

# A Culture of High Performance

## Achieving Higher Quality at a Lower Cost

Quint Studer, April 3, 2014



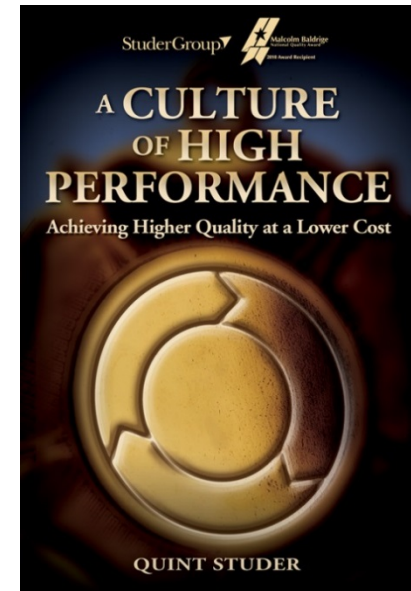
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*I was at a board of directors meeting years ago, and a discussion of the organizational changes we were making was on the agenda.*

*One of the board members commented, “Wow, we’re entering into the biggest construction project we’ve ever done, and I am not talking about the facility. I’m talking about a culture.”*

*This person was not from the healthcare industry but understood that creating a consistent, highly reliable culture is the hardest thing anybody can do.*



A Culture of High Performance – Achieving Higher Quality at a Lower Cost, page 252

