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Meet the Presenter…

On the topic:
Maintaining an Effective Workplace: Hiring and Developing Talent

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Introduction

• Without good, qualified employees, you cannot serve your patients, families, and the community.
• Hiring the right people and engaging and retaining your employees will result in higher morale, lower employee turnover, and a much stronger bottom line.
• The health care industry will be the fastest-growing segment of the economy over the next ten years and will count for at least three out of every 10 new jobs created.
• In healthcare, the ability to quickly screen, hire, and onboard medical personnel can have a direct affect on patients’ well-being.
• Therefore, recruitment and retention in the health care industry **MUST** remain a top priority!
• The number of Americans nearing retirement will increase by more than **30%**, while the population of young adults entering the workforce will rise by less than **3%**.

**Overview**

• Costs of a Bad Hire
• Top 5 Reasons New Hires Fail
• Attracting the Right Employees
• Onboarding New Employees
• Retaining Employees
• Employee Engagement
• Creating a “Talent Plan”
Costs of a Bad Hire

• Chief Financial Officers (CFOs) surveyed said that, on average, supervisors spend 17% of their time – nearly one day per week – managing poorly performing employees.
• 39% of hiring managers and HR professionals surveyed said a poor hire had cost them productivity;
• 11% said the hire had resulted in fewer sales.
• 95% of financial executives surveyed said making a bad hire at least somewhat affects the morale of the team.

• 35% said a poor hire greatly affects team morale.
• 60% of hiring managers and HR professionals surveyed said bad hires don’t get along with other employees.
• 41% of hiring managers and HR professionals surveyed who have made a bad hire estimate the costs in thousands of dollars.

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• The U.S. Department of Labor estimates that the average cost of a bad hiring decision can equal 30% of the individual’s first-year potential earnings.

• According to executives surveyed at Robert Half, it takes five weeks, on average, to fill a staff-level position and 7.5 weeks to fill a management-level position.

• According to a new study by Leadership IQ, a global leadership training and research company, 46% of newly-hired employees will fail within 18 months, while only 19% will achieve unequivocal success.

• But contrary to popular belief, technical skills are not the primary reason why new hires fail; instead, poor interpersonal skills dominate the list, flaws which many of their managers admit were overlooked during the interview process.
• The three-year study, by Leadership IQ, compiled these results after studying 5,247 hiring managers from 312 public, private, business and healthcare organizations.

• Collectively these managers hired more than 20,000 employees during the study period.

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• While the failure rate for new hires is distressing, it should not be surprising:

• 82% of managers reported that in hindsight, their interview process with these employees elicited subtle clues that they would be headed for trouble.

• But during the interviews, managers were too focused on other issues, too pressed for time, or lacked confidence in their interviewing abilities to heed the warning signs.

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Upon completing the 5,247 interviews, Leadership IQ compiled, categorized and distilled the top five reasons why new hires failed (i.e., were terminated, left under pressure, received disciplinary action or significantly negative performance reviews). The following are the top areas of failure, matched with the percentage of respondents.

Top 5 Reasons New Hires Fail

- **Technical Competence** (11%): Functional or technical skills required to do the job.
- **Temperament** (15%): Attitude and personality suited to the particular job and work environment.
- **Motivation** (17%): Sufficient drive to achieve one as full potential and excel in the job.
- **Emotional Intelligence** (23%): The ability to understand and manage one's own emotions, and accurately assess others' emotions.
- **Coachability** (26%): The ability to accept and implement feedback from bosses, colleagues, customers and others.
Attracting the Right Employees

Everything begins with hiring the right employees. In his book Good to Great: Why Some Companies Make the Leap... and Others Don’t, Jim Collins says that the best companies "get the right people on the bus, the right people in the right seats, and the wrong people off the bus."

Collins says:

- Great companies have a corporate culture that finds and promotes disciplined people to think and act in a disciplined manner.
- If you have the wrong people, it doesn’t matter whether you discover the right direction; you still won’t have a great company.
- Great vision without great people is irrelevant.
Potential health care employees have more choices of where to work.

Globalization makes skilled workers prime recruiting targets of health care organizations around the world, and the Internet makes it simple for health care employees to find and compare job opportunities.

Finding prospective employees is the first step.

Finding the right employees from among the prospects is the second.

And then quickly getting the right employees geared up, motivated, productive, and confident in their new responsibilities is the third.

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**Talent Management**

- Attracting employees—sourcing, hiring and new employees.
- Onboarding new employees – training, educating and getting new employees comfortable
- Retaining existing employees—managing, engaging and developing employees.
- Transitioning employees—expanding responsibilities of, transferring and knowing when to let go of employees.
Interview Process

The job interview is as much about determining whether a job candidate wants you as it is you to determine if you want him or her.

“Back in the day,” managers truly had the power in the hiring relationship.

