CASE STUDY

ARE OUR CUSTOMER LIAISONS HELPING OR HURTING?

LEADERS AT AN INDIAN HOSPITAL WONDER WHETHER NEW STAFF MEMBERS ARE DRIVING DOCTORS AWAY. BY SUNANDA NAYAK AND JYOTSNA BHATNAGAR

Amrita Rajesh could tell that the doctor sitting across from her felt uncomfortable.

Exit interviews were usually handled by junior managers on the HR team, but Amrita felt that given the high rate of attrition among doctors at Krisna Hospital over the past year, it was her responsibility as head of HR to talk to Dr. Vishnu Patel, a respected cardiologist who'd just given his notice.

"Everyone is always very polite in these interviews, but I need your honesty," Amrita told him.

Dr. Patel shifted in his chair. "There are a host of reasons for my departure, many of which you can't do anything about. My family obligations, for example, and the demands in my own practice."

Most of the physicians at Krisna saw patients in their private practices, but they also partnered with and referred patients to the hospital for procedures that weren't possible in an office setting. As the largest multispecialty hospital in Noida, in the National Capital Region of India, Krisna provided secondary and tertiary services in cardiology, orthopedics, neuroscience, oncology, renal care, and gastroenterology.

"Is there anything that would've made you stay? Anything in particular that made you decide to leave now?" Amrita prodded.

"There was that argument I had with a PCE," Dr. Patel said after a pause. He was referring to a relatively new position in the hospital: the patient care executive. Three years ago, in response to patient complaints about not understanding doctors' explanations about their diagnoses and treatments, Krisna had introduced this liaison role. It was meant to be a win-win: Patients and their families would get a better, more personalized hospital experience, and doctors could spend less time managing patients and more time practicing medicine. The program

CASE STUDY CLASSROOM NOTES

The authors wrote the case on which this one is based to explore how organizations can best attract, hire, and retain medical professionals.

In India, physician attrition is a primary worry for hospital leaders since it negatively affects patient loyalty and therefore hurts the bottom line.

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HBR's fictionalized case studies present problems faced by leaders in real companies and offer solutions from experts. This one is based on the case study "Need for New Creed of Doctor-Managers: Talent Management, Retention and Employer Brand Dilemmas at XYZ Hospital," by Sunanda Nayak and Jyotsna Bhatnagar.

The patient care executive (PCE) role is still rare in Indian hospitals, but this type of go-between is not unique to the health care industry. Having a liaison between technical experts and customers can be useful for all sorts of companies. It can also cause friction, as it does in this case.

fit well into the hospital's brand as an expensive but high-quality care center with the best talent, technologies, and services. Unfortunately, Amrita had heard grumbling from physicians from the moment she'd hired the first PCE.

Dr. Patel explained how the PCE assigned to one of his more complicated cases—a patient who had bypass surgery and needed a pacemaker—had caused the patient's family to lose trust in him. "I don't know what he said to them during the operation, but from then on, they wanted to talk only with him and acted like I was an enemy. It was definitely the PCE and the family against me."

"To make matters worse," he continued, "he gave them misinformation about the pacemaker, and when I tried to explain that he'd been wrong, they didn't believe me."

It was true that Krisna's PCEs didn't have medical training. Most had MBAs but only a few years of experience in health care. And Dr. Patel wasn't the first to complain about PCE interference in the doctor-patient relationship. But thanks to higher customer-satisfaction scores, senior leaders were happy with the PCEs.

Are the PCEs "interfering" or playing an important role? The need to better coordinate patient care is becoming increasingly important as health care delivery gets more complicated.

"Is the PCE program the reason you're leaving us?" Amrita asked.

Dr. Patel reluctantly admitted that it was. "To be honest, it just makes the job that much harder. I already have to answer to the patient, the patient's family, and the administration. Now I also have to answer to the PCE. It's too many people to please. Why wouldn't I prefer to work in a hospital that doesn't interfere in the same way?"

What is the value proposition for doctors to work at Krisna? Why should they work with this employer over others?

Amrita didn't have a good response, and she was pretty sure Dr. Patel wasn't expecting one. "Could we convince you to change your mind?" she asked instead.

"Fire that PCE. Actually, fire them all. And let us doctors do our jobs. Then maybe I'll stay."

LEAVING IN DROVES

Later that day, Amrita sat down at a table in the hospital's cafeteria with Meera Kumar, Krisna's chief medical officer. The two executives had worked together for nearly 20 years, and despite their hectic schedules, they tried to meet for lunch each month.

Amrita was still thinking about her conversation with Dr. Patel and broached the issue of PCEs with Meera.

