

The National Prescription for Employee and Physician Engagement

Key Insights and Recommendations for Empowering
the Workforce

1

The Business Case for Engagement

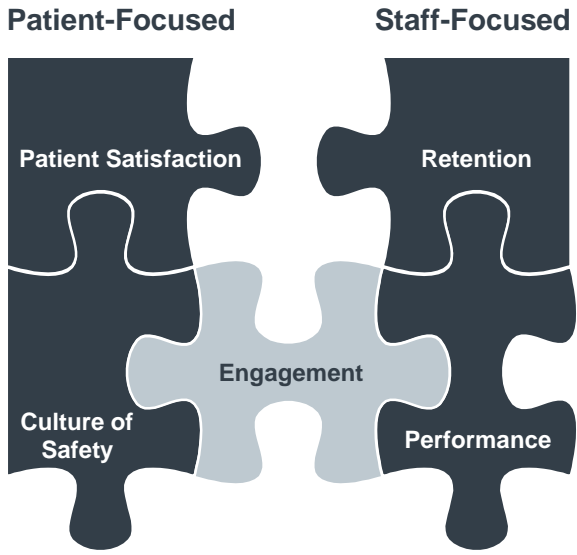
2


National Trends in Employee and Physician Engagement

3

Best Practices for Driving Engagement

Engagement a Powerful Piece of the Puzzle



 **The Business Case for Engagement Slides and Talking Points**
Ready-to-use, customizable slides and talking points available from Advisory Board

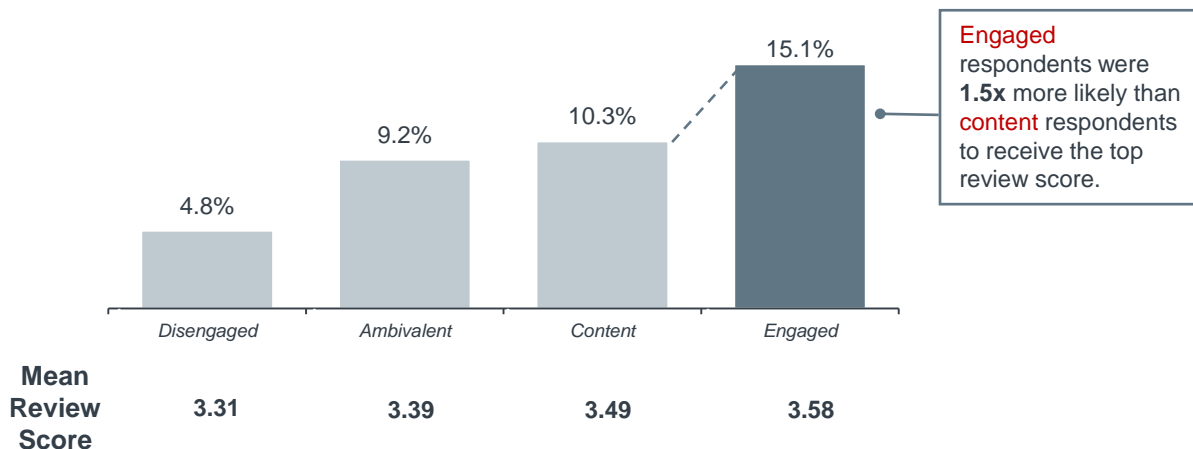
So It Is True...

Engaged Employees Are Our Top Performers

Percentage of Employees Receiving Top Review Score

By Engagement Category

n = 9117

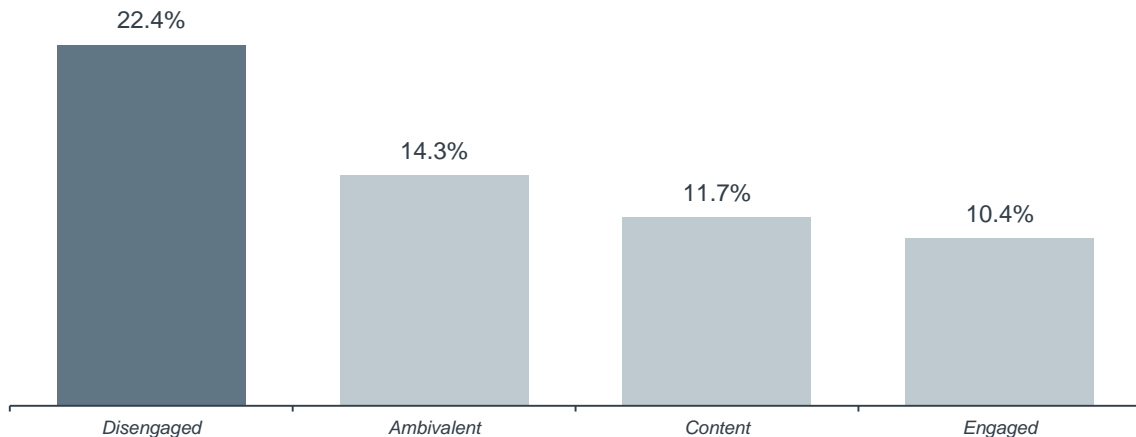


Turnover Doubling With Disengagement

Turnover Rate by Engagement Category

% No Longer with Organization, One Year Later

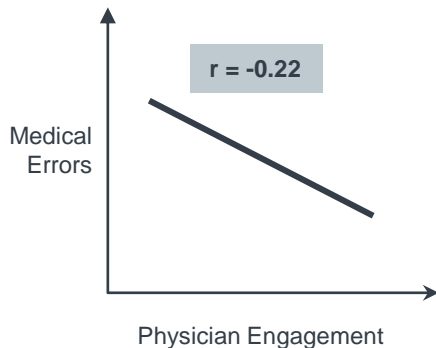
n = 14,423¹



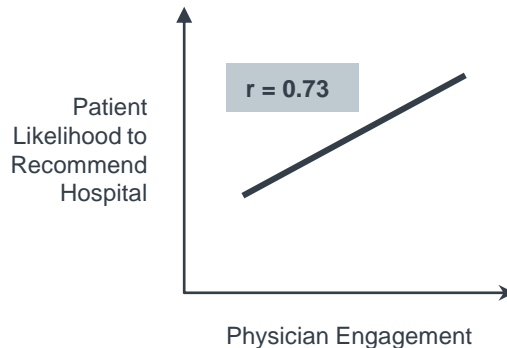
1) Sample from 2 organizations' 2014 survey; results derived from comparison of 2014 survey responses to actual % of employees that had left organization by time of 2015 survey.

