



Implementing **LEAN**



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Disclaimer

- I am a paid consultant for Mölnlycke.
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Program Goals

At the completion of this presentation, participants will be able to:

1

INFORM

Gain understanding in the lean process, history and processes and how they can affect every aspect of business.

2

INSTRUCT

Instruct in the need for culture, value identification and how lean can help solve problems that lead to inefficiency, burnout and rising costs.

3

CITE

Cite 4 types of waste, what value means and how teams can succeed in endeavors working towards a more efficient workplace.

4

PURPOSE

To help you and your clients find solutions to workflow and supply chain issues.

LEAN is a Journey...¹⁸

WORK SYSTEMS
& PROCESSES



BEHAVIOR



ATTITUDE



CULTURE



History of Lean



Early 1900s – Scientific Management



1930s–1950s – Toyota Production System (TPS)



1980s – Term “Lean” Introduced



1990s–2000s – Expansion Beyond Manufacturing



Today – Lean Thinking Everywhere

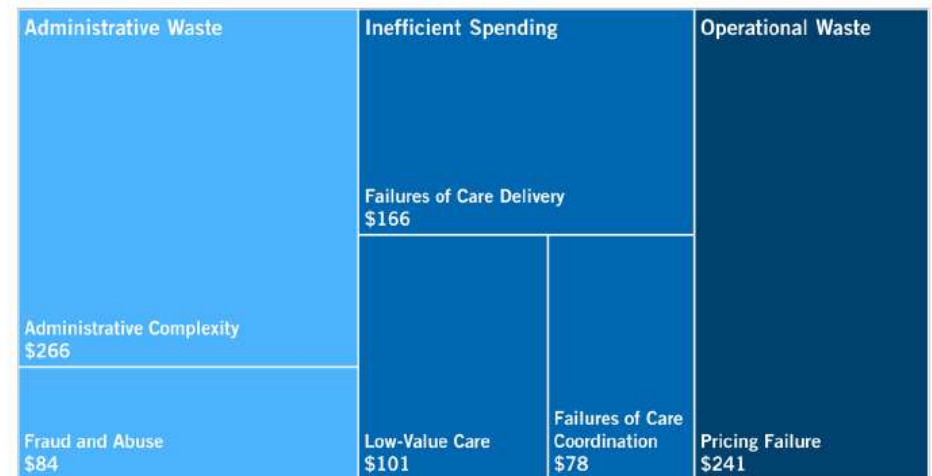
Waste in Healthcare

- Low hanging fruit is all around
 - 935 billion waste in healthcare
 - Finding and eliminating the waste IS possible, you just need the tools!



Wasteful healthcare spending can reach up to \$935 billion a year

TYPES OF WASTEFUL HEALTHCARE SPENDING (BILLIONS OF DOLLARS)

