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Leading Change

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Change is hard. Leading change is even harder. In recent months, change has been demanded quickly and leaders in many different industries have been put to the test. However, the biggest challenge of all may be yet to come. How do we emerge stronger from this pandemic? How do we prepare for the next normal? Resetting for growth post-COVID-19 will require extraordinary change efforts, led by extraordinary people. It seems getting it right begins with understanding what most of us get wrong.

Change on the Horizon

The Boston Medical Centre, like most healthcare centres, needed to adapt during this pandemic and make some changes. CEO Kate Walsh explains that for many changes, there should be no going back (1). She believes that collaboration with other hospitals, adjustments to serve vulnerable populations, and support for hospital employees are just a few changes that should become a permanent part of healthcare (1).

> "If we go back to business as usual and just push volume without taking a moment to think about what we've learned and what investments our country needs to make to keep people safe, I think it's a missed opportunity." (1)

Kate Walsh, CEO
Boston Medical Centre

According to a December 2019 interview with Tencent Healthcare's Vice President, Alexander Ng, change and innovation were on the horizon for healthcare well before COVID-19 (2). Ng believes that in the future, technology will play a huge role in improving the patient experience. For example, Ng believes that by 2030, there will be an interconnected, transparent electronic medical record (EMR) that will allow artificial intelligence (AI) to automatically transcribe and structure spoken information during patient meetings, track prescription medications to prevent misuse, overuse and side effects due to drug-drug interactions, and tailor the visibility of this information to the specific healthcare setting, allowing for faster, more accurate care (2).

> "Some of the technologies we're talking about—5G connectivity, robots—aren't cheap, so they'll only be in places with more financial resources, such as big cities and tech centers. But I think some things will be universal or popularized. Everybody can have a connected electronic health record, or an AI engine to catch side effects for drug–drug interaction, or AI that helps the physician, the healthcare worker, or even the African village worker determine the best course of action—because the required investment for these things is not that high." (2)

Alexander Ng, MD, MPH
Vice President, Tencent Healthcare

Where there is Change, there is Naturally Resistance

Whether change comes as a result of COVID-19, new technology or simply an innovative new idea to improve our healthcare systems, change is not always easily accepted - even if the benefits seem quite clear or the evidence is there. A 2013 research article describes a change effort taken on by an orthopedic surgical practice (4). The goal? To go from a completely paper-based practice to one that almost fully utilizes an EMR. In order to obtain special funding to cover the costs of this digitization process, the practice would need to meet the 95% EMR adoption threshold. However, after the initial change was suggested, the adoption rate was calculated to be around 54%. When surveyed, clinic staff expressed that lack of knowledge of a digital alternative, habit, lack of motivation to change, and lack of knowledge of consequences were the biggest barriers to EMR adoption (4).

This is not surprising though, as resistance is a normal psychological response to change (3). Therefore, any strategy or approach for leading change will also need to take into account those who resist it.

> "Neurologically, the emotional brain first feels something negative about the change and then the rational brain kicks in and thinks of reasons to defend that feeling. Resistance can take many forms: apathy, doubt, hopelessness, rejection. A more subtle (but all too familiar) form of resistance, especially in compliance-based settings like health care, is publicly acting in accordance while privately disagreeing." (3)

Kate Hilton and Alex Anderson
Harvard Business Review

Hilton and Anderson provide the example of a surgical team who was tasked with employing a surgical checklist aimed at reducing errors and improving outcomes. Despite benefits of the checklist being quite clear, after 18 months the adoption rate stalled at 30% (3). The change leader, Michael Rose, realized a few critically important points for addressing people's emotional response to change:

1. **Don't fight the resistors.** Activate people's agency (their ability to choose to act with purpose) by inviting them to share their own views on what works and what doesn't. By enlisting them in the effort to move the checklist forward, it gives them the power to address and overcome their fears (3).

