Top interview: Continuous Management Innovations at a Health Care Field
-- Purposes and Issues of Healthcare Version TQM Told by the Top of a Hospital --

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Shuhei Iida

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1979:	Received a degree of Doctor of Medicine(PhD)
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Recently, the healthcare system in Japan has been greatly changing. The Ministry of Health, Labor and walfare points out that all healthcare institutions need "to improve the healthcare quality" and "to improve the healthcare efficiency." Our interviewee this time at the Top Interview, Shuhei Iida, is the director of Nerima General Hospital that has about 600 outpatients each day on average, with 244 beds and 300 employees. In addition, he has dealt with reforms of the Japanese healthcare system in general, as an executive director of All Japan Hospital Association and the chairman of its committee for improvement in healthcare quality. Besides, he is the vice chairman of the Japanese Society for Quality Control and has deep knowledge of quality control. In fact, under his powerful leadership, Nerima General Hospital has introduced advanced quality control methods one after another into its healthcare field. Especially, since 1996, the hospital has implemented MQI (Medical Quality Improvement) which is a healthcare version of TQM (total quality management).

What activity is this MQI and what are its purposes? And what issues can be seen on the way of further reform? We asked Dr. Iida to openly tell us about these subjects.

Socialism and Capitalism in the World of Healthcare

Editor: I'm pleased to meet you today. Many problems of hospital management have been getting a great deal of attention these days. For example, it seems that issues such as increase in remuneration for healthcare service have impacted the hospital management very much. At first, would you tell us about your thoughts on issues of healthcare management in general?

Iida: Management is greatly influenced by a system, for it exists in a social system.

A system to provide healthcare is called the healthcare system. Its financial system is called the healthcare insurance system. When they are combined, it is called the healthcare system in a broad meaning. In this healthcare system, the healthcare insurance system earning money for a hospital operates in absolute socialism. It operates surrounded by numerous regulations so that it can be called socialism.

When we pay money for expenses and costs at a hospital, it all operates in capitalism. We pay for annual pay raises, basic wage increases, healthcare equipment purchase, and payment for contracted and pharmaceutical companies. How do we keep balance between healthcare income in socialism and expense in capitalism? Well, we cannot.

Now, the biggest issue we have is to reduce healthcare costs for patients, so that the healthcare income tends to decrease for a hospital as well. However, patients want good equipment and good healthcare employee. Then, we have more healthcare expenses, such as costs of personnel and materials. Thus, the amount of expenses increase and earnings decrease, and if nothing is done about it, of course the balance goes into the red.

Although we often say that regulations should be relaxed, they have been actually tightened in many ways. We have to know in which direction the healthcare system and economy have moved in our society, for these two are related.

Until now, doctors and hospital managers did not have to know much about social movements, but only about the healthcare insurance. They used to be able to manage a hospital by making minor changes for an increase in remuneration for healthcare service and so on. However, now we have to do much more.

The biggest thing we have to keep watching in this changing society is changes of various values, not only in Japanese economy but also in many areas and many ways. This is very difficult. Particularly, employees do not think like they used to, and the sense of belonging is almost a dead phrase. The current labor market for healthcare is too mobile in Japan.

Editor: Is it for nurses, not only doctors?

Iida: Nurses are most mobile.

Editor: How about other employees?

Iida: It is a recession in the economy and there are fewer jobs available, so that other employees do not quit right now. If the economy gets better, they would tend to quit as well. In this recession, doctors and nurses can still find a job if they are not picky. And those with special ability can easily find a job, too. It is very hard to motivate them to stay working at a same hospital.

Healthcare does not operate in a so-called market economy. However, I am not insisting that we should not introduce a market mechanism in healthcare. Although I think that a market

mechanism will be good for healthcare, it is most important, right now, to figure out how to deal with entries of private corporations. Good corporate managers do not enter into the healthcare business that causes most troubles and lest profit, since they aim for profit. If they enter into the healthcare business, it is because they like to make profit in industries around healthcare. While they run a hospital with no profit or some loss, they want to make profit in industries around healthcare. They use a hospital to attract customers.

Editor: When they enter into healthcare to make a profit in its surrounding industries, the quality of healthcare at a hospital itself will certainly become worse.

Iida: No, it is not necessarily true. In spite of deficit operation, a hospital can maintain the quality of its healthcare and gain a high reputation, and they can profit in its surrounding industries. Of course, some hospitals might worsen the quality of its healthcare. However, like in the United States, a corporation can purchase all of its competitors through M & A (mergers and acquisitions), and ruin them. They have no more competitors and make more profit here as well. This is the same as supermarket store chains.

Then, I insist that the healthcare system itself needs to be more attractive for private corporations, so that they will enter into healthcare just to run a hospital, regardless of surrounding industries. If we can compete with them only by running a hospital itself, not adding its surrounding industries, we would never lose in competition. If we can compete with them only by running a hospital itself, it will be the case. However, in the current situation, we lose to private corporations. When a deficit operation is inevitable in the field of healthcare, they enter into it knowing the deficit.

Everyone complains saying, "It is not good to bring the profit from a hospital out to somewhere else." However, I do not think so. It is fine for a corporation to bring the profit made at a hospital out. On the other hand, when a corporation brings the profit from somewhere else into a deficit hospital, we cannot win in competition with it. If we can compete with a corporation under a same condition, we welcome entry of private corporations into healthcare. Rather, entry of a public hospital into healthcare is more problematic, for it depends on a subsidy and transferred money. For a public hospital, a deficit operation is not a problem. We cannot compete with a public hospital. A private corporation is better for us to compete with.

Besides, a hospital itself does not have a good operation system to be managed soundly. A land and a building for business cost money, even before they can produce their products and sell them. A hospital cannot be profitable paying for a land and a building only with the current income of remuneration for healthcare service..

For example, Nerima General Hospital has an old building on narrow land and wants to replace them to new ones. However, when we buy a land and build a hospital in Tokyo, it will never be profitable. For other industries, they can still be profitable buying land and building a store or a factory in Tokyo. For example, if they buy land and build an apartment in the center of Tokyo or a suburb, it will be profitable. However, a hospital cannot be profitable, for the healthcare insurance system that earns money for a hospital operates in socialism. This is a contradiction. It is not because hospital managers do not understand management. If they have the same operating system and condition as general industries, they can manage a hospital with no problems.

Editor: It sounds difficult to realistically solve these fundamental issues. How have you tried to solve them?

Iida: I think that it is impossible to solve them. We can only discuss them with hospital groups, healthcare associations, governmental committees and examination meetings. While this takes a long time, each healthcare institution needs to deal with them by itself. It is very hard.

If we keep this socialistic system of healthcare insurance, it is the best for our government to take charge of healthcare equipment in a hospital and for us only to manage a hospital, considering healthcare as social infrastructure in Japan. Otherwise, we cannot compete. Only public hospitals can bring money from somewhere else, use taxes to build, and still annually have a few billions of yen in the red. Of course, people say that "That public hospital is new and big." Their basic operating system is different from ours. This is why it is so hard for a private hospital to survive.

Quality Innovations at a HealthCare Site

Editor: It sounds troublesome. Dr. Iida, since you were appointed as the director at Nerima Hospital, you have been very aggressive to introduce many new things for the reform of the hospital. MQI is symbolic of the reform. First, would you tell us about MQI?

Iida: MQI stands for the Medical Quality Improvement. In the healthcare world, it is also called CQI (Continuous Quality Improvement), and it means activities based on TQM (Total Quality Management), using terms of quality management.

I am involved in the world of quality management as well. We still do not have a firm notion of what TQM means. The concept of TQM is rather broad.

