

Closing

Quint Studer
October 21, 2011

WHAT'S *Right* IN HEALTH CARE®

Malcolm Baldrige

*Thank you to
our partners.*



5th Great Place to Work - 2011

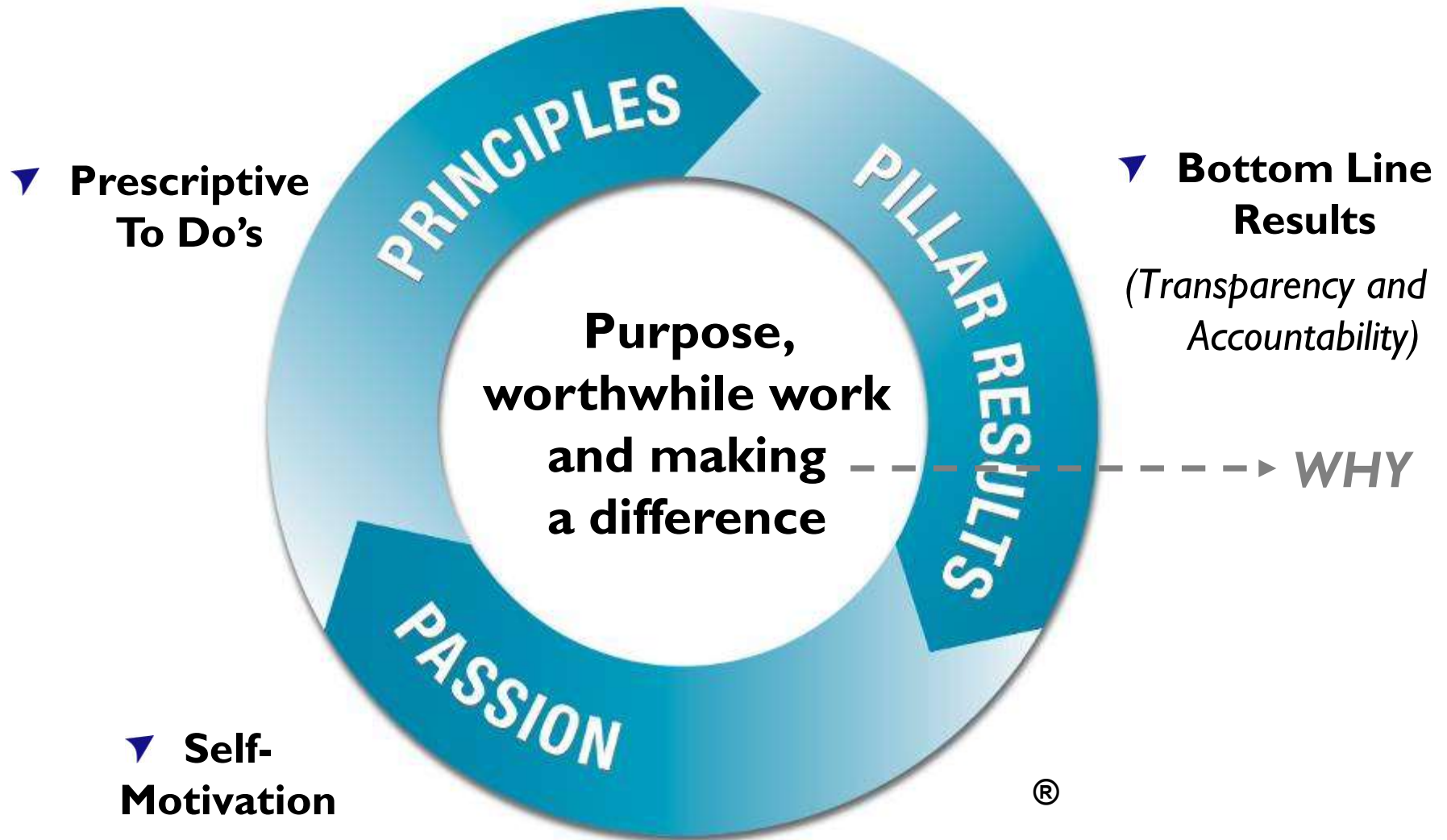
*Thank you
Studer Group
Staff*



Outcomes

- ▼ Evidence – not soft
- ▼ How to build culture of sustainable high performance
- ▼ Understand framework to drive performance and change
- ▼ Diagnostic and performance tools and techniques
- ▼ Display our deep gratitude and appreciation

Healthcare Flywheel[®]



Moral Purpose

***Acting with the intention of
making a positive
difference in the lives of
employees, customers and
society as a whole***

Key Factor in Change

***Single factor in any
successful change initiative
is that relationships
improve***

Moral Purpose – Transferring Knowledge

- ▶ People will voluntarily share knowledge if they feel a moral commitment to do so.
- ▶ People will not share knowledge unless the environment of change favors the exchange.
- ▶ Data without relationships (impact and why) merely causes more information glut.



***“Always bring it back
to values . . .”***

Quint Studer

The Usual Sequence – 2010 Revisited

WHAT

HOW

WHY

The Suggested Sequence – 2010 Revisited

WHY

WHAT

HOW

Execution Framework

Evidence-Based LeadershipSM

Foundation

Breakthrough

STUDER GROUP®:



Aligned Goals

- ▼ Implement an organization-wide staff/leadership evaluation system to hardwire objective accountability (Must Haves®)
- ▼ Create process to assist leaders in developing skills and leadership competencies necessary to attain desired results

Aligned Behavior

- ▼ Agreed upon tactics and behaviors to achieve goals
- ▼ Re-recruit high and middle/solid performers
- ▼ Move low performers up or out

Aligned Process

- ▼ Processes that are consistent and standardized
- ▼ Software
- ▼ Process Improvement
 - ▼ PDCA
 - ▼ Lean
 - ▼ Six Sigma
 - ▼ Baldrige Framework

It depends on the diagnosis

- ▶ No Shows: Pre-Calls
- ▶ Urgency: Toolkit to explain the external environment
- ▶ Readmissions: Post-Calls with frequency dependent on patient condition

*Improve communication in
two simple ways ...*

Senior Team Meeting Every Tuesday – 1:30pm-3:30pm

Leader 1	Monday at 9am
Leader 2	Every other Thursday at 10am
Leader 3	2 nd Monday of every month
Leader 4	One-on-one on an as needed basis
Leader 5	Every Wednesday at 8:30am

▼ Tip #1:

Assign the role of communication after every agenda item.

▼ Tip #2:

Coordinate meetings and messaging after the c-suite or other meetings.

Communication Advantage

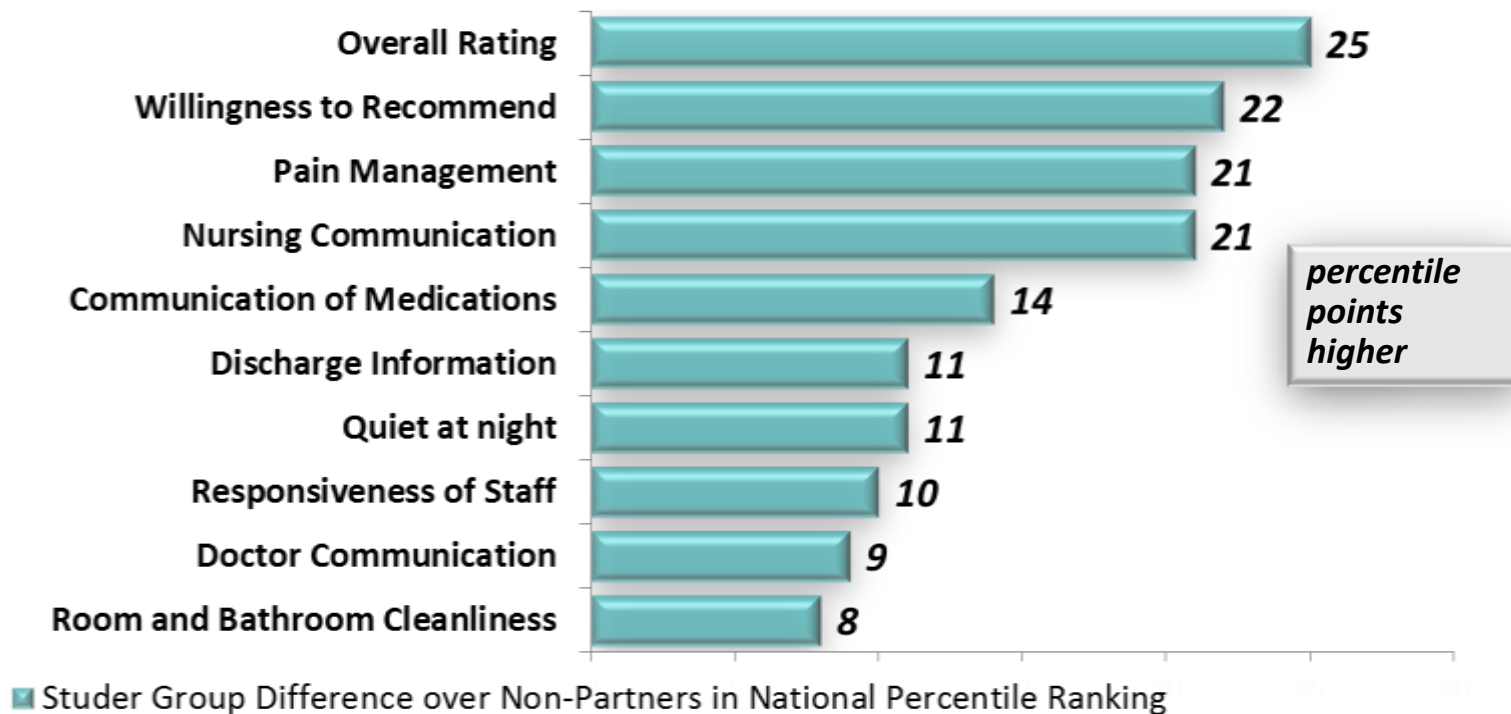
New!

