



Sharing Best Practices Knowledge

TO MEET THE EXTRAORDINARY CHALLENGES YOU ARE FACING TODAY
YOU MUST DEMONSTRATE EXTRAORDINARY BUSINESS PRACTICES:

What Does “Being in Over your Head” Look Like

There are several appointment mistakes that are commonly made that produce sub-optimized performance where leaders and managers are literally “in over their heads.” The easiest way to describe the condition is where the department’s complexity (degree of difficulty) exceeds the threshold level where the appointed manager has higher odds of success (typically above a 50% rate).

For a “C” level talent or ability, this is virtually any management position (regardless of complexity) because the odds of success are only 40% at best (when in the lowest complexity positions). The decision to appoint “C” level leadership ability to low complexity departments should be made only when the obstacles and barriers are easily managed or if the person has some exceptional ability to manage the day to day operations. Also, if the manager begins to struggle to fail, the reasons are usually very apparent. They are beginning to be in over their heads.

How about those “B’s”?

As cited by Thomas J. DeLong and Vineeta Vijayaraghavan in their 2003 Harvard Business Review Article, “*Let’s hear it for B players*,” “B” level managers are solid consistent performers that are competent, experienced, consistent and loyal.

The average organization has between 50% and 55% of their executives, directors and managers at the “B” level of leadership ability. These managers make up the backbone of any organization. For a “B” level leadership talent, the ability to manage low and medium complexity (degree of difficulty) produces favorable results 75% and 60% of the time (see odds of success diagram).

The only time that “B” level leaders and managers have low odds of success (when they often are “in over their heads”) is when they are appointed to complex (high Degree of difficulty) assignments or departments. It is here where the odds of success “dip below” the 50% - 50% level to 45%. It’s not that they cannot be successful, it’s just less likely. If the decision is made to appoint a

“B” level talent to this level of complexity, they really need to be “over achievers.”

Other attributes of “B” level leaders are:

- They are talented but not usually as ambitious (Driven) they are interested in advancement but not at all costs or a steep price
- They define success differently (not purely financially or status motivated)
- While they may work hard (while at work) they prioritize “life-work” balance to work 50 hours per week instead of 80 or more.
- They are usually excellent team players (avoiding the spotlight of self promotion)
- They may have been “A” level performers at one time and have dialed back their career focus (due to other outside – personal priorities or possibly “throttling” down to semi-retirement).
- They have longer tenures in organizations because they are less likely to leap from job to job to fast track or advance their careers.
- They contain a significant amount of an organizations intellectual capital due to their experience and tenure levels.
-

There are several appointment mistakes that are commonly made that produce sub-optimized performance where leaders

and managers are literally “in over their heads.”

