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VHA Workshop

METRICS AND DATA VISUALIZATION

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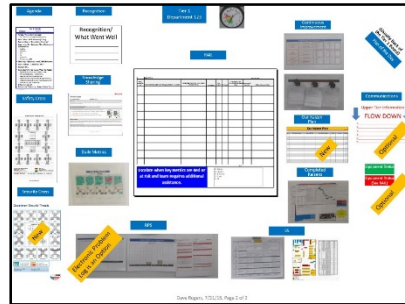


Why are we here today?

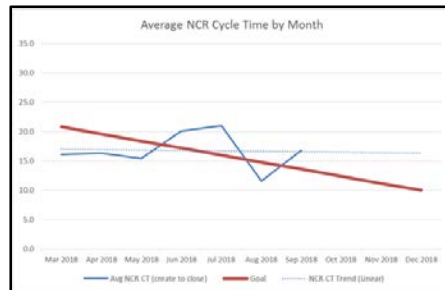
- *Build a collaborative understanding of Metrics and Visual Management (VM)*
- *Explore how Metrics & VM relate to Lean Operating Systems*
- *Discuss key issues and needs that are associated with Metrics & VM*
- ?
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- ?
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- ?

Key Terminology

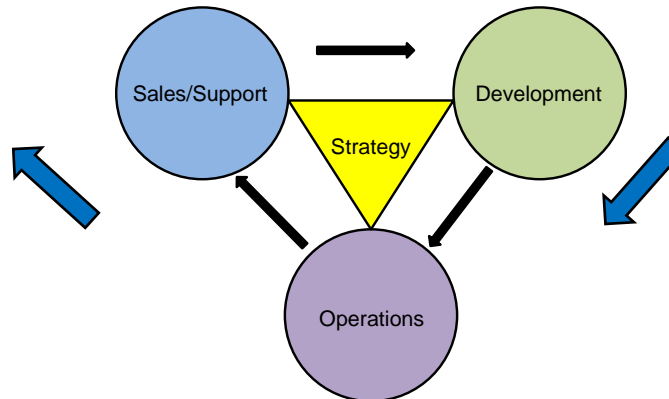
Visual Management conveys data so that "health" can be easily seen; it's the unifying framework of Daily / Weekly / Monthly Management



Daily / Weekly / Monthly Management is the process of "Assess", "Assign", "Accountability"; it's a core component of a Lean Operating System



Metrics, also known as **Key Performance Indicators**, assess and control organizational processes; these quantifiable objectives are the basis of Visual Management



An Enterprise Excellence Model is how the entire enterprise integrates and responds, to ensure performance



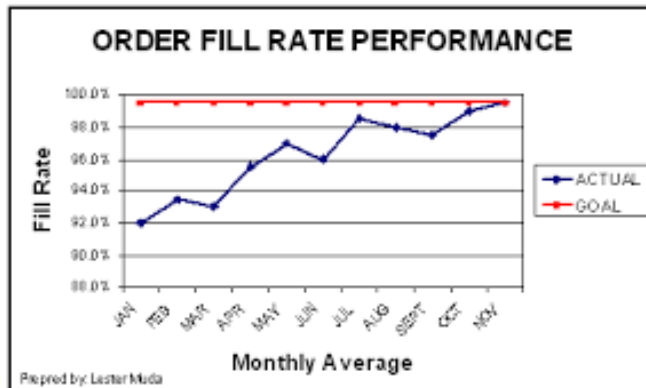
A Lean Operating System is the culture of process stability and continuous improvement under an Enterprise Excellence Model

Metrics Selection – Thought Process

- *Aligned to enterprise objectives, both Strategic and Tactical*
– Safety, Security, Quality, Delivery, Cost / Efficiency, Inventory
- *Used as the key indicators of core process stability*
- *Compared against benchmark organizations*
- *Drive enterprise focus on desired **actions and behaviors***
- *Applied consistently, to link the entire Enterprise (“True North”)*

