

## UH Innovation Strategy & Evaluation Criteria to accomplish UH26K

### FOCUSED ON TANGIBLE PRIORITIES & OUTCOMES

2015 was a foundational year for UH Innovation. A baseline was established by identifying stakeholders, understanding our innovation culture, assessing current capabilities, and generating a garden variety of projects—all in preparation for the work in 2016 and beyond.

To be clear, the aspirational **UH26K Vision** is not about innovation for the sake of innovation. Rather it reflects our view that **'innovation of the same kind,' 'innovation by a few' or 'innovation done sometimes' is not enough for UH to thrive in the new healthcare economy.** For UH to continue delivering high value medical care, it will need to radically lower operational cost, improve productivity and do so while enhancing patient experience and employee satisfaction. To do more and better with less is a tall order. **At UH, innovation must be carried out by all, at all times and strategically capitalize on the digital revolution to solve today's challenges and prepare for tomorrow.**

Take, for example, the fact that lean organizations are constrained in their ability to increase employee productivity. Innovation should help overcome challenges like this by delivering novel solutions that produce measurable outcomes. One can use advanced prescriptive analytics to decrease operational costs by \$1MM+, optimize delivery of care in a large integrated system, and do so without affecting FTEs. This is the ultimate goal of our ongoing prototype at UH HHVI. Here is another example—in the search for impediments to productivity at UH, time spent in meetings was identified as one of the root causes. The development office took this insight, reduced their meeting activities by 25%, and immediately gained productivity in the last quarter of 2015.

Our new focus on improving patient access at the Neurological Institute (NI) follows the same approach. UH cannot ignore the unmet needs of the community, yet the cost of expanding capacity is simply unattainable under our current model. We will collaborate with the NI and the Office of Strategy to design a novel and holistic solution to this problem.

What we need now is a strategic plan and a set of priorities that keeps one perspective on the long-range objectives and another on the next 1-3 years. The challenge for 2016+ will be to have focused restraint as there will be temptation to let the urgent get in the way of the necessary and strategic. With our focus on tangible outcomes—articulate as “must-win battles”— we will establish the building blocks to success.

## EVALUATING SUCCESSFUL INNOVATIONS AT UNIVERSITY HOSPITALS

There are numerous ways to define innovation. For the purpose of judging whether or not an individual or group was innovative, innovation will be evaluated in the context of value creation.

Simply put:

**Innovation is a way of creating novel or unique value previously unrealized.**

**At University Hospitals, value is defined as quality divided by cost.**

**Ultimately, innovation at UH will be realized by new services, processes or products that increase quality, reduced cost, and/or open new markets that generate new revenue.**

Example: Uber created new value by leveraging unrealized mobile technologies and analytics. Their innovation created a 10x higher quality service than the incumbent (yellow cabs) and did so at a lower cost.

### EVALUATION CRITERIA

A successful innovation should fulfill both the quality and cost criteria below.

At the heart of quality is the *human experience* (e.g. patient experience, employee engagement and loyalty) rendered at University Hospitals.

Did the individual or group create new value by *enhancing the quality of human experience* along these three dimensions?

- **Useful:** it works as intended
- **Usable:** it is easy to use and/or scale
- **Desirable:** it is desired and elicits moments of delight or pleasure for the intended audience (e.g. patients, employees, community)

Did the individual or group create new value by impacting cost in both of these dimensions?

- Monetary gains through increased profit margins (e.g. lower operational cost, revenue growth)
- Maximizing human capital (e.g. reducing *employee turnover rate/burnout*, *improving satisfaction and/or productivity*)

## **GUIDING PRINCIPLES**

The core mission of University Hospitals, if they are to govern all aspects of our identity and inform our work, should also guide our innovation activities and outcomes. Managers should look for ways in which an individual or group's work brought about positive transformations in light of our core mission:

### **TO HEAL**

Did the work directly or indirectly contribute to helping people (providers, patients, families) become *whole*? Please consider all dimensions of what 'wholeness' in people can mean in your assessment—physical, emotional, psychological and spiritual health.

#### **Additional questions to help your assessment:**

- Did the work help restore dignity to people, provide a way to enhance empathy among people, and/or distill hope in people?
- Did it contribute to a group of people's overall wellbeing by shifting how healthcare is conventionally understood?
- Did the output, or spirit of innovation as embodied by the individual/group, provide the means for people to reach their fullest potential?

### **TO TEACH**

Did the work enhance University Hospitals in some substantial way as a *learning* organization?

#### **Additional questions to help your assessment:**

- Is there a tangible recognition of this employee or group's contribution to knowledge and/or improvement to education (e.g. publications, survey among employee's students, new practices/methods/processes/techniques, etc.)?
- Did the individual or group clearly stand out as a mentor, example or facilitator or even constructive provocateur of learning among his/her/their peers?
- Did the individual or group transcend their unit(s) and promote a culture of boundary-spanning and interdisciplinary collaboration? The odder or more unconventional the connection or pairing, the better (e.g. between the environmental services staff at a community hospital and office managers at Case Medical Center).

### **TO DISCOVER**

Did the employee's work produce or identify something *novel* (dissimilar from prior discoveries) and/or *unique* (dissimilar from current understanding of things)?

#### **Additional questions to help your assessment:**

- Did the work embody a spirit of relentless inquiry and curiosity?
- Did it demonstrate the ability on the part of the individual or group to see things that may have been 'hidden in plain sight' to others?
- Did it inspire in others the willingness to discover?
- Did it positively question old habits and constructively challenge some aspect of a pervasive status quo?

## APPENDIX: GLOSSARY OF TERMS

Human experience: The cumulative form of interactions – human-to-human, human-to-artifacts/processes, human-to-system—felt by an individual or group of individuals. Note: experience is broader than one or two ‘touchpoints’ provided by one business unit.

Innovation (formal definition): “The design, invention, development and/or implementation of new or altered products, services, processes, systems, organizational structures, or business models for the purpose of creating new value for customers and financial returns for the firm.” (Reference: *2008 Advisory Committee report to the Secretary of Commerce, Innovation Measurement: Tracking the State of Innovation in the American Economy*)