

Balanced Scorecard



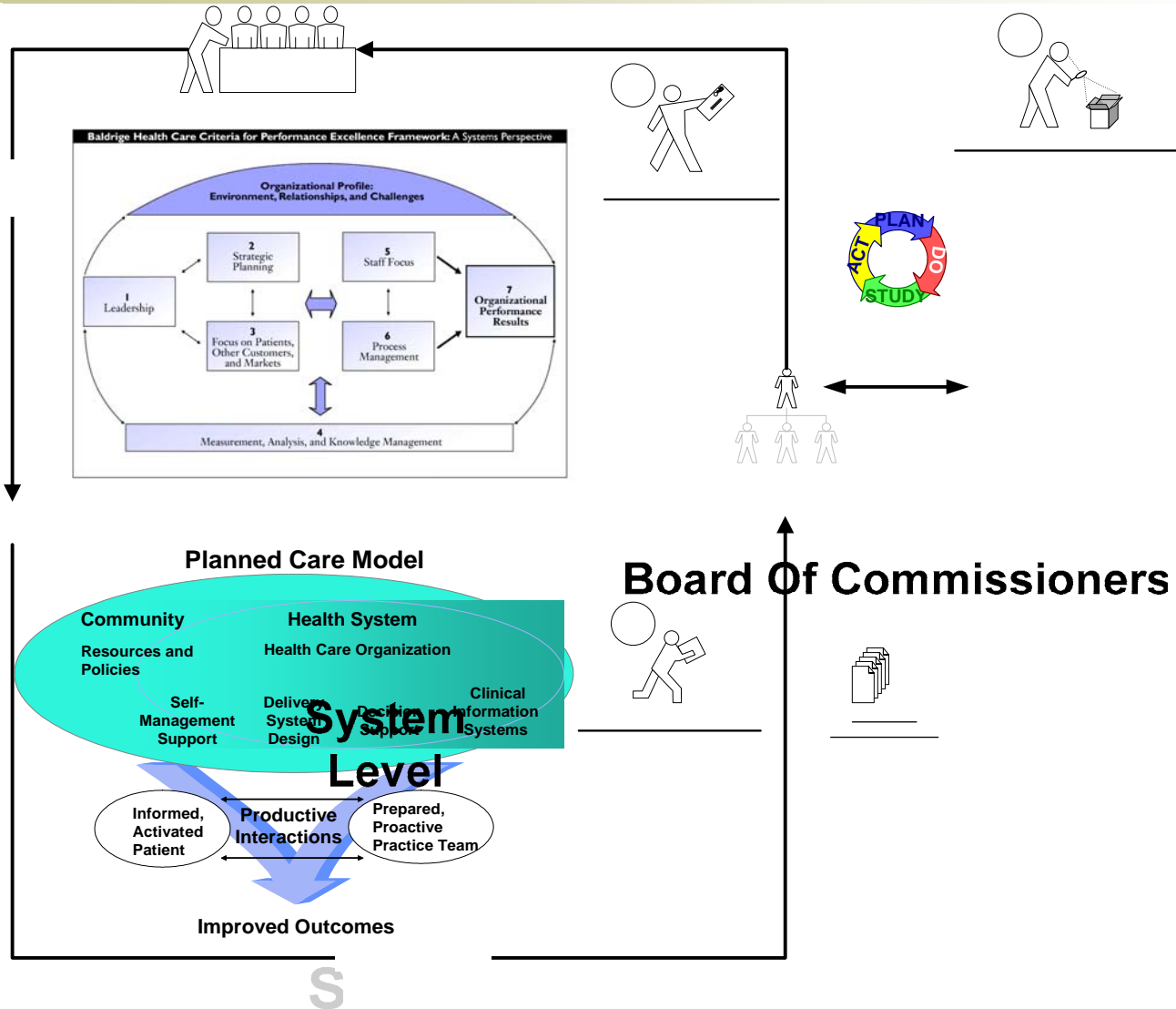
10 Steps To Constructing an Organizational Scorecard

