

### **Getting Ready for a New Reality**

### Change Management



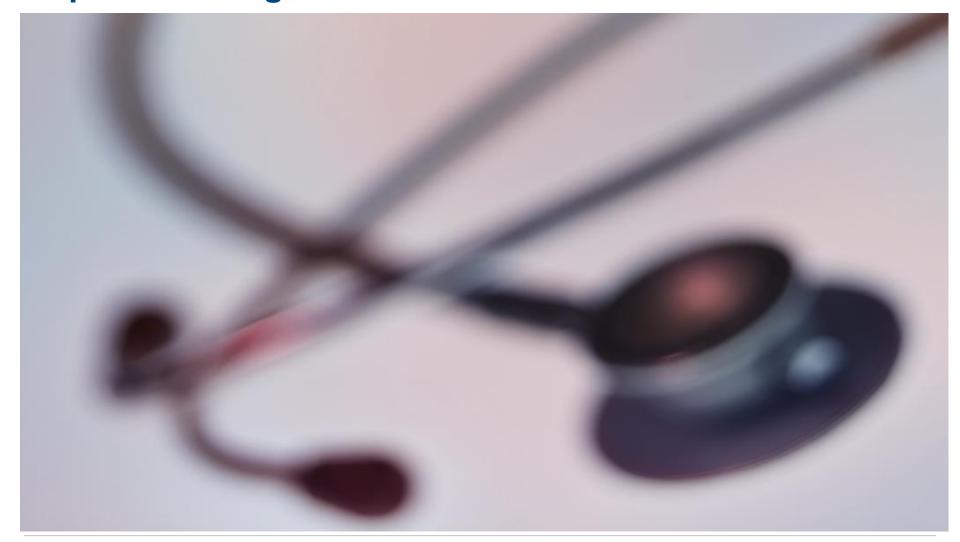
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### The Truth is ... Nothing Stays the Same



# **Change Can Sometimes Blur Our Focus on the Most Important Things**





#### **Today's Objectives**

#### By the end of the session, leaders will:

- **▼** Understand how changes in the external environment are forcing organizations and leaders to move from episodic change to continuous change in healthcare.
- ▼ Understand the essential constants in healthcare (core) and what leaders must do to assure ongoing viability.
- ▼ Be able to identify at least two core skills to enhance your personal leadership toolkit in the face of change.

#### **Change in Healthcare**

- ▼ The most challenging aspect of business is leading and managing change.
- ▼ Change is constant in a dynamic environment.
- ▼ The only certainty is continuing uncertainty.
- ▼ Competitive advantages do not last.
- ▼ Leaders must:
  - ▼ Be open to change.
  - Create/identify need for urgent action.
  - ▼ Become change agents in stimulating, implementing and supporting change in the organization.



So, What's Changing for Your Organization...Your Role





#### So what has changed in healthcare???

The biggest and most profound challenge we've had to deal with- and the one that's requiring the biggest adjustments inside organizations- is our industry's move from episodic change to continuous change.

~Quint Studer
A Culture of High Performance



#### And, what has not changed in health care?

- ▼ Passion is lived out in each of us, our work and our commitment to the communities we serve.
- ▼ The desire to do purposeful, worthwhile work, and make a difference- our core values (the glue in our sneakers).

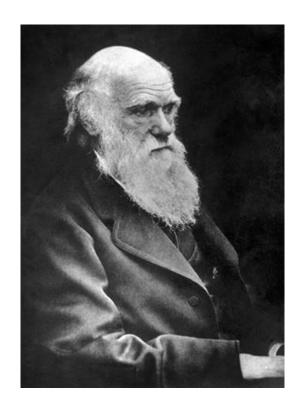


#### We Must Build a Culture of Quality ALWAYS

- Continuous readiness versus spot readiness
- ▼ Transparency makes everyone an "oversight" body
- ▼ Organizations must maintain a "culture of always"







"It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change."

Charles Darwin



#### **Drivers of Change Today**

- ▼ NCQA/Federal Mandates/Medical Home
- Consumer decision making
- ▼ Value-based purchasing (Added Value Versus Volume)
- Engaged employees and physicians

Know your drivers of change!



#### We are in a Marathon Not a Sprint!



- ▼ Leaders will require different skills, different muscles, different tools to effectively run the distance.
- ▼ In the past training was for an episodic delivery system (reactive). Today, training must be for continuous change (proactive).

# Moving From Sprinter to Marathon Runner Requires New Skills: Leadership Development is Mission Critical!

- ▼ We have to consistently develop the skills leaders need to be successful to remain ahead of our competitors.
- ▼ Training isn't a one time deal because health care is always changing; we have to be lifelong learners to provide the safest care for patients and a healthy work environment for employees.
- ▼ We must train to achieve organizational goals, fill the gap where there are weaknesses and be prepared to mentor others to sustain excellence.



