

THAXTON[™]
INTERIM LEADERSHIP

Driving Through
Curves: Choosing the
Right Interim Leader
at the Right Time

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In the novel "The Art of Racing in the Rain," by Garth Stein, aspiring professional auto racer Denny is considered to be one of the best drivers in wet conditions. When explaining how he drives differently than others, a method that garnered him his reputation, Denny states, "Very gently. Like there are eggshells on your pedals, and you don't want to break them. That's how you drive in the rain." However, Denny's caution was partnered with an aggressiveness, albeit calculated, in the place where races are won and lost: at the curves of a course. Navigating curves was not unfamiliar territory to Denny. He had been through them before, from his experience driving in previous races to his mental preparation by walking the course ahead of time and making micro-second decisions from behind the wheel during the race; he knew what to expect ahead of time and had an innate ability to respond on the fly. His typical approach to curves was calm control. Specifically, as Garth Stein so eloquently penned through the eyes of Denny's four-legged companion, Enzo, "He relaxed on the wheel at the apex and the car drifted toward the exit and he was full on the gas and we flew—flew!—out of that turn and toward the next and the next after that." Describing the curves, Enzo stated, "Each one is different, each with its own particular sensation, but each so magnificent!" Frightening, unfamiliar and yet exciting at the same time.



There are a lot of parallels to Denny's approach to driving through curves and how an experienced Interim leader transitions an organization through a change in leadership. After all, changing leaders, whether at an organizational or departmental level, is often a curve no one sees coming; and, when it is seen, how well it is negotiated can directly determine an organization or department's future strategy, performance and retention of key staff. If leadership change is not seen or anticipated, and taken too fast, an organization runs the risk of losing control and "spinning out." If it is taken too slowly, an organization runs the risk of getting passed by others, not functioning properly, thus taking it out of the race. However, when planned correctly, and an organization can hit the apex of its curve at precisely the right moment, with momentum and acceleration towards the future. Which is why choosing the right leader to negotiate its curve at the right time is critical.

However, who is that "right" leader? Unless there is a succession plan in place, which only half² the hospitals in the country have, naming that leader is a mystery. **Is it an internal resource or an outsider? Is it an interim leader or a consultant?** In the Thaxton Leadership series titled "Interim Leaders: Allowing for a Deliberate, Positive and Successful Transition," the case was made about why there are distinct advantages to hiring an experienced external interim leader as opposed to sliding an internal resource over to bridge the transition. Furthermore, the case was made to not only hire an experienced external interim leader, but to charge that person with:

1

All operational duties, responsibilities and authority of the permanent leader

2

Facilitation of the search for the permanent leader

3

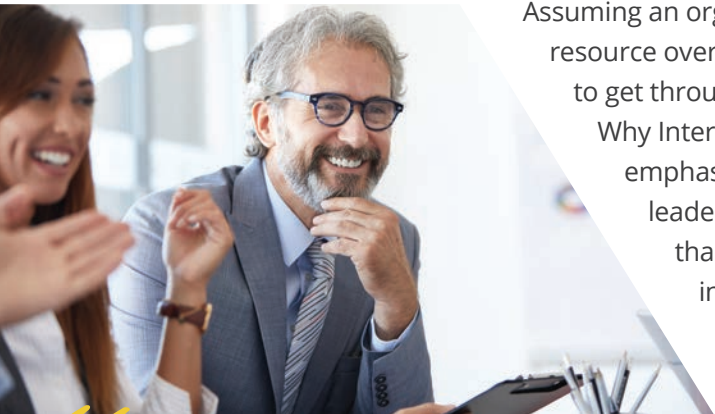
The development of a short-term strategic plan to ensure the organization is properly led out of the transition

Using the metaphor of a curve, these are efforts to ensure an organization comes out on the other side with momentum, acceleration and control of its direction.

