The Future Has Arrived

Here are six Talent Management strategies healthcare organizations should adopt to navigate the rapid changes in the healthcare industry.

By Rachel Weeks

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Health care organizations are facing unprecedented challenges: rising costs, changing demographics, the retailization of primary care, new technologies and opposing service models, not to mention the additional 30-40 million patients entering the health care system over the next few years. These are just some of the things keeping health care leaders up at night. The more the health care industry evolves, the more it becomes clear that the health care workforce will look very different over the next decade than it does today. As a result, roles are changing and new job functions are emerging – both clinical and non-clinical.

According to the Pew Research Center, there are 79 million baby boomers, which account for 26 percent of the U.S. population. They are expected to live longer than any previous generation, with many of them needing continuing medical care for the rest of their lives. By 2020, there will be 10 million more people over the age of 65 than there are today. And that’s just five years from now. We all know these demographics are increasing health care costs, but not everyone has considered how dramatically this will impact employment. There are forecasted to be 3 million nursing jobs in senior care alone, compared to 2.4 million today. The biggest growth areas for employment in health care over the next five years will be homecare aids, geriatric nurses, physical therapists, and other highly specialized caregivers – and this reflects just one area of change.

The transition from a classic fee-for-service model to a new patient-centered, wellness model reflects another. In one, the provider gets more money for more tests, admissions and procedures; in the other, they get more money for keeping people out of the hospital. These models are in direct opposition with each other, and today hospitals have a very difficult task to ensure employees are prepared for this evolution. Within the next five to 10 years we will have a predominantly patient-centered model focused on preventative care and wellness. Therefore, this change in philosophy from a sickness to a wellness model will significantly impact the health care workforce by determining who gets hired and for what roles.

Health care leaders are also grappling with the retailization of health care, as more and more services (beyond the traditional strep throat culture or flu shot) are being provided at the walk-in care clinics of retail drugstore chains. Today, care clinics at retailers such as CVS and Walgreens are treating sprains, eczema, shingles, diagnosing ear infections, performing tuberculosis tests, diabetes monitoring – and the list goes on. Hospitals and health systems are already competing head-to-head with the local pharmacy and suburban urgent-care clinics for qualified clinical talent. And it’s likely that this trend is only going to increase in the years to come.

To adapt to the ever-changing health care industry driven by government mandates, regulation reform and constant innovation, hospital and health system leaders must take a step back and realize where change really begins: your people. Many health care leaders are taking a proactive approach to addressing these challenges and employing innovative talent management strategies and solutions to ensure they’re recruiting and retaining top health care talent.

Here are six talent management strategies that health care organizations should consider adopting in order to navigate the rapid changes in the health care industry.

1. **Recruit for new roles, now.**

   New roles and skills requirements are emerging in an environment of increased focus on patient satisfaction, population health, accountable care organizations (ACOs), the rapid growth of retail and urgent care facilities, and other systemic changes to our health care system. Health care organizations will need RNs who can effectively coordinate the provision of care post-hospitalization. They’ll need patient advocates who work with front-line staff to promote a positive patient experience and drive improved patient satisfaction scores on surveys such as the Hospital Consumer Assessment of Health care Providers and Systems (HCAHPS). Organizations will need community navigators with the clinical and communication skills to provide education through community outreach programs.

2. **Train existing employees for emerging roles.**

   Many critical skills that health care staffers need today are behavioral competencies such as teamwork, communication, leadership, flexibility and critical thinking. While organizations must hire people with these inherent behavioral competencies, they also need professional development programs in place to build out these skillsets within their existing workforce. Health care organizations that are able to successfully adapt to new delivery models are training staff on population health management, the importance of patient handoffs, discharges and follow-ups, and diagnostic and treatment approaches associated with Electronic Medical Records (EMRs).

3. **Optimize employee performance management processes.**

   New employee performance goals are emerging and the traditional performance appraisal process is evolving. We’re moving beyond focusing solely on appraisal completion rate or just on pillars, value-based purchasing (VBP), reducing hospital-acquired infections and preventing readmissions; individual and organizational performance goals should now be focused on key improvements such as cross-care coordination and handoffs, the effectiveness of patient communication, the timeliness of access to care and the reduction of inpatient utilization. Organizational goals also
should focus on the wellness and health of whole populations, from employees to members of the community. Individual performance goals should be aligned with and support these broader organizational goals in a clear and transparent manner.

4 **Streamline processes across all organizational entities.**

Given the number of mergers, acquisitions, partnerships and organizational changes in recent years, health care organizations must re-evaluate and standardize talent management processes across the complex health systems to ensure consistency and scalability. Most health care organizations are likely standardizing processes today for clinical protocols – why not for talent acquisition and employee development initiatives? While it’s important to respond to and respect local differences and regional diversity in recruiting and development, clear standards and efficient processes can have a major impact across a geographically dispersed health system.

5 **Strengthen employee engagement.**

Motivating your workforce may be the toughest and most important challenge health care leaders face. Research shows that only 40 percent of hospital employees are considered “engaged.” Yet employee engagement and commitment is one of the key drivers of patient experience and hospital performance. Health care leaders need to make employee engagement a top priority. They must proactively manage employee engagement by focusing on the known drivers of executive behavior, quality of care, alignment with mission, promotion opportunities, stress management, communication and feedback, and recognition. Positive change starts at the top.

6 **Invest in the leaders of tomorrow.**

Having the right people in place at the top is more important than you may think. A recent study showed that even just a 1 percent decrease in “leadership effectiveness” correlated with a 33 percent decrease in revenue per bed. Poor leadership decisions, no matter how minimal they may seem, actually have significant impact on the bottom line. It starts with the right leadership selection and continues through ongoing assessment and development. In fact, having the right model and programs in place for leadership selection and development is an absolute necessity and the biggest driver for organizational success.

So how does a health care organization implement these talent management strategies? It takes leadership to get employees engaged and encouraged to contribute to the adoption of new initiatives through clear and consistent communication. Executives who rely on their talent management teams alone will not see results without strong support from the top.

Achieving the trifecta of providing great patient experience, high-quality clinical care and managed costs is the ultimate goal. All the key players – the private payers, employers, insurance companies and the government – are all pushing in the same direction, and this is having a significant impact on the evolution of the health care workforce. If the focus is on managing the wellness of a defined population – also referred to as population health management – and it is, then demand for new skillsets that differ from those required in a fee-for-service model is not just on the horizon, it is here now.

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