In last November, I put my thoughts together in "The Total Quality Management, Learned from Healthcare" as the text No. 312 for the quality month of November (People involved in the quality management activities set every November as the quality month). Although additional copies of this text were printed, they are all gone. We need to print more copies. I have more case studies to add in its revised edition. In this text, I wrote basic things about what to think and do in order to manage. They are my thoughts which I have reached going through the MQI activities.

The concept of MQI was born during free discussions at a training meeting of Nerima General Hospital executives in March, 1996, when we went to a hot spring for three days, staying overnight. We said that the quality is now important in healthcare. In the same year, Japan Council for Quality Health Care happened to start the hospital accreditation. We need to improve the healthcare quality. We started activities to improve its quality at Nerima General Hospital.

For several years preceding the year, I had bought books on quality management, TQC and TQM, and distributed them to hospital employees, saying "Please read this book," as well as introduction of other various activities. Therefore, we had some foundation to start the MQI activities. Employees at the hospital said to me," Let's do it" and MQI started. We have changed basic MQI concepts several times so far, after twists and turns, and this year we are again changing them greatly.

Every organization can go smooth with these kinds of activities for several years. Although everyone at an organization has been eager to be involved in the activities for two or three years, they get stereotyped or tired after those years. At Nerima General Hospital, both cases have happened. We have repeated this cycle of activities and attracted employees with many activity changes. However, this current method has a limit.

While we had discussed about MQI many times with our employees, I think that it is a problem for us to expressly have to say any of MQI or TQC or TQM. Just like a motto or a principle of a company, it has needed to be said, just because this concept is not realized,. If it is realized, we do not need to say it loudly. Something like the air is the best, and this concept is not like the air.

I have been thinking a lot during MQI. It is impossible for us to do the MQI activities without special awareness. Even though the activities are going well at this moment, when the activities are the status quo, and people and situations change, they will be degenerated or receded. We have to be ahead of the flow of the times, not only catching up to it. When we try to catch up, we will be left behind. Thus, we have to be ahead of it.

A viewpoint of a manager, such as a hospital director and a chairman of a board of directors, is different from those of executives or general employees. While I, a hospital director, have a sense of impending crisis, others feel differently, like "It is OK." We cannot close this gap of awareness at all. How to close this gap is an everlasting problem.

I have changed the content of MQI activities several times in the past, and now, have been trying its major change for some years. Some of the content of MQI activities is already changed this year, and it needs more fundamental changes. As a compilation of my experience, I wrote a book titled, "Total Quality Management in Healthcare: Nerima General Hospital, Challenge to Organizational Innovations." ■1 (This book was awarded the Nikkei QC Literature Prize by Deming Prize Committee in 2003.) Although we are going to change the content of MQI activities fundamentally, we do not know what changes to make yet. We may or may not change the name MQI. I did not use the word "MQI" as the title of this book.

Editor: You are right.

Iida: Because I am aware of many changes in the future, I did not use the word "MQI" as the title of this book. I did not use the phrase "medical quality improvement," either. I used it on my book before this one. As for my newest book, I wanted it as a compilation and a period of my experience, and a starting point to the next stage of MQI. Today I said this for the first time. This is the first time I said this in Japan.

Although no one at Nerima General Hospital think more seriously about some changes of MQI than me, our employees must have been feeling like, "This is not going good without changes." It is common to experience a deadlock any place where they had successful activities of TQC, TQM or something else for several years.

For example, it is common for users of the balanced score card ■2 or Six Sigma ■3 to experience a deadlock as well. When employees are forced to participate in the activities because otherwise they cannot be promoted or paid, of course they participate. Without forcing them, how can we promote the activities? If we can promote the activities without forcing employees, I think, it will be a success.

We cannot survive unless the quality of services or products is raised. How can we easily raise the quality with fewer burdens on managers and employees? People do not want to change, even in a better direction, for it is easier to maintain the status quo even with some issues. It is a difficult task to change with fewer burdens on managers and employees in a better direction. This task is the basis of organizational management.

As I mentioned this before, we have attracted employees with many changes of the MQI activities. However, it is not going as we hoped, since we have tried to change those who did not want to change. Besides, we have asked them to change constantly, even though they are willing to change just once or twice. Employees get tired of this. However, without improving the quality of services or products, business cannot survive. It is apparently not easy. No one has solved this dilemma. I have studied a lot on this subject and asked many questions to others. There is no organization offering solutions to this dilemma, and there cannot be.

■1 "*Total Quality Management in Healthcare Nerima General Hospital Challenge to Organizational Innovations,"* authored by Shuhei Iida, (2003). Published by JUSE, the Union of Japanese Scientists and Engineers.

■2 Under this managing method, strategic goals of an organization and its practical action plans are sorted and analyzed from diversified and pluralistic viewpoints. By creatively building causal relationships among these goals and plans, this managing method is designed to make employees possible to perform very well.

■3 This is a quality reform movement which aims to realize a goal that is to control the error possibility under 3 or 4 times in a million. This aims to improve the quality of management as well.

How do we do the MQI activities?

Editor: If possible, would you explain the practical process of MQI a little more, so that our readers can imagine it clearly? For example, TQM usually has small group activities and award systems. Does Nerima General Hospital's MQI have the same content? Please tell us.

Iida: MQI is almost the same as TQC and TQM at a general corporation. The difference from them is that we had MQI fit into our hospital, based on our ideas. Therefore, we are not interested in some principles or methods, but only in reaching our goals. Nevertheless, a method tends to be a goal. I warned it to happen. However, as a result, our methods still became our goals. I do not know who, employees or I, fell in its trap. Anyway, it happened.

The purpose of MQI is to improve the quality of healthcare, and its bigger purpose is to activate an organization. If I say more, its other bigger purpose is to educate employees. While executives can easily consider MQI as "on the job training," general employees cannot. In order to motivate our employees, we created the activities of MQI. People have to actually do things by themselves, not just being taught. They themselves do some measures, do improvement activities, and even lead a team, so that they know how hard to manage an organization.

QC circle activities generally have people registered as a team which members never change. It is easy for anyone to memorize a method, and use a QC story ■4 and seven tools ■5 always with same teammates. Although everyone must participate, activities are like festivals and costume parties. On the other hand, using MQI, we value what employees learn at an activity, and it is not a school play. However, it is hard.

I chose a difficult way. I taught people by saying, "Involve employees from different department of an organization into an activity. Involve people of many types of jobs and from many departments. Value what you learn and do not do a show, like a school play. Study how to solve a problem. You do not have to use all of the seven tools. While it is not good that you do not know a tool and do not use it, it is fine that you know a tool and do not use it, since you do not need it."

I thought that I had done well. However, after several years, the MQI activities had become stereotyped. I fell in my trap, forcing myself to use this tool and do something. After various issues occurred at the hospital, I introduced Six Sigma. Whatever system we use, it is the same after all. What matters most is the awareness of its participants.

Therefore, in order to let them know that we are different from other organizations, we did not use TQM as the activities' name. A healthcare organization has many types of special jobs and shift workers which make it difficult for its employees to take time for the MQI activities. If the activities

are done at the same department and with the same teammates, it is easier. While we all know it, we still tried to do activities involving people from different departments and different jobs. It was hard. We knew that it was hard. Yet our employees were eager to do so, and then became tired. We changed some of the activities.

What I can say, after going through these experiences, is that employees cay say their opinions very easily at our organization. Today, some graduate students who major in quality control came to our hospital to discuss with us and they just left. They said, "At this hospital, since employees of various jobs do the activities together, they know other types of jobs. But, at other organizations, employees do not know other jobs." This is a big merit of MQI. While we are not aware of this fact at Nerima General Hospital, our employees know one another and discuss together much better than employees of other hospitals.

