



Social Capital in Healthcare Trust and Teamwork Drive Organizational Excellence

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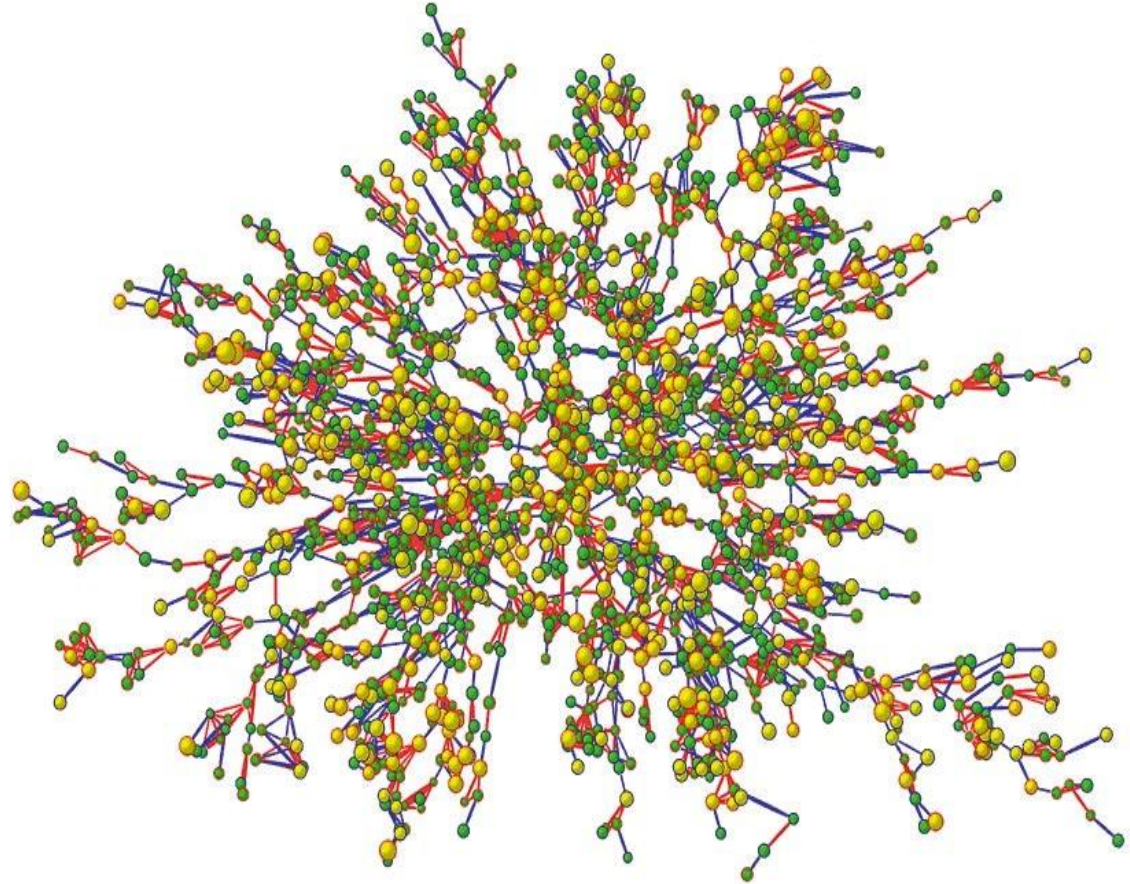
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What does social capital look like?

Groups of people behaving like teams

- Safety huddles with psychological safety
- Colleagues saying “yes” to each other without knowing the details

Organizations with values ☐ behavioral norms ☐ improved performance

- Respect akin to hand hygiene
- Clinicians answering pages immediately at Mayo Clinic

Building social capital is an imperative

The work of health care has become:

