Navigating Regulatory Dynamics in Healthcare Leadership

Balancing Innovation and Compliance in a Resource-Constrained Environment

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Overview of my presentation

The complexity of modern Healthcare delivery
The importance of
- Balancing innovation and compliance
- Using adaptive regulatory frameworks and
- Promoting collaborative solutions

in the relationship between Healthcare Leaders and Regulators
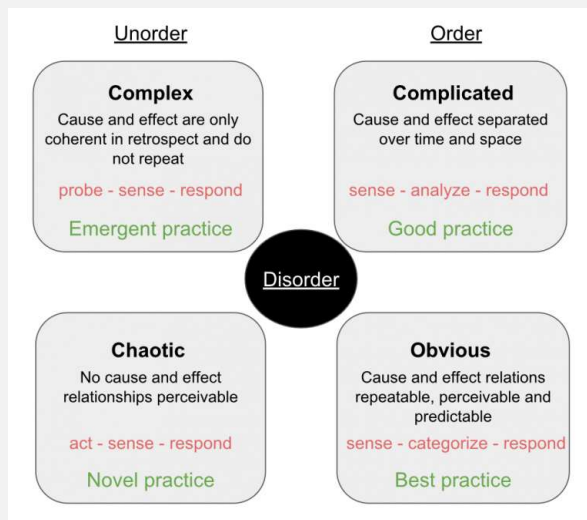
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But what got us to 'here' won't get us to 'there'

Due to our predecessors incredible achievement in discovering and implementing advances in technical care, 'non- technical' underperformance - at an individual, leader, team, organizational and national level - now poses the greatest risk to high value healthcare delivery

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Cynefin Model

	Unorder	Order	
	Complex Cause and effect are only coherent in retrospect and do not repeat *probe - sense - respond* Emergent practice	**Complicated** Cause and effect separated over time and space *sense - analyze - respond* Good practice	
	Chaotic No cause and effect relationships perceivable *act - sense - respond* Novel practice	**Obvious** Cause and effect relations repeatable, perceivable and predictable *sense - categorize - respond* Best practice	

Disorder

Dave Snowdon, 2002

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Driving change in complexity

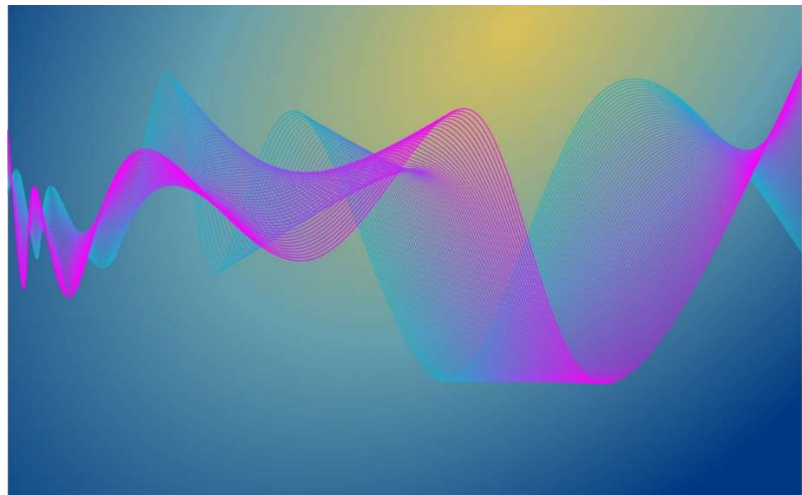Are Service Leaders and Regulators pushing the 'blob of jelly' from different sides?

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The challenge for Service and Regulatory Leaders …

"Leaders are signal generators who reduce uncertainty and ambiguity about what is important and how to act."

Charles O'Reilly

Professor, School of Management, Stamford University

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Regulatory Complexity - The Dynamics Faced by *Healthcare Service Leaders:*

- Resource Scarcity:
  - Limited financial and human resources
    - E.g. Budget constraints impacting staffing levels
- Emergent Practices:
  - Rapidly evolving medical technologies and treatments
    - E.g. Telemedicine during the COVID-19 pandemic
- Shifting Negotiated Outcomes:
  - Frequent changes in healthcare regulations and policies
    - E.g. End of life care for Aging populations

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Regulatory Complexity - The Dynamics Faced by *Regulators:*

"Keeping the system safe"

Innovation   vs   Compliance

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So what can regulators do?
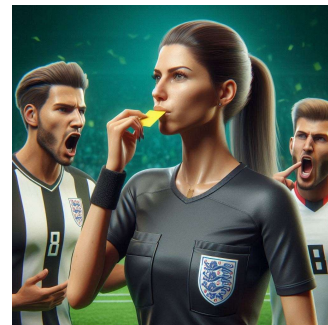
Perhaps these ideas might be helpful …

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You are both an Umpire and a Coach!

