On the Mend

Changing a healthcare organizational culture to continuous improvement
Housekeeping

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Today’s Speakers

John Toussaint, MD

- Founder and president ThedaCare Center for Healthcare Value
- President and chief executive officer of ThedaCare, Inc., 2000-2008
- Introduced the ThedaCare Improvement System, based on the Toyota Production system
- Founding board chairman of the Wisconsin Health Information Organization
- Former chairman Wisconsin Collaborative for Healthcare Quality
- Co-author of *On the Mend*, the story of how ThedaCare applied lean principles from manufacturing to care delivery
Today’s Speakers

Roger Gerard, Ph.D.

• Chief Learning Officer for ThedaCare
• 35+ years in executive & management development
• Experience in healthcare, manufacturing & service industries
• Specialist in lean for measurable organizational improvement
• Presenter at national conferences, most recently Association for Manufacturing Excellence
• Co-author of *On the Mend*
Lean Healthcare Workshops

Key Concepts of Lean in Healthcare
Oct. 11-12
LEI, Cambridge MA

New! Open Access: Improving Patient Access to Ambulatory Care with Lean Thinking
Oct. 13
LEI, Cambridge, MA

Value-Stream Mapping for Healthcare
Oct. 14
LEI, Cambridge, MA
On the Mend

*Changing a healthcare organizational culture to continuous improvement*
On the Mend is a series of stories divided into two parts:

1. Process
2. People

We will focus on People in today’s webinar
Results using Lean

- Group Health of Puget Sound reduced E.R. visits by 29% using their medical home redesign resulting in a $10/pm premium reduction to customers while improving quality.
- ThedaCare’s redesigned inpatient care process called Collaborative Care unit has achieved 0 medication reconciliation errors for 3 years running and the cost of inpatient care dropped by 30%.

www.createhealthcarevalue.com

- St. Boniface Winnipeg, Canada has the best cost/weighted case (Canadian measure for inpatient cost efficiency) for an academic medical center in Manitoba, and is second in all of Canada.
Problem Statement:

The prevailing management system is based on an autocratic mindset that does not engage front line staff in identifying waste and improving processes.
White Coat Leadership vs. Improvement Leadership

All Knowing
“ln Charge”
Autocratic
“Buck Stops Here”
Impatient
Blaming
Controlling

Patient
Knowledgeable
Facilitator
Teacher
Student
Helper
Communicator
Guide
The Toyota Way

Best Quality - Lowest Cost - Shortest Lead Time
Best Safety - Highest Morale

Continuous Improvement

Respect for People

PDCA Learning Cycles
Can you say “yes” to these three questions every day?

• Are my staff and doctors treated with dignity and respect by everyone in our organization?

• Do my staff and doctors have the training and encouragement to do work that gives their life meaning?

• Have I recognized my staff and doctors for what they do?
Management Team Behavior
Change

• Go to the gemba every day, but go with standard work.

• Dismantle shame and blame with data.

• Visual management that front line staff can understand and engage.

• Hoshin Kanri and A3 thinking (standard work for senior management).
Thoughts For the Day
The ones you love!

PICK CHART

- High
- Lower

- People POSA
- Process POSA

CITATIONS
Teen's Grad. come Tina's Grad. Elle's Grad!
Medication Reporting - Inpatient

Med Error Incident Reports Complete - AMC

Med Error Incident Reports Complete - TC

Feb 17, 2009 07:24:16

Feb 17, 2009 07:24:18
What’s in it for me?

• Fix the staff and doctors’ biggest problems.

• Improve the daily work experience by taking waste out which decreases fire fighting.

• Better patient outcomes.
Employee Opinion Score results
(6 point scale)

• 2009 Overall Mean = 5.027
• 2008 Overall Mean = 5.014
• 2006 Overall Mean = 4.496
Lessons Learned Creating a Lean Management System

• Managers and staff must be trained, don’t expect them to just “get it”.
• Use data, be transparent, do your homework, then go to “gemba” – be humble but challenge.
• Communicate 1000X more than you think you need to.
• Standard work for all management is critical and must be in place for improvement to occur.
• Learn the leadership tools such as Strategy Deployment early in the journey.
• Develop Physician Champions early.
Question: How can you learn lean?

Answer: By taking risks and making mistakes, one painful lesson at a time. We made our share!
Success in creating a lean healthcare system means we must revolutionize how we deliver care!
We had some start up people issues...

