

TQM must be based on data, analysis to satisfy customers

By Michael H. Canon

In stating his opinion on hospital quality efforts, Karl Albrecht suggests that facilities' data-based quality efforts are incapable of focusing on customer satisfaction (Jan. 4, p. 29).

Mr. Albrecht believes hospitals would be better off focusing on the "customers' psyche" to discover "invisible truths" about their preferences. Administrators should incorporate an element of "heart" in their quality efforts because "the methods of measuring, counting, charting and process control . . . seem grotesquely out of place in areas involving intensive customer interaction."

This type of guidance has shrouded the future of the quality movement in a fog of uncertainty.

Mr. Albrecht's conclusions about the new direction of quality improvement are correct. Customer satisfaction will be the only measure of success; quality and business strategies will merge into one; and employees will become more involved in providing quality services. However, his premise that hospitals will improve by focusing on "heart," "psyche" and "invisible truths" is built on faulty logic.

Quality is defined as achieving customer satisfaction, a goal that's been recognized as the only way to stay in business ever since Peter Drucker first wrote about quality almost 40 years ago. Achieving it begins with what Mr. Albrecht says is out of place—hospitals must collect statistically sound data to determine what's important to the customer, analyze the hospital's performance against those criteria and take action to improve performance.

Focus on process. Hospitals, like all businesses, are composed of processes. These processes involve people, materials, methods, machines and measurements, with the goal of producing output that satisfies customers' needs. If customers find the output unsatisfactory, it's incumbent on management to improve the hospital's processes or face the risk of going out of business.

Customer focus can't replace process management; they're not mutually exclusive. Process measures must support the customer focus. Without ways or efforts to measure the process, customer satisfaction can't be achieved.

In service companies, people make

up a greater portion of the process than is the case in manufacturing. Their performance, and the performance of the process of which they're a part, still must be measured. If performance isn't gauged, how will hospital managers know how well the facility is doing in satisfying customers? How will it ever know what to do next?

Tracking data and measuring per-



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formance with the intent of improving processes in service environments are important ingredients in empowering employees. These exercises aren't viewed negatively. In fact, employees appreciate the feedback that tracking mechanisms give them because it shows how they are contributing to improvements.

Performance measurement also serves an important function in breaking down barriers between departments and in taking personalities out of conflicts. "Show me your data" is an effective response to emotion-based charges.

Building a strong base. If management knows what's important to the

customer, improves the processes that produce what satisfies them, provides feedback to employees on their performance and demands significant success on a short-term basis, then the quality effort will have a strong base from which it can grow. Processes will display less variation; costs will go down; cycle times will be shortened; employee productivity will rise; and customer satisfaction will be improved.

This all depends on knowing how to improve processes by using a systematic, disciplined approach that properly uses data. This approach also must serve as a communication tool between, among and across all departments in the hospital.

Trying to change the culture first is a futile exercise. Attempting cultural transformation before attempting serious process improvement efforts is an inefficient use of corporate resources.

Quality efforts should be designed to produce measurable results within 90 days. If it doesn't, something's wrong in the execution of the mission. High expectations by top management are an essential part of producing a successful quality effort. Managers who want employees to improve signage, design new forms or decide on a new dress code and give them six months to produce something won't ever succeed in quality improvement.

Vague concepts bandied about in quality improvement discussions all are largely irrelevant if they don't help improve processes. Management can spend hours trying to understand these abstracts and go out of business while they ponder them.

Customers want to get into and out of the hospital quickly with appropriate clinical and administrative results. Process improvement can accomplish that. Psychological musings can't. ■

Letters

Cavanaugh quote a disappointment

How disappointing to read the comments of Frank Cavanaugh in "Reality hinders efforts to fill info system wish lists" (Nov. 23, 1992, p. 35). He made a statement that implies that health information managers may be barriers to development of computerized patient records.

I'm the director of health informa-

tion services at a 400-bed hospital. I serve on our hospital's MIS steering committee and have been involved in the selection and installation of multiple computer systems within the hospital. Many of my colleagues share in similar responsibilities.

The health information professional is vitally concerned with and intimately involved in the development and planning of hospital clinical information systems. As Mr. Cavanaugh pointed out, we are "a consumer of technology,"