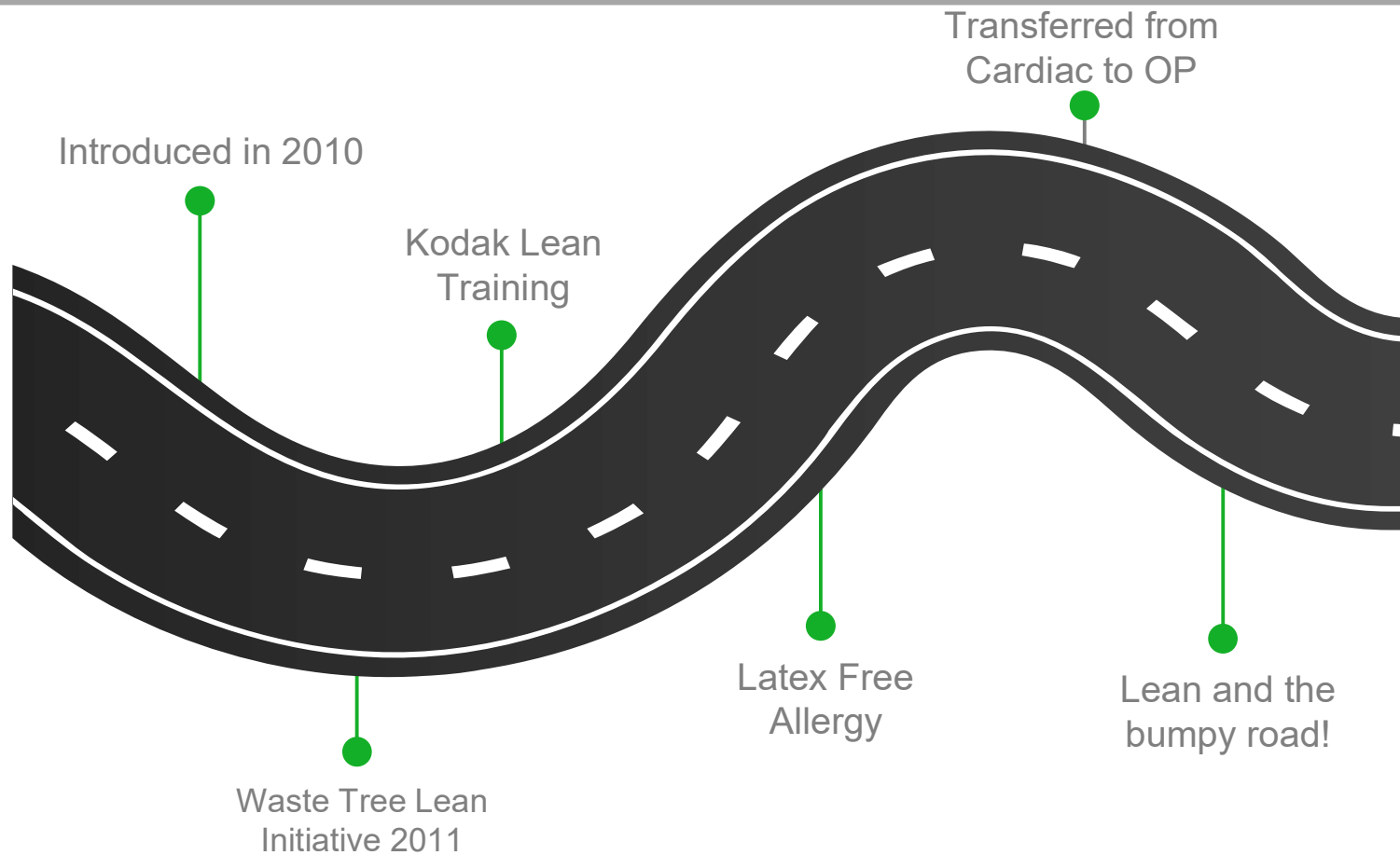


SOURCE: Journal of the American Medical Association, *Waste in the US Health Care System: Estimated Costs and Potential for Savings*, October 2019.

NOTES: Data represent the upper threshold of estimates by Shrank and colleagues. Total sum may be different due to rounding.
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My Road to LEAN



What is Value...?

- What does it mean to you?



Eliminate waste, Own the Process



Ridding MPD and Center
Core of unused products

Economics: Sometimes a
cheaper alternative would
cost more



Biopsy Needles

Blue skin prep



**\$75,000 saved
the first year!**

Utilizing the LEAN process in Surgical glove Standardization at University of Rochester

Facility:

- Flaum Eye institute. Ophthalmology comprises 1/3 of URMHC surgical cases

Problem: OR Teardowns due to latex

- 30-90 cases were being torn down due to latex contamination
- Deep dive into the data found costs ranging from \$350-\$1500 per tear down

Problem: Proliferation of glove vendors/styles

- The OR had 4 glove companies and multiple styles stocked
- Inventory management and storage space was a concern

WASTE identified in the form of patient risk, HCW risk, occupational exposure, wasted OR time, materials, gloves, storage, etc.



