

Ep26: Physician to Hospital CEO: A Leader's Journey

October 11, 2019

PATTI BRENNAN: Hi everybody. Welcome back to “The Patti Brennan Show.” Whether you have \$20 or \$20 million, this show is for those of you who want to protect, grow, and use your assets to live your very best lives.

Our topic today is one that I'm really excited about. Today, we have Mike Buckley. Mike is a former CEO of Pennsylvania Hospital and former physician.

Mike, welcome to the show.

MIKE BUCKLEY: Thanks, Patti, for having me.

PATTI: Absolutely. Mike, when we were talking about different subjects and different things to think about, and I was thinking about, “Wow. Wouldn't it be terrific if you could come on this show and talk about your career and some of the things that you learned over your entire career, and how you've added value, not only to your patients, but to the people that you led over the years?”

I thought about leadership and how you've got to be the CEO of one of the largest hospitals in Pennsylvania, one of the most respected hospitals. From starting in private practice as an infectious disease physician to the CEO of a major hospital, now a University of Pennsylvania hospital, tell me, how did you get there?

MIKE: The first thing to say is it happened very gradually. The first 15 years of my career there, I really focused on being a good physician. That's what I was interested in. That's what I loved. That's what I trained to do and that's all I ever thought I would do at the time. I took care of patients. We built a big practice.

We saw a lot of people. Infectious disease specialists tend to be consultants on almost every specialty. Almost every physician's patients, at one time or another, get sick with either an infection or something they're concerned might be an infection. We get to know all the physicians at the hospital.



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Over time, what happens often is, if your clinical skills are recognized and people think you have good judgment, good clinical judgment, that you communicate well with patients and families and them, and that you're helpful, they begin to trust your judgment in general. That sometimes, rightly or wrongly, carries over into other areas.

People start to think, "Well, I trust this person's judgment. They're very helpful. They seem very competent. Maybe they'd be good at a leadership position where their decisions might actually affect me." I think that's often how it happens. When I think about all the physician leaders I know, that was often the way they got there.

First, being recognized as excellent physicians, whether they're clinic physicians, or researchers, or whatever they might be. Then, that carrying over into other things.

PATTI: It's interesting because again that inner drive to be really good at whatever you are doing at the time says a lot about a person. Your character, the fact that you just want to be helpful to use your term. That can translate into other areas in which you can be helpful. I can certainly see that.

Was there a particular moment or something you volunteered for or a decision that you made that might have separated you from other people as these opportunities came about? Or again was it a general thing, one thing led to another?

MIKE: I think a little bit of both. The general piece was I took on small leadership positions. Then, a little larger. Then, a little larger. As times changed at the hospital I was asked to be president of the staff, which is something that a lot of people get to do.

It happened at a time that was particularly crucial because we'd had a leadership change at the CEO level after somebody who'd been there 38 years left. It was pretty tumultuous. It didn't work out all that well. I was involved in the senior physician piece of it. I was on the board of the hospital during that time for a couple of years and got to see all this, and I learned a lot from it.

Then, in 1997 is when the Pennsylvania Hospital, which is at 8th and Spruce, the oldest hospital in the country, founded by Benjamin Franklin and Thomas Bond in 1751...

PATTI: No kidding? I didn't know that. Impressive.

MIKE: It was the first building that was built specifically as a hospital. There were other places in the country that were almshouses for the poor that may have turned into hospitals later, but this was built specifically to take care of the sick poor. That's why it was there.

The University of Pennsylvania Hospital – The Hospital of the University of Pennsylvania, HOP, is at 34th and Spruce. We're at 8th and Spruce.



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We've had a long term academic relationship with them teaching medical students and so forth, but we were independent at the time. In 1997 when a lot of the hospital mergers began to take place, a very difficult decision was before us as to whether to be owned by any health system.

Then, should it be Penn or should it be Jefferson? Both good places. It was a difficult time. I would say that staff was somewhat split. The board was somewhat split. But ultimately the decision was to go with Penn.

PATTI: And what was your role at that time?

