

Case Study: Leading Organization Renewal

OPPORTUNITY SIEZED

In 1988, HCA Aiken Regional Medical Center had hit bottom. Then everything changed. CEO Mickey Smith provided this first person account of ARMCs turnaround.

“When I first came to Aiken, we had only a 30 percent market share. That’s a very low market share, since our competitors are 30 miles away. We had declining financial indicators, admissions and patient days. Attitude surveys told us the employees were unhappy. I looked beyond those indicators, and found good people, an excellent medical staff, and the opportunity to be the best hospital around.

“I’d seen Clay Sherman since I became a member of the American College of Healthcare Executives (ACHE). I always attended Clay’s sessions at the ACHE Congress and had implemented his ideas. But I was not in a position to use The Uncommon Leader before I came to Aiken. I knew this hospital needed a change process like Clay offered.

Results and Values-Driven Change

“The Uncommon Leader is results and values oriented. Clay teaches people the skills to be responsible for their areas, and to seize opportunity and run with it. The program encourages innovation throughout the organization. It removed hidden barriers and allowed to change how we operate—we avoided stalling our change effort. I chose the program because the development of my managers seemed the most effective way to achieve success and deliver quality patient care.

“Our results tell us making that investment was the right thing to do. We’ve seen progress in every key area: market share, productivity, turnover, removal of problem employees, recruitment, customer service, ideation, time management, and problem solving speed. We used to be worried about our competition; but now they’re worried about us.

Harnessing Human Energy

“Clay has allowed us to harness an

incredible amount of people power that was there all along. Before, we weren’t doing the right things to maximize their contributions to the organization. Now we are. The program gave us the opportunity to take advantage of people’s full potential.

“It’s amazing to me how much human energy and human resources go to waste in the hospital industry. We hire bright people, then we handcuff them. Our industry practices do not allow an environment that encourages people to participate.

“Participation is one thing, but I would not have undertaken The Uncommon Leader if I didn’t believe I could get a return from it, and I already have. The best return is that our patients are receiving better service as a result of the course.

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“The only way the program could have been better is if Clay could have physically presented for 12 hour days instead of 8! If Clay had the energy to go 12 or 14 hours, every single person would have stayed for however long he could have stood up and continued going!

Creative Solutions

“To sum it up, a year ago, most of our Associates thought the quick and dirty answer to solve most of the problems in operations was to hire more people and buy more equipment. We’ve reached the point where Associates are thinking through the whole problem; they have become more creative with their solutions. With those solutions, we’ll earn more and achieve our mission.”

Morale: The Most Important Weapon

Aiken Regional accomplished their turnaround by involving all associates (employees) in the hospital's continuous improvement effort. The result: sharp improvement in morale, and higher organization performance (see inset, opposite page). Selected comments from Aiken Regional's opinion survey—management's report card:

- Job Environment: "Outstanding evaluations are given Aiken Regional, for employees' sense of freedom to express disagreement within their departments and for their overall job morale."
- Job Significance: "Gains are most apparent in employees feeling they are encouraged at Aiken to develop better ways to do their jobs and in their sense of freedom to make decisions on their own."
- Perceptions of Administration: "Aiken Regional employees express very high levels of confidence in administrations's commitment to the hospital and to its employees.....You are now 14% above the previous upper end of the range [of all HCA facilities] and nearly three standard deviations above the norm. The Administrator, Director of Nursing, and Controller are all seen as more accessible than are persons in these roles at the typical facility."

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