Executive Summary

If you could improve workforce productivity by 35%\(^1\) or reduce the company’s absenteeism by 41\(^{\circ}\)\(^2\) or increase patient satisfaction by 15\(^{\circ}\)\(^3\) — would you want to know how? Of course, those are huge numbers guaranteed to capture the attention of any CEO or board of directors in the ever-challenging healthcare industry.

The answer is to transform the company’s culture but, spoiler alert: In large part, a company’s culture is set at the top by the CEO, and “flows downhill” through his or her example, priorities and management style. The good news is, with a well-designed custom plan, culture can be dramatically improved using your own operating metrics to measure the ROI of a well-executed initiative.

HEALTHCARE IS SET UP TO DEAL WITH EMERGENCIES AND CRISES BUT HAS LESS SUCCESS WITH ROUTINE AND NON-URGENT MEDICINE. PATIENTS GET FRUSTRATED BY WAIT-TIMES, LACK OF “CUSTOMER SERVICE,” AND THE GROWING CONTRAST BETWEEN HEALTHCARE AND OTHER MAJOR CONSUMER SERVICES SUCH AS AMAZON OR NETFLIX WHICH GET FASTER, MORE PERSONALIZED TO THE CUSTOMERS’ NEED, AND CHEAPER EVERY DAY.

— David Couper, DCC CEO

\(^1\) David Couper Consulting Inc. Kaiser Permanente Vision Essentials
\(^2\) http://news.gallup.com/businessjournal/208487/right-culture-not-employee happiness.aspx
\(^3\) David Couper Consulting Inc. Kaiser Permanente Claims
Why Culture?

When we discuss transforming culture, practically speaking the whole (culture) is much more than the sum of its parts. Yet, typically, when companies work to improve themselves, a single piece of a company’s culture is isolated (productivity, customer focus/satisfaction, or efficiency to increase margins by a percentage point) and is worked on for a quarter or two. Sort of the flavor of the day (or quarter).

But unless the totality of the company’s culture is methodically evaluated and a specific roadmap for change implemented, it’s kind of like playing Whac-A-Mole. A company may work on one such important piece of the puzzle, “customer focus” for example. But the underlying problem that caused customer focus and productivity and efficiency to fall short is never discovered or addressed. So, in this example customer focus improves but productivity and efficiency drop as workers spend more time and resources on their newfound customer focus. Conversely, an emphasis on higher productivity may succeed, but pulls resources from customer focus and then customer dissatisfaction increase.

In this way, mature companies aiming for a one percent increase in net margin will miss the 35% increase in workforce productivity available via a comprehensive culture transformation initiative.
The next several pages will enable you to determine if your company’s culture is optimized for near and long-term success, and whether or not you are ready to work on transforming your culture.

**What is Culture, Really?**

Before we set about to determine how to transform a culture, we need a working understanding of what culture is in the context of the arduous healthcare industry.

As we have said earlier, we can define culture as, “The collective values, beliefs, and principles of an organization and all those who work there.” But that only tells part of the story. A more complex definition is also more useful:

“The concept of organizational culture might best be described as the collective personality of an organization. It is a complex tapestry woven from the assumptions, attitudes, values, beliefs, collective memories, and customs of an organization. It is upon these learned, shared assumptions that individuals base the daily behaviors that become habitual, patterned and integrated. (Schein, 1999).” Reinforced over time, the collective unconscious manifests itself as “the way we do things around here,” and organizational identity is both created and reinforced.

This definition is vital because it hits on the main barrier that any healthcare leader faces when trying to improve results: culture is unconscious, automatic and indistinguishable from the organization itself.

You may think, “People don’t like change but I’m used to that and my team just has to get with the program.” *Unfortunately, ignoring culture means your results don’t match up to your efforts or they don’t manifest at all.*

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To Achieve Lasting Change, Companies Transform Culture from the Inside, Out.

Truly transforming, not merely revising, a corporate culture must happen from within, and cannot be imposed by outside forces. That is a key reason why regulatory change to our healthcare system, no matter how well intended, always fails or falls badly short. Tens of millions of its participants, providers, practitioners, and patients have not changed their expectations, behavior, values, priorities, and have not bought into the changes enacted.

Transforming your culture is a sure way of improving results. Yet many organizations would rather invest money in a new CRM system, a new marketing initiative or a new process. On paper, those may appear to be a good use of capital but without the culture to support the investment, there is a good chance that the new initiative will flounder or soon be forgotten.

For example, your company’s culture is such that everyone at all levels spends hours a day in regular meetings over snacks and company-bought lunches in your many conference rooms. So you buy a cool new cloud-based project management software program enabling digital collaboration to boost efficiency. Without changing the culture, that new program will become one more useless conversation in those conference rooms with only a little real change at the margins as employees reluctantly make only a half-hearted attempt with the project management program.

US Healthcare: Massive Opportunity to Improve

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Source: Organization for Economic Co-operation and Development. Not all OECD members were shown. (L.A. Times Graphics).
In 2015, the United States spent almost three times on healthcare as the average of other countries with comparable incomes, according to data from the OECD. Both Italy and Britain spent at least $5,000 less per person than the United States on healthcare, and yet the population of each of those countries has a higher life expectancy at birth than the United States.

