



STANDING IN BOARDROOMS

Insights from ASHRA 2016 Conference

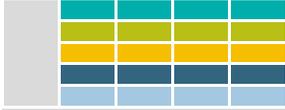


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A Roadmap with 25 mileposts along your journey into and around the boardrooms of health sector governing bodies.

Human resource executives can enhance their impact and influence with Boards by considering how best to accomplish this 5x5 framework



These insights were shared at the 2016 ASHHRA conference in Grapevine, Texas where Dr. Rice explored how human resource staff can earn the privilege to stand in the Boardroom, and the respect or “good standing” to be invited back!



5 REASONS TO ENGAGE WITH THE BOARD

Human Resource leaders understand that a positive relationship with their board is now more important than ever before.

The reasons to become more familiar with, and more respected by, the Board can be seen in these five observations:

1. Many **new jobs** are being established to succeed in an era of population health and accountable care. These new positions require more training, more money, more infrastructure, and new forms of teamwork. Examples of such new jobs are Directors of... Population. Clinical Integration. Health Navigation. Physician Leadership Coaching. Revenue Cycle Management;
2. **Compensation** is more complex and expensive, not just because there are many new jobs, but the competition for these positions escalates their value and cost. Boards need to be informed about the trend and the implications for the organization's budgets and culture. **Innovative salary, benefits and retirement strategies are key** to the vitality of the modern health system workplace.
3. The journey to Population Health demands new, organizational behavior change among and across new community health partnerships, that in turn demand **health worker behavior change**. Board level support for significant new investments into staff training and development is essential;
4. The new mix of **Boomers and Millennials** in the health system workforce can create stresses and strains in an already tense workplace. Board members can be encouraged and supported to bring in insights and programs from their industries to help guide and refine health sector investments into culture assessments and new models of development, recognition, and reward programming;
5. National competition for talent requires the use of more sophisticated **systems** for talent development and performance management



5 WAYS TO ENSURE THE CEO OPENS THE DOOR TO THE BOARDROOM

Senior Human Resource executives understand that the door into the Boardroom is controlled by their CEO. Passage into the Boardroom must first go through the C-Suite, and too often HR professionals have not earned the respect and support of their colleagues at the top levels of management. You need to break through old perceptions of human resources and talent development just being the stuff of “personnel administration.” The overall goal of your work here is that the CEO must see Human Resources and the Human Resources Executive as essential to not only organizational vitality, but also for the CEO’s success.

Five actions can help do this:

- 1. Engage the CEO to look into the future.** Conduct a one hour, non-performance interview with the CEO as if you were a friendly and wise reporter for the ACHE or Wall Street Journals. Consider these five questions to guide the conversational interview:
 - “Ms./Mr. CEO, as you look ahead 2-3 years, what are the talent recruitment and competency needs for these three aspects of our ‘FutureScan’:
 - New types of health workers engaged along the continuum of care for an increasingly diverse population of patients and community residents?
 - More robust and positive team work to enhance the patient experience in diverse venues for service delivery designed to protect, promote and restore health?
 - Reduce readmissions of sicker and older patients that have co-morbidities and questionable support systems and families in their communities?
 - “John or Sue, as you look at how your talent development and HR managers can help address these challenges, what are 2-3 of the biggest weaknesses you see in the HR functions, people and processes?”
 - “What are the 2-3 most important actions or ways that your HR staff can help you master and strengthen how our human resources can best support the organization’s journey into the relatively uncharted waters of population health and accountable care?”
 - “Because we invest about 60+% of our operating budget on our human resources, our Board is probably interested in what the money is paying for, and the returns being generated from those investments. As CEO, how do you see our HR Team best helping you impress the Board that our investments in HR are:
 - Well understood?
 - Well managed?
 - Yielding better employee engagement and satisfaction scores, better patient HCAHPS scores, and better philanthropic donations?
 - “If the Board Chairperson had asked you to develop a 15 minute presentation to the Board on our HR investments, what would you want us to say and how should we best say it to have a powerful impact on the Board members? How could we best impress them?”



