Talent Management for Healthcare: Facilitating Organizational Excellence and Outstanding Patient Care

Cornerstone
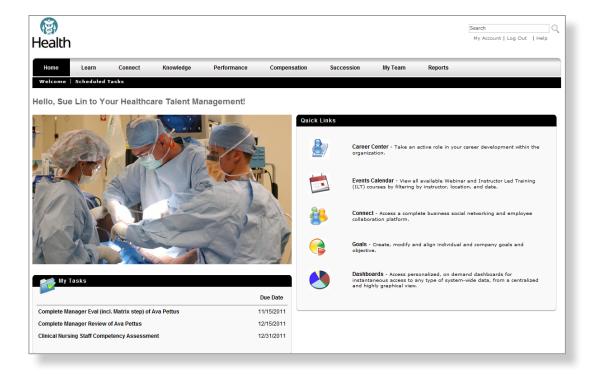
O N D E M A N D *Empowering People*

Introduction

Healthcare providers today must wrestle with numerous talent challenges. For many, the challenges begin with compliance. Preparing employees for the scrutiny of a Joint Commission audit that could come at any time has transformed the approach to training and performance assessment.

> Empowering all employees with appropriate training and development support not only builds better people and careers but enables these varied employee groups to meet their ultimate goal – delivering outstanding patient care.

If that were all that the industry needed to manage, it would be enough. However, compliance is only the beginning for most healthcare employers. As industry consolidation continues, many systems continue to grow in both number of employees and locations. Creating a common culture and career development opportunities has become a challenge as these organizations expand.

Of course, competition for skilled talent – including registered nurses, senior leaders and IT positions – continues to be intense. However, talent initiatives can't just focus on a few positions. Healthcare employers must address the broad spectrum of healthcare needs, from hospital presidents to housekeeping staff.

Bringing together all employees to deliver outstanding patient care

The talent needs of a healthcare organization go far beyond the development and compliance needs of doctors and nurses. The average hospital, clinic or other facility has an extensive and diverse employee population with equally varied needs. No matter the job description, everyone in the organization has the same mission – to deliver the highest-quality care for patients. However, today's unique healthcare environment makes fulfilling this mission a challenging task. Across the nation, healthcare employers must:

- **Deal with tighter, less-predictable regulatory processes:** Healthcare is already one of the most tightly regulated industries in the country with federal, state and industry standards for patient care, but now the Joint Commission's random surveys and "tracer audits" are forcing accredited organizations to maintain a constant state of readiness. "Tracer" audits follow a patient through an entire hospital stay and identify all involved care workers and now require the organization to be able to supply up-to-date files for any employee, without advance notice. Now more than ever, an organization needs the ability to electronically capture and track evaluations of observed healthcare workers in a clinical setting in real time and to ensure that reporting is accurate and timely.

- **Address talent shortages in crucial areas:** Technically skilled workers are in short supply in many fields, but none more than healthcare. The shortages of registered nurses are well documented. Despite the current easing of the nursing shortage due to the recession, the U.S. nursing shortage is projected to grow to 260,000 registered nurses by 2025.[1] However, other talent areas are in short supply, such as IT. In 2010, 59 percent of healthcare CIOs responding to the survey said their organizations currently were experiencing shortages on their IT staffs.[2] These shortfalls will become more problematic as organizations focus on implementing electronic health records (EHRs) ahead of federal deadlines.

- **Identify and develop tomorrow's leaders:** According to research from the American Management Association, many North American healthcare organizations are expected to face a leadership succession crisis. Fewer than 7 percent of healthcare organizations are seen as well prepared to deal with a sudden loss of key leaders, only 8 percent possess a robust leadership pipeline, and 44 percent have only adequate bench strength. And although 74 percent of respondents believe a smooth management transition is now increasingly critical, only one-quarter of industry organizations are said to be genuinely committed to succession planning.[3] "Based on our findings, it seems that healthcare lags behind other industries in terms of leadership development and management succession," said Sandi Edwards, senior vice president of the American Management Association. "In fact, nearly one-third of HMOs, hospital chains or healthcare providers are 'not at all prepared' for the loss of key members of their senior management team."[4]

- **Navigate industry consolidation:** Decreasing reimbursement and the recession have forced hospitals to focus on cost management, resulting in a steep contraction in stand-alone hospitals. Industry consolidation has accelerated since 1990, when roughly 38 percent of hospitals were part of systems. That percentage jumped to 62 percent by 2009 with the number reaching 70 to 80 percent in the next few years. As more hospitals join systems, the need increases to integrate talent processes and technology platforms.[5]