Unnecessary
OR Teardowns costed
\$350-1500 per incident

Utilizing the LEAN process in Surgical glove Standardization at University of Rochester

Implementation

- Developed champions in the surgeon realm
- Conducted product trial for all staff
- Flexibility was important: glove had to fit staff need-not staff fitting glove need
- Tried multiple styles
- Provided education on patient and staff safety, fiscal advantages, latex free advantages

Intense 2-week trial included:

- Over 70 surgeons & residents
- Over 200 nurses and certified surgical technicians (CST)
- Trial concluded with choice to standardize to one vendor

Vendor support was key

Utilizing the LEAN process in Surgical glove Standardization at University of Rochester

Results

- Surgical glove styles decreased from 13 to 3
- Room tear downs caused by unrecognized latex allergy patients decreased to zero
- Related cost savings estimated at over \$43,000 per year
- 111 cubic feet of storage space was regained in the center core

36 → 0

**Number of Cases
Torn Down Due to Latex Allergy**



Estimated avoided COST

\$43,020



Estimated avoided TIME

36-60 hours



Before
136 Cubic ft of storage



After
20.8 Cubic ft of storage

Hospitals are facing intense financial pressures



More than 60% of hospitals are operating on negative margins

- Full reimbursement without penalty is critical for financial survival



Clinical evidence plays a diminished role in the decision-making process when considering vendor options

- Restored focus on providing quality care while maintaining profitability



Historic rates of healthcare inflation are 3x the normal average

- Medical Supplies (20%) and staffing costs (50%) are seen as key to managing cost increases and hospital budgets



Acuity and LOS for patients have increased significantly

- About 15% of patients are responsible for 75% of total spending



Increase in workforce turnover and staffing burnout

- >25% nursing turnover across the industry in 2022 and 50% of all active clinicians show signs of burnout



Medical supplies account for approximately 20% of hospital expenses

- Heightened focus on finding savings within supplies

Challenge facing Leadership

With LEAN thinking, everyone owns the outcome.

Reducing costs and increasing revenue is everyone's responsibility in healthcare.

Challenge



Achieve necessary savings while still protecting everyone involved.



Everyone owns the outcome

Breakout

Welcome to your new team!