2. **Board Member Profiles:** Ask the CEO to provide an informed “psychographic profile” for each of the Board Members including these five dimensions:
 - Demographic profiles?
 - Work experiences?
 - Key hot buttons on why they are on the Board and what they want to achieve via their Board work?
 - What biases and interests do they have regarding how much, and how we spend HR money?
 - What are the key metrics he/she would like to see regarding our spending for HR?
3. **Peer Insights:** Call five respected and creative HR executives in other health systems to see how they provide interesting, intelligent, and impactful information about the scope, nature and value of HR spending to their C-Suite members and to their Boards. What metrics are used? What infographics have been helpful? What results are reported? What is the frequency of reporting they use to balance impressing the Board, but not overloading them?
4. **Infographics:** Develop a powerful infographic and one page memo to the CEO and C-Suite about the quantitative and qualitative profile and landscape of your human resources and talent development endeavors¹.
5. **Strategic Talent Plan 2020:** The most important way to impress your CEO, C-Suite Colleagues and The Board is by delivering to them (with their inputs) a powerful and provocative game plan and roadmap to guide all of your HR investments for the next 3-5 years. This plan must clearly and boldly define a roadmap to successful accountable care and population management for the organization. This short and tightly written document must address these five factors:
 - Situation description describing the number of workers with their demographic patterns, for each service line and department
 - Three Candid SWOT Analyses that lists the Strength, Weaknesses, Opportunities and Threats of the organization’s staff, physicians and volunteers.
 - Psychographic profile of your health workers in each employee segment by professional category
 - Engagement and satisfaction survey result summaries
 - Future recruitment needs by type of worker and profession, with particular emphasis on the competencies needed for the future; tactics to successfully secure and onboard these staff; and the budget implications.

¹ Examples to provoke your thinking can be found here: <https://www.google.com/search?q=Human+resources+and+talent+development+infographics+for+hospitals&biw=1231&bih=552&tbm=isch&tbo=u&source=univ&sa=X&ved=0ahUKEwiKx97fiLrPAhWDxYMKHW4JD80QsAQIIQ>



5 REASONS BOARDS ARE SKEPTICAL ABOUT HR LEADERS

As a health system Human Resource leader preparing to earn your way into a respected and influential role within the Boardroom of your organization, you need to appreciate that too many Boards are skeptical about their organization's talent development capabilities for five challenging reasons:

- 1. Role Uncertainty:** The average Board is uncertain about how best to use their own personal talents to make a meaningful impact on the growth and success of their health system. This uncertainty makes it hard for them to focus on how a single piece of the puzzle (HR) can make or break their work as a good Board Member. HR leaders have not done enough to demonstrate how their work connects with and empowers the work of the Board. Wise HR executives communicate how a proud, well trained, well compensated and well functioning workforce drive the organization to achieve its mission, visions and strategic goals and budgets.
- 2. Industry Disconnects:** Board members often do not fully appreciate that hospital employment is more complicated, complex and confusing than most of the industries of Board Members. We have large numbers of people working in over 200 job categories; in shifts that are 24/7/365; in work that has high injury rates; and whose outcomes are life and death in nature. Easy solutions do not work! Because we do not do a good enough job of onboarding and educating Board Members about the complexity, they are left wondering if we are competent enough to hire, develop and guide the performance of one of the largest components of the US labor market.
- 3. Weak Presentations:** Once invited into the Boardroom, too often HR executives lead with a confusing display of numbers, with not enough story lines to go with the data. Effective leaders are always conscience to transform data into information, information into intelligence and intelligence in to actions that yield meaningful and strategic results. Our presentations on the millions of dollars being invested into human resources talent too often is focused on problems, not solutions; complaints more than celebrations; and data tables more than pictures and human interest stories about connections to patients and the lives of our workers. However, we also need to avoid the reverse problem; what one Board Chairperson called as "too much fluff and touchy-feely" anecdotes. We need good infographics that communicate powerful, passionate, and practical snapshots of what our hundreds of workers and millions of dollars are accomplishing.
- 4. Forward Looking:** Talent development leaders need to avoid "rear-view-mirror" reports about the scope and impact of their HR investments. Yes, provide infographics that help bring the numbers to life, but map our human resource needs for the future as an essential means to accomplish the organization's recently adopted Strategic and Financial Plans. The messaging must be driven by the implications of the journey to population health, and the volume to value transition into the human resources realm. They need to know the positive and negative trends of HR utilization so we can step into the confusing future with our eyes and minds wide open.
- 5. Jargon:** Board members often complain that health system managers use too much jargon and "alphabet soup." We do not wrap our data and messages enough with real people stories that put a human face on the human resources numbers. We confuse and distract with our reports in Boardrooms more than enlighten and excite the minds and talents of Board Members. Make the numbers real, and use analogies that work for the Board Members related to their industries.