- ▶ Allows the organization to hear the same thing at the same time reducing gossip, rework and mis-communication.
- ▶ Messaging creates consistency which cascades throughout the organization.
- ▶ Makes calling a meeting very easy as time is already planned and on leaders schedules.

Evidence

Studer Group Partners Outperform the Nation across HCAHPS Composites

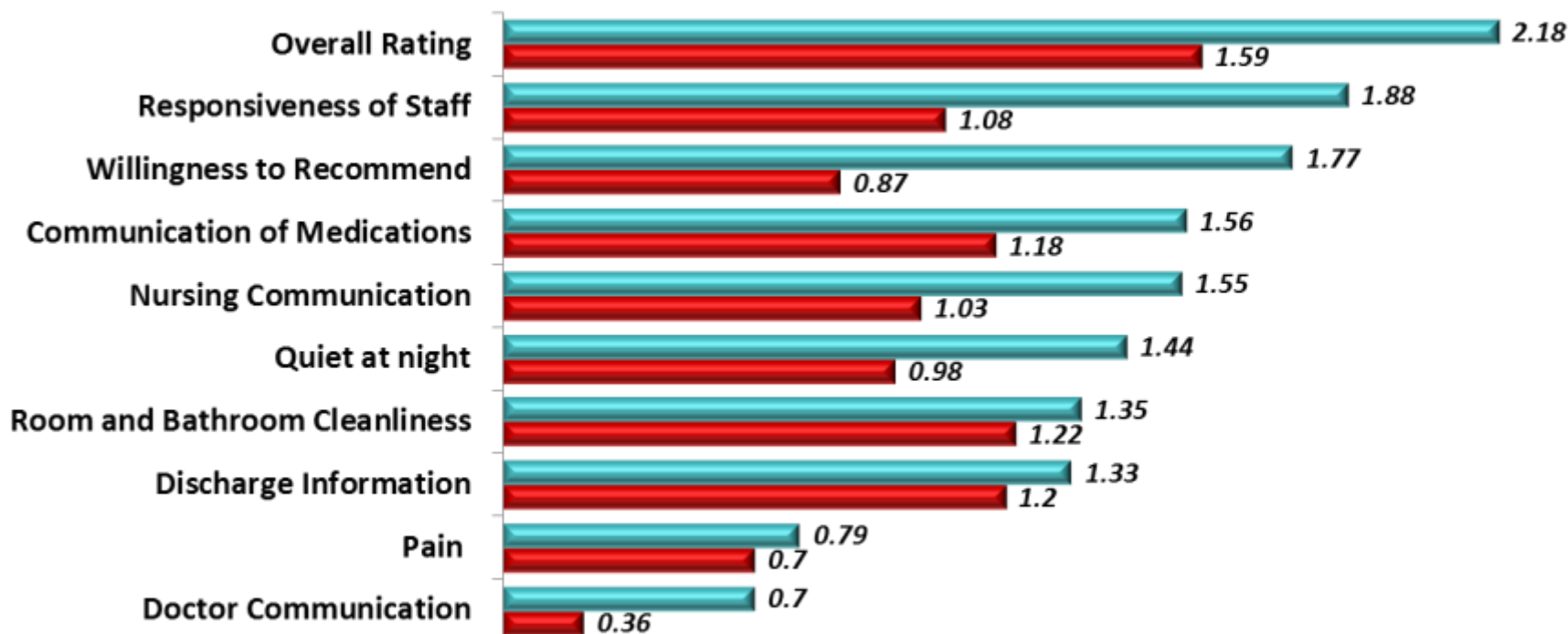
Studer Group Difference over Non-Partners in National Percentile Ranking



Source: The graph above shows a comparison of the average percentile rank for Studer Group Partners that have received EBL coaching since Oct 2008 and non-partners for each composite; updated 8.10.11 using 4Q09-3Q10 CMS data.

Studer Group Partners Outpace the Nation in HCAHPS Improvements

Average Change in Top Box Results in One Year Studer Group Partners vs. Non Partner

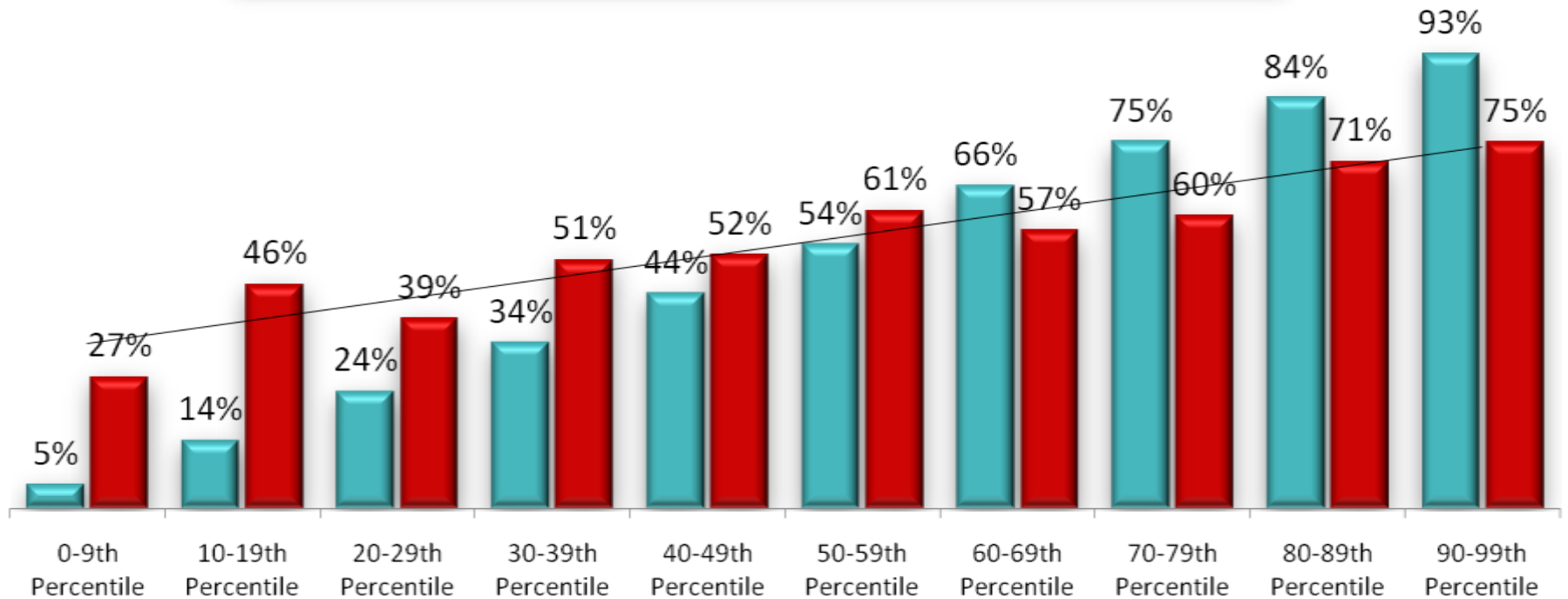


■ Avg Change One Year 3Q08-2Q09 to 3Q09-2Q10 - SG Partners

Source: The graph compares the change in one year in "top box" results achieved by Studer Group partners vs. non-partners. Change is from 4Q08-3Q09 to 4Q09-3Q10. The "top-box" is the most positive response to HCAHPS survey questions.

As Hospital's ED Percentile Ranking Increases, So Does Its HCAHPS "Overall" Percentile Ranking

