

# PATIENT CARE STAFFING REPORT

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## Retention

### What gets measured gets managed. And what gets managed makes the difference in retention and organizational effectiveness

By measuring employee satisfaction—precisely, rapidly, often—and using the results to target improvements, Catholic Healthcare Partners significantly cut its turnover and vacancy rates, to save a bundle on the costs of replacing RNs

*Chris Ollier*

In 2000, more than 6,500 of the 37,000 employees of Catholic Healthcare Partners quit or were fired. Almost 2,800 positions languished unfilled throughout the year. CHP is Ohio's largest health system and one of the biggest not-for-profits in the nation, operating 31 hospitals, 16 nursing homes, and 19 elderly housing facilities in five states from Pennsylvania to Tennessee.

Retention, retention. *That*, CHP officials decided, must take front and center for a healthcare organization trying to compete for a shrinking pool of clinical talent in a cut-throat world. So they began to routinely take the pulse of their employees to measure job satisfaction, then used the results to target and address drivers for improvement.

By 2004, they had cut the turnover rate throughout the vast organization, whose net annual operating revenues are just under \$3 billion, by better than 5% and the vacancy rate by almost 4%. That is, about 1,800 fewer employees left the system during the year, and 1,400 fewer jobs remained open as a result. The cost avoidance in nursing alone—where turnover among 8,210 FTE registered nurses was sliced from 12% to 9%—approached \$10 million.

Here's how CHP went about convincing its employees, who had been leaving in droves, that it might be more worthwhile for them to stick around.



Molly Seals

### Short, quick, and targeted

Just as plumbers can't fix leaks unless they can locate the sources, healthcare executives can't work to diminish the causes of employee dissatisfaction unless they can identify precisely what those are.

Acknowledgment of that truism in a practical way was the beginning of the remarkable "turnover-turn-around" at Catholic Healthcare Partners, according to Molly Seals, senior vice president of human resources and organizational development at Humility of Mary Health Partners in Warren, OH—one of 10 CHP regional partners. The process began with an

agreement by executives from all the CHP regions to adopt a single, abbreviated survey tool to measure employee satisfaction in each of their bailiwicks. That in itself was a breakthrough, reports Seals, because previously a mishmash of methods was being used, for a potpourri of idiosyncratic purposes—and some regions weren't bothering to measure at all.

The survey instrument they agreed on, after a painstaking explication of its rationale to a skeptical audience, was a 16-item questionnaire (see Figure 1) developed in 1997 by Newmeasures, Inc., of Boulder, CO. Newmeasures developed it out of frustration with tradi-

tional employee surveys that were too lengthy, too slow, and too expensive, says President and CEO Diane Fassel, PhD.

"Most organizations are using forms that have 50 to 200 questions," she explains. "They end up in a big binder. And no one really knows what to do with it."

The 16-question instrument, by contrast, distills what its founders' research has convinced them are the absolute bedrock drivers of employee satisfaction and operational effectiveness.

Their survey, says Fassel, "calibrates the feelings and attitudes that make up the invisible, but critical, human nature of organizations."

### How it works

Employees use a five-point scale to rate their degree of agreement or disagreement with survey questions, stated as propositions. For example, "I am effectively coached and developed to improve my performance" (Question 7); "I receive enough detailed information about my

**Figure 1** **Sample Employee Satisfaction Survey**  
**DOC™ (Developing Organizational Capacity)**

Indicate how much you agree or disagree with each of the statements below by carefully circling the one number for each statement that best represents your opinion. The word "organization" means the facility or location where you regularly work. Please do not skip any questions and do not put your name on the survey. Your answers will be kept strictly confidential.

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
Sample Only	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5
7. I am effectively coached and developed to improve my performance.	1	2	3	4	5
Sample	1	2	3	4	5
	1	2	3	4	5
10. I receive enough detailed information about my organization.	1	2	3	4	5
Sample	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5
	1	2	3	4	5
16. Overall, this is an effective organization.	1	2	3	4	5
<b>Questions 17-21 pertain to Your Facility's Custom Questions</b>					
17. Custom Question 1	1	2	3	4	5
18. Custom Question 2	1	2	3	4	5
19. Custom Question 3	1	2	3	4	5
20. Custom Question 4	1	2	3	4	5
21. Custom Question 5	1	2	3	4	5

Source: Newmeasures, Inc., Boulder, CO. Used with permission.

organization” (Question 10). All of the first 15 questions represent the substructure of Question 16—“Overall, this is an effective organization.”

