

by Ellen Lanser May

ARE PEOPLE YOUR PRIORITY?

How to Engage **Your** Workforce

Earlier this year, *FORTUNE* magazine released its annual list of the “100 Best Companies to Work For.” Despite the continuous strain on our nation’s healthcare system, seven hospitals were singled out, compared with only two back in 1998. Given that two-thirds of *FORTUNE*’s scoring is based on staff responses to surveys created by the Great Place to Work Institute, earning a coveted spot on the list testifies to a strong level of employee engagement at these organizations.

Just what is it about these hospitals and health systems that inspires extraordinary loyalty, esteem, and pride? How are such positive relationships between staff and management built and sustained?

Five of the seven hospitals on the *FORTUNE* list are led by ACHE affiliates. Following are profiles of each of those organizations and the focus that led to their success.

Setting the Tone through Action

Baptist Health Care

Pensacola, FL

President/Chief Executive Officer:

Alfred G. Stubblefield, FACHE

Employees: 4,151

FORTUNE Ranking: 43

Baptist Health Care—which includes five hospitals, a nursing home, and a network of mental health services—is the largest nongovernmental employer in northwest Florida. The system also serves residents in southwestern Alabama. One of its entities, Baptist Hospital Inc., received the nation's highest business honor, the Malcolm Baldrige National Quality Award, which was presented by President Bush this past March.

In the mid-1990s, Alfred G. Stubblefield, FACHE, president/chief executive officer of Baptist Health Care in Pensacola, FL, and the Baptist leadership team made a commitment to deliver a “WOW level” of service to patients and their families. Furthermore, they hoped this commitment would shape the culture of the organization. According to Stubblefield, the

vast majority of Baptist’s workforce was excited about the plan. “I believe that people get into healthcare initially because they want to take care of others,” he says. “Our success isn’t tied to employee benefits or compensation. It’s tied to our culture.”

Stubblefield advocates total involvement from his staff, so he solicits their ideas for delivering better services and reducing costs. “If our employees know a better route to get us to where we want to be, we want them to tell us,” says Stubblefield. “When you show your employees that you care about and respect what they have to say, you’ll find that instead of watching your employees trudge into work every day, you’ll see their morale go through the roof!” Stubblefield is not exaggerating: A Baptist R.N. reported to the *FORTUNE* survey that many nurses actually hum while they work.

Not only does the emphasis Baptist places on engaging its staff create a pleasant environment, but it has also had a significant impact on the organization’s financial outcomes. Since 1998, Baptist has implemented more than 25,000 staff suggestions—for a savings or enhanced revenue of \$20 million. “That means that more than 25,000 times, our staff members have felt just how important they are here,” Stubblefield says.

Baptist’s leadership team learned early on that, regardless of an organization’s size, the relationship between employees and the organization is actually measured by the relationship between

employees and their supervisors. “We discovered that we were taking the best nurses, for example, and promoting them to managerial roles in which they supervised 60 other nurses without giving them the tools to succeed in their new role,” Stubblefield says. In response, Baptist created The Baptist University. The system’s leaders—about 10 percent of the workforce—are taken off-site once a quarter and taught how to lead a workforce, not just how to be a good leader. The other 90 percent of employees look to these individuals to set the tone for Baptist’s culture. The university has been so successful that it has been named one of the top 50 corporate training programs in the country by *Training* magazine for the past two years—joining the ranks of companies such as IBM and AT&T.

Focusing on communication has also helped Baptist engage its staff—a big change from the former culture, which was rather distrustful of its workforce and far more exclusive. Constant communication among employees at all levels strengthens the openness of Baptist’s culture. “The administrators at our hospitals are out doing rounds every single day,” Stubblefield says. “That is a nonnegotiable part of their jobs.” Furthermore, information is disseminated in a variety of formats to accommodate the different ways people learn and digest information—be that employee forums, communication boards, e-mails, or traditional printed newsletters.

Stubblefield says that one of the most important “aha” moments of his career

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was when he realized that it wasn't the facilities or the equipment that would make people want to work at Baptist—it was the culture. “For the past seven years, our turnover rate has continued to go down,” he says. “There's no question in my mind that our employees want to stay part of this culture.”

