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TO MEET THE EXTRAORDINARY CHALLENGES YOU ARE FACING TODAY

YOU MUST DEMONSTRATE EXTRAORDINARY BUSINESS PRACTICES:

**“We effectively plotted the route to success through use of a 3 C’s analysis”
An Interview with Anthony Scibelli, VP of HR at Faxton-St. Luke’s Healthcare**

In 2008, Faxton-St. Luke’s Healthcare was named one of the nation’s performance improvement leaders by Thomson Reuters. Faxton-St. Luke’s Healthcare and its leadership team were recognized as one of the Top 100 Hospitals in the nation for making the greatest progress in improving hospital-wide performance over five consecutive years.

As one of the largest employers in Utica, NY, Faxton-St. Luke’s Healthcare is “Setting New Standards in Healthcare” everyday. Faxton-St. Luke’s Healthcare was named Business of the Year by the Mohawk Valley Chamber of Commerce for not-for-profit organizations with 50 employees or more and was recognized as one of the nation’s top hospitals in National Research Corporation’s 2008-2009 Consumer Choice Awards. Although the staff of Faxton-St. Luke’s has made major strides in increasing the quality and efficiency of their services, the employees have not always embraced developing a culture of excellence.

Setting the stage in Tony’s words... Prior to 2004, there were two separate cultures that existed because Faxton-St. Luke’s was

two separate organizations. In fact, the two facilities were once competitors. At that time, Faxton Hospital, the smaller of the two hospitals, could be described as more family-oriented, a tight knit environment where everyone knew each other on a first name basis. Just down the street, St. Luke’s Hospital, the larger hospital, was considered a more traditional hospital. The culture was more business-focused organized by separate service lines. Another complication was that Faxton Hospital was a non-union facility and St. Luke’s Hospital was mostly unionized. By the end of the 2004 calendar year, there was additional tension and concern as we reorganized and moved services. The Faxton campus became our outpatient facility and the St. Luke’s campus became the destination for inpatient services. Faxton employees had to leave their non-union job and come to St. Luke’s to join the union and vice-versa. As you might imagine, the clashing of two cultures was felt organization wide.

Q: Can you describe some of the front-line manager issues that were present when you entered into your position as VP of HR in November 2004?

A: *From my perspective, things were pretty hectic. Members of the staff from both sites were still grieving over the loss of their identity. For so long, people identified themselves as either a Faxton employee or as a St. Luke's employee. What made matters more challenging, is that some people were promoted because they were the best at the technical aspects of their job rather than for their leadership abilities.*

Q: From a leadership standpoint, what were some of the problems that you faced in 2004?

A: *Utica is an area in upstate New York where there is limited growth. We had our fair share of recruitment challenges. We needed to improve employee satisfaction in order to attract the best candidates and retain our current talent. That's when we decided to conduct an employee satisfaction survey, which then identified three themes:*

- 1. People thought that upper-level management was keeping secrets.*
- 2. Our performance appraisal process was deficient and people weren't getting useful feedback.*
- 3. A number of issues surfaced regarding how our leaders were perceived (i.e. communication, accessibility to staff, reward systems, fairness.)*

Q: At this point did Faxton-St. Luke's have a mature and sophisticated measurement system?

A: *Unfortunately no! We created three teams that were organized around the three themes that were identified in the employee*

satisfaction survey. The three committees consisted of Leadership Excellence, Performance Management, and an Open Cultural Practices committee.

Q: What were the top 10 things these committee's did to improve performance?

A: 1. Implement a 360 degree feedback system for the front-line leaders. *The Leadership Excellence committee decided to engage in a 360 degree feedback assessment. We first brought in guest speakers to talk to our leaders about their success, and what it was like to be managing in a place that wasn't doing well and how to improve our leadership abilities. Then each of our senior managers participated in a 360 degree review which for some was the first time they had gotten this type of comprehensive feedback. We quickly introduced this program to the rest of our leadership team. As you might imagine, some people were surprised at what they heard.*

2. Assign each leader a coach. *To support the leaders who took part in the 360 degree feedback review, the leaders were assigned external coaches. The coaches worked with our leaders individually to help them understand their results, and to develop an action plan for improvement along with regular follow up.*

3. Create a leadership competency model. *Our Leadership Excellence committee developed a set of leadership competencies which became an expectation of every leader. These competencies were rolled into our leadership performance evaluation. And all of our leadership training was*

organized around specific leadership competencies.