Healthcare is in crisis being attacked by patients, insurance plans, and the government as it spends more than any other developed country in the world and receives some of the lowest ratings. Healthcare is being already stretched to its limits and could implode. Or the market will inherently adapt to a Darwinian Survival of the Fittest evolution. (At the time of this publication, retail behemoth Amazon is actively threatening to enter the retail pharmaceutical business.)

This paper is dedicated to those companies deeply committed to leading this inevitable sea-change in healthcare delivery and being the “fittest.”

REMEMBER, IT IS ONLY LOGICAL THAT AN ENGAGED WORKFORCE IS MORE EFFICIENT. WORKERS ACTING FROM SHARED VALUES WITH THE COMPANY CULTURE ARE HAPPIER AND MORE PRODUCTIVE.

THERE ARE NUMEROUS COMPANIES, INCLUDING YOUR COMPETITORS, NAVIGATING THIS SEEMING PARADOX SUCCESSFULLY WITH HARD TO DATA TO PROVE IT.
Culture transformation can impact patient satisfaction, quality, safety, access, productivity as well as human capital topics such as retention, recruitment, absenteeism, litigation, including workers compensation claims, and overall morale and teamwork. **How your employees feel will impact how your company’s patients feel.**

In this white paper, we look at why culture is key to changing healthcare’s results, the current statue of culture in healthcare organizations, and lastly how you can go about transforming your culture.

We base these findings on current research and our work with healthcare clients, on both the Provider and Health Plan side, such as Kaiser Permanente, Providence Health & Services, Cigna, PeaceHealth, and Keck Medicine of USC.

If transforming your company’s culture seems a vague, potentially endless initiative that’s difficult to budget accurately and impossible to forecast results, read on. Finding a reputable healthcare consulting firm with an excellent track record evaluating and transforming a company’s culture for a hard ROI based on your metrics can successfully support your transformational efforts.
TRANSFORMING YOUR COMPANY’S CULTURE TO TRANSFORM YOUR RESULTS
Part 1: Why Culture in Healthcare is Key to Results

Culture is both the foundation and the driver for better metrics around patient experience, revenue and cost containments in healthcare organizations.

Introduction

Every year, it seems as if the pressure on healthcare to perform can’t get any worse. Yet every year, healthcare executives see more and more challenges. Maintaining and increasing revenues and managing costs are at the core of every conversation. In the past, it used to be enough to have great outcomes but now that is only one factor in a host of concerns, which includes patient experience, quality, safety, community health, and even Yelp ratings or Facebook comments.

Without a strong, consistent and defined culture it is hard to transform results and even harder to sustain them. But how do we define culture, create a culture that supports the best possible results in all areas, and build a culture that continues to enable an organization to grow and thrive? We will discuss what is possible, what your organization can do, and how culture must drive the growth, future, and security of the healthcare industry all based on our experience with leading healthcare providers and our exploration of research in the field.
What is Culture?

We can define culture as “the collective values, beliefs, and principles of an organization and all those who work there.” But that only tells part of the story. A more complex definition is also more useful:

“The concept of organizational culture might best be described as the collective personality of an organization. It is a complex tapestry woven from the assumptions, attitudes, values, beliefs, collective memories and customs of an organization. It is upon these learned, shared assumptions that individuals base the daily behaviors that become habitual, patterned and integrated. (Schein, 1999).” Reinforced over time, the collective unconscious manifests itself as, “the way we do things around here,” and organizational identity is both created and reinforced. A more contemporary definition of organizational culture would include values, leadership style, language and symbols, procedures and norms, and the organization’s unique definition of success.

This definition is vital because it hits on the main barrier that any healthcare leader faces when trying to improve results. It goes something like this: “That’s a great idea to improve patient satisfaction, but we don’t do it that way here.” Then the leader needs to persuade, cajole or order the individual employee to do something that he or she doesn’t believe in. This definition shows that culture is unconscious, automatic, and indistinguishable from the organization itself.

Why Do We Care?

But you may say, “Yes I know that. People don’t like change but I’m used to that and my team just have to get with the program.” Unfortunately, ignoring culture means your results don’t match up to your efforts or they don’t manifest at all. A strong culture is like a house with “good bones.” The house’s plan, flow, and construction will allow it to be updated, to keep up with the times and continue to be a home far into the future. Your culture will be what enables you to build an organization that succeeds in its purpose and will be long-lasting. Research also shows that culture is vital.

In a Human Capital Trends 2016 Survey, 82%, of the respondents believe culture is a potential competitive advantage. Another study in 2015 showed that global C-Level leaders ranked culture changes as one of their top three global leadership development priorities.

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6 https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2

People are the REAL Bottom Line
Healthcare is in Crisis.

Healthcare is expensive. In 2015, the United States spent almost three times on healthcare as the average of other countries with comparable incomes, according to data from the OECD, a group of 35 countries, the majority of which have advanced economies.

