

## Management

# Leadership Competencies: Knowledge, Skills, and Aptitudes Nurses Need to Lead Organizations Effectively

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The healthcare workplace is comparable to what a person sees when looking through a kaleidoscope: as the moments pass, an endless variety of patterns emerges. Undesirable patterns that have materialized include the widely publicized shortage of nurses in the workforce and the high rates of turnover among nurses. Healthcare organizations increasingly depend on recruitment and retention of nurse-managers to reverse these trends.

Critical care nurses become leaders through a variety of routes, many of which do not include formal managerial training or education. To produce positive results, critical care leaders need effective strategies to manage departmental operations and inspire staff. One strategy used by chief nursing officers, professional nursing associations, and employers is to design and implement formalized critical care leadership and managerial training programs that are evidence based and results oriented. In "Leadership Research in Business and Health Care," Vance and Larson<sup>1</sup> report an underuse of evidence-based research in the development of healthcare leaders. The evidence-based research that is available is largely descriptive and is poorly translated into healthcare.

In this article, I provide a compilation of practical managerial skills for critical care nurses in formalized managerial roles, as well as leadership skills that are useful for all nurses. These skills are based on my managerial and leadership experience, the findings of numerous experts, and healthcare and business resources.

The highly divergent and dynamic leadership skills described herein mirror the responsibilities of critical care managers. The skills also illustrate the need for open-minded leaders who collaborate with colleagues and peers to prepare for and respond to the multifaceted challenges that arise every day. For purposes of clarity, the leadership skills are grouped into 4 main categories:

1. organizational management
2. communication
3. analysis/strategy, and
4. creation/vision.

Included in each of these categories are key skills and abilities that make leaders effective. Although the categories are an artificial separation of skills that intertwine and overlap, the skills are discussed separately for the purpose of explaining each skill and demonstrating its applicability. Despite the expansive nature of this topic, the examples are brief; the references cited provide additional information and resources.

Administrative teams can use these leadership skills as the foundation to create competency-based job descriptions and development programs for nurse-leaders. Table 1 summarizes the skills reviewed in the following paragraphs.

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**View this table:** [Table 1 Nurse-leader competencies](#)

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## Organizational Management Skills

Healthcare businesses can benefit from examples of other successful organizations. The book *Built to Last*,<sup>2</sup> a study of successful corporate habits, indicates that continuity of leaders and ongoing leadership development contribute significantly to the success of an organization. Organizations and their shareholders benefit if employees are taught to manage time, information, human resources, change, revenue and expenses, information technology, and equipment. In a follow-up research book, *Good to Great*, Collins<sup>3</sup> describes a level 5 leader as one who builds enduring greatness through the use of personal humility and professional will to mentor others to do the right thing, one who takes responsibility for failures while giving credit to others for their success, and one who relies on inspired standards to motivate others. He states that level 5 leadership is one of the key determinants of organizational greatness. The essence of "great" leadership is effective management of oneself and others in response to a variety of situations. Therefore it is essential that leaders learn to manage their emotional response to a variety of situations and others' actions.

How staff members perceive nurse-managers is critical to recruitment and retention efforts. Wieck et al<sup>4</sup> suggest areas for the betterment of current and future leaders. They indicate that the entrenched and emerging workforce wants leaders who demonstrate honesty, integrity, and optimism. Workers want good communicators who are receptive to others and who are motivational, fair, approachable, and empowering.<sup>4</sup> Results of "Reversing the Flight of Talent," a survey of 1600 staff nurses conducted by the Advisory Board's Nurse Executive Center, indicate that nurses want to work for effective nurse-leaders.<sup>5</sup> Of the nurses surveyed, 84% had considered leaving their jobs because of dissatisfaction with their direct managers; however, only 43% of nurses surveyed who were very satisfied with their managers had still considered leaving nursing.<sup>5</sup> Incorporating research findings on healthcare and business leadership into educational programs for nurse-leaders will expand and enhance their leadership skills.

