



SullivanCotter

Transforming Clinical Leadership Structures

Strengthening Accountability,
Performance, & Return on Investment

Health care organizations are operating in an increasingly complex environment marked by sustained financial pressures, workforce shortages, evolving roles, and heightened regulatory scrutiny.

In this landscape, effective clinical leadership is a must – yet many organizations continue to rely on legacy leadership roles that were not designed to meet today's operational, financial, and compliance demands.

An unclear or outdated clinical leadership structure can quietly erode performance. It can generate unnecessary costs, create operational inefficiencies, dilute accountability, underutilize clinical talent, and expose the organization to greater regulatory risk.

If these issues resonate,
a thoughtful review of
your clinical leadership
structure may be in order.



Consider the following:

- ◆ Are leadership roles defined by vague job descriptions, unwritten agreements, or overlapping responsibilities?
- ◆ Are clinical leadership expectations undefined, with limited objective and measurable performance goals?
- ◆ Is leadership work effort or compensation inconsistent or inequitable?
- ◆ Are clinical leadership performance reviews informal, irregular, or insufficiently rigorous?
- ◆ Do clinical compensation incentive plans conflict with leadership effort and responsibilities?
- ◆ Does leadership compensation disincentivize behaviors that align with strategic priorities?
- ◆ Are members of your clinical team practicing below the top of their licensure?

Your responses to these questions can reveal meaningful gaps in accountability, compensation and performance alignment, operational effectiveness, organizational return on investment, and regulatory compliance.

If left unaddressed, these gaps can materially impact organizational sustainability and strategic priorities.

How to Review and Redesign Your Clinical Leadership Structure

The financial and operational impact of a thoughtfully redesigned clinical leadership structure can be substantial.

Our experience indicates that it can reduce overall leadership costs by up to 30%, although 10-20% is more common, while simultaneously improving accountability, governance strength, and measurable performance outcomes.

But where can you start?

A structured review should include the following

1. Assess Your Current State

- Compare current leadership effort, compensation, and duties to market benchmarks.

KEY STEP

- Quantify the financial opportunity and assess your organizational readiness for change.

2. Establish a Principled Leadership Foundation

- Develop a clear leadership mission, vision, and guiding principles that promote accountability, alignment, and performance.

3. Define Clinical Leadership Scope

- Create a structured leadership framework aligned with market best practice.
- Align roles to ensure clarity of governance and decision-making process.

4. Overlay and Align the Appropriate Leadership Model

- Determine the optimal number of leadership levels based on organizational size, complexity, and market data.
- Align structure with strategy and growth objectives.

5. Formalize Roles and Expectations

- Develop comprehensive job descriptions outlining duties, authority, reporting relationships, and measurable expectations.
[Contact SullivanCotter for sample job descriptions and responsibilities.](#)
- Develop a clear organizational chart reflecting accountability and reporting lines.
- Establish consistent FTE or time allocation expectations for each leadership tier based on market data.

6. Design a Compensation Framework

- Align compensation with scope of responsibility, defined effort, performance outcomes, and market comparators.
- Consider base compensation plus performance-based incentives.

7. Implement a Structured Performance Review Process

- Define objective metrics tied to quality, operational performance, compliance, and financial stewardship.
[Contact SullivanCotter for sample metrics.](#)
- Conduct regular, documented evaluations.

8. Determine an Implementation and Communication Plan

- Use behavioral-based technology to accelerate change management.
- Equip executive sponsors with slide decks, talking points, and FAQs.
- Conduct informational sessions and town halls to support adoption and transparency.



SullivanCotter partners with health care organizations to streamline their clinical leadership structures efficiently and cost-effectively – creating measurable return on investment while strengthening governance and performance.

Contact Us

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