



ED PIP: Diagnostic Phase

Guides: Performance Management Diagnostic

Performance Management Diagnostic – Overview

Outcome	<ul style="list-style-type: none"> Management has a clear understanding of how the hospital's current state performance management practices compare to "gold-standard" practices
Definition: 'What is it?'	<ul style="list-style-type: none"> A set of surveys used early in a project to rate the organization's performance management system
Objectives: 'What is it used for?'	<ul style="list-style-type: none"> Performance Management Diagnostic is used to understand the baseline rating of an organization's performance management practices On an ongoing basis, the tool can be used to track the effectiveness of changes to an organization's performance management practices
Benefits:	<ul style="list-style-type: none"> The Performance Management Diagnostic is used by hospital teams near the beginning of a project to determine the baseline value of their performance management system The tool should also be used on a regular basis to monitor changes to performance management practices
When to use	<ul style="list-style-type: none"> Performance Management Diagnostic tools should be used prior to launching any process improvement project, then on a regular basis after implementing any changes to the organization's performance management system.

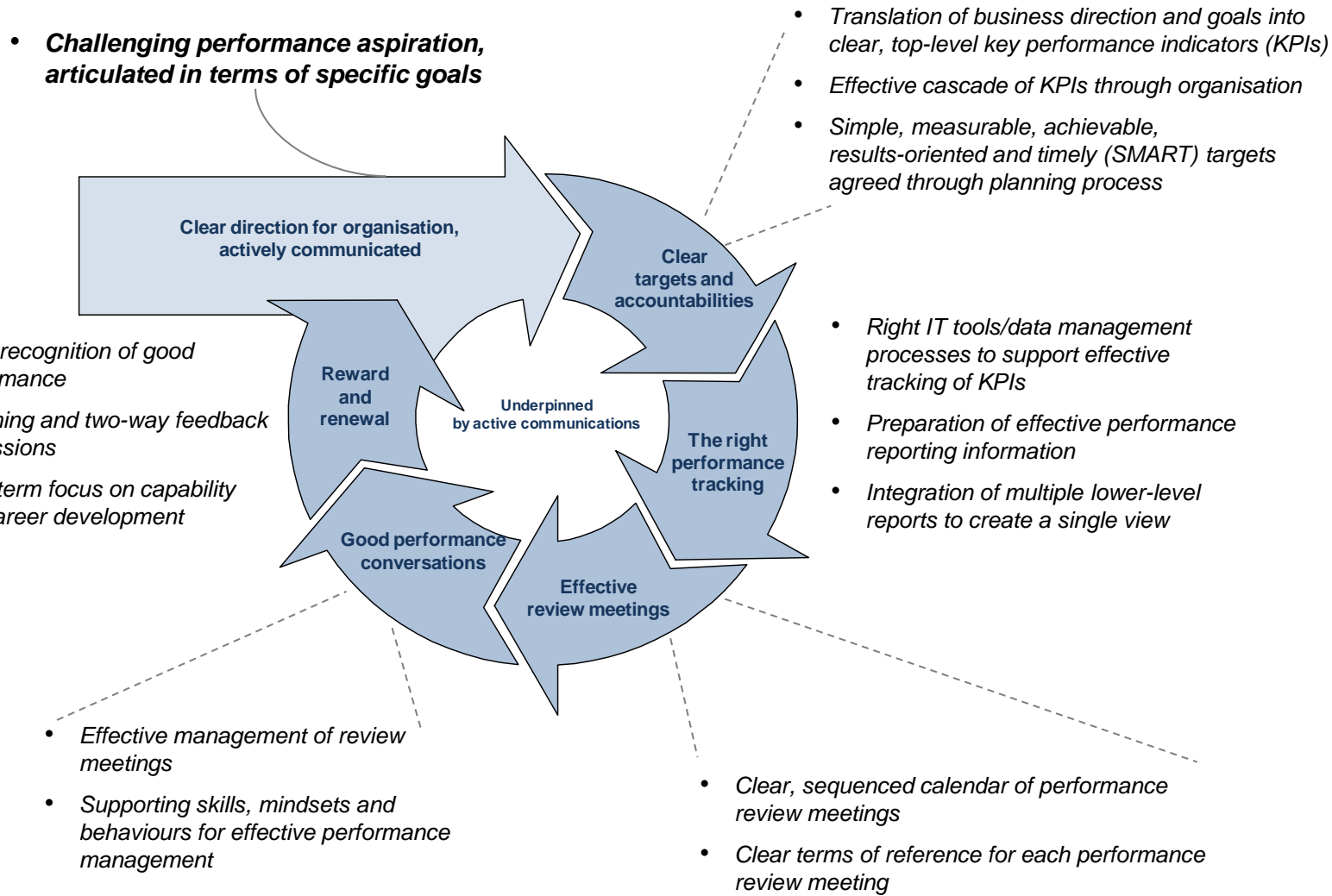
Tip for integrating Lean principles into healthcare:

