



HENRY FORD HEALTH SYSTEM

Strategic Alignment and Accountability: HFHS's Turning Points

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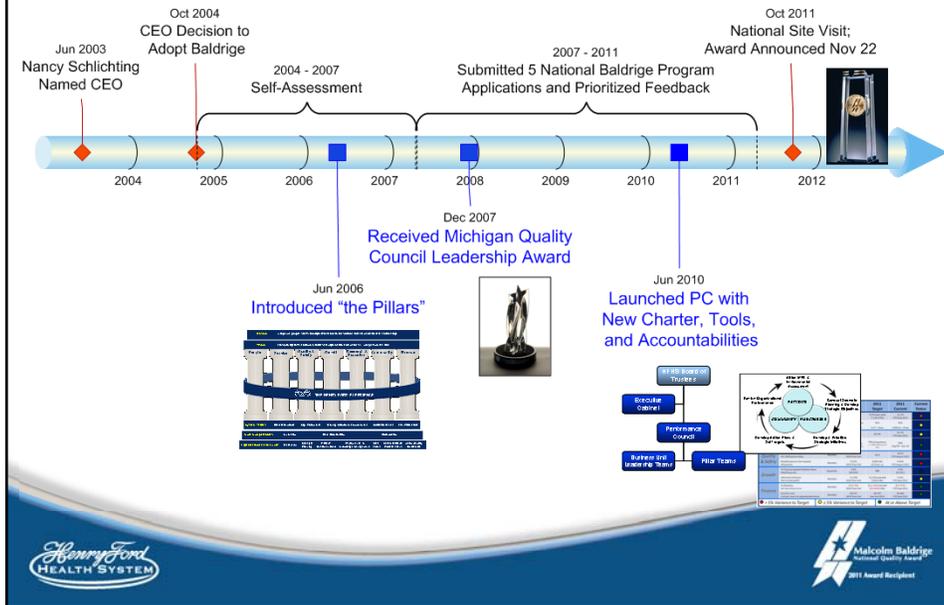


Panel Discussion

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Seven Years of Learning



Baldrige at HFHS: A Journey of Discovery

- 2004
 - Increasing attention within health care; our CEO ready
- 2005-2006
 - Self-assessment, with support from consultants
 - Established the 7-pillar framework
 - Other, more modest changes to leadership processes; re-assessment of improvement approaches
- 2007
 - 1st applied to State and National Programs
 - Each application was for the entire System
 - October 2007 Site visit by Michigan Quality Council
 - Earned Michigan Quality Leadership Award



Baldrige at HFHS: A Journey of Discovery (cont.)

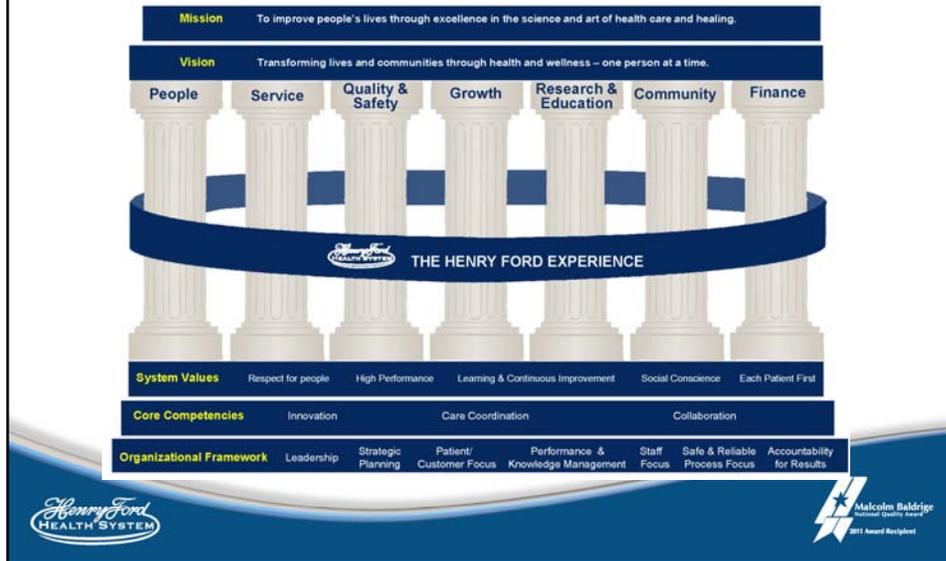
- 2008 - 2010
 - Applied to National Program each year; no site visits
 - Continuous improvement work based on feedback Strengths and OFIs, as well as best-practice research
 - Significant revisions to application in 2010 based on changes
 - Better at anticipating strengths and opportunities
 - 20+ examiners trained – Michigan and National
- 2011
 - Fifth application submitted, selected for Site Visit
 - Notified November 21, 2011 – WE GOT IT!
 - Feedback report received December 14, 2011



