



2009 Wisconsin Healthcare Survey

Organizations Preparedness for Implementing Sustainable Change

Howick Associates
Better Execution, Better Engagement, Better Results

Executive Summary

Change

Something that is inherent in much of the work senior leaders do every day, with much more change coming around the corner. At *Howick Associates* we believe a sustainable and successful future depends upon an organization's ability to effectively prioritize, adapt and execute major changes, consciously, proactively and authentically.

Results from this survey were reasonably strong from some organizations, and overall this was somewhat surprising from our point of view. Since senior leaders were the vast majority of contributors, it would be interesting to collect perspectives from nurse managers, physicians, advanced practice nurses, nursing staff and others to determine the degree of agreement with senior leaders on how effectively change is managed.

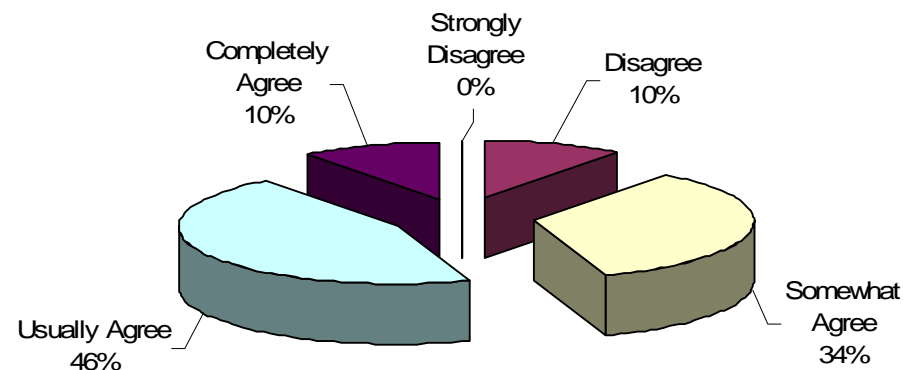
Executive Summary - *continued*

This survey was collected using a brief written questionnaire and was completed by a diverse group of 31 senior leaders recently attending either the Wisconsin Medical Group Management Association (WMGMA) Conference or the Wisconsin Hospital Association (WHA) Convention.

52% of those surveyed completely/usually agreed that their organization successfully manages the implementation of major change well. A number of organizations expressed confidence in communications, confidence in dealing with resistance and creating a sense of urgency while others were less confident in these and other areas as well.

Survey Data: Statement #1

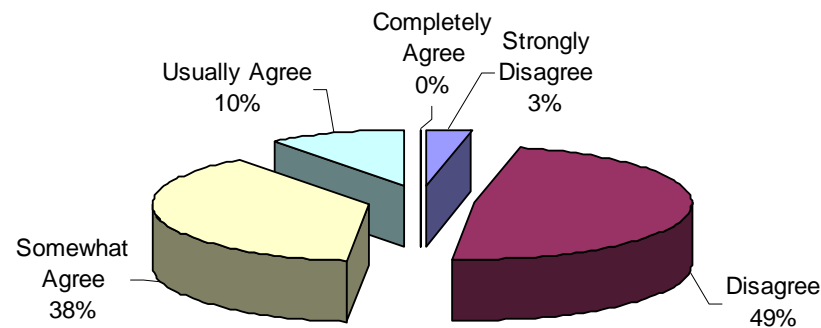
Sr. Leaders in my organization agree with each other on which major changes are most important to make in any given year.



Howick Associates - Food for Thought: Being clear on how many, when and what types of changes the organization is expected to execute is a responsibility of the “C suite.” Our experience suggests that after the initial strategic framework is laid out, the organization continues to add major changes throughout the remainder of the year due to process improvements, new technologies, new initiatives, competitive responses, practice changes, regulatory responses and more. Failure to account for the change impact of all the new initiatives and manage execution timing can promote employee and manager fatigue, increase resentment, increase resistance, increase employee turnover and reduce implementation success of major changes.

Statement #2

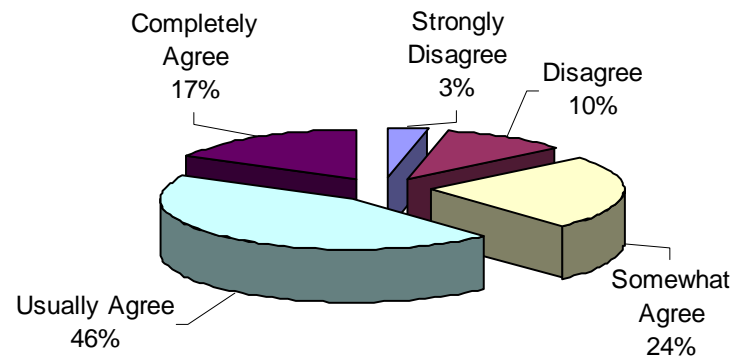
I often feel confused, frustrated and uncertain about next steps when I am confronted by employee resistance to a change I am implementing.