# Why do we need a culture of high performance??

The external environment demands it

Values will not let us do anything different

# Significant Changes in Healthcare Over the Last Decade

- Disruptive Change – Payment

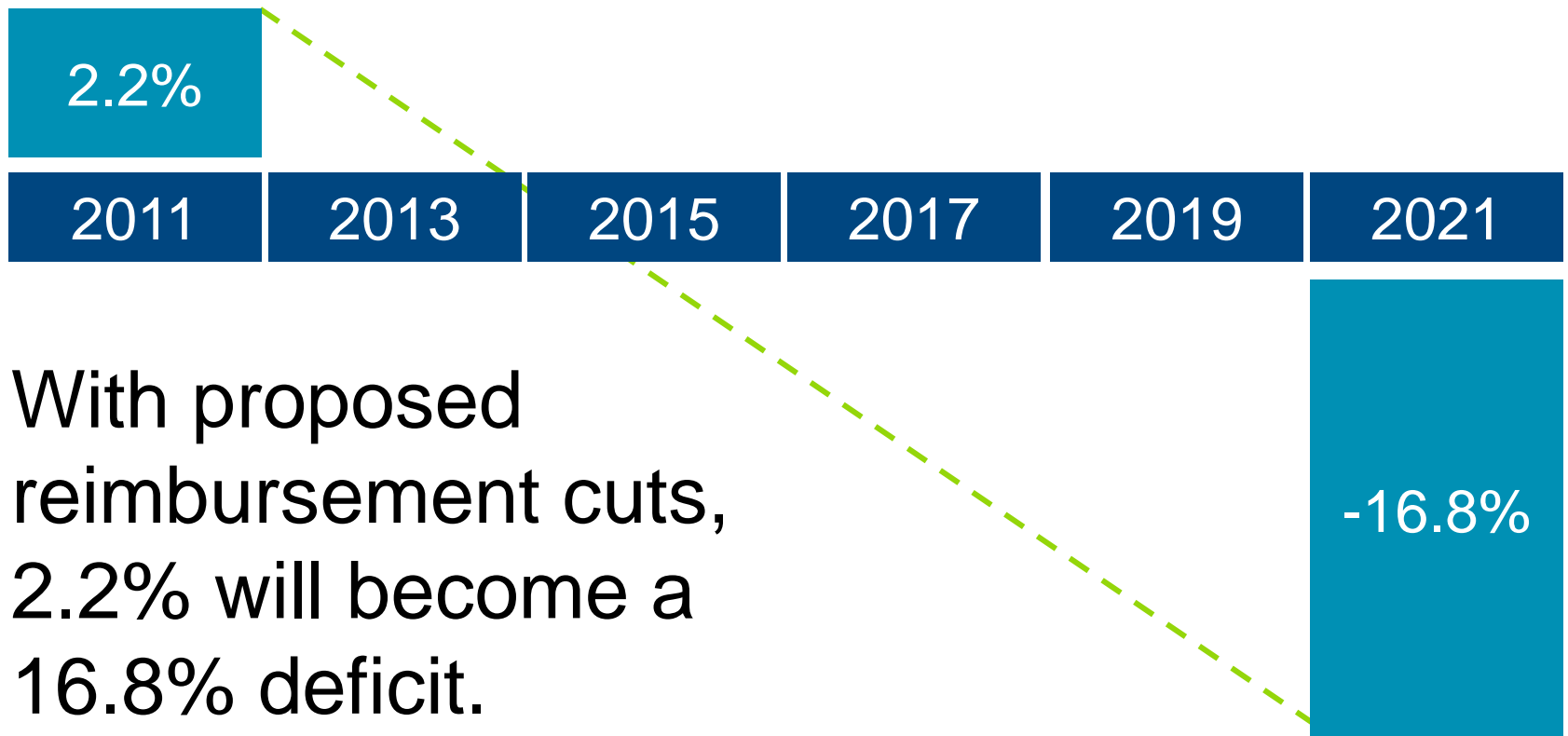


# Significant Changes in Healthcare Over the Last Decade

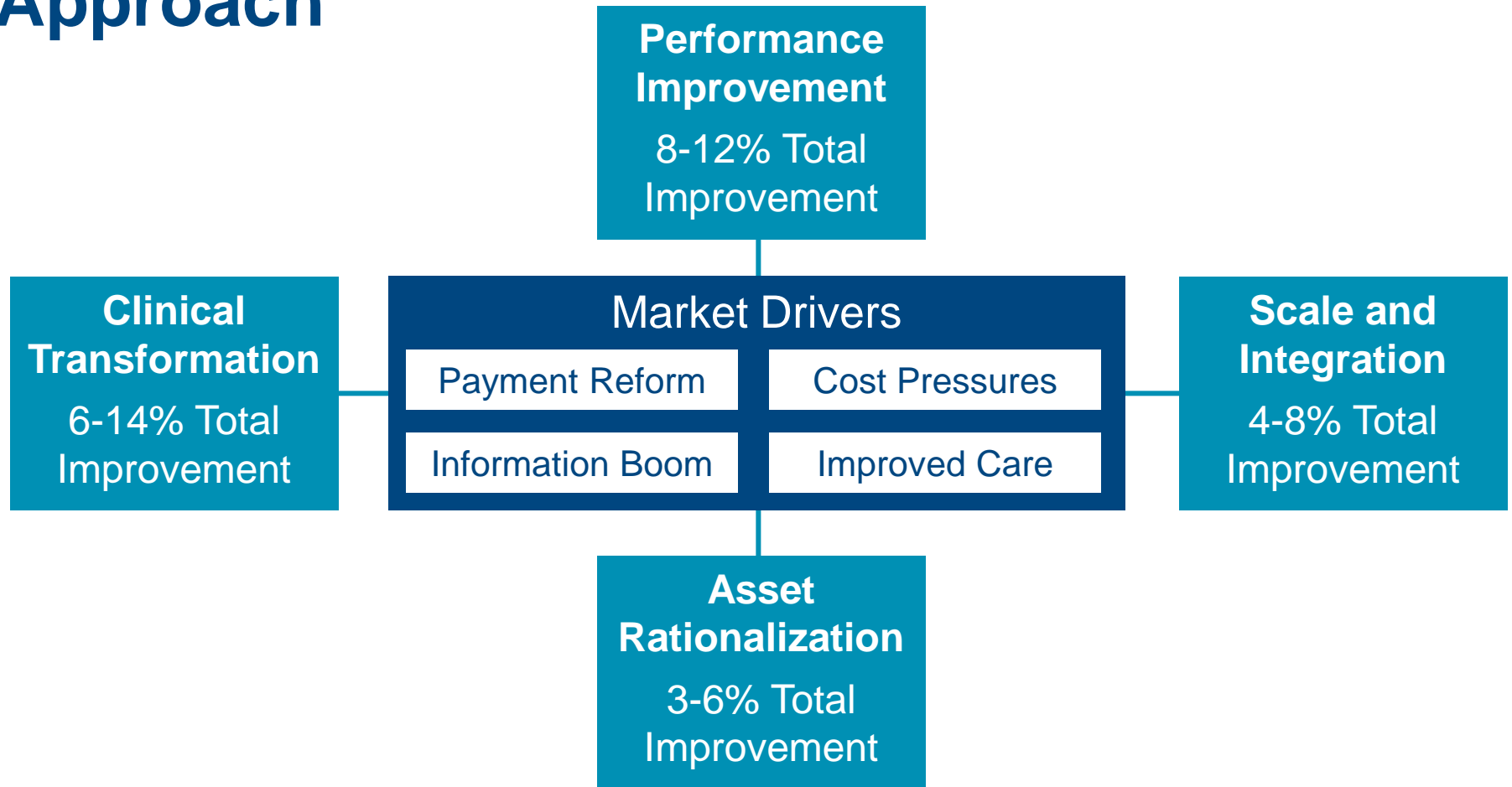
- Transparency
- Technology
- Research
- Integration
- Additional Market Changes
- Episodic vs. Continuous Change

