REDUCING WASTE IN CARE DELIVERY – IMPLEMENTING LEAN

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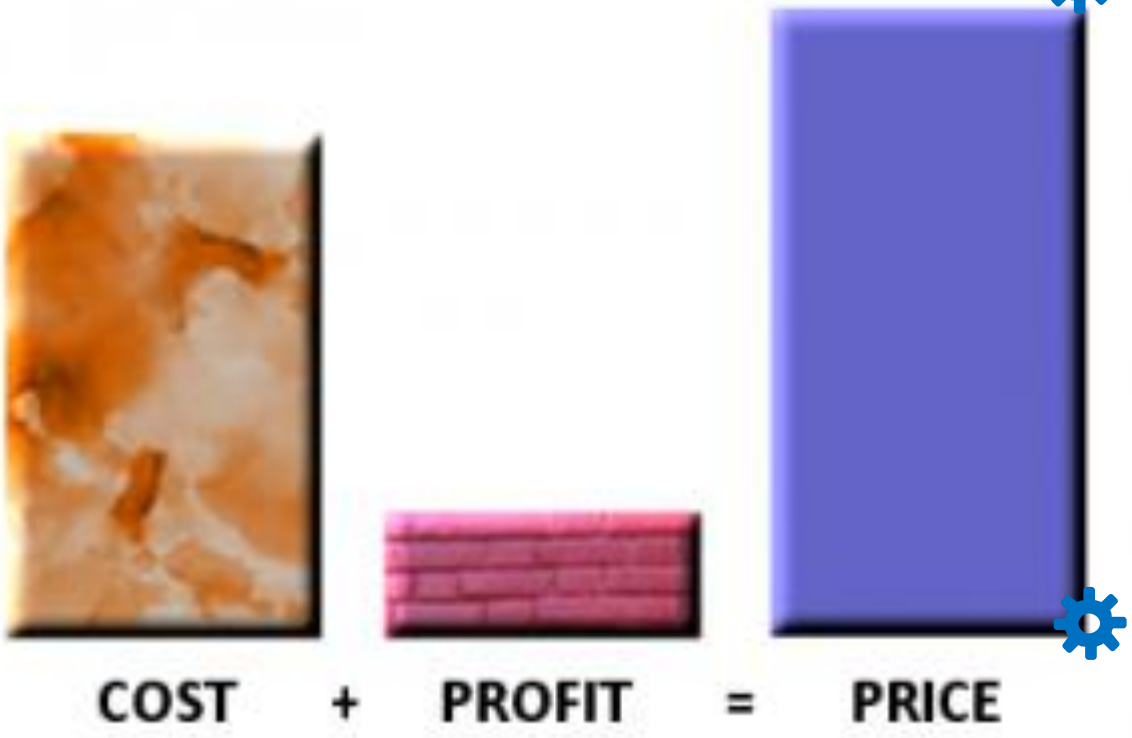
The Challenge:



Pricing is largely determined by the Customer, so to remain profitable, organizations **NEED TO REDUCE OR CONTROL COST**

- Healthcare systems are facing increased demand for Quality Health Care. The challenge of meeting these demands is complicated by the fact that financial conditions among patients are not improving (even worsening)
- So they have to continually find ways to rebalance capacity to match demand and eliminate unnecessary operating cost in order to maintain or increase profitability.

- ***This is critical to delivering a high quality health care at the lowest cost possible.***

- In trying to achieve this, some have undertaken severe measures such as:
- Undercut services.
- Across-the-board layoffs/ Down-sizing/ Rationalization.
- Outsourcing
- Employ sharp practices/cut corners.
- Consolidation
- Closing operations

Traditional Cost-Cutting has its Challenges …

- Much of the cost-cutting tactics have come in the form of poorly planned, ad hoc measures.
- Without careful analysis and understanding of the drivers of cost, the outcomes can be hit and miss **or at best yield some small savings.**
- Some may do more harm than good by eroding customer loyalty, market share and brand perception through lower service levels, inattention to customer priorities and poor execution.
- By succumbing to traditional cost-cutting tactics or copying the latest improvement fad, these tactics typically fail to build in flexibility and speed, which are critical capabilities in today's dynamic markets.
- Yet organizations often miss 10 to 50 times the potential savings.

