

INSTITUTE FOR PERFORMANCE EXCELLENCE



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The Baldrige Foundation Institute for Performance Excellence *and* ABOUT Healthcare

Present:

Virtual Executive Roundtable Discussion Re: Systemness *Moving from Disruption and Change to Optimal Performance*

June 14th, 2022



Mac Baldridge Society Institute Trustees



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Opening Remarks/Agenda

Introduction **Jerry Rees, COO, Baldrige Foundation**

Panelists **John Chessare, MD, President and CEO, GBMC HealthCare System**

Ben Sawyer, ABOUT Executive, Co-host Leader Dialogue Program

Chuck Peck, MD, FACS, Co-host Baldrige Foundation Leader Dialogue Program

Moderator **Roger Spoelman DBA, Co-host Baldrige Foundation Leader Dialogue Program**

Questions **Moderator**

Closing Remarks **Moderator**

Systemness: Moving From Disruption & Change to Optimal Performance

- *“Very few companies can clearly articulate WHY they do what they do. By WHY, I mean your purpose, cause, belief – why does your company exist? People don’t buy WHAT you do, they buy WHY you do it.” – Simon Sinek*
- The battering of the healthcare system by the COVID pandemic has caused some healthcare leaders to return to this fundamental question of: *WHY do we exist?*
- **Panelist Question: Why is this debate important?**

Systemness: Operating as One

Headwinds, Challenges, & Root Causal Factors



Workforce disruptions

Staff shortages, contract staffing costs, and related factors are exacting a significant operational & cultural impact



Margin pressures

Associated with sicker patients, higher expenses, and adjustments in consumer demand across care settings



Performance Gaps

Influenced by staffing and capacity constraints, workload burdens, care settings changes, and evolving consumer demands



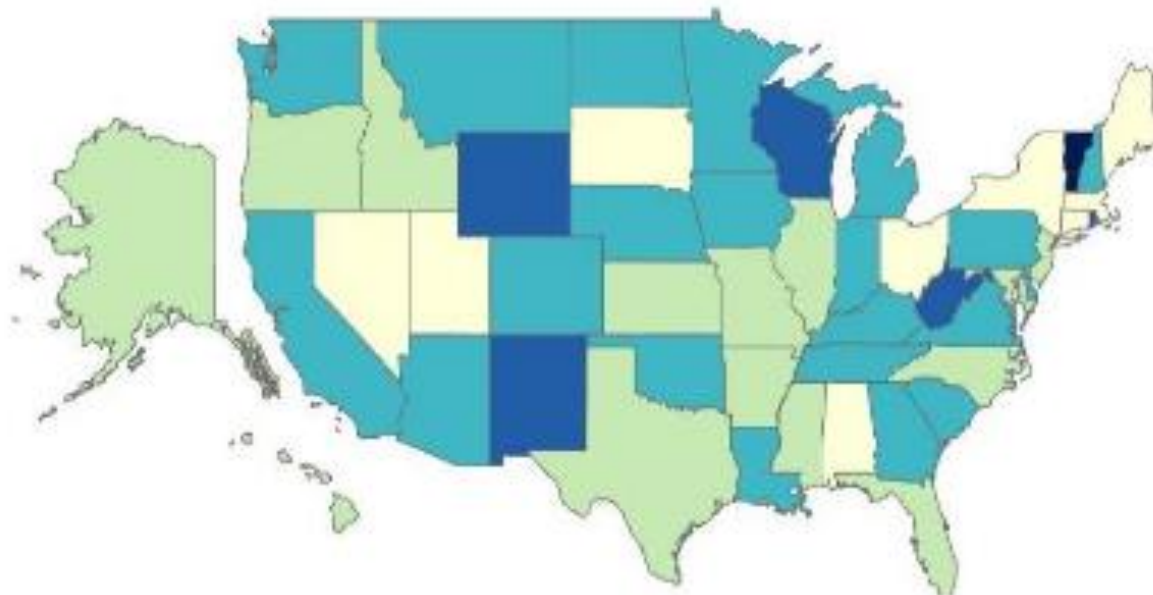
Leadership Development

Tyranny of the urgent has challenged the investment in cultivating great managers to function effectively in this new healthcare environment