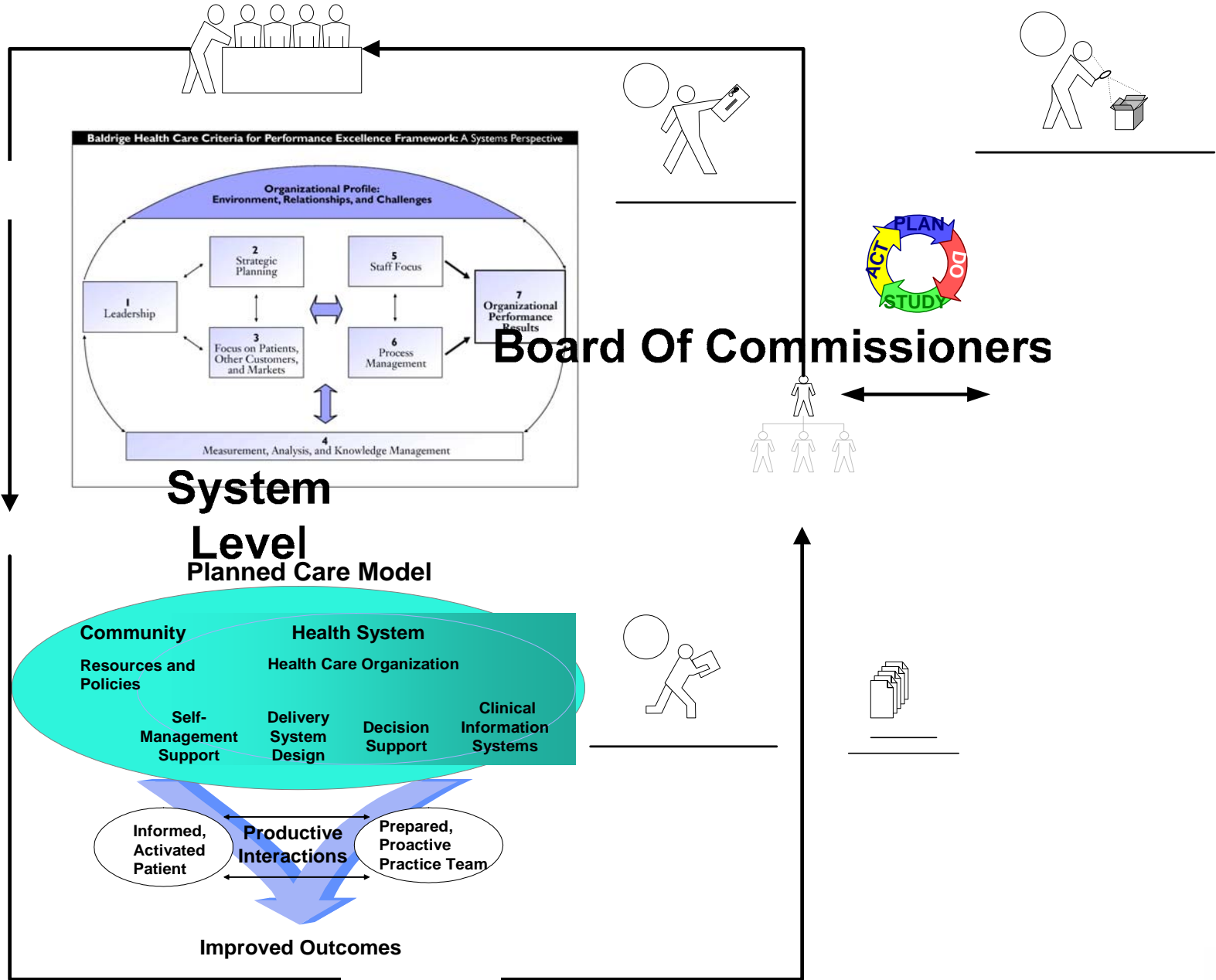
10 Steps to Constructing a Scorecard

- 1) Define Your Quality Framework
- 2) Survey the Marketplace (SWOT Analysis)
- 3) Strategic Planning Retreat (Brainstorming)
- 4) Identify 3 Key Strategic Objectives (KSO's)
- 5) Identify Outcome Measures
- 6) Add Operational Measures
- 7) Develop Data Collection Plans
- 8) Construct Scorecard/Dashboard
- 9) Communicate to the Team – Promote the Plan
- 10) Put the Plan into Action

