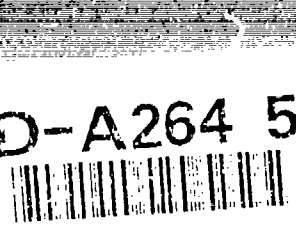

STUDY PROJECT

TOTAL QUALITY MANAGEMENT IN HEALTH CARE - A STUDY ON TQM IMPLEMENTATION AND ITS APPLICATION TO THE ARMY HEALTH CARE SYSTEM

BY

COLONEL THOMAS H. AUER
United States Army

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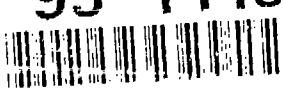

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Total Quality Management (TQM) is the new management philosophy of the Army health care system. TQM consists of principles and tools which can be applied in this health care setting. TQM represents a tremendous departure from the previous traditional management philosophy and requires an organizational transformation over 3-6 years in order to be fully implemented. When the senior leadership of a health care system initiates the transformation, there usually occurs some resistance to change. Implementation of TQM follows defined stages of development over time in most organizations. Transformation of a health care system like Health Services Command will require it to address these stages of acceptance, education, and integration. TQM has exceptional potential to improve markedly the quality of health care and at the same time reduce costs. Through successful implementation of TQM, a health care system will be transformed into a continuously improving, high quality, efficient organization that empowers its workforce to meet and to

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exceed the expectations of its customers. Health Services Command is well on its way toward this transformation. Recommendations are made in order to maintain this momentum for change.

USAWC MILITARY STUDIES PAPER

TOTAL QUALITY MANAGEMENT IN HEALTH CARE - A STUDY ON TQM IMPLEMENTATION AND ITS APPLICATION TO THE ARMY HEALTH CARE SYSTEM

AN INDIVIDUAL STUDY PROJECT

by

Colonel Thomas H. Auer
United States Army

Colonel William W. Larson
Project Adviser

U.S. Army War College
Carlisle Barracks, Pennsylvania 17013

ABSTRACT

AUTHOR: Thomas H. Auer, COL, USA

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Total Quality Management (TQM) is the new management philosophy of the Army health care system. TQM consists of principles and tools which can be applied in this health care setting. TQM represents a tremendous departure from the previous traditional management philosophy and requires an organizational transformation over 3-6 years in order to be fully implemented. When the senior leadership of a health care system initiates the transformation, there usually occurs some resistance to change. Implementation of TQM follows defined stages of development over time in most organizations. Transformation of a health care system like Health Services Command will require it to address these stages of acceptance, education, and integration. TQM has exceptional potential to improve markedly the quality of health care and at the same time reduce costs. Through successful implemention of TQM, a health care system will be transformed into a continuously improving, high quality, efficient organization that empowers its workforce to meet and to exceed the expectations of its customers. Health Services Command is well on its way toward this transformation. Recommendations are made in order to maintain this momentum for change.

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INTRODUCTION

LTC Smith's 45 year old wife read a newspaper article about breast cancer. Her grandmother died from breast cancer, but neither her mother nor any of her sisters every had any breast disease. She would see a gynecologist only every three years or so, primarily because it was such a hassle to make an appointment and because she moved so much with her husband. In 1988, a physician recommended to her that she have a mammogram. But when she called for an appointment, she was placed on a waiting list and never heard from the Radiology Department before they PCSed.

The newspaper article scared her. Although she did not think she could feel any lumps in her breast, she was not sure. She made up her mind that it was time for her to get a mammogram. She called the Army Community Hospital for assistance. After several telephone calls, she was directed to the Radiology Department. The receptionist seemed very rushed and there was a lot of noise in the background. When Mrs. Smith told her that she thought that she needed a mammogram, the receptionist told her that she would put her name on the waiting list. Mrs. Smith inquired as to how long it would take for her to get her mammogram, and the receptionist replied that it would be three to four months. The receptionist terminated the conversation by telling her to call back periodically to see how the waiting list was progressing.

Mrs. Smith called the OB/GYN clinic and asked for an appointment. The receptionist was very nice but said that the

appointments were all booked up and to call back next Monday when they opened their new appointment schedule.

Mrs. Smith became very frustrated and upset. In tears, she called the patient representative to complain. The patient representative listened and quickly understood the problem. She set out to resolve Mrs. Smith's concerns. She obtained an appointment for Mrs. Smith in the Family Practice Clinic the next week and assisted her in having her mammogram done under an external partnership agreement in the local civilian hospital. Within two weeks, Mrs. Smith was relieved knowing that her mammogram was normal and that her gynecological exam and pap smear were fine.

The above example represents one of many common situations which occur in Army health care facilities daily. The outcome was excellent - a normal mammogram, a normal pap smear, and a normal gynecological examination. Or was the outcome excellent? Although Mrs. Smith may have smiled as she left the doctors office and may have stopped by the patient representative's office to thank her for her help, the outcome was far from excellent. Mrs. Smith's interaction with the health care facility only reinforced her negative attitude and her underlying impressions about Army medicine. In her mind, the care that she received was good; but it was difficult for her to get. And today that is bad medicine.

In the last several years, Total Quality Management has been introduced into the health care world. The focus has been the establishment of an institutional transformation in order to

provide high quality, cost effective, accessible health care. Continuous Quality Improvement(CQI) has been used synonymously with Total Quality Management(TQM) in the health care field.

Since CQI has been introduced, health care leaders have been struggling with its implementation. CQI represents a quantum change in how facilities are managed, how facilities are structured, and how facilities provide services. It requires a dedicated organization approximately eight to ten years to fully implement such a monumental change in management philosophy.[1]

The Department of Defense, the Army, and the Army Medical Department have begun to implement Total Quality Management. In March 1988, DOD Secretary Carlucci signed a DOD Posture Statement on Quality.[2] This marked the formal beginning of the Total Quality Management transformation in the Department of Defense. In November 1988, the Secretary of the Army and the Chief of Staff of the Army issued a joint message that offered powerful support for Total Quality Management: "TQM is a tool which must become an integral part of every functional activity at all levels in every organization, government, and industry."[3] Total Army Quality(TAQ) was born and has evolved over the last five years. General Sullivan, Army Chief of Staff, now refers to TAQ as the new action-oriented, management philosophy of the Army. It should be noted that TQM started as a tool in the Army and is now the basis for the new Army management philosophy.

Total Quality Management presents a new paradigm in management. This paradigm shift requires the transformation of an

organization in structure, in relationships, in roles, and in focus. It is more than just changing the lexicon of how we do business. Establishment of TQM requires a planned implementation strategy that will affect the entire organization.

The Army Medical Department(AMEDD) has initiated the transformation to Total Quality Management. LTG Alcide LaNoue, our present Army Surgeon General, initiated the implementation of TQM while he was the Commander of Health Services Command. At the Commander's Conference in San Antonio, Texas in 1992, he presented his vision and his belief in TQM. He challenged the Commanders to begin the transformation at their hospitals because it was the right thing to do in order for the AMEDD to continue to control its destiny in this upcoming time of significant resource constraints.

The objective of this Military Studies Paper is to review the current literature on implementation of Total Quality Management in health care organizations and to provide recommendations on how the U.S. Army Health Services Command(HSC) should proceed with its implementation. First, I will outline the principles and tools of TQM. Then I will review the transition from traditional management to TQM management. Next, I will explore some of the forces which cause resistance to this change. I will develop a road map for implementation which also will focus on reducing the resistance to change. Lastly, I will present some of my recommendations to HSC to follow on its journey toward TQM implementation. This MSP is the result of an

extensive review of TQM literature, multiple discussions with QA and CQI experts from medical treatment facilities, HSC, and DOD, and my own experience as a physician and a MEDDAC commander concerned with the implementation of TQM.

