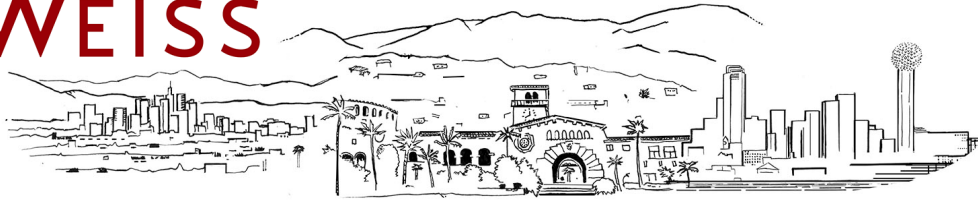


WEISS



August 31, 2020

### The Medical Group Governance Matrix

*[Note: Over the past few months, I've seen a marked increase in queries relating to group governance. I thought it appropriate to reprint the following article, an introduction to my concept, The Medical Group Governance Matrix™.]*

We all hear, and most of us say, that the pace of change in healthcare is quickening.

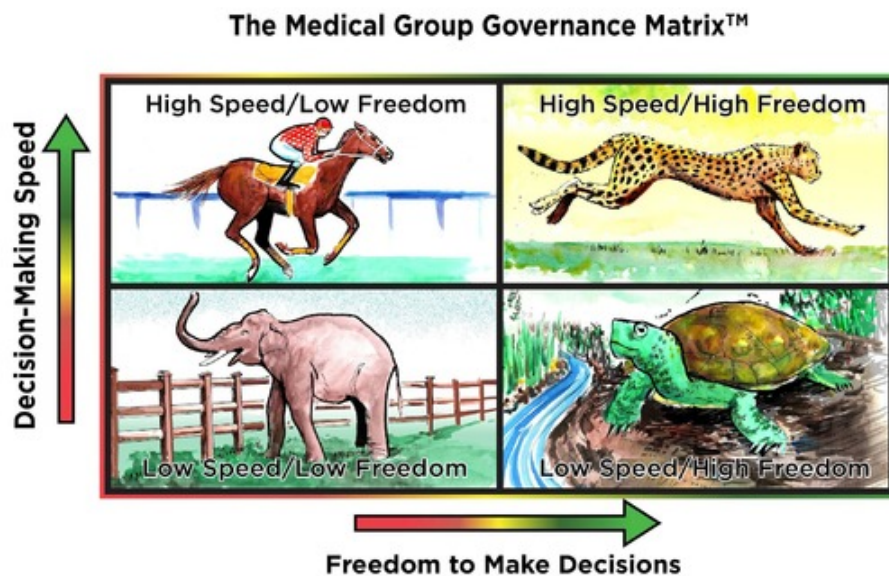
That means that the pace of required decision-making is increasing, too.

Unless, that is, you want to take the “default” route. That’s the one in which you let someone else make the decisions that impact you; you’re just along for the ride. Of course, playing a bit part in scripting your own future isn’t the smart route to stardom.

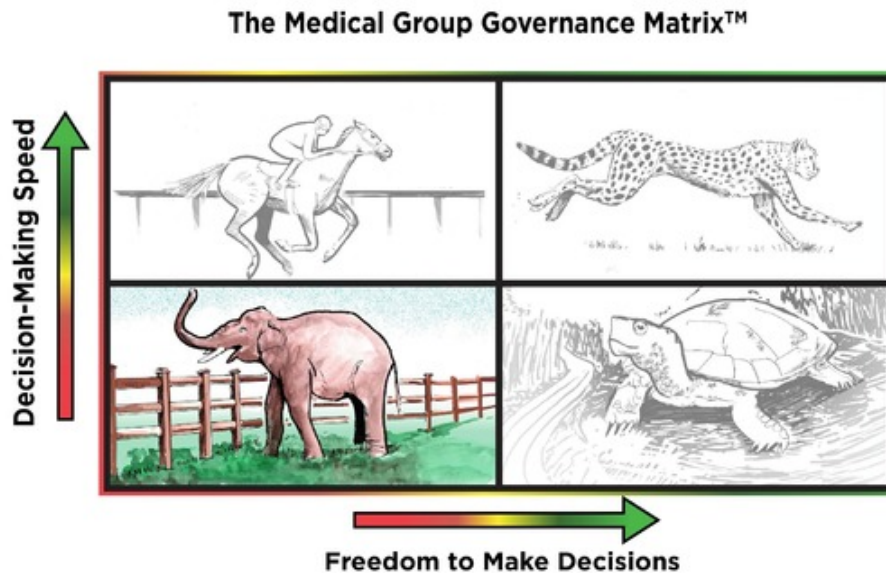
But despite your own best intentions, perhaps it’s your anesthesia group’s governance structure that’s holding you back. In fact, it’s very likely that the problem is systemic.

