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**Assessing and Accelerating Your Lean Transformation**

*Healthcare Value Network offers process for lean evaluation and learning*

December 2011

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## Introduction

The healthcare industry is routinely under review. Audits and regulatory surveys track compliance with and conformance to standards, examining competencies and credentials. These audits often invoke apprehension among healthcare management and employees, who fear deficient outcomes. Even when audit results are satisfactory, findings rarely indicate how an organization arrived at that outcome or, more importantly, how to get better; audits are not intended to diagnose why organizations do what they do. Yet to truly transform a healthcare organization and deliver more value — a lean transformation that drives improved quality of care at lower costs — the systems, behaviors, and culture of an organization must be closely examined and the learnings leveraged for change.

The serious pursuit of lean transformation in healthcare is a relatively new phenomenon. Pioneers in lean thinking, such as ThedaCare and Virginia Mason Health System, started their lean journeys only in the last decade. A common first step on a lean journey is to apply lean “tools” — e.g., a value-stream map to track patient flow, 5S visual techniques to organize work areas. Use of tools represents a necessary albeit insufficient component of a lean transformation. Tools are only as good as the ways in which they are used and the intent of their holders. Lean systems and behaviors must accompany lean tools in order for a transformation to deliver optimum results and operational excellence (*Figure 1*).

It’s not easy for healthcare organizations, even members of the Healthcare Value Network (HVN) that have started their journeys, to recognize the systems and behaviors in their organizations and how their systems support or impinge their ability to improve. Systems and



Figure 1 — Bridge to Lean

Graphic courtesy of The Shingo Prize for Operational Excellence

practices develop organically and incrementally over time, building to a collective mental model of “that’s the way that we do things,” gradually driving behaviors even if irrespective of value to patients. HVN members (see *About the Healthcare Value Network*) and others must begin to assess the efficacy of their existing mental models and business systems.

A lean assessment is intended to examine an organization’s systems, behaviors, and culture, and in doing so identify strengths, opportunities for improvement, and the critical gaps that slow or inhibit a lean transformation. The process provides learning opportunities for staff as they prepare for and participate in assessments, as well as offers a realistic picture of where an organization is on its lean journey.

## HVN Adopts an Assessment Model

HVN’s mission is to fundamentally improve healthcare delivery through lean thinking — spreading current best practices among members, accelerating the transformation journey for each member organization, and driving change in national healthcare systems. Soon after HVN was founded, the initial members recognized the need for a common assessment model that would help them evaluate their organizations and accelerate their lean journeys. An HVN assessment team was formed and reviewed many assessment models (such as the Malcolm Baldrige National Quality Award), and adopted the principle-based approach used by The Shingo Prize for Operational Excellence. The Shingo model was selected primarily because it focuses on cultural (behavior) transformation and lean principles.

The Shingo Prize for Operational Excellence is a not-for-profit organization named after Japanese industrial engineer Dr. Shigeo Shingo, an expert on the concepts, management systems, and improvement techniques of the Toyota Business System, from which lean thinking evolved. For more than 20 years The Shingo Prize, based at Utah State University, has recognized organizations that demonstrate a culture in which principles of operational excellence are thoroughly embedded into the thinking and behavior of leaders, managers, and associates.

### About the Healthcare Value Network

In 2008, the ThedaCare Center for Healthcare Value was formed by John Toussaint, MD CEO emeritus of ThedaCare in Appleton, WI. Dr. Toussaint is a pioneer in the application of lean thinking in healthcare and co-author of *On the Mend*<sup>1</sup>. In March 2009, the Center partnered with the Lean Enterprise Institute (LEI) to form the Healthcare Value Network (HVN). The mission of the HVN is to fundamentally improve healthcare delivery through lean thinking. In November 2011, more than 45 organizations in the United States and Canada were HVN members.

<sup>1</sup> John Toussaint, MD and Roger Gerard, PhD *On the Mend* (Cambridge, MA: Lean Enterprise Institute, 2010).

“Only in the last five to 10 years has lean come to healthcare, so there are not a lot of models out there of highly successful organizations that have made the complete transformation; the Shingo model helps create a vision of what we should be aspiring to,” says Dale Lucht, a Shingo examiner and director of lean and management engineering at HVN member Lehigh Valley Health Network.

“Most people look at lean as a family of tools for improvement,” Lucht adds. “The model stresses that, but it also stresses that tools need to be part of a system, and the tools need to be principle- or behaviorally driven — you have to have that cultural transformation as well as ... using the tools. Using the tools will get you to a certain level, but unless you have a system and behavioral transformation, you are not going to achieve the full benefit of lean.” Lucht manages the lean transformation at Lehigh Valley, which has begun internal assessments and is preparing for an HVN external or peer assessment. “Doing an assessment helps create a vision of what you can be and where you are going as an organization.”