CHAPTER 1

TQM/CQI - PHILOSOPHY AND TOOLS

Quality has been described as not only meeting the customer's needs but also exceeding them.[4] In order to meet Mrs. Smith's health care needs, the Army health care facilities need to change their focus radically from individual actions and interests within the organization to the health care process of delivering services to their customers. What does a health care organization need to do to anticipate the needs of a patient in the community and to develop the processes to efficiently exceed those expectations in order to achieve positive outcomes?

The traditional Quality Assurance(QA) approach focuses primarily on the clinical care provided within a hospital. This mandated program reviews the actions of individual providers in a relatively superficial way in order to identify the poor performers and to change their behavior. It is retrospective in nature and is not related directly to the cost of health care. It utilizes clinical inspection methods within selected departments to achieve its goal of improving health care.

Dr. Richard E. Thompson, however, states that there is no convincing evidence to suggest that QA had a positive impact on

health care in America.[5] According to Dr. Kathleen Jennison, because of fear and resistance to QA, practitioners undermine the success of the QA inspection-oriented program which is already thwarted by heavy regulatory burdens and limited measurement technology.[6] Therefore, Quality Assurance became part of the problem rather than part of the solution in health care.

In our example in the introduction, Mrs. Smith's health care concerns would not even surface in the traditional QA model. The providers that were involved with her health care met the standards of care. The management team in the health care system would be satisfied that it provided high quality care to Mrs. Smith. Unfortunately, the blinders were on the system. Unless there was a sensitivity to the patient's request for assistance, to the access issues in Radiology, to the antiquated appointment system, and to the attitudes of the frontline employees, no change nor growth in the organization would have occurred from this incident.

Total Quality Management/Continuous Quality Improvement changes all of that. CQI brings a basic philosophical change to the health care system. It establishes a broader focus and a healthy uneasiness that the status quo is not enough. Joseph Jablonski defines TQM as a cooperative form of doing business that relies on the talents and capabilities of both labor and management to continually improve quality and productivity using teams.[7]

The philosophy of CQI consists of two major components: the

principles and the tools. These components are confused frequently and are a source of resistance when change to the TQM philosophy is suggested, because managers see TQM/CQI being presented as many different things by many different people. Total Quality Management(TQM) is the basic philosophy, Continuous Quality Improvement(CQI) is health care's version, Total Army Quality(TAQ) is the Army's program, and Total Quality Leadership(TQL) is the Navy's endeavor. But all of these are philosophically the same. TQM contains both a basic set of principles and a basic set of tools.

The following is a list of the basic principles of Total Quality Management/Continuous Quality Improvement. Dr. Osvaldo Bustos, M.D. compiled this list from his extensive involvement in TQM education while he was Chief, Quality Management Division at Health Services Command. It represents a synthesis of the emerging TQM philosophy espoused by Deming, Berwick, Peters, Crosby, and others.[8]

PRINCIPLES OF TOTAL QUALITY MANAGEMENT

- Top Management's Commitment
- Customer-Driven Organization
- Process-Focused
- Continuous Incremental Improvement
- Innovative Management Philosophy
- Service-Oriented Strategy
- Prevention-Oriented System
- Cross-Functional Teamwork

- Workforce Empowerment
- Scientific Methodology
- Statistical Thinking
- Ongoing Education and Training

a. **Top Management's Commitment**: TQM depends upon top management being educated in and dedicated to TQM. This is the first essential step for successful implementation. TQM places new and different responsibilities not only on top management but also on the entire management team. Management has the capability and the responsibility to change the system. It requires the creation of an environment within which the other principles can flourish. Above all, top management commitment is a commitment of corporate resources, including the executive's own time, to the improvement process.[9] Managers must lead by example in this transformation and become quality improvement experts. As will be detailed later in this paper, top management drives the change by creating and by living the new philosophy.

b. **Customer-Driven Organization**: A TQM organization defines quality through the eyes of its customers. All too often in health care, the providers define what they think is quality. This leads to an excellent clinical component to the practice of medicine, but not necessarily to excellent service, access, efficiency, and satisfaction. By focusing on both the internal and the external customers, an organization can provide both high quality health care and also meet or exceed the needs of those it serves. Finding out what the customers need becomes the top

priority and meeting these needs on an ever improving basis becomes the ultimate goal. Each encounter becomes important for the organization because it represents an opportunity to develop further its focus on the customer. This allows the organization to grow. It also amplifies why the frontline employee becomes so critical to the organization. He/she represents the essential interface between the customer and the organization.

c. **Process-Focused**: Quality Assurance focuses on the individual provider. The traditional management style focuses on the poor performer as the cause of poor production. But TQM zeros in on the process - the way things are done as the root cause of poor production. A process is a series of operations or activities linked together to provide a result that has increased value.[10] The process and not the skills of individual workers determine whether or not there is a successful outcome. "The way you get away from management by fear is when you become convinced that problems result from dealing with bad processes, not bad people."[11] By involving the employees and the customers in the continuous improvement of the processes, there occurs a better understanding of the problems, a better knowledge of what the outcome should be, and a better ownership in the resolution. Process-focused management respects the worth of the employee and significantly reduces fear within an organization.

d. **Continuous Incremental Improvement**: Every interaction or outcome results from a process. Every employee involves himself in many different processes each day. Each process represents an

opportunity for improvement. The organization then must develop the atmosphere, the systems, and the rewards for the continuous tweaking of these processes to meet the needs of the customers better. Each employee needs to feel the ownership for the processes in which he participates. He must feel that he has the authority to change it as needed and be accountable for its outcome. Therefore, from a TQM standpoint, the job of every worker is to receive the work of others, identify the process he owns, practice prevention, reduce statistical variation, add value, and deliver the improved product to the next person in line.[12]

e. **Innovative Management Philosophy**: The TQM philosophy equals continual change. A final end state or status quo does not exist. TQM establishes within an organization the desire to innovate continually and grow in order to meet the needs and expectations of both its internal and external customers. The challenge for management becomes no longer how do we get our employees to complete their work but how do we get the right thing done, the right way, in the right environment, the first time, on time, every time, and at the right price, in accordance with the customer's requirements.[13] The TQM philosophy places more responsibility on managers to roll up their sleeves and to help change the processes. Innovation becomes the norm which bubbles up from every segment of the organization. "That's the way we have always done it," is no longer accepted as truth but must be challenged in a positive way.

f. **Service-Oriented Strategy**: Health care is a service oriented industry. Unfortunately, as we see with the tremendous focus on the health care crisis today, the health care industry has lost its handle on meeting the needs of its customers. It has lost touch with those whom it serves. TQM dramatically places the spotlight on the customers needs. TQM requires the organization to survey constantly both its internal and external customers in search of opportunities to improve.

g. **Prevention-Oriented System**: Prevention goes a long way in reducing overall cost. Nowhere is that more clearly understood than in medicine. However, preventive services are still under-funded and under-emphasized in the health care industry. Quality can be achieved only through on-going prevention, not appraisal. In other words, quality must be built in, not added on. Further more, few things in life contribute more to cost containment than the active practice of prevention by every member of the organization.[14] TQM relies on prevention and the continual search for root causes of problems. Through eliminating root causes, the system becomes significantly more cost efficient. By focusing on the process through prevention rather than on the outcome through inspection, the organization eliminates waste, duplication, rework, mistakes, breakdowns, recalls, and, above all, frustrations. These frustrations are eliminated not only in the customers but also in the employees.

