



Value Capture Opportunity: Identifying and Eliminating All Unsafe Conditions

Summary

- Value Capture assists CEOs who want to transform their organizations by using the elimination of patient and worker injuries as a lens to create an overall business strategy.
- Value Capture helps the leader develop the potential of every employee by teaching real time problem solving techniques utilizing the scientific method.
- Value Capture works with leaders at all levels to identify the underlying root causes, tied to specific system design and operation principles. Value Capture employs the analytic methods used by the world's leading companies to transform their business processes and newly acquired facilities.
- Typical opportunities unveiled by a transparent reporting system lead to the redesign of core processes that permit 30-50% reductions in the non-personnel cost base of the organization by eliminating waste while improving quality outcomes 90-100%.
- Value Capture is willing to make a significant portion of our fee contingent upon results.
- We believe that safety/quality, cost and time do not need to be traded off against one another and that improved results are a direct result of improving processes across the entire organization. The triangle below is meant to represent this.

Safety/Quality (↑ 90-100% improvement possible)



Cost (↓ 30-50% savings possible)

Lead Time (↓ = less time to meet specific patient need, increasing capacity)

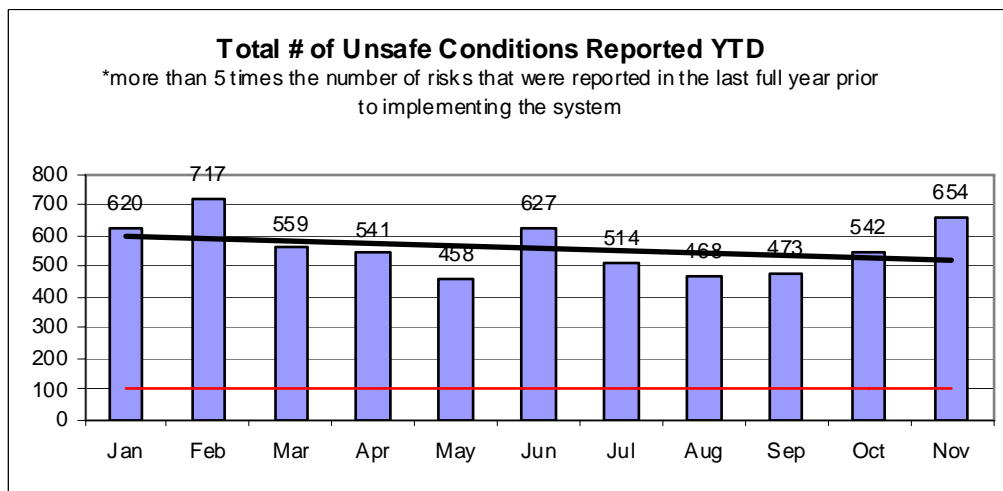
The Power of an Unarguable Goal

Great organizations benefit from an understanding that enormous energy can be released in a workforce when everyone is united behind an unarguable goal that is values based, and everyone agrees on a way to achieve that goal. “No one should ever get hurt in our hospital” can serve as such an unarguable goal. Another benefit of a theoretical limit goal is that it creates a healthy tension in the organization that can be the basis of continuous improvement.

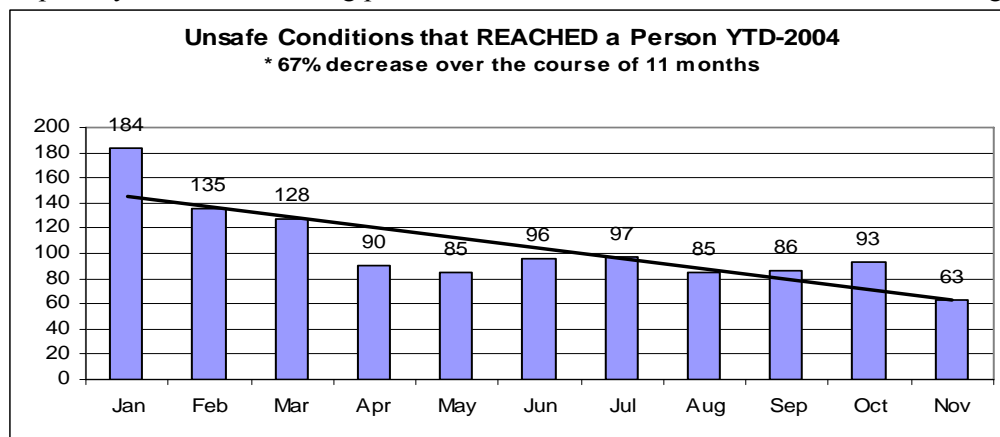
By stating that we, as an organization, should do everything in our collective power to ensure that no one in our organization is harmed, determined CEOs can “jump start” an internal revolution toward true excellence.

Actual Results

Reporting will dramatically increase as the organization redefines what is considered to be unsafe, and as a result of the leaders creating the appropriate level of professional safety to make it completely safe to report problems.



Events reaching the patient and patient harm will dramatically decrease as the organization’s problem solving capability increases. Solving problems to root cause eliminates them from recurring.



The Approach

The basic framework of the system includes: an expectation set by the leader of the organization, a defined way to communicate problems (opportunities), a standard approach to problem solving and a transparent method of shared learning with the entire organization.

Expectation Set by the Leader

Value Capture has designed a set of experiences that helps leaders to think through what it will take to achieve the goal of eliminating all unsafe conditions. The Value Capture system taps into some of the world's most successful companies, coupling the value-based, transparency-driven leadership model perfected by Alcoa with the work design and improvement system principles created by Toyota. Value Capture principals led the adaptation of this leadership framework to healthcare and have supported many of the best examples in the country in the eliminating of unsafe conditions.