The Shingo assessment process and Shingo model provide “the basis for powerful and focused improvement strategies.”<sup>2</sup> Through years of application, Shingo assessments have repeatedly confirmed that:

- Business and management systems drive behavior and must be aligned with correct principles.
- Operational excellence requires focus on both behaviors and results.
- There is a relationship between principles, systems, and tools.

“Behavior is one thing you cannot fake or lie about in an assessment,” says Jacob Raymer, director of education at The Shingo Prize organization and a coach and mentor for the HVN assessment team. “It tells the truth every time. Results, measures, performances can be changed, shifted, or adjusted, but behavior cannot be faked. This is what makes The Shingo Prize unique. We assess cultural transformation. Culture is the sum of the behaviors exhibited in an organization.”

Tim Pettry is a Shingo examiner and a continuous improvement embed in the Neurological Institute of the Cleveland Clinic. He is responsible for developing the continuous improvement plan for the Neurological Institute (1,250 employees and 250 physicians). “You get caught up in what you’re doing, and you think you’re doing well, but you’re not really sure,” he adds. “[An assessment] is a yardstick to see where you are. One of the bigger reasons to have an assessment is to get that outside confirmation or validation that what you’re doing is consistent with what others are doing or where you are in the process.”

“The purpose of the HVN assessment process is to provide education-focused feedback and help a healthcare organization,” says Mike Stoecklein, HVN director of network operations and

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<sup>2</sup> The Shingo Prize for Operational Excellence, [www.shingoprize.org](http://www.shingoprize.org).

process owner for the HVN assessment process. The assessment process will help members “understand where they are on *their* lean journey (*their* current reality), pinpoint gaps to the desired state (the ideal organization), and provide feedback for addressing the gaps between the current reality and desired state and accelerate progress of *their* lean transformation” (Figure 2).

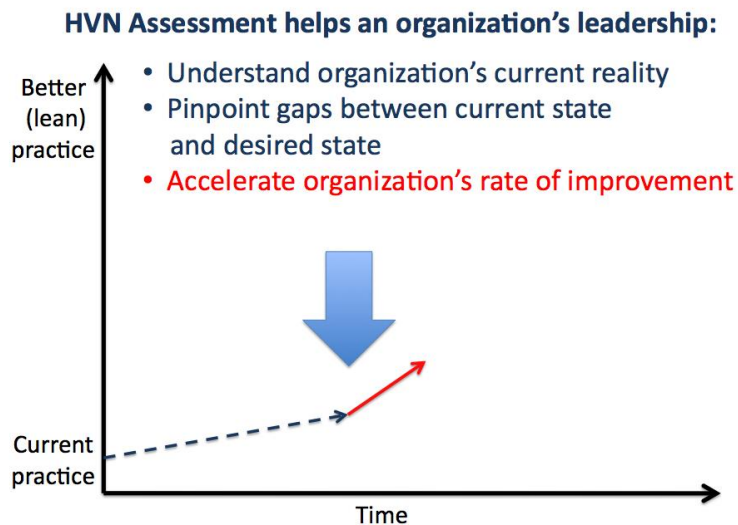
The HVN assessment process was first tested at Hotel Dieu-Grace Hospital in Windsor, Ontario, in September 2009, and then tested at Intermountain Healthcare’s McKay-Dee Hospital in Ogden, UT, in May 2010.

Mike Hatch, director of strategic planning at McKay-Dee, says, “Years from now, as we stand back and tell the story of our lean journey, our first HVN assessment will stand out as a critical event.

The feedback that came from the assessment caused our leadership team to become introspective about our lean journey and their role in changing the culture of the organization.” A broader pilot of the HVN assessment then occurred at Christie Clinic in Urbana, IL, in September 2010 (see *Christie Clinic Assessment on page 11*).

The HVN assessment team and Stoecklein have worked to make the Shingo model more applicable to HVN members. The assessment team meets regularly, expanding the knowledge of the team and discussing ways to encourage adoption of the approach. Each HVN member organization requesting an assessment is required to have representatives participate in assessor training and workshops and then apply those concepts assessing other member organizations. “The HVN assessment supports the three aims of the network — to learn, share, and connect with fellow members, so that our network members can improve,” says Stoecklein.

Unlike The Shingo Prize assessment, there is no recognition or honor given to superior organizations completing an HVN assessment.



