



Improving The Health of Healthcare One Organization at a Time

What we have learned...

Best Practices in Workforce Optimization

Tom Olivo

Success Profiles, Inc. &
Healthcare Performance Solutions (HPS)

Right People, Right Roles
HPS



Increase Your Odds of Success with Leadership Alignment

The key Objectives for this session...



- The new Impending Crisis
- Accountability versus responsibility and ownership
- The Meta model for healthcare (cause and effect research)
- Understanding/measuring talent
- Department degree of difficulty
- Performance & talent management tools; The “Eye Charts”
- Rate limiting factors to performance improvement
- A structured approach to coaching (struggling and failing)
- Odds of success in appointment practices
- Obstacles and barriers to high performance
- The key “Healthy and Fit” business practices
- Connecting your selection to succession
- Leadership practices for the future and challenges

Who We Are...



Success Profiles, Inc.



- Established in (1991)
- Primary focus is performance measurement & management
- Has worked in virtually every industry (10,000+ business units)
- Has compiled Business Practices performance data on over 500 healthcare organizations (the largest database of its kind)

Healthcare Performance Solutions (HPS)



- Established in (2002 with Workforce Collaborative)
- Primary focus is Healthcare Consulting/Advisory Services
- Partners have been retained by over 100 healthcare systems
- Has “Alliance Partner” relationships with other firms to compliment the suite of performance improvement services

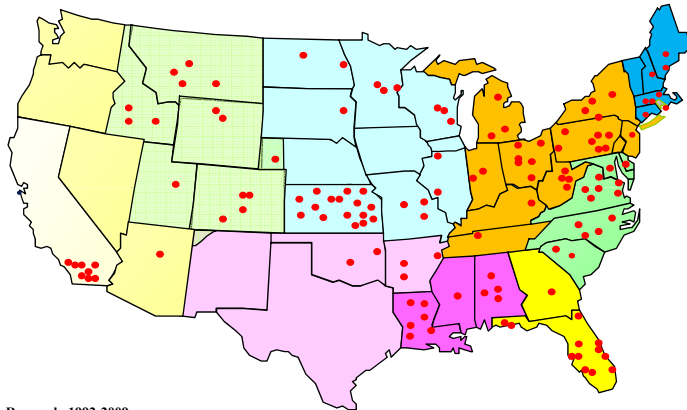
Who we are...





The Performance Excellence Journey
7 Years of Focused Research (1,000,000+ air miles)
> 100 Healthcare Systems, 215+ individual Hospitals
Many of which are “Rural” HC organizations

Challenges are more similar than different (with exception of “Headwind” effect)



Success Profiles Inc. Research, 1992-2009



There are several factors that create a more challenging “Headwind” or beneficial “Tailwind” effect with the regional and local marketplace. Consider:

- Demographic profile
- Economy – Local and Regional business climate
- Marketplace Competition
- Reimbursement and Mix
- Other factors (Unions, Malpractice etc.)

Headwind = WV, MI, LA, OH, MS, FL

Tailwind = NC, MT, UT, and parts of CA

Estimates are that the impact of these factors could add or take away up to 8% net operating margin

Success Profiles Inc. Research, 1992-2009

Observations and Trends

1. Unemployment (structural, frictional and regional)
2. Recession resistant vs. recession proof
3. Industry leaders conditioned to adversity
4. Offsetting pros and cons = neutral
5. Immature and unsophisticated business practices and operational excellence
6. Union issues pending with “card check”
7. Healthcare employment vs. manufacturing

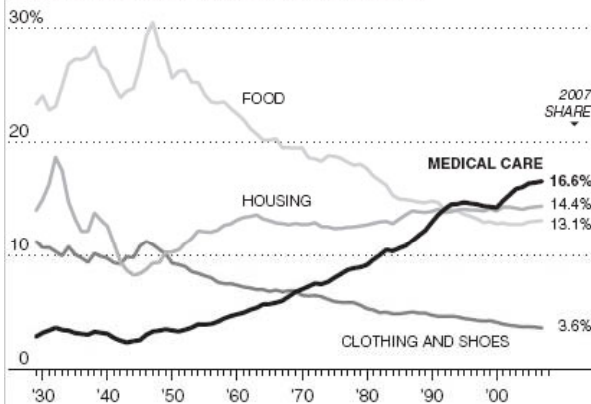
Success Profiles Inc. Research, 1992 to 2009

Getting Squeezed Financially (Discretionary Income)

The Mounting Burden for Health Care

Spending on health care, which takes up more of consumers' income than housing, food or clothing, has risen significantly since 2000. As the economy slows and medical costs continue to rise, millions of people may be unable to afford care.

SHARE OF DISPOSABLE PERSONAL INCOME SPENT ON:

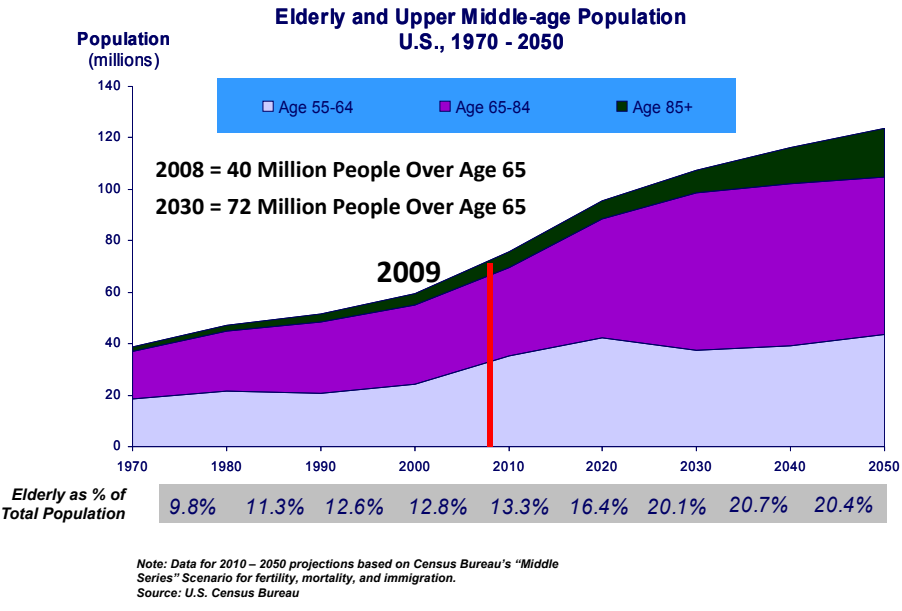


Sources: Bureau of Economic Analysis;
Deloitte Center for Health Solutions Analysis

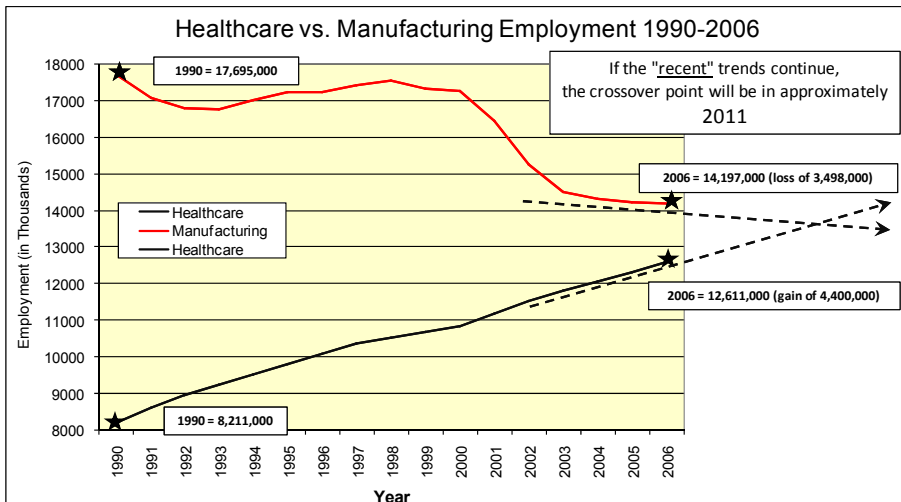
THE NEW YORK TIMES

NY Times, May 2008

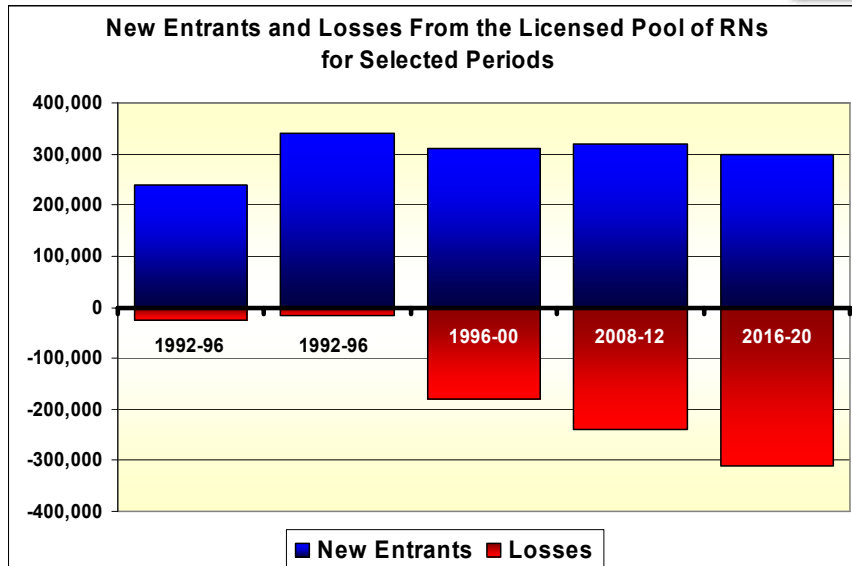
Why We Need to Recruit AND Retain our Workforce