2. **Stop telling people what changes to make.** Instead of asking, "How can I get this group of people to do what I want them to do?" ask, "How can I get this group of people to do what they want to do?" (3). Invite team members to connect the effort to their own personal values and motivation, get them to realize what they stand to gain and address what they believe they stand to lose (3).

3. **Focus on the people who are already committed to change.** "By starting with those who were committed to the surgical safety checklist, Rose engaged leadership across disciplines and levels. Nurses and technicians joined with surgeons, anesthesiologists, and senior leaders to advance the adoption of the checklist." (3)

As a result, the surgical team now uses a checklist for 100% of surgical cases. Their 30-day surgical mortality rate has dropped by nearly one-third, team productivity has increased by almost 8 hours, job satisfaction has risen, and there's a stronger culture of safety. Implementing change, as demonstrated in this example, is not possible without first addressing the psychology behind it.

Leading Change

Change is undoubtedly difficult but it is also essential – no organization survives over the long term unless it can reinvent itself (5). Creating real change is a long process, full of ups and downs. So what is the best way to go about it? In a 1995 Harvard Business Review article entitled Leading Change: Why Transformation Efforts Fail, John P. Kotter famously outlines an eight-step change process which was later published in his 1996 book Leading Change (Exhibit 1) (5).
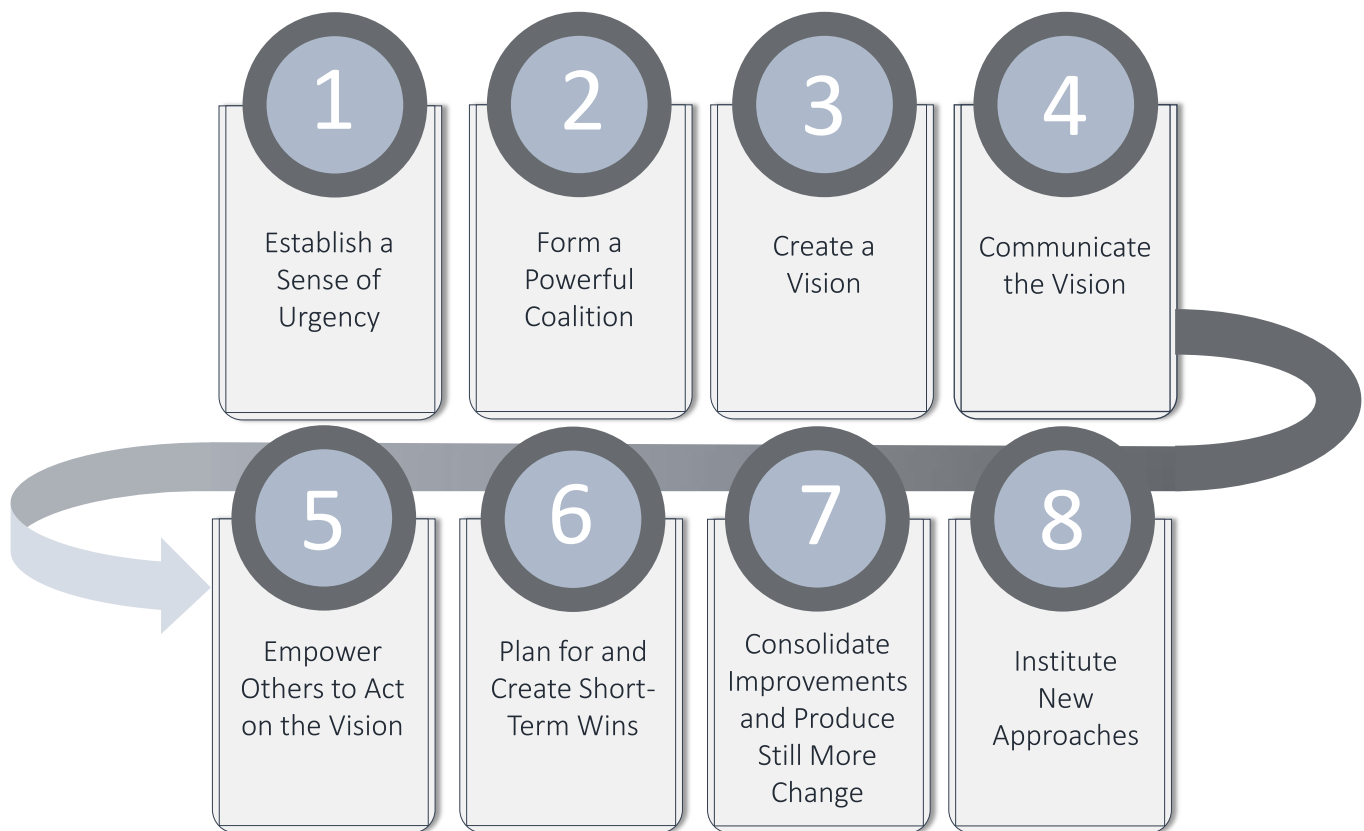
1	2	3	4
Establish a Sense of Urgency	Form a Powerful Coalition	Create a Vision	Communicate the Vision