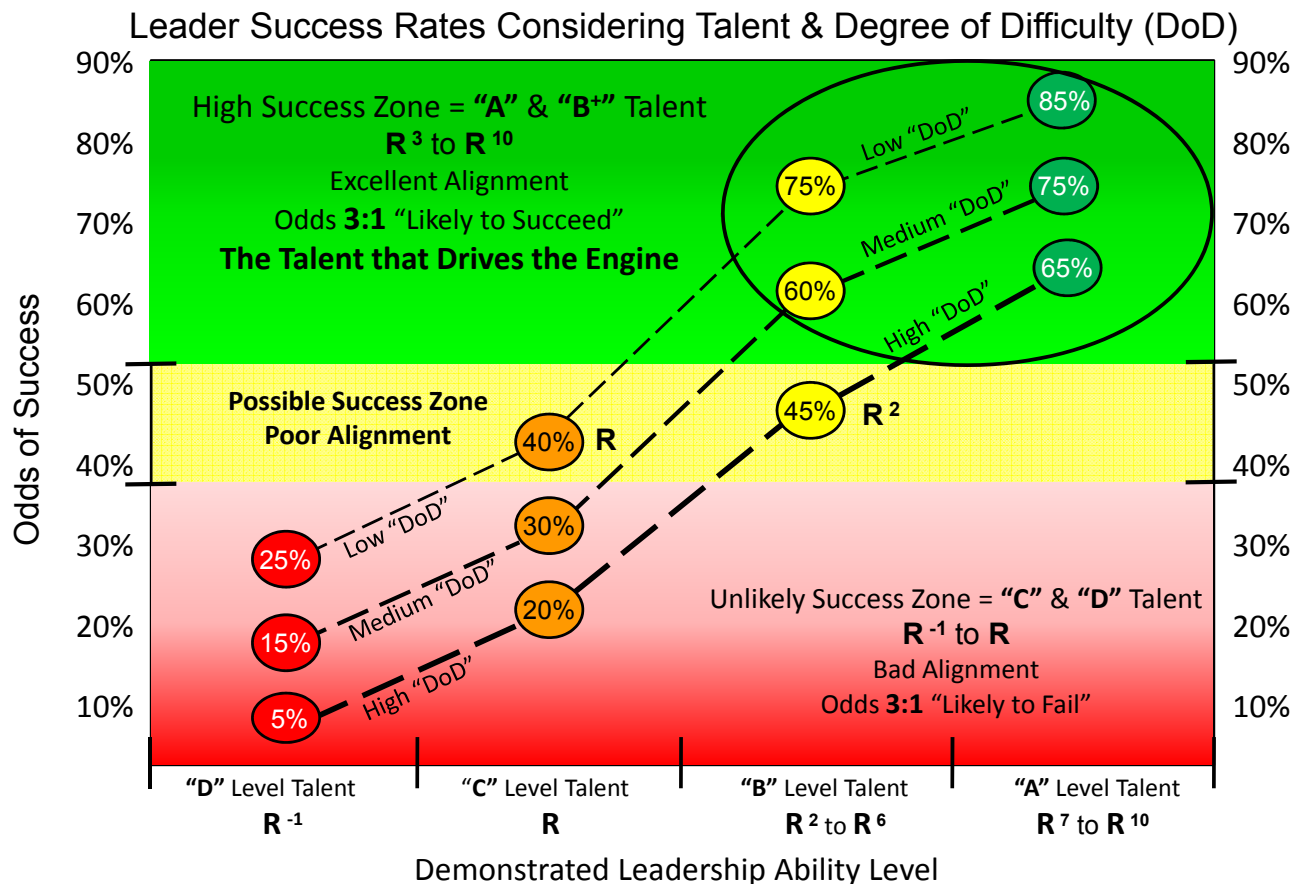
What are the “7” typical appointment mistakes that organizations make?

#1. Appointing a “B” level ability person into a high degree of difficulty management role based upon their tenure period or technical competency (clinical expertise). The ability to lead others does not correlate with tenure or technical expertise. **Odds of success = 45%.**

#2. Appointing a lower level “supervisor” into a manager position in a bottom quartile (failing RED) department out of convenience. They are usually unsuccessful because of their lack of manager experience (higher level of responsibility), they tend to be part of the previous culture and they are less likely to act on the low performers (or make tough decisions). **Odds of success = < 20%.**

#3. Failure to recognize that a high degree of difficulty department in the bottom quartile (failing RED) will require a “Turnaround” specialist that is used to making tough decisions quickly. Most “B” level managers do well in maintenance roles. A “turnaround” is a completely different, very challenging situation where doing what’s right for the department and stakeholders outweighs the personal interests of an individual. **Odds of success = < 20%.**

#4. Waiting too long to act and failing to set hard target (measurable) performance



expectations with milestone dates on the first year roadmap. "As goes the first 90 days, so goes the remainder of the year." If the new managers don't make the heavy-lifting decisions (especially dealing with negative, disruptive, poor performers) immediately, turning around the performance takes longer, is usually more painful and it has a lower overall success rate. **Odds of success = < 20%.**

#5. Not considering leadership talent or ability. Assigning a "C" or "D" level leader in any role has low odds of success. The average "C" player has odds of success of 30% and a "D" player has odds of 15%.

The overall success rate for a combined "C" or "D" level leader is that they are 3 to 1 likely to fail (**only a 25% or one in four odds of success**).

#6. Low acceptance rate of a new leader/manager by the staff because of an "old school" mindset that tenure in that department is a qualifier/prerequisite for appointment. Some departments (and people within the departments) are "unforgiving" when it comes to a person's qualifications to lead in the role. The behavioral pattern is to "chew up and spit out" the "substitute teacher" managers as soon as possible. It can be extremely difficult for some people to

handle this situation long enough to persevere. **Odds of success = < 33% (one in three).**

#7. Competency Alignment: Sometimes, even the most talent leaders (“A” players) can be out of alignment technically, business model wise, behaviorally or with pure maturity or experience. The most common is technical competency and/or a business model deficiency where a competent leader in one department/function cannot be respected as a leader in a totally different area of expertise. They simply won’t know what to do in difficult situations. The other is a cultural or behavioral fit where the culture of the organization is too dominant for the person to adjust to or the maturity level of the leader is inflexible to adapt to what will be most effective. **Odds of success = < 33% (one in three).**

There are a number of consultants that promote the hiring and appointing of only “A” players to leadership and/or total employee positions. If less than .01% of organizations can achieve this level of human capital recruitment, hiring and appointment, how is it possibly a realistic target or strategy to aspire to?