The Latest Workforce Trends

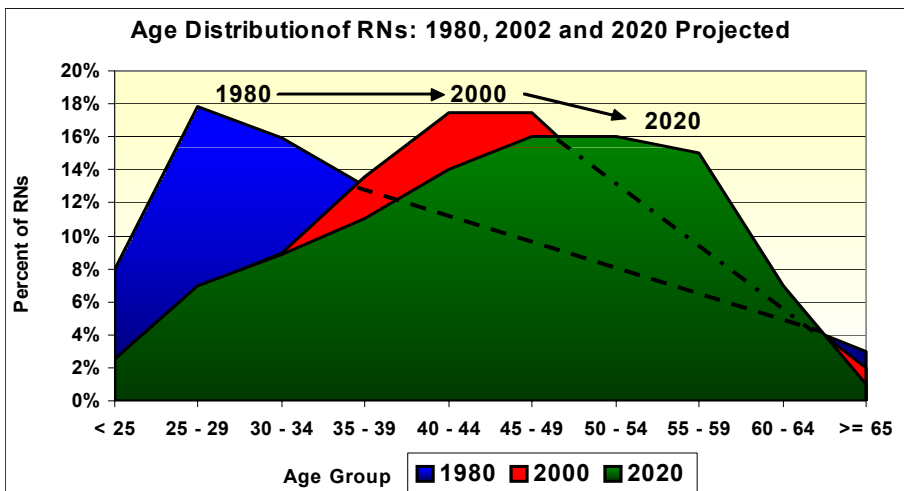


Why We Need to Recruit AND Retain our Workforce

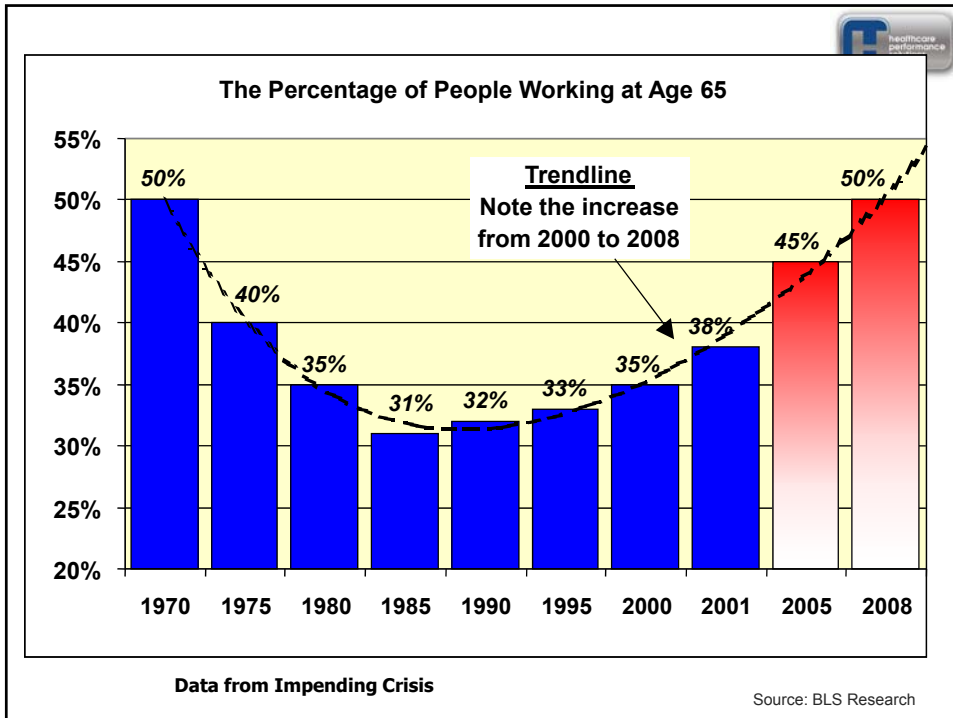


Data from Projected Supply, Demand, and Shortages of Registered Nurses: 2000-2020
HRSA, July 2002

Why We Need to Recruit AND Retain our Workforce



Data from Projected Supply, Demand, and Shortages of Registered Nurses: 2000-2020
HRSA, July 2002



The Most Effective Protocols

“Evidence based medicine is the discipline of providing consistent protocols of care that are most appropriate for the specific ailments/symptoms and medical conditions that people experience.”

“Evidence based business practices is the discipline of providing consistent leadership decisions and improvement interventions based upon objective performance criteria and demonstrated results.”

Healthcare: The ultimate People Intense Business



“If success in a capital-intensive business comes from primarily making the right investment decisions, success in a people-intensive business comes from hiring the right people and putting them in the right roles that make them most productive.”

*The Surprising Economics of a People Business
Harvard Business Review, June 2005*

Success Profiles Inc. Research, 1992 to 2009

*Mature and Sophisticated
Measurement Practices
“Creating Business Intelligence”*



Success Profiles Inc. Research, 1992 to 2009

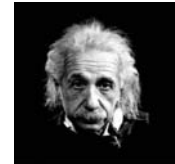


“What’s easy to measure usually doesn’t count.”
 (Employee Turnover, FTE’s, Labor costs etc.)

And

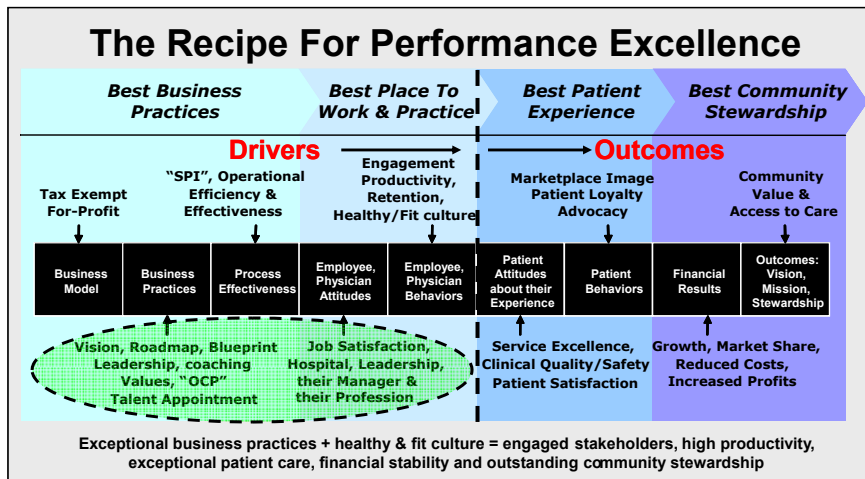
“What really counts isn’t easily measured.”
 (Leadership, Engagement, Productivity)

Albert Einstein

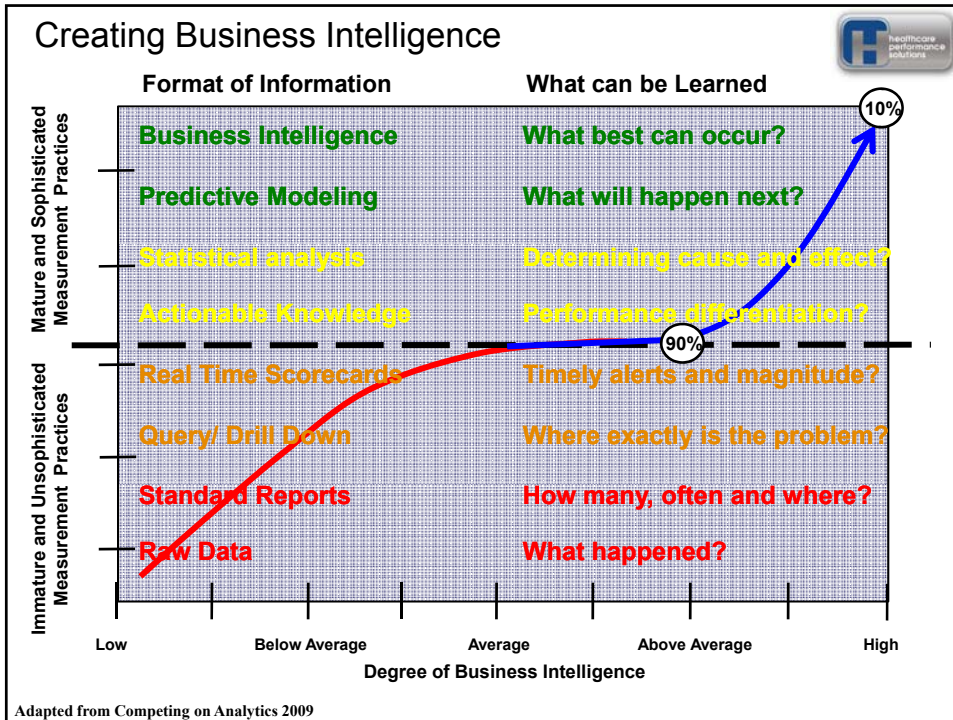


Success Profiles Inc. Research, 1992 to 2009

Leading and Lagging Indicators of Performance
 A “Meta-Model” Framework for Healthcare Organizations



Success Profiles Inc. Research, 1992 to 2009



What does a **Transparent** and **Objective** culture of performance measurement look like?

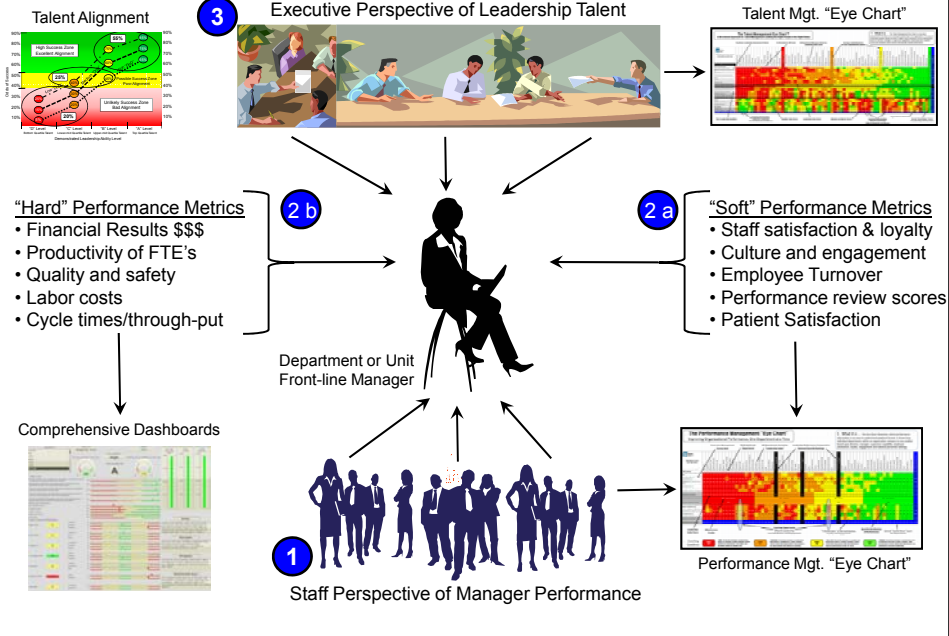
Think Ownership and Responsibility

How do you quantify it?

Think GPS navigation.

Success Profiles Inc. Research, 1992 to 2009

"GPS – like" Navigation Measurement



Mature and Sophisticated Performance Measurement



What we do that is very different...

What we do is: Quantify Culture

Use sound science to quantify the business practices that contribute to job satisfaction, organizational loyalty and professional engagement.

In other words...We want to apply the same performance measurement rigor to human capital/workforce practices as we do our clinical, operational and financial practices.