Turning Point #1: *Creation of “The Pillars”*

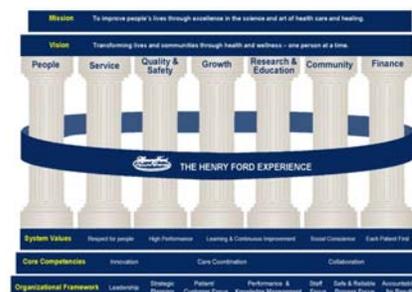


“The Henry Ford Experience”: 7 Pillars of Performance



“The Henry Ford Experience”: 7 Pillars of Performance (cont.)

- Mission & Vision are supported equally by all 7 the pillars
- Values, Core Competencies, and Organizational Framework provide the foundation
- “The Henry Ford Experience” is high performance for our customers across all 7 pillars
- Broad communication reinforced this new framework for the organization
- Formally organized strategies and performance targets by pillar



Turning Point #2: *Receiving the Michigan Quality Council Leadership Award*



First Time's a Charm

- Inspired great pride and optimism
- Site visit experience built tremendous learning
 - How to communicate/translate Baldrige-speak to HFHS activities for employees
 - How many documents are requested!
 - How to prepare and organize supporting documents
 - How to help design a useful site visit for examiner team
- Celebrated award System-wide
- But we didn't even get a national site visit...



Turning Point #3:

Created Performance Council and New Leadership Processes

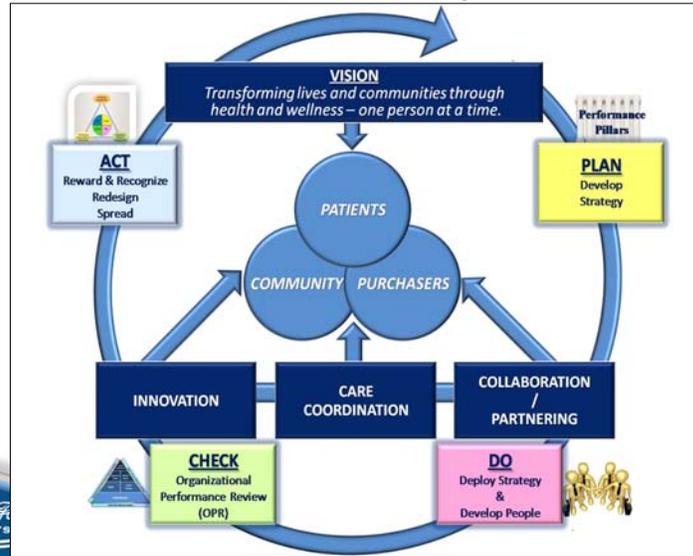


Ready for Change

- Feedback showed incomplete strategic planning steps, deployment, and alignment
- Many performance targets – and results – remained the “responsibility” of a few vs. everyone
- Evaluated all current leadership teams: membership, roles and responsibilities, meeting frequency, and perceived effectiveness
- Created a “picture” of our Leadership System
- Launched the new Performance Council

