ORGANIZATIONAL PERFORMANCE FRAMEWORKS: A MASH-UP OF BALDRIGE AND LEAN

The power of 'AND'

'

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Signature Healthcare
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LEARNING OBJECTIVES

- Understand the basics of Baldrige and Lean (high level summaries).

- Understand how the Baldrige framework and Lean Transformation can be leveraged to work together from strategy alignment to problem solving.

- How to use both approaches to invest in people at all levels.

MY (HEALTHCARE) BACKGROUND

- Director, Business Process Design - Community Health Plan of Washington

- Organizational Excellence Consultant, Practice Leader Environmental Sustainability, Baldrige SME - MultiCare Health System

- Vice President, Strategy and Excellence – Yakima Valley Memorial Hospital, now VMMemorial

- Director, Lean Transformation – Geisinger Health, Danville, PA

- Vice President, Lean and Operational Excellence – Signature Healthcare, Brockton, MA

Professional Affiliations – ASQ (American Society for Quality), National Baldrige Program – Performance Excellence, PiPex – New England Program for Baldrige, ACHE – American College of Healthcare Executives

WHAT IS BALDRIGE?

Baldrige has a simple purpose.

- The purpose of the **Baldrige framework** is simply to help organizations—no matter the size or the types of health care services it offers—answer three questions: ***Is your organization doing as well as it could? How do you know? What and how should your organization improve or change?***

- The questions (divided into six interrelated process categories and a results category) represent seven critical aspects of managing and performing as an organization:

  1. **Leadership**
  2. **Strategy**
  3. **Customers**
  4. **Measurement, analysis, and knowledge management**
  5. **Workforce**
  6. **Operations**
  7. **Results**

WHAT BALDRIGE ISN'T...

- Not a list of standards
- No shalls, musts, or required language
- Doesn't tell you what to do

- It merely asks...'How do you....'
- Simple, right?

From 2017-2018 Baldrige Criteria for Performance Excellence - Healthcare

A FOCUS ON PROCESSES (ADLI)

Processes are the methods your organization uses to accomplish its work. The Baldrige framework helps you assess and improve your processes along four dimensions:

1. **Approach:** *How do you accomplish your organization's work? How effective are your key approaches?*
2. **Deployment:** *How consistently are your key approaches used in relevant parts of your organization?*
3. **Learning:** *How well have you evaluated and improved your key approaches? How well have improvements been shared within your organization? Has new knowledge led to innovation?*
4. **Integration:** **How** well do your approaches align with your current and future organizational needs? **How** well do your measures, information, and improvement systems complement each other across processes and work units? How well are processes and operations harmonized across your organization to achieve key organization-wide goals?

A FOCUS ON RESULTS (LETCI)

The Baldrige framework leads you to examine your results from three viewpoints: the external view (*How do your patients, other customers, and other stakeholders view you?*), the internal view (*How efficient and effective are your operations?*), and the future view (*Is your organization learning and growing?*).

In Baldrige, results include all areas of importance to your organization. This composite of measures ensures that your strategies are balanced—that they do not inappropriately trade off among important stakeholders, objectives, or short-and longer-term goals. The Baldrige framework helps you evaluate your results along four dimensions:

- **Levels:** What is your current performance on a meaningful measurement scale?

- **Trends:** Are the results improving, staying the same, or getting worse?

- **Comparisons:** How does your performance compare with that of other organizations and competitors, or with benchmarks or industry leaders?

- **Integration:** Are you tracking results that are important to your organization and that consider the expectations and needs of your key stakeholders? Are you using the results in decision making?
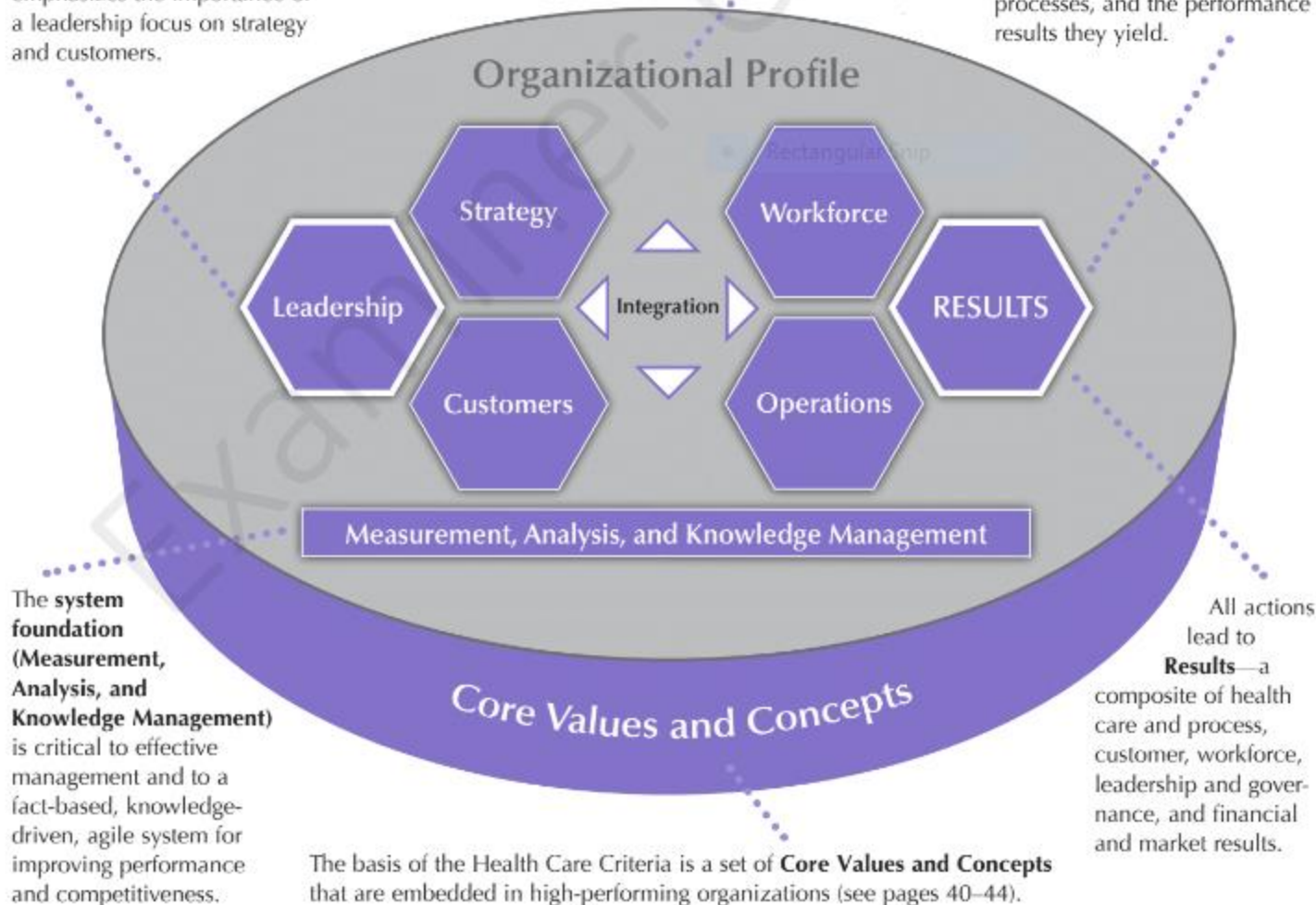
A FOCUS ON LINKAGES

The linkages among the Health Care Criteria categories are an essential element of the systems perspective provided by the Baldrige framework. Some examples of these linkages are:

- the connections between your processes and the results you achieve;
- **the need for data in the strategic planning process and for improving operations;**
- the connection between workforce planning and strategic planning;
- **the need for patient, other customer, and market knowledge in establishing your strategy and action plans;**
- and the connection between your action plans and any changes needed in your work systems.

The **leadership** triad (**Leadership, Strategy, and Customers**) emphasizes the importance of a leadership focus on strategy and customers.

The **Organizational Profile** sets the context for your organization. It serves as the background for all you do.

The **results** triad (**Workforce, Operations, and Results**) includes your workforce-focused processes, your key operational processes, and the performance results they yield.

Organizational Profile

Strategy

Leadership

Integration

Workforce

RESULTS

Customers

Operations

Measurement, Analysis, and Knowledge Management

Core Values and Concepts

The **system foundation** (**Measurement, Analysis, and Knowledge Management**) is critical to effective management and to a fact-based, knowledge-driven, agile system for improving performance and competitiveness.

The basis of the Health Care Criteria is a set of **Core Values and Concepts** that are embedded in high-performing organizations (see pages 40–44).

All actions lead to **Results**—a composite of health care and process, customer, workforce, leadership and governance, and financial and market results.

From 2017-2018 Baldrige Criteria for Performance Excellence - Healthcare

Health Care Criteria for Performance Excellence

Begin with the Organizational Profile

The Organizational Profile is the most appropriate starting point for self-assessment and for writing an application. It is critically important for the following reasons:

- It helps you identify gaps in key information and focus on key performance requirements and results.

- You can use it as an initial self-assessment. If you identify topics for which conflicting, little, or no information is available, use these topics for action planning.

- It sets the context for and allows you to address unique aspects of your organization in your responses to the Health Care Criteria requirements in categories 1–7.

(1) HealthCare Service Offerings What are your main health care service offerings? What is the relative importance of each to your success? What mechanisms do you use to deliver your health care services?

(2) What are your mission, vision and values? What are your organization's core competencies and what is their relationship to the mission?

(3) Workforce Profile What is your workforce profile? What recent changes have you experienced in workforce composition or in your needs with regard to your workforce?
- what are your workforce or employee groups and segments,
- the educational requirements for different employee groups and segments, and
- the key drivers that engage them in achieving your mission and vision?
- what are your organized bargaining units (union representation)? What are your organization's special health and safety requirements?

BALDRIGE ASKS ABOUT 33 SYSTEMS

Category 1 – Leadership

Leadership System – How leaders at all levels guide and sustain the organization, communicate and encourage high performance. How they create the culture that focuses on customers, while motivating the workforce to meet goals. How they role model the values to accomplish the mission and achieve the vision.

Communication System – How the organization identifies the need for, delivers, and validates the effectiveness of communication to all levels and stakeholders.

Governance System – How the organization creates a culture of accountability for actions – including fiscal accountability, transparency of operations, and protection of the interests of all stakeholders.

Organizational Sustainability System – How the organization ensures it's operational (short-term) and strategic (long-term) viability.

Legal Compliance And Ethical System – How the organization anticipates and addresses legal and ethical concerns and promotes ethical behavior in all interactions, including addressing breaches in legal or ethical conduct.

Support To Key Communities System – How the organization provides community support, including determining groups to support, priorities, participation levels, and how it contributes to community benefit.

GENITECT

BALDRIGE ASKS ABOUT 33 SYSTEMS

Category 5 – Workforce Focus

Workforce Capability & Capacity System – How the organization assesses the skills needed (capability) and the quantity of each skill (capacity), and how they close the gap between the needs and the availability.

Hiring & Career Progression System – How the characteristics and skills needed by the workforce are identified, and employees are recruited, hired and retained.

Workforce Work Environment System – How workplace health, safety, and security are ensured & improved.

Workforce Benefit System – How employees are supported through services, benefits, and policies.

Workforce Enrichment & Engagement System – How the organization determines the factors which affect workforce engagement and foster a culture conducive to high performance.

