospital Association, Trustee

Kresge Foundation, Board member

Federal Reserve Bank of Chicago Board-Detroit Branch

American College of Healthcare Executives

Downtown Detroit Partnership, Board member

Detroit Regional Chamber, Past Chair

Michigan Health and Hospital Association, Past Chair



GLENN D. STEELE, JR., MD, PHD President & CEO, Geisinger Health System

EDUCATION

BA, history and literature, Harvard University,
magna cum laude
MD, New York University School of Medicine
Internship and Residency, University of Colorado
PhD, Microbiology, Lund University, Sweden

CAREER

Geisinger Health System (2001-present)

The University of Chicago

Dean, Biological Sciences Division & Pritzker School of Medicine; vice
president, Medical Affairs; Richard T. Crane Professor, Department
of Surgery

Harvard Medical School

William V. McDermott Professor of Surgery

New England Deaconess

President & CEO, Deaconess Professional Practice Group; chairman,
Department of Surgery

OTHER AWARDS & RECOGNITIONS

AHA Health Research & Education TRUST Award (2010)

"40 of the Smartest People in Healthcare" Becker's Hospital
Review (2014)

Becker's Hospital Review 100 Non-profit Hospital Health System
CEOs (2012)

Health Financial Management Association Board of Director's Award
(2011)

CEO IT Achievement Awards (2006)

Modern Healthcare 50 Most Powerful Physician Executives in Healthcare
and 100 Most Powerful People in Healthcare (multiple years)

BOARDS & AFFILIATIONS

Institute of Medicine of the National Academy of Sciences Roundtable
on Value and Science-driven Healthcare, Member

Agency for Integrated Care, Singapore

Bucknell University, Board of Trustees

xG Health Solutions, Board of Directors

American Hospital Association, Trustee

American College of Surgeons, Fellow

American Society of Clinical Oncology, Past President



CREATING A CULTURE THAT SAYS YES TO INNOVATION

Nancy M. Schlichting
CEO of Henry Ford Health System

Nancy Schlichting has a lifelong passion for making healthcare better. It dates back to her childhood when her mother's long hospitalization opened her eyes to major flaws in the healthcare system, beginning with the hospital's indifference to the needs of the family. The spark for change that was put in place in those early years has been transformed into the engine that has been driving innovation, creative thinking, and strategic growth during the 11 years that Ms. Schlichting has spent as CEO of Henry Ford Health System (HFHS). The hallmark of her tenure has been to create an organization where the mantra is to say 'yes' to new ideas.

Q. HFHS prides itself on innovation. What is the genesis of that?

A. If you aren't focused in innovation, you won't survive in a competitive market. And we have had to be enormously creative to survive and thrive in Detroit. Creativity and our unwavering commitment to our community are the reasons we are here today. Lots of hospitals have closed in Detroit, yet each of our amazing leaders—Dr. Robin Buerki, Stanley Nelson, and Gail Warden—brought a different focus on innovation to HFHS. And that's why I came here. Innovation is part of our DNA; it's our secret sauce.

Q. Is the Innovation Institute an outgrowth of that secret sauce?

A. This was an idea that came from our chair of surgery. We all recognized that there were incredible ideas brewing at HFHS, but there was no way to make them commercially actionable. So we made it intentional. We received philanthropic support, including from our HFHS foundation, and then we hired designers from the Detroit College for Creative Studies who saw the world entirely in new ways across our entire health system. It is very cool because there is now a place where people can go with their ideas and feel supported. It's a disciplined process that has oversight from our chief innovation officer and attracts ideas from all over our organization.

Q. What innovations have you brought to HFHS's culture?

A. Early in my career I learned that organizations get stuck in the ways they do things. Bringing in new thinking from the outside is important, and you still need people on the inside who want

change, understand the organization and will help push things forward. I also learned the importance of culture and creating an atmosphere where people can reach their full potential. I learned that we can create interdisciplinary thinking by bringing in unexpected experts.

Q. Has that approach benefitted HFHS?

A. Crossing industries helps with the change process. Our best known example may be when I brought in an executive from the Ritz-Carlton to be the CEO of our new hospital, Henry Ford West Bloomfield. This was the first hospital Henry Ford had built since 1915, so it was risky and we knew we had to get it right. He was able to bring a new vision, engage the community by breaking bread with different ethnic and cultural groups, and help everyone feel welcomed as we created a cutting-edge hospital committed to health wellness and community. Within a year, we had grown from zero admissions to 7,000; we continue to grow and innovate and we are profitable after five years even with tough payment issues. In another instance, we hired the former head of human resources from the auto industry, who has brought a lot of new thinking around programmatic development including new leadership academies, very sophisticated succession planning, and cost benefit analysis. She focuses on onboarding new leaders effectively which really helps them get engaged. So we have greatly benefited from her experience in a large, for-profit organization.