But, in today’s intellectual workplace, the job interview is as much for the candidate to hear what is true about the job and use that information to determine whether the job fits his abilities, skills, experience, plans for growth, development and future plans.

Goal of the Interview

- To create an environment that provides enough of the right information to determine whether to hire.
- Candidates can determine whether the potential employer and role are the right fit.

OR – Why should I work for you?
• Why would great people be interested in this job – what does it do and how does it add value and make a difference in the organization?
• How will this job use the employee’s unique and best abilities, and how will it help the employee develop and grow?
• What workplace culture will this employee work in and how is it different and better than others?
• What do others who work here love about their job and working for us?

Telephone Interviews

• Keep it brief and clearly expressed
• Be prepared
• Ask more open-ended questions
• Take notes during call
• End on a friendly note
• Follow-up
Formal Interview

• Ask open-ended question that cannot be answered with a simple “yes” or “no” response.
• Be sure that a question asked of one applicant is asked of all.
• Also, ask yourself if the question you are about to ask really pertains directly to the position.
• Never ask about their personal life or history.
• Take notes. Notes serve two purposes.
• Closing the interview

Panel Interviews

• Can be a more time-efficient process for the employer.
• Each panel member will take turns asking questions relevant to their interests, then rate each member.
• Effective way to determine how well the candidate handles stress and how they interact with a diverse range of individuals.
• This type is more likely to be used in larger organizations where the position reports to a number of different people or multiple supervisors.
Peer Interview

Pros:
• Transfer of knowledge
• Guard is down
• Morale is up
• Happy together

Cons:
• Two-way street
  – Be sure that your employees are genuinely positive, happy, and enthusiastic about the company.
• Personal agenda
  – Employees should have great people skills, be articulate, and understand what the company is looking for in its next hire.
An Interview, Not an Interrogation

Keep the peer interviews to one or two people per visit.

The morale is up, but productivity is down. How can peer interviews increase productivity when they take away so much of work’s time?

• Have a list of questions for employees to ask, and a brief form (of recommendations) for employees to fill out afterward. Set a time limit of 30 minutes on the entire process.

Sample Interview Questions

• Tell me about yourself.
• Why are you looking for another job (or why did you leave your previous job)?
• What do you know about this organization?
• Why do you want this job?
• What would your previous co-workers say about you?
• How do you handle stressful situations and working under pressure?
• What sort of person do you not like to work with?
• What is your greatest strength?
• What is your biggest weakness?
• What has been your biggest professional disappointment/achievement so far?
• What kind of decisions do you find most difficult to make?
• Tell me about a suggestion that you have made that has been successfully implemented.
• Have you ever had to bend the rules in order to achieve a goal?
• Why should we hire you?
• Do you have any questions for us?

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Onboarding Suggestions

• Appoint a mentor, in addition to the supervisor, who can welcome and orient the new staff member to the organization. Make sure the mentor has specific tasks to cover the first day, week, and following three months.
• Send a card or letter welcoming him/her to the agency. Include needed paperwork, employee handbook, benefits, etc.
• Send an agenda, along with the offer letter, letting the employee know what to expect on the first day.
• Order business cards (if applicable)
• Have any ID and security cards ready.
• Send a welcome e-mail, along with a new hire FAQ and/or the necessary forms to be filled out.
• Make sure the employee’s work area is ready.
• Make a new hire announcement and on the first day, introduce the new staff to co-workers.
• Create lunch plans for your new hire’s first days, helping her/him feel at ease.
• Don’t leave new hires to figure out the organization’s culture and unwritten rules on their own.
• With the right people on board, the battle shifts to retention.

Retaining Employees

• The annual turnover rate among health care employees is startling. Some turnover is unavoidable: people get married, move away, go back to school or retire.
• Other types of turnover are preventable.
• According to the Human Resource Management Association, 20.4% of health care employees (one in five) quit their jobs every year.
• The number easily exceeds the 12 – 15% turnover rate experienced in most other industries.
• It costs over $50,000 to recruit and train a new nurse. To replace an experienced Critical Care nurse can cost as much $120,000. In today’s tumultuous economical environment, your health care organization can not afford a revolving talent door.

• Staff turnover can be minimized when there is a high level of job satisfaction among staff. Managers are key in retaining their health care professionals, as management practices can greatly influence turnover intention.

• Supervisors must pay attention to staff needs and help create a positive working environment.

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**What Is Employee Engagement?**

• Engagement has been defined as a “persistent state of work fulfillment.”

• Engagement is the emotional commitment that an employee has to the organization and its goals, resulting in the willingness to put in discretionary effort…voluntarily.
• This fulfillment translates into enthusiasm and passion, higher than average levels of concentration, focus, and energy.
• There is evidence that employee engagement correlates to individual, group, and organizational performance in the areas of productivity, retention, turnover, patient care, and loyalty.

