



ABOUT THE PROJECT

The Pioneer Employer Initiative is based on the idea that employers who do good, do well. It is an effort to discover and promote the next generation of best practices in workforce management, with a particular focus on health care and manufacturing. Pioneer Employers are companies that strategically invest in their own lower-wage workers to benefit their customers and/or shareholders. They go beyond typical ideas about “great places to work,” and demonstrate how organizations can deliberately align the interests of employees and management to create better results for companies and their employees.

PARTICIPATING HOSPITALS

Advocate Lutheran General Hospital
Park Ridge, Illinois

Bassett Medical Center
Cooperstown, New York

Beth Israel Deaconess Medical Center
Boston, Massachusetts

Faxton-St. Luke's Healthcare
Utica, New York

Good Samaritan Hospital Medical Center
West Islip, New York

Group Health Cooperative
Seattle, Washington

Northwestern Memorial Hospital
Chicago, Illinois

Providence St. Peter Hospital
Olympia, Washington

Thompson Health
Canandaigua, New York

University of North Carolina Health Care System
Chapel Hill, North Carolina

Virginia Mason Medical Center
Seattle, Washington

PIONEER EMPLOYER HOSPITALS: Getting Ahead by Growing Your Own

CASE STUDY:

Faxton St. Luke's Healthcare

Faxton St. Luke's Healthcare (FSLH) is a not-for-profit health care system located in Utica, New York. Faxton St. Luke's provides accessible, quality health care to the Oneida, Herkimer, and Madison county communities. Faxton St. Luke's has two campus locations for inpatient and outpatient care, long term residential

care is housed at St. Luke's Home, and continuing care services are provided through Visiting Nurse Association, Senior Network Health and Mohawk Valley Home Care. Faxton St. Luke's has 3,100 employees, 346 acute care beds, 242 long-term care beds (skilled nursing) and 12 Centers of Excellence.

OUR PARTNERS



Relationship-Based Care (RBC) is central to care delivery at Faxton St. Luke's. The RBC model focuses on creating a positive, caring, and healing experience for patients and their families through six dimensions: (1) responsibility for relationship and decision making; (2) continuity of care through work allocation and patient assignment; (3) communication; (4) management; (5) process improvements; and (6) providing a caring and healing environment of care.

In support of the RBC care initiative, Faxton St. Luke's administers a three-day program called Reigniting the Spirit of Caring (RSC). Created by Creative Health Care Management, the goals of RSC are to inspire employees to reconnect with the meaning, purpose, and joy of their work. It also identifies and values all

employees' (not just nursing) contributions to creating a caring and healing environment for patients, families, co-workers, volunteers, and medical staff. RSC facilitators model, practice, and integrate the principles of caring through humor, fun, and creativity. Based on the premise that people have the power to transform their work environment, the program's core contents include caring for self, caring for colleagues, caring for patients and families, and leadership. RSC facilitators supplement and modify the core material to reflect changes and challenges in the organization as they emerge. Reigniting the Spirit of Caring lays the groundwork not only for positive care experiences for patients and their families, but also a culture of support and respect amongst hospital staff.

Reigniting the Spirit of Care: Core Principles

1. Caring for self
2. Caring for colleagues
3. Caring for patients and families
4. Leadership

“We’re on the journey from being a good organization to being a great organization.”

PAUL RUBSAMEN,
CHIEF LEARNING OFFICER

How It Began

In 1994, the CEO of Faxton Hospital, Keith A. Fenstemacher, recognized that local economic conditions could not sustain three hospitals in the Utica area, so he began to advocate for consolidation. The board of directors at two of the hospitals, Faxton Hospital and St. Luke’s-Memorial Hospital Center, agreed that consolidating the hospitals would be a viable choice. In 2000 Faxton Hospital and St. Luke’s-Memorial Hospital Center officially merged into what is now known as Faxton St. Luke’s Healthcare. The physical consolidation of the two hospitals occurred in 2004.