# Over the Next Decade, Hospital Margins Are Expected to Decline Sharply

## Hospital operating margins

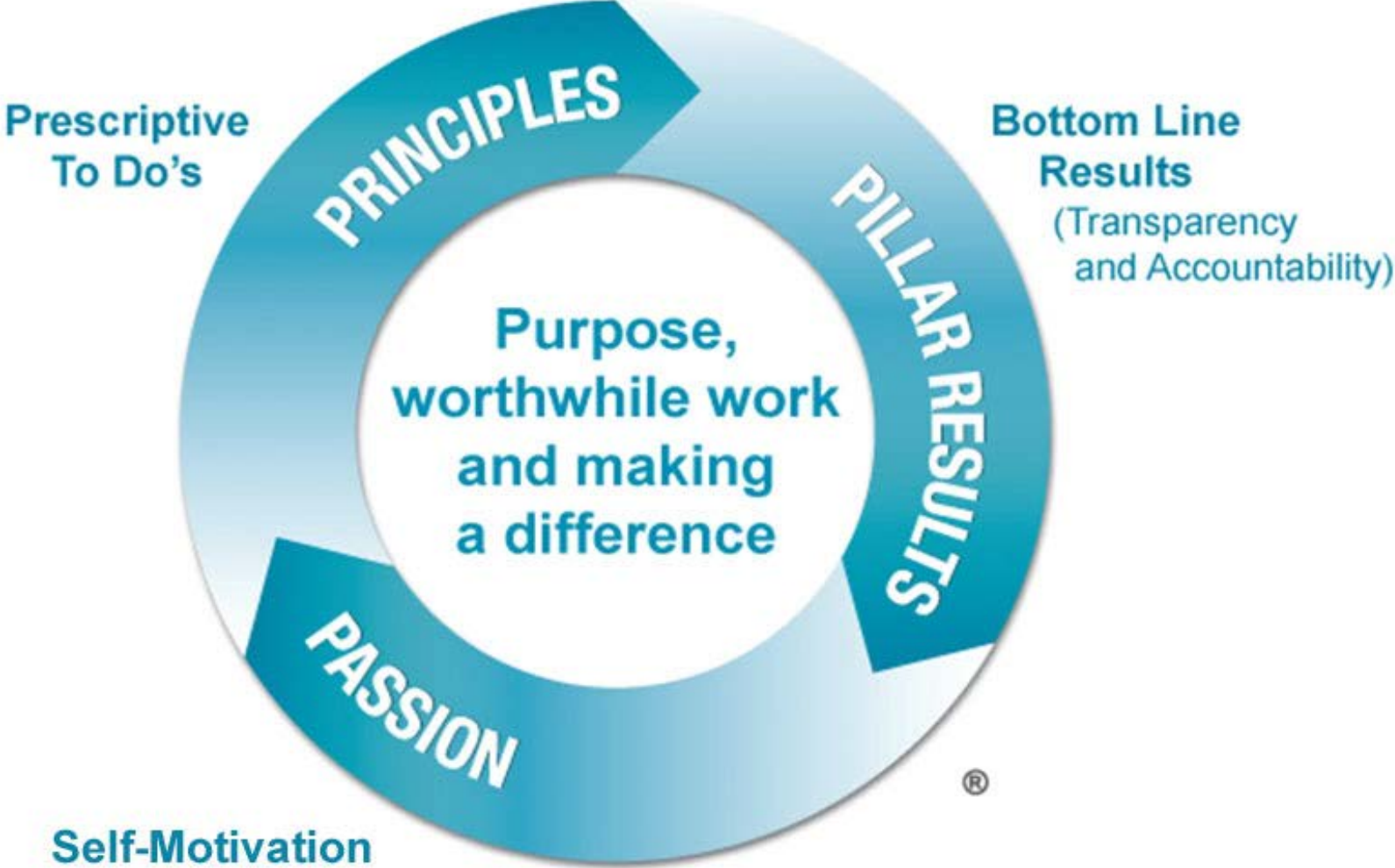


# Market Will Demand 20 – 40% Overall Improvement, Requiring a Multi-Pronged Approach



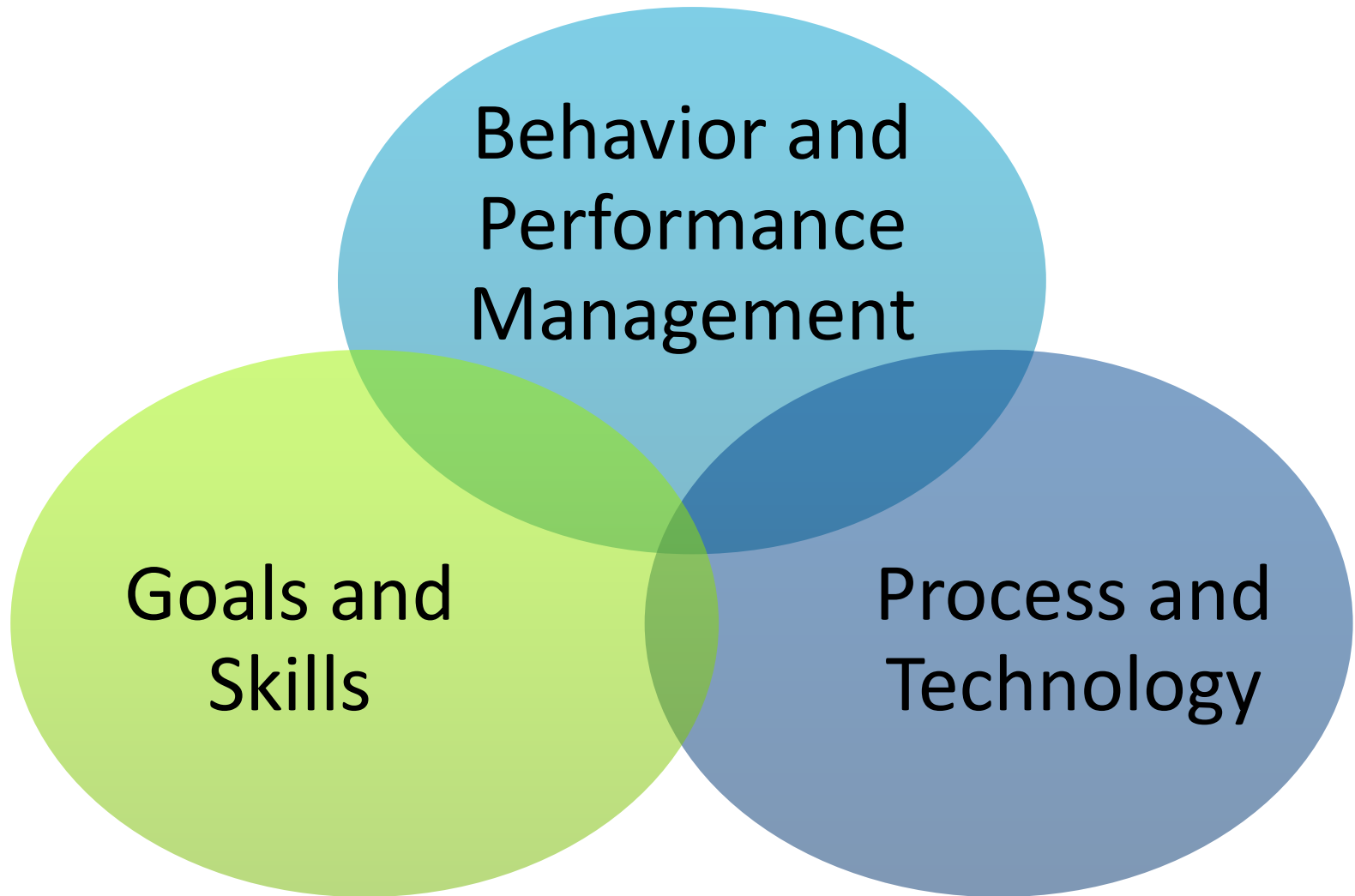
Source: © 2012 Huron Consulting Group. All rights reserved.