Workforce Performance Management System – How workforce performance is evaluated and managed to support high performance work, with a focus on customers, products and services.

Workforce & Leadership Development System – How learning and development for the workforce and leaders is designed and implemented to contribute to the achievement of action plans and objectives.

Workforce Engagement Assessment System – Formal and informal methods used to determine employee well-being, satisfaction, motivation and engagement.

GENITECT[SM]

BALDRIGE PROCESS - ORGANIZATIONS

Examiners will read your application responses…

…then review the Criteria requirements…

…as well as the "key factors" for your organization that they have identified from the Organizational Profile…
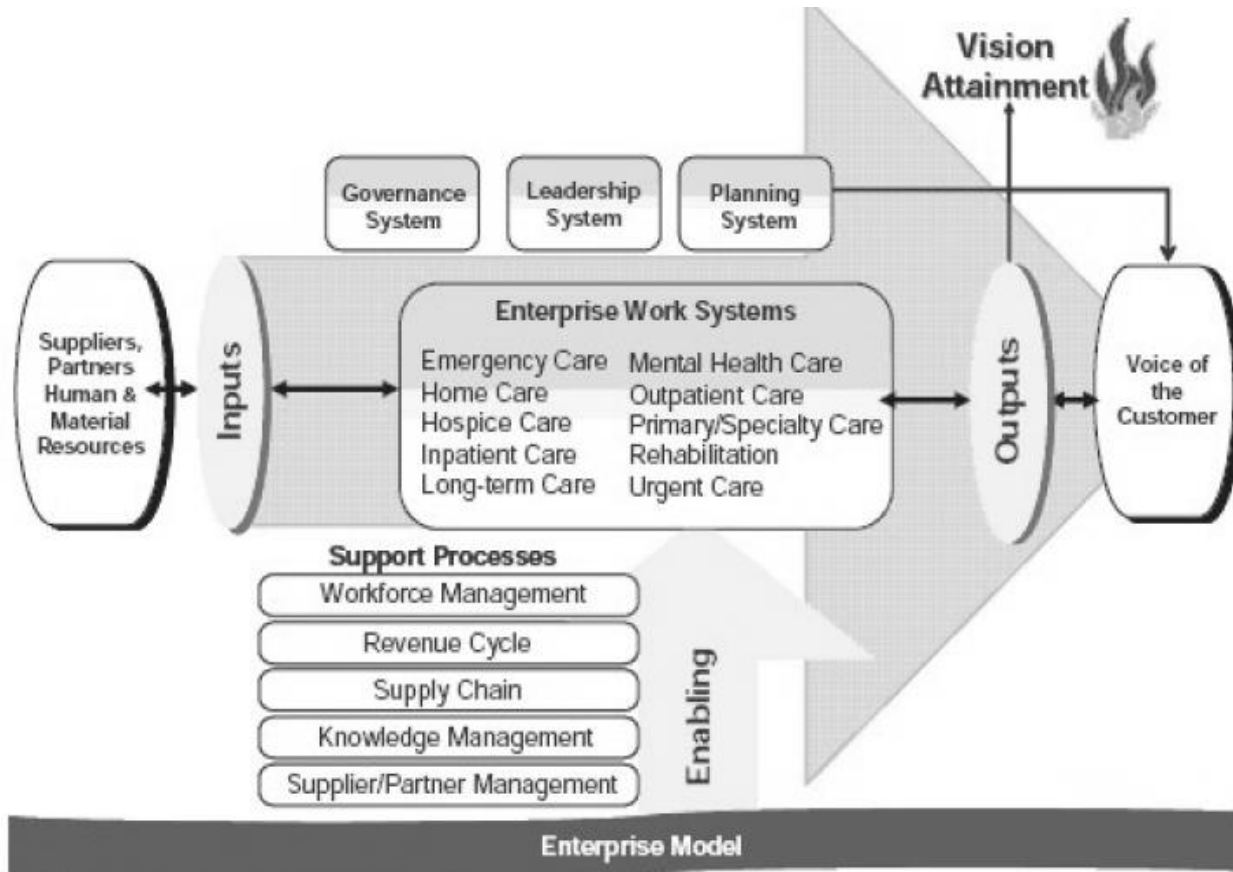
Our Application
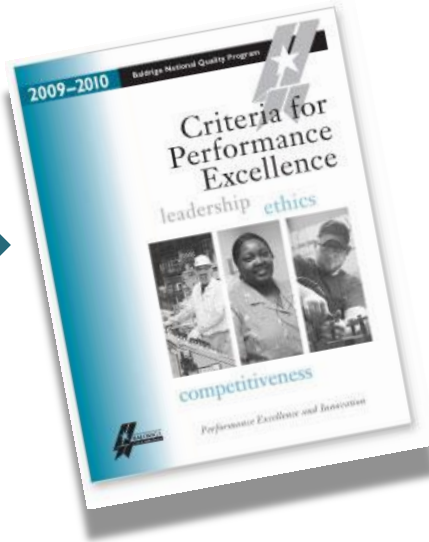
… then, considering the evaluation factors…

…they will develop Strength and OFI feedback comments like the ones on the following slides.

A-D-L-I for Processes

Le-T-C-I for Results

Sharp HealthCare, a 2007 Baldrige Award Recipient

Figure 1.1-1: Leadership System (LS)

Sharp HealthCare, a 2007 Baldrige Award Recipient

PVHS Global Path to Success
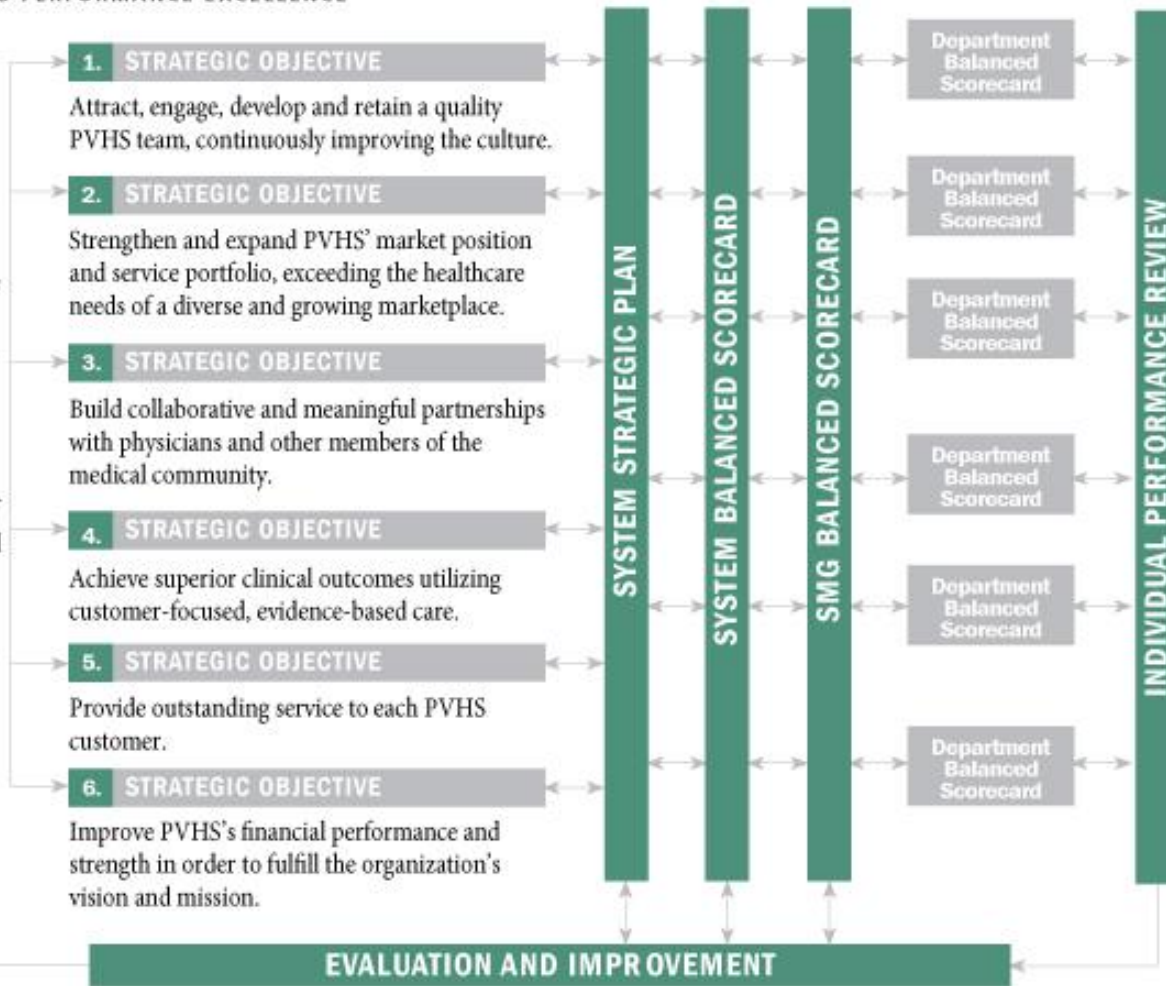### A GUIDE TO PERFORMANCE EXCELLENCE

Vision
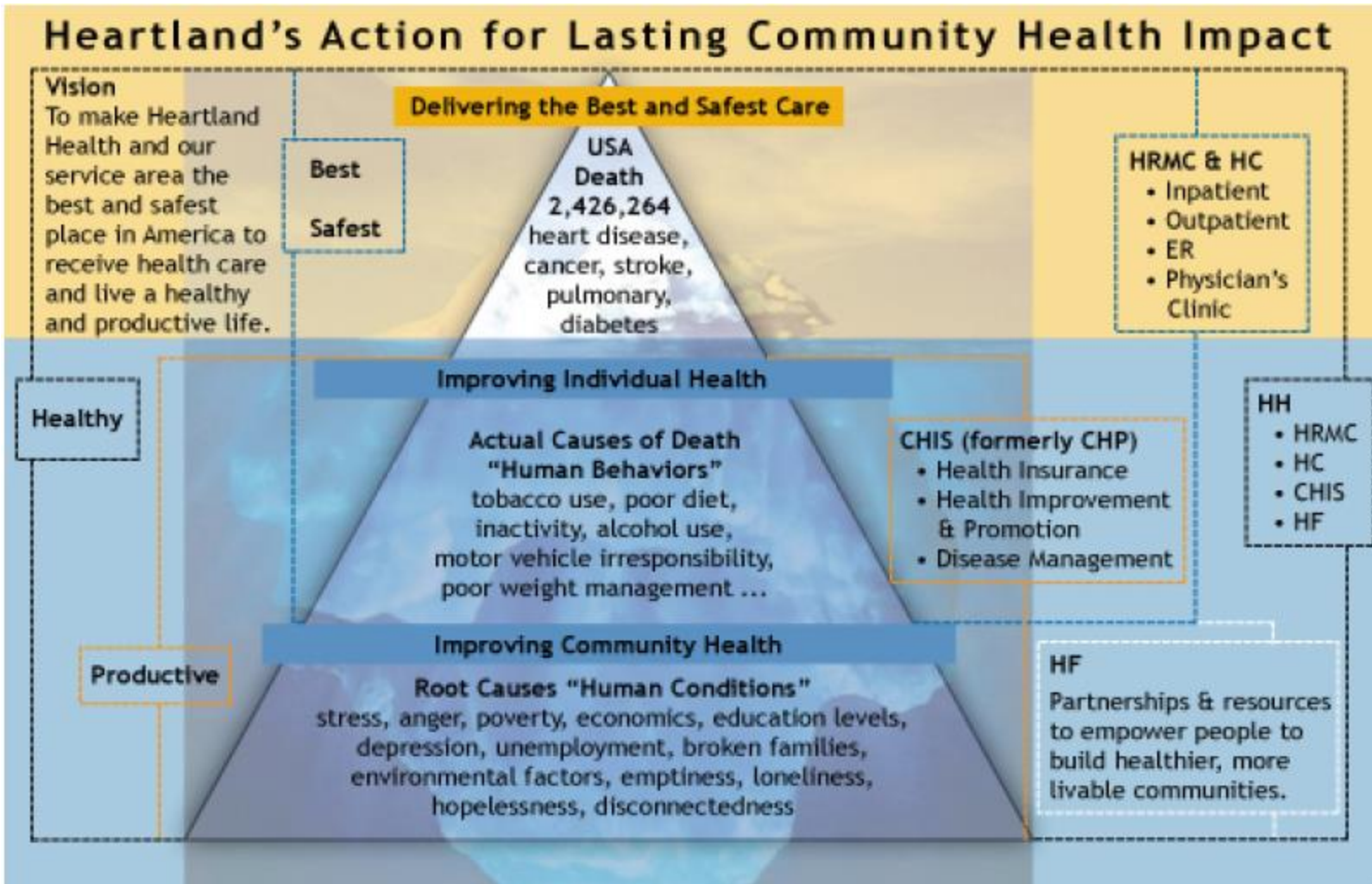To provide world-class health care