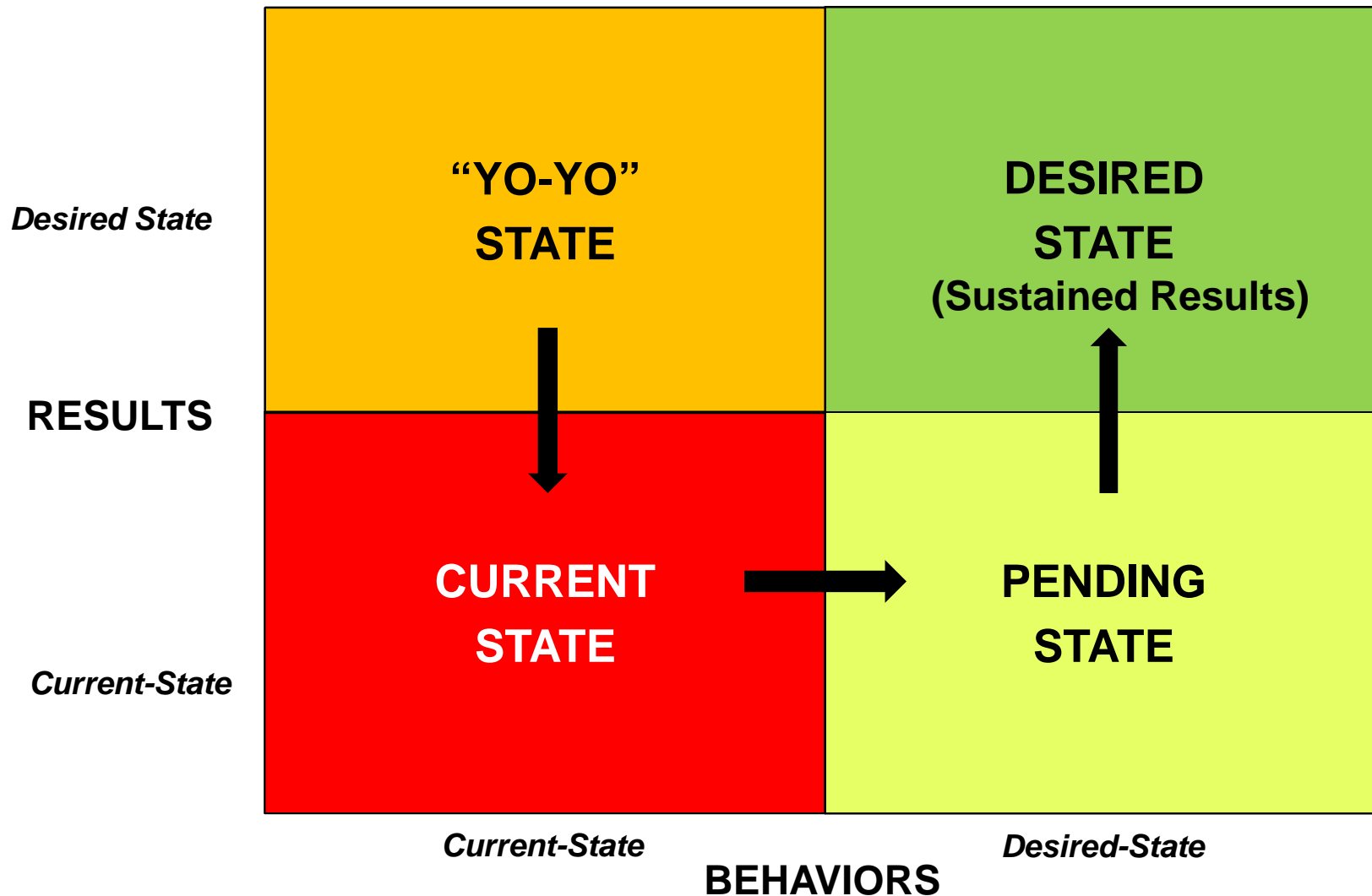
Regarding metrics, what must first be defined? ...“Customer” and “Value”

- *Limited to the ‘critical few’ (“more” doesn’t equate with “better”)*
- *Refreshed at rates that align with meeting cadences*
- *Utilize effective Visualization, in order to drive the desired responses*



