Continuous Improvement Using Balanced Scorecard In Healthcare

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ABSTRACT

The success of any organization depends on its ability to maintain profits while the landscape of its operations changes. Organizations must be able to use available resources to identify changes in their daily operations and have the ability to address them in a timely manner. Operational dashboards provide a tool for managers to easily monitor employee performance and to coach their staff in order to achieve improvements. These stoplight type metric displays provide visual representations in near real-time. Consequently, the use of dashboards is particularly crucial to healthcare because it prompts management to respond to the changing needs of HCO departments, which ultimately affect its quality of care and impact its overall performance measurements. To meet these challenges, it is recommended that the administration of a large acute care HCO develop a dashboard in order for it to monitor the results and evaluate the progress of its busy nursing department which is responsible for handling Inpatient and Outpatient service care.

Keywords: Continuous Improvement for Nurses; Balanced Scorecard in Healthcare

INTRODUCTION

The success of any organization depends on its ability to maintain profits while the landscape of its operations changes. Organizations must be able to use available resources to identify changes in their daily operations and have the ability to address them in a timely manner. Operational dashboards provide a tool for managers to easily monitor employee performance and to coach their staff in order to achieve improvements. These stoplight type metric displays provide visual representations in near real-time. Consequently, the use of dashboards is particularly crucial to healthcare because it prompts management to respond to the changing needs of HCO departments, which ultimately affect its quality of care and impact its overall performance measurements. To meet these challenges, it is recommended that the administration of a large acute care HCO develop a dashboard in order for it to monitor the results and evaluate the progress of its busy Nursing Department which is responsible for handling Inpatient and Outpatient service care.

Identified in Table 1 are examples of metrics that could be used to develop such a tool. Also included in this table is the dimensional significance that this information bears. By comparing results on a weekly or monthly basis, administrators would be able to evaluate quality and to identify possible areas of improvement within this critical department, which functions as the backbone of the healthcare organization. This undoubtedly will lead to higher quality care, more efficient processes, lower costs, and higher patient and staff satisfaction.

Efficiency metrics provide insightful information which contributes to the ability of meeting DRG requirements. The impact to the HCO is multifold for this purpose. Efficiency means that more patients can utilize the services provided, which leads to better overall community care, higher profits from DRG, and more income revenue from turn-over of patients. (Table 2)

| Description	Dimension
Average Length of Stay	Efficiency
Monthly Admissions	Efficiency
Inpatient Discharges	Efficiency
Vacancy Rate	Efficiency
Patient Volume	Efficiency
RN Hours (%)	Cost
RN Hours/Patient Day	Cost
Labor Cost Per Patient	Cost
Agency Labor Hours (%)	Satisfaction
Patient Complaints (PPM)	Satisfaction
Nurse Skill Mix (%)	Satisfaction
Falls Per Month	Quality
Catheter Infections Per Month	Quality
Pressure Ulcers Per Month	Quality
Ventilator-Associated Pneumonia Per Month	Quality
Total Hospital Acquired Conditions Per Month	Quality
Patient Death Rates	Quality
DRG Acuity	Demand

