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### About FYA

FYA - *For Your Advantage*, is a free twice - monthly newsletter published by TrendLeader Connections.

With every issue, FYA provides insights into the topics that concern healthcare leaders today and the challenges that will be faced in the near future.

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## Innovation 2008 - Developing People

By John W. Kenagy, MD, MPA, Director, Kenagy & Associates

Imagine not where we are, but where we want to be. This month's column continues the forward look we started in January with "Innovation 2008 - What's Hot and What's Not."

### Healthcare Innovation 2008

What's Hot	What's Not
Growing Return on Investment (ROI) from operations	Capital expenditures for new technology and facilities
Developing people and relationships	Implementing IT systems
Purpose, trust and optimism	Power, compliance and competition
Local knowledge, ingenuity and innovation	Consultants and manufactured innovation
Transforming your culture	Fighting entrenched cultures
Multi-purpose hospitals	Specialty hospitals

Most hospitals want to adapt and innovate onto the "What's Hot" list, but getting there does not mean doing more. In my 36 years in healthcare, we have been compiling endless lists of things to do. Then, for every "to do," some expert or regulator comes up with 10 more "ought to do's." And then they say it's our fault if we do not do them all as they berate us for not "trying harder."

Trying harder is getting us nowhere. Take a position of strength. Celebrate where you have been and then move forward by building on what you are currently doing to extend to a new place. In a constantly changing world, it's not what you are doing now that's crucial; it's how you adapt what you are currently doing to a constantly changing world that makes the difference.

Our research has shown the great adaptive organizations focus on five back-to-basics principles:

1. Set a clear, meaningful direction.
2. Develop people as your #1 resource.
3. Build trust and optimism.
4. Don't implement new systems; problem-solve what you are currently doing.
5. Generate value quickly; grow opportunistically.

Last month's column introduced the first of these core principles - start by *setting a clear, meaningful direction*. The second needs no introduction; it's a timeless classic: *Develop people as your #1 resource*.

Most healthcare leaders understand the importance of people to their organizations, but the problem is there is little room on their operating agendas

(Continued...)

## Innovation 2008 - Developing People (Continued...)

to make people development a centerpiece of strategy. What's replaced it? – Unfortunately, it's usually "information technology (IT)" that absorbs management attention and most of the resources. We are increasingly out-of-balance and that's a big problem.

Solving this problem requires rebalancing to develop people. Jim Collin's book *Good to Great* eloquently certifies the fact that no organization ever became "great" through technology. He emphasizes the importance of not "buying" greatness through technology, but creating the beginnings of greatness, then accelerating it with technology.

So it is not technology first, it's people first. In my research as a Visiting Scholar at Harvard Business School, I discovered even the great technology companies started by first developing their people. Take this list of famous CEO's:

- Bill Gates (Microsoft)
- Bill Hewlett and Phil Packard (HP)
- Andy Grove (Intel)
- Michael Dell (Dell)
- Herb Kelleher (Southwest Airlines)

You won't find a more variable set of backgrounds, personalities, management styles or philosophies, but you will find one thing in common – they all emphasized the importance of developing people first.

So in 2008, it will be people, not IT, first. Results-centered organizations will lead the way by getting control

of their IT vendors/consultants and holding them accountable for the hassle-free efficiency they promised but rarely delivered. Then they will develop their own people to be accountable for creating the balanced approach that will revitalize and restore quality, safety and financial security at the point of care.

Start by setting a clear, meaningful direction (see last month's column) and develop your people to simplify and customize the point of care. Then use IT in a true "good to great" way – as a technological accelerator of what already works.

Developing your people first can even make a big difference in a traditional IT implementation. One health system we worked with discovered it took more than nine months for a hospital to recover productivity after a large, new computerized system implementation. Developing the people in another hospital, using the Adaptive Design set of skills and tools, reduced the productivity lag time to one month and saved the corporate system more than \$10 million.

For more information on how to develop people to revitalize the point-of-care email me at [jkenagy@kenagyassociates.com](mailto:jkenagy@kenagyassociates.com). Next month's *FYA* column will take the next step toward "What's Hot in 2008" – Building trust and optimism.

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### About



PHNS is an innovative healthcare services company providing strategic outsourcing services in information technology, health information management and receivables management to over 400 hospitals. PHNS is not a consultant, vendor or software company but a partner, a solution. PHNS understands healthcare because our partners are healthcare and healthcare only. Unlike its competitors, PHNS strategically aligns itself with a hospital's clinical and financial goals and objectives. Through its unique business model, PHNS reduces costs by aggregating, consolidating and sharing resources among its participating hospital partners. PHNS helps hospitals manage information systems, computer technology, patient records, coding and patient billing to improve patient care, safety and efficiency and increase profitability and efficiency. For more information, visit [www.phns.com](http://www.phns.com).

## British Intelligence on Healthcare IT

By Rick Kneipper, Chief Administrative Officer and Co-Founder of PHNS

Amid the ongoing calls from both the Bush Administration and Congressional leaders for increased spending on information technology to improve healthcare services in the U.S., perhaps we should listen to some words of wisdom from our British friends who in 2002 embarked on creating a national healthcare technology initiative that they called "the world's biggest civil information technology programme." This ambitious program aimed to develop an electronic care record for all patients in England and to connect electronically all English physicians, hospitals and patients. Sound familiar? After the program's estimated costs went from over \$3 billion (U.S.) over three years to over \$16.4 billion (U.S.) over 10 years (and some say way higher), the British Computer Society (the leading IT body in Britain) recently issued a very enlightening and frank assessment of the program's successes and failures that should be very instructive for government and individual healthcare system IT projects in the U.S.