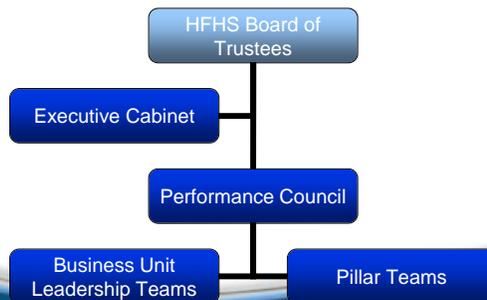


Depicting the HFHS Leadership System



Performance Council

- Comprised of leaders of every Business Unit, pillar team, and key Corporate area
- Charged with overseeing the Strategic Planning Process and Organizational Performance Review
- Provides clear direction and decision making process to those seeking approval of or input to projects, policies, and initiatives (clarifies role of all leadership teams)



Performance Council Charter

- Set annual or multi-year System goals (*approved by Board*)
- Review performance against goals on a routine basis (*dashboards and action plans*)
- Discuss and recommend course changes, including changes or additions to strategic initiatives, assigned teams, and action plans
 - Knowledge sharing dialogue – best practices and lessons
 - Resource for other teams to accomplish System objectives
- Model accountability for achieving Strategic Objectives



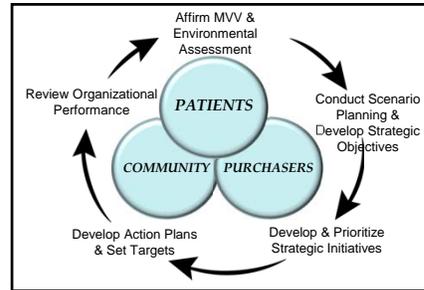
Other Changes to HFHS Leadership System

- Created an Enterprise Risk Council with System-level goals:
 - Develop and execute/oversee HFHS's approach to Enterprise Risk Management (ERM)
 - Ensure ERM strategies are integrated into the overall strategic plan.
 - Short-term: Identify top five risk areas that require enhancements to controls or processes to adequately mitigate/prepare for the risk. Integrate these into the current strategic planning process in 2011/12
 - Long-term: Identify a full-scope, repeatable Enterprise Risk assessment process
- Reinforced System-wide teams, accountable to Performance Council, to provide broad inputs and greater spread



Improved Strategic Planning and Implementation

- Multiple refinements to the Strategic Planning Process
 - New processes focused on the criteria
 - New common vocabulary:
 - Strategic Objectives
 - Strategic Initiatives
 - Action Plans
 - Performance Targets
 - Aligned the strategic planning and budgeting processes
 - Clear expectations for aligned action planning



Inclusive and Transparent Performance Measurement

- New Metrics Committee:
 - Comprised of operational, financial, and pillar leaders
 - Provide oversight and expertise to pillar teams and the Performance Council on definition, display (dashboards), comparisons, and analysis of organizational performance
- New HFHS Analytics department to drive information and knowledge management System-wide
- Transparency of results for greater knowledge transfer and better future planning



