

Warner Thomas: The Power of Culture

Overcoming the Challenges of Change
at Ochsner Health System



This past March in Dallas, Texas, AMGA hosted our 2017 Annual Conference, inviting healthcare professionals from across the country to immerse themselves in numerous peer-to-peer breakout sessions and interactive workshops. One of the most highly rated of these sessions was “The Power of Culture” during which Warner Thomas, president and CEO, Ochsner Health System, discussed the organization’s culture change journey.

The President and CEO of Ochsner Health System discusses the organization’s culture change journey.

Speaking to a room full of the nation’s prominent medical professionals and health leaders at the AMGA 2017 Annual Conference, Warner Thomas, president and CEO of the Louisiana-based Ochsner Health System, expressed a familiar refrain shared by many of his conference peers: that change in care delivery is no longer a hypothetical occurrence set on some distant horizon—it is already racing beneath the feet of the entire patient/provider community.

These changes are coming in the form of value-based care, higher out-of-pocket costs for patients, new insurance exchanges, and our increasing connectivity

through new technology and the internet. In fact, there have been more telemedicine consults done in the past six months than there were in the previous 10 years. Thomas said the pace of all these transformations is only accelerating, arguing that to overcome these challenges, the leaders of health systems and medical groups all across the country need to reevaluate—if they haven’t already—the internal culture of their organizations.

Focus on the Why versus the What

Ochsner’s culture change journey began in 2012 when Thomas first assumed the role of CEO. “I spent a lot of time thinking about what I wanted to do differently in the organization, where I wanted to go with the organization, and how we could build on what was done but also go in a different direction,” he said. “As the first non-physician leader of the organization, I knew I needed to get this right.

“We had a physician retreat about 20 days after I took over. We were in a room not unlike this and I kind of laid out what I thought was going on in the environment and the goals I had regarding where I wanted the organization to go in the next five years. ... And it didn’t go very well. Nobody left. They were polite, but I just could feel it didn’t go well. And I really reflected on that a lot, especially over the next

couple of months. Then, right before Thanksgiving, we had a physician meeting where I put together a physician strategy group that I would meet with about every month just to talk about things that were going on in the organization. And we really started talking about purpose, why physicians come to Ochsner, why physicians do what they do, why nurses do what they do, why the teams we have are successful. And I realized when I went back home to Vermont for Thanksgiving and I was walking around in the woods that I missed it—that all the information I had and where I wanted the organization to go made sense. But how I positioned it was totally wrong.”

For Thomas, the answer to the questions of “why are we here?” and “why do people get into practicing health care when it’s so hard?” can be found in the people we surround ourselves with and in feeling that what we do on a day-to-day basis matters.

“I realized that we were talking too much about what we were going to do versus why we were going to do it,” he said. “That I was leading from a position of being fearful of making a mistake versus being optimistic about the future and what we can do. I needed to change the way I lead. I needed to change the way I communicated, and help people believe that together we’d accomplish more.”

Thomas continued, “I changed everything about the way I started to communicate in the organization. And it all came back to starting with patients—that in everything we do, if we can’t tie it back to why it’s better for a patient then we probably shouldn’t do it. You’ve got regulatory issues and stuff like that. We all get that. But at the end of the day, if there’s something major that we’re doing, it needs to be about why it’s good for a patient. If you build a new wing or start a new program, why is that good for patients?”

Focusing on the Patient

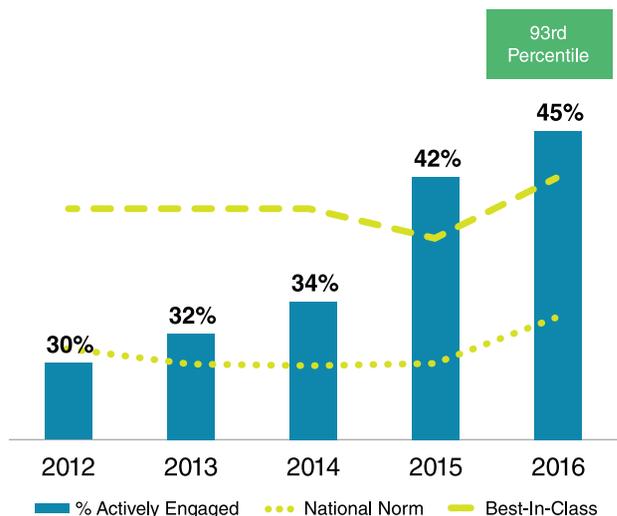
With this simple yet effective mantra, the staff of Ochsner changed the way they communicated. They didn’t talk about things like Medicare breaking even. They didn’t talk about access. Instead they placed their focus on reducing the overall cost of care, working to be more convenient and easier to use for patients, and looking at impact over growth.

