



INTRODUCTION TO THE INTERVIEW WITH HENRY

LEVEL 5

Unlike the previous three interviews, where protecting the anonymity of the interviewee was important, the following Level 5 interview is presented with much more transparency. I have not changed the names of industry, people or many of the organizations because, unlike the other interviews, there is really no damning critique like there was in the Level 2 and Level 3 interviews, and no next steps for growth (like with Kate at Level 4) that could be used against them in some way. When I requested Henry's permission to do this, I shared with him that in this excerpt I would largely be expressing admiration, not critique. Even his response to my request was Level 5 in nature. He said, "I am always concerned about things being taken out of context, so I would like to read your work with a goal of telling you if I see anything out of context, and not to censure your materials. Good luck."

There is an inherent focus at Level 5 on the developmental needs of the other. This focus will be evident in the interview that follows, but it is interesting to note that even in my request, the response was more about me and others than about him. When I made the request to be more transparent about his situation, I wasn't in an interview with him—merely an email exchange—so I couldn't follow up on what concerned him most about things being taken out of context (a Leader Level interview type question), but implied in his answer is a concern that what is true be allowed to emerge. It didn't seem so much about him, as it did about me—or even us.

I met Henry in his office in his company's corporate complex in Burlington, Vermont, a beautiful college town on the banks of Lake Champlain. The company was called IDX Systems at the time. They were a growing publicly held company in the health care management industry.

The company was acquired by GE Capital for over a billion dollars in 2005. Although the company had offices in Boston, you had the sense that continuing to be headquartered in this small, hard to get to town was about values and quality of life both for the leaders and the workforce.

Henry is a handsome, white haired man, with a square jaw and a big build—like someone who might have played football in college. He was noticeably attentive during the interview and almost mentoring in his tone. Henry was about sixty years old at the time of the interview, had been working for IDX for about three years, but had been associated with the CEO/founder for twenty years as one of IDX's first clients.

IDX provided cutting edge technology in healthcare software. They had in many ways revolutionized the way data was collected on patients in order that doctors and hospitals might better serve patients through information management. Computerized management of complex patient information, helps improve diagnosis and treatment. IDX experienced an exponential amount of growth during Henry's tenure with them, and Henry stayed on with IDX for another four years before returning to the University and to practice as a physician.

Henry, at the time of the interview, was the Chief Operating Officer. This role demanded leadership in operationalizing a rapidly growing organization toward the achievement of its objectives. He was described by others (who were interviewed at the same company) as brilliant, thorough, analyzing, and deliberate. He had a great ability to see and evaluate all sides of any problem, and if there was a frustration with his leadership, it was just that—that in his evaluation of problems, he was perceived as being too deliberate and not being decisive enough. This criticism is common about Level 5 leaders. Their willingness to fully meet others where they are, including making sure the other feels understood, is sometimes perceived as being uncertain or indecisive. However, and this is evidenced in the interview below, there are usually bigger, more developmentally focused goals beneath Level 5 leaders' willingness to put their perspectives or decisions on the back burner, so to speak.

As usual, I set up the interview with the five cards. Henry, more than many interviewees

really picked up on my instruction, "Think of a specific experience that comes to mind when you think of the word on the card." The beginning of the interview recounts the experience that came to his mind in great detail. However, the experience that is recounted, as in all the interviews, only sets the context for us to understand how the interviewee understands or makes sense of the experience. Keep in mind, that even though an experience can be from the past, as it is at the beginning of this interview, the way it is understood by the interviewee is in real time—through their current lens. The interview with Henry is presented in its entirety.

HENRY'S INTERVIEW

I have not gotten through all of the cards with any interview that I've done yet, and it's not important that we start at any one place in particular, but are there experiences that may come to mind around one of those areas?

Vision/mission.

What has happened there?

From personal experiences? Why don't we just take a second, remind me of your goals, what you'd like to accomplish.

My goals are to determine how you understand and make sense of the complex factors—not just how you see things in general—but specifically how you understand content around the area of leadership on the cards, and so that's why I've chosen those categories.

Okay. Vision/mission. When I first started in my career—I'm a physician—I wanted to lead change in healthcare, but I had no sense of how that might happen. I had an opportunity while in the Army, where everybody had to go for a couple of years at that time, to organize and lead a project, and that project was the development of the computerized medical record. And in thinking through what needed to be done to develop a computerized medical record for the Army, it was apparent that the technology wasn't really ready to do that, but in working through what was doable, I saw that I could begin to organize the way in which doctors and their patients interacted so that you were more likely to come out with the information that was necessary to make an effective diagnosis if you had a structured orderly approach to information gathering . . .