Panelist Questions: Workforce Disruptions

Percentage of Hospitals Reporting Critical Staffing Shortages

January 2022



March 2022



ASPE Office of Health Policy: May 2022 ISSUE BRIEF 10. Figure 5: Percentage of Hospitals Reporting Critical Staffing Shortages, January 2022 March 2022

Quote from one CEO Innovation Council Participant: *“During COVID we experienced a 75% turnover in our leadership team and had a staff vacancy rate of over 25%. The impact was devastating to our culture. When leadership changes over, the staff worries, and you can feel the momentum shifting.”*

1. Where has the staffing crisis hit health systems the hardest?
2. What are some of the innovative approach's healthcare leaders have considered using to address the workforce disruption challenges?
3. How are health systems addressing the leadership development gaps?

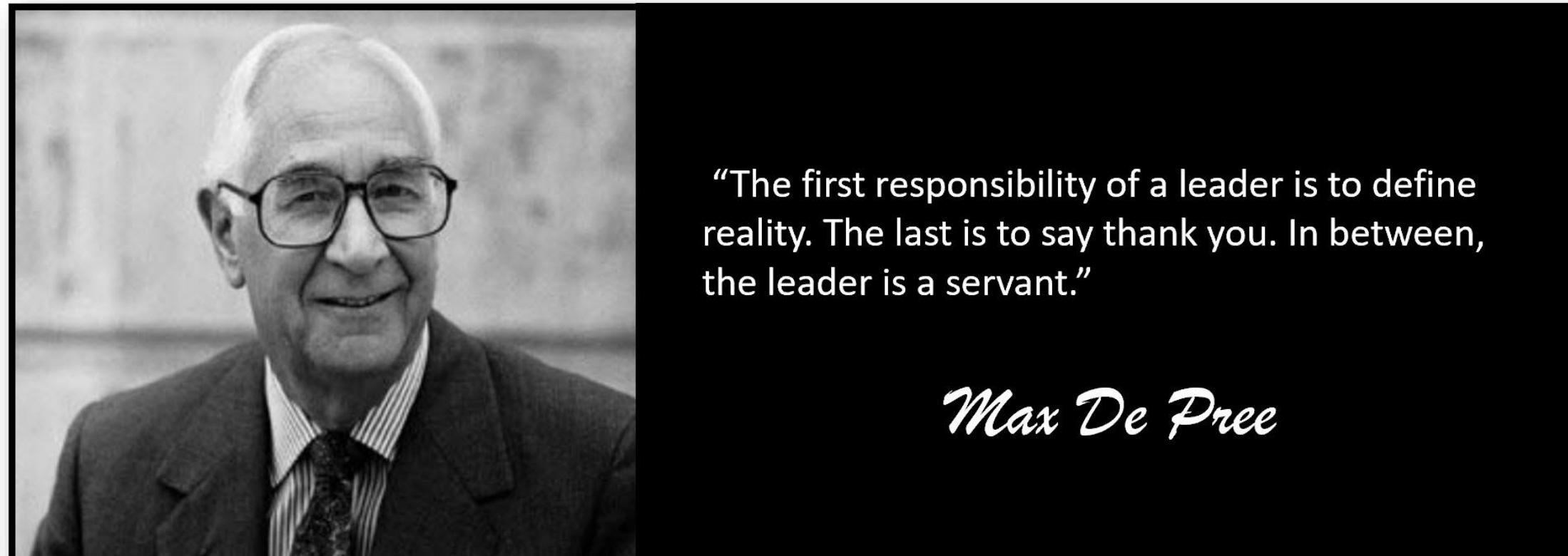
“Workforce development and rebuilding our culture has become priority number one for us. During our most recent leadership retreat I asked the team what it is going to take for us to create a world class work environment. The pandemic has given us an incredible opportunity to rebuild our teams and culture in new ways, to become the best we can be in this new post-COVID world. Our natural instinct is to try to get back to delivering services and making ends meet in the same ways we used to. Doing something transformational is scary. It’s hard. It’s outside the norm. And the payment incentives as they exist today may not support it well—yet. But unless we get creative as to how to achieve a transformational vision of what we can be, who else is going to do it?”