Physician Engagement a Boost to Quality and Patient Satisfaction

**Inversely Correlated with
Medical Errors**



**Positively Correlated with
Patient Satisfaction**



26%

Percentage difference in productivity between engaged physicians and disengaged physicians

Source: Press Ganey, "Hospital Check-Up Report 2007: Physician Perspectives on American Hospitals," 2007; Prins JT et al., "Burnout, Engagement and Resident Physicians' Self-Reported Errors," *Psychology Health & Medicine*, 2009, 14:654-66; Burger, J. & Giger, A., "Want to Increase Hospital Revenues? Engage Your Physicians," Accessed on 24 Feb. 2015, <http://www.gallup.com/businessjournal/170786/increase-hospital-revenues-engage-physicians.aspx>; Physician Executive Council interviews and analysis.

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Best Practices for Driving Engagement

Overview of Advisory Board Survey Solutions

Creating the High-Performance Workforce



ABSS - Employee Engagement (EE)

- Real-time data query to prescriptive results platform
- User-friendly change management tools, expert consultations, networking



ABSS - Physician Engagement (PE)

- Best-in-class survey platform with Dedicated Advisor support
- Targeted survey questions for employed, affiliated, and independent physicians



ABSS - Culture of Safety (CoS)

- AHRQ culture of safety survey setup and administration
- Best-practice and action planning support



ABSS - Nursing Engagement (NE)

- Magnet-compliant survey instrument with department and unit-level drill-downs
- Hands-on nurse-leader training and expert consultations



Defining the Engagement Ambition



ABSS¹ Engagement Index²



“This organization inspires me to perform my best”



“I am willing to put a great deal of effort to help this organization succeed”



“I would recommend this organization to my friends as a great place to work”



“I am likely to be working at this organization three years from now”



Setting a High Bar

To be considered engaged, a respondent must answer “Strongly Agree” to at least two items, and no less than “Agree” to all items, measured on a six-point Likert scale³

1) Advisory Board Survey Solutions.

2) Applies to employed, contracted, and co-management physicians.

3) “Strongly Disagree,” “Disagree,” “Tend to Disagree,” “Tend to Agree,” “Agree,” “Strongly Agree.”

Considering Dual Strategies for Physicians

ABSS¹ Physician Engagement and Alignment Indices



Engagement Index

- This organization inspires me to perform my best
- I am willing to put in a great deal of effort to help this organization succeed
- I would recommend this organization to other clinicians as a great place to practice
- I am likely to be practicing at this organization three years from now

Alignment Index

- I prefer to admit and/or refer my patients to this organization
- I would recommend this organization to other clinicians as an excellent place to refer and/or admit their patients
- I am willing to serve in non-clinical roles such as positions on hospital committees

Understanding the Drivers of Engagement, Alignment

Engagement Drivers

28-42 Questions measure drivers of engagement¹

Engagement questions gauge:

- ▶ Confidence in organizational strategy, leadership, and reputation
- ▶ Perception of culture, support, teamwork, compensation, recognition, and professional development

Alignment Drivers

21 Questions measure drivers of alignment¹

Alignment questions gauge:

- ▶ Confidence in hospital strategy, leadership, and reputation
- ▶ Perception of hospital communication, quality of care, staff effectiveness, and patient convenience

Driver Impact Analysis

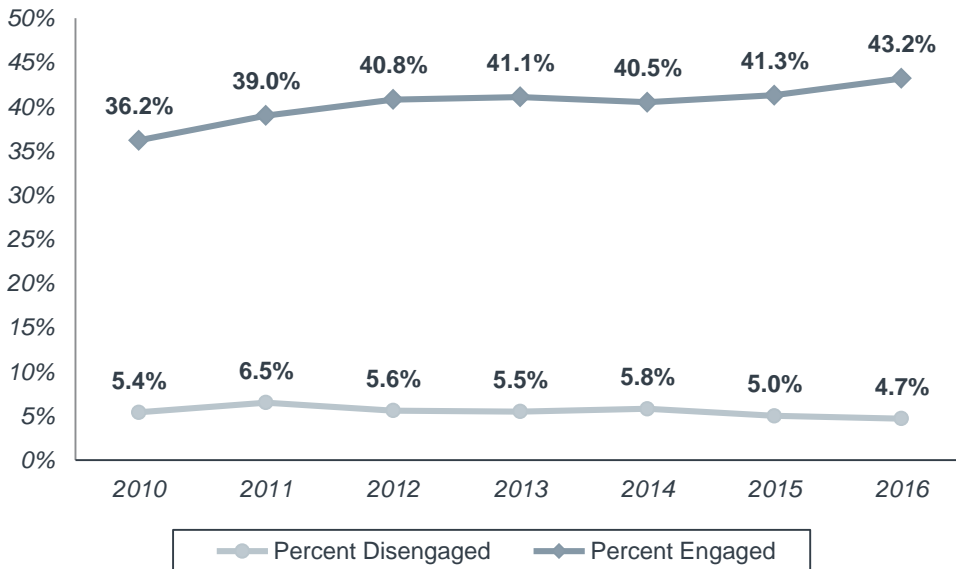
- Multivariate regression analysis explains how much the drivers *collectively* describe engagement or alignment
- By accounting for all drivers together, the resulting model provides the relative impact of each driver on overall engagement or alignment

1) 42 drivers used for employee engagement, 28 for economically affiliated physicians, and 21 for independent physicians; among physician drivers, 10 items are common

