

Three Datasets Should Drive Governing Boards

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Throughout my 30-year career in healthcare administration, I've had the privilege to serve under the direction of a diverse complement of boards—from rural, critical access hospitals to a fully integrated academic health system. Each board for which I've served has provided tremendous learning and growth opportunities for me and my management teams.

Across the healthcare industry, each board is unique in how they determine priorities upon which to focus. Some focus on financial performance, while others may focus on clinical quality. In my experience, I've come to believe the highest-performing boards pay equal attention to both financial performance and quality outcomes.

The most effective boards track a broader set of data than just operating margins, days cash on hand, and return on investment. Rather, they track clinical outcome measures and three datasets that are leading indicators of quality—employee, provider, and customer satisfaction. This article takes a look at each of these datasets and why they are important for boards to track.

1. Employee Satisfaction Data

One of the most important datasets for boards to pay close attention to is employee satisfaction data. In healthcare, employee satisfaction drives every aspect of organizational success, which is why I feel so strongly that board members should be paying more attention to this data. Employees who feel valued, know their opinions matter, and are recognized for their contributions are more likely to go the extra mile for patients and families, as well as medical staff members. That all translates into better outcomes and experiences for everyone on the healthcare team.

Put another way, boards that do not pay attention to employee satisfaction data risk employee alienation in the workplace that can negatively impact quality. Tracking employee satisfaction is a critical upstream step to ensuring quality outcomes for your patients.

Board members should expect to receive, at least annually, quantifiable employee satisfaction/engagement results with associated action plans for improvement. There are many effective survey tools on

the market from which to choose—just be sure the tool/vendor your organization works with can provide comparative data so you can see how your organization compares to others.

In my experience, high-performing organizations also ensure data is collected at the individual manager level. The relationship between manager and employee is key to satisfaction. You will find that the number one impact on employee satisfaction is the relationship with the individual's supervisor. For this reason alone, the employee satisfaction monitoring and action planning process is critical.

When reviewing employee satisfaction data, a few key questions to ask include:

- What are the satisfaction trends of the organization overall and of major divisions/units?
- How do we stack up within our industry nationally?
- How do we compare to our local/regional competitors?
- Where are our greatest opportunities for improvement?
- What action plans is the management team putting in place in response to the feedback?
- What process is in place for lower-performing managers to learn from higher-performing managers?

2. Physician and Advance Practice Provider Satisfaction

A second dataset to pay close attention to is physician and advance practice provider satisfaction. While employee satisfaction surveys assess how well managers are meeting the needs of employees, satisfaction surveys for physicians and other providers assess how well all hospital employees—managers and frontline staff—are meeting the needs of this critical group. Physicians and other providers rely on hospital employees to have effective and efficient processes in place for them to practice and to create a positive environment for employees to work, providers



to practice medicine, and patients to receive care.

While the same survey tool may be able to be used for both employees and physicians, it is important to analyze and act on physician and other provider satisfaction data separately. The drivers of satisfaction for this critical group may vary greatly from employees, especially if you have a diverse medical staff comprised of employed, independent, and, when applicable, faculty providers. This special focus on physicians and providers gives an understanding of their unique needs and enables the development of separate action plans to drive improvement.

An effective board will also be keenly aware of physician and advanced practice provider satisfaction and related action plans for improvement. These data and plans also should be gathered no less than annually, and the action plans monitored regularly.

3. Customer/Patient Satisfaction

The third dataset to closely monitor is customer/patient satisfaction. Because healthcare is a service industry, customer/patient satisfaction is directly affected by how satisfied employees, physicians, and other providers are with your organization—these are the key drivers of customer satisfaction. Their alignment with organizational mission, vision, and goals and commitment to your organization will drive overall performance.

By measuring, monitoring, and systematically taking action to improve both employee and provider satisfaction, you are setting yourself up to be more successful when it

comes to customer satisfaction, as well as all other performance objectives you set.

The process by which each board and management team monitors and acts on these datasets varies, but there are a few best practices I've come to appreciate:

- **Annual retreats** where board members have time to “dig deep” into the data, ask critical questions of management, and drive higher performance expectations.
- **Balanced scorecards** showing current performance on all key datasets—quality, employee satisfaction, physician/provider satisfaction, customer satisfaction, and financial performance. Dashboards should be distributed at each board meeting to ensure current performance is always front and center.
- **Regular review of progress on action plans by the appropriate board committees** to ensure actions plans to

improve performance are being executed as planned.

- **Online, real-time access to performance data** to ensure transparency not only for board members but for the entire healthcare team.

The exact rhythm, processes, and tools will vary from organization to organization. What's important is making this a regular cycle and routine part of how your board operates.

If you are on a board that isn't reviewing employee satisfaction, provider satisfaction, or customer satisfaction data on at least an annual basis, you may be losing sight of what actually drives organizational performance and sustains the core purpose of your organization.

For non-profit hospitals, focusing solely on financial performance and not on the

people performance—employees, providers, and customers—puts our very mission and purpose at risk. As a service industry, it is equally, if not more, important that we monitor how well our organizations are serving our people as ensuring financial viability.

We make money to stay in business, but we are in business to serve our communities and that's why these datasets are so important for boards and management teams to pay attention to. They speak to the very health of our healthcare organizations. ●

The Governance Institute thanks Rulon F. Stacey, Ph.D., FACHE, President and CEO of Fairview Health Services in Minneapolis, for contributing this article. He can be reached at rstacey1@fairview.org.