

LESSONS ON EXECUTION

How Healthcare Organizations Can Redirect the Pandemic's Lessons to Improve and Accelerate Implementation

Facing unprecedented disruption from the pandemic, healthcare organizations rose to the occasion. Though it may have been chaotic, high-speed implementation became the standard in an industry that's not known for being fast. Thankfully, the crisis will subside. But without the "all hands on deck" urgency, healthcare organizations should look to apply the same speed to the strategic initiatives they've identified.

In many industries, organizations were built around the need to execute quickly and pivot effectively, for example, companies formed to develop new products or services. Healthcare providers, on the other hand, have been built to deliver high-quality healthcare to patients 24 hours a day, 365 days a year. If that's your aim, you build your model and organization very differently than you would if you needed to develop and launch a new product or service every few months. Consequently, healthcare organizations have lagged behind other industries in their capability to identify, prioritize, plan, and execute the large, complex initiatives necessary to transform their organization to function efficiently in an increasingly changing and challenging environment.

But the ability to execute quickly is more important than ever. Healthcare organizations' transformational strategies rely on accomplishing large portfolios of complicated endeavors: integrations, technology implementations, access and growth initiatives, clinical quality programs, margin improvement efforts, etc. Many were backburnered due to COVID-19 and now need to be implemented with even greater urgency to recognize the future revenue and cost improvements they represent.

Traditionally, healthcare's approach is to spend immense time, energy, and capital on identifying the right ideas and



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In this article:

- *Today, healthcare must evolve every aspect of its delivery, and the industry is improving its ability to identify and implement initiatives. Experiences managing large IT, capital, M&A, and operational excellence initiatives have helped organizations improve their ability to execute strategic project portfolios, but change is slow, and opportunity costs are staggering.*
- *Healthcare organizations typically try to do too much at once, but resource dilution is an implementation killer. You have to prioritize to allocate resources to what matters most.*
- *But it does not stop there. Healthcare must get better at implementing complex initiatives. Too often, initiatives are managed like an ad hoc group that develops its composition while performing, led by a distracted conductor. Instead, conduct your initiatives like a professional orchestra:*
 - *Pick the right conductor; give them the time to conduct.*
 - *Set the tempo by communicating the urgency.*
 - *Develop the sheet music before starting to play; planning is paramount.*
 - *Orchestrate with discipline.*
 - *Involve the right players.*

initiatives. Unfortunately, the hardest part—successful implementation—is usually assumed. If you question healthcare executives, most will claim to have a good-to-strong proficiency in execution. However, they rarely if ever

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support the claim with baseline evidence. The simple fact is that organizations ultimately complete projects but rarely calculate opportunity cost due to extended timelines. One significant obstacle is that, too often, they add responsibility for leading significant initiatives on top of an individual's full-time day-job responsibilities, and the effort of planning and implementation has been limited to smart and devoted personnel figuring it out as they go. This approach leads to wide variations in results and is not a reliable way to deliver the organization's strategy. Unless organizations thoughtfully and consistently plan and execute those ambitious initiatives, they will fail or lose precious time in realizing benefits.

BUILDING AN EXECUTION COMPETENCY

This informal approach to execution has slowly been changing in recent years, initially in the flurry of capital projects healthcare implemented to remain market competitive (construction has a deep history of implementation discipline). As technology and data usage increased, IT departments developed planning and execution competencies that spurred enterprise-wide efforts. The competency has also matured as process improvement groups turned to disciplined Lean and Six Sigma methodologies to improve safety, quality, and efficiency. Finally, maturity has grown due to the need to implement large mergers and acquisitions as healthcare systems expand to capitalize on economies of scale or capture new markets. Yet it's been a slow change that hasn't taken root at the enterprise level in most healthcare organizations. Consequently, most healthcare organizations continue to struggle to deliver their strategic plans.

As healthcare organizations seek to transform and battle back from COVID-19's impact, they have many enterprise-wide, cross-functional strategic initiatives at various stages of execution. To help them to succeed, here are key elements to follow when planning and executing these critical strategic initiatives.

RESOURCE DILUTION IS IMPLEMENTATION ENEMY NO. 1

The pandemic response has clearly illustrated what organizations can achieve when there is intense focus. But the pandemic will subside, along with the focus it has generated. Without intervention, healthcare organizations will shift back to their normal state of operation: trying to do everything at once.

Prior to the pandemic, how many "priority" initiatives was your organization trying to implement at the same time, in addition to the "day job" of delivering high-quality healthcare? It's typically an absurd amount, justified by "we have to do it all." But the reality is, you can't do it all at the same pace at the same time. It's a math problem, not an effort or desire problem. Resources are finite, so you must prioritize to focus them on what counts the most. Not all initiatives have the same strategic importance, and they shouldn't be treated the same. And nothing leads to executing ideas more slowly than diluting the efforts of the organization across too many concurrent initiatives.

