

Thought Leader Forum



Summary of Findings

The Role of Health Care Human Resources in
Advancing Operational Efficiencies and Effectiveness

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AMERICAN SOCIETY FOR HEALTHCARE
HUMAN RESOURCES ADMINISTRATION
OF THE AMERICAN HOSPITAL ASSOCIATION

Founded in 1964, ASHHRA is the leading voice for HR professionals in health care - linking people and organizations to leadership practices, best practices to patient outcomes, and outcomes to business results. Headquartered in Chicago, IL, the society has more than 3,400 members and services the needs of over 50 chapters throughout the United States. For more information about ASHHRA, visit www.ashhra.org.

Vision

By joining together, by raising our skills and by speaking with one voice, we, as ASHHRA members will enhance the well-being of our employees, our health care organizations, and the communities we serve.

- ◆ ***Our purpose:*** To establish the expertise of health care HR through our ability to learn and share knowledge, build relationships, and exemplify excellence.
- ◆ ***Our power:*** To influence and impact the future of the health care workforce and those they serve.
- ◆ ***Our promise:*** To keep in our minds and hearts the passion and commitment we have for our profession.

Mission

ASHHRA leads the way for members to become more effective, valued, and credible leaders in health care human resources administration.

Guiding Principles

Collaboration * Service Excellence
Integrity * Innovation * Passion

Value Proposition

We offer high quality and effective resources, educational programs, and networking opportunities to human resources professionals in the health care industry.

Introduction

The American Society for Healthcare Human Resources Administration (ASHHRA), a personal membership group of the American Hospital Association (AHA), held its third Thought Leader Forum on Thursday, July 23, 2009 in San Francisco, California, prior to the 2009 AHA/Health Forum Leadership Summit.

Jeanene Martin, Senior Vice President, Human Resources, WakeMed Health and Hospitals, and ASHHRA immediate past president, chaired the proceedings. The discussion was moderated by Larry Walker, president of The Walker Company Healthcare Consulting.

A select group of health care human resources experts participated in the Forum, a two-hour session titled, "The Role of Health Care Human Resources in Advancing Operational Efficiency and Effectiveness."

"I think about our role as a professional society here. At the time when people question the value of pretty much everything they do, certainly the professional organization work that you all did today, the kind of thought leadership that we heard today will help our members," said ASHHRA president Dan Zuhlke. "It is a time for all of us to be courageous, to think about redefining our role and not letting someone else redefine it for us. It is a great time for HR professionals. Our field is at an exciting point, and we need to look at this as an exciting challenge."

This Thought Leader Forum *Summary of Findings* is a strategic overview of the role of human resources in and the implications of enhanced operational efficiency and organizational effectiveness in health care. Related resources from the Thought Leader Forum, such as the Forum *Discussion Transcript*, can be found at www.ASHHRA.org.

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Summary of Findings

A SHHRA's third Thought Leader Forum focused on ways to improve efficiency and effectiveness at every level in health care organizations, one of the foremost challenges facing hospital and health system leadership teams today. A panel of 13 participants discussed what "efficiency" and "effectiveness" means to them, the root causes of inefficiency and ineffectiveness, and potential areas to be explored to improve both efficiency and effectiveness.

The thought leaders engaged in a lively discussion of thoughts, opinions, personal experiences, and ideas for best practices. The discussion focused primarily in the following areas:

- Defining organizational efficiency and effectiveness
- The role of human resource leaders in addressing process and/or system inefficiencies
- The importance of teamwork, communication, and the right organizational culture
- The importance of internal and external partnerships and collaboration
- Identifying "waste" to impact long-term efficiency and effectiveness
- Tools to measure successes.

Defining Organizational Efficiency and Effectiveness

Both the efficiency and effectiveness of the U.S. health care system are front and center in the health care reform debate, and the administration's and Congress' health reform efforts are focusing on the need to eliminate inefficiencies and wasteful practices to control rising health care costs.

Forum participants agreed that efficiency broadly means removing waste from the system and establishing care and business processes that are as streamlined as possible. Efficiency may be further defined as bringing together the right people, process, and technology to enhance quality and productivity.

The thought leaders defined effectiveness as being about end results and measurements that demonstrate that efficiency initiatives are working. The challenge is ensuring that the right things are being done and measured. Being an effective organization means having clear measurement tools and accountability in place to determine if the organization is doing the "right" things, and if it is doing them well.

Participants highlighted the need for organizational leaders to rethink what the "right" things are, keeping in mind that

the patient perspective about what is "right" may be very different than the business or clinical perspective.

The thought leaders identified several root causes of inefficiencies in both health care organizations and the health care system as a whole.