Each organization can add up to five “custom” questions that reflect its particular emphases. Catholic Healthcare Partners chose to survey, among other things, employees’ sense of the organization’s adherence to core values and to mission.

A 60% favorable response (“Agree” or “Strongly Agree”) from all participants is a good score, says Fassel. Seventy per-



Diane Fassel

cent is very good. Eighty percent is excellent.

Through regression analysis applied to all the responses to each question for each facility, Newmeasures determines the key drivers that are most in need of attention. The analysis also lays out a “Solution Path” that shows graphically how the critical drivers are interlinked to produce positive gains in responses to Question 16—the bottom line (see Figure 2).

### Feedback begets action

Within just 10 days, management gets complete feedback: results, analysis, and recommendations for how to tackle the issues that underlie improvements in the problematic drivers. The surveys are repeated frequently—every six months—and the results are published for all to see. Clients like CHP select their own driver targets.

In the first round of surveys, for example, 37 CHP hospitals identified recognition (“When I do an excellent job, my accomplishments are recognized”) as a driver, and 24 pointed to coaching and development (“I am effectively coached and developed to improve my performance”).

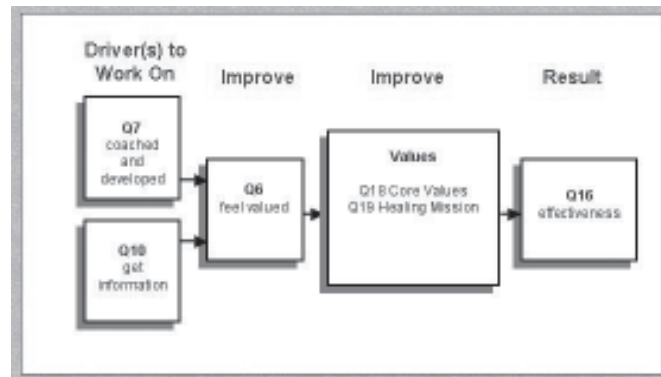
Among the actions that CHP facilities took in response to survey results, reports Seals, were these:

- “Introduced improved programs for recognition.
- “Increased training for managers on how to recognize employees—from simple ‘thank-you’s to written acknowledgments to formal rewards developed on the units and in the departments.
- “Provided training on how to coach employees—asking versus telling, helping employees find the answers for

themselves, developing and running self-governance nursing units.”

For more examples of what hospitals do with results of these measurements, see “So you’ve measured it; now what do you do?”

Figure 2 Solution Path



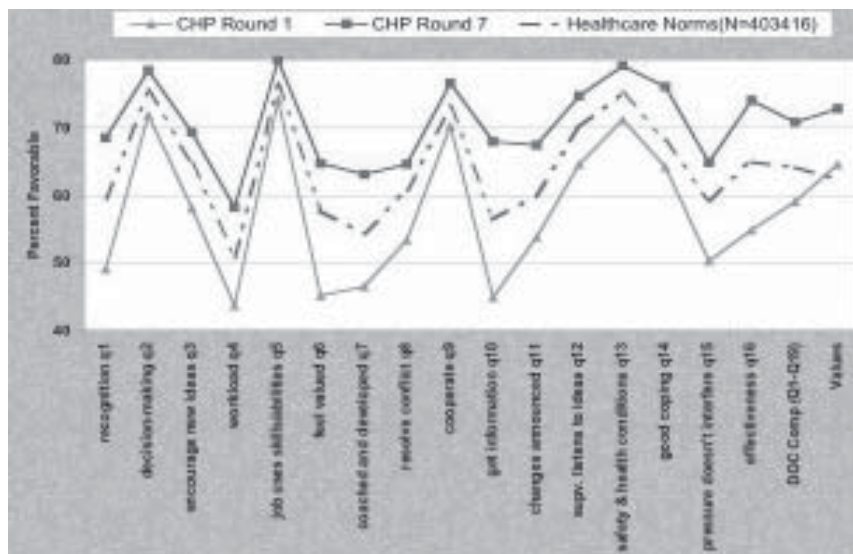
Source: Newmeasures, Inc., Boulder, CO. Used with permission.

“Each of these has had a great payoff by helping our employees feel more recognized and coached,” Seals says. “The proof is in the improving scores across the CHP system” (see Figure 3).