- Part of successfully implementing Lean in healthcare is adopting common language that may have originated in manufacturing and internalizing how it is used in a healthcare environment*
- In order for process improvement changes to become sustainable and become imbedded within an organization, performance management is critical*
- This guide will help to provide insight into overall performance management practice in a hospital*

Performance Management Diagnostic – Instructions for use

<p>Align Senior Leadership on Key Components of a Good Performance Management System</p>	<ul style="list-style-type: none"> ■ It is critical to ensure that the results of the Performance Management Diagnostic are acted on by senior management <ul style="list-style-type: none"> – A common definition of a good Performance Management system prior to running the diagnostic will ensure that the diagnostic asks the right questions for the organization ■ Meet with key senior leadership to get buy in on the components of the performance management system as well as the data that will be collected to measure the effectiveness of the current performance management system
<p>Determine the Depth and Breadth of the Performance Management Diagnostic</p>	<ul style="list-style-type: none"> ■ Determine the form of the diagnostic e.g. survey, interview, focus groups <ul style="list-style-type: none"> – A widely distributed survey in combination with targeted focus groups and interviews will likely provide the right level of context and data ■ Determine how broadly each part of the diagnostic should be deployed e.g. across the entire hospital, within specific clinical areas, within specific departments, or with specific people ■ Determine the appropriate length for surveys and interviews <ul style="list-style-type: none"> – Longer surveys/interviews might provide more information but require more organizational commitment so can be more difficult to administer
<p>Develop Surveys & Interview Guides</p>	<ul style="list-style-type: none"> ■ For each type of diagnostic develop the material required to conduct the survey/interview ■ In order to give respondents context and promote honest answers, develop an up-front context paragraph to be read/delivered before responding <ul style="list-style-type: none"> – Give enough information about the purpose of the survey so that they can respond effectively – Set expectations about privacy and how the data will be used so that respondents don't feel threatened to respond honestly
<p>Run a Pilot and Refine</p>	<ul style="list-style-type: none"> ■ Particularly for surveys, it can be difficult to predict how respondents will interpret the answers ■ Test the survey with a small number of respondents prior to distributing it more broadly <ul style="list-style-type: none"> – This will help ensure that questions are clear and easily understood
<p>Conduct Survey & Report Findings</p>	<ul style="list-style-type: none"> ■ Once diagnostic materials have been tested and refined, roll them out across the target areas ■ Summarize findings and key learning points from the diagnostic so that they can be used in developing a plan to improve organizational performance management practices

The following framework outlines the components of a good performance management system



Performance management is important both to evaluate and monitor change, but also existing processes

Monitoring and Evaluating Process Changes

Improving Accountability & Strengthening Hospital Wide Performance Management

Goals

- Understand how processes are performing in order to make the right improvements
- After changes have been made, determine whether the changes were effective or not
- Determine whether or not piloted changes should be made permanent

- Ensure staff at all levels are engaged in performance management activities
- Ensure staff all levels understand how their behaviour influences key performance metrics
- Ensure management are using data to make day-to-day operating decisions

Tools Used

- Real-time data e.g. DART
- Control Charts
- Run Charts
- Statistical Analysis

- Existing management reports
- Real-time data e.g. DART
- Visual Management e.g. run charts, posters, etc.
- Daily performance management meetings

Skills Required

- Ability to select the right analytical technique
- Technical skill e.g. data collection and analysis

- “Soft” skills e.g. running a good meeting, providing good feedback
- Light data analysis