One of the greatest challenges is that the various components of health care delivery systems tend to operate in silos. Clinicians are trained to operate in their own "expert cultures." The presence of these cultures too often encourages providers to think and operate in silos rather than coordination across the continuum of care, and fuels resistance to compromise and change.

Nursing excellence plays a critical role in all health care organizations. While nurse managers are typically promoted because they are good at what they do, they often don't receive the training and tools they need to transition from a strong and effective clinical role to an effective leader. Much is expected of nurse managers, yet they are often not provided with the tools, resources, and training they need to prepare them in successfully carrying out new leadership requirements and expectations.

The Role of Human Resource Leaders in Addressing Inefficiencies

Human Resource leaders have the opportunity to significantly impact organizational efficiency and effectiveness; they are in a position to see the "big picture" and interact with everyone across the organization. The thought leaders discussed several roles that human resource leaders may play in addressing inefficiencies.

- ***Be the "champion" for organizational effectiveness,*** ensuring that the right people are doing the right type of work. Human Resource leaders understand organizational efficiency and effectiveness drivers, how people and processes are interrelated, and how to be catalysts to help achieve the best quality, patient safety, and cost outcomes for patients and the community. As a part of this role, several participants identified the need to collaborate with nurse and clinical leaders to explore changing job roles and definitions to determine whether the right individuals are currently doing the right kind of work, in the right way, at the right time, in order to ensure optimal efficiency and effectiveness.
- ***Ask the right questions.*** As health care organizations and the field as a whole are redesigned to become more efficient, human resource leaders can play a vital role in evaluating their organization's capacity to achieve its desired goals. This may require asking questions such as

“Do we have the capacity to successfully do all of this work? Is this the right work?” Leaders will increasingly be expected to carefully prioritize what work is done and how it is done based on staffing and resource constraints.

- **Manage organizational talent**, including facilitating education, experience, and mentoring. Forum participants discussed the concept of developing “leadership blueprints” to identify the training, exposure and resources that emerging leaders should have, and then matching current leaders with the blueprints to “fill in the leadership gaps” for individuals where appropriate. It was noted that this concept is particularly important for front line managers and particularly nurse managers who may be excellent bedside care providers but who may have limited management knowledge or experience.
- **Actively participate in measuring outcomes and look for opportunities to improve.** Top performing hospitals involve human resources as part of their senior team, which provides the leadership team with a unique “big-picture” perspective. Human resource leaders should play a role in facilitating measurement of the impact of organizational improvement efforts, such as the impact of employee engagement on quality of care, productivity, and cost reduction.
- **Engage in “blank slate” thinking.** Because the health care system has evolved over the years with “patchwork” solutions to problems and challenges, human resources has an opportunity to bring “blank slate” perspective and thinking to the dialogue about ways to streamline and improve processes and systems. As organizations consider new projects, systems, or processes, human resources can encourage leaders at every level to evaluate the environment from all perspectives and ensure that the collective voices of stakeholders across the organization have been considered and weighed before making decisions about new structures or processes.
- **Change the organizational culture to place a greater emphasis on teamwork and coordinated care,** establishing a culture that makes decisions on a team basis with all players working together rather than in departmental or professional silos. As care becomes more complex and care settings continue to evolve, work will need to be redesigned to enable providers to work more efficiently and effectively together, particularly when they may not be in the same physical location.

Human resources can play a role in breaking apart organizational silos. This, combined with the appropriate selection and hiring of employees and employee development, will be critical in the future as organizations face growing staffing shortages.

In addition, as care becomes more complex, providers cannot be expected to remember all the details of patient care and treatment on their own. Human resources can help organizations move from the traditional “expert culture” to one with a greater focus on processes and teamwork.

The thought leaders also discussed the long-term need for a more radical transformation that changes the way the care process works and how people come together to provide that care. A focus on teamwork, facilitating the right culture and the right people in the right places, is a start to the transformation to more efficient, effective organizations.

The Importance of Teamwork, Communication and the Right Organizational Culture

The nature of health care delivery is changing rapidly, from one primarily dependent on individual expertise to one that relies on coordination and collaboration across a team of experts with access to a plethora of information from a variety of sources that must be constantly synthesized, interpreted, and incorporated. As consumer demand and new payment structures force these changes, health care organizations must ensure a culture that emphasizes teamwork and communication, develops a system that minimizes the potential for errors and is patient-centered.

Creating a culture of trust is critical. Human resource leaders should foster a culture that encourages challenging processes, systems, and procedures with the goal of eliminating inefficiency and ineffectiveness in every aspect of the care process.

To encourage this culture, forum participants discussed the potential to better incentivize employees to take personal responsibility for efficiency and effectiveness improvements. Some suggested offering incentive or gain-sharing pay based on team or overall organizational performance in implementing meaningful efficiency and effectiveness improvements.

