

Types of change and

consequences: Changes in healthcare come in varying sizes, priorities, and urgency and can impact how the change feels and responds to the change.

- *Minor changes:* include a simple swap out of a supply. However, even minor changes in the environment require mental and physical energy to process.
- *Intersecting Change:* Changes in one department can impact intersecting department workflows.
- *Urgent Change:* Responses to adverse events or regulatory findings bring anxiety and urgency that can feel punitive.
- *Imposed enterprise change:* Internal and external forces drive system-wide changes impacting all.
- *Renovations or New Building:* Are positive but can create anxiety.
- *Iterative Change:* Adapting to change based on learning in real-time.

Conditions that increase resistance.

- *Repeated adaptations:* “Here we go again.”
- *Multiple concurrent changes:* Can lead to fatigue and overload.
- *Continually moving targets:* Create a sense that teams cannot reach their performance goals.
- *Direct Observations:* While direct observations are sometimes necessary, it is important to consider who performs direct observations. It is important to include the observed team in the observation process so they can learn from the process of observing. Having outsiders observe can feel frustrating and, potentially, lead to unintended consequences.



this issue

How the landscape of change management has evolved in healthcare.

Navigating Transformation With Senior Leadership – By Sharon Hardigree RN, MSOD, CED

Change Management in Healthcare: Navigating Transformation With Senior Leadership

Introduction by Bradley Schultz:

There is no doubt that our systems are becoming more complex and adaptive. This tends to drive increased resistance to change, outlined in the sidebar to the left. This has necessitated both an evolved change management process and heightened fluency for change management professionals. In the article that follows, Sharon Hardigree explores the related challenges.

Begin included article by Sharon Hardigree:

Rising costs, workforce shortages, and the instability of government and private payer programs drive Healthcare Transformation. Covid-19 was a watershed moment for healthcare by exposing gaps in change competency and maturity while also stressing the financial reserves of healthcare institutions. As healthcare grapples with these challenges, effective change management becomes a critical inflection point for achieving iterative and sustainable improvements to underpin long-term financial solvency.

In this article, we explore the forces driving industry change, the importance of change management roles in healthcare, shared challenges faced, and the pivotal role of senior leaders in developing mature change programs.

Factors driving Industry Change

Macroeconomic factors are shaping healthcare transformations:

1. *Financial Soundness:* The financial strain imposed by the pandemic and continued rising costs necessitate innovative and efficient approaches to human resource allocation and performance reliability.
2. *Workforce Shortages:* Chronic staffing shortages, healthcare worker burnout, and “quiet quitting,” otherwise known as employee disengagement, demand creative, well-developed, and mature change programs.
3. *Regulatory Standards:* Regulatory agencies now require senior leadership to demonstrate their roles in change management leaving reimbursement vulnerable to immature change management.

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Sharon Hardigree is a Nurse Innovator, Healthcare Leadership Coach, Writer, and Entrepreneur. She is dedicated to restoring the wellness of the healthcare team.

Her background is primarily in Emergency Medicine, most recently as Director of the Emergency Department at the University of Virginia. She also has significant experience in healthcare leadership in ambulatory settings. Today, she is busy consulting and coaching healthcare leaders in High Reliability practices and change adoption.

Sharon is a Certified Emergency Nurse, ProSci Professional and High Reliability Practitioner.

Her personal mission is to innovate programs that improve workforce wellness among healthcare clinical teams by improving the quality of their work experience. Restoring team homeostasis by reengineering order from chaos and renewing the heart of healthcare.

In addition to family time, Sharon enjoys getting lost in a good book, creating stained glass, playing with watercolor paints, and slaying samurai sudoku.

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I had the pleasure of working under Sharon's direction as an Orthopaedic Specialist of Gastonia, PA. Sharon's excellent leadership skills inspired me to seek new opportunities and continue to grow my career in healthcare.

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The Importance of Change Management Roles in Healthcare

Change management is the systematic approach to planning, implementing, and monitoring changes within an organization to achieve desired outcomes. When executed properly, change management ensures meeting organizational goals while minimizing the impacts on patient care, staff wellness, and the financial bottom line. Three key leadership roles can positively impact the institutional change maturity that leads to high reliability.

