ORGL 517

Organizational Change and Transformation

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Action Plan

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July 6, 2023

INTRODUCTION

My Action Plan will be designed to apply the teachings of this course to a direct opportunity at my organization. My organization is a $3B annual healthcare company specializing in chronic disease management homecare options with a focus on the Medicare-age patient population. My organization employs over 11,000 employees with bulk of them involved in local, on-going patient care. As is often the case, outside factors like the advent of new technological advances, competitive adoption, and legislative post-pandemic reimbursement changes (Deszca, 2020, pg. 52) have led to an Awakening for the need for a new product offering. Further, recent staffing shortages due to post-pandemic burnout and the changing face of the workforce have compromised our once robust reputation for timely patient care and responsiveness to referral sources comprised of point-of-care physicians, hospitals, nursing homes and home health agencies.

Pragmatically, our CEO has invested a significant amount of money to mirror a model that our multi-national organization has seen success with overseas. As blu-tooth technology has become more readily available in the marketplace as it relates to vital monitoring (i.e., blood pressure cuff, scale, pulse oximetry to test blood oxygen levels, for example) and as Medicare has significantly increased reimbursement for telehealth and remote vital services after seeing the positive outcomes associated with it during the nationwide healthcare emergency, a remote monitoring solution seems like a no-brainer. Our existing patient population, comprised primarily of elderly patients managing at least one chronic illness, would be well served to be able to more frequently communicate their vitals to a following physician.

The goal in mind is to prevent disease exacerbation proactively with the ample data provided thus improving quality and length of life for patients while reducing hospitalizations and overall healthcare costs. Further, our staffing shortage, which includes our clinical Healthcare Specialist position could be automated and augmented to improve outcomes with additional data and address lack of physical bodies that typically would visit a patient home once every 4-12 weeks.

It is also important to know that our somewhat expansive hierarchy is perhaps due the large number of employees organized geographically -- local branch staff report to Area Mangers, Regional Managers, Regional Vice Presidents and eventually the Chief Operations Officer. As a National Product Manager, my chain-of-command goes through my manager, the National Director of Marketing, to the CEO despite working predominantly in training and driving product placement operationally. Finally, the person in charge of this new business venture reports directly to yet a different member of the executive leadership team – the Vice President of Process Improvement who reports to the CEO.

Further, several recent major internal technological process changes, all riddled with significant I/T glitches and limited training, have left the field feeling even more burned out, unappreciated and especially surly to the idea of additional change.

MEASURABLE GOALS

In *Strategic Organizational Alignment*, Chris Crosby discusses the importance of goals. "Clarity of goals includes the bottom line in each workplace, work group, or department, the work processes to be improved, and the human behaviors (human factor goals) which must change in order to reach those goals" (Crosby, 2017, pg. 21). Most importantly, these three goals

"categories are in a symbiotic relationship. Human factors should support your work processes. Work processes should directly improve your bottom-line goals. When you engage your employees in the right way, they will be able to improve the work processes. When you reach or exceed the work process goals-assuming you choose the right ones- so also will you achieve or exceed your bottom-line goals" (Crosby, 2017, pg. 25).

Keeping this in mind, this action plan has an outcome or bottom-line goal of adoption of 25% of all eligible patients by the end of Q1 2024 with the remote patient monitoring program. Knowing that work process goals are what are responsible for generating the outcome/bottom-line goal, the Work Process Goal is to ensure an urgency in set-up with no more than 5-day turnaround from order to set-up to be accomplished by December 1, 2023.

AWAKENING

The Change Path Model is both diagnostic and change as it "combines process and prescription" (Deszca, 2020, pg. 52). Step 1 is the process of *Awakening*. We know that external factors often lead to change: "new legislation, new products launched by competitors, new population trends, to new technologies" (Deszca, 2020, pg. 52). This is accurate for the driving forces that have made the remote patient monitoring service a focal point for adoption at my organization: Medicare pays a handsome reimbursement after the increased Covid-compensation was cancelled (legislation), Telehealth is growing and all the rage (new trend) and the advent of affordable, FDA approved blu-tooth enabled vital monitoring equipment is readily available (new technology). The marketplace seems ready for this change.