Annually the MQI promotion committee and hospital executives discuss activities of MQI around February or March, and an annual integrated theme is decided. We do not do whatever we like. The annual integrated theme is 5S this year, evaluation last year, and safety the year before last year. The integrated theme is annually decided and we say, "You can do whatever you like, as long as it is related to the theme. Always involve employees of many jobs and one or more doctors. A committee or department can lead a team as long as employees of many jobs are involved." An actual term of activities by a team is several months. Then, we have a presentation meeting at the end of a year, in order to standardize activities. However, the standardization is difficult, since some teams do something good that are not done by other teams.

There are many opinions regarding the MQI activities. While relaxation of regulations is important, its process is more important. As I wrote about this in my book, we learn many things in its process. Balance between the result of activities and the cost spent for the result is an issue. I want to make sure how to keep that balance again.

There are still many people who say, "I do not want this kind of activity," "This is too hard," and "This is too much of a burden." This is why we have attracted employees with many changes of the MQI activities. So-called QC circle activities are easy and Nerima General Hospital does not need it. We at Nerima General Hospital want to do what only we can do, different from others. However, it is hard. This year we change widely, and maybe next year we do things silently without calling those activities MQI (laugh).

After several years of the MQI activities, we have called them "the square of MQI (MQI^2)." MQI^2 means that we must MQI the MQI. The MQI activities themselves must upgrade by improving their quality.

MQI stands for the Medical Quality Improvement and we want to change this to the Medical Quality Innovation. In other words, MQI^2 has two meanings, that is, "Kaizen (improvement)" and innovation of MQI. We have told this since 5 or 6 years ago, and it is hard to be realized.

This year, the Union of Japanese Scientists and Engineers proposed a concept of the e-QCC. It means an evolution of the QC circle activities. I was excited at this news. A report about the e-QCC was published in the 500th memorial issue of "QC Circle" magazine in this March. An e-QCC symposium was held in this May, and I was invited to give a lecture and discuss with them. Also, I was interviewed for the top interview "The Talking" in June issue of "QC Circle" magazine. We at the symposium talked past one another, with the arguments only rarely meshing.

■4 This is the general process to solve a problem at the Quality Control activities.

■5 QC seven tools are a check sheet, a Pareto chart, a cause and effect diagram, stratification, a histogram, a graph and a Shewhart control chart.

How did you raise doctors' and nurses' sense of belonging?

Editor: Even in a general organization, it is difficult to continuously reform through the TQM activities. Besides, MQI is for doctors and nurses who frequently move from one hospital to another. It seems like double troubles you have. Do the MQI activities help raise their sense of belonging?

Iida: Rather than a sense of belonging, MQI helped them feel achievement. However, at the same time, doctors and nurses feel the activities burdensome. It is hard to say which, achievement or burden, is bigger to be felt.

Editor: For example, when doctors and nurses left Nerima Hospital and moved to another hospital, do they feel relieved or can they use, at a new hospital, what they learned?

Iida: Both are the cases. When they leave our hospital, they feel relieved and, later say, "It was useful." However, we also hear opposite opinions, complaining like, "It was hard work." Yet we do the MQI activities because they are hard. If they are easy, we, all through the organization, do not need to do them.

It is a hard work to improve continuously. In addition, not only I but also all my co-workers are forced to change. A hospital is a place with strong sectionalism. Employees are collections of specialists who belong to different divisions. It is only reasonable for them to have sectionalism. It is contradictory to force them form a team with other specialists from different departments.

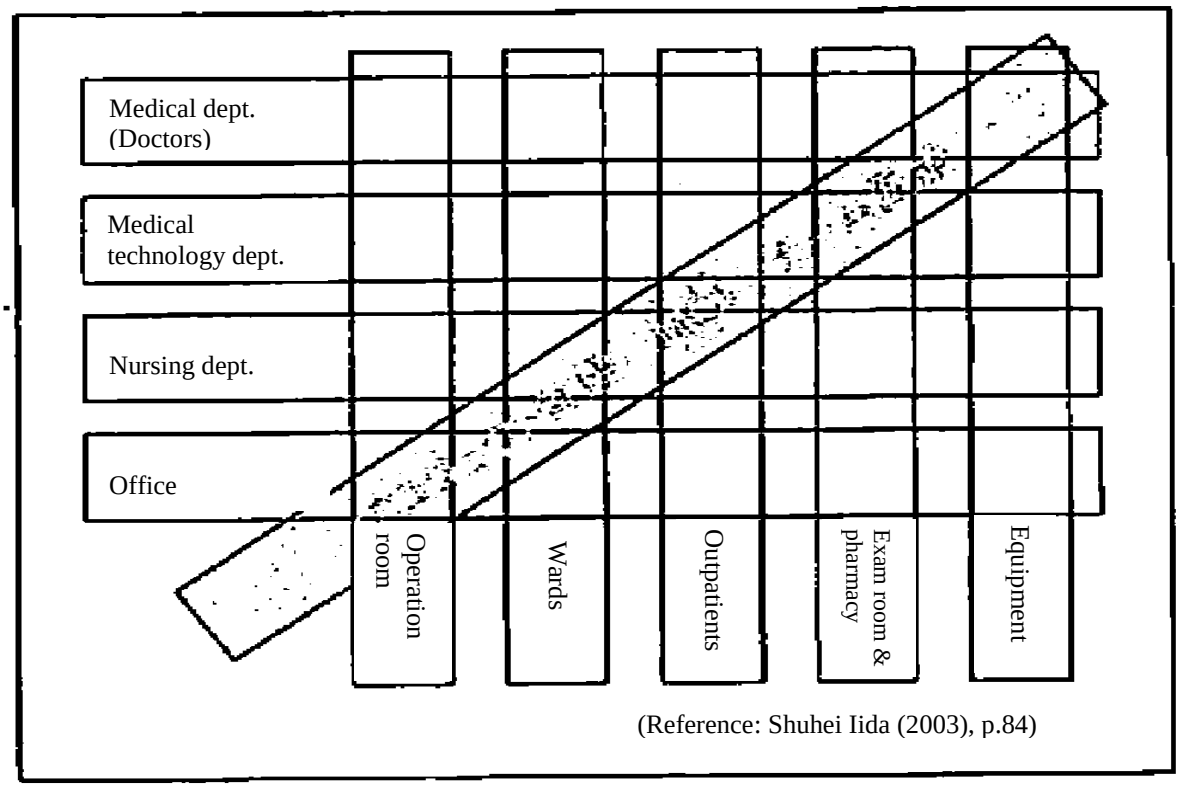
However, this is a limit of our organization as a hospital, and we have to accept it. We have tried to do the MQI activities along with this limit. We know that it is very difficult, but we have to do. When we all think that it is OK if I improve only me (my division, my job), probably results of MQI would not be good.

In Australia, Professor Hindle ■6 studies healthcare systems. I like him and he called a healthcare specialist "a tribe." He said, "Tribes have different religions from one another. It is very hard to unify them." He appraised me highly, since I have led healthcare specialists into MQI which mixes those from different divisions. All Japan Hospital Association's committee for improvement in healthcare quality, which chairman is me, invited Professor Hindle from Australia to TQM and DRG ■7 training camp in Hakone for two days, staying overnight.

Employees at a hospital belong to different tribes from one another. It is difficult to give common items to those of different tribes who have different languages, manners and customs.

Pic. 1 -- Theory of cross organizational management --
A hospital is a place where provides organizational health care.

図1 ―― 横断的組織運営理論 ―病院は組織的医療の場である―



(Reference: Shuhei Iida (2003), p.84)

Editor: The same is true for innovations at a private corporation.

Iida: Yes, it is the same.