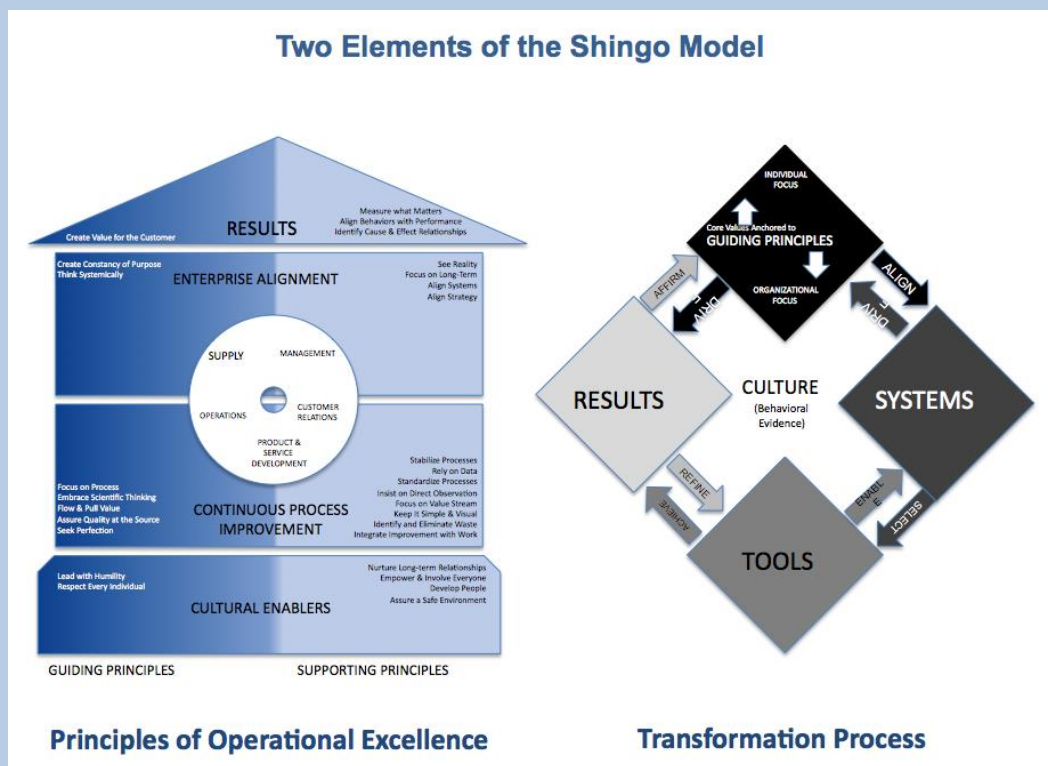
**Figure 2 — Accelerating the Lean Transformation**

## The Shingo Model

An organization interested in pursuing a lean transformation uses the four dimensions of the “Principles of Operations Excellence” — the left side of the Shingo model (*Figure 3*) helps them to understand ideal behavior (“what”) and to assess if systems are producing desired behaviors at all levels of the organization and in all areas of operation and support functions. The “Transformation Process” on the right of the model describes “how” organizations adjust systems to drive ideal behavior.

Within each of the Shingo dimensions are guiding and supporting principles. Jacob Raymer, Shingo director of education, calls the principles “universal truths” that govern consequences or outcomes (“like gravity”). For example, one cultural-enabler guiding principle is “respect every individual,” and a guiding principle for enterprise alignment is “think systemically.” The 10 guiding principles of the Shingo model are:

- Respect every individual,
- Lead with humility,
- Focus on process,
- Embrace scientific thinking,
- Flow and pull value,
- Assure quality at the source,
- Seek perfection,
- Create constancy of purpose,
- Think systemically, and
- Create value for the customer.



**Figure 3 — The Shingo Model**

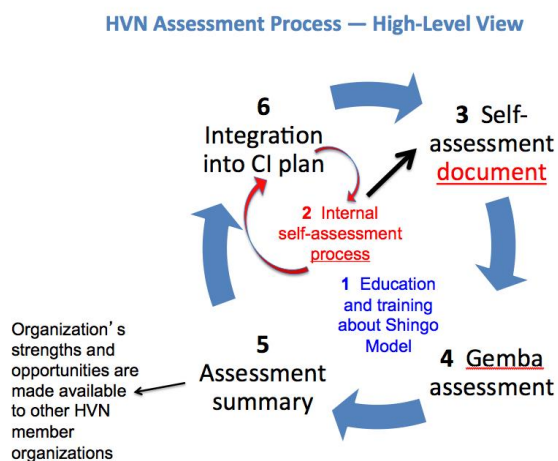
Graphic courtesy of The Shingo Prize for Operational Excellence

