ACES Framework of Organizational Development

Introduction

Organizations exist to do things that individuals cannot accomplish alone. Just as some people are more successful at meeting their goals than others, some organizations are more successful than others. Since environments change, a group that was the best in the past may be among the worst in the future. Some organizations die. One hundred years ago, Montgomery Ward was one of America's biggest retailers and Eastman Kodak was the leader in American photography. Today both are gone, but are trying to come back through the path of bankruptcy and restructuring. Other organizations never return.

Whether starting an organization to meet a new need or redirecting one to better meet needs in a new environment, leaders need a framework to guide their actions. Based heavily on leadership models in the US military, I have developed the ACES Framework of Organizational Development to guide leaders in making their organizations better.

The Cyclical Process of Organizational Development

Like people, organizations have a life cycle. They are conceived in the imagination of their founder and are born through the skill, industry and passion of their early promoters. Infant organizations grow quickly just like young members of every species. Mortality is high in young groups, but those that survive into adulthood begin to reproduce themselves. Young life is an exciting time for people and organizations alike. Time changes both organizations and people. Success usually breeds complacency and energy levels drop in middle age. Early leaders move on and new ones take over. Friction develops between older and newer ways of thinking and doing things, and neither is correct in every circumstance. Organizations either change to meet their mission in their current environment or wither and eventually die.

Simultaneously with the organizational lifecycle is what we might call an organizational development cycle. We will use the acronym "ACES" to describe it:

1. **A**nalyze the organization and environment
2. **C**orrect what needs to be fixed
3. **E**valuate the correction
4. **S**ustain improved operations and repeat the process to achieve the next goal.

By viewing organizations and their environment through the lens of ACES, we can comprehensively discover what needs to be done, how to do it, how to evaluate our change and how to sustain our improvement.

Analyze

In the first step, leaders analyze the organization and the surrounding environment. The military model for doing so is METT-TC, which stands for Mission, Enemy, Troops, Terrain, Time, and Civilian factors. In the civilian context, **MORETS**, Mission/Vision, Opposition, Resources, Environment, Time, and Stakeholders might be more applicable.

1. **M**ission/Vision – What is the organization trying to do? What are the explicit and implicit tasks in this mission? What will this organization look like in 1, 5, 10, and 20 years?
2. **O**pposition – What factors are hindering mission accomplishment?
3. **R**esources – Who do you have, organic to your organization and as allies, that can help achieve the mission? What financial and other resources do you have?
4. **E**nvironment – This includes physical factors, political factors, market factors, and anything else outside of organizational control that influences but does not consciously oppose mission success.
5. **T**ime – Short, medium and long range goals, constraints, and other factors
6. **S**takeholders – Include everyone, such as patients, staff, shareholders, the community, the government, and others.

This framework provides a strategic, comprehensive overview of the organization and the situation in which it finds itself. Once this high level overview is complete, leaders and their staffs can use another military concept to analyze their organization and their opposition in further detail. The military mnemonic is **DOTMLPF-P**, referring to Doctrine, Organization, Training/Education, Material, Leadership, Personnel, Facilities, and Policy. Executives can use **DOTMLPF-P** to examine their company and their competitors, directors of non-profits and other administrators can do the same. The advantage of **DOTMLPF-P** is that it is comprehensive – important issues are not likely to be missed.

1. **D**octrine - What are the fundamental ways of doing business in this organization? What are the overriding means to accomplish goals? Doctrine forms the strategic level framework for the organization? As an example, a hospital might be dedicated to evidence-based medicine and evidence based design. Those concepts and the documents which describe them are strategic level and constitute doctrine.
2. **O**rganization – What is the organizational hierarchy? How are departments and services organized? What is the flow of patients through the system? How are logistics, engineering, and other areas organized? How is the group set up with respect to engagement with the outside world?
3. **T**raining/education – What training and education do we require of people entering the organization? What training and education do we provide for employees? What is necessary at each level? Who does it? When? How often? What are the specifics? How do we develop our partners, internal and external, in these areas? Training involves tactical level activities such as standard operating procedures (SOPs) used on inpatient wards and in operating rooms.
4. **M**aterials – What supplies and equipment do we need to accomplish our mission? How do we get them? What do we do with them once they are used up? How can we improve these processes?
5. **L**eadership – Do we have the right leaders? Are we developing them as we should? Are we evaluating them as we should? Are they positioning the organization correctly with all stakeholders and at all levels? Are they of good repute?
6. **P**ersonnel – Do we have the right staff? How can we attract the right team? How can we retain them? How do we remove people who could serve better in another capacity, or another organization? What about volunteers and other stakeholders? How can we develop them?
7. **F**acilities – Winston Churchill said “we shape our buildings and thereafter they shape us.” Are our facilities right for our mission? Rightly located? Rightly designed? Rightly sized? Rightly communicating our intent?