Mission
The mission of Poudre Valley Health System (PVHS) is to be an independent, non-profit organization, providing innovative, comprehensive care of the highest quality and exceeding customer expectations.
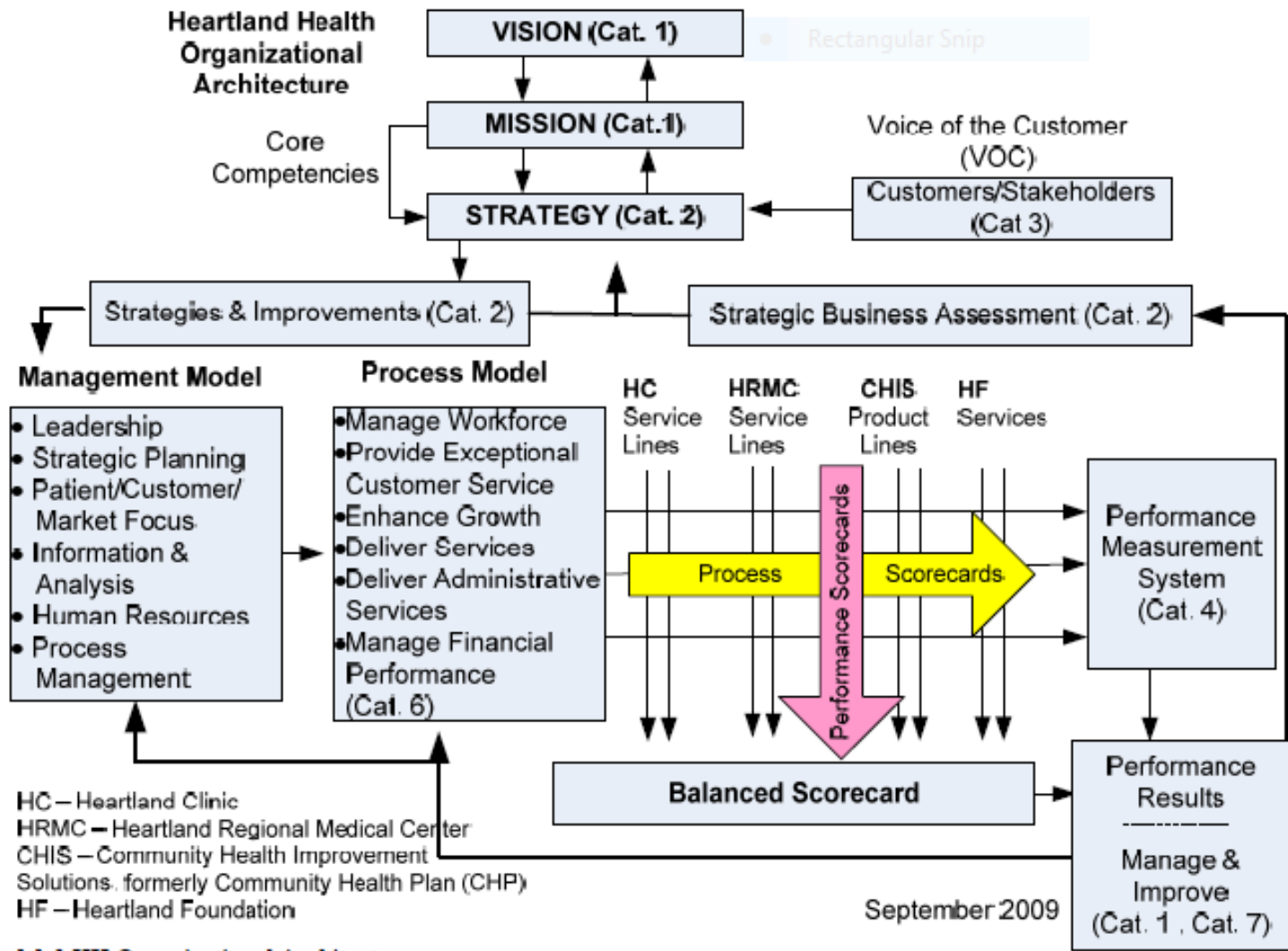
Values
Quality
Compassion
Confidentiality
Dignity/Respect
Equality
Integrity

1. STRATEGIC OBJECTIVE
Attract, engage, develop and retain a quality PVHS team, continuously improving the culture.

2. STRATEGIC OBJECTIVE
Strengthen and expand PVHS' market position and service portfolio, exceeding the healthcare needs of a diverse and growing marketplace.

3. STRATEGIC OBJECTIVE
Build collaborative and meaningful partnerships with physicians and other members of the medical community.

4. STRATEGIC OBJECTIVE
Achieve superior clinical outcomes utilizing customer-focused, evidence-based care.

5. STRATEGIC OBJECTIVE
Provide outstanding service to each PVHS customer.

6. STRATEGIC OBJECTIVE
Improve PVHS's financial performance and strength in order to fulfill the organization's vision and mission.

SYSTEM STRATEGIC PLAN

SYSTEM BALANCED SCORECARD

SMG BALANCED SCORECARD

Department Balanced Scorecard

INDIVIDUAL PERFORMANCE REVIEW

EVALUATION AND IMPROVEMENT

Poudre Valley Health System 2008 Baldrige Recipient

Heartland Health 2009 Baldrige Recipient

1.1-1 HH Organizational Architecture

Heartland Health 2009 Baldrige Recipient

Who | **What** | **How do you Know?**

Groups P.1b(2)			Key Requirements and Expectations P.1b(2)	Performance 7.1a(1)	Satisfaction/ Dissatisfaction 7.2a(1)	Engagement 7.2a(2)
Patients	Inpatient (IP)		High quality, safe care	7.1-1 - 7.1-11	7.2-2 - 7.2-10	7.2-21
			Communication/respect	7.1-42; 7.3-29		
			Responsiveness/timeliness	7.1-45		
	Outpatient (OP)		High quality, safe care	7.1-37 - 7.1-40	7.2-11 - 7.2-17	7.2-22
			Communication	7.1-43 - 7.1-44		
			Timeliness	7.1-46 - 7.1-48		
	Emergency (ED)		Timeliness	7.1-49 - 7.1-50	7.2-18 - 7.2-19	7.2-23
			High quality, safe care	7.1-42		
Stakeholders	WF Segments	Employees — Nursing	Work processes	7.1b(1); 7.3-30; 7.4-27	7.3-20 - 7.3-23; 7.3-30 – 7.3-31	7.3-13 - 7.3-19; 7.4-1
			Understanding change	7.3-8; 7.3-30		
			Confidence in leadership	7.3-16 – 7.3-17; 7.3-30		
		Employees — Non-Nursing	Understanding change	7.3-8; 7.3-31		
			Work processes	7.1b(1); 7.3-31; 7.4-27		
			Confidence in leadership	7.3-16 – 7.3-17; 7.3-31		
		Physicians	Quality patient care	7.1-1 - 7.1-24	7.3-20 - 7.3-24; 7.3-26 – 7.3-27	7.3-14 - 7.3-19; 7.3-26 - 7.3-27
			Work processes	7.1-25 – 7.1-39		
		Volunteers	Purposeful work	7.3-28	7.3-28	7.3-28
			Respect	7.3-28		
Other Customers	Community		Access to care	7.1-52 - 7.1-53; 7.4-18 - 7.4-19	7.2-26 - 7.2-27; 7.2-24; 7.4-26	7.2-26 - 7.2-27; 7.5-16; 7.5-18
			Health improvement	7.4-16 - 7.4-21		
	Payors		Cost effective	7.5-11 – 7.5-12	7.5-4 – 7.5-5; 7.5-13; 7.5-19	7.2-26–7.2-27; 7.5-19 - 7.5-31
			High quality care	7.1-1 – 7.1-2; 7.1-10		