The Business Practices Assessment (BPA) 500 HC Organizations 300,000 + Responses Normative Database for...

- Profession (Physicians, RN's, Techs, Staff)
- Department/function (ED, OR, Radiology, Food Service etc.)
- Position (Executive, Director, Manager, Staff)
- Length of employment and willingness to continue
- Index Scores for leadership, management competency, loyalty, patient focus etc.

Success Profiles Inc. Research, 1992-2009

Actionable Knowledge (Overall Organizational % tile Rank)



Key Workforce Metrics for HPS/SP

Valid sample size organizations (144 with 120,000+ responses)*

Engagement/loyalty Index (comprised of the weighted average score on three outcome items)

1. I am satisfied with my job.
2. I would recommend my organization to friends as a good place to work.
3. I see my profession in a positive light and encourage others to consider it as a career.

Index score for all items =

Leadership Index (could be administrator/campus or corporate specific)

1. Our senior leadership leads by example.
2. I have confidence in our organizations leadership.
3. Senior leadership is actively engaged in initiatives designed to address retention issues.
4. Recruitment of staff is recognized as a critical issue by senior leadership.
5. Retention of staff is recognized as a critical issue by senior leadership.

Index score for all items =

Manager or Supervisor competency Index (could be Manager or Supervisor specific)

1. My immediate supervisors effective at retaining good staff
2. My immediate supervisor seems to care about me as a person
3. My immediate supervisor values the job I do.
4. My immediate supervisor is receptive to staff suggestions.
5. I feel comfortable in discussing issues and/or problems with my immediate supervisor.

Index score for all items =

Organization Specific Index Scores

Healthcare Average 20th % tile 50th % tile Top Quartile 90th % tile 99th % tile

71.88	67.06	71.73	75.09	78.53	86.23
66.81	60.62	68.23	73.01	75.54	80.54
70.18	63.06	70.49	76.08	79.95	89.13
69.63	63.58	70.15	74.73	78.01	85.30

59.72	52.22	59.91	64.93	70.33	79.70
62.87	55.54	63.67	68.24	74.16	84.02
56.18	49.57	55.00	61.37	65.71	77.99
63.62	56.33	62.94	68.68	73.04	80.21
60.09	52.58	58.68	65.73	70.96	80.28
60.49	53.25	60.04	65.79	70.84	80.44

65.42	60.00	65.11	70.10	73.68	83.45
72.85	68.60	72.99	76.56	79.22	87.85
74.51	69.79	74.74	78.04	80.40	88.88
70.89	66.55	70.57	74.20	77.84	86.69
70.06	65.91	70.19	73.16	75.62	84.82
70.75	66.17	70.72	74.41	77.35	86.34

Success Profiles Inc. Research, 1992-2009

Measuring Business Practices (BPA)



What is your BP/IQ in the following?

1. Leadership capability (executive level)
2. Front – Line Leadership capability (manager level)
3. Customer/Patient focus, service excellence & quality
4. Planning and execution of business/operational plans
5. Organizational values, collaboration, teamwork
6. Open communication, trust, respect, recognition
7. Decision making and delegation
8. Innovation and willingness to change
9. Measurement, business and financial literacy
10. Operational excellence (process improvement)

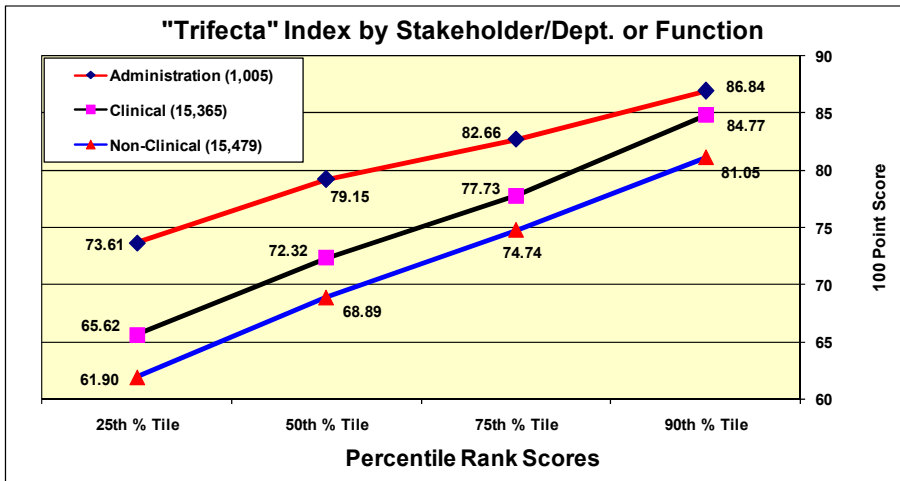
Low "IQ" < 25th % tile = 4% net op margin potential recapture
 Medium "IQ" 50th % tile = 2% net op margin potential recapture
 High "IQ" > 75th % tile = 1% net op margin potential recapture

Success Profiles Inc. Research, 2001 to 2009

Actionable Knowledge (Contrasts in departments/functions) "Trifecta Index" of Commitment/engagement



1. I am satisfied with my job.
2. I would recommend my organization to friends as a good place to work.
3. I see my profession in a positive light and encourage others to consider it as a career.

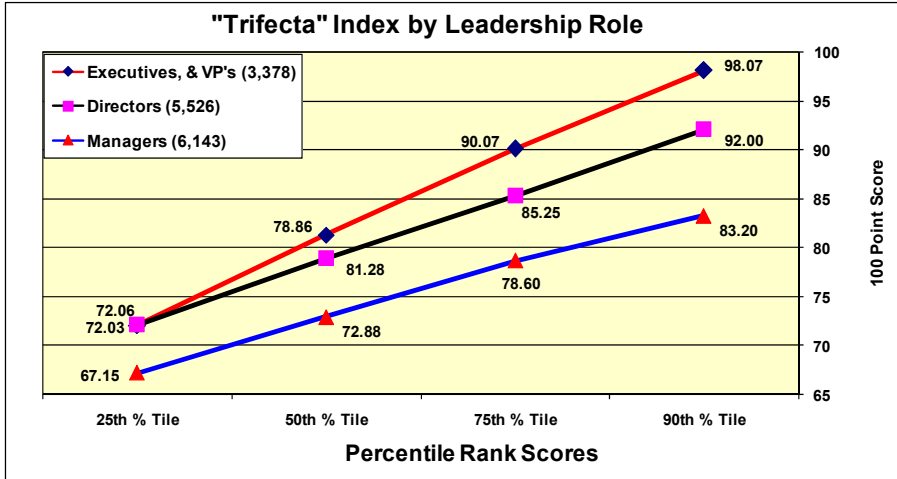


Success Profiles Inc. Research, 1992-2009

Actionable Knowledge (Contrasts in Leadership Role)
 "Trifecta Index" of Commitment/engagement



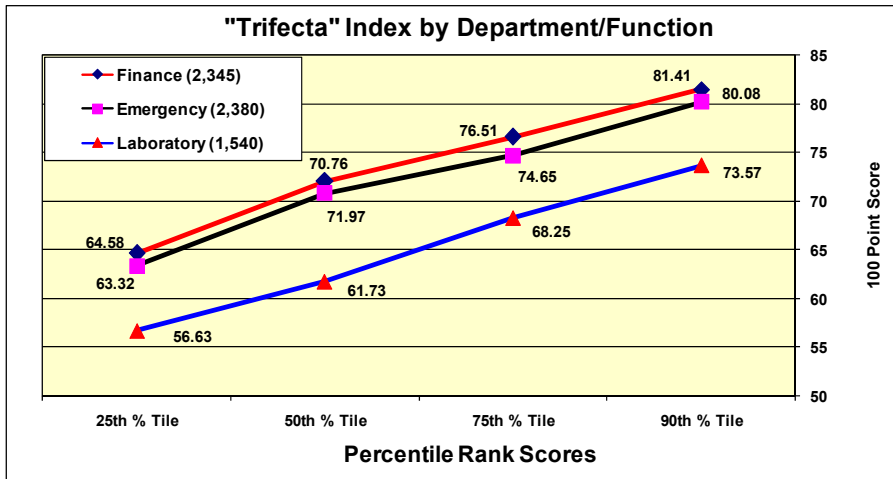
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Actionable Knowledge (Contrasts in departments/functions)
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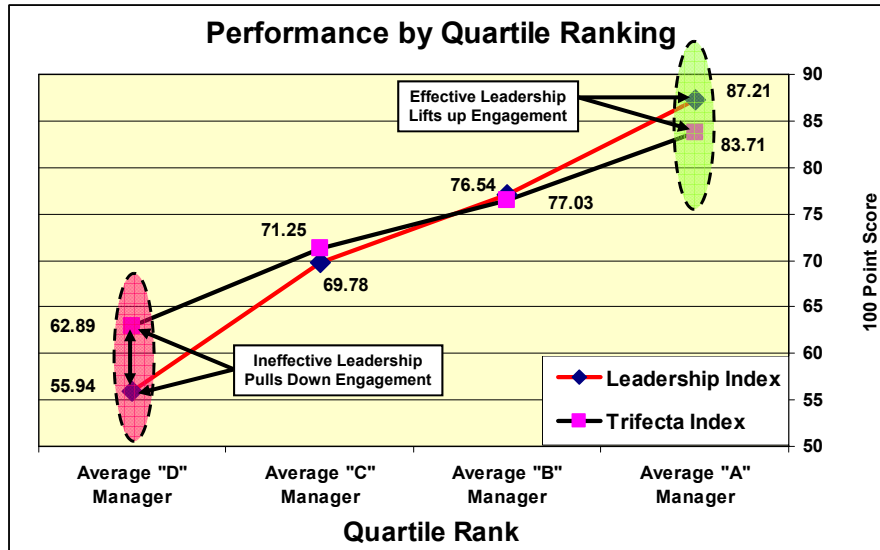


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BPA Data: "Trifecta" and Leadership Index

50 Organizations, 2,798 Managers/Directors and 61,734 Responses



Success Profiles Inc. Research, 1992-2009

The Visual Display of Quantitative information That creates real "Business Intelligence"



"We have found that business leaders don't relate well to and are not motivated by statistical coefficients and academic correlations. They need practical and applied causal links and measures of performance that they can readily see and relate to logically and emotionally. Do the measurement tools need to be scientifically valid and reliable? YES. Should the data be presented in a way that is less effective, often confusing (with information overload) and difficult to interpret? NO."

Our solution = The "Eye Chart" suite of Business Intelligence tools.

Success Profiles Inc. Research, 1992 to 2009

Tool: The Performance Management "Eye Chart"

Creating a more "transparent and objective" culture of performance.