Are the clinical space, engineering space, administrative spaces and other spaces well balanced? Small things matter; better to have a sign that says "Please wait here" than one that says "Entry forbidden."

8. **P**olicy – Operational level directives intended to fill the gap between doctrine and standard operating procedures. For example, a health care organization might try to decrease smoking in every stakeholder. Doctrine identifies and describes such priorities. General guidelines and instructions for achieving this goal are written into policy; for example, offering free smoking cessation resources to employees. Specific instructions for decreasing smoking on campus are written into standard operating procedures. SOPs also contain the content of smoking cessation classes.

Analysis must always include metrics. Early metrics provide a baseline from which to plan and evaluate later interventions.

Level of Thinking	**Description**	**Type of Guidance**	**Timeframe**
Strategic	What does the organization value and what will it do in the long term?	Doctrine	Multi-year, up to the life of the organization
Operational	Building the bridge between day to day operations and long term ambitions?	Policy	Medium term, renewed every 1-2 years
Tactical	Day to day operations with individual patients, staff and resources	Standard Operating Procedures	Short term, renewed annually

For more information on the **DOTMLPF-P** framework, please see http://mdharrismd.com/2013/11/09/dotmlpf-p-analysis-and-military-medicine/.

For more information on the Strategic, Tactical and Operational Levels of thinking, please see http://mdharrismd.com/2013/03/31/bridging-strategic-thinking-with-tactical-operations/

Correct

Once leadership feels that they have a good picture of the organization, they need to select an area to improve. The area selected depends on the level of leadership. Clinic managers will optimize individual clinics while C-suite staff will optimize health in their community, including health care systems and public health. There are many good approaches to this, including Lean Six Sigma and FOCUS-PDCA (Plan-Do-Check-Act).

Whatever framework is used, military leaders are trained to develop and analyze courses of action (COA). A course of action is a series of steps intended to achieve a certain goal. For example, if a clinic wants to increase the number of patients that they see in a given week, one course of action might be to hire more staff, another course might be to shorten appointment times, and a third might be to decrease administrative time for providers. Each COA would be analyzed both qualitatively and quantitatively for strengths and weaknesses. Part of the analysis includes all costs and timelines for implementation.

During this process, subordinates provide information briefs during periodic intermediate process reviews (IPRs) to senior leaders. The purpose of these is to inform, not to reach a final decision. Health care related programs should be planned, implemented and evaluated in five major areas (**FAQER**):

1. **F**inancial factors – making or losing money
2. **A**uthority factors – some higher authority, typically government, is requiring the organization to do this.
3. **Q**uality factors – improving access and care for our stakeholders
4. **E**ducational factors – producing better trainees for the future
5. **R**esearch factors – advancing important knowledge in our field

Stakeholders in groups always have ideas about how to improve the group. However, if an idea won't improve the organization in one or more of these five areas, leaders should not do it. Likewise, if a current program doesn't improve the organization in one or more of these five areas, leaders should end it.

ACES Process Timeline

Time	Time T_0 (now)	Time T_1, T_2,T_3….T_N (intermediate future times) 25-50-100 meter targets	Time T_F (final state)
Questions	Where are we? Where do we want to be? How do we get there?	How have evolving conditions changed our direction? Are we on the right path? What course corrections must we make?	Are we really here? Where to now?
ACES step	Analyze	Correct, Evaluate	Sustain

Once the Analysis is complete, leaders must identify how the organization can get to its destination. They should make a task list associated with the DOTMLPF-P model, choose action officers, and assign tentative completion periods for getting these tasks done. Immediate tasks can be done within one month, short-term tasks take up to six months, and intermediate term tasks can be up to one year. Long-term tasks require more than one year.

