

“Practical Strategies for Change: Collaboration, Systems Change and Sustainability”

Frequent Users of Health Services Initiative Luncheon Speech - 6/27/03

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Dr. Steve Mayberg, long-time director of California’s state mental health program, recently gave me a “Dustin Hoffman moment,” as happened in *The Graduate* when Hoffman’s character was given the magic word “plastics” by a man at a cocktail party. Mayberg’s magic word was “incentives” - he argues that effective systems change, collaborations and program sustainability all require identifying and responding to both individual and organizational incentives. That is, what will both organizations and individuals in the community “get” out of participating in these activities ... and how can these incentives be delivered effectively? The larger cause of improving services or creating community change isn’t enough; more direct incentives such as individual or organizational visibility and recognition are needed.

As a health care professional, I’m well aware of the challenges presented by frequent users of health services - both in providing them with the services they need and in paying for them. Our 43-year-old Institute did some of the early research on co-occurring disorders in the 1980's, and held a conference in 1987 that brought together the National Alliance for the Mentally Ill and the American Psychological Association for the first time to discuss this subject. As a psychologist, I once worked in a VA hospital with men who are the prototypes for the frequent users this initiative addresses.

Creating the kind of change that’s needed to make this Initiative a success isn’t just about funding, or about medical practice and technology. It is also about addressing the human side of change - just as is the case for effective medical interventions with these complex individuals, for instance in negotiation on medication compliance strategy for dually-disordered individuals. That’s going to be my focus today - the human dynamics of change as they affect this Initiative and your individual projects, with respect to collaborations arranged to support your work, strategies for the complex systems change needed for success, and the challenges of long-term sustainability.

After more than 30 years doing the work of facilitating change, using behavioral science approaches, I know I don’t have all the answers. However, asking some of the right questions may be helpful in moving towards the multiple capacities that will be needed to make this Initiative a success.

That process begins by focusing with laser-like precision on how to frame questions or diagnose problems that need to be solved.. I’ll start by telling a story I read recently in *Fortune*, about an extraordinary repair job that began in a similar way. Last December, the NASA folks monitoring the Galileo space probe 500 million miles away orbiting Jupiter discovered that it could no longer relay to Earth the big chunks of data it was sent to collect. The fix-it assignment fell to Greg Lavanis, an engineer at the Jet Propulsion Lab in Pasadena. His detective work to fix this problem half a billion miles away is an extraordinarily good model of problem diagnosis leading to effective problem solving.

Lavanas started by getting the probe to report on electrical functions inside the data-sending tape recorder that seemed to be the source of the problem. He took apart a duplicate recorder in his lab to try to figure out what the problem was. Here's where it gets interesting: he knew that in November the probe had passed through a high-radiation region on its way to one of the Jovian moons. Radiation can damage equipment, and the Galileo mission had been extended by two years, so perhaps the radiation it was built to withstand had been exceeded. Further mulling over data sent by the probe, he developed the hypothesis that the problem was in a circuitboard that controls the tape motion. Lavanas later recalled: "I looked at the recorder and asked: What's going to die because of radiation in a machine that was working perfectly before?"

The suspect turned out to be an LED that provides light for an optical encoder that's involved in making the tape move. He talked to radiation experts at JPL, who said that when LEDs are damaged by radiation you can partially fix them by annealing, that is, running current through them for some hours. This could be done from 500 million miles away by giving an appropriate instruction to Galileo, and sure enough, when he did this, he fixed the problem! Finding this solution on earth for a problem in deep space took creativity and focus, but once the problem was clearly identified, the solution emerged - not for a complete fix, but for enough remedy to enable the mission to continue.

Among all the problem-solving approaches that may be needed for dealing with the challenges of the Frequent Users of Health Services Initiative, the three that I'm going to talk with you about today relate to *strategies for collaboration, systems change and sustainability*. In each case, my intent is to open up a new option or two in the extended thinking and planning you're already doing. I want up front to acknowledge a number of you in the audience who provided me with some advance input by e-mail about how to address these topics - I think what I have to say is more precisely framed because of that input. Before turning to those three arenas, I'll start by briefly discussing the subject of adaptive capacity as a kind of underlying variable for everything else we'll be talking about today.