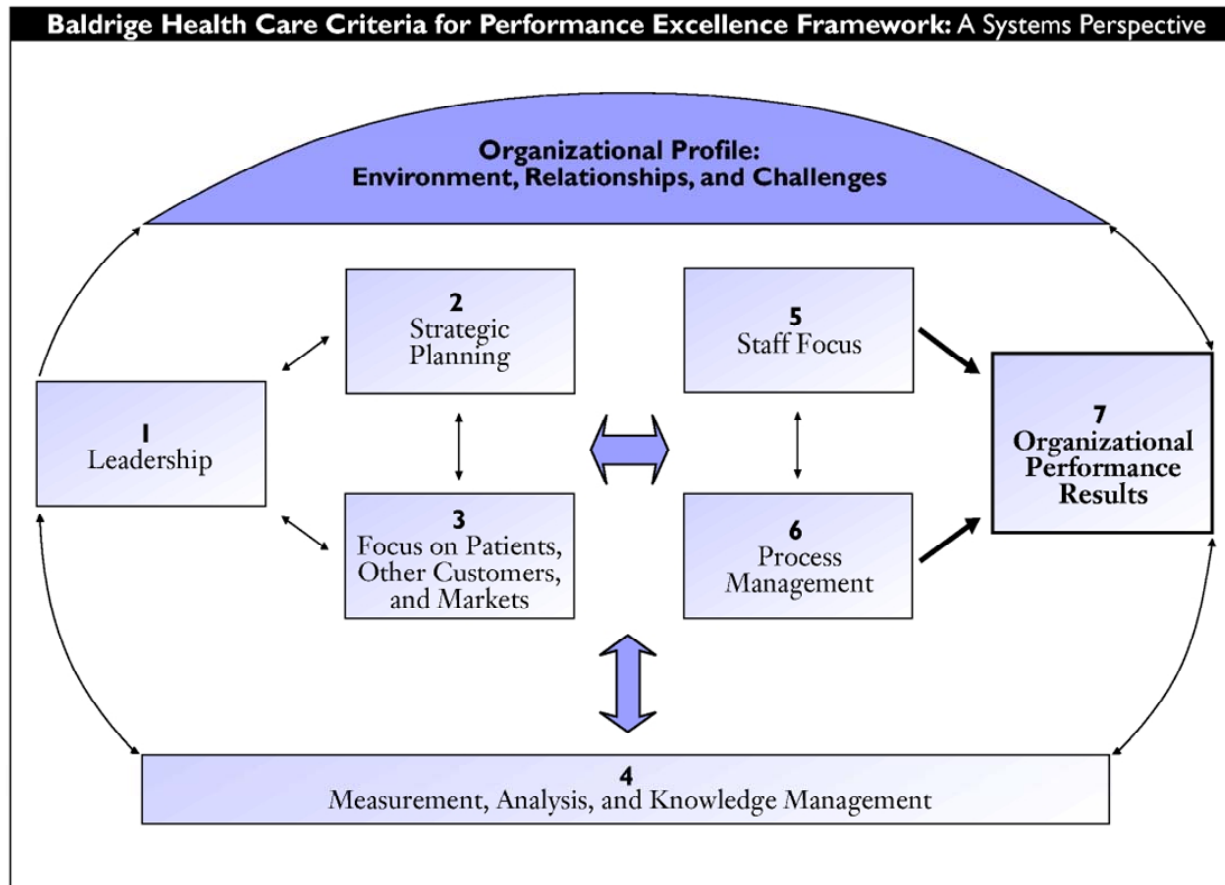


1) Define Quality Framework





Baldrige Framework



[2) Survey the Marketplace]