Hiring for the Long Term Baptist Health South Florida Coral Gables, FL

President/Chief Executive Officer:

Brian E. Keeley

Employees: 9,093

FORTUNE Ranking: 51

Baptist Health is South Florida's largest nonprofit healthcare organization. Its network of services extends throughout Miami-Dade and Monroe Counties with Baptist, Baptist Children's, South Miami, Homestead, Mariners, and Doctors Hospitals; outpatient diagnostic and surgical facilities; and home healthcare services. Through these and other facilities, Baptist Health serves more than 100,000 people each year.

Employed by Baptist Health South Florida for more than 32 years, president/chief executive officer Brian E. Keeley may be viewed as an anomaly in the healthcare field. But at Baptist Health, his tenure is par for the course. Keeley views his organization as a destination employer: People who work there tend to stay.

Keeley believes that part of the reason the organization succeeds in retaining staff is the way it brings new people into

the fold. “Every Baptist Health manager *selects* people to work with us—they don't just *hire* them,” he says. “We conduct behavioral interviews with potential employees because our patients come first. If someone can't buy into our culture and values in light of that mission, then he or she does not belong here.”

Because Baptist Health reinforces its high expectations during the screening process, the organization is brimming with committed staff. In return for staff's dedication to service excellence, Keeley and his team do everything they can to make their employees want to spend the rest of their careers at Baptist Health. With a long-term, stable employee base, care is delivered consistently by staff with high degrees of competence. Thus, the typical, dissatisfying by-products of staff on a learning curve are minimal, which translates into higher patient and physician satisfaction. “As a result of seeing the same faces every time they come in, our patients are greatly pleased to have such an intimate service delivered to them by people they know,” says Keeley.

Like many high-performing organizations, the health system offers countless opportunities for professional development and education, maintains strong and varied forums of communications among all staff, and celebrates its successes organizationwide. But what makes Baptist Health unique is its holistic approach to the well-being of its staff. The health system sponsors a heavy-duty healthy lifestyle program for employees called the Wellness

Advantage. To encourage smokers to quit, Baptist Health reimburses employees for their smoking cessation courses and supplies, and nonsmokers pay less for their healthcare insurance. On-site fitness coaches are available to employees at each of the system's six hospital fitness centers to provide screenings and personal training. Baptist Health sponsors a “10,000 Steps a Day” campaign by giving employees pedometers and rewarding those who meet the challenge. Discounts are offered to employees who choose the designated “healthy” meals in the system's cafeterias. For those facing life-threatening illnesses, the system offers flexible, reduced scheduling so that staff can maintain some level of employment during stressful times.

Keeley adamantly believes that Baptist Health—which experienced its best year ever in 2003 in terms of patient satisfaction, physician satisfaction, employee satisfaction, clinical outcomes, and operating income—owes its success to the infrastructure of its people, especially those who have enjoyed long tenures. In fact, the AARP has recognized Baptist Health's long-term commitment to its employees by naming the health system one of the Best Employers for Workers over 50 for the past three years. “The older generation of staff has been essential in passing the culture of the organization to the younger generation of people who work here,” he says. “Our ability to keep our staff fully engaged and keep our staff here is the glue that binds this organization together.”

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Taking a Strategic Approach

Bronson Healthcare Group

Kalamazoo, MI

President/Chief Executive Officer:

Frank J. Sardone

Employees: 2,902

FORTUNE Ranking: 21

Bronson Healthcare Group is a community-owned, nonprofit healthcare system serving southwest Michigan.

At the heart of the system is Bronson Methodist Hospital, a 348-bed referral center for nine counties in southwest Michigan and northern Indiana.

Also in the Bronson system are more than a dozen primary care practices, Bronson's Lifestyle Improvement & Research Center (LIRC), Bronson Vicksburg Hospital, and IBA Health Plans.

Typically, at least 60 percent of a hospital's healthcare expenses are related to human resources. For that reason, Frank J. Sardone, president/chief executive officer of Bronson Healthcare Group in Kalamazoo, MI, is unwavering in his assertion that HR's voice must be heard when strategic plans and decisions are being made for his organization. "The relationship of workforce development to our strategic plan is very evident," says Sardone. "We started this a number of years ago, and it has clearly contributed to our success."