Philosophy: "We make the invisible – visible" by differentiating performance one department at a time

Success Profiles Inc. Research, 1992 to 2009

Creating Actionable Knowledge with "Eye Charts"

The Talent Management "Eye Chart"

Improving Organizational Performance, One Department at a Time

Leadership Index Score

Effectiveness Profile

Coaching Opportunity
Low satisfaction and engagement

"Trifecta Index" of Job Satisfaction, Loyalty and Engagement

Quartile Distribution of Performance

Overall "Grand Mean" Score for Department

1. What it is ... The Eye Chart illustrates critical performance information in an easy-to-understand graphical format. It shows how individual departments within an organization compare to one another based upon director, manager, supervisor capability, employee satisfaction, loyalty, engagement and national percentile rankings.

2. How it is used...

With this reporting format, an organization can:

- A. Establish and compare specific, service line performance "drivers" and outcome indicators
- B. Incorporate a system that creates an objective, structured approach to performance coaching
- C. Create a talent management process for more successful appointment practices, succession planning and the ability to "quantify culture"

3. The compelling value...

- A. Create actionable knowledge vs. a "data dump"
- B. Compare your performance to other organizations
- C. Improve net operating margin by optimizing your workforce productivity and commitment to service
- D. Differentiate front-line management performance and develop specific action plans for improvement
- E. Correlate employee retention, patient satisfaction, clinical quality and financial performance

4. What Executives say...

Joe Cash (1987) Los Memorial HL - "The most effective tool we've ever used to improve the overall performance of our front line managers and directors."

Ray Burnside (1982 Memorial HL) - "The eye chart helped us improve our business practice percentile ranking from 7% to 20% over a 2 year period."

Mooney Hunter (1983 KARE) - "The eye chart focuses on leadership, it's always leadership that makes or breaks any organization (small or large) over the long haul."



Improving the health of your organizational culture, one department at a time through effective appointment and business practices

“Eye Charts are a way for you to evaluate the effectiveness of manager/leader performance and departmental culture side by side with other departments on your campus, side by side with other departments in your system AND compared to the national performance levels for all healthcare leaders/managers.”

“You make the invisible – visible.”

Joan Mollohan, CHRO
Ochsner Health System

Success Profiles Inc. Research, 1992 to 2009



Changing your culture is really not likely or practical.

Instead, transform your culture to be more “Healthy and Fit.”

Success Profiles Inc. Research, 1992 to 2009

Healthy and Fit Cultures

“Healthy Cultures” incorporate caring, engaged and motivated people that demonstrate ownership/responsibility thinking. Can create value equivalent to **4%** NoM. It often takes between 3-5 years to develop to a mature practice.

“A passion for service and caring”

“Fit Cultures” represent knowledgeable, disciplined and focused people that live the practice of sustained performance improvement (SPI). Can create value up to **8%** NoM. It often takes between 7-10 years to develop.

“A passion for achievement”

3.0 How do “Healthy & Fit” Business Practices Compare



“HEALTHY” Cultural Practices



1. Open/Transparent communication (OCP)
2. A no secrets and no “rumor” environment
3. Constructive dialogue with leaders
4. High trust, collaboration & teamwork
5. Effective delegation to line leadership
6. Innovation (“risk taking” - no legacy mind set)
7. Coaching focus for development (versus micro managing what people do)
8. Talent & performance management
9. Compelling sense of purpose & mission
10. Passion for service & caring

“FIT” Cultural Practices



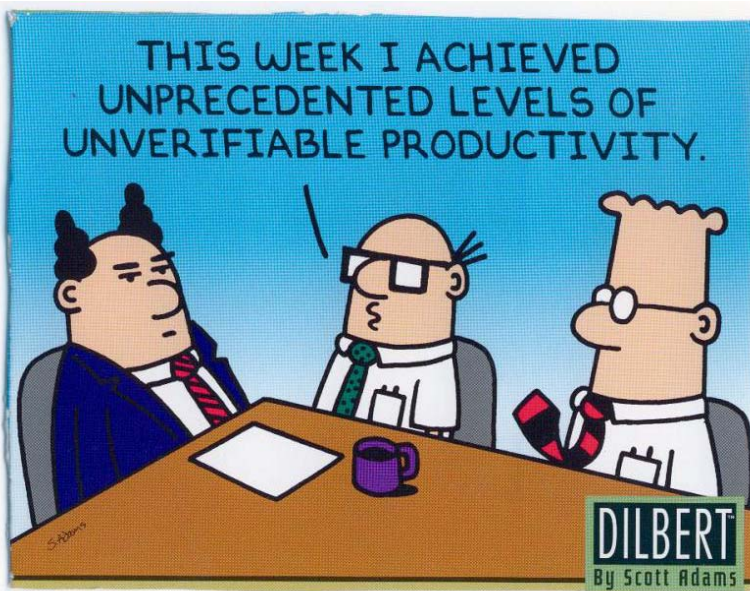
1. Marketplace awareness (business & financial literacy as a widespread competency)
2. Redefined productivity as a philosophy
3. Mature & sophisticated measurement
4. Lean, Six Sigma/BPI/SPI (waste annihilation)
5. Ownership - responsibility vs accountability
6. Personal/organizational discipline (widespread)
7. Exceptional time management (roles defined)
8. Formal benchmarking of “best practices”
9. Focus on outcomes/results/goals/milestones
10. Passion for achievement/quality/improvement

What does Disengagement look like?



Success Profiles Inc. Research, 1992-2009

The Business Case for becoming more "Fit"



Accountability versus Ownership Cultures



“To improve below average performance, hold people
Accountable...

If you want to strive for excellence, then inspire
Ownership and Responsibility”

Success Profiles Inc. Research, 1992 to 2009

The Difference Between Accountability And Ownership Thinking



Accountability Mindset

- Typical permission based or low performance culture
- Micro-management or controlling relationships
- Decisions are made at upper levels
- Lack of trust and “fear”
- Usually finance driven/controlled
- Performance metrics determined by others (usually “they or them”)
- “Have to” measure and report
- Perceived negative consequences for not hitting targets/goals

Ownership Thinking

- Typical engagement based or high performance culture
- Coaching, high approachability and open feedback relationships
- Decisions are pushed down to lower levels
- High trust, responsibility and teamwork
- Usually outcome driven or focused
- Performance metrics have participants “finger prints or DNA”
- “Want to” measure and report
- Perceived gratification or disappointment with not hitting targets/goals

Success Profiles Inc. Research, 1992 to 2009



Observation

When Hiring, Appointing and Promoting, We
Tend to Confuse the Following...

Knowledge

Competency

Education

IQ (Intelligence)

#1 *Experience/Tenure*

Skill

Talent

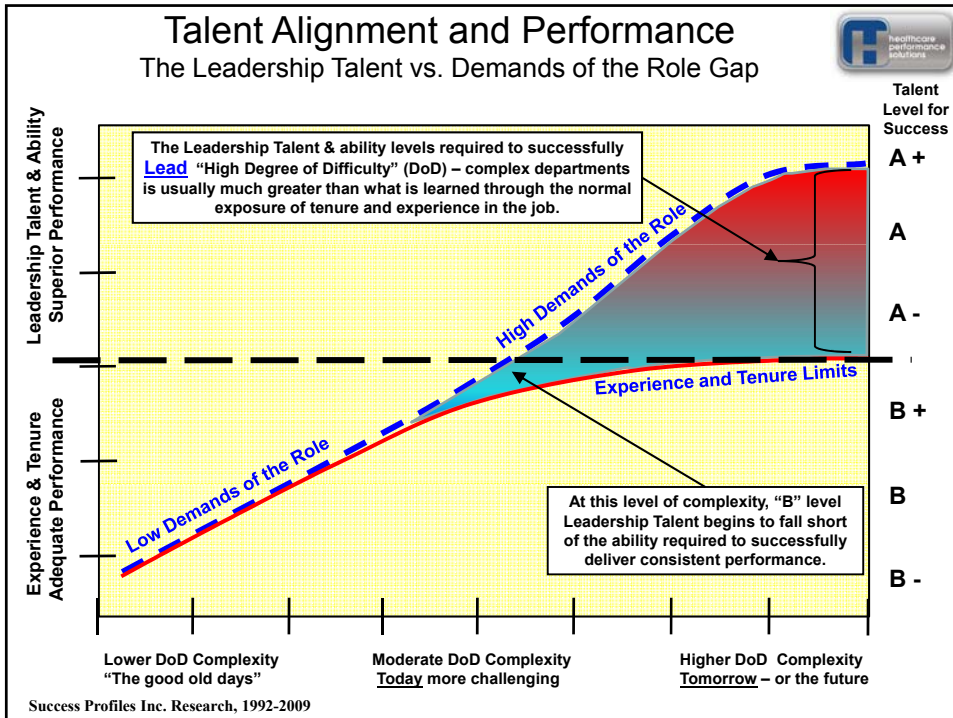
Success Profiles Inc. Research, 1992 to 2009



Observation

*“The **Talent and Skill** requirements
of the Front-Line leadership
positions are beginning to exceed
the current performance levels that
Experience and Tenure creates.”*

Success Profiles Inc. Research, 1992 to 2009



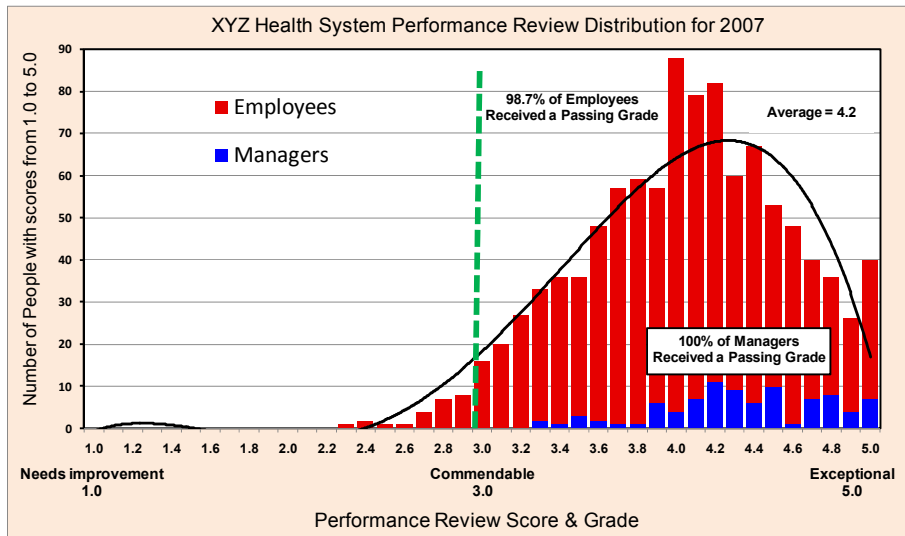
Why is the annual "Performance Review" is ineffective?