The principal conclusion of this report poignantly states:

"Until very recently the sponsors ... have seen information technology (IT) as a fix for the challenges faced by the NHS [National Health Service]. This is a common mistake: IT enables change, is sometimes a catalyst for change, but it is not an end in itself."

The report states that such misconception is a "prime cause of large-scale IT project failure" in the NHS program, and concludes that the entire program needs to be realigned so that its IT projects are only completed as "a major enabler of business and service transformation."

That's great advice for those in Washington, D.C., who are enthusiastically advocating IT as the "silver bullet" to solve many of U.S. healthcare's problems. What's needed first is a major re-engineering and transformation of our entire U.S. healthcare services delivery structure in order to improve the quality, service, accuracy and cost of the services delivered. Then, but only then, IT can be brought to bear as a strong strategic enabler to facilitate and expedite that re-engineering and transformation.

It's also great advice for hospitals that are spending millions and tens of millions to implement new IT strategies without first having developed a comprehensive business strategic plan upon which such IT strategies should be based. As the British report stated, "Business objectives should drive information objectives which in turn should drive IT solutions," and viewing the British NHS project as an IT project "has led to implementation plans that have all too frequently ranged from the optimistic to the unreal."

Consider this British intelligence the next time that you talk to your Washington contacts about their push for more federal monies to be thrown at national IT projects – and consider it the next time that you and your hospital's board are presented with a major new IT plan.



I would like to hear your comments.

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### About

**TrendLeader**  
Connections

FYA - For Your Advantage is brought to you by TrendLeader Connections. The function of TrendLeader Connections is producing educational materials and seminars that help healthcare executives differentiate between fads and trends; and making connections with "Trend Leaders" within the healthcare industry.

We are committed to delivering new perspectives and ideas, creative and innovative healthcare solutions, provocative concepts and quality educational materials to today's healthcare leaders. We want to concentrate on "what comes after what comes next."

## Cuban-style Clinic Offers Convenience and More

**T**he mantra today is convenience. Fred Lee, who writes columns for FYA preaches it. Hardly a conference is held without the subject on the program. Hospitals are trying to incorporate it into their culture. It's not easy.

There is a medical center where convenience reigns – and it is at a most unlikely place. It is the Leon Medical Center in Hialeah, Florida. Hialeah is a city of almost 225,000 residents. It is part of the greater Miami area. More than 85 percent of the community speaks Spanish as a first language. Most residents have their roots in Cuba. And that helps explain the success of this clinic.

In Cuba, many neighborhoods had clinics. Families contributed small amounts of money to the clinic each week and when they got sick, the clinic took care of them. In Miami, in the early 1960s, new Cuban immigrants were struggling to survive financially. A group of physicians and others, including an accountant, Benjamin León Sr., set up the Clinica Cubana in Little Havana. The original monthly fee in 1964 was \$2 for an individual and \$5 for a family. The clinic was opened from 7 a.m. to 11 p.m. The Cuban concept was personal service. The waiting room was a meeting place, where patients could have a cup of *cafecito*, a Cuban espresso, a snack and spend time chatting with friends and catching up with the news.

These clinics trace their beginnings to pre-Castro Cuba. Seniors got easy access to primary care physicians who were focused on stopping conditions from getting serious so that patients could avoid expensive trips to the emergency room. Today, the Leon Medical Center, and others like it are funded through the Medicare HMO program.

At the entrance of the Center, patients are greeted by a cheerful woman who points them in the right direction. In the waiting room patients can have *cafecito* and pastries. And they usually get to see doctors within 30 minutes. More than half the patients arrive by van – at no charge. When it's time to be seen by their doctor, patients are escorted to the examining room.

All employees go through a Ritz-Carlton training program on how to treat customers.

The Center has a pharmacy where patients are promised to have new prescriptions filled within 30 minutes. This makes it easier for seniors who have limited or no means of transportation. Patients get to pick a primary care doctor – usually one recommended by a friend or relative – and that doctor becomes their main contact at the Center. Interestingly, the Center does not use physician assistants or nurse practitioners. All patients that get tests are called back with the results whether the tests show a problem or not. It's the Center's way of keeping patients worry-free.

The Center focuses on primary care and emphasizes a "warm and friendly" atmosphere with service reps hovering over the patients to help them navigate the system. One physician recently told the *Miami Herald* that elderly patients tend to have more aches and pains and many are worriers. "They love to see their doctor." The Center doesn't try to limit those visits. The Center's attitude is "if they can't see their doctor, they'll just go to the emergency room."

The Center doesn't directly discourage trips to emergency rooms, but they do work hard to make it easier for patients to get quick care at the clinic. Seniors can call a 24-hour hotline to ask whether a condition is serious enough to warrant an ER trip.

Congressmen from around the country have visited this center and similar clinics in South Florida serving the Hispanic communities. They wonder if the clinics can serve as a national model. Steven Ullmann, a healthcare economist at the University of Miami doesn't see why not. "If they put one in Chinatown in San Francisco, they'd have to be sensitive to different cultural needs, but the basic model – personal attention and strong primary care – would work just as well."

*The Miami Herald* was the primary resource for this column.