Charleston Area Medical Center, 2016 Baldrige Recipient

Figure 1.1-1 Leadership System
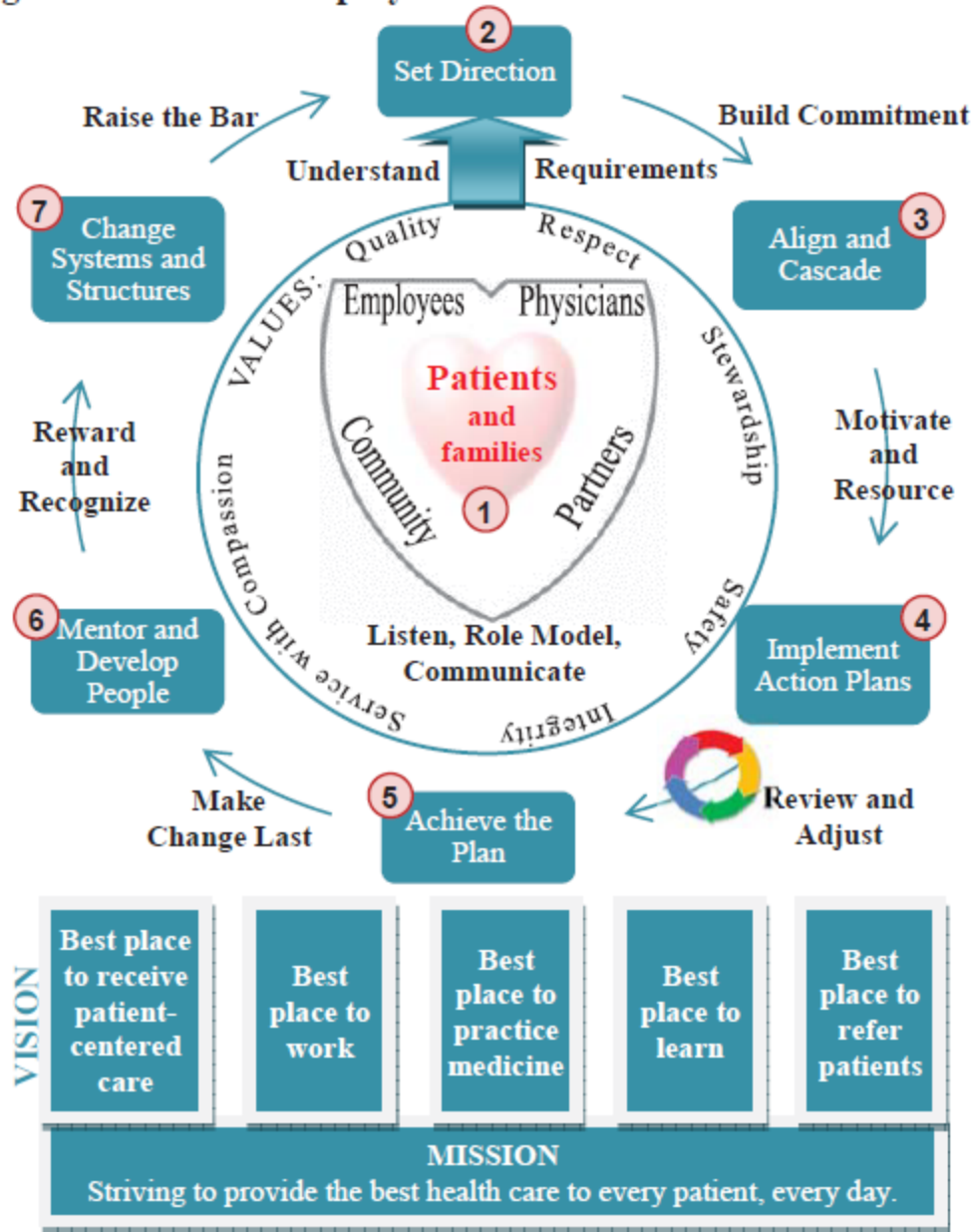

Charleston Area Medical Center, 2016 Baldrige Recipient

Figure 2.2-1 Action Plan Development and Deployment

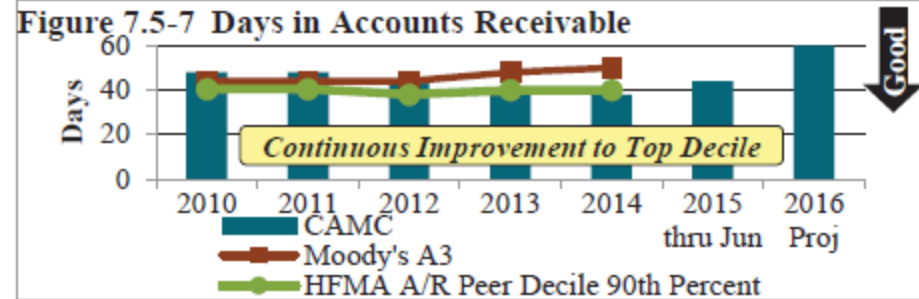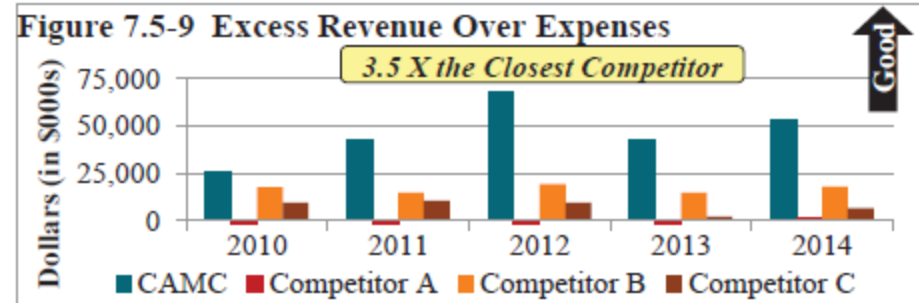Charleston Area Medical Center, 2016 Baldrige Recipient
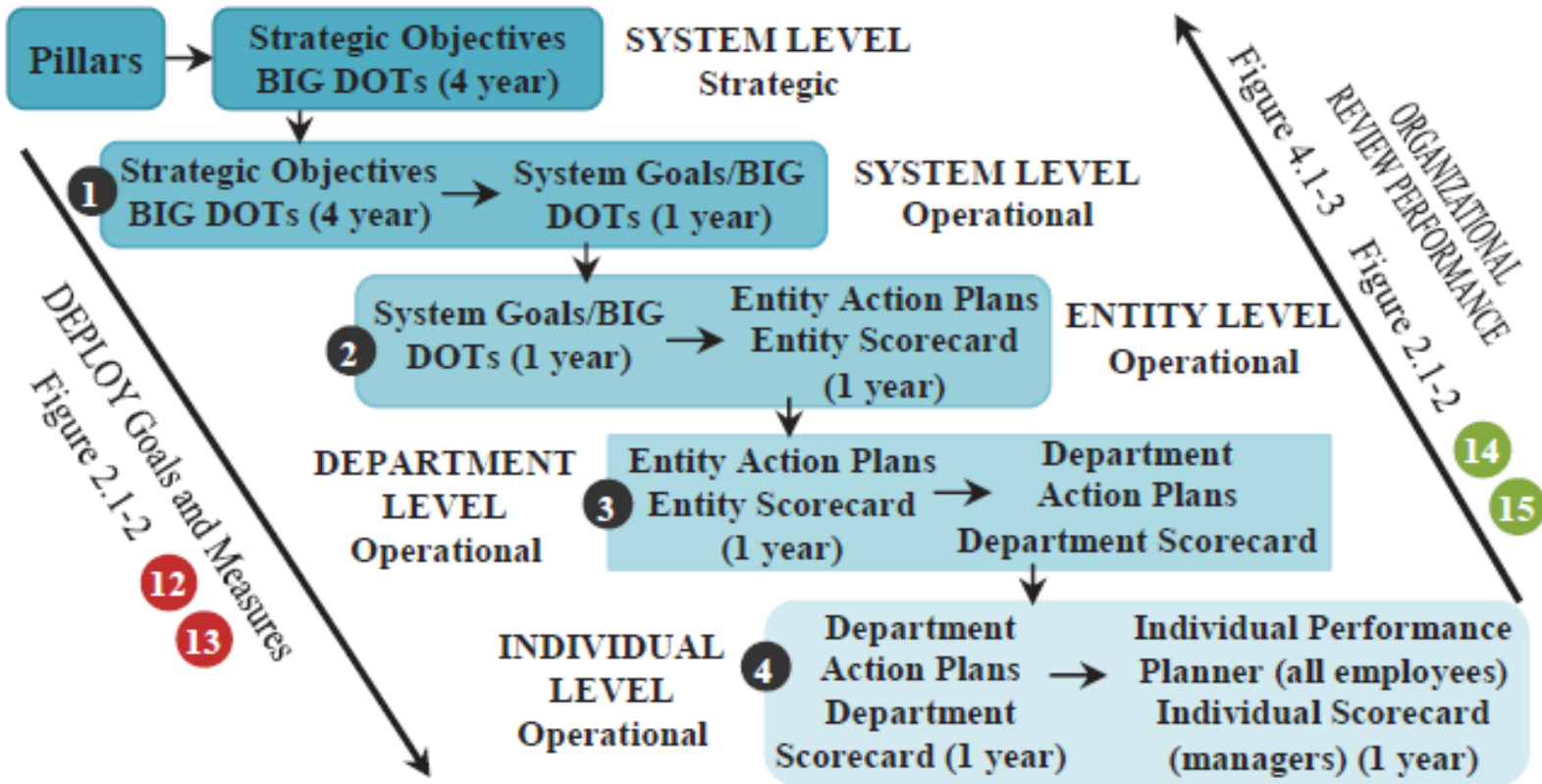
Figure 6.1-1 Enterprise Systems Model

Charleston Area Medical Center, 2016 Baldrige Recipient

The Results

Figure 7.1-4 Healthgrades Star Ratings

Conditions/Procedures	CAMC	Competitors		
		A (Local)	G (State)	F (Regional)
Coronary Interventions	5 Stars	3 Stars	1 Star	1 Star
Heart Attack	5 Stars	3 Stars	1 Star	3 Stars
Heart Failure	5 Stars	3 Stars	5 Stars	3 Stars
Pulmonary Embolism	5 Stars	3 Stars	3 Stars	3 Stars
Sepsis	5 Stars	5 Stars	3 Stars	1 Star
Esophageal/Stomach Surgeries	5 Stars	3 Stars	3 Stars	3 Stars
Colorectal Surgeries	5 Stars	3 Stars	3 Stars	3 Stars
Stroke	5 Stars	3 Stars	3 Stars	3 Stars
Neurosurgery	5 Stars	NR	5 Stars	3 Stars
Hip Replacement	5 Stars	3 Stars	1 Star	NR
Prostate Removal Surgery	5 Stars	NR	1 Star	3 Stars
COPD	5 Stars	3 Stars	5 Stars	5 Stars
Pneumonia	5 Stars	3 Stars	3 Stars	3 Stars

Legend: 5 Stars = Better than Expected   3 Stars = As Expected
1 Star = Worse Than Expected   NR = No Rating
Other Local and Regional Competitors AOS

Figure 7.5-7 Days in Accounts Receivable

Continuous Improvement to Top Decile

CAMC
Moody's A3
HFMA A/R Peer Decile 90th Percent

Days Cash on Hand (Figure 7.5-8) shows favorable trends and good performance. Figure 7.5-9 shows our strong financial performance against local competitors.

Figure 7.5-8 Days Cash on Hand

Exceeds Benchmarks - Strong Cash Position

CAMC
Teaching Hospitals (Truven)
Moody's A3
Moody's Median

Figure 7.5-9 Excess Revenue Over Expenses

3.5 X the Closest Competitor
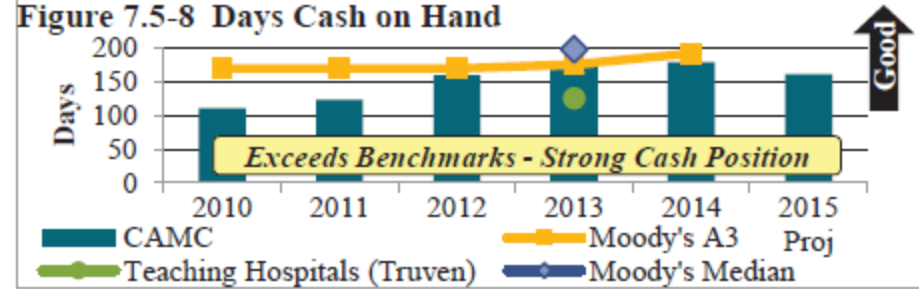
CAMC   Competitor A   Competitor B   Competitor C
Source: WVHCA

Charleston Area Medical Center, 2016
Baldrige Recipient

WHY DO ORGANIZATIONS USE BALDRIGE TO IMPROVE?

"I see the Baldrige process as a powerful set of mechanisms for disciplined people engaged in disciplined thought and taking disciplined action to create great organizations that produce exceptional results."

—Jim Collins, author of Good to Great: Why Some Companies Make the Leap . . . and Others Don't

Baldrige Program Impacts

The ratio of the Baldrige Program's benefits for the U.S. economy to its costs is estimated at 820 to 1.