The prevalence of "Grade Creep"

97%

Success Profiles Inc. Research, 1992 to 2009

Creating a High Performance Culture Evidence and performance tools



Success Profiles Inc. Research, 1992-2009

Key attributes of Leadership The “7 habits” myth



*“Any **valid and reliable** attributes of leadership when applied to the same population of leaders will ultimately produce the same rank order distribution of performance.”*

Success Profiles Inc. Research, 1992 to 2009

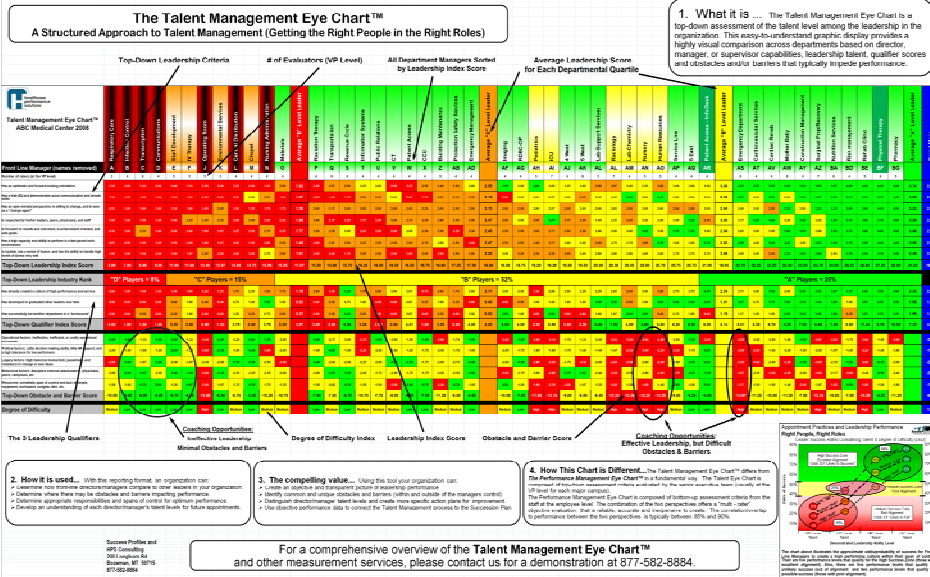
Tool: The Talent Management “Eye Chart”

Taking inventory and ranking the leadership talent within your organization and determining people’s odds of success.

Philosophy: Getting the right people in the right roles

Success Profiles Inc. Research, 1992 to 2009

The Talent Management “Eye Chart”



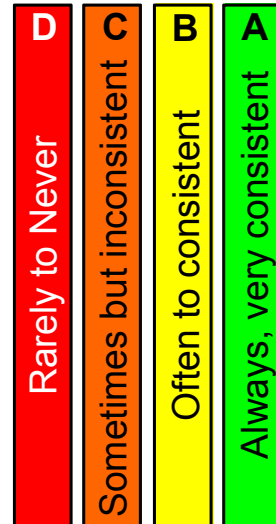
Determining Leadership Talent/Demonstrated Ability Examples of Performance Levels ("A", "B", "C", "D"),



Leadership Talent Criteria or Attributes*

1. Has an positive, optimistic and forward-looking orientation.
2. Has a high EQ (emotional intelligence) and demonstrates good communication and people skills.
3. Has an open-minded perspective, is willing to change, and is seen as a "change agent" by others.
4. Is respected by their respective leaders, manager peers, physicians, and staff
5. Is focused on results and outcomes, is achievement oriented, and likes to set stretch goals
6. Has a high capacity ("band-width") and ability to perform in a fast-paced work environment
7. Is humble, has a sense of humor, and has the ability to handle high levels of stress very well

Overall Performance



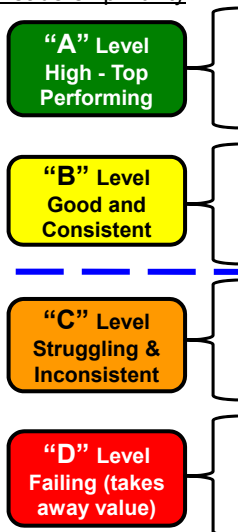
Success Profiles Inc. Research, 1992-2009

Talent Management

Defining the Demonstrated Leadership Ability of Every Leader in the Organization



Leadership Ability



Performance Effectiveness Description

Leader/manager is a high achieving and talented performer that consistently exceeds expectations, brings out the best performance in others, is respected as a true champion with a contagious – positive attitude and a change agent that drives results. The culture that they influence both within and outside their span of control is both healthy and fit. "A" level leadership ability usually represents approximately **25%** of the total # of leaders.

Leader/manager is a good and consistent performer that consistently meets expectations, brings out a good performance in others, is viewed as a true supporter with an optimistic – positive attitude and a change agent that achieves good results. The culture that they create within their span of control is both healthy and fit. "B" level leadership ability usually represents approximately **50%** of the total # of leaders.

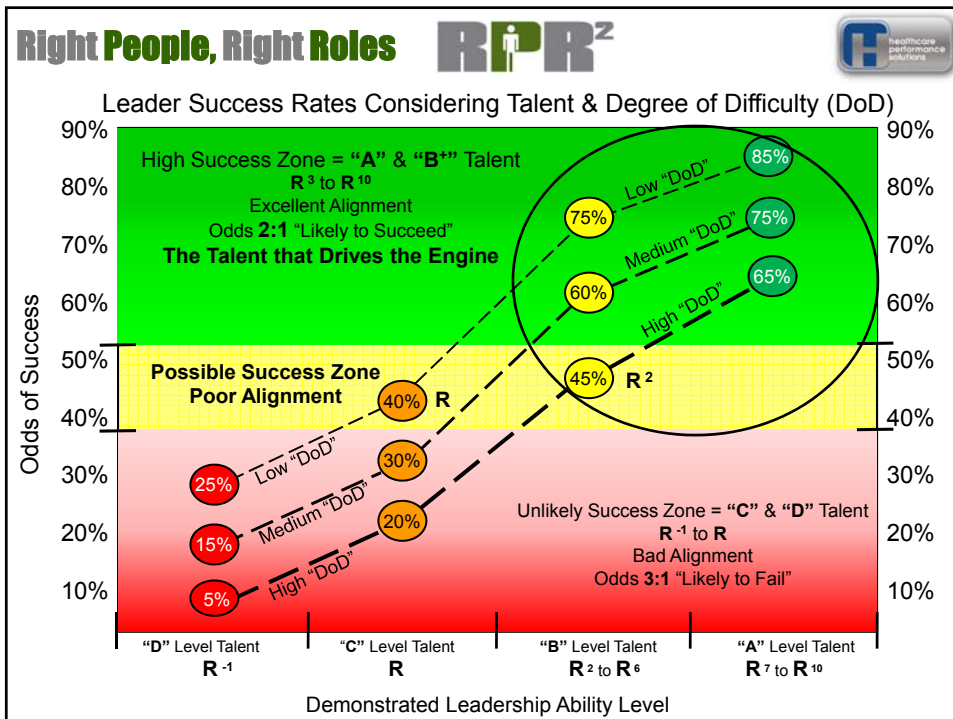
Leader/manager is an inconsistent performer that sometimes meets expectations, struggles to bring out a good performance in others, is often negative or pessimistic and usually requires high maintenance coaching or assistance to achieve desired results. The culture that they create within their span of control is usually unhealthy or poor. "C" level leadership ability usually represents approximately **15%** of the total # of leaders.

Leader/manager rarely meets expectations, fails to bring out a good performance in others, is consistently negative or pessimistic and usually requires high maintenance coaching or "partnering" assistance (becoming a resource drain) to achieve desired results. The culture that they create within their span of control is usually unhealthy to dysfunctional. "D" level leadership ability usually represents approximately **5%** of the total # of leaders.

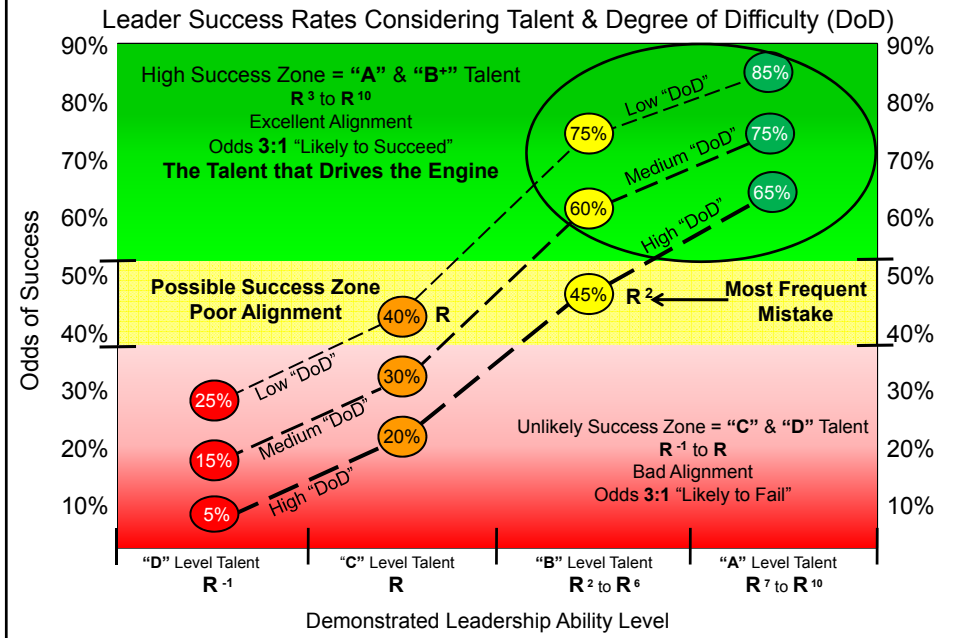
Success Profiles Inc. Research, 1992-2009

Leadership odds of success After studying 6,725 leaders

Success Profiles Inc. Research, 1992 to 2009



Right People, Right Roles



Appointing the right leaders in the right roles

How often are we out of alignment?

Where are we making the most common mistakes?

