

## University of North Texas Health Science Center: Culture's Role in their Vision to Become a Top Ten Health Science Center

**“Higher education is not typically on the cutting edge of organizational change,”** comments Dr. Thomas Fairchild, Vice President for the Office of Strategy and Management at the University of North Texas Health Science Center (UNTHSC), “but that doesn’t mean it can’t be done.” UNTHSC faces some unique challenges as both an academic institution and a healthcare provider. Since 2005 they have worked to create measurable improvements by employing effective strategic changes and leadership development throughout the center. The journey has not always been an easy one, but one they have taken on with diligence and attention.

### The Journey Begins

UNTHSC, in Fort Worth, TX is one of nine public health institutions in Texas. The school began in 1970 as the Texas College of Osteopathic Medicine (TCOM) and has since expanded to include the Graduate School of Biomedical Sciences, The School of Public Health, the School of Health Professions and the clinical practice known as UNT Health.

Currently, they train nearly 1600 students to be physicians, researchers, public health officers, physician assistants, physical therapists and other health professionals. They also employ more than 400 full-time faculty, 800 part-time and adjunct faculty and 1300 staff members. Over 240 physicians and clinical providers attend to nearly 600,000 patient encounters in 31 clinics across Tarrant County. TCOM was recognized by *US News and World Report* for the past eight years as a top 50 primary care medical school and was ranked #11 for family medicine, #15 for geriatrics, #19 for primary care and #22 for rural medicine in 2010.

Despite these impressive numbers, UNTHSC has also experienced its share of challenges over the last decade. With the dynamics of being both a state funded academic institution and a healthcare provider, they faced

challenges from both spheres, including:

- Increased competition for top students
- Declining reimbursement for healthcare
- Increasing competition in the healthcare market
- Increased demands for accountability – previously not the norm in the academic setting
- Growing concerns about declining federal funding for research
- New research models that are driving funding agencies

### New Strategic Map and a New Leader

As typical of many academic institutions, each of the schools and departments within the UNTHSC were very autonomous, to the point of being siloed. Faced with increasing budget cuts and pressures from outside, it became obvious that they needed to work together in new ways to meet these challenges. The leadership at UNTHSC developed a strategic plan but needed a transformational leader who could leverage the strengths of the organization and execute that plan. They found their leader in Dr. Scott Ransom. In the summer of 2006, Dr. Ransom joined the organization as president. Ransom was an osteopathic physician and also had two additional degrees to leverage: a Master of Public Health (MPH) from Harvard University and a Master of Business Administration (MBA) from the University of Michigan. Ransom’s understanding of the clinical, academic, business and community engagement areas were critical to helping them create the changes needed for sustainable progress.

### UNTHSC's Model for Culture Change

In 2006, the executive team presented Ransom with a strategic plan and he quickly began learning about and refining the five mission centric areas of the organization: Administration, Academic Affairs, Research, Clinical

Affairs and Community Engagement. At this time, UNTHSC was also preparing for a biannual legislative session in January of 2007 that would determine their budget for the next two years. All of this created the perfect platform for Ransom and his executive team to execute on the new strategy and to realize their vision of becoming a top ten health science center.

As they were trying to change their strategy they turned to their culture: “Culture trumps strategy – as we were trying to change our strategy to be one focused on performance, we would benefit from having a baseline of our culture,” comments Fairchild, a member of the executive team. In 2007, they used the Denison Organizational Culture Survey. “We needed to understand where we were and then move very deliberately to target the different areas and priorities across the campus to drive the change we wanted to see.” They also used the model as a roadmap to help them drive their performance, “We looked at the model and asked, ‘What does it tell us about what high performing organizations do?’ and then we started to build in those pieces that we thought were important.”

Overall results left room for improvement. The Mission indexes had the highest scores along with Core Values. The good news was that they had a strong foundation to build from. Ransom and his team, having a strong background in organizational development, adopted their framework for change from John Kotter’s 1995 book, *Leading Change*. Their principles included:

1. Unfreezing the old culture
2. Forming a powerful guiding coalition

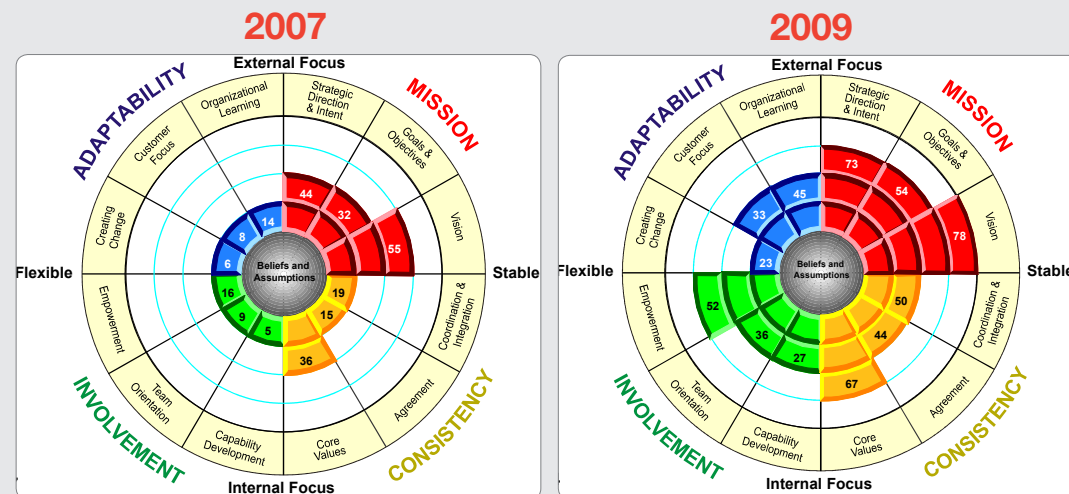
3. Developing a vision and strategy
4. Communicating the vision and strategy
5. Empowering employees to act on the vision and strategy
6. Generating short-term wins
7. Consolidating gains and producing more change
8. Refreezing new approaches in UNTHSC culture

### The New Mantra: Alignment, Accountability, Transparency and Teamwork

Using these principles, UNTHSC embarked on changing their culture to include four basic tenants: alignment, accountability, transparency and teamwork. With his extensive background, Ransom had the unique perspective to be able to address each of the different stakeholders in the organization: faculty, clinicians, deans, chairs and department heads. He stressed greater accountability and transparency up and down the organization. Communicating the new vision and strategy to the organization took top priority and was presented formally through town hall meetings, presentations, and online publications and informally through group and department meetings, discussions and picnics. The leadership took every possible opportunity to share their message. Over time, they began to rally more and more people to their guiding coalition.

The Office of Strategy and Measurement (OSM) was created to help support their commitment to transparency, measuring results with timely and accurate data. The OSM is responsible for collecting, analyzing and reporting internal and external data in support of their strategy. Dr. Thomas Fairchild was appointed Vice President of the Office of Strategy and Measurement.

**Figure 1: 2007 - 2009 Denison Organizational Culture Results**



*UNTHSC showed significant increases between 2007 and 2009. Significant increases were seen in all traits of the model, averaging 27 percentile points per index. The most significant increase was seen in Empowerment followed by Core Values, Coordination & Integration and Organizational Learning,*

Strategic Thinking Councils (STCs) were also created for each of the mission-centric councils. These were made up of key stakeholders from all levels of the organization and their mission was to examine issues that affected their specific area of the strategic plan and provide feedback to other areas of the campus. During this time, they made efforts to help people understand the importance of alignment. Aligning jobs, roles, strategies and goals throughout the organization to help each individual understand how they contribute to the overall strategy. “The institutional leaders made great efforts to make sure there was a line of sight between an individual’s role and the attainment of a particular strategy,” says Fairchild. Accountability and transparency extended beyond the executive team to the entire campus community. The changes at the executive level demonstrated a significant shift and signaled to the rest of the community that business was being done differently.

### Creating the Leadership Development Institute

The executive team did a lot of listening to determine where development opportunities existed in the organization and how they could help their faculty and staff. One place they saw a need was in basic leadership and management skills for the Leadership Team. UNTHSC created the Leadership Development Institute (LDI) to address this need.

The LDI was devoted to building the skills and experiences in areas such as personal awareness, communication, management and weaving strategy into day-to-day management. Through the LDI, UNTHSC developed and refined a performance evaluation

tool for faculty and staff to help create and maintain the accountability and transparency mantras of the new strategy. Resources, tools and courses were developed and implemented to help faculty and staff understand how to effectively evaluate their staff members. For example, many chairs and deans did not have the essential evaluation skills in things like progressive discipline. Therefore, when it came time to make a decision about a faculty member, there was no record of the struggles or challenges they had. The curriculum of the LDI is fluid so as to meet the needs of its members and tackle important issues on a timely basis. UNTHSC has also been making strides to develop programs to help faculty and staff at lower level management roles and those moving into supervisory roles to develop some of those same values and skills.

