

Healthcare Hiring Essentials [eBook]



This eBook features topics and issues that are affecting Human Resources in the healthcare industry right now.



Welcome to the Healthcare Hiring Essentials eBook!

In here, you will find a comprehensive guide to the essential role that Human Resources should play in the unique industry of healthcare.

Contents:

1. [6 Ways Healthcare Hiring is Different from Other Industries](#)
2. [What Patch Adams Tells Us About the Role of Human Resources in Healthcare](#)
3. [Patient Satisfaction Scores: What We Can Learn from a Bumper Sticker](#)
4. [How Service Worker Selection Affects the Patient Experience](#)
5. [Applying Manufacturing Tactics to Healthcare. Does This Work?](#)
6. [The Shocking Cost of Physician Turnover](#)
7. [Conclusion](#)

6 Ways Healthcare Hiring is Different from Other Industries

When we work with our healthcare partners, how do we tailor our approach? In some respects it is very similar to what we do in any industry – identify key traits and competencies and configure selection tools that will predict which candidates will succeed.

In fact, as hospitals look to other industries for solutions to their challenges, like adopting 'lean' management approaches, we have the advantage of applying what we've learned in the manufacturing, distribution, retail, and customer service sectors. Certainly our approach to legal defensibility remains the same. It is more important than ever as the OFCCP seeks to confirm its jurisdiction over hospitals.

Beyond these, however, healthcare IS different in many respects:

1. **Complexity** – hospitals tend to have very complex organizational structures compared to their overall size. A 400 bed hospital might have over 1,000 different job titles.
2. **Highly trained professionals.** A large portion of the workforce- physicians, nurses, allied health and many technical positions, are highly trained and have a high level of autonomy. Many have performance criteria defined by the profession and by state and national testing and licensing bodies.
3. **A fragmented organization structure.** An auto manufacturer designs the entire workforce around production of the car. Hospitals, only recently, have begun to take a service line or patient-centered approach to organizational structure, built around the patient experience. Historically, a hospital is built around relatively independent departments, each with a great deal of autonomy.
4. **De-centralized and disparate hiring processes.** This autonomy often fosters a de-centralized and inconsistent approach to recruiting and hiring. Nursing has its approach, other departments do something else, and physician hiring is informally controlled by the C-suite and the VPMA. Inconsistency between hospitals in a system, or even hiring managers within the same hospital, make standardization difficult and create unnecessary legal risk.
5. **Customer Service is no longer a 'nice to have'** – Every company wants to improve customer service but with the new HCAHPS requirements, patient satisfaction scores are a critical success metric for hospitals.
6. **The nature of the Services** – Poor quality in a manufacturing plant means a poor product and a weakened competitive advantage. Poor quality in a hospital means harm to patients and the hospital's ability to fulfill its mission.

- Continued Next Page -

6 Ways Healthcare Hiring is Different (Continued)

Accordingly, we advocate a unique approach to selection:

1. **Healthcare-specific solutions** – Basic, off the shelf personality tests that might be fine for other industries don't work in healthcare. Nurses, physicians and other care providers are unique and assessments must incorporate an understanding of the work and the competencies that lead to success.
2. **A multi-level approach** – Creating a patient and family focused environment means you can't just improve the level of customer service provided by the nursing staff. Even housekeeping impacts the patient experience, and if you don't hire better managers, hiring better front line workers is futile.
3. **Consider the 'future-state'** – Healthcare is changing – rapidly. Our traditional better performers may not be what we need moving forward. It takes a thorough understanding of the new challenges and of the vision of the organization, in order to build the workforce for the future.

The science of selection can be applied to any industry and many industries are similar in many respects so selection solutions can be applied in a similar manner. For a number of reasons, healthcare is unique and your approach to selection should reflect these differences.



What Patch Adams Tells Us About the Role of Human Resources in Healthcare

I found myself watching the movie Patch Adams. Not a great movie, by any means, but it reminded me of something important. A few weeks ago, we wrote about six ways that healthcare hiring is different from other industries, but I think we missed the biggest difference – a difference that Patch Adams certainly would point out.

You'll recall that Patch Adams is a real life physician who caused a stir by arguing that our healthcare system should not treat disease, but the patient. Patch endorsed a "patient-centric" approach to care because it was the right thing to do.

We talk a lot, recently, about improving patient satisfaction scores, and reducing complications because they will impact reimbursement. Certainly, there is value in aligning financial incentives with the desired outcomes. Whenever I speak to young physicians, or nurses or other healthcare professionals about the "business" of healthcare, I try to make a point to remind everyone that while we go about our work in the hospital, patients and their families are there dealing with fear, pain, tragedy, and uncertainty. Like Patch Adams, we need to remember that part of the care and compassion of healthcare goes beyond treating the physiology and the diagnosis, to helping to ease the psychological pain and stress that are so common during a hospital stay.