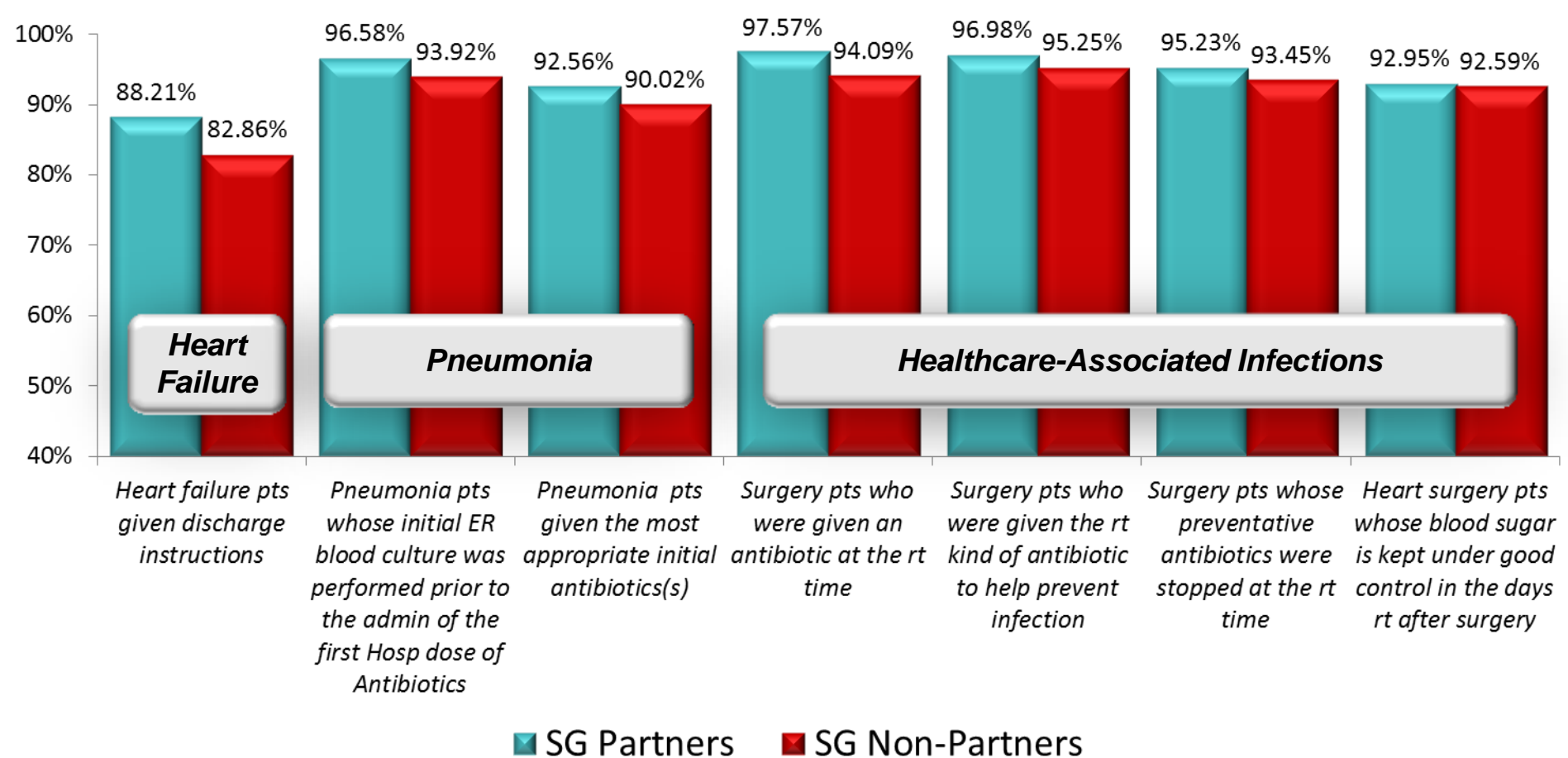
Relationship: ED and HCAHPS "Overall" Percentile Rankings



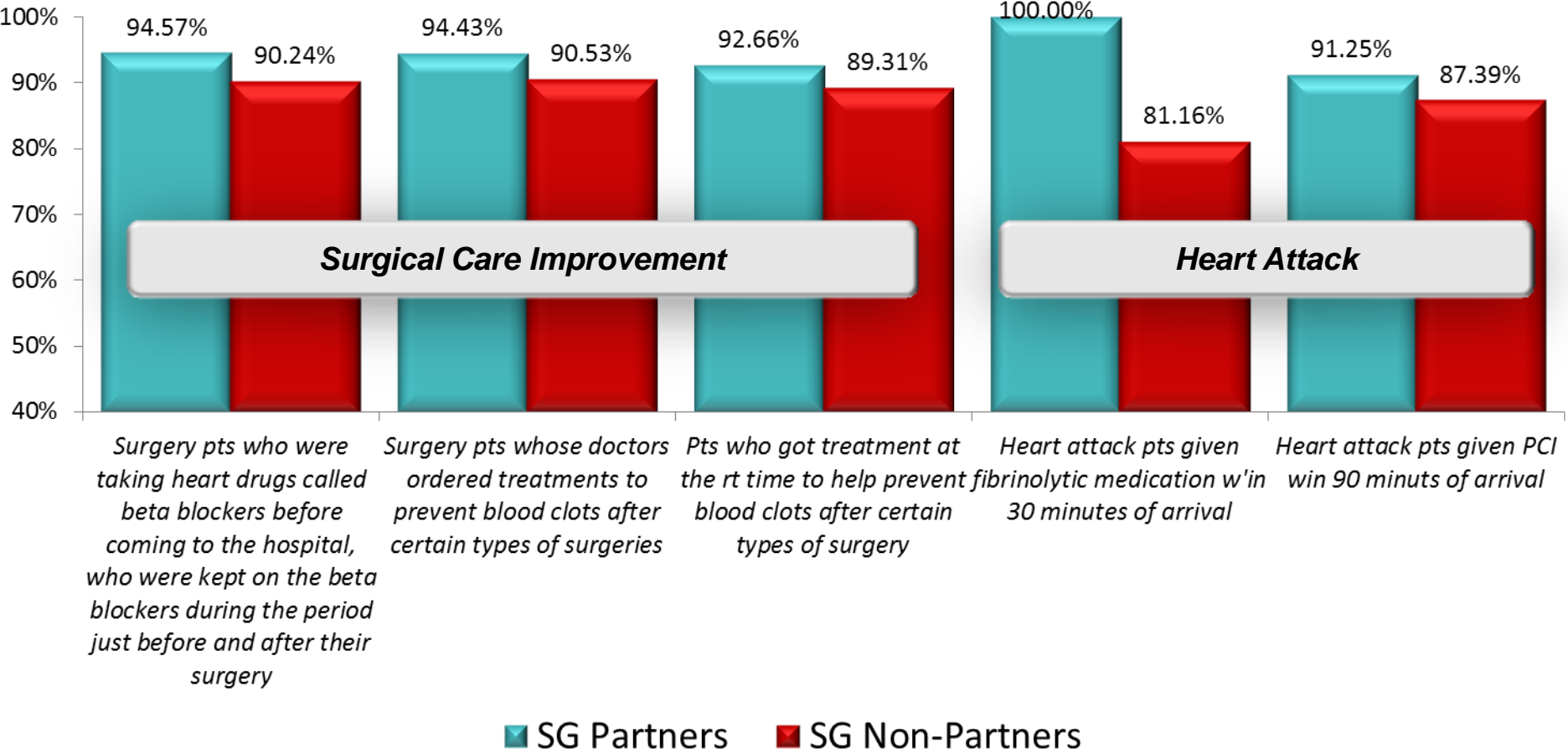
■ Emergency Department Percentile Rank ■ HCAHPS "Overall" Percentile Rank

— Linear (HCAHPS "Overall" Percentile Rank)

Studer Group Partners Perform Better Than the Nation in Core Measures

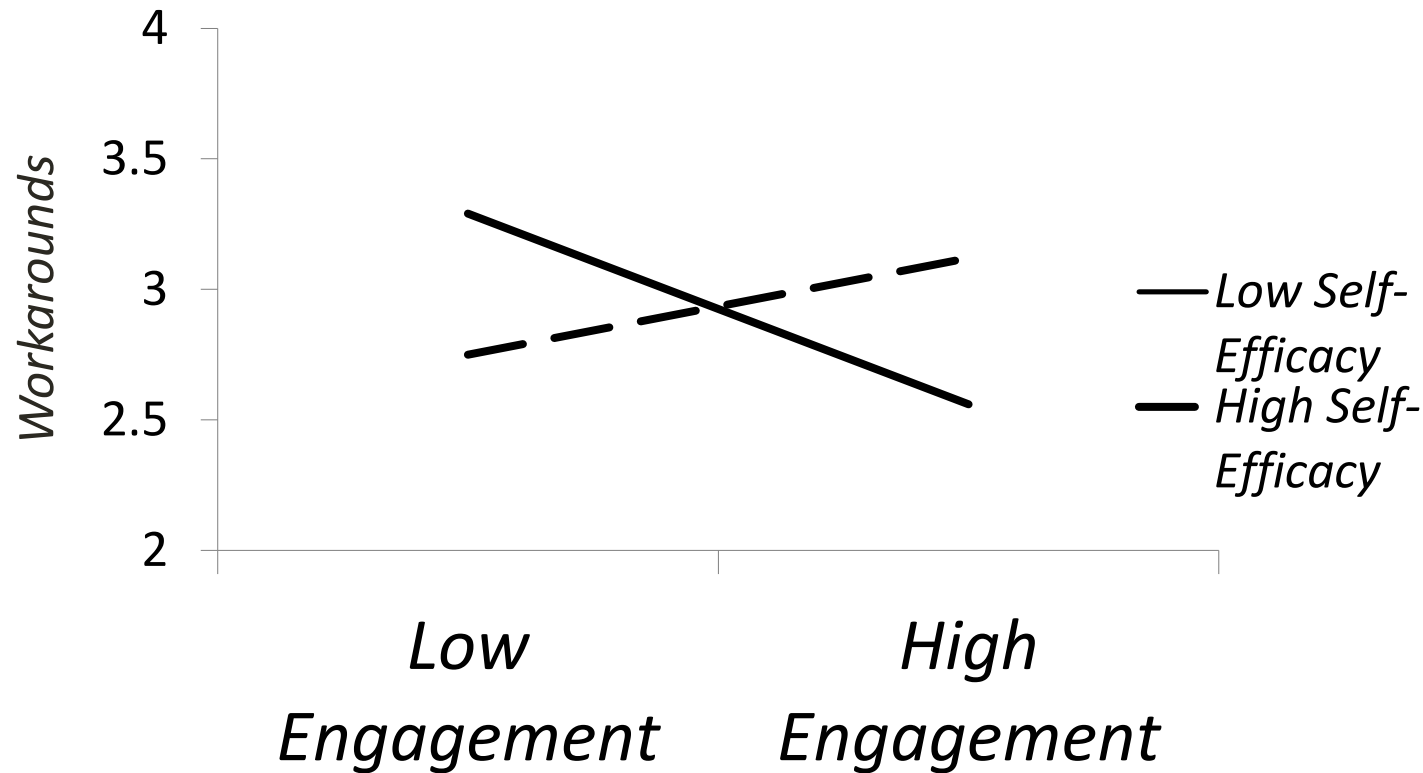


Studer Group Partners Perform Better Than the Nation in Core Measures



Employee Engagement and Safety Link

New!



