Why strategy and implementation must go hand-in-hand to effect real change

Dwayne Keller, senior vice president, Vizient Consulting

Translating vision into reality — a framework for action brings strategic plans to life

The biggest issue with strategic plans is that after organizations devise a vision for the future, there is no plan to reach the future state. While these strategies are potential catalysts for growth that could benefit both the hospitals and the communities they serve, organizations need an operational process for execution.

The reasons for lack of implementation vary, but one message is clear: Meaningful change occurs only when strategy is converted into action, guided by clearly defined processes that turn vision into reality. Vizient can help your organization translate the potential growth opportunities generated from strategy planning into a cohesive operating plan based on smart, sustained growth.

Facing strategic frustrations

Traditionally, many strategic plans were developed using a laundry list of ideas and needs — revised as needed based on either accomplishments or setbacks. This approach often generates frustration both in focus and in action when an overly ambitious list is paired with a realistic appraisal of resources needed for implementation.

This frustration only grows when evidence of little or no progress toward strategic objectives is evaluated against a faster pace of change shown by competitors or in the overall health care marketplace.

It’s also not uncommon for strategic initiatives to take a back seat to the whirlwind of demands surrounding the daily business of running a hospital. Given resource constraints, keeping hospitals open and patients safe understandably takes priority over executing the elements of a strategic plan.
There’s often another missing link for many health care organizations in fulfilling their visions for the future. A strategic plan with stated goals is just a beginning and must be accompanied by a complete assessment of what it will take from people, process and technology to achieve the objectives.

Getting the plan to the finish line

The reality is that developing a strategic plan—and then seeing it through to full implementation as an operating plan—requires a host of skill sets, tools and management expertise. Many organizations simply don’t have the bandwidth or resources necessary to fully integrate their strategy and implement it in ways that take their plans to the finish line.

Using Lean-based approaches, Vizient helps organizations move from initial strategy to proving the business case by thoroughly understanding the current state and designing processes to reach the desired target state. We’ll create an action plan to test the suppositions and outline the proposed “who, what and when,” followed by iterative learning of how to implement process changes to achieve your targeted goals.

Lean principles applied to strategic planning

Leadership

Leadership

Eliminate waste

Lean

Act now

Lean

Ever-ends

A system that focuses on:

• People, process and technology
• Data gathering and fact-based assessment
• Testing the strategy with all stakeholders
• Iterative improvement and organizational alignment

Lean health care principles can help your organization move forward from initial strategy by eliminating non-value-added activities in current processes and fully implementing future-state processes.

In the case of a provider considering a strategy to expand an existing service line, planning involves making the business case; identifying desired outcome metrics; quantifying how expansion will help both patients and hospital finances; establishing core competencies required to operate the expanded service line; and determining whether or not the processes, resources and capabilities required for implementation currently exist.

Along the way, firsthand observations, data-gathering and current process documentation help identify barriers in the existing landscape to achieving the targets. Together we’ll brainstorm ideas to address the impediments. A core tenet of Lean management will guide all efforts: achieving new goals through more efficient use of existing resources whenever possible.

Executing on people, process and technology

Core elements to any system’s strategic evolution are people, processes and technology. Intertwined with these three areas is the critical importance of keeping the organization’s strategic vision front and center through ongoing communication with your employees.

As a way to maintain focus within the organization, Vizient uses visual management tools to support ongoing improvements, sustain improvements already achieved, continually improve processes and support the execution of key strategic imperatives. These tools usually take the form of visual management boards posted throughout the facility that serve as daily reminders of progress toward goals.

Daily accountability process

• Implement daily huddles
• Include all levels of the organization
• Facilitate real-time problem solving:
  - How did we do yesterday?
  - What do we need to do today?
  - What can we do better tomorrow?

Daily huddles and visual management tools keep strategic objectives front and center as part of ongoing communication and serve as a catalyst for daily huddles.