CONDUCTING THE ORCHESTRA

Even after a portfolio of must-do initiatives has been aligned to the strategy and prioritized, healthcare organizations still struggle with execution. To their detriment, many execute strategic initiatives like a large orchestra without a conductor or sheet music trying to play Rachmaninoff's Symphony no. 1. They rush to get to work without effective planning; they simply set deadlines and start working. Instead, each initiative should follow these five keys to rapid and sustainable execution.

1

Every Strategic Initiative Needs a Conductor

Healthcare organizations often assign a clinical or administrative leader to lead important initiatives on top of their everyday work. Continuing with the orchestra metaphor, putting the head of nursing, ambulatory, revenue

cycle, or any other department leader in that position is like having the first chair violinist also be the conductor. They still have to do their day job of being first chair violin, limiting

Putting a department head in charge of a critical initiative on top of their day job is like having the first chair violinist also be the conductor.

their time to conduct the orchestra through the symphony's complex twists. And they are selected to conduct because of their superior technical expertise, not based on leadership skills and an ability to conduct.

Alternately, some organizations believe leading initiatives is part of everyone's job. That might sound like a good idea, but it inhibits success on large and complex strategic initiatives. First, everyone already has a day job, which likely already consumes their available time. And, no matter the prioritization efforts, their day job will always take precedence over strategic initiative responsibilities, especially if it involves the greater work of improving patients' health. Given more work to do, things get lost, and it's usually the strategic initiatives that are impacted. In either case, the extreme workload causes errors and other inefficiencies.

Also, there is an art and a science to execution. Some people can rely on instinct and intuition, and because of their innate skill, sometimes they will succeed. But the more complex and critical the initiative, the more important it is to apply the art and the science.

The conductor role requires a critical set of skills. Are they confident and able to motivate others? Can they navigate a team through issues and key decisions? Are they disciplined and organized? (For a more complete list of the traits of effective project leaders, see sidebar, "Critical Project Leadership Skills.")

While it's dictated by the scale and demands of the initiative, many strategic initiatives require a full-time project leader to continually motivate the team, keep them focused, identify and address potential pitfalls, provide course corrections when needed, and shift focus within the plan based on

CRITICAL PROJECT LEADERSHIP SKILLS



IPM's core competency is project leadership, so recruiting and training the best project leaders is critical. These are the main traits on which we evaluate our consultants.

- *Leadership*
- *Discipline*
- *Professional maturity / poise*
 - *Demonstrates "street smarts"/common sense*
 - *Displays confidence and humility*
 - *Is authentic*
 - *Has a professional presence; conducts himself/herself respectfully*
 - *Able to adjust communications to individuals and audiences to ensure effectiveness*
- *Adaptability / flexibility*
 - *Able to deal with adversity*
 - *Comfortable with ambiguity*
 - *Able to adapt to the situation*
- *Energetic*
- *Emotionally positive and steady*
- *Knowledge of and hands-on experience applying project management science (tools and processes)*

unforeseen issues and constraints. Doing these and other leadership responsibilities assures rapid execution in a manner that leads to sustained results. So when you've identified the right person, ensure project leadership is their day job, not an additional assignment.

IPM recently worked with a health system with more than a dozen strategic initiatives. At the outset, efforts were inconsistent and deadlines were missed because all the initiative leaders had too much on their plates. After evaluation of the scale and complexity of the initiatives, the system installed full-time leads on the most demanding initiatives. Their focus led to more successful progress and, ultimately, these initiatives were able to deliver their demanding expectations within their equally demanding timeframes.

2

Establish the Tempo

Deadlines serve an important purpose, but they are overused and often arbitrarily set. Motivational urgency is what sets the tempo. Just look at what healthcare has been able to implement during the pandemic. Effective project leaders tap into similar—if less intense—motivational forces to create a sense of urgency around an initiative that the team understands, believes, and can rally around.

Whether the motivation is a critical internal mandate or based on external factors (crisis, market forces, patient safety, mission, etc.), a driver that speaks to the team's minds and hearts propels action. Not every project will reduce mortality, but there are sincere altruistic drivers within almost every healthcare strategic initiative, and effective leaders clearly communicate and reinforce them to set the team's tempo.

3

Develop the Sheet Music Before Starting to Play

Applying the right process is another missing piece in executing the typical healthcare strategic initiative. It starts at the beginning—planning.

Too many projects are formed and organized via PowerPoint slides in kickoff meetings. That's not planning. An orchestra doesn't arrive at practice to start writing a symphony; the songs have been composed and transcribed for different instruments well before the first rehearsal. Experience has

shown that consultants brought in to rescue a project that's in trouble or taking too long will often trace the problem back to the start and uncover a lack of planning. It sounds counterintuitive, but to go fast, you must take time to plan. Planning is foundational, and it is progress in and of itself.