And despite spending more, the results don’t necessarily yield better health. Both Italy and Britain, for example, spent at least $5,000 less per person than the United States on healthcare, and yet the population of each of those countries has a higher life expectancy at birth than the United States.

“There is no evidence that we use more healthcare in general. We go to the doctor less often than people in other countries and get hospitalized less, so it’s not like we are making greater use, but we are paying more for the things we do use,” he said.

US Healthcare: Massive Opportunity to Improve

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Source: Organization for Economic Co-operation and Development. Not all OECD members were shown. (L.A. Times Graphics).
The 2016 Adult Medicaid 5.0 Top Box Scores show 53% rating for "all of healthcare."\(^8\)

Patient satisfaction and their view of quality are not based only on outcomes but are “reflective of their own individual human experience — a combination of cost, difficulty and the increasingly impersonal nature of care.”\(^9\)

Bluntly, a patient can often feel like a number and not valued. Every time a receptionist or doctor or other provider looks at the screen rather than the person in front of them it can have the impact of downplaying their importance.

From this author’s personal experience, one visit with my physician was exactly like that. I had recently lost my life partner in an accident and was raising a child alone. When I mentioned that to my doctor, a young, talented and very competent M.D., he made a note in my record on his iPad and moved on. Later I found out that “grief” had ended up in my file along with my blood pressure numbers and need to lose weight. He didn’t bother to explore my feelings — depression — nor take time to empathize and treat me as a human. I didn’t go back to him.

Not only does it seem that patients are not valued, but it can also seem that providers and others working in healthcare are also not recognized for their contribution in a field known for long hours and little to no margin for error.

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\(^8\) https://cahpsdatabase.ahrq.gov/CAHPSIDB/Public/Topscores.aspx

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People are the **REAL** Bottom Line
The effect of two decades of externally driven change has been dramatic. Starting with changes to payment reimbursement with a resulting focus on cost in the 80's (managed care); through dramatic data about quality and error rates in the 90’s; and the current tumultuous times with “Obamacare” and “Repeal and Replace” initiatives — healthcare executives have been strapped into a roller-coaster ride, which they are riding blindfolded.

A white paper from the Robert Wood Johnson Foundation summarized the impact of this change: “Relationships were fractured at all levels. Patient care suffered from depersonalization. For many healthcare organizations, what became “lost” in the midst of the chaos and disruption was a focus on the organization’s reason for being: the traditional mission of healing people’s bodies, minds and hearts; the link between collective core values and high quality care; the passion and humility of leadership; the engagement of the workforce and ultimately public trust. Organizations that neglected the cultivation of an interior consciousness to guide them through the chaos found themselves adrift.”

Now is the time to refocus on vision, mission, and goals and reconnect providers and other employees with their calling and their purpose. This shift in culture this produces will result in more employee engagement, a determination “to do the right thing,” and improving results.

**Transforming Culture’s Impact on Results and Metrics**

Transforming culture can have a significant impact on results. Industry research shows the importance and power of this work, and our own experience with clients such as Kaiser Permanente, Providence Health & System, and PeaceHealth confirm these findings.

“RELATIONSHIPS WERE FRACTURED AT ALL LEVELS. PATIENT CARE SUFFERED FROM DEPERSONALIZATION.


ORGANIZATIONS THAT NEGLECTED THE CULTIVATION OF AN INTERIOR CONSCIOUSNESS TO GUIDE THEM THROUGH THE CHAOS FOUND THEMSELVES ADRIFT.”

— Robert Wood Johnson Foundation Whitepaper

https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2
Patient Satisfaction

Organizations have spent time and energy on patient satisfaction in the category of data collected by the Agency for Healthcare Research and Quality, under the CAHPS® Health Plan OR Clinician and Group Survey in, “How Well Doctors OR Providers Communicate.”\textsuperscript{11}

Healthcare leaders have seen that the combination of culture and communication will move the needle on this metric.

Dr. James Merlino, Chief Experience Officer and Associate Chief of Staff of the Cleveland Clinic Health System, working with the CEO, Delos “Toby” Cosgrove, moved their patient satisfaction scores from a low in 2009, when they ranked average of all hospitals, and among the lowest compared with similar organizations, to among the top 8% of the roughly 4,600 hospitals included in the survey.

After gathering data, they found that their culture needed to concentrate on three areas that patients identified as important: “respect, good communication among staff, and happy employees during their stay.”\textsuperscript{12}

Quality

The Institute of Medicine (IOM) defined quality as, "the degree to which health services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge.”\textsuperscript{13}

Working with our client Kaiser Permanente’s Vision Essentials on a culture transformation and leadership program for their eyewear manufacturing operation, this client saw a 35% improvement in quality in the time period 2015 – 2016 and 14% decrease in work needed to be redone. The California-based manufacturing operation produces high-quality lenses and fits them to custom frames.