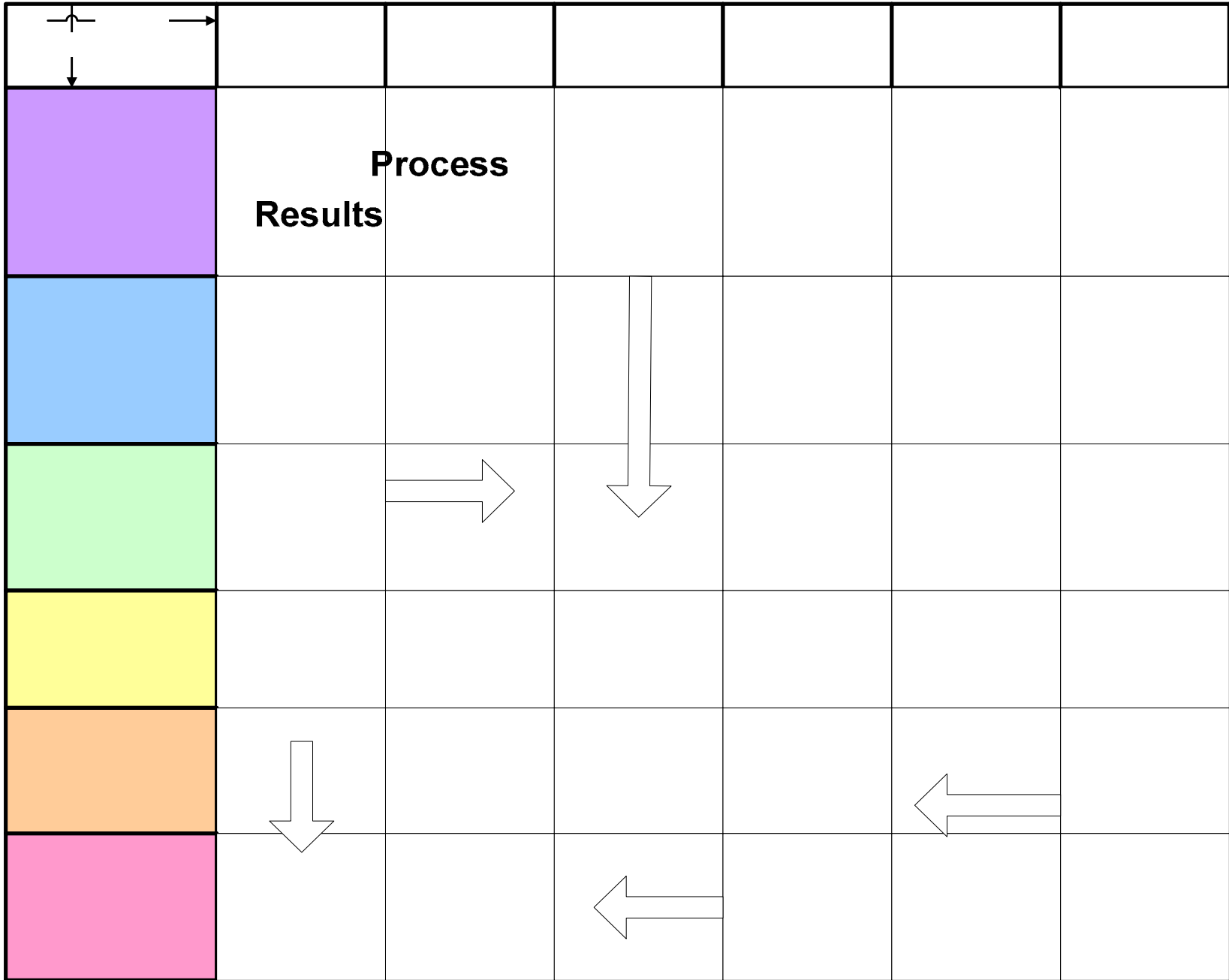
- Community Forum
- Competitive Market Analysis
- Patient Satisfaction Survey
- Legislative & Regulatory Environment
- Staff Opinion Survey
- CAH Program Assessment – Baldrige Assessment
- Financial Analysis
- Budget



[3) Strategic Planning Retreat]

- Review Purpose, Vision, Mission & Values
- Review Current Strategy Map
- Discuss Key Market Factors
 - **Customer** & Healthcare market needs/expectations/opportunities
 - **Competitive** environment and collaborative environment to conserve community resources and our capabilities relative to competitors
 - **Technological** and other key changes that might affect our healthcare services and/or how we operate
 - **Staff** strengths & weaknesses including staff and other resources
 - **Supplier/Partner** strengths & weaknesses, including those of any healthcare alliances
 - **Financial, Societal, Regulatory**, and other potential risks
- Brainstorming
 - What would success look like?
 - Plot ideas and Score Choices
 - Scope & Impact of idea
 - Priority
- Determine the Key Strategic Objectives (KSO)
 - No more than 3
 - Take these broad objectives back to the Management Team
 - Management Team will select Outcome Measures for recommendation to the Board





= 20%

Financial & Market

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[4) Identify 3 KSO's]