– **Philip Young, CEO Northeast Baptist Hospital**

Headwinds: Leadership Development

Some Practical Takeaway Considerations:

1. Encourage managers to shift their focus from reactive to proactive.
2. Earn back the trust of your colleagues first, and then regain the trust of your patients.
3. Ask your medical staff how they're doing/feeling...and listen to them! Help if you can. Find a way to be responsive to their needs.
4. Humility looks good on everybody. Listen and serve well.
5. Err on the side of over communication and clarity when it's time to welcome patients and visitors back to your facilities...they're confused and fearful.



Workforce Disruption & Consumerism Dominate C-Suite Priorities

Rank	CMO	CIO	CNO	CSO	CFO	COO	CHRO
1	Site of service optimization	IT security solutions	Solutions for recruit/retention	D&A for consumer strategy	Invest in OP/ambulatory	D&I workforce	D&I workforce
2	Consumer strategy	Cyberthreat detection	Health equity initiatives	Solutions for staff shortages	D&A for strategic decision making	Care team wellbeing/burnout	Solutions for recruit/retention
3	D&A for decision making	Digital front door	Care team wellbeing/burnout	General consumer strategy	Cyberthreat detection	Cyberthreat detection	Improve employee engagement
4	Scale virtual health services	Tech solutions for staff wellbeing	Adaptable and flexible staffing	Future-ready and flexible workforce	Future-ready and flexible workforce	Adaptable and flexible staffing	Health equity initiatives
5	Health equity initiatives	System integration	Consumer strategy	Digital strategy	Digital strategy	Digital strategy	Improve hiring process efficiency

Source: Academy Research and Analysis

Cells highlighted in **blue** indicate priorities that are consumer-oriented, cells highlighted in **gray** indicate priorities that are workforce-oriented.

In the table above D&A refers to data and analytics, while D&I is referring to diversity and inclusion

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Panelist Questions: The Challenge of Achieving Systemness

Healthcare Leaders Projecting Permanently Lower Volumes in Post-Pandemic Era (Percent of Responders)

24%	Inpatient admits & surgery
22%	ER visits
18%	Outpatient surgery
10%	Outpatient visits

Consumer expectations are changing.
Demanding new innovative approaches.



Demand for digitally-based, one-touch care.



Pressure to address health equity and pop health within communities served.

©Health Management Academy (Adams, 2022)

- What is driving lower volumes and changing consumer expectations?
- What impact will new players in the healthcare space have on the delivery of healthcare in the future?
- How are leading health systems responding to these challenges?

“In the wake of the pandemic, we’ve had to reflect on these questions, rebalance our portfolio of assets, and determine how we can best deploy and leverage the limited resources that we have in order to best serve our community and fulfill our mission. As we made progress, we asked ourselves, “what is different now?” We realized that it was the environment—the positive and aligned culture that we had the privilege to help create—that was driving our success. It made me wonder how much capability in healthcare is simply wasted because people are not given the opportunity to align around a shared and powerful vision of improving the health of the communities they serve.”

- Scott Nygaard MD, MBA – COO, Lee Health System

Other Considerations For Success in this New Healthcare Environment?