110 Baldrige Award winners serve as national role models.

2010–2017 award applicants represent 611,689 jobs, 2,906 work sites, over $153 billion in revenue/budgets, and about 450 million customers served.

366 Baldrige examiners volunteered roughly $8.24 million in services in 2017.

State Baldrige-based examiners volunteered around $29 million in services in 2016.

LEAN TRANSFORMATION

GEISINGER HEALTH

WHY LEAN TRANSFORMATION & WHY NOW?

WHAT IS LEAN TRANSFORMATION?

- Lean is all about looking at things from the customer's (or patient's) perspective to deliver the highest value.

- It focuses on improving culture and processes so that we can deliver the best experience possible to patients.

- Front-line employees are developed and empowered through problem-solving and coaching.

- Leadership is also developed alongside of an effective daily management system.

1. *Improvement System*

   - Structure a consistent transformation journey across platforms and service lines

   - Eliminate waste and variability in key processes

   - Use analytics and a fact-base to prioritize opportunities

   - Build **problem-solving** capacity in all

Performance Management

Improvement System

Leadership capabilities

Mindsets & Capabilities

SOURCE: McKinsey Operations Practice

2. *Performance Management*

- Align on key performance metrics to track

- Build a **daily management** system to monitor progress

- Institute regular, cascading huddles at all levels of the organization

- Structure for accountability; **strategy alignment**

Performance Management

Improvement System

Leadership capabilities

Mindsets & Capabilities

SOURCE: McKinsey Operations Practice

3. *Mindsets & Capabilities*

- Create cross-functional teams to drive change

- Train staff on "hard" and "soft" skills

- Empower front-line staff to drive the transformation effort

- Engage physicians extensively

- Be a catalyst for **cultural transformation**

SOURCE: McKinsey Operations Practice

4. *Leadership*

- Establish Lean Leadership to build leadership capabilities to coach through and support & sustain change
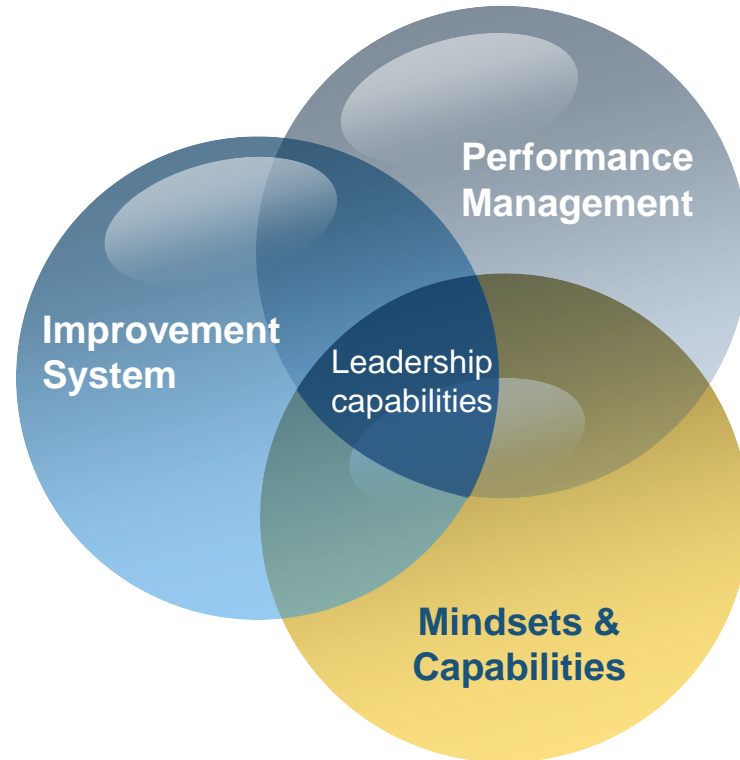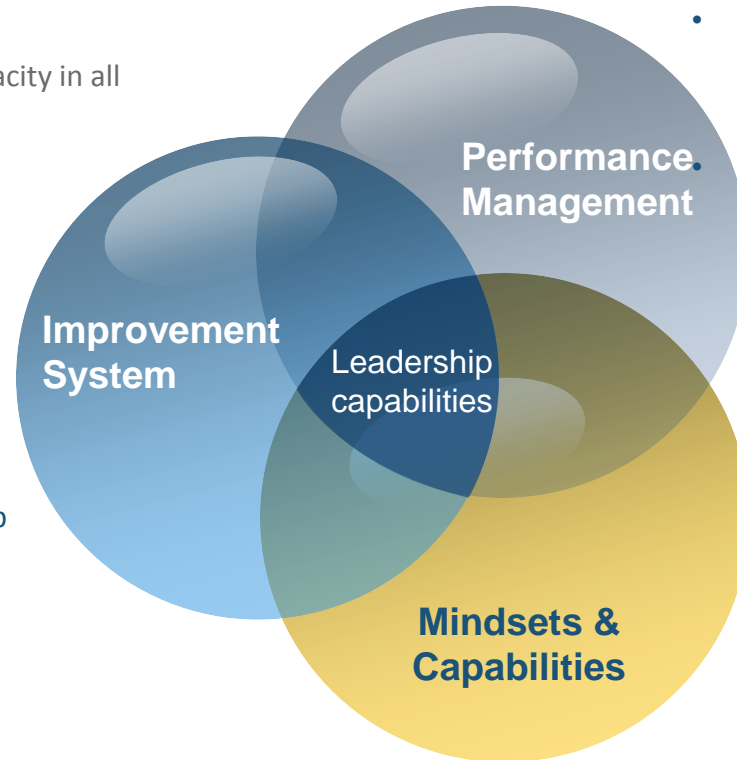
- Remove challenges & barriers

Performance Management

Improvement System

Leadership capabilities

Mindsets & Capabilities
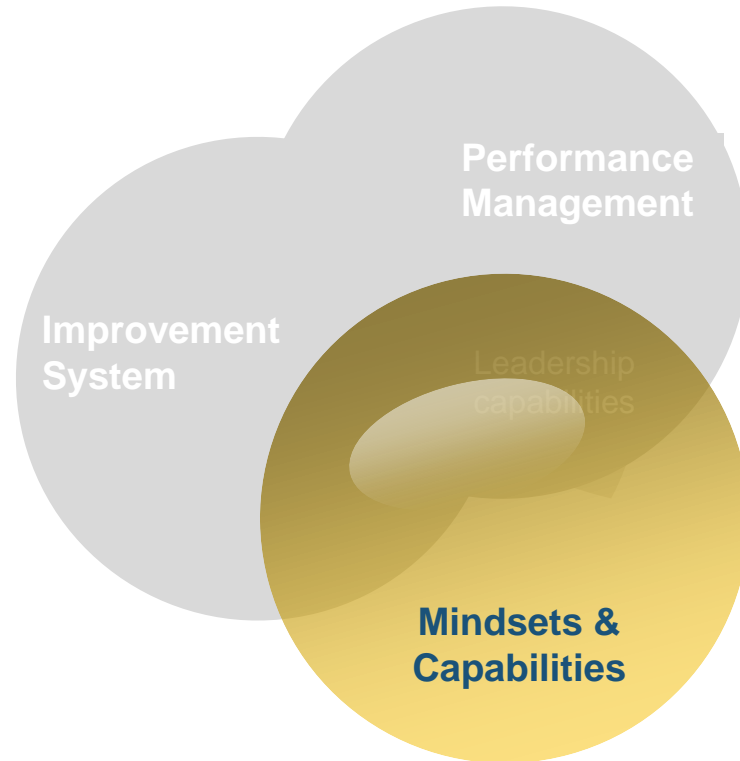
SOURCE: McKinsey Operations Practice

SUCCESSFUL LEAN TRANSFORMATION:
5 KEY BUILDING BLOCKS (5 OF 5)

5. ***The Patient Experience***

- Lean management is built upon listening to the voice of the patient/member and understanding their journey

Performance Management

Improvement System

Leadership capabilities

Mindsets & Capabilities

SOURCE: McKinsey Operations Practice

1. Improvement System

- Structure a consistent transformation journey across platforms and service lines
- Eliminate waste and variability in key processes
- Use analytics and a fact-base to prioritize opportunities
- Build **problem solving** capacity in all

2. Performance Management

- Align on key performance metrics to track
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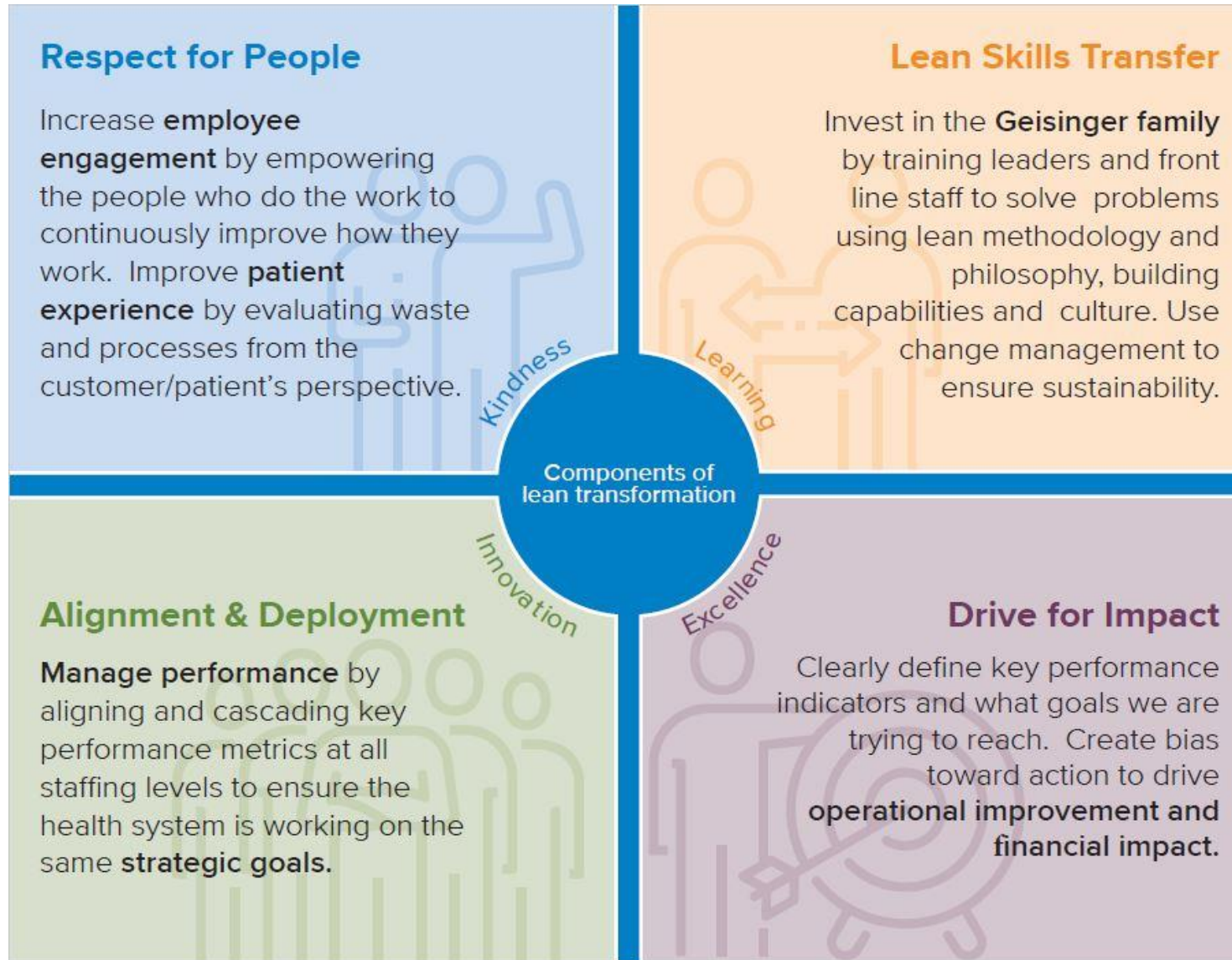- Structure for accountability; **strategy alignment**

3. Mindsets & Capabilities

- Create cross-functional teams to drive change
- Train staff on "hard" and "soft" skills
- Empower front-line staff to drive the transformation effort
- Engage physicians extensively
- Be a catalyst for **cultural**

4. Leadership

- Establish Lean Leadership to build leadership capabilities to coach through and support & sustain change
- Remove challenges & barriers
- Go to the Gemba!!

