



The Performance Imperative for Healthcare

A NEW RX FOR PERFORMANCE

The Affordable Care Act (ACA) continues to trigger polarizing debate across the country, but Americans agree with the triple-aim goals of healthcare reform: a healthier population, a better patient experience, and lower cost. The unanswered questions revolve around the best ways to get there.

Healthcare is going through unprecedented waves of reform. Surviving and thriving in the face of such pervasive and complex change will require transformational thinking and peak levels of organizational performance. To move effectively toward that end, healthcare leaders must expand quality-improvement efforts beyond clinical care to include organizational health as an explicit goal. This requires a precise definition of “high performance” and a clear understanding of what it takes for an organization to get there.

“The Performance Imperative: A framework for social-sector excellence” (PI) provides a valuable resource to guide healthcare organizations on a journey toward high performance.

HOW WE GOT HERE

From Florence Nightingale to the modern-day efforts of such organizations as **The Joint Commission**, **The National Committee for Quality Assurance**, and the **Institute for Healthcare Improvement**, healthcare leaders have recognized the importance of using data to improve outcomes. Although these efforts and many others have made contributions to healthcare quality and patient safety, they have not yet solved the issues that plague the American healthcare system—growing costs, inequitable access, and inconsistent outcomes. Internationally respected studies continue to rank the U.S. below other developed countries in quality, while our costs are at the top.

The complicated way the U.S. has historically paid for healthcare is a major contributing factor. Cost-based, fee-for-service, and prospective-payment systems of reimbursement fueled an industry that was compensated for providing care based on volume, not value.

The authorization of the ACA successfully added millions of covered Americans to the system. At the same time, it imposed stringent quality standards and sizeable reimbursement incentives and penalties for achieving (or missing) certain benchmarks. It also stimulated the growth of new care models such as Accountable Care Organizations, which are designed to coordinate care for specific populations and link payments to quality and cost. These developments mark the beginning of an unprecedented switch from fee-for-service to value-based contracting and population health.



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Internal and external pressures on healthcare to become more value-driven will continue. Employers, patients, and their families will continue to demand higher quality and lower cost. Providers will have to find ways to eliminate shortfalls in the quality and efficiency of care delivery. They will also be compelled to factor the social determinants of health—the effects of where people live, learn, work, and play—into population-based care-delivery systems. Healthcare will be marked by more and more disruption as it shifts to a major focus on health before care is required.

USING THE PI TO TRANSFORM YOUR PERFORMANCE

As healthcare leaders navigate their way through these complex challenges, their GPS must be set on building truly high-performance organizations. The PI provides a useful framework for understanding high performance and defining the key organizational disciplines for achieving it.

The PI is the result of a full year and a half of work by [dozens of leaders from across the social sector](#) who have come together as a community to develop clear, actionable answers to the questions of what “high performance” really means for mission-based organizations, and what it takes to get there from where they are. After countless debates, iterations, and vettings of this work, the PI is now available for [free download](#). The PI provides the following definition of “high performance” and lays out in detail the seven organizational pillars that can help healthcare organizations and their partners progress toward high performance.

DEFINITION OF HIGH PERFORMANCE

High performance is the ability to deliver—over a prolonged period of time—meaningful, measurable, and financially sustainable results for people or causes the organization is in existence to serve.

THE SEVEN PILLARS OF HIGH PERFORMANCE

- **Pillar 1:** Courageous, adaptive executive and board leadership
- **Pillar 2:** Disciplined, people-focused management
- **Pillar 3:** Well-designed and well-implemented programs and strategies
- **Pillar 4:** Financial health and sustainability
- **Pillar 5:** A culture that values learning
- **Pillar 6:** Internal monitoring for continuous improvement
- **Pillar 7:** External evaluation for mission effectiveness



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These pillars are described in greater detail at “[The Performance Imperative Campaign](#),” where you can also view a brief introductory video, download the PI, find easy ways to share it via social media, and see background on all the leaders who collaborated on this effort.

If the PI resonates with you, we encourage you to use it to guide and gauge your journey toward high performance in the following ways:

- **Governing Bodies:** as the centerpiece of board-level conversations focused on how to achieve a level of performance required to thrive in an era of healthcare and payment reform
- **Healthcare Executives:** use to shift culture and build capacity to ensure that quality-improvement efforts focus on organizational as well as clinical performance
- **Purchasers of Care** (i.e., large corporations contracting directly with health systems for specific services): incorporate the definition and pillars into direct-contracting selection criteria to ensure that contracts are made with organizations capable of delivering the highest value
- **Healthcare Funders:** spark introspection about how to better support their grantees’ efforts to transform healthcare, and, where appropriate, incorporate the definition and pillars in grantmaking language, processes, assessment, and support
- **Professors of Executive Healthcare and Professional Programs:** build the PI into the syllabus and structure of relevant courses to instill an understanding of high performance and its importance in healthcare delivery
- **Healthcare Management and Evaluation Consultants:** utilize it to guide organizations in their efforts to plan, build, grow, learn, and improve
- **Organizations and Websites for Healthcare Improvement and Ratings:** incorporate the definition and pillars into evaluation criteria to ensure that organizations have the capacity to deliver high-value as well as high-quality healthcare.

The journey will not be linear. It won’t be easy. But ultimately, it must be done to better serve patients, communities, and ultimately our nation as a whole.

We look forward to your feedback, and encourage you to use the PI as a key element in the complex mix of efforts needed to move the American healthcare system from first in cost to first in quality.

Hard copies of the PI and posters of its visual representation are available for distribution upon request via the “[Spread the Word](#)” section of The Performance Imperative Campaign website.