



FIGURE 2.3
Governance and leadership. (From Fred A. Kuglin.)

results. The employees of a compounding pharmacy should be involved to identify their tasks and activities that support and align with the vision and strategic plan established by the senior executives and approved by the company’s governing board.

In my first book, *Customer-Centered Supply Chain Management: A Link-by-Link Guide*, I used an exhibit that connected the foundation or board strategy with “transformation design” for the leadership team and an implementation approach for the managers and employees. Figure 2.3 is an adaptation of my exhibit.

GOVERNANCE, LEADERSHIP, AND THE NECC

If the NECC had established proper governance and leadership, the tasks, processes, organization, people, quality testing, and rewards and penalties would have been aligned for all employees to do the right things. Something was definitely missing for many years in these areas.

The NECC had ample opportunities to exhibit proper governance and leadership and take appropriate action to fix issues within its facilities. According to the *New York Times*, the NECC had a series of complaints lodged against it over a number of years. For example, the Massachusetts State Health Department inspected NECC in 2006. In the same year, the FDA issued NECC a warning letter accusing the NECC of illegally