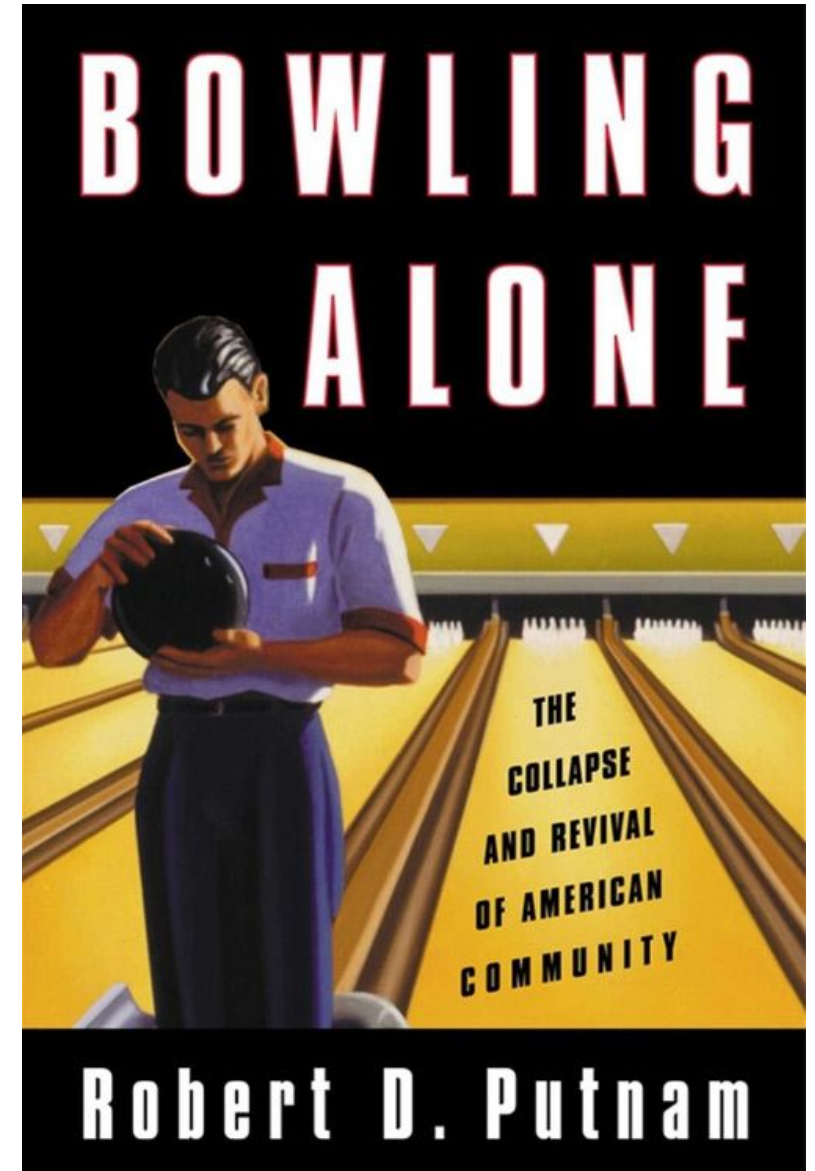
- Incredibly busy
- Lonely

Healthcare delivery is increasingly complex

- Chaos is common; friction is the norm
- Every patient has become a big data problem
- Practicing at “top of license” is not solution

Caregivers are staring at computer screens

- Reacting as individuals
- Not interacting/thinking in groups



Social capital

What is social capital?

- How people interact with each other and their infrastructure

Currencies

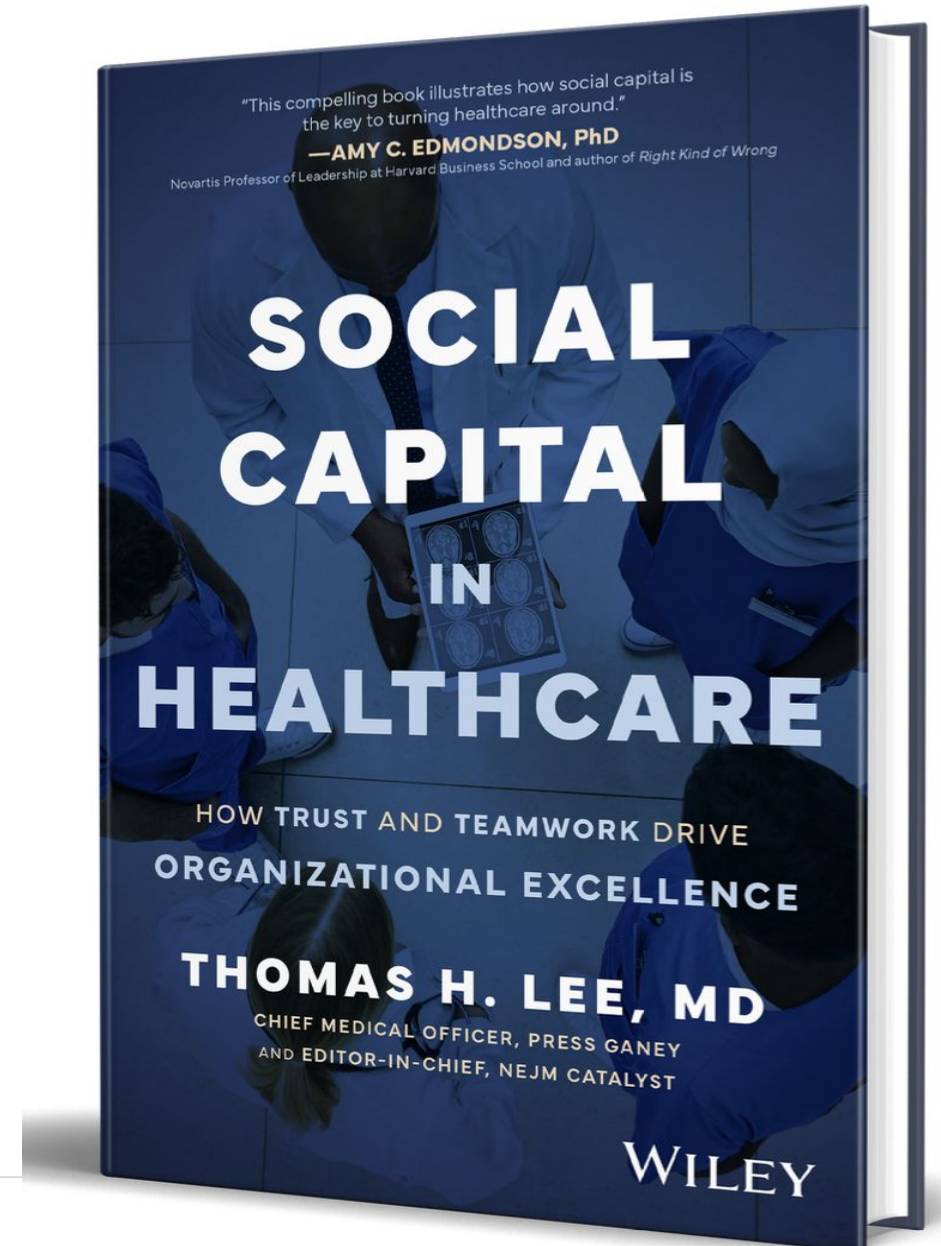
- Trust
- Teamwork
- High reliability

Most critical when:

- Work and organizational structures are complex
- Financial and human capital are constrained

Three key steps in harnessing power of social networks:

1. Build connections
2. Strengthen connections
3. Transmit the right values/norms across connections



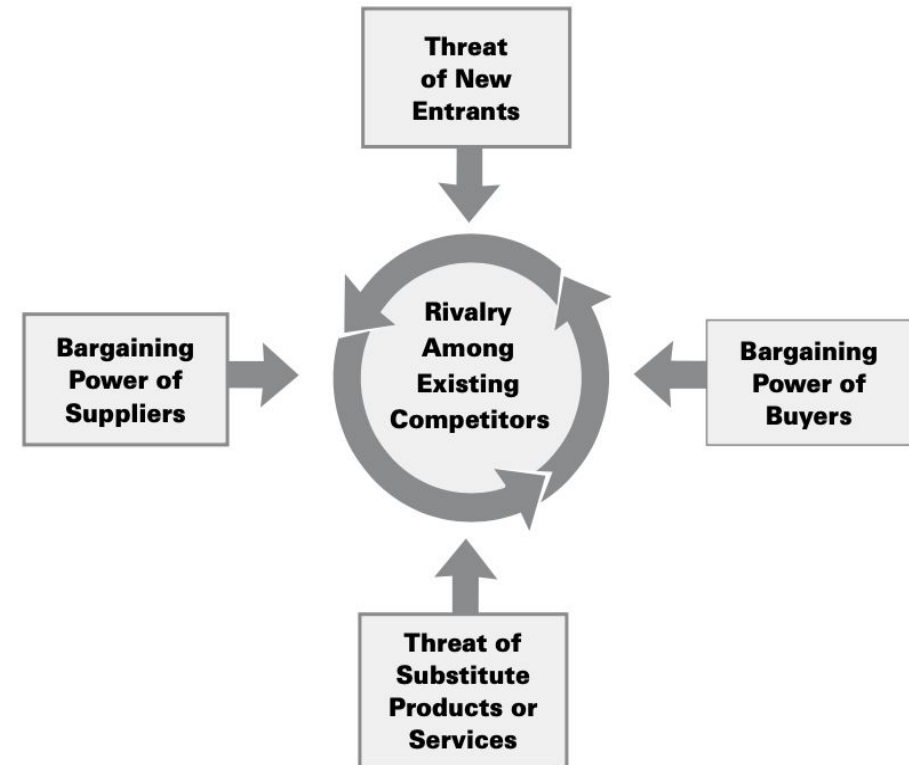
The Context: Why Are Things So Hard Today?

In 1979, Michael Porter described five forms of competition for organizations

Changes in health care are intensifying the competitive threats of the Five Forces

- Consolidation
- Difficulty hiring and retaining
- New ways to meet needs
- Consumerism

The Five Forces That Shape Industry Competition



“Strategy is the antidote to competition”

Response must be “Strategy”

- Operational effectiveness is doing what you do better and better
- Strategy is making choices about what you do

Strategy boils down to two questions:

- What value are you creating for whom?
- How are you going to be different?



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Perspective
APRIL 30, 2015

Why Strategy Matters Now

Michael E. Porter, Ph.D., and Thomas H. Lee, M.D.

Until recently, most health care organizations could get by without a real strategy, as most businesses understand that term. They didn't need to worry about how to be different or make painful decisions about what not to do. As long as patients came in the door, they did fine, since fee-for-service contracts covered their costs and a little more.

Success came from operational effectiveness: working hard, embracing best practices, and burnishing reputations that attracted both patients and talent. Virtually less profitable ones. Typically, “strategy” defaulted to having the scale and market presence to secure good rates and be included in networks.

But that era is ending. Good operational performance remains important, but reimbursement is decreasing and will often not cover full costs, as care for patients cov-

sensitive to service quality and cost. Employers are increasing the pressure by demanding provider transparency regarding costs and quality and even by contracting directly with competitive providers. Having a good brand is no longer enough: patients and payers are looking for good value, service by service.

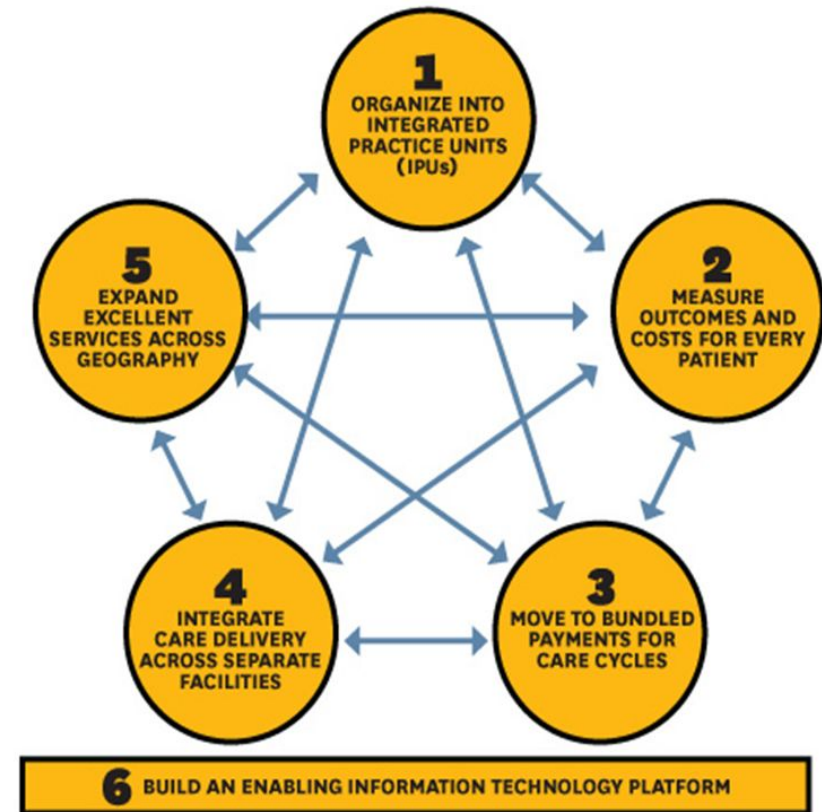
The time has come for health care organizations to rethink the meaning of strategy. Strategy is about making the choices necessary to distinguish an organization in meeting customers' needs.

