Breaking through the wall

Removing the barriers to Lean transformation

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Foreword

There were more than a few raised eyebrows when a handful of pioneering hospitals decided to test the principles of Lean manufacturing a decade or so ago. Skeptics argued that techniques designed for the factory floor could not work in a healthcare setting.

Such doubts have largely been banished, as organizations around the world have removed obstacles or unnecessary steps to improve the quality of the patient experience, increase safety and efficiency, reduce costs and free up staff to concentrate on care rather than administration.

The goal now is to find a way to sustain these gains, with many hospitals struggling to maintain their early momentum after the first couple of years of effort. One of the greatest challenges in healthcare is to move beyond projects to make improvement part of the ‘daily work’ at the frontline.

Some hospitals have managed to break through this barrier to create an environment full of problem solvers, and in this paper we take a look at how they have made this significant leap forward in creating a culture of daily continuous improvement.

The insights gained provide valuable lessons for future success, laying out the path that hospitals can follow to become truly Lean.

Dr. Mark Britnell
Chairman & Partner
Global Health Practice
KPMG in the UK
The early achievements of applying Lean principles to healthcare have been useful but often fragmented efforts, creating islands of improvement in the short-term but failing to deliver lasting benefits. If Lean is to realize its potential, it has to be adopted on a broader basis to become “the way we do things around here” rather than just a series of projects.

For this to happen, Lean needs to become part of the daily work of frontline staff and managers. A number of organizations are moving in this direction by creating daily improvement huddles where teams brainstorm new ideas, broadcast performance results within each unit, and ensure senior leaders spend more time at the frontline. Again, these advances – while positive – lack coherence. Long-term success can only come through an integrated management system that supports frontline engagement, root cause problem solving and continuous improvement.

In this new, enlightened environment, responsibility for new ideas shifts from the manager, senior team or central quality group directly to frontline staff. Such change is supported by something often lacking in many hospitals; a culture of standard work and coaching. Standard work is defined as the best way to complete a process or task and is a dynamic concept that will evolve thanks to improvements over time. Critically, coaching is carried out not in classrooms but on the wards, giving staff the confidence and competence to implement new ideas in an atmosphere where innovation is encouraged.

Through these developments, everyone in the hospital should see continuous improvement as part of his or her role, which can simplify the patient journey, raise efficiency and cut costs. This ultimately enables a renewed focus on the reasons staff entered the clinical profession in the first place: to enhance the quality of patient care.

“Patient journeys are not static but change over time. Therefore Lean coaching should encourage nurses, managers and clinicians to continuously adapt these paths by asking: “how can I do this better?””

Sören T. Eichhorst
Global Center of Excellence for Healthcare
Partner
KPMG in Germany

**THE THREE STAGES OF LEAN**

1. **Years 1-2**
   - Early experience
     - Project based, with an emphasis on operational improvements

2. **Years 2-4**
   - Making it part of daily work
     - Linking improvement efforts with strategic goals
     - Moving from a series of projects to daily continuous improvement

3. **Years 5-10**
   - Culture of continuous improvement
     - Changing mindsets and building capabilities
     - Embedding Lean across all areas of the organization

Source: Breaking through the wall, KPMG International, 2013
As more and more institutions embrace Lean techniques, specialist Lean practitioners and healthcare professionals are together learning how best to apply these principles to sustain early successes and expand the approach across the entire organization.

The first phase of the Lean journey in healthcare is characterized by operational improvement projects that lead to advances in efficiency and performance (often in areas such as the Emergency Department, Laboratory, Surgery or Ambulatory Care). After a couple of successful years, however, hospitals often hit a brick wall for a number of reasons:

- The gains from the initial pilot projects start to slip
- A majority of staff remain disengaged from the improvement process, as only a small group were involved in initial efforts
- Given the significant resources required for each project, it is difficult to scale up efforts across the hospital

- Frontline managers spend too much of their day managing the unit or firefighting, and have insufficient time to devote to change initiatives

Of course, these frustrations are not unique to Lean and readers may well have experienced similar frustrations with past initiatives in their own workplaces.

