

Bolstering Staff Soft Skills Helps Hospital Face Major Challenges

A Case Study of St. Luke's Hospital & Health Network



SUMMARY

In 2000, St. Luke's Hospital & Health Network was facing a host of industry and operational challenges ranging from staff retention to cost containment to patient satisfaction. CEO Rick Anderson believed the hospital had the ability to address some of the most pressing issues and created a leadership steering committee. The committee understood that to achieve success, its strategy had to start at the top. It began by creating a leadership development initiative that included the use of the Myers-Briggs Type Indicator® (MBTI®) assessment in conjunction with a series of leadership forums aimed at managers. As the initiative evolved, many managers also implemented the assessment within their departments and work teams.

BACKGROUND

St. Luke's Hospital was founded April 1872 in South Bethlehem, Pennsylvania. At the time, the Bethlehem area was a growing industrial powerhouse with steel mills and factories attracting large numbers of recent immigrants. Initially an Episcopalian hospital, St. Luke's soon adopted a non-denominational charter to better serve its diverse market. By 1873, it had set its mission:

...that no distinction shall ever be made in the reception or treatment of patients on account of creed, race, or nationality, and that while the ministries of the Christian faith shall be freely offered to all the [patients] of the hospital, they shall not be obtruded upon any who are [not] willing to receive them...

For its time, this mission was a strong statement about community commitment. In the late 19th century, discrimination against immigrants was rampant, and many were denied services taken for granted today.

Over the years, St. Luke's continued to grow, adding a school of nursing and the Coxe Ward obstetrics department, which encouraged women in the area to give birth at the hospital rather than at home. In the early 20th century,

St. Luke's was one of the first American hospitals to use electricity and radiology and to develop a proper surgical center. It also became a teaching hospital and a first-rate trauma center, eventually growing into an entire network of hospitals and clinics in Pennsylvania. PCRAFT (pride, caring, respect, accountability, flexibility, and teamwork) became its motto, and a reminder to all staff that St. Luke's abided by this set of principles.

In 1985, Rick Anderson was hired as CEO of the healthcare network. While facing several organizational challenges, Anderson became famous among staff for repeatedly declaring his vision of the network: "St. Luke's is more than bricks and mortar. It is about the people." The people drive the network's culture of excellent service by, first and foremost, treating each other well. From the hospital's first mission—to help all members, regardless of background—to today's focus on quality care, St. Luke's' relationship to its community has always been strong.

CHALLENGES

In 2000, the hospital industry was struggling to keep up with the rapid-fire changes in the healthcare industry. It was a difficult time to run a hospital, and because the pressures on hospitals were projected to worsen over time, there seemed to be no light at the end of the tunnel. Industry analysts pondered what hospitals could do to remain profitable. Legislative, demographic, and economic pressures were changing the way hospitals did business.

Legislative Pressures

Congress passed legislation in 2000 requiring hospitals to comply with new patient privacy regulations and creating new standards for paperwork and hospital databases. The medical privacy rules of the Health Insurance Portability and Accountability Act (HIPAA) carried a compliance due date of April 14, 2001. Hospitals would have to make Herculean efforts to change their disclosure and record-keeping systems by the target date. All databases and computer systems would need to be updated, at an enormous cost.

The Aging Population

Over the past few decades, technological advances and lifestyle changes have decreased mortality rates. As a result, people are living longer. By 2050, 20% of the U.S. population will be 65 or older and 5% will be 85 or older. Hospital utilization for the over-65 population is significantly higher than for those under 65. At the same time, the aging population means there will be fewer workers per Medicare recipient.

Staff Shortages

Nurses make up the largest sector of the healthcare workforce, and most of them work in hospitals. Because of the prominence and importance of this group, the availability of nurses (especially registered nurses, or R.N.s) is critical to hospitals. The American Hospital Association (AHA) published a special issue of *Trendwatch*, a hospital industry newsletter, in March 1999 focusing on "RN Shortages in Hospitals." According to a survey published in the newsletter, over 45% of hospitals in 1999 reported difficulty in hiring and recruiting critical care and other specialized RNs.

Two primary factors have contributed to the nurse shortage. First, the demographic shift resulting in an aging population puts pressure on hospitals' nursing staffs from two directions: (1) There are not enough nursing students in school to replace the current nurses who will retire in the near future. (2) The number of elderly patients requiring higher levels of nursing care is increasing.

