HEALTHCAREWHITEPAPER

EVIDENCE-BASED APPROACH TO HIRING

LEADERS, PHYSICIANS, NURSES, AND FRONT LINE STAFF





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REFORMING HEALTHCARE MEANS REFORMING THE HEALTHCARE WORKFORCE

With Republicans controlling Congress and the White House there is uncertainty about a possible new direction for healthcare reform. It is relatively certain though, that hospitals will continue to face the challenge of delivering value, rather than volume, and new levels of accountability. Care delivery models will continue to evolve, as will payment methodologies, and the pace of technological advances will not abate.

It's also certain that organizations with the most talented leaders, physicians, nurses, and front line staff have the best chance of success. The traditional healthcare workforce, and our talent strategies, weren't built for this new world. We need new skills and competencies at every level of the organization.

It's taken healthcare a while to figure this out. Or, perhaps, we are finally redefining what "talent" means? For decades, we valued the leader with the impressive resume, the physician or nurse from the top program, and even dietary staff with extensive healthcare experience. (Yes, some hospitals pass up highly qualified, motivated, caring candidates for dietary positions if they haven't worked in a hospital cafeteria.)

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Seemingly overnight, we started asking people chosen for their technical skills to design and implement a highly collaborative, patient-centered, value-based care model and culture. Most hospitals recognize that they are now looking for a different skill set. We need leaders, physicians, nurses, and front line staff who "behave" differently. How can we make this happen?

An example: Many hospitals are turning to processes like lean or Toyota Production System to improve quality and efficiency. Some miss the important talent and cultural aspects, though. Michael Hoseus notes in the bestseller, Toyota Culture, the Heart and Soul of the Toyota Way, "Most companies miss seeing the blood flow of TPS – the human resource philosophies and strategies that make it work at Toyota." If you want people who will thrive in a lean culture, you need to target, in the hiring process, the behavioral skills and traits that are best suited for that unique approach.

"EVIDENCE-BASED" HIRING

Other industries, particularly manufacturing, faced similar challenges in past decades. Progressive companies implemented a more objective, "evidence-based" approach to selecting and developing talent. They define the behavioral skills they are looking for, and implement a consistent process to evaluate and develop these skills.

Healthcare was originally resistant to, or at best ambivalent, about some of these strategies. The resistance was due, in part, to the traditional hyperfocus on clinical and technical skills, and a strong sense of professional autonomy. We still hear physicians and nurses, particularly, tell us that all they need to evaluate a candidate is a resume review and a five minute conversation. "I know what a good



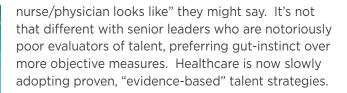












This parallels the evolution of "evidence-based medicine" - an approach to healthcare intended to optimize decision-making by emphasizing the use of evidence from accepted research. Not that long ago, "clinical judgment," anecdotal evidence, and personal experience ruled clinical decision-making. Then we discovered that using research to drive decision making, treatment guidelines, and policies vastly improves outcomes and saves lives. Our approach to talent needs to follow the same path.

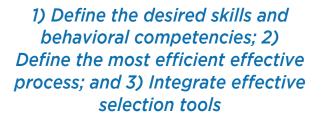
Are you making hiring decisions based on intuition, biases, anecdotal evidence, and flawed data? Do you have evidence that your reliance, to whatever degree, is valid or reliable? (Data says it probably isn't.)

A recent <u>Harvard Business Review</u> article, *In Hiring, Algorithms Best Instinct*, ii summarized research comparing manager intuition in hiring decisions with objectively established algorithms incorporating behavioral assessments. The algorithms substantially out-performed the hiring managers. A more deliberate approach with objective data yields better selection decisions.

Candidate selection should be based on best practices in order to overcome opinions, knowledge gaps, and biases. Wherever possible, it should rely on formal, explicit methods to analyze evidence and make the data available to decision-makers.

BUILDING AN EVIDENCE-BASED SELECTION "SYSTEM"

Whether you are choosing your next Chief Nursing Officer, primary care physician, nurse, or transporter, you need a more deliberate, consistent selection "system" that is built to achieve specifically defined goals. The process depends on the job category, but the basic approach is the same: 1) Define the desired skills and behavioral competencies; 2) Create the most efficient process (including consideration of the candidate experience); and 3) Integrate effective selection tools.



FOR SENIOR LEADERS

Senior leaders fail at an alarming rate and turnover is increasing. Spending months and tens of thousands of dollars to recruit and select a leader, only to have her fail, or leave, is unacceptable. The leadership selection process is often poorly defined and inefficient. The behavioral skills being evaluated should align with the unique situation and needs of the organization. One organization needs an emphasis on lean thinking, while another might need a transformative leader to navigate a merger.

The same is true of physician leaders. A good physician does not, necessarily, make a good leader but many physicians have leadership skills and traits that need to be identified and developed.

FOR PHYSICIANS

Very few organizations have concentrated sufficient energy or resources on ensuring that physician candidates are well-suited to the organization, or for success in their role. The outstanding, but disruptive, physician is no longer acceptable. Moreover, most organizations now expect physicians to be adaptable, service-oriented, innovative, and collaborative. Leading organizations are bringing executive-level diligence to the process by defining their expectations, re-thinking the physician interview, and adding objective, physician-specific measures of critical behavioral skills.

