Assessing Current State

Session 2

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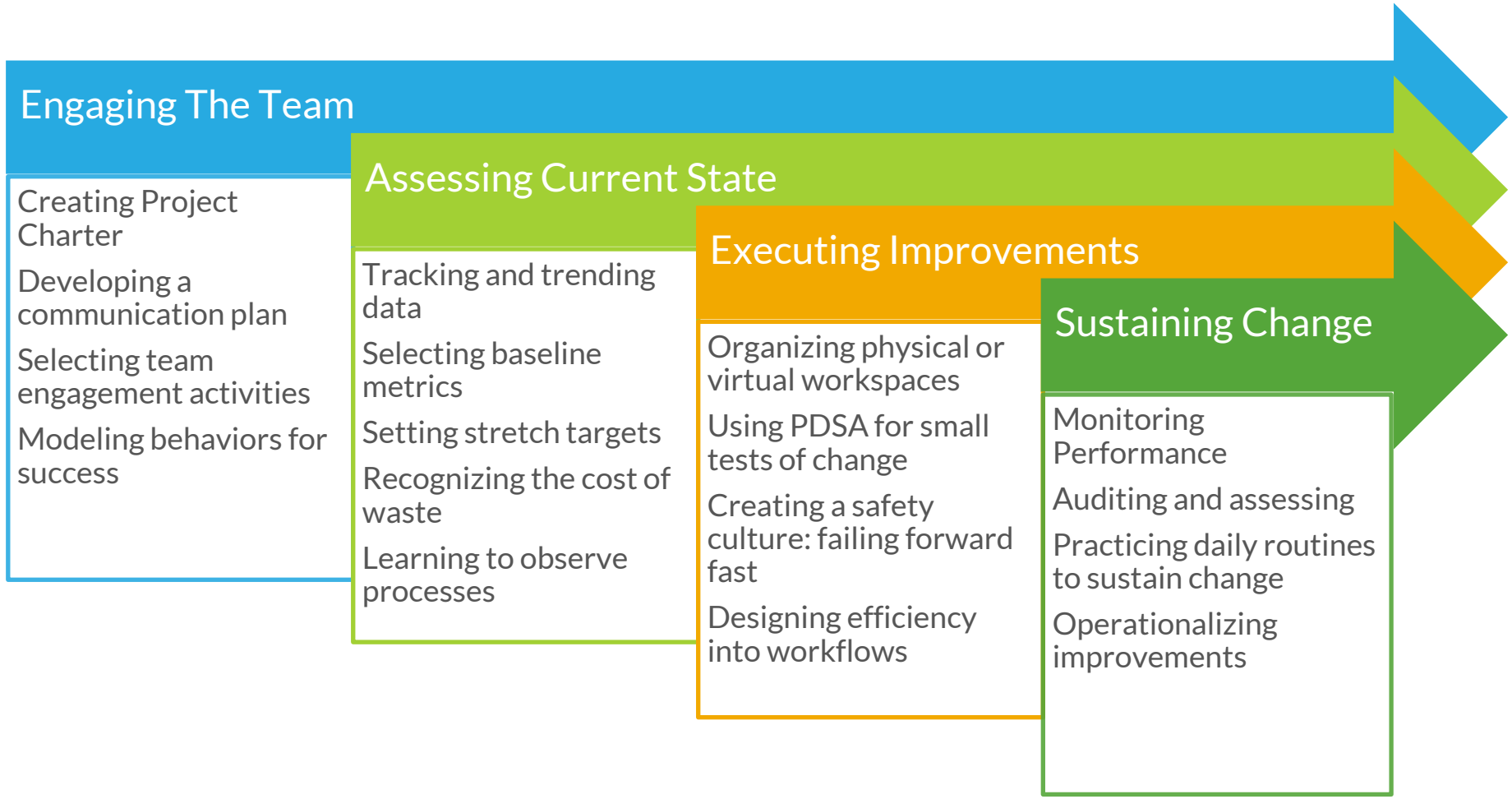
Course Overview



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Agenda for Session 2

Topic/Subject	Duration	Method
Welcome and sharing	10 min	Personal Sharing
Tracking and Trending Data	20 min	PowerPoint presentation Group Discussion
Selecting Baseline Metrics	20 min 20 min	PowerPoint presentation Breakout Activity
Setting Stretch Targets	10 min	PowerPoint presentation
Wrap-up and Next Steps	10 min	PowerPoint presentation Questions and Answers

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Tracking and Trending Data

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What Key Performance Indicators do you report?

Use the chat to share

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Reminder: Unmute your microphones when talking and mute when listening

Purpose of Metrics

Defines current state in terms of quality gap

- Where you are versus where you want to be
- Support prioritization and focus of improvement activity