Also as stated in the Thaxton series, sliding over an internal person to serve as an interim leader may seem logical, especially in a department or division leadership role, as he or she already knows the organization and can start immediately. However, doing so can create a vacuum of responsibilities. By shuffling resources around to fill a void, new voids are created. An organization becomes, in essence, a “sliding tile puzzle,” where internal resources are constantly moved around to cover open positions. No matter how hard one tries, there is always an open spot in the puzzle. In other cases, where one resource assumes two roles (their current role and the open position), even for a short term, a dilution of responsibilities occurs. As a result, performances may suffer. This is especially true for people who assume new responsibilities for which they were not prepared. While an organization may no longer have a void, it now has one person performing jobs previously justified as needing two persons. Either an organization was overstaffed prior to a leader’s departure or is understaffed after a leader’s departure. Furthermore, as 25% of hospital CEO searches take more than six months, and director and divisional roles seeking a person with five years of experience can take at least that long or even longer, having internal people in dual roles, especially roles for which they may be unprepared, can create stress for even the best leaders and organizations.



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Assuming an organization agrees with the approach to not slide an internal resource over as an interim leader, the organization must reach outside its walls to get through a leadership transition. In his book “Rise of the Gig Leaders: Why Interim Leaders are Vital in Today’s Organizations,”³ author Neil Grant emphasizes the differences between two outside resources interim leaders and consultants. According to Grant, interim leaders do more than “bridge the gap” between leaders. Specifically, he states, “An interim’s critical contribution is to accelerate, redefine and deliver organizational change.” In other words, bringing an organization out of a “curve” with momentum, acceleration and control of its direction. Grant continues, “Interim does not necessarily mean holding a transitional role between permanent appointments,” referring to how interims are sometimes misused as “gap-bridgers.” Rather, he states, “The reason an interim brings value to an organization has a completely different dimension than to provide cover. An interim is a change agent, dynamic achiever

“An interim’s critical contribution is to accelerate, redefine and deliver organizational change.”

and motivated fixer!” Such a perspective is difficult to obtain from someone inside an organization, which reinforces the justification for using an outside resource. However, the use of an outside resource to serve in an interim leadership role is not always as simple as it sounds. Which is why Grant goes further in differentiating the roles of an interim leader and a consultant, roles and titles that are often looked at interchangeably.

Just as permanent leaders are, as Grant describes, “Custodians of policy, strategy, culture and results,” the major themes of organizational development, an interim leader’s focus is to set the permanent leader up for success by

“enhancing their ability to deliver on that custodianship.” By the nature of their experience driving organizational change, interim leaders not only position organizations to change but also accelerate the execution of this change. Interim leaders, in essence, hand off the organization at full speed, just as a sprinter hands off a baton in a relay race. During the hand-off, there is no time to slow down or drop the baton.

While the roles and expectations are often blurred between consultants and interim leaders, their roles and outcomes are quite different. Although there is often a crossover of some responsibilities, consultants typically enter organizations in an advisory capacity, focusing on specific outcomes, while

interim leaders address organizational preparedness for the permanent leader. In their book “A New Brand of Expertise: How Independent Consultants, Free Agents and Interim Managers are Transforming the World of Work,”⁴ authors Dennis Russell and Marion McGovern claim there is a simple yet distinct difference between the roles of an external consultant and that of an interim leader. “A consultant makes recommendations but does not get involved with implementation, while the interim leader does.” Although there is some risk to oversimplifying the differences between the two roles, a fundamental difference exists, nonetheless, which can make a world of difference when negotiating a leadership change. Recognizing this fundamental difference is not only essential — it is critical.

“*A consultant makes recommendations but does not get involved with implementation, while the interim leader does.*”

Understanding that an organization can benefit from an interim leader is half the challenge; the other half is finding and selecting the right interim leader. There are a number of ways to accomplish this goal, whether it is through an agency or search firm, or networking within an industry. Specifically, the healthcare industry is highly networked, where relationships matter.