People Involved

- Hospital Improvement teams

- Staff at all levels of the organization

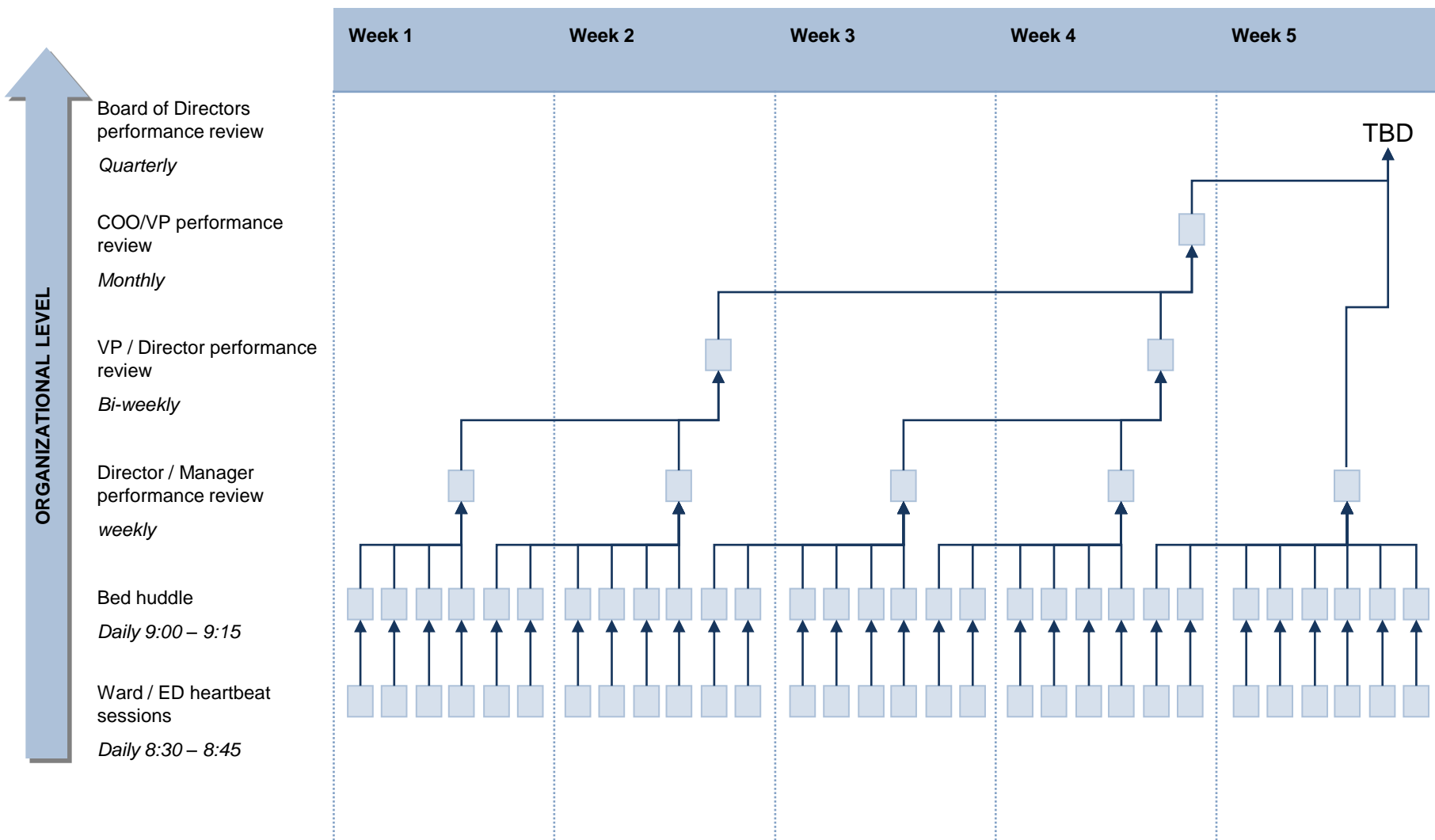
Appropriate target setting is critical to effective performance management, the following 4 techniques can be used:

<i>Approach</i>	<i>Description</i>	<i>When to use</i>
Arbitrary top-down target	<ul style="list-style-type: none"> Step-change targets that require fundamentally redesigning the way work is done 	<ul style="list-style-type: none"> Organization must improve its performance through a step-change to survive (e.g. the hospital is on the verge of bankruptcy)
External benchmarks	<ul style="list-style-type: none"> Peer and competitors' performance under similar operating conditions is used to develop aspirational targets 	<ul style="list-style-type: none"> Organization is a mid-tier performer with aspirational goal of becoming best in class Peers have similar characteristics and can realistically be compared
Internal benchmarks	<ul style="list-style-type: none"> Best period performance for comparable units under similar operating conditions is used to develop challenging targets 	<ul style="list-style-type: none"> Organization has a wide distribution of performance and tools share knowledge Units have similar characteristics and can be realistically compared
Bottom-up idea generation	<ul style="list-style-type: none"> Managers at every level develop improvement plans and define achievable targets, then iterate to align plans with top-down need 	<ul style="list-style-type: none"> Organization has the motivation and capability to develop robust improvement plans that deliver against business needs Organization depends on frontline buy-in and ownership of targets

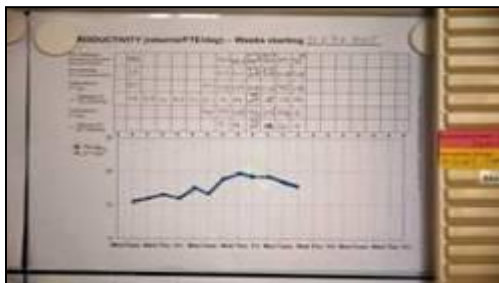
In order to actively manage performance relative to targets, high quality scheduled performance discussions must take place:

Element	Poor	Average	Best Practice
1 Process	No agenda or process for review meeting	Dialogue addresses historic performance and opportunities, loose agendas exist	Terms of Reference show the attendee list, agenda and rules for each meeting, to ensure the dialogue explicitly addresses risks, opportunities and historic performance and enable attendees to optimally prepare their contribution
2 Data and information	Reviews use no, few, too many, or very long reports	Some standard reports and scorecards used for business reviews	Focused performance, health and risk reports and scorecards used in reviews to create transparency on performance
	No linkage to what is happening at the frontline	Some understanding of what is happening at the frontline	Linkage to frontline performance dialogs
3 Problem-solving environment	No thought given to environment or how to structure the conversation	Some thought given to creating a positive environment for problem solving	Reviews held in constructive environment focused on problem solving
	No follow up on actions or accountabilities	Inconsistent tracking of accountabilities and follow up from previous sessions	Accountabilities agreed and then shared after the meeting

Target setting and performance reviews should happen across all levels and link directly to key metrics for the hospital:



Good data availability and performance management will create a problem solving environment where meeting leaders ask the right questions to challenge reasons for underperformance:



What is happening?

- What are the gaps to target?
- Are any trends causing concern?

Why?

- What has happened to cause the performance gap?
- Do we understand the true root causes?
- Do we have to investigate further to really understand the problem?

What needs to be done?

- Do we have to take any short-term containment action?
- What should be done to correct the problem and prevent this happening again?
- Will these actions completely resolve the problem or must we do any additional things to close the gap?

Who is going to do it?

- Who will take responsibility for completing the action?
- Does the owner need support from any of the other team members?

When is it going to be done?

- Is it a priority action?
- What is the deadline for completion?
- When are the intermediate milestones?

How is progress to be tracked?

- Will it be solved immediately or is it necessary to formally track progress (e.g. Unit Council)?

MINUTES - Park Management Team Meeting - March 10th, 2009

Present: Paul Rubin, Doug Oliver, Andy Lee (Chair), Tracy Marston (Recorder), Mary Anne Green, Pat Smith, Carol Peterson, Elizabeth Anderson

Report: Centre Update, Strategic Review

Item	Description	Action	Who	When	
1	Call to Order	Meeting called to order (10:00 a.m.)			
2	Review of Minutes/Review of Agenda One item added to Agenda	Minutes of Feb. 23 reviewed and accepted with minor changes. Pat's Agenda - is there one available to EMT?	Leptin available through Centre. OP. Will be signed, OK, and returned.	Pat will follow up with Tracy	March 18
3	Senior Finance Review	Approved/unapproved required variance	EMT Team to give Carol reports/minutes by March 23 (update date due)	All	March 23
4	EMT's Operations Report - Review of Major Concerns - Governance Concerns - Operations Report				A.S.A.P.

