

Leadership Change Leadership Reference Guide

The purpose of this section is to provide ACO leaders with a simple to use “ACO Leaders Change Leadership Reference Guide” for accessing insights captured from the original research and the results of interviews with ACO leaders from across the U.S. An ACO leader might use the information in this section as a handy reference when leading a team through a system-wide transformation to a successful ACO, through a more narrowly focused primary care service line redesign, or through any other multi-stage initiative.

Domain I

Set Direction:
Mission, Vision,
and Strategy

Effective leaders challenge the status quo both by insisting that the current system cannot remain and by offering clear ideas about superior alternatives (Berwick)

Managers (leaders) can clearly articulate the differences between the new business model and the current business model (Govindarajan, Trimble)

If the implications of the innovation (including its subsequent effects) are fully assessed and anticipated, the innovation is more likely to be assimilated (Gustafson)

Domain I, Question I:

The messaging accompanying our strategic plan communicates a compelling reason why the future as an ACO is attractive to all stakeholders.

Key Challenges

- Not everyone understands the bigger picture, the mission and how it relates to them and their goals
- The current imbalance between striving to be value-centered and the need to still survive under FFS
- At the top layer there is intentional conversation about the why, but below the leadership team the existential questions - how do I fit in, what is the name of the new group, etc. - often crowd out the “why”
- Painting the picture under risk – it hard to say, “this is what we will look like”

What Appears to Work Well

- Focusing the message on transforming the culture to a mindset of value -- not just “accountable care”
- Communicating in a different way to different audiences –the plan is visionary, but the direct communication to the workforce must be personal and translated to front-line staff
- Identifying how the change will yield improvements for patients, communities, and the workforce
- Reinforcing that it is an “honor and privilege” to be able to shape the future of care
- Using positive patient stories to illustrate what we all would like healthcare to be

What Seems Best to Avoid

- Saying, “we are going to try it out”: You have to be committed to making the change (transition-to-value) to value - this is our long-term strategy
- Providing too much data (people don’t know what to do with the data)
- Basing the message and strategy based on being a victim of pressure

Domain I, Question II:

The sequence of improvement objectives in the strategic plan is guided by the workforce’s perceived ability to successfully perform the competencies required for success.

Key Challenges

- Ensuring the vision and “why” are clear prior to engaging the workforce to assess their perceived level of competency
- Combatting the “we’ll really never be ready” sentiment
- Teams and individuals at the practice level often aren’t open to change, and they often believe they are doing fine as-is)
- Financial responsibilities are assigned at different levels of the organization across each entity in the ACO - which make it difficult to respond to the competency gaps and for each organization to be successful, let alone the entire ACO

What Appears to Work Well

- Identifying the barriers to success on multiple levels - financial, relationships, staffing, ability to change and how quickly
- Aligning the strategic map's timeline to the pace at which people can change
- Recognizing what you can accomplish – and then accomplishing it – to ensure quick wins
- Hosting “get to know you” sessions with the teams to understand gaps in perceptions - and having an open dialogue between execs, providers and staff – focusing on listening to staff and asking, “is the message clear,” “what would you recommend we do to succeed,” etc.
- When speaking with staff (physicians and non-physicians), acknowledging the limitations of the organization's current tools and data, and reaffirming intention to work diligently with the team(s) to build the tools needed to succeed

What Seems Best to Avoid

- Assessing workforce competency through the “lens” of senior leaders - without engaging the workforce and asking for their opinion
- Dedicating any time on the laggards – the trick is to be laser focused on the early majority
- Spending too much time discussing finances with front-line staff
- Using only a stick – you need a carrot

Domain II

Establish the Foundation

Change cannot occur only through changing formal structures – new structures will not be embraced or sustained unless the assumptions that underlie them are identified and questioned. (Fletcher, Bailyn, Blake-Beard)

One explanation for why so many of these initiatives fail centers on the failure to change less tangible organizational assumptions, thinking, or culture. (van Eijnatte)

Compatibility with organizational or professional norms, values, and ways of working is an additional determinant of successful assimilation. (Denis)

If a leader approaches some types of mistakes as opportunities for learning and correction, conveys a sense of energy toward reaching goals, and is willing to try new things himself or herself, groups are likely to view change very differently than if the leader punishes or ignores mistakes, seems indifferent to goals, and avoids experimentation. (Caldwell)

Domain II, Question I:

The senior leadership team training plan is aligned with the strategic plan and includes training senior leaders how to lead people through change.