Goal	Target	Owner	Review Frequency	Aug-16	Sep-16	Oct-16	YTD 2016
Finance							
Patient Information Accuracy Rate	99%	Paul	Monthly	99%	100%	97%	100%
Denials and Write-offs as % of Overall Charges	4%	Sarah	Monthly	5%	4%	3%	5%
Number of Days Charged in A/R	5	Sarah	Monthly	2	6	1	4
People							
Absenteeism Hours	30	Joseph	Monthly	15	20	30	22
Acceptable Overtime Hours	7%	Joseph	Monthly	8%	4%	5%	6%
Staffing: Open Positions	3	Jennifer	Monthly	2	1	1	1
Clinical							
Hospital-Wide 30 Day Readmissions	10.0%	Mark	Monthly	13.0%	11.0%	9.8%	12.2%
Heart Failure Mortality	13.2%	Mark	Monthly	12.7%	11.0%	9.0%	10.7%
Inpatient LOS (Days)	3	Catherine	Monthly	2.7%	2.3%	2.6%	2.5%

“Performance” Objectives



The primary purpose of performance objectives...change the way that organizations behave, in order to achieve sustainable desired-state results

Metrics Selection – Thought Process into Action

Example - VHA Facility Metric Worksheet

Core Customers - Client subgroups and internal customers (e.g. Operations) - _____

VA - Strategic Priorities: Greater choice, Improve Timeliness, Suicide prevention, Focus resources, Modernize systems

VA - Strategic Objectives: Suicide prevention, Customer experience, Community care, Appeals, Greater priorities, Improve Timeliness, Focus resources, Modernize systems

VHA - Strategic Goals & Objectives: Health care delivery, Communication, Awareness & Understanding, Information access, Quality & equity, Innovation & improvement, Collaboration

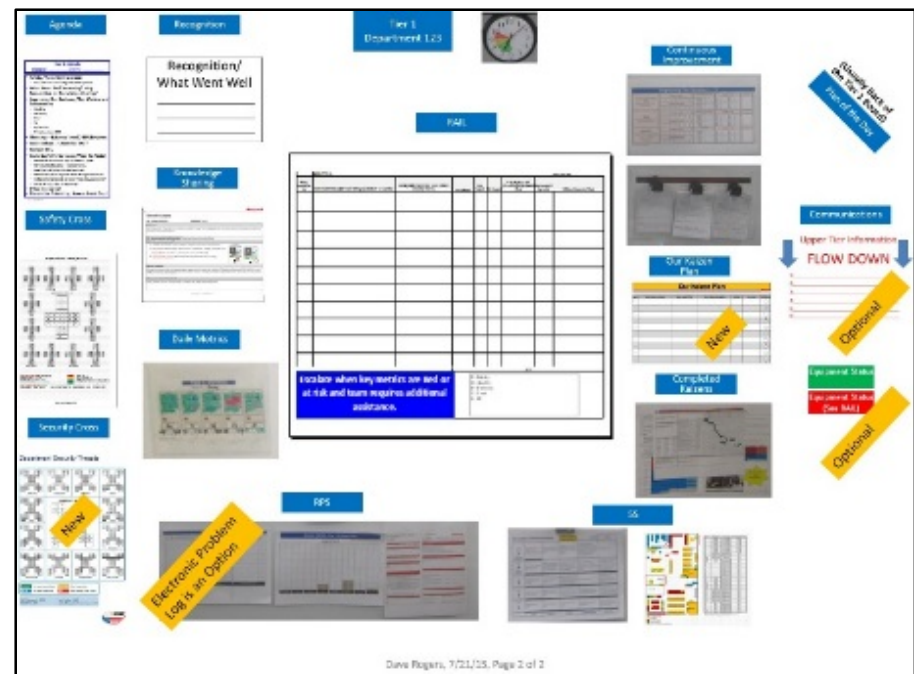
VHA Facilities - Strategic Objectives: _____

Question - How are / should the components of an Enterprise Strategy differentiated - Theme vs. Priority vs. Objective vs. Goal (refer to Strategy / Policy Deployment (i.e. Hoshin Kanri)???)