Along with his senior vice president for Human Resources and Organizational Development, Susan Ulshafer, Sardone has divided Bronson's workforce development plan into three areas:

- Internal initiatives, which focus on the current employee population

- External initiatives, which develop relationships with schools and communities to promote healthcare careers among young people
- Diversity initiatives, which not only address racial and ethnic diversity but also attempt to attract more men and older adults into the workforce

Taking such a strategic approach has helped Bronson move swiftly in its efforts to create a high-quality workforce and to become an employer of choice.

For example, maintaining a work/life balance has been an important issue to Bronson employees. "Michigan schools close about five times a year because of snow," says Ulshafer. "To help parents who would need to use personal days to stay home with their children, Bronson created a snow-day camp. We use our athletic club to take care of the kids for the day and teach them about healthy lifestyles with fun activities. It's also an opportunity to educate them about future healthcare careers. So, with one program, we've found a way to meet two of the three initiatives that are part of our strategic plan."

To ensure that Bronson's leaders have the skills and knowledge to promote a workforce that is committed and satisfied, Bronson sponsors a high-intensity leadership development program. "Employees don't leave organizations, they leave managers," Sardone says. "Many healthcare organizations have training, but we do it differently." Bronson leaders leave the campus for

two days, three times per year, for leadership "intensives," after which they are held accountable for implementing the learning they gained. In between each intensive, Bronson holds two "lunch and learns" to discuss topics such as recognizing and rewarding staff and setting expectations. "We look at it as a leadership orientation pathway," says Ulshafer. "We've built it like a clinical pathway to be sure we are consistent with developing the type of leaders who will keep our culture as vibrant as it is."

But Bronson doesn't just focus on its managers. The organization truly listens to the voices of employees at all levels of the organization. In fact, *FORTUNE* noted that employees reported that their suggestions are not only encouraged at Bronson, but actually acted upon. For example, 85 percent of Bronson employees are female, and many have busy lives with their families outside of work. Thus, Bronson began a concierge service for employees that handles tasks such as picking up dry cleaning, servicing cars, making travel plans, and shopping. Last year, Bronson extended these services for patients, volunteers, and physicians.

Despite the human resources crisis in healthcare, Bronson actually has a waiting list for employment. Sardone attributes the organization's success in attracting talent to its employees, who are the best advocates for Bronson. "In the past 14 months, we've saved \$200,000 in recruitment costs alone and reduced our costs to contracted agencies by more than \$1 million," he says.

Sardone notes that Bronson's leadership is ready to adapt the workforce development plan to reflect the changing needs of employees. "It may sound trite, but Bronson's people truly are the most important resource we have."

**Fulfilling a Need
to Make a Difference**

**Griffin Hospital
Derby, CT**

President/Chief Executive Officer:

Patrick A. Charmel, CHE

Employees: 1,193

FORTUNE Ranking: 26

Griffin Hospital is a not-for-profit, tax-exempt subsidiary of the Griffin Health Services Corporation. A 160-bed acute care community hospital in the heart of the lower Naugatuck Valley, Griffin has more than 200 active and courtesy physicians who have admitting privileges. Griffin Hospital serves over 7,500 admitted patients and 150,000 outpatients annually. Griffin Health Services Corporation is also the parent of the Planetree organization.

In the mid-1990s, Griffin Hospital in Derby, CT, became the first hospital constructed to deliberately reflect the Planetree model of care. The Planetree approach is patient-centered rather than provider-focused, caring for the spiritual and emotional well-being of the patient, as well as the physical. An important goal of the Planetree model is to empower patients and families by providing education and encouraging "healing partnerships" with caregivers.

For Patrick A. Charmel, CHE, president/chief executive officer of Griffin, a meaningful by-product of the hospital's commitment to exceptional patient care and customer service has been the intense pride exhibited by staff. "Our facility, programs, and services were developed based on extensive input from staff. It was not something that senior management imposed on them," says Charmel. "Our staff created it in response to the question, 'What would the ideal hospital experience be like for patients and for staff?'" As such, the people who work at Griffin feel a strong sense of ownership of the hospital and the care and services it provides.