Key Challenges

- The “clinical leadership bench” isn't deep enough; a key gap is a change management physician leader
- Identifying and selecting the tools that help leaders lead the change after they receive training
- Providing useful tools and evaluation methods post-training to know what is sticking and why, how we can improve training and identifying which leaders need help in certain areas in a timely manner
- Breaking away from the busy day-to-day work to provide dedicated, focused time for learning

What Appears to Work Well

- Providing formal training for leaders on change leadership as opposed to having leaders seek their own training
- Providing scenario-based training through patient stories and leadership cases specific to the strategic plan
- Offering a training plan that helps leaders understand the details of the work tasks and challenges of the people they are leading so they can effectively work with staff to remove the barriers to successful change
- Training leaders on the mindset of a value-based organization and the goals of value, not simply the structure of an ACO

What Seems Best to Avoid

- Skipping the effort and time required to make sure the training is sufficient, that it is specific to the system's challenges
- Offering a training program that isn't aligned with the strategic plan
- Not allocating the training budget necessary for the leadership team's personal and collective improvement

Domain II, Question II:

The behaviors of our senior leadership team are consistent with the cultural values and norms we believe are essential for ACO success.

Key Challenges

- Efforts get diluted by other things – such as the challenge of leading physicians in a timely fashion through the new way work, troubleshooting so many fires
- Having teams and individuals establish ownership of the change
- Exploring the change in piecemeal – instead of developing an overarching population health strategy and plugging in programs such as the ACO into the operations

What Appears to Work Well

- Being transparent; discussing what is working, what is not and why
- Establishing credibility by ensuring all leaders have a collective understanding of the work to be done
- Defining excellence for leaders and allow for – actively promote - vulnerability among leaders when discussing the challenges reaching the standard of excellence
- “Walking the talk” – ask for input from colleagues and staff, building a culture of inclusiveness, operate with integrity

What Seems Best to Avoid

- Open displays of conflict between leaders of different parts of the organization – the conflicts seep into the culture of the front-line staff
- Sending mixed messages to the workforce through leader's behaviors and comments that don't align with the values espoused in the vision, mission and strategic plan
- Leaving an individual in a leadership role that does not represent the stated values of the organization

Domain III

Build Will

Effective executives make sure that both the organization's action plans and information needs are understood. (Drucker)

An organization that is systematically able to identify, capture, interpret, share, reframe, and recodify new knowledge; to link it with its own existing knowledge base; and to put it to appropriate use will be better able to assimilate innovations, especially those that include technologies. (Barnsley)

Demonstrable benefits and valued consequences had a positive impact on implementation success in a study that examined employee opinions regarding reasons for change. (Rousseau)

Domain III, Question I:

Our senior leadership team works with the workforce to ensure all staff understand the expected impact of proposed changes in the ACO strategic plan.

Key Challenges

- Ensuring communications and key messages trickle down to the front-line staff
- Creating the structure needed to directly connect with office and care staff at the individual practice level
- Staying focused – it is easy to lose track of the “why” and “what”
- Addressing limitations – “We are often asking fish to climb trees”

What Appears to Work Well

- Keeping this part of our work as a never-ending focus
- Conducting regular “ACO rounds” to help people understand what we are trying to do, how it will impact them directly and to learn how we can help
- Incorporating more data (timely, relevant, accurate, etc.) in meetings to help staff understand the impact – and need – of any proposed changes
- Regularly hosting inclusive brainstorming sessions to assess provider and staff and patient needs and to solicit new ideas
- Conducting frequent assessments relative to principles and priorities articulated in the mission statement and strategic plan
- Collaborating at all levels of the organization
- Meeting once a month with the workforce to discuss the strategic plan, progress/success, next steps, and to solicit input

- Ensuring patient stories are included in the strategic plan discussion
- Incorporating the patient, provider and employer voice in foundational measures
- Working with the communications staff to describe the future financial models at a high-level and our role in reducing the total cost of care, the impact of healthcare cost on the general population, how the U.S. compares to other countries and areas of improvement (within our space / scope)

What Seems Best to Avoid

- Communicating the same – or similar – message to all staff
- Focusing solely on the “what” and forgetting the “so what”

Domain III, Question II:

Our senior leadership team works with the workforce to ensure all staff understand how their performance goals relate to other team's performance goals and organizational goals overall.