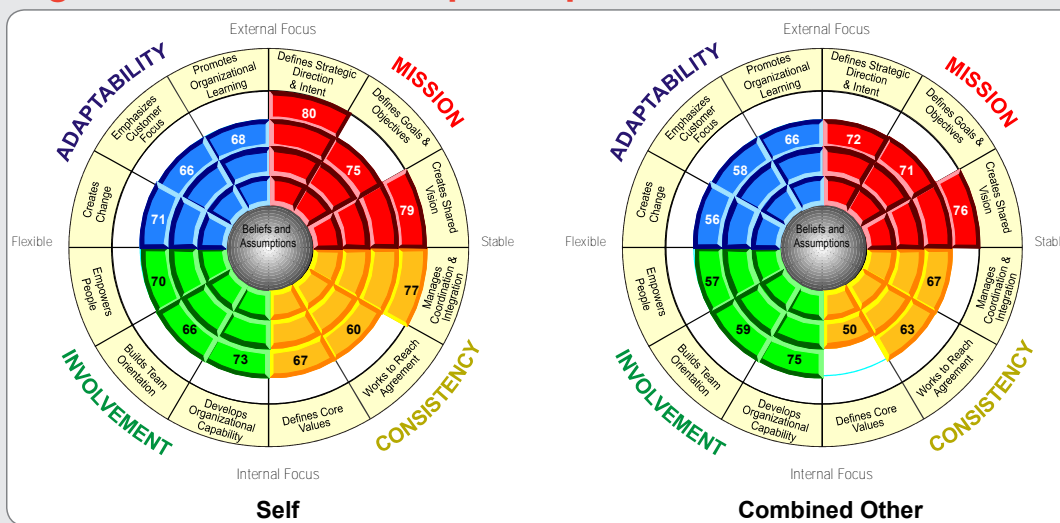
### Measuring Change

In 2009, UNTHSC resurveyed their entire faculty and staff using the Denison Organizational Culture Survey to understand the effects of the work they had done and determine future efforts. Significant progress was made in all areas of the model. Increases ranged from 17 percentile points in Creating Change to 36 points in Empowerment. (Figure 1) As departments received their results, they were challenged to examine the opportunities and to create action plans that aligned with the strategic map. “Denison has been a huge part of our success because it has given us the ability to understand who we are, what we are and where we are,” says Fairchild.

### Leading Change Through Individual Development

In step with the culture changes, the leadership within the

**Figure 2: 2008 Leadership Composite**



*The Leadership Composite from the executive team shows strong scores in Mission from both the self perspective and the ratings of the Combined Other, including Bosses, Peers, Direct Reports and Others.*

organization was making strides. Ransom worked with each team member individually to develop a written set of performance expectations with stretch targets. They included individual goals as well as team goals that reinforced dependency and teamwork across department and functional boundaries. Setting these expectations wove accountability into every executive team activity and helped them “walk the talk.” Each member was also expected to take the Denison Leadership Development Survey.

UNTHSC took a structured approach to the Leadership Survey. They were careful to position the survey as a development tool, rather than an evaluation tool. They

held information sessions to give those rating the leaders an understanding of the Denison Leadership model and how their feedback would benefit the leader. A former dean of an area business school, held coaching sessions with each leader. Executives determined their individual focus areas and linked those areas back to the strategic map and goals for the next fiscal year. Fairchild comments, “The Denison Leadership Development Survey gave us focus. It helped in large part to clarify needed behaviors for the key leaders and in building skills in communication that helped us in our overall effort of trying to have crucial conversations, build trust, transparency, and accountability.” (Figure 2)

**Table 1: Performance Measurement Trends FY 2005-2010**

Measure	2005	2010	Change
Total Revenue	\$113 M	\$214 M	91%
Admin Costs (% of total expenditures)	11.83%	7.72%	-35%
Student Enrollment	1049	1579	51%
Total extramural research award funding	\$20 M	\$42 M	110%
Dollar value of grants applications submitted	\$133 M	\$225 M	69%
Patient encounters	153,552	588,574	283%
Number of alumni donors	112	854	663%
Number of employee donors	654	1,052	61%
Total amount of gifts	\$967,760	\$30 M	3000%
Creating Change	3.17 (.68)	3.17 (.67)	3.25 (.67)
Customer Focus	3.38 (.65)	3.38 (.65)	3.52 (.66)
Organizational Learning	3.23 (.82)	3.31 (.68)	3.37 (.67)

UNTHSC Progress Report 2010

### Measurable Outcomes

UNTHSC has made remarkable change in their culture and gains toward their strategy goals. Just a couple of years ago, each school and department was run independently with their own goals and budgets. Today, they continue to align themselves, using culture to help them reach their strategic goals.

Since 2005, they have made significant progress in many of their measurable goals which they publish each year in their annual report and on their website. (Table 1) “We’re certainly not perfect,” comments Fairchild, “we’re still on the journey but we continue to make strides and ask the hard questions. We continue to use Denison to look at our culture and use our culture to manage our strategy. Culture has an amazing power in how it shapes us and how we can use it to help us become a top ten Health Science Center in the future.”

### Related Resources

Ransom, Scott, et al. (2008). “Implementing Quality as the Core Organizational Strategy.” *The Healthcare Quality Book 2nd Ed.* Chicago, IL: Health Administration Press.

Denison Consulting. (2010). *Case Study: Change Readiness at Adventist Health System: How Organizational Culture Can Help Hospitals Implement CPOE Successfully.* Ann Arbor, MI: Author

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