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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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Knowledge Management

It's All About Problems...and That's Good

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

One of the goals of management is to eliminate problems in the workplace. Typical process improvement methods (PDCA ["Plan, Do, Check and Act"], Rapid Cycle Improvement, Six Sigma, Lean, *etc.*) and technology commonly seek to identify problematic processes and fix them.

The scenario is familiar to all of us. Some process (*e.g.*, medication administration, patient admission, on-time surgery starts, charge capture) is found to not work well – we have many problems. The standard approach is then to fix the problems by implementing an improvement, usually some other organization's "Best Practice."

Problems, therefore, are bad and must be eliminated. The solution is Best Practice standardization, then hold people accountable to do their work as specified.

This method of process management is deeply ingrained in our organizational structures, methods, systems and the habits, behaviors and values of the people embedded in those systems. It takes a fundamental change in mindset to contemplate the notion that "process improvement," as currently practiced, may cause the very problems that it's meant to prevent. That's my proposition.

Process management, as currently practiced, was born and developed over the last 150 years in the age of Industrial Management. I propose that healthcare has outgrown Industrial Management – we are now in the age of Knowledge Management.

Industrial Management and Knowledge Management are very different. This article is the first in a *For Your Advantage* series that will detail how you can create the fundamental change in mindset in your organization to transition industrial managers to knowledge managers.

Let's start by looking at the surprising research findings of Harvard Business School Professors Tucker and Edmondson¹. I had the opportunity to support their research as a Visiting Scholar at Harvard Business School. They show how unrecognized problems are inherent in our current systems, and provide insights that help us understand how Knowledge Management might approach these problems differently.

Tucker and Edmondson investigated how nurses responded to the failures they encountered in their hospital's operational procedures. The article's provocative title summarizes their findings: "Why Hospitals Don't Learn from Failures: Organizational and Psychological Dynamics that Inhibit System Change."

(Continued...)

1. Tucker, Anita L., Amy C. Edmondson. "Why Hospitals Don't Learn from Failures: Organizational and Psychological Dynamics that Inhibit System Change." *California Management Review* 45.2 (2003): 55-72.

Knowledge Management (Continued...)

Their research identified two classes of failures: *errors* – defined as the execution of a task that was either unnecessary or incorrectly carried out, and *problems* – defined as a disruption in the workers' ability to execute a prescribed task because either something the worker needed was unavailable, or something was present that should not have been, interfering with the designated task.

Contrary to our current mindset, *errors* (14 percent of failures) were a much less important cause of system failures than *problems* (86 percent of failures). My colleagues in Rule 4 Consulting and I have expanded this work and have found *problems* cause greater than 95 percent of system failures. Since failures are much more common, let's look at them closely.

Tucker and Edmondson observed that nurses experience five broad categories of problems in performing their work. These were:

- Missing or incorrect information
- Missing or broken equipment
- Waiting for a resource (human, supplies or equipment)
- Missing or incorrect supplies
- Multiple and simultaneous demands on their time

Our work with Adaptive Design confirms problems are a big issue for both healthcare providers and management. In thousands of hours of observation of nurses in real time, we have found they spend about 43 percent of their time *solving problems* by hunting, fetching, clarifying, waiting, *etc.*; 24 percent in administrative activities, (*e.g.*, charting and computer data entry); and only 33 percent of their time in direct patient care.

This discovery that nurses spend only one-third of their time in patient care creates a unique common interest in problems for everyone in healthcare:

- What does the nurse want to do? Take care of patients.
- What does management want the nurse to do? Take care of patients.
- What does the patient want the nurse to do? Take care of patients.

But problems keep nurses from taking care of patients and, in our experience, we find *these problems are often imbedded into "Best Practice" processes*. The work is perfectly designed to deliver exactly what it delivers. In the case of Industrial Management healthcare, we get what we get – that's problems.

What does Knowledge Management do with problems? Embrace them as an opportunity to learn and make that learning a fundamental part of the organization's management methodology.

Subsequent issues of FYA will detail the Knowledge Management steps you can take to make problems part of the solution for your health system.

Dr. Kenagy is busy finishing a book that will be published later this year and as his columns in this newsletter indicate, it will focus on how management creates organizational capacity for innovation. You can contact him at jkenagy@kenagyassociates.com. ©2008 John W. Kenagy, MD, MPA, Director, Kenagy & Associates, LLC (K&A)



About

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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."

Reader Response Regarding Healthcare Inefficiencies

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

Please consider the following enthusiastic and thoughtful response to my "\$700 Billion of Healthcare Inefficiencies" commentary (*FYA* Volume 7, Issue 14) concerning the recent Congressional Budget Office's report regarding massive inefficiencies in our U.S. healthcare system:

"I am compelled to respond to your article in the Volume 7, Issue 14 edition of *FYA* (\$700 Billion of Healthcare Inefficiencies). In my opinion, The Congressional Budget Office (CBO) has hit upon a huge issue in healthcare. There is a tendency for caregivers, after leaving their academic training, to be engrossed in the scientific basis of healthcare, particularly the advanced technology of imaging. High tech imaging is captivating from an intellectual/academic perspective because it provides such a visual corroboration with health and disease. It adds tremendously to the physician's inventory of *information* and therein lies the issue. How much information is needed for optimal patient care?"