FOR NURSES

Nursing leaders need to be integrally involved in establishing the behavioral expectations, building the system, and evaluating its efficacy – a perfect example of the partnership between the talent team













and clinical operations. Nursing, particularly, needs to know that the selection system is designed for nurses and is reflective of the nursing culture.

FOR FRONT LINE STAFF

You are more likely to achieve your goals if you have front line staff who are dependable, engaged, and committed to your organization, and to patients. An outstanding medical assistant is invaluable. Every family is impacted by their experience with food services. These positions generally attract a larger candidate pool. You can be more deliberate and selective in building the hiring funnel. You need to efficiently sort through candidates for those most likely to succeed, while ensuring a positive candidate experience.

At the same time, ensure that front line managers understand the vision. Don't target aspirational behavioral expectations for front line staff, only to have those people be stifled by managers who don't value their contributions. Apply the same diligence to selecting front line managers.

PRACTICAL GUIDANCE

Behavioral Competencies

Technical and clinical skills are still the baseline. People need the skills to perform the core job tasks. Beyond these, though, behavioral skills determine success or failure. Here we are talking about traits including collaboration, emotional intelligence, service-orientation, conflict resolution, and various leadership skills.

Accuracy

The idea of "big data" in the world of talent is so important that <u>Time Magazine</u> recently devoted a cover story to the use of behavioral assessments by employers. iii Well-designed behavioral assessment results can correlate with job performance at "correlation coefficient" as high as .65. (1.0 would be a perfect correlation.) How good is this? Mammograms are a staple of preventative health. The correlation between mammogram results and the likelihood of detecting breast cancer in the following year is .32. The correlation is practically significant

enough to be of substantial value. Combine a solid behavioral tool with other selection system components, including a structured, behavioral interview, and you significantly increase the odds of making the right choice.

Validation and Legal Defensibility

Every hiring decision creates potential legal risk - some situations more than others. High volume positions are often targeted by the EEOC or OFCCP. Higher level, lower volume selection situations tend to pose fewer risks. In either case, a structured approach of defining the job-relevant competencies and then using validated tools and a structured interviewing program reduce the risk. Don't be fooled by the claim that a particular tool has been "validated." What matters is whether the decisions YOU are making with the tool, in YOUR situation, are valid. Start by reviewing the research and design behind the tool but ask about the validity of its use in your particular situation.

The right tool. Look for a tool that is specific to the role and for your purpose. Some general personality inventories are useful for training and development, but not well-suited for making hiring decisions. Whenever possible, choose tools designed for healthcare and for the job family in question.

A general personality tool might tell you that an individual is introverted or extroverted, but it does not tell you whether an introvert makes a good nurse. (In fact, there are successful nurses on both ends of the introversion-extroversion spectrum.) Similarly, look for a tool that provides an easy to use report that puts the information in context – i.e., what do the results mean to a nurse, physician, or senior leader in his or her role?

Staffing shortages. If you are having trouble finding candidates for a particular role, why would you use a deliberate selection process? If you only have two candidates to choose from and selecting the wrong one will have a negative impact on the organization and likely lead to yet another long search, you need to make the right choice the first time. Perhaps more importantly, understanding the individual's strengths and challenges will help to ensure their success.



H E A L T H C A R E W H I T E P A P E R













Integration with the interview. Thinking holistically about a selection "system," work to integrate the data points from the entire process – application, phone screen, assessment, and interview. Which competencies will be measured, where? Ideally the assessment data is available to the interviewers so they can focus their inquiries. This principle applies to interviewing from the front line through physicians and the C-suite.

HUMAN RESOURCES' NEW ROLE

The shift to a more evidence-based approach to hiring is part of an important, larger trend. Human Resources must move from an administrative to a strategic role. The American Society for Healthcare Human Resources Administration (ASHHRA) recently convened a forum on the role of human resources in advancing operational efficiencies and effectiveness. This group concluded, among other things:

- Health care delivery is shifting from a dependence on individual expertise, to a reliance on coordination and collaboration; so
- Organizational culture must change to place a greater emphasis on teamwork and coordinated care; and
- This begins with the ability to hire the right people.

Healthcare organizations are facing continued uncertainty and pressure. The list of priorities is seemingly endless. Talent strategies, specifically talent acquisition, often fights for the attention of senior leaders. If they appreciate the value of talent – of having a better team, then they must recognize that investment in better talent strategies and tools is not an option. It's imperative. Every C-suite, physician, nursing, manager, and front line staff hiring decision either moves you closer to your goals, or impedes your progress. The vast sums being invested in new technology, acquisitions, and new processes, will only show a return if you have the team to make them work.

iv ASHHRA Thought Leaders Forum, Summary of Findings (italicized), July 23, 2009



Liker and Hoseus, Toyota Culture, the Heart and Soul of the Toyota Way, forward, McGraw-Hill, 2008

ⁱⁱ Kuncel, Ones, and Klieger, In Hiring, Algorithms Beat Instinct, Harvard Business Review, May, 2014

iii Time Magazine, June 22, 2015