#### The Medical Group Governance Matrix™

Here’s a simple four-quadrant diagnostic tool to help you find out. I call it The Medical Group Governance Matrix™.



**Zoo Elephant: *Low Speed/Low Freedom (lower left quadrant)***



I use a zoo elephant for the quadrant's avatar because although they are large, intelligent, and powerful, and should be able to act decisively, they're trapped within their surroundings. They just don't have any room to run, to exhibit what could be their speed.

This, unfortunately, is the domain of far too many anesthesia groups.

Zoo Elephant groups have one of three governance structures:

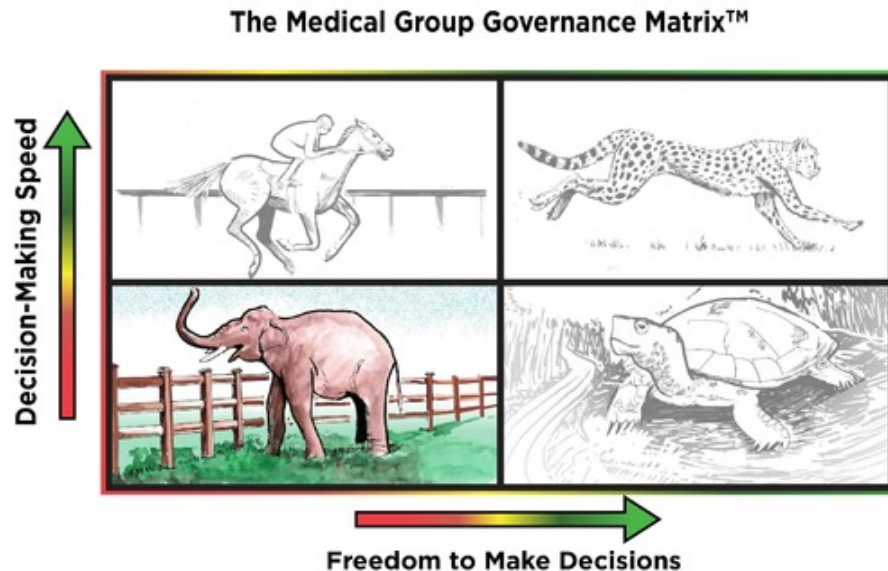
1. A very large management committee or board of directors, for example, a body of 10 or more members;
2. A fully participatory governance structure in which each and every member of the group votes on, and in some cases can veto, any group decision or proposed action; or
3. Even though they have a formal, more streamlined governance system, the reality is that they fall back on a consensus system for actual decision-making. Consensus waters down decisions as a result of compromise.

These groups take far too long to make decisions. And, the decisions they make are diluted, either by the need to obtain formal buy-in or consensus. Neither quick nor bold action is welcomed.

Consider the group that told me that all of their shareholders had to meet to approve a decision to consider, not even to commit to, expanding its business to other sites. When would they meet? Not until after summer, when everyone was back in town from their vacations!

No single leader or small group of leaders is granted freedom to fail because no such individual or individuals are allowed to make decisions.

Race Horse: High Speed/Low Freedom (upper left quadrant)



I use a race horse for the quadrant's avatar because although they are very fast, their ability to use that speed is constrained within the race track's barriers. There's no real freedom.

Race Horse groups have either a small management committee or board, or a solo leader.