# But, We Don't Like Change... Even For The Right Reasons!







#### What are Common Reactions to Change?

- Confusion
- Anxiety
- Procrastination (Gradual Change)
- Frustration
- False Starts
- Anger
- Denial/Refusal to Participate
- Excitement
- Other?



#### **Maximize Your Ability To Influence Change**

Leadership Skills
Self-Check





#### **Traits Often Shared by Effective Leaders**

#### Drive

▼ High energy, displays initiative and is tenacious.

#### ▼ Self-confidence

Trust themselves and their abilities.

#### Creativity

Original in their thinking.

#### Critical Thinker

▼ Able to integrate and interpret information.

#### **▼** Industry knowledge

▼ Know their industry and its technical foundations.

#### Motivation

▼ Enjoy influencing others to achieve shared goals.

#### **▼** Flexibility

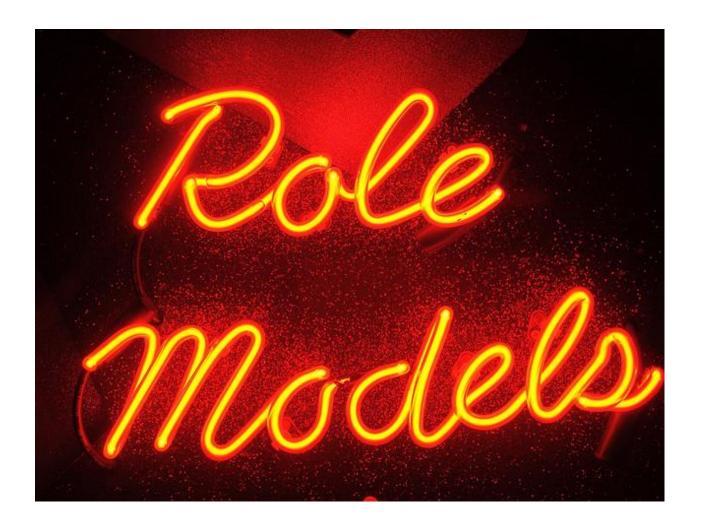
Adapts to fit the needs of followers and demands of situations.

#### Honesty and integrity

Trustworthy and dependable.



### Be the Change You Want to See Others!





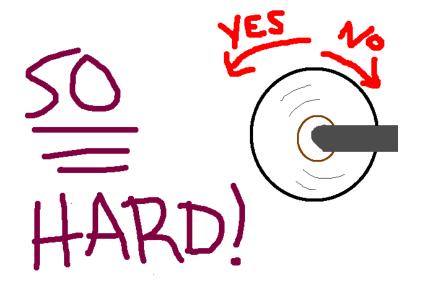
### **Leading Change**





#### **Leading Change**

- ▼ Why is it so hard?
- ▼ Why do so many transformation efforts fail?



Think of a time you tried to implement a change with your staff/team and failed. What got in the way?

#### **Anchoring Change in Culture**

- Culture comes last, not first.
- Depends on results.
- ▼ Requires a lot of talk- Over Communicate !!!
- May involve turnover.
- Makes decisions on succession crucial.

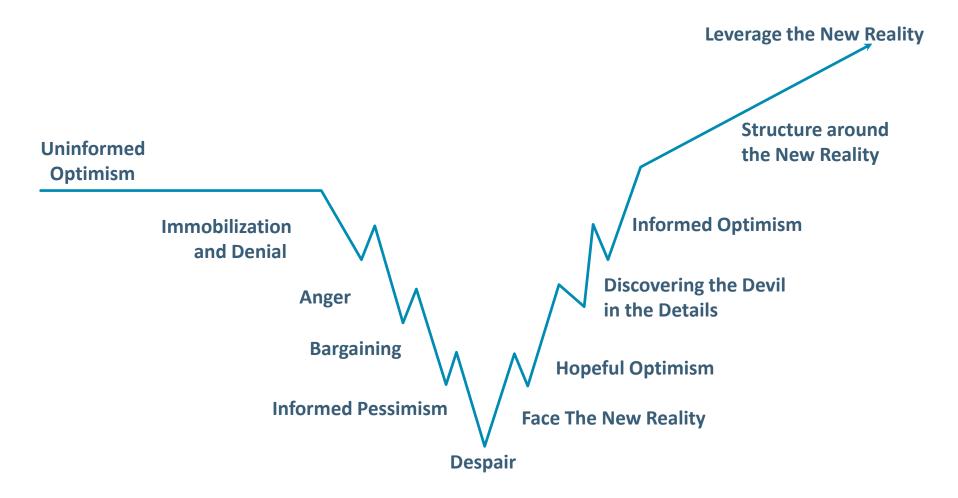


# Lessons to be learned: Change Management is a Methodical Process

- Change process goes through a series of phases.
- Critical mistakes in any of the phases can have devastating impacts.
- ▼ A few errors can spell the difference between success and failure.