Social capital as source of competitive differentiation

1. Great teamwork
2. Measuring what matters
3. Incentives for improvement (including transparency and new payment models)
4. Improve care across patients' journeys
5. High reliability systems
6. Data infrastructure that supports high reliability, high value care

THE VALUE-BASED SYSTEM

The strategic agenda for moving to a high-value delivery system has six interdependent elements.

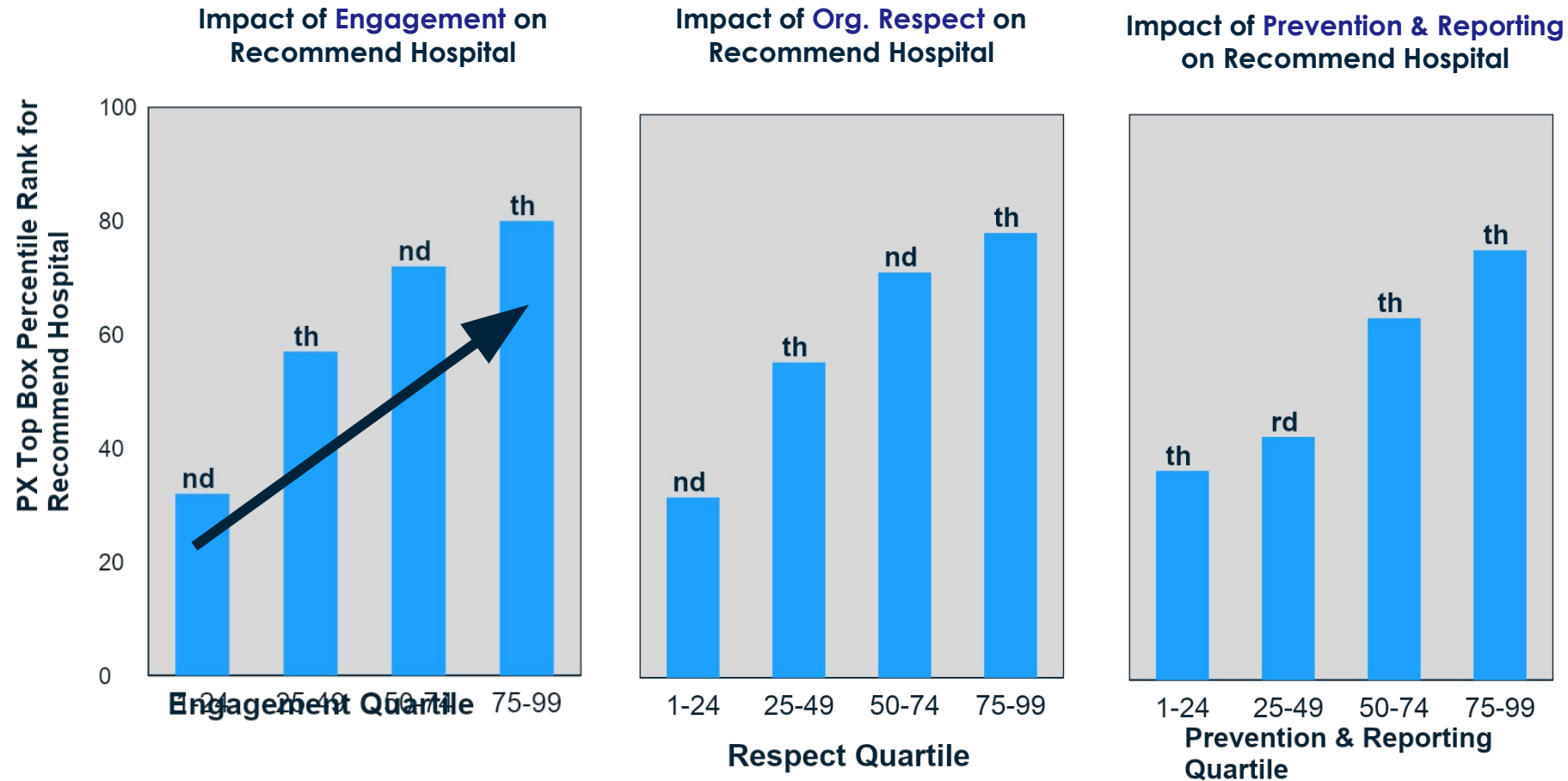


SOURCE MICHAEL E. PORTER

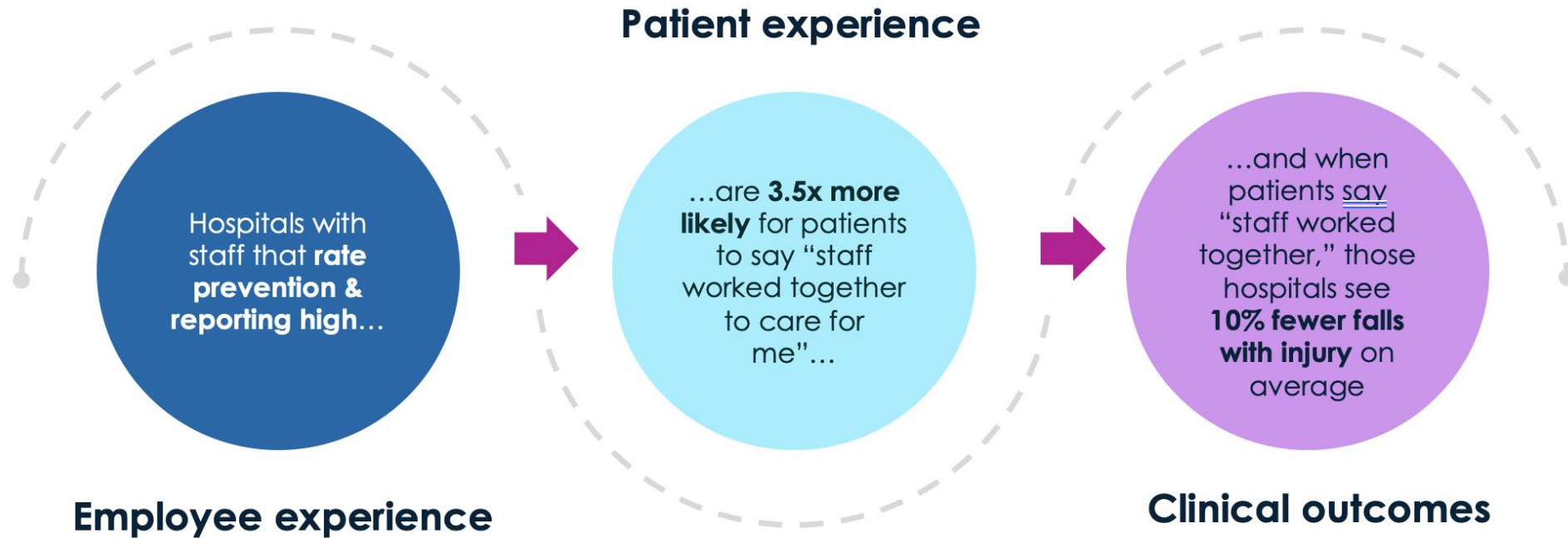
HBR.ORG

Great patient experience starts with extraordinary employee experience & safety culture

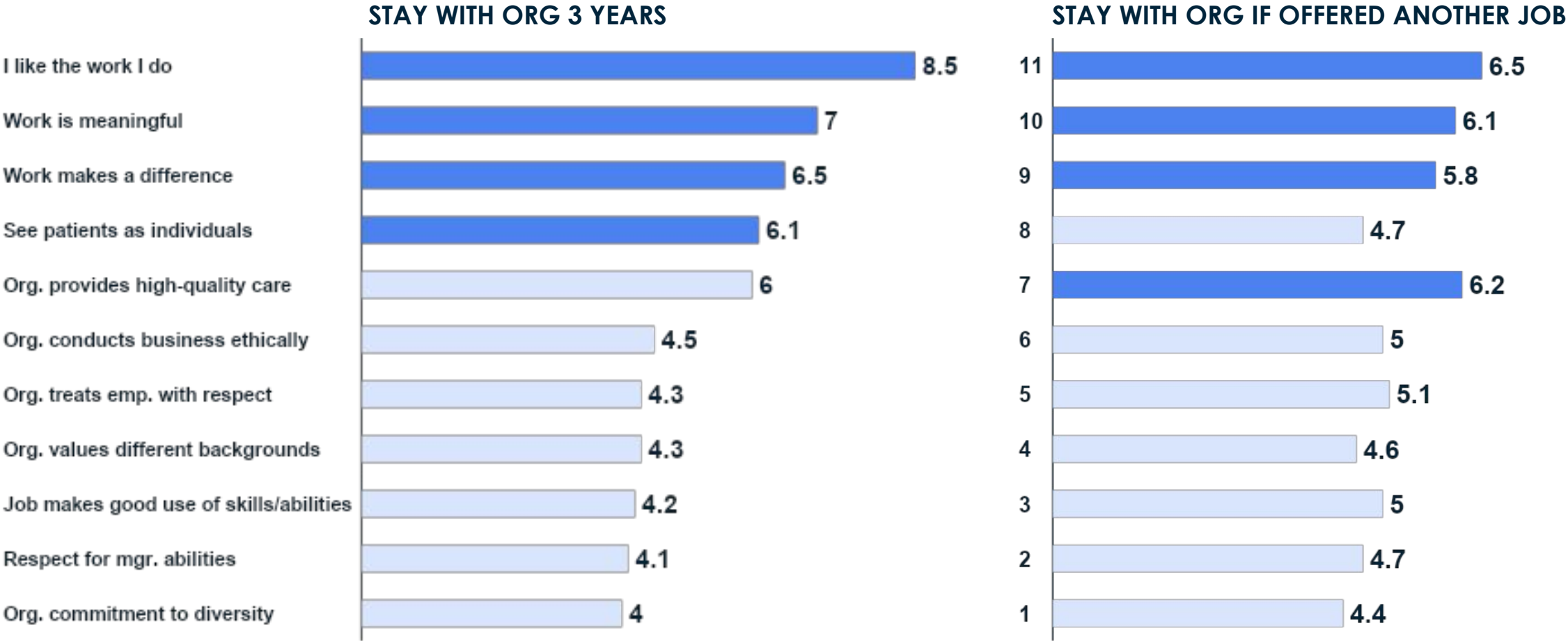
Top engagement performers are 3x more likely to be top performers for patient experience



