

Dr John Alban-Metcalfe
Real World Group

Crisis Resolution/Home Treatment
2 Day Conference
Birmingham
January 31th - February 1st 2008

The Impact of Engaging Leadership on Organisational Performance

**Crisis Resolution/Home Treatment
2 Day Conference**
Birmingham
January 31th - February 1st 2008

Content

- The background literature
- The study & findings
- The case study data
- Implications for organisations

The Increasing Importance of Leadership

- Organisations face greater **challenges**
- **Increasing** Complexity, Uncertainty & Competitiveness

Against a Background of...

- “War for Talent”
- A Crisis of leadership

Challenging Agenda for Leaders

- Achieve ever-more ***challenging performance targets***
- Sustain ***high quality performance and motivation and well-being***
- ***Attract & Retain*** good staff
- Creating a culture of high ‘readiness for change’

Leadership is Changing Direction...

- **‘Heroic’ leadership has had its day** (eg Collins, 2001; Mintzberg, 1999; Alimo-Metcalfe & Alban-Metcalfe, 2005)
- **The importance of ‘*engagement*’**

Engagement Is.....

- ***“a positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation.”***

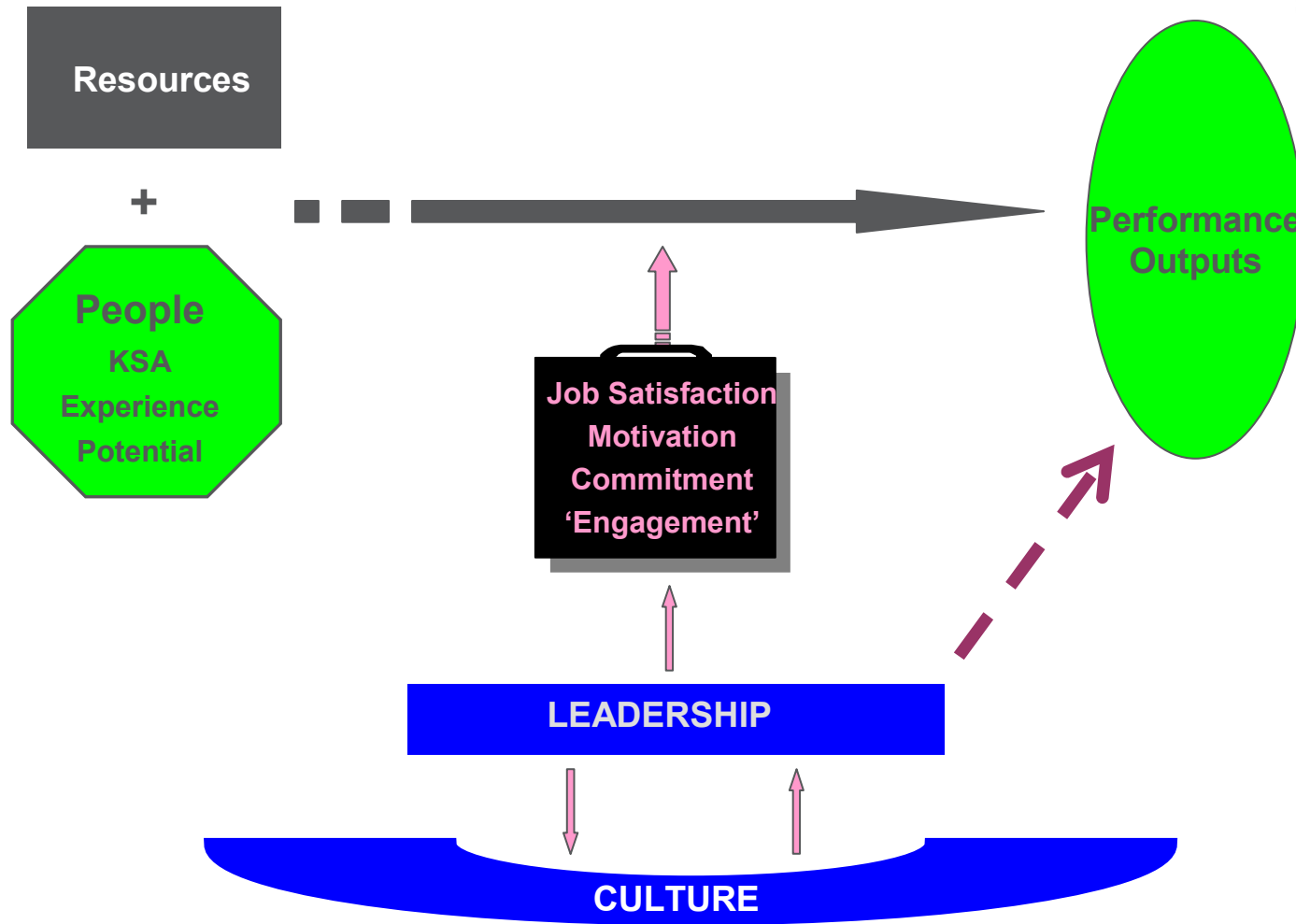
(Robinson, D., Perryman, S., Hayday, S. (2004). ‘The Drivers of Employee Engagement’. IES Report 408.

