



Transformative Leaders: Every organization wants them, or do they?

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The only organ in the human body that has the capacity to regenerate is the liver. As little as 25% of the original liver can regenerate back to its full size. Organizations regenerate and transform too when they recognize that their current way of operating, even with improvement, cannot produce the type of results they need in the future.



Transformation is more than improving a current way of operating. It requires a dramatic change from one state of being to another. Usually, transformation takes years, not months. It is not a "one and done" exercise. Rather, it is a continuous improvement process that involves much more than redrawing an organization chart. By far, the most difficult aspect of transformation involves people because it often challenges their *beliefs*, *behaviors and feelings*.

Discovering Transformative Leaders

In my practice, senior leaders across the country highlight a consistent theme about talent - the urgent need for *transformative leaders*. Health care organizations operate against the backdrop of highly competitive and fluctuating local, regional and national markets. Institutions navigate performance today versus long term sustainability. Finally, leaders are called to develop culture and employee engagement while navigating long-held traditions within their organizations.

The search for top talent is constant. Boards and CEOs always describe an ideal leader as the person who has significant expertise in their discipline and who is innovative, decisive, and action oriented. Now, they also mention the need for someone who operates with compassion, empathy, and a collaborative spirit - a leader who will *transform* the organization.

Identification of transformative leaders involves an ongoing discussion around the meaning of transformation. It's important to pinpoint whether the organization is seeking an improvement minded leader or a disruptor. The term "disruptor" was used originally by Harvard Business School Professor, Clayton Christensen, in his book *The Innovator's Dilemma*. Professor Christensen focused on disruptive technologies and how companies must fulfill customers' current needs while anticipating and changing to meet their future needs. Now, the term is used widely in business and has taken on a life of its own. Put simply, from my perspective, the question is whether an organization needs a leader who will think "outside the box" or "build a new box" altogether. This is the difference between thinking about transformation and actually taking action to transform the organization.

For example, consider the Amazon-JP Morgan-JP Morgan Health Venture created earlier this year and led by Dr. Atul Gawande. In a June 24, 2018 article in Bloomberg Business, Dr. Gawande noted, "My job for them is to figure out ways that we're going to drive better outcomes, better satisfaction with care and better cost efficiency with new models that can be incubated for all." To move this venture beyond its initial launch, Dr. Gawande and his team will need to take action and think about how to "build a new box" in the health care industry. When you think about your own organization, the answer to this question is critical and needs to be considered in advance of recruitment because it can mean the difference between a leader's success and catastrophic failure.

Through the Lens of Talent

Culture and readiness for transformation can define success of the new leader. For example, what is the appetite of the board, CEO, community, employees and other key stakeholders for real transformation? How long are they willing to support it?

Remember, transformation is a process that can years, not months. What amount of change will the culture of the organization truly support? How will the leader complement other members of the team each day and enhance their performance? What is the risk that a transformational leader be rejected by the organization?

Consider your own experience with identifying and hiring a transformational leader. How quickly did they build a new box? What could have been done better or differently to accelerate their success? Are other leaders also building a new box now? Are they operating in concert or in conflict? Answering these questions presents an opportunity to discuss your <u>talent blueprint</u> and how it sets the foundation for people strategy.

For Chief Human Resources Officers, using the talent blueprint for these discussions presents an opportunity to partner with their Boards, CEOs and leadership teams on meaningful workforce planning for their organizations. It establishes the talent blueprint as an integral element of the transformation process and as a catalyst identification and recruitment of talent across the organization.

As you work to build a positive, mission-driven culture, think about the impact that transformative leaders can make in your organization. To ensure the success of every leader, organizations must be clear about the type of leader they need in every role. Rest assured, taking the time to understand what talent you need up-front before hiring a new leader will pay dividends.

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