

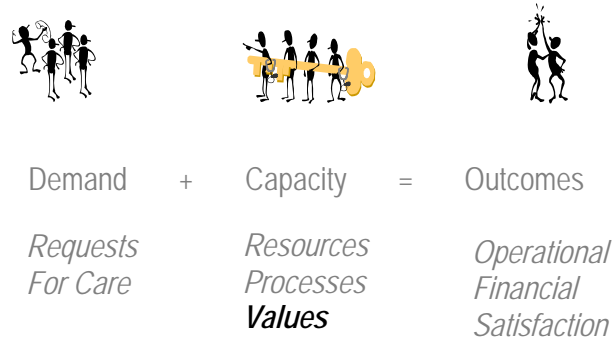
## *Chapter 4*

# Before You Start—What Matters Most?

Values could be described as what matters most to an organization. In healthcare organizations, they impact what and how things are done and how resources are used in delivering care. In fact, an organization's values “show up” for patients via its resources and processes. (See Figure 4.1.)

How do values show up? They impact which priorities receive resource commitments. For example, a group that values technology is more likely to commit financial resources to a robust information technology system. A group that places a high value on the care of patients with chronic diseases might commit to using patient registries. Values also show up in the mix of services that a provider organization offers. (See also Figure 4.2.)

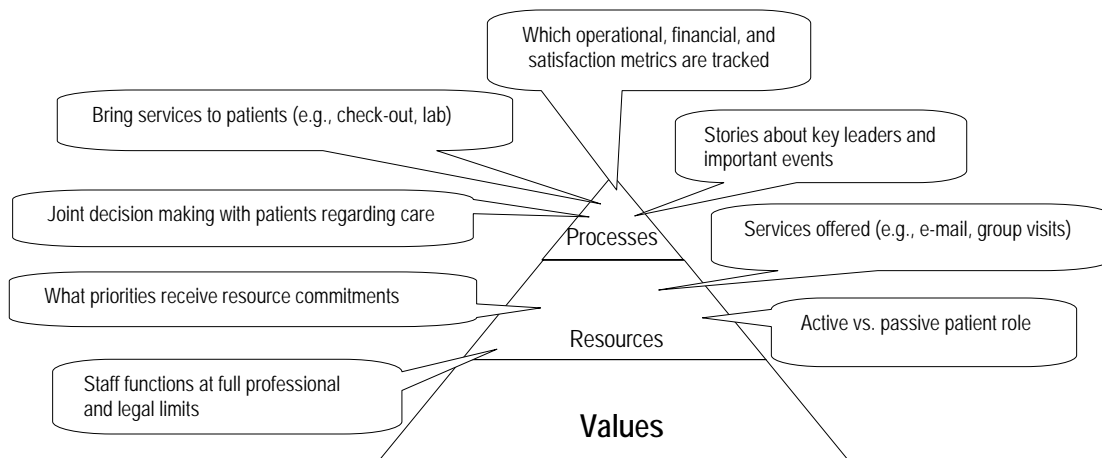
**Figure 4.1 Values in the Healthcare Equation**



Processes reflect values via operational activities. A patient-centered group might bring checkout and lab services to patients in the exam room. Values also show up in the stories told about key leaders and important events in the life of an organization. The selection and dissemination of metrics that are tracked within an organization also reflect values.

As discussed in case study #1, values at Clinica Campesina are communicated in a

**Figure 4.2 How Values Impact Resources & Processes**



variety of ways:

*Newly hired staff receives an orientation that includes a review of core values. Clinica is a culture of collaboration so there are many meetings in which important leaders are a part of the group where values are communicated. Values are also communicated in how we go about our business as well as how we take care of patients and staff.*

Overall agreement among staff and physicians about values or what matters most in a practice establishes a foundation, a touchstone that enables productive discussions as well as important decisions and ways to implement those decisions.

The book, *Good to Great* describes values as part of an extra dimension that is:

*... a guiding philosophy or a “core ideology,” which consists of core values and a core purpose (reason for being beyond just making money). These resemble the principles in the Declaration of Independence (“We hold these truths to be self-evident”)—never perfectly followed, but always present as an inspiring standard and an answer to the question of why it is important that we exist (Collins, J., 2001).*

Values are present in an organization whether they’re developed intentionally or not. If developed unintentionally, they often default to the individual values of a group’s leaders (Silversin, J., & Kornacki, M., 2000). Such values may include “do the right thing,” “work hard,” “first do no harm,” or “work as a team.” In academic settings, teaching and research are highly valued activities in addition to delivering care. Accountability to shareholders is likely to require for-profit healthcare organizations to place a higher value on income than many nonprofit organizations.

