



NavicentHealth
*Everything about us is all about **you.***



Mercer University
School of Engineering

March 30, 2015

About Navicent Health

Navicent Health, formerly Central Georgia Health System, was incorporated on November 17, 1994, as a nonprofit corporation whose primary purpose is to coordinate the Medical Center, Navicent Health and other affiliated entities in their mission of providing a comprehensive continuum of high quality, reasonably priced healthcare services to the region. Navicent Health has 830 beds for medical, surgical, rehabilitation and hospice purposes. The health system includes:

- **Medical Center, Navicent Health**, a nationally recognized tertiary teaching hospital;
- **Children’s Hospital, Navicent Health**, the region’s only dedicated pediatric hospital;
- **Medical Center of Peach County, Navicent Health**, a rural critical access hospital;
- **Rehabilitation Hospital, Navicent Health**, the region’s oldest and most experienced rehabilitation provider;
- **Pine Pointe Hospice, Navicent Health**, which provides palliative and hospice care in homes and in its facility;
- **Carlyle Place, Navicent Health**, the area’s first continuing care retirement community;
- **Medcen Community Health Foundation, Navicent Health**, the philanthropic arm of Navicent Health; as well as diagnostic and home care services.

Navicent Health Values

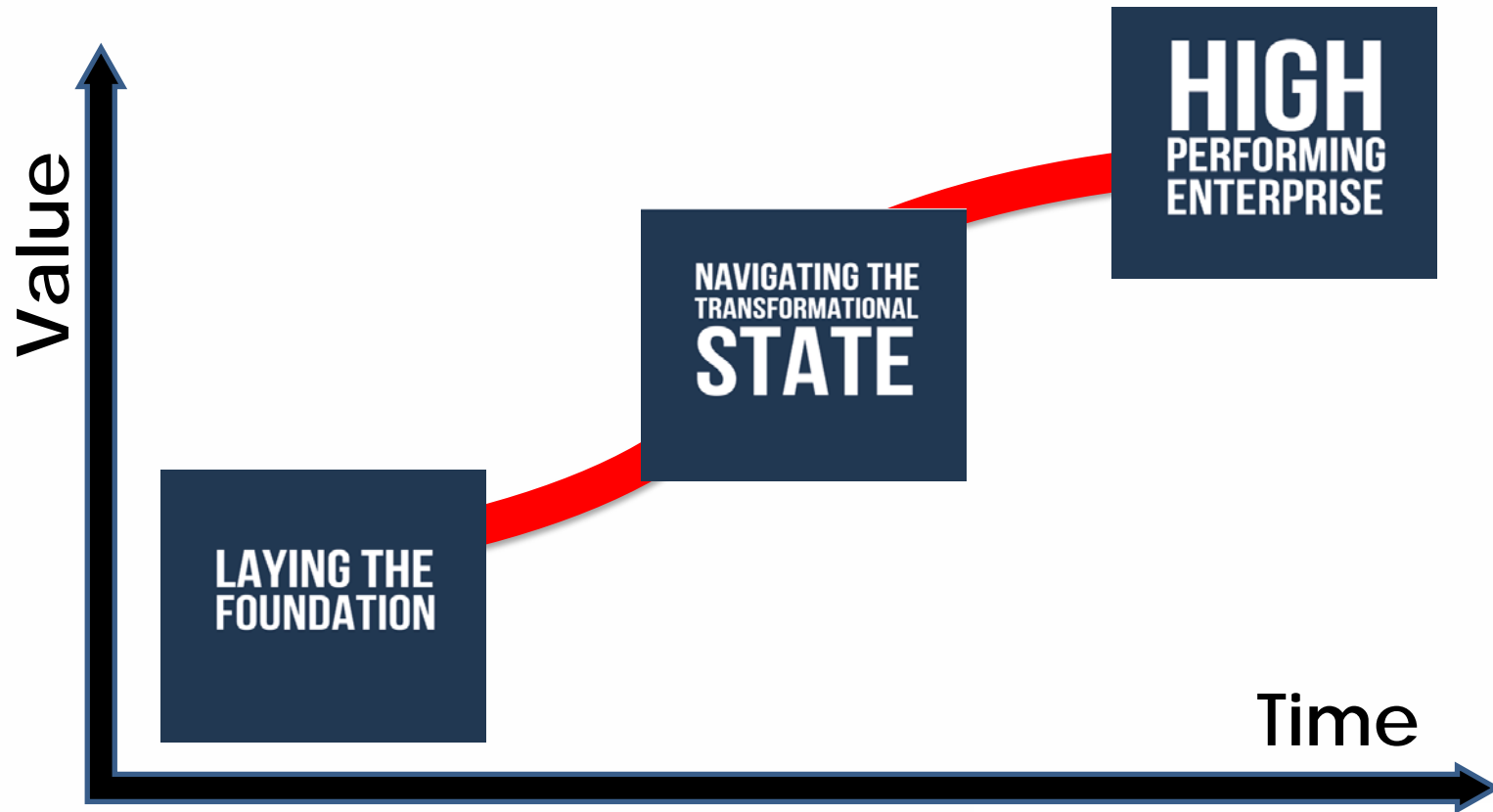
Core Values

- Acts with **INTEGRITY** in all relationships
- Demonstrates **CARING** for others
- Acts with **RESPECT** towards others

Contributing Values

- Demonstrates **LEARNING** in one's work environment
- Demonstrates **PASSION** to one's work and to the organization
- Engages in effective **TEAMWORK** to accomplish tasks and meet performance goals

Journey to Excellence



LAYING THE
FOUNDATION

NAVIGATING THE
TRANSFORMATIONAL
STATE

HIGH
PERFORMING
ENTERPRISE

Reflections



Strategy • Operations • People

S

- Smart Growth
- Physician Hospital Alignment
- Academic Partnerships

O

- Clinical Excellence
- Service Excellence
- Cost Excellence

P

- Employee Engagement

What's Happening?

The Emergence of a Retail Healthcare Market

Old Wholesale Market

- Providers sell themselves to physicians and insurers
- Employers make decisions on behalf of thousands of individuals and their families

Implications

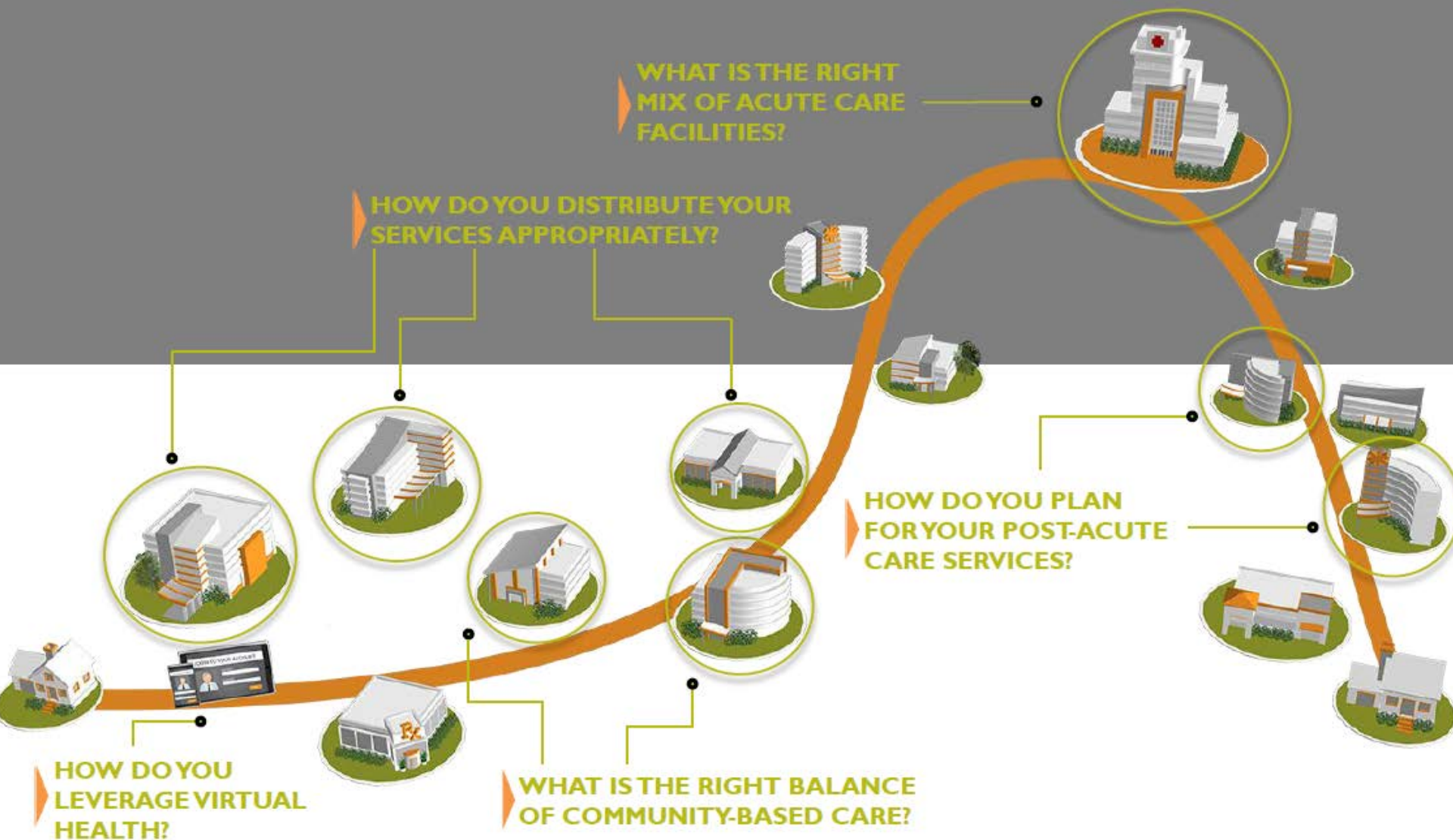
- Broad networks rule
- Higher prices benefit payor and provider

