

## Wisconsin Government Conference - Lean

September 2012

### My Intention Today....

- To deepen your understanding:
  - Cultural change in a lean enterprise
  - Issues and concerns to consider
- To examine how one enterprise is changing its approaches, and its results (quality, cost, and impact on the customer)
- To give you an opportunity to reframe your vision, as you navigate the paradoxes and complexities of our current realities.

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### Our obsessive quest for “the right” formula....



### 6 Cultural Principles (Truths) to Ponder

1. We misunderstand the power of culture.
2. Success does not equal significance
3. We are confusing creatures:
4. Authority (power) can be formal or informal, and both are potent.
5. You cannot “drive” cultural change without doing a great deal of damage
6. Cultural change will occur, but there is real work to be done first.

### We misunderstand the power of culture.

- We are not organizations.
- In the real world, we are communities of people, many of us professionals, interacting and learning together from the work we are all doing.
- This is much more complex than the intentions that come from the word "organization".

### Paradox in Healthcare That We Must Address

1	Competition increases costs.
2	Technology increases costs.
3	Specialization increases costs.
4	Financial performance is not the purpose of the business.
5	Staff align with their professions first, only then with their employer.
6	Keeping the patient alive longer may be the wrong thing to do.
7	Hospitals as designed today are very dangerous places.
8	We pay for volume (FFS) and expect to get value! (silly us!)

### Current/Emerging Reality

- Demand will always exceed capacity.....
- There is no certainty.
- Long-term planning is obsolete.
- Assignments are temporary.
- Priorities are constantly changing.
- Today's competencies will not suffice for tomorrow's needs.
- Operations will increasingly demand faster, more effective response to their needs.
- None of us will ever have all of the information about anything. We must rely on one another (trust).

### Success does not equal significance.

Success means meeting our goals.  
 Significance means that, by doing so, we've made a difference, with the right people at the right time.  
 Knowledge and understanding are not sufficient for significance....actually, they can be dangerous, if not accompanied by compassion..

Metrics	Measure	Group	Initial	Target (2012)
Safety/Quality	Achievement of Core Competency	Mgrs/ Execs (Competent 4 Top Tier)	13% (21/164)	95% (155/164)
		RN Core	TBD%	95%
Customer Satisfaction	Leader/Employee Satisfaction HDVS Products & Processes	Reassigned Ee's & Hiring Mgrs	100% (N/12 2010)	100% For 2011
People	Engagement Index	All Employees	35.8%	37.8% (+2 pts)
	Top Box Satisfaction Professional Growth	All Employees	58.6 %	60.6% (+2 pts)
Financial Stewardship	Days To Fill (Clinical Vacancy Cost @\$100/ Day, Leader @\$700/ Day)	RNs	36 Days Avg (X N 117 = \$421,000 YTD)	
		Leaders	85 Days Avg (X N 11 = \$654,500 YTD)	
	% positions filled by Internal "Ready" EE	Mgmt Roles (Sup to Exec)	±70% Current Yrly Avg	±75%
		All Other Positions	20%	70%
Labor Salary Dollars Decreased	All Positions	Not Measured	\$6M (2014)	

### We are confusing creatures:

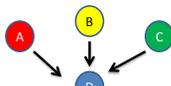
- **Rational** - It doesn't matter how hard you try, what matters is results!
- **Emotional/Spiritual** - Trying is the only thing that matters. It is the source of energy and enthusiasm.
- We cannot solve emotional/spiritual issues/problems with rational solutions.
- "The work of compassion is to embrace everything clearly, without imposing who we are, and without losing who we are."

### Homeostasis (Balance)

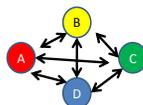
**Linear Causation:** fix A, B or C and D will improve.



**Multiple Causation:** do an 80/20, fix the major cause, and D will improve



**Systemic Causation:** fix/reinvent the entire system, and all will improve.



Adapted from "Generation to Generation" By Edwin Friedman

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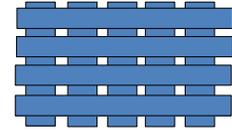
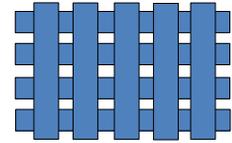
## Authority (power) can be formal or informal, and both are potent.