At Griffin Hospital, the typical "inward" hospital focus that emphasizes systems and compartmentalized structures is replaced by an integrated process in which medical disciplines work together to provide care from the patient's perspective. As a result, staff ultimately feel as though they are working as a team and delivering a more personalized level of care. For example, nursing stations are located directly outside of patient rooms, rather than in a centralized area. "We've removed the barriers that prevent caregivers from providing the kind of care that they hoped to provide when they were attracted to a healing profession," says Charmel. "It's all about remaining true to a patient-centered philosophy that resonates with caregivers."

At Griffin Hospital, employees enjoy the same unique environment and amenity services as patients. Live music performed through the day by classically trained musicians, soft finishes and beautiful furnishings, nursing units flooded with natural light, and saltwater aquariums contribute to a pleasant and healing environment. Amenities favored by staff as well as patients include cookies and muffins baked in homelike kitchens by volunteer bakers, Connecticut's largest pet therapy program, and a volunteer room service program that attends to patients' personal and special needs.

But delivering care in a patient-centered environment can be quite demanding. "With nurses right outside of their rooms, our patients have a high expectation of responsiveness," says Charmel. To care for the caregiver, Griffin responds by providing physical and emotional support. In addition to offering free chair massages and free on-site fitness memberships for staff, Griffin offers a yearlong "Dare to Care" personal development program for employees at any level to join. Each month, the group addresses a different topic consistent with the core values of Griffin's philosophy, such as perseverance, courage, faith, and leadership. "The first group of 45 people to go through this program felt so strongly about the benefits to them professionally and personally that they asked us to be trained to facilitate the program and provide it

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The Dimensions of a Great Place to Work®

To determine who makes *FORTUNE*'s list of the best companies to work for, *FORTUNE* requests written statements from each organization describing its policies, programs, and procedures, which are evaluated as part of a "cultural" audit. But employees' opinions about their employers are the most important factor in making the list. In fact, two-thirds of the total score is based on surveys distributed to randomly selected employees. The survey instruments are developed by the San Francisco-based Great Place to Work Institute, which provides tools and services to help companies become more effective organizations.

According to the Institute, trust is the essential ingredient for the primary workplace relationship between the employee and the employer. Based on this premise, the Institute developed the following model that details the dimensions of trust:

CREDIBILITY

Credibility means managers regularly communicate with employees about the

company's direction and plans—and solicit their ideas. It involves coordinating people and resources efficiently and effectively, so that employees know how their work relates to the company's goals. It's the integrity management brings to the business. To be credible, words must be followed by action.

RESPECT

Respect involves providing employees with the equipment, resources, and training they need to do their job. It means appreciating good work and extra effort. It includes reaching out to employees and making them partners in the company's activities, fostering a spirit of collaboration across departments and creating a work environment that's safe and healthy. Respect means that work/life balance is a practice, not a slogan.

FAIRNESS

At an organization that's **fair**, economic success is shared equitably through compensation and benefit programs. Everybody receives equitable opportunity for recognition. Decisions on hiring and promotions are made impartially,

and the workplace seeks to free itself of discrimination, with clear processes for appealing and adjudicating disputes. To be fair, you must be just.

PRIDE AND CAMARADERIE

The final two dimensions of the model relate to workplace relationships between employees and their jobs/company (**pride**), and between the employee and other employees (**camaraderie**).

As companies become great, the division between management and labor fades. The workplace becomes a community. Employees take pride in their job, their team, and their company. They feel that they can be themselves at work. They celebrate the successes of their peers and cooperate with others throughout the organization. People take pleasure in their work—and in the people they work with—in a deep and lasting way. They want to stay around for their careers.

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to their co-workers themselves," says Charmel.

When describing the work environment at Griffin, Charmel refers to Robert Levering—the founder of the Great Place to Work Institute—who makes an interesting distinction between employee satisfaction and employee pride, and the significance of the latter. "Is your staff proud of the

work the organization does? Do they attach value to their job? Do they feel that they are making a positive difference in the lives of others and that the organization shares their values? The answers to these questions are the true measure of your success in being an employer of choice," says Charmel.

Charmel notes that if you ask employees what you can do better

satisfy them, you'll likely come back with an endless list of ways to accomplish that, increased wages and benefits near the top. But at Griffin, staff are compensated at 5 to 10 percent below the market rate. "We're open about this with our staff," Charmel says. "We decided collectively, with them, to take higher staffing ratios with less compensation to create a better work environment for care-

givers and a better healing environment for patients.”

