Today's Presentation

- Introductions
- Guiding Principles
- The Vancouver Clinic's Management System
- Professional's Management System
- Value of a Data Element

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The Vancouver Clinic

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Guiding Principles

Help us make decisions

Guiding Principles form a guide for what to do and what not do when making strategic and daily decisions

Based on our mission, vision, values

Our mission is our purpose, our vision is what that looks like, our values are what we think is important and our guiding principles are how we actually make that happen – how we show up in both good times and bad times

Guiding Principles & Behaviors

ORGANIZATIONAL ALIGNMENT
Alignment
Visibility

Alignment
Alignment of purpose, resources and actions is critical to reaching our long-term vision and goals

Visibility
Visual aids are the most effective means to communicate work status, abnormalities and performance

CULTURAL INFLUENCERS
Leadership Promise
Advancing Our People

Leadership Promise
Effective leadership is marked by humility, continuous learning, servant leadership with the view to develop others, hold people accountable, and model desired behaviors

Advance our People
Continuous development of our people is critical to long-term clinic success. Providing our people with the resources, tools and skills is fundamental to that success.

VALUE STREAM THINKING
Team & System Thinking
Flow & Pull Value

Team and Systems Thinking
Small, responsive, well prepared systems enable flexibility and reliability. Co-located, cross functional teams as close as possible to value delivery activities provide the best communication.

Flow & Pull Value
Challenge our existing processes to create flow of value that streamline upstream and downstream connections.

Pull processes highlight constraints, expose problems and are critical to innovation and improvement.

CONTINUOUS IMPROVEMENT
Standard Process
Innovation & Improvement
Reliable Excellence

Innovation & Improvement
Innovation is disruptive, challenges the status quo and can come from any level in the organization. Continuous improvement is part of everyone's job

Standard Process
Without standards there can be no improvement.

Reliable Excellence
Excellence can only be achieved when every element of the work is done right the first time.
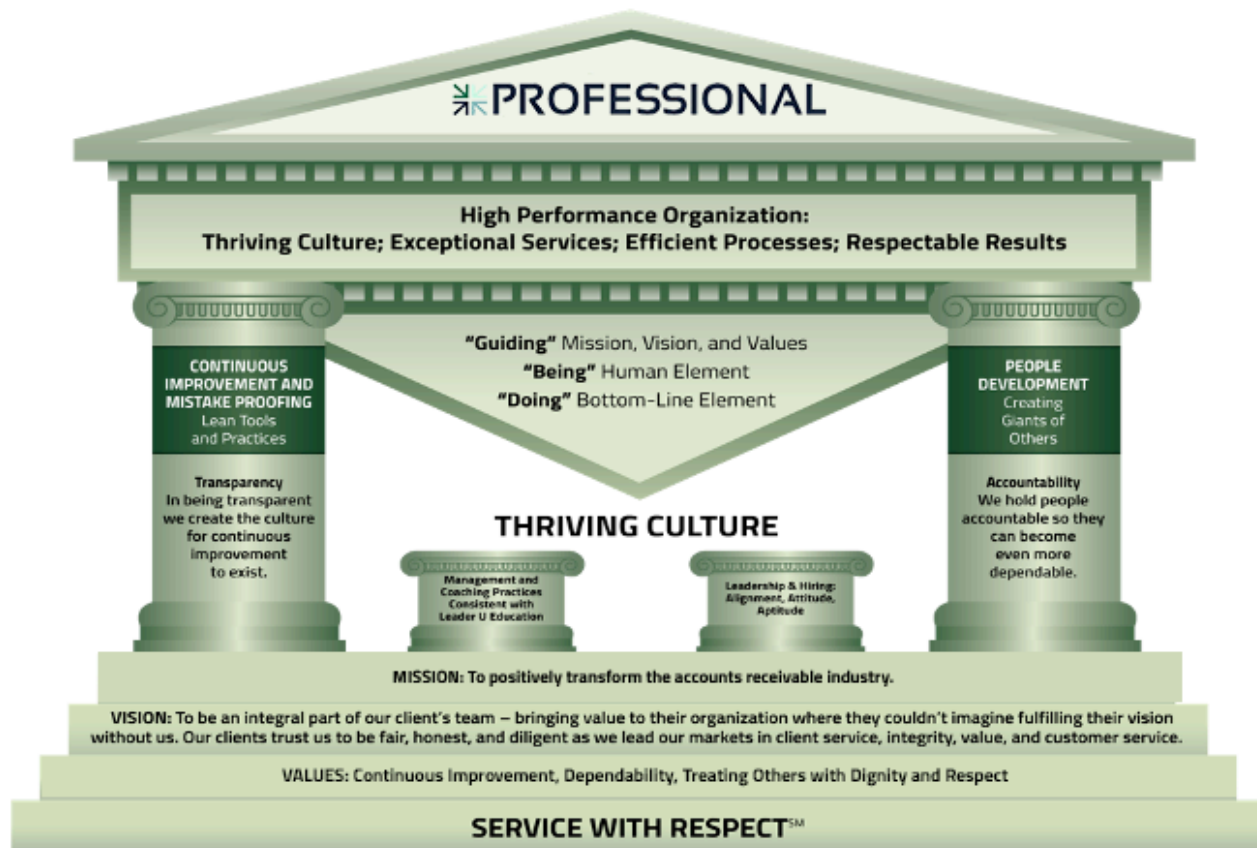
Guiding Principles & Behaviors