Up front?

Up front. And so we took the concept of the computerized medical record and turned it into the development of algorithms for care. In other words, if you have these symptoms, then here are the diagnostic steps you need to take when examining a person. And then we trained corpsmen around those diagnostic steps and we sent them into the field with a teletype machine and the algorithms to use while seeing patients. And we demonstrated for the first time that you

could take apart the diagnostic interview and the physical examination and put them together with a logic that was required to be able to make the diagnosis and you could parse it and create an opportunity for non-physicians to collect, gather, and act on that information.

Wow!

And so those insights were taken, and eventually put together in a book that book became a best seller called *Take Care of Yourself*. At the same time, we took the algorithm and program and it became the basis for a training program for the corpsmen at Ft. Sam Houston, and the development of the program and its uses continued after I left there.

But the lessons that I learned from that experience were that if you have a vision, it doesn't have to be specific at the very beginning. It has to continue to be built—in other words, it's unlikely that you just simply have a single vision and then you work towards that vision. The vision gets built as you go along out of pieces, and you have to be ready to accept changes to achieve that vision as you go along. You have to be ready for those changes, ready to accept those changes, and ready to accept alterations to the vision based on the reality that you're faced with.

So I had a vision to change the way healthcare was delivered. I wanted to make it better. And I didn't have a specific "This is the way I'd do it." The Army had a vision of building a medical record—because of lost data, duplicate information, cost, the risk that it provided for the patients—and we published that work and the Army said, "My God. We really do need a computerized medical record." And we said that we can't really build one, but this is what we can give you and this will change the way you deliver care.

And the work that was done on both of these visions eventually ended up as a book for patients and consumers about how to take care of themselves based in algorithms and it also became the basis for a training for the corpsmen.

How did it feel to you when your original vision was challenged and you realized it was going to change? Was it an evolution or were there times when it was actually challenged?

My vision, and how I developed what I want to do never really got challenged. I mean,

there were always sidetracks. There were always issues that came up in dealing with the Army. For instance, we had to move it from Sam Houston—there's always politics in the Army—to the first Army division headquarters at Ft. Belvoir in Virginia. So there was always work to be done in sharpening the vision, but once we had the beacon, then we could drive towards that beacon. That never got challenged.

So then I took this knowledge and by luck met somebody in the Army—sort of my successor—and that successor had a friend who was in Vermont who was considered a genius in medicine, and he wanted to computerize the medical record at the medical school. The University said, "What we'd really like to do is change the way medicine is taught to students and we want to change our position from being a medical school where doctors were highly specialized and work in the hospital—to a medical school in which we have doctors who take care of patients on a general basis—because that's the future. This was in 1970. I said, "I agree with that future, and I'd like to come up and work there and I'd like to build that system." I had no idea how that would happen, but they took a chance on me. We spent a weekend together in a retreat, and I guess I said enough of the right things.

To get started, the University urged me to recruit four new, young physicians that had just graduated and came to practice at the university and had similar ideas. Now, this is a pretty small community. The competition for those spots could create a bloodbath—it could take years to get it done. I thought the best thing to do was to find three or four people in the community, although they may not be the world's best teachers or the most academic, I'll bet they have a good sense of practicing medicine and if they want to change the way we practice medicine, they're going to be better partners in doing this thing, than recruiting four young people. And they said, "Well, that won't happen. We can't recruit people from the community to do this. It just won't happen." And so when I recruited four people from the community, brought them in, we built what came to be a 300-doctor group here in Vermont. All based on a concept called *Problem-Oriented Medical Records*, which is sort of the next step in the evolution of a structured approach to healthcare.

It's a pretty simple structured approach. It utilizes a database before you define a problem, establish a problem at the level that you really understand it, and then define a goal or a treatment plan. Write that down to medical record, keep it numbered and organized so that you continue to follow it. And so we built the healthcare system based on the organization of information and the sharing of medical records of patients. We were written up in the *Wall Street Journal*.

But, here's my point about vision and mission . . . that you continue to clarify the vision. Never is it exactly the same year after year. You clarify it by the events that happen around you. And as long as you know where you're going—what it is that you want to accomplish—as those sorts of jogs in the road come, you're prepared for them and you're prepared to incorporate other people and incorporate new ways of thinking about your vision—into your vision. If you remain fixed or solid and say, "This is the only thing I can do, and I can only do it this way," you put your vision at high risk. So that's what comes to mind with vision and mission.

Would you say that you seek out challenges—contradiction to your vision? To keep testing it—staying open and not getting too tied to it?