## The HVN Assessment Process

The HVN assessment diagnoses an organization on the four dimensions of the Shingo model necessary for a lean transformation — cultural enablers, continuous process improvement, enterprise alignment, and results. The four Shingo dimensions can be exhibited quite differently in various organizations — every organization is unique — but principle-related issues reside in each dimension, such as:

- *Cultural enablers* — Is the workforce empowered and involved? Do employees work in a safe environment? Is the work of everyone respected?
- *Continuous process improvement* — Is there a constant quest for improvement? Are all employees able to discuss a process or problem, suggest improvement ideas, implement suggestions, evaluate impact, and adjust as necessary — i.e., is the scientific method in place? Are processes standardized from department to department?
- *Enterprise alignment* — Are strategies and systems aligned across the organization? Is there strategy/policy deployment in place with goal setting that gets cascaded down to frontline staff? Is there a value-stream approach to the organization (rather than silos or isolated islands of lean)?
- *Results* — How does the organization measure itself on customer satisfaction, cost, productivity, etc.? Does the organization track trends for important measures, and what are the trends? How do measures compare to competitors or industry averages? Are behaviors aligned with desired results?

The Shingo Prize process requires companies to present a detailed internal evaluation of their organization to be considered for The Shingo Prize and/or be eligible for a Shingo assessment; most firms that apply have been on their lean journey for years and have deep understanding and documentation of the Shingo model and lean concepts. The HVN team recognized that its members would not necessarily have passed such milestones, and so added two additional steps to the closed-loop assessment cycle — education and a self-assessment (*Figure 4*). In particular, the self-assessment — an *internal* evaluation — is needed for member learning and to provide documentation that helps *external* peer assessors understand the target organization better prior to a peer assessment.



**Figure 4 — HVN Assessment Cycle**

The HVN assessment process currently consists of the following six steps:

### **(1) Education about the Shingo model**

HVN member organizations have begun a lean journey, and have an understanding of some lean topics, especially tools. But a familiarity with the Shingo model (behavior, systems, culture, and principles associated with them) will help an organization reap more value from an HVN assessment. The HVN assessment team encourages an organization's leadership and lean support staff to learn more about the Shingo model and its role in a lean transformation by attending HVN educational sessions and webinars (e.g., *The Shingo Model, An Overview of the Assessment Process*, and *Writing the Self-Assessment Document*); designing and testing an internal assessment process; and training and practicing as assessors.

“The best way to get started is to train a handful of people as Shingo examiners, go attend examiner [assessor] training either through the Healthcare Value Network or through The Shingo Prize, and get involved assessing peers,” advises Lucht. “Until you've performed an assessment and had some experience at it, you probably won't realize the full benefit and understand fully how to do it. Take the leap.”

Kevin Frieswick, director of organizational improvement at Vanguard Health Systems, is helping his organization prepare for an HVN assessment. “From a rookie perspective with the Shingo model, there is added benefit to the organization for me to be at another organization doing an assessment. The byproduct of that is that I'm a better teacher when I go back to my place of business. You're developing people to be better teachers when they come back home. It's been huge for us.”

“If you don't understand some of the terminology around lean and have some basic understanding, it would be a little like getting feedback in a foreign language,” says Christie Clinic CEO Alan Gleghorn. “Certainly the leadership team needs some working knowledge of lean terms.” But, he notes, the Shingo model doesn't use Toyota terms or “lean,” and speaks well to healthcare professionals because it is “about behaviors, systems, and alignment. That is what healthcare people talk about. A doctor does an assessment on a patient. The Shingo model is nothing different than that. You ask questions. You make observations.”

### **(2) Self-assessment**

An internal self-assessment — done by member staff of their own organization — helps an HVN member establish a baseline of its strengths and weaknesses around the four Shingo dimensions. Self-assessments will ideally address the whole organization or substantial units or locations of the organization (i.e., hospitals in a multihospital system).

The HVN assessment team has developed an approach for conducting a self-assessment and assists organizations in building the knowledge and skills to conduct their self-assessments. As



noted, staff participation in assessor training and workshops and work on peer assessments at other HVN member organizations are important precursors to a self-assessment.

### **(3) Self-assessment document**

An HVN member will document its internal examinations in a self-assessment document. This document describes how systems and practices drive principle-based behavior in each Shingo dimension. It also should include a profile of the organization (history, mission, locations, and scope of services) and describe key service lines, achievements, processes, and the workforce. Stoecklein and the HVN team have been working to establish a standardized “template” to help organizations more rapidly conduct their self-assessment and develop the self-assessment document.