Breaking through the wall

Those hospitals that have managed to maintain their momentum recognize that Lean management is not a series of projects but a new approach to working, where continuous improvement is part of everyone’s job. The challenge for leadership is integrating this approach into everyday working life.

Key Elements of a Lean Management System

- Embed standard work into the culture
- Apply strong leadership and governance
- Measure the right things and ensure results visible
- Engage staff fully in daily improvement
- Coach the staff and transfer Lean skills

Source: Breaking through the wall, KPMG International, 2013
As one of the first hospitals to apply Lean methodologies, ThedaCare is widely considered as a leading advocate, delivering improved patient care and outcomes, reduced cost and waiting times, and better staff engagement.

The challenge
Having initially embraced Lean in 2003, ThedaCare, a community-owned health system, made significant strides to enhance quality and reduce waste. However, by 2008, leadership sought to raise the bar to meet its continuous improvement goals – in particular to increase productivity by 10 percent annually.

This entailed radical changes to the way its managers and leaders went about their daily work.

The journey
ThedaCare’s Business Performance System™ is an organization-wide quality improvement program with a structured approach to daily gains, training content for all staff and managers, and a direct link between all activities and the overall strategic direction.

The majority of its successes now stem from daily continuous improvement at the frontline rather than dedicated project teams conducting programs. For example, in 2011 alone, more than 20,000 staff ideas were implemented across the organization. Despite these highly impressive results – which compare favorably to virtually any other healthcare provider – ThedaCare’s management team is the first to admit that this is just the start, and often looks outside of the sector for inspiration from companies like Toyota, which alone generates more than 2 million ideas annually.

Through strong engagement of frontline staff, ThedaCare is building an entire community of problem solvers, with a culture of standard work and visual controls to sustain any gains.

Success to date
Teams at ThedaCare are now able to prioritize and pursue ongoing daily improvement opportunities, all carried out within a structured management reporting system that ensures alignment with the organizational goals.

In 2010, two of ThedaCare’s largest hospitals enjoyed improvements in over 80 percent of safety, quality, patient and staff satisfaction indicators. And these institutions also managed to raise both productivity and financial results in spite of increasing Medicaid (US public health scheme) volumes – even though these patients have significantly lower reimbursement levels.

“The question is not whether there is opportunity to improve. We are falling over opportunities, as most staff and patients can readily see. The real challenge is sustainability.”

Nigel Edwards
Global Center of Excellence for Healthcare
Director, Global Health System Reform
KPMG in the UK
The most consistently effective Lean institutions embrace standard work as a foundation for continuous improvement.

Standard work is often confused with policies and procedures. Although organizational policies do have an important role to play in ensuring clinical, risk, legal and financial best practices, they are of less use when defining how a given task should be completed. Consequently nurses, physicians and other staff all too often have to work it out for themselves, which leads to wide variations.

For example, different nurses may prepare patients for discharge in widely differing ways in terms of procedures, communication and advice.

With no common approach, those trying to improve processes lack a base from which to start their efforts. Standard work on the other hand creates a foundation by defining the ‘current best way,’ with very clear expectations that these steps will be followed, backed up by audits and observations.

Such a structure enables managers to understand when and why standard work is not being followed, and take appropriate action. In addition, managers and staff can together or individually eliminate any unnecessary steps in the standard work, continually questioning anything that does not add value to the patient journey. These improvements may be something as simple as improving communication between members of the care team, or ensuring that certain equipment or materials are readily available on the ward to speed up the daily routine.

As individuals identify a potential improvement, they will be expected to raise their ideas at forums such as the daily improvement huddle, after which the standard work will be adjusted, people trained on the new approach (where necessary), with staff and patients quickly benefiting from new ways of working. These modest, incremental improvements keep staff engaged and motivated, as they can immediately see the impact of their work.

Standard work should always be easy to understand and if possible owned by those doing the work. A strong Lean ethos impacts every staff member’s mindset by setting an expectation that improvement is one’s personal responsibility, which in turn helps to avoid over-reliance on specific individuals, making the organization more resilient when a key manager or informal leader moves on.