The thought leaders also discussed the need for greater employee engagement and empowerment. There are many unknowns surrounding the eventual outcomes of health care reform, but one thing is certain - health care organizations will need to be more nimble and adaptable in finding ways to reduce variation in care, lower costs, streamline processes, and improve efficiency. Keeping employees engaged and involved in decision-making will help during increasingly challenging and stressful times. When engaging the staff, the emphasis should not be focused on individual employee performance, but instead on ways to improve the system as a whole and empower employees to think creatively and willingly share their ideas for improvement.

Several participants cited and discussed the Transforming

Care At the Bedside (TCAB) initiative, which empowers front line staff to make changes at the point of care, as an effective tool for engaging employees and identifying potential process improvements.

The Importance of Partnerships and Collaboration

The thought leaders agreed that vibrant internal and external partnerships and collaboration are necessary ingredients for improved efficiency and effectiveness. Collaboration and open communication among professional associations such as ASHHRA, the American Hospital Association (AHA), and the American Organization of Nurse Executives (AONE), among others, will result in shared knowledge that can help organizations learn from one another's challenges and successes.

The leaders agreed that departments too often tend to think and operate independently, rather than interdependently, resulting in disjointed and uncoordinated care. Coordination and strengthened relationships both within and across organizations will become increasingly important.

Identifying "Waste" that Impacts Long-Term Efficiency and Effectiveness

Waste in health care is the "gold mine" for cost savings and improved efficiency and effectiveness, according to the thought leaders. There was agreement among the forum participants that the people on the front lines of care know best where the waste is and are best equipped to make the changes necessary to improve process flow and reduce errors and unnecessary costs.

As the health care reform debate potentially leads to major changes in the way health care is financed, health care leaders must look at the total cost of care in all settings and understand from a systemic perspective how waste can be removed. Some of the specific areas identified as being wasteful in individual health care organizations today include:

- Time spent in documentation - although much of the documentation is required, there are opportunities to make the documentation process more efficient
- "Work-arounds" or band-aid approaches rather than changes to the process or system
- Improvements in productivity, such as reducing staffing turnover, minimizing or eliminating the use of agency and contract nurses, and not utilizing a higher skill than required for a specific position

- Inefficient patient through-put that results in patient waiting
- Policy re-writing.

Tools to Measure Success

The thought leaders agreed that outcomes measurement is a fundamental job of human resources. The challenge for human resource leaders is to "raise the bar" to the next level by having the right metrics in place and continually keep those metrics in front of both front line employees and organizational leaders.

Human resource leaders play a vital role in nurturing a culture focused on efficiency gains and effectiveness improvements. Human resources should play a lead role in measuring organizational performance, interpreting findings, and sharing results throughout the organization to stimulate continuous improvement. Human resources should also continually evaluate whether the organization has the personnel skills necessary to meet ever-changing organizational and community needs.

Data should be used to demonstrate how certain behaviors lead to certain results. Having the data to prove the impact of specific actions builds buy-in and helps everyone to understand the impact of their hard work.

Ongoing measurement also keeps quality at the forefront. Meetings should start by talking about quality, and quality indicators should be central in discussions and communications with all employees.

Finally, data should be used for benchmarking. Forum participants discussed the importance of benchmarking organizational performance with national data to ensure that performance is continually elevated. In addition, the thought leaders discussed benchmarking efficiency measures against other industries in the United States and health systems in other countries.

Advice for Human Resource Leaders

Thought Leader Forum participants offered advice for human resource leaders:

- Partnerships with leaders both within individual organizations and across the field are critical
- Models of excellence and best practices can be integrated throughout the organization and shared with others
- Learn from others' experiences to avoid "reinventing the wheel"

- Human resources should be an integral part of the senior management team, and offers a valuable presence in the “C-suite”
- Ensuring the right people are hired and receive the appropriate training is critical to efficiency and effectiveness improvement. The capabilities of all employees, from top leaders to front line staff, will be essential in successfully responding to emerging challenges
- Compensation, rewards, and the performance evaluation processes should all be clearly aligned with organizational goals
- Human resource leaders should play a lead role in the development of dashboards that measure what is most important to organizational success, and regularly review the data to understand what the organization is doing well, and where it has opportunities for meaningful change and improvement.
- Human resource leaders play an important role in impacting organizational culture as hospitals and health systems strive for improved efficiency and effectiveness, and must speak up and advocate for making the right changes in the right places.

Conclusion

Health care human resource leaders have an opportunity to significantly impact organizational efficiency and effectiveness. In the past, much of the human resources role has been primarily considered as “overhead.” Today, and even more so in the future, human resource role in facilitating strategic partnerships that develop a culture that emphasizes and values everyone’s role in efficiency and effectiveness will be essential.

