

Contrarian Wisdom

By Clay Sherman

Management Flight Check

Michael Jordan was famously quoted as saying he didn't worry about whether the Bulls would win a championship at the end of the season. He focused instead on whether he had worked hard enough in today's practice.

We often think of an organization's results as its output, but a better view is to think of results as a downstream, dependent variable. The variability, good or bad, depends on upstream processes that precede it. The P's—procedures, paperwork, philosophy, processes, policy, and people—are where success or failure is made. These are independent variables you can manipulate and change.

So stop worrying about whether you're profitable or what marketshare you have. Start worrying about those things that produce it.

Pilots understand well this focus on root causes. Before each flight, pilots are required to conduct a preflight checklist. Unless everything checks out, they don't start the engines and roll down the runway. Too many healthcare organizations are flying today with their management motor sputtering and missing some parts that may cause a later crash. Check your

organization's airworthiness by making sure these pieces are in place:

Big goals, tough measures

- Balanced scorecard goals are at levels required for significant results, i.e. audaciousness for excellence.
- Substantial annual tactical work plans are rolled out under a commando change group to oversee their implementation.

Leadership and management system

- The management team completes an initial course of study of 80 hours and a minimum of 40 hours of management education annually thereafter to be recertified.
- Managers are evaluated by staff, peers, and executives in some form of 180degree process, with results tied to compensation.

Time management

- Ninety percent of meetings are controlled with a prioritized agenda, start and stop times, and are paced and evaluated for effectiveness.
- Meetings or committees not producing results follow a sundown rule.

Work planning and organization

- Tasks and projects considered essential to business mission are identified in each area in sufficient quantity as to actually "move the numbers."
- Any policy, procedure, or practice older than five years comes up for automatic revision, renewal, or replacement in a process of scheduled re-invention.

Tools and systems

- Standards: The pursuit of perfection means that an organization never accepts second-rate vendors, equipment, and supplies. Do it right or don't do it all is the house operating practice.
- Standardization: Removal of variance and cost by standardizing how things are done.

Human resources

- Selection follows the principles of selecting the best person by multiple raters and multiple interviews.
- Widespread small-group process and participation with a minimum ideation budget of three implemented ideas per person per year.

As the playwright Henrik Ibsen once wrote, "To be responsible for everything. Alone. There are so many cogs in the machine. What if one of them was to fail?"

That's a scary thought, and your management machine is certainly going to fail if you don't flight check the organization to make sure you've got the right processes and procedures in place and running smoothly. \blacksquare

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