Second, as revealed by the "RN Shortages in Hospitals" survey, many nurses are choosing to leave hospital work because they can find better working conditions elsewhere—for example, in assisted living centers and in-home care positions. Hospital nurses reported high levels of job-related stress resulting from loss of decision-making authority, reduced patient contact, increasingly complex administration, undesirable shift work, fewer nurse managers, inadequate stimulation, and less job security.

The employee shortage extends beyond the nursing department. Hospitals also face shortages of imaging technicians, pharmacists, and laboratory technicians, not to mention IT technologists, billers, coders, and housekeeping staff.

Increased Costs To Hospitals

Producers of pharmaceutical products and medical devices increased prices to hospitals by an average of 7–10% over the past few years. At the same time, professional liability insurance costs rose significantly. Some hospitals, in states with laws sympathetic to plaintiffs in malpractice suits, saw insurance costs rise by more than 50%.

More complex insurance and government reimbursement procedures resulted in hospitals struggling to get paid for their services. Accounts payable staff wrestled with mounting paperwork and needed more time to fulfill their obligations. Patients didn't understand what they were required to pay and, as a result, were often delinquent.

Challenging Competitive Environment

Full-service hospitals competed for patients against clinics with more selective treatment offerings. These private clinics had greater control over their costs and were more profitable than traditional hospitals. However, only full-service hospitals were capable of treating the complete spectrum of patients within a given community. Traditionally established to serve their communities, hospitals were reluctant to limit service offerings to stay competitive but feared they might be forced to if other pressures did not subside.

Thanks to the Internet and its blogs and search engines, patients were now equipped to compare hospitals, doctors, and treatments. They were becoming better informed and more savvy, challenging doctors, asking tough questions, and shopping around like never before. As a result, the doctor-patient relationship was changing; yet medical schools had never trained doctors to anticipate this new reality.

RESPONDING TO THE CHALLENGES

St. Luke's could not halt the demographic shifts taking place, nor could it influence the price structures of the healthcare industry or roll back the clock on recent burdensome legislation. Its only option seemed to be compliance with the new paperwork and database requirements while continuing to be fiscally prudent. Cognizant of the dark clouds looming ahead, St. Luke's created a leadership committee to generate ideas and explore creative solutions.

Today's hospitals monitor their performance by evaluating their Press Ganey scores. Press Ganey surveys patients as they leave the hospital, soliciting ratings in such areas as friendliness of the staff, courtesy of nurses, and waiting times. With these survey results, hospitals can benchmark against one another and better understand their strengths and weaknesses in terms of customer service. Assessing St. Luke's' survey results, the leadership committee recognized several areas to target for improvement. But it also believed that St. Luke's was on track to become a top-ranked healthcare institution.

The leadership committee and the CEO decided to proactively address the areas they had the most control over: developing the hospital's managers and improving communication among staff. Helping managers and staff become more adept and flexible would:

- Encourage creative approaches to problem solving, enabling managers to adapt to the challenges and changes ahead
- Produce well-functioning teams that would infuse their members with pride in their work, increasing job satisfaction and retention
- Emphasize the PCRAFT ideals (pride, caring, respect, accountability, flexibility, and teamwork) to ensure excellent patient care and customer satisfaction

To develop a plan of action, members of the leadership committee took a fact-finding trip to Florida's Baptist Memorial Hospital, which had the highest Press Ganey scores at the time. They observed that Baptist Memorial's management was using the MBTI¹ instrument for team building. The MBTI instrument is published by CPP, Inc., a leading provider of workforce development solutions. Around the same time, a few members of the St. Luke's leadership committee attended a seminar hosted by Delnor Hospital, just outside Chicago. There they were introduced to Quint Studer and his "Five Pillars of Success." The committee members were able to apply this model to St. Luke's strategy and come up with their own five operational imperatives: people, quality, safety, service, and finance. The first imperative, "people," encompassed employees and patients. One of the ways to improve this area was to use leadership development, along with the MBTI tool, to create a "best place to work." St. Luke's believed that creating a caring culture would have a positive influence on employees by providing a nurturing work environment that would, in turn, affect staff interactions with patients, improving their quality as well. St. Luke's leadership decided to bring in CPP's Professional Services Division to help consult on and implement their Leadership Initiative.