Despite all of the technological and process improvements in healthcare, it remains a "people-driven" service where talented, compassionate people have the honor of helping people when they are at their most vulnerable. Accordingly, human resources can have a significant impact on a hospital's ability to create the right culture, to fulfill its mission and to provide the level of care and the patient experience that we aspire to. Every hiring and promotion decision, ultimately, affects patients. Is anything more important than identifying people who can treat patients the way they deserve to be treated?

Recently, my elderly mother spent a few days in the hospital. She is easily confused, and like most elderly people, her confusion increases when she is hospitalized. I could tell she was anxious as the stream of people came in and out of her room, none of them introducing themselves or explaining what they were doing. Then a respiratory therapist came in: "Hello Mrs. Warren, I'm Bill, your respiratory therapist." He could see her anxiety. "Do you know why you are here?" She shook her head. He proceeded to take a few moments during the treatment to tell her that they were monitoring her overnight to watch her breathing and that the doctor would see her in the morning. He didn't cure her disease, but he certainly eased her angst, which I'm sure Patch Adams would have appreciated, and I'm sure allowed her to rest and to heal. Now, how do we set about making sure that we have more staff like Bill?

Patient Satisfaction Scores: What We Can Learn from a Bumper Sticker

“A nurse’s job is to save your A__, not to kiss it.”

We met with a frustrated hospital system senior leadership team yesterday. They’ve complied with all of the Studer process steps. They’ve implemented the guidance provided by Press Ganey, produced a high quality new employee orientation video talking about their mission and values, used the Disney principles, the Baptist approach and various nursing consultants. The CEO meets personally with EVERY new hire. The result? Patient satisfaction scores remain flat. They are at their wit’s end.

Walking through their parking lot, the CEO saw the following bumper sticker on the car of one of his nurses: “A nurse’s job is to save your A__, not to kiss it.” As you can imagine this gave him pause. Do you think he might have an issue getting that nurse to work hard at improving the patient experience? It’s 2011. We’ve been talking about healthcare as a service industry for almost ten years now. We’ve been talking about “patient-centered” care for almost as long. CMS has made it clear that it is our job to provide high quality care in a patient-focused manner. The CEO came to a realization. While there are MANY nurses who are dedicated to patient care and would never display that bumper sticker, he probably has a few who would. No matter how many processes they put in place to improve the patient experience, he won’t make a dent if he doesn’t focus on bringing the right type of people into his organization.

“We cannot accept bringing just anyone into this hospital. I am 100% focused now on establishing clear standards of behavior, holding current employees to those standards and creating a hiring process that only lets the right people into our organization. If it takes a bit longer to fill a position, so be it. I don’t know why I didn’t think about it this way twenty years ago.”



Even the best hospitals face some of these challenges. Some have taken steps to define the behaviors. Some have added tools to help better select employees who fit the vision. Given what we are trying to accomplish, half measures and half success simply won’t suffice. Every hiring or promotion decision you make impacts your organization – positively or negatively. How confident are you that the selection decisions being made this week, today, are moving you closer to your vision? Want a patient-centered culture? Want to improve patient satisfaction scores? Take all of the obvious process steps. Check all of the boxes. That will get you part of the

way there, but you won’t change your culture until you change behavior and the quickest way to do that is to [begin changing the nature of your workforce](#).

How Service Worker Selection Affects the Patient Experience

Have you ever watched the TV show Scrubs? “The Janitor” is a funny character, but you probably don’t want him around when you are having a baby! A colleague’s wife recently had a child. Mom and baby are doing well. I asked him about their hospital experience (Yes, I said “congratulations,” first). Now keep in mind that this is not your run of the mill community hospital, it’s a top women’s hospital, renowned for its childbirth services.



Despite first rate facilities, physicians, and a kind, knowledgeable nurse, the experience was less than ideal because of The Janitor. Early in the morning, just after delivery, this young man came into the room to clean. Didn’t say hello or ask if it were a good time, just set about his work. The husband explained that he and his wife had had a long and difficult night and could he come back later? The Janitor was not pleased and made it clear by his body language, leaving the room in a huff. Later in the day, when everyone was feeling better the husband asked someone if they could get the room cleaned.

Guess who comes back? The Janitor was heard to tell a nurse just outside the room how he “hates” it when patients page him to drop everything and clean their room. He sulked into the room, gave it a cursory cleaning and left. Again – not a word to the joyous mom and dad (who was now a bit less joyous).

This behavior is wrong on a number of levels, and my colleague’s position reminded me that it’s not just because of the importance of patient satisfaction under the HCAHPS program. He sees himself as a consumer. The [cost of a delivery](#), depending on several variables, is estimated at between \$9,000 and \$25,000. Even with good health insurance, he may have out-of-pocket expenses of up to \$3,000. He reminded me that he wouldn’t accept that level of service, for that amount of money, anywhere else and he’ll think twice about using that hospital for their next child.