- Look at your strategy map
- What must happen?
- At the end of the day...“What is the one thing, that if not accomplished, will render all other objectives meaningless?”
- Pick 3 Broad Objectives



5) Identify Outcome Measures

Key Strategic Objective (KSO1): Complete the implementation of Creating Home & Building Community

Customer	Product/Outcome	Expectations	Measures
Resident	Care	Involved/Choices Self Determined	Assessment Score % Involved
	Food	Good Taste Presentation	% Consumption % Weight Loss/Gain
	Housing	Clean Good Repair	# Reporting Satisfied Ave. Time to Resolve
	Activities	Engaged Choices	% Time Engaged # Attendance at Events

What is the single most important measure that indicates success?



5) Identify Outcome Measures

Key Strategic Objective (KSO1): Deinstitutionalize and Create Home

Substantially complete the implementation of Creating Home & Building Community, Approach to Care and Environment of Care, within the bounds of our existing physical structure and its limitations.

Customer	Product/Outcome	Expectations	Measures
Resident	Care	1.I am involved in making choices about my care. 2.I am able to determine my own daily schedule	Psychosocial assessment scores per individual and aggregate. <ul style="list-style-type: none">•Physical•Social•Emotional•Psychological•Spiritual



[5) Identify KSO Measures]

Scorecard

Financial	Organizational	Healthcare
	Growth in Utilization* <ol style="list-style-type: none"> 1. Clinic 2. Op Lab/x-ray 3. Op EKG 4. Op Physical Therapy 5. LTC Census 6. Wait List 	Health Index* <ol style="list-style-type: none"> 1. Clinic 2. Acute 3. ER 4. Lab/Xray 5. PT 6. Skilled Nursing
Staff	Patient/Customer	Governance
80% Team Members Affirm* <ol style="list-style-type: none"> 1. I know what is expected of me at work. 2. I have what I need to do my job. (Knowledge, resources, equipment, decision authority...) 3. I feel supported by the team. 	Psychosocial assessment* scores per individual and aggregate. Move score from the baseline to substantial level of improvement (This measure is being developed)	*Indicates KSO



5) Add Operational Measures

Scorecard

Financial	Organizational	Healthcare
5% Operating Margin < 48 A/R Days FTE Budget to Actual	Growth in Utilization* 1.Clinic 2.Op Lab/x-ray 3.Op EKG 4.Op Physical Therapy 5.LTC Census 6.Wait List	Health Index* 1.Clinic 2.Acute 3.ER 4.Lab/Xray 5.PT 6.Skilled Nursing
Staff	Patient/Customer	Governance
80% Team Members Affirm* 1.I know what is expected of me at work. 2.I have what I need to do my job. (Knowledge, resources, equipment, decision authority...) 3.I feel supported by the team. # Frequency of Injuries % Turnover % Timely Performance Appraisal	Psychosocial assessment* scores per individual and aggregate. Move score from the baseline to substantial level of improvement (This measure is being developed)	70% Support for Levy < 30 Days Compliance Resolution within due date *Indicates KSO



7) Data Collection Plans

Definition:	•Operating Margin
Quadrant:	•Financial
Calculation Rule:	$\frac{\text{Net Income - NonOperating Income}}{\text{TotalOperating Revenue}}$
Source:	•Business Office Input Spreadsheet
Frequency:	•Monthly
Collection:	•Monthly
Location:	•Financial Services
Accountability:	•CFO
Notes:	Measures “true” operating margin less; taxes, grants, subsidies and other sources

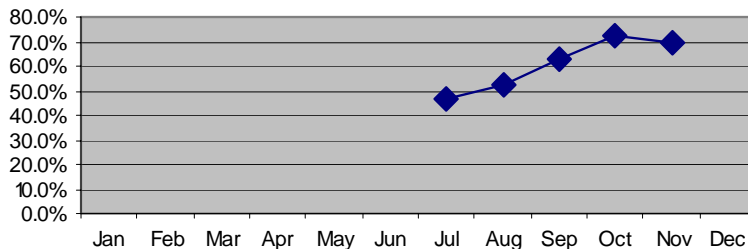
Source: Rural Health Performance Improvement Benchmark Project



