I WANT YOU
TO RAISE STANDARDS IN
AMERICAN HEALTHCARE

GOLD STANDARD MANAGEMENT

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GoldStandardManagement.org

NEVER BELIEVE YOUR OWN PR!
ON A SCALE OF 1-10, HOW EXCELLENT...

1. ARE WE NOW AS AN ORGANIZATION?
2. DO OUR CUSTOMERS THINK WE ARE?
3. IS STAFF MORALE?
4. ARE WE AS A MANAGEMENT TEAM?

SUGGESTION:
RUN THESE QUESTIONS ANONYMOUSLY
& DISCUSS IN A TEAM MEETING
HOW GOOD AN ORGANIZATION VEHICLE CAN WE MAKE?

THE GOLD STANDARD

16 CYLINDER
1001 BHP, 530 CU. IN.
4 TURBO CHARGERS
10 RADIATORS
0-60 2.7 SECONDS
253 MPH

HOW POWERFUL CAN WE MAKE OUR PEOPLE ENGINE?

THE GOLD STANDARD
HOW DO YOU CREATE AN HPO?
DESIGNING A HORSE TO RIDE

EDGE

“THE BEST, OR NOTHING”
—Gottlieb Daimler
WHAT IS GOLD STANDARD MANAGEMENT?

1. ATTITUDE, MANAGEMENT EDGE & NERVE: TRULY COMMITTED TO HIT THE HIGHEST LEVELS
2. AGGRESSIVE & RELENTLESS PURSUIT OF THE GOAL
3. BEST PRACTICES APPLIED HOUSEWIDE, NO SPOTTINESS OF PERFORMANCE—ALL PROFESSIONS IMPLEMENT “BEST ONLY”
4. SPECIFIC OBJECTIVES & ACCOUNTABILITIES—TASKS, DATES, NAMES.
5. TOUGH MEASURES—NO SOFT DATA COMPARISONS
6. ERADICATION OF YESTERYEAR’S SLUDGE

The quality of a person’s life is in direct proportion to their commitment to excellence, regardless of their chosen field of endeavor.

—Vince Lombardi

SETTING STANDARDS
WHAT IS DOABLE AND SENSIBLE?

Top hospitals continue to improve faster
The top 5% of U.S. hospitals are pulling away from the pack in terms of improvements in risk-adjusted patient mortality and complication rates from the period of 2002 to 2004. Patients undergoing common inpatient procedures at the best hospitals had a 27% lower average risk of dying in the hospital and a 14% lower risk of complications than at other hospitals, based on an analysis of Medicare data in a report released today by HealthGrades.

—Modern Healthcare 2/7/06
TOP 100 HOSPITAL IMPLICATIONS

IF ALL U.S. ACUTE CARE HOSPITALS PERFORMED AT THE LEVEL OF THE TOP 100 BENCHMARK HOSPITALS, RESULTS WOULD BE DRAMATIC

• AVERAGE LENGTHS OF STAY WOULD DECREASE BY NEARLY HALF A DAY
• INPATIENT MORTALITY AND COMPLICATIONS WOULD EACH DROP BY 22%
• PROFITABILITY, GROWTH IN EQUITY, AND RETURN ON ASSETS WOULD EACH INCREASE SIGNIFICANTLY OVER CURRENT LEVELS
• EXPENSES WOULD BE REDUCED BY AN AGGREGATE $24.5 BILLION A YEAR
• CHARGES WOULD BE REDUCED BY AN AGGREGATE OF $43 BILLION A YEAR.

—Solucient

THE GSM UMBRELLA

WORDING TO INTEGRATE & UNIFY CONCEPTS

ALL THESE ARE PIECES, PROGRAMS, PROJECTS, NOT THE WHOLE PICTURE. TIE THEM TOGETHER WITH GOLD STANDARD MANAGEMENT LABEL.

THEN MAKE SURE APPROACH PASSES TESTS:
• EFFECTIVE = RESULTS?
• PROVEN & MEASURED?
• IS IT WORLD CLASS?
THE GOLD STANDARD ERA
NEW PARTNERING CREATES NEW OPPORTUNITY

MEDICINE & MANAGEMENT BOTH FACE A COMMON SITUATION: EXPLODING KNOWLEDGE & LIABILITY FOR "LESS THAN THE BEST"

GOLD STANDARD CARE

GOLD STANDARD MEDICINE
STANDARDIZED
CLINICAL PROTOCOLS

GOLD STANDARD MANAGEMENT
DEFINED & STANDARDIZED APPROACHES

ENERGY

THERE’S NOTHING WRONG WITH ANY ORGANIZATION THAT A LITTLE LEADERSHIP CAN’T CURE.
THE BIGGEST FAILING OF MOST MANAGERS IS THEY NEVER READ THE LITTLE ENGINE THAT COULD.