Good Things Go With Good Things

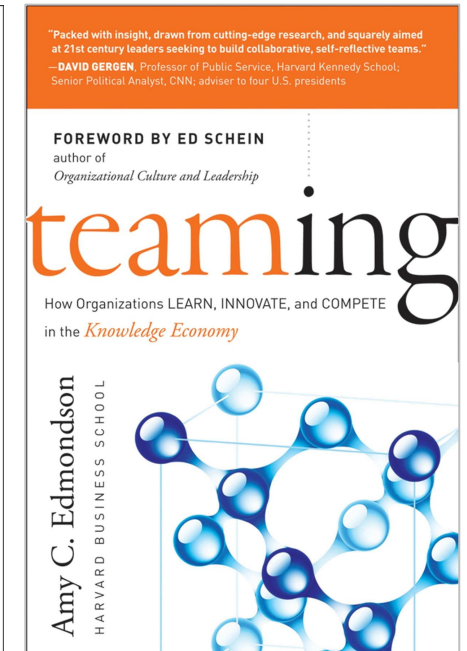
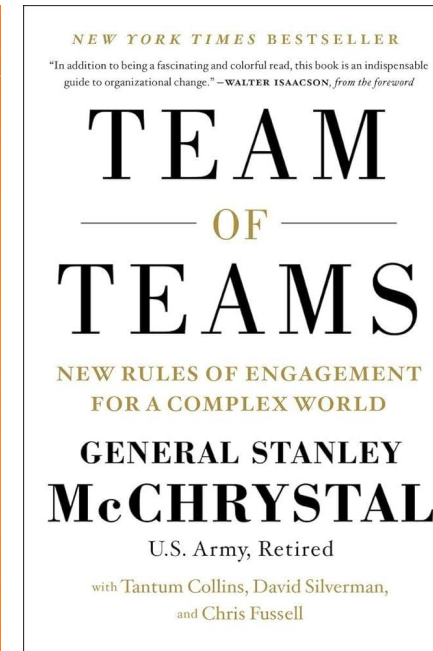
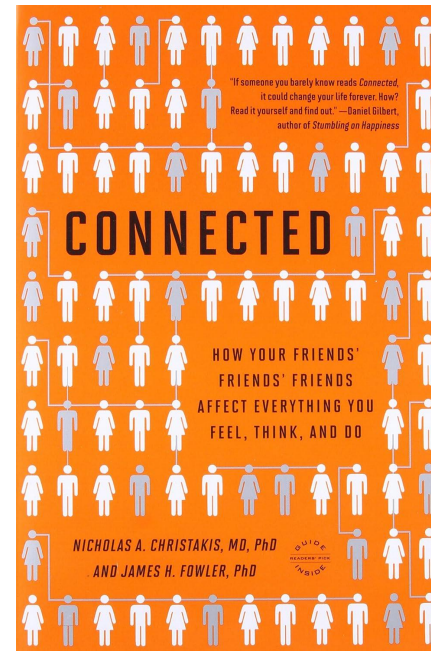
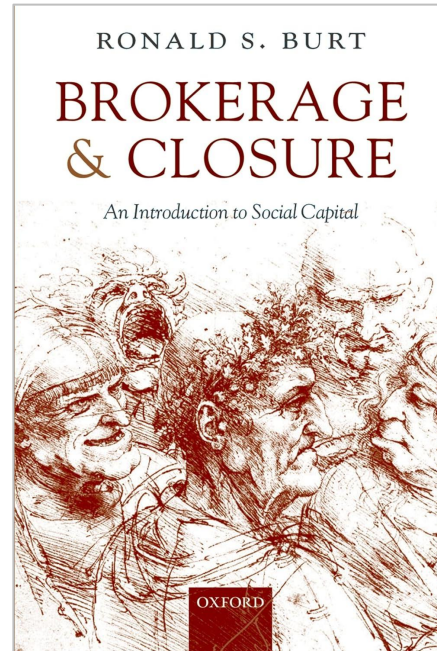
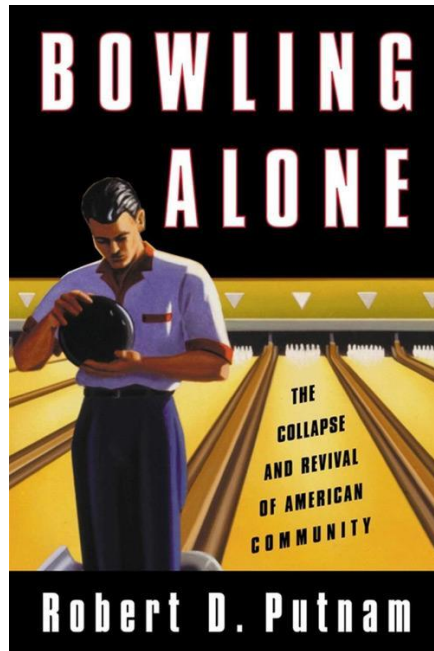


What drives loyalty in the workforce?



How to build social capital

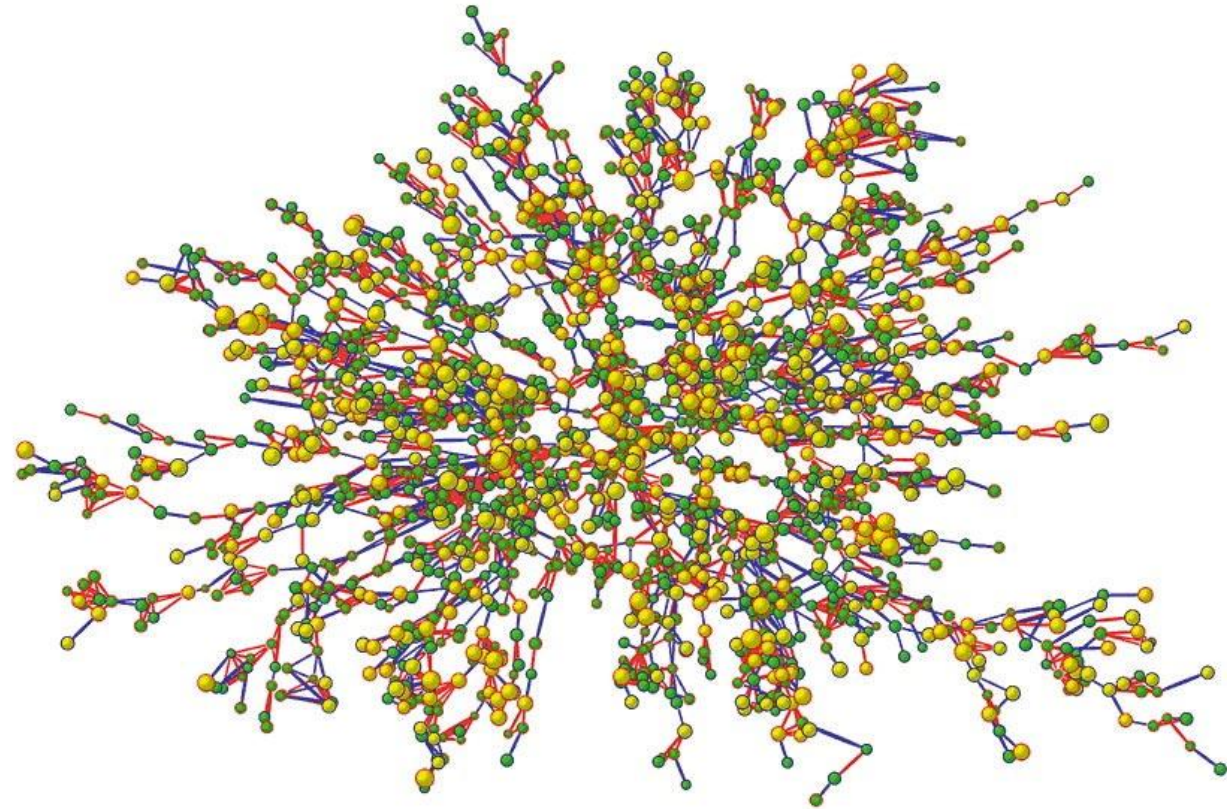
Some basic insights from five useful books



