

# “Our warm corporate culture is unique.”

## Interview with Andrea Rytz, CEO of the Schulthess Klinik in Zurich

Andrea Rytz has headed up Schulthess Klinik in Zurich as CEO since 2016. Schulthess Klinik is one of Europe’s leading orthopedic clinics with about 1,100 employees, over 9,600 operations and around 131,000 outpatient contacts per year. Prof. Dr. Reto Eberle met with the inspiring and likeable Andrea Rytz to discuss the importance of a good corporate culture for leadership and how she balances her duties as CEO and board member.

**Prof. Dr. Reto Eberle:** *You are regarded as a very innovative leader. What does innovation mean to you and what inspires you?*

**Andrea Rytz:** That’s a difficult question to start off with... I wouldn’t describe myself as innovative. In my role as CEO, I maintain very close contact with our employees.

I like to listen to people and understand what’s bothering them. I come from a hospital background, I’ve never worked in any other professional environment. So, I’m always asking myself: “If I were a staff member myself, what would help me, what would I find useful?” I can then draw conclusions on how to further develop our processes and structures. One big topic at the moment is the generations Y and Z. What can we do to integrate young people into our company and at the same time give them space to develop? My role in innovation management is to identify issues at an early stage and to come up with an unconventional solution now and then. In medicine, on the other hand, innovative ideas often come from the chief physicians. Then it is up to the board to decide which medical advances and discoveries should be implemented and integrated at Schulthess Klinik.





Photos: Daniel Hager

# “My strength is at the human level.”

*What are your leadership principles when it comes to balancing what is medically feasible and what works and makes sense for Schulthess Klinik?*

They are actually quite simple. We work with clear KPIs that enable us to measure performance. Leadership can only be as good as our ability to collect and obtain relevant KPIs, define appropriate measures accordingly, and monitor these measures. The latter is often neglected because we're already one step along the road in the next project. We manage our company with the same economic methods and KPIs as any other company. Our EBITDA margin has to be 10 per cent – that's the law – and that's what we strive for.

*So, a clinic is just a normal business?*

Basically, yes, although we do have some specialized processes that are also analyzed and evaluated separately. For example, a decisive indicator for the utilization of an operating room is what we refer to as the “incision to suture time”. Another is how long it takes between two procedures for the operating room to be cleaned and ready again. These are key figures that provide very precise information about the efficiency of patient flow. From the perspective of the clinic management, we take a sober, i.e. a business-oriented, view of the processes even though we are of course not an industrial production company; we work with and on people. This is something we also respect.

*What role do the concepts of sustainability and diversity play in the day-to-day operations of Schulthess Klinik?*

Sustainability is an issue that has not yet been consistently addressed in the day-to-day running of the clinic. We are doing a great deal bottom up, but have a long way to go before we have a comprehensive view of things. We recently cleared the first hurdle for ISO 14001 certification. Among other things, we had to analyze all our machines and equipment based on their electricity consumption and show how we can reduce our energy usage. This is a huge undertaking because our machinery pool is very large. We addressed the topic of sustainability and, in a very broad discussion, defined goals for what we actually want to achieve and how we're going to get there. Particularly in external communications, it is important that we don't just pay lip service to these goals and measures, but actually implement and embrace them. The drive must come from an intrinsic awareness of ourselves and not be imposed by regulators or legislators. Let me give you just one small example: an analysis of our waste management has shown that one and a half 110-liter bags of qualified waste are generated per patient in the operating room, which could be returned for reuse in a circular process. Today, these materials are indiscriminately declared as waste and incinerated. A major personal concern of mine, however, is also the handling of food in the clinic. It is important to me that we favor regional products and that we know the producers. And, of course, our employees come up with a lot of good ideas and suggestions, and we're happy to hear them. I like the momentum we're seeing in this area.