MIKE: I was a board member, but I also was also at the time, interestingly involved a little bit at Jefferson because they had asked me to come over there and help them with their infectious disease section on the clinical side. So I knew some people there at Jefferson. I knew people at Penn for many years there. I trained there. I ended up my training in infectious disease at Penn. It was, which one was it? And it was decided it was Penn.

Whenever these mergers happen where you take a hospital like Pennsylvania Hospital, which had been there for a long time, the staff was primarily in private practice, very successfully so, and you're then bought by a university and a university hospital where the primary model is employment, it creates all kinds of worry.

The physicians begin to think, "What's Penn going to make me do that I don't want to do?" Like be employed if they don't want to. "And if I don't do that, are they going to send somebody down here to compete with me?" There was a lot of worry and anxiety and angst.

At that point, the leadership at the university asked me if I would be willing to take on a job as an Associate Dean to help the merger work. It was a very difficult situation where I was trying to help my colleagues at the hospital I had been my whole career, at that point 20 years, a little more, while being employed by the hospital and system that was taking us over.

That's where, I think, people's trust in me was really tested. Was I really going to be a person that was going to advocate for my colleagues to the place that actually was employing me? That, I think, was really a crucible for me for two years, trying to make these things work.

I will say I had the advantages of 20 years at the hospital where people knew me, and I also knew several people in senior leadership at Penn who happened to be friends, who trusted me and my judgement. I said to them, "I'll take this job as long as, when I tell you something, you believe me, that this is not the time to do this, or that is the time to do that." That was very difficult, but I think very important for a couple of years.



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At that point, in 1999, I was asked to take on a role as Chairman of the Department of Internal Medicine at the hospital.

PATTI: Big role.

MIKE: A big role. It's a big department, had its own residency program, responsible for a lot of faculty appointments and resident issues and teaching and so forth. Then a year later, our Chief Medical Officer decided to retire and they asked me if I would temporarily take on that role as well, and I ended up doing it for the next 10 years, along with being Chairman of Medicine.

There were a lot of things that happened because of circumstance, but the job of making the merger work never went away. I just changed positions, but those issues were always still mine, and when I became Chief Medical Officer, even more so. So that was a period of time that I think probably was the most important.

PATTI: And then at what point did you become the CEO?

MIKE: 2010. So 10 years or so of being the Chief Medical Officer and the Chairman of Medicine. That came up because a very good, very successful CEO that we had, a woman, decided to take on a larger job in a different health system. I found that out on a Monday morning, that she was leaving. Monday afternoon, they came and asked me if I would be interested in taking that role.

PATTI: Wow.

MIKE: That was the first I heard of it, the first I thought of it. I was pretty convinced that this CEO was going to be there until I retired, until the end of my career, and I was very happy doing what I was doing.

PATTI: Wow. So it's very interesting. It kind of is a great segue into one of the things that I wanted to talk to you about. Because as I have gotten to know you as a friend, Mike, I have learned that your communication skills are off the charts. And your ability to influence others with integrity, with that wonderful character and that integrity that you have. Always with the belief that you are going to do the right thing, and people know that about you.

It's really interesting when we were talking about this, Mike, I didn't realize that as a physician, that that strategic persuasion, the ability to influence others, was really as important as I've learned from you. It really is.

You were telling me about an opportunity that you had to speak with other infectious disease physicians who were hand selected by a leadership Institute in that specialty. You were asked to come and speak to them about strategic persuasion, how to overcome conflict,



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etc. Let's talk about that a little bit.

When you thought about doing that and as we talk about it and as you all out there are listening to this, you're going to find, as I did, when you listen to Mike, he's really the principles that he's talking about, apply to. No matter what your role is, whether you are a leader already or you aspire to be a leader in a company, a small business.

Parents are leaders. You are leading your children in particular ways. Every role that we have at some point or another, we are influencing others and trying to persuade them to move in a particular direction. When you think about that, Mike, I found it interesting, the framework that you've developed to explain. How do you do that in a very strategic kind of systematic way? What are the steps?

MIKE: First of all, let me say that I learned a lot of this. Penn is very good about developing leaders, particularly physician leaders. They send us to courses. I was sent to Harvard for a couple of weeks when I first started this social thing.