Talent Level of Front-Line Manager	Typical % of all Managers	% in High DoD Departments	% in Medium DoD Departments	% in Low DoD Departments	Totals
"A" Level Leaders	28%	28%	34%	38%	100%
"B" Level Leaders	52%	35%	32%	33%	100%
"C" Level Leaders	15%	32%	38%	30%	100%
"D" Level Leaders	5%	42%	22%	36%	100%
995 = Total # of Managers		100%			

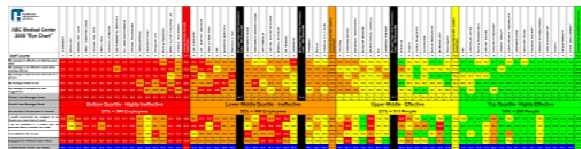
Conclusion

“Keep in mind that it’s not that a “C” or “D” level leaders can’t be successful, it’s just that its so unlikely that you shouldn’t make that bet.”

*In fact, our evidence reveals that the odds are stacked **3:1 against!***

Success Profiles Inc. Research, 1992 to 2009

Direct and indirect benefits of improved leadership alignment and cultural engagement



Restoring Healthcare back to the Rewarding Calling to “Make a Difference.”

- The Patient Experience
 - Better quality outcomes
 - Improved patient safety
 - Greater Patient satisfaction and loyalty
- Financial Results
 - Lower costs for services (Productivity)
 - More services per unit of time (Efficiency)
 - Top line revenue growth (market share)
 - Lower labor costs (including premium pay)
- Workplace Benefits
 - Less employee absenteeism
 - Lower employee turnover (replacement costs)
 - Less overtime
 - Lower recruiting costs (being a “Destination of Choice”)
 - Less emotional stress (quality of life – work balance)

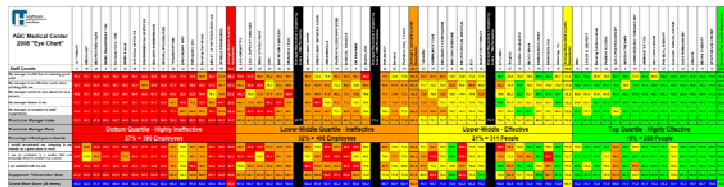
Success Profiles Inc. Research, 1992-2009

Three White Papers for you



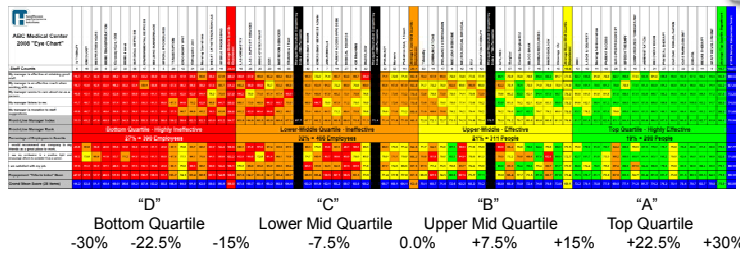
1. Job Security for low performers.
2. What does “being in over your head” look like and the correct appointment of “B” level leaders.
3. Eye Chart case study for overall value and economic benefit.

What we've learned with Performance “Eye Charts”



- **Red departments** can dominate leaders (executives) time per week/month (requiring up to **75%** of their time)
- **Red and Orange** departments tend to be “more difficult” functions to manage (Higher degree of Difficulty)
- **Red and Orange** departments tend to have more employees (larger departments with greater spans of control)
- **Red and Orange** departments usually represent a higher Revenue Generating ratio (departments that bill for revenue vs. those that are an internal overhead expense).
- **Red and Orange** departments usually have leaders (front line managers) that are less talented than the leaders (managers) in the top ½ of the chart (this fact is obvious)
- **Bottom Quartile (Red)** departments typically have **300%** greater voluntary turnover than top quartile (Green)
- **Bottom Quartile (Red)** departments typically have **28%** lower patient satisfaction than top quartile (Green)
- **Bottom Quartile (Red)** departments typically miss budget projections by **≥ 8%** compared to top quartile (Green)
- Improvement within the original quartile zone = likely **50%** odds (one in two chance).
- Improvement of one quartile (Red to Orange) = somewhat unlikely **25%** odds (one in four chance).
- Improvement of two quartiles (Red to Yellow or Orange to Green) = unlikely **10%** odds (one in ten chance).
- Improvement of three quartiles (Red to Green) = very unlikely **< 5%** odds (one in twenty chance).

What we've learned with Performance "Eye Charts"



- Given the complexity of calculating the overall value and economic benefit of improving human capital performance, we feel that the most practical and applied method of building the business case is to incorporate a workforce productivity improvement estimate that ranges between **7.5% to 15%** per quartile improved. The model has proven to be very consistent across healthcare organizations of all size. **Therefore...**
- Moving up just one quartile (from Red to Orange) could produce between **7.5% and 15%** direct and indirect overall economic benefit.
- Moving up two quartiles (from Red to Yellow) could produce between **15% and 22.5%** direct and indirect overall economic benefit.
- Moving up three quartiles (from Red to Green) could produce between **22.5% and 30%** direct and indirect overall economic benefit.
- It's possible for some departments to improve their direct and indirect overall economic benefit by over **50%**.
- We have also found that the benefits of an entire organization moving the equivalent of three quartiles of performance (**from the 25th percentile to the 75th percentile**) **essentially adds 4.0%** net operating margin. A significant overall economic benefit to consider (when just considering the finances).

Success Profiles Inc. Research, 1992-2009

The Importance of "High Touch" Coaching



Quite simply, Coaching is summarized as:

1. Diagnosing (objective analysis)
2. Prescribing (with reasonable probably or high odds of success)
3. Science (what is proposed, positioned)
4. Art (how it is positioned – "heard" vs. said)

Success Profiles Inc. Research, 1992 to 2009



Tool: The Leadership Decision Tree Roadmap

A structured approach to performance diagnosis, coaching and action planning prescription for overall improvement.

Philosophy: Maximizing performance through talent alignment, coaching and obstacle removal.

Success Profiles Inc. Research, 1992 to 2009



Determining Overall Performance with a Structured Approach

Guidelines for Diagnosing Leadership and Departmental Performance

The Three Factors that form the basis for a customized action plan

1. The “Talent” level of the front line manager/director
2. The department Degree of Difficulty (DoD)-complexity
3. The Overall Performance by all objective measures

We now can better diagnose, measure and compare what is contributing to high performance or low performance.

Therefore, we can more accurately and consistently prescribe performance improvement interventions that are designed one leader at a time – one department at a time.

Success Profiles Inc. Research, 1992-2009

Defining Department “Degree of Difficulty”

Examples of Levels (Lower, Medium, and High DoD Departments)

Low < 9 pts., Medium = 10 to 14 pts., High = 15-20 pts.



High “DoD”

Respiratory Therapy
Emergency Dept
Med Surgical & OR Units
Labor & Delivery/OB
Pharmacy
CCU/ICU
Radiology
Cardiology/Cardiac Serv.
Pediatrics

Medium “DoD”

Neonatal
Anesthesia
Recovery room
Oncology
Orthopedics
Physical/Occ. Therapy
Lab
Behavioral Health
Medical Records/coding
IT and IS

Lower “DoD”

Human Resources
Housekeeping*
Food & Nutrition Services*
Facility Ops./Engineering*
Maintenance
Admitting/Patient Reg.
Finance/Accounting
Administration
Volunteers

Calculating Degree of Difficulty

Please use this scale when answering the questions	Never	Rarely	Sometimes	Often	Always
	0	1	2	3	4
	0%	25%	50%	75%	100%

Degree of Difficulty Criteria

Degree of Difficulty Criteria	0	1	2	3	4
1. Does the department experience high volume or very fast pace?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Does the department generate high revenue?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Does the work require an advanced education or unique skill set?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. Does the department require people who are considered to be scarce in your marketplace?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. Does the work create a high amount of emotional stress?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Subtotal

Defining “Business Practice Factors”

Obstacles and/or barriers levels (0 to -4)



- Operational Factors** (ineffective and/or inefficient - costly operational processes, outdated technology)
- Political Factors** (little decision making ability, tolerating low performers, little HR support,
- Legacy Factors** (historical inhibitors - sacred cows, pessimism, high resistance to change and/or innovation of new ideas)
- Behavioral Factors** (disruptive stakeholders - physicians, leaders, peers, other campus interests/agendas etc.)
- Resources** (lack of people, unrealistic span of control, no equipment, workspace, budgets, realistic time frames etc.)

Graded on a 0 to -4 (5) point scale (-20 points maximum for all factors)

Low < -10 pts., Medium = -10 to -15 pts., High = -16 to -20 pts.

A "Structured Approach" to Performance and Talent Management Protocol for Leadership/Departmental performance coaching at each macro level



Overall Performance Level

Guideline for Action Plan (see reverse side for details)

Coaching is relatively **EASY**

**Top Quartile
Excelling**

- Leader/manager/department is **Excelling** at a high level of performance consistently. Culture is very healthy with high performance standards at a best practices level.
- Keep leader/manager in Role. Possibly move to higher degree of difficulty department. Move or expand responsibilities to high impact strategic areas (consider promoting)

**Upper - Mid
Quartile
Succeeding**

- Leader/manager/department is **Succeeding** most of the time with most performance outcomes. Culture is healthy with good performance at a consistent level.
- Keep in function. Be careful not to place in areas that are too difficult or with too many obstacles/barriers. Provide professional development and coaching to build capability.

Coaching is relatively **HARD**

**Lower - Mid
Quartile
Struggling**

- Leader/manager/department is **Struggling** most of the time with leadership capability or performance outcomes. Culture is somewhat unhealthy with consistent challenges.
- If leader is kept in management role, consider obstacles and Degree of Difficulty or consider a smaller department, low complexity area with minimal obstacles to overcome.

**Bottom
Quartile
Failing**

- Leader/manager/department is **Failing** most of the time with leadership capability or performance outcomes. Culture is unhealthy to dysfunctional and a time drain for leaders.
- Move out of leadership/management role possibly to an area that aligns natural ability or unique skill set to add more value (staff position, if mature enough to handle the demotion).

Ultimately, a decision must be made whether or not leaders and managers are achieving the desired performance results or falling short. This can be done with a balanced set of performance metrics or a simple assessment based upon valid evidence that the manager is either excelling, succeeding, struggling or failing.

Success Profiles Inc. Research, 1992-2009

Focus on Leadership Performance



The Ultimate Goal is to achieve the best alignment and probability of high performance by matching the most effective leadership talent available with the demands of the department or position.