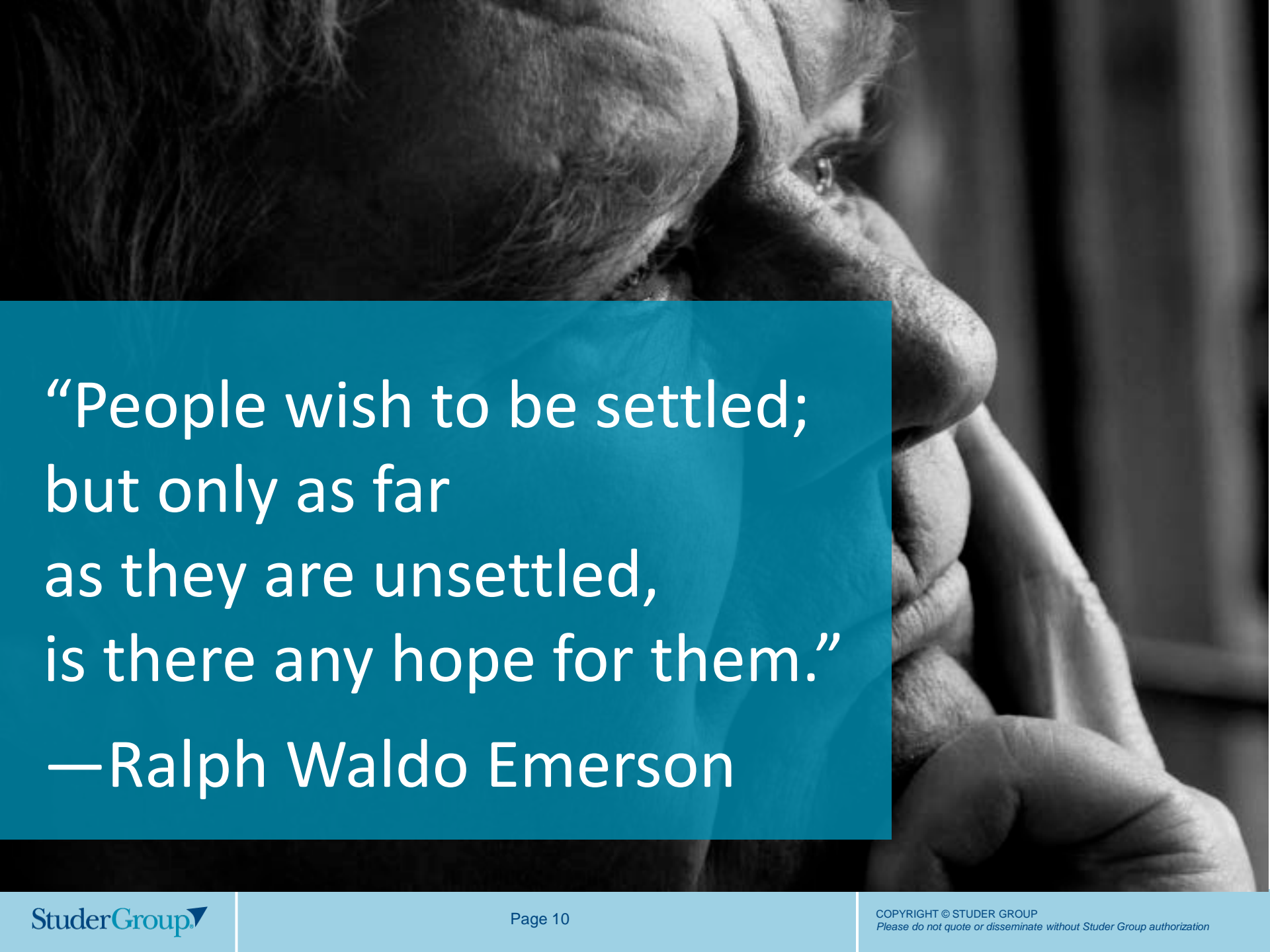
# Healthcare Flywheel<sup>®</sup>





# Evidenced-Based System



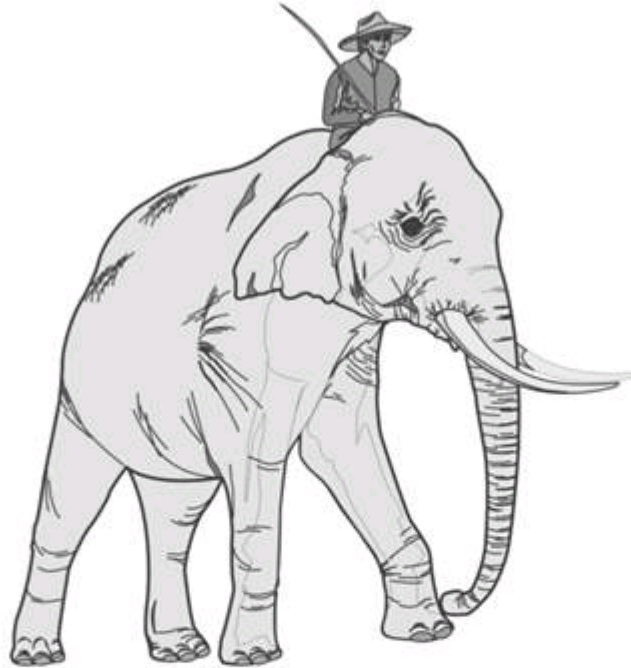


“People wish to be settled;  
but only as far  
as they are unsettled,  
is there any hope for them.”  
—Ralph Waldo Emerson

# Change not always bad or feared



# Three part framework for change:



1. Direct the Rider
2. Motivate the Elephant
3. Shape the path

Source: Heath and Heath 2010

# Direct the Rider

- Ambiguity is the enemy of change.
- Look for bright spots. Start small. Little change can have large impact.
- Show clear path remove the fog to direct the rider.

Source: Heath and Heath 2010

# Motivate the Elephant

- Respond to felt need. It is the felt need of the person organization that matters. Find the what .
- Speak to the emotion not the information.
- It is a long game not the intervention but the identity. A series of interventions moves it identity. How people see self, organization, entity.