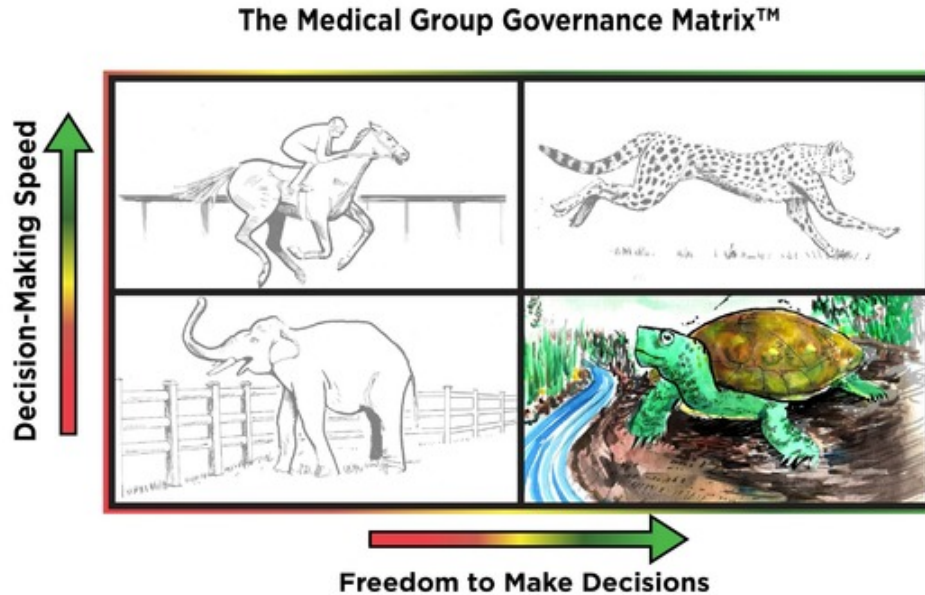
Conceptually, the leaders of a Race Horse group could make and implement quick decisions. However, their decisions are continually second-guessed.

This can take the form of criticism or even active resistance. The leaders are blamed for their "poor decision-making" and quickly catch on that it's not in their personal best interests to stick their heads out. Maintaining the status quo receives the highest kudos.

I once represented a significant size group with a small board of directors and a president empowered to act. However, the culture of the group was such that the president's decisions, notably in connection with the strategy relating to the renewal of the group's exclusive contract with a large hospital, were second-guessed by a significant number of the rank-and-file members.

Afraid that the group's official strategy, as set by the board and implemented by the president, wouldn't be successful, several of the group's members exposed the group's strategy to the hospital administration. The results were not pretty, neither for the group nor for the mini Benedict Arnolds.

**Turtle: Low Speed/High Freedom (lower right quadrant)**



I use a turtle as the avatar for the lower right quadrant of The Medical Group Governance Matrix, the quadrant representing low speed of decision-making combined with high freedom to make decisions. That's because they're free to roam – they just don't move very quickly.

Whether or not actually corporations, turtle anesthesia groups tend to have a corporate-type structure. However, in practice, the authority of the officers is largely micromanaged by the management committee or board of directors, which itself tends to be oversized. The officers are generally prohibited from taking any significant action, except as specifically authorized by the management committee or board.

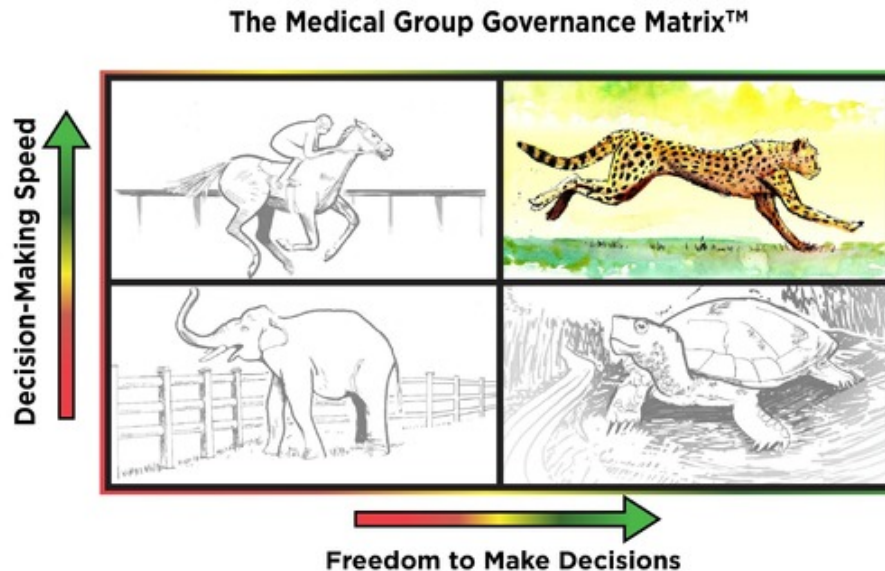
From a freedom to lead perspective measured by the reservation of actual authority at the management committee/board level, Turtle groups are champions. However, their often-large boards and the lack of effective delegation of power to the officers prevent quick decision-making.

Consider the example of a group with a large management committee, 14 members, in addition to a "managing partner." In that group's structure, the managing partner could take action only after it was approved by the board. In essence, he sat as a tiebreaker for the group's management committee's decisions.