There is Need for Change!

- An objective review of our performance in our organizations over the years will show us there are things we would change given the chance ***(if we just knew exactly how):***
  - **Things that would make life better for our Patients and Ourselves and still be profitable;**
  - **Things that would make us easy to do business with (competitive advantage)**
- High-performing companies excel in part because they execute day-to-day business processes better than their competitors.
- In response, healthcare providers globally have turned to industrial improvement approaches. One prominent improvement method is the **Lean** as it promises enhanced quality, capacity, and safety, while containing costs.

What is Lean?

- Lean is employing minimum resources to realize maximum output and provide customers with exactly what they want (**Value**) without accumulating unnecessary inventory
- **It is simply doing more with less**
- Lean is based on the premise that anywhere work is being done, waste is being generated … and should be minimized or removed
- Lean is a relentless focus on the identification and elimination of waste.
- A process that can be used at any level of the organisation and applied to any process or work area

The objective of Lean is to incorporate less effort, less inventory, less response time, and less space in order to become highly responsive to actual Patient (Customer) Demand and to produce high Quality Product/Service in the most timely, efficient and economical manner possible

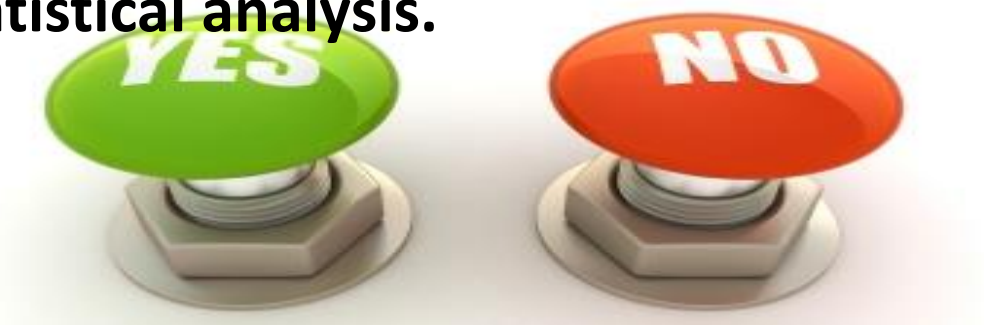
What Lean is NOT

- ❑ **A Way of Making Employees Do More Work and Spend More Time at Work**
  It actually helps them to achieve more with less efforts

- ❑ **A Way of Making Processes Cumbersome and Complicated**
  It Makes our processes simple

- ❑ **A long, complicated process based on a lot of statistical analysis.**
  Lean tools are accessible to all