You have to be tied to a sense of what you want to accomplish as opposed to "I have to do it only this way." I think visions get put at high risk when people say, "There's only one way to do this. This is my vision. This is the only way it's gonna get done." I think that you have to be prepared to say, "Hmmm. This is something I've learned that's new—this still puts me in the direction I want to move in, but it expands, contracts, refocuses, or helps refine the vision."

How long have you been working at IDX?

Two, no, three years.

My understanding, and it's very limited, is you guys have experienced a lot of growth in the last several years.

But you know that the situation I was just talking about was twenty years ago for me. IDX began about the same time. In fact, we gave IDX its first major contract, and it experienced a lot of growth in the early eighties, then it died down a little bit, and then in the last three years it has

experienced bigger growth than it ever experienced before.

The vision here, now—similar attitude toward it?

Yes. When the CEO and I agreed that I would come here, one of the things we did was bring together the senior leaders in the organization. We began to cast a new mission for the organization and establish its vision. What we found is, as we've moved along, there are challenges to the vision that cause you not to change the vision, but cause you to change your actions and cause you to change your strategy or cause you to add new strategies or new approaches to it and cause you to expand and better understand your vision.

Visions and missions are not perfectly understood on day one. They get understood by the actions that you take to achieve them. It's sort of like you're bouncing radio waves off them—you're always looking at it and saying, "Okay, what does it really mean? What is that? How does that play here? What is it that I'm missing? What is that I'm not thinking about here? How do we better understand this mission? How do we get a better sense of what we want to do?"

Our mission is to provide our clients, which are healthcare providers, technology tools—through consulting and software—that enable them to provide better value to their patients through program quality, service quality, improving outcome quality, or decreasing cost. That's our mission. And our vision is to make these provider organizations successful. So the mission continues to get clarified as you go along. Our mission hasn't changed, but the way in which we're looking to achieve it is different now than it was two years ago.

So the mission is almost like a value set?

Yeah. I mean, it's a value set until you find that the value set doesn't work. I don't know what it will be ten years from now.

Do you actively seek out contradictions to that value set? Opposing views to that value set to continue to challenge yourself?

No. I think we've been pretty committed in both instances to the mission and vision. But, I think that there's always a risk. [Long pause.] I think that unless you have overwhelming evidence

that your vision and mission is not right for the company, it doesn't pay to challenge it continuously. It doesn't pay to look for things which challenge your vision, because you can always find them—there are other people with different visions, different missions in the same business. It doesn't do well to change your strategies every week, but I think what I'm really examining most of the time is the way I'm trying to get there, and how I now see the vision being realized and actualized. You know, what it really means to our customers. I think that's what you're challenging all the time.

That makes sense.

I don't think you're taking your vision and saying, "Let's find a challenge to this." Could it be wrong to think you want to provide organizations with the tools to provide better value? Do they not want that? Do they want ease of use or do they have some other particular vision of their own success different than your vision of their success, which is for them to provide value to their customers? I think that is not a productive use of people's time to reexamine the crystalline purity of your mission. I think what is of high value is to say, "What does it really mean to do this? What would it look like if we provided opportunities for people to find higher value? What are the tools they would really need to do that?" So I think what you're doing with a vision is clarifying the actualization of the vision. What it really means. And then we're always challenging the strategies and actions we're taking to get there.

Okay. So you're saying you're invested in the ends—but you're not as invested in the means to get to those ends?

Right. It's high risk to be totally invested in means.

A lot of people get invested in the means, though.

Because the means are all they really have. A lot of people only have means. They don't really have a vision or a mission. A lot of organizations say they have missions. They don't.

Even though it's on paper?

Even though it's on paper.

As you communicate the means—the strategies—do you notice different responses when you change that strategy? When you say, “We’re still focused on this, but now we’re going to go at it this way. Now we’re going to . . .

One of the hardest things to do in a company as it grows is to keep people focused on the mission, have them understand their role in meeting that mission, and then change strategies or actions or add new strategies or actions that you didn’t have before and getting them to understand why—to know how that now relates to their job. Tough job in running an organization, especially as it grows.

There’s a need for constant communication. More importantly, there’s a need for pretty constant application of doing what you said you were going to do. In other words, people always judge you on what you do, not what you say. So if you say your mission is to give healthcare providers the tools to improve their ability to provide value and you don’t do that, your employees notice that real quick. So organizations are always struggling with—especially public organizations—are always struggling with what they have to do this quarter.