Performance Management

Improvement System

Leadership capabilities

Mindsets & Capabilities

5. The Patient Experience

Lean management is built upon listening to the voice of the patient/member and understanding their journey

SOURCE: McKinsey Operations Practice

PRINCIPLES FOR LEAN TRANSFORMATION

Respect for People

Increase **employee engagement** by empowering the people who do the work to continuously improve how they work. Improve **patient experience** by evaluating waste and processes from the customer/patient's perspective.

Lean Skills Transfer

Invest in the **Geisinger family** by training leaders and front line staff to solve problems using lean methodology and philosophy, building capabilities and culture. Use change management to ensure sustainability.

Kindness
Learning

Components of lean transformation

Innovation
Excellence

Alignment & Deployment

Manage performance by aligning and cascading key performance metrics at all staffing levels to ensure the health system is working on the same **strategic goals.**

Drive for Impact

Clearly define key performance indicators and what goals we are trying to reach. Create bias toward action to drive **operational improvement and financial impact.**

STRATEGIC ALIGNMENT

Alignment – consistency among plans, processes, information, resource decisions, workforce capability and capacity, actions, results, and analyses that support key organization-wide goals.

Effective alignment requires:

- a common understanding of purposes and goals
- the use of complementary measures and information for planning, tracking, analysis and improvement at three levels:
  1. organizational level
  2. key process level
  3. departmental or work unit level

MATURITY & EFFECTIVENESS – WHERE IS YOUR ORGANIZATION?

Source: 2017–2018 Baldrige Excellence Framework (Health Care)

CASCADING GOALS & PERFORMANCE MANAGEMENT SYSTEM

One Geisinger
- Overall Priorities & LT Strategies

Platforms/Institutes
- Operational Plans & Dashboards; Lean Implementation Goals in PMS

Dept
- AE Boards & PMS Goals for Lean

Individual
- PMS Goals for Lean & Daily Huddle Boards
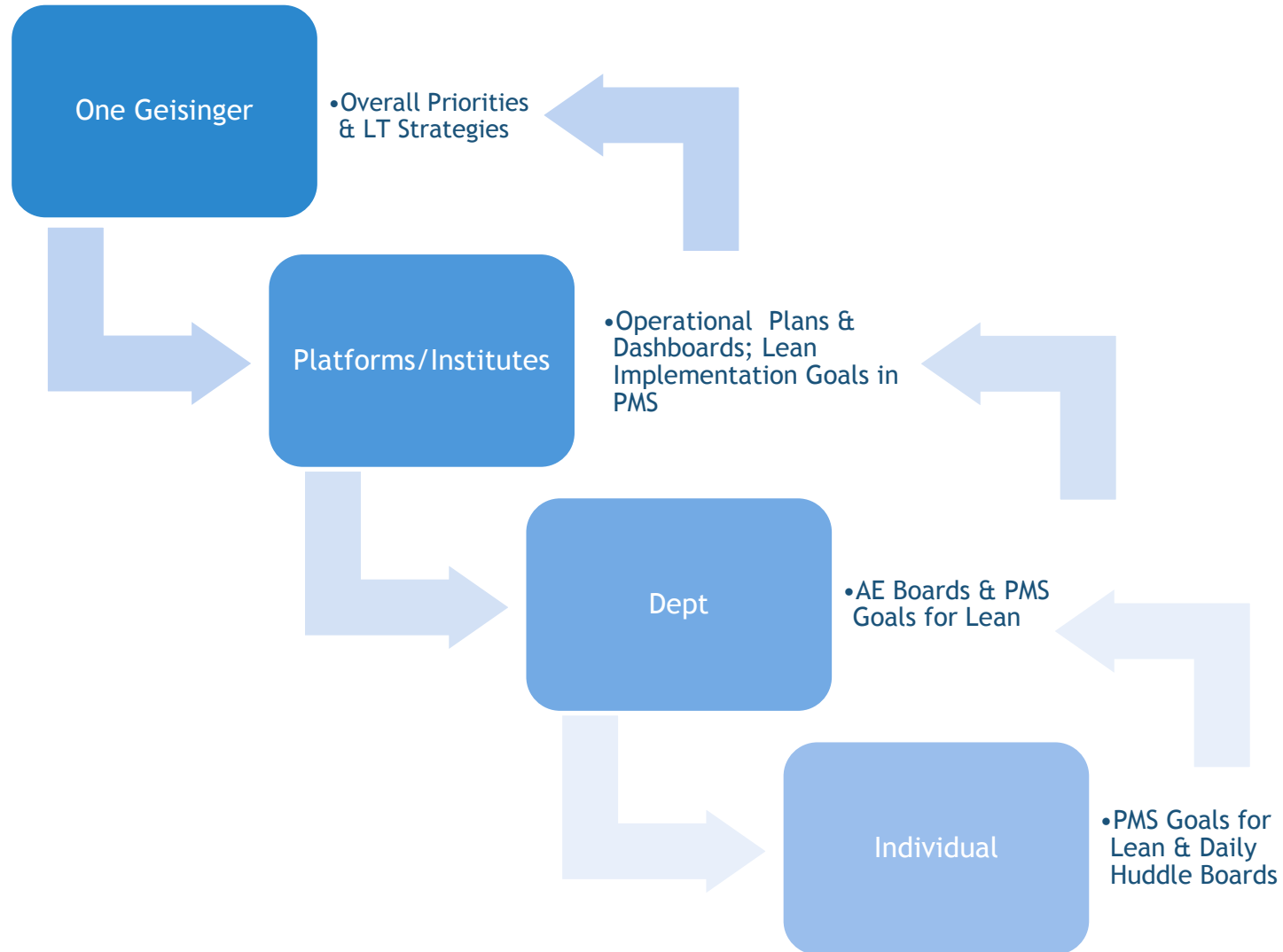
ACHIEVING EXCELLENCE BOARDS

- AE Boards are a simple way to keep track of the most important **key performance indicators (KPIs)** for a department/unit.

- The visual representation should draw in staff and leaders alike by showing the most important work of a department.

- Some of the measures may align with strategic objectives of the organization, but not necessarily all.

CONTENT FOR AE BOARDS

⦿ **There are 3 main components:**

- Objective – what are you trying to improve?

- Performance measure or Key Performance Indicator (KPI)- how are you measuring improvement on the objective?

- Action Plan – what is your department doing to improve performance (www)?

ACHIEVING EXCELLENCE BOARDS
CASCADING STRATEGY AND ESCALATING PROBLEMS

Strategic Priorities

Caring	Quality & Safety		Customer Experience	Geisinger Family	Operations/Finance	
	Department A3	Department A3	Department A3	Department A3	Department A3	Department A3
	Action Plans	Action Plans	Action Plans	Action Plans	Action Plans	Action Plans
	Data/Trend Charts	Data/Trend Charts	Data/Trend Charts	Data/Trend Charts	Data/Trend Charts	Data/Trend Charts

🎗Goal exceeded

User-defined Area Below

Key Milestones/Dates:

Recognition/ Celebration:

Improvement Ideas

Kindness   Excellence   Learning   Innovation

VIRGINIA MASON MEMORIAL

STRATEGIC PROCESS PLANNING

Key Inputs — April–Jun

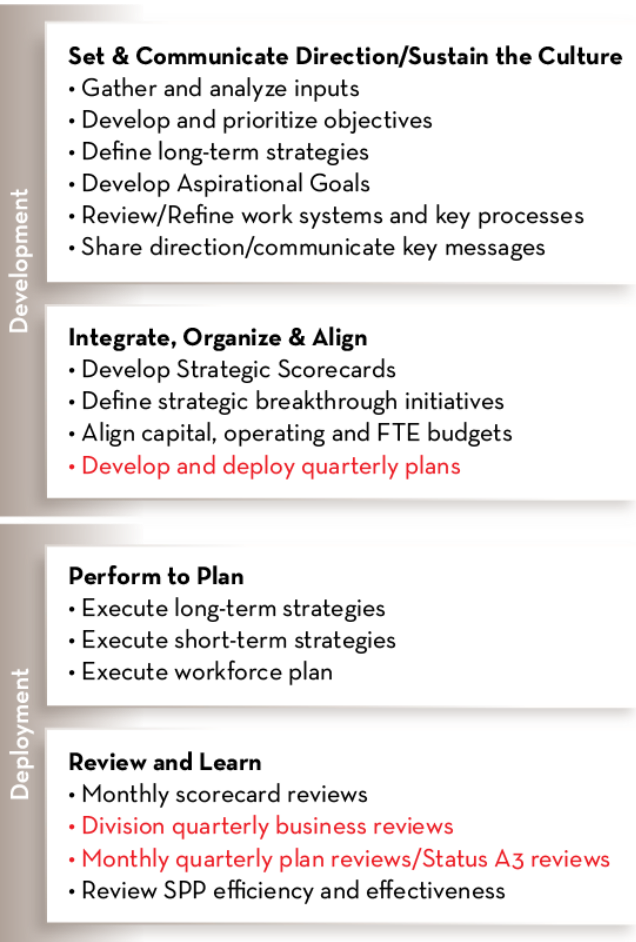Stakeholder SWOTS
Scorecard Results
CMS Value-Based Purchasing
Workforce Capability and Capacity
  Assessment and Projections
People Engagement
Community Needs Assessment
Cultural Competency Report
VOC Feedback Analysis
Competitor Intelligence
Market Analysis, including
  Service Lines
Regulatory Assessment
Compliance Program
Technology Assessment
Org Intelligence
Population Health Readiness
Facility Assessment &
  Future Development Needs
Environmental Scan
  (local, regional, national)

Framework & Process — Jun–Dec

Development

Set & Communicate Direction/Sustain the Culture
• Gather and analyze inputs
• Develop and prioritize objectives
• Define long-term strategies
• Develop Aspirational Goals
• Review/Refine work systems and key processes
• Share direction/communicate key messages

Integrate, Organize & Align
• Develop Strategic Scorecards
• Define strategic breakthrough initiatives
• Align capital, operating and FTE budgets
• Develop and deploy quarterly plans

Deployment

Perform to Plan
• Execute long-term strategies
• Execute short-term strategies
• Execute workforce plan

Review and Learn
• Monthly scorecard reviews
• Division quarterly business reviews
• Monthly quarterly plan reviews/Status A3 reviews
• Review SPP efficiency and effectiveness

Outputs/Outcomes

• Core competencies
• Strategic advantages & challenges
• VMV review
• Strategic Objectives
• Long- and short-term strategies
• Communication to workforce,
  patients/families, partners,
  suppliers, collaborators
• Work systems

• Balanced Scorecard
• Capital budget
• Operating Budget
• Quarterly plans
• Strategy A3s
• People Engagement

• BSC Results
• People Engagement

• Revised action plans
• Reward & recognition
• Improved SPP

*MEMORIAL

TOP 5 EXTERNAL CHALLENGES/OPPORTUNITIES.