- ***“a measure of the extent to which employees put discretionary effort into their work”***

'Engagement': the Business Case

- Towers Perrin (2005)
- Watson Wyatt (2006)
- Sirota Survey Intelligence (2006)
- IDeA (2004)

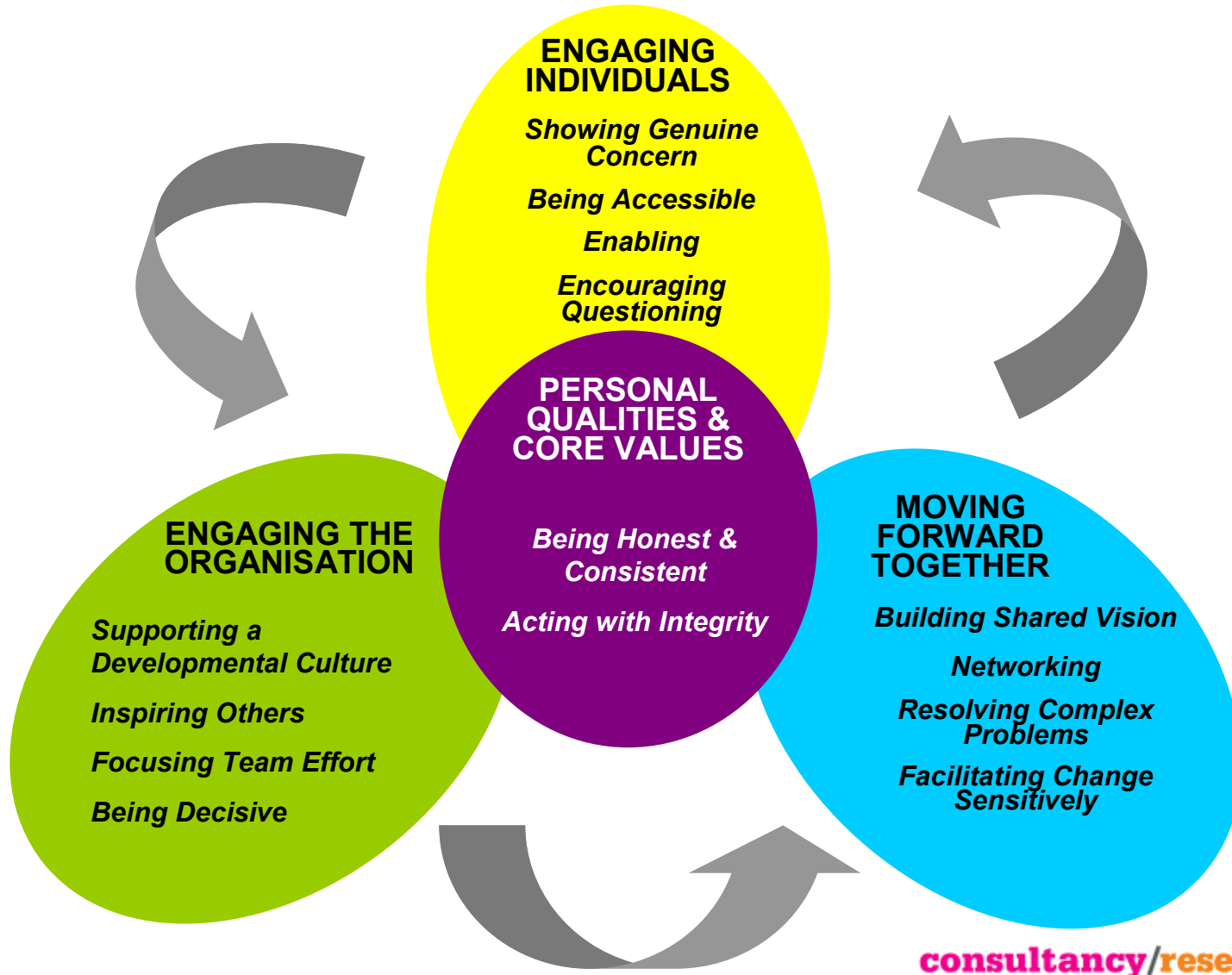
What form of leadership creates 'engagement'?