## Managing Time

Effective leaders use successful strategies for time management. Often leaders allow minutes and hours to be wasted on nonessential tasks such as opening mail, filing, and responding to noncritical requests from others. Effective leaders use self-discipline to organize these tasks and assign priority to projects that produce results. By learning from management experts such as Stephen Covey, nurses can perfect their time management skills. In his book, *The 7 Habits of Highly Effective People*,<sup>6</sup> Covey eloquently describes a time management matrix that provides a guide for understanding the relationship between important, not important, urgent, and nonurgent activities (Table 2). This tool encourages leaders to focus most of their time on nonurgent activities (quadrant II).<sup>6</sup> For example, a director's budget (quadrant II planning and quadrant I deadline-driven projects) is due in 3 days and a friend calls to get advice on vacation plans. The director correctly responds by asking the person (quadrant III interruptions and quadrant IV some phone calls) to call the director in the evening at home. If a leader participates in activities in the upper right corner of the top part of the table, the results outlined in the upper right corner of the lower part of the table will ensue. Planning will result in vision and perspective; whereas the continual management of crises will result in stress and burnout (Table 2). A leader can use this matrix to prioritize tasks and responsibilities, reducing time wasted on nonurgent activities. This example is an easy distinction; however, managers face much more subtle choices, making the disciplined use of the matrix even more important.

**View this table:** [Table 2 Time management matrix](#)

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A leader can use time efficiently while building staff members' self-esteem, as exemplified by the concept of 1-minute praise described in the *One Minute Manager*.<sup>7</sup> Finding creative, quick, and individual ways to thank staff members, colleagues, and customers is an important leadership skill. Effective time managers find easy ways to acknowledge staff, such as keeping thank-you cards tucked in their organizer or putting reminders in their personal digital assistant. While waiting for meetings to start, leaders write thank-you notes to staff members and others who exhibit exceptional behavior and mentoring activities. The personal acknowledgment of staff members builds morale and improves retention.<sup>8</sup>

Delegation skills are critical to a leader's ability to manage time. Leaders do not have to do everything. Their role is to ensure completion, monitor ongoing progress, and affirm that interventions produce results.<sup>9</sup> A leader's effectiveness is maximized by assigning appropriate tasks and projects to staff nurses and other administrative support personnel. Ales<sup>10</sup> describes a 4-step process that guides readers through the art and science of delegation: choosing a task that can be delegated, assigning it to the right person, communicating clear instructions, and

soliciting feedback.<sup>10</sup>

## Managing Information

Managing information is critical to a leader's success.<sup>2</sup> Without timely statistics and outcomes data, managing in accordance with budget targets and performance measurements is difficult. Effective leaders are able to share statistical and outcomes data with staff members to gain the members' participation in meeting budget targets. Additionally, comparing internal (benchmark) data with data from similar organizations is helpful. Resources such as the National Database of Nursing Quality Indicators<sup>11</sup> provide data on a variety of benchmarks such as nursing skill mix, nursing hours per patient day, pressure ulcers, and falls. The Advisory Board<sup>12</sup> is another resource that showcases a variety of best practices. Collaborating with colleagues, with peers, and within professional organizations is another way to gather information about trends and successful solutions to operational dilemmas. Critical care nurses manage large amounts of complex data about patients, and nurse-managers are required to do the same with operational data.

## Managing Human Resources

An enormous part of the nurse-leader's role is the management of human resources, specifically nursing resources. Considerable attention is paid to the complexities of understanding people, because just as with a disease, it is easier to implement interventions if the diagnosis is known. Geddes et al<sup>13</sup> conclude that a need exists for fiscal accountability, quality-enhancing management strategies, and personnel management. How to involve and engage critical care nurses should be included in the training of nurse-leaders. Kouzes and Posner<sup>14</sup> concluded that genuine caring for people (critical care nurses) is at the heart of effective leadership. How critical care nurses interact with patients and with colleagues directly affects not only satisfaction among customers and employees but also the safety of patients. Therefore, teaching critical care leaders how to manage human resources is vital to an organization's success.

The human resources department and hospital policies guide nurse-leaders in decision making. The current nursing shortage and high turnover rates indicate a need for collaboration and close working relationships with human resources professionals. Those professionals can track the reasons for high turnover, vacancies, and/or excellent retention of critical care nurses. Mark and Critten<sup>15</sup> suggest that the future focus of human resources departments should be organizational central intelligence and the facilitation of organizational learning and creativity.