Provides baseline for measuring change

- Inspiring teams
- Benchmarking

Quantifies progress or impact of improvement

- Engages frontline team members

Aligns team or individual work with organizational priorities

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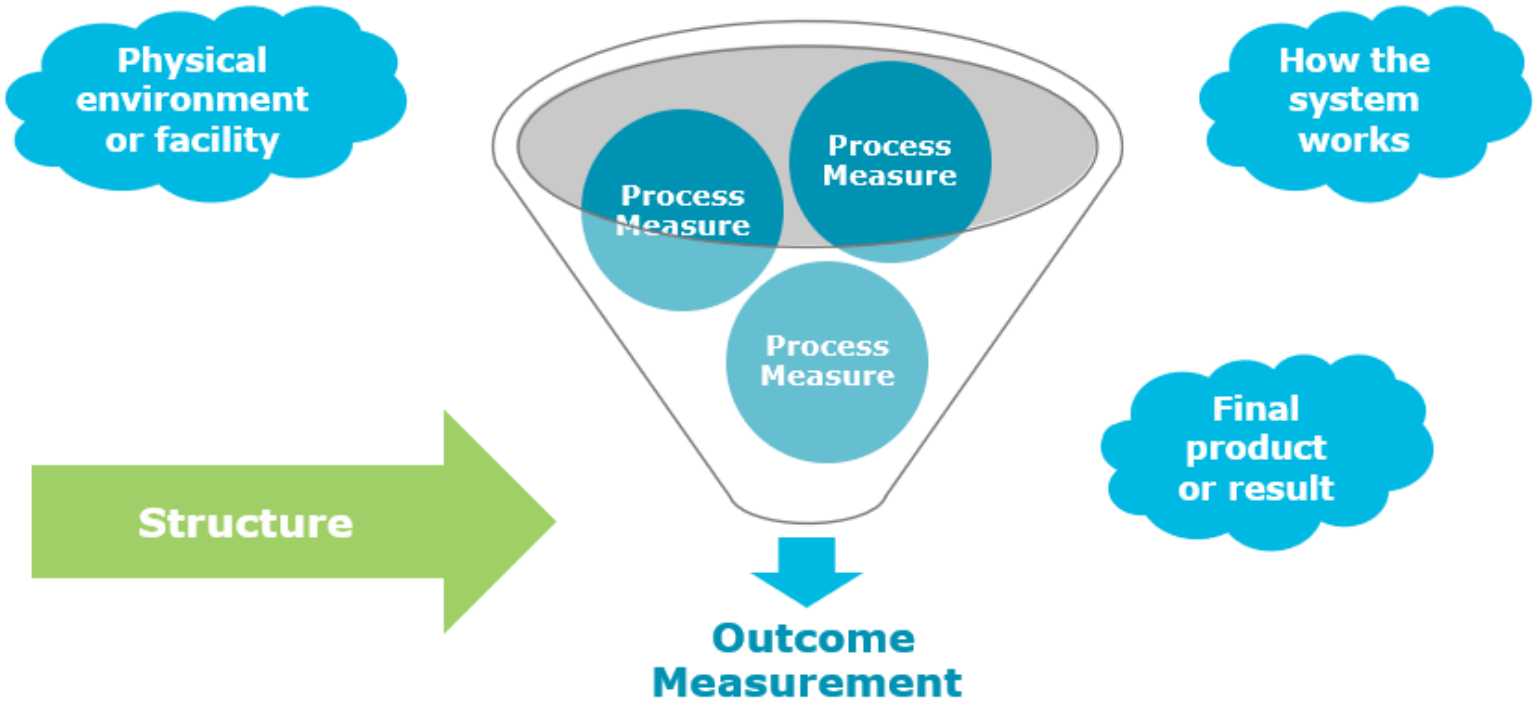
Structure, Process and Outcome



*Adapted from Donabedian model.

Moore, L., Lavoie, A., Bourgeois, G. and Lapointe, J. (2015). Donabedian's structure-process-outcome quality of care model. *Journal of Trauma and Acute Care Surgery*, 78(6), pp.1168-1175.

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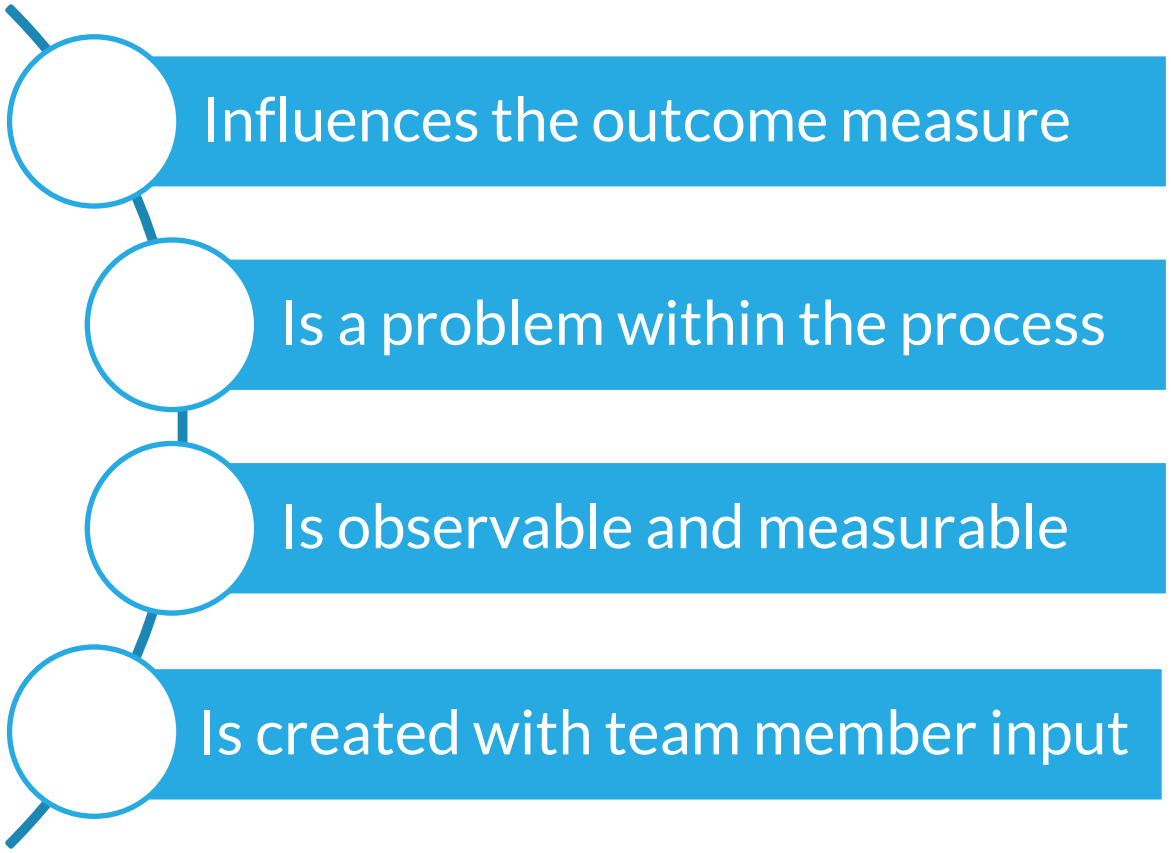
Process Measures