—Clay Sherman
Look closely at any company in trouble, and you’ll probably find that the problem is management. Ask employees about their jobs, and they’ll complain about management. Study large corporations, and you’ll discover that the biggest barrier to change, innovation, and new ideas is very often management. Make an inventory of the things that have stifled your own creativity and held back your own career; name the individuals chiefly responsible for the missed opportunities and bungled projects you yourself have witnessed. Managers will top every list.

The troublesome fact is that mediocre management is the norm..... Most of those lackluster managers we all complain about are doing their best to manage well.

—Thomas Teal, Senior Editor, Harvard Business Review

WANT TO RAISE HEALTHCARE STANDARDS?

START WITH MANAGEMENT

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THE “ROOT CAUSE” OF YOUR ORGANIZATION’S ILLS, AND THE BEST HOPE FOR ITS FUTURE
ARE HOSPITAL MANAGERS “PROFESSIONAL GRADE”? 

SIGNIFICANT HBR ARTICLES TELL THE STORY
• “WHAT REALLY WORKS?” - 2003
• “IS BUSINESS MANAGEMENT A PROFESSION?” - 2005
• “EVIDENCE-BASED MANAGEMENT” - 2006

CONCLUSIONS
• THERE IS NOW A WELL DEFINED BODY OF MANAGEMENT KNOWLEDGE
• A MANAGER EITHER FOLLOWS THOSE PRACTICES, OR MALPRACTICES
• THIS IS THE MANAGEMENT GENERATION THAT ACHIEVES PROFESSIONAL STATUS

MANAGERS MUST BOTH LEARN & PRACTICE
MODULAR APPROACH LINKING MD, OD & HUMAN EFFORT

1. PROFILES IN EXCELLENCE
- CREATING THE NEW AMERICAN HOSPITAL
- UNCOMMON LEADERSHIP & MANAGEMENT EFFECTIVENESS
- MODULE: THE MANAGEMENT MACHINE

0. RETHINKING THE FUTURE
- PLANNING CONFERENCE
- DECISION & COMMITMENT FOR EXCELLENCE
- MODULE: ORGANIZING FOR REVOLUTION

2. THE POWER OF PEOPLE
- LEADING PEOPLE TO GROWTH & CONTRIBUTION
- FROM LOSERS TO WINNERS: TRANSFORMING PROBLEM PEOPLE
- MODULE: GROWING THE BEST PEOPLE

3. THE PRIVILEGE OF SERVICE
- THE CUSTOMER IS KING
- ACCOUNTABILITY IN MANAGEMENT
- MODULE: TOTAL CUSTOMER SATISFACTION

4. RISKING FOR GREATNESS
- MANAGERIAL MUSCLE, POWER & PERSUASION
- CREATIVITY & CONTROLLING THE CHAOS OF CHANGE
- MODULE: SPEED, COST & SIMPLICITY

5. QUALITY, SPEED & RESULTS
- CONTINUOUS IMPROVEMENT: SAVING TIME, MONEY & EFFORT
- POWER TOOLS, METHODS & WORKABLE SOLUTIONS
- MODULE: DIS/CONTINUOUS IMPROVEMENT

6. TEAM UNITY & PEAK PERFORMANCE
- MAXIMIZING PRODUCTIVITY & INNOVATION
- BUILDING A WINNING TEAM
- MODULE: TARGETING PEAK PERFORMANCE

Training materials available free at GoldStandardManagement.org
HOSPITAL TEAM ON MANAGERIAL GRID
LOW STRUCTURE CREATES RESULTS PROBLEMS

MANSYS MANAGEMENT SYSTEM
TABLE OF CONTENTS

1. BE EFFECTIVE
A. MANSYS—The Power of Effective Management
B. The President’s Guide to Management Success

2. KEEP FOCUSED
A. Live Our Values
   • What Does Our Organization Value?
   • Your Personal Mission Statement
B. Serve Customers
   • Who Is Your Customer?
   • Operational Steps to Better Serve the King
C. Achieve Objectives
   • What Are Our Corporate Stretch Goals?

