

Change Management, Process Improvement, & Pilots....

What's the Difference & Why Does it Matter?

All **process improvement** work requires change, but does all **change** generate process improvement? The answer is an emphatic – No! Is that confusing enough for you? If you struggle with this concept, you are not alone! In healthcare we often hear the words *change* and *process improvement* interchangeably. However, these are all too often misunderstood terms. Adding in the term **pilot** is sure to further complicate and confuse things for many. With some explanation and delineation, it is possible to make sense of all three of these seemingly elusive terms.

While change is a constant in many industries, it is especially ever-present in the world of healthcare. As a matter of fact, it is often said that in healthcare, change is the only constant. Change can be limited and relatively small in scope, or it can be broad and far-reaching across an organization. Successful change management is crucial to the implementation and adoption of any desired change - no matter how big or small it may be. Effectively leveraging the concepts and principles of change management strategies can be directly linked to the success or failure of any project where “change” is involved.

Most anyone who has been involved in healthcare for any length of time has most likely been part of a change that was not well managed, and therefore, was poorly adopted or failed altogether. The influx of health information technology into the healthcare delivery ecosystem has been the test bed for many trial and error scenarios with change, both big and small. When change is insufficiently managed, it can lead to a multitude of issues, and can be very costly to an organization (both financially and operationally). The impact of inadequate change management can be felt in the form of duplicative or unnecessary expenses, lost productivity, staff dissatisfaction and attrition, failure to meet required timelines; and the list goes on.

Change management is both an art and a science, and at its core are three basic, yet critical, elements. First, is engagement from organizational leadership who both understands and supports the proposed change. Second, is the buy in of the necessary stakeholders and those who will be impacted by the change. Last, but not least, is the need for open and ongoing bidirectional communication. Leaders must communicate with their teams, and teams must reciprocate. When these three elements are present, the risk of failure will be heavily mitigated, and the likelihood of success will be exponentially higher. It is important to note that these three elements form a powerful, yet delicate triad. The absence of, or weakness in any one of the three will compromise the integrity of the whole.

This leads us to the question...when implementing change, how do we derive process improvement?

Process improvement is an intimidating notion for many individuals and organizations. Often times, true process improvement endeavors are a major pain point for even the most sophisticated organizations, which are typically equipped with high functioning infrastructure and ample resources. Smaller, less robust organizations, grapple with process improvement as well. Although the smaller organizations may have a bit less complexity to navigate internally, they commonly have fewer resources with which to work.

There have been many experts (i.e.: *Kotter, Drucker*) who have created complex models for process improvement (i.e. *SixSigma, LEAN, TQM*), and many more who have worked to simplify it. There are a number of formal methodologies and principles that capture the landscape of process improvement and how to operationalize change. Certainly, in the current climate healthcare reform, and with the shifts occurring in reimbursement models, there is an elevated level of urgency to "improve". This can be felt across the gamut of healthcare in clinical operations, quality, care delivery, business operations, and revenue cycle management. Pressure from a multitude of sources can make it is easy to fall into the trap of nebulously working to improve.

Before tackling any process improvement initiative, we must first determine specifically what it is we are targeting for improvement. Once that has been clearly defined, then, we must identify and declare our metrics for success. In order to do this, we need two key pieces of information. These can be produced by asking two questions – 1) what is our baseline, 2) what does success look like? By establishing this, we have a foundation ready for process improvement work to begin.

The development and implementation of a **pilot** can be the key-differentiating factor between a project or initiative focused on *change* versus a project focused on measurable *process improvement*.

The word pilot can be a bit of a misnomer. It has become an overused and often misused term in the context of both change and process improvement. Pilots have a few essential features that help identify them as such.

A pilot will be planned and architected by a group of individuals who have assessed the current state and who understand the desired outcome(s). A pilot will have a defined timeline (a beginning and an end) and will be driven by a structured set of steps or activities that can be measured for effectiveness against a predetermined target or goal. A pilot will be leveraged as a way to test incremental change within a limited scope.

Multiple pilot phases may be necessary prior to the implementation of change in broader scope or larger scale. These phases can be seen as cyclic in nature with an emphasis on process improvement, scalability, and sustainability.

Improvements generated from a pilot must be measurable. In order to demonstrate actual improvement, we must understand where we started (baseline), and then be

able to measure the progress (or lack thereof) toward a given target or goal. Once improvement has been measured and achieved, it must be assessed for scalability. This refers to the ability to expand or spread the newly minted process to a broader environment, or within a larger scope. Once the process improvement has been scaled to meet the desired breadth and depth within the organization, the focus then extends to include sustainability. The additional focus on sustainability will draw us back to the cyclic phases of measuring against our baseline and ensuring the continued demonstration of improvement or maintenance of original improvement(s).

While “change management”, “process improvement”, and “pilots” are all undoubtedly interdependent, they are most definitely not interchangeable. The need for all three is a certainty in healthcare, and an understanding of each sets individuals and organizations up for success. The extent to which any organization builds these three concepts into their culture will be a critical factor in whether that success is short term or long term in nature.