h. **Cross-Functional Teamwork**: TQM places emphasis on a team approach to processes rather than on an individual responsibility

for problems. Teamwork breeds cooperative effort and ownership. Cross-functional teamwork means that TQM strives to integrate more the horizontal, functional slice of an organization than the vertical, stovepipe slice that the hierarchical-oriented organizations have in the past. By resolving problems which cut across the stovepipes, the teams provide better service to their customers. Cross-functional teams as embodied in the Matrix Management System allow every member of the organization to release his creativity and to play a significant role in incremental change.

i. **Workforce Empowerment**: TQM requires that the organization invests in its workforce by releasing its creativity, by developing its enthusiasm, and by fostering its dedication. The investments begin through an extensive education and training program not only on TQM principles and tools, but also on the vision and mission of the organization, the importance of customers, and the vital role which employees must play in the success of the organization. Managers must dedicate themselves to providing to the employees the resources which are needed to complete their jobs. There must be an atmosphere in which the employees feel that they can exercise their best judgement - even if it is outside of the norm - to meet the needs of a customer. The workforce requires time to work on process action teams and timely recognition for improvement in services.

j. **Scientific Methodology**: The TQM philosophy is firmly grounded in scientific methodology. The founding fathers of TQM

- Deming, Juran, and Shewhart - applied scientific methodology and statistics to industrial production and to decision making. Through this application, decisions were made on fact rather than on ill defined gut instincts. Likewise, follow-up blossomed within the system so that the results of change were monitored for effect. Thus, a process is identified, a hypothesis is developed, a change is introduced to support the hypothesis, the process is run with the change, and then the results are analyzed. The change in the process is either accepted or modified. This simplified model of hypothesis, trial, and feedback becomes the basis for continued incremental change within a TQM organization.

k. **Statistical Thinking**: The statistical tools which TQM utilizes allows for a better understanding of processes and hones the decision making ability of the process action team. The tools help to elucidate the real problems in the process and to avoid the possibility of making decisions on perceptions. By using statistics, teams clearly outline the variations in the process and define the magnitude of these variations. Teams and managers gain valuable insight utilizing the information gained from these tools. Consequently, statistical tools are used to support the TQM principles and not to drive them.

l. **Ongoing Education and Training**: Organizations do not learn the TQM principles and tools overnight. It takes time and a significant investment in the workforce to allow them to continue to be exposed repetitively to courses on TQM. TQM needs

to be an effective part of a new employees' orientation program and of follow-on programs focused on the employees involvement with TQM activities. Critical "just-in-time training"[15] focuses training resources on individuals as well as process action teams when they are ready to experience more in-depth TQM education. The commitment of time and resources to the education program essentially fosters the successful implementation and continuation of the TQM transformation.

THE TOOLS OF TOTAL QUALITY MANAGEMENT

The tools of total quality management allow the empowered individuals and the cross-functional teams to look at processes more easily. By utilizing these tools, the teams can recreate complicated processes in picture form so that they can be surveyed and examined in a more visual format. By using graphics, TQM offers a more direct approach to manipulating multiple ideas and relationships. It cuts down on lengthy discussions about complex interrelationships when a system can be presented graphically. By design, the tools involve everyone quickly into the process and speed up consensus building and decision making. It markedly improves the clarity and hopefully the quality of the results.[16]

An in-depth review of these tools extends far beyond the scope and the focus of this paper. Suffice it to say that there are two basic kinds of tools: tools for collecting and displaying data and tools for making improvements. Initial TQM instruction

concentrates on introducing these tools to the organization. However, detailed instruction and hands on experimentation with these tools become more useful when they are reserved for more advanced TQM seminars and just-in-time training. As process action teams become more familiar with these tools, the easier they are incorporated and the quicker the teams see their utility.

The most frequently used tools for collecting and displaying data include:[17]

- Focus Groups
- Surveys
- Check Sheets
- Logs
- Histograms
- Pareto Charts
- Trend Charts and Run Charts

The most frequently used tools for making improvements include:

- Storybooks
- Flow Charts
- Affinity Charts
- Relationship Diagrams
- Cause-and-Effect Diagrams
- Force-Field Analysis
- Decision Matrices
- Tree Diagrams

- Tools for action Planning

One last tool to mention is the FOCUS-PDCA model. This model utilized by Health Corporation of America provides a road map for the continuous improvement process. FOCUS-PDCA replaces the 10 step model of the Joint Commission of Accreditation in the Quality Assurance standards, thus providing an excellent tool for assisting an organization in transition from QA to CQI.[18]

Find a process

Organize a team that knows the process

Clarify current knowledge of the process

Understand sources of process variation

Select the process improvement

Plan the improvement to the process

Do the process with the change

Check and study the results

Act to hold the gain

CHAPTER 2

Traditional vs Total Quality Management

In order to begin the implementation of the transformation from a traditional management organization to a TQM organization, the differences between them must be clearly understood. The transformation represents a full 180 degree change in organizational focus and philosophy. To accomplish this

transition, it requires an estimated 3 - 6 years for a large organization or corporation to internalize and then to fully utilize the TQM principles and tools.[19]

The following chart demonstrates the key characteristic differences between the two management types:[20]

Traditional Organization	**TQM Organization**
a. Management Driven	Customer Driven
b. Strongly centralized	Strongly Decentralized
c. Multiple Managerial Levels	Few Managerial Levels
d. Strictly Hierarchical	Cross-Functional Teams
e. Autocratic	Participatory
f. Highly Regulatory	Highly Deregulatory
h. People Focused	Process Focused
i. Preserves the Status Quo	Pursues Continuous improvement
j. Inspection Dependent	Prevention Based
k. Unproductive and Wasteful	Effective and Efficient

In order to ensure successful transformation, senior leaders need to focus their implementation strategy on these differences. The question they must ask is, how do we effectively alter the philosophy and the structure of this organization to achieve the new, key characteristics of a TQM organization?

a. Management to Customer Driven. This change in focus is the most critical and the most important difference which the leader must transform successfully. This also addresses one of the most threatening issues in TQM transformation. In a service industry, like health care, one would think focusing on the

customer would be easy, natural, and already in place. Unfortunately, this is not so.

Quality is defined no longer by the provider of the services but by the customer. The customer needs to be asked continually his opinion and questioned about what his needs are. The successful organization will satisfy the customers needs, but the truly excellent organization will exceed the customers expectations. The customer will come away from the interaction feeling very positive about the services that are delivered.

Customer focus is essential for both external and internal customers. Focusing on external customers remains important because they pay for services which they receive. Focusing on internal customers becomes critical because it maximizes the efficiency of the organization and markedly enhances morale.

No longer can we view organizations as a pyramid with upper management at the top. By inverting the structure, the true organizational structure and relationships become apparent. Now the Commander through his managers and workforce fully support the needs of the customers. Total Quality Management builds an accountability hierarchy that inverts the organizational chart and requires management to meet the needs of its subordinates by providing them with the resources, training, education, and work environment they need to perform their jobs better.[21] (see figure 1)

b. Centralized to Decentralized Management. TQM invests in the capabilities and the integrity of the managers and the

