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Systems Thinking Helps Leaders Handle Change

Seeing Patterns Aids Problem Solving



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he only way healthcare leaders can deal with complexity and rapid change is by using "systems thinking," a view of the world radically different from the traditional reactive, top-down management perspective, says Alain Gauthier. With systems thinking, leaders can create organizational cultures that adapt to change by encouraging learning among all people in the organization.

Gauthier explored how leaders can shift their thinking, and thus the performance of their organizations, at a November Catholic Health Association conference for leadership teams. Gauthier is a consultant in organizational redesign and director of Core Leadership Development, Oakland, CA.

In organizations that use systems thinking—"learning organizations"—leaders see how the parts of a whole relate to each other. Rather than reacting to events with short-term solutions, they solve problems by analyzing the organization's underlying patterns and structures.

But in many organizations, crisis management is a way of life. Gauthier said managers' "quick fixes," which may yield some improvement, fail to get at the fundamental cause.

Learning organizations' leaders must be willing to take the long view and not trade off long-term performance improvements for short-term gains. Gauthier said it will take 15 years to measure healthcare improvements in communities. "Forprofit organizations need results in the short term. That is why they don't have a prayer," he added.

STRUCTURES IMPEDE CHANGE

The organization's structures often impede change, and Gauthier urged conference participants to examine their structures—for example, policies and procedures, values, mental models, incentive and performance management systems, communication flows—to see if they support the organization's vision.

He advised leaders to assess their own behavior in perpetuating dysfunctional structures. Gauthier particularly deplores the nation's cultural bias toward action, rather than inquiry—the willingness to test assumptions. "How many people are promoted for inquiry—asking difficult questions, challenging beliefs, raising embarrassing issues?" he asked.

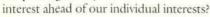
Inquiry is difficult, Gauthier said, because it is countercultural. It requires acknowledging that no one person always has the right answer. Leaders of learning organizations take the time to listen to others in a true dialogue. They explain their reasons for asking questions and ask for more facts or examples to get new information. This contrasts with how we typically discuss: "We don't listen while the other person is talking; we just prepare to demolish their argument."

Leaders can become systems thinkers by looking

ONLINE DIALOGUE

Alain Gauthier is facilitating a continuing dialogue on organizational culture on CHAOnline, CHA's interactive information services available on the World Wide Web. Participants at CHA's cultural transformation conference, which will be held again in March (see ad on back cover), received a free three-month subscription to CHAOnline to help them join the dialogue. For more information on CHAOnline or the culture dialogue, contact Ed Giganti at CHA: phone, 314-253-3506; e-mail, ed.giganti@healthonline.com; fax, 314-427-0029; mail, 4455 Woodson Road, St. Louis, MO 63134.

at problems not as single events, but as issues that may indicate a trend or pattern. Gauthier suggested that managers ask themselves such questions as, What structural causes might explain where we are today? Is the problem slowly getting worse? What new problem is this solution likely to create and when? Are we getting addicted to this way of dealing with the problem? Are we putting the system's





Gauthier proposed new roles for healthcare leaders as they transform their facilities into learning organizations:

- Midwife. The leader helps others give birth to their visions.
- Custodian of the organization's vision. "When things get difficult, we tend to release the vision," Gauthier warned, and the leader serves as a steward to preserve it.
- Gardener. Gauthier sees the leader as a "gardener of people" who helps others voice their views.
 - Designer/architect of new structures.
- Learner/listener/researcher. A leader who is a lifelong learner has self-confidence tempered by humility, is willing to change a theory according to the results of research, and is vulnerable and receptive, according to Gauthier.

LEADER AS TEAM BUILDER

In all these roles the leader acts as a team builder. As Gauthier noted, most decisions are made in teams; so team learning is essential for successful, learning organizations. Healthcare leaders can create a workplace culture in which teams function at a high level, but this takes time. Gauthier said that successful, learning teams:

- Share a vision—a clear definition of the desired outcomes of the team's work
- Hold themselves accountable for high performance
 - Live by behavioral ground rules
- Have a high level of trust among team members
- Reason productively about members' behavior and team dynamics
 - Challenge one another's positions openly
 - · Acknowledge and avoid defensive reasoning
 - · Learn from mistakes and failures

• Feel empowered and take risks

"Managers are under tremendous pressure to get the job done fast," Gauthier said, which impedes curiosity and openness. "The challenge for managers is to take time, on the job, to really learn," he said. They should not do it alone but find colleagues "to take time out with."

Gauthier's premise that learning is the key in successful organizations

is confirmed by CHA's own study of leadership competencies (see Box). "This is about a shift of mind," Gauthier said. With leaders who are capable of making that shift, Catholic, not-for-profit healthcare organizations can easily become learning organizations. Clearly, their values already support systems thinking, with its emphasis on collaboration, teamwork, and learning.

-Judy Cassidy

LEADERSHIP COMPETENCIES

Research guided by CHA's Center for Leadership Excellence affirms Alain Gauthier's beliefs about successful leadership. An extensive study* identified the following competencies as the critical leadership requirements for Catholic healthcare in the twenty-first century:

- Achievement Motivation
- Information Seeking
- Analytical Thinking

CULTURAL TRANSFORMATION

- Shaping the Environment
- Positive Regard for Others
- Self-Confidence
- Organizational Awareness
- Interpersonal Understanding
- Insight-driven Strategic Action
- Positive Affiliation
- · Faith in God
- Finding Meaning
- Service to the Poor
- Integration of Ministry Values
- · Firmness and Compassion in the Face of Failure
- Genuineness
- Moral Wisdom
- Change Leadership

*The study report, "Transformational Leadership for the Healing Ministry: Competencies for the Future, "and "Sowing the Seeds of the Future," a reprint of three articles from Health Progress, are available from CHA's Center for Leadership Excellence. For copies, contact Dottie Freitag at CHA (314-253-3458). For information about the center, contact Executive Director Regina Clifton, 4455 Woodson Road, St. Louis, MO 63134 (314-427-2500).