

# Business Outcomes



**INDUSTRY:** Healthcare

**SOLUTION:** Healthcare Select Interviewing®, NurseFit®, ServiceFit® for Healthcare, Allied HealthFit and Select Assessment® for Leader Development



## Hospital Wide Selection System Supports Lean Culture and Saves \$1.5 Million

### The Situation

As part of its progressive approach to providing high quality care, one of the top teaching hospitals in the nation formed the office of Business Transformation, to reduce waste by borrowing “Lean” strategies from manufacturing. Lean, or the Toyota Production System, is a methodology to improve quality and reduce costs by systematically improving every aspect of organizational performance.

Many hospitals have started using Lean or similar approaches but do it piecemeal, with a few performance improvement experts working on specific projects. Lean, however, is really an organization-wide way of functioning that requires every leader, manager and front line worker to constantly look for ways to improve. With that in mind, this hospital rolled out Lean training to the entire staff, including physicians and the Lean mindset has spread to all corners of the organization.

### Lean Values vs. Traditional Hospital Culture

The hospital’s Lean Advisory Board recognized that Lean teams were often missing key Lean behavioral skills. Hospital culture, and the training of physicians, nurses and allied health professionals don’t encourage concepts like empowerment, innovation, driving consensus and servant leadership. Rather, professional autonomy and hierarchies, and a culture of expertise, are traditionally valued. The Lean culture they were seeking was limited by the behavioral skills of their team.

#### Lean Values

Respect for colleagues  
Value contributions of others  
Humility and empowerment  
Drive for consensus  
Servant leadership  
Innovation  
Constant improvement

#### Traditional Hospital Culture

Silo organizational structure  
Professional autonomy  
Professional hierarchies  
Culture of expertise  
Authoritarian leadership  
Short term solutions

### The Solution

Fortunately, Mike Hoseus, co-author of the best-selling *Toyota Culture, The Heart and Soul of the Toyota Way*, sits on the Lean Advisory Board and pointed to a deficiency in their approach. Quoting *Toyota Culture*, “Most companies miss seeing the blood flow of TPS – the human resources philosophies and strategies that make it work at Toyota.” In other words, Lean works at Toyota because their approach to selecting and developing workers targets Lean behavioral competencies.

Select International builds the selection systems for Toyota North America and is referenced in *Toyota Culture* so Select’s Healthcare Solutions were a perfect fit for the situation.

### A New, Comprehensive Approach to Selection

The human resource department had taken a leadership role in Lean training and immediately understood Hoseus’ point about building Lean competencies into talent strategies.

#### Step 1: An Organization-Wide Competency Model

Select’s team worked closely with HR and leadership to develop an organization-wide behavioral competency model. In only 12 weeks, the hospital had a comprehensive, yet concise picture of the behaviors that predict success at every level of the organization. This was accomplished using visioning meetings with leaders, survey data and focus groups. The competency model includes behaviors that support a Lean culture. The model provides a powerful way to communicate which behaviors are important and what is expected. More importantly, it provides guidance on what to look for in prospective team members.

#### Step 2: An Efficient Selection Process

The project team designed the most efficient, effective selection process for five distinct levels of the organization. Each differs slightly based on selection ratio, how the interview is conducted, and what pre-employment assessment is used. The entire process and the selection tools are fully integrated into their HRIS system.

## Step 3: Cutting Edge Selection Tools

Having defined the behavioral competencies that will predict success, the team turned to the best way to identify these skills in prospective employees. The award-winning **Select Interviewing®** program provides an efficient, standardized, predictive approach to interviewing. The interviewing program augments the core of the selection program, Select's suite of online, pre-employment assessments including **NurseFit®**, **ServiceFit® for Healthcare**, **Allied HealthFit** and **Select Assessment® for Leader Development**. These tools ensure that the talent team and hiring managers focus their attention only on those candidates most likely to succeed in a unique and challenging culture. Hiring and promotion decisions are based on valid and reliable data about candidate behavioral skills.

## The Results

### Cutting Turnover in Half Saves \$1.5 Million

Reducing turnover was not the primary objective. Hiring employees who would thrive in a Lean environment was priority number one. In fact, even in a highly competitive talent market, short term annual turnover was only 4%, well below the industry average of 28%, and a testament to their well-earned reputation.

One year after implementation, short term turnover has been cut in half to an amazing 2%. They calculate the savings from this reduction in turnover at \$1.5 million.

### Enhanced Candidate Experience

The recruiters work daily to find candidates for hard to fill positions.

They were concerned about the impact of any new process on the candidate experience. There's been no negative impact on the candidate pool and, in fact, candidates respond exceptionally well to the process.

Survey results show that the process is a *positive experience* (4.34 on a 1 to 5 scale) and gives a *positive first impression of a commitment to selecting the best employees* (4.29). Many candidates provide additional feedback. Examples: "Great tool, especially for a new graduate nurse" and "I am impressed that you've chosen to find the best possible candidates. The process allowed me to show my personality and clinical thinking skills. This is excellent preparation for the interview!"

### Supporting the Lean Culture

Although it's harder to measure, HR continues to receive feedback that people coming into the organization are better suited to a Lean culture. Lean is a unique mindset and not every clinician, manager or service worker will thrive. In fact, some will struggle with this non-traditional approach to their daily tasks. The proof is in the fact that important quality and performance metrics continue to move in the right direction.

Short Term Turnover

