

Failure of Senior Leadership— Is This a Problem in Your Hospital?

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In this article...

Many articles and books have been written about successful leadership, but perhaps organizations should also be taking a look at the reasons behind failed leadership.

A significant amount of information has been written over the last couple of decades about the impact of leadership on organizations.

In a recent test, the word “leadership,” was typed into Google and came back with approximately 103 million hits. Then “successful leadership” was typed in and received 27 million results. “Failure of leadership” produced approximately the same 27 million hits, of which 750 thousand were in health care.

Leadership is critical for organizational survival. It is the life blood of organizational vision, strategic direction, and change. Without visionary and focused leadership an organization will flounder and eventually fail or produce results that are not acceptable to the customer.

The health care industry is similar to non-health care industries, in that it is burdened by the same economic, regulatory, human resource and cultural stresses that challenge its leaders, particularly during periods of upheaval.

Over the last 15 to 20 years, the health care industry has been undergoing structural transformation. This transformation includes the:

- Way the business is run
- Information technology that supports it
- Rapid growth in applied and biological technology that has come to the marketplace

- Regulatory burdens that have been placed on it
- Societal demands for access, timeliness, and patient safety
- Changing reimbursement system among many other factors

In 1999 the Institute of Medicine published its landmark report, “To Err is Human,” which accused the health care system of failing to provide safe and effective care.¹ The authors documented in detail the evidence that supported their conclusion.

Since the 1999 IOM report there has been a renewed effort to improve health care delivery and safety. Progress has been very slow and difficult to measure. Some would suggest that there has been little if any improvement in patient safety and in the overall quality of the health care.

Why has there been so little improvement? Why is it that so many hospitals and health systems appear to be mediocre and not achieving superior patient care results? Can we just blame the physicians and nurses, which is what we usually do? Or should we look elsewhere? Could the present state of our health care system be the product of bad leadership at the top?

In non-health care industries failure of senior leadership is without a doubt the number one issue facing companies that are in decline.² The health care industry is no different. So when you look at your hospital or health system and you see that it is in decline (or not progressing), then look at your leadership. Ask yourself; “What is the state of our senior leadership system?”

Critical questions to ask

Leadership at all levels of an organization drives the culture and direction. It follows that we should try to understand why some health care organizations are very successful and appear to be moving forward, while others (sadly, probably the majority) perform at or below average.

Now sit back for a moment. Consider your organization and its leaders, physicians, nurses, and administrators. Think of critical questions that you might ask about your hospital's leadership system. Let me help to guide your thinking by suggesting some critical questions that you might want to ask.

Over the last couple of decades a large number of books and articles have been written about leadership and what makes good leadership. Few publications have attempted to approach this subject from the perspective of what causes leadership failure. Rather, most articles on the subject try to define successful leadership traits.

Maybe the opposite of the characteristics of leadership success is leadership failure. But that's too simple. Putting it another way, organizations are like families. And, as Leo Tolstoy said, "All happy families resemble one another, each unhappy family is unhappy in its own way." Just so, all successful leadership systems have a great many attributes in common, but failed leadership is much more particular.

Leadership is more than making decisions and giving direction to an organization. Leadership is about creating a culture of achievement, a willingness to pursue excellence, and the mental toughness to eliminate the mediocre. This is very difficult to do. Recall the old and true adage that an organization's culture will trump organizational strategy and processes every time.

Even successful leaders may from time to time get off track and fail to set the direction for their organization. The process of "derailment" occurs slowly, and is the result of a complex set of internal and external circumstances that ultimately increases in intensity over time.²

According to Irwin, derailment of senior leadership consists of five stages.



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1. The first stage is the failure of the senior leaders to be self aware of themselves and of others. They lack concern of others and do not see the impact their behavior has on the leadership team and its ability to function in an aligned fashion.
2. The second stage is characterized by one of pride and arrogance. This is usually expressed in the notion of the leader that he or she is at the center of the organization's success.
3. The third stage of leadership failure is when the leader misses early warning signs that usually come from persistent feedback about their declining performance or the wrong direction that they are leading the organization in.
4. Stage four occurs when the leader begins to rationalize about his or her actions and they believe that they are right despite what the data are showing. They try to save their position by accusing others and avoid accepting personal responsibility.
5. Stage five is the actual derailment when the leader is notified that he or she has been fired, or simply when the organization starts to fail.

The concept of "level 5 leadership" was popularized by Collins in 2001.³ In his book, *Good to Great*, Collins provided a hierarchy of leadership, the highest level being the level 5 executive. He defines level 5 as a leader who "builds enduring greatness through a paradoxical blend of personal humility and professional will."

Table 1

Personal Traits	Emotional Traits	Organizational Traits
Accurate self assessment	Empathy	Transparency
Service	Emotional self-awareness	Organizational awareness
Achievement	Inspiration	Developing others
Self-confidence	Influence	Change catalyst
Adaptability	Optimism	Conflict management
Initiative	Self-control	Teamwork and collaboration

In addition he noted that level 5 leaders direct their ego needs away from themselves into the more important goal of creating a great company. Note that this definition of great leadership is exactly opposite of Irwin's description of failed leadership.