“Waste” isn’t just what you throw away

Waste is identified as –

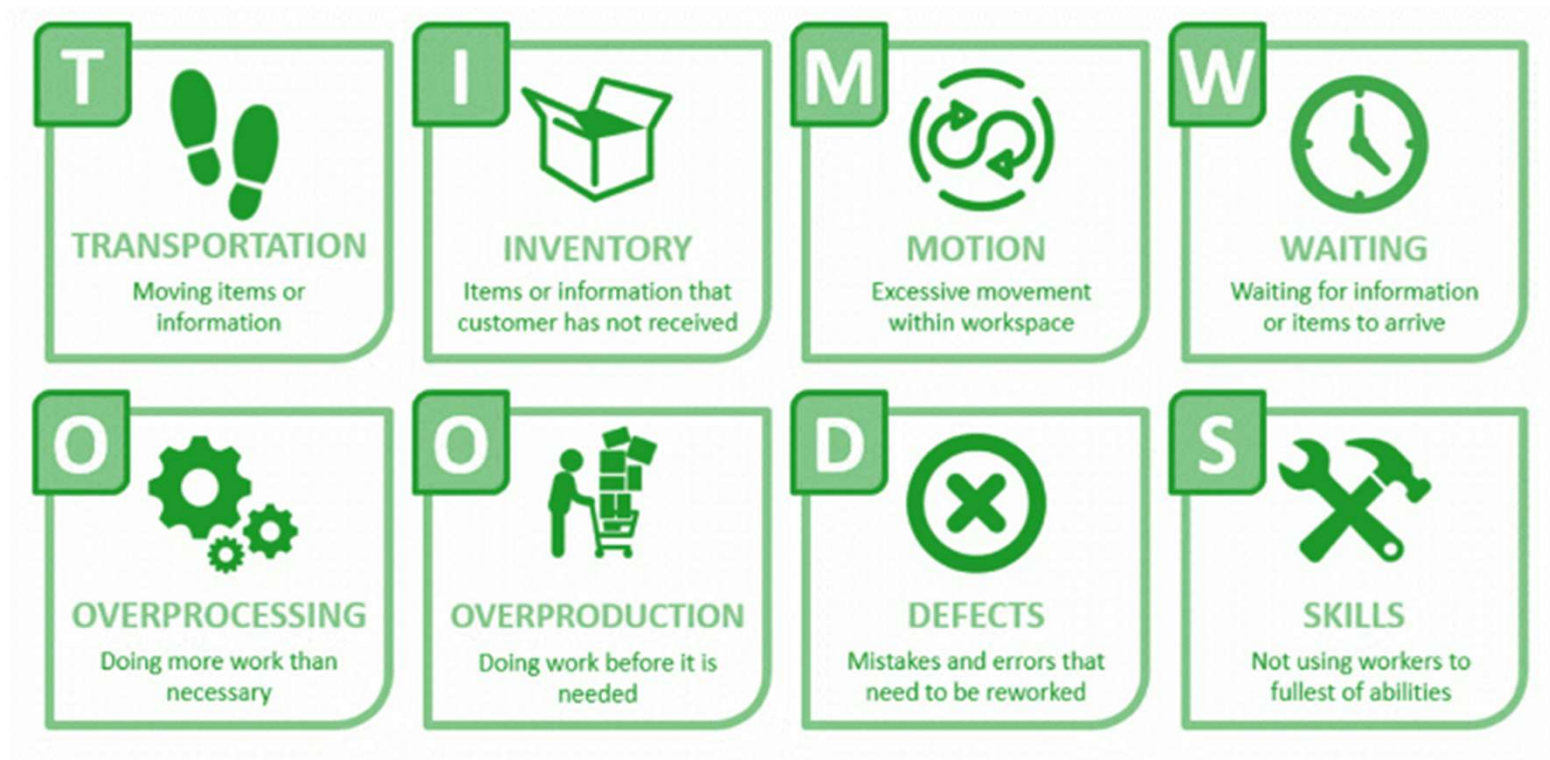
anything that absorbs personnel, resources or time but does not add **VALUE** to the overall process or to the end user of the service/product²

Understanding “Waste” is key to success in applying LEAN principles.

We can always ask TIM!



Opportunities for LEAN Value Based Procurement



Breakout

ASK TIM WOODS!

This is how we have always done it...

- Challenge the status quo within culture of safety
- Develop Long Term Vision
- Show respect !

MUDA
特区

The cause of the problem or waste

現地現物
“genchi genbutsu”
go and see for yourself

Going to the source of problems with the people they effect

kai zen
改善
change good

Challenging process and seeking to be ever better

Challenges

Leadership

- Involved
- Active
- Invested 100%
- Genuine
- Commitment

Burnout

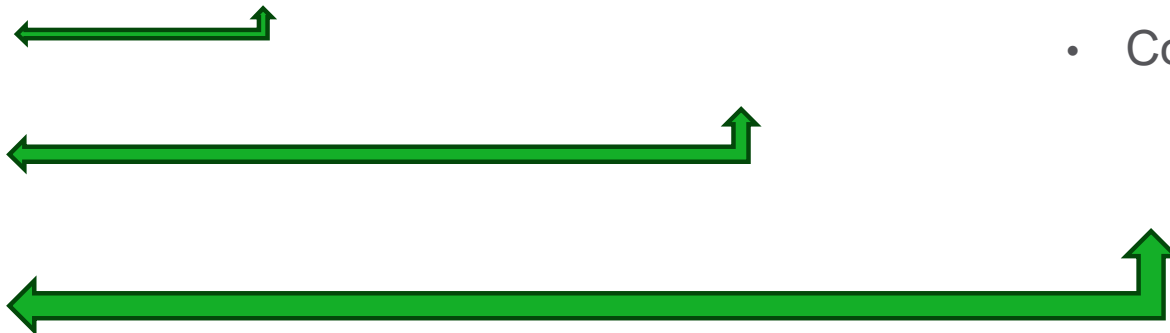
- “We’ve tried stuff like this”
- “Why Change?”
- Apathy

Hitoriyogari

- Complacency
- They own the process
- Squeaky Wheel!!!