Key Challenges

- Making sure the “lower level” clinical positions and office staff see where they fit and helping them understand the bigger picture
- Uncertainty regarding the financial benefit for the practice and the overall organization
- Effectively using dashboards that show the alignment of team goals with organizational goals
- LEAN methodology can cause teams to be narrowly focused - improving success for specific measures; but losing site of the system. Leaders must collaborative with the workforce to manage the tension, balance the focus at the microsystem, meso-, and macro- level.

What Appears to Work Well

- Focusing the conversation on care quality and patient outcomes
- Clearly outlining the measures and how each impacts the staff
- Having the physicians deliver the message
- Collaborating with the workforce to map their performance goals to other teams and the organization's goals
- Making the data relevant to each role and their patients and making sure the data is distributed automatically and accessible at any time, as opposed to sending out the information
- Meeting with staff regularly to ensure everyone can see how they are contributing to the success of the organization and to connect performance to the current and future strategic goals

What Seems Best to Avoid

- Teams operating in silos without team performance goals aligned with strategic goals
- Distributing messages related to performance goals only to practice leaders or leaders of organizational units, rather than ensuring all staff receives messages outlining how their work ties to organizational goals

Domain III, Question III:

Our senior leadership team works with the workforce to clarify how all staff can adapt and improve current knowledge and processes based on new performance expectations.

Key Challenges

- Developing a precise methodology for identifying gaps and matching the gaps to the resources the workforce needs to succeed
- Limited resources to help teams succeed
- Finding adequate time to learn how to methodically identify the problem, how to adapt and how to improve amidst financial pressures.

What Appears to Work Well

- Focusing on patient benefits when clarifying the importance of the change – making it personal for clinicians – and then giving them the autonomy they prefer to work through the changes necessary to meet the patient benefits
- Having personal connections with staff via one-on-ones, listening, providing a clear picture of the path forward and collaborating to develop a plan to adapt
- Running “mocks” (simulations) regularly (every month or so) to practice the change with practices

- Operating ad hoc workgroups that are led by team members who aren't the subject matter expert; often, team members who aren't considered experts in the domain or who aren't familiar with current processes can ask the intriguing questions staff need to challenge assumptions
- Establishing a professional development plan by first ascertaining what staff want to be in the future and what they need to succeed in the short-term and long-term. This has been one successful method to engaging the workforce in system goals and their own objectives – giving them a voice is important.
- During monthly meetings, conducting real-time surveys of staff to understand their perception of their challenges and how best to adapt to the strategic changes

What Seems Best to Avoid

- Being slow to react when challenges are identified, particularly early in a change cycle/plan
- A lack of intentionality and focus among leadership concerning the plans and support processes for helping staff succeed
- Relying solely on small incremental projects

Domain IV

Generate Ideas

Mental "boundarilessness" is tightly coupled with innovation and displayed by behaviors that emphasize curiosity-- asking open-ended questions, encouraging others to seek and try new ideas, encouraging and promoting diversity, and encouraging non-traditional approaches to problem solving. (Swensen)

It is vital that early members are carefully and thoughtfully selected or allowed to rise naturally; especially 'opinion leaders' and 'champions.' (Damschroder)

Coordination that occurs through frequent, high-quality communication supported by relationships of shared goals, shared knowledge, and mutual respect enables organizations to better achieve their desired outcomes. (Gittel)

Domain IV, Question I:

Our senior leadership team provides the guidance and "safety" (space for failure) care teams need to identify and test improvement ideas.