Value Stream	Safety	Security	Quality	Delivery	Efficiency	Current-State Behaviors	Desired-State Behaviors	Management Locations					MOS Cadence		Data	Visualization
								Team	Dept.	Div.	Site	Enter.	Day/Wk.	Month	Refresh Rate	Format
							Honesty, Integrity, Motivation, Commitment									
							Promote - Diversity, Communication, Collaboration									
							Improvement, Exploration, Risk Management, Collaboration									
							ICARE - Integrity, Commitment, Advocacy, Respect, Excellence									
Equipment Maintenance/Repair																
Facility Projects																
Name of Value Stream #3																
Strategic (Breakthrough goals)																
Critical (Leading Indicator)																
Critical (Lagging Indicator)																
Are the metrics aligned to Enterprise (i.e. VA, VHA) objectives?																
Are the metrics strategic or tactical?																
Are the metrics aligned to performance benchmarks?																
Do the metrics align to specific desired-state behaviors and types of actions?																
Are the metrics limited to the "critical few"?																
Where will the metrics be managed? Will the refresh rates align with meeting cadences																
What is the planned visualization format (e.g. Stoplight Scorecard, Control Chart, Pareto Chart, etc.)?																

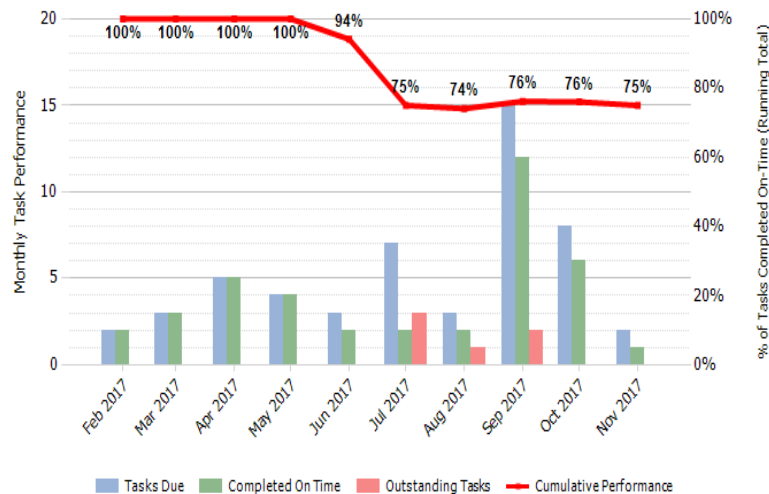
Visual Management

- *Assesses the “health” of each level and function of the Enterprise*
- *Uses easily-identifiable and compelling signals (e.g. color)*
- *Spotlights actual vs. expected performance*
- *Highlights barriers; this leads to actions (accountability) / escalations*
- *Characteristics:*
 - *Easily recognizable (self-evident)*
 - *Commonly known / understood*
 - *Avoids “clutter” (i.e. visual noise)*
 - *Links to key processes (“at standard”)*
 - *Drives various responses:*
 - *Tactical actions*
 - *Systemic Problem-Solving*
 - *Continuous Improvement*



Visual Management Effectiveness

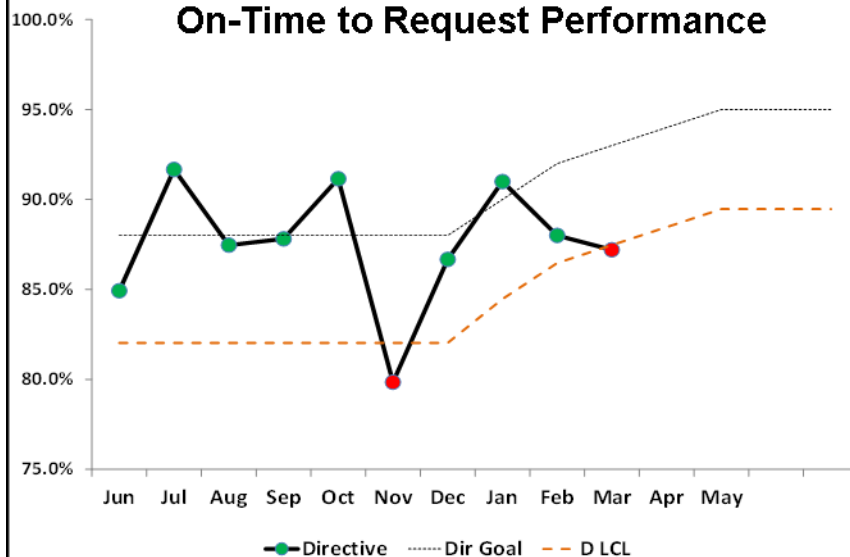
Mitigation Task On-Time Performance: 75%



