



Assessment Report For:

Ray Watts
Executive Director, Allied Eye Care

October 26th, 2007



Assessment Report-Ray Watts

Overview of the Assessment Process

The assessment process utilized by Curphy Consulting Corporation has been employed by a variety of organizations as part of a comprehensive selection, succession planning, coaching, and development system. The process consists of seven major components, which include: (a) a thorough review of the requirements and context surrounding the position; (b) a comparison between work and educational history to position requirements; (c) three on-line personality assessments (Hogan Personality Inventory, Hogan Development Survey, and Motives, Values, and Preferences Inventory); (d) two mental abilities assessments (the Wesman Personnel Classification Test and the Watson-Glaser Critical Thinking Appraisal); (e) an in-basket work simulation; (f) an in-depth structured interview; and (g) 360-degree feedback. Research has shown that the components used in this assessment process provide decision-makers with valuable information and are some of the best predictors of managerial and executive success. Although this process significantly increases the odds of hiring, promoting, or developing the right people, decision-makers should use the information gleaned from the assessment process in conjunction with other information gathered about candidates before making final personnel decisions.

Challenges for the Position

Ray Watts joined Allied Eye Care approximately seven years ago. At that time, the organization was experiencing serious financial difficulties and was hemorrhaging talent. Because the organization was in danger of bankruptcy, Ray's initial focus was turning around the organization's revenue, profitability, cash flow, and turnover problems. Ray was able to improve the financial picture by systematically increasing fees, shutting down a newly installed but woefully inadequate patient billing system, outsourcing a significant invoice backlog, renegotiating contracts, and implementing policies and procedures to reduce costs and improve productivity and collections. These changes not only helped Allied Eye Care return to financial health, they also laid the foundation for future organizational growth.

Since Ray took over in 2000, the organization has seen its annual revenues grow from 7 to 17 million dollars and its staff increase from 75 to 125 people. The doctors and staff of

Allied Eye Care see approximately 50,000 patients each year, and the organization has seen a steady increase in patient volume over the past two years. Part of this increase in growth is due to the opening of a new building in Stillwater (with an Ambulatory Surgical Center, LASIK facility, and optical shop) as well as a significantly upgraded facility in New Richmond. A significant improvement in Allied Eye Care's marketing strategy has also contributed to this growth. Ray took the lead in the design, construction, financing, and certification of these two facilities. He also championed the organization's new marketing strategy and implemented a major upgrade of the organization's patient scheduling and billing system.

As it currently stands, Allied Eye Care appears to have successfully met all of the major challenges it has faced over the past seven years. The organization has returned to financial health, the revised marketing program has helped to improve overall patient volume as well as the LASIK and optical lines of business, the new patient scheduling and billing system is up and running, and the new facilities are being highly utilized. Although there is always room for improvement, the organization is not looking to launch any major changes over the next few years. As such, the Executive Director's focus will need to shift from that of a change agent to more of an administrator role. Moving ahead, Ray will need to spend the majority of his time in the following areas:

- **Finance:** Implementing a robust planning and budgeting process, monitoring financial performance, creating financial reports, finding ways to improve growth and profitability, and negotiating contracts.
- **Operations:** Monitoring and improving staff productivity, finding ways to improve patient and staff satisfaction, improving the quality of patient care, and maintaining good working relationships between the Board, Management Team, and employees.
- **Human Resources:** Implementing sound human resource practices to attract and retain doctors and staff, managing the human resource budget, upgrading Management Team benchstrength, modeling good leadership and interpersonal skills, and creating a positive organizational culture.
- **External Relationships:** Working with the Board to develop and implement an actionable vision and mission for Allied Eye Care, marketing the new vision and

mission to the external market, and positioning the organization to be successful in the evolving health care market.

It is worth noting that Ray has always been responsible for the activities outlined above. But in the past, he had these responsibilities as well as primary responsibility for all of the major change initiatives Allied Eye Care has undertaken over the last seven years. The following is a summary of Ray's strengths and development opportunities given the responsibilities outlined above.

Ray Watts-Overall Strengths

- **Depth and Breadth of Health Care Administration Expertise.** Ray has almost 40 years of experience in health care administration and also possesses relatively strong mental abilities. These two assets help Ray make decisions that improve patient volume, clinic operations, revenues, and profitability.
- **Credibility.** Honest and fair, Ray safeguards confidential information, follows through with his commitments, and takes ethical and fairness issues into consideration when making decisions.
- **Work Ethic.** Earnest, hard working, and goal-oriented, Ray will do whatever it takes to help Allied Eye Care be successful. He can be counted on to work long hours and go the extra mile when needed.
- **Communication Skills.** Ray is both a good listener and writer. These strengths help him to gather and disseminate information to the Board and staff.
- **Life-Long Learner.** Naturally curious and motivated to keep abreast of issues affecting Allied Eye Care, Ray likes to gather data and dig deeply into problems. An innovative, data-based decision-maker, Ray prefers to gather all the appropriate information and explore a number of possible solutions before making final decisions.
- **External Ambassador.** Because of his deep expertise, strong communication skills, and need to stay informed, Ray is very good ambassador for Allied Eye Care. He likes attending conferences and meetings that help him to learn more about ophthalmology and position Allied Eye Care as a leader in the market.

