EMPLOYEE ENGAGEMENT STRATEGIES AND THE IMPACT ON THE VALUE EQUATION

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With ever-changing reimbursement models, increased margin pressure, and forecasted staffing shortages, employee engagement (retention) will be imperative to controlling costs and improving outcomes. This session will explore the following:

- Case study to discuss current state environment and reveal impact of employee turnover to financial and quality outcomes within Valley market
- Discuss strategies for achieving employee engagement as it relates to Maslow’s hierarchy of employee needs
- Explore by what methods financial leaders can evaluate the efficacy and support employee engagement initiatives
CURRENT STATE & FUTURE PROJECTIONS, PRESSURES & CHALLENGES
EXPENSE PER CMI ADJUSTED DISCHARGE

Supply Expense
- 50th Percentile - Valley: $618
- Sample: $690

Salary Expense
- 50th Percentile - Valley: $1,967
- Sample: $2,292

Operating Expense
- 50th Percentile - Valley: $3,685
- Sample: $4,855
Infection from a Urinary Catheter

Central-Line-Associated Blood Stream Infections

Surgical Site Infection from Colon Surgery

Clostridium Difficile Infection

Methicillin-Resistant Staphylococcus Aureus Infection
READMISSION RATE PERCENTILE

- All Cause Hospital-Wide: 40
- CABG: 84
- COPD: 87
- Heart Attack: 81
- Heart Failure: 67
- Hip/Knee: 5
- Pneumonia: 74
- Stroke: 71
PATIENT EXPERIENCE PERCENTILE

Patients who reported that their room and bathroom were Always clean

Patients at each hospital who reported that yes they were given information about what to do during...

Patients who reported that their pain was Always well controlled

Patients who reported that they Always received help as soon as they wanted

Patients who reported that their doctors Always communicated well

Patients who reported that their nurses Always communicated well

Patients who reported yes they would definitely recommend the hospital

SUMMARY STAR RATING

Summary Star Rating

0 1 2 3 4 5
LEFT WITHOUT BEING SEEN: Percentage of patients who left the Emergency Department before being seen

MINUTES BETWEEN INPATIENT DECISION AND LEAVING ED: Average (median) number of minutes patients spent in the Emergency Department after the Doctor decided to admit them as an inpatient before leaving the ED for their inpatient room

MINUTES IN ED - BEFORE INPATIENT ADMISSION: Average (median) number of minutes patients spent in the Emergency Department before they were admitted to the hospital as inpatient

BEFORE SEEN BY HC PROFESSIONAL: Average number of minutes patients spent in the Emergency Department before they were seen by a healthcare professional

BEFORE BEING SENT HOME: Average number of minutes patients spent in the Emergency Department before being sent home
EXPENSE PER CMI ADJUSTED DISCHARGE

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  - 50th Percentile - Valley: $618
  - Sample: $690

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  - Sample: $2,292

- Operating Expense
  - 50th Percentile - Valley: $3,685
  - Sample: $4,855

- Total Expense: $18.1 M
COST OF CARE & INEFFICIENCIES IN THE COST OF CARE DELIVERY
MANY ASPECTS OF CARE DELIVERY IMPACT LABOR COSTS

- CLINICAL UTILIZATION VARIATION (level of care, clinical services, etc.)
- OVERHEAD & SHARED SERVICES COSTS
- ANCILLARY & CLINICAL SUPPORT SERVICES PROCESSES
- SUPPLY UTILIZATION & PHYSICIAN PREFERENCE
- LABOR MANAGEMENT & PRODUCTIVITY
- PHYSICIAN EFFICIENCY & PRODUCTIVITY
- LENGTH OF STAY & PATIENT THROUGHPUT
- SURGICAL & PROCEDURE SERVICES PROCESSES
STRATEGIES THAT IMPACT OVERTIME & CONTRACT LABOR

1) Staffing resources by skill needs to volume demand
2) Scheduling resources by skill needs to volume demand
3) FTE hiring needs by skill, FTE status and recruitment process
4) Orientation requirements by service line, skill and experience level
5) Staff occurrences of incidental time
6) Staff occurrences of missed meals
7) Management of 1:1 observation patients
8) Management of absenteeism process
9) Management of non-productive utilization
10) Employee engagement and retention
FOCUS OF THE FUTURE IN LABOR COST OPTIMIZATION & IMPROVEMENT
SHIFT FROM VOLUME BASED TO VALUE-BASED CARE

Continuous improvement and “Lean thinking” will be fundamental to an organization’s success

Employee Engagement → Patient Satisfaction → Patient Volume → Financial Results

Quality & Outcomes

Companies on the top quartile of employee engagement report:

- **22%** higher profitability
- **21%** higher productivity
- **37%** less absenteeism and employee turnover
- **48%** fewer safety incidents
- **41%** fewer defects

IMPACT OF ENGAGEMENT ON RETENTION

UNDERSTAND EMPLOYEE NEEDS & ENGAGEMENT STRATEGIES
According to Maslow, to move up the pyramid each lower need must be met.

