

Two Factors in Project Success: A Clear Process and a Strong Team

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For most organizations, even contemplating the idea of building a new state-of-the-art hospital from scratch is daunting. One of the keys to capitalizing on such an opportunity is to have a clear vision and an understanding of the process required to go from concept to occupancy. Impeccable project management skills are also critical. The transformation of today's hospital means rethinking everything, from the design of the facility to the language used to communicate the culture of the organization. Most hospitals are simply not organized or prepared to deal with such a reinvention.

Many people focus on the development of the physical facility, as it is the tangible outcome of the process. In reality, the creation of the new facility's corporate culture, operating processes, and organizational structure is the complex component in such an undertaking.

GETTING STARTED

Sometimes just getting started is the most difficult task. Once the strategy and vision have been conceived, the next step is assembling a team, which should include internal and external members. An end-to-end process must also be organized, and a long list of questions must be addressed and/or validated. These questions may include the following:

- Which responsibilities will be managed by existing personnel, and which will be outsourced to firms/individuals with specialized skills and experience?
- Which consultants and outsourced staff can best formulate, validate, and execute the vision?
- How will leadership organize the multitude of people involved and lead the process through the maze?

Decisions on these critical questions can make the difference between success and failure of the project. Very often, they can distinguish projects that move rapidly to completion from those that seem to wallow in process for months or years.

The front-end process involves testing and validating the strategic vision to replace the hospital, including answering questions related to where to build, what

services to offer, how much the project will cost, how the project will be funded, and how the plans will be communicated to the community?

Do not underestimate the value of communication. Sometimes replacement plans are derailed because of poor communication to key stakeholders. Failing to speak to the community can alienate constituents and sends a message that a legitimate process was not used to drive the solution.

See Table 1 for a brief outline of a recommended hospital replacement process.

SELECTING THE APPROPRIATE TEAM MEMBERS

Perhaps because the physical facility is the most visible aspect of the future hospital, its leaders are easily tempted to get to the process of designing and construct-

TABLE 1
An Outline of a Replacement Process

1. Develop strategy, vision, business plans
 2. Prepare a strategic facility plan that includes
 - Project vision
 - Market analysis
 - Delivery system plan
 - Operations assessment
 - Facility assessment
 - Communication plan
 - Technology assessment
 - Financial/capital planning
 - Project definition, budget, and schedule
 - Regulatory assessment and strategy
 - Options development and comparative analysis
 - Summary of findings, recommendations, and consensus on a direction
 3. Develop a set of "guiding principles" for the project
 4. Complete task force work on disposition of existing facility, as required
 5. Plan operations/work-flow processes
 6. Prepare functional space program
 7. Design facility
 8. Procure financing
 9. Construct facility
 10. Execute transition plan
 11. Facilitate activation plan
 12. Occupy new facility
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ing the facility right away. Often because of previous relationships, these leaders retain an architect first. This leads to an architecturally driven project versus a business-driven one. Leaders must resist this temptation and, before the design is put on paper, must ensure that the hospital's vision is articulated, that strategic goals are established, that the business planning and organizational foundations are begun, and that consensus is achieved.

The best approach to implementing a replacement project is to meld an experienced team of outside consultants with the team that will be ultimately responsible for operating the new facility. Blending the two offers a balance between outside expertise and commitment and ownership from internal stakeholders. Consultants can help reduce risks and guide the internal team through the entire planning, design, construction, and transition process. They also represent additional manpower needed during management-intensive phases of the project and the activation of the new facility.

The Program/Project Manager

A program/project manager is an outsourced consultant who helps execute projects of the size and complexity of a replacement hospital. This manager is responsible for organizing and managing the process and helping select and manage a multidisciplinary team. In addition, the program manager

- ensures the project is well conceived, is financially viable, and is completed on time, on budget, and on target with the vision.
- helps achieve the optimum integration of internal team members and external consultants.
- develops a detailed responsibility matrix that delineates primary and secondary responsibilities, beginning with the start-up phase and through the planning, design, construction, and activation stages.
- ensures that the project is well run but does not run it.

An experienced program management firm has the depth and breadth of multidisciplined resources, which are needed along the project continuum. For example, the firm can call on one of its project managers who has technology expertise to manage the required technology integration of the project.

The Project Executive

The hospital designates a project executive, who is typically a senior member of the leadership team. The program manager reports to and interfaces with the project executive on a day-to-day basis. Also, this executive

- spearheads the hospital steering/executive committee. This person is empowered to make ongoing decisions, although he or she brings major decisions to the steering/executive committee for recommendations to the board.

- is often one of the hospital champions for operations/work-flow process improvement. In essence, this means leading the transformation of healthcare delivery in the new facility.

Consultants

Once the program manager has been selected and the project executive and project steering/executive committee are in place, project delivery options can then be discussed and the project team can be formed. A structured and proven process enables project owners to make informed and objective decisions that ultimately lead to the selection of a high-quality, high-performing team.

On a replacement project, as many as 25 consultants may be involved. These consultants include operations improvement planners, functional space planners, financial advisors, architects, engineers, equipment planners, construction managers, and activation planners. Consultants need to be brought on board at the correct points in time.

The process of selecting consultants starts with developing a prequalified long list, often by using a Request for Qualifications (RFQ) process. The program manager can help in creating a list of candidates who have relevant project experience and in determining who on the list should receive the RFQ. Firms that respond to the RFQ should be pared down to approximately three to six, depending on the type of consultant being selected.

At this point, a Request for Proposal (RFP) should be developed and sent to selected firms who submitted RFQs. The RFP addresses the project requirements in more detail. Keep in mind that everyone is in marketing mode during the RFP process. Thus, it is important to remain objective, consistent, and true to the ground rules established for the RFP. An evaluation matrix can help qualitatively and quantitatively assess RFQ and RFP responses (see Table 2).

Include a sample contract in the RFP that stipulates that the candidates should

TABLE 2
Sample Criteria for Evaluating Consultants

1. Project-related experience
 2. Proposed staffing and related experience
 3. Process, approach, methodology
 4. Proposed schedule
 5. Contract, insurance, litigation
 6. Proposed compensation structure
 7. Interview chemistry, results
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note their exceptions. Waiting to disclose the hospital's preferred contract until a firm is selected is not advised. The degree of importance of including the sample contract up front will vary, of course, based on the consultant selected—that is, an operations improvement consultant versus an architect or construction manager.

A selection conference is scheduled with three to four firms and is led by the program manager with members of the steering/executive committee in attendance. In the end, the short-listed firms may be very similar in qualifications. Thus, the final selection may come down to intangibles such as team chemistry. All things being equal, people usually do business with people they respect.

As with most endeavors, experience is weighted heavily when it comes to such replacement projects. There is no substitute for having done such a project before, having first-hand knowledge of the critical success factors, and having the foresight to mitigate risks.

Project teams will inevitably encounter unforeseen obstacles, and many team members will question their ability to effectively manage their responsibilities. Confidence, determination, and strong leadership are needed by the team through the rough spots. The time spent interviewing candidates will pay dividends in the end.

CONCLUSION

An old saying reminds us that projects that start well usually end well. By understanding the project delivery process; by forming best-in-class teams; by knowing the questions to ask; by proactively identifying the best answers and alternatives; by not shortcutting the opportunity to improve operations and work flow processes; and by successfully implementing the solution, the hospital of the future will emerge.

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