A culture of all “A” Players is “UN” (unrealistic, unhealthy, unaffordable and unachievable).

The last organization that tried to create a culture of all “A” players’ was Enron. How many case studies do we need to examine to see that this was more than just unhealthy

for the organization, the alliance partner companies and even Arthur Andersen (serious collateral damage).

Another name for this business practice is “Top Grading” where the selection standards only screen for “the best” talent and the performance management practices “prune” or cut a percentage of the total employment base (GE is famous for cutting 10% of the bottom performers every year) believing that they are raising the bar on total performance. This philosophy simply won’t work for Healthcare organizations.

Another challenge with “Top Grading” is the lack of teamwork it can foster with competing interests, competitive egos and personal agendas (ever hear the saying, “Too many cooks spoil the broth” or we have too many chiefs and not enough Indians”).

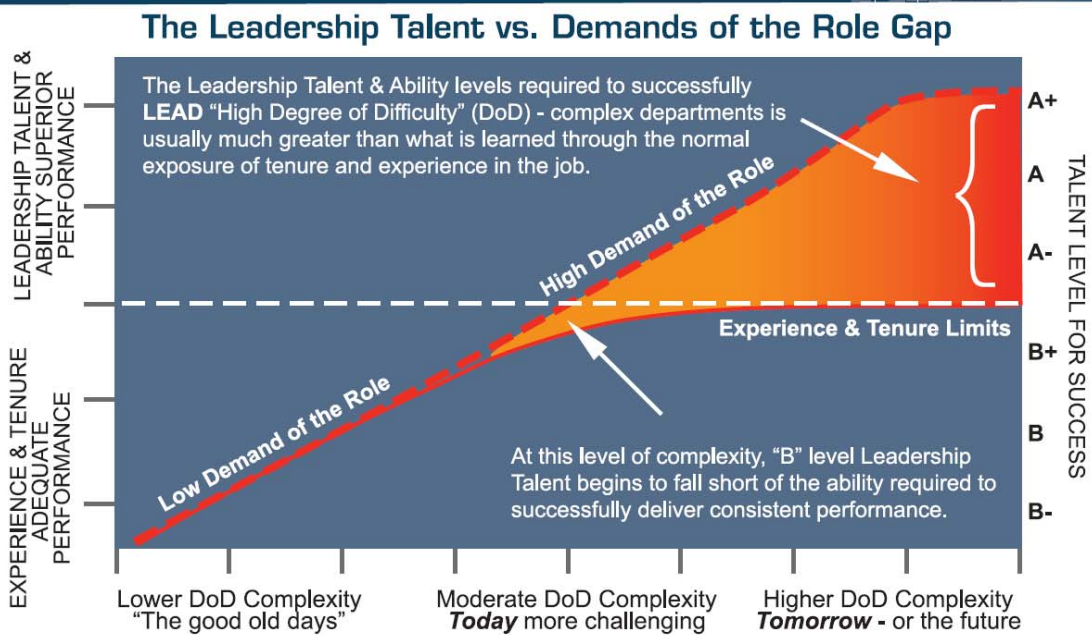
Remember, when it comes to recruiting talent business is ultimately a team sport.

I find it amusing that anyone with common sense and logic would think that assembling a team of all stars is practical, realistic and affordable (9 times out of 10, All-Star teams lose to athletic teams that have played together for a longer period of time). The most publicized exception is the “Dream Team” of NBA basketball players in 1992 that were so dominant and skilled compared to their competitors that it was really no contest (their average margin of victory in the 1992 Olympic Games was 38 points).

Well, business in any established industry is far more mature, sophisticated and competitive for anyone to gain that kind of advantage (think extreme parody). By the way, Microsoft claims to only hire the “best of the best.” If that were true, name one

thing that the entire company has innovated in the last 5 years. They are good at acquiring (buying) technical advances but they rarely innovate anything.

5.0: Talent Alignment & Performance



In the diagram above, tenure and experience hits a threshold limit when it comes to managing complexity. At some point, the difficulty in managing complexity requires leadership talent at the “A” level to achieve consistent good performance. Length of time working in a particular function does contribute to the ability to manage challenges but only to a point.

Tom Olivo is the President of Success Profiles, Inc. and the founding partner of Healthcare Performance Solutions (HPS), located in Bozeman, MT.



For an in-depth analysis of the subject matter discussed in this report, related case studies, and/or to review our complete service offerings, please contact us at: *Success Profiles, Inc.*
877-582-8884, www.successprofiles.com