Failure to meet the needs at a lower level disrupts a person’s ability to progress.
MASLOW’S HIERARCHY OF NEEDS

- **Physiological**
  - food, water, warmth, rest

- **Safety**
  - security, safety

- **Belongingness and love**
  - intimate relationships, friends

- **Esteem**
  - prestige and feeling of accomplishment

- **Self-Actualization**
  - achieving one’s full potential, creativity

**Basic needs**

**Psychological needs**

**Self-fulfillment needs**
Maslow’s Hierarchy of Employee Needs:

1. **Physiological**
   - Food, water, warmth, rest

2. **Safety**
   - Security, safety

3. **Belongingness and Love**
   - Intimate relationships, friends

4. **Esteem**
   - Prestige and feeling of accomplishment

5. **Self-Actualization**
   - Achieving one’s full potential, creativity

Additional layers:

- **Compensation & Benefits**
- **Positive Working Environment**
- **Personal Development**
MASLOW’S HIERARCHY OF NEEDS & EMPLOYEE ENGAGEMENT

Physiological

I'm here for the money. I'm leaving when I can. I'm not satisfied with the job I do.

Safety

I know I am part of something bigger. I like working here but wouldn't shout it from the roof tops.

Belongingness and love

I am interested in overtime. I have more sick days than I should. I have poor working conditions.

Esteem

I'm a vital part of the business. I feel important at work. I'm really busy and very likely highly stressed.

Self-Actualization

What can I do for others? I inspire others to do their best.

I love working here. I'm a high flyer.

I'm an achiever. I'll leave if something better comes along.

I might leave if I'm tempted. There are no career development prospects here.

I don’t like my manager/working in my team. I don’t like my job much but I can get on with it.

My work doesn’t excite me. I’m a clock watcher.

STRATEGIES FOR EMPLOYEE ENGAGEMENT

• Facilitation & encouragement of creativity & problem solving
• Facilitation and encouragement of personal development
• Succession planning and leadership development
• Training and development to achieve goals outside of role
• Mental/financial well being initiatives

Self-Actualization

• Recognition of achievement from organization, management and peers
• Career pathways/ladders to pursue career advancement
• Respect and trust from peers and management
• Gym discounts for physical well being

Esteem

• Training and development to ensure confidence in role
• Team building activities and socials
• Means of recognition from work peers

Belongingness and love

• Base compensation
• Cafeteria/meal discounts and payroll deductions
• Shopping discounts, car pooling programs, etc.

Safety

• Medical/Healthcare benefits
• Employee assistance programs
• Personal security of employee and property

Physiological

EVALUATE THE EFFICACY OF ENGAGEMENT INITIATIVES
EVALUATION OF EMPLOYEE ENGAGEMENT INITIATIVES

Cost Impact?

- Does the initiative meet or exceed the community standard?
- What need does it meet in Maslow’s hierarchy of needs?
- Is the identified need on the higher end of Maslow’s hierarchy pyramid?

Employee Benefit?

- Does the initiative meet or exceed the community standard?
- What need does it meet in Maslow’s hierarchy of needs?
- Is the identified need on the higher end of Maslow’s hierarchy pyramid?
WHERE DOES YOUR ORGANIZATION FALL?

HEALTHCARE EXECUTIVE EXCHANGE
2 HOUR | ON SITE WORKSHOP

Today’s healthcare organizations are facing unparalleled pressure to manage operating costs while maximizing the quality of patient care. Amid the perfect storm of declining revenue, increased costs and heightened volume, hospital providers are realizing that historical benchmarks, practices and operating models can no longer yield the efficiency and quality required to reduce costs and improve outcomes.

The Hospital Executive Workshop is a two-hour on-site exchange providing healthcare executives with visibility leading strategies for building sustainable workforce models that optimize labor productivity, reduce costs and eliminate waste without sacrificing patient care or staff satisfaction.

VISIBILITY & ACTIONABLE INSIGHT

Participants, including CEOs, CFOs and senior healthcare executives, explore key strategies to reduce operating costs and improve the quality and efficiency of patient care. Nursing, finance and operations leaders discover improved L&M strategies for controlling labor expense and aligning staff with patient demand. Discussion areas covered include:

- Gain visibility to current market conditions & cost structures used by other health systems and insights pertaining to labor costs and labor-based care
- Benchmark comparisons at $5M - $15+ Million labor cost reductions, in addition to plotting your organization on the Healthcare WFM Maturity Continuum™ across key workforce management disciplines (time budgeting, productivity & cost management, analytics, scheduling, staffing, service efficiency & labor performance, talent acquisition & retention, incentivizing, absence and leave management)
- Executive Exchange Workshop: Workshop site focuses on your critical area requiring immediate focus for your organization, such as: Labor Cost Management, Scheduling & Staffing Optimization, Workforce Management Governance/Outcomes, Service Efficiency, Model Design & Optimization
- Roadmap framework identifying high level recommendations based on findings

HEALTHCARE WFM MATURE CONTINUUM™

Prior to the Executive Exchange, organizations are benchmarked to Identify where they fall on the Healthcare WFM Maturity Continuum™. This provides the framework for a two-hour interactive workshop yielding powerful insights.

FOR AVAILABILITY

Contact: Jill Kean | 800.733.5555 x 919
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Attendees: Hospital CEOs, CFOs and Senior Executive Leadership
Facilitators: National Healthcare Consultations, Labor Productivity Experts
Format: 2-hour Executive Exchange/Interactive Workshop

FOR AVAILABILITY CALL (800) 394-5510, EXT. 119
Q & A