Likewise, having someone build a timeline or do an A3 is not the equivalent of completing a planning process. It could be a part of planning, but it's not a replacement for a strategic initiative planning phase. At a high level, the process is a logical one, but it's rarely followed: Define the target and the work to get there, plan the work (roles, tasks, communication, risks, change, decision-making, and more), and in subsequent phases use the plans to drive and adapt as needed. There is some science to building effective plans, so ensure you apply that experience and knowledge.

Healthcare organizations tend to force-fit preordained processes. At any given time, the initiatives in the organization's strategic portfolio are incredibly diverse. Be flexible in your approach to apply the right process based on initiative need, not on methodology dogma. Some organizations have determined that one methodology or another is the way they do things, and all projects must fit that method. For instance, if many initiatives require process improvement, the organization decides the Lean or Six Sigma-focused group (e.g., OpEx) should lead every initiative. A process improvement team is a great resource. However, in a typical portfolio of critical initiatives, some will be improvement focused, and others will be implementing something new. Some will have a well-defined scope and solution, and others will be a problem that needs to be solved before the scope can be defined. Being married to one methodology will inevitably result in some initiatives being off, maybe even failing. Some songs are meant for strings, others for brass. So if you are applying the right process across the portfolio, you will see a variety of methodologies at play.

4

Orchestrate

The project leader needs to drive the team's efforts with discipline. Don't hand out sheet music to the orchestra and say "play." The musicians need a conductor to guide them.

A disciplined leader provides clear expectations on what is required and when; tracks actions and decisions; monitors risks and applies the risk management plan; ensures that

A strong change management plan engages key stakeholders, especially those whose actions will dictate whether the desired results are achieved and sustained.

follow-up happens; evaluates progress; and gathers the right information and people when issues come up. While this is just one piece of leading an initiative, it's critical to orchestrate, and it is one reason why discipline needs to be a key trait of the person selected to lead the initiative.

One practice IPM has implemented to drive project discipline is the application of quality plans. At the beginning of every initiative, we complete a quality plan to consider and plan for the elements we believe will be most critical to that specific initiative's success. The team reviews and updates the quality plan during the initiative (and logs those reviews to enable tracking and enforcing this discipline) to ensure the team stays focused on the most critical elements.

5

Involve the Right Players

Sustaining the desired results from an initiative is primarily driven by stakeholder engagement. Too often an executive's pet project or consultant effort yields a compelling initiative, but once the excitement dies down or the consultant leaves, none of the results are sustained. Not only do things revert to where they were, the organization is now hesitant to trust the staying power of the next big idea.

While improving, healthcare organizations tend to struggle with stakeholder engagement on their strategic initiatives. They often bring in key stakeholders too late, such as for training at the end of the initiative. Engagement should begin well before that step and extend well beyond. Stakeholders' ongoing engagement is a critical output of the initiative. Establish a change management plan during the planning phase to drive sustained outcomes. A strong change management plan engages key stakeholders in the organization, especially those whose actions will dictate whether the desired results are achieved and sustained.

IPM worked with a hospital to help manage the modernization of a large portion of the facility. Driven by the change management plan, the program manager worked with the departments that would utilize the modernized space, processes, and bed-side practices. It not only helped to build excitement and ensure that the workflows, processes, technology, and floorplan would be suitable for their needs, it helped establish their ownership in the ultimate success of the hospital's transformation. Additionally, at the stage when the initiative would typically be complete and the governance structure disbanded, the steering committee instead transitioned into serving as the sustainability committee. Rather than reviewing initiative metrics (scope, schedule, budget), the team reviewed operational performance metrics to monitor and respond when results were not at the target levels.

THE SWEET SYMPHONY

To complete the metaphor of implementing a strategic initiative as an orchestra playing a symphony, the skills and discipline of the conductor, who guides the talented musicians with the appropriate tempo and emphasis, will have a tremendous impact on the quality of the performance. Entrusting skilled project leaders and enabling them to plan, implement, and sustain your most important initiatives will enhance performance and realize those critical strategies.

Integrated Project Management Company, Inc.

Integrated Project Management Company, Inc. (IPM) is a business consulting firm focused on planning and implementing strategically critical initiatives across multiple industries, including life sciences, healthcare, consumer products, and industrial. Since its inception in 1988, IPM has served more than 500 clients and completed more than 5,000 projects. Headquartered in Chicago, IPM has regional offices in Boston, St. Louis, Los Angeles, San Francisco, Minneapolis, and Parsippany. IPM was a recipient of the 2018 Malcolm Baldrige National Quality Award. To learn more about IPM and its services, visit www.ipmcinc.com or call 630-789-8600.