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## **Lean Management Relieves State Healthcare Headaches**

**A ground-breaking project in which lean management is being applied in South African state hospitals is delivering impressive results in various departments – including reducing patient waiting times by up to 86%, an 80% reduction in neonatal deaths and a throughput improvement of 35%.**

This is according to Rose Heathcote, CEO of the Lean Institute Africa (LIA), a non-profit company based at the Graduate School of Business at the University of Cape Town. LIA has been working with state healthcare facilities nationally over the past decade, including Chris Hani Baragwanath Academic, Charlotte Maxeke Academic, Groote Schuur, Leratong, Sebokeng and Kopanong hospitals. Speaking at the recent SAPICS Conference in Cape Town, Heathcote outlined how lean management is being applied in areas such as patient registration, outpatient clinics, surgical, pharmacy, casualty, theatre and x-ray units. She revealed how South African patients and healthcare workers are reaping the benefits of principles initially developed by Toyota for the automotive industry.

Lean management is essentially a set of integrated principles designed to reduce companies' waste and costs while simultaneously improving standards and productivity - ultimately driving improved service delivery for patients. This is achieved by developing everyone into problem solvers, who solve problems that matter, every day. Heathcote told delegates at the SAPICS Conference that the aim of applying lean management in state healthcare facilities was originally to reduce patients' waiting times, after this was identified as a priority by the Minister of Health. *"Lean is applicable to any place where there is a purpose, process and desire to change,"* she explained. This thinking can be applied to a multitude of challenges, both in the public and private healthcare space.

State healthcare's lean journey has included a workshop presented by world-renowned lean management guru Takeyuki Furuhashi, who is now retired from the Institute of Management at the Central Japan Industries Association (ChuSanRen). *"It has been a long journey, going back as far as 2003, when a group of MBA students under the supervision of Professor Norman Faull ran a series of experiments on lean's potential to boost healthcare service delivery. Today, we have supported some 30 facilities, and the results of our experiments are very encouraging,"* Heathcote said.

*"Along with performance improvements, people have been encouraged and uplifted by the initiative. They feel like they are not alone and that there is a way to improve in the absence of additional resources."*

The lean approach at the state healthcare facilities encompasses structured daily management systems, cross-functional collaborative problem solving, breakthrough improvement events and leadership coaching. *"Lean considers the input variables to achieve output improvements. To improve healthcare service delivery, the daily measures that drive incremental change could include whether doctors are available and have capacity, whether the clinic is opening on time, cycle times to service patients and whether equipment and facilities are available and working,"* Heathcote noted.

She said that visible, consistent support from the hospital CEO was critical for success, with leadership's buy-in and involvement influencing the results. *"We are seeing CEOs and executives conducting 'Gemba Walks' at the hospitals. This is a lean term used to describe walking the area where the actual work takes place, observing, hearing from those who actually do the work and showing genuine curiosity for the challenges and how leadership can offer its support. It is an essential element of lean management, giving leaders a real view of what is happening on the ground. Toyota and other Japanese companies often supplement gemba with its related term 'genchi gembutsu' to emphasise the literal meaning. 'Genchi', like gemba, means real place, and 'gembutsu' means real thing."*

*“My dream is to see lean management practiced in every healthcare facility in the country, from state hospitals to local clinics. Lean management works, but the principles must become part of the daily routine, not something done once or for a few weeks and never again. If we can achieve this, we can use lean to solve many of the problems plaguing public healthcare and truly transform lives,”* Heathcote concluded.

Hosted by SAPICS, The Professional Body for Supply Chain Management, the annual SAPICS Conference is Africa’s leading event for supply chain professionals. This year’s 40<sup>th</sup> annual conference in Cape Town was a milestone event that saw more than 800 delegates converge to share knowledge and network.

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