What stories do these charts tell us?

- Are these leading or lagging indicators?
- Is the information / status self-evident?
- Is there any visual "noise" (i.e. clutter)?
- Are processes "at standard" (i.e. stable)?
- Is current performance meeting the goal?
- If not, what response is needed?
 - Tactical action(s)?
 - Systemic Problem-Solving?
 - Continuous Improvement?
- Where should this chart be managed?

On-Time to Request Performance

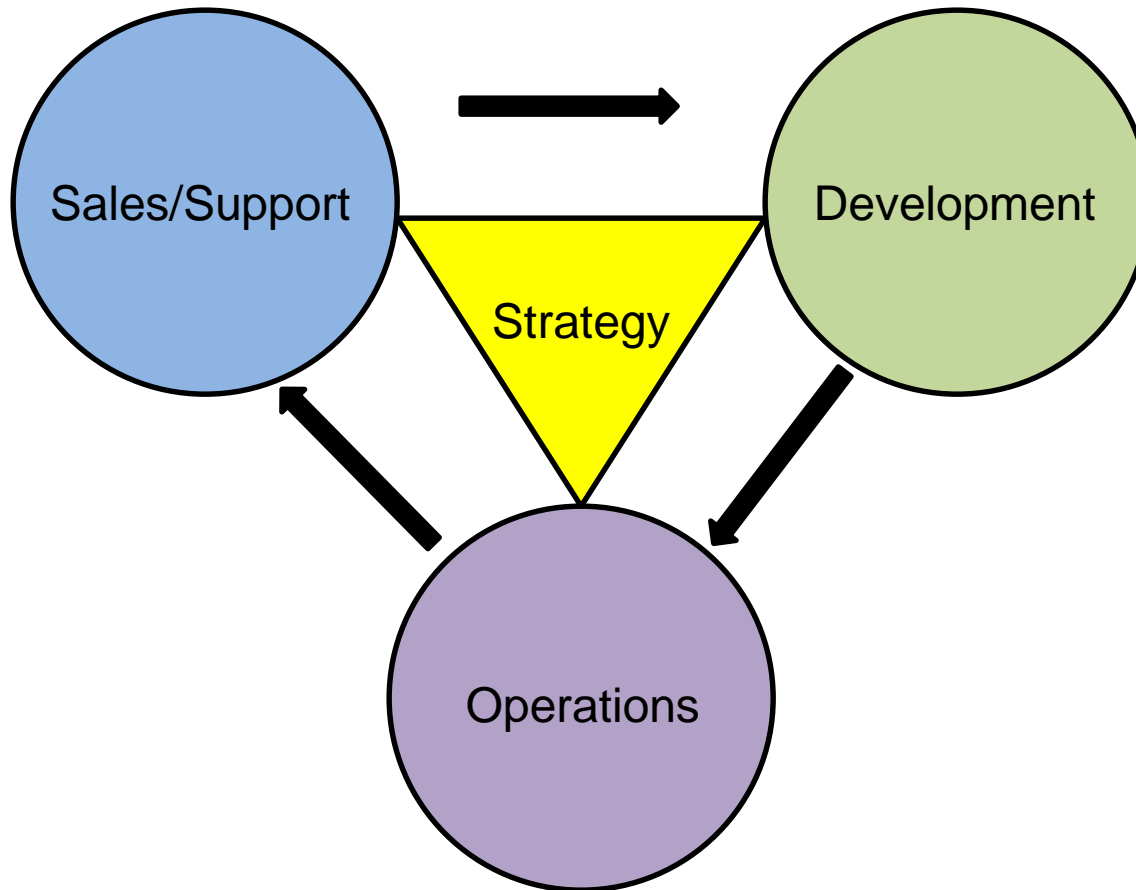


Benefits of Metrics / Visual Management

- *Standardization and process stability*
- *Improved customer service levels (internal / external)*
 - *Safety, Quality, Delivery*
- *Reduced waste*
 - *Cost / Productivity, Inventory*
- *Behavioral and cultural change*
 - *Increased communication and engagement*
 - *Organizational integration, across the entire Enterprise*