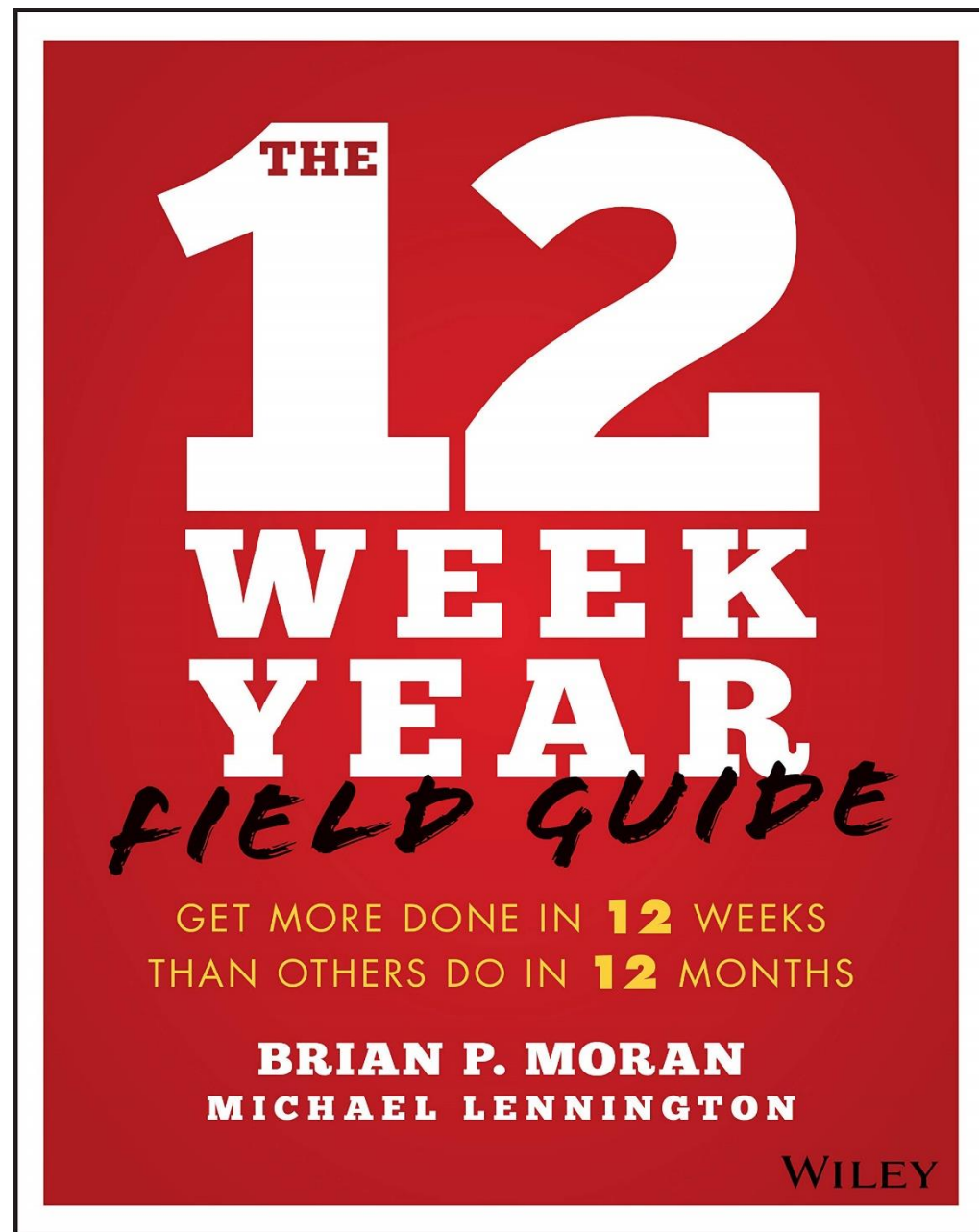
1. Avoid the annualized thinking trap
2. Operate as one system of care
3. Achieve real-time situational awareness
4. Respond to digital front door opportunities
5. Effectively load balance demand and capacity

“When leaders work together to create an aligned culture, it really changes the way an organization shows up. The result is an unstoppable force to accomplish great things for the community the health system serves.”