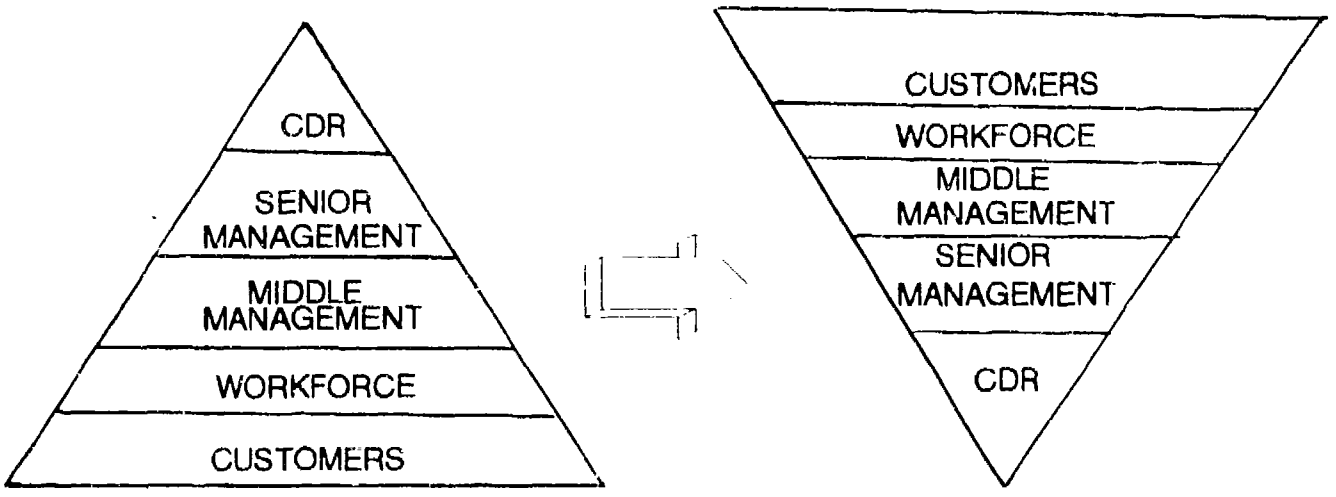

FIGURE 1

workforce. It pushes down the authority and the responsibility to act and to make decisions on the customers behalf as close to the customer-provider interaction as possible. Only through the effective handling of customer "moments of truth" will an organization be able continually to meet and to exceed customer expectations.

This issue also recognizes that the most important people in identifying and potentially resolving problems are those closest to the problem process. Every member of the workforce must be empowered to improve the service which he provides. This requires a proactive and readily accessible decentralized management system.

c. Multiple to Few Managerial Layers. TQM allows a leader to widen his span of control and to flatten his organizational

structure. Significant savings are achieved by removing non-value added layers of control. Managers become supporters of the workforce rather than inspectors and controllers. This dramatic shift in the responsibilities of managers, particularly middle managers, creates a tremendous source of resistance to TQM implementation. This generated resistance will be addressed in more detail later in this paper.

d. Strictly Hierarchical to Cross-Functional Teams. Traditional health care facilities and systems have very similar stovepipe organizations. They are designed in a vertical pattern with limited horizontal communication. (See figure 2) This design forces the organization to focus on the needs and on the integrity of the departments and services within a hospital. Unfortunately, the patient(the primary customer) interacts with the hospital in a horizontal manner, crossing the traditional boundaries multiple times in one visit to the hospital. TQM enables the workforce and the managers to focus on the cross-functional areas that are so critical to the customer. This drives a new function-oriented philosophy into organizational design - the matrix management system.

e. Autocratic to Participatory. TQM gets everyone involved by giving them the authority and the responsibility for the processes in which they participate. Once the vision and the mission of the organization is clear, the workforce is empowered to perform to their capacity and to provide value-added improvements to their processes. Taking care of the customers

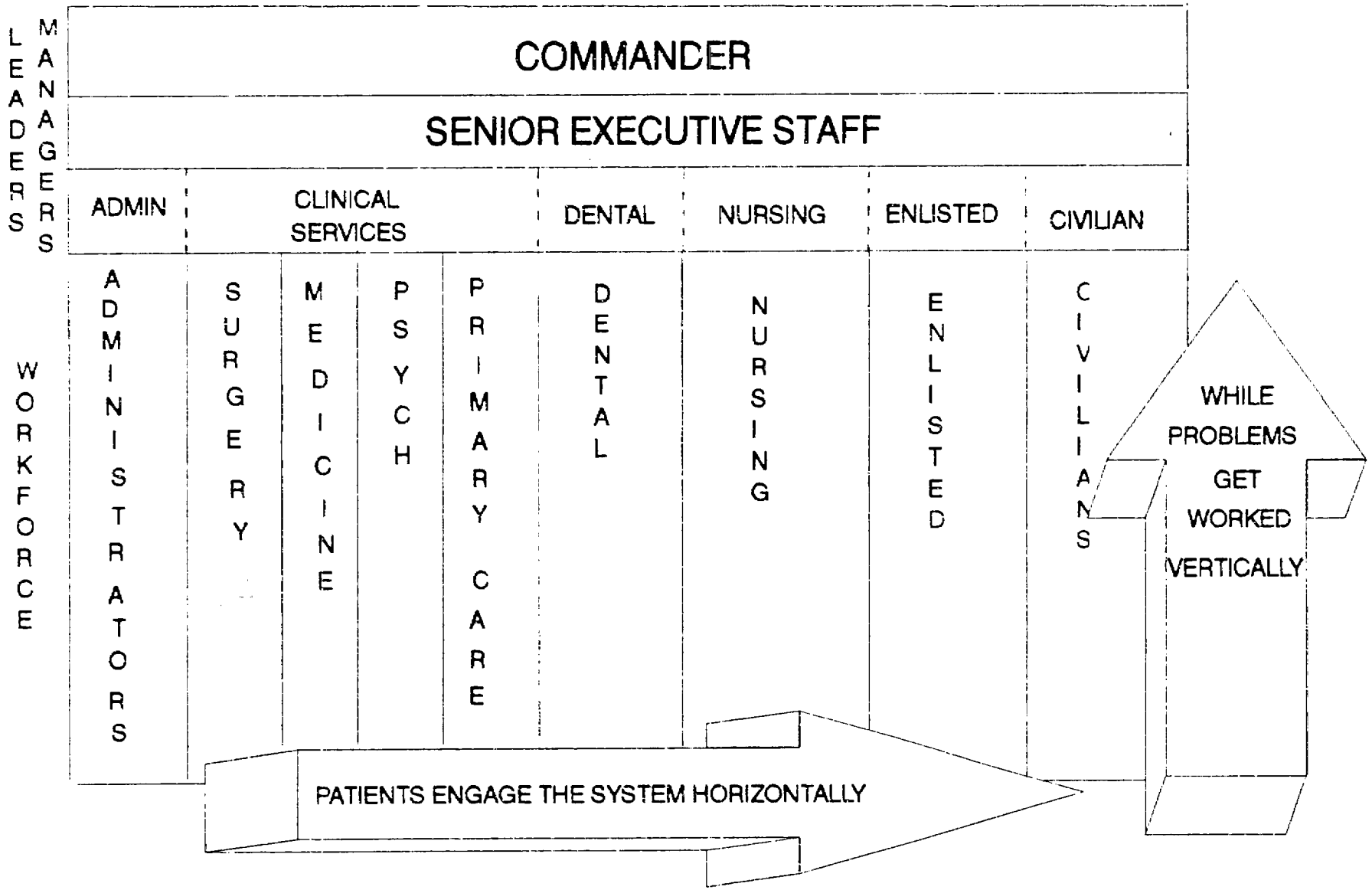
LEADERS MANAGERS
COMMANDER
SENIOR EXECUTIVE STAFF
ADMIN
CLINICAL SERVICES
DENTAL
NURSING
ENLISTED
CIVILIAN
WORKFORCE
ADMINISTRATORS
SURGERY
MEDICINE
PSYCH
PRIMARY CARE
DENTAL
NURSING
ENLISTED
CIVILIANS
WHILE PROBLEMS GET WORKED VERTICALLY
PATIENTS ENGAGE THE SYSTEM HORIZONTALLY

FIGURE 2

becomes everyone's focus. The entire workforce expects to participate in the continuous incremental change process. Grass root innovation becomes the organizational norm. Through a turned-on, energetic workforce, monumental progress can occur.

