

# Optimizing Organizational Change

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## In this article...

Review how careful attention to change helped lead to the successful implementation of an EHR.

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Anyone in a leadership position is well aware that any type of change within their organization is never easy but is a normal part of progress; such change is especially commonplace in the dynamic nature of the current health care landscape.

Despite that knowledge, how best to manage change is often unclear and/or ill-defined. This is particularly troublesome when one considers that a given change may affect everyone from one individual to the entire organization. Moreover, the extent of the impact resulting from the change will vary depending on its magnitude and duration.

Before embarking on the management components, it is worth noting the critical aspects of the organization that generally should not change. Specifically, we are referring to the organizational vision, mission and values. Exceptions to this rule may include the process of an organization's transformational strategic planning process. Otherwise, these entities form the critical foundation for stabilizing an organization during tumultuous change.

Identifying business issues or opportunities for improvement is often the initial step toward change. Invariably, a process or technology innovation is needed to remediate the issue. Normally, an innovation leads to long lasting change.

One of the major difficulties with regard to change in health care is that the current model is characterized by increasingly restrictive regulations and bureaucracy. This makes the identification and implementation of innovative processes and technologies difficult at best.

However, innovative health care organizations and leaders do not surrender.

Instead, successful organizations flourish by seeking out different paths. They create environments that strive to reinvent their competitive landscape; they create a culture where change becomes routine.

Innovative organizations find change is at the core of their culture and values. At Cancer Treatment Centers of America (CTCA), our promise to our patients includes the statement, "We never stop searching for and providing powerful and innovative therapies..."

Rosabeth Moss Kanter of Harvard Business School suggests that "successful companies develop a culture that just keeps moving all the time....and provides value to the customer." In the case of health care organizations this means the patient.

## Impact of change

When a health care leader is anticipating a major change, it is important to consider the impact that change will have on the various areas of the organization. This impact may be visualized graphically in what is referred to as a "productivity dip."

Concomitant to predictable decreases in productivity are periods of responses that can be quite significant depending on the specifics of the change. Individuals affected by the change may go through periods of denial and resistance, followed by possible exploration and finally commitment. At the depths of the dip, there may be a period of outright anger and even despair (the so-called "trough of despair").

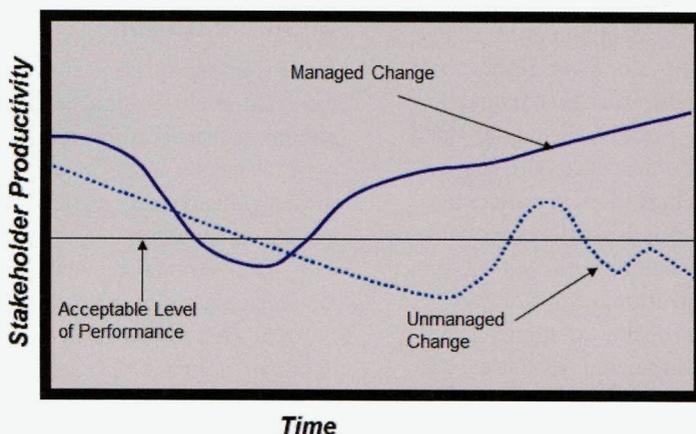
The goal of optimizing change management is to minimize the size and duration of this curve. Moving affected individuals as rapidly as possible through the periods of resistance, anger and denial, or better yet, avoiding them altogether, requires leaders to understand and be prepared to address the reasons why people resist change in the first place.

An astute leader will pay close attention to how the stakeholders affected feel about the change. By understanding, appropriate actions can be taken to manage the change for individual stakeholders.



An important activity during our EHR go-live was our willingness to acknowledge and reward those individuals willing to take a risk on change. It is essential that leaders identify ways to motivate their teams.

Graph 1



First of all, the good news is that not all individuals within an organization will resist change. In fact, some will embrace it. The reasons for this are multiple but do provide a group that can be leveraged to assist in change management.

The other significant minority will be those who are overtly against change and may actively work against it.

The majority of individuals within an organization will be attentive but non committal to the proposed change. That is not to say they do not have concerns, but they balance that concern with faith in their organization, previous positive experiences with change, and confidence in their colleagues proposing such change.

## Resistance to change

People resist change as a defense mechanism since change of any type elicits some level of anxiety. This anxiety is understandable because change creates the possibility of a loss of status quo or worsening of position, impact, compensation and authority.