Leadership Decision Tree Roadmap

See Web Enabled Version for Coaching Guidelines



Leadership Decision - Tree Roadmap

Begin Here - Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
Service Line Information	Relative Success Rate	Relative Success Rate	Relative Success Rate	Relative Success Rate	Relative Success Rate	Relative Success Rate	Relative Success Rate	Relative Success Rate
Manager Name:	A 85%	B 75%	C 40%	D 25%	Operational factors	Position factors	Legacy factors	Behavioral factors
Department/Unit:	Low	Medium	High	Very High	Resource factors	Other factors		
# of people:								
Time in position:								
Director Name:								
VP Name:								
Performance versus Goals:								
Performance to Budget:								
Turnover Rates:								
Voluntary Rate:								
Span of Control:								
Possible Mentor/Coach:								
Other Info:								

Degree of Difficulty Criteria
Based on a scale from 0 to 4

- Does the department experience high volume or very tight staff?
- Does the department generate high volume of emergency cases?
- Does the work require an advanced education or unique medical skills?
- Does the department require people who are considered to be scarce in your institution?
- Does the work require a high amount of emotional stress?

Defining Relative "Degree of Difficulty"
(Examples of Low, Medium, and High DoD Departments) - Survey < 10 pts, Medium < 11 to 13 pts, High > 13 pts

High "DoD"	Medium "DoD"	Lowest "DoD"
Respiratory Therapy Emergency Dept Lab & Delivery Unit Pharmacy CCU/ICU Pediatrics	Anesthesia Nursery from Cardiology Orthopedics LAB Behavioral Health	Leaves "DoD" if and/or: Intensivists Food & Nutrition Services Facility Ops/Engineering Human Resources Accounting/ERP Dept Finance/Accounting Administration Volunteers

Defining "Talent"
Leadership and Management Attributes of "A" Players

The 7 Attributes of Proven/Demonstrated Leadership Ability

- Is optimistic with a "forward looking" orientation
- Demonstrates a positive attitude (high EQ, communication skills, people skills, teamwork)
- Is open minded (willing to change or a "change agent")
- Is respected by leaders, peers, physicians and staff
- Is results/outcomes focused (achievement oriented, sets goals)
- Has a high "sandwich" capacity for a fast paced environment
- Is humble, has a sense of humor (handles stress very well)

Never	Rarely	Sometimes	Often	Always
0	1	2	3	4
0	1	2	3	4
0	1	2	3	4
0	1	2	3	4
0	1	2	3	4
0	1	2	3	4
0	1	2	3	4

Demonstrated Ability Ratings
Based on a scale from 0 to 4

- "A" Player = 21 to 20 points
- "B" Player = 15 to 20 points
- "C" Player = 10 to 15 points
- "D" Player = < 10 points

Success Profiles Inc. Research, 1992 to 2009

Determining Overall Performance with a Structured Approach



High	A	Talent is demonstrated so question obstacles that are taking away from leadership performance	HAR
92 Managers 22.7%	30 Managers 33.0%	1 Managers 3%	1. Allow more time to turnaround performance, especially if new to position. Manager possibly going through initial resistance to changes that were implemented. 2. Consider major disruptive obstacles to remove. If circumstances beyond manager's control are causing poor performance, intervention from higher levels of leadership may be required. 3. Consider leadership coaching. Use leadership assessment profile to determine hard-wired leadership competencies. Team up with an "A" managers for mentoring.
	42 Managers 45.1%	14 Managers 34%	HBR 1. Consider a "supervisory" role, which will give person a smaller span of control. If moved to another department ensure it has low complexity with minimal obstacles to overcome. 2. Consider staff assignment. Move out of leadership/management position to an area that aligns with their natural ability or unique skill set. Can possibly add more value as an employee vs. a manager. 3. Consider another assignment. Possibly move to another department or supervisory role.
	11 Managers 12.1%	4 Managers 36%	HCR 1. Consider staff assignment. Move out of leadership/management position to an area that aligns with their natural ability or unique skill set. Can possibly add more value as an employee vs. a manager. 2. Consider low DoD position. Possibly place in a smaller department with low complexity and few obstacles to overcome. 3. Consider a "supervisory" role, which will give person a smaller span of control. If moved to another department ensure it has low complexity with minimal obstacles to overcome.
	9 Managers 9.9%	8 Managers 89%	HDR 1. Consider staff assignment. Move out of leadership/management position to an area that aligns with their natural ability or unique skill set. Can possibly add more value as an employee vs. a manager. 2. Consider moving out of organization, especially if limiting factors are behavioral and person is not coachable. Provide open, straight-forward feedback performance reviews and document outcomes. You may need to monitor leader to ensure this person is not disruptive.
403 Managers	Talent Alignment = 62%	Overall Alignment of Talent 33 Managers Overleveraged	

Leadership Decision Tree Roadmap

See Web Enabled Version for Coaching Guidelines



LEADERSHIP DECISION-TREE ROADMAP

Ineffective front-line leadership is a major cause of poor employee engagement, low performance, and high turnover in healthcare organizations. The fastest and most effective way to improve performance indicators across the board is to improve front-line leadership.

The Leadership Decision-Tree Roadmap is the culminating point of the HPS Performance and Talent Management process. It is a unique, interactive tool that a) accurately pinpoints leadership capability, b) shows each manager's odds of success in their current role, and c) allows you to develop customized prescriptions for each manager. The goal is to ensure that the right people are in the right roles. By matching leadership capability to the demands of each department, you will take concrete steps to improving employee engagement and productivity as well as patient satisfaction.

PERSONAL INFORMATION:

Last Name: _____ First Name: _____ MI: _____ Date: _____

Title: _____ Reports to: _____

Department: _____ Organization Name: _____

DIAGNOSIS:

Leadership Talent Level: **B**

Complexity/Difficulty of Role: **HIGH** = **45%** Expected Odds of Success

Eye Chart Quartile Performance Level (as determined by staff) = **Lower Mid-Quartile**

FEEDBACK: (see prescription.)

Talent is questionable - Must decide if "B" level ability can be successful at this level of difficulty

SELECT PRESCRIPTION OR OPTIONS:

1. Consider coaching or leadership development. Use assessment profile to determine top-priority development areas. Develop coaching plan.

2. Consider major disruptive obstacles to remove. If circumstances beyond manager's control are causing poor performance, intervention from higher levels of leadership may be required.

3. Consider another assignment. Possibly move to another department or supervisory role.

SELECT POSSIBLE OBSTACLES TO REMOVE:

1. Operational factors (ineffective or cumbersome processes, excessive bureaucracy, outdated technology)

2. Political factors (diffic authority to make decisions, tolerating low-performing employees, low HR support)

3. Legacy factors ("The Way We've Always Done Things", extremely long tenures, high resistance to change)

4. Behavioral factors (extremely disruptive employees, disruptive physicians, competing interest or agendas)

5. Resource factors (unrealistic span of control, unrealistic time frame for projects, insufficient funds)

6. Other factors (union mandate or paradigm, initiative overload (too many projects), other)

Determining Overall Performance with a Structured Approach

Guidelines for Leadership and Departmental Performance at each macro level



How to Manage People that are Succeeding and/or Excelling

Example #1 = **"LAG"** represents a leader in a Low degree of difficulty department that is an **"A"** top level talent that is excelling (GREEN) or **LAG**.

With "Underleveraged Leaders" (those that are succeeding to excelling) the general prescription choices are...

1. Leave in current position (they are already creating high performance with outcomes, work environment and healthy culture) Continue with normal coaching and professional development and provide assistance with obstacles and barriers.
2. Consider increasing span of control (aka more responsibility). In the form of projects, increased complexity of departments to lead (DoD) and/or other departmental responsibilities.
3. Consider promoting to higher levels of leadership or responsibility by title or position. If excelling, recognize for promotional opportunities and invest in their development.



Determining Overall Performance with a Structured Approach

Guidelines for Leadership and Departmental Performance at each macro level

How to Manage People that are Struggling to Failing

Example #2 = **"HBR"** represents a leader in a High degree of difficulty department that is a **"B"** lower middle quartile talent that is struggling (**RED**) or **HBR**

With **"Overleveraged Leaders"** (those that are struggling to failing) the general prescription choices are...

Level I: Consider coaching for leadership effectiveness style or professional development for skill

Level II: Consider Obstacle and Barrier removal with challenges within or outside the managers control

Level III: Consider a less complex assignment or department (lower DoD or reduced span of control)

Level IV: Consider a lower/reduced position of responsibility/leadership (moving from manager to supervisor or staff level) Note... Even consider moving out of a management position to a pure technical assignment for alignment with their unique clinical or technical ability because they cannot lead other people as effectively as they can perform as an individual player.

Level V: Consider moving out of the organization entirely because they are not a fit with the values (serious behavioral challenges) or there is not a role where they can effectively add value at this time.

As you can expect, 95%+ of the decisions are most likely to occur before you will reach Level V.

Success Profiles Inc. Research, 1992 to 2009



How difficult is it for people to change their hardwired behaviors?

"People don't change because they are told that they should, people only change when they themselves feel that they must."

Thomas L. Friedman

"As people grow older, they tend to become more of who they already are rather than someone they are not."

Marcus Buckingham

Success Profiles Inc. Research, 1992 to 2009

Observation



“As leaders advance in role (from managers to directors to VP’s to executives) their reliance and success on their technical skills decreases and their emphasis and dependence on people skills increases.”

They must focus on leverage to bring out the performance in others.

Success Profiles Inc. Research, 1992 to 2009

Enhancing Leadership Performance



The importance of coaching skills.

What do you do with those who are extremely talented... But

Are less effective than they could be?

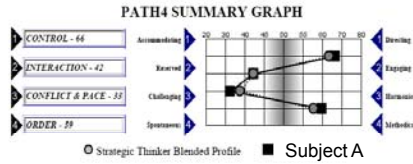
80% of the reason leaders fail is because of behavior and style, not skills.

Success Profiles Inc. Research, 1992-2009

RightPath 4 and 6 Leadership Assessments



Combined PATH4 and PATH6 Reports



Measures “hardwired” vs. learned behaviors/leadership attributes

Current position as COO and struggling with performance



A score of a 40 or a 60 is in the 15th and 85th percentile ranking

A score of a 30 or a 70 is in the 2nd and 98th percentile ranking

Intensity vs. Flexibility

PATH 6 SUBFACTORS

Domiance	Asertive Independent	54	49	60	62
Extroversion	Enthusiastic Social Verbal	34	39	52	56
Competition	Strategic Supportive Tenacious	28	36	3	8
Conscientiousness	Practical Organized Adaptable	5	49	59	59
Adaptiveness	Dynamic Ambitious	43	48	68	70
Innovative	Imaginative Reversible	41	44	54	56

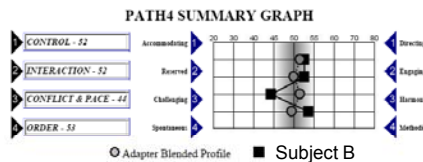
AAA= 65

The “Circuit Breaker” Effect
Intensity of strengths can make for more difficult struggles. There needs to be balance that offsets the intensity or people will “run over” others, micro manage or create an unhealthy culture with high turnover and poor engagement.