Engagement on a Gradual Upward Trend

Engagement and Disengagement Trends

Percentage by Calendar Year of Survey Administration

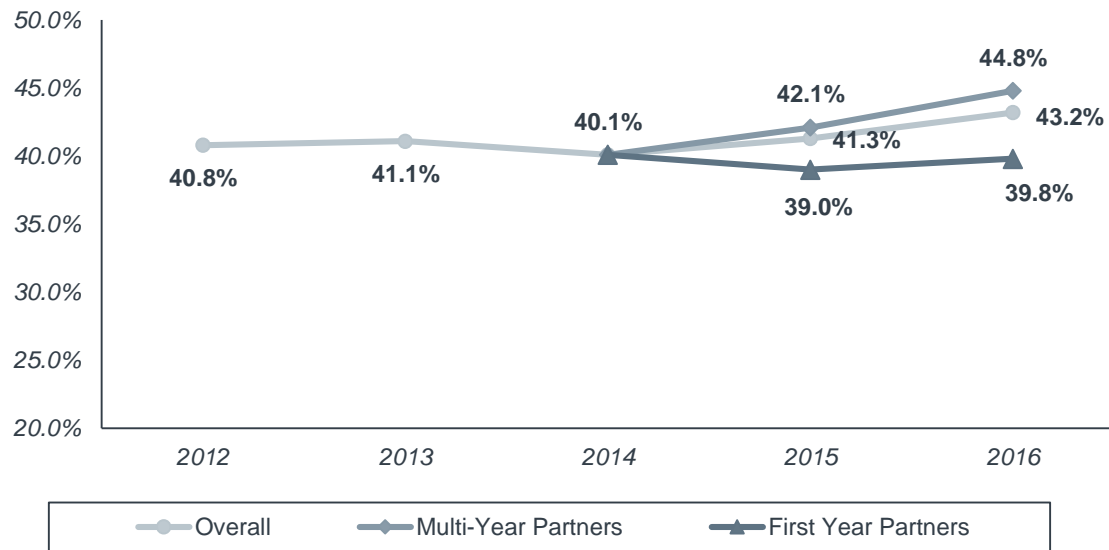


Consistent Focus on Engagement Pays Off

Multi-Year Partners Improving Faster than Overall Industry

Engagement Trends

Percentage by Calendar Year of Survey Administration



Engagement Drivers Largely Consistent Over Time

Top 10 Drivers by Impact on Engagement

Determined by Multivariate Regression Analysis of 42 Engagement Drivers¹

Driver	2015 Rank	2016 Rank
I believe in my organization's mission.	1	1
My organization provides excellent care to patients.	3	2
My current job is a good match for my skills.	4	3
The actions of executives in my organization reflect our mission and values.	2	4
I understand how my daily work contributes to the organization's mission.	9	5
I am interested in promotion opportunities in my unit/department.	6	6
My ideas and suggestions are valued by my organization.	5	7
Executives at my organization respect the contributions of my unit/department.	13	8
My organization provides excellent customer service to patients.	15	9
My most recent performance review helped me to improve.	12	10

1) Based on a multivariate regression of 42 engagement drivers. The 2015 model contains 21 drivers with an r^2 value of .61.

2) The driver replaced from spots 7, 8 and 10 in the 2015 regression were, "My organization recognizes employees for excellent work", "I understand how my daily work contributes to the organization's mission", and "My organization pays me fairly for my job".

Hot-Button Issues to Consider



**Satisfaction
with Pay**

**Millennial
Turnover**



**Stress and
Burnout**

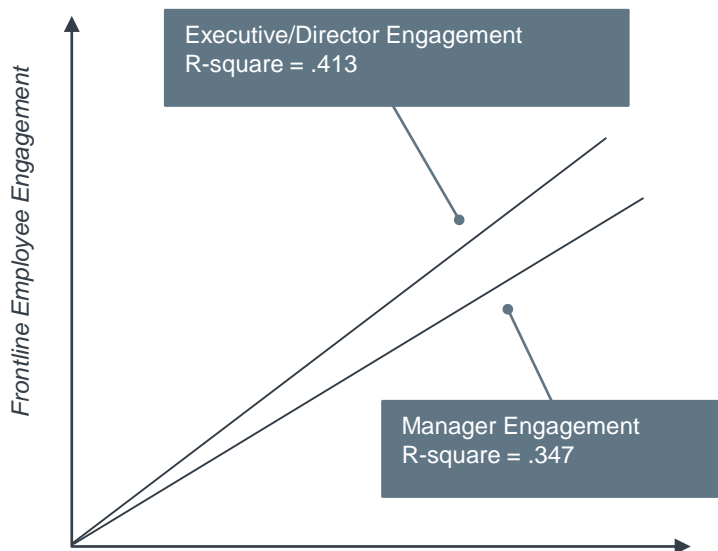
**Leader
“Pinch Points”**



Engagement "Trickle-Down" Effect Undeniable

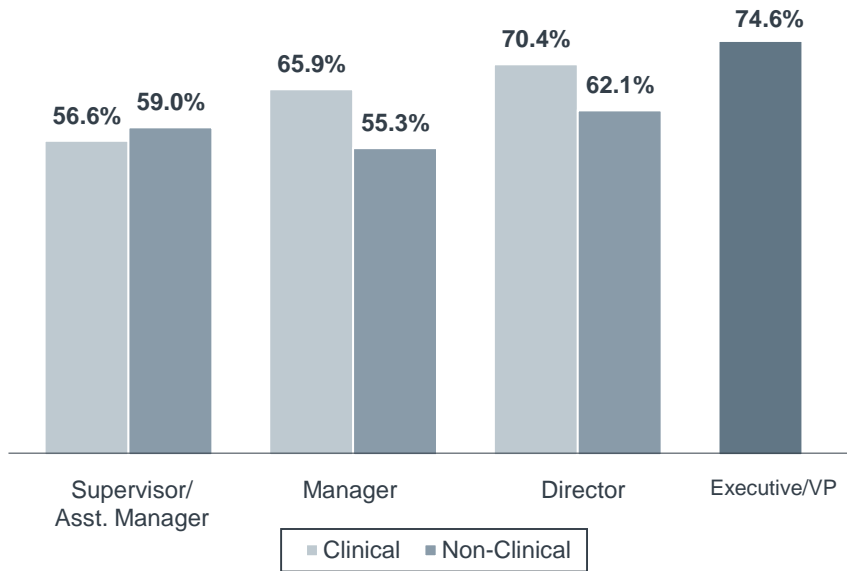
Leadership Engagement vs. Frontline Engagement

By Job Role



Where is Your Organization's Leader "Pinch Point?"

Percent Engaged by Leadership Role



Millennials More Engaged Than Loyal

Gap Between Engagement Index and Likelihood to Stay Score

Age	Tenure				
	Less than 1 year (N=32,223)	1-3 years (N=72,917)	4-6 years (N=38,573)	7-15 years (N=73,021)	Greater than 15 years (N=50,346)
Younger than 25 (N=12,317)	0.44	0.41	--	--	--
25-35 (N=68,856)	0.20	0.23	0.09	-0.03	--
36-45 (N=61,277)	0.09	0.10	0.01	-0.06	-0.17
46-55 (N=64,621)	0.06	0.05	-0.01	-0.09	-0.17
Older than 55 (N=60,027)	0.19	0.18	0.17	0.16	0.29

Consider a Unique Strategy to Retain Millennials

Top Drivers of Millennial Loyalty Compared to Top Drivers for Overall Engagement

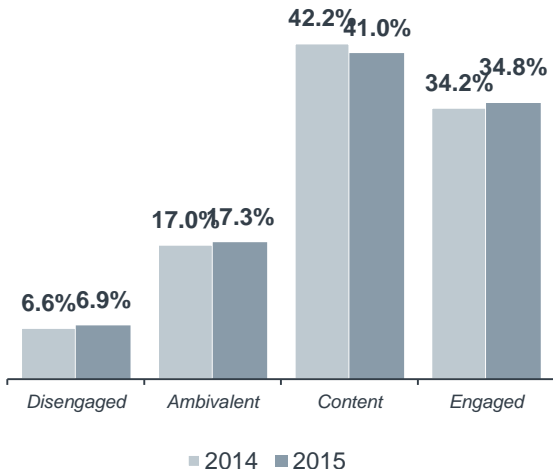
Driver	Millennial Loyalty Rank	Overall Engagement Rank
The actions of executives in my organization reflect our mission and values	1	4
My current job is a good match for my skills	2	3
My most recent performance review helped me to improve	3	10
I am interested in promotion opportunities in my unit/department	4	7
I receive effective on the job training	5	--
My ideas and suggestions are valued by my organization	6	5
My organization does a good job of selecting and implementing new technologies to support my work	7	15
The benefits provided by my organization (such as health care, retirement savings, etc.) meet my needs	8	21
My organization provides excellent care to patients	9	2
My organization helps me deal with stress and burnout	10	12