"I wish I could tell you that he is an anomaly," Meera said, "but he's not. Many of our doctors are unhappy about the PCEs."

"Why didn't you tell me this earlier?" Amrita asked.

"I did. You said, 'Give it time.'"

Amrita smiled sheepishly.

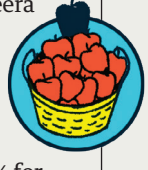
Meera continued, "I know I'm biased because of my position, but I agree with my physicians that the PCEs are unnecessary and, in a lot of cases, do more harm than good. From the stories I hear, they seem inexperienced and intrusive. They understand the lingo, but they don't really understand medicines and treatments."

"That's not fair," Amrita said. "It's not as if they're making medical decisions for patients. The doctors are still in complete control. The PCEs are just helping patients better comprehend their options."

"That's not what I hear," Meera said. "A doctor told me that a PCE talked one of his patients out of an important diagnostic test because she was having panic attacks about the procedure. The doctor tried to explain that they could treat the anxiety and that the test was critical, but the PCE wouldn't budge."

Amrita took a breath, about to speak.

"I know what you'll say," Meera cut in. "'That's one bad apple.' But I hear more stories like that every day. This is why our doctors are leaving in droves."



The hospital's attrition rate had been between 20% and 25% for the past 18 months. It was true that because of the current doctor shortage across India, many hospitals were fighting talent wars, but Krisna ranked among the worst on this metric. And it was the only medical center to have the patient care executive role.

Amrita was beginning to wonder if they were ahead of the pack or venturing in the wrong direction.

GOOD OR BAD ATTRITION?

A week later, Ghiridhar Iyer, Krisna's CEO, called Amrita and Jai Srinivasan, the head of patient services, to his office to discuss doctor turnover. He

Are the PCEs compromising the hospital's ability to deliver on its mission of providing superior health care? Patients may feel more cared for, but are they getting the highest-quality treatment?

According to the World Health Organization, India has a ratio of 0.7 doctors per 1,000 people, compared with 2.5 in the United States and 1.49 in China. This has created intense demand for talent among Indian hospitals, with many trying to lure physicians away from competitors with offers of higher pay and more autonomy.

explained that the issue had come up at the last board meeting.

"Have we identified any patterns or root causes?" he asked.

Amrita glanced at Jai, and then answered, "There are the usual reasons, of course, but I'm starting to wonder about the PCE position."

She could see Jai tense up next to her. The PCE program had been his baby, and his body language suggested he would not take criticism well. Still, she pressed on, summarizing her conversations with Dr. Patel and Meera.

"We wouldn't need PCEs if the doctors had a better bedside manner," Jai interrupted. "I'm sick of trying to keep them happy at all costs. We are a 'patient-focused care center,'" he said, citing Krisna's mission statement.

"Yes," said Ghiridhar, "but we can't deliver patient care if we don't have doctors." Krisna's compound annual growth rate was 82%, and it had been struggling to keep positions filled.

"There is no doubt that the PCE program has been great for the hospital," Amrita said, hoping to defuse Jai's agitation. "Revenue is up, as are patient retention rates and referrals—"

"That's right," Jai said. "When we treat patients with dignity and care, they come back to our hospital for all their health concerns and tell their friends and families to come here as well. And the customer satisfaction scores say it all: They love the PCEs."

"We aren't debating that," Ghiridhar said. "Who wouldn't love a person whose primary job is to hold your hand through a difficult time? The question is: What are we losing as a result?"

Jai jumped back in. "I don't believe that the PCEs are driving the doctors out. I think the doctors are tired of splitting their revenue with us. And they're not happy that the patients would rather come to see the PCEs than go to the doctor's private practice. They're also jealous that the PCEs get paid no matter who comes through the door." At Krisna, and most Indian hospitals, physicians' salaries reflected the number of patients they treated.

"We could consider more training," Amrita suggested. "We did sessions when we launched the role, but maybe it's time to bring the doctors and PCEs together again to share best practices."

"We had enough trouble getting the doctors to show up the first time," Jai said. "What we need to do is find doctors who believe in the hospital's mission and want to collaborate—not put their own interest first."

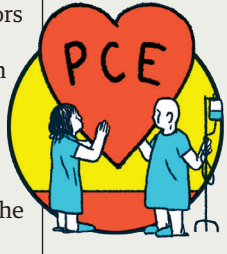
"According to Meera, those are exactly the doctors we're losing," Amrita said. "We all know that there is good attrition and bad attrition, and Meera assures me that we're now dealing with the bad kind."

"This is a top priority for me," the CEO said. "I know where you stand, Jai. And I agree that we need to be careful not to alienate patients. But we don't want this to escalate into a crisis. We need to think about remedies."