"Here is how we can do better"

"These are the boundaries"

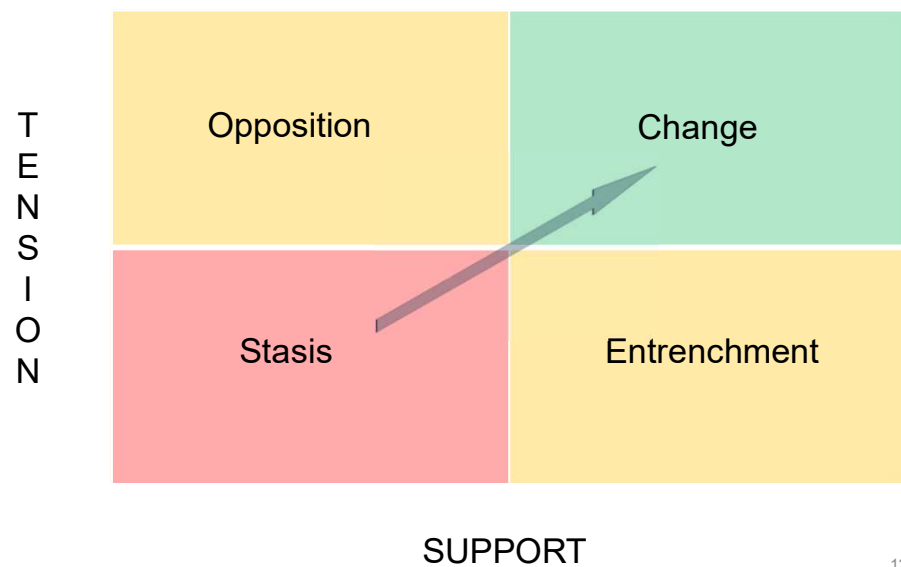
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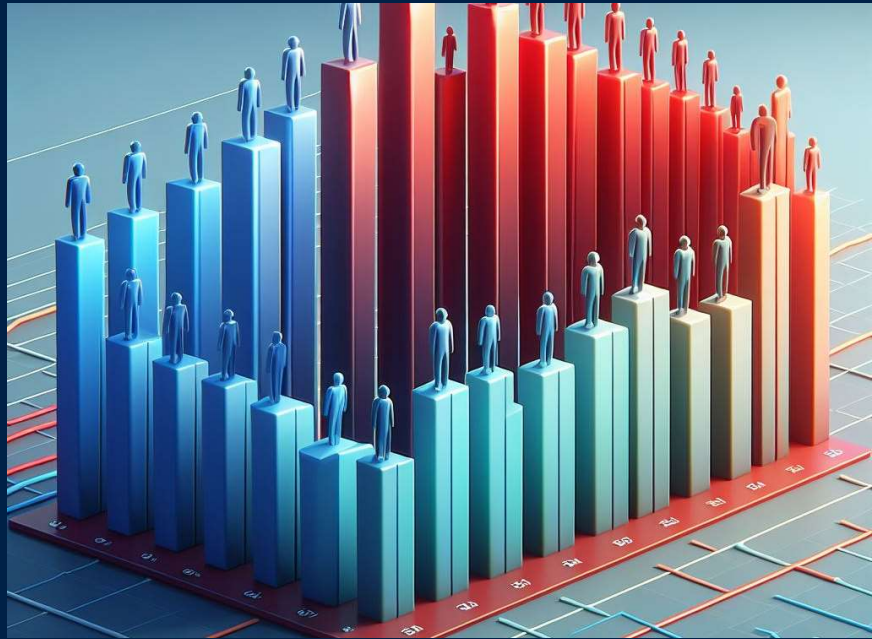# Coaching: Insert some Creative Tension in the System

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Interplay between Tension and Support

T	Opposition	Change
E		
N		
S		
I	Stasis	Entrenchment
O		
N		

Adapted, Daloz, 1957

SUPPORT

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Measurement is a key Creative Tension Tool