As we continue on our Lean journey, we are committed to displaying behaviors, seeking outcomes and developing skills consistent with our principles.

ORGANIZATIONAL ALIGNMENT — Alignment, Visibility	CULTURAL INFLUENCERS — Leadership Promise, Advancing Our People	VALUE STREAM THINKING — Team & System Thinking, Flow & Pull Value	CONTINUOUS IMPROVEMENT — Standard Process, Innovation & Improvement, Reliable Excellence

Defined for each level:

- Everyone
- Manager / Dept. Chair
- Directors / Executive Leadership Team
- Board of Directors

Includes:

- Expected behaviors
- Expected Work Output
- Skills Need

PROFESSIONAL

High Performance Organization:
Thriving Culture; Exceptional Services; Efficient Processes; Respectable Results

"Guiding" Mission, Vision, and Values
"Being" Human Element
"Doing" Bottom-Line Element

CONTINUOUS IMPROVEMENT AND MISTAKE PROOFING
Lean Tools and Practices

Transparency
In being transparent we create the culture for continuous improvement to exist.

PEOPLE DEVELOPMENT
Creating Giants of Others

Accountability
We hold people accountable so they can become even more dependable.

THRIVING CULTURE

Management and Coaching Practices Consistent with Leader U Education

Leadership & Hiring: Alignment, Attitude, Aptitude

MISSION: To positively transform the accounts receivable industry.

VISION: To be an integral part of our client's team – bringing value to their organization where they couldn't imagine fulfilling their vision without us. Our clients trust us to be fair, honest, and diligent as we lead our markets in client service, integrity, value, and customer service.

VALUES: Continuous Improvement, Dependability, Treating Others with Dignity and Respect

SERVICE WITH RESPECT℠

TVC Management System

Lean Management System

What do we mean when we say Lean Management System?

… It's about behavior!

… It's about a Human Performance System!

