



Contrarian Wisdom

By Clay Sherman

Management Malpractice

In the 1990s, business schools were confronted with research that showed their vaunted management programs weren't producing executives capable of getting business results. Said Stanford professor Jeffrey Pfeffer, "There is little evidence that mastery of the knowledge acquired in business schools enhances people's careers, or that even attaining the MBA credential itself has much effect on graduates' salaries or career attainment."

And it has even less to do with an organization's success. An MBA or MHA does not a management pro make, only the discipline of implementing management knowledge, and correctly practicing the craft can do that. Likewise, FACHE certification doesn't mean you know how to run a hospital. It just means you got another merit badge. I'm not against these credentials; I just don't buy the idea that letters after a name means a person knows how to manage.

Too many execs play at management, but they don't play to win. They play softball, not hardball. They fail to do the tough tasks of management, opting for the easy stuff like building a new wing rather than building the organization's human intellectual capital. The steady double-digit turnover of hospital execs each year and the continuous pattern of non-stellar results point to a systematic error in how management is being practiced. Something is wrong at Our Lady of Perpetual Deficit.

A profession is defined as meeting certain criteria, notably: a common body of knowledge resting on a well-developed, widely accepted theoretical base; practitioners that

follow the findings of their research base, i.e., they practice according to guidelines of what really works; and standards of conduct that are enforced by peer review and other regulatory procedures.

When management is compared to established professions like medicine along these criteria, one finds it wanting. At the heart of the problem is management malpractice. Ethics is only a symptom. The larger problem: managers who don't know their craft and who manage with about as much real authority as a kid with a sheriff's badge they got out of a Cracker Jack box.

Part of the problem lays in the fact that many people in management, across all industries, view themselves as tradesmen; it's just a job. They occupy seats of authority, put in their time, suck up coffee and donuts in the cafeteria, but they don't have the skills to do the work required. Before readers take up stones and small caliber weapons against me, I hasten to add that some leaders clearly are professional in both conduct and results. However, the uncomfortable truth is that hospital management is not fully professional across its ranks, and the results show it.

Vince Lombardi once famously observed: "There are two kinds of players: the professionals and the ding-a-lings." Men and women struggling to make healthcare work aren't ding-a-lings, but many are ineffective. They may not be losers, but many aren't winning. Why do these management teams come up short at trophy time? The answer is they are unprepared amateurs. Claiming to be a professional doesn't make you one.

Is there a body of knowledge that, if implemented in the American hospital, would reliably create a high performance organization? Look around—there are hospitals operating profitably, with happy customers and little turnover. They aren't just lucky, they're management skilled.

The Apostle Paul ranted about those "having a form of godliness, but denying the power thereof." We have a form of management but deny its power—we fail the test of being all that we can be. Gold standard management begins with gold standard managers. They thrive in an environment where excellence is expected and delivered on a daily basis—they become the yardsticks of quality. The winning organization knows that careful selection and grooming of its leaders spells its future.

Clay Sherman is the author of Creating the New American Hospital and Raising Standards in American Healthcare. A member of the Healthcare Management Hall of Fame, Clay provides an extensive free resource library of management high performance materials at www.GoldStandardManagement.org. Comments or suggestions are welcome at drcalay@GoldStandardManagement.org.