

Transformational Leadership in the Era of Healthcare Reform

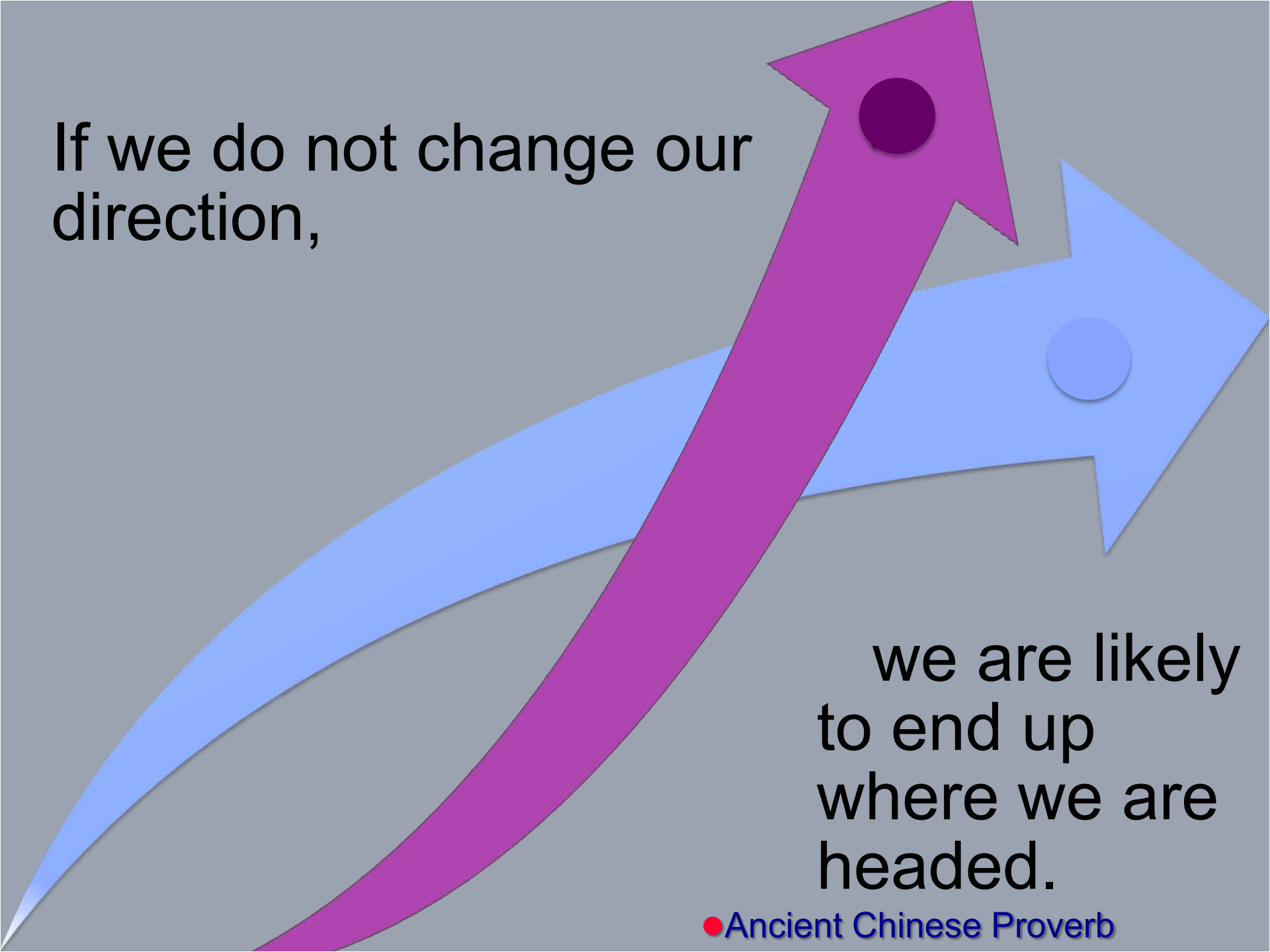
Lexington, Kentucky

November 11, 2011

If we do not change our
direction,

we are likely
to end up
where we are
headed.

● Ancient Chinese Proverb



We must transform our present Sick-care System into a Healthcare System



Health Goals of the Nation – 2020

A Society in which all people live long healthy lives

■ Overarching Goals:

- Attain high quality, longer lives free of preventable disease, disability, injury, and premature death.
- Achieve health equity, eliminate disparities, and improve the health of all groups.
- Create social and physical environments that promote good health for all.
- Promote quality of life, healthy development and healthy behaviors across all life stages.

