

Radical Transparency and the Value of Healthy Tension

Who likes tension? Anyone? Bueller...?

Most people don't. It's human nature to want comfort. I've been guilty of avoiding hard conversations or hoping issues resolve themselves. But in physician practice management, avoiding the full story—especially about finances and performance—can be one of the biggest mistakes. High-performing groups **invite healthy tension** because nothing grows inside the comfort zone. In fact, the absence of productive conflict leads to what Patrick Lencioni, author of the *Five Dysfunctions of a Team*, calls "artificial harmony," where people act as if everything is fine on the team but, in reality, there are unspoken ideas, unvoiced disagreements, and even simmering resentments.¹

When transparency is missing, perception takes over. Leaders spend more time managing internal politics than improving performance. That kind of culture can survive when markets are growing and balance sheets are strong, but cracks in the foundation are surfacing.

Healthy Tension as a Strength

We've been here before. Early in my career at Southwind Health Partners, we spent a decade turning around health system—employed medical groups. I'm often asked, "How much physician turnover did you experience?" Surprisingly, the numbers were small. The healthy tension we cultivated led to **healthy turnover**—physicians and staff who weren't aligned with the strategy or expectations chose to leave, and that was more than OK. It strengthened the core.

Radical transparency means having the courage to address the "my patients are different" refrain with data. Internal, unblinded performance comparisons often speak louder than national benchmarks. When high performers are celebrated internally, it creates natural motivation for others to improve. It also shifts the conversation from defending external benchmarks to reinforcing internal excellence.

Turning Transparency into Results

A year ago, a large multi-specialty group left a health system to return to private practice, expecting strong valuations and rapid growth. The market shifted, valuations tightened, and they had to produce sustainable margins quickly.

¹ <https://hbr.org/2025/02/how-to-encourage-the-right-kind-of-conflict-on-your-team>

Over 45 days, we moved from a survey-based comp model to a P&L-based approach, reframing the conversation from **“What do surveys say I’m worth?”** to **“What can the business afford today and why?”**. By sharing unblinded data to highlight quick wins, the group made a powerful mindset shift from employee to business owner. Within a year, margins stabilized, growth resumed, and they closed a successful strategic transaction. None of it would have happened as quickly without radical transparency and the willingness to embrace healthy tension.

Pulling It All Together

In today’s environment of shrinking margins, growing subsidies, and regulatory uncertainty, radical transparency is no longer optional—it’s a strategic imperative.

It means sharing the right data openly and consistently. It means creating forums for honest debate where dissent is safe. It means recognizing that healthy turnover can strengthen the team. And above all, it means shifting focus from external benchmarks to internal excellence.

If you want your medical group to grow stronger in the face of pressure, make transparency a habit, not a project. Build a culture where truth is welcome, constructive friction is productive, and the real conversation—the one that changes everything—can finally happen.