



Lean Enterprise Academy

LEA Healthcare e-Letter - 7 September 2010

The Lean Healthcare Journey

Dear Lean Community Member

Lean is alive and well in healthcare. But the more we learn the more new opportunities we can see. What are the next steps on the lean healthcare journey? We are seeing growing evidence from around the world that streamlining patient journeys from end-to-end and unblocking the discharge process, particularly for medical patients, is the key to reducing length of stay, to improving patient safety and to relieving cost pressures on hospitals.

But we are also learning that this will never happen as long as hospital managers are preoccupied with organizational restructuring and the blizzard of policy initiatives that result in literally hundreds of projects in every hospital and that tie managers up in endless meetings which result in very little action.

Three things however can make this happen. First it will happen if management can focus everyone's efforts on the vital few improvements that will make the biggest difference to their hospital. Indeed do you know what the top two or three most important improvements are for your hospital?

Second it will happen if someone is given the responsibility for coordinating, synchronizing and gaining agreement on what needs to be done across all the activities involved in the main patient journeys through the hospital. Do you have such a person in post?

And third it will happen if front-line staff have the real time visual management systems that enable them to respond quickly when things don't go according to plan. Indeed, do you have a plan for when each step should happen for every patient? If so do you know if each step, for every patient, was performed on time and in full. Many of these management challenges exist in other industries, but they are more visible and critical to delivering timely, high quality care in hospitals. We have been reflecting on our own experiences and carrying out our own experiments and we will shortly publish our report on how to build a lean management system for a hospital. We are also discovering another huge, largely untapped opportunity for saving money in healthcare. Tracking representative healthcare products all the way from manufacture through distribution to the point of use on the ward or in the operating room reveals long delays and unnecessary costs everywhere.

From our earlier work in leaning the grocery supply chain with Tesco we know it is possible to reduce the total throughput time from many, many months to a couple of weeks, while significantly improving availability and reducing wastage at the point of use and cutting costs by more than a third. Reducing all this waste should not only save hospitals money but also allow manufacturers to reduce their costs while protecting their margins.

If you would like to be part of the debate about the next steps in healthcare and to hear how other industries are pushing forward the frontiers of lean in service delivery and in the Executive Office, then join us at our [Lean Summit](#) on 2-3 November in Kenilworth in the UK.

Download from www.leanuk.org

I have asked pioneering hospitals from Europe and North America to join us to share their experiences in streamlining their patient journeys. We will present our proposals for how to build a lean management system and we will show how we could unlock the huge savings across the healthcare supply chain.

I guarantee you will be both provoked and inspired to take the next steps in your hospital when you return. There is still a lot to be done to realize the full potential of lean in healthcare. See you there.

Yours sincerely

Daniel T Jones

Chairman, Lean Enterprise Academy