The management committee itself struggled with decision-making. They delegated fact-finding to sub-committees. Meetings lasted hours because everyone wanted to put in his or her 2-cents' worth even if they had nothing to say.

Their likelihood of bright success was tarnished by the participatory and overly cautious nature of their decision-making process.

**Cheetah: High Speed/High Freedom (upper right quadrant)**



I use a cheetah as the avatar for the upper right quadrant representing high speed of decision-making combined with high freedom to make decisions.

Cheetah groups have either very small management committees/boards or a fully empowered “strong leader.” A Cheetah group’s leaders are fully empowered to make decisions and they make decisions quickly.

The best way to describe this in everyday language is to say that even if the legal structure of the group is a partnership, the governance structure is fully corporate: The leadership is either institutionalized via the governing documents or is elected on a periodic basis. The group doesn’t have the right to overturn management decisions and the culture of the group is not to interfere with the leadership’s decisions.

Of course, if the structure includes periodic elections and if the group loses faith in a leader, then he or she is voted out of office.

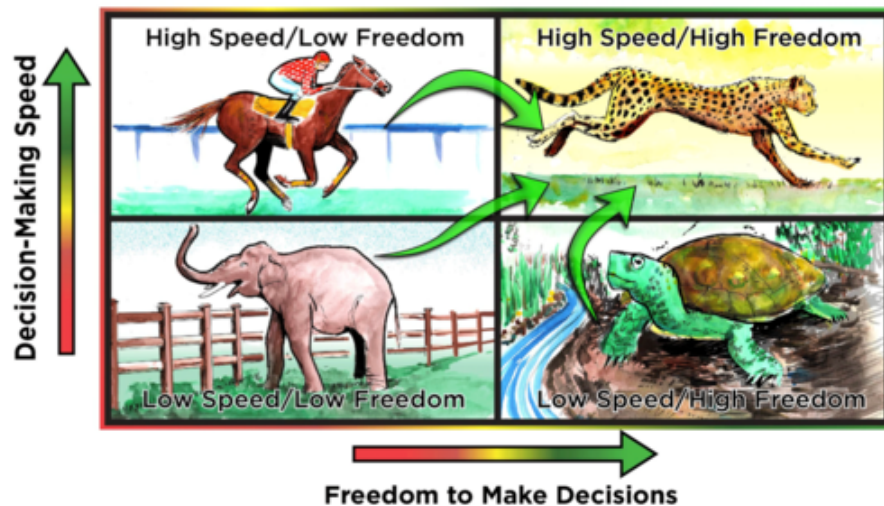
These groups are very nimble. They can quickly respond to actions set in motion by third parties. They can quickly take action in regard to cues in the market. And, they can quickly develop and implement proactive, market-making decisions.

**The Initial Takeaway**

If your group isn’t already a Cheetah, the object is to move your medical group’s governance structure into the Cheetah quadrant. That is, if your group wants to be able to best position itself in today’s and tomorrow’s market.



## The Medical Group Governance Matrix™



If your group is already a Cheetah, it still takes vigilance to remain one.

That said, some groups view that goal, becoming and remaining a Cheetah, as having less value than other factors, such as their desire to maintain their club-like structure. As long as that's a conscious decision, made with an understanding of the trade-off, then it's perfectly valid. That is, as long as you don't expect both more-or-less complete personal autonomy and a serious competitive position for the group.

Where on the matrix is your group? Is that where you want it to be? Is that where it should be?

Let's turn to a thinking concept to help you get there.

### How Not Letting Go Leads to Medical Group Governance Messes

I have a good friend who says, in the context of a physical skill, that prehistoric humans initially developed the strong, instinctual dominant-hand grip to be able to grab onto tree limbs and quickly climb in order to escape predators like saber-toothed cats. (I like my friend too much to tell him that saber-toothed cats could climb trees.)

The ensuing millennia have honed this instinct, so much so, that we instinctively grab tightly with our dominant hand even when the specific application calls for a much lighter touch.

So, too, goes the vice-like grip that causes many medical group members to hang on to their personal control, even when it actually cuts against their modern-day success.

They are so unable to let go of their instinctual need to personally control almost all aspects of their financial affairs, that they dash the ability of their medical group to function as a true business. The result is a club. (A club of a different sort would have helped with saber-toothed cats. A physicians' club does not equal a physicians' business.)

In order for a medical group to succeed, governance power must shift within the matrix from the lower evolved quadrants, from Race Horse, Zoo Elephant, and Turtle toward the upper right, toward Cheetah.