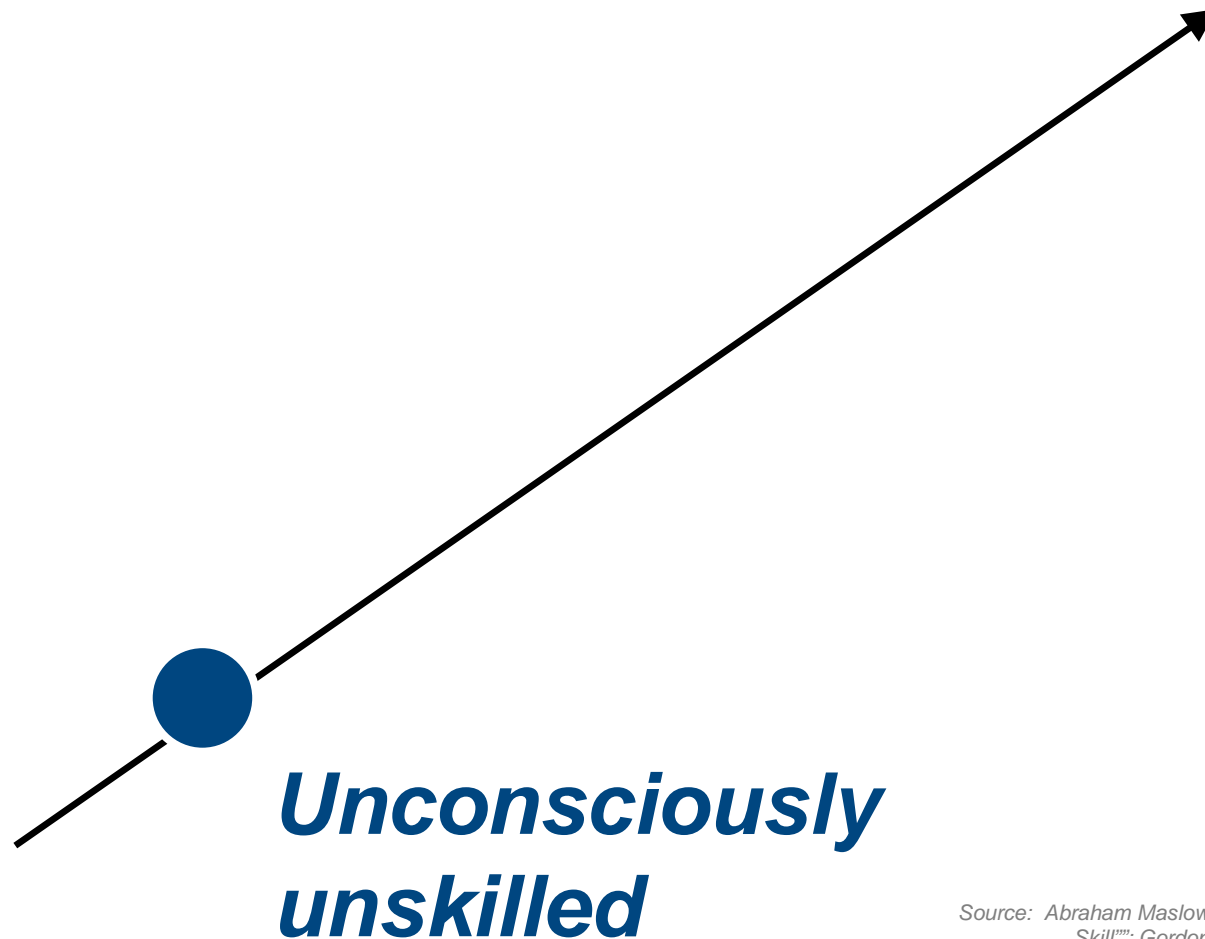
Source: Heath and Heath 2010

# Shape the Path

- When the path changes people change.
- Tweak the environment to make change easier.

*Source: Heath and Heath 2010*

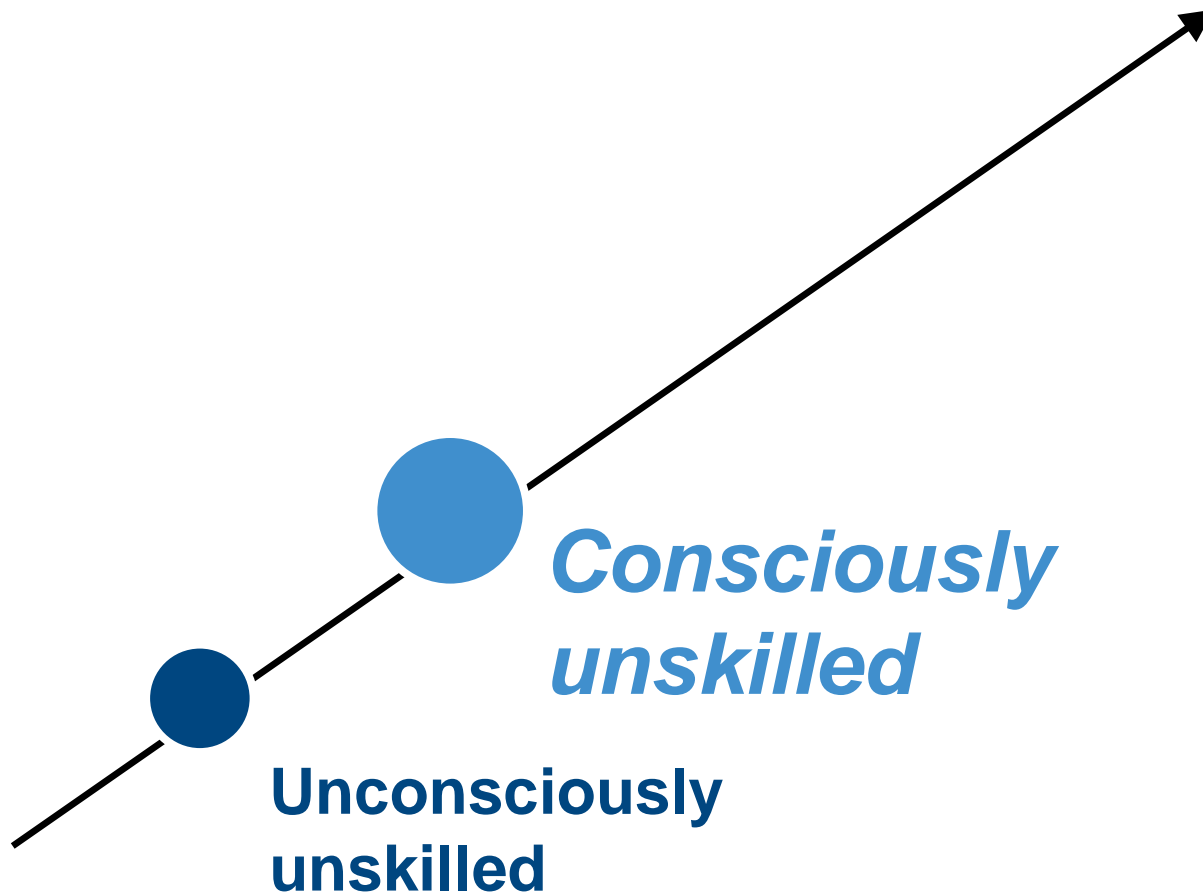
# Phases of Competency and Change Individual