How Important is Employee Engagement?

How important is employee engagement to the success of today's enterprise?
• Organizations with top scores in employee motivation are about 60 percent more likely to be in the top quartile for overall business health.
• Companies with sustained employee engagement have demonstrated operating margins three times higher than those of companies with the lowest levels of engagement.
• Employee engagement and retention are directly related to the social fabric of business.
Employee engagement is important and feasible at all levels of an organization and across all employee groups, from frontline to the back office. There are two universal dynamics that contribute to an engaged employee:

- **The innate personality of the employee** — is the person naturally inclined to excel with an ability to enjoy work and a healthy thirst to make an indelible and sustained impact?

- **A work environment that fosters satisfaction and engagement** — is the employer creating a positive and fair work environment that rewards the employee’s innate inclination to excel? This is where today’s state-of-the-art HCM technologies are helping organizations around the world turn their employee engagement initiatives from theory into reality.

**Engagement in Today’s Multigenerational Workforce**

The follow slides provide an overview of engagement strategies for the five generations working side-by-side today.
Silent Generation (Traditionalists)

• Born before 1945
• 10% of workforce
• “Company loyalty”

How to Engage
• Create mentorship opportunities
• Leverage relationships

Baby Boomer

• Born 1946 – 1964
• 44% of workforce
• “Live to work”

How to Engage
• Help with work life balance so they stay in workforce as long as possible
• Be smart with succession planning – their retirement will cause a huge “brain drain”
Gen X

- Born 1965 – 1980
- 34% of workforce
- “Work to live”

**How to engage**
- Foster leadership – these are the best-educated employees in history
- Compensate
- Provide clear career path
- Coach and guide

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Millennials (Gen Y)

- 12% of workforce, increasing rapidly
- “Work my way”

**How to Engage**
- Empower to figure out things on their own
- Do not micro-manage
- Self-service is mandatory
- Demonstrate that you’re as comfortable with technology as they are

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Gen Z (Gen 2020)

• Born approx. 1995 and later
• “Make a difference”

How to Engage

• Communicate with images
• Put in collaborative teams to build collective conscious
• Provide a vision since they are future-focused
• Managers need to have intellectual humility

How to Build and Maintain Employee Engagement

• Review staff performance regularly. Have one-on-one meetings
• Encourage continuing education
• Empower your staff. Give your staff a voice.
• Promote a positive mental attitude
• Recognize achievement
• Show your staff that you care
• Catch your staff doing things right. Don’t skimp on gratitude or praise.
• Designate project heads.
• Involve your employees in decision making.
• Celebrate successes and inspire pride.

“Employees become engaged when they see a connection between their work and the organization’s success.”
Effectively Communicate Constructive Criticism

(6) Steps to Improve Employee Engagement

1. Recognize employees for what they do well. Express appreciation when employees meet or exceed expectations and standards. Thank teams for their collaborative productivity.

2. Discuss areas in which employees need improvement with a supportive attitude and approach. Clarify your desire for your workers to succeed and to grow with the company.

3. Express understanding of the mechanics of employees tasks. Ask for feedback about what works and well and what needs attention, solutions, or improvement.

4. Use a coaching approach to constructive employee criticism. Provide an objective evaluation of employee performance. Suggest areas that need improvement. Ask employees for input about how they can improve their problem areas.

5. Make eye contact to convey impartiality and earnestness. Give employees your complete attention when communicating vital performance information.

6. Make your points once; repetition carries the risk of sounding like you are nagging. Ask an employee if he or she understands what you say. Express confidence in his or her ability to meet your needs. Invite employees to bring problems and solutions to your desk as they attempt to implement your instructions.
“What can I do to keep you?”

• Traditionally interviews are conducted when an employee starts or finishes a job.
• Beverly Kate, one of the world’s leading experts on career development, mentoring, and talent retention, suggests that “stay interviews” should be conducted monthly on a one-to-one basis with the employee in a neutral setting.
• “You are important to me, and I want to know what I can do to keep your talent on my team?” “My hands are tied on the issue of salary, so tell me what else I can do?”

Suggested Questions for “Stay Interviews”

• What about your job make you jump out of bed?
• What makes you hit the snooze button?
• If you were to win the lottery and resign, what would you miss the most?
• What would be the one thing, if it changed in your current role, would make you consider moving on?
• If you had a magic wand, what would be the one thing you would change about this department?
• If you had to go back to a position in your past and stay for an extended period of time, which one would it be and why?
Supervisors

Supervisors make or break retention.
Employees with managers who respect their work and ideas are 32% less likely to think about looking for a new job.
Between that, transparency, and the ability to communicate expectations, managers play significant roles in an employee’s likelihood to stay with or leave their company.