Definition: Measures the performance of a process Step



Examples:

- Demand and Capacity
- Running on-time: Takt-Time, Lead Time, Cycle Time
- Setup time for the next step
- Work in process
- Percentage of time standard work is followed
- Percentage of mistakes not passed to the next person
- Percentage of performance standards met for steps in a process

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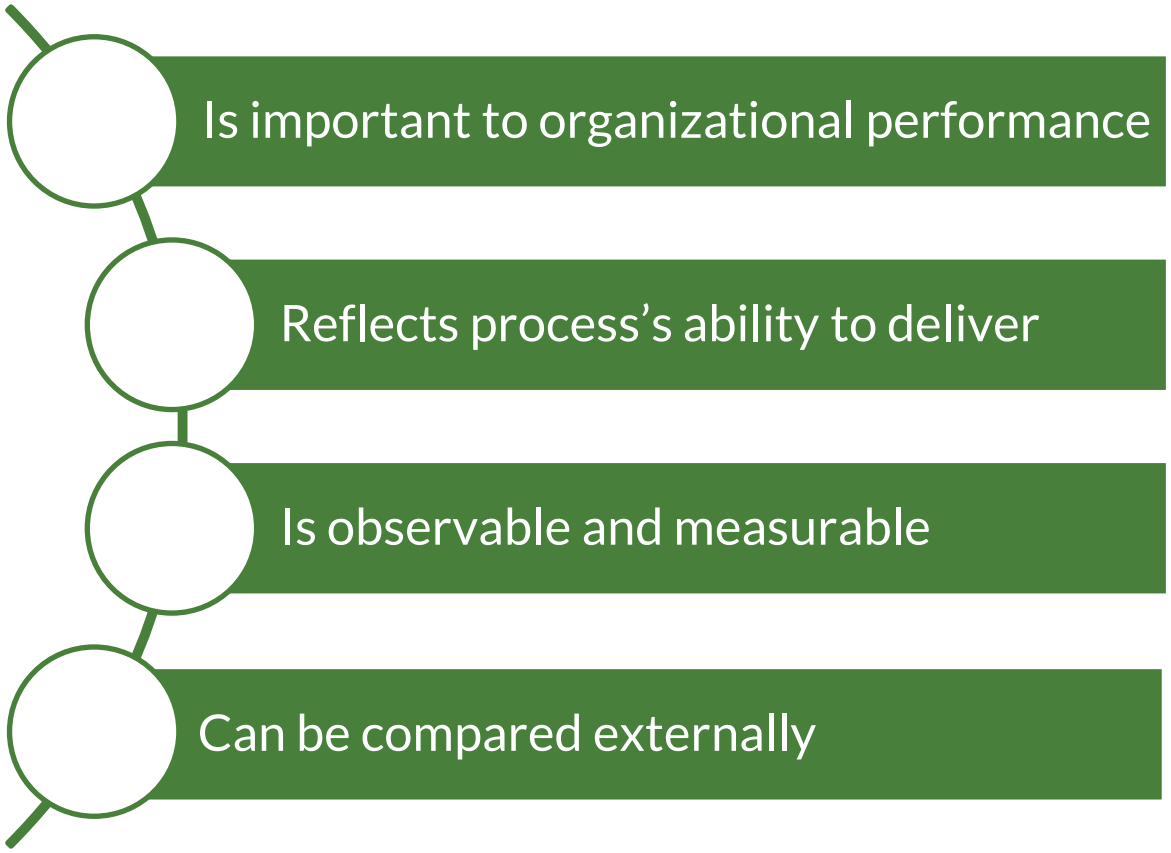
Outcome Measures

Definition: Measures the impact of the customer intervention



Examples:

- Demand met
- Percentage of time demand not met and root causes
- Team member satisfaction
- Patient satisfaction
- Product performance as planned
- Percentage of defects
- Performance Goals met
- Productivity

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5 Measures of Performance

QSDCM

Quality

- Unable to meet demand or performance metrics
- Defects and mistakes, never events, safety incidents, clinical outcomes, mortality, compliance to standards

Service

- Patient survey results: likely to recommend, informed, follow up, satisfied, caring, complaints
- Interviews and feedback from patients

Delivery

- Entire lead time, entire patient experience
- Sub-lead time, today's work, on time, setup

Cost

- Additional team members needed to complete a day's work
- Wastes: inventory, skill-task alignment, motion, transportation, processing, rework

Morale

- Provider and team member burnout, turnover, open positions, sick days
- Team member surveys: engagement and satisfaction

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What metrics do you track in these categories?