Tips and Tricks re: Performance Management Diagnostic

- Interviews with senior team should be confidential, it should be clear that this is not a review of their performance but rather the overall system
- Performance management becomes imbedded into an efficient and effective Organization
- The process of evaluating and addressing issues with a Hospital's performance management should be done as soon as the project kicks off
- CEO buy-in and involvement is critical throughout the process



- Avoid the temptation to see performance management as purely a data collection exercise
- While senior management involvement is critical, it should not be seen as a process only for managers. Staff at all levels of the organization should be actively involved

Performance Management Survey Example (page 1 of 3)

- *The purpose of this survey/interview is to collect information about the current state of the hospital's performance management practices in order to support or improve them*
- *Please keep the following in mind when responding to questions:*
 - *The survey/interview is confidential, your name will not be attached to the responses you give*
 - *You will not be evaluated based on the results of this survey*
 - *It is important that you answer these questions truthfully*

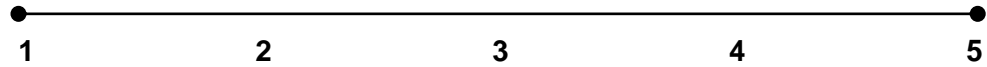
Performance Management Survey Example (page 2 of 3)

Strongly disagree

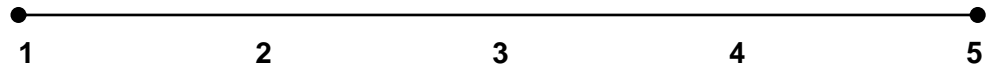
Strongly agree

1. Clear KPIs, targets and accountabilities

“The metrics that we use are directly linked to the outcomes that matter most to our patients and staff”

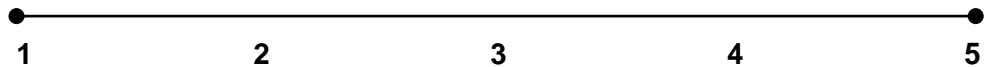


“I clearly understand the targets I am expected to deliver on – in fact, I could name them all right now”

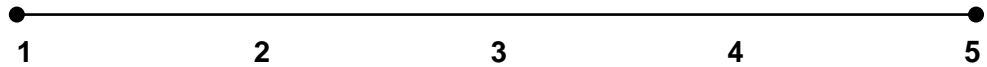


2. Linkage to budgets and plans

“Our budgeting and performance management processes are linked and support each other”

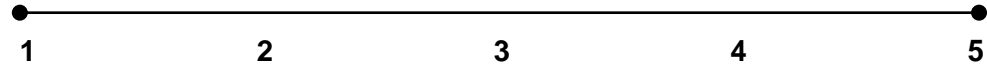


“The budgeting and planning process is used by the hospital to drive improvement”



3. Performance tracking

“Performance data is easily available and supports problem solving on the most critical issues for our patients and staff”



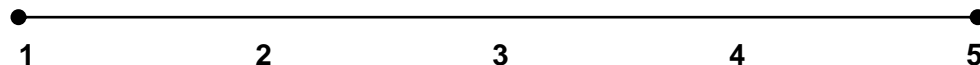
Performance Management Survey Example (page 3 of 3)

Strongly disagree

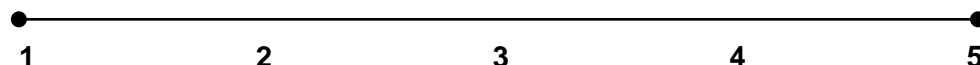
Strongly agree

4. Effective review meetings

“Performance reviews are well structured and I know what is expected of me”

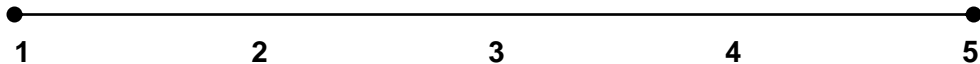


“Performance reviews at the frontline are occurring within my department”

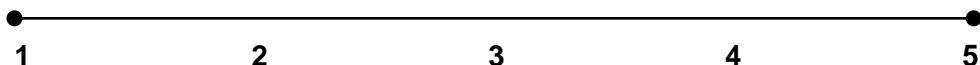


5. Reward and renewal

“I know who is not performing on my team and have been given the skills and time to coach them or are helping them transition to a new role”