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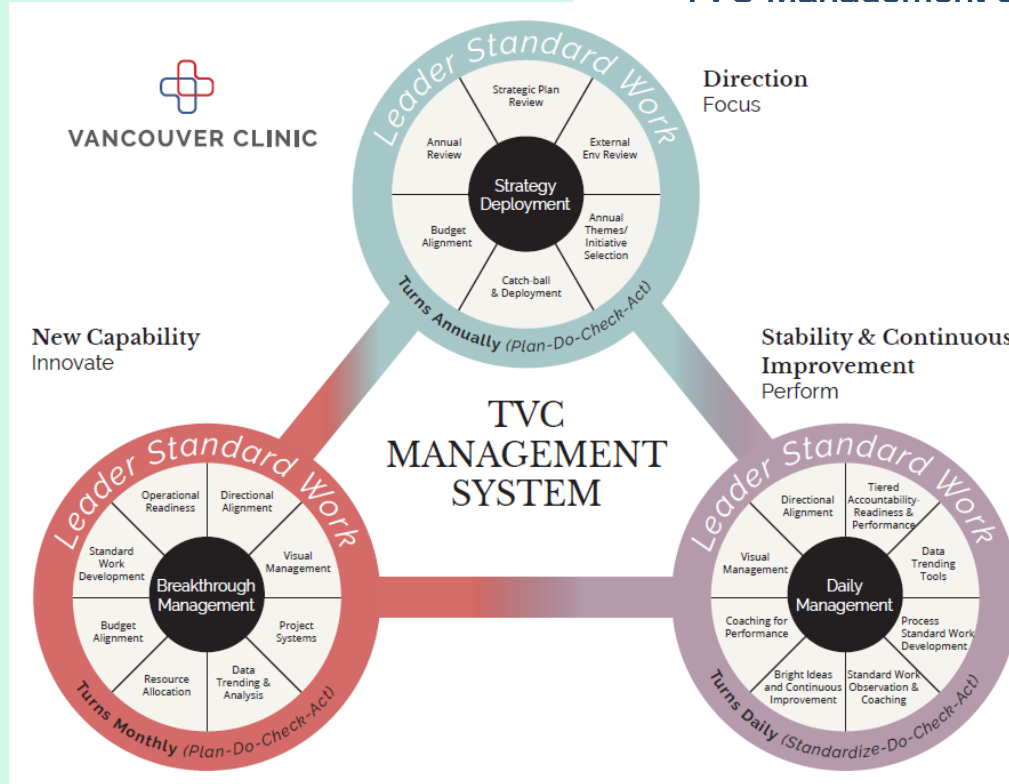
Components of Strategy Deployment
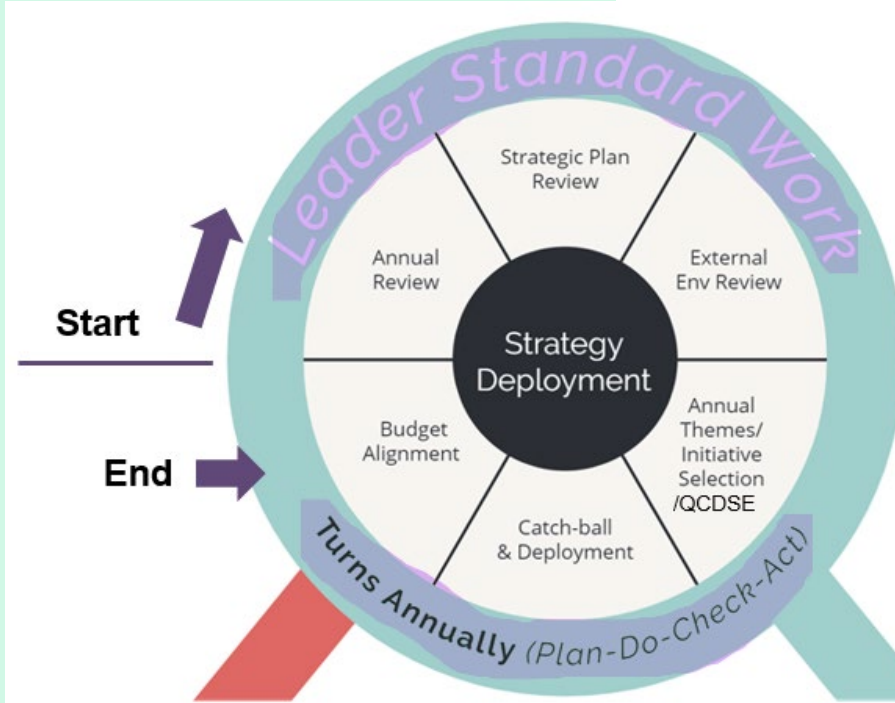
Ex: Strategy Deployment Timeline

Enterprise Level Initiative – Prioritization

ELT & Board Level
QCDSE Catch-ball: ELT, Board, Committees
Development of annual goals/targets with ELT. Catch-ball with the Board and Committees.