*Besides your role as CEO, you are also a member of the board of directors of several medium-sized organizations, such as Integrierte Psychiatrie Winterthur, Künzli Swiss Schuh and Suvretta House. How do you become a board member and what is your personal motivation?*

I choose to accept a board mandate when I see that I can contribute something extra. With Suvretta House, for example, I joined because the company was thinking about how a hotel can develop and transform when there is less and less snow each winter. Hotels and clinics have a lot in common and their services can complement each other. And apart from the technical aspects and my professional experience, I believe that my fresh take and engaging manner can provide some new input. I only get involved in a mandate if the human element feels right. At Künzli, for example, there are three of us on the Board of Directors, and strategic decisions with a big impact are made in a small team. It's very hands-on, and I enjoy that.

*What makes a good board of directors?*

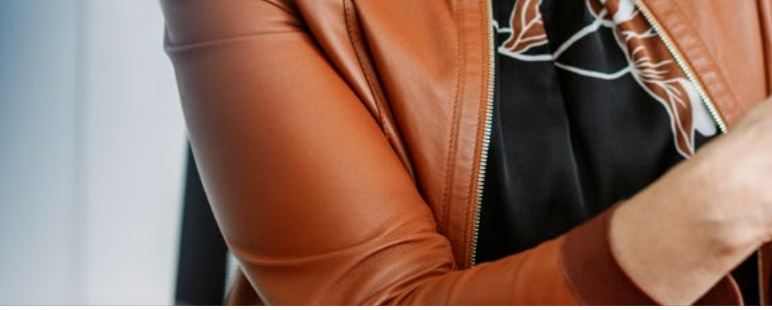
For me, it's crucial that all members are experts in their field and want to contribute their expertise to the board. This ensures that they can advise each other and also raise a warning hand if something is not right from a governance or financial point of view. For me, it's also important that all members of the board actively maintain contact with the executive committee and do not lose touch with the company's employees.

**“I need to have a sober and business-oriented view of the clinic processes.”**

*In your opinion, what is the recipe for successful cooperation between the executive committee and the board of directors?*

There are a lot of human elements involved. If a CEO feels bothered by the board of directors, then we have a problem. That happens more often than you might think. Then the board of directors is perceived only as a supervisory and control body and not as a strategic and supportive partner. At least one person on the board should have – and maintain – a strong and direct connection to the CEO. I think it's important that a CEO also knows how decisions are made on the board. The most successful board chairs I've known have always spent a lot of time on interpersonal relationships and discussions. The model of the traditional patron can make a difference again in our fast-moving economy – I would like to be such a patron.





# “We bonded through the coronavirus pandemic.”

*The size of a company or the ownership structure certainly also plays a role in the work of the board of directors.*

Yes, absolutely. The larger a company or group is, the further away the board is from the action. The glass pane between the two bodies – the board of directors and the executive committee – is thicker than it is at smaller companies. But that’s probably the way it has to be for governance to work properly. But I’m much more attracted to smaller structures, including some that involve owner families. I feel comfortable when I can seek and implement solutions together with others in direct contact. I couldn’t manage on the basis of KPIs alone. And I just wouldn’t have the time for a mandate at a very large company. I can’t devote 20 percent of my time to another company on top of my job as CEO of Schulthess Klinik. If I did, I would have to switch to being a professional board member, and I don’t want to do that at the moment. I quite like the combination of operational responsibility and small strategic board mandates.

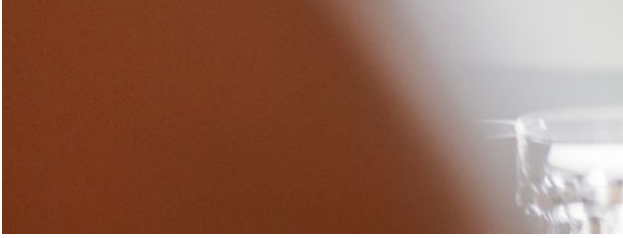


*What lessons, or even positive insights, did you take away from the coronavirus pandemic?*

We have been able to take a lot of positives from this challenging time. For example, the realization that we could have transformed ourselves in no-time into a hospital able to treat lung patients instead of focusing on our orthopedic specialty. Our entire team – and by that I mean all employees at all levels – really bonded as a result of the crisis. Suddenly, we needed everyone’s ideas and suggestions on how to deal with this unprecedented situation. One example is that we set up a day care center at the clinic, providing our employees with care for their children while they worked from home. We had to close the clinic completely for six weeks, which was really strange. For instance, we had a team of physiotherapists who cared for patients by phone during the period when we couldn’t operate. That helped a lot in enabling us to hit the ground running as soon as we were allowed to reopen. We returned to full capacity from day one and our people were highly motivated and full of energy. It was great to see this positive spirit, to be able to help our patients again, and this spirit continues to this day.








