

Differentiating Process Outputs From Process Outcomes

Key Points:

- **Compliance Program effectiveness relates to Outcome, not Output**
- **Outputs lend themselves to numerical values, not so with Outcome**
- **Outcome relates to the result and value created from the process**
- **Compliance Officers often fall into the trap of measuring only outputs**
- **Process outputs must not outweigh the outcome from the process**

Evidence from the [2022 Healthcare Compliance Benchmark Survey](#) found many Compliance Officers falling into the trap of relying upon measuring the process outputs to evidence compliance program effectiveness rather than the output related to the impact of the process on compliance. Process outputs include the number of hotline complaints, employees trained, policies implemented, sanction screening numbers, etc. Outputs are important in monitoring and measuring the process, activities, and actions by which the Compliance Program functions. However, outcomes evidence the result and value created by the process.

Compliance Program effectiveness relates to outcome, not output. Focusing only on outputs rather than outcomes can significantly undercut the credibility of the evidence of the Compliance Program's effectiveness. Swamping executive leadership and the board with too many numerical output results often has a negative effect that can cause a loss of interest in the information or confidence in the value of the Compliance Program. Numerical output results also risk conveying the impression that the Compliance Program is more "form over substance" and a purely administrative cost center that they are required to have rather than something they really need. This can be extremely unsettling to Compliance Officers.

Regulators such as the Department of Justice (DOJ) and the Department of Health and Human Services Office of Inspector General (OIG) are less interested in prescriptive compliance rules than the impacts of outcomes on the organization's operation. Generating output data also falls

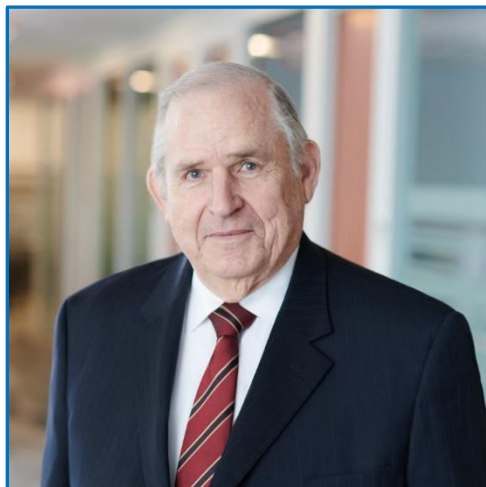
well short of what the DOJ and OIG expect to see in effective Compliance Programs. They want to know how the compliance program is working in practice.

It is therefore advisable for Compliance Officers to direct attention to being able to specifically document and evidence how the Compliance Program creates value to the host organization and is aligned with the mission, vision, and operations while mitigating the risks of violations that could create liability. The objective is to be able to evidence and document positive outcomes of the Compliance Program to executive leadership, the Board, and possibly outside enforcement agencies.

For more information on this topic, registration is open now for the complimentary SAI Global Webinar, “[Evidencing Compliance Program Effectiveness](#),” to be held August 16, 2022, at 2pm.

For more information on the Healthcare Compliance Benchmark Survey or other compliance-related concerns, contact Richard Kusserow (rkusserow@strategicm.com.)

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About the Author

Richard P. Kusserow established Strategic Management Services, LLC, after retiring from being the DHHS Inspector General, and has assisted over 2,000 health care organizations and entities in developing, implementing and assessing compliance programs.