There are no shortcuts to Greatness.

### **Valley of Despair**



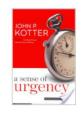


# Effective Change Processes Involves Eight Sequential Steps:

- 1. Establishing a Sense of Urgency
- 2. Creating a Guiding Coalition
- 3. Developing a Vision & Strategy
- 4. Communicating the Change Vision
- 5. Empowering Broad-based Action
- 6. Generating Short-term Wins
- 7. Consolidating Gains & Producing more Change
- 8. Anchoring New Approaches in Culture



"The biggest obstacle in achieving high performance is not achieving the needed urgency for change."



Kotter, John P (2008) A Sense of Urgency. United States: Harvard Business Review Press.

#### 1. Establish a sense of urgency

- ▼ Change typically begins with someone noticing a vulnerability in the organization. They kick into action.
- ▼ They try to communicate that sense of urgency to others.
- ▼ Tips:

Make the anxiety of not changing greater than the anxiety of changing.

Communicate consequences in inaction.

#### Bad results are a blessing and a curse

▼ Never waste the opportunities offered by a good crisis.

▼ Think about times of positive organizational change from a crisis? How did you communicate a sense of urgency?

**▼Example: Hurricane Hits Your Community** 



#### 2. Form a powerful guiding coalition

- ▼ Change efforts often start with just 1-2 people.
- ▼ But they must continually ripple to include more and more who believe the changes are necessary (stakeholders).
- ▼ The need in this phase is to gather a large enough initial core of believers (3-5 people).
- ▼ This initial group should be relatively powerful (formal and informal...not always the usual suspects).
- ▼ They help bring others on board with the new ideas.

### The Power of Champions!



#### 3. Create a vision

- ▼ A picture of the future that is relatively easy to communicate and appealing to the stakeholders.
  - ▼ What will be better? How will I fit?
- ▼ Helps clarify the direction in which an organization needs to move.
- Useful rule of thumb:
  - **▼** If you can't communicate the vision to someone in five minutes or less and get a reaction that signifies both understanding and interest, you are not yet done with this phase of the transformation process.

#### 4. Communicate the vision

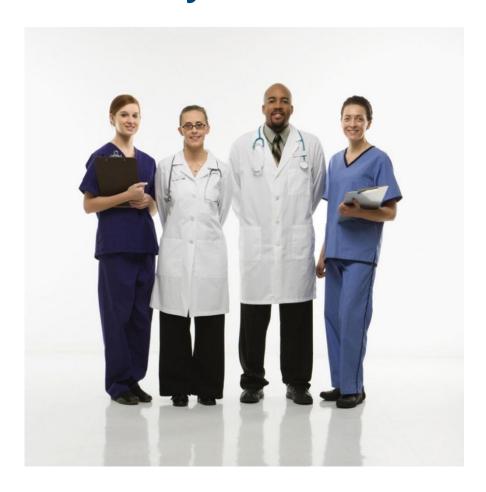
- ▼ Estimate how much communication of the vision is needed, and then multiply that effort by a factor of ten.
- ▼ Insufficient:
  - Holding a single meeting or sending out a single communication.
  - Making speeches to group of employees.
  - Newsletters
- ▼ Walk the talk, nothing undermines change more than wrong behavior by important individuals.
- **▼** Tip:
  - Use every existing communication channel and opportunity.



#### 5. Empower others to act on the vision

- ▼ People don't resist their own ideas.
- Even if they can't plan "what" they can plan "how".
- ▼ Remove any key obstacles to the change.
- ▼ Nothing is more frustrating than believing in the change but not having the time, money, or support needed to effect it.
- ▼ The action is essential both to empower others and to maintain the credibility of change effort.

#### **Empower Others Early in the Process**



Results will be achieved faster and sustained longer!



#### 6. Create short-term wins.



- Change takes time. High risk for loss of momentum and the onset of disappointment.
- ▼ Most people won't go on a long march for change unless they begin to see compelling evidence that their efforts are bearing fruit.
- ▼ Balance "preparing for" and "implementing".
- ▼ Commitments to produce short-term wins help keep the urgency level up.

#### 7. Consolidate gains & create more change

- ▼ Don't declare victory too soon. That kills momentum.
  Old traditions reclaim ground.
- ▼ Can take 5-10 years to sink deeply into a culture
- ▼ New approaches are fragile and subject to regression.
- ▼ Use the feeling of victory as the motivation:
  - ▼ to expose opportunities for more tuning.
  - To move people committed to the new ways into key roles.