PATTI: Then you also graduate from Harvard?

MIKE: No, I graduated from Yale.

PATTI: OK.

MIKE: Be very careful.

PATTI: Sorry about that, Mike.

MIKE: [laughs]

PATTI: Oh, boy, that was a full pop. I ever heard one.

MIKE: That's OK.

PATTI: Yeah.

MIKE: I learned some of this in courses, some of this obviously by reading. There's a very interesting book called, "The Art of Woo," W O O. Which means, "Winning Over Others." That was published by, Shell and Moussa at Wharton. I was fortunate enough to hear Mario Moussa talk about this and read that book.

Some of this is their particular construct, which I have found very helpful over the years. The first thing to say about it is, persuasion is all about relationships. If you don't have a relationship of any kind with a person that you're trying to sell your ideas to or persuade,



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it's very, very difficult.

They have to know you somehow through someone and know of you and know that people trust you or that people think that your ideas are good or whatever or it's very difficult. The thing that people fail to understand is, you can have a great idea, but if you can't get somebody else excited about it, it just sits there. It goes nowhere.

This is an important skill for leaders because when you're in leadership positions, especially early on you're often asking for resources of some kind. In medicine, it's often, "I might need a nurse or a pharmacist or a secretary or an administrative assistant or someone to help me with whatever my idea is."

You're going to administration for this kind of resource. Resources are scarce, especially in hospitals. You need to do this well. The thing that I see most often is that people don't prepare properly. There are steps that one can take about this. The first is making sure you establish a relationship.

If it's not with the person who you need to persuade, ultimately it needs to be somebody else that can help you get to that person and get that person to know you. There are a number of steps that are very helpful.

We talk about surveying your situation, making sure that you understand what your goal is, what the data is you're going to present, if there is data. What is your idea and what is your organizational challenge that would make this difficult maybe for you to sell?

PATTI: Also, it's important to understand what's in it for them. Understand what their priorities are, what their interests are and really be empathetic to the challenges they are facing.

MIKE: Absolutely. A lot of people don't understand and I didn't either till I became CEO. I knew what their interests were, but I didn't understand all the challenges there were about getting to those things. Shared interest is an absolute key thing because hospital administrators for example, are very interested in patients getting good care too.

The issue is how do you share that interest in a way that works. Preparing is really important. Then, it's who do you speak to and in what order? As a young physician, you're not necessarily going to walk into the CEO of a hospital or as a young worker in any profession, walking into the CEO and saying, "Guess what? I would like this or that."

It's often a step wise fashion. Who do you go to first? Who do you go to second? How do you do this to get to the decision maker ultimately? Then you need to understand what are you bringing to the table. Because you may have your own biases that you need to make sure you understand so that you either mention those or don't mention those, but you need to be aware of them.



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Then you need to have a level of commitment yourself to your own ideas as well. You need to do all those things, but you really need to survey your situation. There are barriers you're going to need to confront and so forth.

PATTI: The barriers were interesting. Even understanding your own credibility, your own communication style, your belief systems, how they work with or against the person that you're trying to influence in a positive way. I thought that the next step, the stepping stone strategy that you talk about is fascinating.

Let's talk a little bit about that. It's so often, as you said, you don't necessarily go into the CEO to influence the CEO right away. You often have to work through other people. How does that work?

MIKE: First is understanding your organization wherever you are. Who are the influencers? Who are the people that are likely to move your idea along in an effective way? For example, maybe it's the chief financial officer. If there's major financial implications and have you convinced the chief financial officer that this is something worth doing?

That goes a long way towards getting this. Because if the chief financial officer's on your side with the CEO for example, that's huge. It might be the chief of your department. It might be whoever you're reporting to and so forth. In certain organizations you never want to go around the person you're reporting to. Understanding all of those dynamics are really important.

PATTI: Oh, yeah. The politics are really important. That person that you report to can squash it, right away if they feel you've worked around them. This also works not only internally, but externally as well. Whether you're a sales person and you're working with major enterprises. How do you get to the decision makers?

These are all really important concepts. Tell us that story. I think there's a wonderful story. You talk about, The Elvis and Bono, whatever. Tell me about that.