Senior management agreed that in order to smooth the transition and make the new health care system a success, they needed to create a unified culture with employees committed to the new mission and goals of Faxton St. Luke’s Healthcare. This was not an easy task because the hospitals were quite different. Faxton was a smaller (140 beds, 685 FTE) non-union organization with a family-like work environment. St. Luke’s-Memorial was a larger (266 beds, 1299 FTE) unionized hospital with a wider range of services and programs and a more formal “business like” culture. Yet, executives were determined to make the new hospital system a success and believed

that cultivating strong and effective leadership was essential to a successful merger.

To this end, Faxton St. Luke’s began to conduct informal training for supervisors and managers on important skills such as communication and effective management. Next, human resource executives began to think about how to encourage and develop leaders in a more formal way. Several of the leadership programs featured in this case study are an outpouring of this effort. The general strategy was to systematically train and promote capable leaders.

After the success of the early programs, the hospital moved to include learning and development into the strategic plan of the organization. This effectively institutionalized existing efforts, addressed a key weakness identified by early employee satisfaction surveys (lack of promotion and development opportunities), and paved the way for additional programs. Developing existing employees was especially attractive to executives, given the challenges of finding large reserves of talented management in the Central New York Region. The new training and professional development opportunities dovetailed nicely

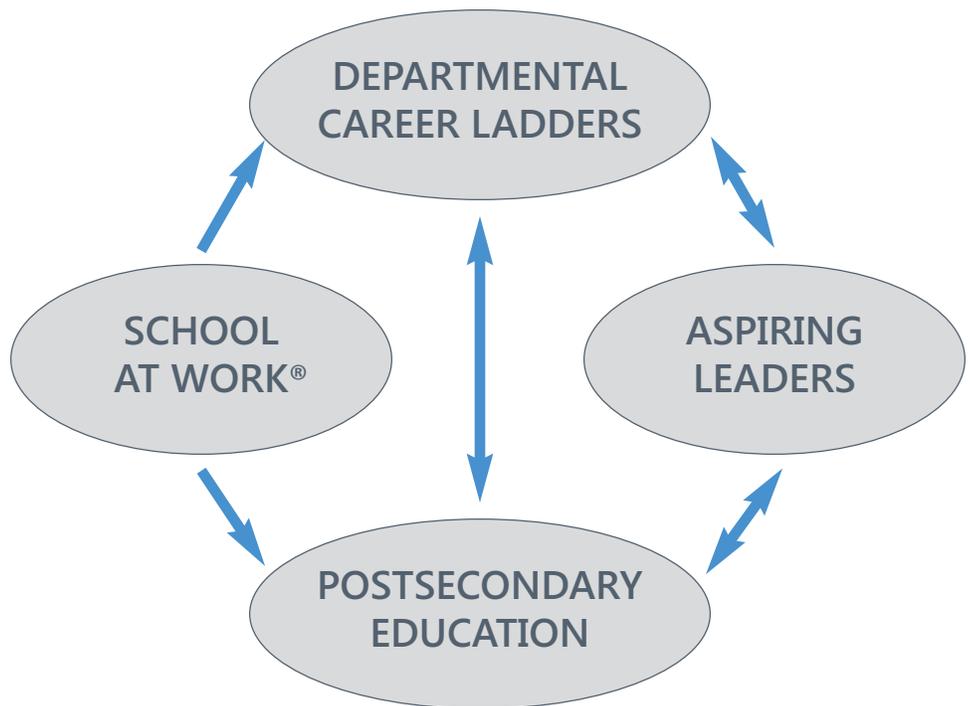
with the hospital's goal of becoming an "employer of choice" and helped

the hospital grow its own workers to fill leadership roles.

How It Works

Faxton St. Luke's is committed to and invests in the education and career development of its frontline staff. The hospital provides several opportunities for workers to achieve education and career advancement. These opportunities include a "School at Work"® program, departmental career ladders, an onsite health care unit coordinator course, tuition assistance, and an "Aspiring Leaders" program. Workers choose programs based on their current

skills and future career goals. The programs are accessed sequentially (e.g., "School at Work"® then tuition assistance) or concurrently (e.g., departmental career ladder and "Aspiring leaders") and several front-line workers have taken advantage of all of Faxton St. Luke's opportunities. Together these programs provide a pathway for entry-level workers to progress upward in the organization and in their careers.