AN EMOTIONAL DECISION

On the elevator ride down from the CEO's office, Amrita replayed the meeting in her mind. She took issue with Jai's characterization of the doctors as money-hungry and self-involved. She knew that most of them could live comfortably on the revenue from their private practices, but they chose to take on challenging cases and bring them into the hospital, splitting the revenues, because they wanted to help people. If PCEs were making the doctors' jobs more difficult, she had to do something about it.

The elevator stopped, and the doors opened. A woman stepped in, crying into her cell phone. "They don't seem to care if he lives. They do test after test, but no one decides what to do. The only person I trust is Karthik."



Amrita recognized the name. He was a recently hired PCE, and when the doors opened again on the first floor, the man she remembered was waiting there. He caught Amrita's eye but then focused his attention on the woman, who fell into his arms sobbing.

They spoke quietly, then hugged again. As Amrita watched them, she couldn't help but think that the PCEs were indeed filling a critical role. She doubted any of Krisna's competitors were providing this level of service.

Amrita now felt weepy herself. This was business, yes, but emotions invariably played a huge role. She needed to make sure that both doctors and patients trusted Krisna to do right by them.

The Indian health care sector is growing at a CAGR of approximately 16%. Its worth is expected to be $160 billion by the end of 2017 and $280 billion by 2020.

When employee engagement and customer service seem to be at odds, should a company prioritize treating employees well or serving consumers as best as they can?

It's not uncommon for a role meant to expedite customer service to add a layer of bureaucracy in an organization. Could Krisna's troubles be attributed to "growing pains" with the PCE program rather than to a fundamental problem with the role?

Hospitals like Krisna compete with other private hospitals in their region, as well as with those run by government agencies and nonprofit trusts. Since the country has softened its foreign investment policy, new entrants from Singapore, the U.S., and Australia may soon make the market even more competitive.

SEE COMMENTARIES ON THE NEXT PAGE

SHOULD AMRITA RECOMMEND GETTING RID OF THE PCE ROLE? THE EXPERTS RESPOND

AMRITA SHOULD SERIOUSLY consider eliminating the PCE role, or at least reimagining it so that the responsibilities more clearly reflect the part these employees should play in the process of care delivery.

Right now, there seems to be a gap between what the PCEs were hired to do (explain doctors' diagnoses and treatments to patients and their families) and what they're actually doing (providing emotional support and, in some cases, influencing decision making). Instead of acting as intermediaries, they're acting as alternate authorities, and that's eroding patients' trust in their doctors and in Krisna.

I relate to this case in three ways: as a manager tasked with improving the care experience across a $6 billion, 24,000-employee system; as a practicing physician who treats critically ill patients every day; and as a patient who spent eight years in and out of hospitals fighting my own critical illnesses. In all three roles, I've found that there is nothing more important than the doctor-patient relationship.

Jai, the head of patient services, assumes that physicians want to delegate difficult, emotional conversations so that they can focus on the medicine. But what I've learned is that you can't effectively treat people without taking the time to understand their preferences, values, and fears; you find the right plan only by knowing who your patient truly is as a person and then triangulating on the medicine together. So those interactions are vital to treating the patient and not something I would ever give up. I don't know many doctors who would.

Rather than relieve physicians of the essential task of communication, Amrita must find ways for Krisna's physicians to hand off other, less critical duties, such as administrative burdens or routine tasks that can be competently handled by highly skilled nurses. The PCEs could fulfill the important work of helping patients and their families navigate our increasingly complex medical systems: finding specialists, scheduling appointments, explaining bills and insurance statements. I even think a liaison charged with translating the concerns of patients and families to medical teams could be useful. But the doctors should be the ones at the center of the relationship, answering the questions and leading people to the right courses of treatment.

To help them do this, Amrita should introduce Krisna's physicians to the concept of authentic efficiency. Empathetic, compassionate patient care doesn't have to be terribly time-consuming if you follow a few basic rules. It starts with approaching each patient interaction

THERE'S A GAP BETWEEN WHAT THE PCEs WERE HIRED TO DO (EXPLAIN DIAGNOSES AND TREATMENTS TO PATIENTS) AND WHAT THEY'RE ACTUALLY DOING (PROVIDING EMOTIONAL SUPPORT).

with humble curiosity and exploratory questions that position the physician not as the "voice of medicine" but as a partner. At our health system, we've created a program called CLEAR (connect, listen, emphasize, align, respect), which teaches relationship-based communication skills using improv actors.

