

MaineHealth

MaineHealth Knowledge Connection

Operational Excellence

Fall 10-26-2023

Measuring Monetary and Non-Monetary ROI at MMC OpEx

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Recommended Citation

Nayak, Suneela; Johnson, Natalia; Brookes, Rebecca A.; and Shiroki, Jill, "Measuring Monetary and Non-Monetary ROI at MMC OpEx" (2023). *Operational Excellence*. 49.
<https://knowledgeconnection.mainehealth.org/opex/49>

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Problem/Impact Statement:

Operational Excellence (OpEx) is a data driven approach to department based continuous improvement, minimizing costs, increasing efficiencies, engaging staff in a shared quality agenda and assuming a proactive approach to maintaining facilities¹. The OpEx platform assists in strengthening efficiency and patient safety at Maine Medical Center (MMC) by demonstrating alignment of goals across the entire organization. A recent publication by BMC Health services "... found that the ROI concept in healthcare QI aligned with the concepts of value and benefit, both monetary and non-monetary."² Currently, OpEx does not have a system in place to track these values. We are looking to identify the success and impact of our department, monetary and non-monetary outcomes.

Scope:

In Scope: Operational Excellence program at MMC. Using 'flexibility within a framework' thinking, spread across MH System once ROI measurement is assessed to be effective.
Out of Scope: Activities and processes outside of the Operational Excellence program at MMC.

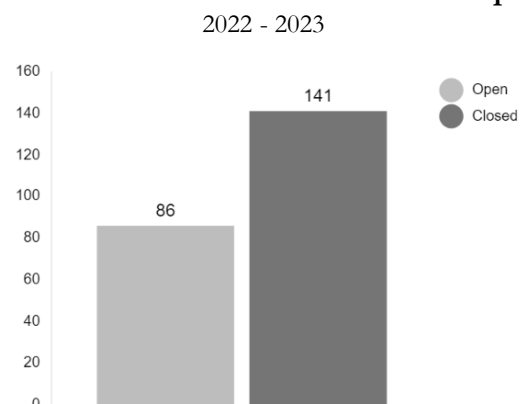
Goal/Objective:

To identify sources for ROI that will assist with the development of an OpEx ROI collection process, and to provide evidence that The OpEx Platform for improvement is contributing to monetary and non-monetary value. This includes analyzing performance metrics through specific ROI measurements, such as cost-effectiveness, cost-benefit, cost-avoidance (cost-saving), and cost-reduction.

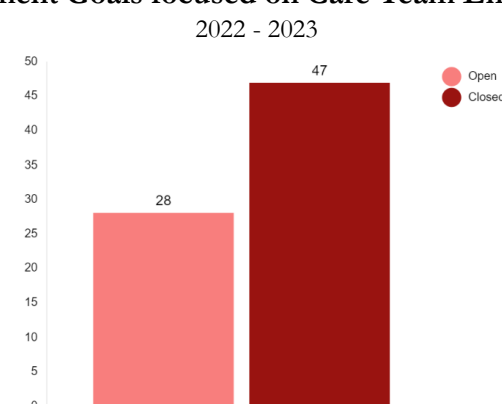
Baseline Metrics/Current State:

- Limited efforts to measure OpEx ROI by assessing monetary savings largely due KPIs focused on reducing waste, resource conservation, etc. (Cost Reduction)
- The value this program brought was assessed by Executives and Care Teams to be valuable (Non-monetary)
- Non-monetary ROI was not tracked or calculated

