

#2 in a series

Ten Basic Revisionist Thoughts
on Effective Change:
Operationalize change
through strategic processes –
not the organization chart

*If you think the three blind men
got the elephant wrong, consider
what department managers can
do to a strategic change objective.*

Standard change management practice is to create strategic objectives and then hand them off for execution within the departments. Each department interprets and takes ownership of its part in the effort. The challenge is that the parts never add back up to the whole; priorities, accountabilities, etc., all get in the way of effectively executing change.

The option: operationalize large-scale change through strategic processes. Strategic processes:

(1) create and/or deliver key products and services, (2) are critical to competitive position, (3) are how your customers see your organization, (4) are always cross-functional, and (5) link directly to the bottom line.

The steps:

1. Identify and agree on the list of processes, then pick the one(s) that will have the greatest impact on the objective.
 2. Create team of mid-level managers to take ownership of the objective, the project, and to create knowledge about the process.
 3. Make the strategic process the project medium. Refine the strategic objective to fit it; analyze it to locate tactical change projects; measure its performance to track change.
- “Improvement without borders” from the beginning delivers far more effective, efficient results than playing catch-up after the fact.

Observations & Advisories

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Case Study: Grey-Bruce Regional Health Centre Slow Lab Test Results

This isolated regional hospital serves a mixed population of 150,000, made up of rural and city dwellers as well as a tourist population that booms each summer.

“Our change priorities have not been focused on improvement nor something as elegant as reengineering. It has been a matter of survival, of figuring out how to do things differently, cheaper and with different organization structures”. President -- retired

The strategic goal was to reduce costs by reducing length of patient stay by 45%. Initial analysis showed turn-around time on requests for radiology and surgical pathology tests was slow and unpredictable, averaging 3-4 days (+/- 3-4 days). Turn-around time needed to be reduced to two days and made consistent.

“People stay in hospitals too long partly because physicians don’t get the test results they need to make decisions about discharge; other tests are ordered because the first ones aren’t available and it goes on from there.” Vice President, Hospital Services

A cross-functional, middle management “test order to results in patient chart” process team was launched. Trained and facilitated by a senior consultant, the full process was mapped, measured, and analyzed. *“A big part of our success was getting past preconceived notions, getting beyond the ‘I know what needs to be done so let’s do it.’ As a physician I typically tend to make decisions based on a mix of data and gut level feel. Without the team, the strategy and the concrete approach, we wouldn’t have gotten the results we did.” Laboratory Director*

Out of the full process, the team selected four high-impact change areas: pathology specimen to lab, diagnostic imaging library, radiology transcription to chart, pathology reports to patient charts. *“Our gut level feelings do not always match what is really going on. A lot of the areas I thought were sources of the problems were not at all what we ended up working on. When you have been around as long as I have you get a sense of what’s wrong and how to fix it but I discovered I could be totally wrong.” Manager, Laboratory*

One tactical project resulted in over 90% of pathology reports on patient charts within 24 hours. The remainder was on charts within the next 24 hours.

Another team completed a major redesign of the film library process which resulted in over 90% of x-ray reports out within 24 hours. *“The results were excellent. They were able to get most x-ray reports out within 24 hours. We were getting compliments from doctors on the improved turn-around time.” Vice President, Finance*

Quicker turn-around on lab results had a direct measurable result in reducing lengths of patient stay. *“We significantly decreased the amount of time required to get results back to the physician. Another important gain was that we actually had to learn the process and our subprocess, the steps that actually go into getting diagnostic tests back to patient files. I’m a physician, I had never really needed to go through this learning but I’m glad I did, I gained a lot from it.” Laboratory Director*

Excerpted from Williams, D., *Mining the Middle Ground: Developing Mid-level Managers for Strategic Change.* St. Lucie Press, Boca Raton, 2001, p. 107

**Quick thought:
If people are part of the process;
then process change and
training must always go
together.**

It may be expensive, it can slow production or delivery down, but if process changes are required so is training. It's not an option.

Without training you cannot even begin to think the changes will stick. As one high-tech service supervisor put it: "when I worked in production and we needed to improve yield, we studied the process and made mechanical changes, like adjusting the oxygen mix on a line. But you can't adjust the oxygen mix on a service engineer – no matter how much they might need it."

Training isn't an option, it's an essential ingredient in ensuring that the changes you have in mind actually get implemented. It not only gives employees the information they need, it also emphasizes the importance management puts on the changes. If management doesn't think the changes are important enough to train on, why should employees put a high priority on implementing them?

Counter Advisories: Contrary thoughts on common advice

Common advice for process improvement project teams: "first, map the process the way it actually works"

Seems like everybody recommends it, and it can deliver some real "aha's," but spending a lot of time on it as a first step with a project team can be a frustrating waste of time. For two major reasons:

- quality improvement is really only effective if there is a standard against which to improve. If there is no standard process, no "this is how it is supposed to work," then identifying how people actually work with it simply produces disagreements with no clear sense of who or what is right.
- process variation is difficult to show on a flowchart – not impossible, but hard. If five people all do the process or parts of the process differently, showing those differences with process map can quickly make a major and not very useful mess. The bigger the process, the bigger the mess. Sometimes messes can be useful, this one isn't much.

Advisory: First make sure there is understanding and agreement on how the process is supposed to work – a standard that people can build consensus on and work with.

First, map the "supposed to work" process. Watch for the disagreements. If a standard "the way it is supposed to work" process definition can't be agreed upon – make that the project team's first task. This is an opportunity to look for either internal or external best practices (using data of course). Creating a "supposed to work" definition doesn't mean that the process can or actually does work the way that way, but if the team can't agree on the way it is supposed to work, discussing the way it actually works doesn't add much (other than arguments). It may seem like it does, you get lots of "I can't believe you do it that way..." insights (and accusations); but this can easily leave a dead trail (and hard feelings).

Second, create a common understanding of the standard process among the workers, get buy in, and then take steps necessary to get people to follow (or try to follow) it. Then mapping the process the way it actually works – in contrast to the standard – can be of great value.

A shared understanding and consensus on how the process is supposed to work can form the bedrock of an improvement effort and save a lot of time. Get that established first. Spending time discussing how it actually works without a standard process can waste a lot of time.

Welcome to the second edition of WAI Observations and Advisories; a monthly forum for the exchange of information and professional opinions about process-based change execution. Our intended audience for this forum is managers and change agents who have to cope with the day-to-day challenge of accomplishing major change objective in their organizations. Our goal is to present a mix of ideas and perspectives; to challenge some common held ones; always with an emphasis on making process based change projects effective in the real-world work place. This is a broad field; articles will range from setting goals to the details of statistical process control and six sigma. We hope that, in all cases, right or sometimes wrong, that you will find reading this release to be thought provoking, informative, and interesting. We invite your input.

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