VALUE TRANSFORMATION FRAMEWORK
Action Guide

HEALTH CENTER

CARE DELIVERY	INFRASTRUCTURE	PEOPLE

LEADERSHIP

WHY
is Leadership Critical to Transformation?

As healthcare moves from volume to value-based reimbursement, the business model and care model must connect and support one another. How a leader or governing body uses their position and knowledge to lead people, care delivery systems, and infrastructure is essential to reaching improvements in the Quadruple Aim goals: improved health outcomes, improved patient and staff experience, and reduced costs. Leaders who embrace this shift early can advance their organizations to deliver better care with more efficiency, gaining a competitive advantage. This Guide focuses on actions that leaders can take to create the environment, skills, and structure needed to support transformation.

WHAT
is Leadership's Role in Transformation?

Organizational transformation requires that leaders develop organizational will, identify change ideas that can advance the organization, and then execute those ideas[1]. A key role in this process of Will-Ideas-Execution is providing the structure that allows for success[2]. Transformation from a volume to value-based health care organization requires leadership attention to the infrastructure, care delivery and people systems. While leadership encompasses such roles as administrators and the Board, this Action Guide is focused on steps that can be taken by the Chief Executive Officer in support of transformation. This begins with establishing a well communicated strategic vision for the organization and then translating that vision into an operational plan, with systems that can evolve as needed with bottom-up and top-down improvements. This requires a relentless focus on achieving Quadruple Aim goals while progressing toward these goals one step at a time. And while "leading" is critical to whole system change, one of the most important elements in this process of transformation is staff engagement and support[3,4].

Leaders can drive and inspire change by engaging the entire team and valuing ideas for improvement at all levels[5].

LEADERSHIP within the Value Transformation Framework speaks to how a leader or governing body uses their position, responsibility, and knowledge to lead people, care delivery processes and infrastructure to reach transformational goals. This Action Guide defines a discrete set of proven actions leaders can take to provide a foundation for organizational transformation.
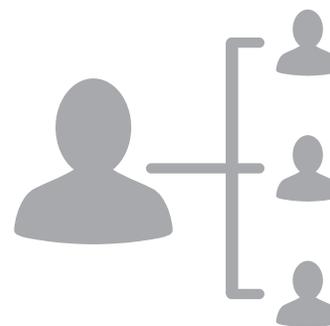
✛ LEADERSHIP

HOW
Can Leadership Support Transformation?

Leadership decisions and strategy drive organizational transformation. Health center leaders who can guide the organization to meet performance goals (control), and design new processes, products, and services (planning), while achieving new levels of performance and breakthroughs (improvement), can have great impact[6]. Leadership-driven change is required to transform the health center to a value-based care delivery system.

LEADERSHIP ACTION STEPS:
This Action Guide outlines actionable steps leaders can take to advance their organizations toward the Quadruple Aim. Recommended actions are based on research and the experiences of high-performing practices.

STEP 1   **Create Your Business Imperative:** Develop a 3-4 sentence business case for transformation and regularly communicate it to your Board, staff, funders, and other external stakeholders.

STEP 2   **Institute Structure and Clarity with Psychological Safety:** Establish processes for team communication, such as care team huddles, as an organizational norm. Foster a culture of respect and empowerment among staff to improve teamwork and the quality of care they deliver.

STEP 3   **Invest in QI Training:** Choose a formal model for quality improvement (QI), and train all staff in QI principles to improve accountability and performance.

STEP 4   **Track Quadruple Aim Progress:** Select a small set of measures to track progress on the Quadruple Aim. Regularly report performance to the Board and team leaders.

STEP 1

Create Your Business Imperative. Leaders must begin the process of value transformation by creating a succinct business case for 'why change' and 'why now'. This should be a compelling, simple statement about the imperative for transformation and how the organization's viability depends on it. A strong business case justifies the course of action and outlines how resources should be aligned to make the change. Such a statement provides a unified vision and guides next steps forward.

✛ **Action item:** Create a 3-4 sentence business case for transformation to create understanding and buy-in among staff and the Board. Present this statement to the Board for feedback and finalization. Share the business case and strategic vision with staff at formal meetings and through multiple communication channels.

Sample: *Rapid changes are underway in the health care landscape, including new systems of reimbursement that reward value over volume. To survive and thrive in this new environment, our health center must transform into an organization that can achieve the Quadruple Aim: better health outcomes, better patient and staff experiences, and lower costs. Navigating this transition requires us to make changes to our infrastructure, care delivery, and people systems. This high level of change can be achieved if we create a supportive, structured environment, and work together as a team.*

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STEP 2

Institute Structure and Clarity with Psychological Safety. Any major organizational shift, like the transition to value-based care, requires clear direction from leadership based on trust, dependability, and transparency. This includes developing structures that foster a strong team culture. Research conducted by Google to understand what drives team performance, found that how team members interact as a group matters more than each individual's skills or status. In addition to a true 'teamwork' approach, what matters is how the team structures its work, and how team-members view their contributions[7]. The five factors that set apart successful teams of high achievers are[7]: **psychological safety, dependability, structure and clarity, meaning of work, and impact of work.**

The concept of "psychological safety" (coined by Amy Edmondson, Harvard Business School) refers to the feeling that an individual's opinions or innovative ideas are appreciated and welcome, even if they differ from the views of others on the team. When an individual perceives that the team is safe for taking risks with ideas or contributions—rather than a place where they feel incompetent, ignorant, negative or disruptive—then great ideas arise. Psychological safety is especially important in environments with high levels of uncertainty and interdependency—as with health care.