Source: *Leadership, Rework, and Workarounds*; Grant T. Savage, Ph.D.; University of Alabama at Birmingham, February 2011



It doesn't seem soft to me ...

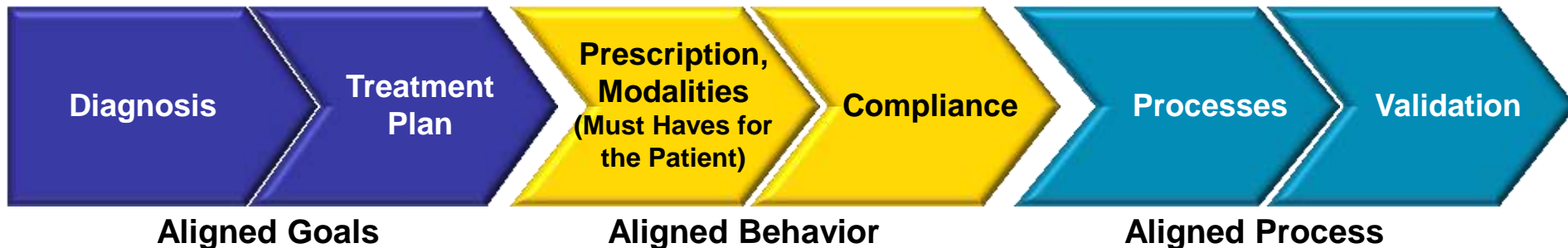
Evidence-Based LeadershipSM

Evidence-Based Care

Evidence-Based LeadershipSM



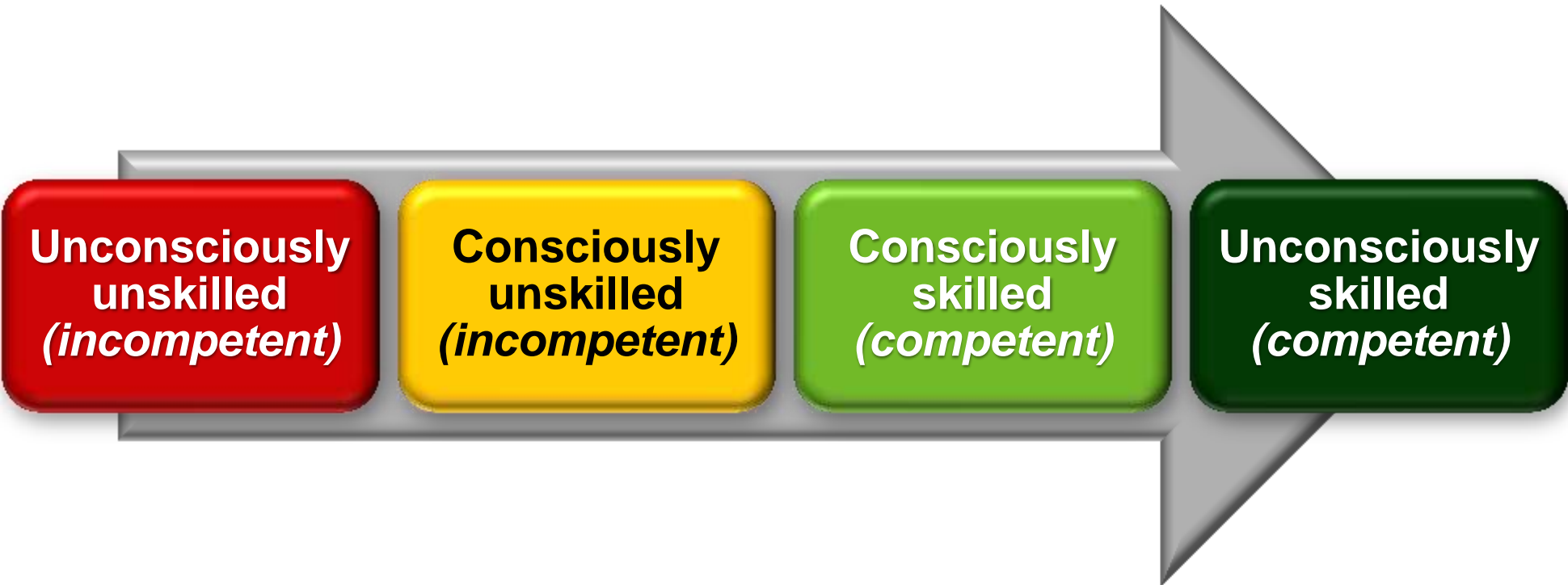
Evidence-Based Care



***Change can even be
hard when you are
successful.***

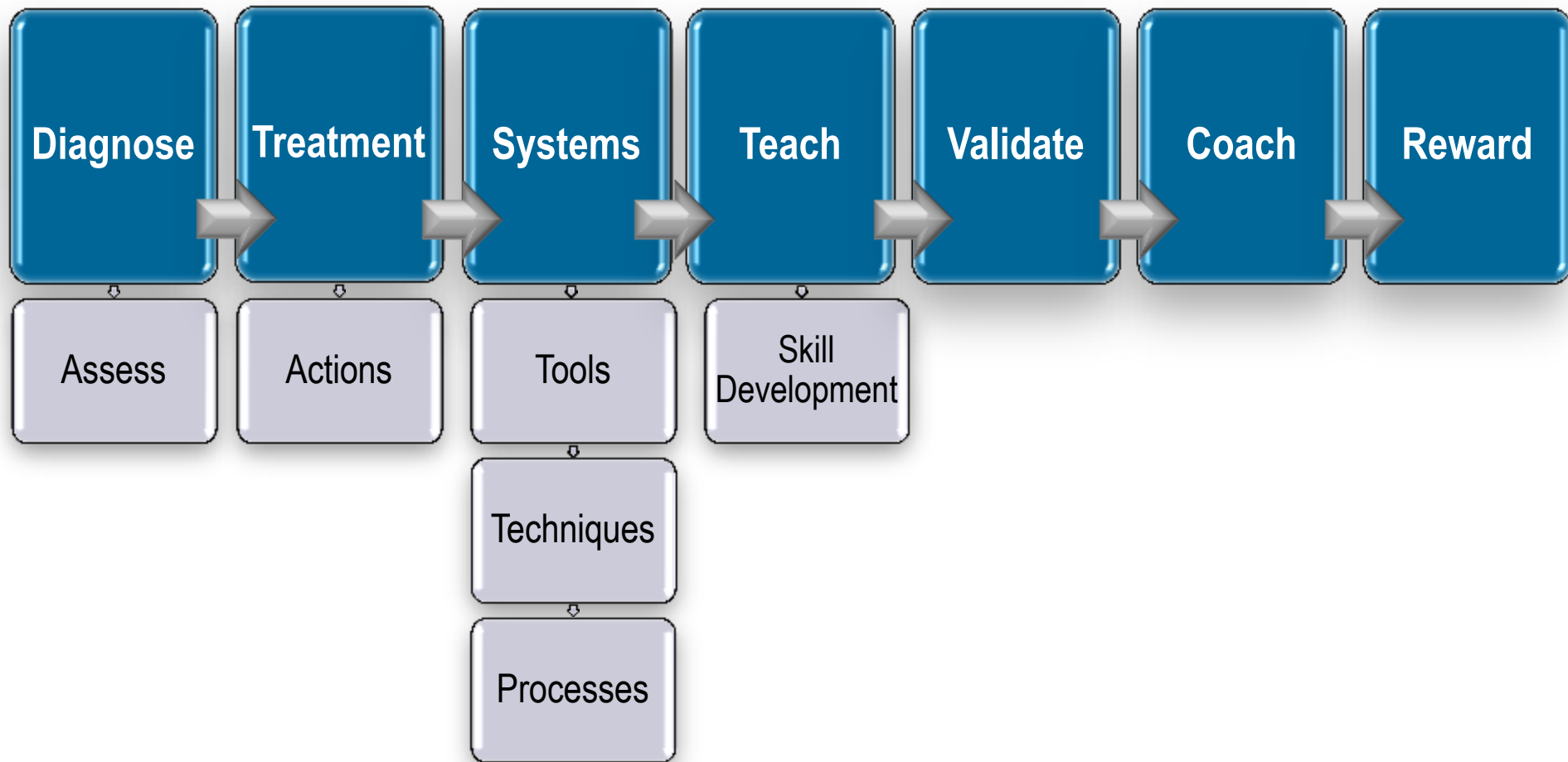
Phases of Competency and Change

Even with positive change, there is resistance . . .



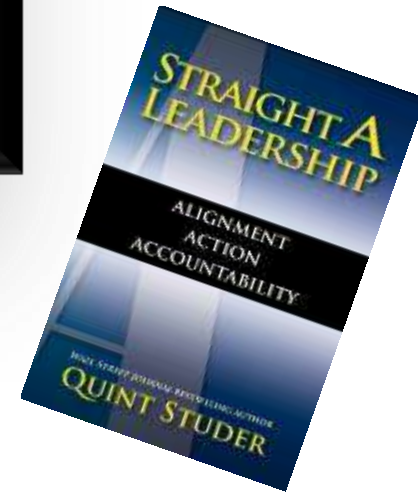
Driving Performance

New!



