# 3 steps to create hospital culture of innovation

July 17th, 2014

by Andrea J. Simon

Recently, we received a large number of inquiries about our last several blogs here at *Hospital Impact*. In particular, people are interested in how they can create a culture of innovation in their organization. They're also interested in why it's so hard to get people to become more innovative, creative and capable problem solvers. Times are changing, and to make new ideas actually happen, people need to see, feel and think in new ways those elusive innovations.

Healthcare changes push hospitals and providers to rethink their core values, beliefs and behaviors: the essential elements of their culture.

Indeed, the movement from volume to value sounds cool, but what does it really mean and how do we actually do it? Keeping people out of the hospital sounds easy. Yet the trends suggest that as Baby Boomers age, their in-patient needs will accelerate, not diminish. What is the right direction? When will we know we are making strides? What are the key metrics that show progress, and when do we have to pivot and rethink the new processes or programs we have put into place?

[More:]

The reality is that a lot of culture change is taking place, both intentionally and serendipitously, as people adapt their habits and beliefs to better align with new situations. People really do know how to adapt because that is how people respond to change, sometimes better than at other times.

As a result, culture change is clearly one of the major trends that we see in the field. But how do you change a culture in a way that fits your perceived needs for the near term and maybe even the longer term?

The area we find particularly important is the movement towards creating more innovative cultures. For old-line organizations where management typically knows best, the idea of creating an innovative culture is a big challenge. What does it really mean? How will you know it genuinely is more innovative? Will it work?

First, let's briefly look at four prototypes of corporate cultures. Research conducted by Kim S. Cameron and Robert E. Quinn and published in "Diagnosing and Changing Organizational Culture," led to the formulation of a model of four dominant types of organizational cultures:

**Hierarchical culture**. Focuses on control, rules and processes.

**Ad-hoc culture**. Innovative culture where ad-hoc decisions are encouraged, empowerment is critically important and leadership is about vision, imagination and innovation, not processes or controls. Strong hierarchies are typically diametrically opposed to strong ad-hoc or creative cultures.

**Clan culture**. Emphasizes getting along and working together, clan culture embodies the family metaphor of caring about each other--often even more than results.

**Market Culture**. Highly competitive, market-oriented and results-driven cultures (opposite of clan), where winning is of paramount importance, perhaps at the risk of internal rivalries and creative business environments.

Remember that the most effective organizations have a balance of cultural values and behave in ways that enable new ideas to emerge, while ensuring that processes work and compliance provides rigor and market relevance.

Let's assume you assessed your culture and you're ready to start the journey to change it. Your entire team decided that it cannot just do more innovative things, but that it must actually create a more innovative culture, empowering people throughout the organization to develop new ways of solving problems. In this new culture, people must believe in their own ability to make new things happen.

There are three steps for transforming your culture into a more innovative one:

1. It's all in the story. Get your people to tell a story that shifts â€œthe undesirable of today into the desirable of tomorrow. â€œ Story telling begins the process. Have your team tell you stories about what they do to solve a particular problem or get a job done. Then ask them to envision how they would prefer to get different results or have a different way of solving those problems in the future.

2. Set up practice session where you can create small wins. Once you have your team starting to tell the new you story, they need to identify how they will know that the changes, the innovations are working as they had imagined. We like to think of these as small wins--and you will need a lot of small wins! Think of them as practice exercises, and make sure the new clearly is preferential to the old.

3. "More of, Less of" is a simple, often overused, but highly effective method for scoping out innovation and getting team commitment to changes that must take place. What will you really do more of and less of? The exercise of "More of, Less of" is well suited for a re-write and re-design of the solution you are working on.

Ironically, the most successful companies are managed by people who understand that they need some of each of these types of cultures. Too much rigor and rules limit an organization's ability to innovate and compete. Entrepreneurs with too many ideas struggle to find the processes to convert the ideas into innovations. Too much concern for collaboration and the family can interfere with achieving results. Probably not surprisingly, the best balance is around the middle. Now go get innovating!

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