Editor: For example, a presentation needs to be given before employees annually receive awards for the MQI activities. Preparing a presentation as a team, does a doctor tend to be a leader? I found that it is not always the case.

Iida: Rather, it is opposite. Doctors do not like to exercise leadership very much.

Editor: Is that because they are too busy to exercise leadership, and depend on others to do so?

Iida: Doctors have jobs and want to avoid other obligations. This is true with not only them but also all of other specialists. It is especially true with doctors and nurses. They want to do whatever they like. However, some of them try to do their best with the MQI activities. The Chairmen of our MQI promotion committee have been doctors since the first one. This year we have a new chairman who is also a doctor, and he is doing a good job.

Editor: On the other hand, when other employees, not doctors, exercise leadership, it makes it awkward to treat doctors evenly, doesn't it?

Iida: It is difficult. This is the same as a discussion about whether a hospital director should be a doctor or not. It is easier for a doctor to control doctors than for other employees. It is hard for

clerks and nurses to control doctors, and even impossible at the present. So, a hospital director and chairman of the MQI promotion committee had better be doctors.

However, members of the committee and team leaders who do actual activities are, in fact, not doctors, but other employees. While the top of the system is a doctor, members of the committee who do actual activities are mostly other employees. When members of an MQI team, such as an all-star team of the healthcare employee, are mainly doctors, a doctor becomes its leader. In other cases, a doctor would be just a member of a team, not a leader.

Teams that win the highest award at a presentation tend to have active doctors as their leaders. If a doctor positively participates in an activity with other team members, they get high points at a presentation. If a doctor does not participate, a team with the doctor could not get high points. This fact is obvious as a result of presentations.

I would be glad when a doctor has a main role in a team. While other hospitals do not have the MQI activities with subjects related to healthcare itself, fortunately our hospital can have the MQI activities related to healthcare.

Editor: Do you mean that an annual integrated theme of MQI is relates to healthcare?

Iida: Yes. The MQI activities can be related to the health care issues, such as how we prevent a wrong anticancer drug, an infectious disease and a bedsore. These are issues of our nursing department. Most of MQI activities used to be about shorter waiting time, reduction of some percentage of some resource, and so on. At our hospital, they used to be like that at the beginning and still some are like that. However, most of them are currently about safety and others.

Editor: How do you choose an annual basic theme for the MQI activities?

Iida: An integrated theme is decided at a discussion of the MQI promotion committee and members of the management meeting. MQI takes some of our business time so that its integrated theme should be chosen accordingly. A MQI team can choose its own activity theme, based on the integral theme.

5S is the integral theme this year, and it was easy to decide. Last year the integral theme was evaluation. Since we received the hospital accreditation again last year, we, all through our organization, had to prepare for the reevaluation. If the integral theme for MQI was something else, not the evaluation, MQI would be too much of a burden, adding to the reevaluation. The year before last year, the annual integral theme was safety. We told our employees to do all activities regarding safety. It made doing MQI activities easy. Like the safety of a patient's meal, any theme is fine as long as it is related to safety.

An annual integral theme should be decided at the beginning. However, it is rather hard. At Nerima Hospital, we decided it at the beginning even in the first year of MQI.

Editor: Is safety included in 5S?

Iida: No, it is not included. 5S is Seiri (Being Organized), Seiton (Setting in order), Seiketsu (Being Sanitary), Seiso (Cleaning), and Shitsuke (Discipline). These are Japanese words, so "safety" is not included.

Editor: Seiri, Seiton and what is next?

Iida: Seiri, Seiton, Seiketsu, Seiso and Shitsuke. This is not only about a working environment, but also about the inside of our brains to arrange. Our organization needs to be arranged. MQI itself also needs to be back to basics and rearranged. This is not about being organized and setting only our appearance in order, but also about the inside of our brains to be organized and set in order. Recently, I am too busy and confused so that I say this to myself, too. Our 5S is not an external 5S. Frankly, anything related 5S is fine. It is fairly free. Although we used to try to improve an individual or a particular division, it is not enough now. We need to improve all through our organization.

■6 He acquired a Master's degree in applied mathematics. Currently, he is a visiting professor at the Healthcare Faculty, University of New South Wales (Sydney). He has acted as a consultant to the government of the Commonwealth of Australia and each state government, and has given advices on health care financing systems, provider benefit calculating equations and health care providing systems. In addition, he has given advices to major healthcare insurance institutions and private healthcare corporations on costing, contracts, information systems and clinical production management.

■7 DRG stands for the Diagnosis Related Groups and means a group sorted by diagnoses. More than ten thousand diseases, according to the International Classification of Diseases (ICD), are sorted and classified into over 500 disease groups that are significant for statistics, depending on used amount of healthcare resources, such as personnel, healthcare supplies and materials. Professor Fetter of Yale University developed DRG as a management method of a hospital operation.

In the United States, DRG is used for a payment method to reduce health care costs. That payment system is called DRG/PPS (PPS: Prospective Payment System, Prospective Payment System for each diagnosis related group).

Japanese university hospitals introduced a prospective payment system which is unique in Japan.

How did you make good use of each QC method?

Editor: When I looked at a case study report of the MQI activities at Nerima Hospital, I found many QC terms, such as FMEA ■8, QFD ■9 and so on. It seems very hard for a person who works at a hospital to study and practice concepts of the QC terms. Does each person study privately, or does Nerima Hospital offer educational opportunities about QC methods?

Iida: Nerima General Hospital offers educational opportunities about QC methods. Our hospital has invited Professor Youji Akao ■10 to give us a lecture on QFD. He came to our training camp and a one day training session twice. Although we did not invite anyone for FMEA, a book was assigned to have employees study it.

We have not tried to practice QFD nor FMEA perfectly. We applied only their convenient parts for us. If we tried to practice them all, it would be so hard that we do only their necessary parts. It is very different for us to practice them with knowing our approach from to practice them without knowing our approach.

The important on QFD and FMEA is the business analysis of our own jobs. Because I practiced to analyze my job, I learned how to analyze business. We do not practice every detail of QFD and FMEA, and just emphasize the business analysis. The business analysis is very helpful to prevent an accident.

Editor: In some degree, I can imagine how QFD and FMEA are applied in a health care site. However, I cannot imagine how to apply Six Sigma that was mentioned before.

Iida: Six Sigma is almost same to MQI. When I discussed with a person from the headquarters of GE ■11 and said that Six Sigma was almost same to MQI, he agreed with me. While GE has a good system of Six Sigma activities and good support system, they do the same things that we do at Nerima General Hospital. The difference is how many details of Six Sigma or MQI are practiced between GE and us. Our hospital roughly picks only its parts. However, their basic ideas are almost identical. I have known people from GE Yokogawa Medical System Company as well as GE in the United States, and I was invited to their Six Sigma presentation meetings twice. I have given a lecture to them once. I have seen the president, executive directors and general managers from GE Yokogawa Medical System Company, and discussed with them about Six Sigma and MQI. I found that their ideas were same to mine.

Editor: The basic ideas of Six Sigma and MQI are very similar to each other. How about the infrastructure of Six Sigma and MQI?

Iida: GE forces its employees to do Six Sigma activities. They are not guaranteed to be promoted to managers unless they hold green belts or black belts ■12. Some of employees, even the executives, have complaints about Six Sigma activities.

Editor: Certainly, there are no companies in Japan that use exactly the same Six Sigma activities to GE.

Iida: Probably you are right, and it cannot be successful in Japan. While the difference of Six Sigma and MQI is only how many details, like a promotion committee, are practiced, and they are basically the same, I am fine with MQI. I thought that GE was outstanding to practice Six Sigma so completely. I told them at GE, "Yours is a religion." Then, they said," Exactly" (laugh).

