



Center for  
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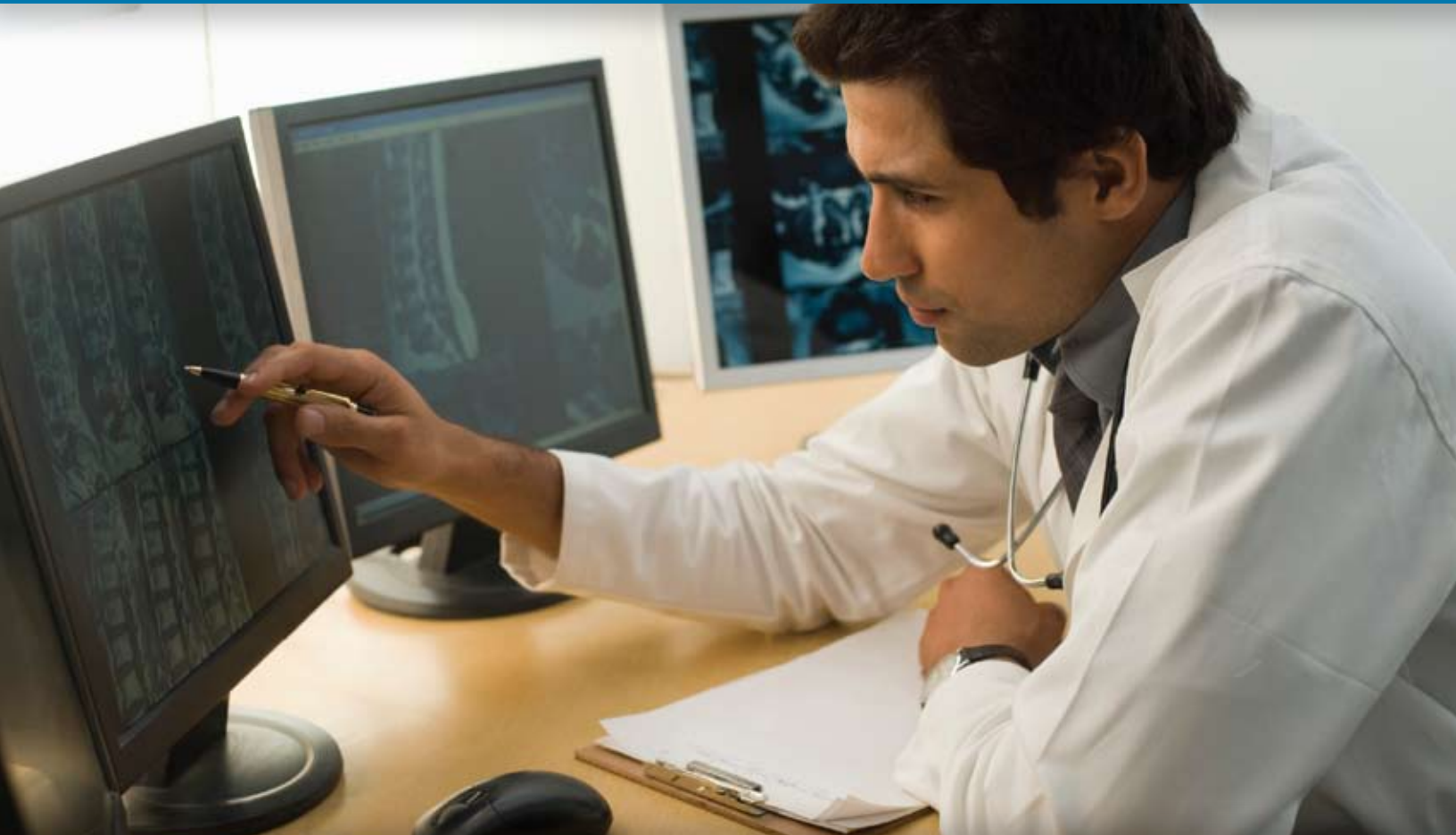
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# Cape Fear Valley Health

## Transforming Healthcare

Story of Impact | September 2011 | Industry: Healthcare



### CCL Solutions:

- Participatory Discovery Process
- 360 BY DESIGN® Feedback
- Customized Development Programs
- Personalized Coaching
- REFLECTIONS® Follow-Up Assessments

## The Challenge

Cape Fear Valley Health (CFVH) is among North Carolina's largest and busiest health systems. A decade of rapid growth has propelled the organization from a small county hospital into a thriving health system with over 5,000 employees, 765 beds and 935,000 annual patient visits. Today CFVH is poised to become a major regional player. The organization knows, though, that managing continued growth and responding creatively to ongoing change will be critical, especially in a time of upheaval in the healthcare industry.