When I was a patient—with liver tumors that led to hemorrhagic shock, a miscarriage at seven months, multi-system organ failure, and a stroke—the doctors who made me feel "seen" in this way were the ones who got me through. They spent time at my side, which fostered the kind of trust that superseded all others. Krisna needs to make sure that patients' trust is being placed first and foremost in its medical professionals, not its PCEs. That's the only way the hospital and its physicians will continue to thrive.

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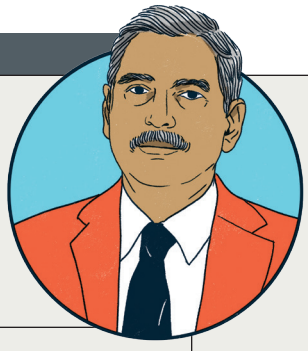
ASHUTOSH RAGHUVANSHI is a cardiac surgeon and the vice chairman, managing director, and group CEO of Narayana Health, which operates 24 hospitals, seven heart centers, and a network of primary care facilities across India.



BEFORE ABOLISHING the patient care executive role, Amrita and her CEO should consider whether there is a structural solution to the problem.

The PCEs aren't working in sync with physicians, most likely because the program was set up without input from or oversight by the medical teams. And while patients and their families might feel more supported, the disconnect between the hospital's staff and its doctors will ultimately lead to miscommunication, missed opportunities, mistakes, and more attrition that will diminish care and customer satisfaction in the long term. It could also create litigation risk for Krisna: Patients who suffer bad outcomes after being counseled by unlicensed professionals may very well sue.

My advice is to restructure the program to better integrate the PCEs into the medical teams. Three or four of them could be assigned to work with each doctor so that people in both roles begin to understand each other and get into a collaborative rhythm. Meera, the chief medical officer, should oversee the group. Amrita, as the head of human resources, could stay involved, but in my view, Jai, who seems to think that a hospital can run on systems and processes while physicians are expendable, should not. In fact, the CEO might want to replace him with an administrator who is sympathetic to both patients and doctors and more capable of working across silos.

Hospitals everywhere should, of course, be considering ways to support patients more fully. This is especially true in India, where we face huge shortages of physicians and lack the physician assistant role you find in other countries. Our specialists are extremely talented in the practice of medicine, but some are poor communicators and resistant to soft-skills training; others routinely handle so many cases that they're too short of time to give each patient the attention he or she might like. But because of our market dynamics, we rarely have the luxury of hiring more and better doctors. Instead, we must work with them to develop tools that will enhance their performance.

Two years ago, after consultation with Narayana's physicians, we implemented a system in six of our hospitals. We selected a group of managers from various functions, including HR, finance, and operations. We assigned them to different areas of the hospital, gave them 10 beds each, and told them to spend an hour each day visiting the patients. Their job was to unearth any brewing concerns and share them with the medical teams or the administration, as appropriate. There were some growing pains as everyone got used to the new role and working together. But after just three months, we saw an increase in patient satisfaction, and we've since seen net promoter scores rise—from as low as 5 to a high of 9—in every hospital that piloted the program. We're now planning to roll it out across our system.

Krisna seems to have introduced its patient care executives without taking into account the opinions of its doctors—the specialists at the core of its service. The responsibilities of the PCEs were obviously too loosely defined, and the PCEs aren't adequately engaging with the medical teams. Amrita and her CEO must now rectify the situation. If they redesign the program so that the PCEs report to physicians, it would be much more than a cosmetic change. It would mark a shift in thinking. It would demonstrate that the hospital is prioritizing clinical outcomes. It would move the focus from hospitality to medicine and ensure that overworked specialists are being supported, not undermined.

WE RARELY HAVE THE LUXURY OF HIRING MORE DOCTORS.

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COMMENTS FROM THE HBR.ORG COMMUNITY

Look at Data
Amrita should run an A/B test, splitting the doctors into two groups. In one, assign them PCEs; in the other, have them communicate with patients directly. Then assess the impact of each group on customer satisfaction scores, attrition, and revenues to make a data-driven decision.
Eugene Ivanov, owner, Demystifying Innovation

Don't Let Patients Suffer
Studies show that activities that increase patient satisfaction can lead to poorer health outcomes. That's what's happening here. Amrita ought to eliminate PCEs and transfer the duties to doctors or other health professionals trained to prioritize health outcomes. After all, a somewhat dissatisfied living patient is better than a satisfied corpse.
Christopher Dougherty, master's candidate, Carleton University

Improve the Program
Amrita hasn't exhausted the options for making the program work. She needs to examine roles and incentives to make sure they're clear and aligned. She should make sure best practices from successful teams are shared with others.
Abhishek Kothari, VP, global financial services firm