consultancy/research/diagnostics

A New **Inclusive** Model of '**Engaging**' Transformational Leadership

The Engaging Transformational Leadership Model™



Is the model valid?

- Validated in NHS, Local Govt., Police, FRS, Education, Private sector (FTSE100 companies)
- Evidence of impact provided in numerous peer-reviewed articles (eg Alban-Metcalfe & Alimo-Metcalfe, 2000a,b; Alimo-Metcalfe & Alban-Metcalfe, 2001; Kelly et al., 2006)
- **Does it predict productivity?**

Leadership culture in crisis resolution/ home treatment teams

- *Professor Beverly Alimo-Metcalfe – RWG*
- *Dr John Alban-Metcalfe – RWG*
- *Margaret Bradley – RWG*
- *Dr Jeevi Mariathasan – SCMHS*
- *Dr Chiara Samele – SCMHS*
- **Research Grant: NHS SDO/22/2002**

Alimo-Metcalfe, B., Alban-Metcalfe, J., Samele, C. Bradley, M. & Mariathasan, J. (2007) *'The impact of leadership factors in implementing change in complex health and social care environments: NHS Plan clinical priority for mental health crisis resolution teams (CRTs)'*. Department of Health NHS SDO, Project 22/2002.

The research

- *What did we set out to find?*
- *What did we find?*
- *What does it mean?*

What did we set out to find?

- **Primary hypothesis:**
- ***That the quality of leadership exhibited by the leaders of CRTs is directly related to team effectiveness***

What did we set out to find?

- **Secondary hypotheses:**
- *That the quality of leadership exhibited by the leaders of CRTs is directly related to staff attitudes to work and well-being at work*
- *That the quality of leadership exhibited by the leaders of CRTs is directly related to organisational performance*

Sample

- **80 CRTs**
- **731 staff** (team leads, occupational therapists, physiotherapists, psychiatrists, psychologists, nurses, social workers, support staff)

Instruments and techniques

- **Visits to teams**
- ***The Leadership Culture & Change Inventory (LCCI)***TM
 - transformational items
 - capabilities items
 - staff attitudes to work & well-being items
- **Contextual data**
- **Use of change models**
- **Case Studies**

Analysis of LCCI data

- **Leadership scales**
 - Engaging with others (16 items; $\alpha = .95$)
 - Visionary leadership (7 items; $\alpha = .89$)
 - Leadership capabilities (14 items; $\alpha = .93$)
- **Attitudes to work (5 *facets*) and well-being (7 *facets*)**

Contextual variables controlled for

- Proportion of users presenting symptoms of psychosis
- Mental Illness Needs Index (MINI) for the team's area
- Availability of alternatives to in-patient care
- Ratio of staff to service users
- 'Gate-keeping' power of teams
- Extent of 'medical cover'
- Multi-disciplinary nature of team
- Nature of 24/7 cover

Organisational performance – 1

Ratio – number of assessments made by the team divided by the number of referrals for in-patient care as an average over a 12-month period

Change – any difference in the ‘ratio’ during months 1 and 2 compared with that during months 11 and 12

Organisational performance – 2

Productivity – ‘ratio’ scores divided by the ratio of the number of assessments made by the number of members of the team