Physician Engagement Holding Relatively Steady

Alignment on the Increase

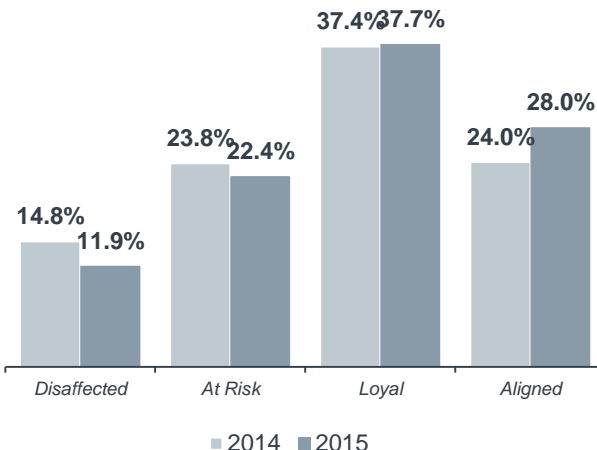
Physician Engagement Distribution by Year

Percentage of Respondents by Engagement Category, 2014-2015



Physician Alignment Distribution by Year

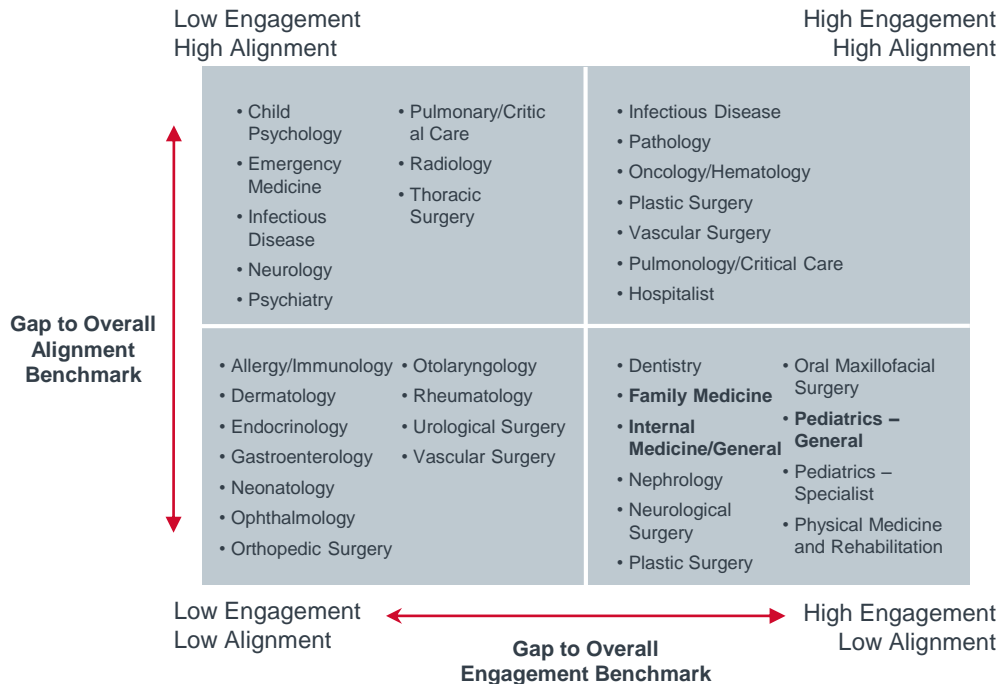
Percentage of Respondents by Alignment Category, 2014-2015



Assessing Relational Performance by Specialty

Independent Primary Care Providers a Key Group for Future Strategy

Specialties Segmented by Gap to Overall Engagement and Alignment Benchmark



Differentiating What Physicians Want

Top Drivers for Economic Affiliates

Rank-Ordered by Impact on Engagement Index

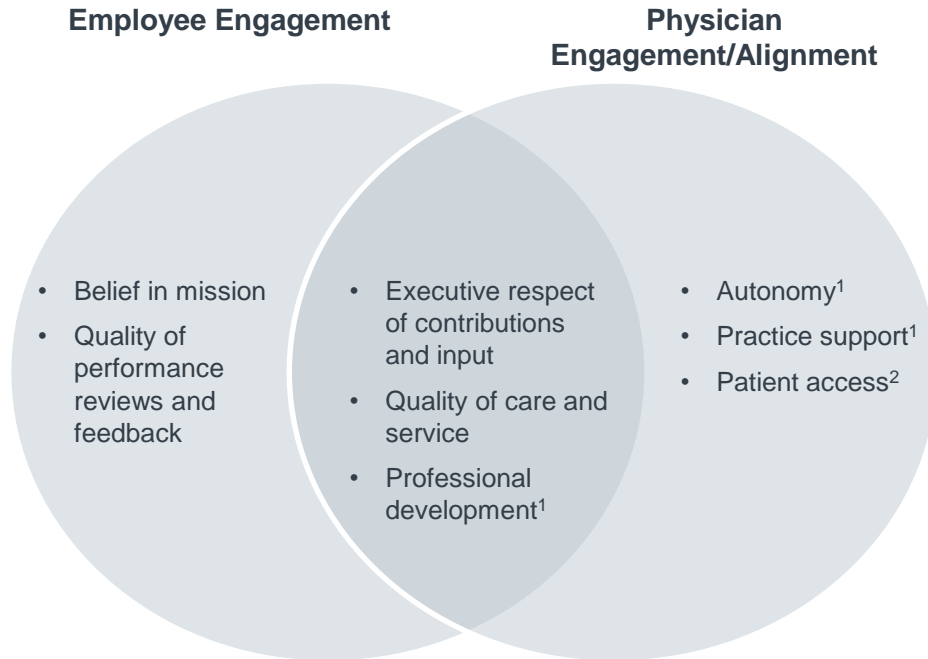
1. I would recommend this organization to a friend or relative to receive care
2. The actions of this organization's executive team reflect the goals and priorities of participating clinicians*
3. This organization is open and responsive to my input*
4. I am interested in physician leadership opportunities at this organization*
5. This organization supports the economic growth and success of my individual practice*
6. This organization supports my professional development
7. This organization is well-prepared to meet the challenges of the next decade*
8. This organization provides excellent clinical care to patients*
9. I have the right amount of autonomy in managing my individual practice
10. Over the past year I have not been asked by this organization to do anything that would compromise my values