Editor: If Six Sigma is used as a slogan at a health care site, is the slogan about zero medical accident?

Iida: Yes. Six Sigma (6σ) applied to medical accidents means almost zero accident. However, it is impossible. Although it can be possible on productions, 6σ cannot be possible on services. I told them at GE that 5or 4σ would be the best on services. When I said, "3σ would be fine with productions and services combined," they agreed with me. As I said before, we treat broken goods from the beginning in healthcare so that 6σ is not possible. Only if we treat high quality goods in mass production system, 6σ could be possible.

■8 The Failure Mode and Effects Analysis. This procedure is to distinguish and classify causes of troubles and failures, and to consider measures against them.

■9 The Quality Function Deployment. This method analyzes, in detail, correlations between quality attributes which customers demand and functions, operations and parts to realize them.

■10 Mr. Youji Akao (Professor of Asahi University). He, known as the proposer of QFD, has received many awards, such as Deming Prize, "Distinguished Service Medal" of the American Society for Quality, etc.

■11 The General Electronic Company

■12 Green belts and black belts, originally rank holders in Judo, are the employees who are substantially responsible for the Six Sigma activities. Especially, a black belt acts as an in-house consultant with abundant knowledge and experience of Six Sigma.

What is the Result of the Introducion of the Balanced Scorecard?

Editor: Recently, you have introduced not only Six Sigma, but also the balanced scorecard. Would you tell us about the result of its introduction or its process?

Iida: While I have studied management rather than quality control, I examined the plan management(housin-kanri) ■13 and the management by objectives ■14, and found that they had both good points and bad points. Therefore, I did not introduce them. Then, I happened to read a book on the balanced scorecard, written by Professor Yoshihiro Itou. ■15 I thought that this idea is the same as mine.

When I introduced Six Sigma, I had two problems in the process of the MQI activities. First, the progress management could not be done well in MQI. Second, the quantitative counting of quality was a problem. I thought that Six Sigma would solve these problems. However, after I studied Six Sigma very hard, it was clear that it also has some limitations after all.

Later, I studied the balanced scorecard and noticed that this is it.

Frankly speaking, I thought at first, "This is merely a combination of the plan management(housin-kanri) with the management by objectives". However, the new thing of the balanced scorecard is the idea of cause and effect chain ■16. This is very important and wonderful. I studied the balanced scorecard and was taught by Professor Itou.

I had reformed the employee performance evaluation system for several years before it, and wanted to introduce a new system. Then, I happened to find a book on the balanced scorecard. We at Nerima General Hospital created an employee performance evaluation by ourselves and, after many explanatory meetings, decided to start using the balanced scorecard. However, when our employees filled out a questionnaire on the balanced scorecard, most answered, "It is a big burden. I do not understand." Then, we stopped its introduction and waited for a proper introducing period. Later, Professor Itou proposed to teach us.

At first, I was going to use the balanced scorecard entirely. Also, I thought that we had better try it as a project once. Yet it was very hard to get employees with different jobs together at our hospital. In addition, we had the MQI activities and sudden personnel changes as well. Unfortunately, things did not go as I planned. However, it was good to share the concept of the balanced scorecard with our employees.

I do not think that we could use the balanced scorecard entirely in our hospital just after its trial as a project. Using the balanced scorecard was a hard work even as a project and it will be too hard to practice it continuously. It is same for MQI. How can we mix strategies and visions that are from the idea of the balanced scorecard into daily work at our hospital? No one knows the answer yet. Although, for a while, we can focus on a strategy or vision to mix into daily work, it is too hard to always use the balanced scorecard entirely.

Like "the square of MQI," the way to use the balanced scorecard needs to be easier to be introduced and maintained. I would like someone to teach me the easier way.

Today, I had a personnel evaluation meeting with executives. We talked about the average evaluation point of each department, a range of points, the difference between an evaluation by a boss and one by an employee himself, and our opinions about these. At this meeting, we proposed to let an employee set his own goal or two. It is an idea coming from the management by objectives. Staff at our office started to point out that we had better show some standards to manage by objectives. This is a good result of introducing the balanced scorecard.

When a budget for Nerima General Hospital was decided this year, the idea of the balanced scorecard was used a little as well. Although the balanced scorecard itself is not suitable for a budget making, I wanted to use the idea of a cause and effect chain.

We have used some management methods and repeated trials and errors on those implements. There are no perfect management methods. Some organizations introduce a foreign method immediately only because it is a new method, but will introduce and study it because it is a good method..I want to keep a balance of trials and errors, and look for more of good ideas.

■13 This is a method to effectively manage a strategy, using the PDCA (plan-do-check-act) circle that is a managing principle of TQC.

■14 This is a method of human resource management. After an employee sets a goal to accomplish in order to motivate him, his performance is evaluated by the degree of its accomplishment.

■15 "*The Balanced Scorecard: Its theory and application"* authored by Yoshitaka Itou, Takashi Shimizu and Keiichi Hasegawa (2001). Published by Diamond, Inc.

■16 According to the balanced scorecard, four perspectives: "Financial", "Customer", "Internal Business Processes", and "Learning & Growth" are set, and various activities to realize the strategy are distinguished. These activities need to have some logical connection to one another, based on some defined hypothesis. This logical connection is called a cause and effect chain.

Further Possibility to Challenge

Editor: Various management methods and concepts will be developed in the future. If a new management method might help manage a hospital more or less, will you try it?

Iida: I am willing to try. I think that the word "innovation" needs to be removed as well. However good a management method is, it needs to be firmly established in an organization. The problem is how to firmly establish a good management method in our hospital.

After several years of preparation for MQI, employees insisted to actually practice it. This is the essence of management. If it was me who insisted, whether it is the balanced scorecard or Six Sigma, it cannot be firmly established in our hospital. We teach employees something and have them say it by themselves. It is important for them to say what they want to do voluntarily. And we call it, motivation. It is hard for a person who does not change to insist on doing something that changes him. In order to overcome that difficulty, the best is to give an employee successful experience at first. If he failed at first, that experience becomes a trauma or a bad memory, later saying "It was hard." I regret those failures by our employees. If we avoid bad experiences, we cannot try a new thing. It is difficult to try a new thing.

I myself would like to challenge a new thing many times. My name, Iida Shuhei, sounds like "Iidashippe" (it means first to say in Japanese). A classmate at my junior high school pointed this fact out. I like to try a new thing. On the other hand, many people do not like to try. Studying a new thing, I just need to take a balance between myself and others.

Editor: I figure that you have often experienced resistance to the introduction of a new management method from your employees. Did doctors, nurses, or clerks at your hospital often resist a new management method?

Iida: Yes, their resistance is frequent.

Editor: Would you share some episode relating to it with us?

Iida: I do not have any episodes to share. When new activities become stereotyped, we have to attract employees with many changes on the activities and stir our organization. While to stir our organization requires my energy, our employees, being stirred, cannot be comfortable there. They felt comfortable in a lukewarm organization so that, when they are stirred, they resist saying, "Do not stir." However, an organization needs to be stirred. Otherwise, it gets rotten and lifeless. The important thing is how much we should stir it, since we do not want to boil it. We have to notice when it is too hot (the parable of a boiled frog). I do not know how to avoid employees' resistance to change. It is an everlasting question. I have looked for its answer. Yet I still do not know anyone who knows how to avoid employees' resistance to change.

Frankly speaking, the way to avoid employees' resistance to a change is a religion. This is very interesting for me. However, it is dangerous so that I avoid it. I know that it is only the way. In order to avoid the employees' resistance, we can either use a religion or deceive them. I am too honest to deceive them, and too secular to hold a religion. These two are the only ways to avoid employees' resistance to a change. I have been looking for a third way without success.