― Wai Chiong Loke
Global Center of Excellence for Healthcare
Partner
KPMG in Singapore

Embed standard work into the culture
By embedding Lean throughout the organization, this Canadian hospital is creating a culture where every employee is excited about doing things better.

The challenge
Prior to 2010, SickKids had experienced small pockets of success with Lean techniques in their laboratories, where the assistance of external consultants brought some improvements in turnaround times.

The hospital had acknowledged the need to be more efficient in the way it adopted changes, setting up a project management office to rigorously vet any prospective projects to ensure they were of strategic priority, and to provide updates on all project progress to the senior executives.

The journey
SickKids’ Lean journey began in earnest in 2010 when the board championed strategic improvement in its 5 year plan. A number of Lean experts were recruited from other industries such as aerospace and energy, to train and coach staff and work on new projects.

As it moves towards value-based healthcare, there is an increasing focus on efficiency as an important measure of quality.

SickKids has embarked on a number of successful initiatives, not just in clinical processes but also in back office functions such as supply chain, procurement and Human Resources, resulting in high satisfaction scores from both patients and staff. For example, new joiners now settle in and become productive far quicker than before, thanks to a Lean approach to recruitment and onboarding.

According to Jeff Mainland, Vice President, Strategy, Performance and Communications at SickKids, the new culture of continuous improvement is encapsulated in the daily ‘huddle board’ meetings between senior nurses and their teams on the wards, where ideas are raised and if possible actioned: “Despite initial skepticism, these meetings have become a way of life and over time are attracting more and more people, who see them not as administration but as part of their day job.”

Success to date
Units that have implemented the principles of Lean management have shown significantly higher staff engagement scores, which is creating much interest from other units wanting to come on board. The organization is also seeing an impact in areas such as patient satisfaction and hand hygiene, where units have increased compliance from 60-70 percent to levels consistently above 90 percent.

As Jeff Mainland concludes: “It is all about building a culture where people come to work every day thinking about how they can do things better. By getting rid of waste, our staff have more time to spend on the important activities that they were originally trained to do – which is caring for patients.”

“Standard work provides a foundation for continuous improvement; real transformation is impossible without such a culture.”

Gordon Burrill
Partner
KPMG in Canada

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Those on the frontline should recognize that Lean improvements can address their daily frustrations while also achieving the organization’s major breakthrough goals.

Like many performance improvement programs, the road to Lean typically begins as a series of projects.

However, these will at best involve a small proportion of hospital staff, so the majority remains unaware of the principles of Lean and the benefits derived from these projects.

Once the project has finished, the impetus to carry on the good work often stalls, as the team is diverted to other initiatives or simply caught up in daily "firefighting." If the organization is to move away from projects and towards a continuous improvement culture, it has to involve all staff in developing and actioning new ideas.

An environment dedicated to results and creativity

This is where the classic elements of Lean emerge, through a series of structured daily, weekly and monthly sessions involving teams of nurses, managers and clinicians. At the core are daily huddle meetings – often lasting 10-15 minutes maximum – where people review progress and also have the freedom to raise issues and come up with ways of addressing challenges.

These huddles must be built into the daily work and occur consistently, with the most successful exponents of Lean addressing smaller daily improvements as well as larger, unit-level goals.

Daily improvement ideas come from frontline staff and are quickly prioritized (often on a whiteboard, where they are graded according to ease of implementation and degree of impact). Staff can then collectively agree which ideas should move forward or be dropped, and flag those larger ideas requiring additional support. During this selection process, the team is frequently asked how their solutions relate to wider strategic objectives, which reinforces corporate goals and ensures staff are aware how they are contributing to these goals.

Surprisingly, most staff quickly warm to the task of leading small improvement efforts, happy in the knowledge that they will not face a bureaucratic committee. Typically a solution is expected to be implemented within a week and, importantly, must address the root cause. Such enthusiasm spreads fast, helping to bring on board even those more skeptical people that have seen many previous improvement efforts fail to stay the course.

Instead of responding to instructions from above, doctors, nurses and managers will now be responsible for building and continually refining the patient experience. These individuals have the greatest knowledge of the critical issues facing the hospital and are best-positioned to address challenges such as waste, flow and variability.

