

TLC Risk Management
2008-2010
R.W. DuCharme, Ph.D.
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The Harvard Business Review, March 2009 article by Rene' M. Stulz provides a framework for the ways companies may avoid the mismanagement of risks during this economic downturn. The model presented by the article provides six ways to focus efforts.

Risk management requires data, the correct data, and metrics to illustrate how data works in relationship to the aim of managing risk.

The following are principles we may apply to our program:

1. Current Data and Observation

A message to help us avoid the mistakes that are part of risk management:

It is a mistake to rely on historical data. "History is an imperfect guide to today's economic climate." And "history" may provide a false picture in our analysis of student data presented for consideration during the admission and treatment process.

A. Child Admissions:

A child's behavior at home, in his school environment, in the classroom, and in the community at large may not predict his success at TLC.

Most of the children who are referred to TLC have been in settings that are unable to meet their needs. The interactions and demands placed on the child in his settings are often mismatched to his needs. The "triggers" in the setting and inappropriate structure provided in the setting impede the child's success and accentuate his deficits.

Our analysis of a child's current behavior requires that TLC staff identify the child's academic strengths, acquired skill sets in interpersonal interactions, communication skills and verbal intelligence.

The child's response to reliable, supportive routines and tasks that match his measured developmental level are relevant factors for assessing a fit between a child and the TLC program expectations.

The correctness of his diagnosis, medication regime over time, and the age when he began treatments are also relevant historical factors to developing a prognosis for success at TLC.

B. Fiscal Management:

Historical trends for income, prompt payments, referral patterns will most likely not predict what we will face in the academic year 2010-2011.

2. Big Picture

The focus on measures that are too narrow, as a basis for data analysis and recommended strategies, may lead to an incorrect conclusion.

A. Marketing:

Marketing efforts, minimal as they are, will need to be increased and targeted. Dependence on 'word of mouth' will not suffice. An analysis and evaluation of sources of referral will be undertaken: IECA, Attorney, Mental Health, DCF, DOE, Private-Public school in order to retarget the focus of marketing.

B. Child Profile:

It is important to focus on the "big picture". Does the data reflect a reliable picture of behaviors in the primary settings in which the child spends significant periods of time: home, school, community? Are the data reflecting measurements that fit each setting, through the course of the time (e.g., day) in that setting and overtime (e.g., weeks) in each setting where behaviors are measured?

Are data reflecting the therapeutic effects of medications on behavior of the child in each setting through time and over time?

The measurement of intelligence by the use of a specific measurement methodology may not predict performance and level of adaption accurately, given the child's deficits, e.g., impulsive cognitive style, lack of perseverance, motivation, or delayed information processing speed. A measurement of a child's developmental age is more reliable for assessment and identifying goals and strategies.

3. Risks and Relevant Information

Overlooking identified risks may lead to failure to consider important relevant information for making informed decisions and even create risks.

A. Child Data:

Carefully assessing the factors such as family medical history, history of genetic anomalies in the family of the child, mental health history of families of both parents are significant to diagnosis and treatment planning. It is important to do a probability analysis of the key family member's ability to participate and support necessary therapies in the environments the parents manage.

Behavior observed and assessed within the last eight weeks is helpful.
Comprehensive independent evaluative data are most relevant.

Are economic resources available to provide the necessary related services to reach desired treatment outcomes; e.g. insurance to provide medical supports psychiatric care, family therapies, etc?

Are outside agencies contributors of support or competitors to the idea of comprehensive services?

The anticipation of the impact of identified risks to the success of treatment is essential to effective treatment planning.

B. What are other comparable programs experiencing?

1. Census status changes
2. Referral pattern changes
3. Source of payments
4. Staff or facility reductions
5. Regional drop off in referrals

4. Data Collection

To avoid the mistake of overlooking concealed risks requires that the collecting and analyzing of the data in ways to forecast unintended outcomes. This information may need to be extracted from complicated developmental histories, correcting misdiagnoses, and adding to absent information.

Are changes in child referral characteristics impacting staffing patterns and schedules?

A. Do we need increased level of skills and training?

B. Do we require increased time and assessment of

1. Staff
2. Student candidates

C. What are cost of care implications and projected changes during the identified time frame?

D. Child Data:

Interview with significant people who are part of a child's history often yields information not part of the child's file. Parent, service providers, and extended family members provide a more complete perspective to risk analysis than information in the file.

1. Are referrals reflecting a change in child severity and diagnosis?
2. Changes in contract terms requested
3. Students receiving TLC aide

5. Effective Communication

The mistake of failing to communicate and or to communicate unclearly when it is necessary to report information are significant impediments to effective risk management.

Clear, concise, accurate information that is provided in “real time” is critical to risk management. Confidential information, information required by specific individuals needs to be target and on a “need to know” basis. Flooding information into the system may confound the action to be necessary to be done in a timely and effective way. Information to the wrong persons leave them to figure out why they are being contacted.

A. Staff:

Training of staff members, as well as those involved in service delivery, is necessary to ensure that the lexicon of communication is based on clear definitions that fit relevant features of the service delivery system.

The ability to accurately use a vocabulary for an objective description, without interpretation or misinterpretation, to inform others who are in a position to take action, is imperative to effective communication.

The ability to know when not to communicate is just as important a problem as miscommunication.

Obtaining information and not reporting it, not reporting it in a timely way, or reporting to the wrong person clearly confounds effective risk management.

When in doubt – report.

B. Financial Status Monitoring

1. Report of real time changes
2. Changes in contract terms requested
3. Students receiving TLC Aid.
4. Changes in census

6. Timely Communication

The avoidance of the mistake of failing to communicate in real time; e.g. at the time when information is obtained, is a necessary predicate to effective risk-management.

A. Fiscal management requires frequent checks on performance of income sources and increases in expenditures. (Refer to the fiscal management plan)

B. Reporting Barriers

Recognizing and reporting barriers to the effective management of risks is obviously very important. If too much time passes before communication occurs, risks to the management of treatment may come quickly and rapidly influence how events may be managed. Daily fluctuations in the behavior of a child, changes in resource availability, alterations to the service delivery system, information necessary for compilation for reporting left undone etc. are factors that impede effective risk management if not communicated. It is then necessary for people to know how to report, and to whom to communicate in the decision structure of the program system. Targeting the message of communication requires a clear structure to ensure those who need to know receive the information intended to be shared. Not everyone needs to know, but certainly key individuals relevant to the issue must be identifiable and reachable.

Final Thoughts:

The previous 6 points described by the author of the Harvard Business Review article are able to be adapted to a service delivery system like that of The Learning Clinic. The importance of managing resources to avoid risks and to manage risks, when known, are basic to the effective education and treatment of those children and families in our care.

We may now need to increase our reliance on TLC models for student success based on individual treatment scenarios and the data profiles over time for those students, when considering new students who match the profile and treatment model applied to similar students in the TLC program. Successful modeling scenarios may need to be applied also in our fiscal management by the reviews of recent short-term TLC strategies in light of new data and circumstances.

We all need to think “outside the box” created by history, current ‘expert’ predictions and the rapidity of changing circumstances.