Human resource leaders must be health care executives first, understand the health care business inside and out, and bring new ideas and perspectives to shape a future of greater efficiency and effectiveness.

In a time of great uncertainty, human resource professionals must be thoughtful and courageous leaders. Today’s turbulent and hyper-change environment creates an opportunity for human resource executives to make a profound difference in the success of their organizations as they travel the pathway to greater efficiency and effectiveness.

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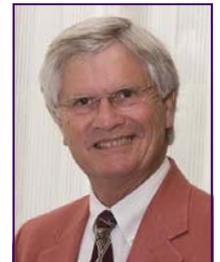
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Thought Leader Action Ideas

for Maximizing the Role of Health Care Human Resources in Advancing Operational Efficiencies and Organizational Effectiveness

Facilitate a Team-Based Culture Focused on Trust and Patient Safety

- Establish a culture that focuses on quality, making decisions, and evaluating results based on quality outcomes. Link organizational communications and actions back to quality.
- Front-line employees know where the waste is. Increase employee engagement in looking for ways to facilitate a culture of teamwork and trust and minimize waste. This may be achieved in a variety of ways, such as town hall meetings, manager luncheons, or an annual “quality fair” that allows employees to identify how they have contributed to improved quality.
- Understand that the large number of patients and complexity of potential diagnoses is too much for any one person to remember on their own. Move away from the “culture of expert” to one that focuses on processes and teamwork.
- Have a game plan determined in advance for specific scenarios. When a patient arrives that meets a specific criteria or scenario, the entire care team will already know what to do rather than having to stop and determine how the situation should be handled.
- The Chief Executive Officer and Chief Human Resource Officer must be on the same page to encourage the right culture. Part of this includes human resources’ role in making it appropriate to raise concerns, and creating a culture that makes change from a system perspective.
- Consider a rule that no department can create work for another department without its permission.
- Ensure the individual performance review process emphasizes teamwork. Consider developing a new evaluation process designed to build buy-in and ensure the process meets its intended goals.
- Use the annual performance evaluation to evaluate entire teams and their success in achieving pre-defined goals, such as fall rates and errors. Provide rewards for team-based performance and achievements.
- Develop performance targets for organizational effectiveness and provide gainsharing payment as a

reward. Base gainsharing on the entire organization’s performance; every department and employee plays a key role in overall success.

- Find non-financial ways to reward team success, being mindful that motivation often comes from advancement and recognition.
- Ensure that rewards, compensation, and performance evaluation processes are aligned to encourage the same outcomes.

Ensure the Right People are Doing the Right Things the Right Way

- Teach managers how to hire the right people.
- Train managers to be coaches and find ways to allow them to focus on coaching and high-level teambuilding rather than bureaucracy and paperwork.
- Before implementing a new idea or system, stop and begin the process with a “blank slate.” Evaluate the environment, ensure that the right individuals are involved, and define what their roles should be.
- Some positions may be more efficiently and effectively performed by working from home. Develop a template that the organization can use to determine which positions are most appropriate for work from home and how to make a successful transition.
- Participate in the Transforming Care At the Bedside (TCAB) initiative that empowers front line staff to make changes at the point of care.
- Evaluate time spent on paperwork, and look for ways to maximize efficiency.

Collaboration and Sharing of Resources

- Create a culture that emphasizes partnerships and integration among leaders.
- Include the human resource executive as a member of the organization’s senior leadership team.

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Thought Leader Action Ideas

for Maximizing the Role of Health Care Human Resources in Advancing Operational Efficiencies and Organizational Effectiveness

- Collaborate across organizations through their professional associations, such as ASHHRA, AHA, AONE, HFMA, and others.
- Work together with other organizations to share resources and best practices.
- Consider benchmarking systems and processes against other industries, and/or health systems in other countries.

Implement Leadership Training to Encourage Efficiency and Effectiveness

- Evaluate nurse management positions and determine if they have the right resources and support to perform their complex role in the most effective way.
- Develop an education plan for front line managers.
- Develop leadership blueprints that identify the training, exposure, and resources emerging leaders should have. This may include classroom learning, online learning, or mentoring. Match current emerging leaders with the blueprints, and fill in the gaps for each individual leader where appropriate.

Measure Success

- Hold leaders and individual employees accountable for outcomes with the goal of looking for opportunities to improve not punish.
- Build accountability steps into the organization and reward successes.
- Determine the measures that are most appropriate for identifying if work is being carried out in the most efficient and effective ways.
- Measure employee engagement and correlate employee engagement with patient outcomes.
- Set pre-defined success measurements and adhere to them. For example, if a new information technology system is implemented, determine how the system's success will be measured three years later. Then measure what actually happened and compare the actual outcome to initial projections.





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