Howick Associates - Food for Thought: Implementers of change needn't take resistance to a change personally, but must understand that individuals all respond somewhat predictably to change but personally respond emotionally at different rates. Focusing leadership energy on those who embrace the change and who can help produce short term wins will help focus the attention of others in a positive way. Focusing too much energy on highly resistant employees will drain the leader of limited emotional energy, may limit a leader's time in positive support of the change and may draw too much attention to naysayers. Healthy skepticism helps focus the change. But it's important to note that some highly resistant employees or others may, in fact, be unconvertible, ever.

Statement #3

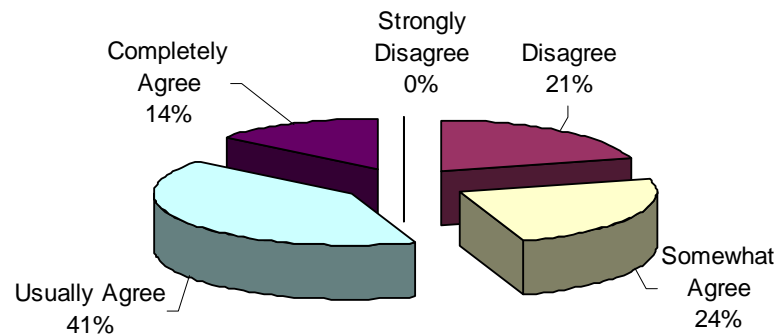
My organization creates a sense of urgency around important changes being implemented.



Howick Associates - Food for Thought: John P. Kotter, professor emeritus of the Harvard Business School and author of Leading Change, My Iceberg Is Melting and A Sense of Urgency, suggests creating a sense of urgency is the first major step in managing change. Kotter notes, "Talk of change typically begins with some people noticing a vulnerability in the organization. The threat of losing ground in some way sparks these people into action, and they in turn try to communicate that sense of urgency to others. Executives underestimate how hard it can be to drive people out of their comfort zones." In the more successful cases the leadership group facilitates a frank discussion of potentially unpleasant facts: about the new competition, flat earnings, decreasing market share, or other relevant indicators. When is the urgency level high enough? Kotter suggests it is when 75% of your leadership is honestly convinced that business as usual is no longer an acceptable plan.

Statement #4

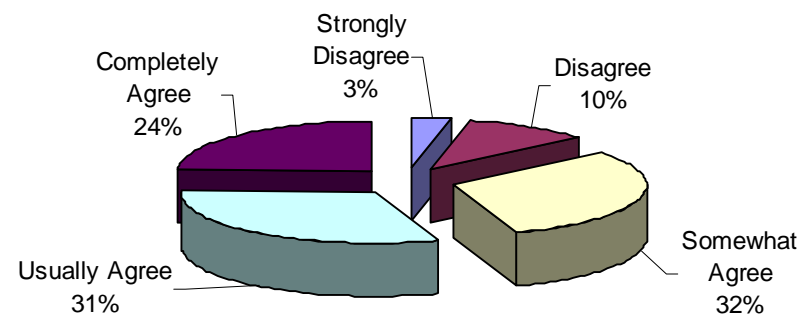
Major changes in my organization have project plans with identified key tasks, estimate of effort for each task, a clear schedule and accountabilities.



Howick Associates - Food for Thought: Executing a change successfully must employ the same techniques used to successfully plan, monitor and execute projects. Our view is that every change must be treated as a project. We believe the key is to significantly increase the circle of input into the project initiation and planning phases, which promotes a more accurate understanding of the change. Furthermore, it improves communication, increases ownership and buy-in as employee suggestions to the initial project plan are accepted, reduces risk and reduces rumors and misconceptions as what is happening. Our experience suggests most managers do not understand basic fundamentals of project management, a discipline common to other types of organizations such as manufacturing, utility, construction and engineering. Not understanding the fundamentals of project management means many managers miss a huge proactive opportunity for engagement.

Statement #5

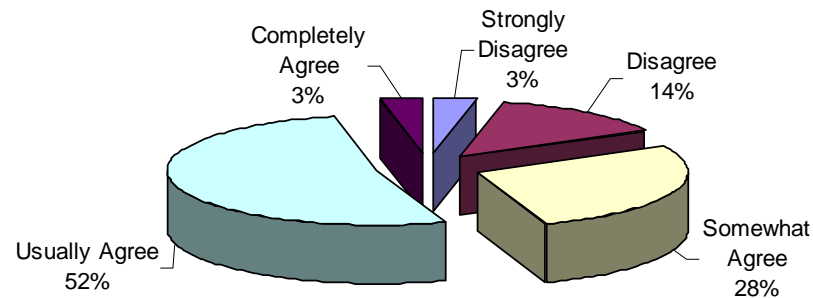
My organization provides numerous opportunities for employees to provide input and be involved in key decisions for major changes that affect their daily work.



Howick Associates - Food for Thought: Many organizations create a team to plan, support and manage the change but often this team then works in relative isolation, concerned with efficient execution of the change. We believe a team must create numerous opportunities for employees affected by a change to provide real input, provide perspectives and advice on how to best implement something and help identify risks, barriers and obstacles. The act of helping the team provides employees a clearer understanding of the change, and affords them an opportunity to shape the change in a manner which will ultimately be more effective. Managing input and decision making amounts largely to planning and executing facilitation experiences, where a diverse variety of opinions are solicited and expectations of contributors are carefully managed.