Transparency and Accountability at each Business Unit

- Modeled by senior leaders, starting at Performance Council

Pillar	Performance Indicator	Freq.	2010 Actual	2011 Target	2011 Current	Current Status
People	Turnover Total	Monthly	15.62% 2010 Year End	9.5% (year end) 7.12% (YTD)	11.1% YTD Sept 2011	●
	Employee Engagement Gallup Q12 and Pulse Surveys	Annual	3.99 April – Gallup	N/A	N/A	●
Service	Customer Engagement Top Box "Likelihood to Recommend"	Monthly	81.6% 2010 Year End	82.5%	81.1% YTD Sept 2011	●
	HCAHPS Hospital Consumers Assessment of Healthcare Providers and Systems	Quarterly	90% Aug '09 – Sep '10 # domains with results => not 1 avg	70% of questions -> 50% table of met / avg	90% Aug '09 – Sep '10	●
Quality & Safety	Harm – Overall Rate Per 1000 patient days	Monthly	47.59 2010 Year End	41.8	44.22 YTD August 2011	●
	Readmissions to the Hospital All patients	Monthly	9.22% 2010 Year End	8.85% Q4 (0.5% pt ↓)	9.45% YTD August 2011	●
Growth	Tri-County Inpatient Market Share Med/Surg only	Quarterly	3.4% Q4 2010	TBD	3.5% Q1 2011	●
	Admission Volumes Not including BHS	Monthly	11,238 2010 Year End	13,124 (year end) 9,820 (YTD)	9,331 YTD Sept 2011	●
Finance	Profitability Net Operating Income	Monthly	\$(16.2M) 2010 Year End	\$(12.4M) (year met) \$(9.49M) (YTD)	\$(4.97M) YTD Sept 2011	●
	Cost Per Unit Cost per case mix adjusted admission	Monthly	\$8,747 2010 Year End	\$8,707 Year end 2011	\$8,309 YTD Sept 2011	●

● > 5% Variance to Target
 ● ≤ 5% Variance to Target
 ● At or Above Target

Sharing the Good and the Bad

INITIATIVES	ACTION(S)	Overall (R,Y,G)	LOOKING FORWARD (NEXT OPR)	PC SUPPORT NEEDED?
No Harm Campaign	<ul style="list-style-type: none"> Achieved almost 50% reduction in Employee Harm rate through focused efforts of Safety Champions and Huddle Boards. Continue focus on CAUTI, Med Harm, Communication Failures and Specimen Labeling 	RED	<ul style="list-style-type: none"> Sustain employee harm improvements Continue focus on communication (see below) Host HFVBH Quality Expo in Jan. 2012 	NO
Care Team Communication	<ul style="list-style-type: none"> Conducted an A3 Workshop with staff and patients focused on "Creating and individualized, team-based plan of care developed in collaboration with patients" 	YELLOW	<ul style="list-style-type: none"> Focused teams to tackle root causes and "baby A3s" including creation of common care plan, consult process improvement Implement proposal for Clinical Lean Team with dedicated time to advance this effort and develop the front-line expertise to problem solve 	<ul style="list-style-type: none"> Support and possible participation from key medical group physicians
Process Improvement Culture	<ul style="list-style-type: none"> Implementing plan for Performance Excellence Team Conducted first 2012 Strategic Planning session SLT to identify HFVBH Performance Objectives in line with System Objectives 	GREEN	<ul style="list-style-type: none"> Rollout team plan Refine and validate HFVBH Performance Objectives and engage all leaders and front-line staff in defining the work needed in order to achieve the objectives. 	<ul style="list-style-type: none"> Finalization of HFHS objectives

Leadership Competencies & Standards: Aligned to Baldrige

- 40% of Leader and Staff evaluations tied to leader/team standards
- Incentives aligned with organizational goals



Lessons Learned

- Essential for senior leaders to drive, support and actively participate in Baldrige improvements
 - CEO commitment
 - Leaders as Champions, Category Co-leads
- The writing (and associated self-evaluation) generates as much learning as the feedback reports
- Spread the knowledge – build examiner competency across the organization (we started at the State level)
- It's OK to use the "B" word – builds common understanding among the leadership team
- Winning does not mean perfection – perhaps just better at seeking perfection
- Clarify and communicate: award *and* strategy?



2012: The Journey Continues

- Key System-wide priorities based on examiner feedback and pre-/post-visit self-assessments:
 - Refine our approaches for identifying and spreading improvements, innovations, and best practices; learn from others at Quest
 - Continue to communicate and connect System goals and current performance, opportunities, and responsibilities to individuals and front line teams; refine strategic planning process steps to hard-wire “tight-loose-tight”
 - Re-evaluate and re-align key processes, owners, and measures at all business units and work systems



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