Quality, Service, Delivery, Cost, Morale

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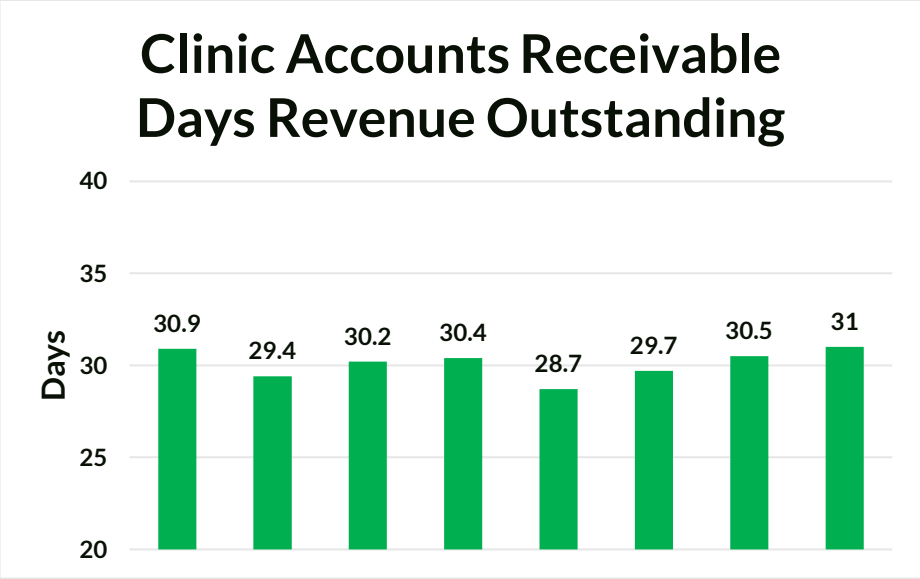
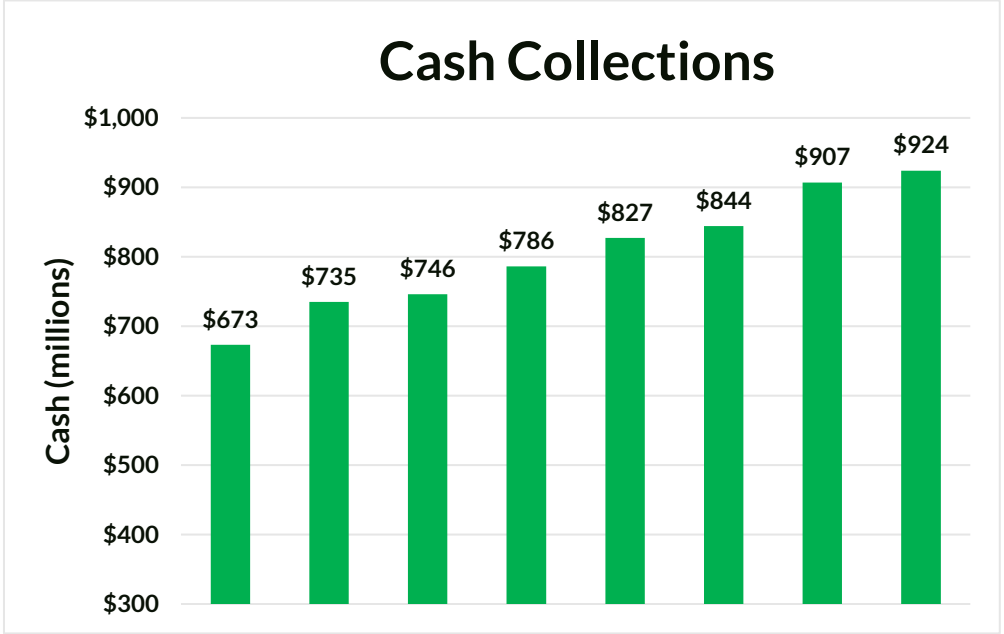
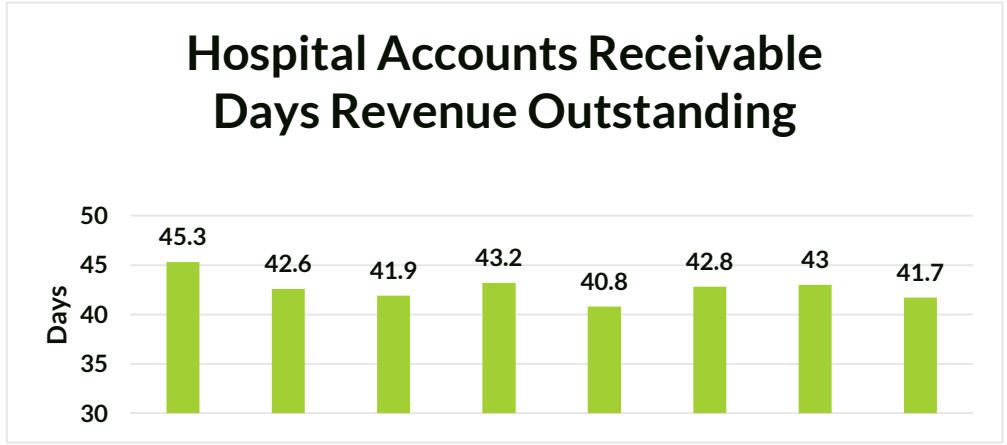
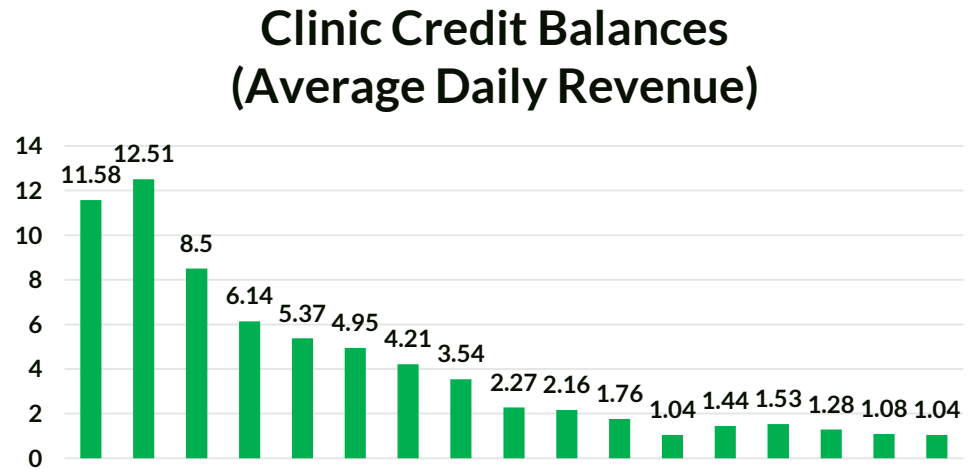
Selecting Baseline Metrics