Change in productivity – average ‘productivity’ during months 1 and 2 compared with that during months 11 and 12

The relationship between the leadership scales & their impact



Impact measure / Leadership scale	Engaging with Others	Visionary Leadership	Leadership Capabilities
Attitudes to Work			
A high level of job satisfaction	.56	-	.17
A high level of motivation to achieve	.41	.18	.18
Staff who are motivated to achieve beyond their expectations	.46	-	.21
A strong sense of job commitment	.65	-	-
A strong sense of commitment to the organisation	.65	-	-
Well-being at Work			
A high sense of fulfilment among staff	.48	.28	-
A high level of self esteem among staff	.46	.23	-
A high level of self-confidence	.61	-	.12
A low level of job-related stress	.22	.24	-
A low level of job-related emotional exhaustion	.34	.14	-
A strong sense of team spirit	.70	-	-
A strong sense of team effectiveness	.26	.18	.33

N = 731;

Beta coefficients;

Hierarchical multiple regression: 'Productivity' (n = 420), and 'Change in productivity' (n = 357), against 'Engaging with Others', Contextual variables, Attitudes to work and Well-being (beta values)

VARIABLES	Productivity	Change in productivity
Psychosis	.18***	-.17**
MINI	-.08	-.21***
Alternatives	-.12**	.47***
Team age	.36***	-.02
Staff/case	-.51***	.32***
Gate-keeping	-.22***	-.04
Medical cover	.33***	.12*
Multi-disciplinary	-.00	-.33***
Service cover	-.25***	-.04
Scale 1: Engaging with Others	-.18*	-.05
Job satisfaction	.05	-.00
Motivation to achieve	.14	.02
Motivation beyond expectations	.01	-.02
Job commitment	-.02	.03
Organisational commitment	-.01	.01
Reduced stress	.02	-.17**

