



**HELPING HEALTH SYSTEMS FIND THE RIGHT  
BALANCE BETWEEN STANDARDIZATION AND  
FLEXIBILITY**

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**GALLOWAY**  
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All our national and super-regional clients are moving along a journey to become “operating companies” and trying to discern the right balance between standardization and flexibility.

### **TIGHT – LOOSE – TIGHT.**

I have always believed that a Tight/Loose/Tight approach to management yielded the best results. Provide leaders with a tight definition of expected outcomes with specific metrics. Allow them the flexibility to accomplish those outcomes in a way that fits their circumstances. Hold them accountable for delivering the results, and don't take “local circumstances” as an excuse.

In many ways, I think the push to operating models and national “standard work” can still follow this approach. If I set the tight expected outcomes based on the expectation that you use my standards and hold you to those outcomes, do I care whether you actually used my standards to achieve them?

I would say no, except under specific circumstances:

- Is there a clear, evidence-based practice that delivers better, more consistent results than other practices? If so, then those practices should be standard work and not be subject to debate, except when working to improve the best practice. Obvious examples include checklists in the OR, central line protocols, etc. No one would argue seriously against implementing best practice.
- If you do not follow standards, does it have a material, negative impact on others? Obvious examples include providing data upstream in a non-standard
- format that creates work for others or not concentrating the use of supplies so that the system doesn't get the best price.
- Do we expect our workers / leaders to move from organization to organization? The more fluid the workforce, the more consistency is valuable to productivity.
- Do our customers expect the same process across our organizations? Payers, employers, physicians, patients – are we selling consistent processes as part of our contracting or marketing approach?

We find our national clients still in the early stages of identifying these “best practices” and understanding the impact of national standards on the outcomes they should expect from the operating units. In the absence of being able to set an outcome based on known standards, they are setting process standards – that is, are you doing it the “right way” versus are you getting the same result?

We see this sometimes - where a lot of the activity was around checking the box that you had done something (inter-professional rounding) rather than focusing on whether it actually delivered a result (lowering LOS).

Frankly, I believe that a “pull” approach to rolling out these kinds of things is always better than a “push” approach. It fits in nicely with the Tight/Loose/Tight concept. In other words, you don't have to use the standard work, but you must deliver the results. Often it just so happens that using the standards will make it much easier to deliver the results. So, you CHOOSE to implement that standard work in order to achieve your results.

Admittedly, that kind of push / pull approach works better when you have time to let people fail before they choose to embrace the standards. The financial pressure that many systems are facing is accelerating the “push” implementation of standard work with a focus on results in the hope that it will drive faster, bigger improvement. Such “push” implementation requires intentional investment in change management

techniques to engage and align local leadership with the purpose and benefit of standard work. Without that alignment and understanding, local leadership perceives implementing standard work as just another corporate mandate that is getting in the way of their real work. And everybody loses.

## **ABOUT OUR EXPERT**



Mitchell built his reputation by helping healthcare executives transform their organizations, often achieving landmark results on seemingly impossible timetables. Among the country's foremost authorities on organizational strategy, he takes the lead role with our clients, rapidly diagnosing the challenges they face and prescribing innovative, timely, and effective responses. His analytical expertise and candor have earned him the confidence of decision-makers across the healthcare industry, from small, rural hospitals to multibillion-dollar corporations.

Mitch has been in the healthcare business for his entire thirty-five-year career, starting his first consulting business 28 years ago. He has built and led several companies over the years that all focused on helping healthcare executives drive significant improvement in their organizations. He has an MBA from Emory University's Goizueta Business School, where he achieved the #1 class ranking and was recognized as the Outstanding Graduate Student in the field of Organization and Management. He has a Bachelor of Science in Health Systems from the Georgia Institute of Technology.