Top Drivers for Independents

Rank-Ordered by Impact on Alignment Index

1. I am interested in physician leadership opportunities at this organization*
2. This organization provides excellent clinical care to patients*
3. I view this organization as a strategic partner in navigating the changing health care landscape
4. I have a high degree of confidence in this organization's medical staff
5. This organization accepts the insurance most commonly used by my patients

Considering the Overlap



1) Among physicians, a top driver of engagement

2) Among physicians, a top driver of alignment

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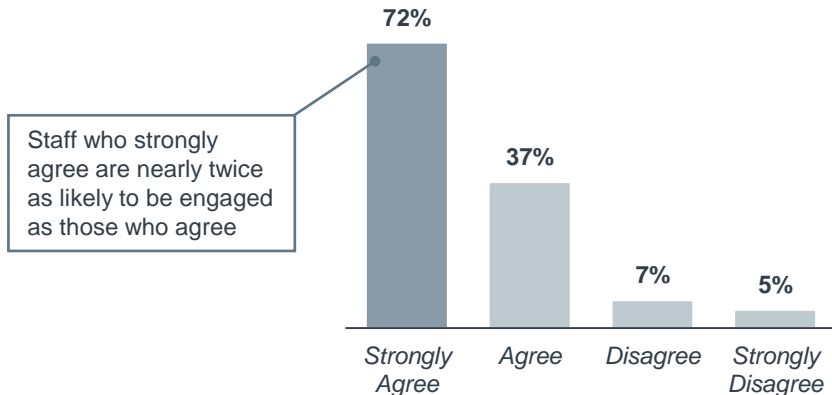
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Best Practices for Driving Engagement

Executive Involvement Crucial

“Executives at my organization respect the contributions of my unit/department”

Percent of Engaged Frontline Employees by Response



Overlake Hospital Medical Center

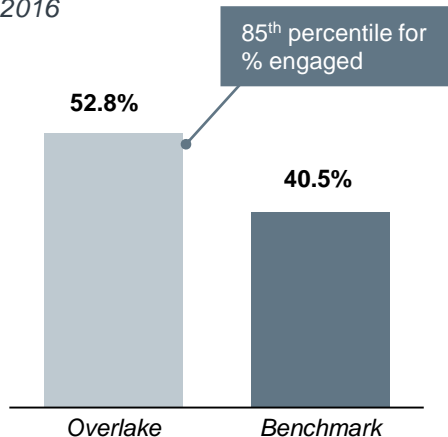


Case in Brief: Overlake Hospital Medical Center

- 350-bed hospital in Bellevue, WA
- Winner of Advisory Board Workplace of the Year and Workplace Transformation Awards
- Following monthly executive rounds, next steps and owners communicated back to organization through “We Heard You” brand and multiple channels

Percent Engaged

2016



Tracking Feedback a Necessary First Step

Tracking Template for Executive Rounds

Status	Department	Employee	Resolver(s)	Description	Opened	Close
Open/ Closed	[Relevant Departments]	[Name of employee submitting request]	[Name of leader(s) responsible]	Issue: Action: Update:	Date Request Submitted	Date Action Item Complete

Tracking resolution status, not just feedback itself, ensures follow-up occurs

Identifying resolver(s) places accountability on clear owner

Open and close dates used to communicate how rapidly issues get addressed

Closing the Loop on Executive Rounding



Key Success Factors for Overlake's "We Heard You" Messages



Strong branding



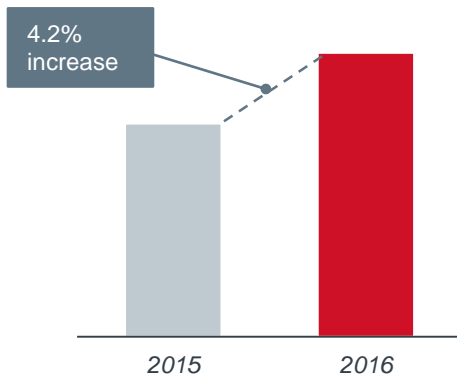
Text clearly connect dots between frontline input and executive action



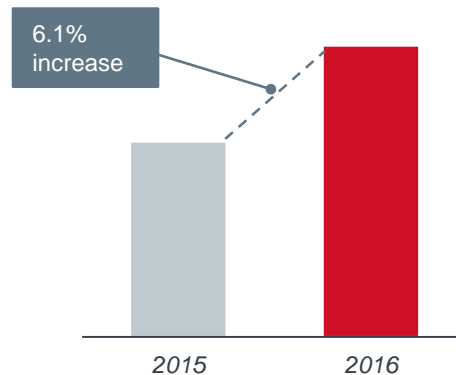
Updates distributed first to leaders, then staff via multiple communication channels (e.g., intranet, email, communication boards)

Seeing an Improvement on Key Drivers

Change in Performance on “My Ideas and Suggestions are Valued” Driver



Change in Performance on “Actions of Executives Reflect Our Mission and Values” Driver



Maximizing Executive Rounds

Checklist for Effective Rounding

- Executives ask standardized set of questions
- All executives have dedicated time to round at least monthly
- Rounding conversations include patients, staff, and leaders
- Rounding locations include ambulatory sites and non-clinical areas
- Executives round on all shifts
- Executives or support staff log feedback in sortable format and outline clear ownership
- Executives and/or communications department close loop with staff in a timely and meaningful manner

Piedmont Healthcare

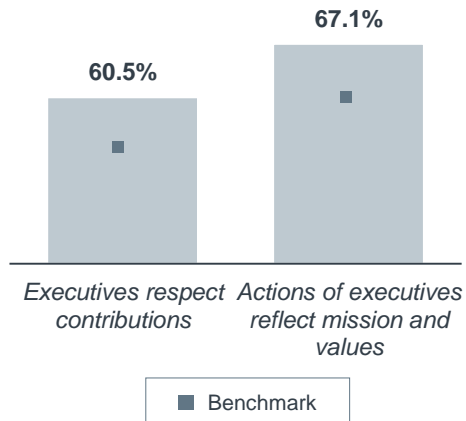


Case in Brief: Piedmont Healthcare

- 7-hospital system headquartered in Atlanta, GA
- History of executive rounding during period called “Piedmont Promise Hour”
- Renewed focus on first-year and early turnover led to creation of employee contract cards for use during executive-frontline staff introductions

Performance on Executive Drivers

Percent Agree/Strongly Agree, 2016



Establishing a Relationship in the First 30 Days

Process for Disseminating Welcome Cards



HR shares with executives stack of welcome cards, list of all new hires on ongoing basis