“It’s a powerful document because it forces the organization to capture and really talk about what they’re doing, where they are, and the tools and systems that they’re using,” says Raymer. “It provides [peer assessors] a lot of baseline information so when they get there they already have a good understanding of their knowledge, their language, and what they call their systems and tools.”

### **(4) Gemba (Peer) assessment**

The gemba (or peer) assessment team is typically composed of about a half-dozen trained volunteer assessors: representatives of HVN member organizations, HVN staff, HVN assessment team members, and Shingo examiners. The HVN peer assessment, like the Shingo assessment model upon which it is based, exemplifies the difference between an assessment and traditional medical audits. Unlike an audit, Raymer says, “We look at behavior very objectively, not subjectively.” Peer assessors observe what’s occurring and evaluate that against what the self-assessment purports. And a critical step and difference when compared to audits is that assessors ask questions dynamically, basing subsequent questions on the answers they’re hearing. “It’s not just asking a series of set questions, but asking questions to understand your thoughts, logic, and how you work. Are you more tools-focused, systems-focused, or principles-focused?”

Peer assessors examine the four Shingo model dimensions and related principles in light of what the HVN member has documented. Pettry emphasizes that assessors are not looking for a laundry list of items or systems associated with the dimensions, but instead looking for systems that staff say are important to their organization — “it’s not prescriptive.”

Assessors look to see if systems are present to support a dimension, and to what extent systems are present. For example, when assessing cultural enablers, if an organization values employee development and rewarding good performance, then there should be evidence of training systems and reward/recognition systems. In talking with staff and observing what occurs, the assessors evaluate systems by looking through five lenses:

- Roles — How does staff (leadership, management, and associates) behave, with ideal behavior being fully understanding and exhibiting principles?
- Frequency — How often is a system applied, from infrequent/sporadic to constant/uninterrupted?
- Duration — How long has the system been in place, from initiated to culturally ingrained?
- Intensity — How intensive is application, from apathetic to tenacious/full commitment?
- Scope — How broad is the application, from isolated to enterprisewide?

The peer assessment takes approximately two days. The first day begins with all assessors meeting leadership and receiving a brief overview and tour. The team then disperses into smaller groups in order to observe as much of the organization as possible, reconvening at the end of the first day to discuss their observations. The second day is a continuation of small-group observations, culminating with the team gathering and beginning formal development of the assessment summary.

#### **(5) Assessment summary**

The assessment team aggregates their individual observations into an exhaustive summary that “goes through each of the different elements that were assessed, and highlights the top two or three strengths that were observed as a team and the opportunities,” says Pettry.

“We’re giving a positive confirmation on things they’re doing well, and we’re making suggestions on things that, in our estimation, could be improved,” says Lucht. “We’re offering both edges of that sword in each of the dimensions. And they get that in a formal written report.”

The summary, typically finalized within a month of the peer assessment, also provides feedback on the dimensions respective of the various areas visited by the peer assessors.

#### **(6) Integration into continuous-improvement (CI) plan**

The assessment summary is merely a pile of paper unless HVN members use that information to influence their organizations’ continuous-improvement planning, finding ways to expand on strengths and address the gaps in order to accelerate their lean transformations. It’s important to note, though, that the HVN assessment summary is not a blueprint that dictates *how* to change.

The direction of how to change comes from understanding the Shingo model, says Christie Clinic’s Gleghorn, adding that he did not expect the assessors to identify *how* to address gaps — “they weren’t here for months.” He also cautions other healthcare leaders against thinking they can look to other organizations and simply “grab something to close a gap.” Organizations need to explore and experiment with their own ways of addressing problems that are unique to their

own situations — rather than *pushing* a solution into work areas, leaders must encourage employees and staff to *pull* ideas, thinking about and developing ways to improve their own work areas every day. “That’s why the assessment is so important, because it gets away from [preset metrics and practices] and looks at the behavior of your people.”

The six steps represent core activities of the HVN assessment process. Members also will need to lay the groundwork to get an assessment under way. HVN helps members prepare to organize and manage the process, such as logistics for bringing in assessors and addressing issues such as HIPPA constraints and interactions with patients. HVN’s Stoecklein serves as the key contact for this preparation.

