Culture Change at the Ohio State University Medical Center



The Facts

Industry Health Care

Diagnostic Tool OCI

Highlights

After implementing a culture change program, the OSU Medical Center...

- ranked in the top quartile of academic medical centers in the country according to US News and World Report
- doubled research funding
- turned a \$43 million annual deficit into a \$7 million surplus

The Challenge

Dr. Fred Sanfilippo was appointed Dean of the College of Medicine and Public Health at Ohio State University and CEO of the OSU Medical Center. The medical center had a three-part mission revolving around research, education, and patient care. Related to this mission was the goal of dealing effectively with the financial challenges facing academic medical centers in the United States. The senior leadership recognized that the key to reaching this goal and succeeding in their mission was first and foremost investing in their people.

THE PROCESS

Having used the Organizational Culture Inventory[®] (OCI[®]) at Johns Hopkins University previously, Dr. Sanfilippo understood not only the importance of organizational culture but also how to measure it. He and his staff at the OSU Medical Center administered the OCI and found that the predominant cultural styles were Defensive, including Avoidance and Oppositional. This indicated that members believed they were expected or implicitly required to wait for others to act first and blame others if a problem occurred. Prevailing norms also included opposing new ideas, refusing to accept criticism, and focusing on processes rather than outcomes. However, the Dean and his leadership team also identified a strong desire among the staff to change to a more Constructive, participative, and achievement-oriented culture.

They started with high-level leadership training for executives, training for faculty and staff, and management development for all who wanted to improve their skills. The culture change program also included 360° feedback, culture retreats, and an organization-wide focus on becoming a more collegial, achievement-oriented, and self-actualizing institution. The Center administered the OCI on a regular basis to monitor the impact of this ongoing initiative and investment in people.

THE RESULTS

Over just a four-year period, the results were impressive. The culture moved from primarily Passive/Defensive (emphasizing Avoidance) to Aggressive/Defensive (high in Competitive norms) and strongly toward the Constructive styles. The most recent administration of the OCI suggested that the dominant norms support winning and



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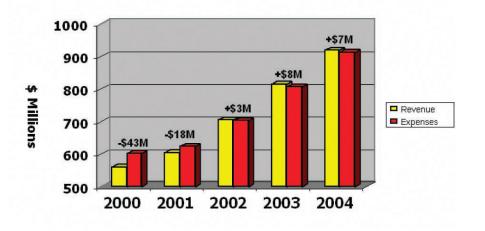


Figure 1: Revenue and expenses of OSU Medical Center as organizational culture became more Constructive

being noticed, with a strong emphasis on setting and achieving goals and on helping and encouraging others.

Improvements in the mission areas of research, education, and patient care were equally impressive. With respect to research, the OSU Medical Center doubled research funding, created a research faculty track and three new high-technology medicine departments, and built the largest research center at the university ever without any state or university capital funding. In education, they increased the number of MD applicants by 28% (well above the national average) and MD-Ph.D. applicants by 129%, increased merit scholarships to 34 from just 4 two years prior, and increased continuing medical education by 193% in just two years. In patient care or clinical medicine, 80% of their physicians were rated among the best doctors in the geographical area, they became the most "wired" hospitals for the fifth consecutive year, and, according to the US News and World Report's honor roll system, they were in the top quartile of academic medical centers in the country.

The Medical Center also did exceptionally well in dealing with financial issues. Before the culture change program began, funding per square foot was about \$75. That figure rose every year to more than \$100 per square foot. More importantly, the Center's FY 2000 budget was about \$600 million accompanied by a deficit of over \$40 million when Dr. Sanfilippo was first appointed Dean; after four years, the budget increased to over \$900 million with a \$7 million surplus *(see Figure 1).*

These impressive results show that an investment in culture change can produce significant returns over time. Key factors in the success of the OSU Medical Center's change initiative were a strong mission and committed leadership. Dr. Sanfilippo and his team understood that the culture change initiative is a long-term process, and they continue to support it strongly. That commitment should translate into an even more Constructive culture and stronger results in the years ahead.

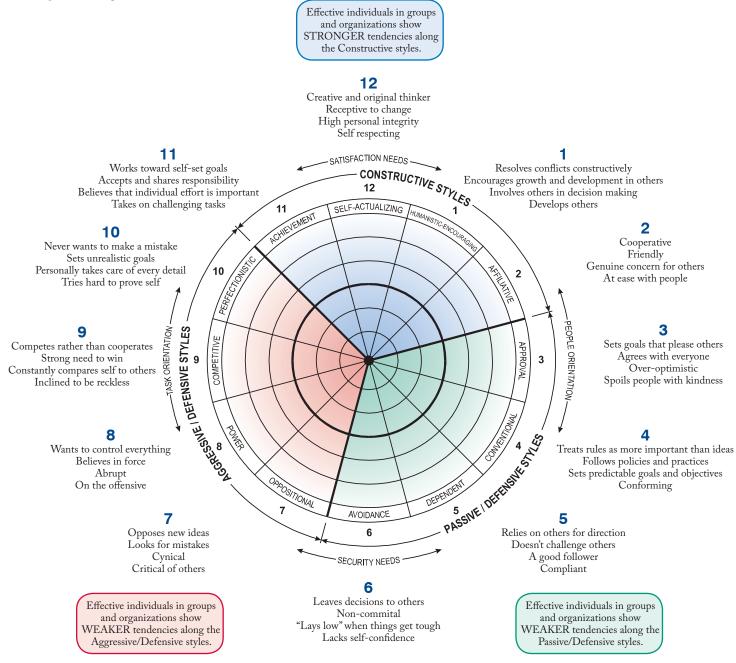


CASE STUDY INFORMATION SHEET

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About the Circumplex

Human Synergistics International's Circumplex provides a way to "see" what drives the performance of individual contributors, leaders, work teams and, in short, the entire organization. It illustrates the factors underlying performance in terms of 12 styles of thinking and behaving. Some styles lead to effectiveness and productivity; some do not. Regardless of their impact, they all describe what's happening inside the organization and provide a direction for change and development.



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