

LEAN-SIX SIGMA

August 3, 2009

REGIONAL WEST HEALTH SERVICES COMMUNICATIONS PLAN

Goal:	To develop and implement a successful Lean-Six Sigma initiative at Regional West that creates a management culture focused on improving clinical and operational processes within and between departments.
Objective:	To implement process improvements which improve quality, patient satisfaction and efficiency. Target of initial 100-day workout: Identify and eliminate process waste totaling a minimum of \$2.2 million in hard cost savings.
Tactics:	Develop and implement a communications plan that educates and informs the entire Regional West employee population on the goals, techniques and accomplishments of the Lean-Six Sigma initiative.
Target audiences:	Hospital leadership, RWPC clinic leadership, RWHS employees at all levels.

Key Messages:

- Improvements in quality, patient satisfaction and efficiency can be better achieved by improving processes than by directly trying to reduce costs
- Processes need to be managed across departments
- Managers need to develop comfort managing through influence as much as authority.
- Delivering quality care can cost less money.
- An efficiently run organization is a healthy one.
- A successful Lean-Six Sigma program takes every employee at every level.
- Every idea will be considered.

TACTIC #1: Send a launch email to the Leadership Group from the CEO reiterating the Lean process, outlining expectations and introducing the Lean Resource Team.

Timeline: Thursday, August 6

Thank you all for your attendance at the Lean-Six Sigma Launch Meeting on July 22. I hope that each of you is inspired by the possibility of using clinical and operational process improvement to improve quality, patient satisfaction and efficiency across the entire Regional West organization.

Our immediate tasks over the next 100-days will focus on identifying and eliminating departmental waste. This process will teach us some of the tools and get us used to thinking about processes. The longer term goal, however, is a much larger cultural shift in the way we view our management responsibilities. Just as important as efficiency are the improvements we can make simultaneously in quality and patient satisfaction. To achieve these improvements we not only need to learn to think in terms of decisions we can make in our own departments but of how we can influence processes that span and affect multiple departments

Lean-Six Sigma is our opportunity to analytically review and change current processes that may be hindering our ability to provide exceptional care and high-level patient satisfaction. While cost savings are a part of the goal, the greater piece is developing ways to get better outcomes more

easily. It's important to remember that the emphasis is on process change and not on cost savings. However, if done correctly, the two can occur simultaneously.

By our 30-day Lean Workout on August 20, all directors need to input at least six of their required eight plans in the EXELerator system. In addition, at least two action plans should be completed by this date. Because of the short time frame, it is important that everyone stay on schedule. I know you are all very busy and I appreciate the extra effort that I am requesting from each of you.

A Lean Response Team has been put in place to assist you throughout this process.

Workout Coordinators: For Regional West Medical Center: Julie Franklin

For Regional West Physicians Clinic: Nancy Hall

Workout coordinators organize check-in meetings. In addition, they identify members of Leadership who may benefit from individual Lean coaching, organize waste walks, and help the organization stay on target during the LEAN process.

Over the next few weeks, waste walks will be conducted throughout the organization. If you are interested in having a waste walk conducted in your area or would like to be part of a waste walk team, please contact one of the Workout Coordinators.

Financial Liaisons: For Regional West Medical Center: Scott Wentz

For Regional West Physicians Clinic: Kathy Yates

Financial liaisons are valuable resources in helping figure or validate cost saving ideas and action plans. They will also review all plans to evaluate savings projections.

Communications Coordinator: Fiona Libsack will ensure that all employees are kept up-to-date with ongoing communication about the Lean process.

In addition to weekly emails and dailies, Lean-Six Sigma information will be posted on HBI in the "Lean" folder and on the SharePoint site which can be accessed via <http://rwhssp>.

I am excited about the possibilities that the Lean-Six Sigma Process presents to our organizations and am anxious to hear your ideas.

TACTIC #2: Send a launch email to all employees from the CEO reiterating the Lean process, expected outcomes and introducing the Lean Resource Team.

Timeline: Friday, August 6

Proposed copy is as follows:

On July 22, the RWMC Leadership Council and the RWPC management team convened for the Lean-Six Sigma launch. This initiative uses clinical and operational process improvement to improve quality, patient satisfaction and efficiency across the entire Regional West organization.

The challenges of delivering quality health care in the face of ever increasing costs, regulations and standards have become great. However, the current situation has created an opportunity. This opportunity allows us to take a comprehensive look at our organization, examining ways that we might do things differently to ultimately produce a higher level of patient satisfaction, job satisfaction, more efficient workflows and greater outcomes.