ELT & Division Level
QCDSE Catch-ball & Breakthrough Initiative Development:
Catch-ball QCDSE with Directors. Strategy A3 development for potential strategic initiatives started with leaders.

Organizational Initiative Performance Review:
Board & ELT review prior year's strategic initiatives (outcomes and learnings)

External Annual Review:
Board and ELT analyzes external market, Board SWOT, etc.

Budget Cycle
Directors, Managers, and ELT, develop and analyze budget needs for upcoming year

Project Work Begins in New Calendar Year
New year starts, projects put into place, performance measurement tracking ongoing

February   **May - June**   **Sept – Nov**   **Jan - Dec**

Mar - Apr   **July – Aug**   **Nov – Dec**

Internal Annual Review:
Directors, Managers, and ELT follow the Internal Annual Review Process.

SWOT analysis based on External/Interview reviews inform **Hoshin & QCDSE** targets.

Hoshin & QCDSE inform Enterprise Level Initiatives – Filter 1

Division & Dept. Level

Breakthrough Prioritization:
Project prioritization, capacity analysis, and resource allocation review with ELT/teams

QCDSE Communicated:
Annual targets shared/catch-ball with teams.

Approval/Finalize Breakthrough Initiatives:
Budgets are finalized and approved (Board/ELT). Strategy A3s approved for strategic initiatives by ELT.

Balanced Performance Measures: QCDSE

Ex: Process Summary & Tools
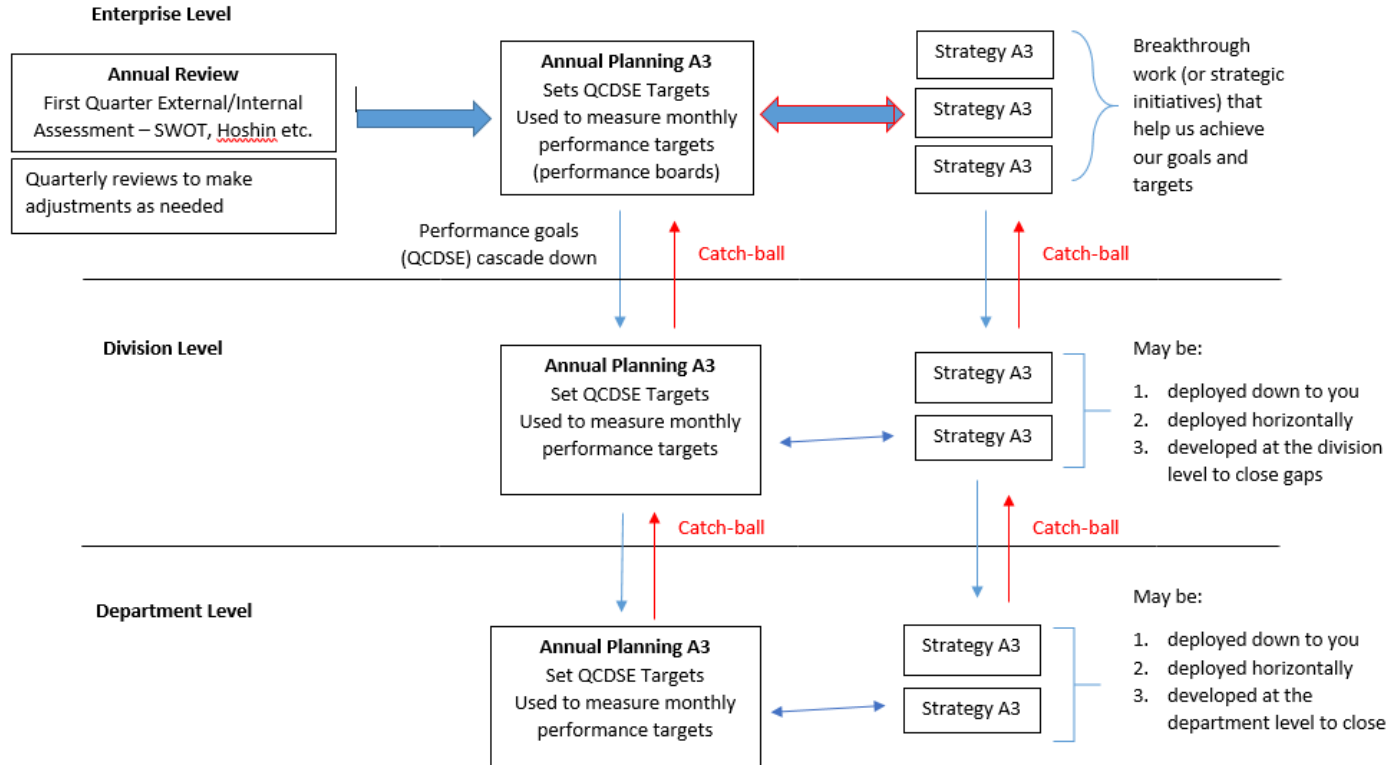
Catchball Process

