JUCM
THE JOURNAL OF URGENT CARE MEDICINE®

Search | Subscribe/Get Access | Log In |

NEWS JOBS CLINICAL PRACTICE MGMT GET CME BUYER'S GUIDE AUTHORS ARCHIVES ABOUT US

THE DANGERS OF MISTAKING METRICS FOR STRATEGY

Alan A. Ayers, MBA, MAcc is Chief Executive Officer of Velocity Urgent Care and is Practice Management Editor of *The Journal of Urgent Care Medicine.*

Urgent message: While metrics are essential for measuring a business strategy's effectiveness, losing sight of the strategy in favor of a sole focus on the metrics carries the risk of undermining the very objective the strategy was meant to achieve.

"If you can't measure it, you can't improve it." Or manage it or track it, depending on who's reciting that oft-repeated quote. Either way, your organization likely aligns itself with some variation of that popular and proven business maxim, and thus leans heavily on data to measure and track its performance against internal goals and industry benchmarks. In urgent care, these data are often called key performance indicators (KPI), which are measurable values that show how effectively a center is hitting its targets toward achieving its business objectives.

Metrics in Urgent Care

Urgent care operators encourage their teams to define a set of metrics or KPIs to track each day. Some centers track up to a couple dozen metrics; below are several common KPIs:

- Visits per day
- Average time in the center or door-to-door time
- Percentage of patients in/out of the center in <45 minutes
- Net Promoter Score (including % of patients who give a 9-10 on the survey)
- Credit card pre-authorization taken
- Patients seen per hour per employee

These metrics are typically written on a whiteboard to create a daily "scoreboard" where employees can see and track the numbers. In addition to the prominently displayed whiteboard, having the staff write the numbers in their own handwriting cultivates an extra layer of ownership among each individual employee. Care teams will also typically hold morning and afternoon "huddles" to discuss the numbers, including what went "right or wrong" the day before or during the morning session, what the "lessons" or takeaways were, and the plan for moving the numbers going forward.

Login

Username
LOGIN

Password
PASSWORD

Remember Me

LOGIN

Lost Password

Privacy - Terms

Surrogation: When Metrics Undermine Strategy

As with any good thing though, there's a downside to an obsessive focus on it—with metrics being no exception.

When the strategy the metrics are meant to support and measure is either ill-defined, poorly aligned with the metrics, subordinated to the metrics, or just plain absent, a singular focus on the metrics themselves develops. This act of mentally replacing strategy with metrics is known as *surrogation* and is a pervasive problem in almost every organization that measures performance. Surrogation inevitably leads to management and employee behaviors that undermine the very strategy the metrics were meant to measure, which of course leads to negative consequences for employees, customers, and the company as a whole.

An article in the September—October 2019 issue of the *Harvard Business Review* takes an insightful look at this issue of surrogation as it explores the severe negative repercussions experienced by San Francisco-based banking giant Wells Fargo when it aggressively pushed its employees, over a period of several years, to meet or exceed a metric that measured "cross-selling" of financial products—ie, credit cards, checking accounts, lines of credit—to existing customers. The problem was that there was no well-defined cross-selling "strategy"—such as, "strengthen Wells Fargo's customer relationships by making financial services more accessible"—to bring focus to the pursuit of the metric, and to provide a guiding principle to this very specific business target.

As a result, Wells Fargo management relentlessly pressured employees to meet the cross-selling targets at any and all costs, and employed beratings, forced and unpaid overtime, and threatened firings if they failed to reach their daily sales quotas. This zeal for metrics caused employees and managers to engage in an assortment of desperate, unsavory, unethical, and illegal behaviors towards cross-selling as many financial products as possible, including opening accounts in customers' names without their knowledge or permission.

When it all finally came to a head and the Federal Reserve stepped in, the aftermath of this unbridled and permissive organization-wide greed for metrics (and the profits they represented) at Wells Fargo was devastating: hundreds of millions of dollars in fines from the Consumer Financial Protection Bureau and the Office of the Comptroller, multimillion-dollar class action lawsuits from customers and former employees, damaged customer relationships, and a significant decrease in earnings stemming from its sullied reputation in the banking and financial industry.