IMPLEMENTING THE LEADERSHIP INITIATIVE

The leadership committee had a three-pronged approach to implementing its initiative:

1. Disseminate the training, including the MBTI tool, from the top down (managers would be initiated first; then they could decide what would work with their departments while having the flexibility to customize their use of the training)
2. Begin a series of annual leadership forums encouraging managers to think outside the box and discuss their thoughts freely
3. Become an MBTI organization by implementing the assessment among managers and using type as a tool for enhancing communication within St. Luke's

The goals of these initiatives were:

- Make St. Luke's a "best place to work"
- Boost employee satisfaction and retention
- Improve Press Ganey scores
- Enhance teamwork and communication

To set the tone for the first leadership forum, managers were offered an opportunity to take the MBTI tool. This was the first time a personality assessment had been offered to the St. Luke's team and, understandably, some were a bit cautious. Common concerns were: How will the results be used? Will I be labeled? The HR staff assured

¹ The *Myers-Briggs Type Indicator*® (MBTI®) instrument, published by CPP, Inc., a leading provider of workforce development solutions, is a scientifically validated tool for understanding individual personality differences in oneself and others. Based on Carl Jung's theory of psychological types, it sorts people's personalities into one of 16 four-letter types based on their preferences on four dichotomies: Extraversion-Introversion, Sensing-Intuition, Thinking-Feeling, and Judging-Perceiving. In addition to exploring their own personality type, individuals learn about how the various other types perceive and interact with the world. The insight gained through use of the MBTI assessment helps improve interpersonal communication, team-building efforts, and general self-knowledge. The MBTI tool is used in a number of sectors, including business, government, and education.

HOW ST. LUKE'S HR ADMINISTERS THE MBTI® INSTRUMENT

As already mentioned, at St. Luke's the MBTI assessment was first offered to managers. So now, when those managers want to offer the assessment to their staff members, how is it administered? The HR department at St. Luke's wants each individual who takes the assessment to benefit as much as possible from using the "lens of type." To achieve this, each assessment taker receives some training on personality type theory and how his or her type relates to his or her job and

co-workers. The MBTI administrator also presents the idea of "type-flexing"—looking for clues to another person's type and adjusting one's communication style to better communicate with that person.

"We think the biggest benefit of the MBTI tool is this ability to type-flex and adapt to changing situations and all kinds of people," explains Robert Weigand.

participants that completing the MBTI assessment would be purely for their own benefit and would help them better understand their work styles and those of their colleagues. It was important to communicate the ethics involved in providing the MBTI tool and to emphasize that, while recommended, participation was completely voluntary. In the end, 95% decided to take the assessment. This was the beginning of St. Luke's' journey toward becoming an MBTI organization. CPP Professional Services implemented a Leadership Forum for over 200 managers which included a type-flexing session as an introduction to the MBTI.

Interest in the MBTI instrument grew, especially after Rick Anderson called Bob Zimmel, Senior Vice President of HR, to ask when he and his executive team could take the assessment. Once again, CPP Professional Services was on hand to provide the executive team with team building and executive training sessions. Knowing that the CEO saw the merit in and value of the leadership development program reassured the other managers. "Once Rick Anderson was on board with the MBTI tool, we had no problem convincing other managers of the assessment's benefits. He led by example, proving St. Luke's' commitment to better understanding and communication," explained Robert Weigand, Director of Management Training and Development at St. Luke's.

At St. Luke's, the MBTI tool was used to help achieve the strategic objectives of leadership development and team building and to promote a better environment for

staff and patients. It provided a foundation upon which to build the entire leadership initiative. At its core, the MBTI assessment is about communication and understanding. It explains how the individual prefers to see the world and interact with it. An added benefit of this self-knowledge is the curiosity it sparks about people of other types. We are all individuals, each with a unique way of working and thinking. St. Luke's found the MBTI instrument to be a flexible tool that encouraged PCRAFT values and helped make day-to-day operations and communication more effective and productive.

As more managers became familiar with the MBTI assessment, they began using it in their daily interactions with each other. Zimmel noted, "Now I have a way to discuss issues with a colleague without either of us becoming defensive. Type gives us a language we can use to better understand each other's point of view. If I have something important to get across, knowing my colleague's type, I can adjust my argument or communication style to fit the audience. It's great for efficiency."

