

Understanding the External Market and Taking Action

Quint Studer

Organizational Assessment

275 or 49% of the 557 leaders who took the survey feel the external healthcare environment over the PAST FIVE YEARS has been difficult or very difficult.

Over the past five years, the external healthcare market in your area has been:

		Very Easy 1	Easy 2	Normal 3	Difficult 4	Very Difficult 5
Senior Leader	68.2	0	1	15	28	4
Physician	67.5	0	0	14	11	5
Department Director	63.1	1	8	62	74	8
Manager	60.3	1	13	156	133	4
Other	61.8	0	1	10	6	2
Total	62.2	2	23	257	252	23

* Calculation: 1=0, 2=25, 3=50, 4=75, 5=100

Organizational Assessment

463 or 83% of the 557 leaders who took the survey feel the external healthcare environment over the PAST FIVE YEARS has been difficult or very difficult.

Over the next five years, the external healthcare market in your area will be:

		Very Easy 1	Easy 2	Normal 3	Difficult 4	Very Difficult 5
Senior Leader	85.4	0	0	0	28	20
Physician	80.0	0	0	3	18	9
Department Director	80.2	1	3	12	84	53
Manager	73.4	2	5	63	178	59
Other	76.3	0	1	4	7	7
Total	76.8	3	9	82	315	148

* Calculation: 1=0, 2=25, 3=50, 4=75, 5=100

Organizational Assessment

331 or 59% of the 557 leaders who took the survey feel if the organization stays the same, the results will be the same, better or much better.

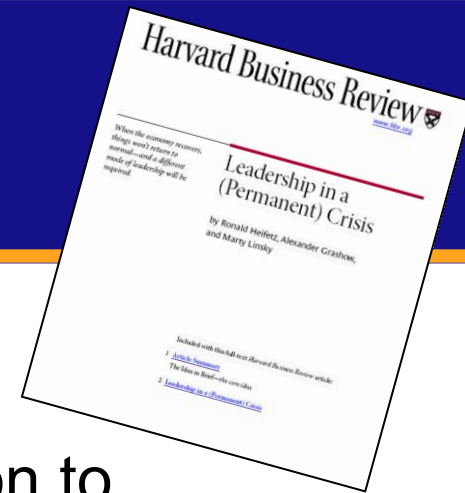
If your organization continues as it is today (with the same processes, cost structure, efficiencies, patient care volume, productivity, and techniques), the results over the next five years will be:

		Much Worse 1	Worse 2	Same 3	Better 4	Much Better 5
Senior Leader	38.5	5	21	13	9	0
Physician	44.2	1	10	14	5	0
Department Director	43.0	7	59	57	30	0
Manager	46.1	7	107	125	63	5
Other	44.7	0	9	6	3	1
Total	44.4	20	206	215	110	6

* Calculation: 1=0, 2=25, 3=50, 4=75, 5=100

Question:
***Does this make
sense?***

Harvard Business Review



- ▼ **Foster Adaption**, helping people develop the “next practices” that will enable the organization to thrive in a new world, even as they continue with the best practices necessary for current success.
- ▼ **Embrace Disequilibrium**, keeping people in a state that creates enough discomfort to induce change, but not so much that they fight, flee, or freeze.
- ▼ **Generate Leadership**, giving people at all levels of the organization the opportunities to lead experiments that will help it adapt to changing times.

* *Harvard Business Review, Leadership in a (Permanent) Crisis; by Ronald Heifetz, Alexander Grashow and Marty Linsky*

People wish to be settled: only as far as they are unsettled is there any hope for them.

Ralph Waldo Emerson

External Environment Communication Tools

- ▶ Senior Leader Visibility
- ▶ Tough Questions
- ▶ Financial Impact Grid
- ▶ Supervisory Meeting Model
- ▶ Rounding with Staff
- ▶ Employee Forums
- ▶ Communication Boards

Senior Leader Scouting Report

- Accomplishments
- New Equipment
- Staff to Recognize
- Expense Management
- Tough Questions
- ***External Environment and Industry Issues***
- Physician Activities
- Patient Satisfaction
- Employee Satisfaction

Name _____ Department _____	
Dept/Person Rounded on _____ Date/Week of _____	
Key Words or Questions	Special Employee Issues
Information - to be completed by department leader in advance of Senior Leader Rounding	
Comments	
Accomplishments of the Department	
New Equipment Purchased	
Staff to Recognize	Who
	What/Why
Current Expense Management Results	
Tough Questions	
External Environment and Industry Issues	
Physician Activities or Issues	
Current Patient Satisfaction Results	
Current Employee Satisfaction Results	

Answering Tough Questions

- ▶ Capture and Harvest the Questions
- ▶ Question the Questioner
- ▶ Teach leaders the preferred answers to questions
- ▶ Round with Staff for understanding

Goal: Developing Better Leaders - Helping leaders have answers to the tough questions

Exercise Instructions: Using an identified tough question, use this worksheet to work through to identify key words to use to best answer the question and further learning and consistency in your organization.