• We began top-down – SMT was not united.
• We did not do a Cultural Assessment for readiness. Ouch!!
• We had an ambiguous, unwritten No Layoff philosophy.
• We had Marginal Performers, and did not manage them in advance.
• We initially did not seek HR help with redeployment processes.
• We failed miserably to ensure early provider involvement and compensation.
We are getting exactly the results we are designed to achieve! To get something different, we must change our approach!

"The Heart of Change" – John Kotter/Dan Cohen
“Managing Transitions” – William Bridges
“Making Sense of Change Management” – Cameron & Green
5 Stages of Change
How it is “experienced”

1. Initiation/Awareness
   Information

2. Reality Testing
   “Pseudo-Commitment”
   Experience

3. Resistance
   Whoa!
   Slow Down!!!

4. Compromise
   Dialogue

5. Integration
   Lock in/standardize
A statistical significance would be 2.0%.

2010 Target = (2008 x 2.0%) + 2008

2010 Engagement Metric

4A: "I understand how my daily work contributes to the organization's mission."

Strongly Agree/Agree

2010 TARGET: 79.5%
% Improvement: 2.4%
Baseline: 77.9%
2010 YTD: 80.3%

YTD % Improvement
YTD Cost Savings
$ -
2010 Engagement Metric

4B: "My ideas and suggestions are valued by my organization."

Strongly Agree/Agree

- AB 2008: 19.4%
- AB 2008: 49.4%
- Pulse 2/2010: 48.3%
- Pulse 6/2010: 46.0%

2010 Target: (2008 x 2.4%) + 2008

*A statistical significance would be 2.4%
We learned the “hard way” that …

• Leadership cannot “support” this … they must **drive** it!!!

• Lean radically changes the manager role.

• Accountability occurs in the metrics, and self-responsibility is the best approach.

• Metrics create data needs and the expectation of timely data delivery.

• All of this requires discipline/rigor.
**HUMAN DEVELOPMENT VALUE STREAM**

**BUSINESS CASE:**
Leadership is one of the most important contributors to a high performing culture. Lean Leaders’ capabilities must be measured and developed with a reliable process to enhance their Knowledge, Skills and Behaviors in order to deliver Measurable Benefits.

**VALUE STATEMENT:**
Leadership Development at TheaCore is a competitive differentiator that enables us to be an employer of choice. Our Leadership Development Process will be robust, flexible, targeted, durable, employee-driven, and culturally supported.

**MEASUREMENTS:**
- Clearly define system-wide process
- Individual Professional Development Plan
- Evidence of individual leader capability
- Clarity of leadership expectations

**REAL STATE:**
- All leaders pursue the necessary capability to effectively lead in a culture of continuous improvement.
The New Culture is Counter-Intuitive

• Reducing waste and non-value added work will come before adding technology, building manpower.

• One man’s “silo” is another man’s “value stream”.

• Redeploy the best employees, not the poor or marginal performers.

• The fastest way to create pull for something is to tell them they can’t have it.
The key to everything is patience. You get the chick by hatching the egg, not by smashing it.  
- Arnold Glasow
Lessons Learned: Stock Tip ... 3M!!
Action Plan

• Identify the crisis
• Create a lean promotion office
• Find change agents
• Map your value streams
• Engage leaders in strategy deployment
• Acquire and disperse knowledge
• Leading as mentorship
• Supplier involvement
• Restructure into product families
Network Purpose

• Accelerate the lean transformation journey for each organization
• Multiple small learning communities
• Spread of current best ideas on system transformation
• Drive change in the larger healthcare system
• www.healthcarevalueleaders.org
1st Network- Members

- Group Health Cooperative
- Gundersen Lutheran Health System
- Hôtel-Dieu Grace Hospital
- Iowa Health System
- Johns Hopkins Medicine
- Lawrence & Memorial Hospital
- Lehigh Valley Health Network
- McLeod Health
- Mercy Medical Center
- Park Nicollet Health Services
- St. Boniface General Hospital
- ThedaCare
- UCLA Health System
- University of Michigan Health System
2nd Network- Members

- Seattle Children's Hospital
- Beth Israel Deaconess Medical Center
- Akron Children's Hospital
- Alberta Health Services
- BJC Healthcare
- St. Joseph's Health Systems
- Christie Clinic
- Kaiser Permanente
- Harvard Vanguard
- Provena Covenant Medical Center
On the Mend:
Revolutionizing Healthcare to Save Lives and Transform the Industry
by John Toussaint, M.D. and Roger A. Gerard, Ph.D.

List Price: $30.00 (20% discount on purchases of 10-99 copies)
On the Mend
Q & A