

## Ask These Five Key Questions before Restructuring Your Health Care Organization



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When was the last time you evaluated the structure of your organization? If not lately, consider doing so now to ensure your business is adaptable and flexible enough to sustain industry trends, support growth or downsizing, and weather difficult financial times. By proactively analyzing your organizational structure now, you will be in a much better position to manage change and achieve the goals set for your business.

Many leaders find it challenging to objectively evaluate their companies and make unbiased decisions about their organizational structure. My firm has advised many types of health care organizations on their structural designs; below are five key questions to consider:

1. **Does your organization communicate and share information across the enterprise?** An efficient organizational model has multiple connection points between individuals to ensure information flows freely



and is provided to the entire organization. Often, important decisions require the input and review of several departments. If you have silos between areas and people, you are putting your organization at risk. A broken system in which people are not communicating will allow for errors and potentially harmful decisions. By contrast, an openly communicative organization fosters transparency, encourages collaboration and achieves greater productivity through interconnected workflows.

<u>Solution</u>: Proactively identify and address any communication gaps in your organization, and build bridges to ensure a free flow of information. You may need to update your policies and procedures to ensure this happens. For example, if individual information-hoarding is an issue, consider readjusting your compensation policies based on overall team performance, including the team's degree and quality of information-sharing. Establish or mandate formal partnerships and ongoing communications between disparate people, stakeholders, and departments that need to be connected. Require employees being considered for promotions to first mentor potential successors to ensure knowledge is passed along.

2. What is your latest stakeholder feedback? Through the feedback platforms you provide your employees and customers/patients, are you receiving sufficient information? Do your platforms ask the right questions to help you make well-informed decisions on potential organizational changes? Is this data allowing you to sufficiently benchmark your performance against best practices? If the quantity and quality of your stakeholder feedback is lagging or does not provide sufficient insight, immediately address these deficiencies. For instance, if you are a health care provider, assessing your patient access structure and processes usually requires gaining and assimilating input from patients and their caregivers, front-line staff, clinicians, and administrators. Only then can you make an informed decision regarding potential restructuring.

<u>Solution</u>: Instead of solely asking stakeholders about negatives, try a different approach. Ask for their input on what is working. This will start conversations on a positive note. Then you can shift the conversation to ideas on how to make improvements.

- 3. Have you updated employees' roles and responsibilities? How are a company's best- and worst-performing employees most alike? Answer: neither group works to their job descriptions. The best performers go above and beyond their stated jobs; the worst performers fail to meet their designated responsibilities. Be sure job descriptions and expectations match the full gamut of your employees and their work, particularly if your environment is fast-paced and frequently changing. Employees need to know and understand what is expected, and how they can contribute to meeting organizational goals.

  Solution: Annually or semi-annually review the roles and responsibilities of your departments, teams, and individual employees. Do they still align internally? If not, modify and communicate these changes. Ongoing training, coaching, and education are all critical to keep staff motivated, informed, and productive.
- 4. **Have you conducted a competitive analysis?** Analyze your organization's ability to stay competitive by looking at comparative performance metrics, wherever available and applicable. These metrics may be



based on best-practice data available from peers, associations or government agencies. Solution: Ask what sets your organization apart from others. Build a list of strategic objectives and core competencies aligning directly with your mission and vision statements, and establish corresponding metrics or key performance indicators. Assess your performance, at the organization, team or department levels, relative to peers and/or industry benchmarks. If or when you note lagging performance, immediately ask why and what can be done to positively affect performance.

5. Have you prepared your organization for change? Why do approximately 70 percent of all change initiatives fail? According to Gallup, the primary reason is because change agents overlook the role of front-line managers in the success of the change initiative. Engage your managers, stakeholders and employees early in the process to gain their cooperation and input; this improves adoption. Change isn't happening to them; it's happening with them!

Solution: Before embarking on a change effort, determine its DICE score to quantitatively assess its likelihood of success. DICE stands for a change effort's duration (D); integrity (I) of team performance; commitment (C) from the change sponsor and those impacted; and effort (E) to implement it. The lower your DICE score, the more likely your change effort will succeed. For an online DICE score calculator, click here. As you embark on changes, empower your people to act on plans by removing barriers and obstacles to success. Create an environment of excitement through consistent and transparent communication. Set benchmark goals and ensure employees know when they are met.

## Conclusion

Albert Einstein once said, "The measure of intelligence is the ability to change." A strong organizational design embraces structural changes. In adapting your business model and streamlining operational processes, your organization will significantly improve its care or service delivery and increase patient or customer satisfaction.

Once you begin engaging customers or patients and staff, there will likely be greater excitement and renewed energy within your organization. The more engaged your employees, the happier your patients and customers will be!