

Unlocking the Secret to Getting Results in Complex Healthcare Environments.

INTRODUCTION

Leaders are faced with the frustration of meeting high-stakes quality goals in today's rapidly-changing and complex healthcare environment. Traditional approaches may fall short when significant improvement must be achieved in a limited time frame. Sustaining high performance has its own challenges.

Smarter strategies enable leaders to move beyond the narrow focus of compliance and outcomes monitoring. They position leaders ahead of the curve, able to see opportunities and capitalize on them. The secret to achieving rapid, sustainable results lies in embracing complexity.

COMPLEXITY PRINCIPLES

Complexity principles create both the culture and the mechanics for success by implementing a different approach - one that focuses on leadership, learning, and actively advancing both relationships and reliability. Leadership is expanded to include all individuals able to influence others towards goal achievement.

Leveraging the talents of current staff as true leaders imparts an enormous impact on organizational identity and change. This is an exciting perspective. Leadership, as viewed through the lens of complexity, provides an abundance of leaders available to drive change and sustain performance.

COMPLEXITY PRINCIPLES

1. Leadership is defined as the ability to inspire or influence.
2. Strategic influence is more effective than command and control.
3. The ability to adapt determines success.
4. The human dynamic cannot be ignored.
5. The greatest performance occurs when organizations advance both culture and processes.

In complex environments, the ability to adapt to meet dynamic demands determines success. Intellectual agility enables organizations to respond quickly to challenges, minimize threats, and capitalize on opportunities. Intellectual agility is the pinnacle of learning and innovation.

Organizational advancement occurs in the context of trusting relationships in which individuals feel valued in an environment that encourages sharing of information, concerns and expertise.

A relationship-rich culture creates ubiquitous learning and exceptional adaptability. This too is an exciting perspective because once relationship-rich cultures are developed, learning occurs effortlessly. Agility becomes part of the culture.

In complex environments, the greatest advancement occurs when organizations are able to hold seemingly opposite attributes in productive tension. By actively developing both relationship-rich cultures and reliable processes, organizations become poised for success. They master both the structure and the flexibility needed to deliver and sustain results. This fuels performance creating boundless potential for achievement.

Applying complexity's five core principles rapidly drives results and creates the dynamics for sustainable performance. Leaders able to expand their thinking and embrace complexity will experience rapid, sustainable achievement.

Characteristics of Complex Adaptive Systems

(Rouse. 2000)

- They are non-linear and dynamic and do not inherently reach fixed-equilibrium points. As a result system behaviors may appear to be random or chaotic.
- They are composed of independent agents whose behavior is based on physical, psychological, or social rules rather than the demands of system dynamics.
- Because agents' needs or desires, reflected in their rules, are not homogeneous, their goals and behaviors are likely to conflict. In response to these conflicts or competitions, agents tend to adapt to each other's behaviors.
- Agents are intelligent. As they experiment and gain experience, agents learn and change their behaviors accordingly. Thus overall system behavior inherently changes over time.
- Adaptation and learning tend to result in self-organization. Behavior patterns emerge rather than being designed into the system. The nature of emergent behaviors may range from valuable innovations to unfortunate accidents.
- There is no single point of control. System behaviors are often unpredictable and uncontrollable, and no one is "in charge." Consequently, the behaviors of complex adaptive systems can usually be more easily influenced than controlled.

5 WAYS TO APPLY COMPLEXITY

Applying complexity calls organizations to do five critical things:

- Redefine leadership
- Engage all stakeholders
- Foster social learning
- Develop relationship-rich cultures
- Advance both culture and processes

ONE: Redefine Leadership as the Ability to Influence Goal Achievement

Complexity defines leadership as the ability to inspire or influence commitment above and beyond routine compliance. As a result, new leadership competencies emerge and organizational leadership capacity increases.

Recognizing, developing, and deploying informal leaders extends formal leaders' reach and enhances organizational performance.

