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# COLLABORATION HEALTH CARE

## ALIGNING IDEAS WITH EXECUTION TO IMPROVE HEALTH CARE TODAY



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### Confronting A Flat World

In his book "The World is Flat", Thomas Friedman provides a dramatic documentary around how rapidly the world is changing. One thing is made perfectly (and frighteningly) clear throughout his writing; the world is changing at a breakneck speed and we had better all wake-up to avoid getting left behind. And sometimes we don't even know its happening.

Confronting the reality of a changing marketplace isn't easy and it's not easy to change. It's much easier to just assume things will continue to occur as they did in the past and the realities of the present can be ignored.

We disagree. We think ignoring the brutal facts of a changing market is simply a recipe for failure especially as rapidly as things are changing today. This issue is designed to discuss "confronting reality" and provide some thoughts or ideas to help you determine the best approach you may want to consider for your own organization.

Confronting reality isn't easy, especially when it may require considering a totally new approach for doing business. But, confronting reality is necessary if you intend to meet the goals you have established in the mission of your organization and to fulfill the promises you have laid out to your stakeholders. Confronting reality now needs to be and integral part of doing business.

### Confronting Reality- A Business Requirement for the Future

We've worked with a couple of health care organizations over the years that felt it wasn't necessary to confront the "brutal facts" of a changing marketplace when the facts were laid out before them. These organizations either felt their size, their ego, their business idea, their passion, or their mission was enough for them to ignore the changes that were taking place and to "ride it out" until things got back to normal. In most cases, they were wrong.

In his book "Why Companies Fail" Mark Ingebretsen lists "ignoring paradigm shifts" as one of the top 10 reasons why companies fail today. These paradigm shifts occur when the fundamental market characteristics you rely on in your business change in a new direction. Paradigm shifts occur for any number of reasons and they are happening at a rapid pace today.

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#### Confronting Reality- What's Your Story?

In their book *Confronting Reality*, authors Ram Charan and Larry Bossidy state, "the best strategies, the most rigorous research, the clearest operating plans- are all undermined because the key people behind them have missed the reality of the situation for one reason or other." Confronting these changes and taking action to adjust are critical factors for success in a changing environment. The reality cannot be ignored.

In their work, Charan and Bossidy present *Six Habits of Highly Unrealistic Leaders*. These are the characteristics of individuals who generally refuse to adjust to change or adapt to the realities presented to them. These are the characteristics of individuals who won't take any action because their world-view is different than the facts. See if any apply to you or your organization.

##### The Six Habits of Highly Unrealistic Leaders

Receiving Filtered Information- People only share what you want to hear and you only get part of the picture most of the time.

Selective Hearing- People share the news, but you only hear what you want to hear.

Wishful Thinking- "These changes are only temporary; things will get back to the way they should be pretty soon."

Fear- Self explanatory; Fear of the unknown and any new direction

Emotional Overinvestment- "I've thrown myself into the old way of doing business and I am too committed emotionally to accept the new reality that we need to change."

Unrealistic Expectations- "I can still do what I want to do, even against the realities presented to me."

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## Confronting Reality (con't)

Who would have predicted a year ago that we would now be confronted with rapidly declining home prices, the potential for \$4.00 gasoline, or the real possibility of a recession in our economy? And, who would have thought twenty years ago that the primary means to communicate today would be through an internet system that didn't even exist. Markets change. Some of these changes occur dramatically (as with our housing crisis), others occur more subtly (as with the influence of the internet on our lives).

Our health care system is also going through a series of subtle and not so subtle changes requiring all of those who participate to confront the realities of these changes and make the adjustments required to operate successfully in a new health care paradigm.

The best-selling business book *Good To Great* identifies "confronting the brutal facts" as a key characteristic of the successful companies of our time. Health care organizations and participants are no different. Author Jim Collins states, "You absolutely cannot make a series of good decisions without first confronting the brutal facts". The decisions you make today require confronting the world the way it really is- not how you would like it to be or how it was in the past.

Confronting reality takes guts and it's not easy. But, Collins found that by confronting the brutal facts, good-to-great companies left themselves stronger and more resilient to navigate the rapid changes that would continue to challenge the strategy and direction of an organization as it moved forward in striving to achieve its mission.

Collins listed four basic ideas to help organizations establish a structure to listen and confront the basic realities of their situation:

1. Lead with questions not answers- the whole idea is to learn. None of us have all the answers. Throughout your own "reality process" it is important to ask as many questions as you can to understand where you are. And, be open to any and all feedback and viewpoints you receive.
2. Engage in dialogue and debate- not coercion. It's tough to let go of an idea or process you've relied on or believed in for many years. It's much easier to try to structure a discussion to get people to "see it your way". The key in understanding your reality is to establish a culture of open discussion and allow individuals the opportunity to debate their views. You'll be amazed with how much you will learn.
3. Conduct autopsies, without blame. When things don't work it's pretty easy to place the blame on a circumstance or an individual and move on. However, it's much more productive to review the failures and challenges of the past and learn from

them. Remember, it took Thomas Edison over 2 years and seven failed attempts to invent the light bulb. We're sure he learned new things from each failed attempt before he was successful in introducing a concept that changed the world.

4. Build "red flag" mechanisms into your process. It's important to make sure all information is heard and acknowledged. Every organization has a set of critical information that is fundamental to the success of the business. Whether its revenue, patient volume, referral sources, or costs, it's important these elements become an integral part of your monitoring strategy and are reviewed regularly and that changes are acknowledged and acted upon when needed.

Confronting your own market reality may have been a "nice to do" before, but it's a "must do" today. As our health care marketplace continues to flatten and change, confronting your own reality will assure you stay ahead of the curve and allow you to be part of a new generation that is, as Thomas Friedman states, "the generation of strategic optimists, the generation with more dreams than memories, the generation that wakes up each morning and not only imagines that things can be better, but also acts on that imagination each day."

Confront your own reality- and act. And welcome to a flattened world.

### Think About It:

*"I also knew that change can be an engine of growth and a source of creativity. By definition, it drives us out of our comfort zones and forces us to change our thought patterns."*

*Michael Eisner*

*"Strategy is first trying to understand where you sit in today's world. Not where you wish you could be or where you hoped you would be, but where you are."*

*Jack Welch*

*"There's a clear distinction between the observer who's adept at predicting the future and the visionary who defines the future, especially when he has the ability to influence it."*

*Gil Amelio*