Gleghorn says the first step at Christie Clinic was to create a communication strategy to inform locations that he had volunteered the organization for an HVN assessment and what that would entail for each location. He did not want staff to be surprised by peer assessors — all employees were told they were “fair game” to be questioned by assessors — but management did not attempt to coach staff on what would be asked, how to act, or what to say to assessors. The next step was to put in place logistics for the assessment that would ensure that work would not be disrupted but that key staff could still be available to speak with assessors and explain what was occurring.

### Developing HVN Assessors

Understanding the Shingo model and a common vocabulary facilitates learning throughout HVN membership, not only at the organization being assessed but also by HVN representatives on the assessment team and by those training to become assessors. The initial HVN assessment teams have been seeded with Shingo expertise — such as Jacob Raymer, Shingo director of education, and Tim Pettry and Dale Lucht, seasoned Shingo examiners. They have participated alongside HVN member representatives gearing up for their organizations’ assessments. But to grow the HVN assessment model and more effectively benchmark each other, assessors need to continue to emerge from HVN members and become skilled in the Shingo model and the assessment process.

Mike Stoecklein and the HVN assessment team are working to increase the number of assessors, offering countermeasures such as training and practice assessment sessions conducted by qualified instructors; an Assessor Capability Matrix to help move people from novice to experienced and then to master levels; and opportunities to serve as an assessor alongside a more experienced assessor/mentor.

HVN is well on its way to building a stable of its own assessors, says Raymer, “but there is a big learning curve that goes on. To be able to transform an organization is a key learning.”

### Christie Clinic Assessment

Approximately six years ago, physicians from Christie Clinic attended a presentation by Dean Gruner, CEO of ThedaCare, on lean thinking. Christie Clinic CEO Gleghorn and staff were

convinced a lean journey could change the “culture of the organization from one of being victim of the various processes to a focus on a culture of improving the processes.” Christie Clinic is a multispecialty medical group, geographically dispersed in East Central Illinois, with 70% of its physicians in various surgical specialties and subspecialties and 30% in primary care.

Gleghorn was introduced to the Shingo model in 2010, and that spring he attended a Shingo conference and trained as an assessor alongside HVN assessment team members. He also realized at the time he could volunteer his organization for an HVN assessment, and jumped at the opportunity. He was “fascinated” by the prospect of a “dozen smart people” with both healthcare and lean experiences observing Christie Clinic and offering feedback relative to the Shingo model so the organization could make adjustments on its journey. The HVN assessment and Shingo model, he adds, offered a helpful structure and methodology to move forward on the feedback — and without stigma.

The HVN assessment is “not pass/fail,” says Gleghorn. “It doesn’t place you relative to anybody else. It basically says, ‘Here is where you are on your journey.’ There is no joint commission standard that you meet or don’t meet, and therefore you are deficient. This is more like saying, ‘Here’s where you are relative to the Shingo model.’” The model presents a continuum of progress to an assessed organization, he says, especially the understanding that lean is about bringing problems to light. At Christie Clinic, surfacing problems so they can be addressed is called “celebrating the red dots.”

Unlike Gleghorn and Christie Clinic, some HVN member organizations are reluctant to request an assessment, believing their organizations are not ready. “The relatively slow advancement of lean within healthcare contributes to this hesitancy,” says Pettry, a member of the peer assessment team at Christie Clinic and also the leader of The Shingo Prize assessment team that examined Denver Health in January 2011. (One operating division of Denver Health — Community Health Services — was the first healthcare organization to be recognized by The Shingo Prize organization, receiving a 2011 Shingo Bronze Medallion.)

“Probably the biggest stumbling block we’re finding with assessments in healthcare right now is that people think they are not far enough along to feel comfortable exposing where they are to outsiders,” says Pettry. “They want to do a little bit more — ‘Just give me another year and I’ll be willing to have people come in and see what we’re doing.’” He tells executives, “We understand you may just be starting, but this will give you a good early indication if you’re going in the right direction or not and give you a chance to, perhaps, change course if necessary.”

Christie Clinic’s Gleghorn also encourages colleagues to conduct an assessment: “The feedback and the process of your staff being exposed to the [Shingo] model is invaluable. It will find things in your organization that will quickly highlight where there is a gap and the need to close it. It’s not relevant where you are or how far you think you are. If you’re hung up on that, it’s your ego talking rather than understanding what we’re trying to do.” The value of an assessment,

he adds, comes in participating in the process — “it doesn’t matter where you are on the journey.”

Jason Hirsbrunner, continuous improvement director at Christie Clinic, says, “The entire process of getting ready for the assessment was invaluable. Formulating our self-assessment really helped us focus on areas for improvement within our methodology and created a burning platform for our leadership.”

