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COLLABORATION HEALTH CARE

ALIGNING IDEAS WITH COLLABORATION TO IMPROVE HEALTH CARE TODAY



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We Need Leaders In Health Care

There is no shortage of information about leadership, management, and what it takes to be a leader. The “gurus” of management, (Peter Drucker, Jim Collins, Tom Peters, Jack Welch, Ram Charan, Bill George, etc.) having studied the art of management over the years, have all developed their philosophies and approaches to address the challenges of operating and growing a business in a changing marketplace.

Building on what the gurus have developed, we’ve put together our own thoughts and ideas over past several years concerning many of the individual management components that are required to compete in the health care marketplace today. We’ve talked about the importance of an “active mission,” the role that values play, and the need for developing a strategy aligned with the mission and values. We’ve talked about expanding the horizon of thought with “blue ocean thinking,” establishing win/win relationships with integrity and trust, and setting Big Hairy Audacious Goals to make a difference in whatever you pursue. And, we’ve talked about the importance of exceptional execution to bring to life the ideas and concepts that are needed to meet the demands of the marketplace today.

While all of these ideas are individually important, we recognize that leadership, real leadership, is required to bring them all together.

As we participate in and observe the health care reform debate taking place today, we are left wondering “who is the real leader responsible for assuring our health care system provides care for our citizens in a manner that is consistent with the values of our country?” Who is the single leader who not only has the vision, but the courage, the will, the commitment, the ability to collaborate, and the ability to execute what will be required. Is it the President? Is it the health plans? Is it Congress? Is it the Doctors/Hospitals/Providers? Is it Newt Gingrich, AARP, Families USA? It’s an interesting question, and we don’t have the answer.

But, one thing is certain, leadership in the new world of health care will be more important than ever before. The marketplace is already changing. It’s going to take real leaders to navigate the system that is evolving. The ways of the past will most certainly not be the ways of the future. A new level of leadership will be required. We need more “authentic leaders” in health care.

Will Health Care Become Irrelevant?

We live in a “transactional society”. With the introduction of tweets, e-mails, text-messages, social networking, iphones, and all of the other technology, our ability to communicate with the world has expanded dramatically. We’re communicating with others constantly; in our cars, the grocery store, even in the bathroom. While our universe and frequency of communication may have expanded, many of the relationships that develop as a result are highly “transactional”- short-burst, single-purpose, little depth.

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How Leaders Think

Roger Martin (Dean of the Rotman School of Management at the University of Toronto) believes decisions pass through four different phases. The phases include: 1. Determining Salience 2. Analyzing Causality; 3. Envisioning the Decision Architecture; and 4. Achieving Resolution. While leaders may all pass through the same phases, what they do in each phase can be entirely different. While leaders may make decisions using different approaches, the big thing is they take action and make decisions no matter what. How you get there really doesn’t matter

Conventional Thinking-	Focus only on obviously relevant features
	Consider on-way linear relationships between variables
	Break problem into pieces and work on them separately
	Make either-or choices; settle for best available option
Integrative Thinkers-	Seek less obvious but potentially relevant actors
	Consider multidirectional and nonlinear relationships
	See problems as a whole; examining how parts fit together
	Creatively resolve tensions among opposing ideas

How Successful Leaders Think; Roger Martin; Harvard Business Review; June, 2007

We’d love to hear from you. Let us know your thoughts, your feedback, and other ideas.

e-mail us at: info@collaborationhealthcare.com

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Health Care Irrelevance? (con't)

Make no mistake, these new tools allow us to stay in touch and communicate in ways that weren't possible before. We can stay in touch with family members and friends literally throughout the world. We can connect with soldiers and marines in war zones- to the great relief of many military families. These innovations have provided a significant benefit in many areas.

Technology is leading the way of changing the context of our society. Information is available immediately (both good and bad) and the speed of change in markets, in businesses, and in our personal lives is increasing every day.

In his new book *"Yesterday; The Rise of the Protean Corporation and What it Means for You,"* journalist Michael Malone predicts the development of a virtual corporation that "will behave like perpetual entrepreneurial start-ups, continuously changing their form, direction, even their identity." He predicts these virtual corporations will be designed to meet the rapid-fire market changes we will be experiencing and will use the technological innovations we will continue to make as their foundation.

