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Position Paper

Health Care Reform: The Key to Success is in the Workforce

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The purpose of this position paper is to describe the critical role that workforce management practices and technologies will play in successfully navigating health care organizations through the transition from a volume-driven to a value-driven health care delivery model. The greatest asset health care has is its workforce. Through appropriate allocation, engagement and continual innovation using sophisticated workforce management technologies, the workforce must be developed to become a key success factor in a viable health system based on quality outcomes.

Why a value-driven model?

In Canada as in many other countries around the world, health care spending has grown at a faster pace than its GDP.[1] Yet, the quality of care does not keep pace: Canada is one of the largest spenders on health care, but ranks poorly among other wealthy nations with respect to the patient experience. The 2014 Commonwealth Fund report[2] that ranks health care systems of eleven industrialized countries, rates Canada 10th overall, followed by the United States in 11th place.

The implications of a value-based system

A value-based system turns everything upside down and changes the incentives to focus on value or the quality of care delivered. As the days of a volume-driven health care delivery model are giving way to a value-driven model, the way organizations will manage the processes and the people, as well as the tools needed and how they are used in this new world are also changing. The question being asked by most health care leaders today is "what will be most critical to successfully making this transformative journey?" And the answer is in managing the most critical asset in health care organizations today, the workforce, and developing that asset into a lever for efficient and effective care delivery.

The highly skilled health care workforce is the very essence of health care. Brick and mortar alone does not a health care organization make. The diverse professional, non-professional, clinical, and non-clinical members of the workforce are an extraordinarily valuable asset without which organizations will not survive. The revolution occurring in health care delivery today will impact the workforce in myriad ways. It will redefine what the work is, how it should be done, who should do it, when and where it should take place. And it will take extraordinary workforce leaders to navigate in this new world.

Leadership styles will matter. They have developed over the past century from Taylorism's (Frederick Taylor, the father of Scientific Management and Taylorism) scientific management often described as "command and control" through the human relations/behavioral, trait and style models of the mid-20th century; to the more recent systems' thinking of Senge and Peters in the 1980's and 90's.[3] Today the talk is all about embracing chaos theories and complexity science as guides to successful workforce leadership. Through these lenses, organizations are seen as complex adaptive systems that require nonlinear, dynamic, surprise-tolerant and relationship-based leadership. And leaders in this new age in health care delivery need new, different and more adaptive tools with which to lead the workforce on this transformative journey.

Yesterday's tools are no longer enough to support the demands of leading health care organizations through the revolution that health care reform has created. Donald Berwick, former administrator of the Centers for Medicare and Medicaid (CMS), saw this almost a decade ago when he wrote "…we can leapfrog Taylorism—keeping only the

[1] Sandra Milicic, Gillian Mulvale, Stephen Petersen, *Accelerating Healthcare Improvement in Canada: A Review of Policy Options to Sustain, Improve and Transform Healthcar* (Canadian Foundation for Healthcare Improvement 2013)

[2] Karen Davis, Kristof Stremikis, David Squires, and Cathy Schoen, *MIRROR, MIRROR ON THE WALL: How the Performance of the U.S. Health Care System Compares Internationally*, (Commonwealth Fund, June 2014)

[3] D.M. Crowell, *Complexity Leadership*, Philadelphia, PA, F.A. Davis Company, 2011.

manuals we really need—and invest in a workforce of imaginative, inspired, capable, and (dare I say it) joyous people, invited to use their minds and their wills to cooperate in reinventing the system itself[4]."

The role of the workforce, and the tools needed for its transformation

The workforce must actively be engaged in managing through the chaos and complexity.

Among the new tools that are needed are those that are focused on coordinating the workforce. This includes workforce management technology to support the hiring process to ensure the most qualified people available are brought onto the team. Workforce management technology that supports scheduling and staffing that is accurate based on a plan, appropriate based on patient needs and provides for a reasonable work/life balance for the worker. Workforce management technology that provides depth and breadth of labour related analytic data to provide insight into labour allocation and costs, as well as the impact of labor characteristics on patient outcomes. The organization's most valuable asset, the workforce, requires the most cutting edge workforce management tools.