After all, no managers in all industries, including hospital managers, know how to avoid employees' resistance to change. When I joined in a tour of a very successful, famous hospital, and talked to its employees there, I found that they were miserable. In the current healthcare situation, a change at a hospital brings misery, and no changes bring misery as well.

Now, many hospitals become bankrupt. Even banks go into bankruptcy. On the other hand, that is why business management is interesting. After all, the basis of business management is people. That is the difference of business administration from accounting. They might be the same in an academic standpoint. Yet, like the difference between philosophy and ethics, the business administration is different from accounting, because of people in business.

Is There a Gap of the Management Quality Between a Healthcare Institution and a Private Company?

Editor: As you told us before, continuous improvement is very difficult either at a hospital or at a company. From a layman's point of view, the management quality of a healthcare institution seems different from the one of a private company.

Iida: I think that they are not different. Rather, they are exactly the same. A commercial company is to make dividends and profits. Although a hospital does not aim to make profits, it must make them. Certainly, making profits is a goal for a commercial company, on the other hand, it is means

for a hospital. However, if a commercial company chooses morally bad means to make profits, even they would be punished. Thus, a healthcare institution and a private company are same.

Earning money is not bad and it is characteristic of a company. Our hospital is a not-for-profit organization. Yet no one gives us money even when we say that our hospital needs more money. Therefore, we must earn money ourselves. The difference between a hospital and a company is how to make money. Beyond that difference, they are the same.

Editor: We often talk with those from the public sector. They insist that a public sector institution or a not-for-profit organization should not seek profits, or aim at a financial goal, for it is against social moral. Judged by what you just said, you do not share their opinion.

Iida: Yet I do not deny it either.

Editor: Do you mean not to deny their seeking profits?

Iida: I do not seek profits. Seeking profits sounds like a goal. In our case, we cannot accomplish our mission unless our hospital makes profits. When an organization does not care its financial condition, whether in the red or not, its indifference is a sin. It is bad to make up for its loss with taxes or other means. We need to run an organization soundly. Of course, we do not reject donations and contributions. To collect a donation from a charity group is one of ways to manage for a not-for-profit organization. To be in the red should not be their assumption from the beginning. Organizational management should be done using its own management resources, such as people, materials, money, time and information. We must soundly manage an organization using our own resources properly.

Whether earning money is the goal or not is only the difference between a healthcare institution and a private company. Although our mission as a hospital is not to earn money, we need enough money to provide our patients proper health care. We need proper earning management to accomplish our mission. Therefore, it is reasonable for us to set a financial goal.

Compared to the past, many more people agree with me about a financial goal now. Before my lecture I often send out a questionnaire to people there. This is very interesting. When I became the director at Nerima General Hospital (in 1991), there were many opinions, such as a hospital should provide good health care in spite of its financial loss, and that good health care makes a hospital lose money. Recent questionnaires show that more than half of the people who filled out them disagree with these opinions.

Along with the times, people's way of thinking has been changed very much. When they were asked if financial management must not be important in the healthcare field, many used to agree (○) with it. Recently, more people think that financial management must be important in the healthcare field.

The healthcare industry is a regulated industry.

Editor: Listening to you, we understand that managing a hospital and managing a company are basically the same. Managing a hospital obviously has different aspects in detail and peculiarities. Please tell us especially different aspects of managing a hospital from managing a company?

Iida: I firmly believe that managing a hospital and managing a general company are basically the same. Their management resources, such as people, materials, money, information and time, are the same. And they both run an organization using them. However, an object of the automobile

industry is automobiles, and an object of the financial industry is money. The educational industry aims to educate people, and the healthcare industry provides healthcare to people. We all have peculiarities. That is why we have specialists. We cannot say that only our specialty is peculiar. Thus, I do not think that a hospital is peculiar. Each industry has its own special field which has its own peculiarity (characteristic). It is reasonable for each industry to have its own management and environment.

Being asked about "especially different aspects managing a hospital," I point out that, in one sense, the healthcare industry is a regulated industry. The same thing can be said about the educational industry and the financial industry. Regulations are a kind of protection in reverse. The healthcare industry is protected just like some other industries. Although its industrial size is small, the healthcare industry has many types of specialists who dominate their business and titles.

Like scholars and researchers, healthcare specialists are a group of "races" that are very difficult to deal with. Although they have a strong sense of belonging to their own jobs and specialties, their sense of belonging to an organization is very weak. This is inevitable. In this way, a hospital is a difficult organization to be deal with.

The healthcare industry is regulated in various ways as well as other industries. However, the characteristic for healthcare is that healthcare is under both socialistic and capitalistic limitations. As I mentioned before, the healthcare income system is almost socialistic and healthcare expenses are totally capitalistic. Thus, the healthcare industry is very difficult to deal with.

It is often said, by people from a general corporation, that the healthcare industry or hospital management is out of date. They are not right. Managing under numerous regulations is very hard, and this is not an excuse. People without any knowledge cannot be successful in the healthcare field. Successful people in this field make profits only in the surrounding industries and fields around healthcare. Few people make profits in the healthcare field itself.

This is because the healthcare income system operates in socialism. The so-called market mechanism to make profits does not work in the healthcare field. Although we can improve the managing efficiency and rationalize a hospital organization, we cannot freely reduce personnel under regulations, such as standards for healthcare facilities and equipment, and standards for personnel arrangement.

In addition, as I wrote in my book, the content of healthcare is uncertain, complex and irregular. Changes and interruption are daily, and people move so often at a hospital. Then, these aspects tend to cause more accidents at a hospital than at a general corporation.

Besides, objects of health care are sick people. Healthy people do not come to a hospital. Except for a healthcare checkup, in general sick people who have pain or a trouble visit a hospital. This is different from a mass producing factory that collects good even materials to produce goods. A hospital is more like a repair shop. Not to an automobile manufacturing plant, such as Toyota Motor Corporation and Nissan Motor Company, a hospital is similar to a repair shop.

We need to realize what can be done at a place like that. In a case of a repair shop, the amount of money to be paid for a repair even with good materials and good parts are already fixed, and there are many things to do and not to do that are already decided. It is hard to rationalize at a place like this.

Using a parable to help understand, when you buy materials cheaper and sell a product, you can make more profits. However, at a hospital, we are told not to buy materials cheaper and not to reduce a price of our service. Even though we can lower a price of our service at a hospital, we are

told not to. This is not understandable. We have a lot of these kinds of characteristics in the healthcare field.

Challenge Spirit Shown in His Career

Editor: I understand it very well. Why did you get interested in MQI or TQM? Is the reason related to how you decided to become a doctor?

Iida: I had been absent from high school for a year because of illness. And I lost my older brother because of illness when I was young. At that time, a doctor in charge of my brother did not show up even when we said, "His condition is changed, please come and check the patient." I was very angry at the doctor and wondered if this needed to be changed. This happened a long time ago. Then, I became ill and understood how a sick person felt.

I had received my education at Keio since junior high school. I automatically went on to Keio high school. When I was a senior in high school, we could apply to a department of our choice at Keio University through the recommendation system, depending on our grades and number of appliers. I had three choices: School of Medicine, Department of Science and Technology, and Department of Economics. I did not desperately want to be a doctor. Rather, I wanted to avoid other professions. My parents seemed to want me to be a doctor. Since my childhood, I have been skillful with my fingers. Then, I thought about getting into the Department of Science and Technology. Yet I was not sure what they learn at the Department of Science and Technology. I wondered what the instrumentation engineering teaches to measure, and what the administration engineering teaches to administrate. I somehow knew what the mechanical engineering is about. My older brother-in-law graduated from the Department of Architecture, at Waseda University and became an architect, so that I was interested in being an architect. Thus, I thought, "I would like to get into the Department of Science and Technology, Department of Economics or School of Medicine." Since my family member and I experienced illness, and since I might be able to get into School of Medicine through the recommendation system, I thought that if I did not like there, then I could move to the Department of Science and Technology. Since it was almost impossible to move from the Department of Science and Technology to School of Medicine, I decided going to School of Medicine first.