Even if the change is unlikely to have such a direct impact on an individual, fear of the unknown can lead to substantial anxiety. When people have high levels of anxiety regarding anything, they typically put themselves into a “fight-or-flight” state. In this state, an attempt to force the change will result in resistance equal to or greater than the force being applied.

## Change management models

John P. Kotter of Harvard Business School and author of *Leading Change* is a recognized authority on change management. He defines change management as “the utilization of basic structure and tools to control any organizational change effort.”

Kotter notes that more than two-thirds of major change efforts in organizations fail. It is not for lack of well-defined models for organizational change. It is likely that these failures occur as a result of leadership not dealing effectively with the predictable resistant forces.

Doing so necessitates consistent use of a well-thought-out change management plan. Although many others have entered the change-management arena, the eight-step process delineated by Kotter continues to make an impact.

## Kotter model for change management

Kotter defines step 1 as “Creating a climate for change.” Within that step are three components that are implemented sequentially.

1. Establishing a sense of urgency.
2. Creating the guiding coalition (i.e. building teams).
3. Developing a change vision.

Step 2 is “Engaging and enabling the organization.” It too has three components:

1. Communicating the vision for buy-in.
2. Empowering broad-based action.
3. Generating short-term wins.

Finally, step 3 is “Implementing and sustaining the change.” It has two components:

1. Never let up.
2. Incorporating changes into the culture (i.e., making the change stick).

## An idea as change

Before we delve deeper into this important and effective change management approach, it is worth noting that each of the various models approach change management from the standpoint of an isolated implementation event.

We would suggest that this misses the essential idea generation and nurturing component of change management. Moreover, rather than an isolated event, change management tends rather to be ongoing and as dynamic a process as the change itself. If change management is not ongoing, behaviors will revert to pre-change habits.

Organizational change often begins as a routine component of common incremental activities, e.g., annual budgets, etc.

Transformational change is generally more major, perhaps even game changing, has broader organizational

scope, and is longer in duration. Such transformational change starts with consideration of how any new idea might provide a value to a customer. In the case of health care, such value assessment most often applies to the patient. It requires considering whether it is possible to provide the proposed value in light of available resources such as staff, space, equipment and know-how.

Staff consideration cannot be underestimated. Support of leadership and an influential sponsor, the baseline attitude of both management and staff, as well as each of their capabilities to address the new idea must be taken into account. Leaders must confirm the consistency of a new idea with the organization's vision, mission and values.

One might ask at this point, if transformational strategic planning is routinely associated with such change and therefore inherently has the potential for some risk, why embrace it?

Transformational strategic planning is critical to helping an organization be proactive about its future; specifically, it assists organizations to anticipate and manage change. In the health care arena, clinical and IT executives are ideally poised to lead such efforts.

## Electronic health record implementation

In our organization, a national, for-profit, multi-hospital cancer care system, such a detailed approach was used to ensure success in one of the most significant change management exercises encountered by any health care organization—implementation of an electronic health care record (EHR).

The idea for the EHR originated about 36 months before its go-live. A sequential approach composed of a value assessment, personnel assessment and cultural assessment was used to originate the project.

Throughout, we held true to a premise that key to the success of this major change would be prioritizing all components based on the impact to our customers; specifically, our patients.

We deliberately moved into the implementation phase after one year of assessment. Although we admittedly modified our approach to be consistent with the unique aspects and skills of our organization, in this implementation phase we generally followed much of the standard change management approach as described in Kotter's model.

The first six months we created a clear sense of urgency. This included demonstrating to all levels of the organization that our current paper-based environment made it difficult for our stakeholders to optimally deliver our promise of being "recognized and trusted by people living with cancer as the premier center for healing and hope."

We made regular presentations at staff, departmental and leadership meetings, as well as ad-hoc information sessions in the form of "road shows" and town hall meetings.

The information provided was purposefully compelling, clearly articulated and frequently repeated whenever and wherever possible. We ensured that the information was consistent no matter who was speaking.

Considerable effort focused on portraying a future state that was understandable and was supported by evidence. We used recently published reports that demonstrated improved quality of care resulting from hospitals and health care systems having electronic records.

This vision also attempted to define the specifics of how an electronic environment might positively impact the individual stakeholder directly; essentially what would better enable them to do their job.