# Change sticks when it becomes the way we do things around here

- Two factors in institutionalizing change:
  - To show people the effects of new approaches.
  - Make sure that next generation of top management will personify the new approach.



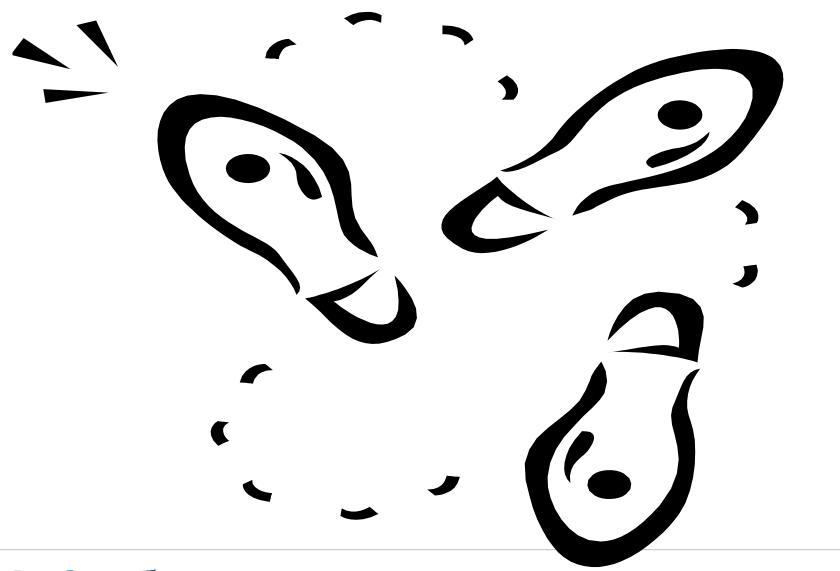
Did we ALWAYS have smart phones?

# Which phase presents the biggest opportunity for your organization to improve?

- 1. Establishing a Sense of Urgency
- 2. Creating a Guiding Coalition
- 3. Developing a Vision & Strategy
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### What If We Miss a Step?



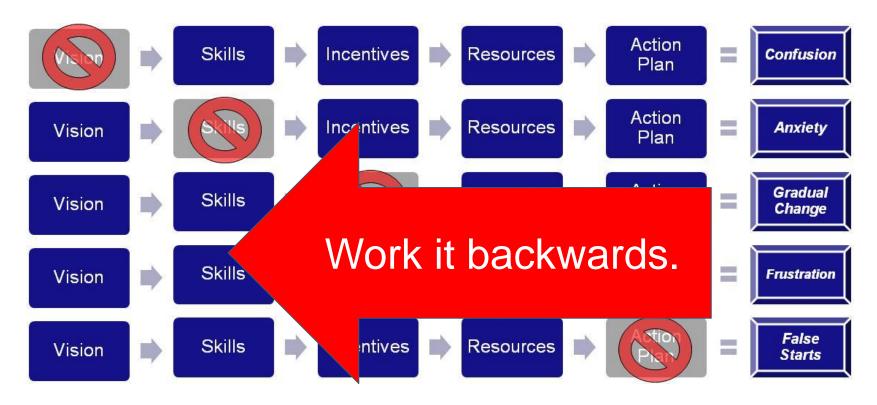
#### **Managing Complex Change**





#### **Troubleshooting During Change**

- ▼ Identify the emotions.
- Then work backwards to identify the missing element.





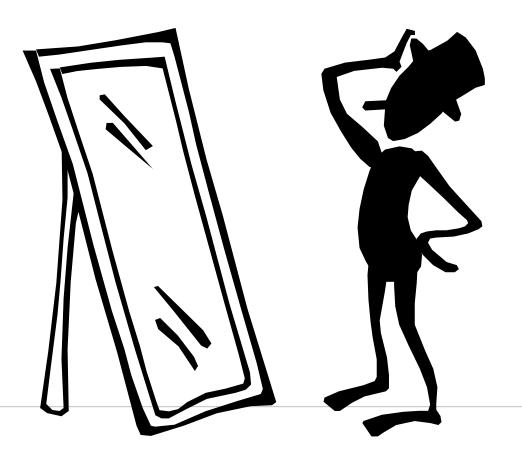
# Remember Communication is the Key at All Phases of Change

## All Kinds, All Ways, Often!



#### Before You Ask Others to Change...

Look in the Mirror...Are You a Barrier or Facilitator?





"Being a leader in healthcare today is like continuously walking up a down escalator. If one stands still they go backwards."

— Quint Studer





# Studer Group® a Huron Healthcare solution



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