5	6	7	8
Empower Others to Act on the Vision	Plan for and Create Short-Term Wins	Consolidate Improvements and Produce Still More Change	Institute New Approaches

Exhibit 1: Kotter's eight step process for leading change (5)

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In the previous example of EMR adoption in an orthopedic surgical practice (4), it was discussed that inadequate customization, consultation with users in system choice, use of clinical champions, and involvement of clinical and administrative staff in engagement efforts could all play a huge role in the failure of EMR initiatives within the healthcare setting. After implementing Kotter's eight step model for leading change, the practice was able to reach a 98% rate of adoption, surpassing the 95% threshold and highlighting the potential for Kotter's model to be an effective tool.

In his 1995 article, Kotter reassures readers that even the most successful leaders will often make at least one big error. One big error however, can mean the difference between a successful and an unsuccessful transformation effort. To have the best chance of succeeding, Kotter insists that change leaders avoid the following pitfalls during each stage of the change process (5):

1. Not establishing a great enough sense of urgency

- Over 50% of organizations fail in this first phase.
- Leaders underestimate how hard it is to drive people out of their comfort zone. They lose patience and rush.
- They focus on the risks and worry about being blamed for an unsuccessful effort.
- The problem is, there are too many managers and not enough leaders.
- Leaders need to relay the need for major change, but it is a difficult balance. Giving news of bad results, like losing money, gets peoples attention and is great motivation for change. However, it also gives less room to manoeuvre when implementing change. When there is only good news to give, convincing people that change is necessary will be difficult to do, but the organization will have more resources available for the change.
- Leaders need to make the status quo more dangerous than launching into the unknown
- There is a need to establish a high urgency rate. 75% of management need to be convinced that business as usual is totally unacceptable.

2. Not creating a powerful enough guiding coalition

- This coalition needs to go beyond just the head of an organization being a supporter, although this is important.
- It needs to be a coalition that grows over time. A team of 3-5 should become 2-50.
- Needs to include many people with powerful titles, expertise, and relationships. The core is usually senior managers.
- Outside of this core, you need lots of people who share the same commitment to excellent performance through renewal.
- Since the coalition will also involve individuals outside of senior management, the coalition needs to operate outside of normal hierarchical rules.
- A sense of urgency helps enormously here.
- Need to get the people together. Retreats can help.
- Teamwork can be undervalued at the top and the importance of the coalition undervalued or not realized. You deed a strong line leader.
- Need a powerful enough coalition or the opposition can step in and stop the change.