Lots of data!









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Let's Start with understanding your demand

Know your business.

- Measuring the product or service you produce daily, weekly, monthly.
- Measuring the health of your processes.
- Be sure you are looking at process measures versus outcome measures
- Use industry standards

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Understanding Your Demand Example

Your demand equals:

- A metric that reflects your departmental objective, one that tells you whether you are meeting your day-to-day customer requirements
  - 52 patients phone calls
  - 200 transactions to post to an account
  - 12 invoices to process
  - Orthopedic surgery schedule = 5 total hip surgeries on Tuesday; inpatient unit requires 5 empty beds with sling and walker setup
- A metric that reflects the health of your departmental processes
  - 48-hour post-discharge phone call for all medical patients
  - 32 claim edits or denials

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Understanding Your Supply Resource Example

What is your supply?

- What resources do you need to meet demand?
  - ✓ Daily staffing needs (phones, check-in, data entry)
  - ✓ Room availability?
  - ✓ Special equipment or software? (scanning, headset, camera)
- When will resources *not* be available? (breaks, in-use equipment, etc)
- How do we signal for help when needed? (coverage, collaboration, pulled for other demands)
- What else?

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Group Discussion – Capacity and Demand

5 minutes

- What is your demand? What are the products or services you produce?
- What is your supply? What are your resources? Staffing needs?
  - How can you capture these on a day-to-day basis?
- Brainstorm a metric that reflects the health of your departmental processes
  - Are quality, safety and service reflected in your metric(s)?
- What would you set as a target?
- How do you share this information?

Use the chat to share your metric

Reminder: Unmute your microphones when talking and mute when listening

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Visual Management

Behaviors	Purpose
Presence	Leader presence where the work is happening
Responsiveness	Leaders recognizing and responding to abnormal situations
Transparency (openness, communication, accountability)	Sharing information with the entire team, so everyone is in the know. Leaders communicating Leader on Point for the day
Quality improvement	Making info visible on visual management boards allows teams to identify issues easier and respond to them sooner, build time into the huddle agenda for these conversations
Collaborative Relationships	Build collaborative relationships by connecting with others regularly, and proactively sharing information

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Visual Management

Six Elements to Success

A mnemonic to help remember the visual management board elements:

Products	What does your business produce today?
Resources	What resources do you have available today to meet the demand of your products/services?
Outputs	How much do you plan to make today (planned) and did you make it (actual)?
Status	What is today's status of the business today, or throughout the day? Will we be safe? Successful?
Abnormalities	When abnormalities occur during the day, how will we know?
Countermeasures	When abnormalities occur, what countermeasure do we apply and how will we know that they have been applied?

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Evolution of the Board

Start with a basic wall or flip chart, then enhance to electronic.