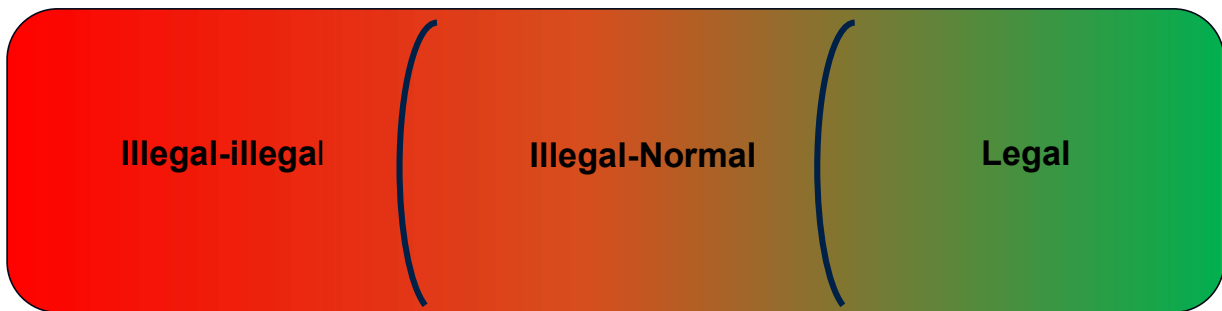**Measures: Getting the balance right**

Mixture of
- *Lead* and
- *Lag*

AND
- *Process* and
- *Outcome*

Umpiring: Policing the Boundaries

| Illegal-illegal | Illegal-Normal | Legal |

Amalberti,2016

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Promoting Collaborative Solutions

"Support"

- Engage in Informed Dialogues
  - Understand operational realities
  - Be aware of the necessary compromises made at the service delivery interface
  - Identify emerging practice
  - Seek views on likely areas of innovation

- Build Structural Feedback Loops between Regulators and Healthcare Service Leaders
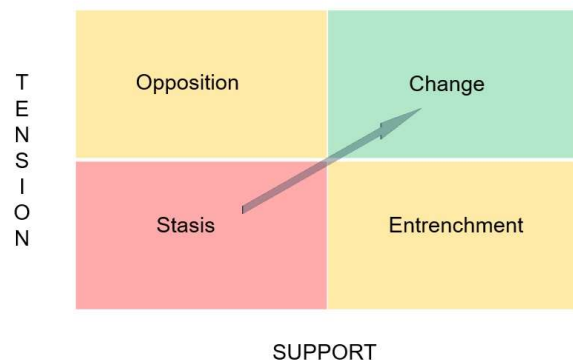
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Promoting Collaborative Solutions

"Tension"

- Use Patient Safety as the Anchor for Regulatory Interventions
- Encourage Innovation by – but define Boundaries and Metrics of Success
- Disseminate "Lessons learnt" when system underperformance is identified
- Use Measurement to insert Creative Tension into the System
- Police the Boundaries

TENSION

| Opposition | Change |
| Stasis | Entrenchment |

SUPPORT
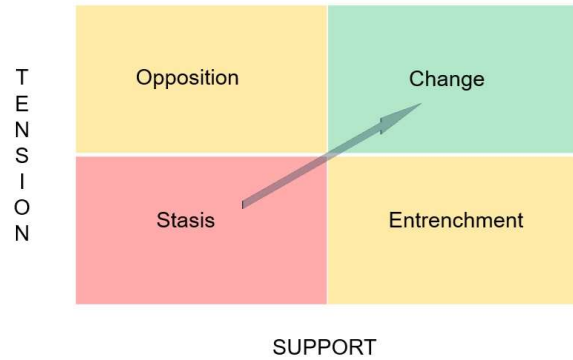
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And your personal responsibility?

"It is the responsibility of leadership to work intelligently with what is given, and not waste time fantasizing about a world of flawless people and perfect choices."

Marcus Aurelius

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How can Individual Health Service and Regulatory Leaders develop their 'Systems Leadership' ability?

- **Personal Mindset**
  - o Find comfort with emergent practice
  - o Drive Value – not just increased activity
- **Strategy**
  - o Use Scenario Planning and Optionality
- **Operationalisation**
  - o Agility
  - o Facilitate frequent small wins
  - o Drive an outcomes focus
  - o Be truly patient-centred
- **Innovation**
  - o Drive innovation proactively e.g. sandboxing, innovation labs
  - o Rethink established interconnectivities
  - o Reframe the system's aims e.g "What if patients could …. "

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Thanks ….

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