Siddiqui and Kleiner<sup>16</sup> reviewed human resources operational management and concluded that health-care organizations should adapt the latest methods used by human resources professionals. These methods include encouraging diversity in the workplace, promoting from within the company, and cross-training personnel whenever possible.<sup>16</sup> Ridenour<sup>17</sup> reports that leadership competencies influence patients' outcomes, continuous learning, relationships with customers, use of resources, strategic planning, and compliance. How employees are treated and mentored is critical to retention efforts; therefore, management training should include interpersonal skills and strategies for responding to different personalities.

Leaders learn strategies to create a culture of understanding through the use of personality-profiling tools. Effective profiling tools are non-judgmental, accurate, applicable, and easy to understand. One of the best-known tools is the Myers Briggs Type Indicator.<sup>18</sup> This tool is an instrument for measuring a person's preferences by using 4 basic scales:

1. extraversion/introversion,
2. sensate/intuitive,
3. thinking/feeling, and
4. judging/perceiving.

Combinations of the different preferences can result in 16 personality types. An understanding of the personality type is crucial to a leader's ability to empathize with another person and what that person may be experiencing.

The Keirsey Temperament Sorter<sup>19</sup> is a profiling tool based on the theory that every personality has 2 sides. Temperament is partially inherent at birth, whereas character is a set of learned habits or skills. With this tool, temperaments are sorted into 4 basic categories with multiple combinations. Persons with artisan temperaments are predisposed or born to impulsive action; those with guardian temperaments, to responsible service; those with idealist temperaments, to personal development; and those with rational temperaments, to objective analysis. The survey consists of 70 questions and results in a person's profile of combinations. The temperament analysis is a method for understanding a person's character through the identification of the person's learned habits and skills.

A newer profile that is nonjudgmental, accurate, applicable, and easy to understand is Time Typing.<sup>20</sup> The titles "Past," "Present," and "Future" are metaphors for physical time and are used to explain that opportunity, knowledge, and control are reference points from which persons interpret situations and make decisions. This model also helps persons understand what motivates them, how they gain self-esteem,

how they communicate, and what types of reward systems they prefer.

Persons of the Past type are attuned to information and risk aversion. Past-oriented people are very comfortable with gathering and analyzing data and they seek the "truth." Persons of the Present type are attuned to control. They create organization out of chaos and excel at creating and following a plan. They have patience and strive to create stable harmonious environments, often by maintaining the status quo. Persons of the Future type are attuned to opportunity. They thrive on chaos and change. They don't want to miss an opportunity so they don't turn anything down but will quickly abandon things that won't work. Theorists think that people have some characteristics of all 3 types, but everyone has a primary or dominate perspective or "way of looking at the world."

Time Typing does not have complex combinations of "types" that require the learner to focus more on understanding the personality profile than understanding a person's decision-making style. It is an ipsative tool that compares the person to himself or herself. Most of the other profiling tools are normative, ranking the person against others and creating a judgmental environment that contributes to selection bias. Time Typing also includes tools to help evaluate team dynamics and a decision wheel that helps leaders facilitate decision making. Its simplicity makes it a powerful corporate training tool. Table 3 is a comparative representation of the 3 types of tools: Myers Briggs Type Indicator, Keirsey Temperament Sorter, and Time Typing.

**View this table:** [Table 3 Comparative profiling tools](#)  
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Understanding cultural norms and diversity is just as important as understanding individuals. Dreher and Macnaughton<sup>21</sup> contend that cultural competence is really nursing competence. As communities become more diverse, it is important that leaders adopt strategies to teach, provide feedback, and motivate persons from different cultural backgrounds and different skill mixes. For example, asking patients to participate in focus groups and report their feelings and perceptions of their treatment allows managers and staff to see the world from the patients' eyes, including the patients' cultural views and norms.

