

# Covenant Health Powers Engagement and Accountability with Transformative High Reliability Management System

Guidehouse gave Covenant the framework and tools to proactively address a dynamic market, empower leadership, and evolve into an aligned organization.

“Guidehouse got us further, faster. We are more capable, more resilient, and better equipped to navigate our transformation journey, thanks to this collaboration.”

**Walter Cathey**  
Regional Chief Executive Texas/New Mexico, Covenant

## Challenge

In 2021, leaders at Covenant Health, a multi-hospital subnetwork of Providence St. Joseph Health based in Lubbock, Texas, sought a methodology to guide a transformation that they could implement without much external support.

Like many health systems operating within a dynamically evolving market, Covenant leaders were challenged to take a new look at the organization's clinical operating model, physician network alignment, payer contracting vehicles, and governance structure. But achieving transformational change also required leaders to break down communication silos that existed throughout the system. It necessitated efforts to build higher levels of employee trust in the organization's leadership team, many of whom were new to their roles.

Covenant collaborated with Guidehouse to design a framework for healthcare transformation—tailored to the health system's unique needs—that would empower managers to take a lead role in innovation and employee engagement.

## Solution

Guidehouse's work with Covenant reflects a growing desire among health systems to build the capabilities for “self-driven transformation.” This is especially true for organizations that have embarked on prior transformation journeys and recognize the need to be continually adapting to market forces and developing the agility and resilience to meet the needs of more sophisticated, complex, and challenging customers.



“This high reliability management initiative has advanced our ability to solve the right problems with the right approach. We’re grateful to Guidehouse for designing a tailored framework for transformation that Covenant Health could deploy with ease.”

**Walter Cathey**

Regional Chief Executive Texas/New Mexico, Covenant

Leveraging its experience in helping health systems prepare for and undertake enterprisewide improvement, while understanding Covenant’s needs for developing a self-driven transformation framework, Guidehouse worked with Covenant’s leadership team to develop a high reliability management system (HRMS) organized around five key capabilities. The HRMS incorporated aspects of high reliability, human-centeredness, leader standard work, and project management into a system that gave busy executives the confidence that the work of transformation was proceeding “with greater reliability”—with transparency to process and outcomes, ownership from the frontline, attention to subtle aspects of design and implementation, and accountability integrated at all levels.

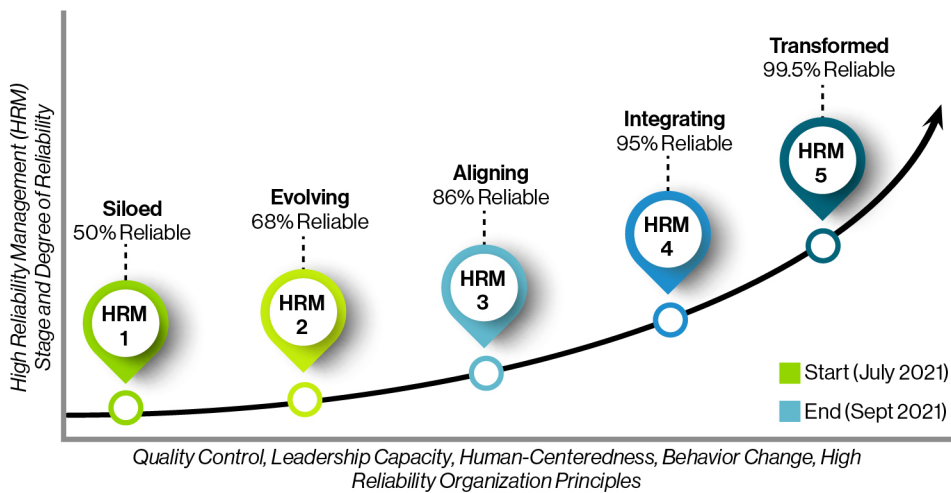
## Covenant Health’s Five HRMS Capabilities

- 1. Framing reality to solve the right problems.** This involved engaging experts across the system—such as nurses, social workers, and case managers—to pinpoint complex challenges, including throughput, staffing and space constraints, and work to develop holistic solutions. It also required leaders to let go of long-held beliefs around how to improve performance and resist simple solutions to complex problems. One initiative decreased length of stay for observation patients by co-locating patients rather than monitoring them across individual nursing units for increased visibility and efficiency.
- 2. Designing and deploying for impact.** Covenant engaged key stakeholders in owning detailed workplans for addressing complex concerns. It also developed a tracking system for managing progress toward action items, which provided visibility for leaders. Guidehouse worked side-by-side with stakeholders to train them in this process through one-on-one meetings and group sessions that helped position them for success.
- 3. Developing staff readiness, willingness, and ability to drive change.** Guidehouse translated the HRMS into specific behaviors that Covenant leaders could undertake to both kick-start and accelerate performance improvement. These included moving from a “controlled leadership” state to an “empowered leadership” state characterized by transparent, open, and proactive communication, a long-term versus short-term vision for improvement, and a more personalized approach to staff engagement.
- 4. Navigating interdependencies to prioritize resource needs.** Identifying critical interdependencies enabled Covenant’s leadership team to become more aware of critical roadblocks and bottlenecks that threatened high performance. From there, leaders could proactively develop solutions, such as by seeking ways to increase staff bandwidth and reduce the potential for burnout. One initiative centered on tracking barriers to timely discharge by expediting care for observation patients.
- 5. Establishing accountability to sustain momentum.** Covenant established timelines for meeting key milestones and metrics for measuring performance against agreed-upon goals. Top goals were inputted into a “realization matrix” that helped leaders visualize where to prioritize resources for performance improvement and held team members accountable for progress during weekly subgroup working sessions.

## Impact

By working with Guidehouse to establish a framework for high reliability management, Covenant was able to launch its enterprise transformation initiative without ongoing external support—and with dramatic results.


Within three months, Covenant leveraged a framework for high reliability management that enabled the system to evolve from a siloed organization to an aligned organization.



After six months, Covenant recorded higher levels of consistency in leadership across top tiers, with higher levels of engagement for most performance improvement initiatives. The HRMS also led to increased accountability in key functions and disciplines.

**As Covenant's enterprise transformation work continues, key areas of focus for high reliability management include:**

- Aligning performance improvement efforts across organizational functions.
- Defining leadership standards for all initiatives.
- Incorporating human-centered design principles into initiatives.

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### About Guidehouse Health

Guidehouse is a leading global consultancy with expertise in management, technology, and risk. The company's Health segment helps organizations modernize and innovate healthcare services, finances, and operations. Ranked the second largest healthcare management consulting firm in 2022 by Modern Healthcare, the Guidehouse Health team helps providers, government agencies, life sciences companies, employers, payers, and other organizations solve their most complex issues, overcome unique market challenges, and deliver advanced services to their communities and customers.

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