While our advances in technology are truly staggering, they present new challenges for leaders as our society changes, markets change, businesses change, and the relationships we have with others change at an ever-increasing pace.

Our health care system is already changing and will be changing even more. Today's health care system has become highly "transactional" (short-bursts) and continues to be focused on protecting stakeholder interests, service volume, fee schedules, volume of procedures, and patient through-put as opposed to developing a collaborative system to provide reasonable access to quality health care for citizens and their families. Authentic relationships in health care today are few and far between.

The system we have today is simply not sustainable and is seeking ways to improve care delivery, improve efficiency, improve stakeholder relationships, improve access to care for citizens, and establish a financial foundation that is sustainable for our country in the future. The health care system we have today is not the health care system we need for tomorrow.

The "Leaders" for all stakeholders in health care need to reflect seriously on their current strategies and approaches to determine if they are still the best approaches for the future. They will need to confront the brutal realities of both the changing health care marketplace and the general economy to reposition and capitalize on the many opportunities that will be unfolding in the future or they will be left behind.

In his book *"How the Mighty Fall,"* Jim Collins (of Good to Great fame) takes a look at the reasons some of the organizations once revered by the markets (Bank of America, Motorola, Circuit City- and we could throw in General Motors, AIG, Bear Stearns and many more) fell from relevance. He identified five stages these organizations went through on their way down:

Stage 1: Hubris Born of Success- "We can do anything"

Stage 2: Undisciplined Pursuit of More- "We can do anything in any market"

Stage 3: Denial of Risk and Peril- "We'll come out of it, don't believe the numbers"

Stage 4: Grasping for Salvation- "Starting the draconian cuts"

Stage 5: Capitulation to Irrelevance or Death- "It's over"

Interestingly, Collins found most organizations are well into Stage 4

before they come to the realization that some change in strategy is necessary. Some were able to make the changes to survive (while Grasping for Salvation), many more capitulated to irrelevance.

From Collins' perspective we would argue that today's health care system is either in late Stage 3 or already in Stage 4. We have known for many years that the system we have today was on a trajectory for disaster but we convinced ourselves that we would come out of it eventually by continuing to do what we were doing. We're now "grasping for salvation," and hopefully, the vision of reforming the system we have today will become a reality to avoid falling into Stage 5.

But, it will require leadership.

The health care system of tomorrow is going to require what former Medtronic CEO Bill George calls "authentic leaders." These are *"people of the highest integrity committed to building enduring organizations. We need leaders who have a deep sense of purpose and are true to their values. We need leaders who have the courage to build their companies to meet the needs of all their stakeholders, and who recognize the importance of their service to society."*

George describes these leaders as having an understanding of their purpose, practicing solid values, leading with their heart, establishing connected relations, and demonstrating self-discipline.

These are the leaders that Collins describes in "Good to Great" as "Level 5" leaders. This category shouldn't be confused with the "Stage 5 process-level of irrelevance described earlier. Level 5 leaders are individuals that "build enduring greatness through a paradoxical blend of personal humility and professional will." Collins found that every good-to-great company had Level 5 leadership during pivotal transition years. We need Level 5 leaders to avoid capitulating to Stage 5 irrelevance.

While the health care industry certainly has its share of authentic or Level 5 leaders, it's going to need many more. Leaders at every level throughout the vast health care system are going to be challenged by the realities of the changing market dynamics. Many leaders are going to be required to view the world from a different perspective. Strategies may need to be adjusted to survive. Authentic leaders are going to be needed at many levels to make the tough decisions necessary to prevent "capitulation to irrelevance or death" for their organizations and for the system as a whole.

While the challenges are many, we are optimistic our health care system can and will adjust to balance the right level of social support with the free-market principles our country is founded on. We won't allow health care to go away, but how much it slides toward Stage 5 will be up to the leaders we have.

American historian and author David McCollough summed-up our view of the outlook in health care: *"I sense a great desire among people everywhere I go to get the country back on track, to improve education, improve performance in all fields, and recover the old commitment to the common good. The world has a vested interest in how well we succeed in that, and make no mistake: It will take a lot of strong, enlightened leadership!"*

Something To Think About

"Leadership can be thought of as a capacity to define oneself to others in a way that clarifies and expands a vision of the future."

Edwin H. Friedman