Surrogation Traps in Urgent Care

While the Wells Fargo case is an extreme example of what can happen when strategy takes a backseat to metrics, the surrogation trap is ever-present in any company when numbers are tracked. This doesn't imply that measurement is a bad thing or destined to corruption. In fact, when performance is measured, there is generally greater accountability among staff—and this is certainly the case in urgent care. Measurement gives employees the extra motivation to compete against themselves and best their previous numbers. They also tend to focus and work harder so to "not let down the team" in a spirt of togetherness, teamwork, and camaraderie.

Having a system of metrics and KPIs to track and measure performance is, therefore, a proven and valuable business practice, as long as the ultimate goal is to support and align with some larger strategy toward a clearly defined business objective.

In urgent care for example, the business objective of "maximizing patient growth and retention" might involve a strategy of increasing "patient satisfaction," and we know wait times and patient satisfaction are highly correlated. So, the underlying strategy to achieve patient satisfaction might be tracked using several KPIs or metrics, one of which would be measuring "door-to-door time" with the aim to decrease it whenever possible. The metric would be

Sign Up For The JUCM Newsletter
Urgent care clinical, practice management, and curated news stories - delivered to your inbox - every Tuesday.
Enter Your Name
Privacy - Terms

measured in minutes, with a goal of, say, 45 minutes or less. Where this objective could go off the rails is if the strategy became subordinated, and a hyper focus on minimizing throughput time developed. This could manifest in staff behaviors such as turning away profitable patients with time-consuming presentations—such as a complex laceration that would take 45 minutes—in favor of less complicated presentations (like an under 10-minute sinus presentation), all in the name of influencing the metric towards "minimizing throughput time."

Enter Your Email Address

SIGN UP

The surrogation of strategy for metrics in this case could also result in staff being abrupt or short with patients, not being thorough in their exams, declining to utilize lab and x-ray capabilities when the presentation calls for it, and brushing off additional patient concerns. It's not hard to see that instead of increasing patient satisfaction, this singular focus on the metric would accomplish the opposite result, and completely undermine the objective of maximizing patient growth and retention.

How Urgent Care Can Minimize Surrogation

The presence of any performance metric carries with it the potential for surrogation, if even to a small degree. With that in mind, here are a few key lessons gleaned from the *HBR* article to help your urgent care center minimize surrogation of strategy for metrics.

- **Employ several metrics.** Studies show that surrogation increases when a strategy is measured by a single metric. In contrast, the more metrics used to hit a target or measure the effectiveness of a strategy, the less often surrogation occurs.
- **Remove compensation.** Across industries and organizations, surrogation increases when compensation is tied to specific targets. By removing the monetary motivation, employees tend to surrogate less and keep the larger strategy in better focus. And when there is compensation, follow the first lesson and ensure that the strategy is measured by multiple metrics—never a single metric.
- **Involve staff in the development of the strategy.** The *HBR* article also touched on a healthcare example that showed staff understand the main objectives of a strategy more clearly when they are involved in its creation and development. This better positions them to consciously reject surrogation and helps to keep them focused on the strategy regardless of whether it improves the metrics.

Conclusion

Plenty of organizations have learned the hard way that performance metrics merely represent values to measure a strategy and should never replace the strategy itself. By understanding the factors that lead to surrogation and how to root them out, your urgent care center can confidently use metrics and KPIs going forward to measure performance, without the risk of undermining the very objectives the metrics were created to measure.

Tagged on: Alan Ayers Practice Management Web Exclusive

Web Exclusive

ABOUT US

QUICK LINKS

Privacy - Terms

The Journal of Urgent Care Medicine® (JUCM) is the official journal of the Urgent Care Association (UCA). Each issue contains a mix of peer-reviewed clinical and practice management articles that address the distinct clinical and practice management needs of those who are working in today's busy urgent care centers. JUCM's reach of over 42,000 includes qualified clinicians, business and administrative professionals working in urgent care facilities nationwide

About Us

Advertise

Subscribe

Submit An Article

Careers

Contact Us

JUCM IS THE OFFICIAL JOURNAL OF

©2019 - The Journal of Urgent Care Medicine - All Rights Reserved

Privacy - Terms