

The Triple AIM

Guidepost for Labor Management Partnership

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A review of research and writing about efforts by labor and management to form partnerships leads to a common observation: that building and sustaining them is exceedingly difficult. As of today, after four decades of efforts, there is only one truly large scale labor management partnership that remains: the labor-management partnership at Kaiser Permanente.

I have been writing about why labor-management partnership represents a new approach to re-building the labor movement. That idea is based on the notion that a labor-management partnership can and *must* evolve to be a competitive advantage for the enterprise and its employees in order to be able to master the constantly changing and ever-increasing challenge of the external forces that impact all enterprises, whether they are for profit, not for profit, or government owned and operated.

We also know from experience that there are at least four essential elements of a successful labor-management partnership:

1. Building a Shared Vision embraced by all
2. Business Literacy at all levels of the organization
3. Alternatives to traditional bargaining
4. Issue resolution/corrective action.

(“The Evolution of U.S. Labor-Management Relations,” by Thomas J. Schneider and John R. Stepp, has been reprinted by permission of the National Policy Association, Chapter 1 in “Part I: Historical and Current Perspectives” of Through a Glass Darkly: Building the New Workplace for the 21st Century, ed. James A. Auerbach)

I suggest that the most challenging, and therefore the core reason why labor-management partnerships are so difficult to build and sustain, let alone become a competitive advantage for an enterprise, its union(s), and the employees, is failure to develop both a SHARED VISION, and an operational strategy to make that shared vision a part of everyday life in the organization.

It is one thing to have a shared vision, yet another to have the means to achieve it with all stakeholders fully engaged. This is a very difficult road to travel, especially in the atmosphere of traditional labor relations.

In healthcare, we have what I believe is the shared vision that translates to action by individuals each day, no matter where they are: It is called the **Triple Aim: ^{***}(widely accepted as strategy to improve health care, see Centers for Disease Control and Prevention Policy Series 02, “Towards Sustainable Improvement in Population Health”)**:

- Improving the patient experience of care (including quality and satisfaction);
- Improving the health of populations; and
- Reducing the per capita cost of health care.

https://youtu.be/a_QskzKFZnl (this brief video by former Centers for Medicare and Medicaid (CMS) Director, Dr. Donald Berwick explains the Triple Aim)

The Triple Aim is patient focused.

The Triple Aim has no end-point.

The Triple Aim represents interests that are clearly embraceable by all giving no advantage to any interest over another.

But what I believe is most important about the Triple Aim is that it is not a goal, it is not a mission. Understood correctly, the Triple Aim is an *interdependent* continuous process of improvement. The Triple Aim requires that all participants in health care think and act *systemically* each day, with each encounter with each patient.

A whole system approach to improvement requires continuous learning. As such, the **Shared Vision in the Triple Aim is based on creating an environment of continuous learning.**

We should not be overly critical of the many efforts at collaboration and labor-management partnership that have come before. After all, most of these efforts were driven by a sense of crisis: loss of market share, loss of jobs, reduced benefits, concessionary bargaining. Such dynamics have dominated labor management relations from the late 1970s to the present.

For the many efforts at labor-management partnership, it made sense to the parties to set goals or establish a shared sense of vision that would ameliorate the many negative stressors on them. And while earlier efforts were successful for a time, for many reasons, few survived.

What we have learned is that a goal is not a shared vision; and a shared vision must be adaptive to what we know is true: that the external pressures on organizations never

relent, and that the achievement of a goal does not mean that the enterprise is able to survive the next challenge or the next.

A shared vision must survive leadership change, business or organizational crisis, or unforeseen calamities as well.

While there are many factors which differentiate the experience of the labor management partnership at Kaiser Permanente from all others, there can be no doubt that the organization has faced the same external pressures as the rest of the industry. Since 2008 for example, the organization faced the Great Recession, the implementation of the Affordable Care Act, three changes in the Chairman and CEO, and a realignment of the Coalition of Unions into several competing factions.

Through a shared vision to create a learning organization by the organization's Quality Improvement Infrastructure and the Labor Management Partnership and collective bargaining, the organization continues to excel in performance (In 2021, **Kaiser** Permanente California, Colorado, Georgia, Hawaii, Mid-Atlantic, and Northwest regions received **5** out of **5 stars**. Washington region received 4.5 out of **5 stars**), while the workforce continues to grow and maintain their industry leading conditions of employment.

At Kaiser Permanente, the Shared Vision of the Triple Aim is represented by the Value Compass:

Our Value Compass

"Kaiser Permanente's Value Compass succinctly defines the organization's shared purpose... a recognition of the challenges that every member of the group has the responsibility to meet every day."

"Building a Collaborative Enterprise"
Harvard Business Review, July-August
2011



The Value Compass was developed jointly by labor and management at Kaiser Permanente. It is similar to the Triple Aim. It is patient focused and calls for interdependency of its compass points:

Best Quality calls for continuous improvement in all aspects of the Kaiser Permanente model of care which is based on prevention of illness and injury for all of its more than 12 million members;

Best Service calls for continuous improvement in the experience of care;

Most Affordable calls for continuous improvement in the per capita cost of care which is dependent on the execution of care quality and experience;

Best Place to Work calls for and recognizes that the role of a highly engaged workforce is essential to achieving the other points of the Compass, and that the Compass provides guidance for the daily Shared Vision of how to act to achieve continuous improvement in all activity, every day.

In an illustrative article, "Kaiser Permanente's Performance Improvement System, Part 4: Creating a Learning Organization", (December 2011 Volume 37 Number 12 AP3 Copyright 2012 © The Joint Commission AP4 December 2011 Volume 37 Number 12 The Joint Commission Journal on Quality and Patient Safety) explains that the goal of both the achievement of quality of care and the goals of the labor management partnership are aligned to achieve **a learning organization**.

"A learning organization has the capability to improve, and it develops structures and processes that facilitate the acquisition and sharing of knowledge."

The article goes on to illuminate the path to success as a learning organization:

The organization identified six "building blocks" for achieving a learning organization: (1) real-time sharing of meaningful performance data; (2) formal training in problem-solving methodology; (3) workforce engagement and informal knowledge sharing; (4) leadership structures, beliefs, and behaviors; (5) internal and external benchmarking; and (6) technical knowledge sharing.

Through the collective bargaining process and as reflected in the National Agreements between Kaiser Permanente and its Unions, (see LMP website at Impartnership.org) both systems of practice and accountabilities were built in to support the goals of achieving and sustaining a learning organization. A notable example of the role of collective bargaining is the codification of the measurable development of unit based teams, the building blocks of who systems improvement throughout Kaiser Permanente.

Unit Based Teams are the multi-disciplinary teams in each department of the thousands of worksites across the organization. Guided by the Value Compass teams are charged with identifying improvement initiatives aligned with any one or all four of the points of

the Compass. Teams are rated on a one to five scale, with a Level 5 team having self-directed ability to take on such complex issues as staffing and financial performance, having fully integrated the building blocks of improvement as enumerated earlier in this article.

As an essential building block of collaboration and partnership, there are many ideas and lessons embedded in the many efforts to create a Shared Vision. While understood to be an essential building block of high performance and collaborative enterprises, the definition and execution of a shared vision proves to be much more than goal setting, or aspirational notions of values or mission.

High performance requires continuous improvement which is built on continuous learning.

As unions and management grapple with their future in our challenging present and future, we can hope that the model of partnership as learned and practiced at Kaiser Permanent can be expanded and continue to evolve.