MIKE: Well, the rock star, Bono of the purple wrap around sunglasses that everybody knows. Who's Irish. Who grew up in a very hard scrabbled way but who became, over time as he was more and more successful, a real social activist.

He got very involved in a number of things, especially at one point in the AIDS epidemic, especially in Africa. Where they didn't have access to what we have access to in this country.

He wanted to persuade the United States Congress to forgive some African debt that they owed the United States in order for them to be able to divert that money instead to help with the AIDS epidemic.



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Well, how is a rock star from Northern Ireland, or Ireland, going to do this? He found that the person who was head of the Appropriations Committee at the time was the Senator Jesse Helms, who would probably be the last person who would know who Bono was or like that kind of music.

He knew he had to get to somebody like him. He couldn't just walk in front of Congress without his backing. He arranged to have another Congress person who was a friend introduce him to Helms and get a meeting with him. Of course, he prepared carefully.

He knew what his data was. He knew what his pitch was going to be. He knew how to do it. He also had a plan A and a plan B. Plan B was, he knew that Jesse Helms was a born again Christian. Bono happened to be a born again Christian at the time.

He wasn't sure which tact he was going to take. He took the tack that he usually did, which is walking into the office introducing himself. Then explaining how severe this problem was. All the data about AIDS in Africa, the poor people, nobody had access to medications and so forth.

He saw Jesse Helms eyes glazing over at all the statistics. He switched tacts, and started to talk about how often the Bible talks about mercy and helping the poor, went through all the passages in the Bible that he prepared for this. By the end of the conversation as the story goes, Jesse Helms was crying and basically saying, "What can I do?"

PATTI: Wow.

MIKE: It went to Congress. Jesse Helms introduced this bill. It got passed and the money was there. What he learned was, this is concept of an Elvis, which is in The Art of Woo book is that Elvis was an extremely important influencer in the rock music world up from what came after Elvis.

It's the influencer. It's the person who can get you to what you need to get to, who isn't themselves the decision maker. Bono found that person and was able to get this done in a very creative way.

PATTI: What a great story, what a great example of someone who is literally leading from the heart, and just figured out a way to make it happen. Again, it's just a perfect example of that, being prepared, and having Plan A and plan B, because you just don't know what's going to be effective. You've just got to be ready to figure out different approaches.

I also loved the idea of the pitch, in the PCAN model. The PCAN model is just so nice, because it's concise. It's when you're making the pitch, you're going to have...people don't make these decisions are not impulse by.



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Yet, they've got a lot of things that are being thrown at them. You only have a short period of time to make that impression and really get that ask out there. Let's talk about what the PCAN model is all about.

MIKE: The PCAN model the P C A N stands for, the P is the problem, you have to have a concise presentation of what the issue is, if it's a problem. Whether it's, we're having trouble with selling something, we're having trouble with antibiotic control, we're having...Whatever the problem might be in a concise way.

You're right, you need to be careful about not taking up too much time and being very prepared and concise with your argument. The C is what's the cause of the problem. Explaining what you understand, why this is happening.

Then the A is your answer. What's your answer or solution? And why is it better than somebody else's? Then the N is the net benefit. What's going to be the benefit of this idea taking hold?

PATTI: It's so interesting, Mike, I don't know about you, but I find all too often people focus just on the problem. They're not doing the preparation, they don't understand why it's occurring. They're just circling and developing this agenda. This is just circling the problem instead of focusing on the solution.

I think that with all of us, if you can develop this model and really be concise about it. Identify what the problem is, why did it happen? Why is your solution, the best approach over and above all of the others, and what's the win win for everybody involved?

MIKE: In many situations, I can remember people coming into my office in any leadership position with, "We really have a problem." I would say, "OK," and they'd explain the problem. They had no, it was just presenting me the problem for me to solve, for me to deal with.

The best people I ever had work for me were people who came in with a problem, and then say, "This is what I really think the solution could be." Whether I agreed with solution or not, I really respected the fact that they've thought through it that far.