Leadership mentoring bridges the regulatory and subjective aspects of human resources management through the pairing of experienced leaders with novice leaders. To illustrate a type of mentoring, Montgomery<sup>22</sup> presents a descriptive method whereby an experienced professor mentors a doctoral student in the needed leadership and administrative experiences. The mentoring of new critical care managers by the chief nursing officer should occur over time and is enhanced through the resolution of increasingly complex situations.

## Managing Change

Critical care leaders must respond to new regulations, changing economic conditions, consolidations, and/or hospital closures. Because of the rapidly changing external environment, it is increasingly important to understand how leaders anticipate and implement change.<sup>23</sup> Nurse-leaders exert significant influence in the change process.<sup>24</sup> Menix<sup>25</sup> states that "without appropriate educational preparation nurse managers may not have the competencies to effectively manage accelerated change." The article by Menix is part 1 of a 2-part review of the literature and Delphi validation study on change management. (The Delphi method is a process in which a questionnaire is distributed to experts who independently complete it; the results are evaluated to determine the likelihood that certain events may occur.) Critical care nurses can use this evidence-based information to educate each other about change. Nagaïke<sup>26</sup> applies the categories of change, identified by change management expert Anthony Robbins, to healthcare organizations and concludes that "clear communication, accurate data and flexible plans are vital to managing effective change and providing quality care."

Implementing and responding to change requires that leaders be able to evaluate the change process. Deming's model of change, Plan-Do-Study-Act,<sup>27</sup> is prevalent in healthcare organizations:

1. Plan: identify and clearly define the problem.
2. Do: develop and implement a solution.
3. Study: analyze the problem, identify the root cause, map the process and what affects it.
4. Act: evaluate the results and make modifications if necessary.

This concept was first discussed by Skewhart<sup>28</sup> in 1939 and then made famous in the 1950s when Deming encouraged the Japanese to adopt it to promote continuous quality improvement.<sup>29</sup> Carney<sup>30</sup> presents a change management model that enables leaders to evaluate the process. Understanding why nurses resist or accept change enables a leader to communicate why change is necessary and to mentor others through the change process.

## Managing Revenue and Expenses

International studies indicate a global need for financial education for nurse-leaders.<sup>15,31,32</sup> Courtney et al<sup>31</sup> cite financial management as 1 of the 3 top areas in which development is most needed. Nurse-managers must have basic knowledge of financial management. Interpreting financial statements, understanding performance ratios, and recognizing the time value of money are essential when financial forecasts and cost implications for business plans are being estimated. Understanding cash flow from when a patient registers to the point of collection of the patient's bill facilitates the design of effective processes.

Leaders must understand how their organizations formulate budgets and how their chief financial officers prioritize capital equipment purchases and expectations for managing in accordance with a unit's budget. To compile a capital budget, managers must understand the financial implications of leasing versus purchasing, the expected useful life of equipment, and estimated maintenance costs. Understanding how to calculate a return on investment when proposing new technology, such as computerized documentation systems, enables critical care leaders to conduct cost analysis of different systems and options. The chief financial officer may not take proposals for new technology, additional staffing, and/or equipment seriously unless financial justifications are included.

Critical care leaders should collaborate with the finance team to understand projections for activity of the health plan, changes in suppliers' prices, and demographic forecasts for the community. This collaboration is crucial to budget planning.<sup>32</sup> Forecasting the number of patients expected, salaries, and supplies can be challenging, especially because the number of patients treated depends on external factors. It is important to know the cost per unit of service so that staff and supplies increase as the number of patients increases. Knowledge of expiring supplier and provider contracts helps leaders anticipate the effects of budgeted rates and numbers of patients. Collaboration of nurse-leaders with financial staff helps improve cash flow and the organization's financial health.

## Managing Technology and Equipment

A basic understanding of information technology is essential for critical care leaders.<sup>9</sup> Today's information-rich environment means leaders must understand how a hospital's information systems work and how to use technology to make processes and operations more efficient. Regulations such as the Health Insurance Portability and Accountability Act of 1996 affect computerized nursing documentation tools and protection of patients' information.