Successful organizations realize that more is accomplished when team members listen to one another. Clear communication and trust among team members is foundational to day-to-day operations and overall team effectiveness[8]. One strategy for improving psychological safety at health centers is the use of huddles that incorporate team check-ins[9]. These huddles can be further enhanced by having teams use a set of questions to assess team functioning and psychological safety. Team members can assess the degree of psychological safety they feel on a team by indicating how strongly they agree or disagree with statements such as[10]:
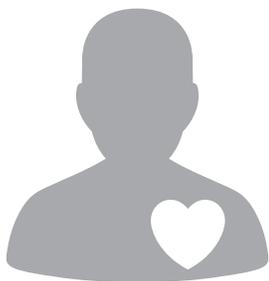
- If you make a mistake on this team, it is often held against you.
- Members of this team are able to bring up problems and tough issues.
- People on this team sometimes reject others for being different.
- It is safe to take a risk on this team.
- It is difficult to ask other members of this team for help.
- No one on this team would deliberately act in a way that undermines my efforts.
- Working with members of this team, my unique skills and talents are valued and utilized.

⊕ **Action item:** Establish the organizational practice of team huddles that take into account psychological safety. Periodically measure team psychological safety.

Ask leaders to view a video by Edmondson on three simple things to foster team psychological safety: (1) frame work as a learning problem, not an execution problem; (2) acknowledge your own fallibility; (3) model curiosity and ask lots of questions. See also the Care Team Action Guide on how to construct more formalized and accountable teams.

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STEP 3

Invest in QI training. Organizational transformation requires that leaders invest in quality improvement skills for staff. 'A culture of quality starts and ends with engaged leadership...Engaged leaders provide protected time and tools for quality improvement (QI) work, and they hold staff accountable for improvement'[5]. Leaders must invest in training staff in a formal model for quality improvement and strategies for managing organizational change. This includes investing in health information technology and metrics that streamline the process of measuring and monitoring the health center's care delivery and reimbursement system.

A more tailored training option is to provide all staff with a QI curriculum that offers courses along a continuum of skill levels such as such as the Institute for Healthcare Improvement's (IHI) Open School. The Open School provides access to more than 30 online courses, a network of learners and educators, and guided experiential learning in improvement, safety, system design and leadership. Health centers can offer online QI training through the Open School (current pricing is approximately $54/person per year based upon 100 employees; pricing moves up/down based upon number of employees). Training is tailored to each employee's level of education and knowledge, and a health center can track course completions and post-lesson assessment scores. Continuing Education credits are available to nurses, physicians, and pharmacists. Select courses are approved for Maintenance of Certification (MOC) Part 2 activity points.

✦ **Action Item:** Choose a formal model for quality improvement (QI) and train all staff in QI. One option for health centers that lack a formal model it is the "Improvement Model" used by many health care organizations across the country. It is as also known as, the 'Plan-Do-Study-Act' model or PDSA[11]. A free introductory course on the "Improvement Model" for QI is available online through IHI: An Introduction to the Model for Improvement. Other free offerings include courses on Building Skills in Data Collection and Understanding Variation and Using Run and Control Charts to Understand Variation.

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STEP 4

Track Quadruple Aim Progress. Ultimately, the effectiveness of any leader is measured by the outcomes he or she achieves. With the transition to value-based models of care, health center leaders will be judged on how well their organizations achieve the Quadruple Aim. This progress towards better outcomes, experience, and cost should be tracked over time and shared. Here are some examples of how to measure organizational movement toward the Quadruple Aim:

- Use Uniform Data System (UDS) measures to track health outcomes
- Conduct periodic surveys to monitor patient and staff experience
- Analyze attrition/retention statistics as additional measures of staff experience
- Monitor total cost per patient over time using UDS data or other metrics available internally or through payers

Effective health center leaders create systems that perform high in all four of the Quadruple Aim goals. HITEQ's Health Center Value Proposition Template is one tool that can be personalized to help communicate organizational progress on the Quadruple Aim (with the addition of a measure for staff experience).

⊕ Action items: Compile a small set of measures that track progress on the Quadruple Aim: health outcomes, patient experience, staff experience, and cost. Report regularly (e.g., quarterly) on performance and progress to the Board of Directors.

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