* - $p \leq .05$ ** - $p \leq .01$ *** - $p \leq .001$

Links Between Leadership and Effectiveness, Attitudes & Well-being

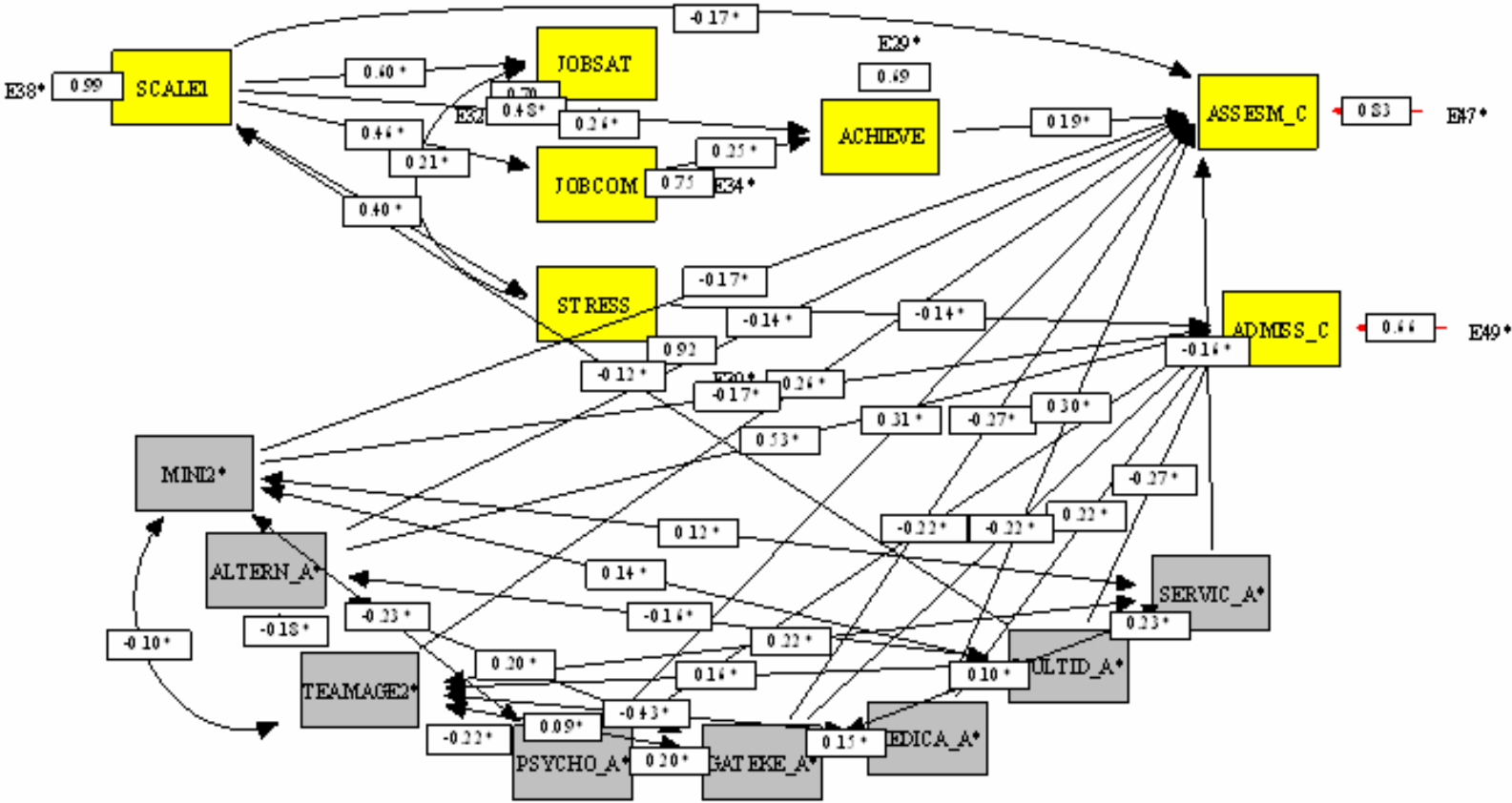
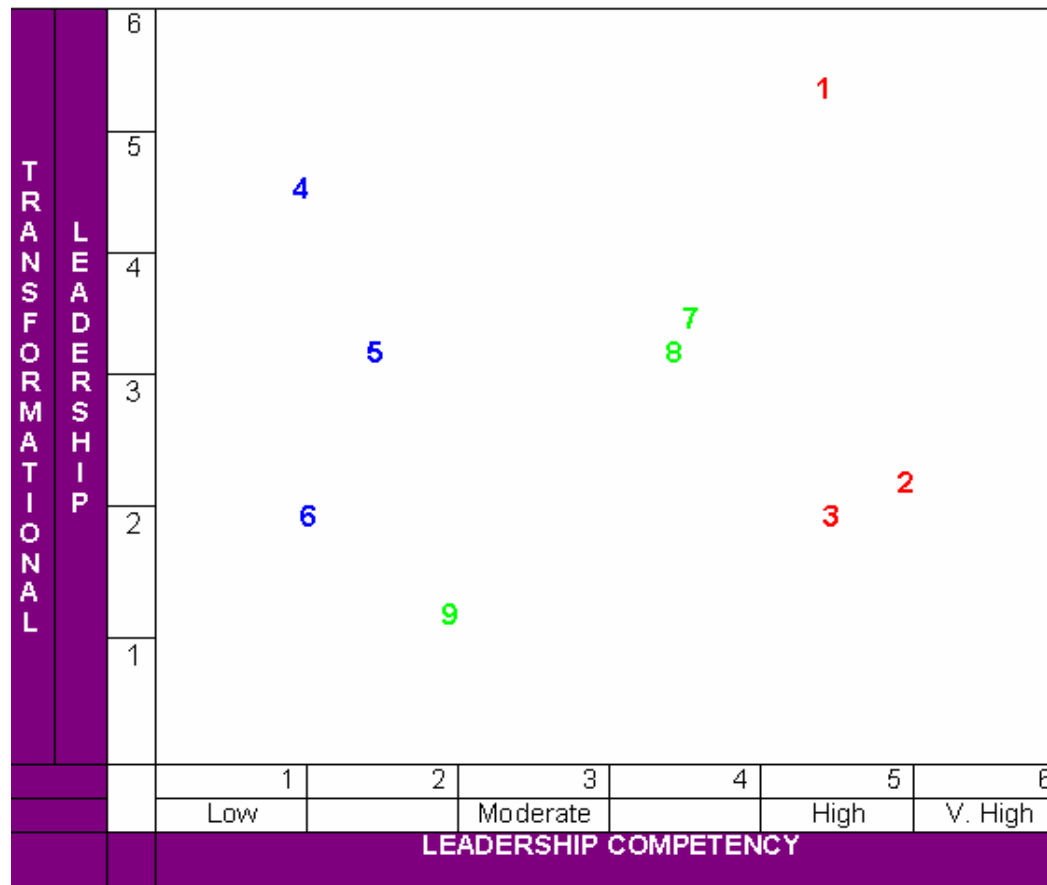