\$1.19/hour
Average raise
for pharmacy
career ladder
participants

School at Work®

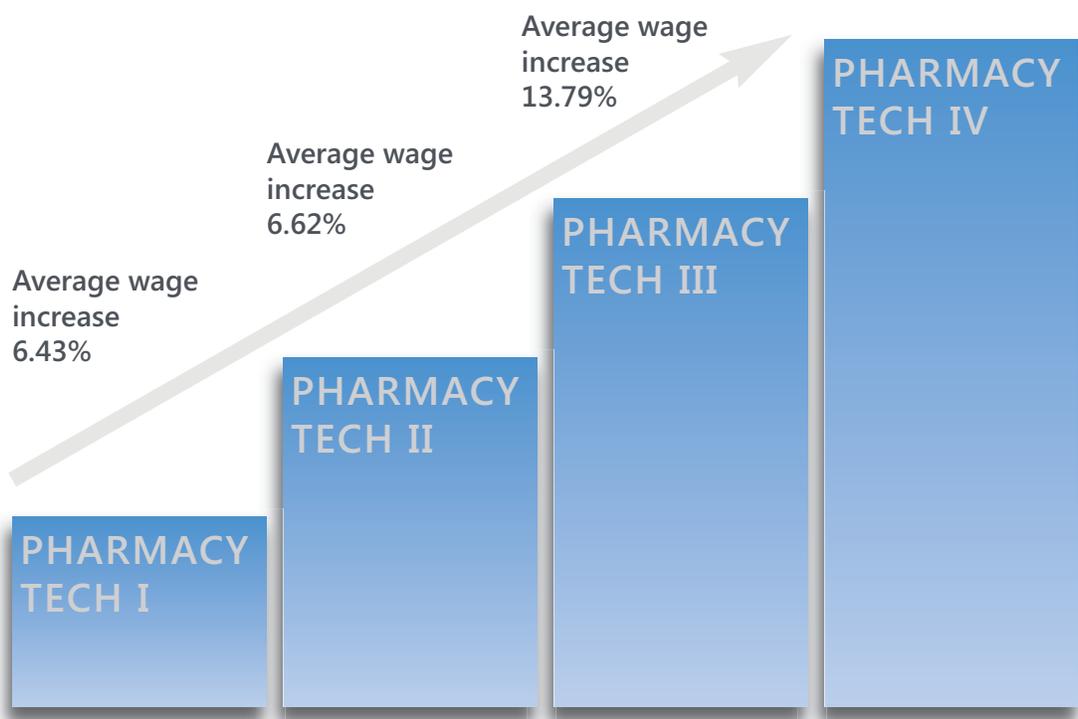
School at Work® is a six month program provided by Catalyst Learning designed to help frontline health care workers acquire the foundational skills and knowledge necessary to be successful in the workplace, in post-secondary education, and in health care careers. Students attend class once a week for two hours and complete a series of modules on topics such as conflict management at work, life management, patient safety, medical terminology and basic skills (reading, writing, and math). School at Work® students also receive career coaching and counseling. Since 2007, 22 employees have participated in School at Work® (100 percent completion rate). Of those 22, 12 (55 percent) have

moved into positions of greater responsibility in the organization. Ten of these moves were accompanied with a wage increase (Mean raise = \$1.52 per hour).

Departmental Career Ladders

Two departments at Faxton St. Luke's have structured career ladders that begin with frontline workers: Environmental Services and Pharmacy. Progression up the career ladders involves demonstration of competency, departmental service, continuing education, and tenure. Employees are responsible for documenting their accomplishments and submitting their portfolio of activities at their annual performance review to be considered for promotion.