While we recognized and respected the audience's resistance,

we also were steadfast on the need for the change and did not waiver on that focus.

Most of the discussions were focused on the positive benefits, but it's worthwhile to recognize that the downside of not completing the change is also compelling to the audiences. Many sales people recognize the power of "fear, uncertainty and doubt." Part of the assessment (and justification) process of most health care changes necessitates presentation of both the clinical and business case. Although impact on quality of care was front and center in our presentations, the importance of a detailed cost-benefit analysis was presented as well.

Physician leaders are uniquely qualified to translate the complexities of the clinical and business implications of such major change to health care organization governance bodies.

As the change management process evolves from the initial to intermediary phases of implementation, the need to delineate and empower effective coalitions and teams becomes essential. It is particularly critical to ensure that champions have been identified and engaged in the process by this point.

Champions are especially useful if they are diverse. In the case of an EHR implementation, such champions may be expected to address the many and complex components of clinical and administrative areas of building an adequately robust EHR to meet the many needs of even a relatively small health care organization.

The second phase of Kotter's model encompasses engagement and enabling of the organization. This requires an even clearer delineation of the vision for change. Communicating the vision in this manner certainly provides background information and describes the change and its process, but it also reinforces the rationale for the change.

In the case of an EHR implementation, the need for over-communication

cannot be underestimated. If you believe you are over-communicating, you probably are still not communicating enough.

Our communications included well-publicized kick-off meetings, weekly presentations at each of the hospital sites, a list of frequently asked questions, distribution of daily tips during training, and regularly scheduled management briefings.

Detailed communication continued for a substantial period of time after the go-live to ensure and maintain buy-in. All this communication was done with respect to the expected sense of loss felt by the individuals and the organization as a whole during the change.

As is often the case, listening is more important than talking. Many sessions were held for raising issues, identifying risks, Q&A, and communicating concerns. We found affinity diagrams of risks to be especially valuable.

## Rewards matter

An important activity during our EHR go-live was our willingness to acknowledge and reward those individuals willing to take a risk on change. It is essential that leaders identify ways to motivate their teams.

Risks of not adequately determining what motivates the clinical staff during major health care change will result in a less-than-ideal work environment and may even put the organization itself at serious risk. Finding motivators is key.

Although incentive-based motivational methods are used, such methods may not always involve cash. Opportunities to engage people in leadership opportunities, i.e., participatory management, can be extremely effective.

A number of characteristics of change communication can have significant impact on the communication's effectiveness. The leader must ensure that any change remains true

to the vision, mission and values.

Also, it is worth remembering that non-verbal communication can sometimes make more of an impact than verbal. A health care leader is regularly watched by health care stakeholders. He or she needs to be especially visible during change to demonstrate support as well as to provide a calming influence. Health care leaders should take every opportunity possible to talk about the change in a manner that is clear, inclusive, confident and frequent.

Health care leaders can ensure that the change process and the responsible parties are provided the necessary resources to succeed. Just as important, they must ensure that obstacles to success are removed quickly.

A third component of phase two is creating short-term wins. In the case of our EHR implementation, go-live occurred 18 months after the organization had been given approval by its governing body to proceed. We recognized that with implementation of an EHR that involved 22 modules and three time zones, short wins were essential to get us past resistance.

We understood that basic functions, such as the ability to quickly search for patients, was something that would be embraced by the clinical staff. As a result, increased training and assistance by so-called “super-users” was given to this function. Particularly in the case of an EHR implementation, well-planned and effective training on the software and hardware can greatly decrease resistance.

Particularly for the first few weeks, our entire implementation team, including our key health care leaders, dedicated themselves to round-the-clock participation to ensure that the change process did not derail.

As we progressed, we continued to look for and report widely on those circumstances where the EHR was

improving the quality of care provided to our patients. For example, we identified that implementation of the bar code scanner as a component of the EHR, substantially decreased our incidence of medication errors. Such information was widely reported from the level of the front-line stakeholder to the most senior governing body.

Further efforts to ensure the change included evolving our implementation team (i.e. the EHR committee) into an entity that not only had responsibility for the EHR but for the quality of care it was designed to support. This group monitored safety/quality outcome measures, coordinated system wide quality improvement efforts, identified technology needs and clinical staff education needs, and reviewed practice guidelines and clinical protocols.

All of these helped ensure that the major change brought by the EHR would stick.



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