RightPath 4 and 6 Leadership Assessments

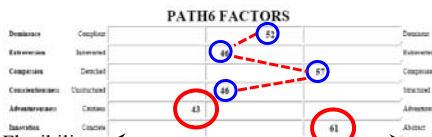


Combined PATH4 and PATH6 Reports



Measures “hardwired” vs. learned behaviors/leadership attributes

Current position as CNO and struggling with performance



A score of a 40 or a 60 is in the 15th and 85th percentile ranking

A score of a 30 or a 70 is in the 2nd and 98th percentile ranking

Intensity vs. Flexibility

PATH 6 SUBFACTORS

Domiance	Asertive Independent	54	49	52	54
Extroversion	Enthusiastic Social Verbal	41	37	44	44
Competition	Strategic Supportive Tenacious	8	8	52	4
Conscientiousness	Practical Organized Adaptable	4	44	49	48
Adaptiveness	Dynamic Ambitious	41	45	45	65
Innovative	Imaginative Reversible	41	44	53	56

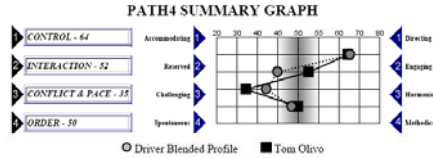
AAA= 50

Too “Indecisive and Political”
The demands for high degree of difficulty departments requires objective and decisive decision making. Leaders must have the courage to challenge the status quo and to set high uncompromising standards of performance.

RightPath 4 and 6 Assessment for Tom Olivo



Combined PATH4 and PATH6 Reports
for Tom Olivo - 04/18/05



Measures “hardwired” vs. learned behaviors/leadership attributes

Current position as external consultant (coach)

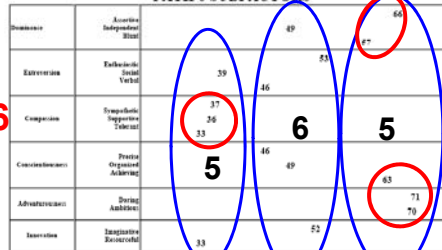


A score of a 40 or a 60 is in the 15th and 85th percentile ranking

A score of a 30 or a 70 is in the 2nd and 98th percentile ranking

Intensity vs. Flexibility

PATH6 SUBFACTORS



AAA= 66

The “Perfect Alignment” Effect

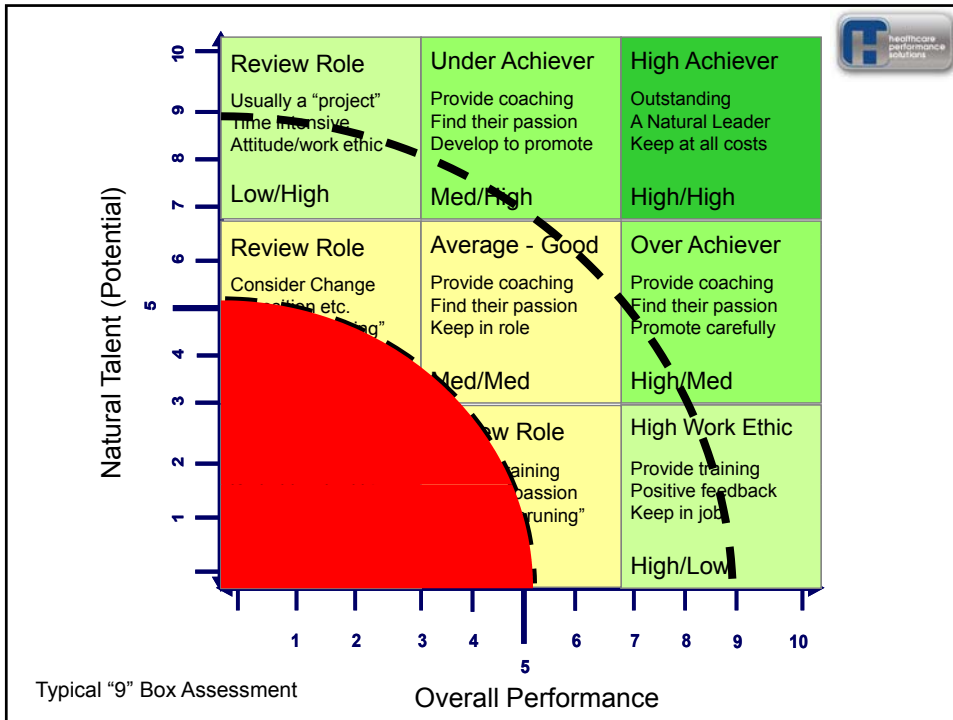
Ideally, people want to be aligned in the right profession, role, and/or job where their natural and developed strengths are best suited for their career. It’s been estimated that less than 25% of people match this perfect alignment of natural ability and professional careers.



Tool: The Talent on-demand Succession Planning Roadmap

Creating a real time “blueprint” of contingency planning, “best case” leadership capability and future positioning.

Philosophy: Making sure that the organization’s future is secure with capable leadership.



Talent on Demand Succession Planning

The Talent on Demand (ToD) Succession Planning Roadmap Improving Leadership Performance - "By Design"

1. What it is ... The Talent on Demand (ToD) Succession Planning Roadmap illustrates leadership potential information in an easy-to-understand graphical format. It displays how and where specific leadership roles are possibly vulnerable due to current leadership responsibilities, tenure, retirement plans, professional development timelines and performance "bench strength."

2. How it is used ... With this highly visual reporting format, an organization can:

- View, discuss, and determine interim candidates to fill vital roles in case of emergency
- Incorporate a system that creates an objective, structured approach to succession planning
- Connect this process to a talent management and organizational development plan for more effective professional development and leadership appointment practices

3. The compelling value ... This Talent on Demand (ToD) process is:

- Easy to create, very affordable, flexible in its design and easy to modify/update
- Satisfies the Board of Directors need for a "Gene Plan" both short and long term.
- Reveals "Hot Spots" to build bench strength and allows senior leadership to examine "what if's" with the lateral movement of talent to turn around challenging functions.

What Executives say ...

Larry Boyles (CHRO) - "The succession planning roadmap allowed us to view the leadership of our organization at a glance and it graphically revealed our vulnerability in key positions."

Ron Burnside (CHRO) - "It provided the structured approach and simplified process we needed to present to our Board and to provide clarity in future opportunities for our most talented potential leaders."

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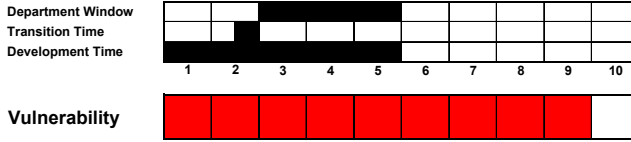
For a comprehensive overview of the Talent on Demand (ToD) Succession Planning Roadmap and other measurement services, please contact us for a demonstration at 877-582-8884.

Success Profiles Inc. Research, 1992-2009

Succession Planning Roadmap – Detail by VP



Position: CEO



Candidate Pool

Name	Gary T.	Interim Successor for "Emergency"	
Title	CFO		
Dev Time	None - Inter.		
Potential	A		

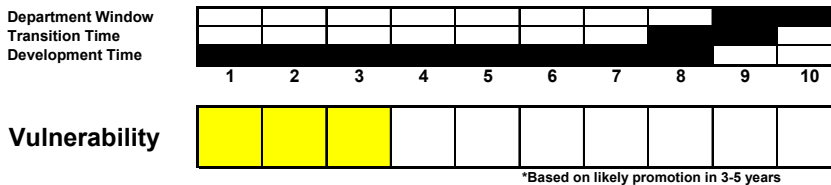
Name	Ron R.	Name	Joy H.	Longer Term Succession Candidates, Development Timetable and Potential
Title	COO	Title	COO	
Dev Time	6 months	Dev Time	5 Years	
Potential	A	Potential	A -	

Name	Cherie W.	Name	Bill B.
Title	COO	Title	COO
Dev Time	3 Years	Dev Time	5 Years
Potential	A -	Potential	A

Succession Planning Roadmap – Detail by VP



Position: VP Strategic Development



Pool

Interim Successor for "Emergency"	Name	Mike M.
	Title	VP Rehab.
	Dev Time	12 months
	Potential	A

Longer Term Succession Candidates, Development Timetable and Potential	Name	Bonnie A.	Name	Unidentified
	Title		Title	
	Dev Time	24 months	Dev Time	
	Potential	A	Potential	

Longer Term Succession Candidates, Development Timetable and Potential	Name	John S.	Name	Unidentified
	Title		Title	
	Dev Time	3 years	Dev Time	
	Potential	A	Potential	

Methodology, steps and questions...



- Plan for the accidental “worst case” scenario first
- Think about playing “Chess vs. Checkers” with a Talent on Demand approach to both “Buy and Build” leaders.
- Consider “incubation/development” time for maturity
- Connect process to leadership development plans
- Perform behavioral/style assessments and consider executive coaching (Hogan, RightPath, L-Map)
- Look beyond “vertical” career advancement
- Consider the “starting 5” in each position (to managers)
- Be flexible and don’t guarantee (as you move down).
People need to know that you are investing in them for multiple opportunities.

Success Profiles Inc. Research, 1992 to 2009

Winning the War for Talent



Requires a culture where leaders are “**Constructively Dissatisfied**”

- 1. Defining Talent:** Look beyond the typical job description, tenure and experience approach filling front line manager positions. Look at demonstrated/proven ability with critical leadership competencies. How do you identify a winner? They win, consistently!
- 2. Discovering Talent:** How early can you observe someone that demonstrates a natural aptitude for high performance? Do they set ambitious goals? Do they have high emotional intelligence (EQ)? Are they respected by others? Are they “**Constructively Dissatisfied?**”
- 3. Developing Talent:** Are your leaders coachable? Are they hungry to learn? Do they have mentors and role models that serve as best practice examples? Only then they will develop and “mine” talent by coaching others.
- 4. Deploying Talent:** Consider “lateral deployment” for career advancement to appoint people in the right roles where their unique talents and skill can add value in critical high degree of difficulty roles. Align talent with difficulty.

Success Profiles Inc. Research, 1992-2009

Right People, Right Roles



RPR²



Increase Your Odds of Success with Leadership Alignment

Success Profiles Inc. Research, 1992 to 2009