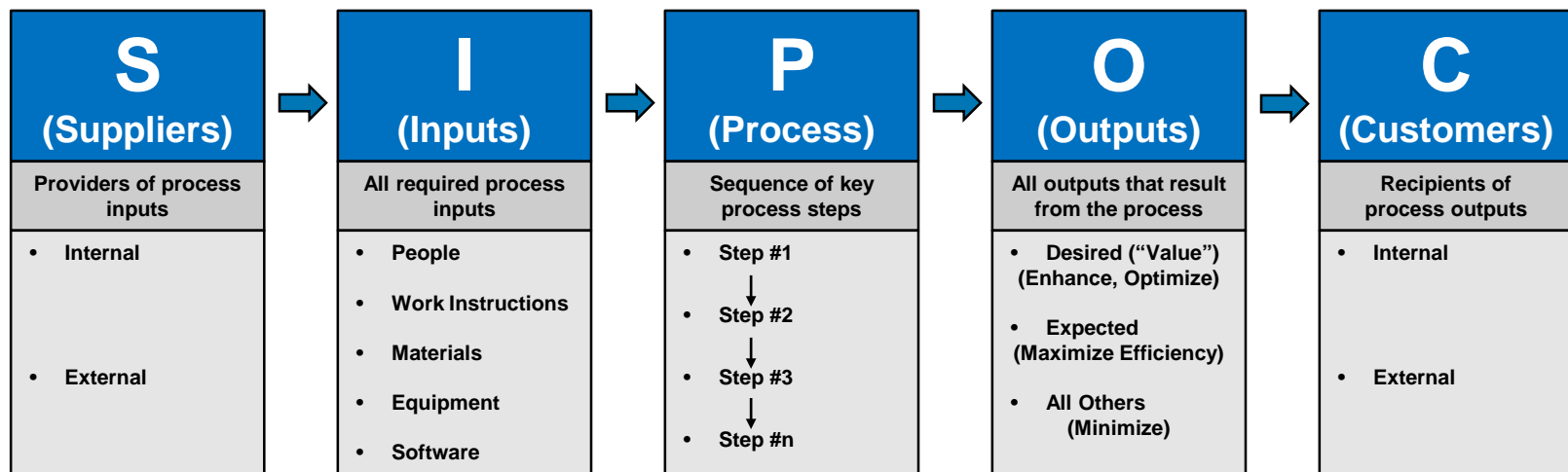
Backup

Enterprise Excellence Model

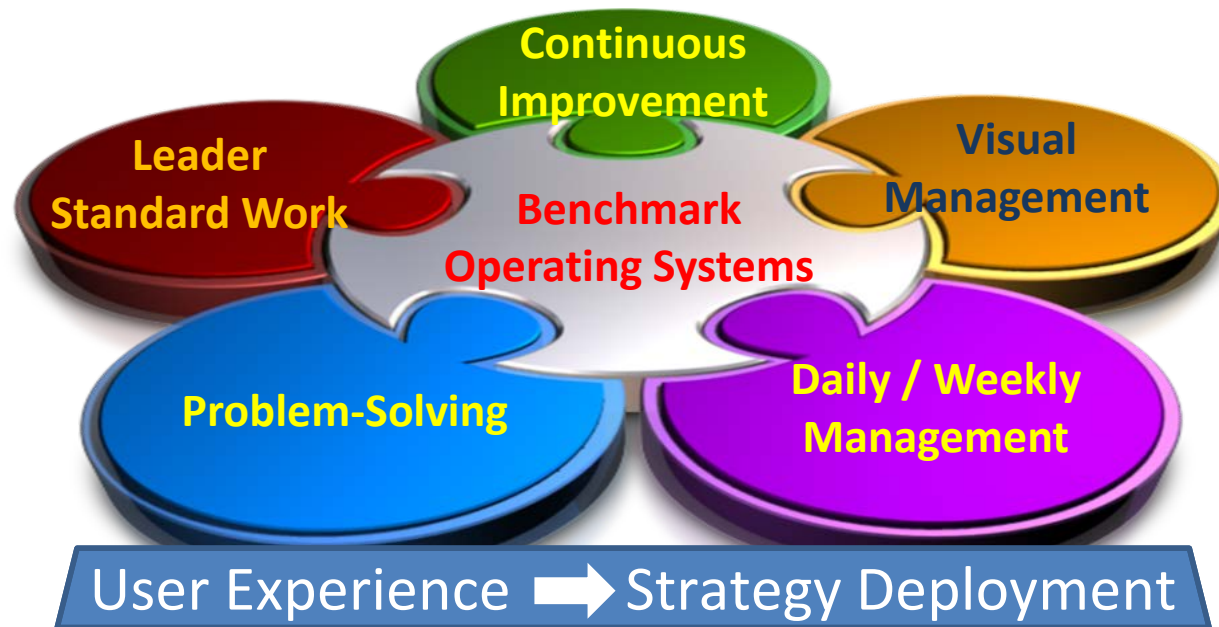


Application of Plan-Do-Check-Adjust (PDCA) to all key aspects of the Enterprise

SIPOC Model



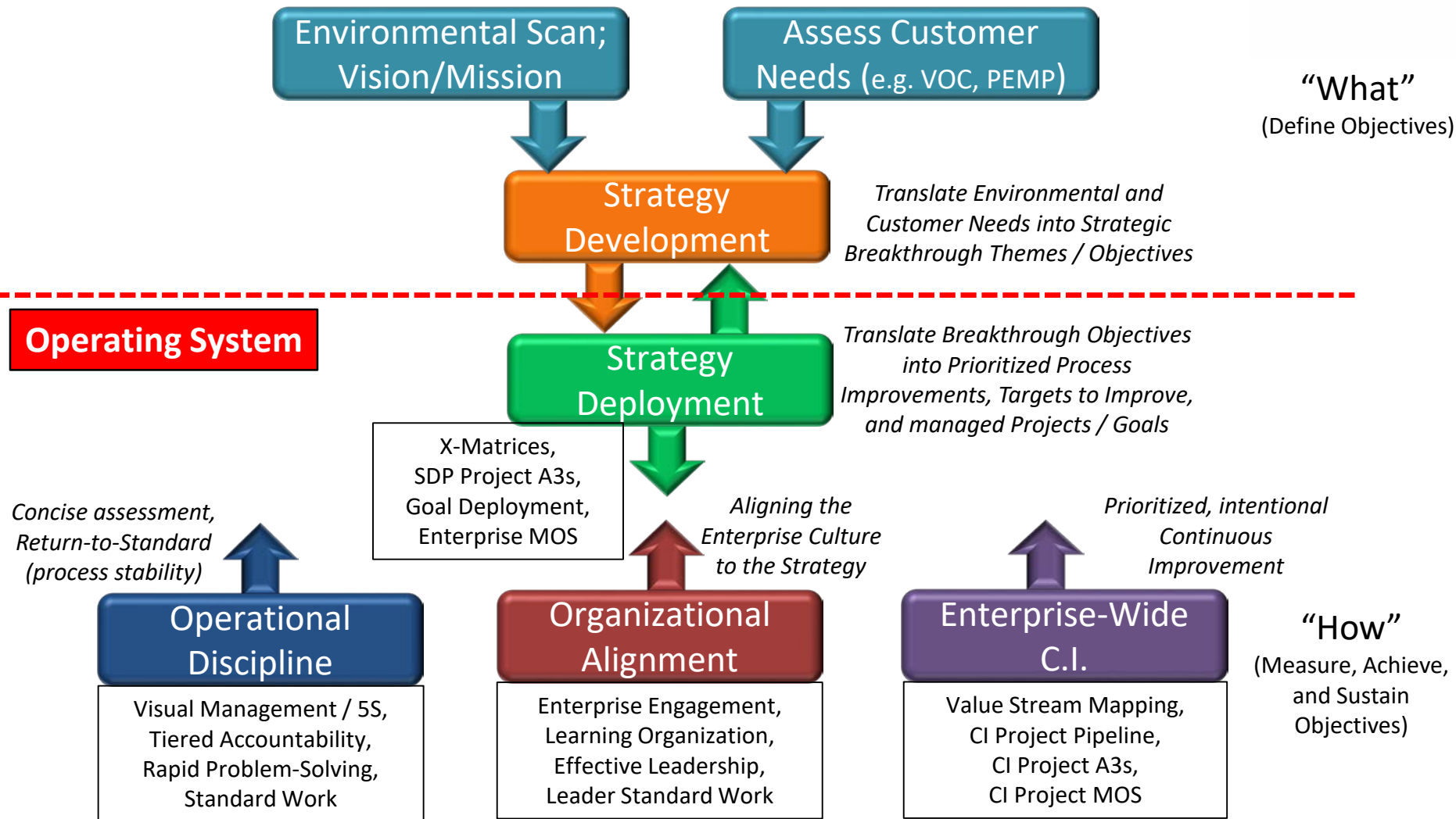
Lean Operating Systems



A Lean System applies best practices by leveraging Lean tools and engaged stakeholders...delivering sustainable performance, cultural alignment, and continuous improvement.

- **User Experience** clarifies key customer needs that define the Enterprise objectives
- **Strategy Deployment** creates consensus /oversight for integrated Enterprise priorities ("True North")
- **Visual Management**, **Daily / Weekly Management**, and **Problem-Solving** ensure key process stability
- **Leader Standard Work** expands coaching where the "real work" takes place (standard work validation)
- Engaged Employees drive **Continuous Improvement** – Safety, Security, Quality, Delivery, Productivity

Strategies are Realized with a Lean Operating System