Straight A Leadership Alignment - Action - Accountability

ALIGNMENT
ACTION
ACCOUNTABILITY



Straight A Leadership Organizational Assessment

What is your role?

Administrative Team
Department Director
Manager/Supervisor
Total

Alignment

What is working well

- ▼ Mission/Vision/Values
- ▼ Quality of Care

Alignment

Opportunities for Improvement

- ▼ Accountability
- ▼ Communication
- ▼ Breaking down of Silos

Alignment Barriers

- ▼ Performance Issues
- ▼ Resources
- ▼ Time

Time Exercise: Unproductive

TIME EXERCISE

Where do you spend your time each week?

How many hours per week do you spend in unproductive meetings?	
How many hours per week do you spend handling interdepartmental issues?	
How many hours per week do you spend dealing with low performers?	
How many hours per week do you spend handling customer complaints?	
How many hours per week do you spend handling tool and equipment issues?	
Total hours in one week:	

Time Exercise: Productive

TIME EXERCISE

Where do you spend your time each week?

How many hours per week do you spend in unproductive meetings?

How many hours per week do you spend handling

How many hours per week do you spend in productive meetings?

How many hours per week do you spend on reward and recognition of staff?

How many hours per week do you spend on development of staff?

How many hours per week do you spend improving processes?

Total hours in one week:

How many hours per week do you spend improving processes?

▼ **Total hours in one week:**

Alignment – External Environment

**Does your
organization have the
urgency needed?**

- ▶ Over the past 5 years, the external healthcare market for the organization where you work has been: (*1=Very Easy to 5=Very Difficult*)
- ▶ Over the next 5 years, the external healthcare market for the organization where you work will be: (*1=Very Easy to 5=Very Difficult*)
- ▶ If your organization continues to act/perform exactly as it does today your results over the next five years will be: (*1=Much Worse to 5=Much Better*)

External Environment Conclusions

- ▼ Physicians and Senior leader team feel the external environment will be more difficult in the future.
- ▼ 31% feel if an organization stays the same, they will be the same, better or much better.

If 3 out of 10 people do not recognize urgency, the organization will never achieve outcomes and too much pressure is put on the other 70% of the people.

External Environment Treatment

- ▶ Utilizing the data, senior leaders and physicians should review and create a toolkit for educating others in the organization.

Leader Development

- ▶ How well does your current leader training prepare you to lead for success in the organization? (*1=Very Poor to 5=Excellent*)

Ranked as Fair

Patient and Physician Perspective

- ▶ From a patient/family perspective and point of view, how would a patient/family rate your organization? (1=Worst to 10=Best in Class)
- ▶ Rate your perception of the ease of practicing medicine for physicians at your organization. (1=Worst to 10=Best in Class)

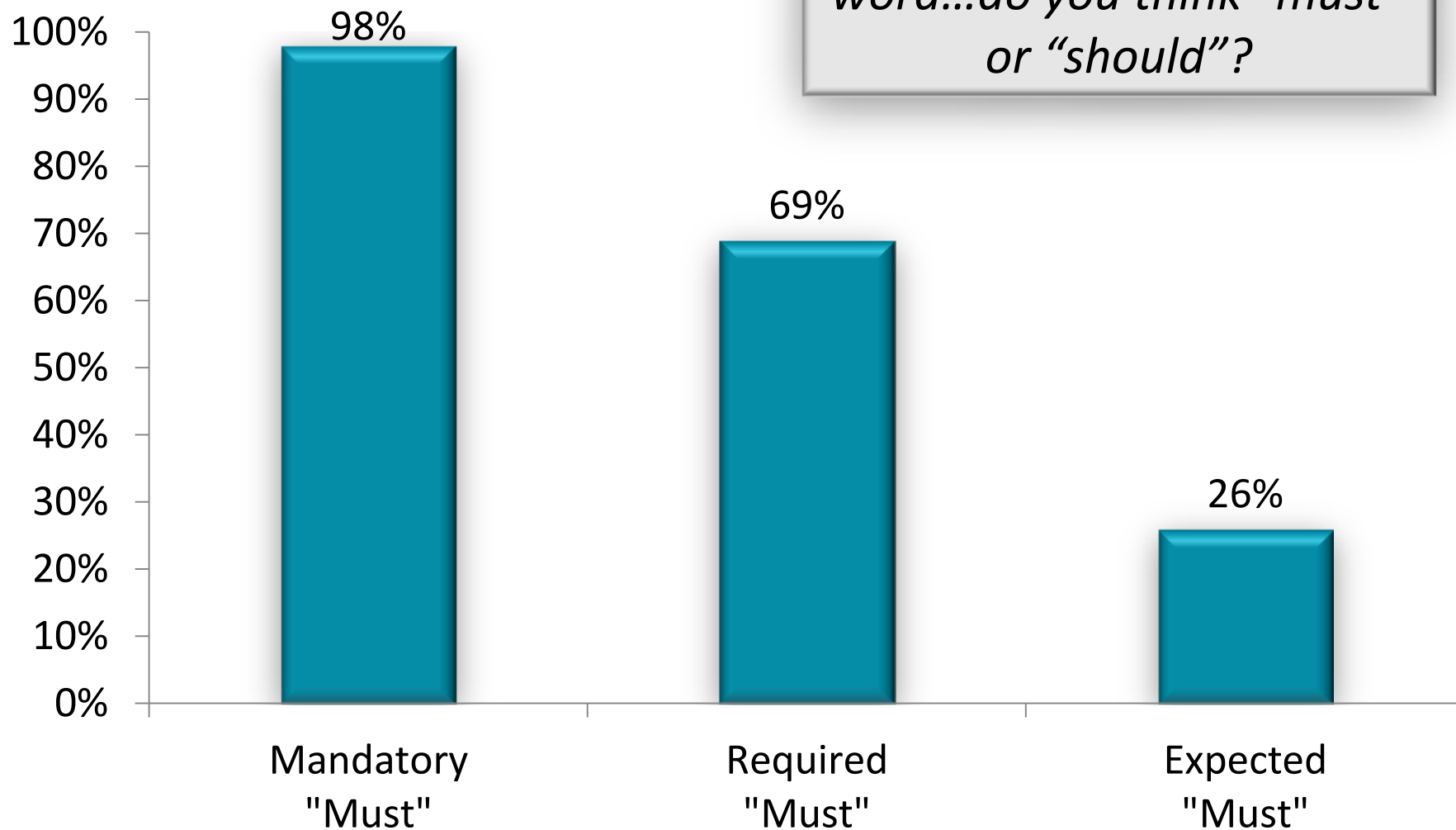
Consistency of Leadership

Rate your perception of the consistency in the leadership throughout the organization today. (1=Worst to 10=Best in Class)

		Worst 1	2	3	4	Avg 5	6	7	8	9	Best 10
Administrative Team	6.61	0	0	1	1	2	4	5	3	1	1
Department Director	7.26	0	0	0	1	9	2	4	15	6	2
Manager/Supervisor	7.5	0	2	2	2	10	6	13	23	19	11
Total	7.32	0	2	3	4	21	12	22	41	26	14

Mandatory – Required – Expected Sample Compliance

When you hear this word...do you think "must" or "should"?



Best Practices

Rate the skill set at your organization in implementing and standardizing best practices throughout the organization today. (1=Worst to 10=Best in Class)

		Worst 1	2	3	4	Avg 5	6	7	8	9	Best 10
Administrative Team	6.28	0	0	0	2	3	5	4	4	0	0
Department Director	7.41	0	0	1	2	3	1	11	10	10	1
Manager/Supervisor	7.67	0	0	0	4	10	3	17	23	22	9
Total	7.43	0	0	1	8	16	9	32	37	32	10

Performance Management

- ▼ How many employees do you directly supervise?
 - *Academic: 16.0*
 - *Not-for-Profit: 20.8*
 - *For Profit: 27.2*

Performance Management

- ▶ How many of the employees that you directly supervise are not meeting performance expectations?
 - *Average = 8%*

Performance Management

- ▶ How many employees do you have currently working for you who have documentation that they are underperforming?
 - *Average = 50%*

Execution Framework Evidence-Based LeadershipSM

Foundation

Breakthrough

STUDER GROUP®:



Aligned Goals

Aligned Behavior

Aligned Process

- ▼ Implement an organization-wide staff/leadership evaluation system to hardwire objective accountability (Must Haves®)

- ▼ Create process to assist leaders in developing skills and leadership competencies necessary to attain desired results

- ▼ Agreed upon tactics and behaviors to achieve goals

- ▼ Re-recruit high and middle/solid performers
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- ▼ Processes that are consistent and standardized
- ▼ Process Improvement
 - ▼ PDCA
 - ▼ Lean
 - ▼ Six Sigma
 - ▼ Baldrige Framework

- ▼ Software



Objective
Evaluation
System

Do you have an objective and weighted evaluation system?

Aligned Goals

Objective Leader Evaluation

- ▼ Does your current leader performance evaluation system help build leadership accountability?
(1=Very Poor to 5=Excellent)

Ranked as Fair

A state of the art evaluation solves accountability, addresses priorities and reduces silos.