### A thirst for information

When managers dutifully but perhaps dubiously distributed the first uniform employee satisfaction survey, which they called “Determining Organizational Capacity,” or DOC, in the spring of 2000, only 58% of the forms were returned. And of those employees who responded, only 58% had an overall opinion of the organization that was favorable when

Figure 3 Percent Favorable Responses: Rounds 1 - 7



Source: Newmeasures, Inc., Boulder, CO. Used with permission.

## So you've measured it. Now what do you do?

Once the most significant current drivers of employee satisfaction or dissatisfaction within a particular hospital or healthcare system have been pinpointed by survey analysis, organizations can take a variety of actions to address the issues.

Here are a few examples from the Catholic Healthcare West system, in which hospitals improved their organizational effectiveness score—and reduced turnover—through specific responses to the following questions selected as drivers from an employee satisfaction survey designed by Newmeasures, Inc., of Boulder, CO:

***“When I do an excellent job, my accomplishments are recognized.”*** To bolster this driver at St. Dominic's Hospital in Manteca, CA, the small facility's president personally began handing out color-coded star pins and polo shirts at quarterly all-staff meetings to distinguish employees whose actions best exemplified one of the organization's core values. The pins and shirts grew so popular that physicians asked to be, and were, included in the awards.

At 313-bed California Hospital Medical Center in downtown Los Angeles, executives committed to at least one event a month in tribute to employees. These have ranged from quarterly pancake breakfasts cooked by managers to free tickets to Dodgers games for every employee, with 1,500 showing up one night. Employee Recognition/Nurse Week and Values in Action Award dinners—open to all employees—were moved from the facility's cafeteria to some of the city's poshest locations, including the Omni Hotel and Windows atop the Transamerica Building.

***“I feel encouraged to come up with new and better ways of doing things.”*** Sequoia Hospital in Redwood City, CA, reacted to identification of this driver as an

issue by establishing a “Just Do It” fund. Any employee at any time is empowered to spend up to \$100 to fix a problem—no questions asked. The initiative can range from buying a gift or giving food coupons to a patient or family who's been kept waiting, to rewarding a colleague for a creative solution to a dilemma.

***“I am effectively coached and developed to improve my performance.”*** California Hospital Medical Center developed a Manager Toolkit in response to the survey score on this key driver. Managers are given specific assignments to complete after each round of surveying, and discuss the findings and actions they've taken with all staff.

***“I receive enough detailed information about my organization”*** and ***“When changes are announced, my supervisor/team leader takes time to explain how the changes will affect me.”*** To address these closely linked issues, the president at St. Elizabeth Community Hospital in Red Bluff, CA, personally began delivering donuts throughout the facility on regular “Managing by Walking Around” (MBWA) forays. He and the hospital's HR director visit the units and answer questions on a weekly basis.

At Dominican Hospital in Santa Cruz, CA, the chief operating officer and vice president supplement MBWA rounds by the CEO with quarterly “Let's Talk” sessions held on both campuses throughout a day and a night, for a total of five or six gatherings, to reach all shifts. All topics are open to discussion. The HR director compiles a one-page synopsis of the issues and concerns raised and the actions taken—or not taken, and why—which is distributed throughout the hospital under the banner “Results 4 U.”

—Chris Ollier

the scores were aggregated. That is not what Newmeasures rates a “good” showing.

But from that baseline, new targets could be set. And as the information gleaned was published, interest at the upper levels of management grew. What had begun as an initiative of a subcommittee of the organization's HR Committee gained momentum, broader input, and wider acceptance.

Initially, CHP used three basic metrics as system targets:

1. Composite score based on rounding all answers to all the questions
2. The rate of favorable answers to Question 16 (“Overall, this is an effective organization”)

3. Participation rate.

In subsequent rounds, and as they began to understand the solution path, regional executives came together to set new targets annually for other drivers. Now, the results of each semiannual survey are used as a human resources dashboard—and are factored into the goals that determine executive compensation.

“There's a thirst now for information,” says Seals.

Progress has been steady. The composite score rose to 62% favorable on the second round in 2000, to 66% by the fifth round in 2002, and to 71% by the first round of 2004—a 24% boost.

Meanwhile, turnover rates were steadily falling—from 17.6% when the first survey was administered to

12.8% in 2004—and along with them vacancy rates, down to 3.7% from 7.5% four years earlier.

### Measure the frontline managers

CHP added a second layer of measurement after a series of exit interviews conducted in 7 of the 10 CHP regions in 2002 revealed the most frequent reason nurses gave for leaving was an unhappy relationship with their supervisor.