Nurses who have mastered technology can devise technological interfaces to gather statistical data that assist in efficient management of critical care units. Technologically savvy nurses can use Web technology to make educational materials and programs, such as videoconferencing and Webcasts, easily accessible for patients and clinicians. Critical care nurses can use software on their wireless personal digital assistants to look up, verify, and calculate medication dosages or concentrations of intravenous infusions to reduce medication errors. Wireless personal digital assistants and laptops improve fast and efficient communication. Enabling patients' televisions with Internet access to facilitate the dissemination of disease-specific education for patients enhances the discharge process. Technological advances surround critical care nurses and nurse-managers. Harnessing technology in conjunction with current research findings improves operational efficiencies and patients' outcomes.

## Summary

Each organization has unique operational issues and managerial supports. To successfully overcome the challenges faced by an organization, nurse-managers must work with supervisors to hone the necessary leadership skills.

## Communication Skills

Communication occurs through speech, nonverbal signals, and written documentation. It is essential that leaders disseminate and interpret information quickly and accurately. A 2-year study<sup>33</sup> of Chilean nurse-leaders suggested that leadership is characterized by exerting a positive influence on others through good communication. At the root of effective communication is delivering the message in such a way that the listener will hear it. The concept of "seek first to understand, then to be understood" is one of *The 7 Habits of Highly Effective People*.<sup>6</sup> It is very important for a leader to understand what employees need and want, as well as what motivates them. Simulation and role-playing are effective methods for improving communication skills.<sup>34</sup>

## Communicating Vision

Leaders should be able to inspire passion for and commitment to an organization's mission by communicating a vision. The mission is what the organization strives to accomplish; in other words, the reason the organization exists. The vision is the creation of a "picture" of how the mission is going to be accomplished. Vision is also about understanding how to rally people around an idea. All operations, education, goals, and strategies should be linked to the vision and should fit in with the overall mission. For example, a hospital's mission could be "to provide access to optimal healthcare in our community." The vision is that the health system "be central in the community's efforts to be healthy, by creating caring environments for patients and clinicians by using technology and efficient operations." An example of a critical care

division's vision is "interdisciplinary collaboration to promote a caring and error-free critical care environment and delivery system."

## Communicating Organizational Structure

Understanding different theories of organizational structure is important. It is a myth that there is a single right or best organizational structure. Organization is a tool for making people productive when they work together.<sup>35</sup> To manage decision-making processes, the military uses command and control, whereas other organizations use self-governance models. Organizational structures like command and control work effectively in crisis or disaster management situations because decisions must be made quickly and there is little time for discussion. Collaborative and team structures are effective for improving processes and designing new programs. Effective communication of standards, responsibilities, and rewards translates into improved performance.<sup>8</sup>

Events such as the Enron debacle highlight the need for organizational structures and communication centered on rewarding integrity. Promoting the obfuscation of actual practices during surveys or billing audits sends the wrong message and often exposes facilities to whistle-blower lawsuits. In a recent study,<sup>36</sup> Arthur Brief, a professor at Tulane University's Freeman School of Business, found that 47% of executives were willing to commit fraud by understating write-offs to improve the profit outlook. Persons in subordinate roles often comply with their supervisors because most organizations are structured to produce obedience.<sup>36</sup> Leaders should promote trust and integrity through honest and factual communication.

## Communicating Continuous Learning

Continuous learning is essential at all levels of nursing, and learning about communication improves teamwork and reduces errors.<sup>37</sup> Lawson<sup>37</sup> recently reported that communication styles differ significantly between nurse practitioners and physicians. Lawson encourages providers to examine communication styles to help develop skills necessary to provide patient-centered care. An example of using communication to promote error reduction is a program termed MedTeams,<sup>38</sup> which focuses on use of self-discipline to develop behaviors that promote patients' safety. The program includes identifying verbal cues that help improve communication between physicians and nurses, such as restating or reading back verbal orders. The members of the emergency department at South Coast Medical Center in Laguna Beach, Calif, also use the phrase "may I speak freely" as a clue that the nurse, physician, or technologist is going to question the actions of the other person. Staff members are encouraged to question anything they feel is not "quite right." This freedom to question is based on the premise that humans are fallible and that it takes teamwork and systems to reduce errors. Encouraging employees to set career goals, including opportunities to improve communication and interpersonal skills, facilitates continual professional growth of employees.

