Key Changes through our Baldrige Journey
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Senior Vice President, Performance Excellence
Henry Ford Health System

Henry Ford Health System (HFHS)

Core Services:
- Four acute med/surg and two behavioral health hospitals
- Henry Ford Medical Group
  - 10 Medical Centers
  - 1,200 physicians & scientists
- 2,200 primary care physicians
- 2,000 specialty physicians
- Health Alliance Plan

Post-acute services:
- 2 Skilled nursing facilities
- Home Health Care
- Outpatient Dialysis
- Home Products
- Retail Pharmacies
- Vision Centers

Other Statistics (annual):
- Over 22,000 employees
- Over 200 care delivery sites
- 102,000 admissions, 2,200 beds
- 418,000 ED visits
- 3.2 million office visits
- 88,000 surgeries

8+ Years of Focused Learning
Sample Results

HFHS Employee Engagement

People

Service

Press-Ganey: Likelihood to Recommend Top Box
Community

Economic Driver
- $5.82 billion in direct/indirect economic benefits
- Live Midtown Project
- Neighborhood development

Community Leader
- Serve in leadership roles in key organizations, such as Detroit Chamber of Commerce, Detroit Convention & Visitors Bureau
- Leadership volunteer hours exceed 12,000 annually
- Community benefit has increased 78% to > $400M/yr

Finance

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>System Operating Income (Dollars in Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
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<td>2008</td>
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<td>2009</td>
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<td>2010</td>
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<tr>
<td>2011</td>
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</table>

HFHS Competitors’ Average

Key Changes Leveraging Baldrige
Mission, Vision, and Values

Mission
To improve people's lives through excellence in the science and art of health care and healing

Values
Each Patient First    Respect for People
High Performance    A Social Conscience
Learning and Continuous Improvement

Vision
Transforming lives and communities through health and wellness – one person at a time.

Former Vision Statement
To put patients first by providing each patient the quality of care and comfort we want for our families and ourselves.
HFHS Core Competencies

- **Innovation** – Discovering and applying new knowledge in techniques, technology, processes, services, and structures
  - Clinical Research & Technology
  - Facilities
  - Services and Access Points
  - Processes
- **Care Coordination** – Proficiency in coordinating care across the continuum, teams
- **Partnering/Collaborating** – Relationship-building with stakeholders, community, interdisciplinary

HFHS Leadership System

- Created Performance Council and New Leadership Processes
  - Feedback showed opportunities to create more systematic leadership processes to drive strategic planning, deployment, and alignment
  - Many performance targets – and results – remained the “responsibility” of a few vs. everyone
  - Evaluated all current leadership teams: membership, roles and responsibilities, meeting frequency, and perceived effectiveness
  - Launched the HFHS Performance Council
    - Leaders of every Business Unit, pillar team, and Corporate area
    - Charged with overseeing the Strategic Planning Process and Organizational Performance Review

Multiple Communications at Every Level

Structure:
- CEO led; all PR staff integrated
- Linked to pillars

Process:
- Consistent, repetitive messaging
- Multimedia, multi-tactic
- Employee champions: service, safety, equity

Engage Face-to-Face:
- Town Halls, Leadership Rounds, Huddles, multiple recognitions

Improved Strategic Planning and Implementation

- Multiple refinements to the Strategic Planning Process
  - New processes focused on the criteria
  - New common vocabulary:
    - Strategic Objectives
    - Strategic Initiatives
    - Action Plans
    - Performance Targets
  - Aligned the strategic planning and budgeting processes
  - Clear expectations for aligned action planning

Cascading Strategic Initiatives

<table>
<thead>
<tr>
<th>Strategic Plan identifies:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment between Strategic Objectives, Key Performance Measures (and targets), and Strategic Initiatives</td>
</tr>
<tr>
<td>Clear identification of owners</td>
</tr>
<tr>
<td>Clear accountability for strategy cascade starts at PC</td>
</tr>
<tr>
<td>❖ All business units must create and share an action plan that shows alignment to System initiatives as well as &quot;local&quot; strategic initiatives, all organized by the 7 pillars</td>
</tr>
<tr>
<td>❖ Pillar teams or other System teams also create and share action plans</td>
</tr>
<tr>
<td>❖ Targets for next three years for each System performance measure (reported throughout year on System Dashboard)</td>
</tr>
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</table>
Improved Measurement and Analysis Capabilities

- Metrics Committee
  - Operational, financial, and pillar leaders who provide oversight and expertise to pillar teams and the Performance Council on the best way to define, display (dashboards), compare, and analyze transparent organizational performance

- Performance Analytics and Improvement
  - Measurement and Comparator Selection
  - Enterprise Data Warehouse
  - Dashboards / Organizational Performance Review
  - Knowledge Management
  - Performance Improvement / Process Engineering / Project Management