“When they realized that 25% of their nurses would have stayed if they’d had a different manager,” Fassel says of CHP executives, “they made the strategic decision that the frontline supervisor would be the major point of intervention. But that meant they had to turn the whole Titanic. So they decided they needed a tool employees could fill out that would measure managers and help them improve their skills.”

Emulating the template of the employee satisfaction tool—“keep it simple to administer, provide fast turnaround on results, and trust in a drivers-of-change/action orientation”—CHP quickly “identified the core required behaviors” while Newmeasures delved into the research on best practices in manager-employee relationships. In joint venture, they com-

plied a 14-question instrument called “Developing Managerial Competency” (see Figure 4).

This survey too is administered every six months throughout Catholic Health Partners system. Questions—ranked on a four-point scale from strong agreement to strong disagreement—range from “My manager listens to my ideas and concerns” (Question 1) to “Overall, I have a good manager” (Question 14).

Among the managerial competencies that initially came up as facility drivers were teamwork (“My manager is good at getting people to work together”), eliciting employee participation in decisionmaking (“My manager seeks my input in decisions that affect my work”), and recognition (“My manager recognizes my accomplishments”).

The system has stepped up its training efforts for managers in these areas, reports Seals, and holds them accountable for results. And it shows, she says, as “associates’ [employees’] perceptions of managerial effectiveness continually increase.”

### Occasional train wrecks

As to subjecting managers to performance review by their staff, Seals warns that many will initially be

**Figure 4 Developing Managerial Competency  
ABC Medical Center Manager Survey**

We value the role of the manager in carrying out our mission. Therefore, we believe the person who supervises you deserves honest, constructive, and supportive feedback. Please take the time to help your manager/supervisor know what he/she does well and where he/she can improve. Circle the number after each statement that best answers that statement. Do not skip any questions and do not put your name on the survey. Your answers will be kept strictly confidential.

			Strongly Agree	Agree	Disagree	Strongly Disagree
1.	Listening	My manager listens to my ideas and concerns	1	2	3	4
2.	Information sharing	Sample Only	1	2	3	4
3.	Constructive feedback		1	2	3	4
4.	Associate development		1	2	3	4
5.	Fairness		1	2	3	4
6.	Recognition		1	2	3	4
7.	Values/role model		1	2	3	4
8.	Support		1	2	3	4
9.	Openness to ideas		1	2	3	4
10.	Customer service		1	2	3	4
11.	Teamwork		1	2	3	4
12.	Decisionmaking		1	2	3	4
13.	Feel valued		1	2	3	4
14.	Overall rating		Overall, I have a good manager..	1	2	3

Source: Newmeasures, Inc., Boulder, CO. Used with permission.

anxious about how their bosses plan to use the results. Some will opt out of management voluntarily because of what the surveys reveal; others will be dealt with by their superiors if they fail to address shortcomings. And there will be occasional "train wrecks."

"You have to be very sensitive about how the information is given to the manager," cautions Fassel. The possibility that "a manager can get slammed by employees with axes to grind" must be taken into account.

Nevertheless, Seals emphasizes, "Good managers want to learn and improve."

### If you want to try it...

Plunging ahead without insistence on fine-tuning is a salient characteristic of this whole exercise, declare Seals and Fassel. In ticking off the lessons to be taken home by others, they list:


- Fast turnaround is invaluable.
- No plans—"just do it."
- Stay focused on drivers of change.
- Monitor participation.
- Start simple—let the process evolve.
- Make it a way of doing business, not an event.

***"They realized that 25% of their nurses would have stayed if they'd had a different manager."***

"Our experience with other people," stresses Fassel, "is that there is a fair amount of analysis paralysis that sets in." Worrying too much about the mechanics and the metrics up front "makes almost no difference in the results, we've found."

Beyond that, adds Seals, "we've learned that what gets measured gets managed. The data identify specific areas in need of improvement, and this is a valuable tool for benchmarking to anchor improvement."

For Catholic Health Partners, the steady focus on monitoring and addressing a limited array of drivers of employee satisfaction has paid off handsomely. Associates' favorable perceptions of organizational and managerial effectiveness are on the rise, reports Seals. What's more, "HR is now positioned as a strategic partner in the business. And the system financial position continues to grow."

Not to mention that 1,400 fewer recruiting efforts have to occupy the front burner. 

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Seals and Fassel described the Catholic Healthcare Partners initiative and its outcomes to the American Society for Healthcare Human Resources Administration Conference in July 2004.

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