## Communicating Change

The healthcare industry is funded in part with government monies; therefore, organizations are subject to considerable regulatory oversight. Regulations, laws, strategies, and technologies change frequently, and great organizations use the knowledge of change management to implement change successfully. The article by Weber and Joshi<sup>39</sup> that summarizes the information in current business and healthcare publications about how change occurs at the individual and organizational level is an excellent resource for nurses. Critical care managers need to communicate frequently with staff to reduce the stress of a transforming environment. Timing is everything. Teaching leaders to recognize when employees are overwhelmed and how to intervene to improve the situation is essential.<sup>40</sup> Communication is a critical managerial skill, and when effectively used during the change process, it is exceptionally valuable.

A key leadership responsibility is communicating effectively with others. Inspiring and leading critical care nurses can be a powerful result of cogent communication. Therefore, nurse-leaders must continually enhance and improve their understanding of efficacious communication mechanisms.

## Data/Operational Analysis and Strategy Skills

It is important to know how to analyze internal and external data, use effective decision strategies, analyze change, and formulate a business plan. In their publication "Reversing the Flight of Talent," the Advisory Board, Nurse Executive Center<sup>5</sup> states that the top 3 drivers of nurse departure are compensation, scheduling options, and intensity of work. Leaders must be able to assess external studies, articles, reports, and best practices in order to identify areas for improvement and potential solutions. A leader should be inquisitive and ask questions that have not been asked before.<sup>35</sup> Critical care nurses routinely use analytical and problem-solving skills to improve patients' outcomes. Similarly, critical care managers use their analytical and strategic skills to improve operational outcomes.

## Analyze Internal Data

What data do you need and how do you collect it? Leaders should be able to answer these 2 questions. They should also be able to convert an organization's goals and challenges into a plan of action. For example, a team is assembled to analyze how a unit is processing patients from admission to discharge. The members of the team review data and outline the key drivers that are influencing the processes; then they review

the literature and network with colleagues to determine the best practices. The team leader guides the team by ensuring that the members are meeting or exceeding expectations and operational goals in regards to the admission and discharge of patients.

### **Strategize External Opportunities**

External resources can guide critical care nurses in improving operational processes. The Leapfrog Group,<sup>41</sup> a national group of employers studying and responding to quality healthcare issues, was created to help save lives and reduce preventable medical mistakes by publishing hospital performance information so that consumers can make informed choices. For example, the group promotes contracting with critical care intensivists to manage admissions to intensive care units. Mortality rates are significantly lower in hospitals with intensive care units managed exclusively by board-certified intensivists.

A critical care clinical nurse specialist or nurse practitioner employed by the intensivist group can facilitate early discharge when the physicians are not immediately available. These nurse practitioners often work with multiple organizations' discharge processes and, on the basis of their nursing experience, can evaluate the different discharge methods and brainstorm with staff members to improve processes. Creating a culture of proactive discharge planning through the evaluation of best practices at other organizations is fundamental to efficient operations.

### **Strategize Effective Decision Making**

Tools such as Time Typing help leaders understand intuitive decision-making strategies. There are also tools such as the decision tree and force-field analysis that help a group analyze data and options when solving problems. Many of these types of tools can be found at the Mind Tools Web site.<sup>42</sup> Educating leaders and team members about different decision-making strategies cultivates critical-thinking skills. These tools encourage teams to remain focused as the teams evaluate possible solutions. Tools should be easy to use so that staff members do not spend more time learning the tool than evaluating the solutions.