Adaptive Capacity

A main finding of brand-new research on nonprofit capacity building by the Conservation Company for the David and Lucile Packard Foundation is that adaptive capacity - the ability to monitor, assess and respond to internal and external changes - represented the greatest need among nonprofit organizations the researchers surveyed. Specific areas of need within this category included: improving the level and quality of strategic alliances; collaborating and networking with others in the community; increasing the extent to which nonprofits share knowledge with colleague organizations; and improving the ability of nonprofits to explicate their goals and activities, and the underlying assumptions linking the latter with the former.

Adaptive capacity, the whole range of skills for handling change, is what underlies all three topics I'll be discussing today. While not mentioned by name, this is a main theme of the three handouts I've provided to you - my article about systems change in the VA Hospital system, the piece about collaboration and partnership strategies, and a readings list with some key readings on sustainability.

Collaboration

First, let me define what I mean by partnership and collaboration, two of the great rubber words of behavioral and management science! These two terms as we see them are essentially equivalent -

they involve more or less formal structures, some temporary and some permanent, which bring together a group of organizations in a community to implement a new program, to change something that already exists, or to address a specific problem or crisis. They involve the sharing of goals, activities, responsibilities and resources.

Partnerships are not without their problems. Former Surgeon General Jocelyn Elders put it humorously, but pointedly, in an address to the Rosalynn Carter Mental Health Symposium several years ago: "Collaboration has been defined as an unnatural act between non-consenting adults. We all say we want to collaborate, but what we really mean is that we want to continue doing things as we have always done them while others change to fit what we are doing."

The risks of partnership were put even more directly by Woody Allen, in his book *Without Feathers*: "And the lion and the lamb shall lie down together, but the lamb won't get much sleep."

These definitions, both humorous and serious, help us to focus on the human challenges and the reasons why top-notch creativity is needed to do different kinds of partnerships right:

Our research on this subject has showed that there are eight key elements of successful collaborations:

- 1 - Systematic planning, leading to objectives and activities that partnership members can support.
- 2 - Addressing psychological challenges, such as power differences or resistances based on previous bad experiences with other partnerships - including early "due diligence" about the mutuality of interests among the partners
- 3 - Clearly identifying the strong core idea at the heart of the partnership
- 4 - Finding the needed financial and human resources to be successful
- 5 - Incorporating strategies learned from other successful partnerships, and mistakes made or false paths taken.
- 6 - Encouraging the partnership to evolve and maintain responsiveness to community environment
- 7 - Continuing "due diligence" in looking at costs and benefits of partnering over the long haul.
- 8 - Planning ahead for sustainability at the outset, including creation of a revenue model to provide financial support beyond initial funding.

There are some reasons to be cautious about partnerships, according to our research:

- 1 - Not all partnerships work, and the science about effectiveness of partnerships is still limited. Next month our Institute's new book about evaluation of community collaborations comes out, and we hope it will have a real impact on the future ability of partners to measure the impact of a collaboration, both to improve it and to justify investments in it.

2 - Not all problems can be solved by partnerships - so sometimes the right decision is *not* to partner. If this is the accurate outcome of a “due diligence” process, that is a good thing!

3 - People are tired of the rather limited success of some partnerships, and of the resources they take up despite this poor payoff (endless meetings without any noticeable results, for instance). They come to any new partnership burdened by any negative experiences they’ve had with them in the past. In some cases, there is also a real phenomenon of “collaboration fatigue” - people complain about spending half their lives in meetings for one partnership or another, and are thus resistant to getting involved in a new one, no matter how important it seems.

4 - Partnerships can sometimes be a tactic for delaying action or obscuring responsibility so that change doesn’t happen - but no one individual or organization can be blamed for this outcome.

Systems Change

In the larger arena, this is a time of many challenges about change - tight resources, a downturn in the economy, and rapidly increasing health care costs. As these complicated scenarios unfold, there is more reason than ever to promote a *complex systems change* response to the problems of improving health care, such as for frequent users.

There are many approaches to this subject. The one I want to discuss briefly today has as its overarching concept a systems approach that is *both centralized and decentralized* - or in terms of Peters & Waterman’s classic book, *In Search of Excellence*, that has “simultaneous loose-tight properties.” Some elements of systems change, like data management and capacity building support, are centralized, while others, like mobilizing local support for change, are decentralized. I don’t know enough about your projects to be able to say whether or how this concept applies here, but I can tell you that achieving a dynamic balance between these two seemingly contradictory approaches to creating change seems to have real promise.