There’s always a struggle of attention between what you have to do for the quarter and what you have to do for your organization over time. Sometimes they fall in line, but more often than not, they don’t. So you’re constantly trying to invest in your future, which is driven by the mission. But sometimes you’re investing in short-term things which don’t bring you much closer to your vision, because you just have to get them done. Time is a killer and not having enough time worse. You see where you want to go to and you see the steps you have to take to get there, but some of those steps are in conflict with things you have to do to get to your quarterly objectives. If you don’t, your stock price falls, which means you can’t make some of your long-term, mission-oriented objectives. So you’re constantly juggling the short-term needs against your long-term vision. Now everybody says that you have to keep focused on the vision and not worry about the quarter, but that’s not true. Nobody does that—as far as I know, nobody does that. They’re worried about what they have to get done. What they have to get done is often expedient

and as long as it's not unethical an organization has to get it done. If they don't get it done, it's investors that suffer, especially in this market. So one of the hard things you're always fighting in a public corporation is how to make sure you're continuing to invest in the future, especially your executives' time and interest and talent and how you're getting them to invest in it—and what they have to do to just get to the end of it. So I mean, the big challenge to vision is the ability to parse out your resources so that you continually move towards something.

What does conflict mean to you?

There are several kinds of conflict that go on in business. There's conflict between people's values. There's conflict between the quarter and the future. There's conflict between people with the same values and what the right next step to take is. Conflict is absolutely critical, but if not addressed becomes absolutely debilitating.

What do you mean by "it's absolutely critical"?

You have to have people who challenge ideas, who challenge directions, who counter prevailing views, who see the world differently, who see the way it plays out differently, who see actions differently. And an organization has to be able to take in that dissent, if you will, that difference of opinion, understand it so that leadership can decide either to reject it and "I thank you, end of conflict, end of discussion," or they can decide that the conflicting way is a better way and we ought to change the way we're doing it.

But sometimes the only way things get done is if we have consensus. What can we achieve consensus on? If we all want lunch, but want different things for lunch—I want turkey, you want steak, she wants eggs, and she wants fruit—and we can't have it all. Can we all find common ground in something that we believe in? And a leader's job is to say, "Is this where I have to identify the common ground? Because I have to get consensus here to make this happen. These folks have to reach agreement with each other and I have to lead them to that. Because if I don't, they won't be able to take action." So conflict is always around you and it's—it's a matter of using it well so that you insert it—sometimes you purposely get it inserted.

So you create opportunities for these kinds of things to come to the surface?

Right.

Is that imperative to being a good leader?

Successful.

Successful? That's a better word.

No, I'd say—I think it's not imperative. I think what's imperative is that you don't avoid it. In other words, that you don't avoid letting conflict in. You don't sweep conflict under the rug. If it's there, you get it out in the open. If it's there, you get it understood. I think the dangerous thing is to avoid it, but I don't think it's imperative that you have to run out looking for a fistfight every day though. I think it's imperative that you let it surface where it's going to surface.

If you had a several month period where there was no real conflictual discussion about anything, how would that make you feel? Would you be comfortable with that or would you...

I think that depends on the executive. There are some people who thrive on conflict, and if they don't, it's like not having coffee that morning. There are others who sort of take it in stride, deal with it as it occurs, but don't look under every nook and cranny to force it. Then there are those who totally avoid it. They'd say that their organizations were conflict free. Personally I don't run to look for conflict.

You put yourself in the middle camp?

Yeah. I put myself in the camp that says what you do is decide to invite it in when you must have differences of opinion, because you need to bring different views to shed some light on an issue. So sometimes you have to bring it into the open.

I think what I meant is that there are executives who just simply thrive on the idea of conflict—who sort of have a gladiatorial approach to management. They set people in motion against each other, because they feel that the banging together is what really yields results. There are others who will make sure to avoid it. My approach is to have it where conflict can come up,

but it will be around sets of goals and objectives, but if I don't have conflict this week, it's no trouble to me.

Are you very invested in being in the middle camp? Could you imagine being one of the other two ways?

I can't imagine avoiding it. I suppose I could imagine being more conflict looking—conflict seeking.

We've got about fifteen minutes left. We've kind of talked about the Change card in talking about the vision. But is there anything else that comes to mind in that area?

Change. In terms of career, change comes to mind. I changed careers to take on a new challenge, to do something different. I think executives during their lives have to be ready for change in what's going on around them. I think people who are not comfortable with change have a great deal of difficulty in growing their leadership skills. You have to be comfortable with change to grow leadership skills. You have to be comfortable with change—we talked about vision and mission—you have to be comfortable with change in your own view. You have to be comfortable with change in understanding your own needs at particular times in your life. Your family's needs. Changes, I think, are sort of an ever present ingredient in today's life and folks who are uncomfortable with change, I think, find it increasingly difficult to manage. This is a pretty unsettling time.