- **Scott Nygaard MD, MBA – COO, Lee Health System**

To get to the WHY: How Can You Avoid the Annualized Thinking Trap?

Some considerations from the recent Baldrige Foundation CEO Innovation Council LeaderDialogue discussion



1. The further out into the future that you set your plan, the less predictable it becomes, so consider compressing the year into 12 weeks so that each week is like a month, and each day meet briefly to focus on the few goals to be accomplished. Doing so enables four times the performance production by the team per annum.
2. Create emotional engagement with the goals by creating a personal connection to the target outcomes.
3. Don't focus on the outcome. Focus on the execution of the plan to achieve the outcome you seek.
4. Most plans are never implemented because they don't have a good structure. Create a rigorous structure to focus the team's attention and solve the problem.
5. The actions you take today create your long-term results. When people successfully plan for the future, they act on the future today.

To get to the WHY: How Can You Operate as One System of Care?

Some considerations from the recent Baldrige Foundation CEO Innovation Council LeaderDialogue discussion

Contributing issues to effectively coordinating care across multiple care settings have been:

- The persistent challenge of moving beyond siloed operations
- Insulated departmental processes, and
- Disparate and fragment data sources.

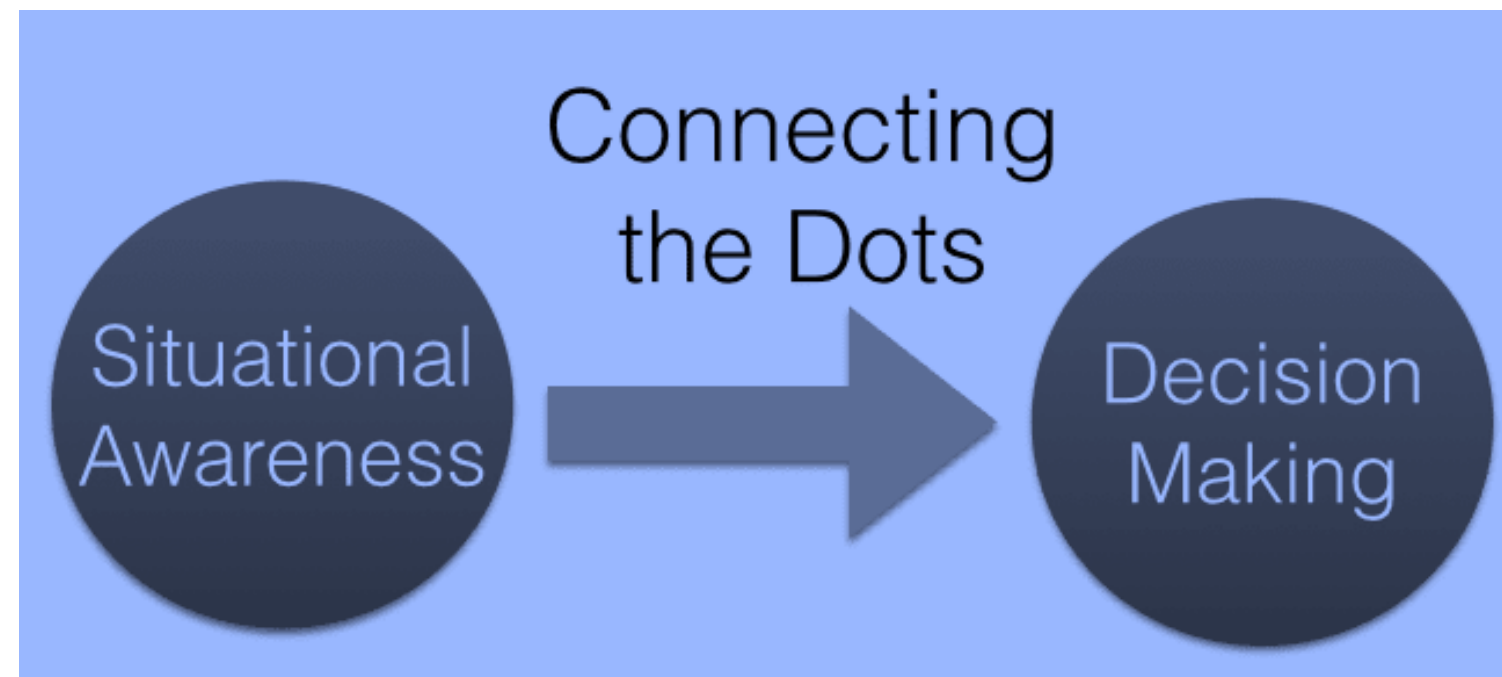
For health systems to succeed in the future, it will require transformation across three areas:

1. Adoption of tools and best practices to drive referral demand and to enhance provider loyalty
2. Optimization of resource capacity by driving pervasive situational awareness across the enterprise
3. Coordinated hand-offs across the various care settings to accelerate patient throughput to drive better performance results



To get to the WHY: How Can You Achieve Real-Time Situational Awareness?

Some considerations from the recent Baldrige Foundation CEO Innovation Council LeaderDialogue discussion



1. Create a compelling and practical vision and strategy to transform care delivery operational workflows while managing persistent revenue demands and cost optimization realities
2. Leverage real-time patient event data, operational intelligence, and predictive analytics necessary to transform workflows and business processes and to capitalize on new opportunities to create value; and
3. Optimizing the utilization of enterprise resources to reduce waste, latency, and costs, and redirect resources to high-value business opportunities

To get to the WHY: How Can You Assess Digital Front Door Opportunities?

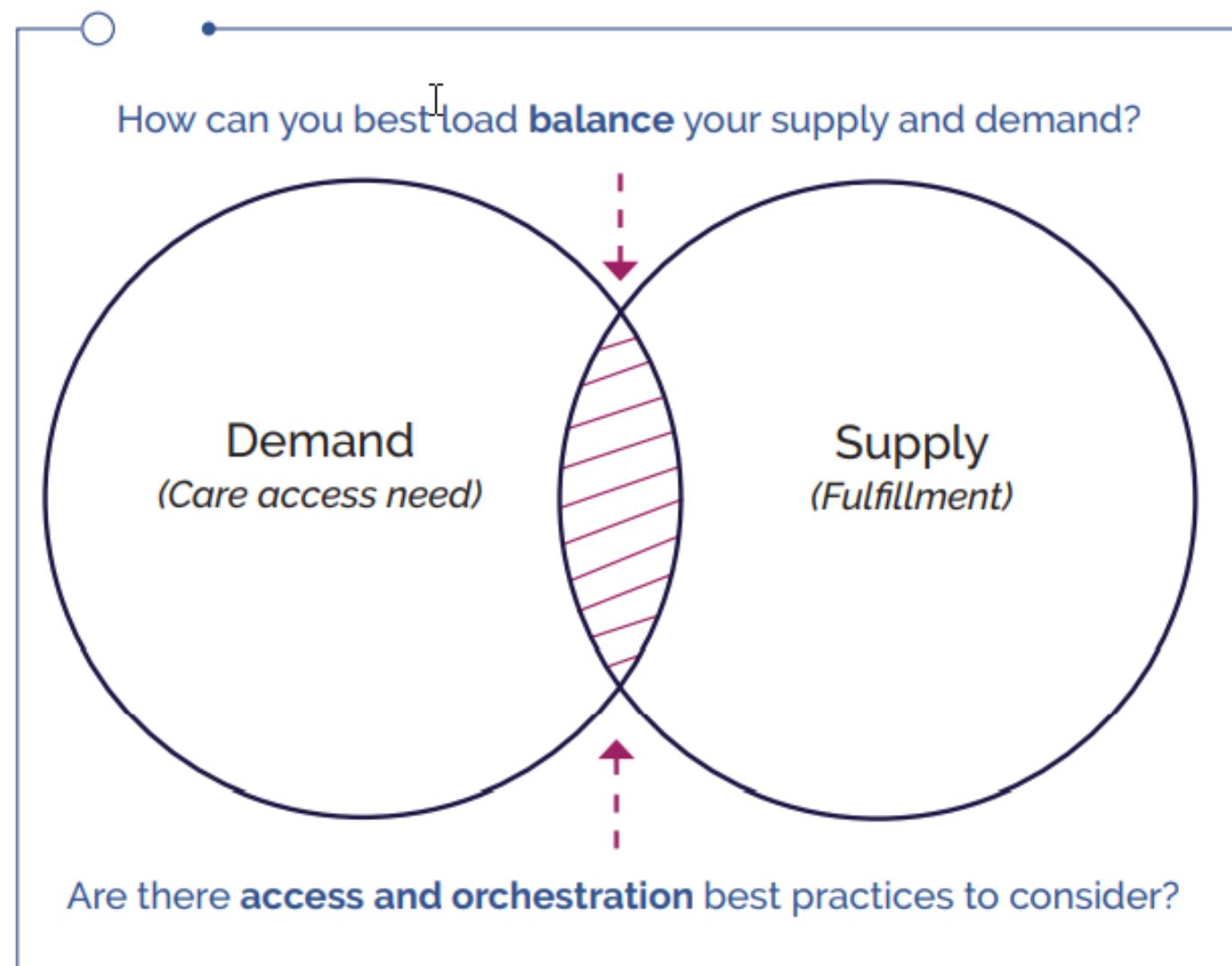
Some considerations from the recent Baldrige Foundation CEO Innovation Council LeaderDialogue discussion