Ray Watts-Development Opportunities

- **Over-Involvement.** Ray gets bored easily and as a result gets involved with everything—even issues that would be more efficiently and effectively handled by members of the Management Team. This tendency also causes him to push the Board to create a vision and mission and implement large scale change initiatives to improve customer satisfaction. Although Ray believes he adds value by getting involved, these actions come across as pesky, meddling, and disempowering.
- **Analysis Paralysis.** Ray is much more motivated to analyze issues than make decisions. In other words, he very much enjoys the process of gathering information, conducting analyses, and developing innovative solutions to problems. But once the solution is determined, the thrill is gone for Ray. Because he gets more satisfaction out of analyzing issues rather than making decisions, Ray can overanalyze trivial issues and generally takes too long to make decisions.
- **Micromanage Others.** Because he has deep expertise, is easily bored, and enjoys the problem solving process, Ray tends to insert himself in issues that would be better handled by members of his staff. This takes the decision-making authority and responsibility away from his Management Team, and the only way they can add value is by acting as first-line supervisors or individual contributors. Ray's tendency to micromanage others negatively impacts the morale of the Management Team, and prevents them from developing stronger leadership and management skills.
- **Use Own and Others' Time Efficiently.** As a result of these first three development opportunities, Ray does not use his own or others' time very efficiently. He does not run effective meetings and spends too much time working on trivial issues or analyzing problems.
- **Control Emotions.** Generally Ray comes across as calm and professional, but when challenged or under pressure he can sometimes come across as prickly or irritated. These displays of emotion can unintentionally create a climate of fear and intimidation, and over time members of the Management Team may be reluctant to share “bad news” with Ray because they may fear how he will react.
- **Inspire Others and Foster Teamwork.** Successful leaders are those who can build cohesive, goal-oriented teams that achieve results. Ray's tendencies to get involved in details, take too long to make decisions, micromanage the Management Team,

and come as prickly or irritated when under pressure interfere with his ability to inspire others and build a high performing Management Team.

- **Seek Feedback and Take Action.** There are big gaps in how Ray sees himself and others perceive him as a leader. In all likelihood many of the messages in this assessment report have been given to Ray a number of times, but Ray has chosen to ignore or rationalize this feedback. Moving ahead, Ray needs to become much more attuned to feedback from key stakeholders and then change his behavior as a result of this feedback.

Concluding Comments

On the one hand, it is worth noting that all of Ray's strengths are individual contributor-oriented. In other words, a person could be in an individual contributor role and demonstrate all these strengths. On the other hand, many of Ray's development opportunities are leadership-oriented. These are skills and abilities that interfere with Ray's ability to build a cohesive, goal-oriented Management Team and get results through others. Again, it is very likely that Ray has been given many of the messages written in this report, but it appears that he either did not hear these messages or chose not to do anything about them.

Based on the assessment results, there are two possible next steps. One option is to get Ray enrolled in an executive coaching program with Pat Langan, as the behaviors that Ray needs to change are too numerous and engrained for him to make these changes by himself. But if relationships between Ray and the Board and the Management Team are beyond repair, then Allied Eye Care may need to consider hiring a new Executive Director.

Gordon J. Curphy, PhD

President

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Competency Results for Ray Watts

The following table provides an overview of the assessment results for Ray Watts. During the assessment process, Ray was evaluated on 16 competencies critical for leadership and managerial success. The “◆” symbol is used to indicate how Ray was evaluated on each competency. When the symbol appears in the far right (green) column, the corresponding competency is a clear strength. Competencies that are on par with other executives have symbols that appear in the middle (yellow) column. Symbols in the far left (red) column represent competencies in need of further development.

| Competencies | <i>Development Need</i> | <i>On-Par</i> | <i>Clear Strength</i> |
|--|-------------------------|---------------|-----------------------|
| Leading the Business | | | |
| Thinking Strategically | ◆ | ◆ | ◆ |
| Financial and Technical Savvy | ◆ | ◆ | ◆ |
| Analyzing Problems and Making Decisions | ◆ | ◆ | ◆ |
| Planning and Organizing | ◆ | ◆ | ◆ |
| Managing Execution | ◆ | ◆ | ◆ |
| Leading People | | | |
| Inspiring Aligned Purpose | ◆ | ◆ | ◆ |
| Driving Change | ◆ | ◆ | ◆ |
| Building the Talent Base | ◆ | ◆ | ◆ |
| Fostering Teamwork | ◆ | ◆ | ◆ |
| Building and Sustaining Relationships | | | |
| Creating Open Communications | ◆ | ◆ | ◆ |
| Building Relationships | ◆ | ◆ | ◆ |
| Customer Focus | ◆ | ◆ | ◆ |
| Credibility | ◆ | ◆ | ◆ |
| Adaptive Capacity | | | |
| Personal Drive | ◆ | ◆ | ◆ |
| Adaptability | ◆ | ◆ | ◆ |
| Learning Approach | ◆ | ◆ | ◆ |