f. Highly Regulatory to Highly Deregulatory. Creativity and innovation is stifled markedly in a highly regulatory-oriented organization. The managers and the workforce turn to the regulations for the answers. In many cases, the regulations are used specifically to deny meeting the needs of the customer. Leaders use regulations to control and to structure processes. Certainly, some regulations are needed; however, all to often, health care delivery is over regulated. Hospital administration overly structures itself to meet the needs of the practitioners and the workforce and not the needs of the customer. TQM drives a re-evaluation of the established rules, procedures, and regulations from the customer's perspective, and it promotes a more spontaneous, situation dependent, decision making model.

g. People Focused to Process Focused. Under TQM leadership, the focus is on the process and how to improve it. Leaders and managers must believe that their employees are dedicated to performing to their capacity. The spotlight no longer searches for the "bad apple"[22] or the poor performer, but seeks to highlight what was wrong with the process design or its interaction with another process. Personal fear as a motivator no longer is accepted. Motivation through participation in a high quality team which produces a high quality service becomes the

norm.

h. Status Quo to Continuous Process Improvement. TQM establishes the atmosphere of change in an organization. Change becomes not only an accepted but also an expected way of life. This philosophy allows the organization to keep pace with the ever-changing community within which it serves. This is not change for change sake, but a conscientious, continual review of processes focused on improving services. TQM demands that changes be based on the needs of the customer, not the values of the providers.[23]

i. Inspection Oriented to Prevention Based. This change also greatly affects what managers and leaders do in an organization. Instead of focusing on checking and looking at the outcome, TQM managers build the prevention of problems into the process. Inspection depends on rework, redo, and remake which is very costly, while TQM expects a high degree of exceptional outcomes. It is different from the old zero defect mentality, because it expects good outcomes from good processes. If outcomes are not good, then there must be something wrong with the process and not with the people. In health care, it places a greater emphasis on preventive medicine, wellness, healthier lifestyles, and primary care services.

j. Unproductive and Wasteful to Effective and Efficient. TQM costs money to implement. It requires education, ongoing training, and a significant time investment by the entire workforce. However, the results in efficiency by far cover the

implementation costs and create an organization which is highly competitive and fully capable of continual evolution in an ever-changing environment. By removing the conflicting, competing, and inefficient processes, the organization reduces its labor and supply costs. This is not doing more with less; but because there is a basic change in how things are done, more is accomplished with less resources.

CHAPTER 3

RESISTANCE TO CHANGE

By attempting to create a TQM philosophy driven organization, there occurs a dramatic change in the organization itself. The 180 degree turn affects everyone in and around the organization. This change creates tension and resistance. Leaders must focus on the sources of resistance in order to maintain the TQM transformation on track. Resistance will occur, but review of the common issues will give leaders a heightened awareness of where they need to place their emphasis to reduce concern.

Price Pritchett in The Employee Handbook For Organizational Change describes four kinds of resistors to change. There are those people who cling desperately to the past. They want to hang on to what is familiar and maintain comfortable routines. Change to them always means giving up something and the greater the personal sacrifice the more resistant they are. The second group need to maintain personal stability in order to feel in control. Unpredictability, uncertainty, and ambiguity spell

fear for the future. The more they fear the unpredictability, the more they feel out of control and will cling to the status quo. A third group of people resist change as a way of getting even. They play "punish the company" in retaliation for changes they don't like. Unfortunately, these people are willing to expend tremendous amounts of energy and are willing to damage themselves just to get back at the organization. Finally, there are those change resistors who are well intentioned people who sincerely think that the company is about to make a serious mistake and have the courage to try and stop it. In trying to save the organization, frequently they shoot the organization in the foot.[24] Leaders of change need to be able to identify these individuals and groups within an organization and effectively deal with their concerns.

The following series of issues and suggested solutions will be helpful in order to overcome resistance to change:

a. **TQM is the program of the month/year, it too will pass.** Particularly in the Army, this issue is a major cause of resistance. TQM drives a drastic change not only in philosophy but also in structure. To transform an organization, a tremendous amount of work and resources need to be applied to this endeavor. Many feel that TQM exists as the latest variety of management schemes designed to save the health care system. This management fad will pass too, so let's not make too many changes that will disrupt how we do business.

Demonstrated leader commitment combats this common feeling

in a major way. The leader not only must state that TQM will be the management philosophy from now on, but also he must live, breath, teach, and support TQM changes always. He must move rapidly to educate a critical mass of leaders in the TQM philosophy and establish consensus and commitment from these leaders to make TQM work. Leaders and managers then must actively provide the resources and the support to the workforce to show their commitment.

b. **Management doesn't care, so why should we?** This is found frequently in a very autocratic organization. Employees feel that they have very little to say in how things are run. Decisions are made by upper management and spelled out in detailed regulations. In this organizational climate, when leaders and managers begin to ask for more participation in decision making, the employees tend to be skeptical and reluctant.

Leaders need to educate the managers on their new and dynamic support role and the employees on the criticality of their involvement. Cross-sectional representation must be integrated into the planning and implementation programming. Turning the organizational structure and emphasis upside down and demonstrating this by example generates workforce involvement. Early successful TQM process action teams must be celebrated. Above all, the organizational atmosphere must change so that the employees can become turned-on, innovative, customer advocates.

c. **I don't believe TQM can work in the Army or the hospital.** It is common for people to feel like their situation is so unique

that new philosophies cannot be applied to them. The Army has its command and control structure and a strong hierarchical system. Hospital structure is steeped in history and organized to support specialty-focused medicine. TQM in many ways is the antithesis of today's Army structure and the current health care system.

It is true that TQM cannot work in the Army or the hospital without a fundamental paradigm shift. This shift is essential if TQM is going to be incorporated into both of these systems. Leaders need to convince their workforce that it is no longer business as usual, but a time of significant change - a transformation. Then, the change needs to occur. The Army must change how it conducts business and the hospital must incorporate the principles, tools, and philosophy. The leaders must drive it, but the workforce must feel it and live it. Both the Navy and the Air Force have made significant progress in the implementation of TQM. Presently, the Army lags behind in providing resources and tangible examples of TQM success. But it can and will work in the Army. The health care industry is incorporating TQM rapidly. The Joint Commission on Accreditation of Healthcare Organizations has placed its "agenda for change" squarely within the philisophical context of TQM.[25] The Air Force's Wright-Patterson Medical Center is recognized nationally as an example of an outstanding, TQM transformed organization.

d. **We do not have the resources or the time to do this.** Rarely do you find someone in the health care industry who is not very busy. Just the thought of having to spend time learning a

new philosophy, studying new principles, and working with new and complicated tools generates tremendous resistance. Leaders see a significant up-front cost in education, consultants fees, and lost productivity time. Initiating any new system generates inefficiency at the start. Also, no models exist that will guarantee bottom line financial success.

In a time of limited resources, workforce downsizing, and increased demand, initiating a TQM transformation might appear to difficult to do. But, because of the above reasons, TQM must be embraced. Winners don't do only a percent or two better than the norm. They do hundreds of percent better - at least.[26] The health care industry must realize that if it does not change, it will not control its destiny. Government is playing an even greater role today in health care reform, because the health care industry as a whole has been slow to react to its own economic pressures. Leaders need to convince their workforce that investment now in time and resources will pay back in spades in the future. Ignoring the need for change will guarantee economic disaster in the future.

e. **There is no continuity of leadership to support this initiative**. The AMEDD has tremendous personnel turbulence. Leaders turnover regularly and everyone has his own personal agenda. The workforce understands this and knows that what might be one leader's pet project may be low on the next leader's priority list. Because TQM implementation is so new, the level of knowledge, acceptance, and expertise of the leaders and senior

managers varies extremely. Implementation of TQM in an organization is a 3 - 6 year investment and none of the leaders who initiate the transformation will see the eventual outcome. So why start?