In 2008, CFVH hired a new CEO who believes that innovative leadership is critical to achieving growth and service excellence in this dynamic environment. He wanted the organization to have a customized, comprehensive leadership development process that would positively impact performance.

## The CCL Solution: Building Empowered Leaders

New CFVH Senior Vice President of Human Resources, William Pryor, had previous experience with the Center for Creative Leadership (CCL). He made a compelling recommendation that the CFVH executive team collaborate with CCL to design, deliver and evaluate a highly effective leadership development initiative that would empower its leaders.

The process began with an interactive discovery and diagnostic process led by CCL. Experts engaged top leaders in identifying the organization's key business challenges and the critical drivers of leadership strategy. They facilitated a collective dialogue among 40 leaders, including the CEO, executive team, directors and managers, to thoroughly understand all the issues the system faced and to gain commitment and support for the development process.

William Pryor remarked that participants deeply appreciated CCL's skill, thorough understanding of the issues, focused attention and depth of discovery. "Everyone was heard, and the core issues needing attention became crystal clear," he said.

The discussions provided important insights into the individual and collective leadership competencies the organization needed to meet its challenges - as well as potential barriers to success. Broad support surfaced for leadership development at all levels in order to improve patient care and service quality, drive superior performance, promote collaboration, manage change and become more strategically agile. There also was a realization that mid-level managers were especially critical to the organization's success. They would need to become more accountable and more active in making decisions in order to move the organization toward its business objectives.

Using the detailed data collected from discussions with the CFVH leadership team, CCL identified the following top-priority leadership challenges:

- Leading a growth strategy
- Leading people
- Managing the business
- Creating a culture for service excellence
- Improving inter-departmental communications

In addition, six leadership capabilities were identified that would be critical for the organization's success, now and in the future:

- Participative management
- Perspective-taking (system view)
- Effective communication
- Change leadership
- Action-taking (collaborative decision making and follow-through)
- Business perspective

These findings provided a foundation for CCL's program design and for implementation of a customized leadership development process that would align CFVH's culture with its strategic initiatives.

# Leadership Transformation: Making a Cultural Shift

## Objectives

- Prepare top 125 directors and managers with knowledge, skills and abilities to tackle the complex business challenges of the organization and the healthcare industry.
- Infuse leaders with a strong cross-functional, proactive, innovative approach to managing current and future challenges and to fulfilling the organization's mission and vision.

## Outcomes

- Within a year of completing the program, senior executives, directors and managers have undergone significant growth in areas identified as critical to the organization's success.
- Participants have gained confidence in taking on greater responsibility.
- Observers report improvement in seven high-priority core competencies: participative management; communicating effectively; leading change; taking action, making decisions and following through; influencing leadership, power; business perspective; and perspective taking.
- Participants have a renewed commitment to continuous development of their leadership skills.
- A cultural transformation has broken down barriers. Leaders are embracing cross-boundary collaboration, resulting in a deeper understanding of the organization as an interrelated system. They are becoming more agile and creative in their responses to both short- and long-term challenges.
- The leaders report their working relationships have become more cohesive, collaborative and productive, demonstrating a greater ability to focus on the organization's mission: Providing exceptional healthcare for all patients.
- Evidence suggests a significant impact on organizational outcomes, including an improved bottom line, improved patient satisfaction rates, improved employee retention and a leadership team poised to navigate the uncharted waters of healthcare reform.

CCL designed a five-day, experiential leadership development process for five groups made up of the top 125 leaders of the health system. The program was designed to promote individual, team and organizational leadership capabilities - teaching senior leaders to work collaboratively to solve challenges in a way that went beyond standard structural and operational boundaries.

Cape Fear Valley Health Chief Executive Officer, Michael Nagowski and Senior Vice President of Human Resources William Pryor set the stage for success by personally communicating the urgency and importance of the training to CFVH's viability.

Over an 18-month timeframe, all key leaders went through highly participatory sessions held at the Center for Creative Leadership campus in Greensboro, North Carolina, away from the day-to-day demands of the job. In fact, managers back home were asked to refrain from communicating with participants while the program was underway.

CCL administered 360 BY DESIGN® assessments and personality measurement tools to help participants gain insight into their individual strengths, challenges and long-standing patterns of behavior exhibited at home and on the job. Individual coaching sessions helped each leader integrate the findings into a succinct, personalized development plan.