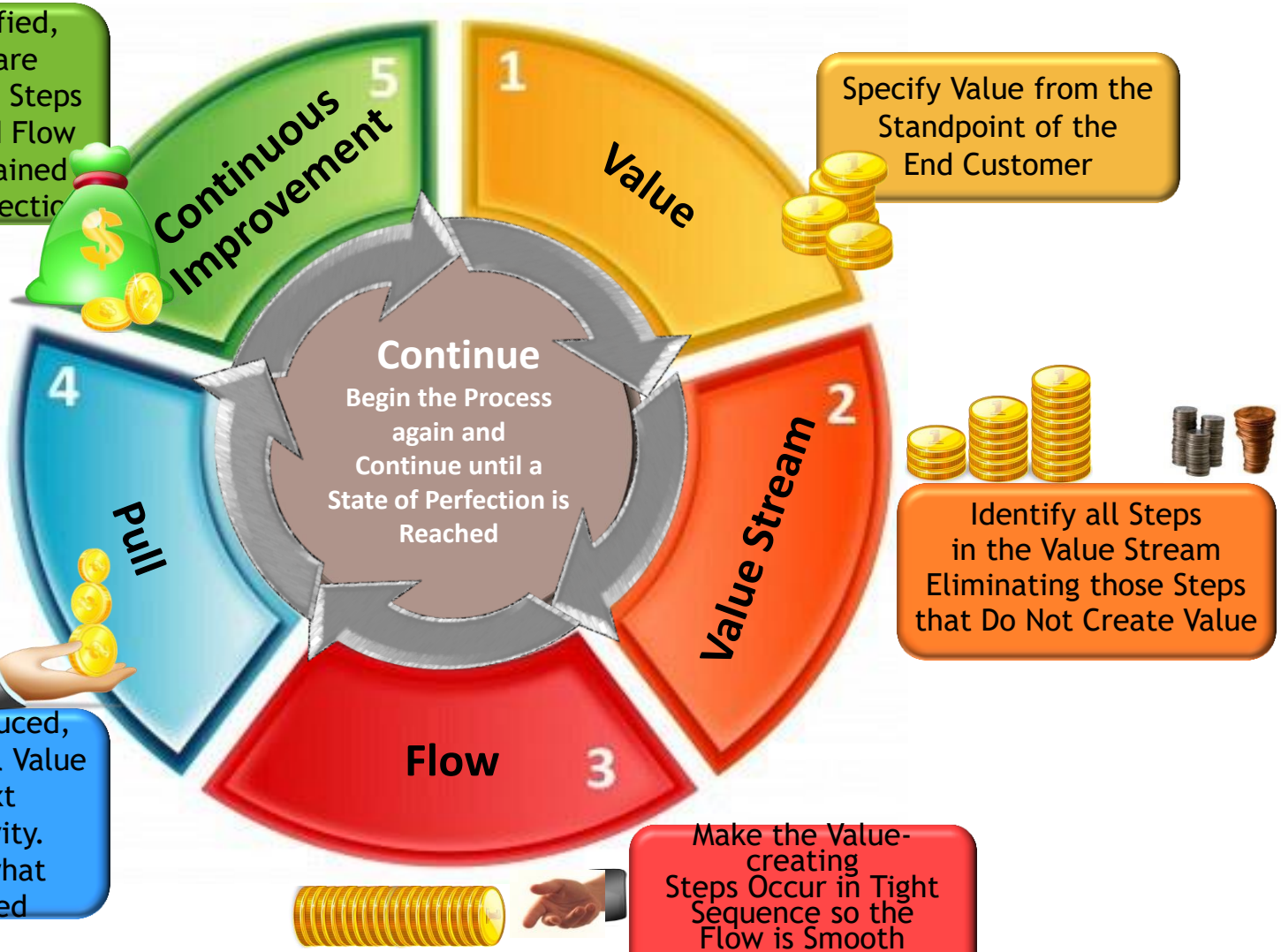
- ❑ **An "elitist" improvement methodology**
  Anyone and everyone can learn and use Lean



- ❑ **A "top-heavy" initiative that takes significant a up-front investment in Time & Capital**
  Lean can be deployed quickly and inexpensively on a pay-as-you-go/grow model

- ❑ **Make Organization/Employees Grow Lean & Inflexible to Customer Patient Demands**
  Lean helps Organization become robust and very flexible

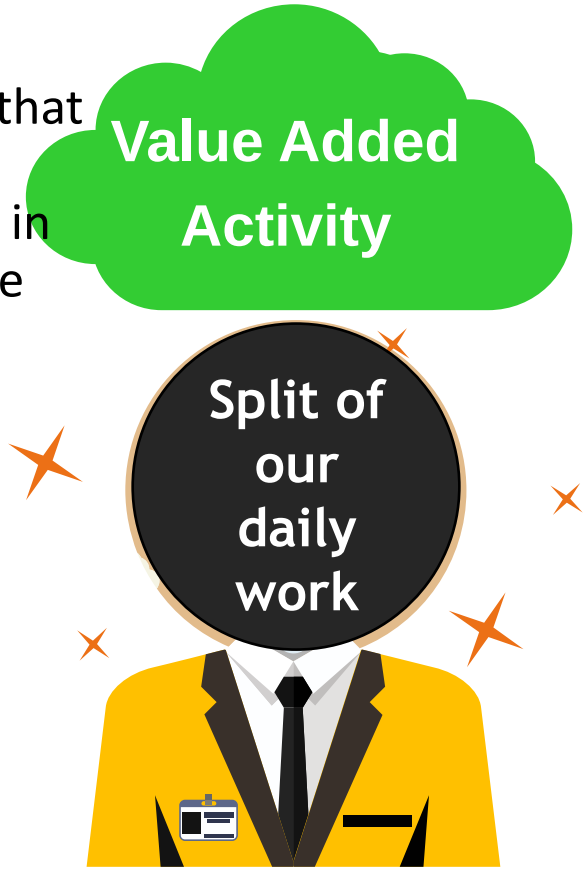
LEAN THINKING & PHILOSOPHY



SOME OF OUR ACTIVITIES ARE WASTE!