Staff are far more likely to be enthusiastic about and compliant with new processes that they have helped to create themselves, confident that their solutions will result in better patient outcomes and greater efficiency for the hospital.

Financial or non-financial rewards can stimulate creativity; celebrating successes reinforces the new culture of change and lets everyone know that their ideas can be translated into visible, measurable improvements.

While gaining buy-in from clinicians can sometimes be a challenge, the data-driven approach and sheer pace of Lean improvements at the frontline often wins over and engages this key group. Having been frustrated at the slow pace of change in the past, clinicians are attracted by the close involvement in the solution, where there is a clear and tangible link to patient quality and safety; the issues closest to their hearts.
“By breaking down the disconnect with clinicians, and creating genuine dialogue, executives build mutual respect, showing a desire to understand the situation from a physician or nurse’s perspective.”

Malcolm Lowe-Lauri
Global Center of Excellence for Healthcare
Director, Healthcare Advisory
KPMG in the UK

Energizing the workforce
Royal North Shore Hospital (RNSH), Sydney, Australia

Through coaching and support, staff at this troubled hospital have had the courage and desire to produce a huge turnaround in fortunes, by consistently applying Lean methods.

The challenge
In 2007 this large teaching hospital was going through a difficult time, with a number of serious incidents that had caused negative publicity and necessitated a formal inquiry. Morale had sunk so low that staff would hide their uniforms in public to avoid being associated with the hospital.

With a large budget deficit, angry, hostile staff and a constantly changing executive team, change was clearly needed to improve performance and revitalize the workplace culture.

The journey
Sue Shilbury, the new CEO/General Manager, was conscious that she was the latest in a long line of leaders. She set out to bring much-needed stability within the executive team, empower staff to make changes and create a positive environment through a common vision. It was important to have visible signs that the CEO and other senior figures were living the new values, displaying appropriate styles of behavior and managing performance in a consistent manner.

As part of this cultural transformation, RNSH embraced Lean techniques to improve performance, with specialized coaching from KPMG to give staff the skills and confidence to come up with their own practical solutions.

The team applied classic Lean principles, stripping out non-value-added components to simplify and standardize processes for clinical practice and remove variations, which had the added bonus of freeing up staff to spend more time on strategically important work.

As Sue Shilbury comments: “This was not about imposing solutions; it was about energizing people to come up with answers themselves, using Lean thinking. And we did not develop projects in isolation, so were able to achieve synergies between interdependent pieces of work, giving us a quantum improvement.”

Success to date
The positive new culture has led to a dramatic turnaround, with RNSH significantly improving staff turnover, costs, and length of stay through initiatives implemented during 2011-2012.

Staff now truly believe they have the power and capacity to effect change and as CEO, Sue Shilbury remains the overall Lean sponsor. But there is no room for complacency: “We are definitely not sitting back and basking in our success,” she says, “We are continually upskilling and empowering staff to make sure we build on our gains.”
Measure the right things and make results visible

By concentrating on a small number of key indicators – and creating transparency – everyone in the hospital can see the results and benefits of new ideas.

In a typical hospital, the sheer numbers of metrics (which can run into the hundreds) and outcomes at the senior team level can be overwhelming, especially for those at the manager or unit level. These measurements are given little or no prioritization, and consequently staff bravely attempt to meet every one, which introduces high stress levels, eats into their working hours and reduces the chance of innovative solutions, with firefighting becoming the norm.

The answer to the question: “which metrics are important?” is: “all of them.” However, in a Lean management system, this dilemma is overcome by leadership choosing a small number of key performance indicators, on which all improvement efforts are focused to achieve breakthrough performance (often over a period of 18-24 months). Once a given metric has met the target, it can be monitored and a new one may take its place.

To ensure consistency and a clear direction, these indicators are aligned with the organization’s strategic priorities, such as patient satisfaction, quality of care, staff satisfaction and financial efficiency. Internal or external benchmarking may also be useful in setting targets that compare to peer hospitals, so long as this is not viewed as the ultimate goal, which can lead to complacency.