- Deploying a Strategic Goal or Initiative is a commitment to execute the goal.

- Deployment is a two -way ("Catchball ") interaction and cascades down the organization, one level at a time, based on an analysis of the current conditions at each level: Board, Executive, Divisional, Departmental, and Personal Level.

- Much like catch from childhood, the concept of   Catchball is simple and involves moving ideas and information from one person or team to another. The person/leader who starts the process, articulates the purpose, objectives and other ideas and concerns and then 'throws' them to the other stakeholders for feedback, support and action.

Catchball Process

Our TVC Catchball is a process of translating the vision of the Executive Leadership Team (ELT) into concrete activities/initiatives throughout the organization via our **Deployment Process**. ELT defines a required result via our QCDSE targets and the teams provide the means to achieve the results.

Catchball involves:
- Communication
- Education
- Explanation
- Negotiation
- Commitment

This occurs at each level of the organization. **ELT** with the Board and the Directors, **Directors** with Managers, **Managers** with Supervisors and **Supervisors** with Staff. Each level requires coaching as well as rigorous follow up on the progress toward achieving the organizational goal.

What is an A3 and A3 Thinking?

Refers to an international -size paper (11-by-17 inches). However it means much more…

- An issue is captured on one piece of paper
- A management process for problem   -solving
- Encourages continual dialogue
- Enables learning through the scientific method
- Focuses on the process, not the person

- The left side focuses on understanding the reality of the situation
- The right side is the tactical half for how you will solve the issue

Types of A3s Used at TVC

- **Problem Solving:**
  Single instance, action plan

- **Annual Planning:**
  Sets the annual plan and performance goal tracking

- **Strategy:**
  Supports the development of breakthrough work

Each contain components that engage the problem owner to:

1. Define the problem (or identify a gap)
2. Analyze current conditions
3. Analyze the root of the problem
4. Develop countermeasures or goals and targets
5. Develop an action plan
6. Establish follow -up

Planning A3

☐ Org ☐ Division ☐ Dept _____ Annual Planning A3

Year: 2020	Author(s):		Date:	Version:

Background: Performance, Gaps & Targets	This Year's Action Plan															

This Year's Action Plan

| Goals & Outcome Metrics/Targets	Tactics - define what needs to be get done	BT	J	F	M	A	M	J	J	A	S	O	N	D	Process Metric	Process Targets
QUALITY: Excellent Care Patient Satisfaction & Standard Work *Improve patient experience & quality outcomes for patients as we develop our roadmap toward value*																
COST: Financial Sustainability Pre-Tax Profit *Increase financial stability*																
DELIVERY: Market Essentiality Market Share & RVU Productivity *Expand market essentiality*																
SAFETY: Physical and Psychological – Accurate reporting & Safety Survey engagement *Create a learning culture that embraces opportunities for improving the workplace*																
ENGAGEMENT: Top Workplace – Retention & Workplace Engagement *Raise engagement and be seen as a the best place to work*																

Reflection on Last Years Activities

Activity	Rating	Key Results/Issue

Analysis / Justification to this Year's Activities

Strategy A3

Strategy A3

Title:		Dept:	Date:
Dyad Process Owner(s):	Sponsor:	Version Number:	
Estimated $$:	Estimated Total Effort Hours:	Scope # cost center impacted:	
Organizational Alignment:			
Guiding Principle Alignment:			

Proposal (Gap trying to close)

- *What is the gap you are trying to solve? Performance to target*

Hypothesis / Target Condition (if X then Y)

- *What are you proposing?*
- *Expected benefits or desired outcome*

Background / Current Condition

- *What is the background that created interest in this project?*
- *Describe significant work already completed on this project. What other countermeasures were considered?*
- *How does this project align with TVCs' overall strategic objectives?*
- *How does this project close a regulatory or mission critical gap?*

Major Milestones (Action Descriptions)

Schedule

	J	F	M	A	M	J	J	A	S	O	N	D

Major Action Steps for key milestones at specific time intervals to support operations to implement.

Goal	**Metric**	**Target**
- *Are their key result (QCDSE) metrics that demonstrate how we get to the proposal objective and/or meet the expected benefits or desired outcomes?* - *Are they specific & time-bound, aggressive yet realistic and measurable & verifiable?*		

Rationale / Problem Analysis

- *Why is this needed (rationale & link)? How will this actions benefits us?*

Benefits to Employee Engagement with A3 Thinking (and a Mgt System)