Turnover exists as a significant problem. Improving leader stability might decrease this form of resistance, but it is very unlikely that personnel stability will improve significantly. What becomes more important, however, is the development of a critical mass of leaders educated and dedicated to the implementation of TQM. Once initiated, early organizational success with quality improvement is infectious and will be maintained if given a proper climate and dedicated leaders to foster the change. The more leaders, middle managers, and workforces are exposed to TQM principles, the more acceptance will occur.

f. I worked hard to become a middle manager and I don't want to change my role. The critical change in the role of middle managers in a TQM system requires special attention. Middle managers must evolve from being inspectors and controllers into suppliers and assistors. This difficult role change leads to tremendous anxiety and in some cases hostility from middle managers. Managers need to realize that 85% of the problems of an organization are caused by management, not people.[27] This is a difficult pill to swallow, but one which an effective management team can fix. The effective TQM leader will expend a great deal of his time focusing his educational and personal effort to

ensuring middle managers understand and accept their new role.

Leaders can expect a certain amount of resistance, at least from some people. Human nature is predictable enough to expect that certain employees will not readily embrace the changes.[28] The approach to managing resistance is to invite it - get it out in the open so that it can be overcome successfully. It may require an explanation, more involvement by the resistor in the process, or a change in the implementation strategy. Resistance up to a certain point is not necessarily bad. The leader must monitor the level of resistance and then proactively deal with it.

CHAPTER 4

IMPLEMENTATION OF TOTAL QUALITY MANAGEMENT

For the purposes of this paper, implementation of total quality management will be focused at a large corporation level equivalent in size and in complexity to Health Services Command. Despite the fact that many large corporations have adopted TQM as their management philosophy, most of the implementation literature focuses on the implementation procedures within a single organization.

Mary Walton in Deming Management At Work outlines how six companies have successfully introduced TQM into their systems.[29] One of those companies is Hospital Corporation of America. HCA has lead the way in hospital system conversions and their implementation story is useful to explore.

It began in 1986 when HCA Chairman and CEO Thomas Frist, Jr. decided that HCA needed to develop a quality model for the hospital chain. He hired Paul Batalden, M.D. who had been very much influenced over the last six years by W. Edwards Deming and the Total Quality Management philosophy. He was struck particularly by the need for a paradigm shift in health care which required a profound commitment to the customer. Together, Frist and Batalden set out to transform the corporation which consisted of 270 hospitals.

The first challenge Batalden faced was convincing Frist that the most important ingredient in transforming the organization was the overwhelming commitment by the CEO himself - Frist. It was Frist's responsibility to dedicate his own personal time, energy, and resources toward learning, teaching, and preaching the TQM Philosophy. Frist, as with many busy executives, had many other concerns and projects demanding his time. But TQM became his focus. Batalden formed the Quality Resources Group which set out to establish the strategy and the actual training programs for the corporation. By the end of 1987, they were ready to begin.

The HCA implementation model called for the individual hospital CEOs to designate a chief facilitator called a "coach" and for both(CEO and coach) to undergo two three day workshops on the Deming philosophy, process improvement, and team skills. Each participating hospital was assigned a mentor from the headquarters to offer guidance and gentle nudging. The CEO and

his senior management team then were trained together at the corporation headquarters. Only after this training and after a commitment by the hospital management team to continue the transformation did HCA provide an on-site training team for middle management. The hospital CEO was required, with no exceptions, to teach part of this course. The CEO and his top management team then would constitute the hospitals Quality Improvement Council, which would charter and monitor teams. The Quality Improvement Council next had to work on the formulation of its quality policy for the organization - what its mission statement was, what it meant by quality, and what kinds of guidelines or principles they were going to use. And then they had to practice what they had learned.

The training was affordable but was funded by the hospitals themselves. No hospital was compelled to participate, allowing the CEOs the autonomy to choose to participate or not. Batalden said, "I knew anything less than volunteers wouldn't survive. Nobody can be ordered to do this. It has to be made attractive."[30] A hospital-wide quality improvement road map was designed and implemented.

But, what was occurring at the corporate level? Frist was restructuring HCA and reduced the management overhead by 50%. He did not reduce the Quality Resource Group, because he did not want to send any messages that the company was more concerned with profit than quality or that the quality initiative was just another fly-by-night program. Two years later, Frist reduced the

headquarters again, but again spared the QRG. This time it was not for the sake of sending wrong messages, but it was because the results of their work were becoming very evident. The QRG's customers - the hospitals, the CEOs, and the department heads - wanted more, not less, support for quality. "We found not only could we afford to have it, we couldn't afford not to have it."[31] As an example, one regional effort in Florida had enabled the company to meet its five-year quota for purchases earning a $50-million rebate.

Three times each year coaches from HCA-affiliated hospitals met for two days to share their experiences and learn new skills. The CEOs joined them at two of these meetings each year. These networking activities were extremely helpful in cross-fertilizing the system with success stories and reducing the number of repeat mistakes. As success spread, the number of hospitals transforming grew. Today, HCA is a vibrant, progressive, and highly successful hospital corporation chain based on the TQM philosophy.

CORPORATE IMPLEMENTATION LESSONS LEARNED

By studying successful corporation evolution to TQM, Mary Walton believes that there are five stages of development that must be accomplished in order to achieve quality transformation. Her five stage process can be used to incorporate several other excellent ideas on how to accomplish this transformation from a corporation perspective.

Stage One: The Decision to Adopt. In this stage the CEO accepts the premise that fundamental changes are necessary, then

builds a consensus.[32] The reasons for making this decision may be many, but in health care there are several driving factors. First, the growing health care crisis demands that the health care industry return its focus to the customers - the patients. Only by meeting their needs through services and access will the health care industry return as a truly service-oriented industry. Second, the rampant rise in health care costs needs to be brought under control. Through TQM measures, hospitals have demonstrated tremendous cost reductions which can be passed on to the patients. Lastly, the Joint Commission on Hospital Accreditation has recognized the critical need to shift its efforts away from basing quality on inspection and standards and more on recognizing problem processes and improving them. JCAHO has implemented language into their guidelines which will facilitate hospital transformation.

STAGE TWO: INCUBATION. During this stage, the CEO himself must convince the organization to change. He must commit his time and his energy almost exclusively to this event. He and his senior managers must educate themselves through reading, attending seminars, and networking with other organizations making the quality transformation. The investment in time and in resources at this stage is crucial in order to prepare the organization for change. The organization must sponsor seminars which will begin to whet the appetite of the staff.

During this incubation stage, the leaders often rewrite their vision statement for the organization. They seek outside

consultation or a mentor who can give them guidance, encouragement, prodding, and feedback. They identify the coach or facilitator who becomes the technical expert within the organization. It is important to note that the coach is the chief facilitator; however, the CEO is always the main driver. The CEOs involvement in the change process can never be delegated.

STAGE THREE: PLANNING AND PROMOTION. During this stage, the senior leadership of the organization outlines and promotes the implementation plan. They must be very attuned to resistance and to allow for it to surface. Dealing with resistance at this stage reduces the conflicts later. The implementation plan should be written and verbally sold throughout the organization. A realistic time line should be developed which addresses the up-front costs in time, money, and resources. Priorities need to be established so that subordinate organizations understand the role they must play in this transformation.

Promotion of the change requires more than just advertising that it is coming. Visible, tangible examples of what can be accomplished must be presented. Incentives need to be realistic and a new reward system based on successful TQM conversion needs to be established and articulated.