Much of CCL's program for CFVH focused on teamwork and coaching, including the skills needed to form and empower teams and to build trust. Intense, interactive exercises allowed participants to look beyond job titles and functions to see their colleagues in a new light and to understand their own organizational impact. Videotaped role-playing

provided a platform for practicing collaborative leadership skills and for tackling significant issues of importance to CFVH.

Those who participated in the program say it was transformative – even life changing – and revealed an entirely new model for individual and collective leadership. The process ignited a metamorphosis of the structurally embedded, crisis-oriented approach to leadership and moved the organization towards a proactive, empowered and collaborative leadership practice.

CCL surveyed all 125 participants about FVH's *mission, consistency, involvement* and *adaptability*. This data was used to structure large-scale change initiatives that bridged departments and groups. Individuals were asked to consider how they could impact management practices, business tactics, hospital processes, employee satisfaction and the overall organization culture.

As CFVH leaders learned to prioritize and work creatively across functions, practices, work shifts and geography, entrenched barriers began breaking down, resulting in a stronger sense of interdepartmental cooperation. Leaders gained a clear view of their individual strengths and challenges and were poised to begin developing important leadership competencies among those the next level down in the organization. They used coaching, workshops and development experiences to help them build a new culture and share what they had learned.

## Building Connected Networks

With their newly discovered “connective tissue” – cross-functional groups with traditional boundaries removed – and the clarity of a shared mission that transcends traditional silos, leaders have built momentum for positive change throughout the organization.

The engagement of the CEO, the Senior Vice President of Human Resources and other senior executives has encouraged leaders to continue growing and exerting their influence long after the conclusion of their five-day workshop. Key executives who were part of the initial training continue to meet during CFVH's annual leadership retreat to share their experiences and insights. They are strengthening leadership networks across the health system and are poised for success in an uncertain and evolving environment. They are planning additional leadership development initiatives in partnership with CCL.

# Impact

CFVH's work with CCL has resulted in a number of significant, measurable outcomes that are impacting individuals, the organization and its mission.

A post-program evaluation tracked the progress of participants using CCL's REFLECTIONS® tool, a 360-degree follow-up assessment measuring behavioral changes and organizational implications. Fifty-seven participants (78 percent) from three cohorts participated, as well as 517 CFVH observers (bosses, peers, direct reports and other colleagues). The results show that the program resulted in noticeable improvements in leadership skills and in the application of those skills at both the individual and organizational levels. As with most CCL programs, the participants reported greater change than their observers reported. This is most likely due to the challenge any one individual has in observing the multiple leadership behaviors and related impact of another person.

The most significant improvements were noted in the following four leadership competencies:

- Perspective-taking
- Effective communicating
- Participative management
- Action-taking (making decisions and following through)

## Individual Impact

For each item, more than 90 percent of participants who responded to the survey and more than 75 percent of their observers reported improvement in:

- Ability to use feedback to make changes
- Awareness of impact of behaviors on others
- Use of communication channels
- Ability to work across organizational boundaries

## Organizational Impact

The aggregated data reflects the substantial organizational impact of the program on:

- Cross-boundary collaboration
- Management capabilities
- Work group collaboration
- Focus on organizational mission
- Coaching environment

Figure 1: Individual Impact (from Reflections data)