Turning this cultural strategy into practical action, Ochsner began implementing tactics driven from a patient perspective. For example, when patients called in, they were asked if they actually needed to be seen that same day. If a patient said yes, Ochsner would do everything in their ability to see that patient (versus what was convenient for Ochsner based on packed

FIGURE 1
The Power of One



FIGURE 2
Percent of Employees and Leaders Activity Engagement



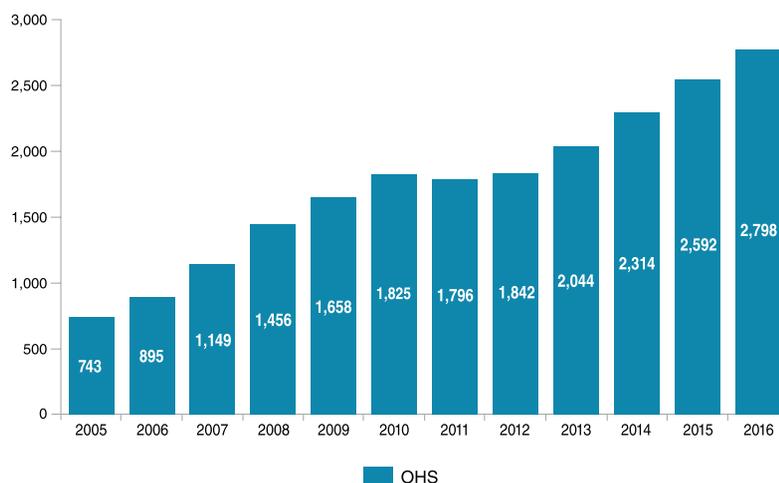
schedules). With this new concentration on severity and need, Ochsner has been able to see 20,000 more patients a year who needed to be seen the same day.

The ease with which patients can make an appointment was also revamped. Upping their web presence, Ochsner currently schedules more than 100,000 more appointments online per year.

Focusing on Employees

While these were relatively uncomplicated fixes on the patient end, Thomas saw that Ochsner still had to contend with what were flat engagement results from its physicians.

FIGURE 3
Revenue in Millions



“We know employee disengagement is a problem,” said Thomas. “Depending upon the study you look at, anywhere from 10% to 30% of the workforce is disengaged, actively working against you when they’re at work. And you’re paying them. We know with higher engagement, we see better productivity, more profitability, better customer satisfaction, and—probably more importantly—we see a reduction in safety incidents. We see reduction in quality defects. We see a safer environment with employees who are engaged, who believe in what they’re doing, and want to be there.”

To align their staff members under a single direction, Ochsner implemented a team-building strategy called the “Power of ONE,” which reinforced the idea that every single person at Ochsner makes a difference and that every patient is critically important to the organization (see Figure 1).

In addition to installing what are dubbed “Power Centers” in every department—which showcase metric reports, system-wide updates, team updates, and individual recognition—and implementing more direct communication through such means as CEO letters to the staff and live video announcements, Ochsner also began holding regular frontline events, bringing thousands of employees together for half a day to talk to them about why what they do is so important and why they’re so important to the organization’s mission of taking care of people.

With these frontline meetings, Thomas admitted, “At first [the staff] were skeptical, like, ‘OK, I’m going to a big room. There are a couple thousand of us. What’s going on? Why am I here?’ But we really start

talking about things going on the industry, good things that were going on in the organization, with physicians talking about some of our great programs, and it really changed the feeling of everything.”

This idea of having information about what’s going on in a department, of what’s going on in the organization was seen as critically important, as it has provided everyone a chance to understand that they are part of something bigger. Regardless of whether someone is a surgeon, a nurse, an ambulance driver, or receptionist, Thomas explained, you must reinforce the importance of each individual role in the treatment of the patient.

Taking a New Trail

Over the years, Ochsner has successfully seen an increased improvement in its perception of patient safety, engagement (best in class 2016, 93rd percentile, see Figure 2), and physician turnover has gone significantly below the national average. Ochsner’s unique patients, physician recruitment, and overall revenue have all increased over the past several years (see Figure 3).

As Thomas explains, however, the work is not finished. “The fact of the matter is that this is work that’s never done, and as good as you might be, if you drop back, you lose your momentum,” he said. “So we’re focused on our physician engagement. We’re focused on more transparency about how we’re doing internally around results, around access, around quality. We’re re-engineering our leadership development system to make sure that we are looking at the right talents and tools to help people navigate the complex world we’re in today. It takes different capabilities to succeed in

today's world than it did five or ten years ago. And we need to teach our leaders to be better communicators, to be able to take information that's complex, break it down so that employees can understand it, and put it in the context of why this is a good situation for a patient, or why we just have to do it.

“And finally, you just can't take this for granted. This is something that's so important, and we believe goes back to the founding of Ochsner 75 years ago. Ochsner was founded because they thought it was a different and new way to practice medicine in the New Orleans area. And it was different and is fundamentally better, but it was about culture, it was about commitment to each other that made Ochsner very different then, and what we think makes us different today. The world we're in today doesn't get easier. We just all have to get better.”

Hear more from Warner Thomas at amga.org/thoughtleader. The AMGA 2018 Annual Conference will take place March 7-10, 2018, at the Phoenix Convention Center in Phoenix, Arizona, with a host of healthcare leaders sharing their strategies and insights. For details, visit amga.org/lac18.

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