5 WAYS TO EARN AN INVITATION INTO THE BOARDROOM

Having won over your C-Suite colleagues and the CEO, there are other actions you must consider to earn your way into the Boardroom.

Five actions can help:

- 1. Poll the Board:** It is not enough to distill a profile on each board member from your CEO. Conduct a short web based survey (or hand out a one page paper poll at their next meeting) to define... "What they would like to better understand about our human resources pool? How frequently we should be reporting on our HR and talent development endeavors?"
- 2. Explore Talent Profiles:** Develop an interactive exercise that can be used once per year with the Board about their ideas and information needs with respect to these issues: (do not use excel spreadsheets to illustrate the quantitative landscape of your HR, but use summary graphics, charts and infographics)
 - Numbers of staff by job class and service line?
 - Average compensation for nurses, compared to other worker groups?
 - Percent of total operating budget devoted to base pay, benefits and training and development?
 - HR total spending in ambulatory care settings compared to inpatient settings?
 - Trends in employee engagement and satisfaction scores?
- 3. Raise the Roof on Engagement:** Work with the CEO to design a "Board Meeting on a Bus" that devotes one of the Board meetings each year to a "Study Tour" to see the staff at work in various venues across your organization, either in the ER, a remote clinic, a health fitness program, a long-term care setting or an ambulatory surgery center. Build in a short "Focus Group" or Staff Roundtable" in which Board Member can talk with staff about their work and results. Celebrate their accomplishments and have a Board Member thank them in public for the staff's great work in the shared journey to population health and accountable care.



4. **Conduct Scenario Based Talent Planning:** Develop a 55 minute exercise with the Board (they have short attention spans like most of the rest of us) to explore alternative answers to HR challenges in three different scenarios (stories or case studies) for your health system. Scenarios might be:

Scenario 1. You have just developed an expanded joint venture with the elementary school and the local county health department to discuss careers in health promotion and health protection

Scenario 2. Your ER staff has launched a program for the homeless that is designed to reduce use of the ER and avoid expensive and unneeded hospital admissions.

Scenario 3. Your Director of Clinical Services has hired five new Advance Practice Nurses for an expanded role in Women's Cancer Care.

A Board Member can select any scenario they like, and then be invited to quickly suggest answers to these issues:

- Anticipate the knowledge, skills and attitudes needed by the staff to be successful in this scenario.
- Define likely obstacles for the staff to be successful in this situation
- Forecast the number of total staff needed to support optimal results in each situation.
- Design key features of a new "Staff Learning Academy" to enhance their competencies
- Define the metrics of success for the staff and how the Board might give recognition and awards for the staff when they exceed performance targets.

Have some fun with them and use this "teachable moment" to draw their attention to your infographics that have some of the answers illustrated on wall charts.

5. **Connect with Communities:** Board Members are creatures of the communities, jobs and families in which they spend most of their time and talents. Plan and conduct a community based planning experience that explores how best to move staff and services into the community for gains in health status. These initiatives have been called "Community Plunges"² and "Community Health Charrettes."³ Partner with a Board Member that may have had a similar experience in their prior work. These opportunities stimulate new interest in staffing and how they can yield a variety of image, service, financial and quality results from your HR investments. To move into the Boardroom, occasionally move into the community.