STAGE FOUR: EDUCATION. Stage Four brings the education process to the entire organization. Every level of management and the workforce must be included in this educational endeavor. This will take time but it needs to be systemic in order to establish a critical mass of employees dedicated to the principles of TQM.

Leaders need to develop TQM leadership skills. As Deming puts it, "The aim of leadership should be to improve the performance of man and machine, to improve quality, to increase output, and simultaneously to bring pride of workmanship to people. Put in a negative way, the aim of leadership is not merely to find and record failures of men, but to remove the causes of failure: to help people to do a better job with less effort."[33]

As the education is pushed down through the organization, each level of management and department will need to experience the same incubation period of senior management - defining its vision, mission and goals. Process action teams(PAT) are formed and guided by the Quality Council to ensure that the initial PATs are appropriately focused on processes they can effect and from which they can learn successfully the tools of TQM.

When a critical mass of the organization is transformed, the hardest work of TQM begins. The corporate culture needs to be redefined with the headquarters now totally supporting their subordinate units rather than directing them. The roles of the manager and the professional are redefined in TQM terms. Managers must empower their workforce and the emerging PATs to analyze and to solve problems. Allowing time for participation on PATs and supporting their recommendations by actions go a long way to incorporate the new culture. The organizational objectives are reviewed and in most cases changed to reflect the new focus on customers. Mentoring from without becomes mentoring from within

as the expertise within the organization grows. Benchmarking is established as a way to check how the organization is doing. And the reward system is revamped in order to support continuous improvement and teamwork.

STAGE FIVE: NEVER ENDING IMPROVEMENT. As the TQM philosophy is put into place throughout the organization, it becomes obvious that there is no end state. TQM means to continuously change and to constantly desire to improve. As the total organization transforms, systems become more integrated, value-added programs become more prevalent, and customer focus becomes more intuitive. Continuous improvement simply becomes the way the corporation does business.

Karl Albrecht, co-author of Service America, states that there are seven critical success factors in TQM transformation.[34]

a. Ensure that there is executive involvement. Top management controls the resources, sets the priorities, determines promotions, allocates rewards, sets the tone, and provides the inspiration for the organization. Active and highly visible involvement is essential. Only if top management is dedicating the majority of its time on this transformation will the organization perceive that management is serious.

b. Involve employees at the outset. Once the decision is made to adopt TQM, begin to introduce it to everyone. Early involvement and critical mass will speed the process of change. Aim the education programs to the entire workforce, utilize everyone on process action teams, and listen to their concerns

and ideas.

c. Set aside the preconceived customer assumptions and go out and ask them what they want. As is stated in Service America, "the longer you've been in business the more likely it is that you really don't know what your customers want." One of the common mistakes in TQM transformation is implementing changes for the wrong reasons. Process improvement must be tied to the customer - internal or external. For a large corporate headquarters, the leaders must ask those it serves what they need so that they can support them better.

d. Make quality the driving force. So often quality and quality service are competing with other priorities in an organization. Leaders tend to focus on the hard priorities - profit, productivity, and market share - and not on the soft priorities - quality service, human resource development, and value. But quality must become the driving priority on which the leaders invest most of their time. Profit, productivity, and market share will follow if quality is achieved.

e. Own the program. A program that is viewed as a consultant's program or one owned by the Quality Management Team will be seen as just that - someone else's program. To institute change, the organization must change. Consultants should be used for consultation and not to bring in an outside program that is to be adopted by the organization. There needs to be a greater dependence on mentorship and development of the organization's way of doing things.

f. Kill a few "sacred cows". Every organization has sacred cows - programs, projects, departments, or people - which continue to exist whether it is a value-added program or not. Finding some of these sacred cows and terminating them early sends a powerful message that the organization is serious about making change. It will jar the organization out of its set ways, disrupt predictability, and put everyone into a refreshed state of mind to take on the challenge of the new effort.[35]

g. Integrate the process. During the initial phases of implementation, it is necessary to introduce TQM activities in parallel. As an example, both the quality assurance and continuous quality improvement programs both are running at the same time and are relatively independent of one another. Rapidly, however, TQM activities need to be incorporated into the planning and operating systems of the organization. The more quickly TQM can be integrated, the sooner results without double work will be realized.

CHAPTER 5

TRANSFORMATION RECOMMENDATIONS FOR HEALTH SERVICES COMMAND

The information in this paper will be helpful to those professionals preparing to transform the entire Health Services Command to Total Quality Management. HSC already has taken tremendous strides on this road toward continuous quality improvement. The following recommendations will assist in

maintaining the focus on the TQM transformation.

STAGE ONE: THE DECISION TO ADOPT. LTG LaNoue, while Commander of HSC, decided to adopt Total Quality Management. In June 1991, he introduced TQM as a significant focus under the Management Effectiveness Vital Link.

HSC'S Four Vital Links

I. **Gateway To Care** (Coordinated Care)
- Enrollment
- Utilization Management
- Outcomes Study and Management
- Gatekeeper and Primary Care Focus
- Local Design and Implementation
- Centers and Regions of Excellence

II. **Rebuild**
- MF2K/Restationing (TOE into TDA)
- Command and Control (AMEDD Center/School)
- Vanguard/BRAC I/BRAC '91/Quicksilver
- RC/HSC Realignment
- Reshaping

III. **Management Effectiveness**
- Regionalization
- Stable Business Environment
- Family of Plans/Integration of Plans
- Information Management - ownership
- **TQM**/TQH
- Innovation

IV. **Leader Development (Proponency)**
- Requirements Based Inventory
- Three Pillars of Leader Development
- Progressive and Sequential Training
- Life-cycle Management[36]

However, the overriding emphasis in HSC was the initiation of the Gateway To Care Program. This fantastic program was very customer focused and not only allowed but also encouraged commanders to be innovative and to be mold breakers to meet the needs of the patients in a more cost efficient manner. Gateway To Care was a total quality management activity. Through this effort, CHAMPUS claims were reduced over $100 million in 1992.[37]

This success implemented in only a small segment of HSC demonstrated some of the immense potential for cost containment and reduction.

In the November issue of the Commanders Notes, MG Richard D. Cameron, present HSC Commander, re-emphasized the commitment to TQM.

> Our future success depends on new ways of doing things, status quo is a death knell to our progress. TQM is the answer. I am totally committed to TQM. Participative management and total involvement are the two most important principles of TQM. Both principles involve a cultural and behavioral shift within our command. The new culture I want to see is vastly different from the one we now work in. The culture I want to see is characterized by:
>
> -People feeling trusted and valued.
> -People at all levels participating in decisions.
> -Looser handle on controls at all levels.
> -A challenging workplace that is rewarding and exciting.
> -Reduced organizational bounds, hierarchy, and rules for quick adjustment and adaptation.
> -An innovation and creative environment
> -Reward systems that reward all of the above.[39]

With the decision to adopt made, the critical element now is to maintain leader involvement and visibility through TQM actions over the next several years. TQM must become the management philosophy within which Coordinated Care becomes one success story. The TQM philosophical change must be the constant subject of conferences, meetings, and conversations throughout the entire command. The HSC Commander continually needs to demonstrate his personal involvement in this transformation through his actions, his words, and his deeds. His ability to maintain his focus on the TQM transformation will be the key to a rapid(5 - 6 years)

and successful transformation.

STAGE TWO: INCUBATION. In March 1992, HSC contracted with a company to assist in the implementation of TQM across the command.[39] Executive level training was conducted at the headquarters and a two year strategy was developed. Several process action teams were established within the various directorates facilitated by a professional facilitator. Armed with the results from these teams, the headquarters initiated a thorough TQM training program for the entire headquarters and for facilitators who could assist with the transformation.