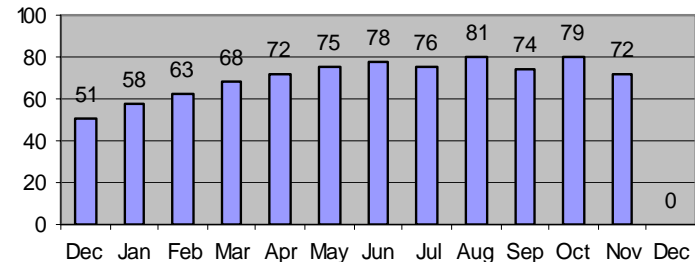
8) Construct Scorecard

Healthcare		Financial	
70%	Clinic Diabetes Index	72	Accounts Receivable Days
<p>Goal 100% - We are maintaining gains in every area with Tobacco Cessation & Self-Management goal setting remain strongest measures. Blood pressures are at 40% of goal. Team working on new round of PDSA.</p>		<p>Goal < 48 - A/R Days are at an 8 Month low. This progress is good but fails to meet our goal. Team has identified charge capture problems that they are working on in the current billing cycle.</p>	

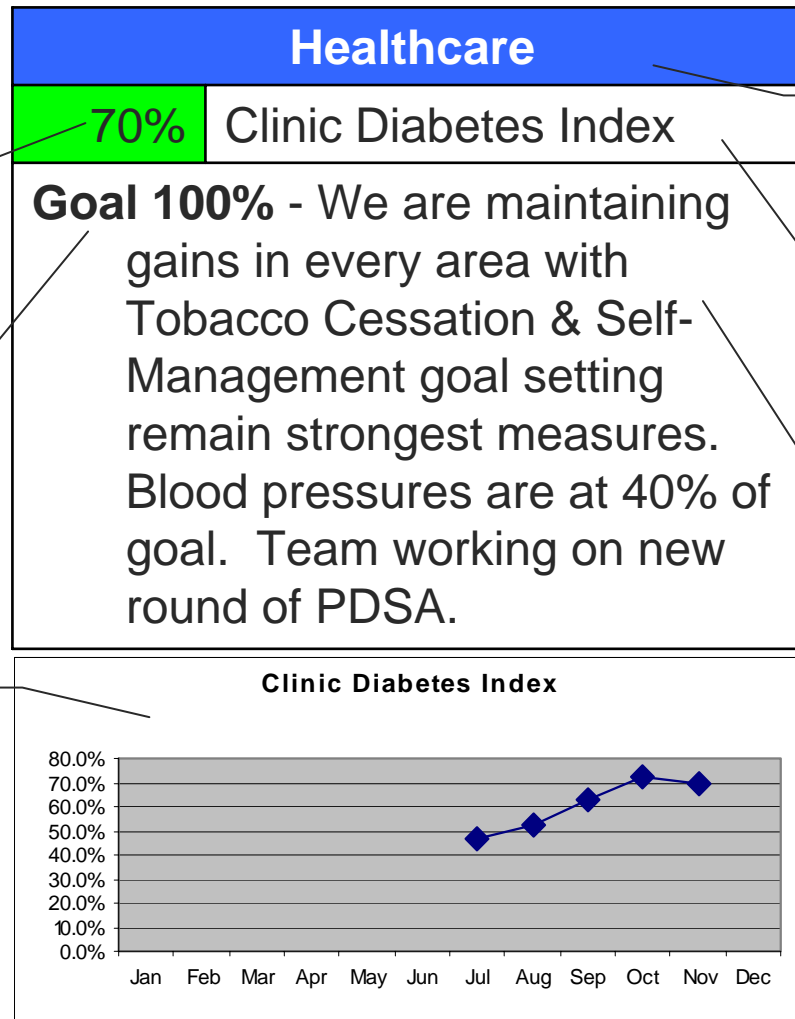
Clinic Diabetes Index



A/R Days



[8) Construct Scorecard]