Coming out of both management science and popular books on managing change such as Peter Senge’s *The Fifth Discipline*, this approach begins by “upping the ante” of previous explorations of systems change. First, it recognizes the increasingly complex and unstable environment in which change actually occurs. Second, it recognizes the increased complexity resulting from resource limitations and by greater political and social requirements for stakeholder involvement in designing the change.

Management science and experiences from the corporate sector in large-scale change have been touted as an important source for thinking and action by nonprofit organizations on systems change. That is true to some extent, but there is an important caution. Recent research also shows that most systems change approaches from the business sector have not worked very well.

In his book “Leading Change,” Harvard Business School professor John Kotter reports the results of a decade-long study of more than 100 companies that have engaged in significant organizational transformation. The change programs Kotter studied included efforts at implementing total quality management, re-engineering, “rightsizing,” restructuring, organization-wide cultural change and corporate turnarounds. His results? “A few of these corporate change efforts have been very successful. A few have been utter failures. Most fall somewhere in between, with a distinct tilt toward the lower end of the scale.” Most mergers, fail, too.

MIT's Michael Hammer acknowledges that two-thirds of re-engineering interventions have failed, mostly due to staff resistance. People's innate resistance to change is "the most perplexing, annoying, distressing, and confusing part" of re-engineering, says Hammer. Resistance to change "is natural and inevitable. To think that resistance won't occur or to view those who exhibit its symptoms as difficult or retrograde is a fatal mistake ... The real cause of re-engineering failures is not the resistance itself but management's failure to deal with it." The human side is critical.

There can be successes, however - Jaguar turned itself around from #24 to the top 10 in customer satisfaction by using systems change approaches of employee involvement and a unified approach across the company to instituting improvements based on feedback received. Also, tightly managed change processes such as franchises have twice as high a survival rate as other types of new businesses, giving credence to the use of well-routinized approaches to change. But there's a loose-tight qualification even here: when McDonald's, the legendary king of tightly-controlled replication, came into Northern Italy, its franchises had to adapt the McDonald's approach for a simple reason: Northern Italians don't like waiting on line!

Sustainability

According to our four decades of research about sustainability of health and human service programs, the single most important variable is planning for sustainability at the beginning, and proper allocation of resources to pursue that plan.

The second most important is ongoing adaptation in response to changing circumstances (our major study for NIMH in 1970s - with the GAS and Lodge programs - showed this rather conclusively, and it has been reconfirmed in other research since).

The third most important is building capacity for long-term sustainability - using the best of available capacity-building approaches.

In a major study of sustainability of neighborhood preservation interventions supported by The Pew Trusts, Cornerstone Consulting Group (2000) identified four critical factors common to sustained success, which echo some of what we've been discussing here:

- 1 - residents had legitimate voice in the original effort to shape the intervention, and active engagement in its activities
- 2 - their involvement was part of a comprehensive neighborhood plan that was embraced by those who live and work there
- 3 - there was organizational leadership to manage the community change required in order to fulfill that plan
- 4 - there was evidence of change in the form of concrete products

But there is also a caution here. Not all projects or initiatives should survive, and the brave determination to do field triage and limit the loss of resources from projects that don't work is a singular characteristic of funders and of collaborations that will have real impact. Funders in particular have been reluctant to look at or share their failure experiences so this is a tricky subject to consider - few funders have been as brave as the Annie Casey Foundation was with its major initiative whose problems were chronicled in its report, *The Path of Most Resistance*.

This is hard work, but it is hopeful work, and a larger perspective helps. As George Washington University's Peter Vaill famously put it, "we're all living in permanent white water." But Charles Paulus at the Center for Creative Leadership in North Carolina, whose hobby is river-rafting, says that Vaill's metaphor is just a starting place for designing change interventions. He talks, for instance, about how experienced river rafters "read the river." White water, it turns out, is not random, it is chaotic, with deeper patterns that are meaningful if you have a trained eye. Good river rafting depends on learning how to recognize these patterns, and understanding their effects on rafts. This is just one final example of how drilling down into the patterns of complexity faced in something like dealing more effectively with the needs of frequent users of health services is essential - going beyond the direct relationship to the underlying complexities and contradictions.