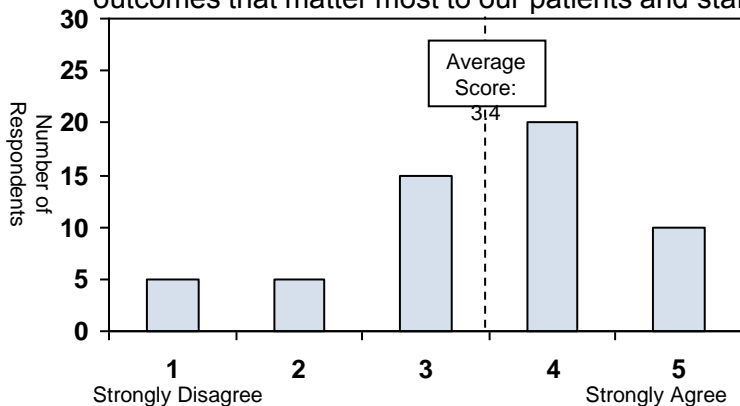
“Our incentive system rewards performance on our metrics and reinforces excellent patient care”



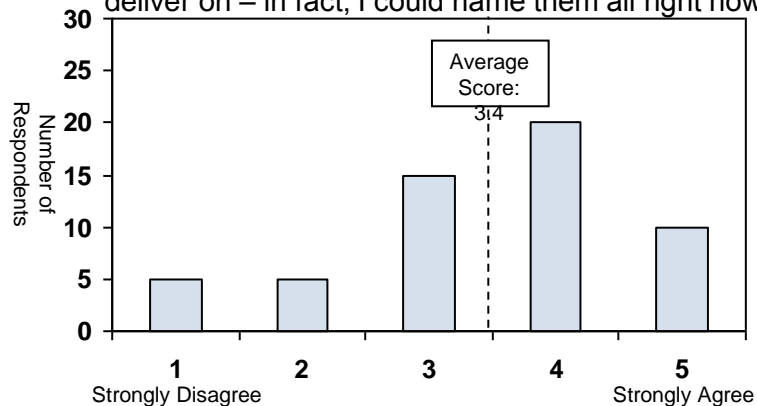
Example Performance Management Survey Results Report

Clear KPIs, Targets and Accountabilities

“The metrics that we use are directly linked to the outcomes that matter most to our patients and staff”

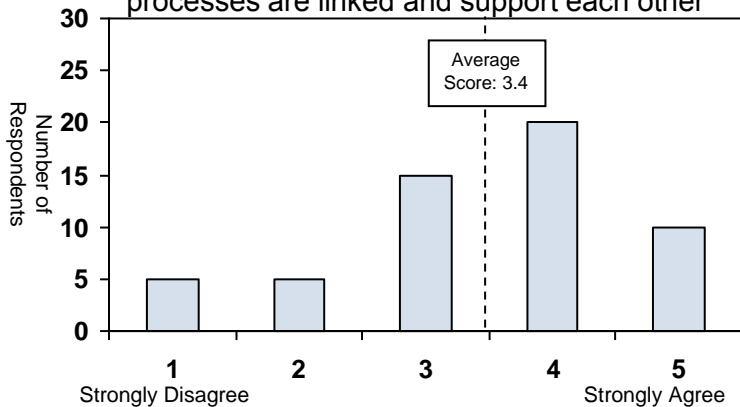


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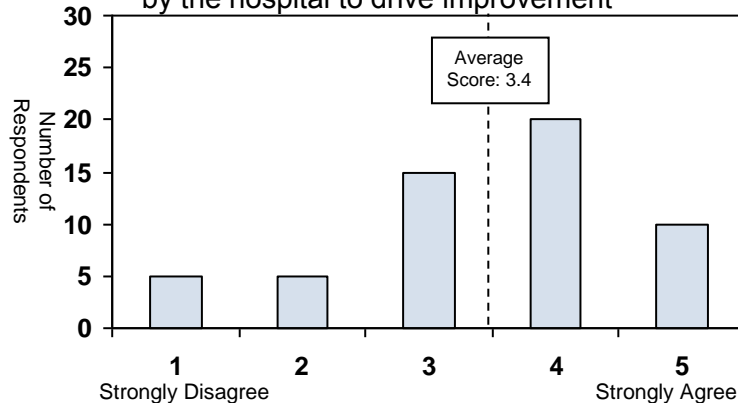