\textsuperscript{11} https://www.ahrq.gov/index.html
\textsuperscript{12} https://www.healthcatalyst.com/achieving-patient-satisfaction-metrics-regional-medical-center
\textsuperscript{13} [Internet]. Institute of Medicine, Committee on Quality of Health Care in America. Washington, DC: National Academy Press; 2001 [cited 7 October 2010]. https://www.nlm.nih.gov/hsrinfo/quality.html
Patient Safety
“The AHRQ describes culture as a critical component of healthcare quality and safety. A culture of safety includes the attitudes and behaviors that are related to patient safety and that are expected and appropriate to promote patient safety.”¹⁴

“Organizations that have cultures of safety, foster a learning environment and evidence-based care, promote positive working environments, and are committed to improving the safety and quality of care are considered to be high-reliability organizations (HROs).”¹⁵

Clinicians within the Cleveland Clinic initially were concerned that this culture transformation with a focus on communication and patient experience might upset quality and safety standards. The opposite was the case. “During the transformation, the Clinic rose dramatically in the University Health System Consortium’s rankings of 97 academic medical centers on quality and safety. Its efficiency in delivering care improved as well.”¹⁶

Access
As part of the patient experience, hospitals measure how long it takes for a patient to set up an appointment, how long they have to wait before being seen, and how much time it takes before they are admitted or referred to a specialist. Culture is core to these improvements.

“Mackenzie Health in Ontario, Canada, worked on reducing wait times, as part of their patient experience initiative. Significant improvements have been made including reducing wait times in the emergency room by 42%, wait times for MRI Scans by 56%, and wait times for ultrasounds by 70%. The executive team, leaders, and providers set goals linked to each other and, from a collaborative position, a culture shift resulted which the organization can use to lead other improvements for patients.”¹⁷

Not only do health metrics improve when culture is transformed — human capital measures also improve. These improvements lead to better results and outcomes.

¹⁴http://www.nursingworld.org/MainMenuCategories/ANAMarketplace/ANAPeriodicals/OJIN/TableofContents/Vol-16-2011/No3-Sept-2011/Patient-Safety-Culture-and-Nursing-Unit-Leader.html#AHRQnd
¹⁶https://hbr.org/2013/05/health-cares-service-fanatics
Productivity

Access can be about productivity. How effective are hospital processes and procedures? Having all people engaged, focused and committed to doing the right thing for all patients which often means balancing how time is spent.

Our client Kaiser Permanente’s Vision Essentials, after focusing on culture through leadership development, employee communication and recognition, and training, exceeded their productivity target and stretch goals. This was a significant accomplishment because this was the first time that this group met 100% of their incentive plan. Turnaround-time went down from close to 7 days in 2015 to 4.9 days in 2016 with a target of 6 days and a stretch goal of 5.75.

Culture Transformation Impact on Human Capital

Culture transformation also impacts providers and employees in an organization, which then influences results and outcomes. Engaged business units are on average 21% more profitable.\(^\text{18}\)

\[^{18}\text{http://news.gallup.com/businessjournal/208487/right-culture-not-employee-happiness.aspx}\]
Retention

Gallup cites this statistic: “In high-turnover organizations, highly engaged business units achieve 24% less turnover.” In a low-turnover organization, Gallup sees even better results. Working with our client, a 2,000 employee rural healthcare provider, we could identify the potential savings if they could prevent a provider or other employees from leaving. This organization calculated the loss of one physician, including recruitment costs, locum coverage, lost access time, and learning curve to be $980,000; this is in line with the industry’s standard of $1 million for the cost of losing a primary care provider. Retaining one physician is a considerable cost saving all the more so in a rural location which tends to be more difficult to recruit to.

“A common contributor to turnover is a mismatch between physicians’ expectations and organizational culture or rules, although greater understanding of ways to assess and to predict such mismatch is needed. The costs and consequences of physician turnover are substantial and may include: (a) financial consequences, (b) effects on patient satisfaction, and (c) effects on the organization or practice as a whole, related to the experience of other healthcare providers, and effects on institutional public relations.”

Keeping staff means continuity of care, increasing morale and teamwork as well as the ability to develop deep skills within an organization, so it can build leadership from within rather than having to recruit outside.

Teamwork

Consistently, we find from clients that the key issues employees face include lack of confidence in their leadership, communication with their peers and reports, getting and giving feedback, accountability and empowerment, and issues with collaboration across departments or groups. Teamwork is greatly enhanced when culture works on these issues and through effective collaboration; employees are able to come up with solutions to operating problems.

Absenteeism

Gallup also shows that engagement, which is driven by culture, produces great improvements in absenteeism rates. They quote a dramatic 41% decrease in those engaged units. Our client, Kaiser Permanente, also saw a dramatic shift with a target goal of 4 days lost, a stretch goal of 3 days, and an actual of 2.63 down from 5-plus days previous to our project to improve employee engagement.

20 http://journals.sagepub.com/doi/abs/10.1177/106286060401900203
Employee Assistance Program
Depression and stress are major costs to organizations. Gallup has estimated up to $23 billion to the cost of absenteeism due to depression. Again, engagement and culture play a part both in creating employees who are happier at work and who are more willing to seek help and treatment. “Engaged employees demonstrate an elevated willingness to participate in workplace well-being programs and boost elevated physical and emotional health when compared with those who are disengaged.”