Value Added Activity (INCREASE)

- An activity performed in a process that the customer is willing to pay for.
- Typically one that changes the part in some fashion, or adds to the service performed.
- Done right the first time



Value Enabling Activity (REDUCE)

- Activities or steps necessary to maintain the business, i.e. financial audits; reports for FGN, LASG etc. Out Patient, In Patient, Family Planning, Immunization etc.
- No value created but required by current technology
- No value created but required by current process

Waste(ELIMINATE)

- An activity performed in a process that does not add value to the output product or service, which may or may not have a valid business reason for being performed.
- Consume resources but creates no value for the customer
- Could be stopped and it would be invisible to the customer

8 TYPES OF WASTE

DEFECT

Process or system failures, medical mistakes, and misdiagnosis are examples of defect waste in healthcare.

Healthcare-acquired conditions such as blood clots and infections, medication or surgical errors, avoidable readmissions, preventable allergic reactions, incomplete or erroneous medical records

TRANSPORTATION

Transporting patients and their files to different departments and running around to gather supplies

INVENTORY

Surplus supplies and medications, Unnecessary equipment, Unimportant data, or stockpiles of pre-printed forms all translate to inventory waste.

OVERPRODUCTION

Preparing medications for a discharged patient, Duplication of Tests, or Extending hospital stays beyond medical necessity

MOTION

Reaching or stooping for frequently used supplies and equipment, increased walking due to poor building design, or non-ergonomic patient transfers between beds, wheelchairs, or operating tables

EXCESS PROCESSING

Needless tests, filling out different forms with the same information, and performing data entry in more than one system

WAITING

Patients sitting in waiting areas, staff meetings stalled for latecomers, appointment waiting lists, and idle high-tech equipment

NON UTILIZED TALENTS

Waste in healthcare detracts from time that employees could use for educational pursuits, building relationships with patients, or implementing improvements.