Initial orientation to the system is conducted through both traditional class room and experiential learning. We have learned that while exposure to the ideas is powerful, the only way to truly learn is to practice. Value Capture will work with members of your team at every level to begin to identify (recognize or see) problems, to learn how to call them out, to begin to solve problems in real-time and ensure that the solutions the staff provide are explicitly designed experiments.

Communication of Problems (Opportunities)

In order to have effective problem solving, there must be a designed way for people to recognize and communicate the problems. We refer to any identified problems/opportunities for improvement as "call outs." There are two distinct components of the call out design: the human response component (the Help Chain) and the technical component (the Documentation System). Value Capture has experience facilitating designs for both components. We will work with you and your senior leaders to evaluate what designs initially make the most sense for your organization.

The Help Chain is a human structure with designated roles to call on for help at the time that a problem occurs. Ideally, the person called on for help has an understanding of the work of the employee, operational authority to allow a change to take place, and interruptible work that allows him/her to respond to the worker immediately when called. Depending on the scope of the change it may be necessary to go further up the Help Chain to an appropriate level of operational authority. The Help Chain is strategically designed so that it involves only the levels of leadership that are necessary to provide resources, eliminate barriers and ensure that the experiment as designed is unlikely to have unforeseen negative ramifications.

The primary purpose of the documentation system is to serve the function of collecting the detailed information about the risks and solutions to those risks so that they can be shared transparently across the organization. The documentation system can be electronic, paper-based, or a hybrid. The hybrid systems are typically paper-based for the persons filling out the report but are then entered by a centralized area into an electronic system to increase utility. The design can be customized on an organizational basis but must be easy and efficient for the persons filling out the reports in the course of work and require only the information that is needed to begin the investigative process. Subsequent detail can be added following the investigation.

The information housed in this system is used to create a daily occurrence log that serves multiple purposes. Foremost, it acts as a warning and shares information with areas that might have similar risks. This data acts as a diagnostic for leaders at every level by assessing the strength of problem identification and solution development. It also makes it easier to spot pathways that would benefit from a full process redesign that may eliminate a group of the problems that are being identified. Value Capture principals have years of direct experience coaching all leadership levels in how to maximize the value of the messages imbedded in the data by changing their own work.

Sample Daily Occurrence Log:

ID	EventDate	DescriptionSummary	RootCauseSummary	ActionTakenSummary	Discovery Unit
35	12/1/08	TCU staff did not respond to a bell for assistance (not sure which bell)	Bell malfunctioned (worked 2 out of 10 times)	Materials to hard wire alarm will be purchased on 12/5/08 and Maintenance will hard wire the bell. Once installed the bell will be checked every Thursday for preventive maintenance.	TCU
50	12/1/08	24 hour urine specimen had to be discarded	Specimen was not placed on ice-no way to inform nurses that all specimens need to be iced	Lab manager will order stickers (stating this needs to be iced) to be placed on the specimen bottles	TELEMETRY
75	12/1/08	It was noted that ice was forming on the sidewalk leading to the sleep center (West Unit) from water dripping off the roof over the entrance. No actual harm at this time.	Water was coming off sign on the face of the building from melting snow.	Purchase and install a gutter to catch water dripping off sign. Materials ordered 12/9/08. Will be installed 12/10/08.	BUILDING & GROUNDS
90	12/1/2008	57 y/o male patient's physician concerned order written for Methotrexate (MTX) 7.5 gm 1000 cc to run over 24 hours did not complete for 37 hours. Leucovorin IV to begin 24 hours after MTX is started was delayed.	Bag of 1000 ml had 74 ml overflow that was not known to pharmacist. Phone call to manufacturer revealed that the company puts in an extra 5-10% in each bag.	Pharmacists will ensure each bag used for Methotrexate 24 hour infusions contain the correct amount by withdrawing the extra 5-10% to ensure the infusions complete within 24 hours until the manufacturer changes their internal process as they indicated they would (follow up in two weeks)	PHYSICIAN

Standard Approach to Problem Solving

Setting an organizational goal of eliminating all unsafe conditions is only part of the equation. The “how” is of equal importance. Counter to the common practice of management by objectives where the number of approaches to improvement often equals the number of people in the organization, the Value Capture system uses a unified formal design that is used by a number of high velocity organizations. The design applies to all types of work making it possible for everyone in the organization to use it.

The core of the approach is the scientific method coupled with a focus on involving the people who do the work in each step of the process including designing the experiments to prevent recurrence (i.e. creating a hypothesis that by changing the work in the following manner, we expect the following result). The experiments are designed in accordance with work design principles developed by Toyota. Value Capture assists in the capability development by working one on one with the senior leaders and supporting mid-level managers during real-time investigations in utilizing these principles throughout the organization.

Transparent Method of Shared Learning

There is a lot of discussion about transparency in healthcare right now but there is not a lot of action. The data derived from the documentation of the problem solving activity mentioned above is incredibly powerful when released to the entire organization. In addition to the benefits listed above of sharing improvements and acting as a diagnostic tool, transparency brings a reality to the goal that the leaders' words cannot and maintains the necessary tension towards the goal of eliminating harm by providing a common visible metric.

The Value Proposition

By utilizing all of the components identified above, a committed hospital CEO can simultaneously begin to eliminate harm in his or her organization and achieve a substantial financial return. Improving the vulnerabilities in processes as staff call out problems naturally eliminates waste because the vulnerabilities that create instability also waste resources. **Great Processes = Great Outcomes.**

To learn more about Value Capture or to request a planning discussion please contact:

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