Litigation including Workers’ Compensation Claims
Disengaged workers, especially those who may be feeling stress and are depressed are also more likely to file workers’ compensation claims and other types of litigation. Engaged teams filed fewer workers’ compensation claims.

Summary
The data is clear: healthcare organizations focusing on culture can improve operational results and improve employee engagement. Research shows that the savings can be enormous even for a smaller organization, as we have seen with our clients’ potential and actual savings of millions of dollars. In the second part of this white paper, we look at the current culture in healthcare as a starting part of a transformational program.

23https://www.researchgate.net/publication/264038506_Workplace_Engagement_and_Workers%27_Compensation_Claims_as_Predictors_for_Patient_Safety_Culture
PART 2: Corporate Culture in Healthcare Today

Focus on Culture for Organizations
With the well-researched links between results and culture, it is not surprising that organizations are focused on culture transformation. In a Human Capital Trends 2016 Survey, 82% of the respondents believe culture is a potential competitive advantage. Another study in 2015 showed that global C-Level leaders ranked culture changes as one of their top three global leadership development priorities.

Culture Challenges With Current Healthcare System
Healthcare organizations have specific cultural challenges. In interviews with 40 healthcare executives from both not-for-profit and for-profit organizations, they were asked to describe their current culture. These respondents grouped them into seven areas: purpose, structure, decision-making, responsiveness, quality, workforce, and merging cultures.

These findings line up with other research and with our own findings from our clients throughout the US and in Europe.

26 https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2
Purpose
Many providers and other employees in healthcare feel that their employers have lost their way. They don’t see that the system, the organization or even the industry puts the patient first and they are depressed, disillusioned, and disconnected. Electronic records, the Affordable Care Act (ACA) and competition within the healthcare industry and from other players such as retail pharmacists moving into traditional areas that were their domain such as flu-shots, has meant that the focus seems to be on costs and revenue rather than caring and recovery.

Structure
Healthcare organizations have created silos, separate departments, and competing teams. A patient who presents with a back pain may be directed towards physical therapy, surgery, medication, or maybe chiropractic treatment. These groups are separate, compete for the patient dollars and often have poor or seemingly no cross communication channels. Clinically, it may have made sense to have specialists but now there is a need for a holistic approach, a solution rather than treatments, by working towards wellness and preventive healthcare rather than reactive diagnosis and treatment.

Decision Making
Organizations are also struggling with how to make good decisions. Previously the physician was the final decision-maker, but now it can feel to some providers that they can only make decisions after consulting with an administrator, an insurance plan or some government official. On the other side, organizations may be frustrated with doctors’ and providers’ lack of collaboration while non-clinical providers may be upset with the lack of respect for their input into coming up with solutions to the cost vs. quality conundrum.

Responsiveness.
Healthcare is set up to deal with emergencies and crises but has less success with routine and non-urgent medicine. Patients get frustrated by wait-times, lack of “customer service” and the growing contrasts between healthcare and other major consumer services such as Amazon or Netflix which get faster, personalized to the customers’ need and cheaper every day. Healthcare service providers need to decrease response time while distinguishing themselves as superior and different from the competition. A culture that focuses on patient experience must also work on the urgency of providing care.
Quality
Quality is now a given. Cheap access to big data analytics means it is possible to measure quality, to verify if patients have access to what a provider is doing well and determine what providers are not doing well; comparing similar organizations by such data is now standard. Quality used to be driven more by "star performers", but now it needs to be built on consistency with strong systems, continuous improvement, and a focus from senior management on down the line with excellence.

Workforce
There is a lack of morale within healthcare. From physicians to receptionists and with both clinical and non-clinical employees, there is a universal feeling that they are not valued, not heard by senior management and do not have any control over their destiny. This can translate to disengagement, high turnover, and high levels of an agency or other temporary staffing.

Merging Cultures
As healthcare faced more challenges, larger organizations took over smaller organizations; small organizations partnered with each other to provide economies of scale, and large-scale organizations merged to become major players. While companies were stretched to the breaking point just to keep pace with industry change, each of these organizations had their own culture and clashes and conflicts resulted. Larger organizations forced their culture on to their acquisitions or let their acquirees ‘remain independent’ and run shadow operations still maintaining their own culture even if it was in opposition to what the mother ship was promoting. Or the organizations fought out turf wars losing the value of each culture and greatly diminishing the potential financial and operational value-added of these mergers and acquisitions.

If that doesn’t present enough challenge, not dissimilarly, major U.S. based healthcare companies with 30,000 employees may have 5,000 subcontracted employees in India or Philippines, each with radically different cultures for business and work ethic as well as not speaking English as their first language.
What Can We Do?

Shifting culture means shifting ourselves. Culture change demands change in the C-suite and senior leadership. The Board must be “onboard.” These are preliminary elements required for a successful culture transformation.