DOTMLPFP Task List

Area of Task	**Task** (there will usually be several tasks per area)	**Action Officer and contact information**	**Tentative Completion Periods (months)**
Doctrine	1. 2.		
Organization	1.		
Training & Education	1. 2. 3. 4.		
Materials	1.		
Leadership	1. 2. 3.		
Personnel	1. 2.		
Facilities	1.		
Policy	1. 2.		

Once the task list is done, action officers will develop implementation timelines and metrics. They will brief these to senior leaders.

1. Implementation timelines – including milestones, what is going well, what is going poorly, and what help they need from the senior leader.
2. Implementation metrics – how do we know how things are going? Are these lagging metrics or leading metrics? Are there better metrics available?

Please see Getting Things Done in Military Medicine (http://mdharrismd.com/2013/03/31/getting-things-done-in-military-medicine/) for more information.

Evaluate

Leaders evaluate any program continually throughout development, implementation and sustainment. As programs progress, however, the metrics for evaluation will change and the frequency of evaluation will often decline. For example, when a team stands up a new clinic they will track facilities, hiring, training, and the like. Once the clinic is up and running, leaders will ask fewer questions about these issues and more about productivity and patient satisfaction.

Metrics such as costs and productivity are foundational. No organization can tolerate programs that run forever in the red unless those programs are rare and meet some other critical need. No organization can tolerate poor productivity. The **FAQER** factors noted above can guide how to evaluate an organization or a program.

Leaders must make a comprehensive list of stakeholders and evaluate their organizations from the point of view of each stakeholder. A stakeholder communication matrix is helpful (sample below, data is fictional).

Stakeholder	**Main Goals**	**Incoming Communication**			**Outgoing Communication**		
		Mechanism	*POC*	*SOP*	*Mechanism*	*POC*	*SOP*
Patients	Good care, reasonable cost	Social media, surveys, complaints, compliments			Social media, newsletter, radio, TV, internet, etc.	Ms. Sandy Brunner	Dec 15
Families							
Staff members (by type and location)	Meaningful work, fair compensation, pleasant environment	Employee surveys, turnover rates	Ms. Maria Espinoza	May 14			
Shareholders	Profit						
Donors	Altruism, visibility						
Other medical facilities	Competition						
Local community	Employment, low environmental impact	News coverage					
Gov't (local)	Population health, employment, work				Monthly reports, medical society	Mr. Derek	Jun 15

	with public safety				meetings	Jones	
Gov't (state)	Population health, employment, disaster assistance						
Gov't (Federal)							
General Public							

The point of contact (POC) the person with overall responsibility for the program and the standard operating procedure (SOP) will contain details about who sends and receives, who analyzes it, how they analyze it, and how often.

In addition to doing this for the organization as a whole, such a matrix can assist individual clinics or other subgroups in their endeavors. Communication must fit in with the overall mission, be consistent with other communication coming from the entity, and be abundant.

Sometimes the most important evaluations come not from data but from the user's impressions. We were discussing whether to continue an expensive computer project in one of our hospitals. The director, Dr. Charles Callahan, asked the users whether the software served as a **toy**, a **tool** or a **trestle**. A toy is something interesting that doesn't have much impact on day to day operations, a tool is something that improves operations but people can do without, and a trestle is something indispensable to operations. Trestles can't easily be eliminated or substituted. The staff that had been using the software really wanted it, but in conscience they had to admit that it was a toy. The project was sacked.

Please also see Using 2X2 Tables to Choose Between Two Alternatives.

Sustain

Once the organization has changed or the new program is implemented, evaluated, and found to be positive, leaders must sustain these improvements. Many of the principles and mechanisms noted above are still valid. Organizations must change their fundamentals to maintain improvements. Budgets, manpower requirement documents, facilities, and doctrine (or at least policy) must be placed in line with the new reality.

Conclusion

Change is inevitable. Voluntary change is painful, but involuntary change is more painful still. The axiom "Develop or Die" is simply true. There are many paradigms for organizational development, and while no organization can follow them all, each must follow one. To do otherwise is to overlook important details that can make the difference between success and failure. However, which framework an organization chooses is less important than the courage, vision, industry, and will of the leaders of that organization. I have developed the ACES framework after 27 years in military medicine. It has been effective in health care organizations that I have helped lead in the past. I trust that it will be useful in the future.