



## **Children’s Healthcare of Atlanta Builds a More Robust Organization**

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*-Colleen Thornburgh*

### **Introduction**

Children’s Healthcare of Atlanta is one of the country’s largest children’s health systems, with 400 beds in two hospitals, 20 satellite locations around metro Atlanta, more than 4,500 employees and 20,000 volunteers. It was formed through the merger of two historic pediatric health systems—Egleston Children’s Health Care System and Scottish Rite Children’s Medical Center.

In many ways, the story of Children’s Healthcare of Atlanta is the story of American healthcare. Formed from merging two independent hospitals in an attempt to control costs and grow services, pressured by rising healthcare costs while trying to improve employee and patient loyalty, Children’s faced many challenges. How it used leadership development and benchmarking to successfully address these changes clearly demonstrates why Children’s is a leader in healthcare.

### **Situation**

When trustees from Egleston and Scottish Rite decided to merge, their goal was to create a unified pediatric system and continue to grow and develop healthcare options focused on children and families. They engaged Ernst and Young to help them manage the transition. Ernst & Young recommended that Children’s use the Denison Organizational Culture Survey, a four-part survey that measures employee perceptions about company mission, adaptability, consistency and involvement—attributes that are linked statistically to company financial performance. The first survey involved about 2000 respondents and was completed about three months after the official merger took place.

Results from the first survey showed that people felt a lack of clarity about the newly formed organization’s vision and strategic direction. Scores from the assessment showed people felt less empowered after the merger, which affects morale. Respondents rated

their ability to create change in the organization at 44 percent. Although these scores sound low, they were normal for a post-merger organization.

“Even with these normal scores, we believed we could do better,” says Colleen Thornburgh, Children’s chief learning officer. “So as we began building the new mission, vision and values statements, we convened focus groups of physicians, volunteers, donors and clinical and non-clinical employees to evaluate the missions of the two former organizations and started pulling together a new mission for the newly merged system. The new mission captures everything that was in the first two. Senior leadership fine-tuned and brought it to the board. We followed the same process in developing our values using on-line surveys.”

During this time, the new organization was known by a combination of the two previous names. Extensive research and testing led to the new name of Children’s Healthcare of Atlanta. “To be sure employees and volunteers felt informed and included, we revealed the new name to them the day before we announced it publicly,” recalls Thornburgh.

Two years later, Children’s conducted another check on employee perceptions using the Denison Organizational Culture Survey. This time they worked with Discovery Learning, a training products company that now distributes and supports the survey. In addition to the Denison Cultural Survey’s 60 questions, Children’s provided blank paper for additional written feedback, which resulted in over 120 typed pages. An estimated 30 to 40 percent of 1600 respondents provided comments. Discovery Learning worked with Children’s to analyze the resulting data and provided normative data from other healthcare organizations for comparison. Children’s performed better in every single category; for example, ratings of customer focus were almost double the average at 51 percent.

But when Children’s compared the new data to the earlier scores, they saw several areas for improvement. Although perceptions of the organization’s strategic direction, vision and agreement had improved, employee perception of customer service had dropped by 10%. Coordination and integration scores had dropped by 14%. “When data came back, we found we had several opportunities,” says Thornburgh. “The feedback said we needed to grow our leaders. People weren’t getting information about how they fit into the organization. We felt it reflected upon our ability to retain employees and grow.”

### **Solution**

Throughout the rest of that year, a special taskforce worked to identify initiatives to encourage improvement in the four identified areas. “Initiatives for strategic priorities around customer service, learning, communication and shared decision making were created.

### Customer Service

Children’s chose Press-Ganey, a satisfaction measurement company widely used in healthcare, for measuring customer service. Press-Ganey benchmarked Children’s against

other healthcare organizations, ranging from clinical issues to how people perceive the food. The process clearly identified specific opportunities, which led Children's to:

- Set baselines and goals and tied to managers' overall performance appraisal.
- Design customer service training around communication skills crucial to keeping customers comfortable, from initiating an interaction (make eye contact, introduce yourself, use person's name formally or informally based on relationship) to making sure customers could easily find out the status of their wait time, lab results, or where they are in the process of their visit.
- Offer online internal customer surveys with Zoomerang.com.

### Shared decision making

The post-merger Denison Organizational Culture Survey showed that employee ratings of empowerment were low, especially in the area of decision making around clinical and operational issues. "The perception was that our avenues of governance became weaker after the merger," says Thornburgh. The chief nursing officer and director of clinical staff development spearheaded an effort to create a shared decision-making model to be used throughout the Children's healthcare system.

After getting senior management approval, committees were formed with frontline staff members in each area. Now they go to senior management with recommendations, and management helps to prioritize the decisions. Results include:

- Improvement of 25% on employee satisfaction surveys
- Improvement from baseline on the Shared Decision-Making Survey
- Higher meeting attendance
- Greater access to information as measured in hits to web site and access to agendas and minutes
- Clinical integration goals as defined by each council
- Overall decrease in clinical staff turnover

### Communication

"We knew organizationally that we had communication issues—some staff have PC's and voice mail and some don't; some work five days, some one weekend a month; and at more than 20 different locations," says Thornburgh. So Children's took the following steps to improve the quality of communication with employees at all levels:

- Report on progress of the five strategic priorities and communicate results through the monthly *Careforce Chronicle* employee newsletter.
- Create a more easily accessible Intranet with a greater news focus.
- Use quarterly all-employee meetings to share plans and priorities.