1. Define new leadership competencies and commit to a structured approach for developing and practicing them.

Skills that promote both relationships and high reliability are self-awareness, mindfulness, heedful interrelating, effective communication, personal accountability, supportive interactions and strategic narrative. (See Image 1: Personal Skills)

2. Identify and develop informal leaders to foster peer accountability and influence frontline behaviors.

The same competencies described for formal leaders enable informal leaders to engage and influence peers. (See image 1 Personal Skills)

3. Define informal leaders' roles and collaboratively set goals for these leaders.

Goals can be both process and outcome focused. For example a goal could be set for the informal leader to conduct a set number of conversations with peers to gain insight to a specific issue. The informal leader can also be tasked with outcomes goals such as reducing falls by a specified percentage.

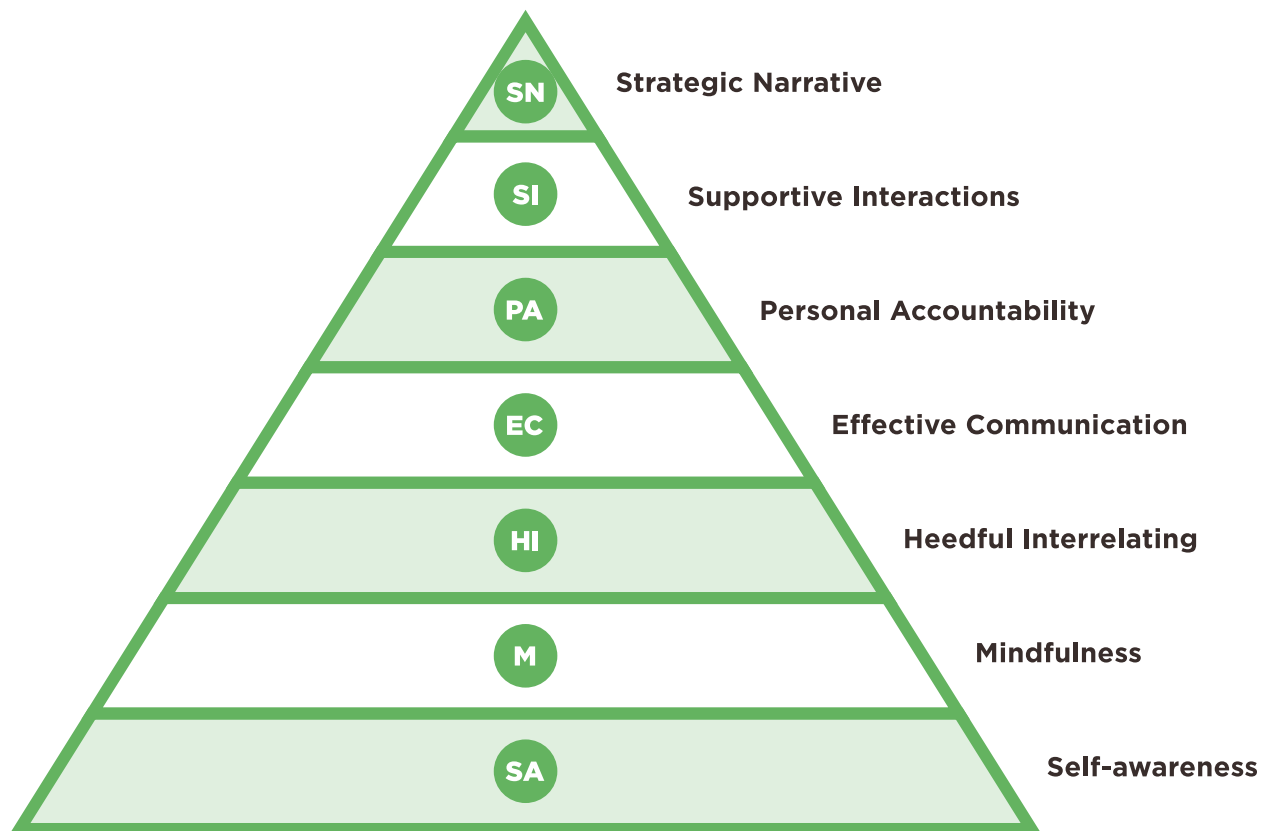
4. Establish structures to ensure a routine exchange of information between formal leaders and informal leaders.