Systematic Organizational Performance Review

- System-level dashboard and monthly review of measures at Performance Council (PC)
- Continuous search for best measures and comparators / databases
- Semi-annual review of all pillars and business unit

System Dashboard – Top Page

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Performance Indicator</th>
<th>Freq.</th>
<th>2012 Actual</th>
<th>2013 Target</th>
<th>2013 Current</th>
<th>Current Status</th>
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<tbody>
<tr>
<td>People</td>
<td>Service Engagement</td>
<td>Monthly</td>
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<tr>
<td></td>
<td>Service Experience</td>
<td>Monthly</td>
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<td></td>
<td>Service Satisfaction</td>
<td>Monthly</td>
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<td>Service Recovery</td>
<td>Monthly</td>
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<tr>
<td>Quality &amp; Safety</td>
<td>Average Annual Hours of Work</td>
<td>Quarterly</td>
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<td></td>
<td>Average Annual Hours of Work per Employee</td>
<td>Quarterly</td>
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<tr>
<td>Growth</td>
<td>Revenue</td>
<td>Monthly</td>
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<td></td>
<td>Operating Profit</td>
<td>Monthly</td>
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<td></td>
<td>Return on Investment</td>
<td>Monthly</td>
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- > 5% Variance to Target
- ≤ 5% Variance to Target
- At or Above Target
Drill-down Capability
Available to all Employees

Transparency and Accountability
at each Business Unit - Sample
Transparency and Accountability at each Business Unit (cont.)

<table>
<thead>
<tr>
<th>Category</th>
<th>Performance Indicator</th>
<th>Current Status</th>
<th>Exploration of balance and corrective actions – Nov 2012</th>
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</thead>
<tbody>
<tr>
<td>Supply</td>
<td>Turnover</td>
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<td>Service</td>
<td>NCAPD</td>
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<td>Quality &amp; Safety</td>
<td>Modernization</td>
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<td>Care</td>
<td>Inpatient Sepsis</td>
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<tr>
<td>Finance</td>
<td>Net Operating Income</td>
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Leadership Competencies & Standards: Aligned to Baldrige

- 40% of Leader and Staff evaluations tied to leader/team standards
- Incentives aligned with organizational goals

HFHS Culture of Development

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
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<tbody>
<tr>
<td>Advanced Leadership Academy</td>
<td>Awarded for Performance Council</td>
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<tr>
<td>Leadership Academy</td>
<td>Values alignment, leadership and team building</td>
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<tr>
<td>Physician Leadership Institute</td>
<td>Prepared for HFHSA</td>
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<tr>
<td>New Leader Academy</td>
<td>Core competencies, leadership and team building</td>
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<tr>
<td>MD Cont.</td>
<td>New Physician Leader (in development)</td>
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</tbody>
</table>

HFHS University Leadership Curriculum (Courses and development opportunities for all HFH leaders)

HFHS University Employee Curriculum (Courses and development opportunities for all HFH employees)
How Do We Design and Improve?
HFHS Model for Improvement (MFI)

Work Systems & Key Processes

Work Systems
- Inpatient
- Outpatient
- Emergency Dept
- Community Care Services (pre- and post-acute)
- Community Health Partners (health fairs, faith-based communities, etc.)

Key Work Processes
- Access to Services
- Assessment, Planning, and Care Delivery
- Patient Education, Transition, and Care Coordination

Customer Requirements
- Safe
- Timely
- Efficient
- Effective
- Patient-Centered
- Equitable

Model for Improvement

Used broadly in our leadership system . . .

From designing new worksystems
- HF West Bloomfield Hospital
- Patient-Centered Medical Home

To kaizen events . . .
To front-line daily improvement
Infrastructure to Share Learnings and Deploy Improvement

Lessons Learned

- Essential for senior leaders to drive, support and actively participate in Baldrige improvements
  - CEO commitment and involvement
  - Leaders as Champions, Category Co-leads
- The Baldrige Framework has to be integrated into everyday business -- not a separate project -- to build sustainable improvements
- The writing (and associated self-evaluation) generates as much learning as the feedback reports
- Spread the knowledge -- build examiner competency across the organization (we started at the State level)
- It’s OK to use the “B” word -- builds common understanding
- Winning does not mean perfection
- Clarify and communicate: award or strategy?

...and the Journey Continues

- 2012/2013 System strategic priorities for continuous improvement (based on examiner feedback and pre-/post-visit self-assessments):
  - Refine our approaches for identifying and spreading improvements, innovations, and best practices; learn from others at Quest
  - Continue to communicate and connect System goals and current performance, opportunities, and responsibilities to individuals and front line teams
  - Refine strategic planning process steps to hard-wire “tight-loose-tight” – organizational performance reviews, performance dashboards, etc.
  - Re-evaluate and re-align key processes, owners, and measures at all business units and work systems
Questions?

Past recipient of the 2011 Malcolm Baldridge National Quality Award
for performance excellence and innovation.