There was another reason to become a doctor. When I was a high school student, I used to watch a television for about 5 or 6 hours a day. I liked three television programs on doctors: "Attorney Preston," "Nurse Story" and "Doctor Kildare." I was deeply touched by these television programs. My real reason to become a doctor was that I was interested in a profession directly related to a life. I did not desperately want to be a doctor. Although I was going to change departments in the case that I lost interest in a healthcare, I have become one after all.

After graduation, we chose a major in healthcare. Usually, graduate students chose internal healthcare or surgery, and basic or clinical healthcare as a major. For I was not interested in basic healthcare, and I like to be at a site using my fingers, I majored in clinical healthcare.

When I chose what field of clinical healthcare to study in detail, I pondered whether to treat a whole body or not, unlike other medical students choosing internal healthcare or surgery. In pediatrics, internal healthcare and surgery, a doctor can treat a patient as a whole body. This time, I made a decision using elimination again. When some one committed suicide by jumping from Keio University Hospital, an internist who happened to be passing there told that he could not do anything to help. I simply thought to be a surgeon then. When I chose whether or not to treat a whole body, I had hard time choosing. While people usually have trouble choosing between surgery

and orthopedics, I did not consider orthopedics at all. For I have wanted to treat a person as a whole body, I chose to study surgery.

After I became a doctor, I worked as a resident at Keio for six years. In the middle of that period, after three years of residency, I chose a professor's office to belong at the university. I thought about the choice in many ways. At that point, I had never seen a surgery on a liver. We could not resect a liver at that time. I thought, "It is interesting to do what we cannot do." Besides, I happened to respect the then professor of liver surgery. I wanted to try a new thing that had never been seen nor done by any one. Thus, since I like new things, I decided to be a liver surgeon.

Editor: You like doing new things. You told us that you were interested in the administration engineering and the instrumentation engineering, and wanted to be an engineer. Does this fact of yours influence MQI?

Iida: I do not think that it was necessarily the case. I like a place wherever I live. When I become aware of an issue at any organization or field to which I belong, I do not just say an opinion to point an issue out, but try to solve it.

When we work hard for an organization or a field, the sense of belonging to it starts to grow in us. Since I have worked hard on a way that I chose to take, I grew to like wherever I stayed. If I got into Faculty of Engineering at the university, I would like it. If I got into Faculty of Economics at the university, I would like it best as well. I like a place wherever I live. When I moved to Nerima General Hospital for the first time, I felt awkward. I had worked at a hospital in a terrible condition. However, I have worked hard to improve the place where I belonged to, and grew to like the hospital. Although some people work at a place while thinking, "This place is bad, bad," I do not like that. After I am done with something, I do not want to regret what I did. You work hard on something and a result it shows up after your hard work.

I focus on a result. Wherever I go, hard work will bring a proper result. I am optimistic. I happened to choose something and grow to like it. No doctors were around me in my childhood. Currently, my sons and many others around me are doctors. I grew up to be a doctor partly because my family member and I were ill, and partly because I was very influenced by television programs I watched when I was in high school.

Editor: Please tell us about the process of your becoming hospital director.

Iida: Just 5 years after I moved to Nerima General Hospital, the hospital had a crisis in business. The year before that year, a financial reconstruction committee and management committee were established and most of the chief doctors of medical departments were appointed as their members. Although I was not the then chief doctor of the surgical department, I was told to "be a member of the management committee." Then, when we submitted a committee report after a half year passed its due date, the chairman of the board died. We felt as if it was close to the end of our hospital.

Next month after the chairman's death, the chief doctor of the surgical department had to leave the hospital for some reason. I was appointed as its chief doctor, and I thought, "From now on, I can make a surgical team that I like best." Then, suddenly I was told to be the hospital director. I refused once, but I had to accept the appointment.

It was March 1991 when I became the hospital director. And after various things, I was appointed as the chairman of the board. At that time, I also refused the appointment at first (laugh). These appointments have always come to me as obligations, and I have never asked them to give them to me.

In short I wanted to do something other than jobs of a hospital director and a chairman of the board . I wanted to do what I liked to do as a surgeon. However, I was appointed as the hospital director, and later the chairman. I refused them, but had to accept after all.

Since I like doing a new thing, I would willingly became a leader only if I was allowed to make a new system. Otherwise, I would become a leader reluctantly.

The Hospital Accreditation System

Editor: By the way, I heard that Nerima Genral Hospital got a high appraisal in the hospital accreditation ■17. I would like to ask you about preparation process at the hospital and your efforts for the evaluation as well as the evaluation system itself.

Iida: The hospital accreditation started in 1996. Our hospital took the evaluation in the first year, and a reevaluation this year just after five years since the first one. We have not received its result yet (an evaluation certificate was awarded in this August).

During these five years, they changed evaluation items and evaluation standards. Since this evaluation is done by an outsider, its evaluation standards are clearly set, and details of those standards are described as several hundreds of items. Among those, small items are graded by A・B・C and middle items by 5 grades, 5・4・3・2・1. Each of those grades reflects some degree of a health care situation. At a hospital, visiting researchers (I am one of them) decide, by the mutual consent, which grade of each item our situation is. Prior to the visit, we at the hospital prepare for it, evaluating situations ourselves, and submit paperwork to them. After the visit, we get certified if the result is good.

Five years ago, the evaluation was easier than the current one. This time, they raised the standards and levels much higher, and the preparation for the evaluation was hard work. We started the preparation a year ago. We held many in-house surveys, evaluated each hospital division by ourselves, and reviewed the results. Until the day before the visit, we repeated this process several times, and checked and corrected our problematic situations. This time the evaluation took three days. After it was done, we have corrected things that they recommended to improve.

Compared to this time, we were relieved after the evaluation five years ago. Like a certification by ISO ■18 for quality management, our motivation had lowered after this certification. After being certified five years ago, situations at our hospital had gotten worse or even ceased to exist. Even though, using MQI, we had standardized and improved the health care situations, some of them had gotten worse. While some questioned whether or not the interval between evaluations was too long, I think that a preparation for evaluation is hard enough to be done only once for five years.

The hospital function evaluation does not have any evaluation items regarding maintenance system of an improved situation after the evaluation. At JUSE (Union of Japanese Scientists and Engineers), I have worked to create a new maintenance system for a hospital.

In order to evaluate the quality of healthcare, there are three viewpoints: structure, process and outcome. Among these three, the hospital function evaluation checked the healthcare structure most. They used to evaluate some limited items regarding healthcare process. However, this year they have added more items to evaluate healthcare process. This new version of the hospital function evaluation takes more days to complete, and the content is much harder. They also emphasize health care as a team, and cooperation with different jobs at a hospital.

Their evaluation method regarding the outcome, that is, the healthcare outcome index, is still weak. In order to evaluate the healthcare quality, we use a clinical index as an outcome index. However, clinical results cannot reflect all healthcare functions, since there are various kinds of diseases which are not classified nor stratified. A hospital which survival rate of 5 years is 10% for some disease is not necessarily worse than a hospital of 20% survival rate. Besides, we cannot compare hospitals, for each of them does not have enough cases of a certain disease.

Also, quantitative counting of the nursing quality is very difficult. Having these difficulties, healthcare outcome evaluation is not enough. I have studied clinical indexes and found that it is not sufficient yet.