Self-Awareness/Emotional Intelligence

Self-awareness is at the heart of emotional intelligence (also known as “EQ” or emotional quotient). If we don’t know when our emotions are influencing our decisions, feedback or opinions, we can’t always be leading from integrity. Getting upset with someone because we believe they are lazy based on our criteria, is not going to help them improve, manage their performance or help them transition them to another role or organization.

Leaders in the field have noted: “Emotional intelligence is not a nice-to-have but a necessity.”

Experts from University of Pittsburgh Medical Center and Pittsburgh-based healthcare employee assessment firm Select International discussed the role of emotional intelligence in hospitals’ patient-centered care delivery, satisfaction scores, clinical outcomes, and finances.

They believed there was “room for improvement in regard to EQ among physicians. Common complaints about physicians include the transactional nature of their interactions with patients. [Physicians] feel they've delivered great patient care but haven't taken the time to listen or understand how an interaction left the patient feeling.”

These experts noted also that most successful organizations take: “the competencies of EQ and adopt them as a ‘whole-house solution’ rather than by department or role.”

Authenticity
Authenticity is about speaking the truth, saying what is so and being honest and transparent. Authenticity is not about sugarcoating or about being judgmental and accusatory. It is being honest about our own mistakes, our team’s errors, or the organization’s missteps and misjudgments. Being authentic is not always about being nice or doing what is political or keeping the peace. Sometimes being authentic is about the courage to stand up for what is right even if that is not popular.

Compassion & Forgiveness
When we do and say what is true, rather than what is expedient, we have to have compassion for ourselves and for others instead of taking on shame, blame, and avoidance. For example, we can blame the new system and the outside vendor instead of acknowledging our errors in not overseeing them and ensuring that the system worked effectively. In that situation, we have to have empathy for the vendor and for ourselves. This doesn’t mean that we don’t hold people accountable — it just means that we can open up a conversation. We then are more likely to get to a solution rather than taking a position that leaves us with no way forward a part from legal action, walking away from the vendor, or canceling the project; all are options which cost time and money.

In one study at University of Pittsburg Medical Center (UPMC), conversations between oncologists and their patients were analyzed. It was noted when the physicians responded with empathy to statements from patients around feelings. In those interactions, patients had less anxiety and depression, and were better satisfied with their therapy, after their oncologists responded with empathy. During the study, physicians only responded with empathy 22% of the time. As a result, they initiated a program that included training around compassion and empathy based on the principles of emotional intelligence.31

“Patient experience is about more than customer service and a hotel-like atmosphere — it’s about addressing all factors of patient suffering, including the physical, psychological and social challenges patients face. To improve patient experience, hospitals need to create a patient-centered culture founded in principles of compassion, service, and high quality. -Christy Dempsey, Chief Nursing Officer of Press Ganey.”32

32 https://www.beckershospitalreview.com/quality/7-steps-to-develop-a-patient-centered-culture.html
Valuing Self and Others

When we initially start working with our clients and do research on the current culture, it is very common to hear that providers and other employees do not feel valued by their organizations. It is not uncommon that they also feel that their values are not in alignment with the organization.

We believe that values start with ourselves. We value our own individual contribution, identify what we believe works for us and supports our purpose and that then enables us to see others contributions. These lead us to define what our shared values are.

“In organizations where there is minimal alignment of shared values, control is frequently exercised through extensive procedures and bureaucracy — reflecting a “weak” culture. However, when individuals respond to stimuli because of their personal alignment with organizational values or consciousness, regardless of the extent of external regulation, a “strong” culture is reported to exist. Actions are intuitively guided by the existence of a shared “cultural world space.”” (Wilbur, 2000).

https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf
Summary

Emotional Intelligence is at the heart of issues with current healthcare culture. Providers and employees often don’t understand and how to work with their feelings, and that can translate to not respecting or working with patients' feelings.

Self-awareness, authenticity, compassion and forgiveness, and valuing self and others are at the heart of humanity, at the heart of culture transformation, and at the heart of what we do.

“The vision is to create a culture that recreates vitality, purpose, and meaning by actively honoring the people they serve.”

Understandably, the pressure to contain costs, increase patient throughput, lower expenses and comply with increasingly complex regulations while reimbursement is reduced and becoming more complex (requiring more people, consultants or expensive software services) all seem in direct conflict with EQ and empathy.

Remember, it is only logical that an engaged workforce is more efficient. Workers acting from shared values with the company culture are happier and more productive. There are numerous companies, including your competitors, navigating this seeming paradox successfully with hard data to prove it.

34https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2
PART 3: How to Transform Culture

How to Transform Culture

DCC uses a phased approach to understand the organization’s culture and to implement a plan to transform the current reality. We have found this is only successful when senior leadership, starting with the CEO, is not only on board with the transformation but actively supports the work with resources — people, time, and money — and lives the new reality. Our most successful projects have been when executives are in the room with physicians, lab technicians, and receptionists.