Soon, MBTI use was filtering to other levels of the organization. The first department to use the MBTI instrument was the Women's Health Center. Director Mary Crocus offered the assessment to her staff in 2002. The staff found the tool useful for team development and improving communication between doctors and nurses. The nature of hospital work—rotating staff, long hours, unpredictable and tense moments—adds pressure to their communication.

MBTI® TOOL MAKES AN IMPACT IN THE TRAUMA AND EMERGENCY DEPARTMENTS

Fast-paced, constantly changing, and with a high rate of mortal cases, Trauma has one of the highest reported stress levels of any department. Staffed with five male surgeons and 20 female nurses, it has been using the MBTI assessment since 2002. Sharing a small common workspace under highly stressful conditions, the staff uses the assessment as a way to deal with interpersonal issues. Understanding type gives the team the building blocks to create workable ground rules for using the common space and resolving conflict. The doctors who work in Trauma have benefited considerably from their exposure to type. "Due to the very stressful conditions under which they work, they tended to shut down emotionally, explains Kay Marsteller, R.N., Director of Emergency Services and Inpatient Access, "I know several doctors who found the MBTI tool useful in dealing with families. It helped them be empathetic and understanding, especially when they had to share bad news."

The MBTI assessment has also helped individuals in that department improve the way they deal with stress. "Learning our type helps us understand how we handle stress and why we have the reactions we do. Some of us clamp down, others go home and cry, others laugh off some horrible things, just by the nature of our personalities," says Marsteller. "The MBTI tool allows us all to learn what some of our coping methods are and gives us the opportunity to find ways we can deal with stress a little bit better."

In 2003, at the Allentown campus of St. Luke's, a new Emergency Department director arrived who had a markedly different work style from that of the current nurse manager. After taking the MBTI instrument and learning about type, the two were able to work better together. "Since that time I've seen those two individuals partner more effectively because they have a better understanding of their own, and each other's, personality type," explains Lisa Dutterer, Associate Vice President of Administration.

The nurses at the Women's Health Center keep a chart handy listing physicians by their type (provided voluntarily by each physician). When nurses begin their shift at the center, they check to see the type of each doctor with whom they will be working. Using type-flexing, they are able to adjust their working styles to suit those of the physicians working that day. Relying on their knowledge of type, they can even give doctors tips on communicating with patients.

RESULTS

For St. Luke's, becoming an MBTI organization is an ongoing process, a constant striving for better communication resulting in better customer service. Yet, within the four years of experience St. Luke's has garnered with type, there is ample evidence that the MBTI instrument has had a positive impact on the organization and its Press Ganey scores.

Affecting The Bottom Line

Two very different departments used type to help during a reorganization process with substantial results:

The Biomedical Engineering Department needed to reduce overtime. Director Bill Moyer realized that making changes to the schedule could influence costs. After carefully reviewing the department's schedule, he decided to move a PM-shift technician to the second shift. Because of his use of type, Bill knew that he had to be sensitive to the reactions of his staff. Some of them didn't like change, and some would be less receptive to the new hours than

others. Using the lens of type as a guide, he called a meeting at which he reviewed the organization's goals with his staff, explained the new cost-saving initiative, asked for volunteers to work the second shift, and created a flexible schedule whereby technicians could switch with each other. This tactic achieved marked results, reducing overtime and resulting in an annual savings of \$81,000.

The Security Department had different concerns. Staffing schedules weren't well aligned with actual needs. Because more staff were needed in the evening than at night, Director of Security Alan Lynch wanted to shift resources in that direction. Using his knowledge of type enabled him to frame one-on-one discussions with his staff more effectively and achieve the buy-in he needed. As a result, he was able to shift his resources and effect a 2.6% reduction in full-time employees—without cutting any existing positions—and save \$68,000 annually.