Source: Abraham Maslow; 1940; "Four Stages for Learning Any New Skill"; Gordon Training International by Noel Burch; 1970

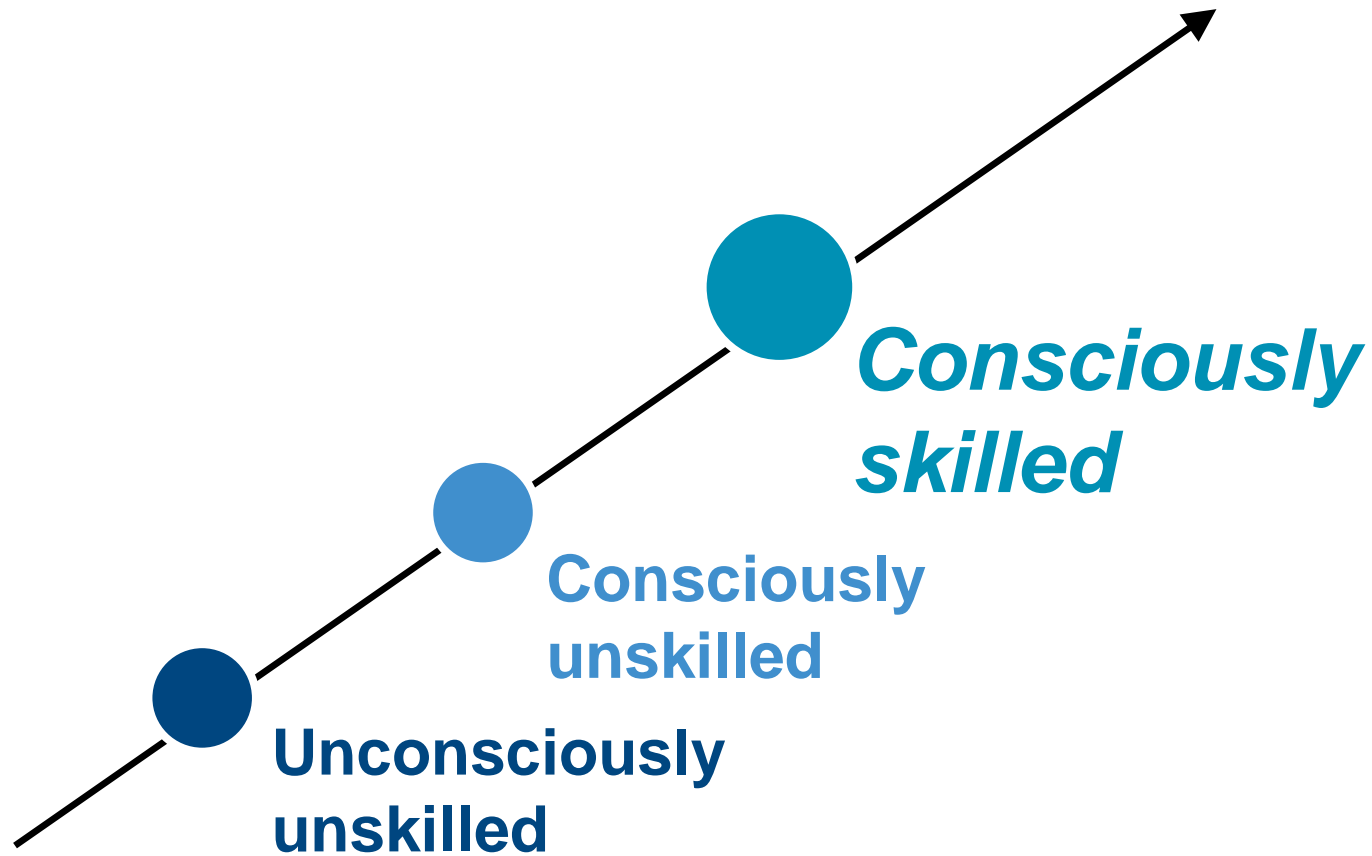


# Phases of Competency and Change Individual