To do so, each member must let go of the individual control instinctually believed required to save him or her from the metaphorical saber-toothed cat.

The reality is that one's future isn't protected by completely individual control. In fact, in the business context, it's almost always hampered in the organizational setting of a medical group of more than a small handful of members.

When the modern saber-toothed cat, the reality of business, is charging at you, it's absolutely no time for a vote. It's absolutely no time for "consensus-getting." It's absolutely no time for

Deep down inside, we all have fears, some irrational for sure, but many completely rational. But prehistoric man survived by forming groups. That's what saved them from predators, saber-toothed and otherwise.

The required shift begins inside the mind. It then moves on to your medical group's governance documents. And finally, because those governance provisions are useless if they're not followed, it moves from concept to practice.

For your medical group to succeed, get a grip on reality and loosen your personal grip on your group.

Show how evolved you've become.

[For the complete picture, download a complimentary copy of my book, The Medical Group Governance Matrix™ [here](#).]



### How to Deploy the Secret Sauce of *Opportunistic Strategy* - Webinar On Demand

They say that COVID-19 has changed the world, creating the "new normal." Many of your colleagues and many hospital administrators are running scared.

Others, leaders like you, know that *crisis means opportunity*.

Let me provide you with the strategic tools and insights that you need in order to seize opportunities, whether they're in the context of your current business relationships, the expansion of your business activities, or the creation of new ventures.

You will learn:

- Defense as a defective default: It's necessary, but not sufficient.
- Exploiting weakness: Drop the guilt and identify opportunity.
- Flat line negotiation is fatal: Understand its myths and limitations.
- Negotiation reality: Learn to identify and deploy on multiple planes to affect the outcome.
- Maneuver: Harness the power of maneuver, both in overall strategy and in specific negotiation strategy.

Others see a crisis and freeze in fear. Learn how to see the opportunities and obtain the tools to increase your odds of obtaining them.

The price to attend is \$479. The cost of not attending is astronomical.

**Get Access Now!**

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### Newsflash: Business Life In the Time of Coronavirus - The Way Out

The coronavirus crisis, especially as it's become politicized, raises a number of business issues and, quite frankly, business opportunities in regard to future disruptive events.

Check out our [mini-series](#), with actionable business lessons for medical group leaders.

Sooner or later this crisis will end. You can't allow yourself to be too busy, too occupied, too concerned with current events, to devote time and effort to strategizing for your future.



## Wisdom. Applied. 141 - Why You Must Harness the Power of the Flea

We're all steeped in the notion of the status quo, of how things are done, of the normal order of things. But are those bounds truly limits? The flea *can* beat the dog. Watch now.

## All Things Personal

I so completely trust the US Postal Service that I paid them extra (Priority Mail) to deliver a letter.

Apparently, they think that the more one pays, the more postal experience one should receive. So in this case, instead of delivering my priority mail letter in 3 days, they took 20. Actually, they also treated one of my team to 4 hours on the phone while they searched for the letter.

Here's an image of the route the envelope took:

**USPS Tracking®**

Track Another Pac

Tracking Number: [REDACTED]

Your item was delivered at 7:35 am on August 20, 2020 in

USPS Premium Tracking™ Available ▾

**Delivered**

August 20, 2020 at 7:35 am  
Delivered  
LOS ANGELES, CA 90096

Get Updates ▾

**Text & Email Updates**

**Tracking History**

August 20, 2020, 7:35 am  
Delivered  
LOS ANGELES, CA 90096  
Your item was delivered at 7:35 am on August 20, 2020 in LO

August 20, 2020, 7:10 am  
Distribution to PO Box in Progress  
LOS ANGELES, CA 90001

August 15, 2020, 11:07 am  
Forwarded  
LOS ANGELES, CA

August 15, 2020, 9:02 am  
Distribution to PO Box in Progress  
LOS ANGELES, CA 90028

August 15, 2020, 8:51 am  
Arrived at Post Office  
LOS ANGELES, CA 90028

August 14, 2020, 4:05 pm  
Arrived at USPS Regional Destination Facility  
LOS ANGELES CA INTERNATIONAL DISTRIBUTION CENTER

August 13, 2020, 12:03 pm  
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LOS ANGELES, CA

August 13, 2020, 7:10 am  
Distribution to PO Box in Progress  
LOS ANGELES, CA 90028