Figure X: EQS 6 realworld modeld after walk eds Chi Sq.=155.30 P=0.00 CFI=0.96 RMSEA=0.05

The Instrument – the Leadership Culture & Change Inventory (LCCI)™



consultancy/research/diagnostics

The Case Studies

Methodology

- 8 case studies
- Teams selected on their hospital admission rates
- In-depth interviews with team leads and team members
- Observations and attendance at meetings
- Pragmatic approach

The Case Studies:

Engaging leadership culture of high performing teams (1)



- Engaging and collaborating with important stakeholders
 - Consultation
 - Sensitive
 - Respectful
 - Flexible

The Case Studies:

Engaging leadership culture of high performing teams (2)

- **Collective vision of good quality, user centred service**

“We are all working towards the same thing”

- **Recruiting people with a similar vision**
- **Collective shaping of the vision**
- **Maintaining the vision**

The Case Studies:

Engaging leadership culture of high performing teams (3)

- **Shared leadership**
- **Learning organisation**
 - **Supportive culture**
 - **Reflection**
 - **Emphasis on continual professional development**

The Case Studies:

Engaging leadership culture of high performing teams (4)

- Team focused

“We aren’t a group of individuals, we are a collective group working together”.

For example

- Managing change in an engaging manner

The Case Studies:

Engaging leadership qualities of high performing team leaders

- Inspiring and visionary
- Approachable
- Visible
- Role model
- Collaborative
- Democratic (yet decisive)
- Supportive
- Pragmatic
- Team focused
- Reflective

The Obsession with competencies...

- The competency debate
- Competencies aren't enough – *there is the need to act **competently**, in an **engaging way**.*

Alimo-Metcalfe & Alban-Metcalfe, 2004; Bolden & Gosling, 2006;
Hollenbeck, McCall & Silzer, 2006

Implications for organisations

- Competencies are necessary, but not sufficient for leadership
- Scrutinise recruitment, appraisal, promotion, PMgt, and development practices to ensure that **both** competencies **and** ‘engaging’ approaches are emphasised
- Leadership should be viewed as a shared or distributed process, embedded in the culture
- Leadership development should focus on increasing both ‘human capital’ & ‘social capital’
- Creating a more ‘Engaging’ culture can significantly increase productivity, **and** motivation & well-being

Additional References

- Alimo-Metcalfe, B., Alban-Metcalfe, J., Bradley, M., Mariathasan., J. and Samele, C. (2008). 'The impact of leadership and culture on morale, well-being, and performance in the NHS: A longitudinal study'. *Journal of Health Organization & Management*, (accepted for publication).
- Alban-Metcalfe, J. & Alimo-Metcalfe, B. (2006). 'The Impact of Leadership Culture on Staff Attitudes and Well-being at Work'. Paper presented at *The British Academy of Management Conference*, Belfast, September 12th – 15th
- Alimo-Metcalfe, B. & Alban-Metcalfe, J. (2005). 'Leadership: Time for a new direction?' *Leadership*, 1, 1, 51-71.
- Alimo-Metcalfe, B. & Alban-Metcalfe, J. (2001). ' The development of a new Transformational Leadership Questionnaire'. *Journal of Occupational & Organizational Psychology*, 74, 1-27.
- Alban-Metcalfe, R. J. & Alimo-Metcalfe, B. (2000a). An analysis of the convergent and discriminant validity of the Transformational Leadership Questionnaire. *International Journal of Selection & Assessment*, 8, 3, 158-175.



www.realworld-group.com

john.albanmetcalfe@realworld-group.com

**Crisis Resolution/Home Treatment
2 Day Conference**
Birmingham
January 31th - February 1st 2008