Metrics must be meaningful to staff at different levels. For example, senior team and board members believe that average length of stay (ALOS) is a critical measure for almost any hospital, yet this lacks meaning for frontline nursing staff, who feel they cannot be responsible for such an outcome as too many factors are out of their control – such as the writing of discharge orders. In a Lean system, nurses would be given more relevant targets such as preparing patient discharges earlier in the day, or measuring the percentage of patients that “felt prepared for my discharge from the hospital,” which would contribute to a shorter ALOS.

The power of visibility

Performance boards are a central feature of Lean, helping management and staff to check progress towards their overall goals, such as hand washing to reduce in-hospital infection rates.

There is however a risk that these boards become a one-way communication from managers to staff, or worse still, are ignored completely. Smaller sets of clearly displayed metrics (such as simple run charts) can ensure that staff are more connected to their results, while huddle discussions are not just about reviewing performance but also to generate new improvement ideas, which again raises engagement levels. There is nothing more motivating than to see one’s own ideas – and subsequent successes – on a board, which assures people that their input is being taken seriously and leading to positive action.

Sharing of ideas can help spread best practice and improve performance, so staff should be encouraged to communicate with other units in the hospital and take part in job rotation programs.

The ‘quality versus cost’ debate has featured in many Lean discussions, as some healthcare workers (mistakenly) fear that Lean places an excessive emphasis upon cost cutting. Pure cost reduction initiatives tend to produce notable short-term savings of as much as 15 percent, but rarely sustain these successes.

Contrary to traditional thinking, quality and cost are interdependent, as there is a greater potential for long-term savings from improvements in clinical efficiency and quality of patient care, such as shorter length of stay, lower readmission rates or fewer unnecessary diagnostic tests performed on patients. By giving quality the top priority on performance boards, staff will start to change their perceptions and acknowledge the holistic benefits of Lean.

“Clinicians are very responsive to clear evidence. If you can prove that a particular process reduces length of stay, or produces better outcomes, you will get a positive response.”

Malcolm Lowe-Lauri
Global Center of Excellence for Healthcare
Director, Healthcare Advisory
KPMG in the UK
Since initiating an operational management system in 2008, these hospitals in the north of England have managed to close 100 beds yet safely service the same number of patients.

The challenge
In a bid to cut bureaucracy and improve efficiency, in 2006 these two hospitals adopted Lean into three strategic areas: radiology, phlebotomy and children and women’s divisional offices.

Having achieved a 43 percent reduction in end-to-end patient turnaround times, leadership set itself the even tougher task of sustaining these gains and spreading them further around the organization.

The journey
Eager to move away from a project mentality and integrate Lean into mainstream management processes, the hospital’s staff have been working to ensure that all steps in the various clinical processes contribute to improved flow, through standard work.

Central to this progress is the concept of the ‘visual hospital,’ with a plan for every patient and a clear picture of overall patient flow hour-by-hour. Through this, the team can view where a patient is at any moment, the demand for and availability of beds, turnaround times within each part of the system and any delayed discharges.

A weekly ‘value stream map’ provides an immediate situation report, while daily meetings give managers and the staff the opportunity to voice any issues or improvement ideas. Any variation from the standard is considered an opportunity to improve and is immediately highlighted and addressed, using root cause analysis to determine the reason. By communicating regularly with service users the patient is now at the heart of the service, which gives greater certainty for users and patients, and enables repeat appointments to be booked sooner.

The Trust’s senior clinicians and managers demonstrated strong leadership and maintained regular communication, with staff fully engaged and empowered to understand Lean and come up with their own solutions. Team members have been given sufficient time and a safe environment for growing and testing ideas, and all hospital staff can now study for a UK National Vocational Qualification in Lean.

Success to date
The hospital has not only sustained its improvements but also exceeded them, helping embed a Lean culture of continuous improvement. The average length of stay for medical patients and emergency surgical patients has been reduced significantly, while over US$3 million a year has been saved by closing over 100 medical beds across the Trust – with no negative impact on patients. By redeploying staff, the hospitals have also cut around US$1 million in annual payments to nursing and other agencies.