Consider the burdensome task and hours it takes managers to manually schedule staff to cover 24x7x365 days per year. Creating such a schedule requires simultaneously: balancing skills; ensuring compliance with contractual obligations; providing for adequate breaks between shifts; adjusting for school or family obligation restraints; and, accounting for safety by being error free, to name only a few scheduling challenges. Workforce scheduling technology can give a manager back hours in time-saved, and improve accuracy, contractual and regulatory compliance, and provide for a safe environment for both staff and patients.

In addition, self-scheduling functionality with technology, using some basic guidelines to ensure safety and contractual compliance, gives the workforce some control and supports work/life balance. The concept of self-organization is a principle of chaos theory and complexity science in leadership. In the Institute of Medicine's (IOM) report "Crossing the Quality Chasm: A New Health System for the 21st Century," Paul Plsek writes that the conditions for self-organization can be created through the setting of simple rules. There are three types of simple rules: general direction-pointing, prohibitions, and resource or permission providing[5]. Consider what might be different if rules were developed and access to self-scheduling technology was provided. Would absenteeism decrease workers' self-scheduling and lead to work/life balance? Would productivity improve if workers self-scheduled into effective teams? Would staff retention be positively impacted? Kelley Kilpatrick says that self-scheduling is a strategy for retention among new, mid-career and senior nurses[6]. What about the impact on patients? Patient satisfaction has become a critical success factor in health care reform and Elizabeth Russell has reported a correlation between nurse self-scheduling and improvements in patient satisfaction[7]. How can all this be ignored?

THE WORKFORCE MUST ACTIVELY BE ENGAGED IN MANAGING THROUGH THE CHAOS AND COMPLEXITY.

Beyond scheduling: the right care provider, with the right patient, at the right time

Workforce management in health care isn't just about scheduling. The schedule is an important, longer-term four to six week plan, but the shorter-term staffing of a shift presents yet another set of challenges that must be addressed. With a rapidly-fluctuating workload demand in the acute care setting and many staffing regulatory requirements

[4] Patient Protection and Affordable Care Act, Pub. L. No. 111-148, §2702, 124 Stat. 119, 318-319, 2010. D.M. Berwick, "Improvement, trust, and the healthcare workforce", *Quality & Safety in Healthcare*, 12:448-452, 2003.

[5] P. Plsek, "Redesigning health care with insights from the science of complex adaptive systems", *In Crossing the Quality Chasm: A New Health System for the 21st Century* (pages 309-322). Committee on Quality Health Care in America, Institute of Medicine, retrieved from: http://www.nap.edu/catalog/10027.html, 2001.

[6] K. Kilpatrick, M. Lavoie-Tremblay, "Shiftwork: what healthcare managers need to know", *Healthcare Manager*, 25(2): 160-166, 2012.

[7] E. Russell, J. Hawkins, K. Arnold, "Guideline for successful self-scheduling on nursing units", *Journal of Nursing Administration*, 42(9):408-409. doi: 10.1097/NNA.0b013e3182664dd8, 2012.

in both the acute and long-term care environment as well, the unplanned absence of staff creates a very dynamic milieu. The most well-planned schedule may not provide the required supply of labour needed by the ever-changing workload demand, be it related to "census" (changes in the volume of patients), or in the level of "acuity" (type and degree of care they require).

The need to adjust quickly and accurately and apply the right resource at the right cost is the activity known as "staffing." At minimum it occurs prior to every shift, and in some very dynamic situations, it is a continual process of adjustment. Workforce management technology is an essential tool in reducing critical staffing errors that result in unsafe understaffing and excessively costly overstaffing conditions. With the right staffing tool, there is real-time information enabling the staffer to manage in the moment and make the right, best decision. And mobile technology supports the staffing process by providing quick and easy access to available personnel to fill unanticipated gaps in needed personnel.