Investment

- Previous cost savings or investments have not impacted the TEAM
- Transparency
- Commitment



Leadership Pit Falls

- Investment
- Sincerity
- Faith in your team
- Fear of failure
- Fear of success
- Blame Game



How do we start...

The Process

START WITH RESPECT

**This is
someone's job
or passion**

- Listen
- Take time to understand the current process

GENCHI GENBUTSU

**Go and see the
process in action.**

- Collect data
- Spaghetti Diagram
- Include anyone touching the process

ANALYZE

What is wrong?

- Identify value versus waste
- Form a team

Don't forget the squeaky wheel!

KIAZEN

**What needs to
be done?**

- Select solution that minimizes waste
- Improve workflow
- Improve safety

EVALUATE MAINTAIN

**How do we
guarantee
performance?**

- Diligence
- Failure / Success
- Evaluate

Breakout

Kaizen!

Solutions with respect built
in!



Data, Data, Data

Data is critical to any LEAN initiative



- Data is needed to identify areas of waste, determine potential savings and track improvements.
- This data along with clinical evidence can provide the basis for your business cases for Value Analysis Committees.

Breakout

Reevaluate

Shine

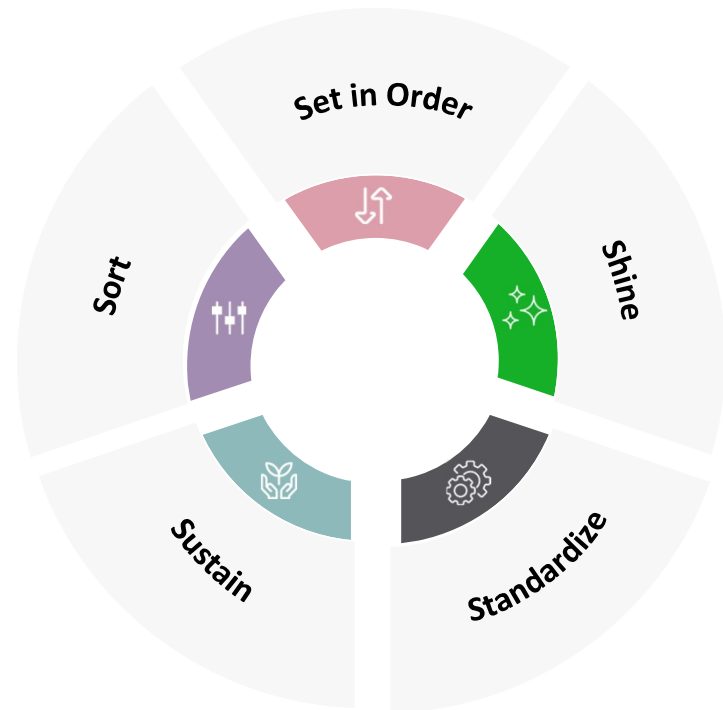
How Do We Keep It Going?

- Re-evaluate
- Sustain
- Continuous improvement
- Commitment



The Way Forward: Step by Step Create your own Tipping Point

- Identify a goal or outcome
- Ask TIM WOODS
- Follow the problem back to its roots
- Get management buy in
- KIAZEN! Conference with a small team
- Change for the good-not just to change



Questions?



Thank you
for attending
this continuing
education
presentation



Please be sure
to return your
registration and
evaluation forms
to your presenter



Certificates of
Attendance for
this course are
available in your
course booklet



Please keep this
for your records