### **Analyze and Strategize Change**

Leaders need critical-thinking skills to analyze and anticipate the effects of change and respond appropriately.<sup>24</sup> They need to create strategies to identify not only potential changes but also ways to position a unit to respond favorably to change. These related needs are why analysis and strategy are so closely linked. For instance, nurse-managers are obligated to understand billing and accreditation requirements in order to design documentation tools that proactively meet the ever-changing requirements. The implementation of ambulatory payment classifications requires that hospitals place a variety of codes on outpatient procedures and treatments (eg, use of intravenous infusions, Foley catheter insertions, radiographs). In order to expedite the coding process, documentation tools must be efficient for the nurses and must facilitate accurate coding and billing. Collaboration and critical-thinking skills are used by a unit's leader and team members to coordinate the implementation of ambulatory payment classifications and to maintain the unit's charge description master.<sup>43</sup>

### **Strategize a Business Plan**

Writing a business plan helps leaders set priorities and goals for current operations and future opportunities. Each leader should manage in accordance with the annual business plan of his or her unit. Elements of a business plan include the following:

- **Business history:** The history of the unit, division, or organization should be included if the readers need to know the historical perspective in order to support or approve the business plan.
- **Product or service:** The product or service section encompasses an overview of the service or product offered. For example, the burn intensive care unit provides expert physician and nursing care in a clean and comfortable environment that promotes physical and emotional healing as well as education for patients and patients' families.
- **Competition:** The competition section summarizes the strengths, weaknesses, opportunities, and threats of the organization or unit. Examples of strengths are a new unit with Internet access in each private room or an operating room with robotics. A weakness may be that the physical plant is 10 years old with semiprivate rooms, whereas competitors have private rooms. The profile of opportunities includes discussion about changing demographics. For example, a biotechnology company with 5000 employees is opening a new office next to the hospital, a situation that presents the opportunity to expand worker's compensation services to the new company's employees. The description of threats outlines new programs or services offered by competitors, regulatory changes, and new providers offering less expensive services (eg, urgent care centers or outpatient surgery departments).
- **Marketing:** The marketing section discusses the marketing strategy. For example, one hospital's marketing strategy may be to profile its profitable service areas, such as cardiovascular surgery, whereas another's strategy may be to profile its superior customer service.
- **Operations and management:** The section on operations and management should highlight the unique operational and management aspects of the critical care unit. For example, how and where the staff delivers services and if the unit or organization is superior in its performance benchmarks when compared with other units or organizations. For example, a transplantation intensive care unit can

promote its large number of kidney transplant recipients, the optimal outcomes for the unit's patients, and the unit's excellent customer satisfaction scores.

- **Goals and objectives:** The section on goals and objectives includes the goals of the unit or division and the mechanisms used to measure whether the goals are reached. For example, a goal is to improve customer service as measured by customer satisfaction scores. The unit will meet the goals by participating in multiple local and national educational programs to increase staff awareness about customer service initiatives. On the basis of the results, a customer service process improvement team is chartered to assess and redesign processes to enhance services.
- **Financial projections:** Financial projections include the financial outcomes of the business-planning efforts. For example, the business plan includes the purchase of a new computerized documentation and order entry system. This new system reduces errors that stemmed from illegible writing and missed orders. Because of the expanded remote access, it also enhances communication with physicians and patients. The financial projection includes the cost of the new system, potential cost avoidance through the reduction of liability, and personnel reductions due to elimination of paper records.

Writing a business plan is similar to the nursing process: assessment, objective and subjective data collection, evaluation, and planning. "How to Write a Great Business Plan"<sup>44</sup> in the *Harvard Business Review* is an excellent reference and outlines the important points of formulating a business plan in greater detail.

## Creation Skills

Nurse-leaders create opportunity, value, relationships, and quality for their employees, customers, and organization. For example, implementing a formalized mentor-training program to increase the retention of new graduates is a creative approach to retention. If a manager does not have a "creative" solution to a particular situation, the manager should be able to identify these qualities in others so that ideas for improvement are still brought forth for evaluation and implementation.

Emotional intelligence is the ability to manage one's emotions while having awareness of the emotions of others. For example when a nurse-manager jumps to conclusions or lets emotions control a situation, credibility as a leader is lost. Responding to staff in a punitive or irrational way is equally devastating to a manager's relationship with staff members. Freshman and Rubino<sup>45</sup> highlight the importance of emotional intelligence as an essential skill for healthcare managers. A leader with emotional intelligence is socially aware and has the interpersonal skills to listen to and respond appropriately to an employee. For example, while investigating a patient's complaint, a leader ascertains that the offending employee was previously subjected to verbal abuse. This knowledge allows the leader to help the employee understand his or her response to the demanding patient and subsequently make changes in behavior to respond appropriately to situations that elicit strong feelings of past negative experiences. Emotional intelligence skills enhance leaders' ability to create opportunity for their peers, employees, and customers through self-awareness and self-regulation.