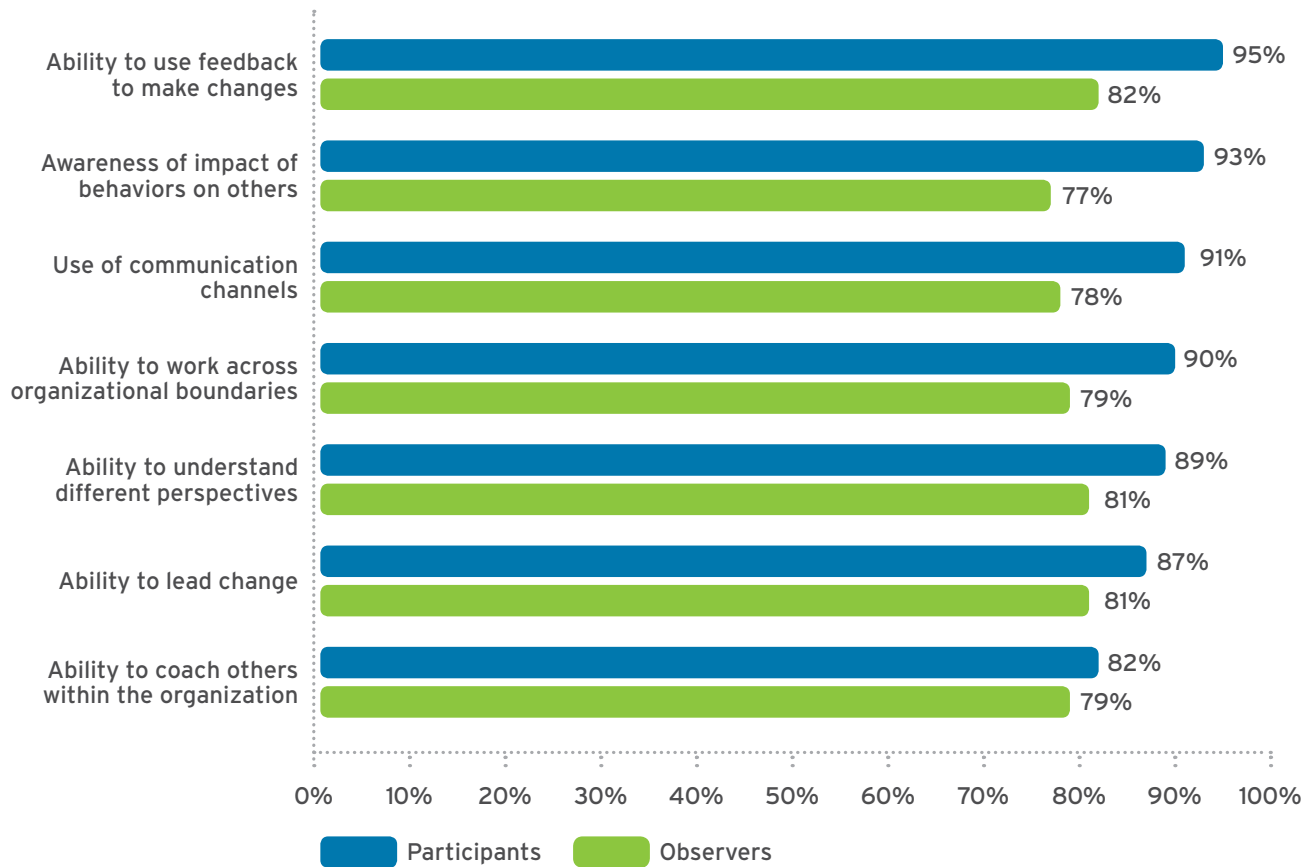
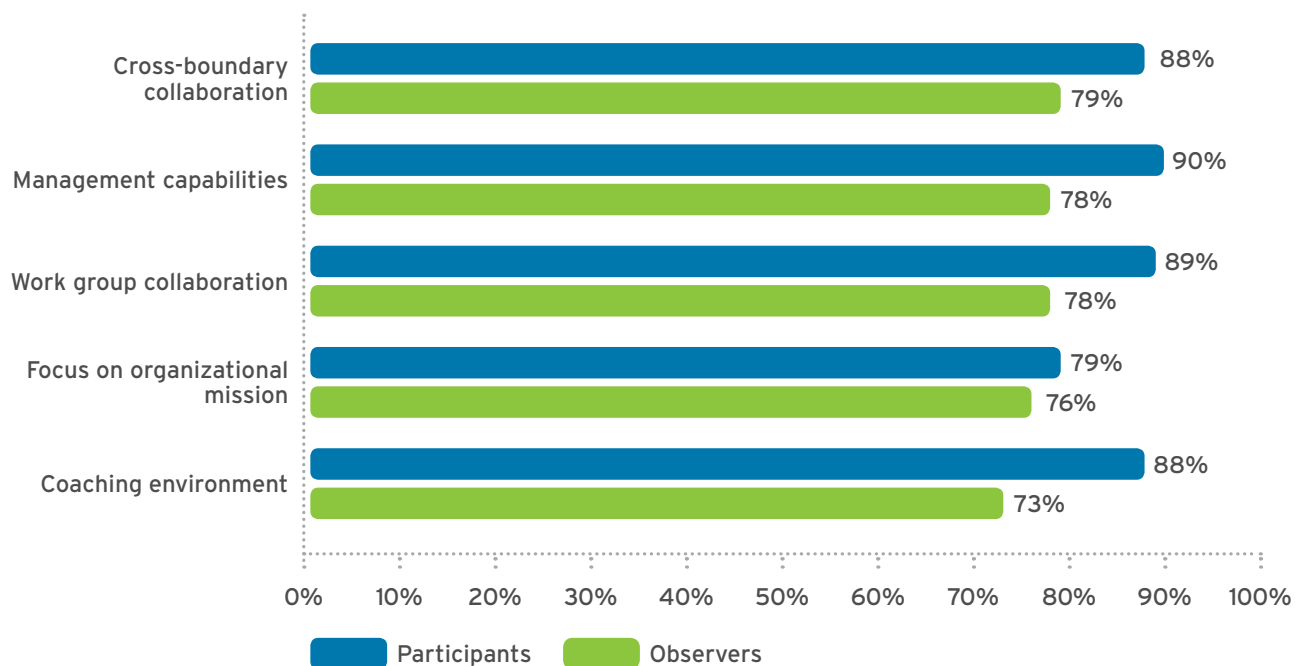