*I'm sure that has a lot to do with your corporate culture. But this must have been well developed even before the pandemic, I would assume.*

That's right. The crisis showed: what was already good before became even better; and what was neglected before then fell apart completely. One of my favorite metaphors is that of the fish market. As a fish seller, you only have the fish you caught that day. But maybe that's not the fish the customer wants. So, you need to get creative. Talk to customers, suggest recipes for your fish. Show joy in your work, win over your customers. In the end, everyone will be happy and you'll enjoy your work and be successful. Another measure we took was to send all employees to a course at Swiss. We wanted them to gain insights from a different perspective at the airline on how to serve customers from A to Z. In our clinic, too, patients check in and can choose between different levels of service before checking out again. And so much happens during exercises like this, creating a sense of community and a culture that sustains us. The pandemic has given this spirit an additional boost, but we have to be careful not to let our guard down now, i.e. not to become too complacent. We need fresh impetus again.

*You emphasize the active involvement of employees, especially in cultural issues. What platforms and channels can employees use to make their voices heard?*

On the one hand, we work with online apps such as "Beekeeper"; which everyone has access to. Our integrative management approach also includes idea exchanges where concrete suggestions can be submitted. If someone's idea is then implemented, we give that person a small thank-you gift. Each member of management offers an hour once a month for open discussions and questions. All employees are invited to this Q&A session. In addition, we hold informative town hall meetings for employees four times a year. So, there are plenty of opportunities for interaction, enabling everyone to participate in the development of the company and its culture. During the coronavirus period, I also made my private cell phone number available to all employees. Anyone could reach me, at any time.





*Is this well-developed corporate culture enough, or does it at least help, to attract and retain enough skilled workers and staff in the future?*

The issue of having enough qualified healthcare professionals was already raised twenty years ago. However, politicians and healthcare market players – including ourselves – failed to take early action to alleviate the problem. As a result, we too now have to hire more staff from temporary agencies. Some shrewd people have recognized the potential behind this and are now offering their services and those of others as external specialists, rather than wanting to be hired. Now we have many more consultants working for us than we did before. This is problematic in two respects. On the one hand, costs are rising, and on the other, it creates an internal imbalance of employees with very different salary and employment models. However, it is almost impossible to reverse this trend. Nevertheless, we still offer a very good and warm working atmosphere at the Schulthess Klinik, which makes us a very popular employer. We also continually

adapt our employment, working hours and salary models to new needs and lifestyles. This gives our employees more flexibility in deciding how they want to divide up their working hours and salary.

*Ms. Rytz, thank you for this interesting and insightful discussion.*

**Prof. Dr. Reto Eberle**

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## About Andrea Rytz:

Andrea Rytz trained as a specialist in medical-technical radiology at the Inselspital Bern. She subsequently completed a Master of Advanced Studies in Health Service Management and an Executive Master in Business Administration at the University of Applied Sciences in St. Gallen. Since 2016, she has served as Director of the Schulthess Klinik in Zurich and was previously Hospital Director at the Hirslanden Klinik Belair in Schaffhausen for four years. During this time, she also acted as a member of the Hirslanden Board of Directors.

In her first board mandate, Andrea Rytz was involved with IVF Hartmann AG in Schaffhausen. Today, she is a member of the Board of Directors of Künzli SwissSchuh AG, a privately owned Swiss company with a long tradition, a member of the hospital board of Integrierte Psychiatrie Winterthur (ipw), and a member of the Board of Directors of Suvretta House in St. Moritz. (Based on: [womensboardaward.ch](http://womensboardaward.ch))

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