An organization’s leaders may have different beliefs regarding key values. For example, the author recently posed the question, “Who is your primary customer?” while leading a workshop with CEOs from five member hospitals of an integrated delivery network in the northeast. An active debate ensued. After 30 minutes, no agreement was reached. Some attendees contended that patients were their primary customers, while others believed that physicians and even insurers were their primary customers.

Problems arise when values among a group’s leaders conflict. For example, strong disagreement might emerge between a medical director seeking to form care teams and an informal leader who deeply values physician autonomy. When strong disagreement persists among leaders over time, subgroups or silos may emerge where a variety of values coexist. However, fundamental disparities over values make implementing a consistent mission, vision, or strategy difficult.

Set aside structured time for dialogue about key values. Include discussions about stated and unstated agreements, particularly with physicians. In the book, *Leading Physicians Through Change: How to Achieve and Sustain Results*, Jack Silversin and Mary Kornacki contend that the difficulty of medical groups to adjust to changes in the healthcare environment is caused by expectations that have become outdated:

*Physicians’ understanding of what they “give” can vary from group to group but typically has included delivering quality care*

*as each individual physician defines it and being productive based in part on group norms and in part on individual preference.*

*The “get” part of the physician compact in most medical groups is based on three foundational pillars: autonomy, protection, and entitlement. These represent what physicians see as the core promise made by the group when they joined (Siversin, J., & Kornacki, M., 2000).*

The author has found that frank dialogue with physicians regarding these issues is particularly important when a group is attempting cultural change. Beyond discussion at retreats, resolving values issues requires long-term action from a group’s leadership, particularly its physicians.

Which three to five values matter most to your staff, physicians and management? Do those values reflect how you want to treat patients as well as each other? What does your group stand for? Do your values encompass your uniqueness as a group or are they generic? Avoid bland statements that could just as well describe a bank or an accounting firm. Generalities like “we care” are clichés.

Mission and vision statements flow more easily when values are clearly defined and consistent. While mission statements reflect what an organization would like to be, culture reflects the current reality, via behaviors and norms. An effective values statement can be used as a standard for selecting improvement initiatives, helping ensure that they don’t sidetrack what’s really important.

Values statements also enable commitment to measurable performance goals. For example, a values statement declaring that an organization will “delight patients, provide a place where staff loves to work, achieve world-class clinical outcomes, and be profitable” might commit to the following performance goals:

1. A rating by 95% of patients that they would refer a friend or family member
2. A rating by 95% of the staff that the site is a great place to work
3. Revenues that exceed expenses by 5%
4. Clinical outcomes that meet or exceed HEDIS indicators regarding immunization, mammography, and diabetic indicators

In the article “Managing by Commitments,” Sull describes the link between organizational commitments and personal values:

*A commitment is not an impersonal proclamation issued by a faceless bureaucrat. It is a highly visible action, promise, statement, or decision made by an individual and closely associated with that person. To succeed, it must be consistent with the manager's ethos—her personal values and past action (Sull, D., 2003).*

While simple values and commitment statements can spread quickly throughout an organization with minimum confusion, complicated statements can easily get distorted beyond recognition. Wondering if a value or goal is easy to remember? Consider whether it passes the so-called elevator test.

Imagine that someone from your organization encounters a friend whom they haven't seen in a while on an elevator. Imagine also that the friend asks why he or she likes working for your group. Are your organization's goals and values simple enough for the employee to recall? More important, do your organization's values have genuine meaning for that employee?

Avoid developing a values statement out of obligation or without serious dialogue. If stated values don't resonate deeply with staff, they'll quickly be forgotten. In developing GreenField Health System, a redesigned clinical office practice model, Dr. Chuck Kilo spent weeks with his staff to intentionally identify the values of: innovation, humility, trust, fun, and generativeness. (See Table 4.1.)

How many physician practices embrace fun and humility as core values? These five words say worlds about the uniqueness of GreenField and are easier to recall than long values statements. Innovations like patient e-mail and the absence of a waiting room flow naturally from GreenField's intentional values.

**Table 4.1 GreenField Health System Core Values**

Innovation  
Humility  
Trust  
Fun  
Generativeness

The following exercise helps identify the relevance of values, their relationship to finances, and the impact of values on resources and processes. The exercise can be done

separately by individuals or in smaller groups that then share results within the larger group.

If you were given \$10,000,000 (or whatever dollar amount it might take) to turn your organization into the number one choice for patients, physicians, staff, and payers within two years, what would you do? Which actions would you take? Be as specific as possible. Don't hold back. Map out the activities on the values exercise that follows. (See Figure 4.3.) With circles on the matrix, indicate the activities based on their cost and importance. Once you've detailed the activities, answer the questions below. This exercise generates useful dialogue regarding how values relate to costs, resources, and processes.

1. Which actions relate more to values than resources and processes?
2. Do the actions related to values tend to be more important or less important?
3. Do the actions related to values tend to be more costly or less costly?

**Figure 4.3 Values Exercise**