4. Implement leadership training programs. We established leadership training courses around each of the leadership competencies. To get this going in a short period of time, each senior leader adopted a course to teach. The end result was that our senior leaders became stronger role models through their teaching. That got the staff to thinking “Hey...if they are doing it...I ought to be doing it as well!”

5. Cascade Learning. There were times when we felt we didn’t have anyone with a specific expertise. In these instances, we brought in a guest speaker and invited our entire leadership team offsite for a day of learning. We continue to do this at least once or twice a year in addition to the on-site courses. After each session we provide each of the leaders with a learning kit that contains executive summary notes. Each leader is expected to go back to their staff and teach them what they had just learned.

6. Establish a formal mentoring program. Knowing that we struggled with recruiting new talent, we made it our priority to grow our own leaders. Therefore, employees who were interested in becoming managers were placed into our “Aspiring Leaders” program and were paired up with a more experienced leader who became their mentor.

7. Round with your staff. Once we started doing this we saw the impact it was having and now it’s a corporate goal. Each senior leader set a goal to round at least twice per week for at least 30 minutes each time. The

goal is to have a meaningful conversation with staff. The rounding goal has been expanded to our offsite locations and to the off shifts as well. This year we set an expectation that rounding was to occur with our physician leaders as well.

Q: What changes did you start to see after rounding?

A: In the beginning people wondered why you had stopped by or they thought you were checking up on them. But over time, the staff started to open up and talk to me. After making this part of my routine, I started to develop personal relationships with people and began to better connect with staff.

8. Develop a recognition program. When I first arrived at Faxton-St. Luke’s, most of our managers did not know how to formally recognize discretionary efforts. We developed a formal rewards and recognition program called our “Applause Program”. This program gave managers better and more consistent tools on how to recognize and reward good behavior. After implementing this program our recognition scores on our employee satisfaction survey increased significantly.

9. Conduct talent management assessments. Each year at our executive management retreat, senior leaders discuss their management team. We discuss the progress each leader is making. We take into consideration what developmental programs each leader needs. We discuss committee appointments and introduced potential leaders for consideration.

10. Continuous Learning. We organized all our various learning programs into one center called “The Center for Continuous Learning”. As part of the center, we offer technology training, on-line learning programs, clinical hands on learning labs, as well as formal module- based classroom learning sessions. Curriculum expectations have been set for all new leaders as well as for existing leaders.

Q: After each of these performance improvement strategies were put into practice, what were some of the typical complaints, compliments, and constructive criticisms you received in 2008?

A: Much of the constructive criticism that we received from the staff is that they wished we had more employees. Although our staffing meets industry benchmarks, staff still would like us to increase staffing.

Our compliments were mainly about our patient care delivery system, which we call “Relationship-Based Care” or “RBC”. Part of RBC, is that all employees attend a three day class called, Reigniting the Spirit of Caring. The objective is to help our staff reconnect as to why they are in healthcare. The class focuses on self-care, providing good patient care, and about how to be a good colleague. We continue to receive lots of compliments about this program and about our unit/department practice councils. Each unit/department empowers 20% of the staff to be the voice for their unit/department in how we implement Relationship-Based Care. These councils are established in every department throughout the organization.

Lastly, a typical complaint is about the number of initiatives our organization has going on. We are always striving to do more, and sometimes people feel overwhelmed. For example, we are rolling out a lot of new technology which has its own learning curve and impacts the entire organization.

A Summary of the Ten Concepts Faxton-St. Luke’s Implemented to Improve Overall Performance:

- 1. Implement a 360 degree feedback system for the front-line leaders.**
- 2. Assign each leader a coach.**
- 3. Create a leadership competency model.**
- 4. Implement leadership training programs.**
- 5. Cascade Learning**
- 6. Establish a formal mentoring program.**
- 7. Round with your staff.**
- 8. Develop a recognition program.**
- 9. Conduct talent management assessments.**
- 10. Continuous Learning.**

What do the results look like?