Colleagues

Colleagues have a lot of power.
Who you hire has a huge impact on retention. Employees with low levels of peer respect are 10% less likely to stay on board.
Adding fuel to the fire: employees who don’t receive peer recognition are 11% less likely to stay put.
Culture

Culture matters — a lot.
Think culture is fluffy? Think again.
Employees who give their workplace culture low marks are 15% more likely to think about a new job than their counterparts.
Thankfully, the report’s findings show that an effort toward sponsored company activities and team building can mitigate this trend.

Rest & Relaxation

• Don't forget about rest and relaxation: It won’t come as a surprise that employees who feel burned out think about quitting more often.
• Taking vacation days matter! Employees who are encouraged to take their paid time off are 13% more likely to stick around.
Growth

Your team wants to grow ... or they’ll leave.

- Employees are 10% more likely to stay with their organization if there are professional growth opportunities to be had. And it’s not just young employees, but all employees asking for this workplace feature.

How can we influence job satisfaction, morale, and productivity?

- Treat people with courtesy, politeness, and kindness.
- Maintain open communication and encourage staff to express their opinions and ideas.
- Listen to your staff and try to respond to their requests.
- Implement policies and procedures consistently and fairly.
- Include staff in meetings, discussions, trainings, and events.
- Make staff meetings a time to celebrate.
• Give employees their birthday off.
• Give staff some time off (hours, half day, full day) as an incentive for doing something special/extra.
• Spend time with employees. Involve employees in determining their career path goals and development plan. Provide opportunities for training and professional development.
• Coach employee skill development.
• Praise more than you criticize and encourage praise among coworkers.
• Foster teamwork. When employees work toward a common goal, performance improves.

• Lead by example. Lead from Mission and Vision.
• Delegate. Employees want job autonomy.
• Help establish understandable expectations and goals for each staff member. Communicate them in a clear, concise manner.
• Manage gossip. Otherwise, interpersonal relationships can be damaged, thus “disrupting employee motivation and morale.”
• Create a culture of accountability. At meetings have an agenda, start and end on time, and follow-up.
• Create a motivating workplace. Integrate values such as integrity, empowerment, perseverance, equality, discipline, and accountability into the organization.
• Think positively! There’s a lot of power in optimistic thinking.
• Let staff know they matter and make a difference.
• Utilize your staff’s talent and skills. Avoid burnout. Give workers added responsibilities, new challenges, and advancement opportunities.
• Say thank you. Give them a card of thanks in your own handwriting.
• Respect the work/life balance.
• Laugh. Have some fun. Laughter contributes to positive morale, a major factor in retaining valued employees.
• Implement their ideas.

• Involve them in committees to be a “leader” in something they are interested in and knowledgeable.
• Get to know your employees. Ask them (safe) personal questions about their family life, hobbies, and interests.
• REFLECT: What am I doing to take care of and give my staff these things?
What Would You Do?

An average performing employee comes to you with evidence that he is underpaid by 5 percent. Your company's budgets are already tight. He makes $50,000 a year. Should you:

A. Offer a 1-2 percent raise;
B. Offer nothing. In this economy he's lucky to have a job;
C. Offer a 5 percent raise;
D. Give him $50 gift card to the local mall.

Cost of Replacing Employees

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<tr>
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<th>Study Summary</th>
<th>Job Category as Described by Study</th>
<th>Cost Cited in Study</th>
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<tbody>
<tr>
<td>Frank Kelly and others, “The Shocking Cost of Turnover in Health Care,&quot; Health Care Management Review 29(1)(2004):2-7.</td>
<td>The authors review the turnover costs incurred by hiring, training, and productivity loss of employees at a large medical center in mid-2000. They use and improve upon previous empirical work done in quantifying turnover costs.</td>
<td>Physicians</td>
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<td>Administrative assistants or managers</td>
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<td>Rober C. Atchley and Jane Karnes Straker, &quot;Recruiting and Retaining Frontline Workers in Long-Term Care: Usual Organizational Practices in Ohio&quot; (Oxford, Ohio: Miami University, 1999).</td>
<td>The authors conducted interviews with administrators at 100 Ohio home health agencies and 112 nursing homes in 1999. Seventeen percent of those interviewed had calculated the cost of turnover in their organization based upon the cost or savings of an employee leaving and the costs of a new hire.</td>
<td>Nursing home workers</td>
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<td>Home health agency workers</td>
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### Hiring and Keeping the Best Health Care Professionals

- Create a talent plan to reenergize and refocus your management team.
- Must attract and retain qualified clinical professionals to ensure quality care.
- Must source and develop talent carefully.
- Keep employees engaged and committed, while removing underperformers.
- Ensure that every manager in the health care organization understands the rules of engagement and embraces a leadership role in talent management.
Questions?

• Thank you for your attendance!

• Get your questions answered on PMI’s Discussion Forum: http://www.pmimd.com/pmiForums/rules.asp