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# No Mission, No Margin: How to Improve Performance and Efficiency at the Same Time

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Improving the value of services provided by hospitals is no longer an option and the race is on. Reimbursement is being adjusted based on clinical quality, patient experience, readmission rates and overall efficiency. The percentage of adjustment continues to climb and is likely not to plateau in the foreseeable future. CFO's are quickly becoming advocates for quality improvement and are changing the age-old mantra of, "No margin, no mission" to, "No mission, no margin".

So how should an organization go about improving performance and efficiency at the same time? The following steps may help you in your journey.

## **Step One: Know where you are**

It is important to know your current performance and how your performance compares to the industry. You must then look further into the detail to know what specific components of your measures are your widest gaps and therefore biggest opportunities for improvement so you can "move the needle" as quickly as possible.

## **Step Two: Know why you are there**

All work is done through process. Those processes can be intentional, reliable, efficient and effective or they can be unintentional, variable, inefficient and ineffective. You must study how you are doing the work and where process redesign needs to occur. Taking out waste is imperative to improving the value equation.

## **Step Three: Design a better way**

Know your context and design needs specifically.

There is no such thing as best practice, only better practice. Don't just blindly copy "best practice" without understanding what components of someone else's design are relevant for your needs. Don't try to design for perfection. Design for better, test the change and learn. Revise based on what you've discovered and finally, don't assume you are done. You never are.

## **Step Four: Implement management systems to execute and sustain improvement**

This is the hard part and is often overlooked by organizations resulting in "whack-a-mole"-style temporary improvements. You will need to establish a monitoring (measurement) and coaching system to continually oversee the work and intervene if slippage occurs. This is the job of management and leadership—it cannot successfully be delegated to the quality department. Managers will need to have the time to do this, the skills to do this and the continuous support of those they report to for it to get done reliably.

## **Step Five: Repeat steps 1 through 4 again, and again, and again**



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