Many people remember test scores from their school days such as ‘7 out of 10’ for a primary school spelling test, or ‘63%’ for one of their secondary school exams. Such scores are readily understandable and are useful in indicating what proportion of the total marks a person has gained, but these scores do not account for factors such as how hard the test is, where a person stands in relation to other people, and the margin of error in the test score. Recording an organization’s percentile rank enables their performance to be compared very clearly

with those in the national standardization sample. Performance at the 25th percentile, for example, indicates a standardized score that is as good as, or better than, the standardized scores of 25 per cent of the sample.

At Success Profiles and HPS, our philosophy is that long term sustained high performance is best achieved by creating a more transparent and objective culture of performance by keeping score through percentile rankings. For this to occur, the leadership team at Faxton-St. Luke's has taken an ownership stake in the process and outcomes delivered.

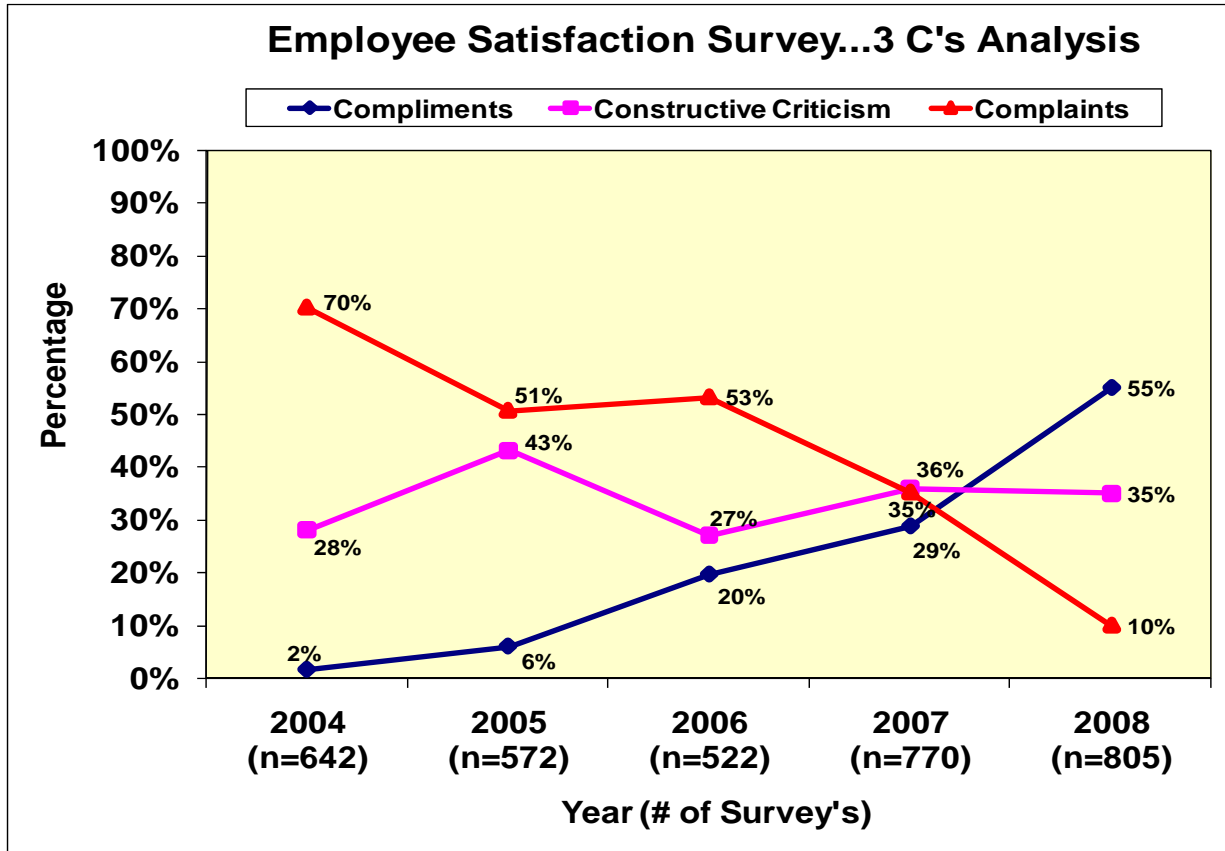
If an organization wants to improve their score by any measure, they must know and record the score for that measure.

