

Case Study: Leading Organization Renewal

A Rigor of Discipline

In an interview with Bill Gonzalez, President of Butterworth Hospital, (Grand Rapids, MI) he tells how he took a stable but non-aggressive organization and led it to become a “lean, mean, fighting machine” in less than two years. Under Gonzalez’ leadership, Butterworth Hospital morphed into Spectrum Health, a *Top 100 Hospitals Winner* 1994, 1995, 1998; *America’s Top 100 Integrated Health Care Systems Winner* 1998

Q: Bill, what was Butterworth like when you first arrived?

A: I found a hospital that had done very little work toward organizational development. As in most hospitals, Butterworth was highly sophisticated medically and technically, but not in management. In terms of planning and action, it had been extremely conservative. Organizational development, educational activities, and professional development had not been promoted as top priorities. The management staff had been extremely stable with very little injection of new blood or ideas. I found myself in an environment that was relatively successful in terms of its finances, but embarrassed by having to become highly competitive.

Q: What did you see as immediate needs?

A: The organization needed some rejuvenation while the staff required a better sense of the rapidly changing industry. I needed something to help me neutralize the normal and inherent resistance to change. Lines of communication between divisions and departments (management and non-management) had to be opened. To achieve long term goals, we had to become one team working toward a common end.

To become a team takes a rigor of discipline and commitment where every single person contributes for the very best outcome. To communicate and cement this idea throughout management takes an enormous amount of trust in each other. To get the

trust, there must be openness. I knew these needs could be met when I first experienced Clay Sherman.

Clay caught my eye because he showed the exuberant positivism and energy we were looking for in a facilitator. He represented the real quest of excellence that we wanted for Butterworth. We engaged the process of becoming excellent by using The Uncommon Leader course as the vehicle for organizational change. I felt significant freedom and flexibility working with Clay. It was easy to make his course Butterworth’s course.

Q: How did The Uncommon Leader course affect the participants?

A: The beginning of the program was really exciting! Being a new experience for most, there was a mix of curiosity and anxiety as participants realized they would be interacting in close proximity with colleagues they worked with but, in reality, hardly knew. One of the greatest things about the course is that it is an absolute equalizer. We all became students on a first name basis. The vice presidents and I had an immediate awareness of an organization-wide eagerness to talk and share. The whole program was geared not only to the development of managers and the organization, but to a socialization process that would bring about trust. We began hearing from people who had never been vocal before.

The best news is that the trust is still building. At Butterworth, head nurses are considered assistant department managers but were never included in management meetings. When these nurses were invited to participate in The Uncommon Leader, cheers of appreciation went up. This helped establish an environment that's drastically changed from the old one in which different forums stood for different strata.

There are other examples that the course is working, such as the numerous suggestions for new program development and staff people presenting proposals. One idea about expanding a unit was put into practice two weeks after it was suggested. We started to see exactly what Clay was saying---people have tons of ideas. Not only did our old culture inadequately promote the exchange of ideas, it did everything to devalue such aggressiveness. Now people are more freely sharing ideas, and better yet, many of those are being put into practice.

Q: Did you get a return on your investment?

A: We believe the return could be in the millions. At this point, we are well on our way with 100% return already received on our investment since graduation four months ago. With the options I added (an off-site location, overnight accommodations etc.), we increased the cost about 30%. For a \$150 million dollar operation, the participant cost per day was very reasonable. We consider this a small price to pay for such a long term investment.

Money saving changes are happening so fast that they can be seen everywhere. Yet the return is more than just on the bottom line. We have identified a very clear and obvious culture change which still has the steam,

excitement, and headiness experienced during the course. This assisted us in learning the importance of working as a team. We started with three different groups---vice presidents, department managers, and assistant department managers in nursing. All represented points of view that were rarely shared between groups. Now we're a single body of people who know each other and have a working understanding of each other's concerns, priorities, and problems.

Dr. Sherman and his course motivated us to be far more sensitive to ourselves as a group. We are now aware of the power we have as a team and of our tremendous potential. We're a group desirous of sharing with each other the thrill of being the very, very best. The return on our investment will be seen in our bottom line and maybe even more importantly, in the charge of excitement in the air around Butterworth.

The Uncommon Leader Course verified my faith that I had good people. They needed to be shown a workable system of management that could support them within a corporate culture. Results are going to come out of this program for years and years to come. Our people are committed to the values we worked jointly to forge. I received a letter from one of our department managers. His words speak for all of us:

I have committed myself to do outstanding work as a manager. I am telling my people that my dream is for us to be the best and the most productive department at Butterworth Hospital. I am proud to be a member of this winning team. It is much more than fun!