August 13, 2020, 3:30 am  
Arrived at Post Office  
LOS ANGELES, CA 90028

August 12, 2020, 6:12 am  
Arrived at USPS Facility  
LOS ANGELES, CA 90028

August 12, 2020, 5:38 am  
Departed USPS Regional Facility  
LOS ANGELES CA DISTRIBUTION CENTER

August 5, 2020, 11:17 am  
Forwarded  
LOS ANGELES, CA

August 5, 2020, 12:54 am  
Arrived at Post Office  
LOS ANGELES, CA 90028

August 4, 2020, 2:04 am  
Arrived at USPS Regional Facility  
LOS ANGELES CA DISTRIBUTION CENTER

August 3, 2020, 11:56 pm  
Departed USPS Regional Facility  
LOS ANGELES CA NETWORK DISTRIBUTION CENTER

August 3, 2020, 5:58 pm  
Arrived at USPS Regional Destination Facility  
LOS ANGELES CA NETWORK DISTRIBUTION CENTER

August 3, 2020  
In Transit to Next Facility

July 31, 2020, 9:31 pm  
Arrived at USPS Regional Origin Facility  
CORPPELL TX DISTRIBUTION CENTER

July 31, 2020, 8:16 pm  
Accepted at USPS Origin Facility  
DALLAS, TX 75206

July 31, 2020  
Pre-Shipment Info Sent to USPS, USPS Awaiting Item

Here are some takeaways:

1. If you think regular mail is the way to vote in 2020 you are going to see a disaster.
2. If the government can't deliver a letter in 20 days, do you really want them running healthcare?
3. How long does it take for a patient to be able to see you?
4. How long after that patient sees you does your billing go out?



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What tailored content would you most like to see during this time?  
How can we focus on solutions to your most pressing strategic concerns?

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### Podcast Compilation Greatest Hits - Strategy Edition 1.0

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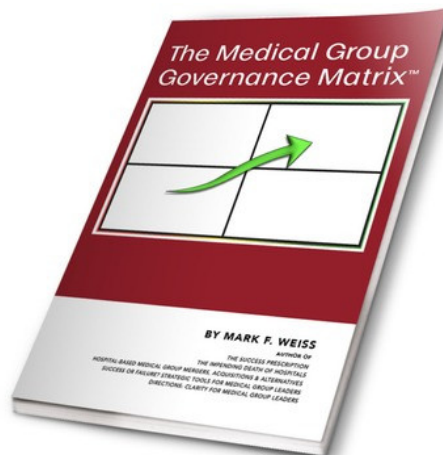
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- [Physician Issues Standing Orders for Fraud](#)
- [Are Backseat Drivers Running Your Medical Group?](#)

### Published Articles

- [You Have Enough Problems. Why Buy Compliance Risk?](#), Summer 2020 Issue of [MiraMed Focus](#)
- [Who Really Owns Your Medical Group?](#), Summer 2020, [Communique](#)
- [The Practical Essentials of the False Claims Act](#), March 2020, on [AnesthesiologyNews.com](#) and in the May 2020 issue of [Gastroenterology & Endoscopy News](#)

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## Books and Publications



to take the “default” route. That’s the one in which you let someone else make the decisions that impact you; you’re just along for the ride. Of course, playing a bit part in scripting your own future isn’t the smart route to stardom. But despite your own best intentions, perhaps it’s your medical group’s governance structure that’s holding you back. In fact, it’s very likely that the problem is systemic. The Medical Group Governance Matrix introduces a simple four-quadrant diagnostic tool to help you find out. It then shows you how to use that tool to build your better, more profitable future. Get your free copy [here](#).

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**Whenever you're ready, here are 4 ways I can help you and your business:**

- 1. Download a copy of The Success Prescription.** My book, The Success Prescription provides you with a framework for thinking about your success. Download a copy of The Success Prescription [here](#).
- 2. Be a guest on “Wisdom. Applied. Podcast.”** Although most of my podcasts involve me addressing an important point for your success, I’m always looking for guests who’d like to be interviewed about their personal and professional achievements and the lessons learned. [Email me](#) if you’re interested in participating.
- 3. Book me to speak to your group or organization.** I’ve spoken at dozens of medical group, healthcare organization, university-sponsored, and private events on many topics such as The Impending Death of Hospitals, the strategic use of OIG Advisory Opinions, medical group governance, and succeeding at negotiations. For more information about a custom presentation for you, [drop us a line](#).
- 4. If You’re Not Yet a Client, Engage Me to Represent You.** If you’re interested in increasing your profit and managing your risk of loss, [email me](#) to connect directly.

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