





Reflective Decision-Making for Our Times

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Health system leaders make difficult and complicated decisions every day. The process may seem routine, but rushed decisions can be shortsighted, and poor decisions can have long-term implications affecting caregivers and services to the community. Today, when transformation is imperative, reflecting on how we arrive at truly sound decisions is crucial.

Here is one example of how good intentions can initially go off track. In the 1990s, I was a hospital CEO with an overtaxed emergency department that couldn't accommodate all the patients arriving in ambulances. As a result, ambulances were lined up outside the hospital, waiting to deliver patients.

This caused widespread concern. Emergency Medical Services (EMS) personnel were rightly frustrated, tired of waiting to drop off patients and needing to return to the field and handle incoming emergency calls. The emergency department staff could not work fast enough to assist incoming patients. The community did not feel secure with a line of ambulances biding their time in front of a hospital, unable to respond if a health emergency impacted the lives of their families, friends and neighbors.

We needed to solve this problem as soon as possible, so I called the emergency department team together to help find solutions. I said to

them, "You are the experts. Please work together and come back with your ideas in 30 days." As the chief executive, I was comfortable with that directive. After all, I'd asked those who best understood the problem to find a solution.

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When the group of experts came back to my office, they had charts and documents that proposed what they said would be the best possible answer to the situation. As I reviewed the presentation, it was clear to me that the solution needed to be stronger to make a real impact. I'd seen this situation before — solutions that were set up to satisfy a CEO who people believed to be more concerned with cost than actual outcomes. I asked, "Do you think this is going to make a difference?" The group sat in silence until someone finally said, "It's the best we can do. Given the

circumstances and our time and budget constraints, we can't offer anything better." I looked around the room and saw intelligent and dedicated people who wanted to make the best possible decision for patients and the community. They appreciated the opportunity to collaborate, but I believed they had put on blinders.

WHY DID THIS HAPPEN?

The group thought they were dealing with leadership that wouldn't tolerate decisions involving some risk and resource expenditure. A reset on that expectation was needed. I asked the group to try again, giving them a new perspective. "Let's say you have \$1 million on the table, all the resources you need, 30 more days, and the full confidence of your leadership to solve the problem. I want you to show me you have used all the creative solutions possible and are giving me the best decision we can make," I said. With that guidance, the group reassembled, and they came back with a new plan. It was thoughtful with tactics that we were all eager to implement.

Within weeks of launching the plan, the line of ambulances was gone, patients were getting the treatment they needed, staff functioned more efficiently, and the community was reassured. The total cost of the initiative was \$600,000, which was quickly recouped through serving more patients in need who previously were redirected to other far-off hospitals. The group demonstrated that when leadership supports collaboration and encourages thoughtful decision-making — even if it includes a bit of risk — sound solutions are possible.

MANAGING DECISION-MAKING AT SYSTEM AND REGIONAL LEVELS

As president and chief operating officer for Providence's seven-state health system, I always seek to improve our strategic decision-making process. With my team, I lead a vast portfolio of vital, high-quality and affordable health services that require constant deliberations to keep processes streamlined and deliver care to support a wide range of communities.

But my role involves more than keeping operations moving at an even pace. As the pandemic ebbs, I am helping my team to return their focus on the transformational strategies we began planning before the world changed with COVID-19. Our health system is emerging from the "all-hands-on-deck" approach to the pandemic,

where everyone needed to focus on the immediate needs, to making more long-term decisions for this decade and beyond.

This is not to say we should overlook all we learned from the past three years. In fact, our experience dealing with the short-term challenges of COVID helps us make better decisions for long-term sustainability, especially for Providence, which encountered exceedingly intense challenges early in the pandemic. We came out of COVID far more aware of how to develop technologies that virtually connect with people, vaccinate populations quickly and push for health equity in our communities. The lessons learned — and data we gathered — are all critical for our long-term, transformational strategies.

As a former regional leader, I understand the nuances of making decisions that balance the health system's goals with regional and community needs. Before assuming the COO title, I was president of operations and strategy for our southern footprint but served as a regional executive for many years. Additionally, I was chief executive for another health system's northeast region, covering Massachusetts, Pennsylvania and Illinois. These regional roles provided me with an appreciation for how system decisions impact the community level. "One-size-fits-all" policies are rarely the right approach, and collaboration is essential. One must understand the geography and communities they serve, as well as the cultural differences that make our communities so special for those who live there.

At Providence, our diversity of regions across the West Coast and Pacific Northwest is particularly pronounced. Providence covers rural areas such as Kodiak, Alaska, along with many of the nation's largest urban populations, such as Los Angeles. It is impossible to move all these entities to transformation without well-reasoned and inclusive decision-making.

I am proud of how Providence comes together to make sound and equitable decisions, especially given our size and scale. One example of the benefit of scale was setting up regional specialty pharmacies in 2005. When our Providence Portland region did this successfully, the health system saw merit in instituting similar pharmacies throughout all regions. However, we wanted to make it something other than an all-or-nothing mandate. Instead, we organized those responsible for pharmacies across the regions to come together with



clinicians, pharmacists, financial officers and other stakeholders. Thanks to sound decision-making where all entities were heard, the result was specialty pharmacies that will work for each area. The bonus was that, in coming together, they improved upon the best practices achieved by the Portland region prototype.

A FIVE-POINT DECISION-MAKING STRATEGY

Granted, the decision-making process was not always as straightforward for me as it is today. In the early years of my career, I admit to leaping into action with insufficient data. It took the mentorship of a hospital CEO and nursing executive to guide me toward a more disciplined approach.