Figure 2: Organizational Impact (from Reflections data)



# Advancing CFVH's Agenda

Ultimately, the leadership development initiative CCL designed has transformed CFVH in fundamental ways. Program participants are working across barriers on initiatives that are making a significant impact in advancing the organization's agenda. They are committed to sustaining the kind of leadership CCL helped them cultivate so that it is hardwired into their culture. And despite new challenges and issues, leaders and staff report they are highly prepared and functioning far more efficiently than before. Examples of the positive influence of the program include:

## Financial Results

- CFVH's bottom line has improved each year since the launch of the leadership initiative. According to William Pryor, "this improvement, in part, results from a more focused, aligned leadership team resulting from the CCL experience."
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## Patient Satisfaction

- Patient satisfaction scores have improved significantly in an 18-month period – benefitting from cross-boundary leadership and from a far more cohesive improvement process developed by CCL alumni.
  - CFVH has realized a consistent improvement in patient "throughput." Within one year of the CCL development initiative, sick patients were getting to a bed faster and progress was made in reducing emergency room waits.
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## Employee Retention

- Turnover, a challenge for most health systems, has dropped by three percent since the program began. The organization hopes to have greater reductions in the future.
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## Ability to Navigate an Uncertain Future

- Senior leaders at CFVH are now confident they have the right leadership process in place to prepare new and existing leaders to address reform and the challenges of a shifting healthcare marketplace.

## Factors Contributing to the Program's Success

- A collaborative partnership between CFVH and CCL to create a carefully tailored, custom program that addressed CFVH's unique needs.
- Dialogue that created a deeper understanding about the changes required of the senior executive team and the leaders reporting to them.
- Robust CEO and senior executive involvement, including meetings with each group during and after training, and listening to and implementing recommended changes.
- Steadfast involvement of key leaders across the system to expedite positive change.
- Post-program focus on operational improvement projects that allowed cohort groups to use their new skills to make tangible improvements and further the organization's mission.
- Openness to transformative adaptation, which allowed an individual leadership program to evolve into an organization-wide initiative.

William Pryor says the changes in the organization are clear. "As a large regional healthcare system, we face new challenges every day," he says.

"Working with CCL has helped us fortify a strong leadership team by providing the leadership tools to perform our jobs more effectively. As a result, we are more agile in dealing with tough challenges like patient satisfaction and other operational issues. We are now faster at getting to the root of problems – and developing creative solutions to solve them. That makes a real impact on our bottom line!"

CEO Michael Nagowski agrees, summing up the impact of the experience this way: "CCL's leadership training resonates in every area of our organization. With newly-developed skills and a deep understanding of how to respond, collaborate and creatively adapt to constant change, our leadership team is better equipped to move us into a new era of exceptional performance and outstanding service to our patients."

## Conclusion

Using multiple diagnostic tools early in the process provided a clear picture of the short- and long-range challenges facing CFVH leadership. Using this data, CCL created a customized and comprehensive leadership development initiative that has had a profound and positive impact on individuals, groups and the entire organization. The follow-up evaluation reveals that participants experienced a cultural transformation. Now cross-boundary collaboration is empowering leaders to focus proactively and creatively on the organization's mission: Providing exceptional healthcare for all patients.



## About CCL

The Center for Creative Leadership (CCL®) is a top-ranked, global provider of executive education that accelerates strategy and business results by unlocking the leadership potential of individuals and organizations.

Founded in 1970 as a nonprofit educational institution focused exclusively on leadership education and research, CCL helps clients worldwide cultivate creative leadership – the capacity to achieve more than imagined by thinking and acting beyond boundaries – through an array of programs, products and other services. Ranked among the world's Top 10 providers of executive education by *Bloomberg BusinessWeek* and the *Financial Times*, CCL is headquartered in Greensboro, NC, with campuses in Colorado Springs, CO; San Diego, CA; Brussels; Moscow; Singapore; Pune, India and Addis Ababa, Ethiopia. Its work is supported by 500 faculty members and staff.

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