

Budget Crisis Requires **Bold** Action

By Brad Zimmerman & Jeff Capobianco

Never in our history have we faced funding cuts of this magnitude, and it appears likely there will be more to come. To effectively deal with this crisis, we must reinvent the way we do business. This starts with creating new organizational cultures that are energized by the creativity of a committed staff.

These challenges would be considerable for any service sector to overcome. Healthcare carries an added cultural burden; a long history of services structured to support compliance mandates, typically from external funding and accreditation agencies. Some of the mandates are necessary and useful, many however, are vestigial, regardless ours is a culture that is driven by compliance. We must shift this “*culture of compliance*” to a “**culture of creative commitment**”; where staff at all levels see themselves as accountable both for being effective healthcare professionals and efficient stewards of the public dollar.

An organizational culture driven by compliance mandates puts management in the position of needing to work with staff around what is

required to be done not necessarily what *could* be done when faced with the crisis we are experiencing today. Staff are put in the role of translating these requirements into a work flow that provides consumers and patients with what they need and want. This produces an unintended rift between management and staff which significantly impedes our ability to deal creatively and collaboratively with this funding crisis. An example is the agency where staff could more efficiently and effectively provide a particular service in a group format rather than a one on one service. However if this service is provided in a group format only one consumer can be billed. So creative staff are stifled and required to continue a practice that they and the consumers know is inefficient. Management on the other hand is bound to inflexible state funding requirements. This does not need to happen more than a few times for both clinical and management staff to give up thinking they can change anything. The culture begins to stagnate and just comply to the way things have always been done; the commitment to working together creatively is lost. **The shift to a culture of creative commitment** requires strong leadership skills and

techniques. Most of the leaders of our organizations are people who have devoted their lives to helping others. They have worked the frontlines and moved into administrative positions after extensive training and experience as health professionals. They moved into administration because they were willing to take on a leadership role, but often find themselves ill equipped to change the culture from which they came.

Health Organization Leaders, must dedicate the time and resources needed to develop their change leadership skills. It will take courage to overcome the fear and disbelief about the possibility for real change in light of the current economic reality we find ourselves in. Advances in our field like the use of recovery based services and the integration of Primary and Behavioral Healthcare will improve outcomes for consumers but only if we know how to help our staff create a whole new culture where commitment to creativity and change are the hallmarks.

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“As an agency, we were faced with a year where our productivity was low, turnover high, and the state cut our reimbursement rate resulting in a significant deficit. Utilizing the principles learned through our collaboration with PMP, our senior management team approached the many challenges facing the center in a novel way. One of the keys was not just raising our standards, but doing so in a supportive culture that promoted staff leadership and commitment to our mission. Our net result was a 19.6% increase in productivity and a decrease in turnover. This positioned us well to face further economic challenges posed by federal and state cutbacks.”

Kathy Welch-Torres, Director of Clinical Services



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