- When we live within a hierarchy, people are always hiding behind the system or their roles.
- Explaining and convincing are forms of control, and when we do this, we are trying to control the perceptions of the listener.

## The fundamental Power Question: Who do you trust?

(game show title in the 50's – Groucho Marx hosted)

- **We seem to have a duality in our thinking**, looking at everything as black/white, right/wrong, good/bad, etc. We treat trust with this duality, treating people as if they are either trust-worthy, or not.
- And **when trust has been breached, we feel gullible**, and taken advantage of, betrayed.
- It is difficult to see, in this paradigm, that **trust really begins with us, and not others.** - Schaeff



## You cannot “drive” cultural change

- It does a great deal of damage to the culture itself, and probably to the people living in the culture.
- Engagement in change is like love...We can't make people be engaged

## A fundamental....

**People seek pleasure...  
and they avoid pain.**

Any significant effort to create large scale change that sustains over time must pay attention to this fundamental....or it will not last!

"If you really want a different culture five years from now, you should have started a couple of decades ago. No kidding!" - Ian Morrison, author of "The second curve: managing the velocity of change."

## This is not new stuff! Cicero's 6 mistakes of man:

1. Thinking that personal gain means crushing others.
2. Worry about things that cannot be changed.
3. Insisting that something is impossible because we cannot do it.
4. Refusing to set aside trivial preferences.
5. Neglecting the mind, and failing to read, study and learn.
6. Trying to compel others to behave as we do.

Adapted from Mark Nepo

## The Tyranny of the Question

**“Think for a moment about the tyranny of the question. You never just watch and listen. You can usually learn what you need to know by watching and listening.” - Native American Elder (Schaeff)**

- Why is this?
- What is that?
- What is the explanation?
- Have you consider this possibility?
- What are the metrics?
- Can you prove it?
- What does the data say?
- and on and on and on.



## Leadership Promises

### Promises

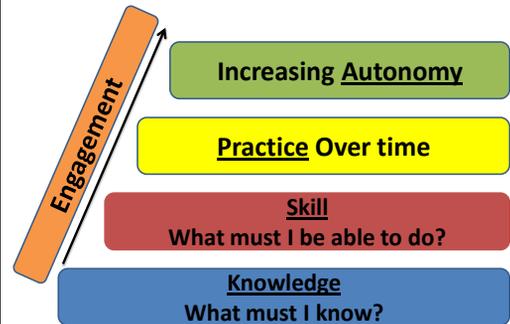
- Impeccable with their word
- Take nothing personally
- Make no assumptions
- Always strive for the best

### Practice

1. Awareness
2. Attention on Intention
3. Orchestration
4. Constant learning along the way

Adapted from: "The Four Promises"  
By Don Miguel Ruiz

## A Learning Staircase



## Getting to Personal Break Through

1. Write down your milestones, and then write a new future!
  - Shake things up, redefine what is possible and change your perspective.
2. Use your story (past and future) to get to your core beliefs
  - Those that are working, and those that are not.
  - Define your inner strengths, and push out your self-imposed limits/boundaries.
3. Change your belief system, and make your future a compelling future.
4. Determine what you can do now, first steps, to make that new future happen.
5. Own your breakthrough and take those steps, right now, to move forward. Then exceed your expectations.

"Accountability without competency is cruelty" -  
Craig Deano, Studer Group

## An Action Plan To Move Forward

1. Identify the crisis
2. Create a focus for Lean Support
3. Find the change agents
4. Map your value streams
5. Engage senior leaders early
6. Acquire knowledge and disperse it broadly
7. Learn, teach and mentor
8. Involve your suppliers
9. Restructure your organization into value stream families

## Some of our lessons along the way....

- Great things happen when people come together in conversation.
- There are no mistakes, just learning.
- The fastest way to create pull for something is to say they can't have it.
- Training ain't learning, acting ain't improving.
- We misunderstand spread.
- Faster isn't always better.
- In the absence of information, people make it up (and it usually isn't good!)
- When the horse dies, get off!
- Certainty is an illusion, plans are fantasies.
- More of anything is seldom a solution to anything.

*The key to everything is patience. You get the chick by hatching the egg, not by smashing it.*

- Arnold  
Glasow

## Questions and Thoughts?

*The man who insists upon seeing with perfect clearness before he decides, never decides.*

--Henri Amiel