



**Creating Superior Healthcare Performance
With Leadership Alignment**



Increase Your Odds
of Success with
Leadership Alignment

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The worsening economy has severely affected the healthcare industry. More people are unable or unwilling to pay their medical bills. In-patient admissions, especially lucrative elective-surgery procedures, have dropped. Medicare payments are being curtailed. As a result, the operative word in healthcare boardrooms has changed from *'growth'* to *'survival.'* Hospitals across the country are temporarily freezing large capital expenditures such as new construction or acquisitions; they are trying to do more with less, and are even laying staff off.

These are good and necessary measures under the present economic conditions. There is one more thing, however, that can assure a hospital's survival and even set the foundations for long-term growth: their talent management and appointment practices. Since hospitals can increase their net operating margin up to 4% by implementing an evidence-based, structured approach to leadership alignment, the time has come to pay more attention to this matter.

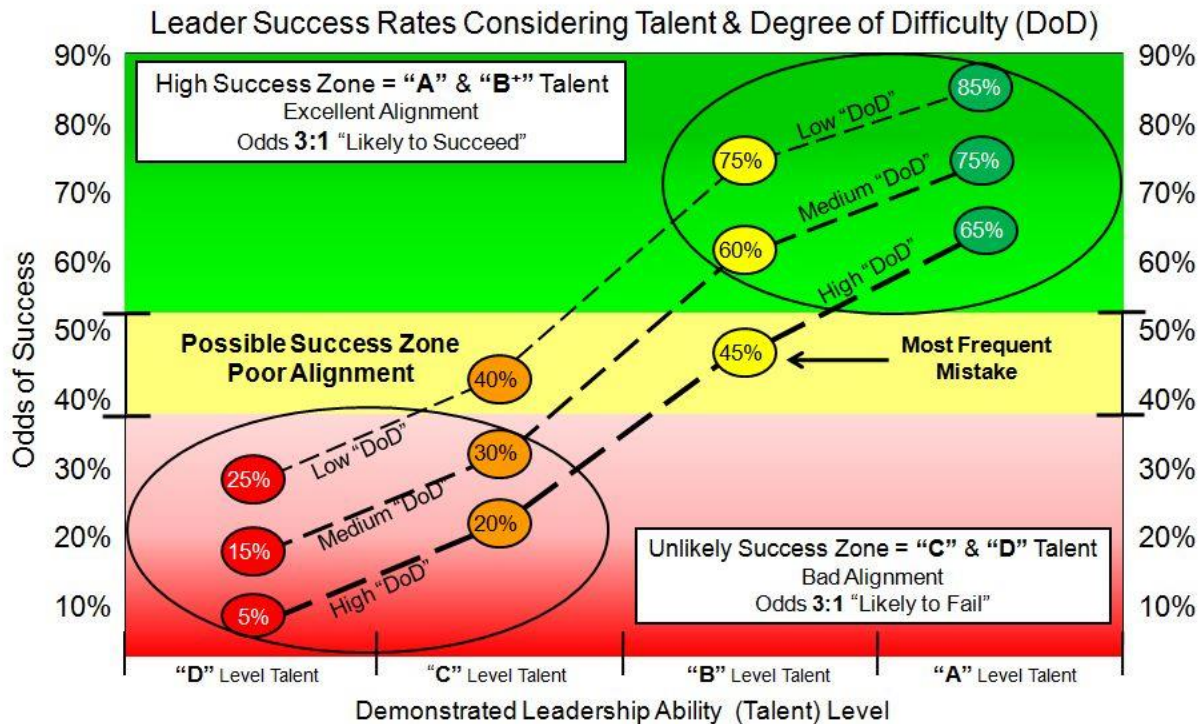
Our research has shown that the vast majority of healthcare organizations in the US lack a structured approach to assist struggling or failing front-line managers. According to Tom Olivo, president of Success Profiles:

“As goes the talent and leadership ability of the front-line manager, so goes the performance in that department by any measure.”

The performance of front-line managers highly correlates to employee engagement, overall patient experience, productivity, and financial results. Improving the performance of front-line managers is the single most effective lever to increase your organization's net operating margin. Leadership ultimately shapes every aspect of an organization, and getting the **Right People in the Right Roles** can help healthcare organizations succeed in a difficult economic climate.

Leadership alignment is achieved when a person's demonstrated ability level (talent) is greater than the complexity threshold where their odds of success exceeds 50%.

To get the Right People in the Right Roles, first you have to be able to assess both the people and the roles. For leaders, there are four demonstrated leadership ability levels (A, B, C, and D talent). There are three levels of departmental complexity, or Degree of Difficulty (Low, Medium, and High DoD). For each possible combination of leadership level and DoD, the odds of success can be calculated, at least approximately. (See chart below.) In general, A-level talent will succeed in nearly any role, while D-level talent will generally fail even in low DoD roles.



The following are some of our key research findings in relation to creating superior performance with leadership alignment.

- With **A** and **B** level leadership ability, the odds of success are HIGH in virtually every case – creating overall **odds of 3:1 likely to succeed**. The only example with lower odds of success is a **B** level talent assigned to a high DoD role.
- With **C** and **D** level leadership ability, the odds of success are LOW in virtually every case – creating overall **odds of 3:1 likely to fail**. The only example with higher odds of success is a **C** level talent assigned to a low DoD role.
- There is also a "Possible Success Zone" where **B** level leaders in a high DoD role and **C** level leaders in a low DoD role have odds of success just below **50%**.

Our data suggest that the average healthcare organization is only in proper alignment **60%** of the time when it comes to matching the right talent level with the appropriate level of complexity. This percentage can be readily increased (up to 85%) once there is a method in place for matching the right leader with the right department. By appointing the Right People in the Right Roles, you can improve performance more effectively than with virtually any other business practice within your control.



For more information, please contact us at: *Right People Right Roles* 877-582-8884,
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