



Kim Barnas

## Sustaining a Lean Transformation

*Lean, new leadership behaviors necessary for continuous improvement.*

Healthcare organizations are radically changing the way they work. They have little choice in the face of declining reimbursements, increased emphasis on value-based payments, consolidation of competitors and the uncertain future of the national healthcare system. In response, many have pursued Lean, which drove initial improvements in their organizations and has benefitted patients (improved quality of care at reduced cost), staff (engaged, meaningful, value-adding work) and the organization (bottom-line improvements).

But these initial attempts at Lean have been focused for the most part on Lean tools, which are not enough; they must be combined with changed leadership behaviors and a Lean management system to achieve lasting results and continuous improvement.

### A Systematic Approach to Change

A Lean healthcare model, one focused on the principles and behaviors of operational excellence, begins with senior leadership defining a vision and setting strategy and purpose for the executive team (see the chart on Page 56). The strategies typically are rolled out via Lean tools—such as value-stream mapping and rapid improvement or Kaizen events, which acquaint staff with Lean principles and lead to early, innovative results.

Where applied, management and front-line staff begin to understand and believe in a new way to *work*.

But even where organizations have made substantial improvements with Lean tools, this initial effort is never sufficient. There is no shortage of problems, and early successes often are forgotten as newer, bigger problems arise.

Without a systematic way to *manage* change and these new ways of working, it is difficult to sustain improvements long term. Existing systems for managing the business no longer align with new Lean practices and evolving expectations of management and employees. Old measurement systems are misaligned with new performance targets. The organization lacks a consistent, standardized way to problem solve.

Alignment begins with a leader's strategy and "true north" metrics (the few, selected enterprise goals that guide—like the fixed location of the North Star, an orienting point—all improvement work) that all staff understand and strive to achieve, and, importantly, a systematic way to deploy strategy and metrics. This is the foundation for a Lean management system, but it is far more than a deployment strategy. It is a new way to work and manage the

organization and is necessary to sustain continuous improvement.

When leaders embrace this holistic approach, they can quickly innovate and adapt to any market disrupters. Breakthrough activities, such as Kaizen events, and front-line use of tools continue within a Lean management system, but now they are tightly aligned to true north and strategic objectives. The management system is an infrastructure with standard work that supports a cultural change across departments and up and down the organization, and integrates new Lean components that turn random activities into routines.

There is, of course, a catch: For the components of a Lean management system to successfully work together, the chief executive must adapt his or her current style of leadership and use and observe the components of the new system. Many will find that degree of change challenging. But as a Lean transformation proceeds, they will invariably recognize that their old ways insulate them from what's really going on in their organizations.

But the way to get the most powerful results is to *personally* lead and implement the full management system. Just as changing the organization is possible, so is changing the leader. The following leadership principles are transformative and necessary for optimum performance of a Lean management system.

**Personal A3 (similar problem-solving process as plan, do, check, act or PDCA) and self-assessment** sets the course for a leader's transformation—and the organization's—and gives an executive a baseline by which to gauge his or her progress.

**Constancy of purpose** means an executive delivers a consistent message that aligns with true north.

**True north metrics** are reinforced at the top of the organization. A leader ensures the ongoing efficacy and meaningfulness of metrics.

**Transparency through visual management** helps everyone easily see what is going on and who is doing what by when. If a leader examines a department's visual boards, you can be sure others will too.

**Respect for standards (standard work)** involves leaders doing things on a regular basis to support teams and steer their own work in the right

direction, such as observe a huddle on a weekly basis.

**Respect for every individual** is demonstrated by humbly asking questions, seeking answers and respecting the work and ideas of others. Leaders depend on everyone's ideas to inform the right thing to do at the front line.

**Focus on the process** to make a difference. Avoid blaming individuals; they are most likely good people trapped in bad processes.

**Scientific thinking and Lean tools** are new to most healthcare leaders, and many of the tools are not intuitive. A leader must know how these concepts change work and traditional processes and ensure others have access to and experience with them.