- A comprehensive consumer support model is important to drive adoption and a positive user experience of digital front door solutions.
- As healthcare providers continue to adopt virtual care across clinical service lines, it is essential that patients have a positive experience regardless of when, how, and where they engage.
- The digital front door enables patients to digitally connect with their providers and health information and allows the healthcare provider to deliver a consistent, contextual, and personalized clinical experience.
- Objectives of an effective digital front door include:
 1. Enhancing the consumer and patient experience by empowering them to be in control of their healthcare experience including assessing care when, how, and where they want it; and
 2. Enabling personalized consumer and patient experiences and interactions that guide them effectively through their healthcare journey across both physical and digital touchpoints

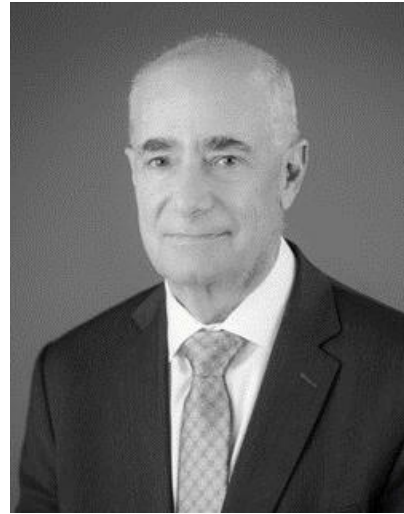
To get to the WHY: How Can You Effectively Load Balance Demand with Capacity?

Some considerations from the recent Baldrige Foundation CEO Innovation Council LeaderDialogue discussion



- The cornerstone of real-time health system performance is getting the right patient to the right care venue to ensure the right outcomes while driving the right economic model
- The rapid expansion of care settings away from the traditional acute care model accelerated by the pandemic makes this enterprise resource orchestration capability more important than ever
- Going forward, health systems will need to know, in real-time, what resources they have available—people, beds, services, procedures, diagnostic tests, etc.—across their health system (*the supply*) to accommodate the requests for services from patients, physicians, and employers across the range of access portals (*the demand*)
- Matching supply to demand across the health system enterprise is central to effective Care Orchestration, and a cornerstone capability of the real-time health system of the future

Panelist Questions and Discussion



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