1. Cost shifting impacting affordability for many Americans and employers
2. Shift from volume to value—linking quality/service and alternative payment models
3. Physician/health care provider shortages
4. Pressure to reduce health care cost
5. Disruptive innovation challenging traditional models

STRATEGIC ADVANTAGES & CHALLENGES

| Area	Strategic Advantages	Strategic Challenges
Healthcare Services	1. Emerging integration of Memorial Family of Services, including SignalHealth and Memorial Foundation 2. Breadth and depth of care services we provide	1. Quality, safety and service process and formal patient-centeredness approaches 2. Transitions of care 3. Pace of disruptive modalities and technologies for care delivery 4. Access to care 5. Lack of IT Integration
Operational	1. Preferred by the community 2. Commitment to performance excellence *(Baldrige Journey)* 3. VM Affiliation 4. Operational Performance Improvement 5. Competency to move to risk-based contracting	1. Payment reform and reducing our cost structure to ensure sustainability 2. Business intelligence infrastructure 3. Our speed of change *(agility, decision-making)* 4. Lack of standard approach for quality and process improvement 5. Organizational structure is reflective of our operational silos
Societal Responsibility	1. Community partnerships and collaboration 2. Invested in the community/Community investment via the Memorial Foundation 3. Developing whole community solutions 4. Healthier Hospitals—focus on stewardship and sustainability	1. Achieving health outcomes given social-economic factors in our community 2. Providing affordable care
Human Resources	1. Affiliation with higher educational institutions 2. Engaged volunteers 3. Engaged, local community governance boards 4. Physician alignment	1. Assuring an engaged, high preforming workforce through affiliation 2. Cultural competency 3. Qualified, culturally diverse workforce and providers availability 4. Leadership development and succession planning

✳MEMORIAL
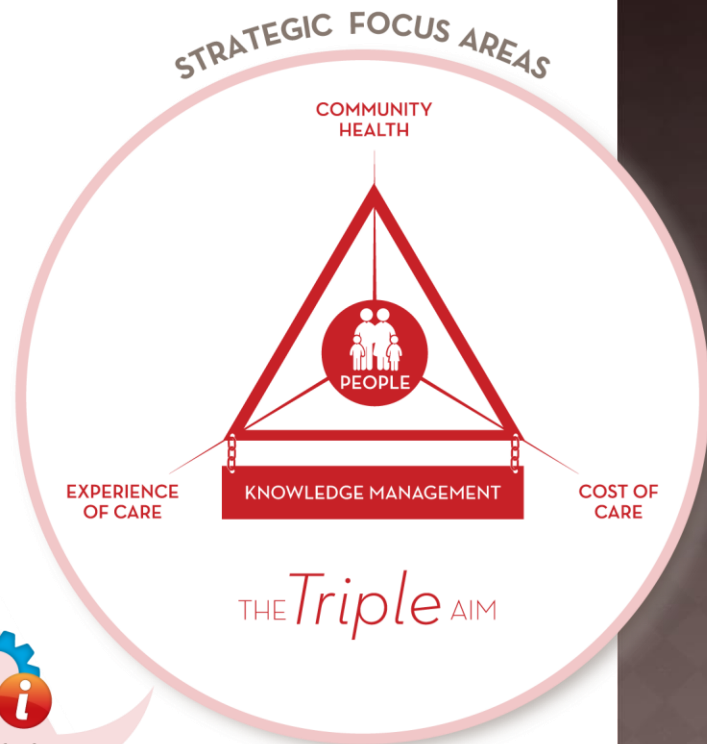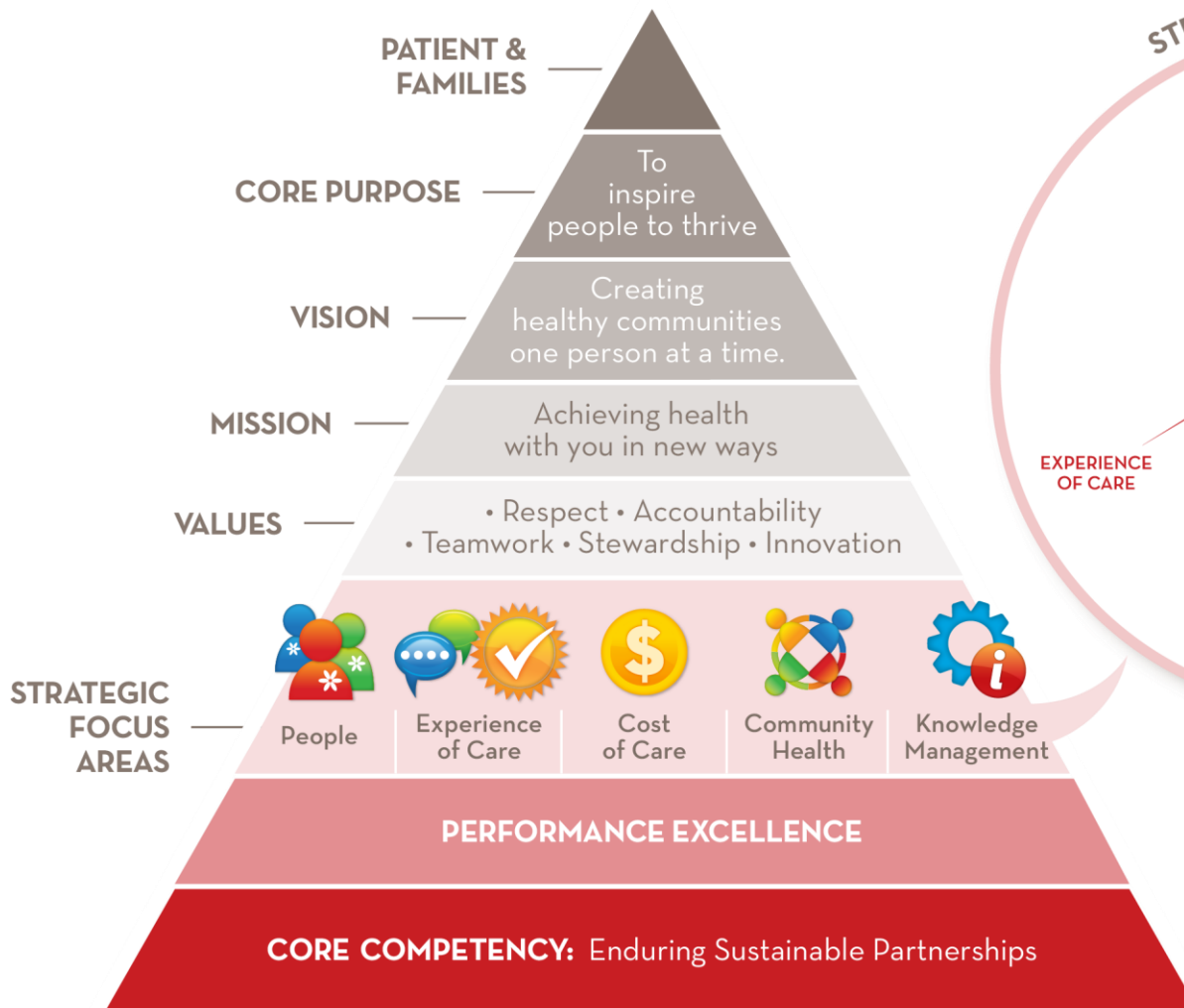
STRATEGY MEETS LEAN

FY2016 Strategy A3- "TITLE"			
Strategic Focus Area:	**Executive Owner:**	**Process Owner:**	**Data Owner:**
Objective:		**Team members:**	
Type: ☐ Strategic Goal ☐ Other Priority		**OE Consultant:**	**Last Updated:**
1. Current Condition		**3. Analysis**	
2. Reflection on last year's activities		**4. Aim Statement/ Target Condition**	
3-5 Top Activities	Key Results & Learning		

ACTION PLANNING

10. Action Plan							Last Updated: date/ initials
Action Item-*place action items under each Countermeasure*	Responsibility	FYQTR to be completed				Status %	Barriers/ Next Steps/ Lessons Learned
		Q1	Q2	Q3	Q4		
Countermeasure 1							
Action item 1						○	
Action item 2						○	
Countermeasure 1							
Action item 1						○	
Action item 2						○	