Transformational Leadership

- **Transformational Leadership: To convert or convince others to adopt and embrace a new goal or vision.**
- **A transformational leader knows where he/she wants to go and how to get there.**

Transformational leadership

The Leader

- The leader must have integrity and command the respect and admiration of members of the organization.
- Must be a visionary

10 Tenets of Transformational Leadership

Leaders:

- have high moral & ethical values
- express genuine interest in followers
- have an inspirational vision.
- mentor
- and followers perform beyond self-interest
- Genuine trust exists between leaders and led.
- Followers share leader's values & vision
- Participatory decision-making is the rule.
- Innovative thinking & action is expected.
- Motivation is to do the right thing.

Transformational Leadership

Idealized Influence (1st Component)

- **The leader must be seen as taking action for the common good and for the followers.**
- **The leader must not be self-centered or self-serving.**
- **The leader must serve as a role model and be trusted by the followers.**
- **The leader needs to allow the followers to emulate the leader.**

Transformational Followers

- **Members of the organization are energized and recharged.**
- **The leader instills a strong sense of purpose in the followers.**
- **Followers develop a strong belief in the initiative.**
- **Because of the leader, the followers develop a strong belief in their capability to make a change.**

Transformational Followers

■ Intellectual Stimulation

- Train individuals to be effective communicators.
- Encourage the individual to be creative and to independently develop ideas and solve newly emerging problems. Challenge the status quo.

■ Individualized Consideration

- Address individual concerns with data and facts.
- Followers can share their ideas.
- Recognize the contribution of each Follower.

Keys to Achieving Performance Excellence - Organizational Culture Transformation

- Promote open, active communication and teamwork**
- Aggressively embrace collaboration and transparency**
- Actively encourage ideas and innovations**
- Establish a work environment built on mutual respect and shared accountability.**

Transformational Message

- **A clear and understandable message will cut across different socioeconomic groups.**
- **An inspirational, short, clear, easily understandable message that is one which supporters will want to repeat.**
- **Repeatability is of paramount importance.**

Ordinary Message vs. Transformational Message

- **“The rate of Methicillin-resistant Staphylococcus aureus is rising in our hospitals. This is one of the most common and serious deadly infections affecting patients. Public reporting is one of the main tools recommended by the CDC to address this epidemic.**
- **Kentuckians have the right to know the MRSA rates in their facilities.”**

8 Truths About Health Care in America

- Spend more money than other nations – 2.5 T
- Shorter life span, not healthier, higher IMR
- Smoking is on the decline.
- 67% overweight, 33% obese, 8% DM
- Improvement in preventable causes of death, 27%
HBP
- Lack of access to health care – 51 million
- 40% little exercise
- 83% do not eat 5 fruits and vegetables/day

Demographic Trends & Burdens of Disease

- An aging population
- Aging of Baby Boomers (1946-1964)
- Living longer (49.9 years – 79.9 years)
- >Age 65 population to grow from 34 – 39 M
- Fastest growing segment is > age 65 group
- Increasing number of minorities
(20% - 1980) (32% - 2010) (50% - 2050)

More Demographic Trends & Burdens of Disease

- Increasing number with income >\$50,000
- Widening of gap between rich and poor
- Increasing incidence of chronic disease
- Rising healthcare expenditures as % of GDP
 - 5% - 1960
 - 14% - 1990
 - 16% - 2007
- >Age 85 population to grow from 4.2 M in 2000 to 21 M by 2050

Shifting Needs for Health Care

- Declining disability rates among age 65 and older.
- Fewer family to provide care
- More women in work force
- Increasing demand for health workers
- Less use of nursing home beds
 - 41/1000 in 1995
 - 47/1000 in 1977

Healthcare Workforce

- The largest healthcare workforce is patients.