I am forever grateful that Lucille Janatka, one of my early CEO mentors who I worked with at MidState Medical Center in Meriden, Connecticut, had tremendous confidence in me. Although I was not very experienced, she saw potential and tapped me as chief operating officer of the hospital, but with the proviso that I learn from her.

Lucille had some of the greatest skills in thinking strategically and in formulating goals and tactics that I had ever seen at that point in my career. I learned and watched from her. What I found was that the more time we spent reflecting on and refining the decision-making process, the more equipped our team was to go out and accomplish our goals. We used a five-point plan for decision-making that continues to have relevance for me today:

1. Clarify the problem you are trying to solve.

Gather the data you need to understand the situation. This does not mean becoming overly burdened by data, but by the information necessary to understand the problem, its root causes and its impact on the organization. Many leaders love to skip to the solution, thinking this gets the problem behind them faster. However, if you don't have clarity on the true nature of the problem, the solution will probably not be the right one.

2. Know what part of the problem you are trying to resolve. Problems can be massive, especially in today's health care environment. We would all like to resolve every aspect of the staffing shortage, health equity, climate change and the rising cost of care. However, most CEOs are dealing with more specific aspects of these concerns and, therefore, must focus on the part that

will impact their community and organization the greatest. Although this may sound like common sense, it is often surprising how many leaders don't focus on the specific problem in front of them.

3. Get buy-in. All too often, leaders identify a significant problem, jump to tactics to resolve the issue, and don't take the time to involve stakeholders who can add insight and need to be engaged in implementing performance improvement. Using the insight of internal and external experts will take a little extra time, but it will pay dividends in the unity needed to put the right plan together and then execute on what is agreed to.

4. Build a solid tactical plan. Here's where the real challenge starts. Some leaders don't enjoy "the weeds" of tactical planning, but this is just as important as strategy. It's essential to build a plan that gets from problem to solution in the best possible way. There will probably be risks and costs, and good leaders must tolerate these elements if the plan is strong enough to get results.

5. Measure. Good leaders keep asking for measurement every step of the way and deliberate whether or not adjustments are necessary. Never let ego get in the way of making necessary alterations in a plan. Measurement allows us to celebrate success or explore what needs to improve to meet the goal. Absent measurement, one never knows whether they have met expectations.

THE PROCESS WORKS

I regularly put this five-point methodology to the test at Providence. A recent example involved difficult decisions around organizational structure.

The problem involved resources. As the pandemic crisis ebbed, Providence faced financial challenges and large-scale operational challenges. In this case, the desired metrics were clear: reduce cost structure to keep the organization viable to retain bedside caregivers so that access to patient care could remain robust.

Our tactical plan was difficult but necessary. The organization needed a leaner and nimbler administrative team to reduce the cost structure, which meant consolidating from seven geographic regions to three. It was the most logical path for what we needed to do: reduce costs at the administrative and leadership levels to have more

resources for the front lines and empower local decision-making to continue meeting the unique needs of each community Providence serves.

Today, Providence is well on its way to achieving desired cost reductions while maintaining essential staff. Losses have stemmed, and the postpandemic caregiver workforce is progressing toward healing and rebuilding. Our plan also recognized that impacted individuals needed support. It included vital mental health and other well-being programs for caregiver retention and assistance for executives now stretching themselves geographically and taking increased responsibilities.

And there were other dividends. The organization discovered it could make decisions more fluidly when pared to three divisions. Did everything work perfectly? It rarely does. We needed to make adjustments midstream, and some elements did not go exactly as we had hoped. But we accepted that we needed to readjust and stay focused. Ultimately, we chose the right path.

LOOKING TOWARD FUTURE TRANSFORMATION

Today's challenging decisions are merely a hint of what is to come as health care resets its transformational goals. These are not only monetary deci-

sions but strategic considerations that will guide the changes that health systems want to achieve in the coming years, which is providing excellent care and serving our amazing diverse communities. Among these considerations are the decisions we must make around value-based care that necessitate greater alignment with communities and physicians, investments in digital innovations that reach more segments of the population, innovative solutions that reduce health disparities and changes to internal culture to ensure caregiver well-being.

This work demands sound decision-making by executives, leadership throughout the organization and external partners who will all be co-architects of the desired future. We must sharpen our decision-making capabilities, spend time reflecting, give our leaders the room to make decisions and mistakes and be cognizant of the proven principles. This is how we achieve a healthier future and can continue to serve our mission.

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QUESTIONS FOR DISCUSSION

As President and COO at Providence St. Joseph Health, Erik Wexler needs to make complex decisions that can impact care and people's day-to-day lives. He outlines a decision-making strategy that ties into examining and defining problems closely, understanding what part of an issue a person or team is trying to address, getting support from others, planning a response and measuring effectiveness.

1. Do you use a similar approach when you need to plan strategy? What are some techniques you use if a strategy isn't clear? Do you gather better data, bring more people into the discussion, troubleshoot barriers or even manage the pace of change?

2. What kind of foundational principles are significant when beginning to plan and implement strategy? Do you have a "north star" of mission and/or goals that helps you focus on what needs to be done?

3. How do you ensure that the concepts of human dignity, the common good and our call to serve the most vulnerable in our communities are at the center of strategic decisions for the ministry? Is your mission leader involved in the process and a member of the team? Do you consider the needs of the community as well as financial realities?

4. Wexler talks about co-architects within an organization and its external partners. Do you think of yourself as a co-architect in your role? Is there more your leaders could do to make you feel vital to implementing strategy?

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