In healthcare, both caregivers and administrators are busy around the clock, ensuring that patients get the best care possible.

However, taking the time to move to an automated performance management system offers many benefits including greater manager and employee engagement, improved compliance with accreditation requirements and ultimately better patient care.

Some healthcare organizations are apprehensive about implementing an automated performance management system. They worry that the journey into uncharted territory could be overwhelming. Fortunately, the implementation process doesn’t have to be this way. In this white paper, three healthcare organizations share strategies and advice on how to gain senior leadership buy-in, identify issues with the current process, select the right implementation team, the lessons learned along the way and more. The experiences of these healthcare organizations demonstrate that focusing on five best practices can make the transition to an automated performance management system easier for everyone involved. Their mantra is, “Don’t be scared, be prepared!”
1. Engage Senior Leaders and Win Support

Adopting a performance management system has many benefits for HR, but it’s an organization-wide initiative. As a result, gaining support from senior leaders is an essential first step. A project champion at the executive level will be helpful for clearing obstacles. At Trinity Health System, both the CFO and the Vice President of Human Resources acted as the champions for automating the performance management process. Kathie Pasquarella, Trinity Health’s Director of Education & Training, noted, “The CFO and VP of HR’s interest in an automated performance management system was motivated by higher level healthcare issues, such as the industry-wide push toward electronic medical records and better compliance with The Joint Commission’s requirements.”

To generate buy-in at the senior level, CoxHealth engaged executives in hands-on ways with the new performance management system. This initiative touched leaders from the CEO to the vice presidents. All executives were required to complete evaluations online and to interact with the performance management system.

Eric Maxwell, Director of Compensation/HRIS at CoxHealth, explained, “In addition to the CEO participating in training, the Vice President of HR also attended various executive meetings and demonstrated the system to others.”

Union Hospital, Inc. worked closely with a project champion. Joanne Davignon, System Manager, Human Resources & Staff Development said, “We could not have proceeded with implementing an automated performance management system without the Vice President of HR’s complete support. We met with her weekly as we began to build our evaluation template.”

2. Identify Problems and Bottlenecks in the Existing Manual Process

Manufacturing quality expert W. Edwards Deming said that 94 percent of problems can be traced to a process and only six percent to a person. This principle also applies to performance management. Most of the challenges that the HR team and frontline managers experience are related to problems with the manual process. When preparing to implement an automated performance management system, it’s a good idea to map out the manual process and identify where issues arise.

Key considerations should include:

- Identifying where effort is duplicated
- Determining when evaluations are passed off between managers and HR
- Isolating where the process breaks down

After finding problems with the manual approach, it’s easier to identify how an automated performance management system can improve the process. Trinity Health, for example, showed how the reports and alerts in an automated performance management system could address issues that frequently arose in the manual evaluation process, such as paper documents that were lost as they were routed and the labor-intensive spreadsheet tracking of due dates. Kathie Pasquarella also said, “We discussed with managers how much easier it would be to complete performance evaluations ‘anytime, anywhere’ using laptops. This is one way that we sold the system to the management team.”

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3. Select the Implementation Team Carefully

Once the organization decides to move forward with an automated performance management system, it’s time to find people who can be dedicated to the project implementation. Part of the selection process should focus on the team’s skills. Joanne Davignon commented, “We worked to identify people with some experience working with computer systems and managers who were willing to allocate a portion of their staff members’ time to the implementation project.”

CoxHealth formed two teams for their performance management system implementation: one focused on competencies and the other focused on job descriptions and the annual review process. The Competencies Team included staff from the Compliance Division in HR. It was important to include people from this group because they are familiar with the clinical environment and The Joint Commission. Their goal was to develop competencies that exceeded Joint Commission requirements. The Compensation Group was responsible for developing job descriptions and evaluations. Melissa Odom, HRIS Analyst at CoxHealth, said, “We had a dedicated data analyst focused on job descriptions and communicating with managers. This resource played a major role in the project’s success.”

Trinity Health created a cross-functional committee to design their new performance appraisal template. This group included the CFO, Vice President of HR, the Director of Education & Training, two members of the HR team, and a representative from Nursing Education. Trinity Health also assigned a point person to each of their two campuses during the performance management system implementation. These individuals acted as site administrators and served as a central point of contact for questions and issues.

4. Take an Incremental Approach

Performance management systems have rich functionality, but it can be overwhelming to try to use it all at once. Many organizations break the implementation into manageable pieces. Union Hospital, for example, automated its job descriptions first and then moved on to other parts of the system like the performance appraisal template, goals, and competencies.

Trinity Health prioritized which people it would include in the performance management system. Employees were handled first; later on, contract workers and volunteers were added. This proved to be helpful when The Joint Commission visited the organization and asked for both job descriptions and evaluations for volunteers.

Eric Maxwell and Melissa Odom at CoxHealth emphasized the importance of clearly communicating to managers what’s needed during each phase of the implementation and why. The implementation teams worked closely with supervisors to emphasize that the performance management system was a long-term solution. For example, one team explained to managers how to write effective job descriptions. This helped them “get it right the first time” and eliminated rework.
Questions to Consider Before Implementing an Automated Performance Management System

Your organization may be using a manual performance management process or transitioning from one performance management system to a new one. In either case, there are several questions that you should consider as you evaluate different performance management systems.

1. **How are job descriptions maintained?**

   Ideally, a performance management system will provide an easy-to-use tool for updating job descriptions and routing them to managers for approval. Look for a solution that allows annual reviews of job descriptions, as recommended by accreditation agencies.