What we can learn:

1. Patients are, finally, beginning to see themselves as consumers of healthcare services and expectations are changing.
2. Imagine how many new fathers the Janitor has irritated in his time at this hospital?
3. Some hospitals, finally learning from other industries, have taken a step in the right direction by implementing “a test” of some sort. We know that’s not enough. We need to implement a comprehensive hiring process – not just a tool. What about the application process, the phone screen, the interview, the quality of the supervisor? Is the “tool” having a real, sustainable impact on turnover, patient satisfaction scores and your culture?

Every hiring decision we make impacts our ability to take care of patients, and to fulfill our mission, from the [CEO](#) down to The [Janitor](#).

[Table of Contents](#)

Applying Manufacturing Tactics to Healthcare. Does This Work?

We had an interesting meeting with a senior Vice President of Health System last week. This is an experienced, respected and talented leader with a proven track record . . . in manufacturing. He's been in healthcare for four years and has made great strides in driving change, for the better, in what was a struggling system.

He was pretty frank, however, about the challenges of adapting to a culture that is vastly different than manufacturing. He's a big proponent of Lean and had lead his previous company' Lean efforts, so he was excited to hear that his health system was "going Lean".

In a manufacturing setting, when the company chooses a new direction or strategy, including Lean, he'd meet with the mid-level managers and give them their marching orders and off then went. He tried that in the health system. To his surprise, he had not only questions and resistance, but downright refusals, some passive, and some active, to comply with the new direction! He quickly learned that change would require selling the idea, obtaining buy-in from key constituencies, and bringing people along slowly.



This is not an uncommon realization to those coming to healthcare from other industries. It is rooted in the culture of medicine and hospitals. Physicians, certainly, but also nurses and other healthcare professionals are trained and socialized in the culture of professional autonomy. These groups have, traditionally, had great power to determine the direction of their respective departments, and even the hospital as a whole.

This is not necessarily a bad thing as some of it is grounded in knowing that a certain level of

professional autonomy helps ensure that patients get the best care possible. It can be a huge barrier to collaboration, however, when these groups only focus on what happens in their part of the healthcare universe. It has also fostered a sometimes unhealthy does of resistance to change. I've met many nurses, for instance, who resist change because in the past, they've outlasted the "flavor of the day" program, and the senior leadership team that championed it.

How do we maintain the appropriate level of professional autonomy but encourage collaboration and the ability to embrace change that improves care and decreases cost? We need to re-think the non-technical skills required to succeed in this new world. These skills and behaviors need to be developed in our education and training programs and built into the [processes](#) we use to select and develop the members of our healthcare team.

The Shocking Cost of Physician Turnover

We've spoken with several hospital Chief Medical Officers over the past few months. **They all tell the same story:**

- Building a team of employed physicians is core to the hospital's survival strategy.
- The recruiting and selection process has not changed in twenty years. It's all based on credentials and informal interviews.
- They are surprised when physicians leave.
- They go back and do the same thing again.
- No one looks at the financial implications of this cycle. They are too focused on rushing to fill the spot again.

Actual calculations of physician turnover are an inexact science, but no matter how you do the math, it is stunningly high.



The basics:

- Salary
- Sign on bonuses, income guarantees, and relocation costs
- Recruiting costs on the low end at \$40,000 per position, considering advertising, administrative time, recruiting fees, and interview costs. It can be significantly higher.
- The lost revenue while the position is open. A primary care physician can generate over \$1 Million annually for the hospital. Certain specialties generate several times this much.

Then consider:

- Cost of the administrative time taken up during the separation process. On-boarding, credentialing and training costs for new physicians.
- Decreased productivity and revenue while a new physician's practice gets up and running.

And some can't even be calculated: **Effects on patient satisfaction; Impact on continuity of quality improvement initiatives; Impact on other providers and referral patterns.**

- Continued Next Page -

The Shocking Cost of Physician Turnover (Continued)

The loss and replacement of a single primary care physician starts at \$250,000. The real cost is over \$1 Million.

- A common contributor to turnover is the mismatch between physician expectations and organizational culture or rules.
- 54% of physicians leave their group within the first five years.
- Practice issues cause physicians to leave 30% of the time, the most cited reason (not compensation). Physicians often leave due to disappointment over “broken promises” about patient volume and administrative support.
- Only 27% of physicians report that their group has a written or formal retention plan.

What does all of this mean?

- It is MORE expensive in the long run to move hastily and make a bad hire.
- There are tools available to understand physician expectations, and to build a long term, successful practice.
- There are tools to ensure that the candidate fits your culture. Consider the last physician you brought in that didn't work out because of his personality or behavior, or expectations simply didn't fit your organization. What would you have given to know this before making the offer?
- These are \$200,000 to \$1 Million positions. In other industries, we apply far more rigor to the selection process for positions that pay anything above \$100,000, because we've done the math and know the real cost.

What Do I Do Now?

Healthcare is a unique and complex industry when it comes to HR. We hope this eBook has helped clarify some of the major problems in Human Resources for healthcare and ways to go about analyzing and fixing those problems.

Learn more about how to hire better healthcare employees [here](#).

Have questions? Contact Select International at (412) 358-8595 or email info@selectintl.com.