Table 1
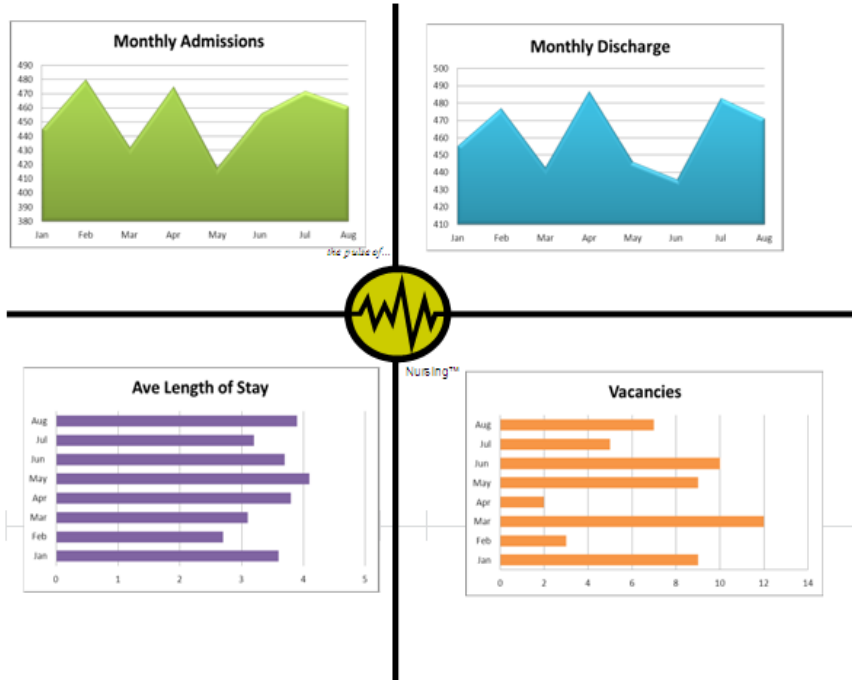
Table 2

As stated earlier, cost is also a key indicator. Therefore, since the licensing and skill levels of nurses impact both quality and costs of care, it is recommended to also measure these metrics in the nursing dashboard. (Table 3)
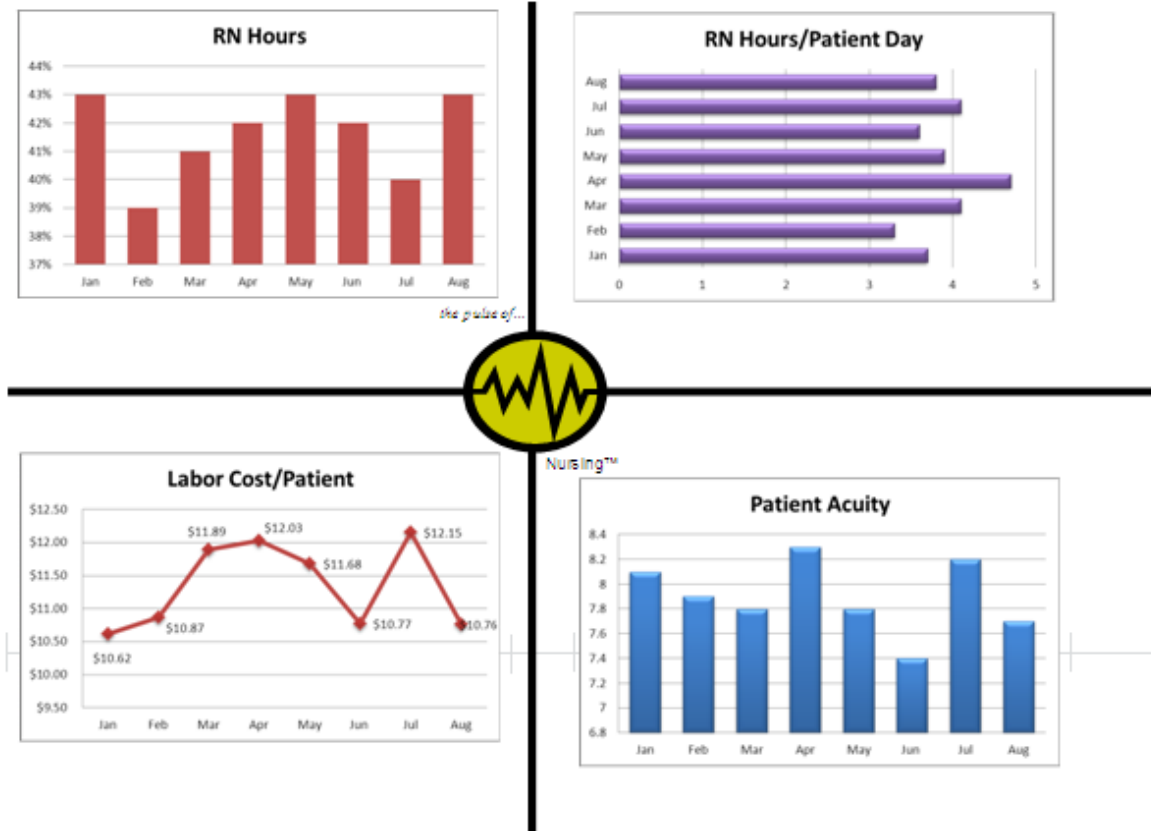
Table 3

Satisfaction is another measurement of a successful HCO. Moreover, nursing satisfaction can be used to predict the unit's employee retention. To this end, keeping the best nursing staff on hand ensures that the quality of care standards would be met. In addition, overall efficiency and cost control would exist because the nursing staff would use training to enhance their service offering rather than learning basic protocols.

HCO quality metrics are an important indicator of the overall hospital performance. Because facility reimbursement is based on pay for performance (P4P), quality standards must be maintained. In addition, the savvy consumer tends to conduct research to ensure that they are receiving the best possible care based on published quality results.

Demand is the final measurement of the nursing dashboard. By measuring the acuity level of patients, HCO would ensure that the proper scheduling and support exists for various specialties. Having access to performance improvement data, at a glance, would facilitate operational decision making at the unit level. The positive impact of this resource would promote better patient outcomes, as well as increase the satisfaction of the patients, physicians, and nursing staff. Additionally, the dashboard would provide an uncomplicated visual representation of key performance measures in relation to identified benchmarks. Not only would this information be used to actively determine staffing needs, but it would also be utilized to research and develop strategies designed to make the Nursing unit more efficient and accountable.

During the initial stage of implementation, it is critical to obtain feedback on the use of the dashboard based on unit meeting discussions and unit based patient safety team initiatives. In this manner, the information obtained by the dashboard would allow administrators the opportunity to compare performance and trends which directly impact the quality of care provided. For instance, if throughout the course of a month, the night shift nurse to

patient ratio is disproportionately high, the dashboard would be able to quickly capture this discrepancy and correlate it to the fact that during that same month there was a significant increase in the number of catheter infections and in the number of falls. This data would provide the evidence needed to support management's request for additional Inpatient nurses in order to adequately staff the night shift.

CONCLUSION

Adopting the use of a quality data dashboard would be an excellent means of communicating information throughout the nursing unit and to other areas of the healthcare organization. Furthermore, through the use of customization, the dashboard would be able to hone in to specific data of interest based on the unit's organizational objectivity. Thus, providing a practical tool that tells the nurses at a glance whether or not their unit is meeting established objectives would provide an alternative to deciphering in depth reports relating to progress. The utilization of dashboards would not only support the quality initiative goals of the nursing staff, but would also benefit the HCO since the increased performance would directly affect the quality of care provided to its patients.

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