2. **Are job descriptions integrated into the performance evaluation?**

   In healthcare, job descriptions are very detailed and serve as an essential part of the evaluation process. Employees should have a simple way to review and acknowledge that they’ve read and committed to their job descriptions. This reduces surprises during the evaluation process.

3. **Can performance evaluations be structured around goals?**

   Many healthcare organizations are moving to goal-based evaluations as a way to align employee behaviors with organizational goals and improve employee engagement. Flexible performance management systems allow organizations to assign cascading goals to evaluations and measure goal alignment.

4. **Is it easy to track the status of employees’ periodic performance evaluations?**

   Regular evaluations and conformance to organizational evaluation policies are very important to accreditation organizations. One way to meet these requirements is to use a performance management system that proactively sends reminders to managers and employees about evaluations that are due.

5. **Is it possible for managers to capture feedback between annual evaluations in a systematic way?**

   Both positive and negative feedback for employees should be captured throughout the review cycle. This information serves as a reference during the performance evaluation process. If the performance management system offers alerts about revisit dates, it’s easier for managers to follow up with employees on particular issues.

6. **Can employee competencies be evaluated separately from employee performance?**

   Evaluating employee competencies is essential in clinical healthcare fields. However, many organizations assess competencies on a different cycle than their employee performance evaluations. Performance management systems should allow healthcare organizations to evaluate competencies on any desired cycle. To keep managers informed about their teams’ skills, the best systems provide reports that show how many employees have met the necessary competencies for their jobs.

7. **Does the system allow tracking of employee training?**

   Training, licenses, and certifications are all important to consider as part of an employee performance evaluation. To provide a 360-degree view of employees, performance management systems should offer insight into employee training information. Organizations should have the option to track the data within the system or to import it from an external source.

8. **Is it possible to create custom reports?**

   Performance management vendors can’t anticipate every question that healthcare organizations will want to answer. As a result, it’s important to have a system with the flexibility to create custom reports.
Automating Performance Management—Lessons Learned

1. **Benchmark other healthcare organizations.**
   The teams at Trinity Health and Union Hospital surveyed different hospitals and gathered models for effective performance appraisal forms. Union Hospital also benchmarked its job description template against other healthcare organizations. When selecting its performance management system, CoxHealth spoke with representatives from many healthcare organizations to gauge their experiences with various systems. They attended a vendor user conference before purchasing a performance management system.

2. **In-person work sessions are often more effective than electronic ones.** Initially, CoxHealth tried using email and online communications to develop job descriptions. They found that in-person work sessions were more productive, especially when teams had partially completed job descriptions to work with.

3. **Use the 80/20 rule to evaluate issues.**
   During the implementation process, triage problems based on their severity. Union Hospital used the 80/20 rule. If an issue affected most users, they took the time to resolve it. If the issue was a concern for only one or two people, the team elected to continue the implementation and revisit it later.

4. **Focus on training.**
   CoxHealth devoted considerable resources to training managers on the new performance management system. The implementation team sent memos with links to training information and offered departments one-on-one training. They also developed a playbook to identify when to communicate different topics to departments. Similar to CoxHealth, Union Hospital focused on training managers. The implementation team at Union offered one-on-one training sessions and group leadership programs related to job descriptions, created PowerPoints with step-by-step directions for evaluations and developed hands-on computer training showing new hires how to sign off on job descriptions.

5. **Reward the implementation team for their efforts.**
   Trinity Health recognized the time that the implementation team devoted to the success of the project. Each team member was given a gift card as a token of appreciation.

5. **Use Different Techniques to Generate Manager Buy-in**

   One effective way to generate widespread buy-in for an automated performance management system is to involve frontline managers in implementation decisions. Union Hospital found that managers were more likely to embrace a new approach to performance management if they had the opportunity to provide feedback about the process. Edith Okoth, Human Resources Informatics Specialist at Union Hospital, said, “As we designed our performance appraisal template, we held focus groups with managers to get their input. This helped managers feel more involved in the implementation process.”

   Trinity Health used a similar approach, offering a workshop on writing job descriptions and competencies for managers. This gave everyone the same guidelines to work from and it made managers feel more invested in the performance management system.

   Pilot programs are another way that organizations can engage managers and employees in the implementation of a performance management system. To start its system rollout, Union Hospital developed a pilot program with a small group of managers and employees. These early adopters became internal cheerleaders who promoted the system to others in the organization. CoxHealth utilized a staged approach for its performance management system rollout. They used a mix of small departments and one large department. The small groups were easier to get up and running, which allowed the implementation teams to get a better understanding of the system. The large department roll-out generated buy-in for the system and momentum for other large teams to adopt the system.
Conclusion: Advance Preparation Can Smooth the Path to Automated Performance Management Success

Performance management systems make life easier for everyone in a healthcare organization, from senior executives to frontline managers and employees. Just as everyone shares in the benefits of an automated performance management process, everyone must be ready for the shift to a new process.

Smooth performance management system implementations require support from senior leaders and buy-in from managers. This can be achieved by identifying problems in the manual process, selecting a project team with the right skills, and taking an incremental approach to implementation. Cultivating early adopters is the key to developing internal cheerleaders who will create momentum and enthusiasm for the system.

A manual performance management process is cumbersome and inefficient. As Melissa Odom remarked, “What good is a performance management process, if you can’t access the information and make decisions?”

A performance management system allows organizations to review and track their process and make better choices. Remember, automating performance management doesn’t have to be intimidating. With some advance preparation, healthcare organizations can move from labor-intensive, manual processes with minimal payoff to a system that saves time and facilitates decision-making.
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