Statement #6

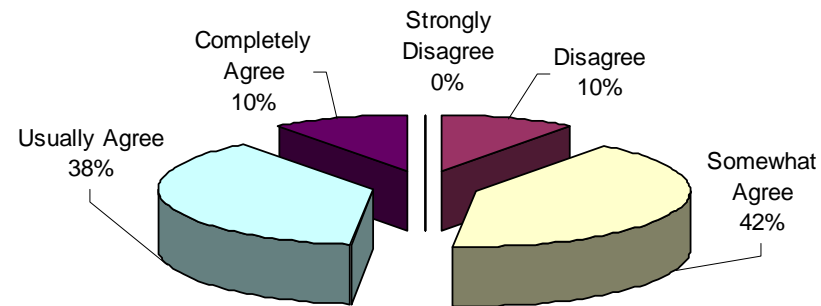
My organization does a good job communicating why a major change is important, what skills will be needed to successfully implement the change and what the benefits of the change are for individuals and the organization.



Howick Associates - Food for Thought: Many organizations typically do a good job initially communicating a major change in their organization. But communication often misses key items. A common reaction to a change by employees is fear that they will not have the necessary skills to perform the change correctly and no one enjoys feeling inadequate, embarrassed or failing to meet expectations. An explicit training schedule, for instance, will reassure employees they'll have plenty of help in learning something new. Additionally, leaders often communicate the benefits of the change for the organization and neglect the benefits of the change that accrue for the individuals affected by the change. Effective leadership spends the necessary time identifying how the change will benefit employees, patients and patient families as well as the organization.

Statement #7

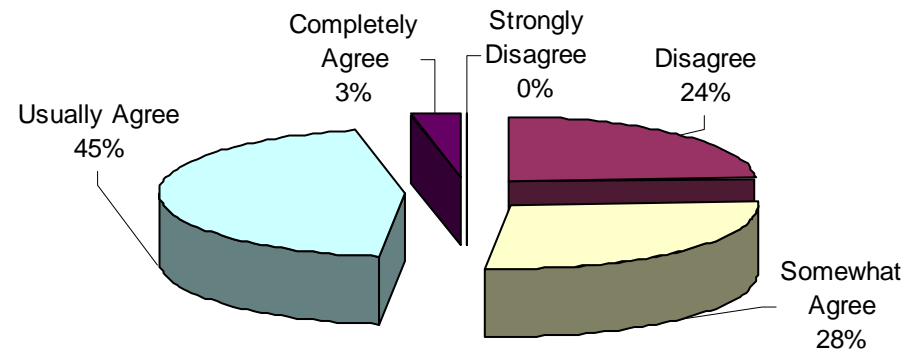
Those who are most impacted by a major change are actively engaged in discussions and dialogue throughout the planning and implementation of change.



Howick Associates - Food for Thought: Active engagement of key stakeholders throughout the change lifecycle is the key to lower resistance, greater commitment and increased implementation success. While many managers understand this concept intellectually, they struggle with effective ways to engage employees and others. In response, Howick Associates has developed over 40 different types of tools to support employee engagement. The tools are practical, easy to use methods designed to give non-professional facilitators a step-by-step approach to managing effective group interactions.

Statement #8

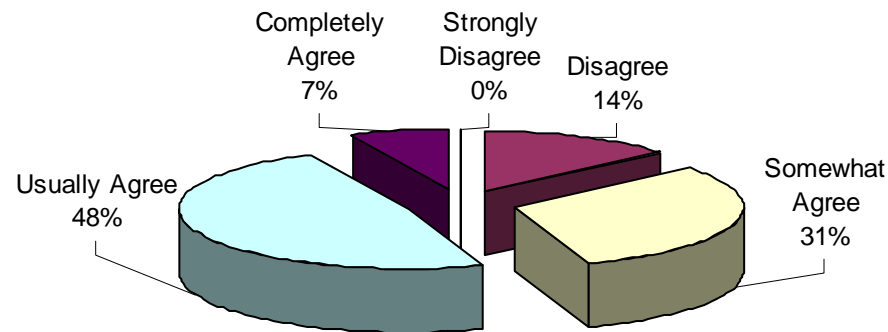
After the implementation of any major change, my organization evaluates the change in terms of adherence to cost, quality and time requirements and shares that information as lessons learned.



Howick Associates - Food for Thought: Change is about learning. A great source of information to learn from includes past performance of change efforts. Organizations that do not closely examine what worked and what didn't are doomed to repeat poor change management practices on future changes. A lessons learned repository accessible to all future change efforts will help teams understand what types of things work well in your respective culture and could help generate innovative ideas on how to more effectively support change going forward.

Statement #9

Overall, I believe my organization successfully manages the implementation of major changes in the organization.



Follow Up

To follow up on any of the items discussed in this summary, please call:

Howick Associates at 608.233.3377 or 800.236.3370 and ask for Jeff Hanan or Tamara Abraham

We can help!