Affecting Customer Satisfaction

Perhaps the most dramatic results were realized in the Emergency Medicine department. Within the last year, new management with a keen understanding of and appreciation for type has made it a priority to increase the department's customer service level. Their work has resulted in unprecedented increases in their Press Ganey scores. [See Exhibit A]

Affecting Employee Satisfaction

Since St. Luke's set out to become an MBTI organization, it has been named one of the best places to work in Pennsylvania for three consecutive years (2003, 2004, and

CPP PROFESSIONAL SERVICES AND ST. LUKE'S — PARTNERS IN TRAINING & LEADERSHIP DEVELOPMENT

From the very beginning of their leadership development program, St. Luke's partnered with CPP's Professional Services Division to help implement their ambitious HR initiatives. Drawing on more than fifty years of expertise developing and publishing many of the world's leading assessments – including the Myers-Briggs Type Indicator assessment – CPP offers a variety of Professional Services to help their customers get the most value from their assessments and training programs. CPP Professional Services has been a key player in the success of the St. Luke's initiative to increase customer satisfaction and create a "best place to work." CPP Professional Services continues to work closely with St. Luke's.

"We have found a knowledgeable and reliable partner in CPP Professional Services. We benefited from their experience with, and expertise, in the MBTI assessment, as well as a whole suite of assessments. They were able to customize and execute several key aspects of our leadership development initiative. St. Luke's has been thrilled with the results and looks forward to continued collaboration with CPP Professional Services," says Bob Zimmer, Senior Vice President Human Resources, St. Luke's.

CPP Professional Services include:

- Training and Organizational Development Services
- Research Services
- Technology Services

2005) through a third-party survey given to employees. The results prove that employee satisfaction is high—great news for an industry notorious for high turnover, especially among nurses. Using the MBTI assessment encourages open-minded communication between employees, which, in turn, encourages healthy team dynamics, less friction, greater employee satisfaction, and smoother functioning.

ANALYSIS

Taking the MBTI instrument is only the first step in the St. Luke's leadership development program. Growing interest in the assessment organically, department by department, places emphasis on the process. The process nurtures a culture of open communication, where staff takes pride in being caring, respectful, flexible, responsible, and team orientated. At St. Luke's, the MBTI instrument serves as the platform of self-knowledge upon which PCRAFT values and good communication stand.

Complementing St. Luke's' use of the MBTI instrument as part of an integrated leadership development program is the organization's top-down implementation process, which has contributed to the program's success for a number of reasons: First, beginning implementation with key managers set the tone for the whole program. Leading by example, the managers proved to their staff that they believed in this new way of thinking. Second, it allowed HR to use a "kid-glove" application of the assessment, taking the

time to nurture understanding of MBTI theory by training one small group at a time. This ensured that staff members were fully on board and understood both their results and applications of type on the job. Third, starting from the top meant St. Luke's was able to achieve maximum return on minimum investment. Waiting for individual managers to request the MBTI tool for their departments and to decide when and to whom it should be administered resulted in a judicious application of the MBTI instrument, thereby eliminating unnecessary testing and cutting costs.

Although still an ongoing process, St. Luke's' use of the MBTI instrument has already added value to the organization by giving managers the communication tools to sell cost-cutting initiatives to their staff. MBTI use has also had a positive effect on Press Ganey scores, which has led to increased referrals and more repeat customers. Companies in volatile industries such as healthcare face changing circumstances daily. Finding a way to move forward and grow while facing tough challenges can be difficult. One thing any company can do to improve its outlook is use its staff efficiently. Utilizing the MBTI assessment can help organizations do just that.

Above all, the MBTI instrument has been essential to improving employee satisfaction, which increases retention and enhances teamwork. It has helped St. Luke's put its principles into practice: "It's about the People."

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Exhibit A: St. Luke's Emergency Department Press Ganey Scores Report				
Item	Mean score for the period 1/1/05-3/31/05	Mean score for the period 4/1/05-6/30/05	Mean score for the period 7/1/05-9/30/05	Change
Nurses took time to listen	80.3	83.3	88.1	+7.8
Nurses' attention to your needs	78.8	82.0	86.5	+7.7
Doctor informative re treatment	78.3	79.8	84.8	+6.5
Doctor's concern for comfort	80.6	80.5	85.1	+4.5
Courtesy of person who took blood	82.1	84.8	88.0	+5.9
Courtesy shown family/friends	83.3	85.8	88.4	+5.1
Staff cared about you as a person	76.1	78.7	83.3	+7.2
How well pain was controlled	71.2	73.9	80.2	+9.0