- Clarity of Purpose
  - Coordinates both facts and meaning into a common format
  - Encourages people to clearly articulate or share their problem
  - Improves alignment between problem solver and other stakeholders
- Relationship & Recognition
  - Creates a communication pathway (deepens the understanding)
  - Documentation platform to celebrate achievements and milestones
- Capability and Resources
  - Helps people explain how they intend to address the problem
  - Equips people with the right tools to do the job
- Psychological Safety
  - Provides a safe space around problem solving (focuses on the process, not the person)
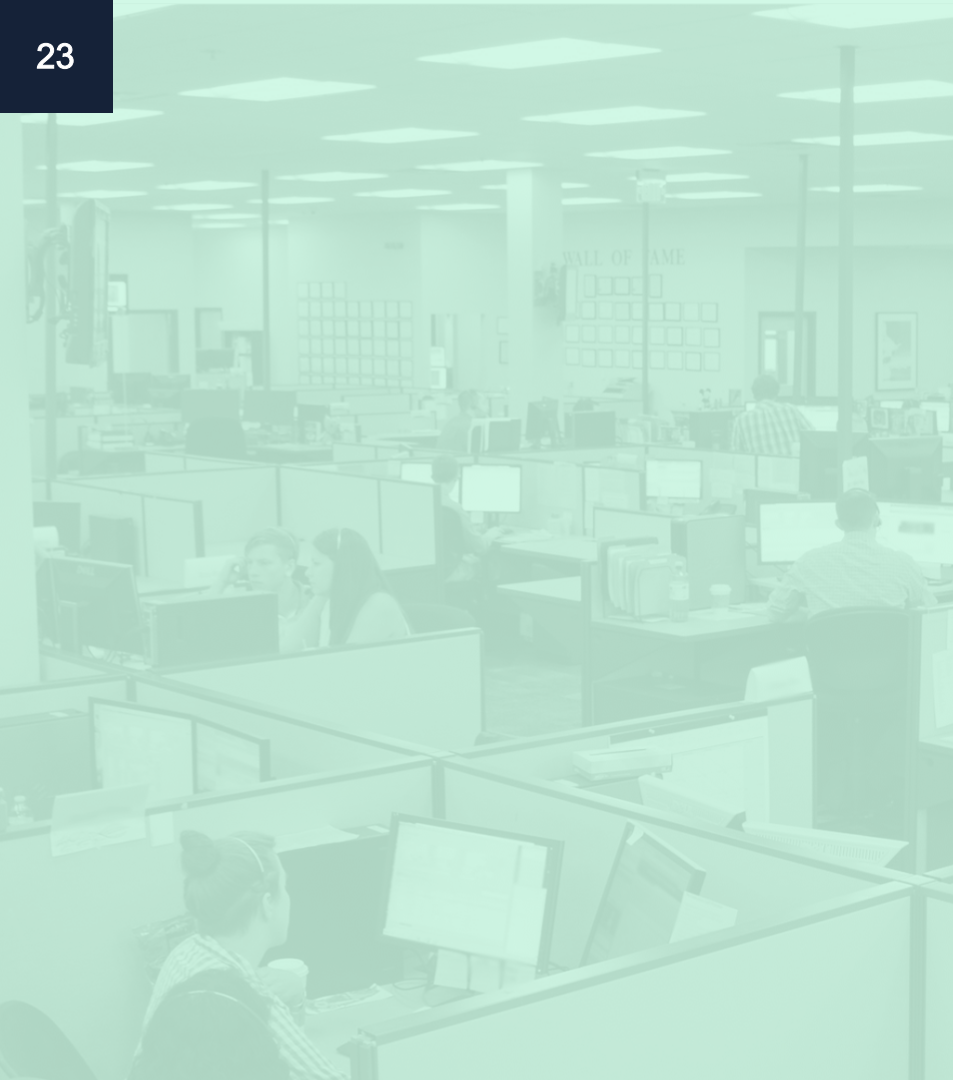
Professional's Management System

The EOS Model®

Core Values

1. Dependability

2. Continuous Improvement

3. Treating Others With Dignity and Respect

Core Focus

Passion: To positively transform the Accounts Receivable Industry

Niche: Easier collections for clients and patients.

10- Year Target

By 2031 ……….

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Marketing Strategy

Target Market:
   Demographic
   Geographic
   Values

Three Uniques:
   Easier for Clients
   Easier for Patients
   Better Value

Marketing Strategy

Proven Process:

—

Guarantee: To protect our client's image in the eye of the patient and the public, and assist them in achieving their mission.

3- Year Picture

Revenue

—

Profitability

Measureables

What Does It Look Like?

1- Year Picture

Revenue

—

Profitability

Measureables

What Does It Look Like?

Quarterly Rocks

Revenue

Profit

Up to Seven Rocks in SMART language and one Accountable Person

Accountability Chart

- Top Five Accountabilities
- One person can be in more than one box, but no box can have more than one person.
- First accountability is typically Lead/Manage/Hold Accountable
- EOS is Accountabilities first, right fit/person second

Accountability Chart   - GWC

- Get It?
  - Do they understand all of the ins and outs of the job?

- Want It?
  - Genuinely want the job?
  - Get up every morning desiring to do it?
  - Can't pay, motivate, force or beg them to want it.

- Capacity?
  - Mental, physical, spiritual, time, knowledge and emotional capacity for this role?