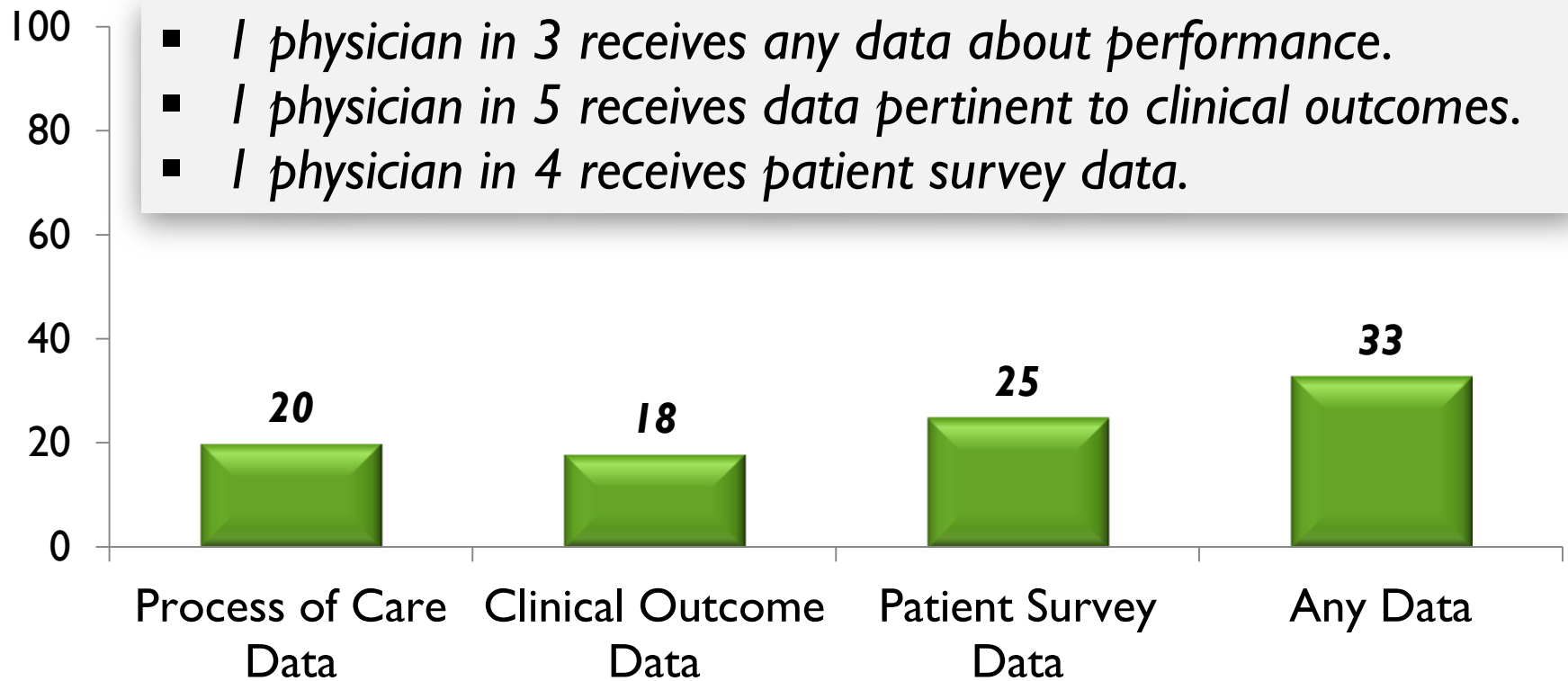
Lessons Learned

- ▶ Continue to learn the value of an objective and weighted evaluation system.
- ▶ Time needed to share and validate at minimum at the senior leader level.
- ▶ Lack of Performance based system for physicians – Utilize LEM as a physician feedback system.

Physician Access to Quality of Care or Performance Data

New!

% RECEIVING DATA ON THE FOLLOWING ASPECTS OF PATIENT CARE



Source: *Physicians' Views on Quality of Care: Findings from the Commonwealth Fund National Survey of Physicians and Quality of Care*; Anne-Marie J. Audet, Michelle M. Doty, Jamil Shamasdin, & Stephen C. Schoenbaum; May 2005

Physician Performance Feedback System

Department Chair - Medicine

New!

Service	Weighted Value	Percentage	Higher is better	1	2	3	4	5
	20%	85	and above					
		82	to 84.9	20% X	0	= 0		
		80	to 81.9					
		70	to 79.9	Weight	Score	Item Score		
		69.9	and below					

Increase the percentage of Physician Communication 9's and 10's to the 80th percentile

Service	Weighted Value	%ile	Higher is better	1	2	3	4	5
	10%	95	and above					
		92	to 94	10% X	0	= 0		
		90	to 91					
		80	to 89	Weight	Score	Item Score		
		79	and below					

Increase ED Likelihood to Recommend to the 90th percentile

Physician Performance Feedback System

Department Chair Medicine



		% Higher is better		1 2 3 4 5				
Quality	Increase Core Measures Rollup to 90% or higher (AMI, CHF, PN)	5 is	99 and above					
Weighted Value		4 is	95 to 98	10% X	0	=	0	
			90 to 94					
			88 to 89	Weight	Score	Item Score		
			87 and below					

Increase Core Measure Rollup to 90% or higher (AMI, CHF, PN)

		Percentile Higher is better		1 2 3 4 5				
People	Increase employee satisfaction to 65th percentile	5 is	85 and above					
Weighted Value		4 is	75 to 84.9	10% X	0	=	0	
			65 to 74.9					
			50 to 64.9	Weight	Score	Item Score		
			49.9 and below					

Increase employee satisfaction to 65th percentile

Physician Performance Feedback System

Department Chair Medicine

New!

referrals

Higher is better

Growth
Weighted Value
30%

Double yearly referrals to main hospital.

Double yearly referrals to main hospital

5	is	10000	and above
4	is	7000	to 9999
		5000	to 6999
		2000	to 4999
		1999	and below

1 2 3 4 5

30% X 0 = 0

Weight Score Item Score

YTD % Variance

Higher is better

Growth
Weighted Value
10%

Meet budgeted volume target as compared to budget.

Meet budgeted volume target as compared to budget

5	is	108	and above
4	is	103	to 107.9
		100	to 102.9
		95.1	to 99.9
		95	and below

1 2 3 4 5

10% X 0 = 0

Weight Score Item Score

Physician Performance Feedback System

Department Chair Medicine



<p>Research/Education</p> <p>Weighted Value</p> <p>10%</p>	<p>Attain grant dollars of \$1.2m.</p> <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>Attain grant dollars of \$1.2m</p> </div> <p>Result:</p>	<p style="text-align: center;">\$</p> <p style="text-align: center;">Higher is better</p> <p>5 is 1500000 and above</p> <p>4 is 1300000 to 1499999</p> <p>3 is 1200000 to 1299999</p> <p>2 is 500000 to 1199999</p> <p>1 is 499999 and below</p>	<p style="text-align: center;">1 2 3 4 5</p> <p style="text-align: center;">10% X 0 = 0</p> <p style="text-align: center;">Weight Score Item Score</p>
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Total Weight : 100

Overall Performance Score : 0.00



**Leader
Development**

***Do leaders have the
development they need?***

Leadership Foundational Skills

New!

SKILL SET DESCRIPTION	Senior Mgmt	Dept Director	Manager / Supervisor
Running effective meetings	75.00	75.00	65.00
Managing financial resources	79.55	76.92	65.00
Answering tough questions so as to not create a “we/they” culture (compensation w’ salaries)	77.27	71.75	55.00
Selection of talent	84.09	76.28	65.00
Development of talent	81.82	77.56	60.00
Critical thinking	93.18	82.05	75.00
De-selection	59.09	59.62	55.00
Understanding the external environment	77.27	69.23	70.00
Manage up the positive, the solution and the decision	72.73	76.28	65.00
Improving processes	77.27	76.28	65.00
Communication	72.73	78.21	60.00
Total	77.27	74.42	63.64

Leadership Challenges

- ▶ It is difficult to bring someone further than you have brought yourself.
- ▶ Validate skills of all leaders in the key leadership foundational skills.

Creating Great Places for Women to Work

Study Results

▼ ***Supervisors Matter the Most.***

- ➔ The strongest correlation with satisfaction is the perception of supervisor's support ($r = .594$).

▼ ***Investment in Development Matters.***

- ➔ The second strongest correlation is the organization's investment in training and development.



- ▶ Standards of Behavior: Creates consistency to show outliers.
- ▶ Training and Skill Development - Leaders
- ▶ Staff Skill Development – The Great Employee Handbook (new)

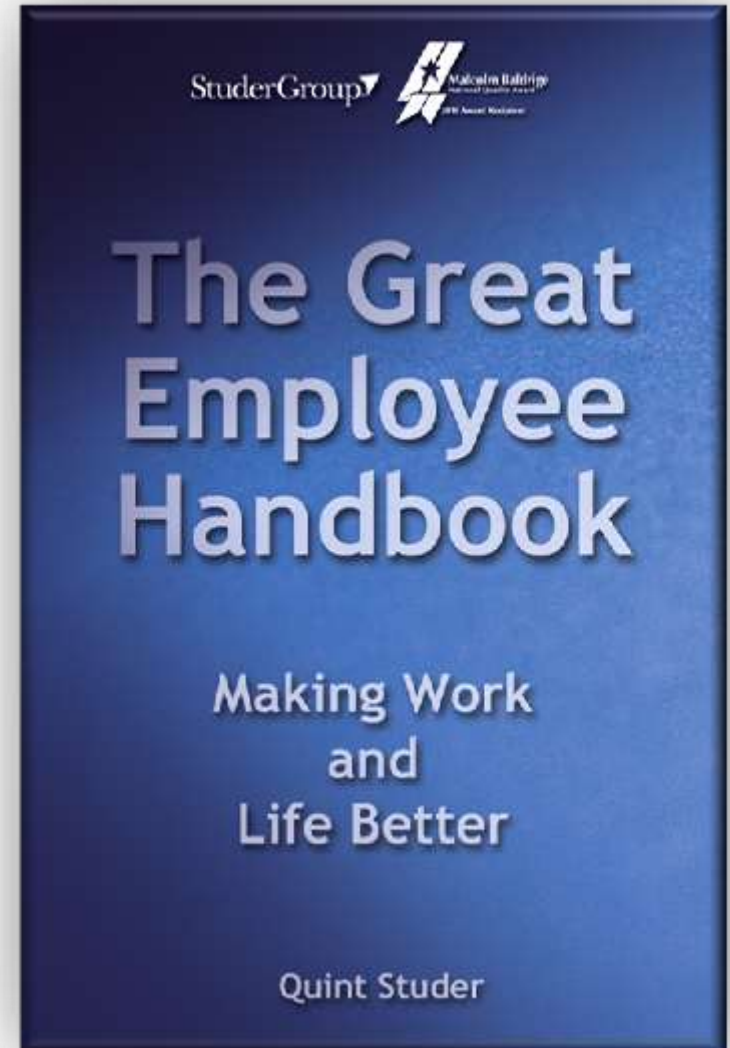
The Great Employee Handbook

Making Work and Life Better

New!