Our immediate tasks over the next 100-days will focus on identifying and eliminating departmental waste. The longer term goal, however, is a much larger cultural shift in the way we view all processes within departments and across departments at Regional West. Just as important as efficiency are the improvements we can make simultaneously in quality and patient satisfaction.

Lean-Six Sigma is Regional West's opportunity to analytically review and change current procedures and functions that may be hindering our ability to provide exceptional care and high-level patient satisfaction. While cost savings are a part of the goal, the greater piece is developing ways to get better outcomes more easily. It's important to remember that the emphasis is on process change and not on cost savings. However, if done correctly, the two can occur simultaneously.

The objective of Lean-Six Sigma at Regional West is to improve quality and patient satisfaction through process changes that will ultimately result in a minimum of \$2.2 million in hard cost savings over the next 100-days.

This initiative is not about staff reduction. Instead, it identifies processes that can be improved at all levels and in all areas of the Regional West organization.

While the first Lean-Six Sigma workout will only last 100-days, it is our hope that the initiative will spark a permanent culture shift in how employees consider process improvement in their everyday work environments.

The initiative includes workout meetings at 30, 60 and 90 days where members of the Leadership Council and the RWPC management team will report their process improvement ideas and action plans for implementation. The ideas will come from every employee at every level, working together to creatively think about the efficiencies that can be gained at Regional West simply by doing things differently or looking at processes in a different way.

As always, I encourage every employee to speak up. Talk to your supervisor about thoughts you have that could contribute to this initiative. Many ideas will be successful and others may not, but every idea will be considered.

Throughout the Lean-Six Sigma initiative, you will receive weekly emails that will provide educational updates and spotlight employee ideas. If further questions arise, please don't hesitate to ask me or your department director.

TACTIC #3: A week-long series of Lean-Six Sigma Dailies will be presented first to Leadership and then to the general staff. In addition, the dailies will be posted in each RWPC Clinic.

Timeline: Dailies read to Leadership August 10

Timeline: Dailies read house-wide August 17

Suggested copy is as follows:

Monday: What is Lean-Six Sigma

The Lean-Six Sigma process, an initiative recently introduced to Regional West leadership, encourages clinical and operational process improvement to improve quality, patient satisfaction and efficiency across the entire Regional West organization.

Lean-Six Sigma is Regional West's opportunity to analytically review and change current procedures and functions that may be hindering our ability to provide exceptional care and high-level patient satisfaction. While cost savings are a part of the goal, the greater piece is developing ways to get better outcomes more easily.

Lean-Six Sigma has been tested by hospitals nationwide and proven to show positive results and permanent change. The business improvement model focuses on delivering the highest quality care in the most efficient way possible.

Our goal is to develop and implement a successful Lean-Six Sigma initiative at Regional West that creates a management culture focused on improving clinical and operational processes within and between departments. Our objective is to implement process improvements which improve quality patient satisfaction and efficiency.

Tuesday: No more analysis paralysis – let's get busy saving.

According to Lean-Six Sigma methodology, there is a time to plan and a time to execute. The rule of thumb is that 25 percent of time spent in the Lean program should be spent planning and 75 percent should be dedicated to implementation. To ensure this balance, Lean-Six Sigma developed what is called a 100-day workout. The term refers to the timeframe from the development of a new process idea, to testing it, and finally to the implementation and cost saving realization.

Regional West began its first 100-day workout timeframe on July 22 during a Lean-Six Sigma kick off meeting held with all department and clinic leadership. Each director was asked to present at least eight process improvement ideas in which specific dollar amount savings could be identified. Over the next 100 days, each idea will be evaluated, tested and if proven effective, implemented. The ideas will be compiled in a 100-day action plan for each department and inputted in a software system called EXCEerator. Using the software, administration can track the implementation progress of each idea and the actual dollars that the organization saved by implementing the idea.

Thirty, 60, and 90 day check-in meetings are scheduled so that each department can report its success in overall process improvement.

Tomorrow you will learn about the seven categories of waste that Lean-Six Sigma identifies as areas for process improvement.

Wednesday: The seven categories of waste

According John Long of Caldwell and Associates, 30 percent or more of everything we do in healthcare is waste. Even if performed with diligence and great skill, it simply does not contribute to quality patient care or organizational goals. The patient is the one who defines what a value-added activity is. It is from the patient's perspective and experience across the entire continuum of care that we strive to improve clinical and operational processes

As a guideline for analysis, the Lean-Six Sigma initiative presents seven categories of waste that occur in hospitals across the country. The items are used as consideration points when developing process improvement ideas for departments and clinics at Regional West.