For a high-quality interim leader, these relationships are built on a strong legacy of successful transitions, as measured by the success of the permanent leaders who followed the interims into their organizations. However, as relationships are also subjective, where the benefits of such lie in the eye of the beholder, solid references are a must. Most importantly, though, choosing the right interim leader depends highly on the needs and expectations of those seeking the interim leader. Often, leadership change is not planned, especially in organizations that have no succession plan. Rather, the leadership change is often a result of a hospital board or health system’s dissatisfaction with the previous leader’s performance, and a change in leadership is necessary. In other cases, the previous leader may have left suddenly to pursue another opportunity. In either event, a curve has been thrown in the organization’s path, when it may have least expected it. A leadership transition has been set in motion, and the process of finding the right interim leader must occur rapidly and deliberately.

In terms of finding the right interim leader, relationships, while essential, can take an organization only so far. Finding and vetting the right person can take time, which is one thing an organization with a leadership vacuum can least afford. To get the ball rolling, upon word or a decision a leader is leaving an organization, a task force must be created



to find the right interim. While time is of the essence, there is no room for haste. Instead, the task force should start with the departing leader's job description with responsibilities prioritized based on the performance of the organization and the goals of the strategic plan. From these prioritized responsibilities, areas of expertise can be identified and sought for the interim leader, knowing that an interim will also have expertise in other areas, including leadership and culture. Again, references are reinforcement that help to ensure an organization is getting what it needs based on past performances in other organizations. Firms such as Thaxton Interim Leadership can help "connect the dots" of relationships, areas of expertise and culture and reduce the necessary vetting timeline considerably.

Upon starting, the interim leader should be able to meet with key individuals and assess the needs of the organization, providing a work plan for the first 60 days within two weeks of starting. As changes of priorities happen, this plan is not etched in stone. However, the work plan should be respected and not changed drastically or too often; otherwise, there is no focus.

Recent studies are beginning to shed more light on the effectiveness of interim leaders during a leadership transition. According to a 2020 survey conducted by InterimExecs⁵, which queried more than 600 executives from around the world, 75% of whom were from the United States and 29% from within healthcare, four primary positive outcomes as a result of interim leadership were achieved: helping a growing organization get to the next level; helping integrate and merge companies; establishing a new technology system; and, designing a new product or service offering. 28% of respondents had previously held roles in the non-profit sector, while 16% had worked for Fortune 500 companies. Furthermore, while many respondents concentrate on working with organizations with revenues of up to \$200 million, a significant number concentrate on companies with revenues greater than \$200 million. As these statistics more than suggest, and additional studies⁶ confirm, **interim leaders are more than "gap-bridgers" and should be utilized to their full potential.** More than 42% of interim health care leaders have 20 years or more experience in permanent leadership roles before serving as an interim leader and now desire to work independently for finite periods of time, doing what they do best, and the talent for experienced interim leaders is out there.

"Corporate leaders need to recognize that in many cases the very, very best talent is in this piece of the population," Daniel Pink, author and workplace expert stated in the Harvard Business Review article "Rise of the Supertemp," when describing the role of the modern independent interim leader. "It used to be that someone who was out on



Benefits of Interim Leadership

- Helping a growing organization get to the next level
- Helping integrate and merge companies
- Establishing a new technology system
- Designing a new product or service offering

their own was 'between jobs.' Now it's the people who have the power in the talent market who are going that way." These are people who are comfortable at tackling challenges, so organizations can come out of the other side of a leadership change with momentum, acceleration and control of its direction. Or, as Enzo so eloquently said when describing Denny, being the best at handling curves.



42%

of interim healthcare leaders have 20 or more years of experience in permanent leadership roles before serving as an interim leader



About the author

Robert Thorn, MBA, FACHE, is an Advisor to Thaxton Interim Leadership and has served in both interim and permanent healthcare leadership roles across the country.

1. <https://www.garthstein.com/works/the-art-of-racing-in-the-rain/>
2. <https://trustees.aha.org/aha-2019-national-health-care-governance-survey-report>
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4. <https://marionmcgovern.com/a-new-brand-of-expertise-book/>
5. <https://interimexecs.com/interim-executive-survey-2020/>
6. <https://kirbybates.com/blog/what-are-the-benefits-of-interim-leadership-in-healthcare/>

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