New Retail Market

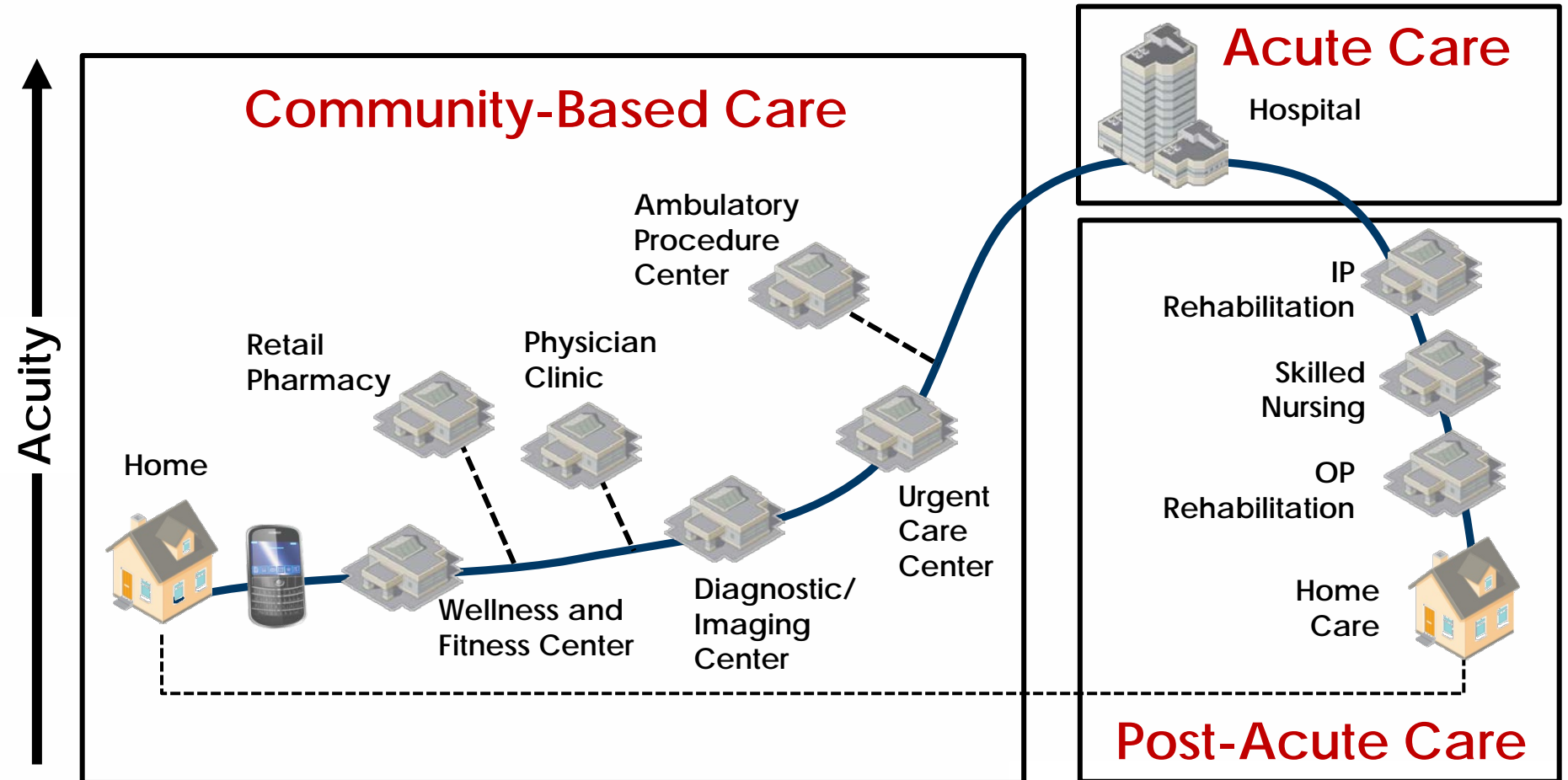
- How it Works
- Providers sell themselves to patients and physicians
- Individuals make decisions on benefits, providers and course of care