These structures foster collaboration between formal and informal leaders. Formal leaders share organizational strategic objectives and informal leaders share frontline wisdom.

The better informal leaders understand the rationale behind needed changes in frontline behavior, the better they can influence peer behavior. The more formal leaders understand concerns and resistance to change, the more effective all leaders can be in creating efficient strategies for influencing change.

IMAGE 1

Personal Skills that Support Relationship and Reliability



TWO: Engage All Stakeholders to More Effectively Influence Change

Complex environments contain many stakeholders with varying and even competing interests. Understanding stakeholders' needs allows organizations to craft more appealing solutions and foster greater loyalty.

- 1. Clearly identify all stakeholders and develop effective methods of two way communication.**
- 2. Create structures for collaborative problem solving with all stakeholder groups.**
- 3. Collaborate with stakeholders to design change strategies and implement change.**

Make it a priority to understand each group's needs. Use data gathered through stakeholder interactions to determine effective incentives and inhibitors to influence behaviors. Finally, employ stakeholder insights when designing strategies to influence change.

THREE: Foster Social Learning to Improve Engagement and Advance Behavior Standards

Social learning forms the basis for our cultural knowledge and greatly influences our behaviors. Through effective leadership and thoughtfully designed social learning experiences, organizations promote meaningful discussions that advance frontline thinking and behaving.

Social learning occurs in three ways. Individuals learn as they process and reflect on the following:

- Behaviors modeled by others
- Consequences of their own behavior
- Interactions with others

- 1. Develop leadership skills to promote inquiry and learning.**
- 2. Design routine social learning experiences that enable all stakeholders to learn from one another.**

FOUR: Develop a Relationship-Rich Culture to Drive Performance

Culture is critical because organizational agility and sustained performance demand the commitment and cooperation of diverse human actors. As Peter Drucker explains “Culture eats strategy for breakfast every day.”

Cultures rich in trust foster high performance. Ethical leadership, transparent flow of information, mutual respect, and team confidence breed trust. (See Image 2: Relationship-Rich Performance)

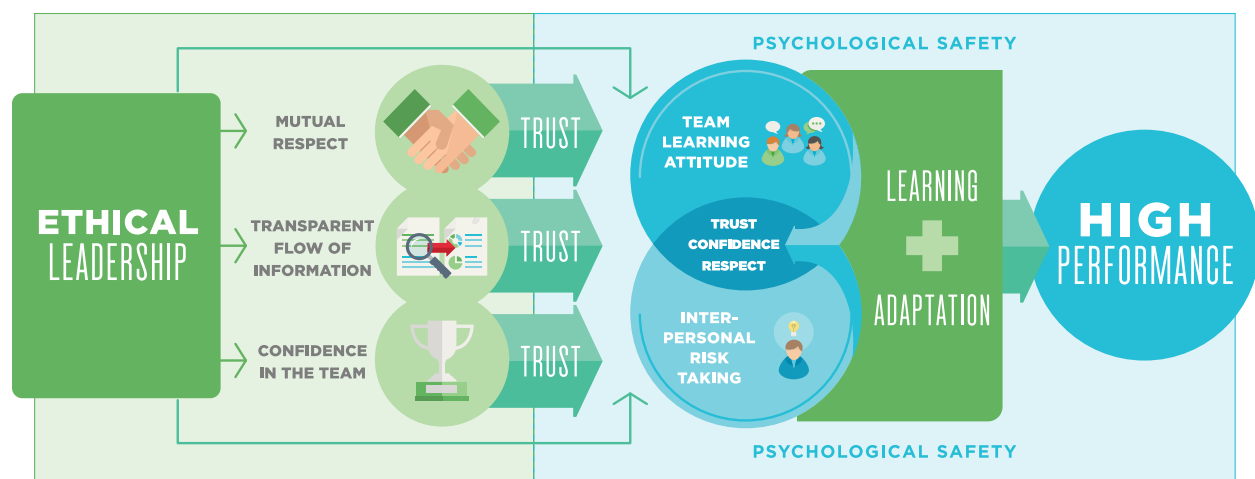
Of these, ethical leadership most dramatically transforms cultures and performance. It functions as a primary driver and a secondary driver of transformational trust. (See ‘Ethical Leadership’ on next page)