Do you consider yourself comfortable with change at this point? Have you always?

[Long pause.] Yeah. I'm very comfortable with new ways of looking at things and changing my environment. What I was puzzling about is—I've always lived in this community, so I've always sought out—as changes occurred—different ways of accommodating this location. Still keeping the vision to improve healthcare—that hasn't necessarily changed—I haven't changed my wife. I haven't changed where I live, so I mean, there are different kinds of change.

What I meant by change is that leaders have to be ready to accommodate change—and similar to what we talked about in vision, similar to what we talked about in conflict—they need to

be ready to accommodate change and they have to be ready to understand what change means to them. When it's unsettling to them, they have to figure out how to deal with that. They have to be pretty open with themselves, because a lot of times people say they're comfortable with change, but behave as if they're not comfortable with change. They don't like change to occur around them. They like things to be just the same, day after day.

This is the crux of my research, by the way—how invested a person is in the way they are, and their ability to take a perspective on that way, especially as it relates to their effectiveness as leaders. So I've tried to select effective organizations, interview the people who are running those organizations, and I'm seeing a pattern in the ways the most effective leaders make sense of things. We can end on this, and I really appreciate your time today. One of the things that we've talked about in most of the interviews is the importance of feedback. What's feedback mean to you?

A number of things come to mind. What it means is making sure that you bring your younger people along—your people along, your direct reports along, the people you work with—to ensure that they feel that you're open to critique, to change, to do something a different way, to listening to them, so that you create an atmosphere around you of acceptance of change, acceptance of difference of opinion, and acceptances of final resolution of conflict and to move on.

So one of the main things that comes to mind about feedback is my ability to listen to my people. Willingness to listen to my people and present myself as a person who expects and seeks out differences of opinion, seeks out what's not working particularly well so we could talk about how I might change. Creating that atmosphere not only changes me, it brings them along too—it allows them to act in the same way as they change.

And so what I have tried to do is to create an atmosphere in which nobody's afraid to challenge us about our decisions and what we've done, because that feedback is critical not just for us, but for them and the whole organization.

Have you gotten feedback that you've been successful at that?

Yeah. I think the organization has been successful at that and that's supported in employee surveys in which the ability to provide feedback to people who will listen to you at the senior level is high—eighty-five percent. So I think in that sense I am successful at getting feedback. I think there is loyalty on my team because they understand I don't have one way of looking at things and they've said I'm open. So yeah, I think that.

Different type of feedback—are accolades important to you?

Important to everybody. Probably most of us don't give them enough. We expect them a lot.

This has been a really fun interview for me. Thank you for your time.

REFLECTIONS ON HENRY'S INTERVIEW

Understanding what a Level 5 leader sounds like is sometimes elusive because we have so few examples that are highlighted, especially in the abundance of literature on leadership. Most of us probably know a few Level 5 people, but often they are often a retired or elderly grandparent, great aunt or uncle, or perhaps an older neighbor. And because the context of our experience with them is often more personal than business-oriented, we do not get access to their insights on business issues. However, one of the great things about Henry's interview is we get a look into how an Level 5 leader thinks about and understands business circumstances that are relevant to the circumstance and challenges those of us at lower levels of Vertical development are facing.

The benefit to having access to this Level 5 understanding is that regardless of our current location on the Vertical journey, we can begin to emulate or employ their Level 5 behaviors even as we may understand them at a lower level. For instance, Level 3 leaders can work hard to identify and commit to values they don't want to compromise and intentionally evaluate their actions against those values even in the face of outside sources pushing in a different direction. This effort will allow the Level 3 leader to take their focus off behaviors driven from the Outside-In, and allow them to put their focus on what they want to stand for from the Inside-Out.

Level 4 leaders can intentionally practice Henry's Level 5 behavior of seeking to meet others where they are by listening to what they really need from them in order to do their jobs more effectively, achieve the objective, or just keep growing. This discipline, and it is a discipline, will feel awkward at first. Level 4 leaders are not used to really listening in a way that connects them with the developmental needs others, especially if they have been successful, because the way they are making sense of things is often, if not usually, correct. Therefore, more often than not, they will just solve the problem or tell others what to do to fix the problem. However, in developing the Level 5 skill of listening in this new way, Level 4 leaders will begin to see the commonality of values that tie people together, and they will gain a self-awareness that allows a

more objective view of their own way. It will also unlock the tendency of Level 4 leaders to arrest their own development because of the success that has resulted from their self-authored understanding.