Implications

- Individuals trade off price for narrow networks
- Transparency (price and performance) change the game



System of Care

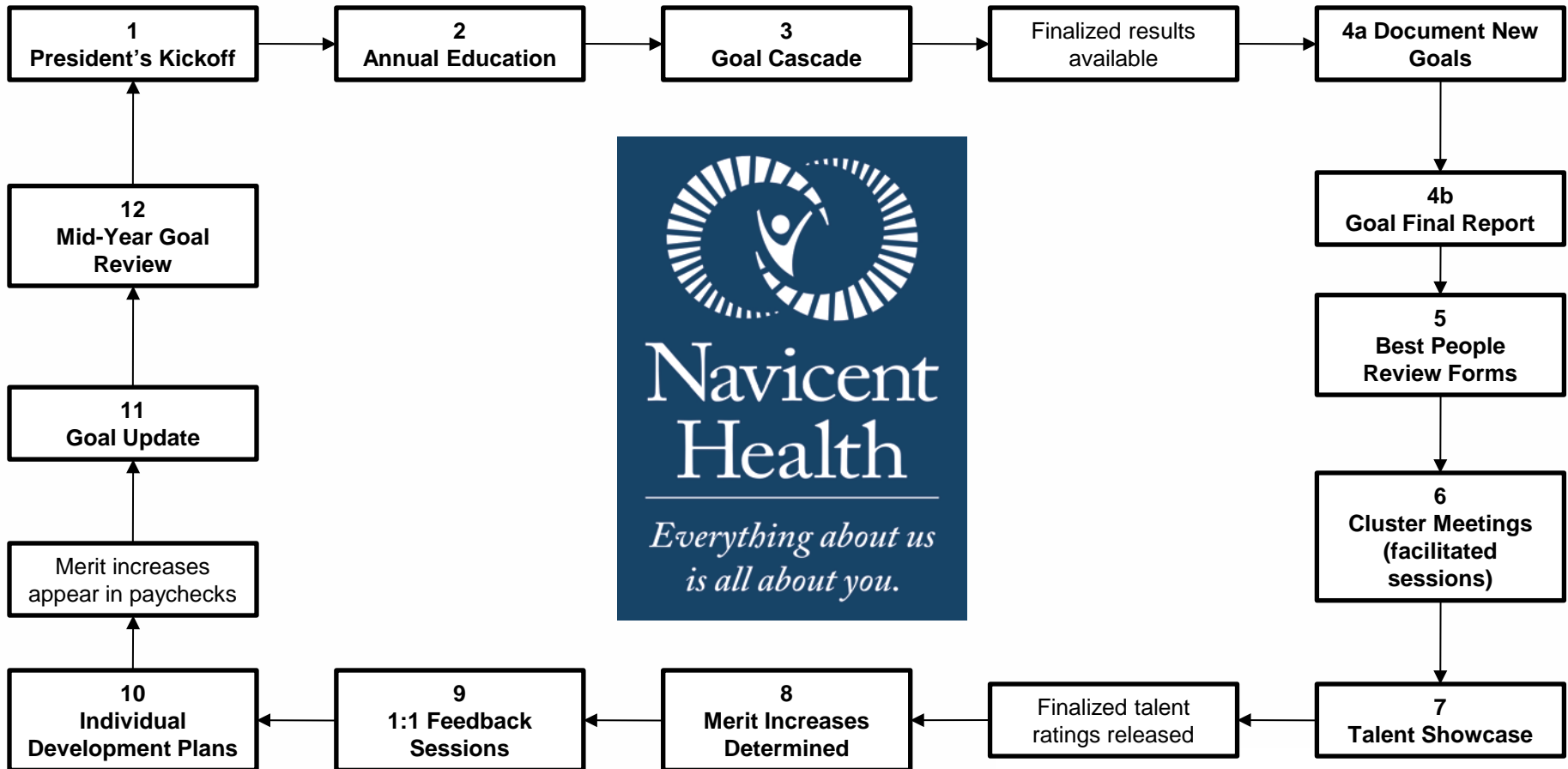


CARE = Clinical Alignment and Resource Effectiveness;
IP = inpatient; OP = outpatient; SNF = skilled nursing facility.

Navicent Health Value Index



Best People Review Model



Best People Review – Talent Matrix

Values

Performance

	Exceeds	Meets	Needs Improvement
Exceeds	Top Talent	Highly Valued	Development Needed
Meets	Highly Valued	Valued Contributor	Development Needed
Needs Imp.	Development Needed	Development Needed	Unsatisfactory

HIGH PERFORMING ENTERPRISE

Learning
Never Ends

Ability to
Change
Quickly

Commitment to
Excellence

Shared
Vision

Rigor

LEAN

Consistency

Sunsets
Outdated Practices

Process
Driven

Partners

Hands-On

Proactive

Courage

Leads &
Follows

Simplicity

Celebrates
Success!

Communicate
Communicate
Communicate

Capable

Competent

Learns From
Failure

Measures
Everything

Leaders Protect **BIG** Ideas

Disruptive



Incremental

Needs to be supported and protected by senior leadership

How big is it?
What value does it bring?
What is the pain index?

Can likely be integrated with limited resistance



- How do we commit to this idea?
- What is the risk if it is not executed?
- Who is affected most positively or negatively?
- What is the exit strategy if things change?
- How do we over communicate?

Blue Ocean Strategy & Innovation

Premise

The basic premise of the authors Kim and Mauborane is that many companies that win in the marketplace do so in ways that make their competition irrelevant.



