

Making the cut in healthcare leadership today: The RN manager dilemma

Written by Tom Olivo, President and CEO, Success Profiles, Inc. and James Jiloty, Performance Improvement Consultant, Healthcare Performance Solutions | July 28, 2015

"I think you're about to lose one of your most important nurse managers." That's what the Chief Human Resources Officer told the Director of Emergency Services during a recent leadership development meeting.

Nancy is just one example of many nurse managers feeling the pain of working in an environment that seemingly transformed overnight. The job is not the same one Nancy pursued 18 years earlier. Nor is it the same management level role she enjoyed for the better part of a decade. The job has become overwhelming. Nancy works longer hours than ever before (averaging 58 hours per week), spending vast amounts of time tackling endless reporting and required documentation.

A common groan amongst nurse managers is a shared feeling of growing distant from the bedside. "It's a different job now. We aren't really nurse managers as much as we are business managers," Nancy reflected, pondering her future.

Like many healthcare leadership roles, the acute care nurse manager job started to change gradually a decade ago, then accelerated abruptly five years later in 2010. In large part this is due to healthcare reforms and the Affordable Care Act shifting hospital strategy to focus intensely on priorities such as improving patient satisfaction scores. Those scores, along with other metrics including operating costs, staffing, agency labor, quality and safety, started becoming much more transparent. Now, all such metrics are commonly included in leadership evaluations.

"I have to make a decision. This is not realistically sustainable," says Nancy. "If it were only about money, I would have left my management position sooner or changed roles. It's about the best use of my time and accumulated skills."

Nancy's experiencing classic symptoms brought on by increasing complexity in healthcare. The average healthcare manager reported working 48 hours per week in 2011. As of 2014, that average grew to 56 hours per week. The difference can mean nurse managers earn less than they would as direct patient caregivers. But to her point, it's not necessarily about the money. Work quantity and the types of management assignments suddenly expected of nurse managers brings many to consider a career change based upon professional gratification, life/work balance and quality of life away from work.



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Nancy's frustration is common among nurse managers and all healthcare leaders. They are doing more work with fewer resources. It is a mistake for hospitals and health systems to believe these situations can be addressed on a case by case basis – restructuring management, moving a person here, or changing job duties there. This is a systemic problem. The latest data measuring healthcare leadership role-complexity through 2014 suggests we have reached a tipping point where more experienced leaders are struggling than succeeding. However you differentiate leadership performance, whether it is by meeting organizational pillars or defined critical measurements, any categorization ultimately reveals who is excelling, succeeding, struggling, or failing. Standard leadership performance definitions are as follows:

Excelling: High-achieving talented performer who consistently hits and/or exceeds all major outcome measures.

Succeeding: Consistent performer who consistently hits most outcome measures.

Struggling: Inconsistent performer who sometimes misses outcome measures.

Failing: Rarely meets expectations and is missing most or all outcome measures.

Struggling to Succeed

For a fairly long period complexity was manageable for healthcare leaders. Being a healthcare leader meant working in a relatively predictable environment of complexity. Solid, long-tenured, experienced and skilled nurse managers historically could get by with the same level of performance each year. Over 80 percent of healthcare leaders were succeeding as recently as 2009 to 2011, according to research conducted by Success Profiles, Inc. More recent trends confirm what Nancy has begun to experience. Success was becoming more difficult to attain. By 2013, the healthcare industry approached a critical inflection point.

Approximately 42 percent of leaders were struggling and only 58 percent succeeding.

Using A, B, C, and D categories of leadership effectiveness, a majority of healthcare leaders (50% to 60%) perform at the "B" levels (Figure 1). Collectively, the rate at which B+, B, and B- level leaders are now struggling has increased 169 percent over the past four years (Chart 1).

Performance Level	Assessment Score	Percentile Rank
A+	26.88	99%
A	24.00	84%
B+	22.43	69%
B	20.75	50%
B-	18.83	31%
C	16.67	16%
D	10.33	1%

Figure 1: Percentile ranks of leaders at each level of performance. Results based on leadership assessments of over 10,540 leaders conducted by Success Profiles, Inc.