Top Rated Chapters:

- ▶ Mentor New Employees.
- ▶ When You Bring a Problem, Bring a Solution.
- ▶ Don't Feel Qualified? Ask for Training.



Chapter: Mentor New Employees

New!

- If you can, get involved during the interview process.
- Ask key questions early on.
- Help the new hire integrate into the company culture.
- Think of yourself as a role model.
- Be a friend (not just a co-worker).
- Share customer service secrets.
- Set the new hire up for a successful relationship with the boss.
- Remember patience is a virtue.



Chapter:

New!

When You Bring a Problem, Bring a Solution

- ▶ The boss is busy. Help keep the to-do list manageable.
- ▶ You are closer to the problem than the boss is.
- ▶ Show ownership in your area of responsibility which creates a stronger, more innovative, more resilient company.
- ▶ Avoid Park Ranger Leadership.



Chapter:

Don't Feel Qualified? Ask for Training

New!

- ▶ Come right out and ask for it.
- ▶ Remember, it's never too late for proper training.
- ▶ Take full advantage of the training that you do get.
- ▶ Find a mentor.
- ▶ Realize that training doesn't have to be expensive.
- ▶ Maintain a balance (Don't forget your day-to-day responsibilities).



Lessons Learned

- ▼ Deeper teaching and validation of skills.

Must Haves[®]



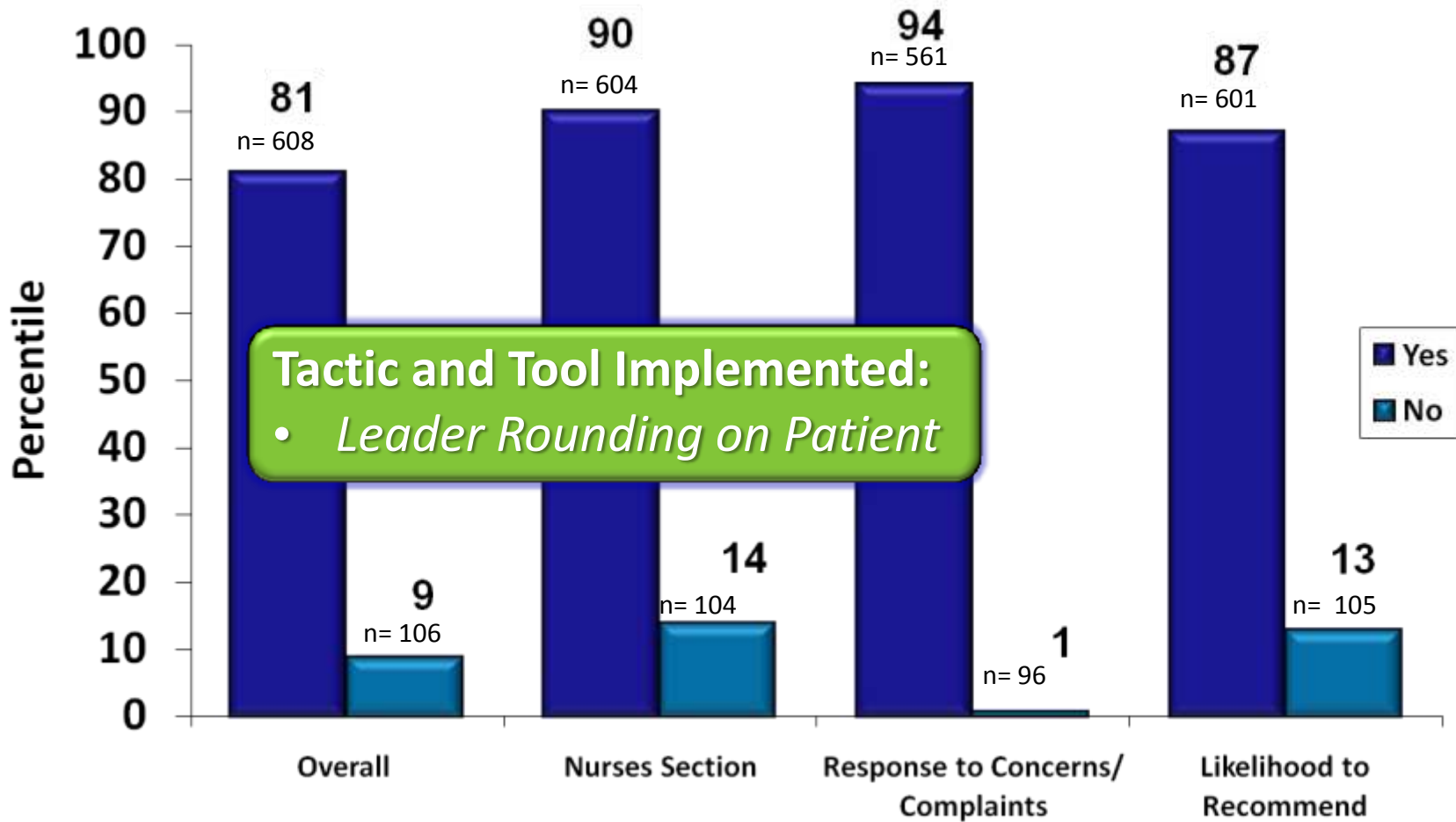
- Rounding for Outcomes
- Employee Thank You Notes
- Selection and the First 90 Days
- Post-Visit Phone Calls
- Key Words at Key Times

Lessons Learned – Less is better

- ▼ It is better to do a few things always, than some things usually, than many things sometimes.

Leader Rounding on Patients

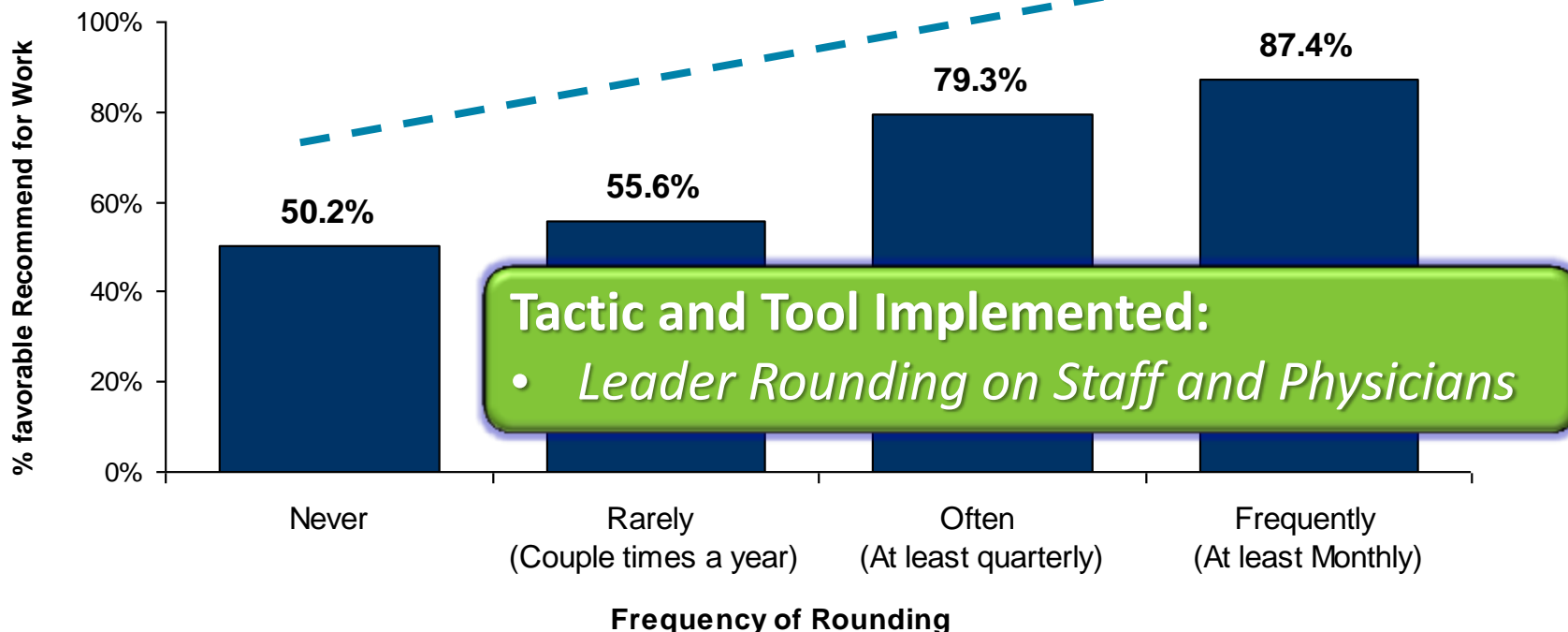
“Did a Nurse Manager Visit You During Your Stay?”