- 1. Develop ethical leadership practices in order to improve trust, engagement, error reporting and learning.**
- 2. Enhance the flow of information within your organization to improve trust and engagement.**
- 3. Set standards for respectful interactions and drive mutual respect through consistent reward and discipline.**

4. **Promote team confidence by giving frontline staff a voice in team competencies and composition. Develop and practice effective peer interviewing processes.**
5. **Reward staff for raising concerns, reporting error and improving processes**

IMAGE 2

RELATIONSHIP-RICH PERFORMANCE



ETHICAL LEADERS DELIVER EXCEPTIONAL RESULTS

They inspire the commitment and trust necessary for effective teamwork, innovation, and reliable performance. They practice specific and well defined behaviors that build relationships, develop followers, and promote accountability, learning and collaboration.

To learn more about ethical leadership practices go to [www.interactivequality.net/resources/ethical leadership](http://www.interactivequality.net/resources/ethical%20leadership)

FIVE: Advance Both Culture and Processes to Create Sustainable Performance

The greatest advancement in complex adaptive systems occurs when two seemingly opposite attributes are held in productive tension. Organizations that actively promote both a relationship-rich culture and robust process improvement are able to rapidly advance performance.

Cultures rich in trust foster information sharing, learning, and innovation. Robust process improvement capitalizes on the pooled wealth of information shared in respectful, trusting work environments.

- 1. Include the advancement of organizational culture as well as performance outcomes in your strategic plan.**
- 2. Identify relevant metrics to assess both cultural attributes and performance outcomes.**
- 3. Trend organizational advancement of both culture and outcomes.**
- 4. Benchmark cultural metrics as well as performance metrics with like organizations.**

COMPARING A TRADITIONAL APPROACH TO A COMPLEXITY BASED APPROACH

TRADITIONAL APPROACH	COMPLEXITY BASED
Assumes organizations are like machines and success will come from a good engineer's plan (a good leader's strategy.)	Assumes both the human dynamic and the strategy impact performance. Sees organizations more as conversations in which the strategy determines the topic but success comes from ownership, commitment and collaborative contributions of participants.
Emphasizes processes, monitoring compliance to processes and monitoring outcomes over learning, collaboration and organizational agility.	Balances emphasis on culture and process. It is equally important to create a relationship-rich culture and develop process mechanics such as goal alignment, well defined processes, competencies, and robust process improvement.
Limits leadership to those with formal titles.	Recognizes the impact informal leaders have on organizational identity and organizational change. Expands the ranks of leaders to include informal leaders.
Defines accountability in terms of formal leaders monitoring staff's behavior and goal alignment in performance reviews.	Defines accountability as personal ownership of responsibilities, behaviors, choices and outcomes. Uses goal alignment and performance evaluations as objective measures but realizes that individuals choose to be accountable. They cannot be made accountable.

GETTING RESULTS

Leaders able to embrace the complex nature of their organization and effectively apply strategies designed for complex systems will **outperform their competition.**

Organizational agility is the key to sustained success in today's dynamic and challenging market.

Actively developing both culture and processes creates performance advantages far beyond tactic based approaches. Often conventional leadership emphasizes monitoring practices at the expense of engaging staff and promoting learning and collaboration.

By applying a more progressive strategy, true accountability emerges. Engagement and ownership at every level drive innovation. This organizational agility is the secret to sustainable success.

ABOUT INTERACTIVE QUALITY®

Interactive Quality® is dedicated to helping leaders create cultures that work. Our expertise is applying complexity principles to drive rapid, sustainable results.



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