Key Challenges

- Our ACO doesn't real accountability with respect to down-side risk so we are open to a "space for failure", but they still must perform under FFS expectations.
- A lack of guidance and clarity regarding how to innovate and what it means to try and fail
- Operating under a downside risk contract, where there are thin margins and increased pressure not to lose the money
- The lag in performance data, which can make it difficult to know if changes are working in a timely manner

What Appears to Work Well

- Approaching staff with "help me, help you" mentality
- Allowing for the autonomy teams needs to find their own path
- Being open to experimentation and learning what works for each team / practice
- Bringing together multidisciplinary teams to discuss challenges, present new ideas and make a case for working on the idea
- Identifying and highlighting internal teams that have successfully completed a change project to prove "we can do it"
- Directing teams to "innovate" with a focus on the aims of the organization, then helping them develop constructive feedback loops to ensure the appropriate learning is occurring in a timely manner
- Shaping innovative thinking by sharing the type of problems you are trying to solve and suggest staff bring ideas to the table – indicating that no idea is unwelcome if it is attempting to address the change aim
- Using short PDSA cycles to quickly test ideas and learn quickly

What Seems Best to Avoid

- Promoting specific changes from the top-down, rather than helping teams understand the system aims and challenges, then allowing them to find a change pathway
- Preventing risk averse personalities on teams from thwarting tests of change and a willingness among the team to "fail"
- Proceeding with testing changes without having the performance measures defined prior to kick-off
- Starting a test of change without having benchmark data and a method for evaluating what worked and why

Domain IV, Question I:

Our senior leadership team identifies and works with “opinion leaders” to shape workforce engagement and improvement strategies.

Key Challenges

- Cultivating “opinion leaders” who aren’t in a position of power and leadership
- Avoiding a top-down approach to identifying problems and change ideas

What Appears to Work Well

- Identifying “opinion leaders” – or champions
- Ensuring the physician leader is engaged
- Establishing a self-selected monthly employee engagement committee that is the “eyes and ears” between the senior team and front-line workforce; inviting committee representatives to senior leadership meetings so they can share ideas regarding how the leadership can help the workforce
- Going with the willing first and cultivating those who are willing to speak up
- Showing that leaders are willing to listen, then ask for the input from others

What Seems Best to Avoid

- Empowering people – advocating for them to be “opinion leaders” – but then not providing them with the support they need to succeed
- Allowing vocal “opinion leaders” to consume conversations
- Permitting opinion leaders to only express ideas; it is essential teams move from ideas to action and learning

Domain IV, Question III:

Our senior leadership team works with the workforce to continuously improve communication patterns (timeliness, transparency, accuracy, etc.) within and across care teams and between executives and the workforce.

Key Challenges

- Ascertaining the style and volume of communications – too many communications vs. too little, what to share vs. what not to share, and which media is best
- Getting accurate performance data to the workforce in a timely manner due to the typical claims lag or time to integrate and analyze multiple datasets
- Establishing a clear measurement system to know if the communication patterns match the stated expectations and are helping the workforce achieve strategic aims

What Appears to Work Well

- Putting leadership in front of people via video or in-person town halls and allowing the workforce to ask questions (“open mic” style) where nothing is off limits
- Hiring a “communications manager” – or someone with similar skills - to produce clear, concise communications for the workforce
- In addition to training clinical teams on team communication goals (timely, transparent, accurate, etc.), spending focused time training administrative managers of clinical teams (e.g., office managers, etc.) on communication expectations for the team as well as across teams
- Hosting clinical and administrative team daily huddles
- Designing meetings so that every person is expected to speak, and documenting conversation themes on a whiteboard (poster) to create legitimacy for the conversation and offer evidence that what is said is being heard and will likely be acted upon
- Having leadership demonstrate transparency and express vulnerability

What Seems Best to Avoid

- Implementing a communications plan that doesn’t include a strategy for collecting timely feedback from the workforce; it is essential to understand if the workforce is consuming the shared information, understanding the content and how to improve the messaging
- General strategic information aside, distributing information that isn’t relevant to the current state of affairs or to the recipients of the information
- Leaving the impact of communication gaps unclear; each team member must understand how the defined expectations for communications within and across teams impacts other upstream and downstream teams

Domain V

Execute and Embed Change

Innovations that are perceived by key players as simple to use are more easily adopted. If the innovation can be broken down into more manageable parts and adopted incrementally, it will be more easily adopted. Further, if potential adopters can adapt, refine, or otherwise modify the innovation to suit their own needs, it will be adopted more easily. (Greenhalgh)