**Lead with humility** to understand how things are working. That means going to the place where work is done and asking open-ended questions of staff.

**Seek perfection**, recognizing that perfection is not perfectionism. Every healthcare professional should be improving daily and seeking perfection.

**Ensure quality at the source** is a mindset to which everyone, especially the chief executive, should strive. Never pass along poor quality to a colleague.

**Think systemically** so that the patient experience across the silos of care always informs the work. We may never eliminate silos in healthcare, but we can mitigate them by keeping the patient at the center of everything we do.

The above are the core principles on which a Lean transformation is based. Many executives have adopted these principles, and, in so doing, they have grown as leaders and individuals. But as executives evolve, they also find that they cannot sustain the transformation by themselves.

## Leadership Principles and Behaviors

	[principles]	[leadership]	[management]	[front line]
ALIGN	Create value for the patient Create constancy of purpose Think systemically	<b>Establish Direction</b> Develop a vision and strategies to achieve that vision. Set high but reasonable targets. Communicate the direction on a regular basis.	<b>Organizing &amp; Translating</b> Establish a structure to achieve the plan. Organize and allocate resources. Monitor structure to ensure consistency and alignment to the plan.	<b>Setting &amp; Achieving Goals</b> Identify meaningful goals that can be accomplished in area that directly affects the overall vision and strategy. Report daily on status and needed support.
ENABLE	Lead with humility Respect every individual Learn continuously	<b>Motivate, Mentor, Inspire</b> Energize people to develop and overcome barriers to change. Daily be in the work area to listen to understand. Embrace failure; celebrate success.	<b>Empower, Involve &amp; Coach</b> Empower authority within parameters of an area to improve and solve problems. Breakdown silos by involving cross-functional teams to solve value stream issues. Coach problem solving daily.	<b>Develop &amp; Share</b> Be a self-developer. Find opportunities to grow and develop to better support the organization. Share with others what is working and what is not.
IMPROVE	Focus on process Embrace scientific thinking Flow & pull value Understand & manage variation Assure quality at the source Seek perfection	<b>Breakthrough Thinking</b> Continuously learn by listening, seeing and translating observations. Support new models of care delivery developed by front-line staff.	<b>Monitor &amp; Maintain Predictability</b> Monitor the outputs of each system to ensure stability and a standard outcome. Continuously challenge the process to identify areas of improvement.	<b>Adapt &amp; Adjust</b> Adapt the tools by making incremental adjustments that all shifts agree with. Treat tools as a countermeasure, not a solution. Structurally solve problems area daily.

Source: Institute for Enterprise Excellence

The board of directors needs to be involved. It's important the board understands what the Lean transformation is and is able to lend support to the CEO when the going gets tough. The board will require education, which will help with succession planning. An internal candidate should be developed to help ensure the Lean transformation is sustainable. Unless Lean expertise exists internally, leaders and the board also will need a teacher or coach to help them get started and navigate obstacles along the organization's Lean journey.

### **Sustainable Results**

Developing a principles-based, systematic approach to healthcare improvement takes work—two to three years to get it fully established in an organization—but early returns provide the momentum to proceed, and they quickly accumulate, resulting in dramatic impacts. Effects can be seen on:

- **Patients:** There is a consistency of care throughout the organization, with everyone focused on the value to the patient. Quality of care and patient satisfaction improve while costs are lowered.
- **Healthcare professionals:** Employees develop an ongoing awareness and understanding of their work, know how to respond to problems and feel less burdened by their roles and more engaged. Management spends less time engaged in firefighting and more time coaching, mentoring, problem solving and innovating. Leadership understands the organization as never

before, and therefore is better informed and able to establish the right vision, set a strategic plan and move the entire organization forward.

These are extraordinary times for the healthcare industry. We need an

extraordinary approach—a Lean management system—to drive and sustain long-term results and benefits for all who touch healthcare daily. ▲

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