		PCS Rej $	PCS Rej #	HPA Rej $	HPA Rej #	PCS $	PCS #	ATB$	ATB#	$250>	PAR
Alpha	F/U & REJ				MONDAY						10K
A-BEN	681/778	$4,337.00	17	$881.00	2	$2,408.00	76	$223,999.44	6		10K
PM		$439.00	7	$0.00	0	$2,408.00	76	$2,931.90	347		10K
BEO-BZ	822/782	$740.00	3	$0.00	0	$515.00	36	$4,495.05	249		10K
PM		$740.00	2	$0.00	0	$515.00	36	$4,495.05	249		10K
C	744/787	$3,716.98	7	$0.00	0	$1,937.00	103	$10,915.63	1		10K
PM		$0.00	0	$0.00	0	$870.00	97	$3,523.36	320		10K
D-F	710/780	$0.00	0	$0.00	0	$1,887.21	230	$17,150.27	4	$249.18	10K
PM		$0.00	0	$0.00	0	$1,887.21	230	$1,556.00	276	$223.53	10K
G-HAR	709/779	$0.00	0	$0.00	0	$860.00	41	$18,577.77	4		10K

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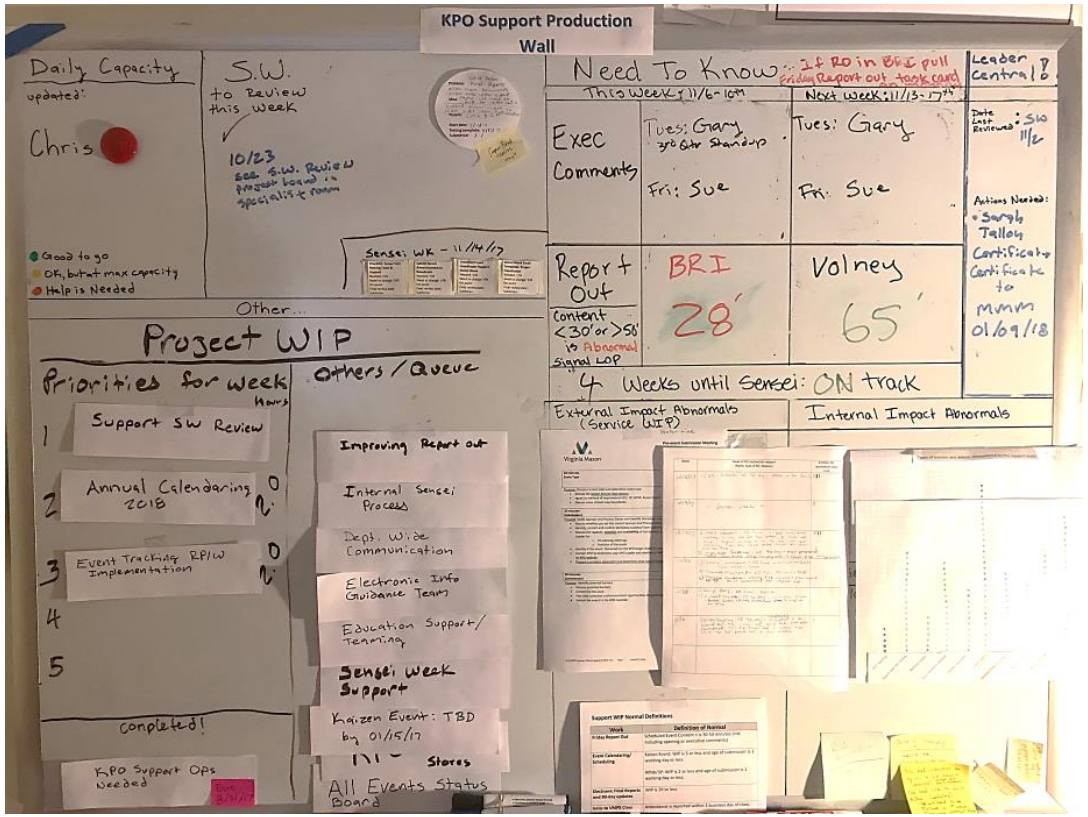
Administrative example

Boards for Project Communication



ID	Task Name	Start	Finish	Duration
1	BTO 3P	02/04/2013	02/08/2013	5d
2	Study Capability of Surginet to ICT	02/08/2013	04/01/2013	37d
3	Study Neuro BTO Opportunity	03/01/2013	05/01/2013	44d
4	Data Collection All Cases	03/01/2013	05/01/2013	44d
5	Kaizen Event – External Setup	03/01/2013	04/01/2013	22d
6	PDSA – BTO Flow in SPD & Distribution	04/01/2013	05/01/2013	23d
7	RPIW – BTO Assembly	05/01/2013	05/15/2013	11d
8	Management Data Collectoins	05/01/2013	10/01/2013	110d
9	Research Light System	05/01/2013	05/31/2013	23d
10	Kaizen Event Prep – Build Recipe	05/01/2013	05/14/2013	10d
11	Kaizen Event – Build Recipe	05/15/2013	05/31/2013	13d
12	All Neuro Data Collection	06/17/2013	10/01/2013	77d
13	PDSA - BTO	06/03/2013	08/01/2013	44d
14	Kaizen Event – Staffing Training	05/15/2013	05/31/2013	13d
15	Kaizen Event – Emergency Neuro Cart (FF)	07/01/2013	08/01/2013	24d
16	RPIW – Pink Sheet Turnover	08/12/2013	08/16/2013	5d
17	Build Recipes	09/02/2013	10/01/2013	22d
18	Kaizen Event – Expand to all Neuro	10/14/2013	10/14/2013	1d
19	Kaizen Event - Plan for excess inventory	09/02/2013	09/02/2013	1d
20	Study Ortho and General Surgery	10/01/2013	11/29/2013	44d
21	BTO – All Neuro	10/01/2013	01/01/2014	67d
22	Ortho/Gen Surg Data Collection	12/02/2013	01/01/2014	23d
23	Kaizen Event – Expansion Planning	12/16/2013	12/16/2013	1d