“Culture does not change because we desire to change it. Culture changes when the organization is transformed; the culture reflects the realities of people working together every day.” Frances Hesselbein, writer, speaker, founder of the Peter F. Drucker Foundation for Nonprofit Management, previous CEO for the Girl Scouts of the USA.35

35https://play.google.com/store/books/details/Peter_F_Drucker_Peter_Drucker_s_Five_Most_Importan?id=WJC9BQAQBAJ
Phase 1: Discovery

“Done well, identifying the current reality is the organizational version of looking in the mirror.”

The aim of this phase is to:

• Assess current state
• Create a collaborative partnership with leadership throughout the organization
• Map an effective culture change leadership program, and
• Obtain agreement on future steps.

Analysis can take many forms. Based on our extensive healthcare industry experience and industry research, we use existing data, surveys, interviews, focus groups, and other large group interventions such as town hall meetings to gather information.

Collaboration is key so, in addition to a steering or working committee, we develop focus groups that inform the work. For example, an advisory board gives input on how the organization will react to change and also serves as a communication channel. They are “champions” who are early adopters of the change and who go out into the organization and promote the transformation.

Deliverables include a Gap Analysis Report, Outline Program Strategy, and Executive Summary with Initial ROI discussions.

There are, however, many other approaches that organizations on this journey have used. “The approaches ranged from informal to formal, inventory to comprehensive assessment, internal to external. Examples along the continuum included: leadership rounds, staff focus groups, learning maps, organizational surveys, internal readiness assessment tools, organizational culture inventories, gap analysis models, focus groups that included patients, families, staff and physicians, external organizational assessment processes, and site visits to other organizations.”

36 https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf
37 https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf
Phase 2: Planning
This phase determines the approach for implementing and delivering the program. During this phase we conduct Planning Sessions with leadership, HR, Talent Management, or Organizational Effectiveness professionals and other stakeholders. We would then develop Governance and Accountability Systems; create a Communication Plan for leaders, the organization, and stakeholders; and create an Implementation Plan that would ensure effective learning and application. Deliverables would include a Governance Charter, Communication Plan, and an Implementation Plan.

Phase 3: Design
In this phase, we design and develop the program to meet the specific needs of the organization’s leaders and other stakeholders. Our design is based on current research in neuroscience and materials used successfully with other healthcare organizations such as Providence Health & Systems, Kaiser Permanente, and PeaceHealth.

For many organizations, this stage was where they gained a clear vision of what was next, whether it was a strategic plan, new goals, improved quality standards, new structure, processes and procedures, and how people would be empowered and held accountable.

Across the organizations interviewed, the approaches ranged from top-down to interactive, including leadership planning retreats, management retreats, mandatory staff meetings, employee forums, leadership development workshops, and mandatory staff trainings retreats for all staff.

“Several organizations involved patient and family advisors in visioning retreats. In one hospital, a process was designed to involve every employee and physician in describing the place that he or she would want to come to receive healthcare, from the moment they arrived in the parking lot: their interactions with staff and doctors; type and quality of information received; the colors, lighting, sounds, smells and tastes; their need for family and friends, safety and security. The experiential process engaged the staff as real consumers of healthcare and the “desired state” they envisioned, and eventually created, was collectively owned.”

^38https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2
Organizations either chose to reinforce the desired state through broad dissemination efforts (multifaceted communications and trainings) or created intentional opportunities for participation and further development by stakeholders (retreats, interactive work groups). Of the latter, a subset systematically introduced adaptive change methodology to lay the foundation for a learning organization.

It is important to continue involving people especially providers. “Because of the interdependent relationship of physicians and healthcare organizations, their participation in design and implementation enhances commitment and reduces the risk obstructive behavior later in the process (Silversin and Kornacki, 2000).”

**Phase 4: Implementation**

This phase is the implementation of the program and includes ongoing and consistent communication on a regular basis. It is important to keep returning to the overall vision of the future state to make sure that the development of the organization is still in line with that end goal.

During this phase we execute the Communication Plan, develop an Implementation Plan, and a Change Champions program.

39https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf
Elements of a Culture Transformation Program

Overview
An essential first step for a successful culture shift is to create the skills for a culture shift with the top leadership level. Effectively leading this type of change requires a clear vision, a plan and an aligned change leader team with exceptional emotional intelligence and emotional connection. Our focus is leadership and communication, which enables an organization to create a strategic plan, use new standards and develop processes and procedures effectively.

Approach

One-on-one Coaching Sessions
Customized one-on-one coaching sessions for each member of the senior leadership team is delivered in person or by phone, in order to dive into deeper concepts around change. DCC coaches facilitate and enable candid and open conversations. This approach accelerates the growth and development of each leader.

Each leader is carefully matched with a skilled and experienced coach, who have extensive training, education in psychology and often have healthcare expertise as a physician, nurse leader, provider or leader who would bring out the very best in them to both support and lead culture changes.

“FOR STAR PERFORMANCE IN ALL JOBS, IN EVERY FIELD, EMOTIONAL COMPETENCE IS TWICE AS IMPORTANT AS PURELY COGNITIVE ABILITIES.

FOR SUCCESS AT THE HIGHEST LEVELS, IN LEADERSHIP POSITIONS, EMOTIONAL COMPETENCE ACCOUNTS FOR VIRTUALLY THE ENTIRE ADVANTAGE.”

