



Vision: Healthcare won't change without it

By Nancy Koehn | December 6, 2016

"Having a compelling, inspiring purpose has never been more important," Harvard Business School professor Nancy Koehn said last week at a gathering of health system executives, convened to discuss the future of population health.

Koehn was talking about both healthcare and American civic life. And at a time of deep uncertainty in both, Koehn argues, leadership is deeply in demand.

That's why athenaInsight is launching a three-part series on the "Leader's triangle:" how vision, culture, and operations work in tandem to define an organization and provide a framework for change. Here, Koehn, a leadership historian, shares her take on vision, why it matters for healthcare, and how it can be channeled into action.

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In a 2001 essay in Rolling Stone, David Foster Wallace wrote that real leaders are people who "help us overcome the limitations of our own individual laziness and selfishness and weakness and fear and get us to do better, harder things than we can get ourselves to do on our own."

This definition captures a whole lot about effective leaders, including their ability to see the intersection of human agency and larger forces and then incite others to action.

For leaders, sustainable value-creation is a result of three interrelated elements: vision, operations, and culture. Each is important and requires action from the individuals at the top of organizations. But it is vision that motivates people in the way Wallace articulated; it is vision that provides the fuel for organizational greatness; and it is vision that is thus the truest test of a leader's ability to make a worthy difference.

So what, exactly, is vision? In an abstract sense, I think of it as the act of identifying the green light at the end of the dock, the beacon that will inspire workers to put their backs against the current, and travel further toward an exemplary, difficult goal than they thought possible. During periods of turbulence such as that facing healthcare leaders today, vision can provide ballast for an organization that is buffeted by waves of uncertainty.

Vision is also the essential element of any transformational effort. For example, in 2014, when CVS

Caremark announced that it planned to stop selling cigarettes and other tobacco products in its 7,660 stores, the action was the result of a clear, well-articulated, and inspiring vision. CVS was going to become a healthcare company. Whatever challenges lay ahead, the company and its employees had a destination to strive for.

In their bestselling book “Built to Last,” published in 1994, management experts Jim Collins and Jerry Porras scrutinized the components of vision, breaking it down into two parts: core ideology and envisioned future. The former refers to what a company stands for and why, and the latter for what it aspires to become or achieve. Their research found that companies with strong visions are more likely to endure than those that set goals around prosaic performance targets.

“Listen to people in truly great companies talk about their achievements,” the duo advises. “You will hear little about earnings per share.”

As a professor at Harvard Business School, I am indebted to the research of Collins, Porras, and other experts.

“The value of a galvanizing vision is perhaps most powerfully realized in times of VUCA, which stands for volatility, uncertainty, complexity, and ambiguity.”

These are often moments when men and women are pushed to the limits of their capacity, such as the Antarctic explorer Ernest Shackleton staring into a perfect storm of calamity as he attempted to get his 27 men stranded on a floating iceberg safely back to civilization; or Abraham Lincoln trying to lead a nation bathed in its own blood in the midst of the Civil War; or Steve Jobs returning to a failing Apple in 1997 without a precise idea of how to turn it around.

Healthcare leaders today confront a moment of unprecedented disruption in their industry, and as challenging as this volatility is, leaders *must* act. Thoughtful, focused transformation is the price of survival in today’s VUCA. Below, I lay out what healthcare leaders can learn from other men and

women in positions of authority who set inspiring visions during periods of accelerating change.

As the world changes, so must your vision

Visions are most effective when they are both relevant and well-crafted. This means that the substance and animating energy of the vision must be deeply rooted in the values and goals of the enterprise. At the same time, when the larger context changes suddenly and dramatically, the vision – the rallying cry – must also evolve.

Take, for example, Ernest Shackleton’s vision in 1914: He would lead a team that would be the first to walk across the continent of Antarctica. The explorer and his men set sail in August of that year, but in January 1915, their vessel became stuck in the ice. Nine months later, ice began to crush the vessel, and the crew was forced to abandon ship.

Shackleton quickly adapted. He set a new vision: “We will get home alive.” His diaries record the challenge he laid down for himself and his team: “A man must shape himself to a new mark directly the old one goes to ground,” he wrote. “I pray God, I can manage to get the whole party to civilization.” It took almost two years, but Shackleton brought all his men home alive.

Similarly, Abraham Lincoln’s vision at the outset of his presidency in 1861 was to preserve a union of states as laid out in the Constitution. This union included free states and those in which slavery was legal. But as the context of the Civil War changed, so, too, did Lincoln’s vision. By early 1863, when he signed the Emancipation Proclamation, Lincoln’s vision had become one to save the Union *and transform it* into a nation free from slavery.

Visionary leaders look inward as well as outward

Vision statements that focus only on external benchmarks or achievements are usually not as powerful as those that are also anchored internally.

For example, Wal-Mart's "Everyday low prices" or President Herbert Hoover's folksy "a chicken in every pot" effectively communicated the goal to which the relevant leadership aspired, but these vision statements were not connected to the bedrocks of an organization – the core values that are critically related to external market success.

I often ask executives, "Why should your workers answer your call, fly your flag, or take up arms for you?" The answer, "because that's what I pay them to do," is not nearly as compelling or sustainable as a vision that workers find worthy and inspirational because it flows out of the defining principles of the organization – an organization in which each of these people has a real stake.

Howard Schultz helped found the company we know as Starbucks with the vision of bringing the experience of Italian coffee houses to the American consumer. But from the beginning, an equally important part of his vision was to create a company where people could build a career and where Starbucks created long-term value for its employees in the form of healthcare benefits, stock ownership, college education, and ongoing training.

Schultz understood the power of this vision to deliver business success: Dedicated, satisfied employees provide a consistently better customer experience. This superior service delivery translates into customer loyalty, long-term profitability, and shareholder value.

Leaders at faith-based healthcare organizations often tell me that the values of their founders – usually nuns, priests, or rabbis who worked to care for poor, immigrant populations in extremely trying circumstances – serve as a wellspring of motivation and renewal for their organizations, even in the face of great challenges. As the pressures on healthcare organizations increase, and the turbulence intensifies, it behooves leaders in this industry to articulate the higher purpose behind what their enterprises do.

Leaders can't show doubt in their vision

To be effective, leaders must consistently show up in service to their vision. This means they must demonstrate steadfast faith – even during their own darkest moments of doubt or disappointment. After all, if the leader displays uncertainty, they will instill fear or diffidence among their people. Consider Steve Jobs's return to Apple in the late 1990s, when he came back as interim CEO.

At the time, the company was losing market share and falling behind its rivals in product innovation. Jobs wanted to restore the organization to its original promise. Yet he did not know exactly how to do this. One of his first big moves was to drastically cut product lines for both the business and consumer markets. He was not at all sure this would work. But he told the board and his top team that they had to simplify. Whatever doubts he harbored about slashing the number and kind of products, he understood that these thoughts and feelings had no place in the Cupertino office.

Every leader has doubts about the path ahead and, at times, about his or her ability to successfully navigate this path. Occasionally, such feelings can even morph into despair. But great leaders exercise the discipline required to keep such doubts to themselves without publicly expressing such emotions. These same leaders also come to understand how to manage these difficult moments so that they themselves are not demotivated or derailed.

How do they do this? First by taking care of themselves – physically, emotionally, intellectually, and often spiritually. Second, by intentionally keeping their attention fixed on the road ahead, on the next step they must take, rather than being distracted by the worst-case scenarios that might unfold.

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