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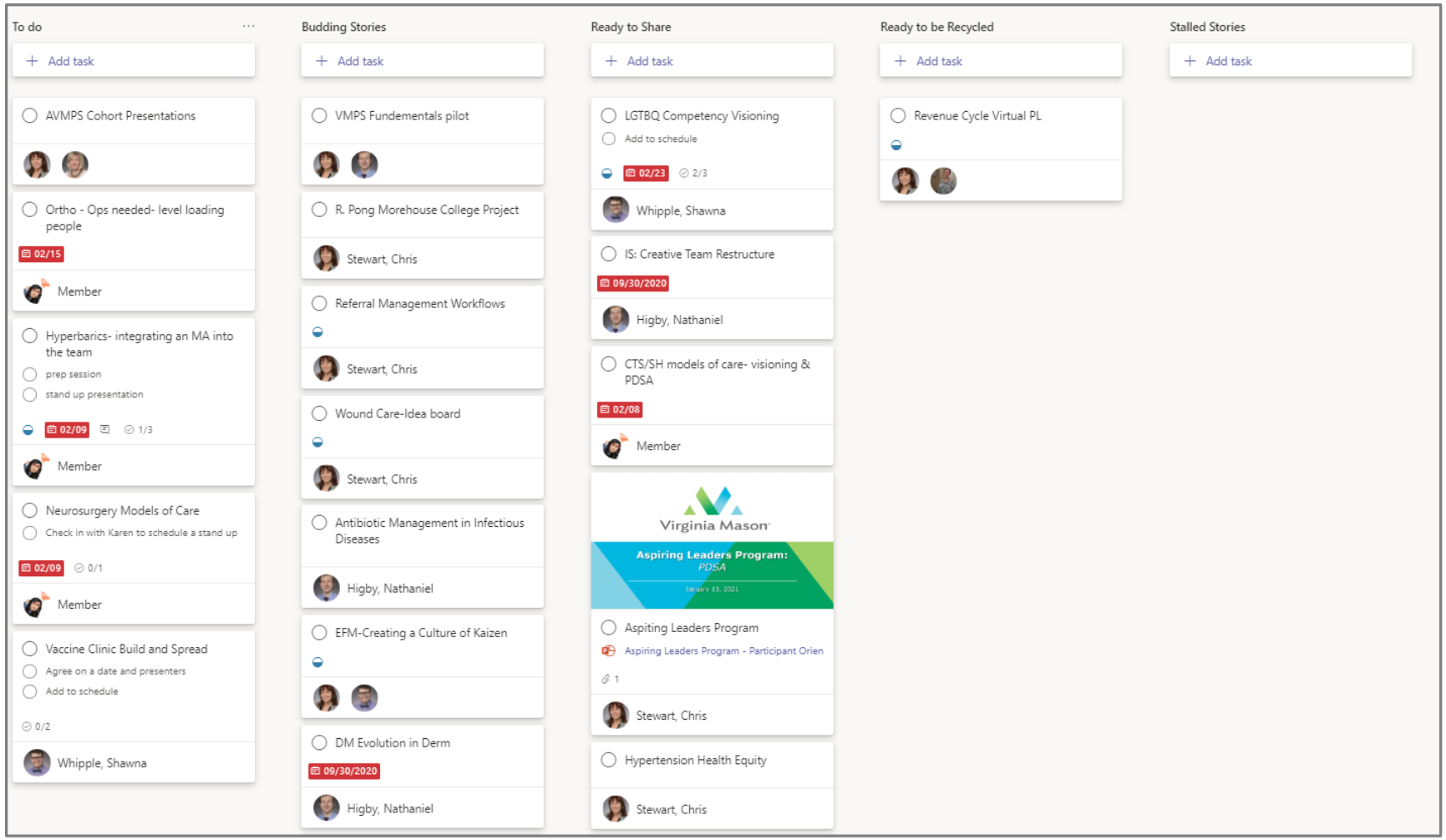
Project Management Example

Virtual board



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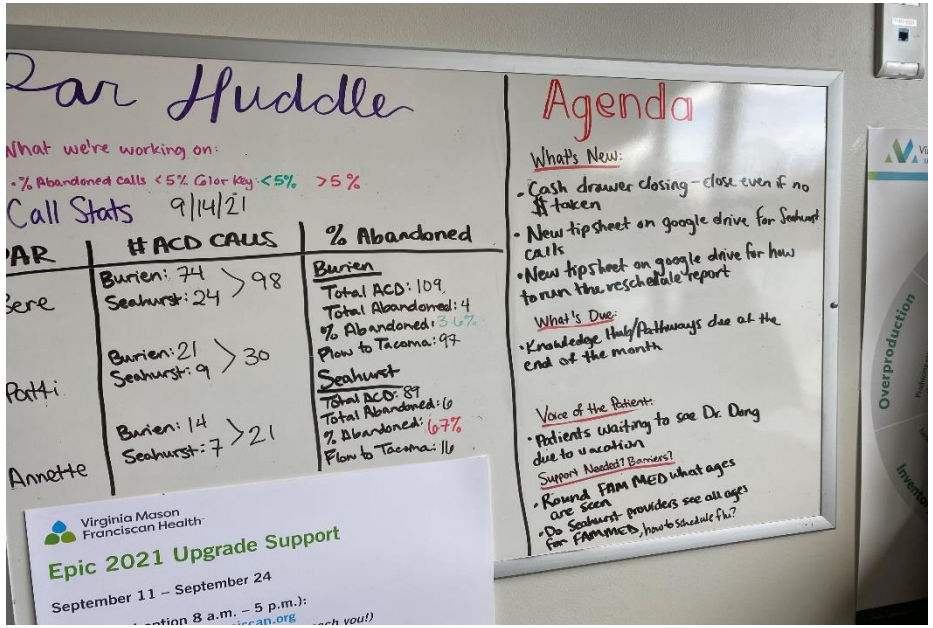
Communicating With Visual Management