1. *Performance Improvement/ Lean Six-Sigma / Project Managers:* Manage improvement projects to ensure quality patient outcomes. High Reliability in patient outcomes focuses on sustained excellence while avoiding major failures or adverse events. Project Managers keep their eyes on the data, outcomes, and timelines.
2. *Change Professionals:* Focus on the people experiencing the change. Well employees are more likely to engage in change. Effective change management fosters a just culture that includes continuous learning, two-way communication, and blameless reporting. Institutional knowledge acquired during the change process is a valuable currency lost with staff turnover. Change managers help calculate the human cost of change management.
3. *Senior Leaders:* Align change efforts with strategic goals, role model and coach direct

reports, and remove barriers that empower the frontline teams to implement change that improves their work. Healthcare leaders transform operations, improve reliability, and enhance overall value through the advancement of fiscally responsible change management programs strategically implemented and effectively sustained. This is "change maturity."

Shared Challenges

Change and change management takes different forms in healthcare institutions. But there are shared challenges and themes.

1. *Variety in Reporting Structure:* Because most healthcare change centers around patient outcomes, the responsibility for change management falls within the Patient Safety Department (or other iterations of risk and quality). However, during a recent ProSci® Webinar on change in healthcare, change managers identified a wide variance in reporting structures including the following: Patient Safety, Quality, Performance Improvement, Human Resources, and Organizational Development. There is a case for each of these reporting structures. However, the lack of standardization defies the development of best practices.
2. *Project Management:* It is common for healthcare institutions now to employ the tools of Agile, Lean Six Sigma, or Project Management. These tools, while helpful, do not produce sustainable performance improvement. Performance improvement is, at the core, simply continuous, iterative, and sustainable change management. Project Management tools focus on



BRADLEY SCHULTZ & ASSOCIATES At The Forefront



the process, metrics, and timelines. Change Management tools focus on the people executing the change initiative. It is possible to mathematically quantify the change burden within an institution. Change professionals quantify change saturation and measure change readiness within teams.

3. *Organizational Change Maturity:*

Institutions are at different developmental milestones on the transformation journey. The lack of a standard industry-wide transformation model makes it difficult to measure the maturity of change as a comparison. The mission, vision, value, size, location, and resources of each organization drive the respective change transformation culture and model. These variables further complicate the potential for standardization.

The irony is that the greatest shared challenge is that there is no shared convention or best practices for change management in healthcare. This lack of standardization underscores the stabilizing factor senior leadership brings to change management.

The Role of Senior Leadership in Change

Senior Leaders role model high-reliability behaviors through managing change in the following ways:

1. *Preoccupation with Failure:* Track key performance indicators related to change initiatives. There are mathematical calculations that represent change saturation and change readiness measures to inform change success.

2. *Sensitivity to Operations:* Establish feedback loops and cascading help chains to provide a vehicle for communicating concerns and barriers to success. Model listening skills for direct reports. Coach operational managers to respond to disruptions in workflows.

3. *Reluctance to Simplify:* Foster multi-disciplinary partnerships to address complex healthcare issues.

4. *Build Resilience:* Adapting operations to rapidly evolving real-world outcomes not only builds resilience, but it also builds trust that senior leaders will adjust operations based on the feedback loops.

5. *Deference to Frontline Experts:* Rounding for coaching and success facilitates relationships and engagement. This action demonstrates respect for frontline experts.

Sustaining The Results of Your Transformation

Successful change management in healthcare requires a collaborative effort, with senior leaders at the forefront. An often overlooked but critical task in managing change is the alignment of systems and structures to encourage the behaviors that sustain results. In general, a solid alignment will:

Create Transparency – Staff need to see the connection between their work and outcomes. Likewise, leadership needs to see the relationship between behavior, at a frontline level and outcomes at a strategic level. Bidirectional line of site between behavior and outcomes is critical to sustained results.

Drive Accountability – When performance fails to meet the standard, it is leadership's responsibility to act. Unless accountability is interlocking in nature (supervisor – mid-level – executive) and includes coaching, it is non-existent.

Take Action to Improve – Problems need to be solved, in immediate proximity to the source, in both space and time, by those that actually perform the work, supported by a coach. Nobody gets to the root-cause of anything 30 days later in a conference room. Routine tightening of standards exposes next-level problems and is the essence of kaizen.

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