3. LEAD PEOPLE
A. Make Communication Work
   • The Communications Center
   • Managerial Communication Rules
B. Get the Best Out of People
   • Select Winners
   • Managing Motivation Release
C. Grow Winners
   • Development Tools and Techniques
D. Leadership & MBWA
   • What’s In & What’s Out
E. Evaluate Performance
   • 360 Degree Evaluations
F. Manage Problem Employees

4. MANAGE WORK
A. Time Managing for Results
   • The Key Results Hour
   • Meeting Management
   • Other Time Tips
   • Basic Tools: Calendar, Contacts & To Do
B. Planned Performance: Work Planning
C. Planned Performance: Review & Development
D. Work Gating
E. Making Delegation Work
F. Priority Evaluation & Protection
G. Improve Work Processes

5. DRIVE CHANGE
A. Change Managing
   • Creative Destruction
   • Getting Ideas & Gathering Knowledge
   • Innovation & Intellectual Capital
B. Fast Action With Teams & Individuals
C. Proposal Selling
   • What Executives Want In a Proposal
D. Conflict Management
   • Personal Conflict Management
   • Organization Conflict Management
When management is systematized

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<th>A. Position Focus</th>
<th>B. Work Plan</th>
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EXECUTION

PEOPLE THINK THAT SIZE REPRESENTS STRENGTH, BUT THEY'RE WRONG. THE LARGE WON'T EAT THE SMALL, THE SWIFT WILL EAT THE SLOW.

—Donald Lutz, Former CEO, Chrysler
Now Vice Chair, General Motors

FLYING LESSONS AT SOUTHWEST
STRICT DISCIPLINE + GOOFY ANTAGS = $ BILLIONS

1. CORPORATE CULTURE—DEFINE COMPANY’S PERSONALITY, THEN ENFORCE IT
2. HIRE FOR ATTITUDE, TRAIN FOR SKILLS
3. TRAINING—GET EVERYONE THINKING LIKE THEY OWN THE PLACE
4. EMPLOYEE MORALE—CELEBRATE EVERYTHING, EMBRACE MISTAKES
5. LEADERSHIP—NEVER STOP THINKING LIKE AN ENTREPRENEUR
6. STRATEGIC PLANNING—TO HELL WITH MARKET SHARE, GROW WITH DISCIPLINE TO ACHIEVE PROFIT
7. MARKETING—SET YOURSELF APART: BREAK THE RULES & SELL YOUR SOUL
8. CUSTOMER SERVICE—THE CUSTOMER COMES SECOND
9. QUALITY CONTROL—DO ONE THING BETTER THAN ANYONE ELSE
10. COST CONTROL: LOWER COSTS = LOWER PRICES

—Herb Kelleher: Nuts
RULES FOR BUILDING A BUSINESS

1. COMMIT TO YOUR BUSINESS. IF YOU BELIEVE IN IT WITH ALL YOUR HEART, YOUR PASSION WILL SPREAD
2. SHARE YOUR PROFITS WITH ALL YOUR ASSOCIATES AND TREAT THEM AS PARTNERS. PROFIT SHARING WAS THE “SINGLE BEST THING WE EVER DID”
3. MOTIVATE YOUR PARTNERS. EVERYDAY THINK OF NEW WAYS TO MOTIVATE YOUR PARTNERS/ASSOCIATES
4. COMMUNICATE EVERYTHING YOU CAN TO YOUR PARTNERS. “INFORMATION IS POWER, AND THE GAIN YOU GET FROM EMPOWERING YOUR ASSOCIATES MORE THAN OFFSETS THE RISK OF INFORMING OUR COMPETITORS”
5. APPRECIATE EVERYTHING ASSOCIATES DO FOR THE BUSINESS. A PAYCHECK IS NOT ENOUGH. SINCERE WORDS OF PRAISE ARE WORTH A FORTUNE
6. CELEBRATE YOUR SUCCESSES. HAVE FUN. SHOW ENTHUSIASM. DON’T TAKE YOURSELF SO SERIOUSLY
7. LISTEN TO EVERYONE. THIS IS WHAT TOTAL QUALITY IS ALL ABOUT
8. EXCEED YOUR CUSTOMERS’ EXPECTATIONS. GIVE THEM WHAT THEY WANT AND A LITTLE MORE. STAND BEHIND EVERYTHING YOU DO. THE TWO MOST IMPORTANT WORDS: “SATISFACTION GUARANTEED”
9. CONTROL YOUR EXPENSES BETTER THAN YOUR COMPETITION
10. SWIM UPSTREAM. IF EVERYBODY ELSE IS GOING ONE WAY, THERE’S A GOOD CHANCE YOU CAN FIND YOUR NICHE BY GOING THE OPPOSITE WAY

—Sam Walton, Made in America

THE NEW AMERICAN HOSPITAL

CUSTOMER FOCUSED
- ♦ QUALITY, ♦ COST
- REMOVE -, + VALUE
- USER FRIENDLY
- #1 IDEA SOURCE (SCR)
- CUSTOMER RETENTION

ASSOCIATE POWERED
- + UTILIZATION/FREEDOM -TRAIN + TEAM + REWARD -IDEATION EXPLOSION

SYSTEMS CONTROLLED
- UNFAILING QUALITY
- CYCLE TIME STREAMLINING
- BANDITRY BENCHMARKING
- IT & STD PROTOCOLS (R*)
- BRASS TACKS TOUGHNESS