— Daniel Goleman, Ph. D., author of Working with Emotional Intelligence
Measures of Success
We conduct pre and post assessments of each leader’s team to determine their ability as a change leader and tie it to specific metrics as agreed by the organization including:

- Employee Engagement
- Recruitment and Retention
- Patient Satisfaction
- Quality
- Safety
- Revenue
- Costs

Group Coaching
Coaching for the Senior Leadership Team as a group is also included. This would enable the group to develop and function as a team, stressing authentic communication, empowerment, and accountability.

Training Sessions

Leadership
Training sessions, delivered in person, dive into deeper concepts around leadership and change. DCC facilitators teach and facilitate the important content and experiential activities. This approach helps to create consistent learning, build collaboration and develop core skills. Our curriculum is custom to each organization.

Learning Sessions
We train leaders to act as mentors and informal trainers for learning sessions with all the other employees, and we provide the guidance on how to do that effectively. We also provide tools such as meeting outlines, job aids, and worksheets. Sometimes these are in person and sometimes we use video or webinars.

Organizational Development and Communication
DCC supports an organization to create a true, lasting culture change by assisting with the creation of structure, policies, and best practices that will sustain the changes.
DCC also assists with communication. In collaboration, we help create a strategy for sharing progress, issues, and success with stakeholders, the organization and the community. This communication is vital to make sure the change is understood and is internalized as the new normal.

Success Factors of a Culture Transformation Program
What makes a program successful? We have found collaboration and commitment. “When asked to rank the three most important elements of a successful culture transition process, the critical triumvirate cited by the majority of participants was:
1. Leadership commitment and support.40
2. Shared vision and values
3. Involvement and ownership at all levels.

Leadership Commitment and Support
“Leadership must articulate the vision, open the window of possibility, and actively invite all the people in the organization to engage in the “call to adventure.” This invitation to join signals the leader’s commitment and is a step towards building trust.”41

Leaders need to keep focus, remain authentic, continue to communicate and be consistent. They need to be living and breathing the values the organization envisions. This creates a discipline that is not one of punishment but one of order and constant learning. By having rules and standards that everyone agrees to and accepts feedback about, life becomes a lot easier. Discipline originates from the Latin word “disciplina” meaning instruction and comes from the word to learn. Discipline can be about everyone learning and adhering to a set of practices.

“When you have disciplined people, you don’t need hierarchy. When you have disciplined thought, you don’t need bureaucracy. When you have disciplined action, you don’t need excessive controls.”42

“Leaders who have guided their organizations through transformative change were described as role models who were authentic and consistently honest, trustworthy, approachable, present, respectful, supportive, caring, and good listeners who “walked the talk.” By offering guidance, coaching, facilitating interactions, and collaborating at every level, they took an active role in developing and inspiring people to continue the journey.

40https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2
41https://folio.iupui.edu/bitstream/handle/10244/516/NursingCulturalTrans.pdf?sequence=2
42http://www.criticalthink.info/Phil1301/goodtogreat.htm
Contrary to popular belief, charisma is not a necessary quality; professional will and personal humility are the two primary character traits deemed essential to leading and creating outstanding organizations (Collins, 2001).\(^{43}\)

When our clients participate in training sitting next to a physician or lab technician or receptionist, share their feelings and be vulnerable, it shows that they are committed. After the training, if they also use those skills they have learned in actual workplace encounters, they again show that they are walking their talk.

**Shared Vision and Values**
Communication and collaboration are experienced when the organization determines what its shared vision and values are. The vision needs to inspire providers and employees to go forward in good times and challenging ones. The vision needs to be simple enough to be understood by everyone and needs to connect with the organization’s and the employees’ purpose.

“... the best way to lead people into the future is to connect with them deeply in the present. The only visions that take hold are shared visions -- and you will create them only when you listen very, very closely to others, appreciate their hopes, and attend to their needs. The best leaders are able to bring their people into the future because they engage in the oldest form of research: They observe the human condition.”\(^{44}\)
Involvement and Ownership at All Levels

Often organizations make decisions at senior levels, which then get translated, to implementation at lower levels. But this is not the most effective way of moving forward. Often, those on the frontline actually know more than the senior leaders about their work so they feel unvalued as they try and move forward with less than optimal solutions.

Involving all employees and patients and other stakeholders builds buy-in and creates solutions which can work because they reflect reality not what senior levels believe reality is.

This involvement has to be planned so that it can then build organically. Leaving it to chance will result in inconsistent outcomes. Some groups will enthusiastically embrace the change, while far more individuals will be hesitant waiting to see what happens.

Measuring involvement is important. One way is to use “100 percent of participants to benchmark, reinforce, direct and sustain the emerging culture.”

Summary

A cultural transformational program needs to be researched, planned, designed, and developed. But most importantly it needs to be a result of the collective wisdom of the organization. With strong and compassionate leadership, a shared vision and involvement from all the providers and employees — cultural transformation can create outstanding, measurable results.