Think of Waste, Think of **DOWNTIME**

Defects

Overproduction

Waiting

Non Utilized Talent

Transportation

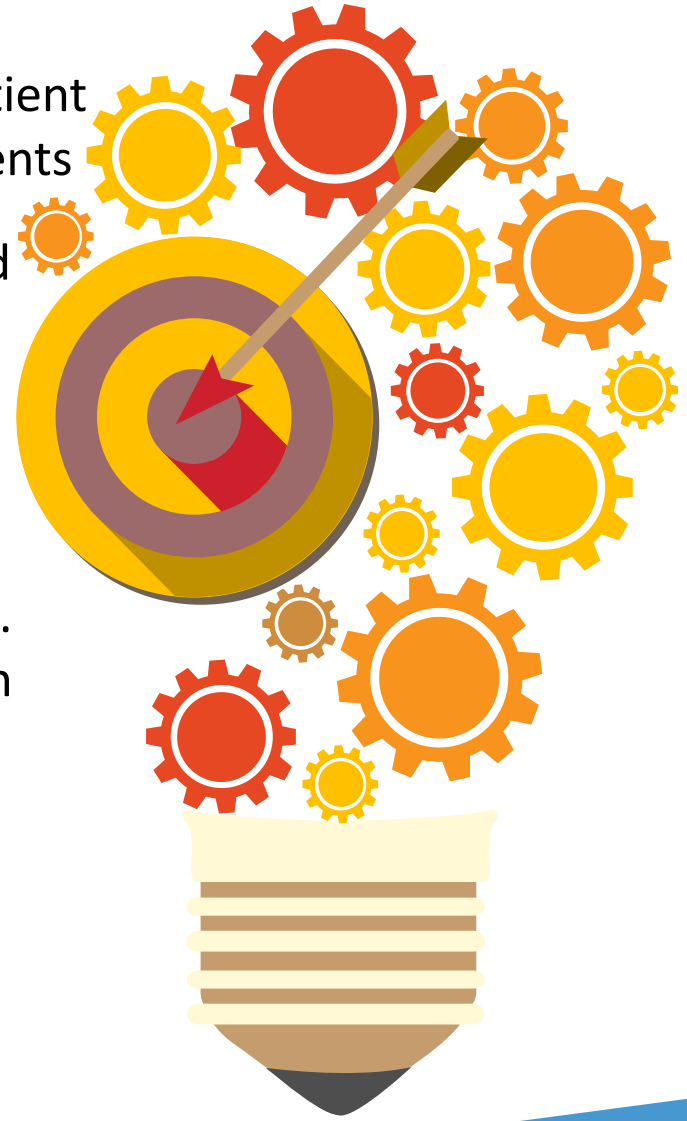
Inventory

Motion

Excess Processing

LEAN IMPLEMENTATION SUGGESTIONS

- Relocate supplies, medications, and Record-keeping systems into patient rooms which will allow nurses to spend more of their time with the patients
- Introduce Crash Cart with visual optimization and optimal supplies and equipment.
- Introduce Ideas Bank for Ideas generation where Staff can make suggestions on Hospital and Safety issues, Benchmarking, Process improvements and Best practice Replications
- Practice Gemba (go see it yourself where the problem is taking place). A good problem solver will be able to get to work floor/ process station and determine immediately if things are Normal or Not
- Combine the mother's and infant's appointments into one



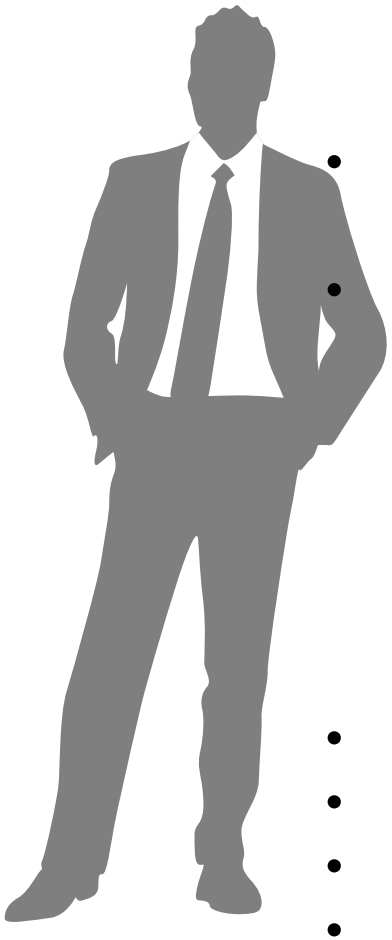
Focus on the front line staff, Enable him to:

- Work safely
- Know and understand his/her Customer
- Support the Worker, Remove wasteful steps from his work
- Provide them with required skills to get the Job done

LEAN – the 7 "sees"

1. See for yourself *("go to the 'gemba'")*
2. See what people do *(observe first hand)*
3. See how people spend their time *(activity follow sheet)*
4. See where people go *(spaghetti chart)*
5. See what really happens to your patients *(value stream maps)*
6. See who your teammates really are *(value stream maps)*
7. See the wasted effort *(waste / 'muda')*

LEAN WRAP



- ***Lean is a journey, NOT a destination.***
- ***Lean is not a program; it is not a set of quality improvement tools; it is not a quick fix; it is not a responsibility that can be delegated.***
- ***It is an attitude of Continuous Improvement***
- ***It is Value Creating:*** *The underlying goal of Lean in healthcare is to improve value for patients. Doing so should also benefit other health care stake-holders. Fewer medication errors, fewer nosocomial infections, less nursing time away from the bedside, faster operating room turnover time, improved care team communication about patients, and faster response time for emergent cases. It benefits patients, physicians, nurses, health care organiza-tions, payers, and the community*
- ***Lean is Unity of Purpose***
- ***Lean is Visual***
- ***Lean Is Respect for the People Who Do the Work***
- ***It requires new habits, new skills, and often a new attitude throughout the organization from senior management to front-line service providers.***

THANK YOU!

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