

Mission And Margin

An Interview with Akram Boutros, Founder and Chief Executive Officer, Akram Boutros Companies

EDITORS' NOTE Akram Boutros is Founder and Chief Executive Officer of Akram Boutros Companies (akramboutros.com) which helps organizations fuse purpose and profitability by launching, building, and scaling exceptional companies that irradicate barriers to health. The company assists a variety of organizations such as technology companies, healthcare architectural and construction firms, and insurance companies, among others. As one of the top operating executives in the healthcare sector, Boutros has spent his career building high performing, mission-driven organizations that help people grow and perform at their best. He is an expert in leading strategic inflection points; reorientations and recreations; and building cultures that align and amplify frontline efficacy. Boutros was the chief executive officer of The MetroHealth System for nearly 10 years, where he helped expand the number of patients served by three times, revenues by two times, and operating income by ten times. During his tenure, MetroHealth was recognized as the top performing safety net Accountable Care Organization in the country. He has founded multiple novel care delivery companies powered by technology, including CLE Care, Select Assurance, Spry, Spry Senior, Lobesity, Lumina, and Ovatient. Boutros is also Co-Founder and CEO of Nightingale Bedside, a nurse-centric company that partners with hospitals to improve nurse and patient satisfaction, and patient outcomes under the direction of the hospital's Nurse Executives. Nightingale Bedside offers the only dedicated team of hybrid, permanently placed nurses for inpatient nursing. It has innovated care, workflow, scheduling, workflow, and technology models to create a comprehensive solution that partners with nursing leadership on a self-contained innovation unit. This nurse-driven approach breathes new life into nursing and can simultaneously deliver millions in annual savings per 30-bed unit.



Akram Boutros

family's business from the age of 12. The decision about whether to attend medical school or go directly into business was a difficult one. Going to medical school and completing my residency training provided me with an understanding of healthcare that few, if any, people who come from a business-only background possess. Combining my medical and business school training along with an entrepreneurial spirit has helped me make an impact on healthcare.

As I was completing my chief residency in internal medicine, it became increasingly clear that while I was good at providing medical care, my real talent and calling was helping others to deliver superior healthcare. I ultimately became the youngest Chief Medical Officer of any large teaching hospital in the U.S. at the age of 35.

For the last 27 years, I have focused on improving the health of various populations, rather than on individual patient care.

How did you turnaround MetroHealth from a challenged health system to one of the most admired public health systems in the nation?

When I first arrived at MetroHealth, it was clear that though the incumbent staff were highly skilled and passionate, they were disempowered. To combat this, through every communication and at every meeting, I reinforced my belief in the abilities of the staff and offered reassurance. For any organization, a unified mission, vision, and values that are developed with active staff participation are critical to both set the direction for the organization and to change policies and procedures. During the first six weeks of my tenure at MetroHealth, my team and I established the mission, vision, and values that would guide all decisions around hiring, strategy, business development, capital expenditure, and partnerships going forward.

Another important shift was to focus our strategy on being our best, rather than



The opening of Via Sana, affordable apartments in Cleveland, Ohio, developed in partnership with MetroHealth

Will you discuss your career journey and what has made the healthcare sector so special for you?

Though math and science were always my favorite subjects, I had the opportunity to hone my entrepreneurial skills by working in my

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comparing ourselves to our market competitors. We set our sights on becoming the most admired public health system in the nation. To accomplish that goal, we relentlessly reinforced that doing good for our patients and community was good business. We repeatedly demonstrated that we could care for a disadvantaged patient population while achieving financial success.

We rooted out the real causes of healthcare disparities and focused on correcting their underlying causes. We developed the Institute for H.O.P.E. (Health, Opportunity, Partnership, Empowerment) to address all social drivers of healthcare. We opened the first high school inside a hospital in the nation and provided free training to our neighbors with guaranteed job placement once they completed their certification. We developed, in partnership, 72 one-, two-, and three-bedroom apartments and three-bedroom townhomes in an affordable housing complex to directly combat housing insecurity.