Some nurses and caregivers initially left Griffin when it adopted the Planetree model because they felt the demands were too great. “But they were replaced by others who longed to practice in this environment,” says Charmel. In fact, Griffin’s nurse vacancy rate is under 5 percent—as of press time, Griffin has three vacant nursing positions out of 150—and they have not used agency nurses for years. “Thus, over time, like-minded people—committed caregivers who want to practice a holistic approach—have found us,” he says. “And they appreciate the support we give them to do just that.”

Building Trust through Stability **Memorial Health**

Savannah, GA

President/Chief Executive Officer:

Robert A. Colvin, FACHE

Employees: 3,668

FORTUNE Ranking: 54

Memorial Health is a two-state healthcare organization serving a 35-county area in southeast Georgia and southern South Carolina. The system includes its flagship Memorial Health University Medical Center, a 530-bed tertiary medical center; CareOne, its two-state home care division; Memorial Health primary and specialty care physician networks; a major medical education program; business and industry services; and NurseOne, a 24-hour call center.

Prior to president/chief executive officer Robert A. Colvin’s arrival in 1997, Memorial Health in Savannah, GA, had gone through several CEOs during the past 21 years. As one might imagine, the continual transitions in leadership created an unstable and anxious environment.

“I spent the first three years here expanding communication at every possible opportunity so that staff would be aware of everything we were doing,” Colvin says. “Because they had seen so many people come and go, our employees needed a sense of the future and consistent goals.”

To build trust, Colvin and his team selected five cornerstones upon which the organization would build its objectives every year; it was decided that one of those would be “people.” Colvin wanted to make Memorial a great place to work for the people who worked there. So, for the first few years of Colvin’s tenure, Memorial’s leadership targeted specific goals that its staff had identified as high priority. These include equalizing the pay structure, creating professional ladders for nurses, and providing on-site daycare. “Once we were able to build trust by showing our staff that they are truly a cornerstone of our organization, we established the corporate objective of becoming one of **FORTUNE**’s 100 Best Companies to Work For,” Colvin says. “At that time, a lot of people laughed at us. But we continued toward our goal—and within four years, we made it.”

Creating a stable and unified culture certainly helped Memorial in its quest. One way Colvin and his team did so was through the “Key 100” program, which was implemented four years ago. Each year, managers and peers nominate nonmanagement staff who they view as “up-and-comers.” One hundred individuals are chosen, and for one year, those key 100 people participate in an intense leadership development and team-building curriculum. “Today, almost 500 people have gone through the program, and they’ve become a great nucleus of positive energy for us,” Colvin says. “They express a sense of ownership for the organization and have become among the best advocates for their peers, patients, and Memorial Health.”

In its effort to provide stability in the workplace, Memorial has been reaching out to staff who are reservists with the military. Throughout the war in Iraq, a number of Memorial employees have been called up to serve; at one point, 18 full-time workers were sent to active duty. Although reservists are compensated by the government, those wages are considerably less than what they would make in the private sector. Thus, Colvin decided that Memorial would continue everyone’s full salary while they serve in military combat zones. “These folks are risking their lives for us,” says Colvin. “And our entire Memorial staff is very positive about our commitment to these employees.”

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Colvin also has taken steps to increase employee pride in Memorial's flagship hospital. "Seven years ago, the facility was fairly run-down and not very clean," he says. "We knew we had to change the physical image of the organization so that our patients would have more confidence in us." Colvin and his team dedicated resources to renovating the interior and landscaping the gardens and property outside—at a time when the organization was still losing money. "In 1996, we lost \$19 million. We took a leap when we decided to make that investment. But we believed we had to invest for the long term. As we worked on the renovation project, we found that employee pride in the organization improved dramatically. People were proud to say that they worked at Memorial Health when they were not before."

During the past four years, Memorial's turnover rate has dropped by nearly 50 percent, and patient satisfaction and financial outcomes are at their highest points ever. "When we made the announcement to staff in a packed auditorium that Memorial Health achieved our goal of making the *FORTUNE* list, the staff responded with a standing ovation," says Colvin. "But the wonderful part about it was they weren't just cheering for the administration—they were cheering for themselves."

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