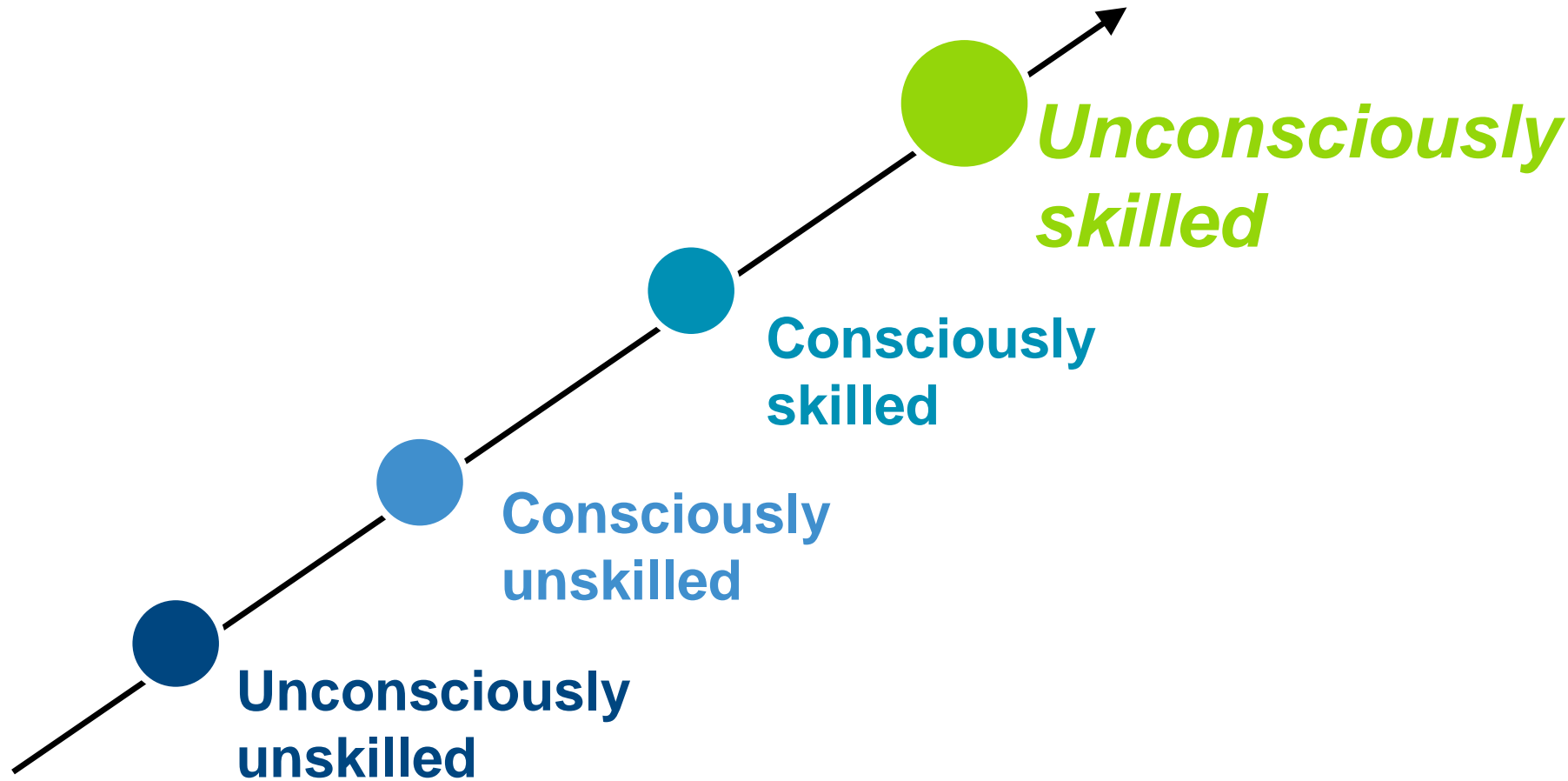
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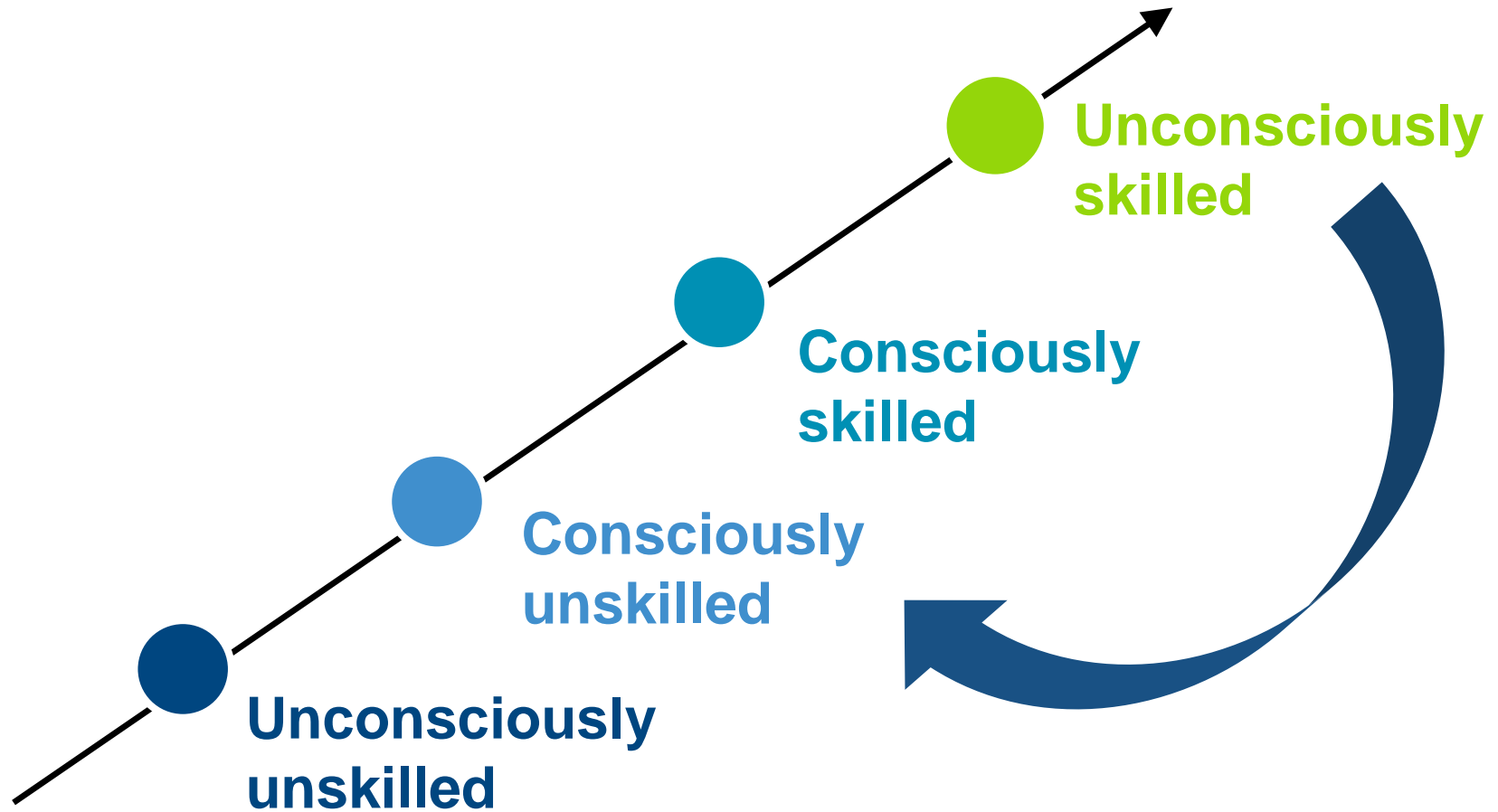
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# Phases of Change - Organization