However, Deszca cautions that there are other factors that must be considered: "Leaders also need to understand deeply what is going on inside their own organization. For example, are

people with key competencies leaving the organization? If yes, why is the turnover rate disturbingly high? Managers need data from all significant parts of their organization and stakeholders to understand the dynamics internal to their institutions" (Deszca, 2020, pg. 52). If we are seeking alignment from those most affected by the change, then we must do our homework to determine the causation of the high turnover rates, feelings of emotional exhaustion and burnout, and reluctance to change. Step 1 is a powerful reminder that awareness of just external factors, with no awakening or clarity concerning internal ones, will not result in success. Consequently, prior to launch the end users must be polled via anonymous survey and the results addressed and shared in relation to this specific change initiative. This customization can position this change initiate above others for adoption and reduce the likelihood of negative association (see Appendix B).

MOBILIZATION

Step 2 is *Mobilization,* and it comprises several major undertakings including the "determination of what specifically needs to change and the vision for change are further developed and solidified (Deszca, 2020, pg. 52). Utilizing and communicating a gap analysis, "an image of the differences between where an organization presently is and where it needs and wants to go" (pg. 53) during the mobilization stage can also be effective. Change leaders must consider how formal structures, cultural dynamics, stakeholders, those most affected by the change and the change agents themselves all play a vital role in mobilization. For example, change agent effectiveness must be top of mind: "a function of situation, the vision the person has, and the actions he took. A robust model for change considers the interaction between personality, vision, and situation" (Deszca, 2020, p. 283). The use of clinical outcomes and evidence-based medicine will be necessary to awaken and mobilize the targets to adopt change

once it becomes clear that this service provides significant patient improvements, while also lessening the workload of the overworked sales, operations and clinical staff.

To make more sense of the requirements for the first two steps the Sponsor/Agent/Target/Advocate (SATA) criteria is very valuable. "SATA is a tool to analyze the interactions between key organization roles, each with a critical function, who may be either performing effectively or under-or-over-functioning. The roles themselves are definitional meaning you are in them at each moment whether you realize it or not. Sometimes you are in multiple roles at the same time" (Crosby, 2017, pg. 47-48) SATA can broaden an organization perspective and provides a framework for day-to-day functionality while also functioning as a "constant compass" (Crosby, 2017, pg. 48).

The first of the four key roles are the Sponsor. In this case, there are two types of sponsors: the Sustaining Sponsor and the Initiating Sponsor. The Sustaining Sponsor is the person above the person you are interacting with. "There are many sustaining sponsors on a task as there are employees who report to different bosses, as well as layers in between the work and a single sponsor above all people. All sponsors need to be on-board, so they are not inadvertently hurting the effort" (Crosby, 2017, pg. 48). The Initiating Sponsor "is the single boss over all who have tasks to accomplish, all those impacted, and all who will use day-to-day after the implementation" (Crosby, 2017, pg. 49). "The lack of awareness of these two roles causes untold disruption in the form of confusion, delays, and ultimately higher costs" (Crosby, 2017, pg. 49).

In regards the sustaining sponsor of the remote patient monitoring venture, he is new to the organization, has little understanding of how the organization works, cannot provide accurate data, and does not handle candid feedback well. Further, per the SATA chart included as

Appendix A, although he is an initiating sponsor in name, the hierarchy does not support this power. Crosby uncannily mentions these traits specifically as dealbreakers for effective sponsorship. (Crosby, 2017, p. 50). As a result, current roles may need to be re-evaluated and the change agent will need to work to build cross-departmental clarity, communication and Sponsorship.

Agent or Change Agent is the second of the 4 key SATA roles and includes a great deal of education. "Anytime you work outside your department to get something done, you are a Change Agent. By definition, if you need something from another whom you have no authority over in order to complete your task, you are also a Change Agent" (Crosby, 2017, p. 50). As the trainer and direct contact to the local branches, I am the change agent. I am confident in my ability to educate on the benefits or and how-to with this new product offering. However, Crosby points out that there is more required in the Agent role as it relates to education: "first, the task component or technical aspect of their work which is the reason most Change Agents get their roles, and second, the systemic aspect of the project, work, change or initiative. The latter is where work tasks most often break down. Change Agents must learn how to build sponsorship for their work. It is simple: without sponsorship there will be no effective work" (Crosby, 2017, pg. 51).

The third key SATA role is the Target. "The Target is, by definition, the one who carries out the work" (Crosby, 2017, pg. 51). "Targets are either those doing the work today, or those who will use the product, tool, or services upon implementation" (Crosby, 2017, pg. 52). "Target play a critical role in getting systems aligned and effective work implemented. First, they must raise all issues that are in the way of success – which, by the way, they always know and are often not asked. This is why so many change efforts fail. Oops I forgot to talk to the people

actually working where the process…will take place" (Crosby, 2017, pg. 52). In this case, the Targets are the field sales who take care of patients and discuss appropriate services with physicians.

