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Our industry is growing up. The healthcare business is more competitive than ever and physician recruiters are expected to be more accountable and productive than in the past. Healthcare management is increasingly shifting the emphasis from recruitment to acquisition, and recruitment is becoming less of a priority in many environments. Physician recruiters who want to survive the shakeout in the healthcare industry need to enlarge their skill inventories, expand their knowledge base and be prepared to change their job descriptions quickly in order to justify their positions and prove their value to their employing institutions.

Many companies are downsizing as a result of the healthcare shakeout. In many scenarios, management will quickly initiate a large layoff. The highest paid Directors and Vice Presidents with the least political or financial leverage are among the first to go. In-house recruiters are often tied-in with this group, with management overlooking the value the recruitment department brings to the table. The feeling is often that recruiters are overpaid sales people with little or no analytical substance. Whoever is responsible for this perception, physician recruiters are the only ones capable of changing management's understanding of their value to their organization.

PERCEPTION MANAGEMENT IS VITAL IN A POLITICAL ORGANIZATION

In order to obtain professional credibility and value, the true benefits of what you do and its importance to the organization must be understood by management. Unfortunately, once a recruitment program is set up and running smoothly, the most visible activity of a recruiter is the wining and dining of a promising candidate. Some may view this as a luxury the organization can no longer support. This perception results in a demand for constant justification of what is being done in the recruitment office. The physician recruiter's corporate public needs to be educated on the complexity and scope of activities that lead to a successful placement.

One of the best ways to disseminate consistent positive information is to make it a part of the department's own public relations program. This should be an ongoing process. The physician recruiter should not wait until pressured by upper management to initiate such a program, because by then it may be too late. If you don't begin to let your organization's management know how valuable you are, no one else will do it for you.

GAINING NEW SKILLS INCREASES JOB SECURITY

Job security is directly dependent on the fiscal health of an organization, and the professional growth of the recruitment department. As a company grows, its needs change. Recruiters and their departments must also evolve and change.

Today's physician recruiters are fast becoming more business development generalists with specific expertise in recruitment and now, acquisitions. Planning, marketing and finance are three areas in which the recruitment department is getting more involved. Although it is not a prerequisite to become a guru on these topics, a solid foundation is valuable, particularly as it relates to communication with other departments. It is imperative not to step on any internal political toes and damage relationships with other departments by telling them how to do their job. A far more effective strategy is to demonstrate to top management how a strong recruitment and acquisitions department contributes directly to the bottom line.

A strategic vision is crucial to an organization's long term success. Ideally, everyone within the organization should know what the goals are, and it is management's responsibility to ensure that this happens. If there is no recruitment plan, or if a revision is necessary, the recruitment department may want to take the lead in initiating the process, and provide some guidance on implementation. By nature, recruitment and acquisition departments have a need for explicit, long term directives, which serve to assist management with the development of a vision for the department. This can help assure that expectations are achievable and realistic. It also provides an opportunity for the physician recruiter to influence the general direction of the organization.

Medical staff development helps to determine where, when and why physicians are needed in each specialty. It is from this plan that the organization will determine the ratio of acquisitions versus recruitment. Today, recruitment departments are playing a larger role in the development of these plans, which is only logical, as they are heavily involved in their implementation. If the recruiting department is not involved, recruiters simply become order takers, without a grand vision or a stake in the outcome for the organization.

Physician recruiters today need to have not only a solid understanding of the fundamentals of recruitment, but also have their arms around budgeting and job costing. Financial forecasting and justification is important in recruitment and acquisitions, for both economic and legal reasons. At one time, the healthcare industry could and did make huge capital mistakes and usually recovered nicely. Today, every dollar is counted and accounted for. If you spent it, you had better be able to justify it.

Job costing is one way to help maintain control of the investment in each recruitment or acquisition. This is common practice in most other industries where money is expended, and should also be applied to ours. Additionally, it can help you later should you need to prove the reasonableness of an amount invested in any given transaction for the IRS or the Department of Justice. Included for consideration are items such as travel, accommodations, mileage, and staff labor, including recruitment, legal, accounting and opportunity cost for interviewing by the recruitment committee and so on. This data can then be used for various management reports, including cost comparisons between using in-house resources versus outside consultants.

THE MOVEMENT TOWARDS INTEGRATED DELIVERY SYSTEMS

Practice acquisitions and the development of integrated delivery systems are the growing trend. Practice acquisitions are a relatively new phenomena for hospitals and hospital systems; as a result, very few experts exist in the field. Most of these individuals are outside consultants, with the few in-house experts gaining their experience on-the-job. Now is the window of opportunity for the recruitment department to naturally expand its mandate by positioning itself as the logical department to head up these operations.

Recruiters, healthcare legal counsel and other administrators are taking steps to learn about practice valuations, deal structures, compensation packages, negotiations and all of the other components of provider network expansion. They are becoming the in-house experts.

Many of the analytical financial formulas for valuation are taught, but usually not to the degree that would enable someone to go out and put a deal together. There are many components of an acquisition other than the valuation and financial package which must be understood such as planning, negotiations, operations, legal issues, politics, the acquisition process, and presentation of the offer. A knowledge and understanding of this process will be the most important career advancement tool you will need for the next three to five years.

STRENGTHEN THE ORGANIZATION, DELIVER WHAT IS PROMISED AND DEMONSTRATE SAVINGS

These areas, as well as new provider integration and retention, are continually evolving and provide new challenges every day. Our industry is not static and it is the recruitment department's responsibility to keep up with and meet the needs of the company. To the extent that we don't demonstrate value, the use of outside consultants to recruit and acquire will proliferate. While you are busy doing the work at hand, consultants' sales teams are busy positioning themselves to get work. You need to keep in mind that the vast part of their effort is leveraged to sell themselves to your management.

While spending all of your time selling yourself is not an option for the physician recruiter, learning new skills and becoming more involved in the planning of the work will enable you to keep your promise of providing timely results. It is easy to become complacent and overwhelmed by daily tasks and headaches, but take the initiative to set aside time for the department to brainstorm on what it can do better, and what innovative things it can do to help the organization help itself. Identify specific deliverables, demonstrate value of your organization, and continually market the information in-house to key influentials.