Daily or weekly team huddles

Share information on improvement activity, status of work, update on goal work, and countermeasures required.



Example: FMG Phone Room

Example: Health Information Services

Visual Management Board Exercise:
Let's Start Now

Deliverable: Draft of your board

20 minutes

Mockup the deliverable for today, a visual management board:

- Quick and crude versus slow and elegant.
- Use this checklist to assure that essential elements are included

❒	**P**roducts	What does your business produce today?
❒	**R**esources	What resources do you have available today to meet the demand of your products/services?
❒	**O**utputs	How much do you plan to make today (planned) and did you make it (actual)?
❒	**S**tatus	What is today's status of the business today, or throughout the day? Will we be safe? Successful?
❒	**A**bnormalities	When abnormalities occur during the day, how will we know?
❒	**C**ountermeasures	When abnormalities occur, what countermeasure do we apply and how will we know that they have been applied?

Already have a board?

- What are your barriers?
- How could you improve it?
- Suggestions for others?

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Visual Management Board

Checklist

❒	Products	What does your business produce today?
❒	Resources	What resources do you have available today to meet the demand of your products/services?
❒	Outputs	How much do you plan to make today (planned) and did you make it (actual)?
❒	Status	What is today's status of the business today, or throughout the day? Will we be safe? Successful?
❒	Abnormalities	When abnormalities occur during the day, how will we know?
❒	Countermeasures	When abnormalities occur, what countermeasure do we apply and how will we know that they have been applied?

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Report out

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Setting Stretch Targets

Measuring Performance for Improvement Activities

Setting stretch targets

Description	Baseline	Target	Stretch Target
Walking Distance	538 steps	404 steps	115 steps
Lead time	1:25:00	55:00	20:00
% of Defects	78% 0.05%	58% 0%	0%
5S	Level 1	Level 2	Level 4
Setup	46 minutes	30 minutes	<9 minutes

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Defect Rate

Defect measured as a percent of total products or services produced

(Be specific, not a guess.)

$$\left(\frac{\text{Number of defects}}{\text{Total products or services}}\right) \times 100 = \text{Defect rate percentage}$$

Quality Defects (%) Defects measured as a percent of total products or services produced (must include specific data in this box, such as "3 defects of 12 products") • % of referred patients never scheduled (17/22)		77%

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Measuring Performance in the Department

Monitoring

Description	Baseline	Target	Stretch Target
Demand	38	45	50
Staffing	4	4	4
Work-in-Process	480	7 days demand	3 days demand
On Time	30 min behind	Within 10 min	In Flow
# errors from yesterday	2	0%	0%
New deposit batches prepared and ready prior to 8am start			100%
New standard followed			100%

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What to Focus On

Questions to ask:

- What costs can be avoided? What projects could be delayed?
- What could have long term cost savings? What are the quick wins?
- Are the right people doing the work? Have our staffing models changed?
- Can we make decisions quickly? Do we have a culture of problem solving?
- How are we using our space? Are we innovative, such as drive-thru services?
- Is a process too complex? Or too burdensome? How can we simplify it?
- Is a process repetitive? Can it be automated?

Practical Application

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Project Charter

Focus Area:	Project Sponsor:	Opeartional Leader(s):	Project Lead:
Project Name:		Start Date:	Last Updated:

1. Current Condition: (Problem Statement)

3. Goal Statement / Deliverables

2. Analysis: *What is the root cause of the problem? Why does a gap exist between the current and target condition? What does the research say on the topic? Assumptions/Risks*

4. Metrics	Baseline	Target	Long Term

5. Business Case /Alignment

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A lean journey is a learning journey™

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Project Charter

8. Key Activities and Milestones / Action Plan			Shade intensity of work: high, medium, low				
Focus Area	**Activity** List activities in support of the focus areas.	**Responsibility**	**Wk 1-2**	**Wk 3-4**	**Wk 5-6**	**Wk 7-8**	**Completion**
Engaging the Team Plan/Communicate							
Assessing Current State Observations/Baseline Data							
Assessing Current State Root Cause Analysis							
Executing Improvements Test of Change							
Sustaining Chnage Analyze Results / Embed standards							

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Practical Application

Visual Management Board

Your Tasks:

- Gather information on supply and demand and other key metrics for your project charter.
- Create a visual management board
- Update and start to implement your communication plan

Products:

- Supply and Demand data
- Picture of visual management board

Deadlines: Estimated time for completion 120 minutes

- Document story on the *Assignment Presentation_Name template* and prepare to be selected to share at an upcoming huddle

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Questions?

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