## PHASE 1 THE HONEYMOON

- Sense of excitement
- Right “to do” list
- Things will get better (hope)
- Quick fixes are implemented
- Skeptics

# Phases of Change - Organization

## PHASE 2 REALITY SETS IN

- We/they
- Inconsistency
- Bigger than I thought
- This will impact me
- Some are getting it
- Some are not

# Phases of Change - Organization

## PHASE 3

### THE UNCOMFORTABLE GAP

- Performance gap is evident
- Tougher decisions must be made
- Process improvement increases
- Inconsistencies obvious

# Chuck Yeager



Source: *The Right Stuff* Movie

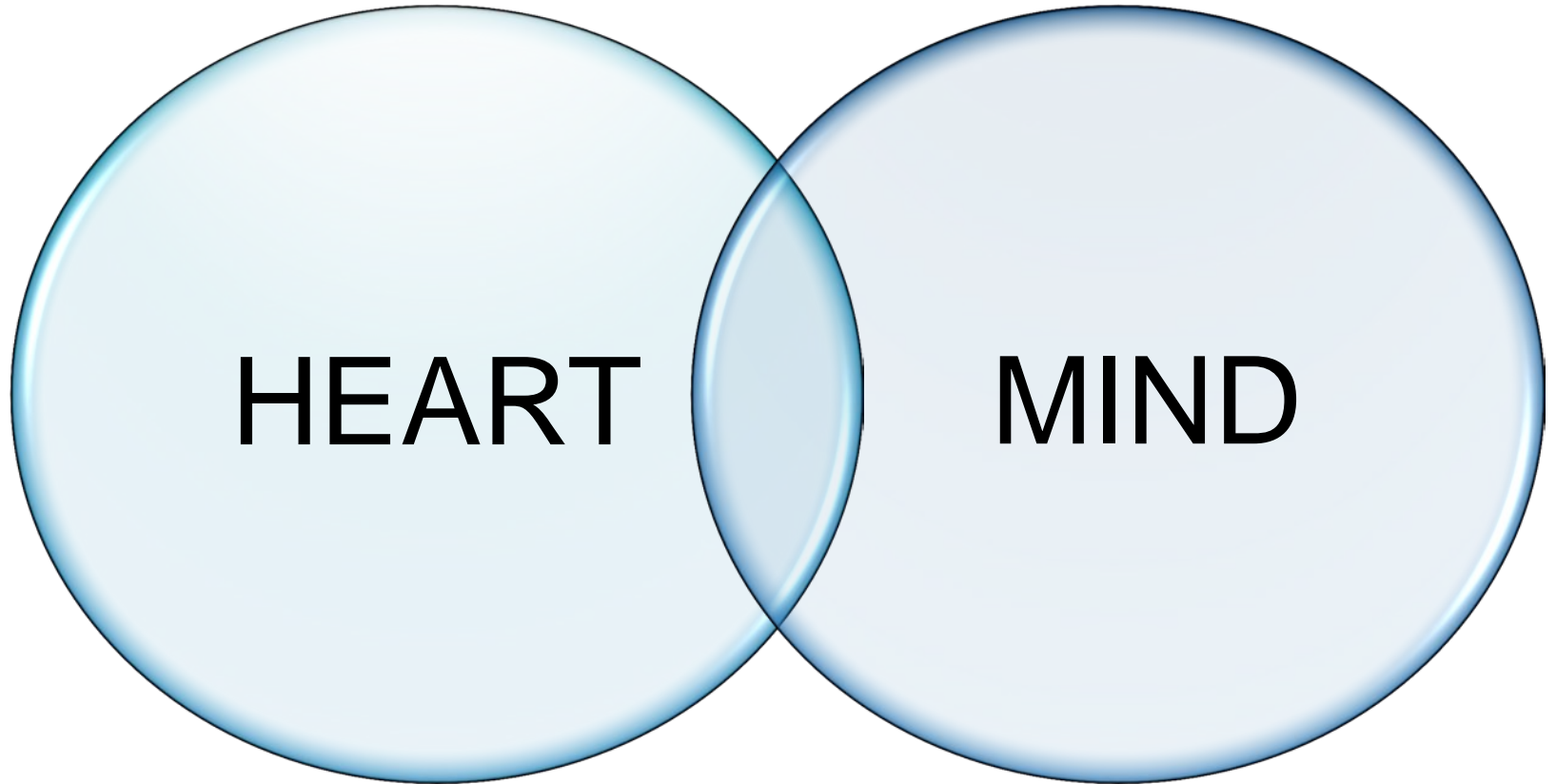


# Phases of Change - Organization

## PHASE 4 CONSISTENCY

- High performing results
- Everyone understands the keys to success
- Disciplined people and disciplined processes
- Proactive leadership

# Connecting Heart and Mind





***“It always comes back to values . . .”***

***Quint Studer***