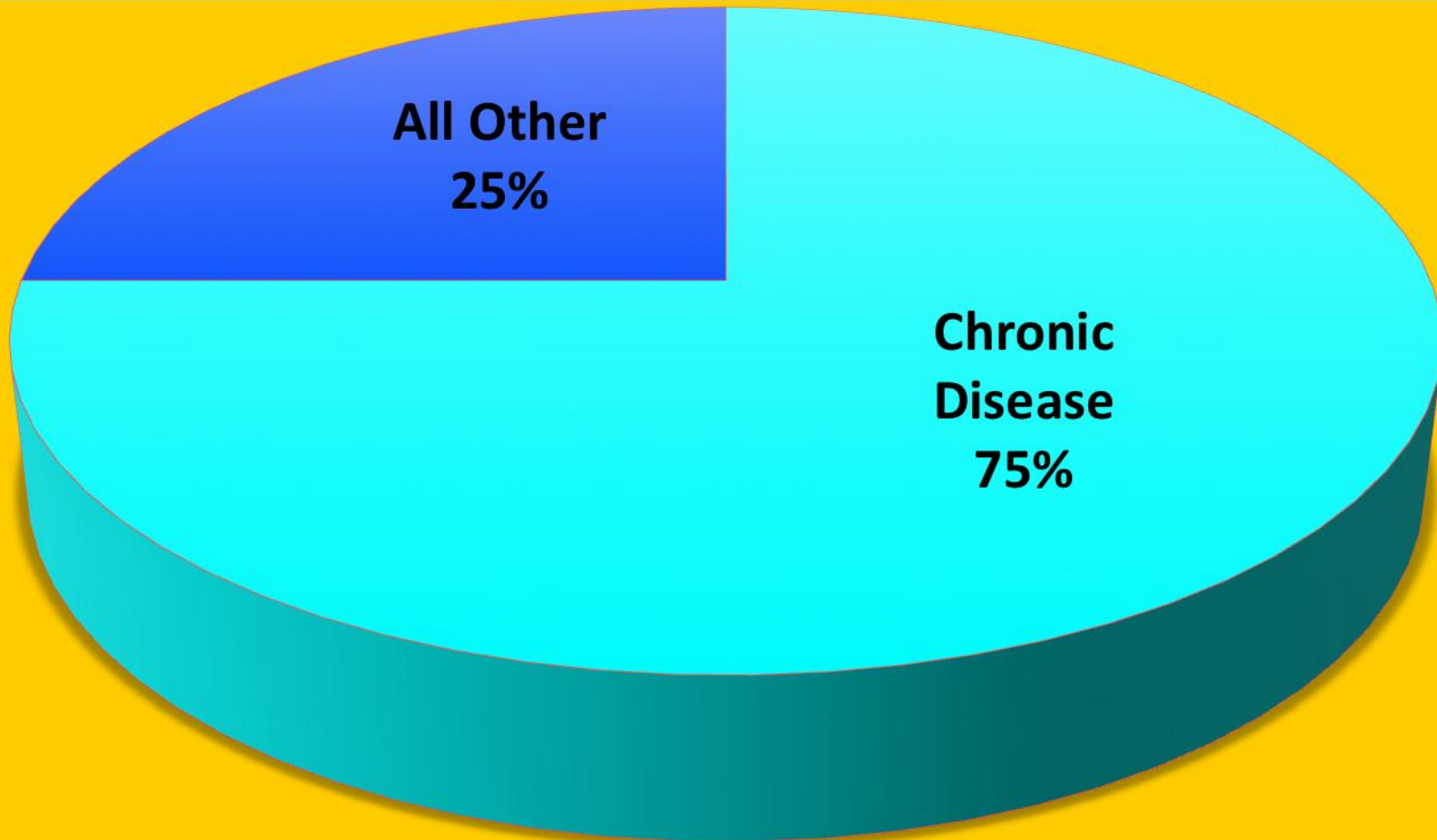
In 2000 we have:

- 782,000
Physicians
- 2 Million RNs
- 600,000 LPNs
- 1.5 M Nurse's Aids

In 2020 will need:

- > 1 Million
- 2.8 M
- 0.9 M
- 2.3 M

Chronic Disease consumes more than 75% of our national healthcare resources.