■17 This has been implemented by Japan Council for Quality Health Care since 1995. Their certification has been issued to 1049 hospitals (as of the 2003).

■18 This is international standards for quality management, issued by ISO (International Standard Organization). IS09000 series is their primary series of international standards.

The Healthcare Version of Japan Quality Award in View

Editor: What you have considered at JUSE is a kind of the healthcare version of Japan Quality Award ■19, isn't it?

Iida: Yes, it is.

Editor: Would you explain more about this?

Iida: We at JUSE are still preparing it in a committee which will be a big organization. Using a parable to help understand, since Deming Prize is big like a doctoral dissertation, we want to commend an organization aiming at TQM, giving a prize one step before Deming. We want to create the healthcare version of Japan Quality Recognition Award ■20 and Japan Quality Award that are for general industries.

Japan Quality Recognition Award has a similar evaluation system to the five evaluation standards of Japan Council for Quality Health Care. Japan Quality Recognition Award's five evaluation standards are totally the same as the those of the hospital function evaluation which do not have any evaluation items regarding employee's improvement efforts. Although the hospital function evaluation checks if a hospital has an activity to improve its organization, they do not evaluate improvement efforts as a system. This time, we can include a hospital improvement system in the healthcare version of Japan Quality Recognition Award, such as Healthcare Quality Recognition Award (a tentative name).

As I said before, the hospital accreditation is done every five years. After its accreditation, situations at our hospital had gone back to the ones before the evaluation. I want to do something about it. I hope that a hospital which has already been certified by ISO or the hospital accreditation can receive our Healthcare Quality Recognition Award, appraising its efforts of continuous improvement and its results. In the future we will discuss with you whether or not Healthcare Quality Recognition Award would work.

Editor: Is the Healthcare Quality Recognition Award confirmed to be created?

Iida: At JUSE, it is confirmed. However, we still need to add the various finishing touches so that I am not perfectly sure to say that it is official. It is confirmed to create the Healthcare Quality Recognition Award, and we are close to finishing. We have discussed this award for about a year, and it got started in this spring.

■19 Based on the Malcolm Baldrige National Quality Award in The United States, Japan Productivity Center for Socio-Economic Development established this award. This award aims to evaluate the management quality widely from diversified viewpoints, free from the old concepts of quality.

■20 This quality award is established by the Union of Japanese Scientists and Engineers. This consists of Recognition of TQM Achievement and Recognition of Quality System Innovation.

Aiming at "Hospital as the Core of a Local Area"

Editor: I should have asked this question at the beginning of this interview. The goal of Nerima General Hospital is to be a "hospital as the core of a local area." What do you actually do to achieve this goal?

Iida: This is very difficult. There are only two so-called general hospitals at Nerima Ward. When another one currently under construction finishes, then we have three of them that are not enough for a population of 650,000. In every town outside big cities, a population of 100,000 should have one general hospital. Nerima General Hospital is not big but necessary at the area and it functions as the core of the local area.

However, we have limitations on our healthcare systems and hardware. Using MQI, we have tried various systems. While we still have many problems to solve, Nerima General Hospital has improved many systems, such as employee performance evaluation system, ability-based grading system, pension plan, education and training, and quality improvement system, etc.

Although the operation of our hospital still has some problems, the next item to improve at our hospital is hardware. If hospital hardware was not in a good structure, we could not function better any more. If we cannot improve our hardware, our hospital cannot be the real core of this local area. I have tried to improve it for several years. It has not been successful, and, to be honest, I am worrying about our hardware.

We must have a new container, a new vessel. Since the health care industry is both a capital-intensive industry and a labor- intensive industry, we have to have good equipment. I am groping about my way in the dark. I am in a desperate state. We cannot do any more with the current hardware. Nerima General Hospital with the current hardware is, in a sense, the ultimate structure in capitalism and socialism of the healthcare industry.

Editor: Is the hardware included in evaluation items of the hospital function evaluation?

Iida: Yes, it is included. While we have to do what we can do, we cannot improve some of the hardware at our hospital by ourselves. Since we cannot expand a crowded building, the hospital accreditation does not deduct a point for our hospital because of that. However, we have to do what we can do with a little money. At least we have to obey the healthcare law. We may do whatever as long as it obeys the law.

However, a hospital is a service business and patients can choose one hospital among many. If no patients chose our hospital, it would be the end of our business. For now, patients choose to come to our old building. Since I have become the director, it has been in the black and we are OK. However, we do not have enough money to buy land and build a building. This is our biggest problem. If we cannot solve this problem, Nerima General Hospital cannot be the real core of this local area.

Future of Hospital Management

Editor: At the end, I have a perfunctory question for you. What is your vision of hospital management in the future? You might already have answered this.

Iida: As a vision, I have various dreams or ideas, but the basic fact of management is that a manager cannot control the world. A manager just has to arrange changes in the world and changes of people's ideas, including patients' and employees'.

There is a book titled, "Theory of Ba（Field in Japanese）as life intellect," ■21 written by Hiroshi Shimizu. In short, this book is about the essence of Yagyu Shinkage Ryu, a Japanese swordsmanship, and it is also for the future of hospital management. Although what I am saying is very abstract, the future of hospital management is only in the essence of Yagyu Shinkage Ryu.

Originally, I do not think that we absolutely have to be this and that. I just think what is the most suitable at this moment. Of course I declare some goal or ideal. However, things do not happen as I hope so that I always consider choosing something proper for a moment.

Our hospital's management philosophy declares the hospital to be a place where employees can do their best and to support the local area. While we might not be able to realize this philosophy, we still have to try to get close to it. To be frank, we are far from it. It would be the best if we could realize our philosophy. We have improved our systems using MQI. Ultimately, I try to change those who do not want to change, so it is contradictory.

I tell those people that our hospital will go bankrupt and our job or happiness will disappear unless we change our situation. However, they don't believe me because our hospital can afford to pay wages and still in the black. My biggest problem is how to make them understood. I don't know how. So, the important thing is to do small thing which I can do in every situation. It is impossible to do a reckless plan, and in such situation, the worst things might happen. Then, we just need to respond to it and do our best. I am sorry but what I am saying is not concrete.

My biggest problem is what to do with the hardware of this hospital. I cannot deal with it well now. In addition to that, I want to keep improving the organization. Although there are other small issues, these are the two big issues we face at our hospital.

Editor: Thank you for talking with us for a long time.

■21 *"Theory of "Ba," a place as life supporting knowledge -- Theory of Co-Creation in Yagyu Shinkage Ryu"* authored by Hiroshi Shimizu, (1996). Chukou paperback pocket edition.

[From Editors]

Whether it is a private corporation or one in the public sector, a successful organization often has a manager who is very energetic and has an attractive, nice personality. Dr. Iida is surely one of those managers. Various reforms and challenges at Nerima General Hospital are mostly thanks to his powerful leadership. Besides, after we visited the hospital several times, we have a strong impression that they are also partly because of its employee's good nature and cooperative attitude.

Not only one capable leader, but also his supporting employee who understand his spirit make their organization possible to change genuinely. As long as their cooperative system with a strong leadership is there, Nerima General Hospital will keep challenging. In fact, when I am writing this editors' note right now, I find an article focusing on their new challenge in a newspaper. The article tells us that Nerima general Hospital has recently introduced a healthcare consultant's program from the United States, and has opened a specializing chronic woundcare center from diabetes and so on. This woundcare center is said to greatly widen the possibility to avoid risk that more than about thirteen million of diabetic patients in Japan, including patients-to-be, have to cut their legs off.

Nerima General Hospital is not a big hospital. However, the size of its reform spirit is as big as the size of others'. We must keep watching its movement for a while.