Scorecard

- Max – 15
- For Professional's Executive Scorecard:
    - Current Revenue Indicators
    - Future Revenue Indicators
    - Staffing
    - Efficiency
    - Quality
    - 3 Uniques
    - Cash-Liquidity
- Scorecards cascade down

Meeting Pulse

—

Increases Traction, Accountability, Communication, Team Health, and Results

- The moment of truth

- Routine, heartbeat, cadence

- Same day, same time, same agenda, starts on time and ends on time

- Keep the circles connected

Meeting Pulse

Annual (2 days)

- Company Vision
- 1-Year Plan

Quarterly (1 day)

- Review V/TO and previous Quarter Rocks
- Establish next Quarter Rocks
- Resolve Key Issues

Weekly (90 minutes)

- Numbers and Rocks on track
- Employee and Client Satisfaction
- Resolve Issues

L10 Meeting™

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Segue: 5 mins
- Celebrate: Personal
- Celebrate: Organization

Scorecard   5 mins
Rock Review (On/Off)   5 mins
Client/EE Headlines (good or bad) 5 mins
To-Do List   5 mins
IDS (Identify, Discuss, Resolve)   60 mins
Conclude: 5 mins
- Recap To-Do List
- Cascading messages
- Rate "Our" Meeting (1 -10)

L10 Meeting™

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Repeat down through the organization.

At the bottom of the organization chart the format needs to fit reality. Think of your Team Huddles at this point.

Quarterly All Employee Meetings

Quarterly Meetings

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The "SPEECH"

Repetition builds culture

The 5 Leadership Practices

1. Am I giving clear direction?

2. Am I providng the necessary tools?

3. Am I Delegating and Elevating?

4. Am I acting with the greater good in mind?

5. Am I taking Clarity Breaks?

The 5 Management Practices

1. Are my expectations clear?

2. Am I communicating well?

3. Do I have the right meeting pulse?

4. Am I having Quarterly Coverations?

5. Am I rewarding and recognizing, timely?

The EOS People Analyzer™

Values Rated

"+" - Exhibits core value most of time

"+/-" - Sometimes exhibits core value

"-" - Doesn't exhibit core value most of time

Outcome:
- No "-" on a sustained basis
- Only one "+/ -" on a sustained basis

THE PEOPLE ANALYZER ™

NAME	Continuous Improvement	Dependability	Treats others with Dignity & Respect	GETS IT	WANTS IT	CAPACITY TO DO

Delegate & Elevate™

Love/Great

Like/Good

Don't Like/Good

Don't Like/Not Good

Less is More

Value of a Data Element

Opportunity Cost of Missing or Inaccurate Data

Example:
Average Marginal Effect (AME) of an email address = **.0443** (*4.43 percentage pts.*)

# of Accounts with missing email addresses = **100,000**
Average Balance = **$500**
Average Collection Rate on these accounts = **20%**
Expected Collections = 100,000 x .2 x $500 = **$10,000,000**

Opportunity Cost = (.2 + .0443) x 100,000 x $500 =
= $12,215,000 - $10,000,000 = **$2,215,000**

22% Improvement!

Additional Examples of Gain From Collecting Email Addresses

Scenario A

	No Email	Email	Population
# of Accts	100,000	–	100,000
	100%	0%	100%
Avg Balance	$ 500	$ 500	$ 500
Gross Balance	$ 50,000,000	$ –	$ 50,000,000
Liquidation %	20.00%	24.43%	20.00%
Recovery	$ 10,000,000	$ –	$ 10,000,000

Scenario B

	No Email	Email	Population
# of Accts	85,000	15,000	100,000
	85%	15%	100%
Avg Balance	$ 500	$ 500	$ 500
Gross Balance	$ 42,500,000	$ 7,500,000	$ 50,000,000
Liquidation %	20.00%	24.43%	20.66%
Recovery	$ 8,500,000	$ 1,832,250	$ 10,332,250
Improvement			**$ 332,250**

Scenario C

	No Email	Email	Population
# of Accts	35,000	65,000	100,000
	35%	65%	100%
Avg Balance	$ 500	$ 500	$ 500
Gross Balance	$ 17,500,000	$ 32,500,000	$ 50,000,000
Liquidation %	20.00%	24.43%	22.88%
Recovery	$ 3,500,000	$ 7,939,750	$ 11,439,750
Improvement			**$ 1,439,750**

This could become a Quarterly Rock in your Revenue Cycle

Questions?

Thank you!