1 American Association of Colleges of Nursing

2 2010 Staffing Survey, College of Healthcare Information Management Executives

3 American Management Association. Survey Sees Looming Crisis for Healthcare Leadership. February 16, 2011. http://www.amanet.org/news/4997.aspx

4 Ibid.

5 Dunn, Lindsay. Consolidation in the Hospital Industry: 3 Key Concepts. Becker's Hospital Review. January 19, 2011. http://www.beckershospitalreview.com/hospital-transactions-and-valuation-issues/consolidation-in-the-hospital-industry-3-key-concepts.html

Talent solutions to support healthcare employers

Talent management technology can enable healthcare organizations to improve compliance and address gaps in skills and leadership as well as to create common processes that can bring together even the largest and most dispersed health systems in many ways, including:

- **Competencies:** The Joint Commission establishes clear requirements for staff qualifications that make it necessary to manage up-to-date clinical job descriptions both at time of hire and on the job. This assessment and management becomes far easier when the job descriptions are built on a foundation of detailed clinical competencies. With the right software, an organization can create job descriptions, competencies, job profiles and learning resources for hundreds of common jobs, as well as facilitate assessments and feedback from peers, direct reports and supervisors.

- **Enterprise learning:** The ability to deliver high-quality learning can enable superior patient care, heighten patient satisfaction, increase patient safety and improve the ability to comply with standards for accreditation. A learning management system (LMS) can also make it far easier to deliver, administer and track many forms of employee training – including online, instructor-led and virtual instruction. The ability to incorporate features such as flash graphics, video and single sign-on access can improve the user experience and drive user adoption. Enabling administrators and managers to easily monitor employee progress toward completion can reduce compliance risks. An LMS can likewise make it easier to take learning out of the classroom and into the clinical environment to facilitate informal learning. According to Bersin & Associates research, healthcare training and education is shifting toward informal learning, with an emphasis on coaching and mentoring. Not only is informal learning more cost efficient, it is highly effective in the transference of institutional knowledge and the teaching of procedures and practices.[6]

- **Onboarding:** Effective onboarding of new hires is about more than the cost savings that comes from automating completion of necessary paperwork. Onboarding done right can identify areas for development and decrease a new employee's time to productivity. It can also create a great employee experience from the start and boost retention. According to Aberdeen Group research, managers reported that 90 percent of employees decide within their first six months on the job whether to stay at a company. A strong onboarding process makes this crucial period less stressful for the new employee and the manager as well as minimizing disruption to organization and to patients.[7]

- **Performance management:** In a high-pressure clinical environment, time to provide performance feedback may be hard to find. However, better performance leads to better patient care. Automating time-consuming manual or paper-based performance appraisal processes and delivering high-quality employee appraisals that meet accreditation requirements are valuable parts of providing essential feedback that can address and close skills gaps. Human capital management consultancy CedarCrestone shows that automating performance management processes can reduce operational costs by 20 percent. This efficiency saves time, cuts costs and delivers high-quality employee appraisals that can benefit the organization in other ways – such as accreditation surveys.

6 Bersin & Associates. Corporate Learning Factbook: Healthcare Edition. 2009
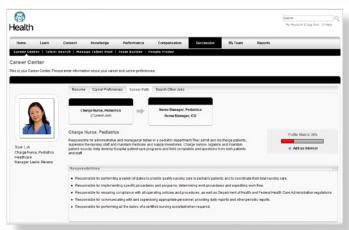7 Aberdeen Onboarding Report

- **Skills and observation checklists:** Automating the performance observation of healthcare employees as they work with real patients allows healthcare managers to take advantage of just-in-time training. If an employee fails to be "checked off" on a clinical or patient care competency, the system provides a clear understanding of where the knowledge gaps exist. In such cases, clinical educators can assign specific training to immediately address the skill deficiency.[8]

- **Succession management:** Although the American Management Association study showed that 74 percent of healthcare organizations believe that succession is more important now than ever, almost one-third are doing no succession planning at all and another 25 percent leave the task to the HR department with doubtful backing from senior management. Without this collaboration, effective succession is impossible. Automation can help everyone understand and visualize leadership and skills gaps and then take the necessary steps to address them. Most often, this will require internal development because of the difficulty and cost of filling these positions through recruitment.

Case Study in Success: BJC HealthCare

Like many healthcare systems that have grown through mergers and acquisitions over the past two decades, St. Louis-based BJC HealthCare System has the daunting challenge of managing the development and compliance needs of 13 hospitals, multiple community health locations and 26,400 employees.