<u>Over-correction</u>	Does the process require unnecessary repetitive inspection that wastes man-hours?
<u>Over-processing</u>	Does the process create duplicate or parallel data bases and/or multiple processes for the same function?
<u>Excess inventory</u>	Do materials in your department sit around for long periods of time or expire before you have a chance to use them?
<u>Waiting and delays</u>	Do any of your department procedures cause bottle necks, unnecessary delays or extended wait time for patients?
<u>In quality staffing</u>	Are man-hours wasted due to scheduling practices, shift structure or duplication?
<u>Motion / transport</u>	Does your department use extended or out of the way routes to deliver patients? Is there a department so inconveniently located that it adds unnecessary time to patient delivery?
<u>Movement of materials and information:</u>	Are things inconveniently located within your department hindering workflow? Is electronic information hard to find when you need it immediately?

If you can answer yes to any of these questions, then there are potential process improvement opportunities in your department. Help make Regional West a Lean organization by sharing ideas with your director right away.

Thursday: Why do we need Lean-Six Sigma?

The healthcare environment is changing dramatically. More than ever before, hospitals are faced with the necessity to reduce costs while delivering increasingly better patient care. Maneuvering through stricter accreditation requirements and Medicare's ever-changing reimbursement policies will be more difficult and costly without a more effective framework for producing improvements

Adopting Lean-Six Sigma is essential to maintaining competitive edge. Lean-Six Sigma is our opportunity to analytically review and change current processes that may be hindering our ability to provide exceptional care and high-level patient satisfaction. While cost savings are a part of the goal, the greater piece is developing ways to get better outcomes more easily. It's important to remember that the emphasis is on process change and not on cost savings. However, if done correctly, the two can occur simultaneously.

One example is Morton Plant Hospital in Clearwater, Florida. Using the Lean-Six Sigma business improvement model, the hospital improved patient satisfaction over 50 percent, reduced emergency department length of service by 21 percent, and recovered over \$4 million in cost of quality, according to The American Society for Quality.

Through the Lean-Six Sigma process and commitment from all employees, Regional West can realize the same kind of results.

Friday: True change involves the entire organization: every employee at every level

As we have learned this week, Lean-Six Sigma drives sustainable bottom line results through the use of proven practices that increase process speed, eliminate waste, reduce variation, and improve patient satisfaction. All of these ingredients of Lean-Six Sigma are crucial for a hospital to sustain competitive advantage and achieve quality performance.

Lean-Six Sigma is a business improvement model that identifies rational process improvements that strengthen the organization and the services we provide rather than resorting to standard 5 or 10 percent across the board cuts that are often ineffective and target the wrong areas.

While the emphasis in the short time frame of the 100-day work-out is on eliminating obvious departmental waste, The longer-term goal of Lean-Six Sigma is more far reaching in that it will ignite a larger cultural shift in the way we view all processes within and across departments at Regional West.

Lean-Six Sigma expands the scope of a single department and instead, looks at clinical and operational improvements from a multi-department perspective. For example, improving ER wait times is an issue that cannot be addressed by the ER alone. Many departments affect wait times, therefore many departments have to be part of the solution.

TACTIC #4 Email weekly updates to all Regional West employees to keep them informed of Lean-Six Sigma progress.

Email content and timelines

August 14	Email update about Caldwell and Assoc. Yellow belt workshop information
August 21	Lean success at other hospitals
August 28	30 Day Celebration highlights
September 4	Lean idea spotlights
September 11	Lean idea spotlights
September 18	Rapid cycle testing
September 25	60 Day Celebration highlights
October 2	Lean idea spotlights
October 9	Lean idea spotlights
October 16	90 Day Celebration highlights
October 23	The Lean culture shift
October 30	Overall success report

TACTIC #5: All Lean communications will be posted to HBI and SharePoint.

Timeline: August 5

All instructional material, update emails and Lean resources will be uploaded using HBI and SharePoint creating easy access and quick reference.

TACTIC #6: Information flyers will be posted in all hospital elevators.

Timeline: August 9

Copy to read: Regional West is Getting Lean with Six Sigma.

- All employees
- At all levels
- Every idea considered

The 100-day countdown is now in progress. Join the Lean initiative by submitting process improvement ideas to your supervisor. For more information, visit the campus homepage/employee resources.