PATTI: You appreciate it. I know, I appreciate it too. I don't know what the solutions are going to be in different areas. I've got portfolio management. I'm just speaking for my own, portfolio management, planning different areas, and they are the experts at their jobs.

If they have an issue that needs to be fixed, when they come to me, they already know, what are the potential alternative solutions, and give me give me a recommendation. It's wonderful because we've developed this strategic approach internally. It works brilliantly. Things get solved quickly.



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MIKE: I would emphasize though, that all of this really depends upon how the person you're trying to persuade looks at you. What do they think of you? Do you have credibility? Why do you have credibility? Do they trust your judgement about this? What's your relationship with that person even if it's indirect? Have they heard about you? Do they understand that when you say these things, there's a lot of credibility there?

Those things are crucial. I mean, going in with a plan and a concise way of preaching when they have no idea who you are, is going to be a very difficult situation for you.

PATTI: It's a very interesting dilemma then for people who are relatively new. How do they establish their own credibility with those people, and I guess it gets to that stepping stone approach, right?

MIKE: Partly. Also partly, I always tell young physicians this who think they may be interested in leadership. The first thing I say is, establish your credibility as a physician first. That's the coin of the realm in medicine anyway. If people think of you as a good, talented, honest physician, that goes a long way. I think it's true, and other things as well.

Do your job, do it well, develop a reputation. Then as you go along, these things will become obvious.

PATTI: I also liked the last part where you're talking about securing your commitments. It's one thing for you to come with the solution and go through that PCAN, but at the end of the day, you've got to close the sale, for lack of better words. You've got to be able to get a commitment. People will, they'll procrastinate. They will waffle, they'll...it's really important to get some action right away.

That shows that they've got the buy in. If they're doing something right away, you've got some buy in and things can move along.

MIKE: Correct.

PATTI: Mike, we've talked about so many topics here. Let's pull this together for everybody listening today. You've had a terrific career over time in leadership. You've mentored other leaders. If there was one quality that you would look for in a leader, what would that quality be?

MIKE: The quality that I've seen in every good leader I've known, is that they're trustworthy. People that are trustworthy, are fair. They're empathetic. They develop long term personal relationships. They tell the truth. Sometimes telling the truth is not so easy.

PATTI: There's an important emphasis that you just put on that statement. You emphasized the word good leaders. There's leaders, a lot of people have leadership positions, not all of them



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are good leaders. What you've just said is brilliant.

MIKE: The other thing about good leaders is that they possess what's called a high emotional intelligence quotient. People who are emotionally intelligent are self aware. They know who they are. They know what their good and bad points are, what their talents are, where they're a little weaker. They self manage themselves very well. They don't fly off the handle.

They know who they are and where they are. They're very socially aware. They have a lot of social skills. The best story I ever heard about being socially aware, is a story I read about Walter Bettinger, who's the head of Schwab.

PATTI: Sure.

MIKE: When he was in school taking a business course, the final exam which he thought he was totally prepared for ended up being a blank page of paper with one question being, "What's the name of the woman who cleans this room?"

And here were a group of students, had been going in and out of this classroom several days a week for the entire course. For the entire semester, this woman apparently was there cleaning as they were walking in and saying "Hello."

Some learned their name, I guess some didn't and Walter Bettinger said he flunked that answer and he would never flunk that kind of a question again.

It just shows that there are people who really take the time to relate to everybody both the "important people" and the "less important people" and I think really good leaders have empathy all the way up and down the scale and understand who's who and have to skill to be able to carry that off. I think that's really an important skill.

PATTI: I think it's also a perfect example of recognizing that every human being is important. I think about our organization and everybody here serves such an important role to make all of this work and we're a small business.

A huge hospital like Pennsylvania Hospital, The Government, everybody is important and to recognize that, embrace that and appreciate those people who make a difference when you're walking into a classroom and it's clean.

What a great example, what a great podcast this has been, Mike. Thank you so much for your time and for bringing to us the framework that you've used over your career so that other people can apply that in their own lives.

Thank you so much for joining us in today's podcast. If you have any questions or are interested in other subjects, feel free to visit our website at keyfinancialinc.com.



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Until next time, I'm Patti Brennan and I hope you have a fabulous day.



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