3. Lacking a vision

- The coalition needs to develop a vision for the future that can be clearly communicated and appeals to stockholders, employees and customers.
- Coalitions work to develop the vision over months.
- Without a vision and a strategy for achieving that vision, any transformation effort can easily fall apart into incompatible projects. These projects can take the organization in different directions or nowhere at all.
- Failed transformations have plans, directives and programs but no vision.
- A clear sense of direction can be too complicated or blurry to be useful.
- If you can't communicate your vision in 5 minutes and get a reaction that signifies understanding and interest, then you are not ready to go to the next phase.

4. Under communicating the vision by a factor of ten

- There are three common communication patterns:

  I. Developing a good vision, holding one meeting or sending out a single communication and getting startled when few understand the new approach.

  ii. Spending a good amount of time making speeches and communicating the vision but no one understands.

  iii. Much more effort is spent on speeches, newsletters and communication but senior management does not behave in accordance with this vision – raising cynicism and lowering belief in the vision.

- You need thousands of people to help and to make sacrifices for the change. Employees will not make sacrifices unless they believe useful change is possible.
- Credible communication, and lots of it, is needed to get people on board.
- Get into the routine of bringing everything back to the vision; take every chance to bring it up in conversations, meetings and tie everything back to it.
- Use every possible channel that is being wasted on non essential information, i.e. in newsletters, training material.
- Leaders walk the talk and become a living symbol of the vision.
- Communication comes in words and deeds. Nothing undermines the vision more than having words that don't match up with actions.

5. Not removing obstacles to the new vision

- Sometimes obstacles exist in a person's head and the challenge is to convince them that no external obstacles exist. Often external obstacles do exist though.
- Obstacles in organizational structure make it difficult for people to think outside of their own position.
- Compensation models or performance-based appraisal might make people choose between the vision and their own self interest.
- Not all barriers are able to be removed but the largest ones need to be. If a barrier is a person, they need to be treated fairly and consistently with the new vision.
- Action needs to be taken to address barriers if the credibility of the effort is to be maintained.

6. Not systematically planning for and creating short term wins

- Most people won't see the point in reaching the long-term goal if no short-term goals exist to be reached and celebrated.
- They need to see evidence in 12-24 months that efforts are producing expected results.
- Otherwise they may join the team of people resisting change.
- The win needs to be unambiguous and not an interpretation that can be discounted by those opposing the change.
- Actively look for ways to reach short term goals, establish goals in yearly planning, obtain clear performance improvements and reward the people involved.
- Managers complain about being forced to reach short term goals, but this creates a good pressure that keeps the sense of urgency up. If people think it will take a long time to reach a goal, urgency levels drop and this can affect the change effort.

7. Declaring victory too soon

- Changes need to sink deep into a company's culture, a change that can take 5-10 years.
- New approaches are fragile and subject to regression.

- Premature victory kills momentum and then powerful forces associated with tradition take over.
- Leaders of successful efforts should use the credibility afforded by the short-term win to tackle even bigger problems.
- Leaders go after structures that are inconsistent with the vision, focus on who is hired, promoted and developed, they reengineer even bigger projects and remember that change happens over years.
- In a successful change, the peak change was seen in year 5.

8. Not anchoring changes in the corporation's culture
- The change needs to become the way you do things and should be rooted in social norms and shared values.
- Show people how the new approaches, behaviours and attitudes have helped improve performance and guide them to make the right connections.
- Make sure the next generation of management fits the new approach. Change rarely lasts if the requirements for promotion don't change.
- Poor succession decisions can undermine years of hard work and are possible when boards of directors are not a part of the renewal process.

In this great era of healthcare changes, transformation should not be made in fear of the next pandemic. Instead, change needs to be focused on creating systems that are sustainable and able to withstand the test of time; systems that never stop striving for improved patient outcomes and improved access to care (6). By understanding each phase of change and the common pitfalls unique to each one, leaders will be setting these vital transformation efforts up for success. Leading successful change, both during our current pandemic and into the future, is a skill that will continue to be at the forefront.

Contributors

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