Once the right team is assembled to deliver care, the distribution of workload is the next staffing challenge. Just as each patient presents unique care requirements, each member of the care delivery team has unique skills and competencies. Matching the patient with the right caregiver and ensuring an overall equitable distribution of work is a matter of patient and staff safety and satisfaction, as well as a potential predictor of quality outcomes. Christine Duffield reported on research that correlated excessive nursing workloads with negative patient outcomes, including those related to medication error and falls[8]. Clearly, the importance of the staff assignment to patients is another critical factor in workforce management.

Optimizing the impact of the workforce on quality health care delivery

Even when everything goes according to plan, the opportunity to continually improve and innovate should not stop. Technology again plays a critical role in exposing details of workforce management decisions and the impact on efficiency and costs. With sophisticated labor analytics data, organizations can better understand trends in workload demand, identify optimal skill mixes, evaluate appropriate full-time/part-time status percentages, conduct root cause analysis on identified problems, and discover new ways of optimizing the impact of the workforce on quality health care delivery.

Through labour analytics organizations are now able to engage in comparative analytics by benchmarking both internally and externally. In large multi-facility organizations, labor analytics enables productivity/ performance comparison across like-units or entities. This internal benchmarking leads to identification of best practices for continued improvement. In addition, there is great value in external benchmarking[9]. As health care delivery evolves the course is being charted in unknown waters. The ability to "check-in" with the rest of the market and adjust course based on the experiences of others is invaluable.

The changes being brought by health care reform have expanded the value of labour analytic data. Where once the focus was solely on measuring efficiency with hour-per-unit of service metrics, such as an inpatient nursing unit efficiency measure of "hours per patient day" (HPPD), today we see the introduction of quality of care data to the analysis of performance. This comes as the quality of care is now an essential part of the equation. Having the lowest HPPD without a laser focus to the level of quality was once the practice. However, in the new value-driven system the goal is the lowest HPPD with the best patient outcomes.

[8] C. Duffield, D. Diers, L. O'Brien-Pallas, C. Aisbett, M. Roche, M. King, K. Aisbett, "Nursing staffing, nursing workload, the work environment and patient outcomes", *Applied Nursing Research*, 24(4):244-255, 2011.

[9] M. Sanderson, "Maximize performance with BI and big data", *Health Management Technology*, 34(1):18, 2013.

It is for this reason that data on what are known in the industry as "nursing sensitive indicators" is now being aligned with the labor performance data. The nursing sensitive indicators are measurable components of nursing care that reflect quality. They include measuring things like frequency of patient falls or the development of pressure ulcers; both if present may indicate a lesser quality of care than desirable. By evaluating these measures in light of staffing levels, skill mixes, and experience levels of staff, new insights into the impact of the workforce on quality care have been generated and more will be identified as the data becomes increasingly robust[10].

The health care workforce is the very essence of health care. They are the industry's single most valuable asset. As such, much attention is required to ensure that this vital asset is nurtured, supported, appropriately allocated, and organized in a fashion that maximizes the opportunity of both the individual and the team as a whole to add value. In doing this the workforce becomes a tremendous asset.

In an industry where one care-provider organization looks and operates very much like the next, not only survival but the ability to thrive and grow can be a daunting challenge. It has been said before that the essence of health care is in its people; then it follows that the key to success lies in developing the workforce into a key factor in increased value to patients—the only true measure of improvement.

Today's sophisticated workforce management practices and supporting technologies are critical to developing the workforce of tomorrow. A workforce whose planned allocation in the provision of patient care is aided by technology that accounts for the skills, talents, competencies and individual preferences of the individual. A workforce enabled to engage in the self-organizing behavior inherent in an age of chaos and complexity in organizational management. A workforce that when given access to analytic performance data is enabled to evaluate and innovate, thereby improving and adding increased value to the organization and its patients. This is the workforce that needs to begin being developed today, so that it can will serve their organizations as an effective lever for effective, quality care delivery tomorrow, in an environment where only value matters.

About the Author

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[10] AHRQ, "Hospital nurse staffing and quality care", retrieved from http://www.ahrq.gov/research/findings/ factsheets/services/nursestaffing/index.html, 2013.

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