CUSTOMER KING

ASSOCIATE PARTNER

UNCOMMONLY LED
- JOB: -GROW ASSOCIATE -IMPROVE SYSTEM -FIT ORG. TO USERS & DOERS
- LISTEN, BELIEVE, DO—MBWA
- HANDS ON—DO THE WORK!
- MBP: RESULTS, NOT STATUS

VALUES DRIVEN
- + WORK ENVIRONMENT
- EFFERVESCENT CULTURE
- FUN & CELEBRATION
- BIAS FOR ACTION—JDIs
- CREATIVE CHAOS—DIGs
- ♦ SPEED, ♦ BARRIERS

FUTURE CREATING
- REVENUE GROWTH
- SERVICE EXTENSION
- PROFITABILITY
- VALUE ENHANCED
- ABLE TO REINVEST

CYCLE STARTS

SERVANT LEADER
OPERATIONAL EXCELLENCE

DRIVE CHANGE WITH BHAGs

HIGH SATISFACTION
CUSTOMER FRIENDLY, + COMMUNICATION, NO HASSLES/WAITS, ALL "WOWS"
• 18 MO BHAG: EXT—95% TILE ALL HOSPITALS; INT—90% "EXCELLENT"
• KRA COUNCIL: FOCUS SOLELY ON CUSTOMER ISSUES

HIGH QUALITY
NO ERRORS, STANDARDIZED PRODUCT, RELIABLE, INTEGRATED, SIMPLIFIED
• 24 MO BHAG: TOP 100 HOSPITALS
• KRA COUNCIL: FOCUS SOLELY ON QUALITY ISSUES

LOW COST
EFFICIENCY FOR LOWEST POSSIBLE PRICE, QUICKNESS IN TRANSACTIONS
• 24 MO BHAG: TOP 100 HOSPITALS
• KRA COUNCIL: FOCUS ON PRODUCTIVITY & ECONOMICS

BEST PEOPLE
STRONG DEVELOPMENT, BRILLIANT IDEAS, AGGRESSIVE TEAM
• 18 MO BHAG: 90% SAY, "BEST HOSPITAL I EVER WORKED IN"
• KRA COUNCIL: PEOPLE GROWTH, INNOVATION, CLIMATE
GOLD STANDARD RESULTS

“THINK YOU CAN?
THINK YOU CAN’T?
YOU’RE RIGHT EITHER WAY.”
—Henry Ford

CITIUS, ALTIUS, FORTIUS
SWIFTER, HIGHER, STRONGER
GSM IS BOTH VALID AND RELIABLE
NMH FIRST 12 MONTHS CHANGE RESULTS

$12M ROI

UNION DEFEATED BY 2-TO-1 VOTE

CUSTOMER SATISFACTION 70.9% TO 80.5%

5000 IMPLEMENTED IDEAS MORALE RISES 70% TO 86%

NO NEGATIVE ENERGY!

TRINITY IDEATION
INTELLECTUAL CAPITAL RELEASE & MORALE

- Is Good Place to Work
- Is Climate of Trust
- Is Mgr Accept's My Ideas
- # Ideas Implemented
- $ Tangible ROI (200x)

100% Line
IMPLEMENTED IDEAS

TANGIBLE ROI ($000)

AVERAGE ROI / IDEA = $2380

GOSHEN IDEATION

INTELLECTUAL CAPITAL ROI

GOSHEN AUDITED RESULTS OVER TIME

# Ideas

Net Savings
RESULTS AT SHANNON HEALTH SYSTEM

• (Starting at the 1st percentile on customer satisfaction five years ago) Press Ganey surveys now average at the 99th percentile except for OP which is lagging at the 98th.
• Last year we had the 3rd highest job satisfaction of all corporations surveyed by HR Solutions and in the top 10% over the past four years.
• RN turnover rate dropped from 25% to 9.9% and replaced all of our travelers with permanent staff that saved the hospital 2 million dollars.
• Shannon went from a 2 million dollar operating loss in 1999 to earn 35.6 million dollars over the next five years.
• Starting with 17, the hospital now has no malpractice claims pending nor do we have any notice of any claims.

—Lawrence Leonard, Shannon Health email 2005

GSM’S SIMPLE PROPOSITION

GREAT MANAGEMENT ALWAYS LEADS TO GREAT RESULTS

GSM Audit

The following is a proposed list of achievements for improvement improvement certificate—5 Stars for Results, 4 Stars for Improvement. That is, we should strive to install or to evolve the value below or assign it. What would you add, delete, modify?

GSM Audit available free at GoldStandardManagement.org
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