Improvement Goals focused on Patient Experience



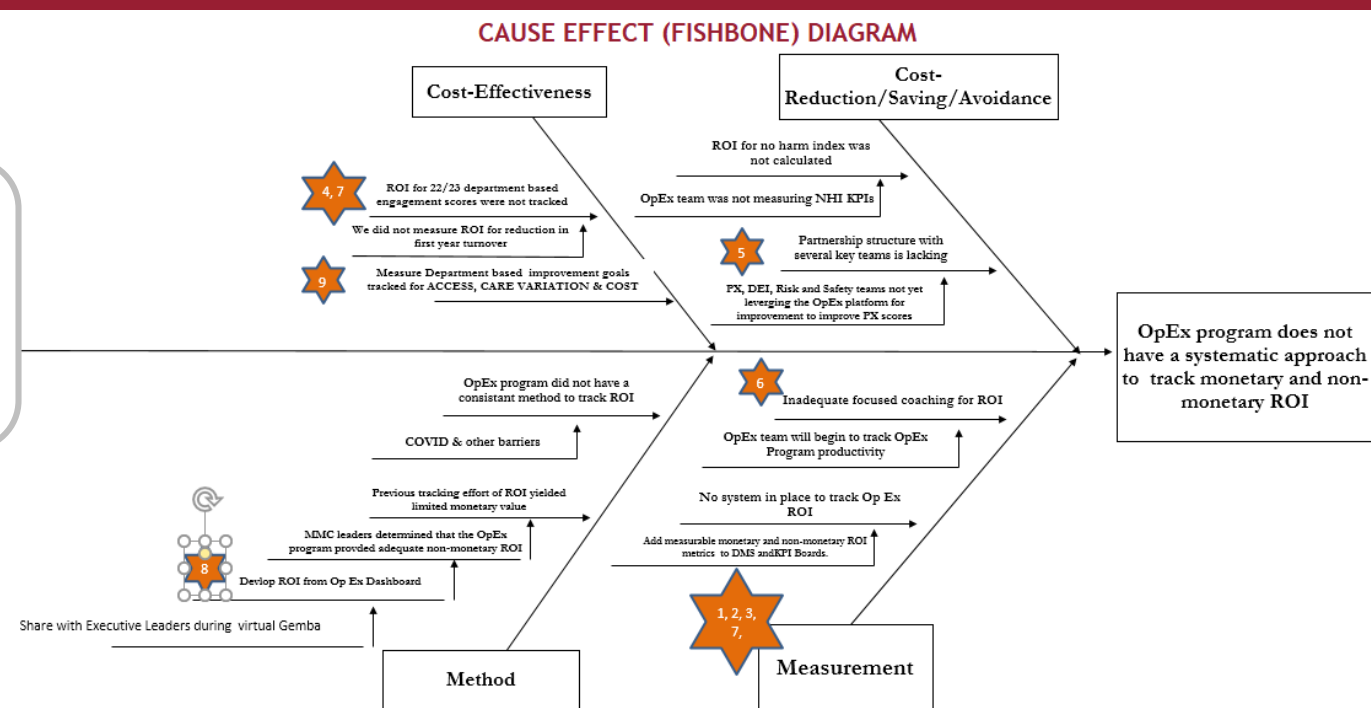
Improvement Goals focused on Care Team Engagement



Plan

Root Cause Analysis:

- The root cause analysis illustrates the current state of ROI measurement for OpEx at MMC
- We note opportunity to develop:
 - Method and measurement (non-monetary)
 - Track \$ from cost-effective and cost-reduction ROI (monetary)