Linkage to budgets and plans

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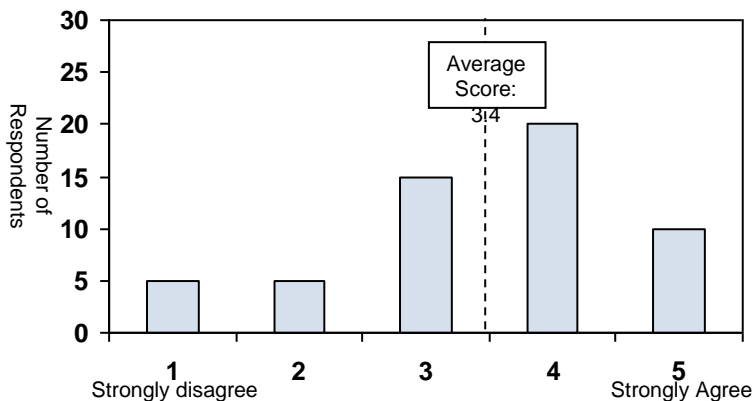
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Example Performance Management Survey Results Report

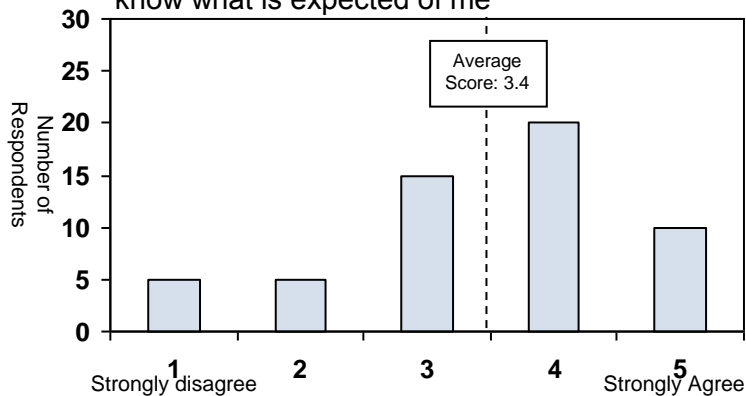
Performance Tracking

“Scorecard data is easily available in a format that supports problem solving on the most critical issues for our patients and staff”

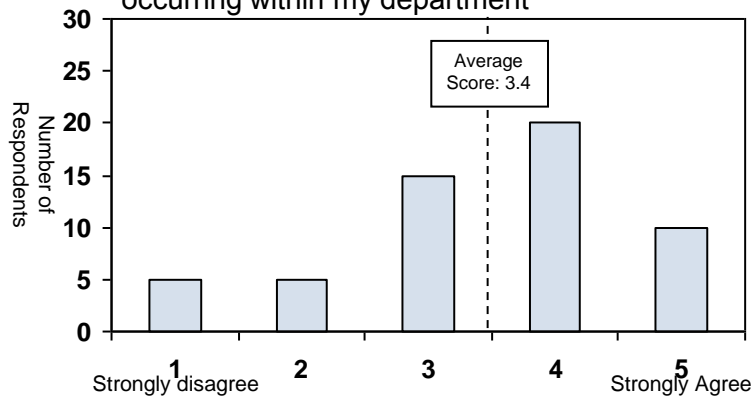


Effective Review Meetings

“Performance reviews are well structured and I know what is expected of me”



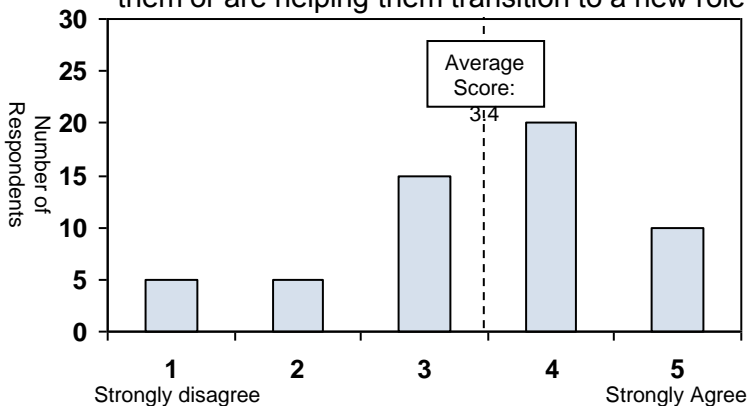
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Example Performance Management Survey Results Report

Reward and Renewal

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“Our incentive system rewards performance on our metrics and reinforces excellent patient care”