## Create Opportunity for Employees

It is often said that leaders are only as effective as the employees who work for them. Part of a leader's role is to create opportunity to encourage employees' personal and professional growth. Brunt<sup>46</sup> provides an overview of the American Nurses Association's scope of standards of practice for professional development of nurses. Leading others by example and role-modeling can be very effective. One aspect of mentoring professional development is to enable others to act and to give others credit whenever appropriate. Mentoring employees to be self-directed and create their own opportunities is a win-win goal for the individual and the organization.

Promoting collaborative practice creates opportunities, especially in the areas of relationships between physicians and nurses. Freeman et al<sup>47</sup> present a comprehensive case study and conclude that collaboration enhances patients' outcomes. In their study, 6 multidisciplinary teams are profiled, and the factors that inhibit or support collaborative practice are extensively explored.

## Create Value for Your Customers

"What we want is unique, but the means to satisfy it is varied."<sup>4</sup> Bringing customers and the outside world into the organization is essential when evaluating needs of customers and potential customers. The driving forces of change are often external. For example, a small respected community hospital is treating fewer patients than before because the child of a prominent citizen died of cancer and the parent donated money to fund the construction of a new children's cancer hospital. Even though the community hospital provides excellent service, it stands to lose a considerable number of patients to the new children's hospital. Leaders could design seamless links between the hospitals, creating a win-win solution for the patients and the facilities.

Effective leaders also strive to create value for customers through service excellence. Pollison<sup>48</sup> describes how one facility took its customer satisfaction scores from the 13th to the 82nd percentile.

## Create Quality Through Continuous Improvement and Error Reduction

The quality management office should not be hidden in the basement and emerge only before the accreditation survey. A focus on quality and error reduction should be everywhere: in the units, at meetings, and in the financial services offices. Leaders should encourage employees to continually challenge the status quo. Everyone should continually use organizational process improvement, root-cause analysis tools, and creative teamwork to improve processes. This goal is accomplished by mentoring, leading by example, and designing reward systems that encourage this behavior. Pollison<sup>48</sup> reported that the hospital created excellence in customer service through the following 8 actions:

1. committing to service,
2. committing to leadership training,
3. committing to employees,
4. measuring only important things,
5. aligning behaviors with organizational goals,
6. building individual accountability,
7. communicating, and
8. rewarding and recognizing employees.

Critical care managers can involve staff in many of these initiatives to improve service delivery. Many organizations are using Six Sigma, a data-driven method of identifying and reducing defects or errors. This system uses *define, measure, analyze, improve, and control* as the steps to improve operations that fall below standards.

## Create Relationships With Strategic Partners

Understanding the relationship with partners, suppliers, and contractors is imperative. Organizations must find partners with synergies, enter into contracts with persons and business that fill a void in the organization, and then capitalize on the expertise available. It is often best to control partner relationships with contracts, not ownership.<sup>9</sup> Because physicians are valuable partners, nurse-leaders should strive to understand physicians, help them succeed, and incorporate them into hospital processes such as operational analysis, error reduction, and solution identification.

## Conclusion

Hospitals today are struggling operationally and financially. The reasons are complex and multifaceted. The widely publicized Institute of Medicine report *To Err Is Human*<sup>49</sup> outlines the prevalence of errors in our systems. External organizations such as the Leapfrog Group exist because employers and consumers want to spend money on quality healthcare services and are defining what quality means to them. Training critical care leaders is an effective way to proactively address operational inefficiencies and ineffective practices in human resources. In this article, I cite numerous management experts, theories, and beliefs about leadership. Leaders should be encouraged to identify their own weaknesses and use these skills and tools to develop and promote competency. In order to foster organizational cultures that strengthen nurse-leaders, job descriptions for critical care nurses and managers should include leadership skills and expectations. Leadership education and training should be one of many initiatives related to process improvement that incorporate research, best practices, and methods that inspire our current and future leaders.

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