Lessons learned by Christie Clinic leadership from its HVN assessment included:

- Realization that systems drive behaviors. If they want certain behaviors, they needed to design and redesign the systems that drive those behaviors.
- While tools are important, they are insufficient for true cultural transformation. Like many organizations, Christie Clinic has learned that tools are helpful to adjust the systems, which in turn drive behaviors.
- Values need to be anchored to principles. Christie Clinic has described its values and shared them with leaders, managers, and associates, but staff came away understanding that they need to anchor their values to the categorical principles in the Shingo model.

Gleghorn and Hirsbrunner recount one critical piece of systems-centric feedback. They learned that many employees had improvement ideas, but they had no way to regularly present those ideas to management. The improvement system at Christie Clinic required employees to wait until they were involved in a rapid improvement event (RIE) in their work areas before offering up ideas. What’s more, it was a prime objective to get all 800 employees involved in an RIE, meaning that it could be months before an employee participated on an event — i.e., ideas were not being heard, and improvements not being made.

“Our system created non-ideal behavior because we had people who wanted to help and needed help, and we were not able to support them with our current system,” says Hirsbrunner.

After the assessment, Christie Clinic deemphasized RIEs and is now “focused on daily huddle, workcell-level activities where small groups of employees are spontaneously getting together daily to look at their flow, look at their department staffing, and to look at a dashboard of improvement in their workcell,” explains CEO Gleghorn. “The assessment caused us to remarkably change our focus and deployment of resources in the organization, . . . basically flip the focus from pushing rapid improvement events in value streams from above to focusing on developing the daily *kata* [routine or cadence] and behaviors we want to see at the workcell level around improvement of their daily work and improvement of things that *they* see as important.”

Leadership’s new role has been a willingness to remove itself from frontline activities. “This is strictly a grass-roots, workcell-driven activity,” says Gleghorn. Only after associates have had the opportunity to independently improve their work on a daily basis will closer alignment with

management’s strategic objectives begin. Gleghorn invites HVN members to see how this plan is working out when Christie Clinic hosts an HVN gemba event in April 2012.

## Continuous Improvement of the HVN Assessment Process

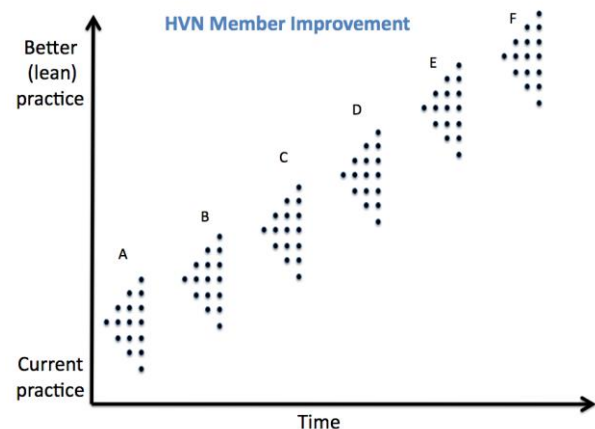
Introducing the Shingo model to HVN member organizations and their representatives is similar to teaching people to swim, says Stoecklein. “Many people would prefer to wait poolside and look to someone else to be the first to jump in. But there are usually a few diving right in, ‘early adopters,’ like Christie Clinic.” Stoecklein recognizes, though, that the HVN assessment team needs to continue to create an environment that encourages participation with the assessment model and, thus, accelerates the lean transformation of members. This is being done by:

- Helping members address their fears and concerns about where they are (or are not) on their lean journey.
- Allowing members to proceed at a cautious, prudent pace (much like a wading pool before hitting the deep end). In this regard, HVN has designed and tested a number of the ways (such as the education sessions) to help ease people into the Shingo model and assessment process.
- Actively identifying and encouraging members who have expressed an interest in participating in assessments, either as an object of an assessment or getting staff educated on the Shingo model and how to assess.
- Continuing to establish a qualified group of peer assessors (“water safety instructors”) to help members who want to swim to learn how to swim.
- Creating opportunities for those who do wish to “dive right in” to learn the Shingo Model at a deep level.

Stoecklein and the HVN team believe there is much variation in member performances and practices relative to the Shingo model; the goal of the assessment process is to help all members regardless of their current state (*Figure 5*).

Stoecklein describes most members as tools-focused, since they are early in their lean journey. Over time the HVN assessment and transformation acceleration process will help members progress to tools-and-systems focused to, ultimately, a focus on tools, systems, and principles of lean (i.e., members advancing along a Shingo maturity scale of performances and practices).