Color Coded Score

Measure Goal

Historical Perspective

Measure Category

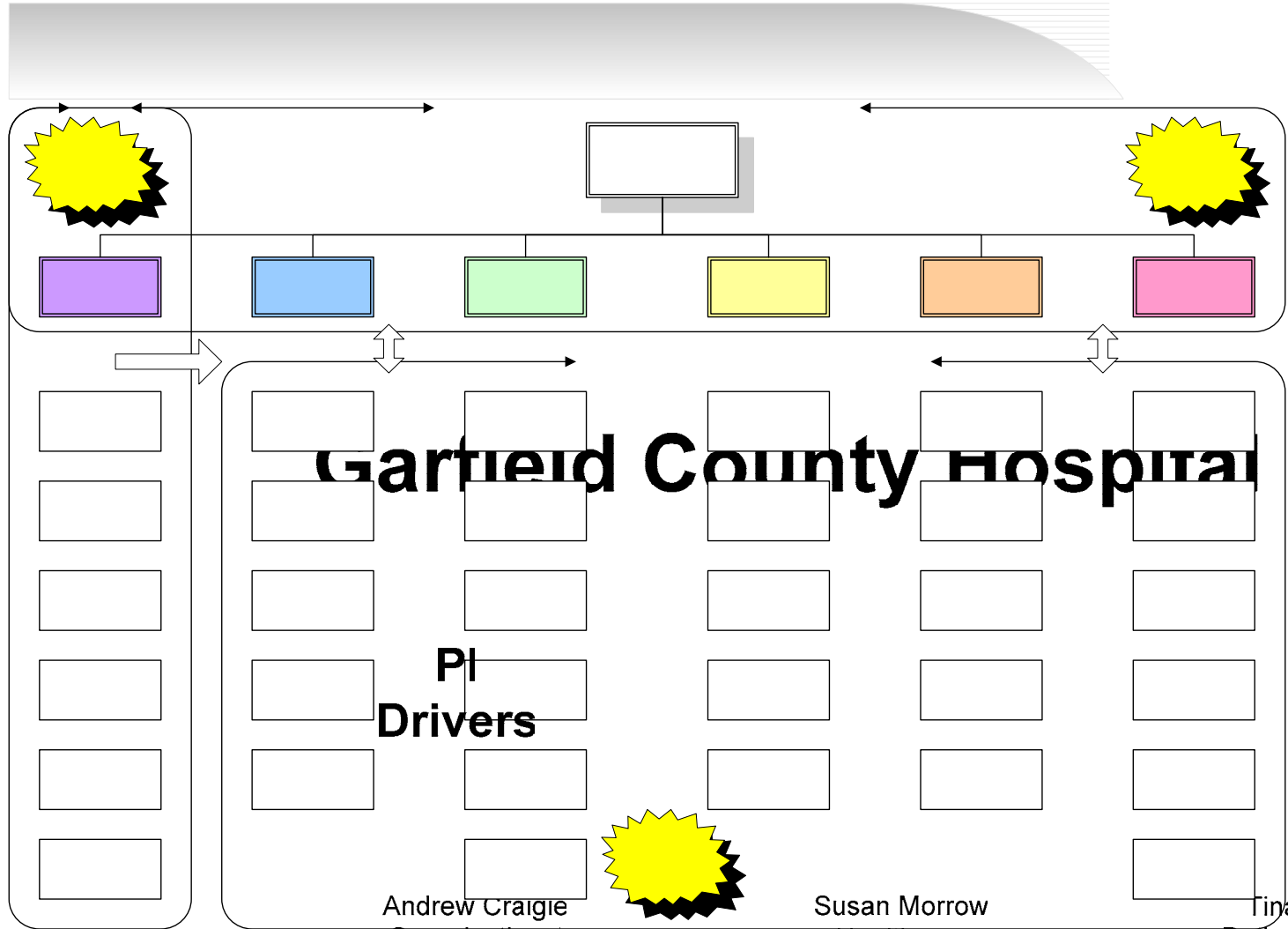
Measure Title

Analysis

- What Happened?
- What did you learn?
- What are you going to do now?



[9) Communicate to Team]



