Leadership

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I try to stay abreast of the current literature on management, especially the topic of leadership training. I assiduously read the *Harvard Business Review* and keep tabs on my old Wharton professors (at the University of Pennsylvania) and their comings and goings. When possible, I also like to attend educational programs featuring nationally known leaders in both the public and the private sectors. These programs give me encouragement and help to keep my motivation level high.

I wish our readers could have accompanied me to a recent in-person presentation by Jeffrey Immelt, the prominent Chief Executive Officer of General Electric during his city-hopping tour of the nation. Mr. Immelt visits one major city each month during the year to meet with clients and to further hone GE’s customer service message. Of course, GE is important to our industry, and I was looking forward to seeing this fabled Wall Street leader.

Fortunately, his performance exceeded my expectations. I would like to highlight some aspects of his presentation for our readers. First, some background.

GE is one of the oldest major national companies in the U.S., and it is a key component of the Dow Jones Industrial Average. The company has more than 320,000 employees in more than 100 countries around the world.

Mr. Immelt’s vision, in a nutshell, is that through a set of globally integrated businesses, GE will be a primary market leader in every sector that it chooses to enter. He is focused on a handful of initiatives and has reinforced the role that research and development plays in GE’s market leadership position.

GE also spends more than $2 billion on health care for its employees and retirees in the U.S. alone. Mr. Immelt felt that he could not tame the overall rate of inflation for medical costs and was satisfied with keeping it under 11% per year. He also hoped to harness aspects of the GE information technology portfolio in order to help GE become a savvier shopper for health care.

Although I found the size and scope of Mr. Immelt’s responsibilities remarkable, I especially appreciated the way he handled the unscripted question-and-answer period with 200 invited local leaders who were lucky enough to be in attendance.

For example, it was clear to me that Mr. Immelt had a personal commitment to customer excellence; he kept reminding the audience that he was there in person to demonstrate the level of that corporate commitment. More than once, he asked the other GE leaders, in attendance as a supporting cast, whether they were doing enough for all of the local customers represented by members of the audience. He reiterated his commitment to commercial excellence, innovation, and improved communication. Certainly, it is easy to pay lip service to these important concepts, but the speaker was charismatic and seemed genuinely invested in these major issues.

More important, members of the audience asked him how one might manage such a global organization and create an atmosphere of support for up-and-coming leaders. Mr. Immelt said that there were three essential attributes that characterized the 145 global leaders who make up his senior leadership counsel, namely (1) a burning desire to continuously learn new things; (2) a level of emotional resilience, enabling leaders to keep going even during rough times; and (3) a commitment to training the next generation of leaders.

I was inspired by these attributes, and I would ask every *P&T* reader to think about the job we do in these areas, especially our commitment to creating a new generation of leaders. My experience has been that health care lags behind the rest of the industrial sector in its lack of attention to leadership training.

I was also impressed by Mr. Immelt’s announcement that 30% of his time is spent on developing new leaders. Can you imagine a health system executive or pharmaceutical company executive who commits this level of time and personal resources to leadership development? As other audience members peppered him with questions about his personal philosophy and the challenge of running a global company in the 21st century, this gifted speaker seemed to be as focused as a laser beam on leadership training.

Indeed, it is not difficult to be cynical in our world, where a CEO might earn 400 times the average salary of the typical college-educated American worker. It is also easy to be swept up in CEO worship as people like Jeffrey Immelt and others achieve celebrity status in our society.

For me, he appeared to be the “real deal,” and his take-home message had a lasting effect on me, as I trust it will have a similar effect on you. I hope that the health care industry understands the leadership challenges that we face. It is time to begin to devote the necessary resources to training the leaders of tomorrow. After all, think about those who will sit around your P&T committee table in a decade; will they be ready to assume this tremendous responsibility?

As usual, I am interested in your views. You can reach me at my e-mail address, david.nash@jefferson.edu.

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