Finally, "Advocacy is wonderful; all Sponsors should encourage and nurture it. New ideas fuel greater productivity and keep employees alive" (Crosby, 2017, pg. 55) because often times the Advocate has to articulate his or her idea to a Sponsor who is often their boss. The Advocate role comprises "people who want something different" (Crosby, 2017, pg. 54).

My SATA chart (attached in appendix) and plan to realize alignment comes from taking the teachings of Crosby and implementing them in a real-world scenario. First, it will be important to address the hierarchical problems associated with the person in the Sustaining Sponsor role. Further, as I obtain clarity on goals and direction, I can better facilitate an educational role that allows the sponsor to become more acclimated with the hierarchy, culture, and roles within the organization that he continues to struggle to grasp.

As a Change Agent, my action plan includes utilizing Crosby's Change Agent Responsibilities with determined diligence. "The Change Agent's boss is their Sponsor, but not the Sponsor of the work. The Change Agent must help the alignment between its boss and the Sponsor where the work is taking place. They must pay constant attention to how well or poorly the alignment is or they risk over-functioning. Get clarity of standards, process steps, and boundaries from their boss. With the sponsor of the work, highlight anything competing with success. Raise resource needs such as tools and time. Raise any issues in the way of succeeding that you need help with or want to raise visibility for. Clarify priorities on an as-needed basis. Create a system to monitor progress" (Crosby, 2017, pg. 59). Further, it is important to get help with the work that will be designated to the various targets and stay in constant communication

in doing so. The Advocate must manage the "goal to be heard" (Crosby, 2017, pg. 63) with a toolkit that includes presenting the plea for change to the right sponsor to gain traction. Additionally, a PESTE analysis and considering Lewin's Force Field Analysis, taking stock of the driving and restraining factors to this product launch, will provide additional insight.

ACCELERATION & INSTITUTIONALIZATION

The final two stages of the Change Path Model include Acceleration and Institutionalization. Acceleration "involves action planning and implementation. It takes insights…and translates them into the development and activation of a detailed plan for action, in order to bring the change to life" (Deszca, 2020, pg. 53). This process of Acceleration continues ongoing communication and values the roles SATA roles, or roles irrespective of hierarchy: "Organizations are complex systems, and their prospects for successful adaptation are advanced when they can also learn and grow from the bottom up. Wise change agents know how to save short-sighted senior managers from themselves" (Deszca, 2020, pg. 325) with, as it relates to SATA, cross-advocacy, and sponsorship.

Institutionalization is "the successful conclusion of the transition to the desired new state" and "depends on our ability to measure such change and this sets the stage for future change initiatives" (Deszca, 2020, pg. 54-55). Because this phase is very data driven it's important to use measures that lead to "challenging but achievable goals" (pg. 378) and remembering that "measurement and control processes are more likely to be accepted if the process used in developing them is seen as reasonable and fair" (Deszca, 2020, pg. 378). Reinforcement and Institutionalization can be achieved with a systematic reward program that both recognizes the employee via company-wide acknowledgement/praise and monetary bonus or reward.

ADKAR AND DICE

Prosci's ADKAR model has many similarities to the Change Path Model and shares much verbiage with the principles of SATA. Prosci's Models prescribes Awareness, Desire, Knowledge, Ability, and Reinforcement. There is much overlap here: the tenets of mobilization can be seen in Awareness and Desire. Acceleration lines up with knowledge and training. Institutionalization can be seen in Ability and Reinforcement. Additionally, Prosci notes that Awareness is individual in approach and is facilitated via communication, sponsorship, coaching and transparency of information. The D in ADKAR, Desire, is a willingness to engage and support change. It is typically inspired by a sponsor who engages the employees in the change process. The K of Knowledge is encompassed by training and support. Prosci asks what barriers to knowledge and change exist. Do they want to learn something new? Do they have the bandwidth to do so? The second A in ADKAR IS Ability. This is where the knowledge (training and support to undertake change) is put into action. What habits or psychological blocks could hinder this process? Are the necessary resources and prioritization already in place and available? Finally, R for Reinforcement asks us to "sustain the change". This is done via internal action, internal satisfaction, praise, rewards, compensation. Prosci recommends using celebrations, feedback, recognition, and performance management to achieve reinforcement.