“It’s my impression that many organizations really see lean as more of a tools-based approach, and many of the people involved in the networks are lean leaders in their network as opposed to

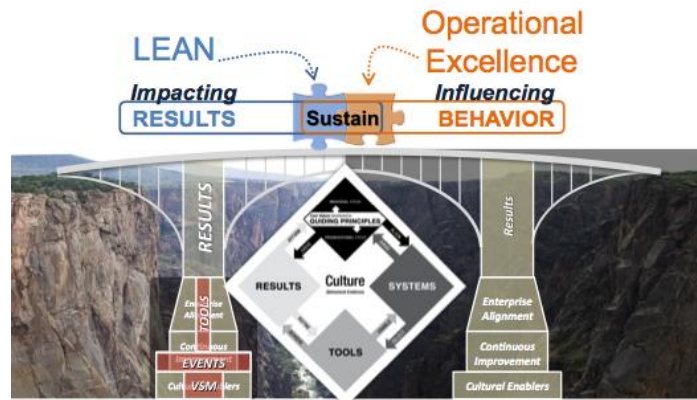


**Figure 5 — HVN Members Improve Over Time**

being the CEOs in their organization,” notes Gleghorn of Christie Clinic. “I think what that causes then is that [those lean leaders] want a deliverable, and they want to capture something and deliver it to their organization to move the meter. When in fact you really need to have an appreciation of the model of being a true organizational, cultural assessment as opposed to a tools-based assessment. If you don’t understand the difference, you are not going to understand what the model and the assessment can bring to your organization.”

Gleghorn is convinced that this fundamental disconnect in many organizations — an inability to see lean as a broad, cultural, organizational journey — is at the root cause of the healthcare industry struggling to get more traction with lean.

“Leaders, if you really want to capture the reality of how your business is running — and not just by performance — this assessment helps you capture reality,” says Shingo’s Raymer. “What it focuses on are the key systems in your organization and how they drive behavior and how they drive your culture. If you’re interested in shifting your culture, if you truly want to change and shift your culture, this assessment enables you to understand those key elements that you can focus on that drive behavior and influence your culture.” (Figure 6)



**Figure 6 — Drive Behavior Toward Operational Excellence**

Graphic courtesy of The Shingo Prize for Operational Excellence

“Over time, it is our belief that more and more organizations will have the humility to ask for an assessment, which will provide them with feedback to make the improvement necessary to move toward better, more lean practice and performance,” says Stoecklein.

“More and more organizations will have the desire to make the necessary improvements and to truly become learning organizations. All HVN organizations will become better as a result.”

*by George Taninecz  
December 2011*

## Lean Leaders

The Healthcare Value Network is grateful to the organizations and individuals that have contributed to the development of this report, including the organizations that tested the assessment model and graciously shared their experiences so that others could learn from their journey. HVN is especially thankful for the support and guidance provided by strategic partner The Shingo Prize for Operational Excellence and the organization's Robert Miller, executive director, and Jacob Raymer, director of education.

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**Mari Cummins**

Vice President,  
Operational Excellence  
Cardinal Health  
mari.cummins@cardinalhealth.com

**Kevin Frieswick**

Director of Organizational  
Improvement  
Vanguard Health Systems  
KFrieswick@vhsnewengland.com

**Alan Gleghorn**

Chief Executive Officer  
Christie Clinic  
agleghorn@christieclinic.com

**Jason Hirsbrunner**

Continuous Improvement Director  
Christie Clinic  
jhirshbrunner@christieclinic.com

**Mike Hatch**

Director of Strategic Planning  
McKay-Dee Hospital  
mike.hatch@imail.org

**Karl Hoover**

Principal  
Karl Hoover & Associates  
[karl.hoover@comcast.net](mailto:karl.hoover@comcast.net)

**Dale Lucht**

Director of Lean and  
Management Engineering  
Lehigh Valley Health Network  
dale\_m.lucht@lvhn.org

**Ralph Markham**

Director Transformation Support  
St. Boniface General Hospital  
rmarkham@sbgh.mb.ca

**Tim Pettry**

Continuous Improvement Embed,  
Neurological Institute  
Cleveland Clinic  
pettryt@ccf.org

**Jacob Raymer**

Former Director of Education  
The Shingo Prize for  
Operational Excellence  
President and Founder  
The Institute for Enterprise  
Excellence  
jacob.raymer@instituteforexcellence.org

**Kathleen Sharp**

SPPI Coach  
Lehigh Valley Health Network  
kathleen.sharp@lvhn.org

**Mike Stoecklein**

Director Healthcare Value Network  
ThedaCare Center for  
Healthcare Value  
mstoecklein@createvalue.org



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