From the C-Suite

John August and Barbara Grimm

Changing together
Kaiser-union partnership gets results

How does an organization with a heavily unionized workforce, spread over hundreds of locations in nine states, not only provide high-quality, affordable healthcare, but also continuously improve care delivery?

We do it by working together—25,000 managers, 15,000 physicians and 92,000 workers in 29 local unions—through Kaiser Permanente's Labor Management Partnership, called "the largest, most complex, ambitious and broad-based labor management partnership in U.S. history," by Thomas Kochan, a management professor at MIT.

Many things set Kaiser Permanente apart. We're widely recognized for our model of care—comprising an integrated delivery system, preventive medicine and multispecialty medical groups, all connected by an advanced electronic health-record system. We believe the partnership is an industry model as well.

The Labor Management Partnership was born out of a determination to transform healthcare after the market challenges and labor turmoil of the 1980s and ’90s. Management and labor agreed on the greatest challenges facing healthcare: improving quality and reducing costs. The partnership gives managers, physicians and workers a way to jointly decide how to do so.

They do that through unit-based teams. These natural work groups of staff, managers and clinicians meet frequently to discuss problems, identify solutions and set performance goals. Through these teams, employees have a meaningful voice in day-to-day operations, and access to team-based tools and training for improving performance.

With more than 3,400 teams and thousands of participants, what guides the work of the partnership? The “value compass” does. Developed by the partnership, it provides the framework for frontline decision making. In graphic form, the value compass sets forth our shared strategic priorities. It places the patient and health plan member in the center, with four strategic goals placed at the points of the compass.

Guided and empowered by the value compass, we are able to serve our members and patients in ways that other organizations cannot. It is helping Kaiser Permanente improve the quality and affordability of care for our 8.8 million members and is transforming the patient and the workplace experiences.

Results are evident across Kaiser Permanente. For example, an outpatient surgery recovery team in Hawaii tackled problems it was having with its inefficient inventory system for operating room supplies. After reorganizing its supply closet and computerizing its inventory tracking system, the team is saving nearly $10,000 a month.

Our approach is distinctive: It was the whole team putting diverse skills to work, creating a plan, testing outcomes and owning results. Teams are tracking results and measuring their impact. Kaiser Permanente teams have completed or are working on nearly 10,000 performance improvement projects in service, clinical quality, workplace quality and affordability.

Together, we measure the performance of unit-based teams against five levels of effectiveness, based on training, leadership and other criteria. We committed in our national labor agreement to double the number of high-performing teams within 12 months—a goal we will more than meet.

We believe that healthcare providers at every level want to make a difference. Indeed, our employees lead the industry on measures of workplace engagement and organizational alignment, according to Towers Watson. Members of unit-based teams score even higher.

Organizations that recognize employees’ potential and create a culture of mutual respect, individual responsibility and personal empowerment can experience transformative changes. We know it can be done. Venues for workplace collaboration, such as the Labor Management Partnership, provide a pathway to improving patient care and employee satisfaction. «

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