Simultaneously, my team and I also concentrated on organizational realignment for faster decision-making, agile design, rolling budgets, transparent financial communication with all employees, aligned rewards, streamlined metrics, and frequent celebrations of real accomplishments.

What do you see as the key challenges facing the healthcare industry?

The key challenges include the financial model, technology adoption, and fragmented care models. In addition, there has been another stark and impactful change from 2020 to 2022. During the COVID pandemic, healthcare workers were celebrated heroes. Stories of their dedication were front-page news as communities across the nation offered their support. Fast forward to today and those same healthcare workers are consistently being disrespected as evidenced by the exponential increase in violent attacks against them.

In my view, the most important crisis we face as a nation is the inpatient nursing shortage. Today, we have a shortage of 500,000 nurses, and that will increase to at least one million nurses by 2030. There is no greater threat to the stability or quality of healthcare than this, and all current market offerings are temporary solutions

to a permanent problem. Over the last 12 months, I have focused my energy on building a company with a mission to solve this crisis.

Will you highlight Nightingale Bedside and how you define its mission?

Over the last 45 years, I have been hospitalized more than a dozen times for trauma, orthopedic surgery, and other procedures. My firsthand experience as a patient, coupled with my time as a practicing physician and tenure as a health system CEO, has not only heightened my appreciation for the importance of inpatient nursing, but also provides a unique perspective on its critical nature to the entire healthcare system.

When patients and families are at their worst and feeling the most vulnerable, nurses must be at their best, providing both care and comfort. The toll taken on nurses is illustrated in a recent McKinsey study that showed that 31 percent of nurses indicate that they may leave their current direct care positions in the next year, and the percentage of nurses extremely satisfied with their job decreased from 47 percent in 2015 to 33 percent in 2023.

Temporary and agency nurses are not a permanent solution because they don't add efficiencies and just shift current professionals from one location to another. Current technologies have been built by non-nursing experts with little input from frontline nurses. By focusing on nurses who are at the core of our company, we have successfully addressed the top 10 dissatisfiers of nurses by providing a new model of nursing care that cares for nurses.

How do you balance fulfilling your mission with the need to maximize revenue?

There's a saying in healthcare, "no margin, no mission." Sadly, this sets up a false prioritization of profit over mission and refocuses important conversations on maximizing revenue and resultant profit margin. In my experience, when we insist on both mission and margin, we have succeeded in both areas. Take MetroHealth, for example. When I arrived, the revenues were \$785 million, and when I left 10 years later revenues were \$1.6 billion. Operating income increased from \$10 million to consistently over \$100 million. All of this

was accomplished while increasing community benefit from \$140 million per year to \$240 million. We followed the mission and the money followed proving that margin and mission are not mutually exclusive.

What do you feel are the keys to effective leadership and how do you describe your management style?

The central tenet of my leadership philosophy is to treat every team member as if they are a loved one. As one would expect, people respond positively to sincere care and concern. In 2016, I highlighted this principle in a ten-minute TEDx talk.

My office was situated on the first floor of the hospital near the main entrance. A symbolic but important gesture was to always keep the shades in my office up. I am convinced that it provided a level of comfort for the staff to see me hard at work; they were not doing this alone. I received lots of waves and smiles, and it motivated me to focus on our collective success even during the most difficult times. During the COVID pandemic, my team and I were present and visible at the facilities seven days a week. Unlike many system executives throughout the country, we did not work remotely. Being on site allowed us to meet daily with frontline teams and leaders and to quickly respond to uncharted spaces. We received immediate feedback to further refine our solutions. It was by far the most exceptional and effective team effort in which I have had the opportunity to participate.

One of the actions we took during the COVID pandemic provides a clear example of this concept. While almost every healthcare system furloughed staff and reduced salaries in 2020 in response to the COVID lockdown, we gave raises and did not furlough anyone. This approach helped us end the year with an 18.1 percent EBIDA. Both mission and margin were achieved.

The essential role of a CEO is to create an environment where each of his or her direct reports can reach their maximum potential and have the greatest impact. Equally important is reinforcing the necessity for all direct reports to function as a team. To reinforce the team concept, I revamped the executive incentive program to be heavily weighted on collective wins, rather than individual achievements. ●