

WHITE PAPER

Improve patient outcomes by streamlining your processes

We recognize that you know healthcare - We know how to lead in the most demanding and complex environments.



McChrystal recognizes that healthcare leaders understand the complexity, strengths and challenges facing the US healthcare system. Our team respects your expertise and commitment to fix some of the most challenging problems facing the country. We believe in forming true partnerships with our clients, working together to make the changes needed to drive execution and performance in the healthcare space.

Defining the Problem

The US healthcare sector makes up 18% of the US GDP and is one of the most complex systems in the world. Relentless pressures to balance healthcare costs and quality – while caring for patients, families and communities – challenges American healthcare systems, their clinicians, and particularly their frontline managers.

As the healthcare system continues the long transition from a “fee for service model” to a “comprehensive payment model”, transparency about price, quality, and safety metrics is now required, with poor performance against any of these metrics causing significant reputational damage. Additionally, the healthcare sector experiences cyclical workforce shortages due to clinician stress and burnout.

Business leaders have identified containing and reducing healthcare spending and improving outcomes as a priority. Healthcare teams, however, are challenged by integration, execution, and developing new leader behaviors with their teams. Integrated health systems must therefore use their size and scale to accelerate integration, improve performance, achieve efficiencies, reduce redundancies, and centralize core functions.

Major Healthcare Challenges

Through McChrystal’s partnerships with organizations across the industry, we’ve identified four major challenges for healthcare teams.

Lack of Strategy Alignment

Strategy alignment brings business units together in pursuit of the healthcare system’s goals. As system goals are shared with the broader organization, they can either seamlessly cascade through the business units, or the cascade stops at the business unit leadership level. When that cascade is stopped, local priorities conflict or compete with the system plan. The resultant misalignment can create feelings of “divided loyalty” within a healthcare system as leaders are torn between the system and their business unit expectations.

Doing the Basics with Excellence Every Time

It is essential to identify and share management and clinical best practices in order to improve overall performance. Whether it is timely and accurate patient charge capture, or care of a patient with a central line, consistent performance of the basics with excellence is required and expected every single time.

However, implementation of these standards can be inconsistent, which results in suboptimal performance. Important learnings from the frontline can be lost to the broader system as business units focus internally rather than more broadly across the organization. In the worst-case scenarios, patients experience harm, the system suffers reputational damage, and staff morale plummets.

Accomplishing Integration: Balancing Centralization and Decentralization

As healthcare systems are created and evolve, decisions about which services and areas will be corporate or system level services, and which will remain in the business units, can provoke reactions that range from spirited discussion to outright resistance. Resentment about resource allocation and second-guessing corporate expertise are common. While new structures might payoff on paper, they risk losing the real-world context that enables business units to infuse the situation on the ground into systems, solutions, and patient care.

Clinician Wellbeing

Clinician burnout and compassion fatigue lead to falling clinician engagement and high turnover. According to the National Academy of Medicine (NAM), organizational culture and leadership expectations are the two major contributors that can negatively impact clinicians.

Turning the Financial Tide for a Global Leader in Cancer Care

MD Anderson Cancer Center

The University of Texas MD Anderson Cancer Center is recognized as a national leader in the fight against cancer. However, the institution suddenly found itself facing major financial losses and turmoil among its leadership ranks. Unless it evolved operationally, the institution risked losing its position at the forefront of cancer care, research, and education.

Challenges

Economic hardship minimizes workforce

MD Anderson Cancer Center faced a projected \$450 million fiscal year loss. This spurred a five percent workforce reduction to help alleviate the financial pain – placing both financial and personnel stresses on the team.

Changes in leadership structure creates uncertainty

The President, as well as several key executives, resigned from MD Anderson. The organization instituted a new Chief Operating Officer role that also increased confusion within the organization.

Siloed communication and coordination

Diverse and competing operations, disjointed strategies, inefficient processes, and challenging leadership behaviors prevented successful communication and coordination from the leadership through the rest of the organization.

Solutions

Translate strategy to execution

McChrystal partnered with MD Anderson to transform their teams' disparate activities into actionable plans. They focused on refining and honing strategies, building cross-functional teams, and creating a quarterly strategic and financial review for regular evaluation and revision of strategic progress.

Systematize decision-making

The team focused on clearly delineating decision-making ownership among leadership, increasing both the speed and quality of decisions. They worked to incorporate a standard framework for generating and evaluating decisions for the team to utilize moving forward.

Enhance internal communications

MD Anderson and McChrystal worked to improve the flow of crucial information by reinforcing critical behaviors among key leaders, while simultaneously streamlining redundant communication mechanisms

Results

Reversed Financial Trend

These efforts had a sizable economic impact, transforming the \$450 million deficit to a +\$50 million surplus just months into the new fiscal year via leadership's clear operating principles.

Improved Crisis Response

Due to the established processes and behaviors, MD Anderson navigated through Hurricane Harvey with minimal operational disruption and damage through effective communications and distributed decision-making. The team reported significant growth in institutionally minded thinking, increases in dissenting and diversity of opinion, and decreases in siloed behavior among leaders of the institution's different operating verticals.

Other McChrystal **Resources** for Your Healthcare Teams



Understand Your Organization and People

Healthcare systems use employee engagement surveys to assess the extent to which employees feel valued and involved in their everyday work. Traditional employee engagement surveys are one lens that can provide feedback to leaders. However, these data provide limited understanding of what is *really* affecting employees.

McChrystal Team Science will help you understand what is behind your employees' responses and offer opportunities to improve individual leader behaviors and organizational processes. Working with our team will provide you with a roadmap to your goals, powered by the voice of your people.

Finding and Implementing a Leadership Model that's Congruent with the Clinical Practice

Clinicians, employees, and even leaders in healthcare systems all too often experience what they perceive as the “flavor of the month” approach to leadership, management, improving the patient experience and myriad other initiatives. Many colleagues will take a wait and see approach to the new models and frameworks. Experience has shown them that, frequently, change is not necessary and they can “just wait this out.”

Choosing one's leadership model carefully and thoughtfully is important for the executive's success as well as the success of the organization. McChrystal's approach to leadership development is congruent with professional practice models. Built upon the four drivers of trust, common purpose, shared consciousness, and empowered execution, it supports the concepts of relationship-based care and the clinician-patient relationship.