



Sharing Healthcare Knowledge

TO MEET THE EXTRAORDINARY CHALLENGES YOU ARE FACING TODAY
YOU MUST DEMONSTRATE EXTRAORDINARY BUSINESS PRACTICES:

GPS-Like Navigation Measurement: Triangulating Key Performance Indicators to Create a Structured Approach to Performance Management

Business intelligence is “the structured use of information with the intent to more fully understand and predict the best outcomes (with very accurate odds of success). Whereas most healthcare organizations collect and analyze data in some form, many are not deriving meaningful business intelligence from their current measurement practices. With the challenges the healthcare industry is facing today, deriving tangible value from data is no longer a practice that can be postponed - it is an imperative.

A GPS navigation device allows you to accurately determine the longitude, latitude and the altitude of a point on or above Earth's surface. This multi-perspective triangulation clearly leads to precise objective measurements. Similarly, the *Success Profiles* performance measurement system incorporates a number of the key vital signs from all stakeholders to assist you in managing leadership performance by department. ***By triangulating key performance indicators you create accurate and meaningful business intelligence that can deliver tangible short-term and long-term benefits.***

More accurate performance indicators allow you to:

- Make better strategic and operational decisions
- Establish the foundation for determining the cause and effect relationships between leadership effectiveness, clinical quality outcomes, patient service, and financial results
- Improve performance by any measure

The impact of employee engagement on patient satisfaction and financial outcomes is well known. Our research has conclusively established that the most important performance driver that contributes to employee engagement is front-line manager capability. Indeed, improving performance of front-line managers is the single most effective lever to increase your organization's net operating margin.

As a result, our performance metrics focus on the effectiveness/capability of the front-line manager.

The Success Profiles “GPS” performance metrics typically consist of the following:

1. Employee feedback: Measured feedback from all employees about the leadership ability of their immediate manager is the starting point. The employee satisfaction survey can deliver this initial viewpoint of front-line managers, provided it is a proven “valid and reliable” instrument.

2. ‘Soft’ performance measures: In addition, the employee survey can give us insight into other soft performance measures such as job satisfaction, organizational loyalty, professional engagement, patient satisfaction, and much more.

3. Performance Management Eye Chart: The bottom up “Eye Chart” is a visual tool that illustrates critical performance information in an easy-to-understand graphical format. It takes raw data and



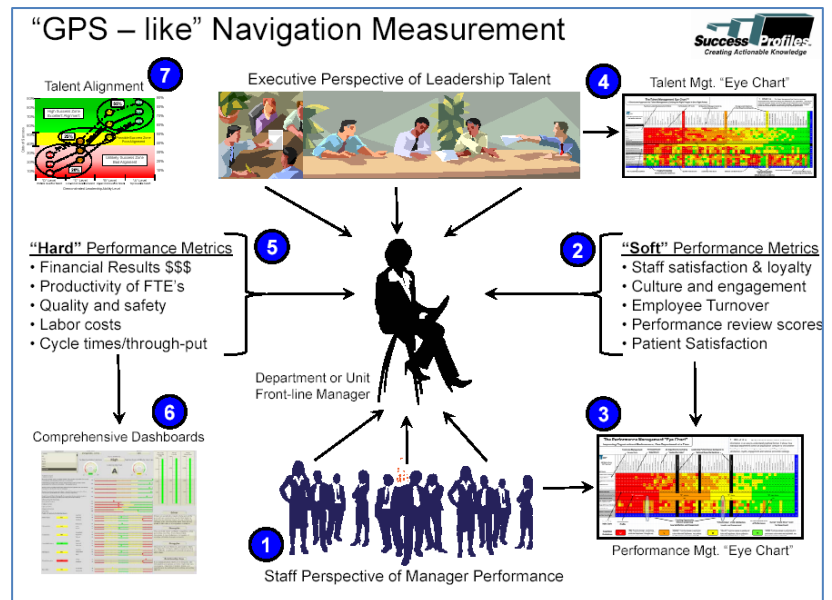
Definition of GPS-Like Navigation Measurement

According to Tom Olivo, president of Success Profiles, Inc., “a good performance measurement system is both transparent and objective in its design and function. Measuring the vital signs from all key perspectives assures accuracy and helps leaders make better-more consistent strategic and operational decisions.”

transforms it into actionable knowledge. The “Eye Chart” will enable you to evaluate the effectiveness of leader performance and departmental culture side by side with other departments in your overall system. It allows leaders to immediately differentiate performance by any measure.

4. Talent Management Eye Chart: Having taken the employees’ view of their manager’s leadership performance and compared the results to national benchmarks, the next step is to determine how the executives evaluate these same managers. Whereas the Performance Management “Eye Chart” measures the performance of managers as perceived by their staff, the Talent Management “Eye Chart” quantifies and ranks the talent of managers and directors as perceived by their superiors. The Talent Management Eye Chart is a top-down multi-rater assessment of the demonstrated leadership ability represented by every leader within the organization. This easy-to-interpret graphic display provides a large scale visual comparison across departments based on executive, director and front-line manager leadership talent. Key elements on the chart include the demonstrated leadership ability of every manager, the qualifiers of leadership and the department’s Degree of Difficulty (DoD).

5. The Objective ‘Hard’ Performance Metrics: Hard performance metrics are another important measurement of front-line managers. These measures include financial performance, productivity, labor costs, throughput cycle times, turnover, productivity, and so forth. These are considered to be “exact science” measures and organizations tend to be most effective in measuring and reporting them consistently.



6. The Integrated Performance Measurement Scorecard: Once all the soft and hard data is compiled and analyzed, a customized, “GPS-like” interactive scorecard is created. This sophisticated tool allows leaders to view every critical performance measure at one glance for coaching purposes or performance monitoring. This real time-interactive scorecard system triangulates all the performance metrics and creates a comprehensive balanced scorecard of key measures.

7. Talent Alignment and Appointment Practices: At this level, the data is converted into business intelligence, allowing leaders to create specific action plans or coaching prescriptions that are customized - one leader and one department at a time. By placing the **Right People in the Right Roles**, you stack the deck in your favor (with high odds of success) and you maximize successful outcomes.

The extraordinary challenges of these economic times and business obstacles, call for bold leadership. The “GPS Navigation” approach to transparent and objective performance measurement represents both mature and sophisticated business practices.