Q. Henry Ford has been recognized by NCHL as BOLD—a Best Organization for Leadership Development—for identifying and developing future leaders in strategic alignment with organizational goals. What are the bold ideas that impress you?

A. Bold means changing your thinking: are we illness care or health care? Bold means strategically putting patients and community first, rather than the bottom line. We keep our focus by remembering that everything we do is seen through the lens of the impact on the patient. Our CFO used to say, 'we are Henry Ford Hospital, not Henry Ford Bank.' You can still have a strong balance sheet, but put patients and community first. Right now I watch organizations do very little to reduce readmissions because they will lose more money in revenues than save on the fines. I find that amazing. So being bold means thinking about why we were created and doing the right thing.

Q. You probably needed to be bold during HFHS's turnaround and your community's economic problems. What is the essential piece to that?

A. Well, you have to create a really wonderful environment for the people who work here. Our people are amazing. We have a

relentless focus on performance goals. We set big goals not little ones and we believe in goals of perfection. I believe when you set a higher bar, you make more progress quickly. For instance, we put our “No Harm Campaign” in place to drive quality and patient safety. That’s important for our customers. They don’t want to hear that we have a campaign for a two percent improvement in quality. But it’s also important for our employees and physicians. We aren’t just talking about patient harm, but also employee harm. How does it make our employees feel if they are getting back injuries and we aren’t paying attention to their needs? I learned early on that in healthcare you have to take care of the people who are taking care of people.

Q. Detroit is still very challenged. How is that impacting HFHS?

A. Healthcare is not a level playing field. With the high level of poverty and uninsured people in Detroit, we are very reliant on the government for payments. We try to eke out reasonable margins and we spend a lot of time advocating and making arguments to keep all of our payment streams in place. So we spend time in Washington and Lansing advocating for what is best for our community. But we always have this concern that the government could throw a big boulder in our path around the payment issues because it impacts our people and our ability to deliver the highest level of care. It’s the thing that I can’t control and it’s the thing that can keep me up at night.

Q. Those concerns must put great demands on you as a leader in a complex and unpredictable world.

A. I love complexity and juggling all the different balls at the same time. So I have to be intentional about the way we do things. Our seven pillars of performance—people, quality and safety, service, growth, academic, community, and finance—keep us from getting distracted. If I don’t step back and periodically take a more distanced view of what we are doing, I could get mired in the mud. I take time to try and think and not just react. Every day I put my game face on because our employees need to see that I am positive about our ability to provide excellent healthcare in a tough environment. The organization deserves that. Without a leader who exudes a positive attitude they become nervous, they worry and then the work doesn’t get done as effectively.

Q. What qualities do you seek in new hires?

A. Intellect and high competence. That’s the base; that is how we earn trust and respect as leaders. Beyond that I look to see how they relate and inspire others to accomplish great things. Real leaders get people to do things that they don’t want to do. They need to be strategic thinkers but they also need to have operational competence. They need to be able to think about

their jobs in a broad way and understand how what they do impacts others. We also want people who are fun and who enjoy what they are doing. We are a roll up your sleeves organization, so you need passion and heart for the work we do.

Q. And do you address diversity?

A. Diversity defines us—a diverse workforce serving a diverse community. We are very committed to reflecting the diversity of Detroit’s communities into HFHS. One of the things we have done over the years is expose high school students to the wide variety of careers that are available in healthcare. When I meet students they all want to be doctors and lawyers and engineers; we want them to see there are many other options. Our Henry Ford Early College Program selects 250 “at-risk” students who otherwise wouldn’t make it on their own. We are graduating our third class. It’s a way to engage the community and open doors to attract young leaders who can potentially move into leadership roles. Like everything that is important, this is intentional work. When you develop a culture of leadership, I believe you can accomplish great things.

Q. As a CEO of a large organization in a challenging industry, how do you include leadership development into your day?

A. We have leadership academies and a systematic process for developing talent. There is also a lot of informal mentoring and with each new project, we make sure to get the up and comers engaged. I spend half of my time with direct reports talking about people, how to provide them with more experiences so they can prepare for future leadership roles. We build leadership training into everything we do. The top 100 leaders are constantly undergoing training and development. We look for the next generation of up and comers, and we cross fertilize as well so people can move between business units. This helps us retain leaders. They know if we are paying attention to their careers they have great opportunities to be engaged with the work of HFHS.