**Managers who focus only on competition
are likely to not see blue oceans...**

Red Ocean

The Red Ocean represents the fiercely competitive arena where most companies compete

Red oceans are all industries in existence today – the known market space. In red oceans, industry **boundaries are defined and accepted**, and the rules of competition are known. **Here companies try to outperform their rivals to grab a greater share of product or service demand.** As the market space gets crowded, prospects for profits & growth are reduced.



Blue Ocean

The Blue Ocean is open and not filled with competitors, uncontested market space!

Blue oceans, in contrast, denote all **industries not in existence today** – the unknown market space, untainted by competition, **In blue oceans, demand is created rather than fought over**. There is ample opportunity for growth that is both profitable and rapid. **In blue oceans, competition is irrelevant because the rules of the game are waiting to be set**. Blue ocean is an analogy to describe the width of market space that is not explored.



Red Ocean vs. Blue Ocean

Difference Between the Two Oceans:

Red Ocean Strategy

Compete in an existing market space

Beat the competition

Exploit existing demand

Make the value-cost trade-off

Align the whole system of a firm's activities with its strategic choice of differentiation or low cost

Blue Ocean Strategy

Create uncontested market space

Make the competition irrelevant

Create and capture new demand

Break the value-cost trade-off

Align the whole system of a firm's activities in pursuit of differentiation and low cost



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