1. People are a critical first step. People’s perspective of implementation is strengthened through ongoing 15- to 30-minute face-to-face meetings for all involved in strategy deployment. Discussions involve getting input on progress made to date, informing all participants as events unfold and offering opportunities to contribute to process design—all aided by visual information systems.

Actively involving front-line staff in various aspects of implementation is an essential part of gaining buy-in and creating a culture change that sustains success. Vizient also involves organizational development specialists to help facilitate a culture change in processes and behaviors over time.

2. Process change helps identify non-value-added activities to eliminate waste in the existing way of doing things. For new services where processes aren’t yet in place, a cross-functional team representing all key stakeholders (ideally including patients) is formed. We ask team members to consider all possible ways to construct the best patient and staff workflows, evaluating every contingency to design the best process and deliver the best outcomes.
Effective process development also includes conversations about the bigger picture, which involves more than just performing a clinical procedure. It’s about evaluating the entire care delivery process, including how other procedures, such as applying bandages and dressings, obtaining supplies and administering medication, contribute to better care protocols.

3. **Technology**, the final core element in implementing effective strategies, should be viewed as an enabler of good processes and not the end solution for care delivery problems. Technology selection is based on finding a solution that best serves caregivers and patients—and not solely based on the software features or the desire to standardize information technology across an organization.

Rather than picking a technology and forcing people and processes to accommodate it, it’s more effective to first focus on the best practices and processes required to do the work, then choose technology that best supports those procedures.

**Deploying a strategy iteratively — Lean style**

Lean principles are ideally suited to strategic planning and implementation, requiring thorough consideration of the business case and determining why it’s the appropriate direction to take.

<table>
<thead>
<tr>
<th>Objective (What)</th>
<th>Strategy (How)</th>
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<tbody>
<tr>
<td><strong>Executive leadership</strong></td>
<td>Vertical integration across organization</td>
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<tr>
<td><strong>Middle management</strong></td>
<td>Review and improvement</td>
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<tr>
<td><strong>Front-line management</strong></td>
<td>Review and improvement</td>
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It’s an iterative process of fact-based assessment, improvement and alignment among all stakeholders based on clear communication—a simple process of putting thoughts on paper and sharing them with participants for input. Those participants then comment and return the ideas and that’s followed by another iterative round.

This simple, effective method is used to raise and answer questions, build consensus around priorities and assure sound implementation tactics. It also helps test and validate the strategy and ensures that all participants understand the target goal in order to achieve long-term viability. When conducted with regular frequency at all levels of the organization, this process can help accomplish the target goal.

**Bringing plans to life**

As former President Dwight Eisenhower once said, “A strategic plan is nothing but a dead letter. It comes to life only through discussion and negotiation.” Vizient helps providers build the framework necessary to bring strategic plans to life, aligning the concepts of strategy development and implementation to achieve sustainable change.

By drawing on extensive experience in process change and strategy implementation, powered by the expertise of our personnel—including physicians, clinicians, former hospital executives and organizational development specialists—we bring an in-depth understanding of your health care organization’s unique requirements.

Vizient complements providers’ in-house capabilities, helping fulfill your strategic vision through the application of Lean health care tools and principles—a blend of project management systems and expertise, process improvement skills, and organizational learning and development consulting.

The initial strategic vision is translated into a viable, long-term solution—all based on knowing it’s the right business choice supported by the right resources to make it successful.

**Biography**

**Dwayne Keller**

Senior Vice President, Vizient Consulting

Mr. Keller has more than 25 years’ experience in executive leadership positions. His breadth of leadership experience, combined with a deep understanding of Lean principles, allows him to effectively coach client leadership teams through the Lean transformation process to increase revenue and productivity, and improve quality, throughput and satisfaction. His specialty areas include Lean transformation, Lean strategy deployment and Lean-led facilities design. Previously, Mr. Keller was senior vice president for Healthcare Performance Partners and served as executive vice president of operations with Medical Reimbursements of America. Mr. Keller is an executive faculty member and instructor for Belmont University’s Lean Healthcare Certificate Course.

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