The Tough Question:

1. What questions should you ask to further understand the employee's question?

a. _____

b. _____

c. _____

2. What is the underlying issue or issues?

a. _____

b. _____

3. What is your best response to the employee's question or issue?

4. What skills and information do you need to deal with this question?

Financial Impact Grid

- Impact – External Environment
- Connect the dots to the financial impact when improvements are made

PILLAR	ROI / ECONOMIC LINKAGE	BASELINE	PERIOD 1	PERIOD 2	PERIOD 3
Service	Risk Mgmt File Openings				
	Rick Mgmt File Expenditures				
	Legal Fees				
	Executive Man-hours Spent on Litigation				
Quality	Length of Stay				
	Re-admits				
	Returns to Surgery w/in 48 hours				
	Returns to ED w/in 48 hours				
	No-show Rate				
	Nosocomial Infections				
	Pressure Ulcers				
	Falls				
	Medication Errors				
	Aspirin w/in 2 hours of AMI				
	ED Door to Doc Time				
	Patients Leaving AMA				
	Antibiotics w/in 4 hrs of Pneumonia				
People	Employee Turnover				
	RN Turnover				
	90-Day Turnover				
	Agency Expense				
	PRN Expense				
	Overtime Expense				
	Recruitment Expense				
	Processing Fees				
	Sign-on Incentives				
Orientation					
Finance	Collections				
	Staff Productivity				
	OR Start Times				
	AR Days				
	ED Left Without Being Seen				
	Diversion Hours in ED				
Advertising Costs					
Growth	Inpatient Admissions				
	Inpatient Revenue				
	Outpatient Visits				
	ED Volume				
	Outpatient Revenue				
	Surgery Cases				
	Surgery Revenue				
	Consults				
	Market Share				
	Revenue per Physician				
	Revenue per Top 20 Admitters				
Physician Turnover					
Community	Charitable Giving				
	Volunteer Hours				

Supervisory Meeting Model

Leaders bring the following items and results to their immediate supervisor:

1. Leader Evaluation
2. Monthly Report Card
3. ***External Environment / Industry Issues***
4. 90-Day Work Plan
5. Linkage Grid from Leadership Development Institute (follow-up assignments)
6. Rounding Logs
7. Thank you notes
8. People Trends and Issues - Standards of Behavior

Leader Rounding on Staff - Log

- Personal Connection
- Working Well
- Recognition
- Systems to be improved
- Tools and Equipment
- Tough Questions
- **External Environment/Industry Issues, Articles or Topics**
- Behaviors

Name _____ Department/Unit _____			
Employee(s) Rounded on _____ Date/Week of _____			
Question related to Absenteeism: Are there any barriers that we could remove that would help co-workers from calling in sick?	Question related to Safety: Is there anything that you're aware of that you would consider unsafe, that I should know about?		
Steps			
Personal Connection	Comments		
What's working well?			
Is there anyone I should recognize for doing great work?	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">Who</td> <td style="width: 50%; padding: 5px;">What/Why</td> </tr> </table>	Who	What/Why
Who	What/Why		
Are there any physicians or other departments that I should recognize?	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">Who</td> <td style="width: 50%; padding: 5px;">What/Why</td> </tr> </table>	Who	What/Why
Who	What/Why		
Are there any systems that need improvement?			
Do you have the basic tools and equipment to do your job?			
Tough Questions			
External Environment/Industry Issues, Articles or Topics:			
Behaviors Coached <input type="checkbox"/> AIDET/Key Words <input type="checkbox"/> Customer Service Priorities <input type="checkbox"/> Standards <input type="checkbox"/> Others: _____			
Is there anything I can help you with right now?			
Thank you for making a difference!			
<i>Review findings with next level leader in one-on-one meetings.</i>			

Employee Forum Agenda - Sample

External Environment Update

- ▶ Improvements
- ▶ Challenges
- ▶ Next Steps

Alignment and Transparency

I. Welcome and Staff Recognition

II. External Environment Update:

Improvements

Challenges

Next Steps

III. Pillar / Outcome Update:

Service:

- Patient Perception of Care Results
- Physician Satisfaction Results

Quality:

- Ventilator Pneumonia
- Hospital-Acquired Infections
- Falls

Finance:

- Productivity
- Operating Income

People:

- Turnover
- Employee Satisfaction Update
- Benefit Update

Growth:

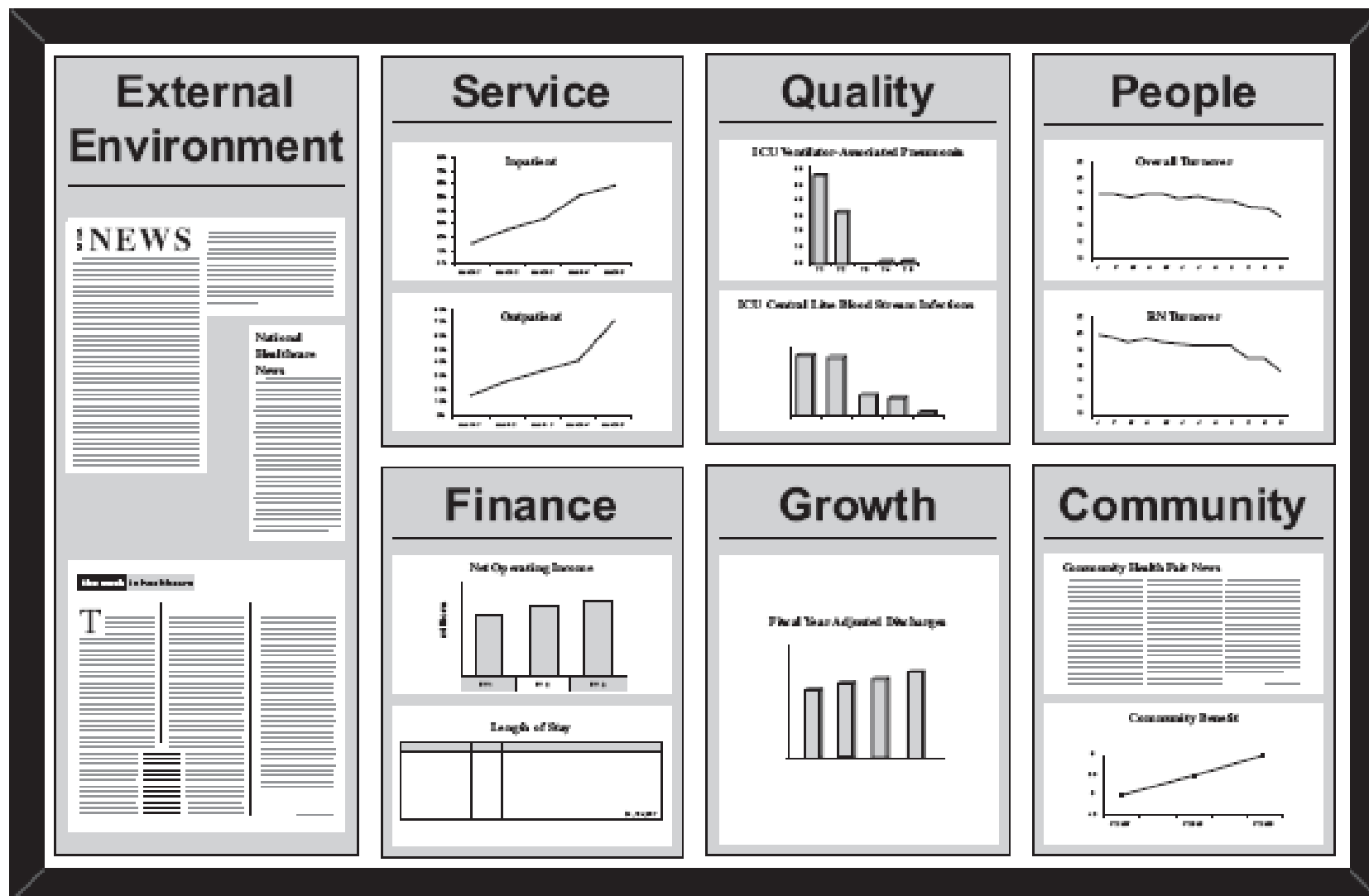
- Market Share

Community:

- Philanthropy

IV. Closing and Final Recognition

Communication Board - Sample





***Culture outperforms
strategy every time . . .
and culture with
strategy is unbeatable***

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