Consequently the UK Health Service Journal awarded the Trust ‘Acute hospital of the year’ in 2011, commenting that it was: “an extremely impressive and rounded organization where care has been improved by focusing not just on safety but also on individual patient outcomes.”
Leaders need to be strong role models for the behavior they expect across the organization

In a bid to be more visible, some hospital leaders choose to have a greater presence on the wards. However, all too often these visits tend to be ad hoc and result in friendly but largely unproductive conversations.

In a Lean hospital, leaders become more accessible and have a greater understanding of the frontline challenges, thanks to visual management and leader standard work, which involves senior management formally in the performance improvement process and increases mutual trust.

To be effective role models, leaders adopt the same behavior they expect of all staff, by following their own standard work, asking questions (rather than handing down solutions), and acknowledging the challenges facing the frontline. They embrace problems as opportunities for improvement and constantly try to remove obstacles to success. A history of multiple, short-lived change management programs has made staff suspicious that Lean will suffer a similar fate, so leaders have to provide a constant, visible commitment, year after year.

The board has a critical role in maintaining organizational resolve, particularly when the Lean journey encounters obstacles or resistance. Board members with experience and understanding of Lean will be better equipped for this task, so hospitals should consider recruiting new executives, setting up site visits to leading Lean hospitals (or institutions outside the health sector), and mandating the presence of senior leaders in improvement events or performance huddles.

KPMG in Africa’s healthcare teams are seeing a growing desire amongst the board members of private hospital groups to embrace Lean.

The methodology has not, until now, taken as much grip in African health systems as elsewhere in the world. However, early results that have improved quality while also reducing costs are building interest with board members, executives and staff.

Africa has the enormous potential to accelerate their Lean journey by taking the experience from successful transformations and adapting it to their own environment. With increasing pressure on quality, access to care and cost many senior leaders are looking to use Lean throughout their organizations, and in the process become case studies for other African organizations.
Building a long-term foundation
Tan Tock Seng Hospital (TTSH), Singapore

Through the involvement of key senior clinical staff, and the visible support of the CEO, Lean is being integrated into the DNA of the hospital.

The challenge
Like all public hospitals, TTSH has been under pressure to do more with less, a situation exacerbated by the ageing population and the large influx of expatriate workers into Singapore in recent years, putting greater strain on the healthcare system.

In addition, competition from private hospitals offering faster patient services, such as same-day appointments, compelled TTSH to find ways to match such excellence or face losing its share of more lucrative higher-income/employer-funded patients.

The journey
Having decided to embrace Lean, the management team made onsite visits to observe a number of successful Lean hospitals in the UK and the US.

Recognizing the importance of strong clinical support, leadership identified and worked closely with a group of senior doctors and nurses to bring them on board, sending them on training programs in the US in late 2006.

This clinical team was then augmented in 2007 with a permanent Kaizen Office of dedicated Lean facilitators, to support standardization efforts and provide vital training and coaching. To qualify, candidates must be at least deputy director level with five years’ experience within TTSH. To expand the pool of advocates, staff from around the hospital are regularly seconded to this office. Junior staff also receive training, and continuous improvement has become an integral part of all staff appraisals.

Meanwhile, to overcome a general misconception that Lean meant cutting staff levels, the program was re-labeled ‘MyCare,’ with the broad philosophy that everyone can play a part and everyone can be a problem solver. Ongoing road shows help to spread the message, while Lean successes are broadcast, with key participants publicly acknowledged.

“We are very concerned about sustainability,” explains Clarice Woon Lai Lin, Deputy Director for the Lean Kaizen Office: “every Lean program has 30, 60 and 90-day follow-ups for senior managers, who are also encouraged to walk the floors and discuss the impact of Lean with those on the frontline.”

The CEO is a visible Chairman of the Lean task force and sets the direction for the Kaizen Office; he and the other board members also attend most key Lean events, and ensure that funding and resources are available for essential programs.

Success to date
Tan Tock Seng Hospital has made many impressive improvements, with stays of orthopaedic fracture patients reduced through simple innovations such as moving x-ray facilities closer to the ward, and simplified family consent procedures for operations.