PHARMACY TECHNICIAN CAREER LADDER

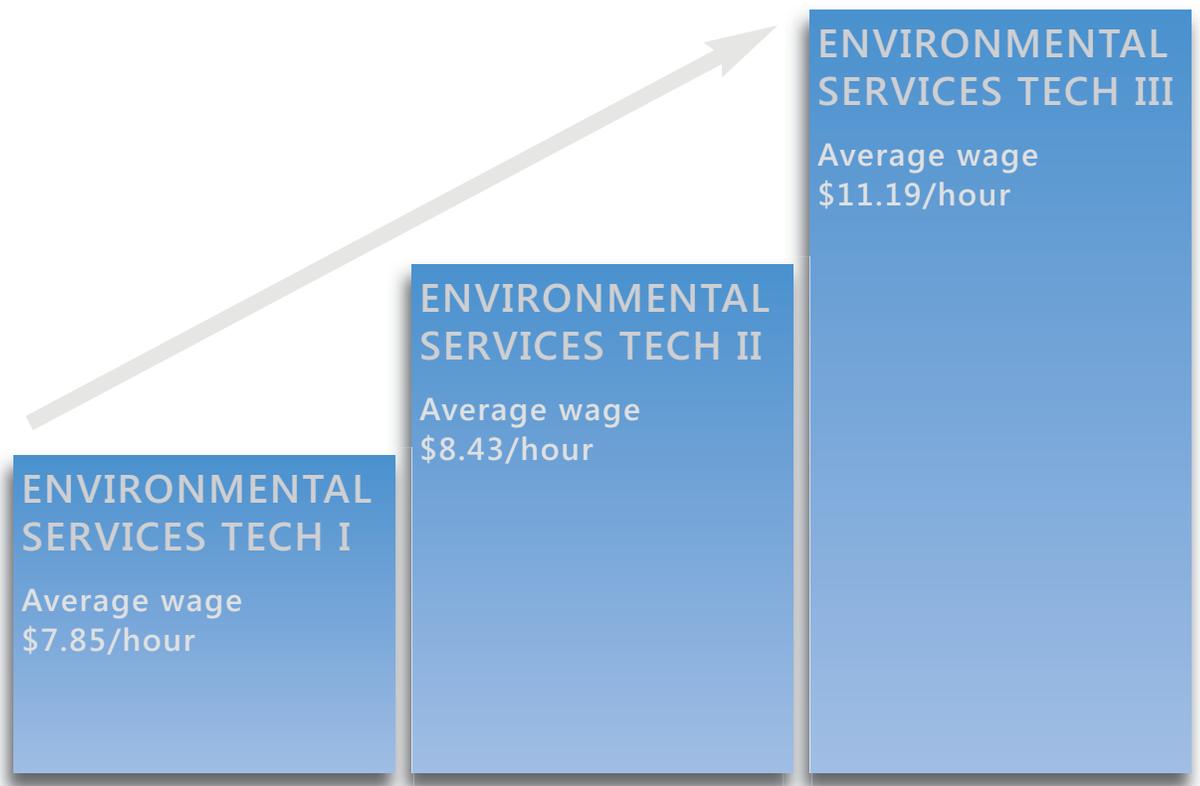


\$1.37/hour
Average raise
for Environmental
Services
career ladder
participants

All 20 pharmacy technicians currently on staff have participated in that departmental career ladder. Seven have achieved Level II. Eight have achieved Level III. Five have achieved Level IV. Twelve employees have participated in the Environmental Service department's

career ladder. Six are currently environmental technician IIs. Three are senior technicians. Two Environmental Services career ladder participants transferred into different departments within the hospital. Only one participant no longer works in the hospital.

ENVIRONMENTAL SERVICES CAREER LADDER





worker spotlight

Mary Wing Marshall started at FSLH 13 years ago. At that time, she was classified as an occasional employee and only worked a few hours here and there. When her son entered first grade, Mary transitioned into a part-time, then full-time position as a housekeeper technician I. Since working at FSLH full-time, Mary has achieved significant educational and career growth. She has climbed the Environmental Services department career ladder to the senior technician position and also completed the Aspiring Leaders program. Mary credits School at Work® for her many achievements: "The School at Work® program has helped me to get to where I am now within my career. If I had not taken the School at Work® program, I would not have taken some of the other things that I've done with Faxton St. Luke's. School at Work® helped me to build self-confidence that I can do it if I want to. And now, I step out of the box every chance I get."