New hire drops card in box to indicate their executive connected with them



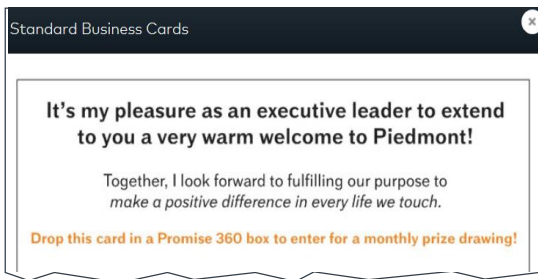
Executives expected to meet with new hires within 30 days, share welcome card to make connection



HR collects cards to track compliance

Dual Approach to Incentivize Connection

Welcome Card on Backside of Business Card



Methods to Encourage Participation



Frontline Recognition

Employees who submit welcome cards to HR eligible for a raffled prize



Executive Accountability

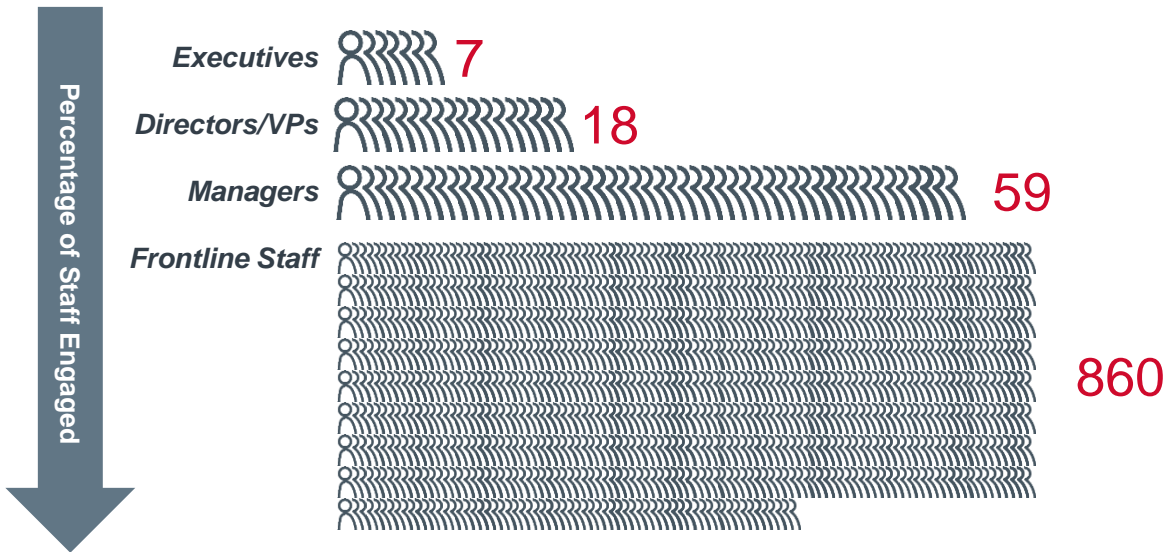
Executive participation tracked for each site and included on monthly operating reports, announced during regular leadership team meetings

Huge Opportunity at Frontline Staff Level

Raw Numbers Reveal a Valuable, Yet Often Overlooked, Resource

Number of Engaged Individuals by Level

Representative Organization



Virtua

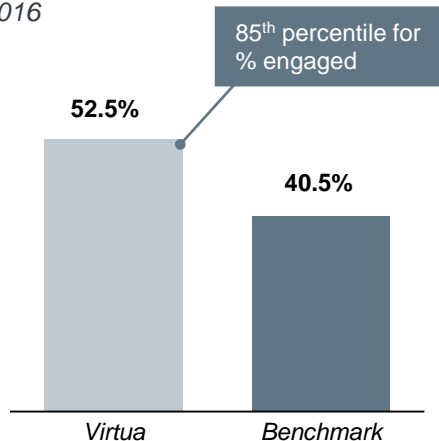


Case in Brief: Virtua

- 3-hospital system headquartered in Camden, NJ
- Winner of Advisory Board Workplace of the Year award
- Foster grassroots change and executive-frontline connection through two tiers of teams

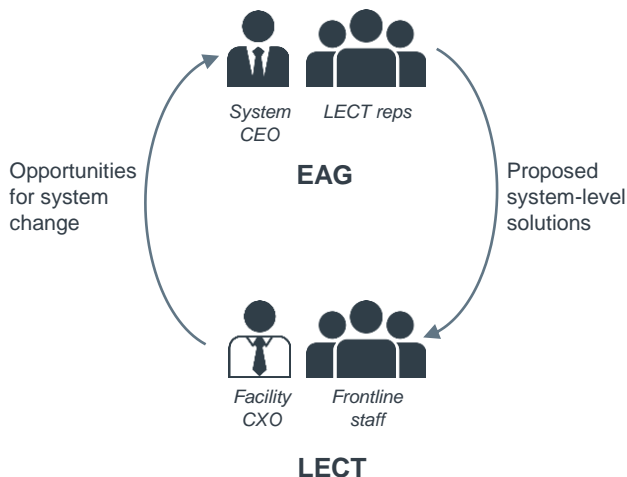
Percent Engaged

2016



Hardwired Connections at Multiple Levels

Virtua Change Team Feedback Loop



Local Employee Change Teams (LECT) in Brief

- Facility-level teams comprised of 10-15 frontline employees nominated by leaders
- Teams include by 1 facility executive and 1 HR leader
- Focus on ideation and execution of local changes, with an eye toward employee and customer experience
- Two members of each LECT sit on system Employee Advisory Group (EAG), elevate common changes and challenges to system CEO

The Power of the “Skip” Connection

Benefits Associated with Virtua’s Change Team Model



Improves Flow of Information to Executives

Allows for frontline input without manager “filtering”; shared membership on LECT and EAG offers coordination between facility and system efforts



Enables Efficient Decision-Making

Executive, HR presence allows teams to make get approval and make decisions in the moment



Promotes Accountability at All Levels

Encourages frontline staff to take change initiatives “in their own hands”

LECT Contributions Offer Significant Cumulative Impact

Representative Changes Instituted by LECTs

- ✓ Advocated for collaborative work environment with cube sound barriers and conference room cleanup protocol
- ✓ Surveyed peers for Voice of the Customer business case
- ✓ Met with SVP of Facilities and CEO to discuss improvements
- ✓ Revitalized IS service
- ✓ Designed program for cross-training employees
- ✓ Established campus directory
- ✓ Determined use of wellness grant and created mission: Be Well, Get Well, Stay Well
- ✓ Wellness champions led by VP of Nutrition
- ✓ Visit local farms and bring in fresh fruit
- ✓ Created meditation room
- ✓ Renovated campus exercise room
- ✓ Piloted food service program
- ✓ Purchased picnic tables for outdoor seating area
- ✓ Worked with facility managers to install a flag pole at the Long Term Care and Rehabilitation facility
- ✓ Facilitated process to get a covered walkway into one of the hospitals
- ✓ Added safety measure to parking lot
- ✓ Established escalation path for urgent facility needs
- ✓ Led community outreach initiatives



The individual ideas may be small, but the power is in their accumulation. Together, they offer tremendous value in showing our staff what *they* are capable of changing.