An Enterprise Operating System is the integrated framework of how work is accomplished

Visual Management, related to 5S

5s (Sort-Store-Shine-Standardize-Sustain)

Establish clear visual standards that enable recognizing standard vs. non-standard conditions (normal vs abnormal). Includes administrative environments

- Implementation of a 5s culture and MOS
 - Sort, Store, Shine, Standardize, & Sustain
 - Ensures the workplace is safely and neatly organized
 - A place for everything and everything in it's place
 - 100% of the workplace
 - Daily Return-to-Standard (RTS)
 - Continuous Improvement



Before



After

Personal Office Space



Area Standards

- ✓ Desks are neatly and safely organized.
- ✓ Personalization – pictures, belongings, awards, etc. – is encouraged
- ✓ Items on desk are needed for the job (unused items are removed)
- ✓ Desktop inbox and racks are organized
- ✓ Cords are bundled and stored safely
- ✓ In-process work is neatly stacked or stored at end of the day
- ✓ Chair is pushed in at end of the day

Not Required

- Photo depicting "Return to Standard"
- Labeled cabinets (but should be considered for desk sharing)
- Shadow boxes or tape outlines
- Min / Max levels

- ✗ Nothing stored on cabinet tops
- ✗ Nothing hanging or posted on glass dividers
- ✗ No "filing by piling"

Personal & organized for employees; presentable for visitors



Visual Management, related to Daily/Weekly Management

Tiered Accountability

- Introduction / maturation of a Daily/Weekly Management System
 - Integrated stand-up meetings...open communications to assess the “health” of each level and function of the Enterprise
 - Promotes / develops Engagement (“informed”, “involved”, and “committed”)
 - Spotlights the work groups’ actual vs. planned performance...key metrics and work priorities (tactical)
 - “Up”/”Down” flow...Work Teams – Departments – Divisions - Sites
 - Identifies barriers to success, captures actions, drives accountability, and escalates (when needed)
 - Provides transparency to external and internal customers