"We're still refining these initiatives," says Thornburgh. For example, attendance was low at the last quarterly employee meeting, and our leadership wanted to know why. "We're caring for more people, and there's a workforce shortage, so we thought maybe people just didn't have time to come. So we started holding meetings at both hospital campuses on nights, weekends, and early mornings, 16 meetings each quarter. Our CEO, James E. Tally, Ph.D., hosts the majority of our employee meetings."

Tally asked Beth Howell, special assistant to the CEO; Anne West, VP of marketing and public relations; and Thornburgh to conduct focus groups on these meetings and how people prefer to receive information. Initial feedback included:

- People are more computer literate than expected and want to access information at home. However, not everyone has computer access to Children's from home. Several focus group participants suggested that Children's provide employee kiosks in the break rooms, or install TVs that run taped employee meetings and include highlights, patient stories, etc.
- Timing of the meetings was problematic. People are more inclined to come if they can get their meal at the same time. So Children's is going to hold them at 6:00 am, 11:30 am and 5:00 pm with food served and see if that helps attendance.

### Learning

"Children's senior leaders believed we had several opportunities within leadership development," says Thornburgh. Verbatims from the Denison Organizational Culture Survey said employees felt they weren't getting enough feedback on performance. Managers didn't feel empowered to make decisions. "Basically, we needed to grow our leaders—it sounds simple, but the research shows that the number one reason people leave organizations is poor managers," says Thornburgh. "We can validate this fact with the Denison Survey and with results from Lee Hecht Harrison, the company that conducts our exit interviews with people who voluntarily leave Children's—these people have said they felt they did not receive enough feedback, positive or negative."

These realizations drove Children's leadership initiative. "We created basic competencies for all employees in the areas of customer service, communication, teamwork and continuous learning," says Thornburgh. Managers must achieve additional competencies, including strategic direction, goals and objectives, coaching and performance management, communication and influence, teambuilding and cross-team collaboration, and change management.

Children's also created "learning pathways," four recommended avenues of development for clinical and non-clinical support employees and clinical and non-clinical managers.

### **Outcomes**

Children's now has proof that increases in recruitment and retention are directly tied into its strategic initiatives for staffing and learning. It has established a learning governance comprised of the chief learning officer, chief financial officer, chief executive officer, chief nursing officer, the president of the foundation, the senior vice president of medical affairs and the senior vice president of administrative services. "Anything we decide to support in terms of learning is tied into our strategic initiatives, so nothing's arbitrary, and we can measure it," says Thornburgh.

Every new employee attends orientation, which includes basic customer service training and an introduction to the technology used at Children's. There are different basics depending on the employee role; for example, managers also receive 360-degree surveys. And there are department basics and elective education.

A new coaching program is now mandatory for anyone who leads others at Children's. "We understand that managers have to be coaches, too," says Thornburgh. So Children's developed a program to help managers with coaching skills, such as pinpointing the difference between a behavior and a trait, providing prompt feedback focused on behaviors and learning how to hold a coaching conversation. "We did our first rollout with the chief executive officer, chief operations officer, chief financial officer, chief nursing officer, the senior vice president of medical affairs, the senior vice president of administrative services and the president of the foundation. They provided feedback on how the program could be improved, and then they agreed to be facilitators for the program."

### **Ongoing**

After the hard work of transitioning through a merger, conducting surveys and focus groups to improve customer and employee satisfaction, and developing programs to support employee and manager growth, Children's isn't finished. Next steps include:

- Discovery Learning will conduct Denison 360-degree leadership surveys, first with about 100 director-level employees and higher, then frontline supervisors.
- A retreat for internal leaders, with 360-degree debriefing as part of the educational plan.
- Annual 360-degree surveys thereafter.
- Quarterly competency-focused leadership meetings where managers share case studies of improvement based on competencies, such as reducing turnover.
- Two-day planning retreat for whole healthcare system between service line executives and the learning organization.
- New strategic learning initiatives. Going forward, the focus will be on building leadership talent. In managers, this means meeting business goals and increasing innovation. For employees the focus is in building service excellence and loyalty.
- Continuing education for all employees. Previously, Children's has spent as much as half a million dollars in employee tuition reimbursement. Now, plans for an onsite MSA with a health services focus, onsite bachelors, Spanish certification, GED, ESL, and IT/administrative training are on the table.

### **Bottom line impact**

"The Denison data and the 360-degree surveys with Discovery Learning will be a great next step," says Thornburgh. "Discovery Learning's help with the second Denison survey analysis verified our thinking about what we needed to improve, and we've seen good results over the past year."

Results include being on track with financial goals, exceeding retention goals (goal is 76%; first quarter results are 78%) and higher customer service scores. Thornburgh expects continued improvement in the next Denison Survey, as well as in quarterly exit interview reports.

Why all the investment? “Our CEO and top leadership want Children’s to be the model for pediatric healthcare in the country,” says Thornburgh. “They believe our attention to employee needs and ideas and investment in their development is the right path to achieving our vision.”