Chris Corwin, VPHR

Palmetto Health

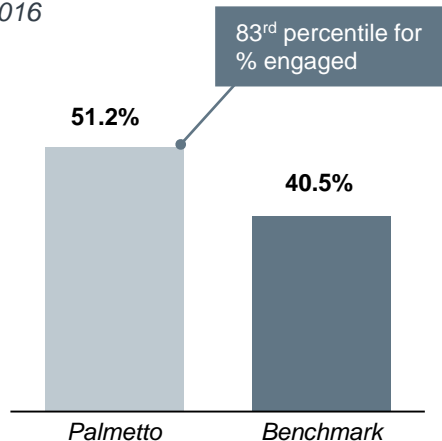


Case in Brief: Palmetto Health

- 6-hospital system headquartered in Columbia, SC
- Winner of Advisory Board Workplace of the Year award
- Executives lead employee and patient experience committees at the system and entity level
- System committee sets strategic priorities, while entity teams execute

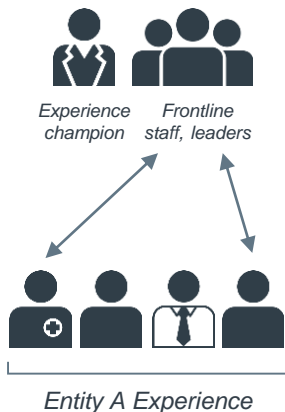
Percent Engaged

2016

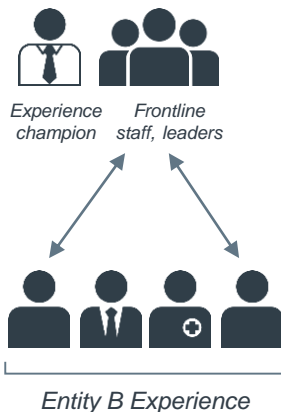


Team Structure Balances Similarities, Differences in Experience Work

System Employee Experience



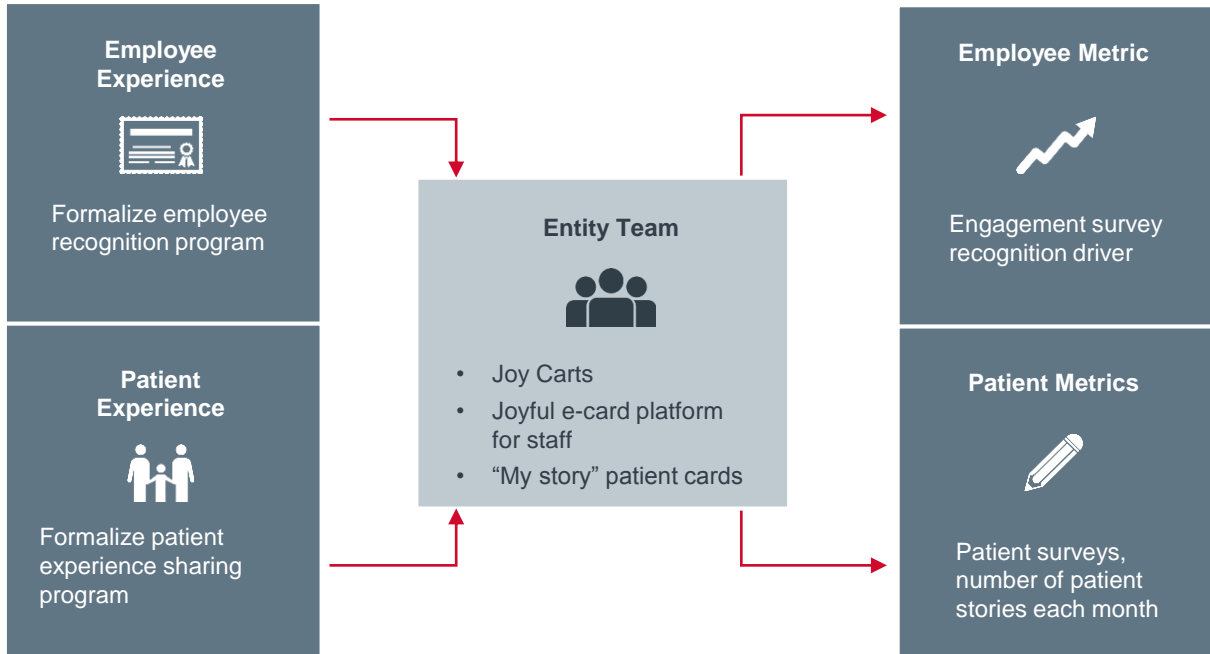
System Patient Experience



Experience Teams in Brief

- Dedicated employee and patient experience teams at system level comprised of 10-15 leaders and frontline staff
- Teams led by “experience champions,” including chief marketing, HR, and nursing executives, and focus on setting system priorities
- Members also participate in entity-level combined experience teams, each led by entity executive
- Entities focus on operationalizing priorities passed down by system teams, with flexibility to implement initiatives that meet each entity’s culture and needs

Entity Teams Serve as “Hub” in Process of Inflecting Metrics



Physicians Put Their Faith in Other Physicians

Physicians More Confident in Physician Leaders Than Administrators

Physicians More Confident in **Physician Leaders** than Non-Physician Leaders to Manage:

- Rising health care costs
- Reducing unnecessary care that's not evidence-based
- Consolidation in the industry to achieve scale
- Implementation of improved methods of treatment and diagnosis
- Negotiating with payers
- Increased transparency around quality

Physicians More Confident in **Non-Physician Leaders** than Physician Leaders to Manage:

- Access to capital to fund innovation and growth for an organization

Administrators have greater expertise than physician leaders on many of these issues