STATUS REPORTING

Pillar	Measure	Executive Sponsor	2014 Baseline	2015 Goal	Status	Better	Trend	Jun 2015	Jul 2015	Aug 2015	
Community	Number of "LIVES TOUCHED" through evidence based strategic prevention activities - increase by 35% in 2015	Diane P									
	Percentage of Diabetes Prevention participants who lose 5% of Body Weight	Diane P									
	Value-Based Contracting - Achieve Lives Covered	Rich S									
	Achieve Level 1 on Healthy Hospitals Initiative – Engaged leadership, healthier food, reduce energy	Laura K									
Finance	Operational Performance Improvement (implemented annualized benefit)	Jim A									
	Overall Cash Collected as a Percent of Net Revenue	Tim R									
	Operating Margin Consolidated Statement (perform to budget)	Tim R									
	Annual Increase in Net Assets	Anne									
	Foundation Funding - Allocable (perform to budget)	Anne									
Information	Hospital Patient Electronic Access - Stage 2	Jeff									
	Hospital Summary of Care, Electronically Provided	Jeff									
	Ambulatory - % Physicians on Track for Attestation 2015 MU	Jeff									
	All Electronic Initiative (All CPOE orders)	Jeff/Kevin									
	HIE usage measures – Percent of eligible providers who login and retrieve patient information from the HIE	Rich S									
People	Overall Employee Engagement Score Increase by 2%	Jolene									
	Increase Volunteer participation in survey	Jolene									
	Overall Physician Engagement Score	Kevin S									
	Percent of staff that access preventive care (health plan data)	Jolene									
Quality & Safety	Reduce Serious Safety Event Rate or Patient Safety Index	Kevin S									
	Readmissions: Composite score of five specific diagnoses: (AMI, HF, COPD, Pneumonia, Total Joint Hip and Knee)	Kevin S									
	% New North Star Lodge Pts with Advanced Directives in the HIE	Kevin S									
	Throughput - % Discharges by 11:00	Diane P									
	MP - Reduce IP admissions per 1000 MP patients	Matt									
	MP - Reduce ED visits per 1000 MP pts	Matt									
Service	HCAHPS Overall Rating of Care (Top Box)	Laura K									
	InPt- Staff Attitude towards Visitors	Laura K									
	Emergency Dept Overall Rating of Care	Laura K									
	MP Physician Practices "Would you recommend the provider to others?"	Matt									
	Improve Access at MP Clinics - New Primary Care Appt available within 10 days	Matt									
	Improve Access at MP Clinics - Improve Third Next Available Appt (Specialty Care)	Matt									
	Home Health Care Rating of Care: C1 Care of Patients	Laura K									
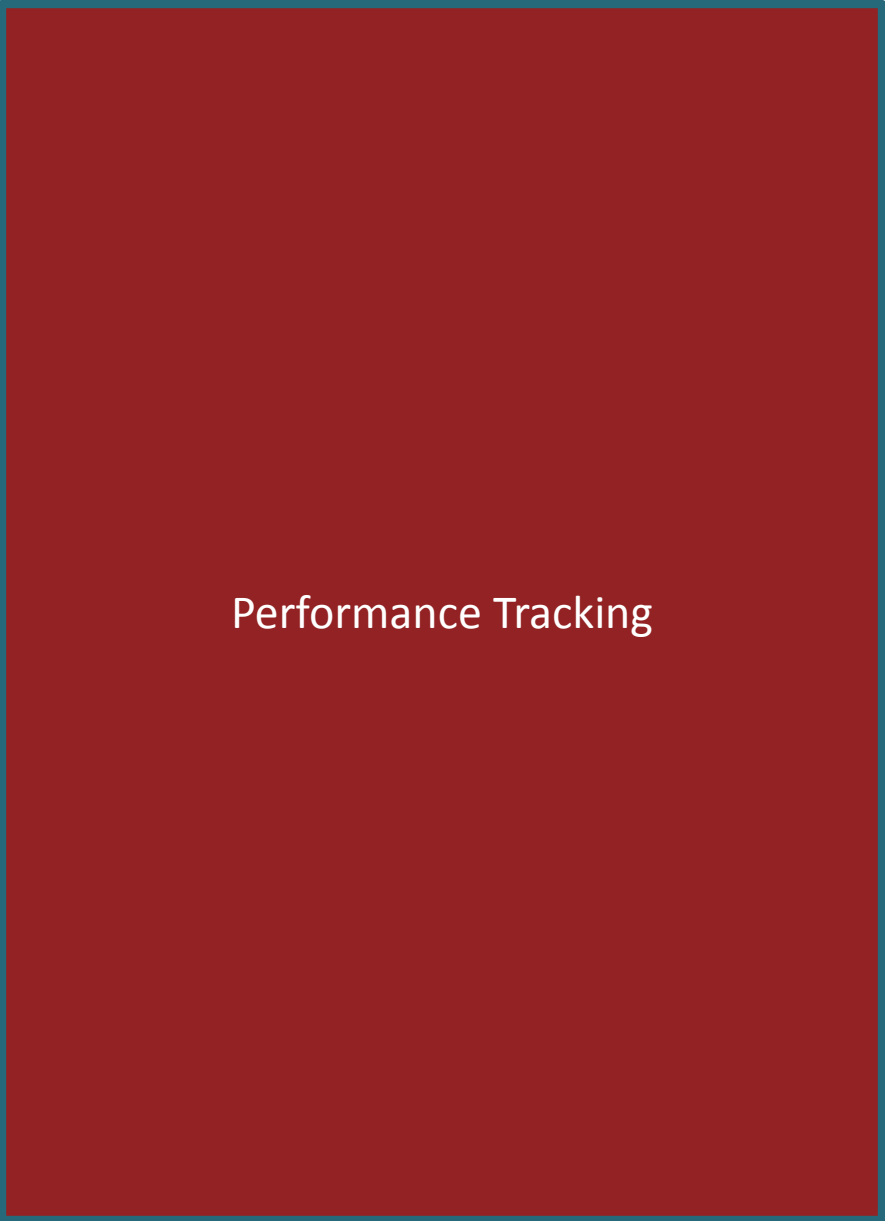
Performance Tracking

October 21, 2015 Update

🟢 Meeting Goal or On Track to Meet Goal
🔺 Making Progress (≥ 95% of goal)
🔷 Not Meeting Goal/Not on Track

Pillar	Measure	Narrative
Community		From Nov. 1, 2014 - Sept. 30th, 2015 we've received 785 physician referrals to our Evidence Based Programs from MP. Diabetic Registry for MP is nearly 3,000. In order to reach goal we depend on physician referrals.
		All measures on track, in fact, exceeding 3 year goals
Finance		Good: monthly target was 2.28%
		Total investment portfolio value decreased for the month due to the drop in the stock market.
		Allocable dollars continue to grow. Revised goal has been met.
		New process of Collection of patient emails has been more consistent.
		Increased monitoring in HIM and worklist comparisons to improve metric
Information		CMS recent final rule release: Streamlined the program by removing redundant, duplicative, and topped out measures.
		Few physicians not participating in CPOE; Removing Lab Add-ons as Per Protocol. Recent performance issues have reduced metrics.
		October 2015 was devoted to completion of a network relocation. We are now working on our clinical data project with MP's EMR vendor- eCW. Following this work, access on a wider scale will be opened.
		99.5% of goal . 71% response rate - up 12% from 2014; 61st percentile ranking - up 13% from 2014
		Overall score was 4.47 (5 point scale) - aobve the national average of 4.385
People	Accountability and Corrective Action	Engagement percentile ranking at 65th - up 23% from 2014; Physician Alignment percentile ranking is 87th - up 19% from 2014
		3-month lag after quarter-end in getting data from the health plan; Q2 (46%) is final; Q3 (66%) is preliminary.
		No serious safety events since March 2015.
Quality & Safety		The September monthly cummulative rate of 13.79% is an increase from previous month. The increase is driven by lower census overall and increase in pneumonia cases. The rolling 12 month rate continues to trend downward to 7.83%. Memorial's overall approach to 30-day readmission management is being revised to be consistent with new organizational structure.
		The intake coordinators request documents upon referral. The Social Work team follows up at patient's first appointment and completes a reminder call at 2 weeks. Workload from Dr Brady's practice is starting to level off.
		Transformation of Care, led by CCO, includes focus on improving the patient experience.
		Transformation of Care, led by CCO, includes focus on improving the patient experience.
		Increased volumes
		Extremely close—missed goal by just 12 responses with a "5" rating.
Service		Expanding the 2 MA model in primary care. Expect to generate an additional 3 visits per provider per day. Added 5 mid level providers into primary care in support of improving access. Project to hire 3 new physicians in 2016.
		Currently considering adding a general surgeon at CSP. 2 New YGA Physician hired and have started, with a 3rd starting in July of 2016 New physician coming Jan 18 for YVA. Sleep Center:, new physician started Sept 1 recruitment continues for a 3rd. Actively recruiting an ENT Physician pending retirement of an existing physician. Recruiting an ARNP for WE. (replacement) Recruiting for OHS Physician and also an additional provider for Rheumatology. 2nd part-time tele-psych Doc to sign this week.

October 21, 2015 Update

SIGNATURE HEALTHCARE

Our Vision & Mission

Our 6 Yr. Strategic Direction

Our Strategic Imperatives

Our Pillars

Our Foundation

Exceptional Quality Service & Compassion

Signature Healthcare, while remaining independent, will provide our patient and business communities with coordinated care of the highest quality and value in the region.

Create a sustainable health system that consistently keeps our patients and employees safe from harm

Attract patients to Signature Healthcare by building exceptional Centers of Excellence and ensuring convenient access to high quality primary care close to home

Distinguish Signature Healthcare as the premier Massachusetts system simultaneously improving the health of our community, reducing per capita cost and improving the experience of care

Safety — **Quality** — **People** — **Value** — **Operational Excellence**

Safety:
- Decrease Employee Injuries
- Decrease Patient Harm
- Increase Compliance with Safety Standards

Quality:
- Increase Quality Compliance
- Improve the Patient Experience
- Improve Patient Access

People:
- Improve the Health of our Employees
- Increase Employee Suggestion Participation
- Reduce Employee Turnover
- Improve Employee Engagement

Value:
- Increase Compliance to Quality Standards
- Decrease Cost of Care
- Decrease Unit Cost

Operational Excellence:
- Increase Lean Maturity
- Increase Team Suggestion Participation
- Increase Culture of Safety Maturity

Safety — **Quality** — **People** — **Value** — **Operational Excellence**

Lean

W.E.C.A.R.E Values

SIGNATURE HEALTH

VISUAL MANAGEMENT

- Visual Management of our Lean Management System is evident throughout the entire SHC organization
- Each department has the following Visual Management tools in place
  - Problem Solving Board
  - Balanced Scorecard
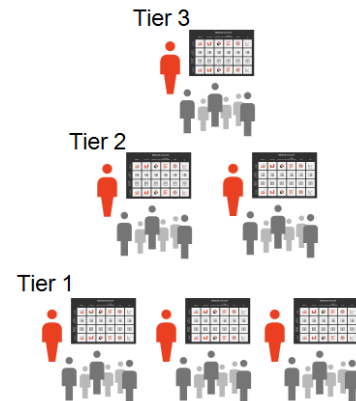 - Multi-Purpose Board

SIGNATURE HEALTH

DAILY HUDDLES

- Each department meets daily to
  - Discuss new Points of Recognition (opportunities for improvement)
  - Review the progress of Problem Solving
  - Monitor organization performance against annual goals and identify gaps in performance
  - Monitor day-to-day operational metrics and information and identify opportunities for improvement

SIGNATURE HEALTH
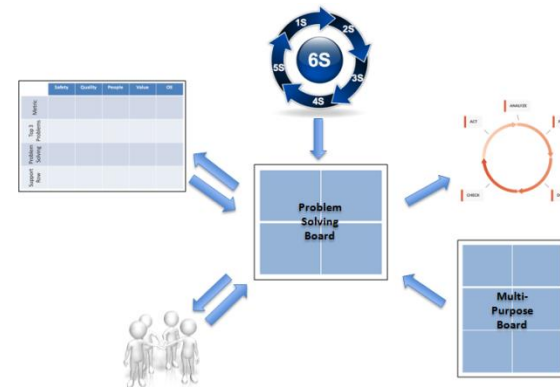
DAILY HUDDLES

- Cascade Structure
  - The purpose is to flow information about organization performance against annual goals, opportunities for improvement, and progress of Problem Solving to the Executive Team
  - Based on 24hr cycle
  - Ideally, the cascaded meetings occur in the morning
    - Adapted for time of day, shift overlaps, and management hierarchy
  - Ideally, 60-90 minutes between meetings

    (time for problem solving before next meeting)

Tier 3

Tier 2

Tier 1

SIGNATURE HEALTH

WASTE?

Desktop Instructions

INDIVIDUAL VALUE FOR YOU

- Become a PENW Baldrige Examiner (info link provided)

- Download a copy of the Baldrige Framework/Criteria

- Is your organization on a lean journey? Take all the training they offer!

- Lots of educational and professional societies provide lean training, as well

All this leads to….

SIGNATURE HEALTH

RESOURCES

- https://www.nist.gov/baldrige/how-baldrige-works (National Baldrige)
- https://performanceexcellencenw.org/ (Regional Baldrige for WA, ID, OR)
- Brown, Mark Graham. The Pocket Guide to the Baldrige Award Criteria, 16th Edition
- Brown, Mark Graham. Baldrige Award Winning Quality - 17th Edition: How to Interpret the Baldrige Criteria for Performance Excellence
- Blazey, Mark L. Insights to Performance Excellence 2009-2010: An Inside Look at the 2009-2010 Baldrige Award Criteria
- Catalysis – Lean Leadership Organization
- Virginia Mason Institute (VMI) or VMPS at VM