In other words, great leaders who achieve greatness for their companies do so by not being dictators, but by serving their constituents and stakeholders. These types of leaders tend to be modest in their demeanor, humble in their approach and fearless in their actions. Most importantly, their actions are all aimed at improving the performance of the company and achieving long-term performance excellence.

Yes, sir!

One usually thinks of the U. S. Marines as a dictatorial, top-down, command-and-control leadership system. The popular image is, of course, the Marine drill instructor, screaming at hapless recruits. But basic training is just how you get to be a Marine in the first place. Once in the Corps, things are very different.

Freedman characterized the U. S. Marine leadership system as principled, team-driven, task-oriented, cross-trained, and accepting of opposing ideas. Even privates have the ability to question their superiors.⁴

He defined 30 management principles of the Marines and noted that the Marines offer one of the best training grounds for a management career. He further notes that the leadership style of the Marines, their organizational structure, and their decision-making processes are designed to achieve a rapid response in a highly complex and a dynamically changing environment.

Their leadership system is very dependent on the functionality of their team and the feedback that they receive from their troops. What is even more telling about the Marines is their willingness, even requirement, to allow subordinates to openly disagree with their superiors—until the final decision is made, and the orders are given (Principle # 18).

Many successful corporate executives received their training and initial experience in leading some of the country's great companies during their tenure in the Marine Corps.

They include people like Bob Lutz, credited with the turn around of Chrysler in 1989 and Fred Smith who built Federal Express. The Marine leadership system must be doing something right because it has endured for over 233 years, a longevity that most companies can only dream of achieving.

So what is it about successful leaders that unsuccessful leaders do not have? Two important books illustrate fundamental characteristics of successful leaders.^{5,6}

Lance Secretan notes that successful leaders are able to inspire the people that they are leading.⁵ They are able to do this by first being inspired with a cause and a calling. They align their vision with the destiny of the organization they are leading.

These leaders put themselves into the service of the people that they are leading. They become servant leaders, essentially sacrificing their own personal needs and desires for the larger goals of the organization.

Secretan refers to these types of leaders as "higher ground leaders" who have an intimate relationship with their inner purpose and the future that inspires them. He describes an acronym, CASTLE, which denotes six important characteristics of a higher ground leader.

1. Courage
2. Authenticity
3. Service
4. Truth
5. Love
6. Effectiveness

So how does a leader gain the higher ground?

Goleman and others, have described the concept of primal leadership.⁶ By this they mean that successful leaders are able to become emotionally resonant with the people that they are leading. Great leaders move us through their words and deeds. They capture the workforce and inspire them through emotions.

Primal leaders are able to achieve this type of leadership through emotional intelligence (EI), which allows them to connect to the people around them. A large amount of research has gone into trying to understand EI. One can most readily observe EI occurring in sports teams. Strong coaches are able to inspire the team, and the team members then connect with each other.

A similar process occurs in the workplace, and can be seen in many high-functioning organizations. One thinks of companies as diverse as Southwest Airlines and Microsoft, as two examples. But, does it occur in hospitals? Or, have hospitals, by the nature of their work, become immunized against EI?

In the context of health care organizations, what are the leadership competencies that will drive an organization to a higher level of performance?

Competencies

Goleman best defined these competencies (noted in the Table 1) that I have modified into three categories to best reflect what defines a leader. As you review these competencies, ask yourself the question: If I am a leader, have I acquired these competencies? Does my CEO reflect these competencies?

The answers to these questions may give you insight into the direction that your organization is going. Or into the reasons your organization is going no place in particular.

Zenger and Folkman analyzed data from 360-degree feedback reports in order to find out why leaders fail.⁷ They collected data on more than 450 *Fortune* 500 executives. Specifically, they evaluated the results from 31 of these executives who were subsequently fired over a three-year period.

In addition, they analyzed 360-degree feedback data from more than 11,000 leaders and identified the 10 percent who were considered to be the least effective. They noted the 10 most common leadership shortcomings:

1. **Lack of energy and enthusiasm:** They see new initiatives as a burden.
2. **Accept their own mediocre performance:** They overstate the difficulty of reaching targets so that they look good when they achieve them.
3. **Lack of clear vision and direction:** They believe that their only job is to execute.
4. **Have poor judgment:** They make decisions that are considered not to be in the best interest of the organization.
5. **Don't collaborate:** They avoid peers, act independently, and view other leaders as competitors.
6. **Don't walk the talk:** They set standards of behavior or expectations of performance and then violate them.
7. **Resist new ideas:** They reject suggestions from subordinates and peers.
8. **Don't learn from mistakes:** They may make no more mistakes than their peers, but they fail to use setbacks as opportunities for improvement.
9. **Lack interpersonal skills:** They make sins of both commission (abrasive and bullying) and omission (aloof and unavailable).

10. **Fail to develop others:** They focus on themselves to the exclusion of developing subordinates.

Strong, visionary, and emotionally connected leaders who actively listen to their employees, build teams, communicate effectively, and continually try to improve their leadership skills will ultimately be successful and lead their organizations to higher levels of performance.

Without such leaders, an organization is doomed to mediocrity. Is your organization led by a strong and connected leader? You decide.



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