There are now two points of contact at HSC for TQM - the Office of Strategic Planning and Innovation and the Quality Management Division. The first was recently realigned under the HSC Chief of Staff and focuses on the implementation issues. The Quality Management Division falls under the Professional Services Directorate and is concerned with the transformation of Quality Assurance to Continuous Quality Improvement in the clinical arena. By placing more emphasis and responsibility on the Office of Strategic Planning and Innovation, HSC has brought TQM to the entire Command and not just to the Professional Services related activities.

The next step, however, is to create an organization like the Quality Resource Group(QRG) at Hospital Corporation of America. This new organization would be located best within the Academy of Health Sciences and its primary role would be education. It would not only be able to take over the

responsibility of assisting the HSC headquarters in its transformation but also be able to export educational products to the regional medical centers. This organization would be the TQM clearinghouse for the AMEDD. It could identify those individuals or groups within the AMEDD who have TQM expertise and utilize these individuals as facilitators and as mentors across the AMEDD. The Academy then could integrate TQM principles in all of its educational programs in order to establish the grass roots knowledge and understanding of this new philosophy.

Contract educational and mentorship support is very expensive. By canvassing the AMEDD, this QRG-like organization can identify what is working and what has been developed at local MEDDACs or at MEDCENs and develop a support package for the entire command at a fraction of the cost. This support package must be more than just a handbook, it must include a training program for MEDCEN/MEDDAC executives, a facilitator training program, and an on-site training program. Critical is the development of a core group of mentors at each MEDCEN who can assist the transformation of the MEDDACs in their region.

During this incubation period, the leaders throughout the command should be encouraged to educate themselves on TQM. A realistic reading list needs to be developed and timely, informative, and applicable articles should be distributed periodically by the HSC Commander to demonstrate his continued resolve. Success stories need to be acclaimed widely and a reward system established based on TQM success. Frequent networking

meetings need to occur for leaders and coaches in each region and across the command.

After a critical period in which the headquarters has undergone significant transformation, the leaders at HSC must re-evaluate their vision and mission statements in TQM terms. They need to identify who their new customers are and what their relationship is with them. They need to ask their customers what they need and want in order for the headquarters to remain focused on meeting or exceeding their customers needs. This will generate a fundamental shift away from looking toward or reacting to the Office of the Surgeon General to providing support and assistance to the MEDCENs and MEDDACs.

STAGE THREE: PLANNING AND PROMOTION. A system-wide plan needs to be established that ensures that the entire command is transformed over 5 - 6 years. This plan should be based on the regional MEDCEN concept with an appropriate and heavily resourced education and mentorship program. By using the contracted support at the headquarters, HSC should underwrite the training and development of regional cells of expertise. These cells then can export their knowledge and skills to the MEDCEN region.

Positive promotion that is constant and consistent is critical. TQM can not be just the focus of 1993, but must remain the focus of HSC until it is totally integrated into the entire system. Symbols can be important.[40] The HSC leaders and MEDCEN Commanders must develop ways to demonstrate that TQM is the new way of life. Personnel actions, resource decisions, and

information support now must be presented and justified based on TQM principles.

During this stage a concerted effort needs to be placed on resistance to change. Those leaders and those areas within HSC that are reluctant to adopt TQM need to be identified and openly addressed. Their concerns need to be aired and dealt with in order to win their support. Leaders need to be committed to this process or it will fail. The best chance for overcoming resistance is to demonstrate the direct benefits that can be achieved through TQM.

TQM champions are essential to this transformation. They are already out there in HSC and need to be identified and recognized. More champions must be fostered and placed strategically in positions in which they can influence change within the system.

HSC needs to prepare and plan for a change in its structure and its organization. A customer focused organization will need to align its structure with the needs of its customers, rather than continuing its present structure based on the old medical system model. TQM is really a catalyst to rethinking the whole acute care system and what we're all about in terms of improving the quality of life for people.[41] To understand the potential magnitude of reorganization, one could look at the tremendous change that has occurred in the command structure within the U.S. Air Force. HSC needs to break the paradigm molds and consider a cross-functional, matrix management system. Also, significant

reductions in the number of management levels must occur.

STAGE FOUR: EDUCATION. Education is the driving force behind the transformation. Managers from top to bottom need to acquire a basic understanding of what TQM is all about. The developed educational programs must be taught and fostered by the leaders at all levels and be presented to the entire command. An extensive orientation program in TQM must be incorporated in all new employee programs. Just-in-time training focused on teams should be readily available. This requires a tremendous investment in time and in people. It is through this investment, however, that the command will realize the Commanders intent to make TQM happen.

Physicians are an essential professional group that must be educated and educated early. Physicians are involved in both the transformation of the QA to CQI model in their clinical practice and also in the TQM management system in their hospitals and clinics. This training must begin in the military residency training programs in order for the new graduates to understand the management system within which they will be working. It establishes an early understanding of the JCAHO requirements and exposes them to the new customer focused, cross-functional organizational structure.

Physician leadership in this transformation is critical. They will be involved far more now in process action teams as a participant seeking to solve the problems which impede their ability to deliver high quality health care to the patients.

Physicians will need to re-look their traditional specialty based, health care delivery system and place greater emphasis on preventive and wellness programs. What emerges from this needs to be grounded on the needs of the patients and of the community which the MEDCEN or MEDDAC serves.

STAGE FIVE: NEVER ENDING IMPROVEMENT. This final stage is the end state - a system which is continually seeking new ways of doing things based on the needs and the requirements of their customers. It is an evolving system becoming more integrated and more efficient as each segment focuses on value added processes. HSC will be able to flatten its command structure, reduce its overhead, downsize both military and civilian workforces, and improve the quality of health care that is delivered to its benefactors.

The issues facing HSC today demand change. Adopting and implementing TQM throughout the command will anchor HSC on excellent management and leadership principles. The management system will be in place and the environment will be prepared for the continuing requirements for change. The resources required to implement this program will be realized through efficiencies gained with successful implementation. The tremendous potential for cost reductions and cost containment can not be ignored. As HSC changes to a TQM-based management system, its future will be very bright as it strives to meet its obligations to its customers.

CHAPTER 6

EPILOGUE

Six years later, Col(R) Smith's wife needed a follow-up mammogram. Upon their retirement, the Smith's moved to a small community not far from an Army MEDDAC. With some trepidation, she went to the MEDDDAC to find out its procedures for scheduling mammograms. She was greeted at the entrance by a courteous, knowledgeable, information person. Mrs. Smith was directed to the Family Practice Clinic where she was enrolled and interviewed about her health care needs by nursing personnel. She discovered that not only did she need a mammogram, but also she required some routine immunizations and a GYN examination. The health care advisor scheduled her for an appointment with her new family physician in two weeks for her GYN examination and coordinated her mammogram to be completed prior to this visit so that the results would be available when she saw her physician. The clinic nurse gave her the immunizations she required and cheerfully told her that they looked forward to seeing her in two weeks. Her experience was swift, efficient, and painless. She left the MEDDAC overwhelmed and positive about the experience and the care she had received. She felt confident that the care she would recieved in the future would be excellent.

Over the next few years, she has continued to be amazed by the excellent care and service she receives. Though there have been times when she has been inconvenienced, these times have been few and far between. The staff always explained what the

problem was and, she felt, worked very hard to overcome the problems.

She was asked on several occasions her opinion about the services provided and care she had received. She felt that the MEDDAC personnel were sincerely interested in hearing from her and that in a way she was a part of the process to improve the MEDDAC continually.

Total Quality Management changes the way we do business. The philisophical changes must run through the entire organization and touch every customer served. When this occurs, TQM can be considered fully implemented. The health care system and the community become one working to improve continually the well being and the health of those living within the community. Mrs. Smith experienced the outcome of TQM.

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