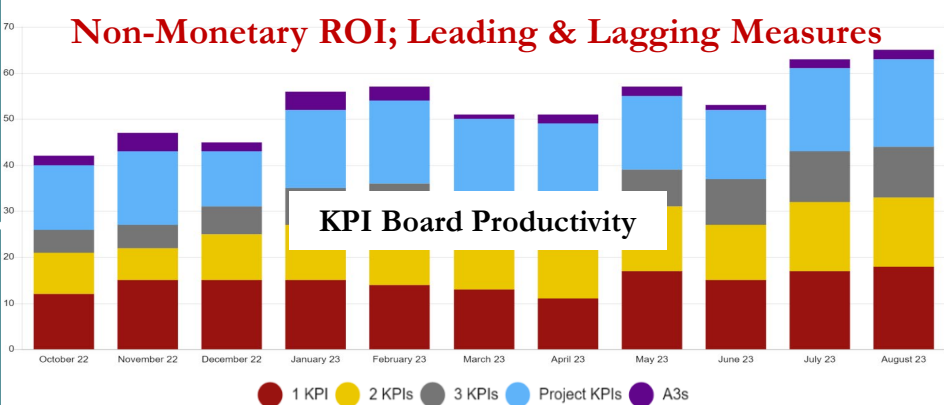


Countermeasures to Date

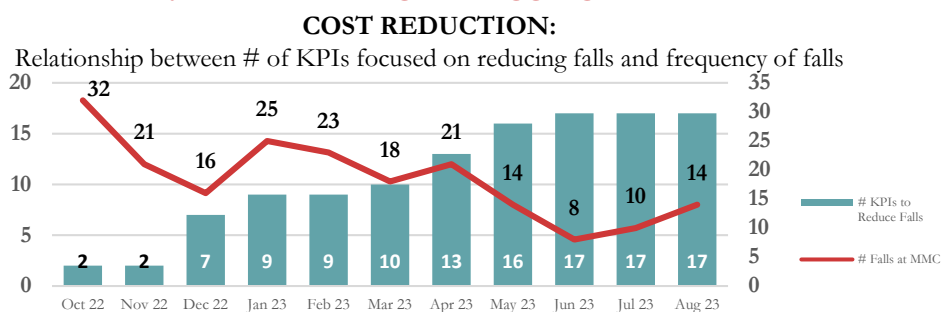
Action	Due Date	Status
1. Using A3 thinking, develop plan for identifying and measuring OpEx related ROI	Jul 2023	Complete
2. Identify categories for measurable monetary and non-monetary ROI to create a consistent method for tracking ROI	Jul 2023	Complete
3. Collect leading measures (KPIs) that can result in measurable performance improvement and ROI e.g. 22/23 engagement scores	Aug 2023	Underway
4. Identify Lagging (Outcome) Measures to assess OpEx related ROI: 22/23 Engagement Gallup2023, Culture of Safety 2023, Monthly PX scores, First Year Turnover, NHI/ Falls reduction	Oct 2023	Underway
5. Develop and expand upon partnerships to leverage the OpEx platform for improvement	Ongoing	Underway
6. Increase coaching and education on DSC, strategically aligned KPIs, and resulting ROI for FY 2024	Sep 2023	Underway
7. Add measurable monetary and non-monetary ROI metrics to our DMS and KPI Boards and track this data on a dashboard to visualize the overlap between ROI and KPI (No current metric tracking system)	Sep 2023	Underway with non-monetary ROI
8. Develop dashboard to link improvement goal, strategic focus, with ROI (Cost Effectiveness, waste, savings, avoidance). Share with Executive Leaders during virtual Gemba presentations	July 2023	Complete
9. Track Department based improvement goals for FY 24 Strategic Priorities and sustain focus on FY 23 goals	Oct 2023	Not yet started

Do

Outcomes to Date



Monetary ROI, Leading & Lagging Measures

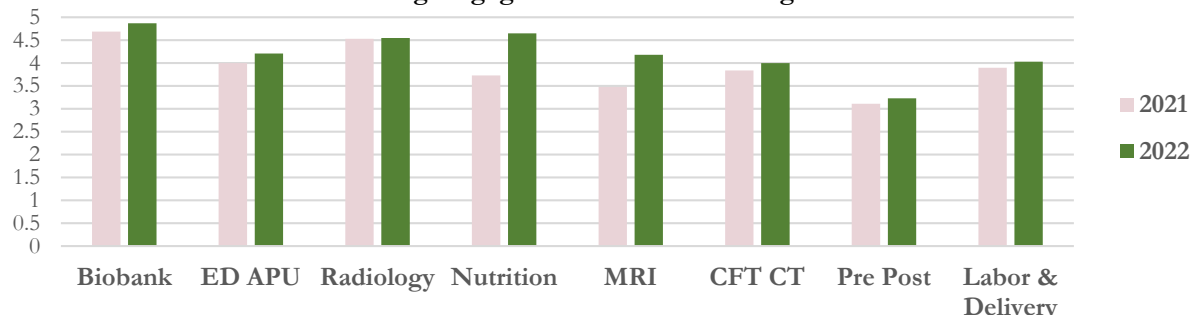


Study

COMING SOON: OpEx Measures & Methods

- ✓ Op Ex ROI /Strategic Alignment Dashboard (SmartSheet) - ongoing
- ✓ # of departments participating - data is current
- # of KPIs relating to top 5 strategic priorities for FY 2024 - coming soon
- # of partners leveraging OpEx Platform for improvement - coming soon
- NHI measures: To come: additional NHI metrics listed in DSC/KPIs
- # of KPIs related to improving patient experience monthly scores
- # of KPIs related to employee engagement, reduction in turnover and Gallup Survey Results

MMC Teams using Engagement KPIs achieve higher scores



Next Steps

- Analyze financial advantages of tracking ROI to identify monetary and non-monetary ROI of MMC OpEx platform
- Scale and spread the process across MaineHealth system
- Continue current action items, ensure continued success of KPI improvement board with addition of OpEx ROI dashboard
- Scale and spread across the MaineHealth System in FY 24

Act

Sources

1. Steele, J. (2020, May). *Defining and pursuing operational excellence*. Health Facilities Management. <https://www.hfmmagazine.com/articles/3914-defining-and-pursuing-operational-excellence>
 2. Thusini, S., Milenova, M., Nahabedian, N., Grey, B., Soukup, T., Chua, K.-C., & Henderson, C. (2022). The development of the concept of return-on-investment from large-scale improvement programs in Healthcare: An integrative systematic literature review. *BMC Health Services Research*, 22(1). <https://doi.org/10.1186/s12913-022-08832-3>