Below is a longitudinal percentile ranking for Faxton-St.Luke's starting in 2004 and ending in 2008. After identifying areas that needed improvement in 2004, Faxton St. Luke's percentile rankings increased dramatically in most cases. For example, Faxton St. Luke's went from the 1st percentile to the 64th percentile after optimizing the accessibility of their managers (see item #3). Mr. Scibelli mentioned early in the interview that a typical complaint in 2004, by the staff, was that they were not rewarded for good performance. Below, item # 5 indicates a 67.2% improvement after this obstacle was recognized, measured, and action was taken to increase satisfaction for this particular item.

MVN - Faxton St. Luke's 2004 - 2008 Longitudinal Percentile Ranking		St. Luke's Faxton 2008		St. Luke's Faxton 2007		St. Luke's Faxton 2006		St. Luke's Faxton 2005		St. Luke's Faxton 2004		EOC Average		Healthcare Average						
		(2128)	% Rank	(2016)	% Rank	(1913)	% Rank	(1346)	% Rank	(1704)	% Rank	16 Orgs.	216 Orgs.							
1	Our senior leadership leads by example.	3.53	63.3	52.6%	3.41	60.3	40.1%	3.21	55.3	20.2%	3.19	54.8	18.3%	2.90	47.5	4.8%	3.96	73.9	3.50	62.5
2	I have confidence in our organization's leadership.	3.62	65.5	59.0%	3.46	61.5	40.1%	3.33	58.3	29.0%	3.25	56.2	22.0%	3.06	51.5	9.3%	4.02	75.5	3.52	63.1
3	My manager or immediate supervisor is accessible to all staff.	4.07	76.8	64.1%	3.96	74.1	31.1%	3.77	69.2	3.2%	3.90	72.4	16.4%	3.73	68.3	1.0%	4.36	84.0	4.04	76.0
4	My manager or immediate supervisor seems to care about me as a person.	4.07	76.8	62.8%	3.94	73.5	43.8%	3.77	69.3	21.2%	3.90	72.4	36.9%	3.70	67.5	11.4%	4.24	80.9	3.99	74.7
5	Good performance by staff is rewarded.	3.54	63.5	69.7%	3.40	60.0	50.3%	3.22	55.4	30.5%	3.18	54.5	27.0%	2.71	42.8	2.5%	3.95	73.7	3.39	59.8
6	When changes are made in my department, staff are involved in the change process.	3.44	61.1	63.9%	3.32	58.0	47.6%	3.16	54.0	31.0%	3.18	54.5	32.7%	2.86	46.5	6.6%	3.79	69.8	3.33	58.2
7	In the past three months, I have gone home feeling good about my workday more than feeling bad.	3.57	64.3	55.6%	3.47	61.8	43.6%	3.43	60.8	38.7%	3.50	62.6	49.1%	3.24	56.0	17.4%	3.86	71.4	3.51	62.6
8	My manager or immediate supervisor is effective at retaining good staff.	3.73	68.3	58.8%	3.55	63.8	34.5%	3.38	59.6	13.0%	3.64	65.9	46.5%	3.43	60.8	17.4%	4.07	76.7	3.70	67.5
9	I feel comfortable in discussing issues and/or problems with my manager or immediate supervisor.	3.92	73.0	60.5%	3.79	69.7	37.4%	3.63	65.7	15.7%	3.81	70.3	42.8%	3.69	67.3	23.1%	4.17	79.2	3.86	71.4
10	I have good opportunities for advancement.	3.39	59.8	91.5%	3.26	56.5	79.1%	3.10	52.4	59.0%	2.99	49.8	51.2%	2.75	43.8	10.5%	3.33	58.3	3.03	50.8

The prospectus at Faxton-St. Luke's builds upon the leadership capacity of the front-line management/leadership to advocate, promote, and participate in "Better Business Practices." This framework has helped

Faxton-St. Luke's to go from a 70% complaint rate and 2% compliment rate, in 2004, to a 10% complaint rate and a 55% compliment rate in 2008. Please see the graph below!



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For this and other examples of "Best Practices" please contact Success Profiles and Healthcare Performance Solutions at 1-877-582-8884



Thank you to Anthony Scibelli for his passion for improving healthcare and making available his time and expertise. This work is a product of Success Profiles Inc. Research Division. Success Profiles has its finger on the pulse of the healthcare industry, you can get more information at the partner site

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