Garfield County Hospital District

PI Drivers

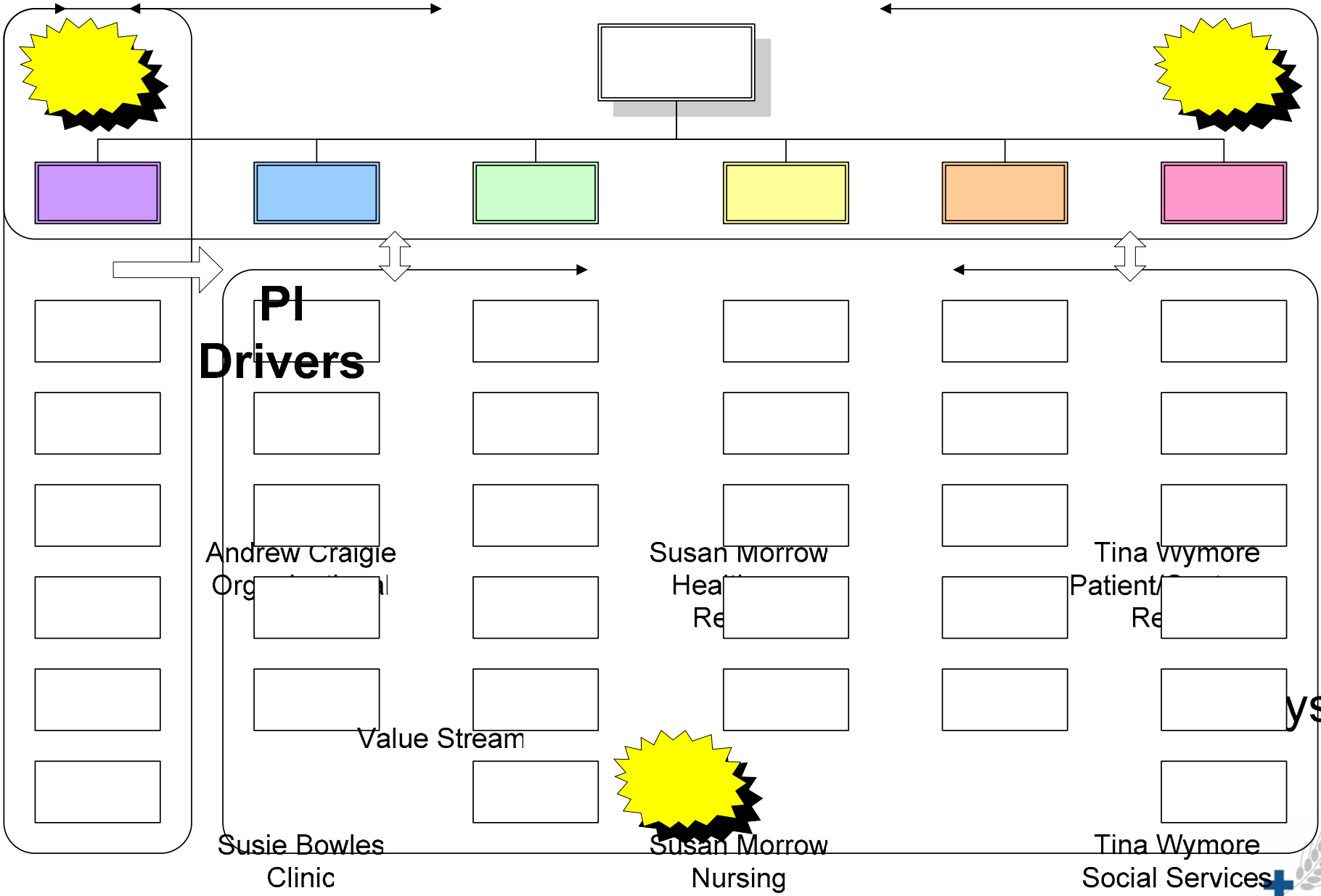
Andrew Craigie
Organizational
Results

Susan Morrow
Healthcare
Results

Tina Wymore
Patient/Customer
Results



Garfield County Hospital District Quality Team



PI Drivers

Andrew Craigie
Org

Susan Morrow
Hea
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Tina Wymore
Patient/
Re

Susie Bowles
Clinic

Susan Morrow
Nursing

Tina Wymore
Social Services

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[10) Put Plan into Action]

- **Report Results**
 - System Leaders – Weekly
 - Process Leaders – Monthly
 - Performance Leaders - Quarterly



Resources

■ Websites

- www.baldrige.nist.gov
- www.GarfieldCountyPHD.org
- www.shawresources.com
- www.improvingchroniccare.org

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■ Books

- Winning Score, Mark Graham Brown
- The Balanced Scorecard, Robert Kaplan & David Norton
- Improving Performance, Geary Rummler & Alan Brache
- The Toyota Way, Jeffrey Liker

■ Other Resources

- The Four Disciplines of Execution, Stephen R. Covey CD