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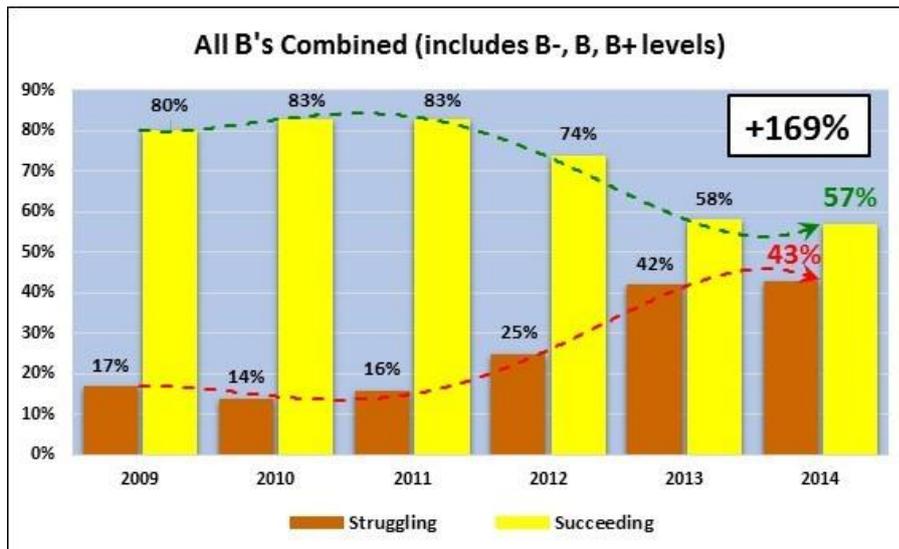


Chart 1: All "B" level leaders/managers (includes B+, B and B-).

There is some good news because analyzing "the average B leader" doesn't reveal the complete picture. At the B+ level of effectiveness, the rate of struggling may have finally peaked (Chart 2). Currently, only 1 out of 4 B+ level leaders struggles to succeed. B+ level leaders have adapted to the increased complexity.



How are they managing? B+ level leaders tend to be "classic overachievers." Their success in this complex work environment is likely the result of pure work ethic and heroic effort. They see others begin to struggle and instinctively do more. They are sufficiently results driven to do what it takes to avoid poor to failing performance. How much longer can they endure the pain? It's difficult to say.

Next, consider average "B level" leaders, like Nancy. Between 50 and 60 percent of management in a typical healthcare organization measures at the "B level." Nurse Managers like Nancy currently struggle **approximately 51 percent of the time**. This rate taxes the overachievers and is unsustainable across any health system.

During the 2009-2011 period, average B level leaders only struggled 16 percent of the time (Chart 3). Increased documentation, hours required using electronic medical records (EMR), troubleshooting EMR problems, and physician relations only add complexity to nurse manager roles.



Chart 3: All mid-level "B" Leaders/managers (50th Percentile for the entire sample size).

It is fair to say healthcare organizations lacking the ability to differentiate leadership effectiveness are facing acute pain with this single largest cohort of leaders. As a group, B level leaders demonstrate good leadership attributes in a semi-consistent manner. Knowledge, experience and technical skill is not enough by itself for B level leaders to succeed. Mature and sophisticated management appointment practices must evolve and talent management strategies are now past due.

The latest alert is understanding the steep challenges that B- level managers face. According to the most recent data, B- level leaders currently struggle an astounding **79 percent of the time**. This rate drastically increased from only 31 percent in 2009 (Chart 4).

With 79 percent of this group now struggling, most leaders are feeling significantly in over their heads. B- Level leaders constitute approximately 12 percent of the entire population of leaders. They have been feeling in over their heads since at least 2012 when the percentage of leaders struggling first outnumbered the percentage of leaders succeeding. This trend for B-level leaders visually mapped a significant crossroads for healthcare organizations and has crept in to now impact a majority of the B level leaders in the same way.



Chart 4: All "B-" level leaders/managers.

Keeping your nurse managers

Nancy feels the pressure. She has drawn insightful conclusions many hospitals have yet to reach as an organization. What is the best use of her time and skills? Organizations should use the same question to guide leadership appointment practices and development strategies. What does this latest research mean for Nancy and her organization?

- Tenure, experience and technical skills are overrated and create bias when measuring management effectiveness. Use relevant performance measures to get the right people in the right roles.
- Collaborate. Address complexity. Make it an imperative to ratchet up leadership talent and ability to the next level. Learn from what the best organizations and leaders are doing (internally and externally).
- Expect Leadership Development. Leadership academies, formal mentoring, and peer groups are types of development programs above average organizations provide. Absent such opportunities, leaders are at a disadvantage.
- Be Coachable. Struggling leaders must recognize their level of effectiveness. Leaders must want to constantly improve – at every level.
- Don't leave people in roles where they are in over their head and struggling. The odds of them turning around performance is unlikely.

Complexity in healthcare leadership will continue to be measured and assessed. The symptoms experienced will be manifested throughout leadership roles. Particularly for Nurse Managers, future trends will be closely examined and reported as will evidence of cost-effective strategies helping struggling leaders turn the corner and find success in their leadership role.

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