Crafting Operational Excellence in Healthcare Industry
Are rising healthcare costs impacting your hospital’s quality of care?
How can better quality cost less?
How does personal satisfaction on the job impact productivity & quality?
Why does a hospital typically have departmental silos?
How can we avoid repeating the same mistakes?
Is high percentage of leadership time spent on expediting, fire fighting or working around problems?

If you are pondering over above mentioned questions; it is time to consider ‘Operational Excellence way of thinking’. In order to impact the bigger picture, one has to start with smaller steps.

Operational Excellence (OE) is a toolset, a management system, and a philosophy that can change the way hospitals are organized and managed. It is a methodology that allows hospitals to improve the quality of care for patients by reducing errors and waiting times. OE is an approach that can support employees and physicians, eliminating roadblocks and allowing them to focus on providing care. OE is a system for strengthening hospital organizations for the long term – reducing costs and risks while also facilitating growth and expansion. OE helps break down barriers between disconnected departmental ‘silos’, allowing different hospital departments to better work together for the benefit of patients.

Benefits of Implementing OE in Healthcare

1. Better quality at lower costs
   - Rather than reducing spending by slashing payments or providing less care, OE methods allows one to reduce the actual cost of providing care, allowing one to provide more service & care to the community.
   - Reports estimate that 13% to 20% of a hospital’s costs are due to ‘inefficient practices within control of the hospital.’ OE approach attacks these MUDA (process inefficiencies) to reduce costs, by improving flow and quality.

2. Improved quality of healthcare delivery and safety
   - Improved housekeeping/ hygiene
   - Fewer mistakes, accidents and errors resulting in better patient care.
3. Improved delivery and/or throughput

- Due to OE, employees flow or pull system of information and materials; each patient is worked with, one unit at a time and passed on for the next step of the process without any delay. All blockages and obstacles to flow are identified and removed in OE, hence, the number of patients attended to will increase while working with same equipment in the same facilities by just working on the processes. Work will be done faster.
- Improved FLOW of treatment to patients – in time, in full, error free!

4. Accelerating momentum

- Creating a stable working environment with a clear vision, standardized procedures that create the foundation for continuous improvement to attain world class performance.
- Standardizing processes and improving flow to make sure emergency patients are treated with the right protocols without major delays.
- The entire healthcare workforce becomes motivated and understands that, when they are at work, they are actually identifying, creating and delivering value for their patients and nothing else and feels to be part of the success.
- Reducing waiting time for patients; patient check in & check out time and admin efforts to do so.

5. Improvements in store/ pharmacy

- Ensuring pharmacies have optimum level of stocks that medications are never stocked out at the point of use and to avoid losses due to expiry of drugs etc.
- Better laboratories layout and processes to give test results to physicians and patients in dramatically faster times -- measured in minutes instead of hours.
- Error proofing processes to help prevent medication errors.

OE concepts address following listed common problems faced by modern hospitals:
- Deliveries of supplies delayed because of improper ordering
- Mix-ups in getting supplies
- Articles returned by other departments because they were not made correctly
- Employees have difficulty in handling new type equipment
- Limited storage space not properly used
- Safety equipment not being used
- Minor injuries/ illnesses not reported
- Correct procedures not followed
- Employees leave to go to other hospitals
- Employees pass the buck – let the other person do it

Enlisted are areas in hospital where OE concepts can be helpful:
- Laboratory & histology
- Pharmacy
- Emergency department
- Operative services
- Housekeeping
- Behavioral health
- Medical surgical nursing
- Telemetry
- Clinic operations
- Business office
- Health information management