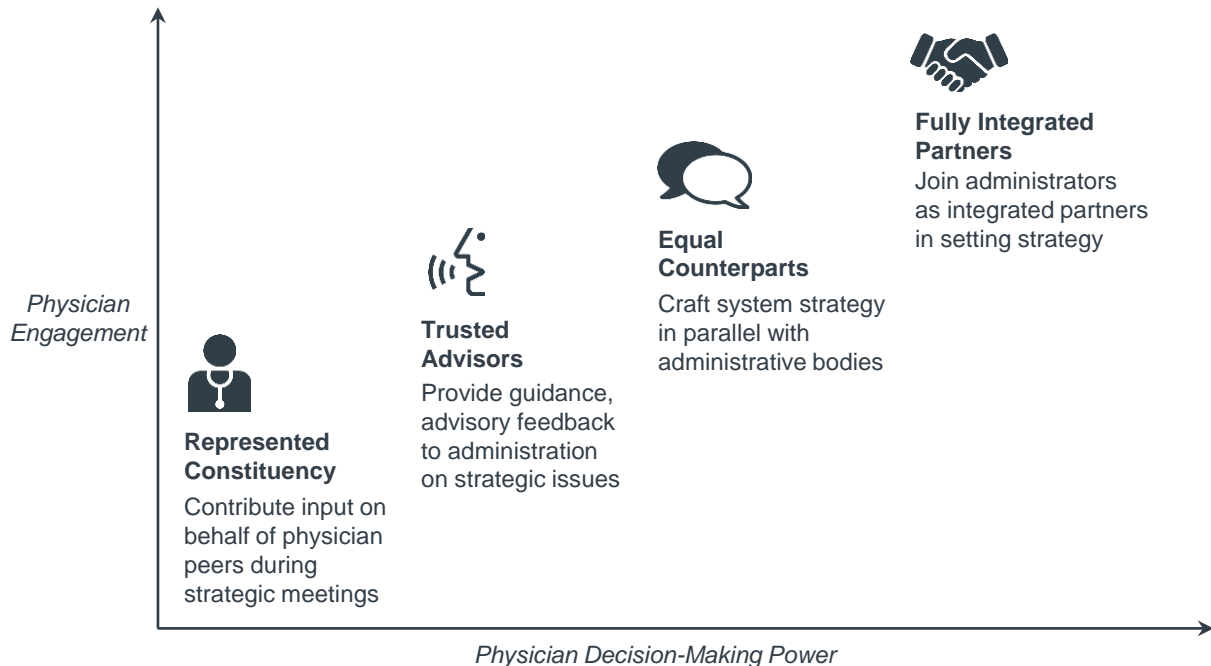


11 out of 12

Issues that physicians are more confident in physician leaders than non-physician leaders to manage

Physician Governance a Long, but Worthy, Journey

Models for Physician Participation in Strategy Setting



Giving Physicians a Platform for Strategic Input

At Johnston Memorial, Physician Dissatisfaction Leads to Leadership Restructuring



Low Physician Engagement Scores

CMO identifies significant room for improvement on physician satisfaction scores



Goal to Increase Physician Strategic Input

CMO and other hospital executives seek method for more regular communication, strategic input from physicians



New Physician Leadership Structure

CMO develops three-part physician leadership structure, including Physician Advisory Council responsible for providing input on strategy

“

Starting Down a New Path to Engage Physicians

“When I came in as CMO in 2012, we were really struggling with physician engagement. I realized I needed to find a way to communicate with the physicians and develop a structure for them to meaningfully engage.”

*Hughes Melton, MD
CMO, Johnston Memorial Hospital*

Delineating Clear Leadership Responsibilities

Advisory Council Specifically Created to Give Strategic Input

Three Primary Physician Leadership Groups at Johnston Memorial

1

Medical Executive Committee

(preexisting)

Membership: Department chairs, medical staff officers, etc.

Represents: Hospital staff

Leader: Chief of Staff

Mission: Governance, peer review, and credentialing

2

Physician Director Group

(new)

Membership: All paid hospital-based directors

Represents: Hospital service lines

Mission: Hospital-based process improvement, improve communication between departments

3

Physician Advisory Council

(new)

Membership: Cross-section of medical community (inpatient and outpatient, employed and independent)

Represents: Full medical community

Mission: Strategic input, promote communication between administration and physicians, co-lead board quality meeting

Mission Statement Defines Advisory Council's Scope

Johnston Memorial Physician Advisory Council Mission Statement *(excerpt)*

Johnston Memorial Physician Advisory Council

Purpose and Vision: Create a group of diverse physician leaders who will represent the patients, community, and physicians that Johnston Memorial Hospital serves with a focus on quality improvement, communication, and leadership development:

1. Quality Improvement

- Review, provide feedback on, and develop care plans and order sets as needed.
- Review transitions of care and population health initiatives.
- Projects as needed (recent example: review sepsis initiative statistics and provide project feedback).

2. Improve Communication

- Provide input on the proposed strategic direction for JMH¹ and on key decisions.
- ***Help mitigate the rumor mill. Share the “Why” behind decisions being made.***
- Sponsor quarterly dinners with the community physicians for feedback and mentoring.

3. Physician Leadership

- Develop and deploy physician leaders where they are needed to represent our patients, practices, and communities.
- Provide opportunities for leadership skill development within the hospital and the community as requested or identified as needed.

1) Johnston Memorial Hospital.

Already Seeing Improved Physician Engagement

Early Indications of Increased Engagement...



Increased participation in full medical staff meetings



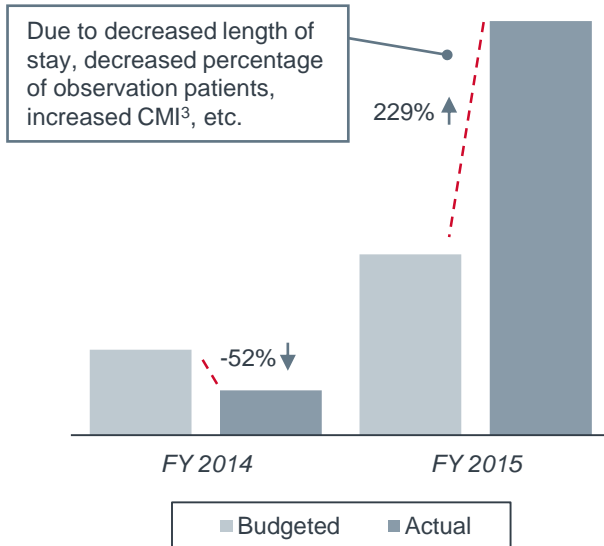
Increased participation in internal Physician Leadership Program¹



Double the response rate to the engagement survey²

...And Improved Hospital Financial Performance

Operating Income, Budgeted and Actual



1) From 3 to 9 physicians per year.

2) From 2013 to 2015.

3) Case-mix index.

Tackling the Physician Burnout Challenge

Lessons From Our Listening Campaign

1

Start With A Physician Listening Campaign

"I'm asked to do so much by people who understand nothing about my job."

1. Create a listening mechanism
2. Offer support based on what you hear

2

Give Physicians an **Active Role** in Decision-Making

"I feel like a cog in the wheel."

3. Create individual choice around new operational changes
4. Acknowledge impact of organizational change
5. Create options around job flexibility

3

Aim for **Net-Neutral Feedback and Recognition**

"I don't feel valued. All I hear is negative feedback."

6. Share qualitative feedback
7. Give credit for extra-clinical work
8. Reward extra effort with extra time

4

Break the Silence With Wraparound Emotional Support

"This job is emotionally exhausting, and there's no one to talk to about it."

9. Create opportunities for communication
10. Build professional support infrastructure
11. Allow time off to regroup and recharge