



## Transition Guide

*Healthcare Operations Management, Fourth Edition*

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**December 2021**

### Changes in the Fourth Edition

The fourth edition of *Healthcare Operations Management* continues its focus on helping the healthcare professionals of today and tomorrow meet the challenges of healthcare operations. It does so by identifying today’s major challenges such as waste, increasing costs and uneven quality. It then delineates the core principles of effective operations and embraces the new opportunities for improvement with the growth of digital technologies.

This new edition covers the basics of operations improvement and provides an overview of the significant trends in the healthcare industry. It continues its focus on the strategic implementation of process improvement programs, techniques, and tools in the healthcare environment.

Major additions to this edition are two new chapters on the impact and use of digital technologies. The analytics chapter has been expanded to embrace big-data and advanced analytical approaches. Although these new technologies are important drivers of change this new edition emphasizes that the digital transformation of healthcare is not about the technology itself—it is about the use this new technology to improve operations.

### **New material includes:**

<b>Part I – Introduction to Healthcare Operations</b>	
1. The Challenge and Opportunity	This chapter has significant revision and now has a major emphasis on costs as the major issue in US Healthcare today. It also identifies the impact of digital technology as a key tool for achieving high quality, low-cost operations.

2. History of Performance Improvement	No significant changes have been made.
3. Evidence-Based Medicine and Value Purchasing	The use of Evidence Based Medicine as a core component of clinical care delivery improvement is updated along with advances in best practices for chronic disease management. A new section outlines a template for an organization to migrate its value purchasing systems from bundled FFS to global capitation.
4. Use of Technology in Healthcare Delivery – <b>NEW CHAPTER</b>	This is a new chapter. Digitization, integration and caregiver access to digital patient records has multiple benefits including reduced costs, improved quality of care, conformance to protocols and patient experience. However, setting up an interoperable and secure electronic medical records infrastructure is a challenging task, with both technological and user level challenges. This chapter discusses this move to digitize patient medical records, its benefits and associated challenges.
<b>Part II - Setting Goals and Executing Strategy</b>	
5. Strategy and the Balanced Scorecard	The use of the Balanced Scorecard as the tool for strategy execution is updated with current terminology and the reporting and dashboard activities is now more closely tied to analytics chapter 8.
6. Project Management	No significant changes have been made other than updated terminology for both waterfall and Agile project management.
<b>Part III - Performance Improvement Tools, Techniques, and Programs</b>	
7. Tools for Problem Solving and Decision Making	No significant changes have been made other than removing the section on linear programming. This subject is now covered in detail in chapter 12.
8. Healthcare Analytics	The amount of data in healthcare systems has placed an increased need for better analytics. This chapter has expanded its content on the rationale behind good analytics and a process for developing healthcare dashboards
9. Quality Improvement in Healthcare	This chapter now highlights how quality management and data analysis are being used to improve both clinical and non-clinical processes. The blending of these two areas in quality

	management has yielded significant cost reductions and process alignment in healthcare.
10. Lean Healthcare	This chapter highlights the use of Lean in healthcare systems. A greater emphasis has been placed on the tools for executing lean and the techniques to successfully deploy lean in healthcare.
<b>Part IV - Applications to Contemporary Healthcare Operations Issues</b>	
11. Process Improvement and Patient Flow	Health care processes are undergoing transformation and this chapter addresses this major change through updated examples of successes, expanded definitions of process metrics and the use of a broad spectrum of new digital technologies.
12. Scheduling and Capacity Management	No significant changes have been made other than updated references and examples
13. Supply Chain Management	The supply chain in healthcare due to telemedicine and other factors has extended beyond the 4 walls of clinics and hospitals. This chapter has highlighted the dynamically chaining supply chain environment in healthcare.
14. Improving Financial Performance with Operations Management	This chapter returns to the management of cost and reduction of waste as was outlined in Chapter 1. It includes updated terminology and concepts and it also connects directly with examples from <i>Healthcare Finance 8<sup>th</sup> Edition</i> (Reiter and Song.)
<b>Part V - Putting it all together for Operational Excellence</b>	
15. Emerging Trends in Healthcare – <b>NEW CHAPTER</b>	This is a new chapter. Advancements in technology and emergence of new care delivery model hold the potential to make substantial changes to healthcare delivery. In this chapter we discuss some of these emerging trends and their applications in healthcare delivery.
16. Holding the Gains	The book concludes with an update from the prior editions of the optimal model for continuous operations improvement in an organization. It integrates all the new chapters and revisions throughout the book.