Further, I found the DICE (Duration, Integrity, Commitment, and Effort) model very interesting as it relates to evaluating, "assessing and managing risks associated with change projects" (Deszca, 2020, pg. 392). Duration suggests that the more frequently the change project is reviewed, the higher the likelihood of success; Integrity focuses on the team leader's skills, credibility, and motivation; Commitment evaluates both the commitment of the senior management and the local level targets; Effort is the final factor and "refers to the level of

increased effort that employees must make to implement change. If the incremental effort is less than 10% then only 1 point is given. The DICE indicators also give heavier weight to Integrity and Senior Management Commitment when providing an overall score" (Deszca, 2020, pg. 392-393). "This model is very useful in assessing risk and also in pointing to concrete things that can be done to make the risks manageable during planning and deployment phases" (Deszca, 2020, pg. 393).

The E in DICE reminded me of the significant undertaking change has on the target workers. It also paralleled the Reinforcement phase of ADKAR, the Institutionalization component of the Change Path Model. Even Lencioni's Fourth Principle, Reinforce Clarity, discusses the need for rewards and compensation to support the integration of the recent change: "The way to [reinforce clarity] is to make sure that every human system... from hiring and people management to training and compensation, is designed to reinforce the answers to those questions." (Lencioni, 2012, p. 153).

DIGGING DEEPER

As a result, I chose to dig deeper into finding out what these rewards really looked like and if there was measure of which were more successful and why. What I found was somewhat surprising: "Most of the change management models and frameworks suggested that organizations should reward new behavior, yet most respondents said they did not provide incentives to change" (Phillips, 2023, pg. 194). In fact, when 49 change leaders with more than a decade of experience each were polled, 75% reported that they incentivized change. However, when pressed further some defined this incentive as verbal encouragement or additional job training. Most employees, though, seemed to associate the term "incentive" with a monetary reward further illustrating the disconnect with the management team. "More information is

needed to determine why the participants did not provide incentives and what the participants defined as rewards" (Phillips, 2023, pg. 194). Consequently, the term reward appears to be too broad. While some managers saw a reward as a verbal pat on the back, most models would classify that managerial choice as celebration or recognition versus reward which seems to imply a monetary compensation. The disconnect among these tenured change leadership practitioners appears to be a red flag. The reward program must be something that is sustained. Additional ranking and recognition programs must be consistently top of mind and clearly and systematically communicated and tracked (see Appendix C for program outline ideas).

CONCLUSION

Finding congruence and adopting systems thinking, the idea that all systems within an organization must be working in tandem and are all dependent on and effected by the other, is a powerful operational framework. As it relates to organizational change, the idea of customizing the best of the change and diagnostic models into an industry and/or situationally specific opportunity for change is especially exciting.

In the case of the Remote Patient Monitoring Program, the opportunities that it presents to re-energize a burnt out and overworked organization is especially enticing. An option to increase patient care by relying on technology, thus decreasing workload and potential for burnout, is an exciting proposition for our organization. The main hurdle to achievement is the reluctance of an organization to face change based on previous and current experiences. Consequently, close adherence to a thoughtful and customized action plan is of the utmost

importance. With its adoption, the likelihood of widespread improvement has never been more viable.