Source: Arizona Hospital, Total beds = 355, Employees = 4,000, Admissions = 10,188; updated 2Q2010

Rounding for Outcomes: Leaders Rounding on Staff and Physicians

Impact of Rounding on Willingness to Recommend as a Place to Work



Oregon Integrated Health System; 8700 employees

* Results are one year following implementation of Leader Rounding on Staff and Physicians; Staff and physicians rounded on at least monthly had the highest satisfaction levels.

***To sustain the culture,
selection is paramount.***

Investments

- ▶ If you were going to spend \$2.5 million on a renovation project, how much due diligence would you do?
- ▶ If you were going to spend \$500,000 on a piece of new equipment, how much due diligence would you do?
- ▶ If you were going to spend \$250,000 on a new software program, how much due diligence would you do?

Selection Management Snapshot Report

New!

1 of 2

Formal Problem-Solving Skills	Score Range*					
	Generally Adequate (1-14%)	Adequate (15-39%)	Average (40-59%)	High in Average (60-74%)	Above Average (75-89%)	Superior (90-99%)
Verbal Reasoning				✓		
Quantitative Reasoning		✓				
Total Formal Problem Solving Skills			✓			
Abstract Reasoning			✓			
* percentile score ranges based on a sample of successfully employed professionals, managers, executives						

Selection Management Snapshot Report

New!

2 of 2

Differentiators for High Coaches	Below Average	Average	Above Average	Inconclusive
Outgoing and Warm in Relationships		✓		
Careful, exacting , neat, and systematic			✓	
Decisive, closure-oriented, starts early	✓			
Conscientious , follows rules and process			✓	
Self-control level is high, discipline			✓	
Ability to manage a positive Impression		✓		
Emotional Stability			✓	
Sensitive to needs of clients, others			✓	
More grounded than abstract or academic		✓		
More Assertive than accommodating	✓			
Energy from outside world and others			✓	

MBTI TYPE: ESTJ

	Clear	Moderate	Slight	Moderate	Clear	
Extroversion	✓					Introversion
Sensing		✓				Intuition
Thinking		✓				Feeling
Judging	✓					Perceiving
	Clear	Moderate	Slight	Moderate	Clear	

Selection

Sample On-line Assessment Results

New!

1 of 2

POTENTIAL STRENGTHS

POTENTIAL WEAKNESSES

PROBLEM-SOLVING SKILLS

- | | |
|---|---|
| <ul style="list-style-type: none">+ Detail-oriented in her approach to work+ Grounded and practical in applying her knowledge+ Enjoys hand-on and experiential learning | <ul style="list-style-type: none">■ Possesses adequate problem solving skills■ Possesses adequate math and verbal reasoning skills■ Bored with repetition or mundane problems |
|---|---|

EMOTIONAL AND MOTIVATIONAL FACTORS

- | | |
|---|--|
| <ul style="list-style-type: none">+ Mature, works well under pressure for results+ Sensitive to the needs and feelings of others+ Actively seeks to improve her skills on her own | <ul style="list-style-type: none">■ Sensitive to developmental feedback and criticism■ Can be overly focused and intense at times |
|---|--|

SOCIAL FACTORS

- | | |
|---|---|
| <ul style="list-style-type: none">+ Warm and outgoing in her business role+ Assertive in making her views known on issues+ Enthusiastic and lively in interacting with others | <ul style="list-style-type: none">■ Can be overly trusting■ Can be overly assertive or controlling■ Can be curt when under pressure |
|---|---|

Selection

Sample On-line Assessment Results

New!

2 of 2

POTENTIAL STRENGTHS

POTENTIAL WEAKNESSES

INSIGHT AND JUDGMENT

- | | |
|--|---|
| <ul style="list-style-type: none">+ Effective at training and mentoring others+ Bases decisions on a logical analysis of the facts+ Possesses high expectations for herself and others | <ul style="list-style-type: none">■ Can be unrealistic is appraising others■ May not consider alternate views as seriously as her own■ May over analyze a situation |
|--|---|

WORK APPROACH

- | | |
|--|--|
| <ul style="list-style-type: none">+ Possesses a strong work ethic+ Conscientious and quality-oriented+ Methodical and systematic in going about her work | <ul style="list-style-type: none">■ She can be a perfectionist and lose track of time■ Less effective in a non-structured environment |
|--|--|

- Results suggest further consideration of this candidate.
- She is a strong-willed individual who seeks to add value as quickly as possible in all situations.
- Management will need to assess if her intensity and assertiveness will be beneficial for the team.

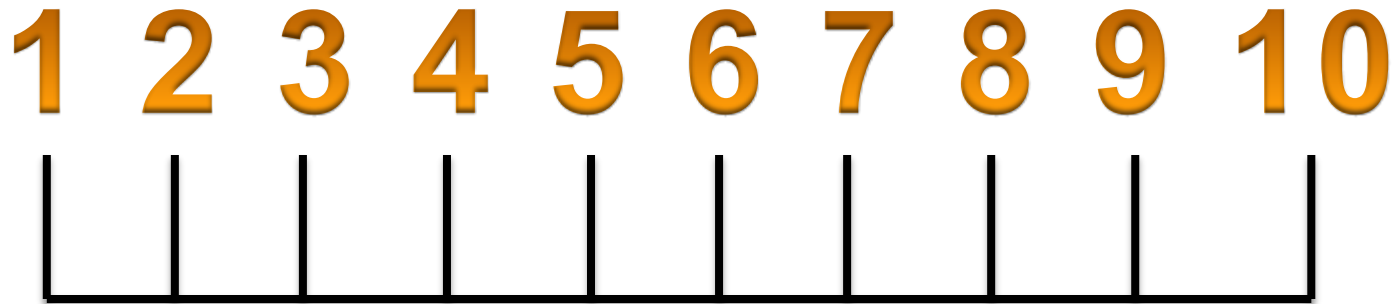
Studer Group Impact

- ▶ 70% of the candidates do not make it through the interview process.
- ▶ \$1.8 million savings because of better selection.

Performance Management



On a scale of 1-10 ...

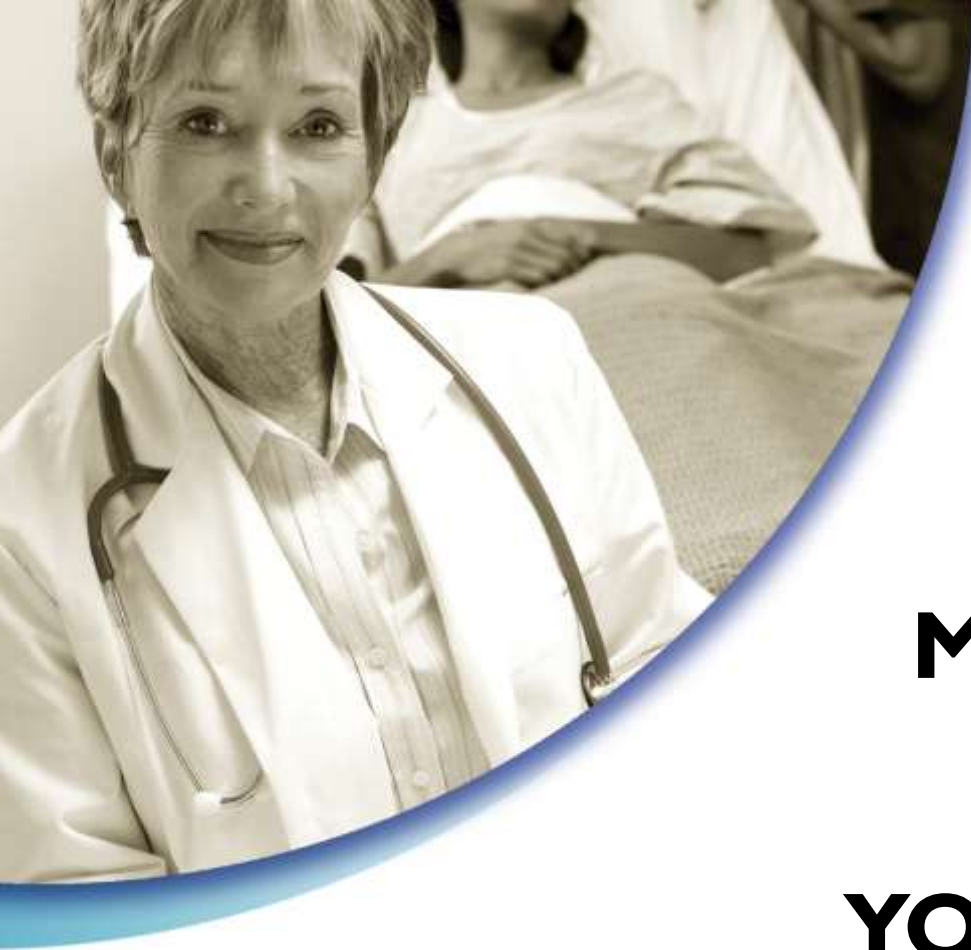


- *Where would you rank in how value driven you are as an organization?*

On a scale of 1-10 ...



- *Where would you rank in dealing with performance issues?*



**MY stories become
YOUR stories.**

**YOUR stories become
MY stories.**

**Today ... We have
OUR stories.**



*Never Underestimate
the Difference You Can
Make*

Quint Studer