² See ThedaCare example here:

<https://www.thedacare.org/Getting%20Involved/Improving%20Community%20Health/Community%20Plunge.aspx>

³ For information on Charrettes look here: <http://charretteinstitute.org/>



5 WAYS TO BE INVITED BACK MORE OFTEN TO THE BOARDROOM

It is not enough to stand in the Boardroom once. You need to engage with them periodically to achieve your goal of their understanding and ongoing support for new levels of talent development and human resources compensation. How can you earn a “Trusted Adviser” role with your Board so that they invite you back and rely on your counsel for the substantial investments needed for human resources in an era of value based payments?

Here are five actions to consider:

- 1. Map Meetings:** Review the themes common to various Board Meetings throughout the calendar year. Arrange that there is a robust 15 minute review of human resources information at least one meeting per year that addresses updated insights into these five types of data:
 - Employee turnover rates by type of employee
 - Employee engagement innovations and improvements by service line
 - Average age of workers by department
 - Gender and ethnic profiles by department
 - Ethnic and cultural balance in workforce compared to the communities you serve
- 2. Schedule Speaker:** You are rarely a prophet in your own backyard, so arrange for the Board to invite in an inspiring speaker on how health workers deliver remarkable service value and how another system is innovating in their use of modern human resource management systems and compensation arrangements. (You can swap places with a colleague in another state.)
- 3. Post Infographic:** Work with an experienced graphic artist to develop and then post a large poster infographic in the Boardroom on various aspects for the human resources and talent development initiatives of your organization. Change the poster at least twice per year to stimulate interest.
- 4. Insert Dashboard Metric:** High performing Boards are increasingly relying on Board Portal and Performance Monitoring Dashboards or Report Cards.⁴ This keeps the HR function always in front of the Board. Work with ASHHRA staff and your CEO to select a sensible proxy indicator from the many possible measures of a vibrant HR function.⁵
- 5. Arrange HR Roundtable:** Many CEOs arrange for periodic Town Halls with employees to gain insights into the pulse of the workforce morale; enable two way follows of information to encourage staff and organizational success and pride; as well as to support enhanced alignment across the workforce to achieve the system’s strategic imperatives. Similar advantages can be secured for an occasional “Roundtable” with 2-3 board members, you, the CEO and groups of employees from key service lines and departments. These not only enable Board Members to interact in a relaxed environment, but for the Board to share their appreciation to the staff for their hard work and good results.

⁴ For Dashboards explore a sample web site like BoardEffect: <http://www.boardeffect.com/>

⁵ Sample metrics could be seen here: <http://www.ashhra.org/products/metrics.shtml>

Explore how these 5x5 initiatives can best be adapted for use in your unique reality. Your leadership and innovation will generate valuable results for the patients and communities you exist to serve; can help unleash the full potential of your system's workforce; as well as help ensure you have a **Career of Impact**.

To explore how we can help you in your journey to a high performing workforce and enhanced engagement with your Board, contact us at infor@ihstrategies.com.

The Governance & Leadership practice of Integrated Healthcare Strategies uses proven, state-of-the-art governance design, educational programs, and tools to help boards use their time and talents more effectively. Our team of consultants have extensive experience in the assessment of board performance and in the development of strategies and systems to continuously enhance the governance of complex healthcare and hospital systems.

For more than 40 years, Integrated Healthcare Strategies (Gallagher Integrated), a division of Gallagher Benefit Services, Inc., has provided consultative services and people-based solutions to clients across the healthcare spectrum, including community and children's hospitals, academic medical centers, health networks, clinics, and assisted-care providers. Our Gallagher Integrated consultants and nationally recognized thought-leaders help organizations achieve their business goals, by ensuring top talent is attracted, retained and engaged, while measuring and maximizing human and organizational performance. With tailored solutions that extend well beyond single services, Gallagher Integrated offers the knowledge, guidance, and insights that organizations need to not only survive the rapidly changing healthcare environment, but to succeed in it.



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