Q. How do you manage your visibility in a large organization?

A. I don’t want to be a faceless corporate type leader to my organization. I am very deliberate about visiting sites across the System, meeting with all types of groups, and talking with employees at any opportunity. I also eat in our cafeterias whenever I can to have lunch with employees or visitors I don’t know. It’s very random. The only problem is when I sit down, they usually stop eating! I have always thought that paying attention to employees is the first step in achieving superior organizational performance.

CONGRATULATIONS

to one of health care's leading minds

Glenn Steele

2014 Gail L. Warden
Leadership Excellence Award Recipient



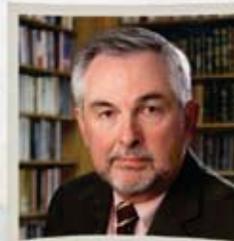
Thank you for pointing the way to a better future.

Epic Congratulates Nancy and Glenn on their Exemplary Leadership.

2014 Gail L. Warden Leadership
Excellence Award Recipients



Nancy Schlichting
CEO, Henry Ford Health System



Dr. Glenn Steele
President and CEO, Geisinger Health System

Q. What does that say about your leadership style?

A. I am a balanced person with a lot of focus on people and results. I was a math and science person growing up and I was never afraid of metrics. In fact, I really love looking at results. I have a balanced and disciplined business focus. I also am not a micro manager. I look at the big pictures and the long view, but I do pay attention to small things. If there is a spot on the floor or a person who needs help, I want to know about it. I try to be accessible. I have an email that anybody can use that I respond to. I encourage employees to let me know about issues that can't get resolved. So I pay attention to details but I don't obsess over them. The way to avoid being a micromanager is to build a strong team.

Q. You talk about continuous improvement and I wonder how you are seeking to improve as a leader?

A. I try to improve on being consistent and better at communication, more rigorous at decision making, and also more demanding in holding people accountable for their actions. To improve, I seek feedback; I encourage feedback and coaching at all levels, including myself. I will always be my worse critic.

Q. As you look at the next generation of leaders, how would you describe them?

A. It's a tradition to be critical of the next generation. But I am very high on them. I see a lot of strengths, especially their ability to see the world in a big way. They have had more exposure to a diverse, global economy and they want to make a difference. They are very community focused and they want to contribute to Detroit's comeback, which is a great strength for us.

Q. And weaknesses?

A. They are impatient. But I was impatient in my 20's too. I wanted opportunity. The problem today is that we have taken out so many layers of leadership that the incremental steps for advancement that existed 30 years ago have disappeared. It's hard for them to increase their chances of success; it's a structural problem. I encourage them to join project teams and move laterally to get more exposure across business units so they are constantly learning. Not everyone will advance and people will have to find levels of comfort where they are. I am not worried about people who are ambitious, they will find a way. I am more worried about people who aren't ambitious.

Q. What did HFHS learn from the rigorous Baldrige process, where it became the first large health system to be recognized for quality?

A. Baldrige was rigorous and incredible. During our site visit, the Baldrige examiners are talking to a large portion of our work force; we needed 23,000 employees to be on the same page. And you can't fake that. Over the seven years that we participated, we got continuous feedback and we kept getting better—our metrics improved, our system integration got better; really not many have organizations have the patience and perseverance to do this. Each year I kept saying, it's not about the award, but then finally I said we are a competitive organization, can't we win this thing? And not long after that we won. Being recognized for hard work is really nice. It's very meaningful.

USING LACK OF PERFECTION TO STIMULATE INNOVATION IN HEALTHCARE

Dr. Glenn D. Steele, Jr.

President and CEO of Geisinger Health System

Running a healthcare system is the place where Glenn Steele's skills as a surgeon and CEO converge. He has transferred his experience from using data to inform medical decisions to using data to inform healthcare leadership. The result is that since Dr. Steele assumed the CEO's role in 2001, Geisinger has been a leader in revolutionizing the quest to improve population health. Innovations like ProvenCare have combined reengineered care with standardized best practices for procedures such as coronary bypass with the goals of reducing readmissions and improving the quality of medicine, while charging a flat fee. Some might ask, is that Geisinger's secret? No, it's their sweet spot.

Q. How have you used Geisinger's sweet spot to revolutionize healthcare?

A. We sit on both sides of the payor/provider continuum; we provide the care and then we oversee payment through our insurance company and that's a fundamental part of our success. It gives us a lot of flexibility to do interventions. So we are able to do live road tests where we reengineer the way we take care of heart disease or perform bypass surgery. We can change incentives and think long term about patient outcomes from both sides of the equation. When we started this it was a promissory note—a promise; now we have the evidence for change. We can show that it works. We make a difference for a large number of patients.