References

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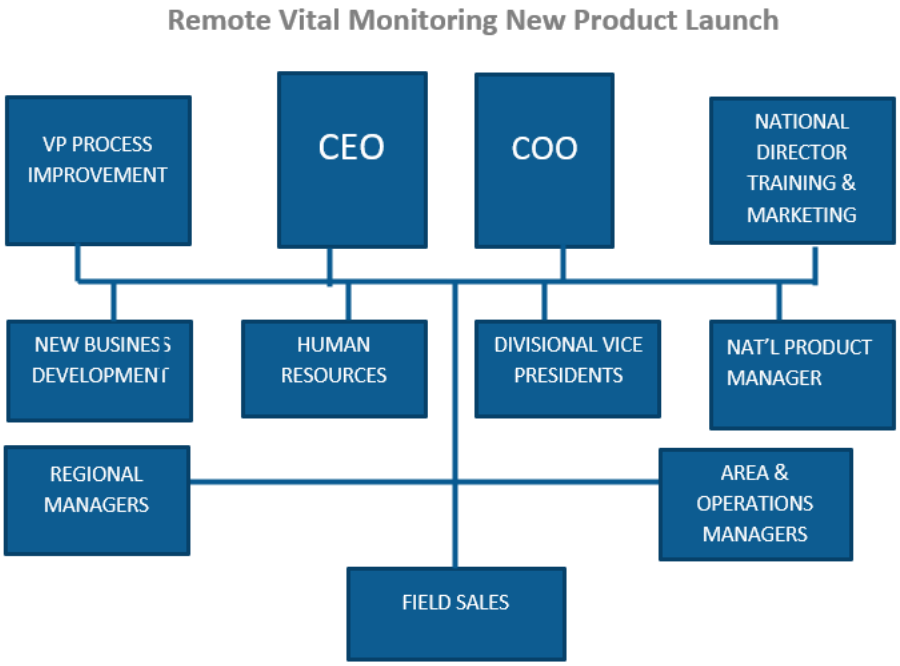
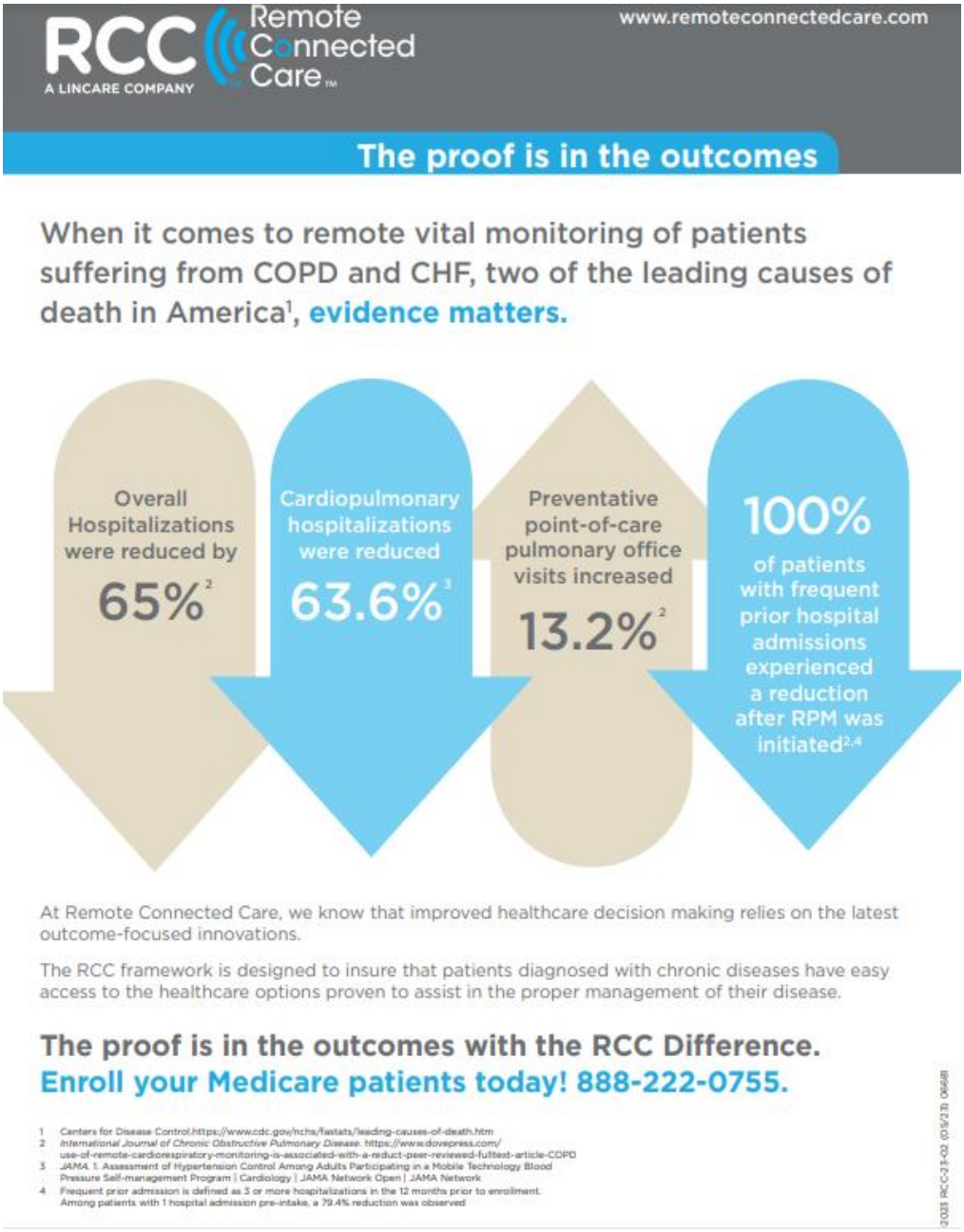
Appendix A – SATA Chart



- Initiating Sponsor: CEO, COO, VP Process Improvement
- Sustaining Sponsor: Director of New Business :
- Agent: National Product Manager
- Target: Field Sales Representatives/Account Managers in the local markets
- Advocate: Divisional Vice Presidents, Regional Managers, Area Managers

Appendix B – Evidence Based Outcomes



Appendix C - Rewards