



Stakeholder Engagement
Shared Understanding
Alignment
Focus



Implementing Governance for Transformational Improvement

Version 3



About This Handbook

This handbook presents principles and activities for implementing transformational improvement governance in healthcare. It recommends team structures based on best practice and our work helping clients achieve meaningful and sustainable improvement. Our goal is to help you create capable, engaged, and empowered teams—teams that can move your organization from “the craft of medicine” toward a more efficient and reliable system for producing outcomes that build health in your community and strength in your organization.

We intend this handbook to be practical, flexible, and actionable. We present just enough content to help you understand each recommended step (what it is, who’s involved, how to do it) and refer to resources that you may find helpful as you take the step. Adapt these recommendations to meet the needs of your organization based on what’s working well, where there are gaps, and how far along you are in your improvement journey.



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Overview: A Principle-Based Approach

We believe that good governance is essential for transformational change in healthcare—for meaningful, sustained improvements in clinical, financial, and operational outcomes. This section introduces the main concepts informing our recommendations for governance. Your system may use different terms to describe roles and teams, and may use different structures to conduct the same essential work. Our emphasis is on principles, not prescriptions.



Key governance principles

Stakeholder engagement:

Starting at the top, engage all stakeholders around a common vision.

Shared understanding:

Have a common understanding of organizational needs, capabilities, and readiness.

Alignment: Adopt a consistent improvement methodology, align incentives, and balance polarities.

Focus: Practice disciplined decision-making to prioritize, fund, organize, and sustain initiatives.

Key Principles

Early in your improvement journey, you'll need to establish governance structures, guiding principles, and practices that engage stakeholders in decision-making, identify appropriate leaders for improvement work, and ensure organizational alignment. This work should also facilitate accountability and transparency. The goal is to develop high-performing improvement teams while enhancing your organization's capacity for change.

The principles at left express our view of the core of successful governance. These are the "must-haves" that support the success of improvement initiatives in healthcare organizations, regardless of their specific governance structures. Throughout this handbook, look for the "Key governance principles" boxes to see how the principles inform recommended steps.

Three Systems for Improvement

Health Catalyst uses the three systems framework to describe the components of improvement work in healthcare organizations. We've seen that without all three components in place, organizations struggle to reliably create and sustain positive change. Within and across improvement teams, we recommend stakeholder analysis and involvement to ensure the appropriate mix of expertise in analytics, best practice, and organizational adoption.

Leadership, Culture, and Governance



Best Practice:

Standard "knowledge" work (guidelines, protocols, and order sets) needed to guide and improve best practice.



Best Practice

Analytics

Adoption

Adoption:

Standard organizational work (teams, roles, processes, mindset changes) needed to transform.

Analytics:

Standard measurement work (data sources, visualizations, and analysis) needed to monitor and assess priorities, progress, and performance.



Transformational Improvement



Financial Alignment

A Structure Organized around the Work

Quality improvement theory asserts the importance of two fundamental activities: 1) **identifying key work processes** and 2) **organizing work around them**. The Health Catalyst Clinical Hierarchy aims to do this by grouping key work processes into domains that align with how care is delivered. These groupings provide a logical structure for governance across the continuum of care.

Example: Health Catalyst Clinical Hierarchy

CLINICAL PROGRAMS										
Behavioral Health e.g., depressive disorders	Cardiovascular e.g., heart failure	Community Care e.g., diabetes	Gastrointestinal e.g., pancreatic disorders	General Medicine e.g., sepsis	Hematology/Oncology e.g., GI neoplasm	Musculoskeletal e.g., osteoarthritis	Neurosciences e.g., stroke	Respiratory e.g., obstructive lung disorders	Surgery e.g., head injury	Women & Newborn e.g., high-risk pregnancy
SUPPORT SERVICES	Care Unit Support Services e.g., clinical services, acute medical services									
	Ancillary Support Services e.g., lab, imaging, pharmacy, rehab, respiratory, supply chain									
	Non-clinical Support Services e.g., financial, security, laundry, food services, patient experience									

“ Well-designed and executed governance optimally allocates scarce resources, which significantly accelerates the breadth and depth of improvement—helping organizations transform from treating disease at unsustainable costs to affordably improving health. ”

—Tom Burton

Four Levels of Team Functions

In addition to organizing around the work, effective improvement governance requires engaging stakeholders at four functional levels:

- **Executive leadership:** This team holds the highest level of accountability for resources and funding allocations across the healthcare system.
- **Domain guidance:** These teams understand clinical, financial, and operational domain interactions and trade-offs; they provide guidance for improvement work in a domain.
- **Adoption:** Improvement teams promote change (adoption of new processes) across a site or system.
- **Innovation:** Smaller groups can focus on identifying root causes and designing better processes to improve outcomes.

Later in this handbook, we'll suggest an organizational structure that takes these levels of team functions—and the multidimensional roles within them—into account. But first, you'll want to start at the top with a visionary **Call to Action** and development of the **Executive Leadership Team**.