For BJC, there are instances when fulfillment of required competencies - like medical procedures and nursing - cannot be measured on a typical rating scale or as part of an annual review. The integration of an online performance observation checklist with the organization's LMS has made it easier for clinical educators to assess compliance, as well as observe and measure competencies and performance in real time, in the field.

With the observation checklist, educators check off competencies, add relevant comments and then automatically recommend a course if the nurse being observed requires more training. The nurse can log on to the online learning portal to sign up for and take the course, then indicate for administrators that the course was successfully completed.

In the past, the inability to offer a standard set of clinical competencies across a system meant that if one hospital had a low census, nurses couldn't be easily shifted to another hospital to work, without additional training. Now that clinical competencies are standardized and connected to the LMS, nurses at low-census facilities could pick up shifts at any BJC facilities and reduce the need to hire much more expensive contract help.

Best Practice Recommendations

Although Bersin & Associates research shows that healthcare has lagged behind other industries in adoption and implementation of talent management automation and processes[9], many organizations are working to make up for lost time. Consider these recommendations to jump-start your talent initiatives:

- **Build with an eye toward integration:** Online and e-learning are often a natural starting point for healthcare organizations that are implementing new talent initiatives. However, onboarding, performance and succession initiatives will all benefit from strong tie-ins to an LMS. For example, performance assessments should automatically generate development plans for any area where deficiencies are identified. But don't overlook targeted, formal development programs for employee supervisors.[10] Extra training will prepare them to mentor and coach employees and maximize the value of your investment.

- **Automate job descriptions with a foundation of competencies:** Establishing the competencies – the knowledge, skills and behaviors that are used to develop people in your organization – is a critical step for success of any talent management initiative. In a healthcare setting, it's a requirement because of compliance needs. Maintaining one set of job descriptions and competencies is one way to integrate multiple locations common in large healthcare systems into a single culture and to build job profiles that will guide career development, training and performance improvement across your organization. You will also find it easier to deliver the ROI because the business impact of career planning is 45 percent higher for organizations with good or excellent leadership competencies.[11]

- **Build internal talent pools:** Every healthcare organization needs to fill positions in critical roles such as nursing, IT and senior management, but suitable candidates are hard to find. Most healthcare employers understand that the only solution is to "grow" your own talent. Implementing appropriate talent management and learning tools and processes makes identification of high-potential employees and development of critical skills far easier to accomplish.

- **Collaborate to build a comprehensive succession strategy:** Most healthcare organizations have a critical need to develop their next generation of leadership. The current generation of senior leaders must understand the critical need to address this gap. HR can – and must – play a crucial role in facilitating this conversation, and technology can provide a key assist to identify the gaps and assign development plans for designated successors.

- **Leverage the power of Software-as-a-Service (SaaS):** SaaS technology allows healthcare employers to rapidly implement talent solutions at a far lower cost and with greater operational efficiency than traditional legacy on-premises ERP implementations of the past. The advantages include rapid deployment and easy scalability, and a lower cost with higher satisfaction, as well as less time to ROI.

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9 Bersin & Associates 2009 Talent Management Factbook
10 Ibid.
11 Bersin & Associates. Competency Management. 2008

Conclusion

Empowering your people is the essential first step toward addressing your talent challenges and delivering safer, higher-quality patient care and satisfaction. Because of our extensive experience providing learning and development solutions for healthcare providers, Cornerstone OnDemand understands the challenges of developing a diverse healthcare workforce to meet industry demands both today and tomorrow.

Cornerstone for Healthcare™ is a 100-percent SaaS solution that provides healthcare organizations with the technology and proven content needed to address their unique needs. Organizations can manage their staffing, training and performance operations with healthcare-specific functionality, including competency-based job descriptions, pre-integrated training and continuing-education content – all in a single, secure location.

Your organization can maintain a constant state of readiness for industry surveys and audits, helping clients to not only align employee performance and goals but to satisfy regulatory reporting, including the need to meet and maintain the Joint Commission standards for Human Resources Management.

To find out more, contact us today.

About Cornerstone OnDemand

Cornerstone OnDemand is a leading global provider of a comprehensive learning and talent management solution delivered as software-as-a-service (SaaS). We enable organizations to meet the challenges they face in empowering their people and maximizing the productivity of their human capital. Our solution consists of five integrated platforms for learning management, enterprise social networking, performance management, succession planning and extended enterprise. Our clients use our solution to develop employees throughout their careers, engage all employees effectively, improve business execution, cultivate future leaders and integrate with their external networks of customers, vendors and distributors. We currently empower more than 5.2 million users across 179 countries and in 25 languages.