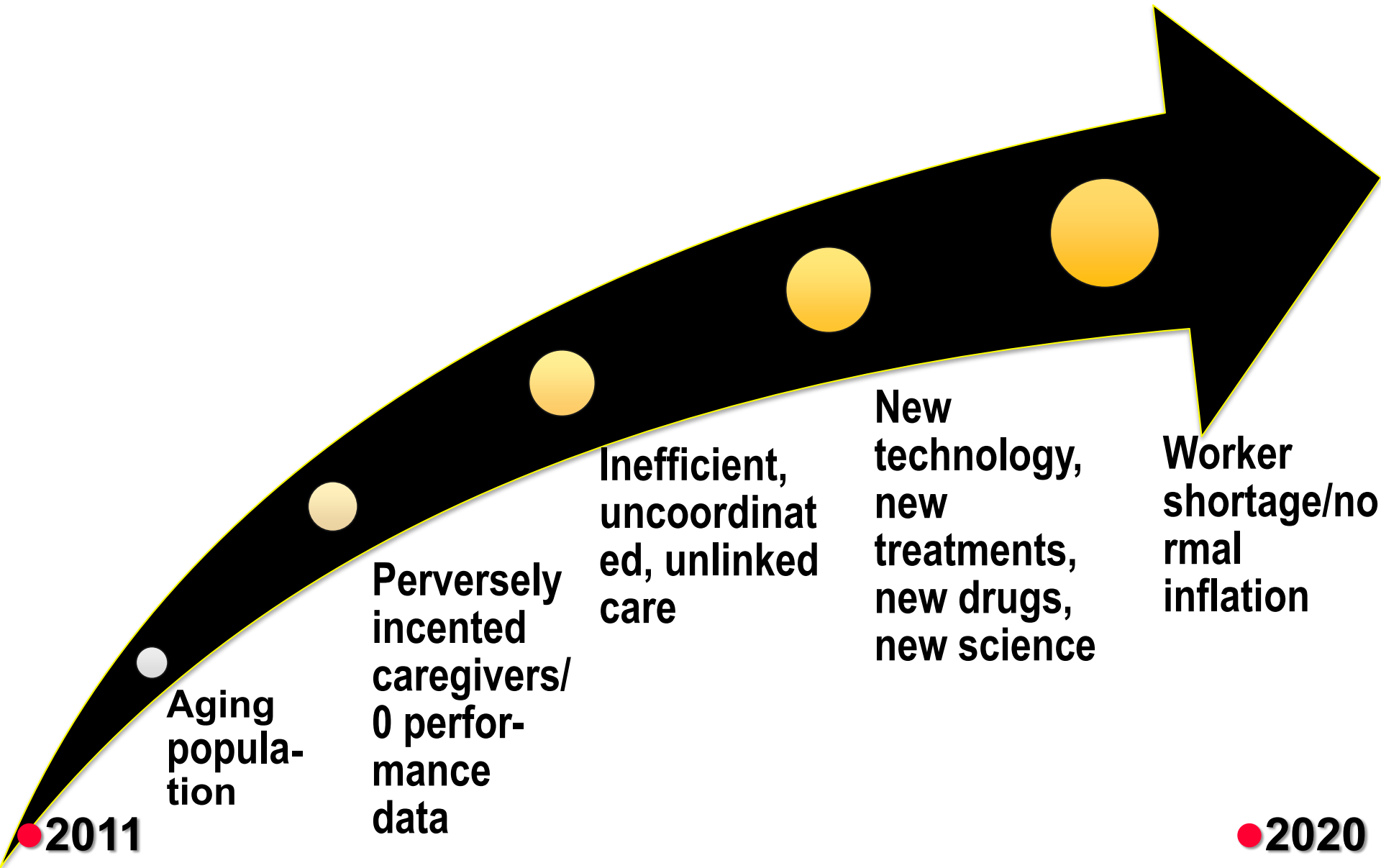
Major Chronic Diseases

- **Heart disease**
- **Stroke**
- **Cancer**
- **COPD**
- **Depression**
- **Diabetes**

Tools Needed to Improve Chronic Care

- **Universal Health Coverage**
- **Data – transportable and accessible personal health records for each person**
- **Care Connectors Connect caregivers using computerized data**
- **National culture of health**
- **Activity levels**
- **Focus, tools and health (new care strategies for America)**
- **Set goals to overcome each chronic disease**

Cost Drivers in American Health Care



**Inspirational
Motivation**

**Bass's essential
components to
move followers
into the
transformational
style**

**Intellectual
Stimulation**

**Idealized
Influence**

**Individual
Consideration**

Transformation of Health Care Strategies:

- Educational strategies
- Access strategies
- Prevention strategies
- Intervention strategies
- Strategies of compassion
- Research strategies
- Political strategies
- Leadership strategies

Role of Healthcare Leaders in Transforming our Sickcare System

- Transformation, Transparency
- Responsibility, Reorganization
- Advocate, Awareness, Action Plan
- Network
- Stimulate, Success
- Focus on health and wellness
- Open, Opportunity
- Research, Risk, Reach out
- Motivate

THE END