As Chief Executive Officer Professor Philip Choo remarks: “Today we have a high level of clinician involvement in our Lean improvement efforts and several members of our clinician leadership team are active supporters of our Lean efforts. We would never have got this far without their strong support.”
Coaching: the critical difference

Through action-based coaching and learning, those responsible for Lean can build the skills and confidence of staff as they seek to improve the patient journey.

A few training sessions alone will not bring the kind of far-reaching changes needed to create a sustainable Lean improvement culture. As they transition to their new role and build fresh skills, real-time coaching is the glue that strengthens and bonds the senior team, the frontline managers and staff, creating new expectations of behavior.

Senior managers benefit from coaching to help them role model the new behaviors, and create an environment, where problems are seen as improvement opportunities rather than a cause for blame or criticism.

Frontline managers in a Lean environment are transformed from firefighters to enablers, by leading daily improvement huddles, managing the performance board and helping guide staff to develop new ideas. They view success in terms of their people’s self-sufficiency, coaching people to lead improvements. Not every manager is likely to make this transition, so in some cases personnel changes are necessary to avoid holding up progress.

At the frontline, staff gain immense benefit from receiving coaching on process redesign, standard work and change management, gaining the practical skills to apply Lean in the workplace. Training is most effective when participants have the chance to put their new skills into action immediately, receive guidance when required and see the results of their work in real time.

KPMG’s ‘Lean/LEAD’ coaching and training involves an extensive 20-week period of one-on-one sessions, with regular follow-up reviews every 6-12 months to appraise progress and maintain momentum. We have a strong cadre of professionals who are both Lean accredited and have extensive healthcare experience, with an understanding of its unique challenges.

Frontline managers are responsible for the majority of financial, quality, safety, and service decisions and are therefore the main recipients of the coaching, helping them eliminate waste and deliver sustainable operational changes. Changes are made by the staff and not imposed upon them, with managers presenting their work to their peers and the executive, which strengthens relationships.
Getting back on track
St. George & Sutherland Hospitals, Sydney, Australia

After some notable early successes, these two hospitals found that the benefits derived from Lean improvement projects had started to fade.

The challenge
Under pressure to meet new government targets on waiting times in the Accident & Emergency department, in 2010, Director of Operations, Cath Whitehurst asked KPMG to help her teams regain their momentum as they entered an intense period of project work that also involved Orthopaedics, Neurology, Pharmacy and general stores.

The journey
Over a period of 4 months, each LEAD team member received around 6 hours a week direct coaching on issues such as business process improvement, Lean principles, change management and stakeholder management.

In addition, periodic workshops covered essential areas such as strategic thinking, communications, conflict management and presentation skills, all of which helped members become more effective at change management and Lean implementation.

One key objective was to infuse performance methodology into teams largely unfamiliar with such concepts; the majority of staff are now using these techniques on a daily basis.

The response was excellent, with the teams showing incredible commitment and dedication, as Cath Whitehurst notes: “The coaching allowed everyone to feel they had a positive contribution to make, which increased their sense of ownership. People are now thinking more carefully about efficiency, waste and duplication.”

Success to date
Results to date have been exceptional, with over US$2 million in annual savings, gained from shorter patient waiting times, reduced average lengths of stay, greater availability of beds and faster movement of inventory necessitating lower stock levels.
Conclusion

The success of the hospitals highlighted in this paper demonstrates the huge potential for Lean in healthcare.

What distinguishes these institutions is a total commitment to continuous improvement and a desire to end the vicious cycle of short-term gains followed by a relapse into old ways. To ensure sustainability, they have placed a strong emphasis on making improvement part of daily work – as opposed to a set of projects. They have supported staff with on-the-job coaching that provides them with the skills and confidence to challenge the status quo.

Lean makes the traditional ‘cost versus quality’ argument redundant; by improving clinical efficiency and quality of patient care, both public and private institutions will reduce costs. The rigor and discipline required in a Lean system should not be seen as a straitjacket but as an enabler, helping to channel the undoubted passion of healthcare professionals into practical solutions that meet the 21st century challenge to permanently raise quality and reduce costs over decades.
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