Leaders in the organization ensure individuals understand what is expected of them, have sufficient authority and feel accountable for delivering results. (Bazigos)

Cultures as a whole don't change; they evolve slowly as bits and pieces of them are changed by systematic change interventions. And these interventions work only when the culture changes are clearly tied to the fixing of some organizational problems linked to performance. (Schein)

Domain V, Question I:

Our senior leadership team works effectively with the workforce to break down strategic plans into manageable parts and refine the implementation plan change objectives based on local team dynamics.

Key Challenges

- Clearly understanding which challenges to address first – which will have the highest impact on financial performance and patient outcomes
- Shifting the mindset of the leadership team away from the traditional top-down approach to defining the desired planning cycle and pace of change to the often-slower pace that comes with collecting and responding to workforce feedback prior to proceeding with a plan

What Appears to Work Well

- Breaking down the strategic plan: beyond simplifying all the work to be done, intentionally balancing the level of guidance with giving care teams the autonomy they desire
- With teams, discussing how all involved teams can work together to accomplish the goals in partnership and making sure the change plan doesn't overwhelm the teams
- Using this important exercise to validate the strategy and "compelling" message is resonating with the workforce
- Using a method called "Objectives and Key Results (OKRs)"
- Hiring strong project managers to help teams document the details, understand the who, what, why and when, and to manage the project over time

What Seems Best to Avoid

- Focusing entirely on small, quick improvements prior to breaking down the plan to prioritize improvement needs
- When (or if) falling behind, keeping the same schedule and cramming all of the improvement needs into a shorter than estimated time period – adding to workforce anxiety
- Losing focus, which makes it hard to efficiently and effectively achieve the strategic goals

Domain V, Question II:

The behaviors of our senior leadership team promote and support local accountability for results.

Key Challenges

- Financial models don't always impact the organization enough to truly hold people accountable
- Skepticism among executive leadership team
- Leaders focusing solely on their "plate" rather than looking beyond their own responsibilities to ensure teams are sufficiently collaborating to succeed and continuously learn

What Appears to Work Well

- Having leaders who are fully invested in the change
- Making sure the systems - people support, technology - are in place for the practices to succeed
- Clarifying the responsibilities and performance expectations of leaders right from the start
- Publishing a performance scorecard with unblind performance data, showing how each clinical team compares to other teams
- Assigning local teams that include leaders the responsibility for a change initiative, positioning it as a locally owned and a co-led initiative

What Seems Best to Avoid

- Placing the majority of change leadership on middle management
- Imbalanced repercussions from sub-optimal performance between leaders and front-line staff

Domain V, Question III:

Our senior leadership team collaborates with the workforce to regularly share key lessons learned across teams and promote key behaviors that exemplify value-focused care principles.

Key Challenges

- Without an over-arching strategy for operating as a population health entity, and a variety of performance-based programs with different rules and measures, it is difficult to establish a systematic approach to identifying and sharing lessons learned across the all care teams
- Connecting with teams given their hectic schedules
- Consistently engaging clinical practices in lesson sharing and continuous improvement

What Appears to Work Well

- As opposed to simply sending an email to say, "way to go," having team members present their work to the organization, highlighting what they did to succeed and to share lessons learned
- Using a variety of media - breakfast, emails, mandatory phone meetings, newsletters, webinars, etc. - to share key lessons learned about rudimentary work and showcase how one practice does the work with other practices
- Creating collaboratives within the organization, or between two care teams, whereby similar practices are connected to one another to share ideas
- Celebrating wins and highlighting individuals and team members
- Using stories that highlight the impact on patients and staff work life to describe the work and key lessons learned
- Tying key lessons and stories to the organization's mission and strategic goals
- Featuring key lessons learned or "wins" across all of our teams on the company website

What Seems Best to Avoid

- Not pausing to appreciate what has been accomplished, only focusing on the job at-hand or the work to come
- Only sharing lessons within an organization, service line or unit, rather than broadly share lessons and change ideas
- Only allowing leaders – and not staff – to select which lessons to share