"There are many fundamental reasons for the explosion of high end imaging: **(a) Financial** - it is a strong revenue stream (although weakening), **(b) Defensive Medicine** ('If I don't order this and something unexpectedly goes wrong that would have been discovered sooner had I ordered the MRI, then will I be sued?'), **(c) Status** ('If our organization is the first on the block to spend \$3 million on this latest technology, we will be considered the provider of choice'), **(d) Security** ('Yes, the multi-slice CT has confirmed my diagnosis, which was earlier confirmed by PET, which was earlier confirmed by.....'), **(e) Confusion** ('I don't have a clue what's wrong with this patient. Let me try a molecular radionuclide gigascan and see if I find anything.'), **(f) Essential** ('I suspect this, but before I cut this person open, I want to be sure.'), and **(g) Etc.**

"Although some of the above may have some merit in terms of patient benefit, I suspect, in the majority of the time, advanced imaging may give the provider some satisfying feedback, but not affect the patient's treatment plan or outcome in any significant way. We see ultra high resolution of the patient's

anatomy, which is amazing and intellectually captivating, but in what percent of the time are we actually surprised by the findings in a way that ultimately improves the patient's outcome in a significant way?

"The issue becomes enlarged when oversight groups try to sort this out. When looking at this from a distance, such as from the CBO, it becomes easy to oversimplify the nuances of expensive imaging technology and make broad-sweeping utilization decisions that are, in many cases, neither effective nor rational, but powerful. In the words of former New York Governor Mario Cuomo, 'Decide exactly what you want to achieve. Do you want to help people, or do you want to be powerful?' Humans being human, I suspect the greater motivation is in the latter.

"I essentially agree with the CBO's premise that we are wasting a huge amount of money on technologies that do not directly benefit the patient, but I fear that in sorting out who and who should not have certain diagnostic procedures, the bureaucrats will behave like humans.

"Before the hate mail starts flooding in from radiologists and the like, let me just say that this is just an opinion from one person. Certainly there are places and individuals who are likely to be exempt from the foregoing, but I speak from the platform of observation after 35 years of insider observation."

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Ron takes some very strong and provocative positions-what do you think?

I would like to hear your comments.
Send them to:
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Six Rules for Doctors

Why are patients mad at doctors? This was a question raised in one of the recent healthcare blogs in *The New York Times*. An answer was suggested by Dr. Robert Lamberts, an Augusta, GA, physician who himself writes a blog, *"Musings of a Distractible Mind."*

Maybe, suggests Dr. Lamberts, it's because doctors aren't following the rules. He offers six simple rules that help him get along better with his patients.

Rule 1: They don't want to be at your office.

It may seem odd to patients, but most doctors forget that going to the doctor is generally unnerving. We work there, and being in a doctor's office is normal to us. Not so with most patients. The spotlight is on them and their health. They stand on the scale, undress, tell intimate things about their lives, confess errors, are poked, prodded, shot with needles, lectured at and then billed for the whole thing. The best thing to do in response to that is to show compassion.

Rule 2: They have a reason to be at your office.

They don't come to the office to waste the doctor's time. When a person comes to my office with enlarged lymph nodes, for example, the real reason they are coming in is that they are afraid it is cancer. If a person has chest pains, they are afraid it is their heart. On every visit I try to identify the real reason (or the real fear) that brings them to see me. I don't end the visit until I have addressed that reason.

Rule 3: They feel what they feel.

Patients will often tell me their symptoms in a very apologetic tone. They seem to think that they have to come to me with the "right" set of symptoms, and not having those symptoms is their fault. I have heard from many patients

that their doctor "did not believe" their complaints because they did not make sense. If you don't trust them, why should they trust you?

Rule 4: They don't want to look stupid.

People are often worried that they are over-reacting. They wonder what I must think for a person to come to the office with that symptom. This is especially true of parents bringing their children in. Nobody wants to be "that mother that over-reacts to everything." In response to this, I try to specifically say, "I am glad you came to the office for this because..." or "Yeah, I can see how that worried you because it could be...."

Rule 5: They pay for a plan.

What do people pay for when they come to the medical office? They pay for opinion, yes. They pay for knowledge as well. But what they really pay for is a plan of action....they want to know what is going to be done to help. The days of paternalistic medicine are over - no handing a prescription and just saying "take it." Patients should know why they are putting things in their body.

Rule 6: The visit is about them.

With all of the stresses in a doctor's office, I get tempted to complain about things. Who better to complain to than someone who feels much the same way? But patients are paying for you to take care of their problems, not the reverse. I keep my personal gripes or frustrations to myself as much as possible.

To read the full column by Dr. Lamberts, who goes by Dr. Rob on his blog, [click here](#). He also promises a future post on rules patients need to know.

About



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