Insight 1

Three basic functions:

1. Build connections
2. Strengthen connections
3. Transmit the right values across those connections



Insight 2

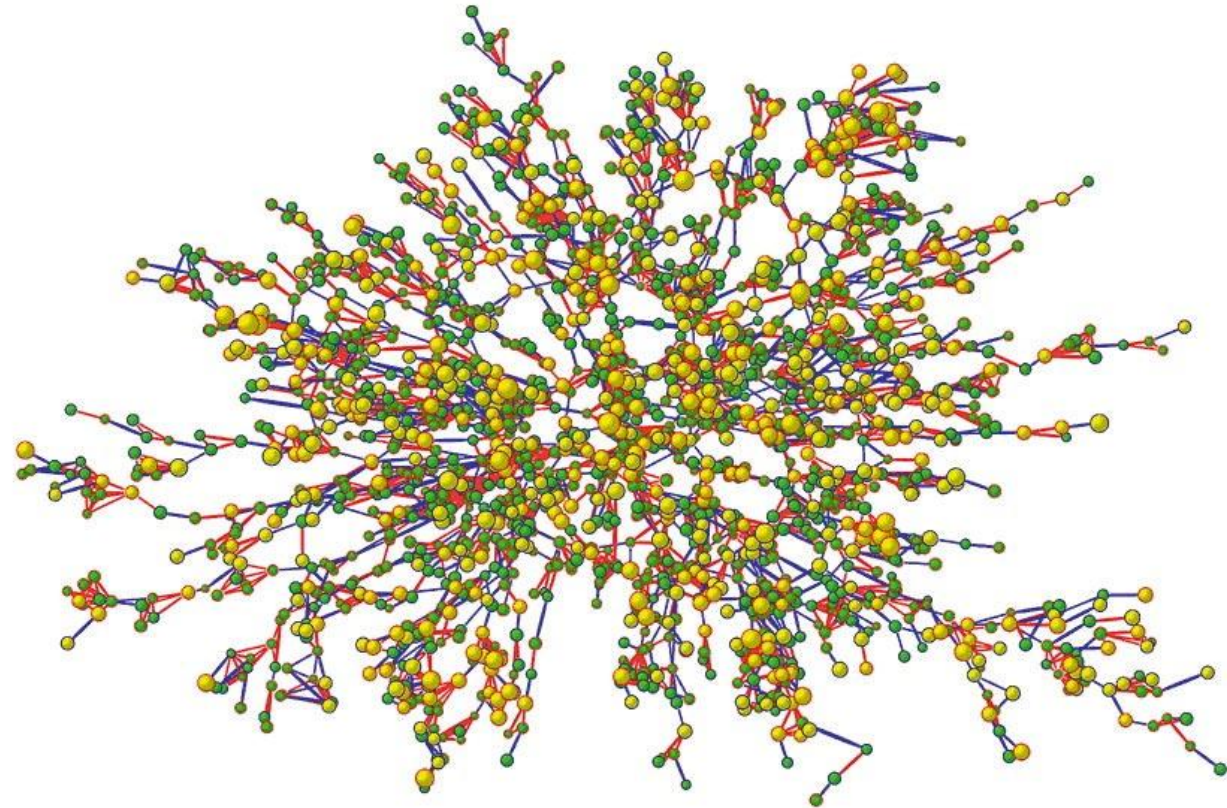
Building and then strengthening connections must be high reliability work

Start with:

- Respect
- Pride
- Trust
- **Ensure inclusion**
 - Rounding
 - Audits
- **Reciprocity**

Two different types of connections

- Bridging
- Bonding



Insight 3

Bonding connections
strengthen group identity:

- Superglue
- Thick Trust
- High reliability
- Psychological safety
- Kindness



Insight 4

Bridging connections
are *lubricant* for
interactions:

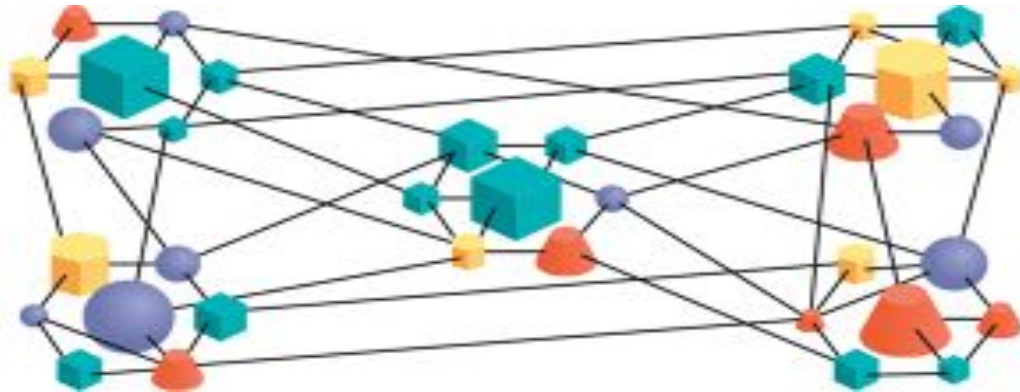
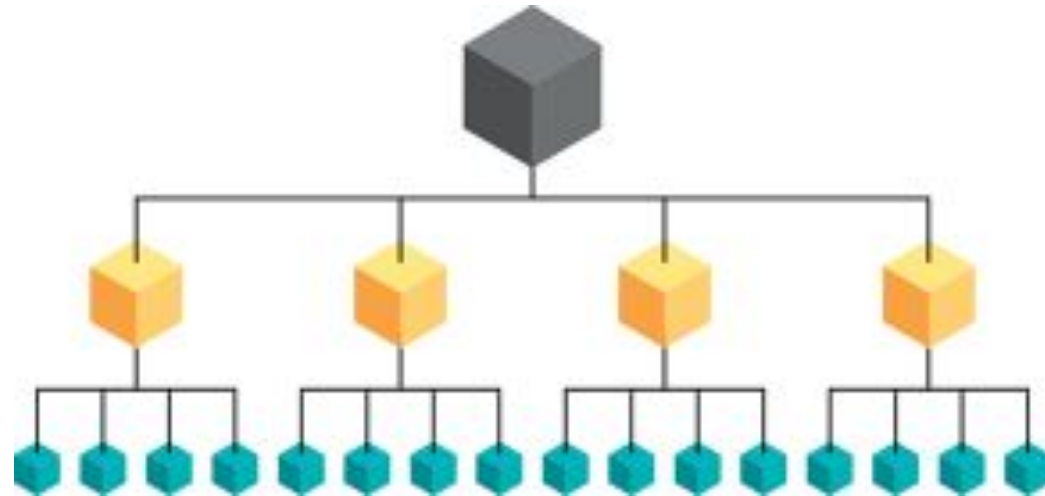
- Like WD-40
- “Thin Trust”
- Broadens group identities
- Speeds learning and use of information



Insight 5

Need:

- Teams
- Teams of teams
- Teaming



How to make norms like respect like hand hygiene?

Confucius believed in importance of rituals

Frequent, regularly occurring events at which we behave “as if” we are the way we should be

- Stand up when an elderly person enters room
- Sit down when with a patient in bed
- Greet colleagues by name
- Say thank you when someone does something for you



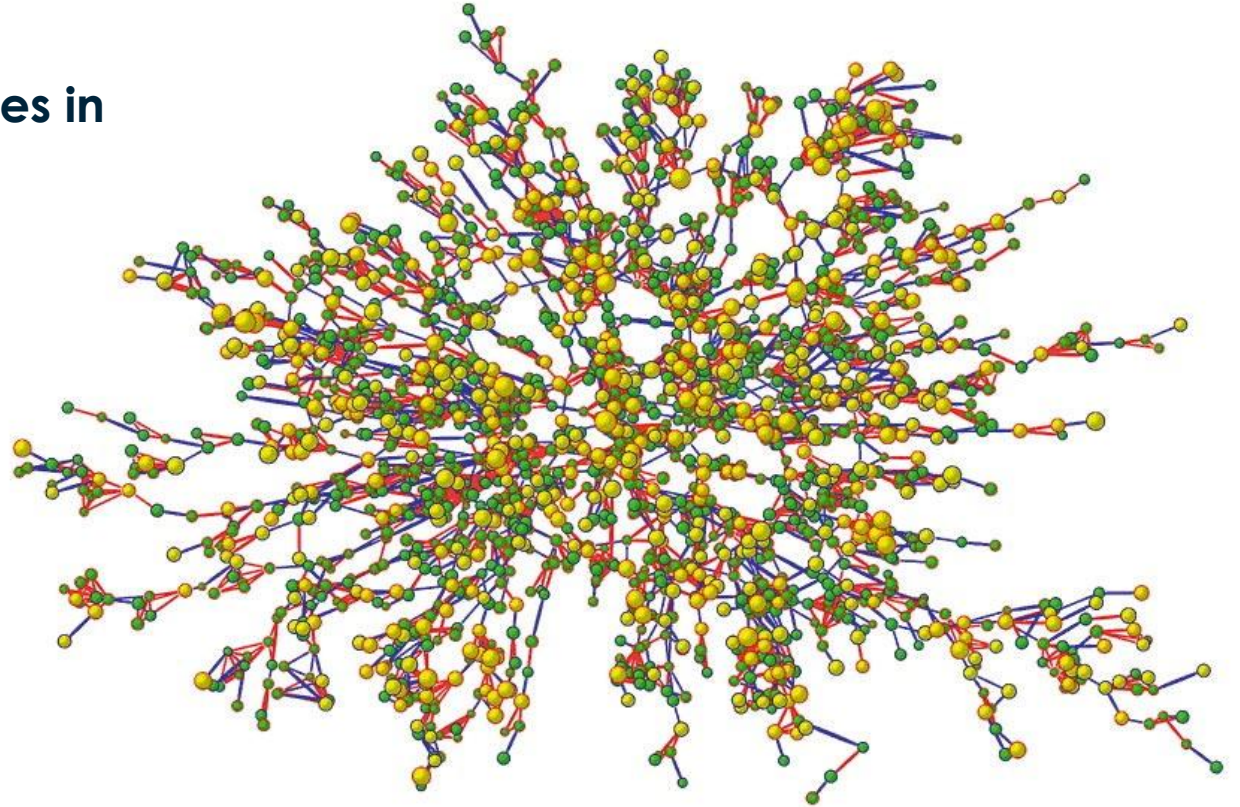
How to be CFO for social capital for your unit of the organization

**Strengthen the connections among the nodes in
your network**

Choose and then spread the right norms

Act like a CFO

- Measure what matters
- Prioritize opportunities for improvement
- Create plans
- Implement and monitor progress





Thank you