Aspiring Leaders

In addition to departmental career ladders, employees interested in future leadership opportunities within the hospital can participate in a home-grown program called "Aspiring Leaders." Aspiring Leaders is a yearlong program designed to prepare the next generation of leaders at Faxton St. Luke's. Departmental managers nominate employees they believe have management potential. Nominees then complete and return an application form and a recommendation letter. Applicants undergo two rounds of internal interviews. The initial interview is conducted by the program Co-directors and screens applicants for eligibility and "commitment levels," based upon the program description and requirements for completion. The Leadership Excellence Committee, an advisory group of employees from throughout the organization in both management and non-management positions, conducts the second round of interviews. During the second interview, applicants are scored based on examples of how they have applied leadership competencies such as "team and relationship building," "goal achievement," "accountability," "commitment to service," and "professional development" in their current or previous

positions. The Leadership Excellence Committee then meets with the Co-directors to discuss each applicant and choose 16 to participate each year.

Aspiring Leaders attend training one day a month for 12 months. The goals of the program are to (1) provide future leaders with strong management skills (e.g., communication, assertiveness, team development, and critical thinking), (2) to communicate the hospital's mission and strategic plan, and (3) to overview the day-to-day operations of the hospital (e.g., hiring process, budgeting, Medicare and Medicaid reimbursements, quality management, and quality and safety issues). Participants also work in groups to complete projects related to the purpose and needs of specific departments in the hospital as a way of applying the skills they learn in the classroom.

ASPIRING LEADERS PROGRAM QUICK FACTS

# of participants	47
Completion rate	87%
# of promotions	12 (29%)
# of raises	11 (23%)
Average hourly increase	\$3.48

At the end of the program, Aspiring Leaders are given the option of being matched with mentors to continue their development as the next generation of leaders. Although participants do not receive a promotion automatically upon completion, by applying and completing the Aspiring Leaders program, participants are signifying their interest and readiness to enter leadership roles. Thus, participants are considered ideal candidates when positions become available. One participant, for example, started off as a carpenter and was promoted to maintenance manager four months after completing the Aspiring Leaders program. Three of the Aspiring Leaders participants were former School at Work® students and two were also climbing the Environmental Services career ladder.

Encouraging Career Progression

To provide an incentive for respiratory technicians to complete the education necessary to become respiratory therapists, the Respiratory Services department increased the salary of respiratory therapists. The strategy worked. Four respiratory technicians completed online programs and entered respiratory therapists positions.

Tuition Assistance

Employees interested in pursuing postsecondary education can receive tuition assistance in two

ways. There is a tuition benefit that provides funds for up to 12 credit hours per year (no limit to dollar amount). In addition to the tuition benefit, specific funds are set aside for workers pursuing a registered nursing degree through the "Tuition On Us" program. Since 2007, Faxton St. Luke's has paid \$1.3 million dollars in tuition for 287 employees. Many of the career ladder and Aspiring Leaders participants have taken advantage of these funds. In fact, 50 (17 percent) of employees accessing tuition assistance funds are in allied health or support positions.

Certification Course for Health Unit Coordinator

Faxton St. Luke's offers an onsite health unit coordinator course to current unit secretaries. To be eligible for enrollment, workers must have a high school diploma or GED, 12 months of service with the hospital, completed a basic medical terminology course, completed a course on FSLH internal productivity software, and have an endorsement from the department director. The course provides an overview of the Health Unit Coordinator position and prepares students to take the national certification examination given by the National Association of Health Unit Coordinators. The course meets for four hours once a week for 12 weeks. Curriculum is delivered through lecture, tours,

“Learning is really part of the strategic plan of the organization.”

PAUL RUBSAMEN,
CHIEF LEARNING OFFICER

“Seeing the opportunities here in our department, it’s, pretty much why I stayed because I know I’m in a good place. I’m where I want to be and I feel needed as an active member of the team. And to feel needed at your job and an active member of the team is really great.”

MARY WING MARSHALL,
SENIOR ENVIRONMENTAL
SERVICES TECHNICIAN

informal presentations, group activities, audiovisual materials and self-assessment instruments. Since 2005, 50 workers representing four cohorts have enrolled in the course. The vast majority completes (96 percent) the course and passes

(94 percent) the national exam. Upon receiving the certification and as long as the health unit coordinators keep their certification active, they receive a \$500 annual bonus. Twenty-one employees currently have active certifications at FSLH.

Critical Success Factors

Executive-level Support

Several key informants noted that the vision and support of senior management has been critical to the development and sustainability of the various employee development programs. In addition to approving and funding new and ongoing programs, many executives take time out of their busy schedules to make presentations about their departmental operations. This executive level buy-in sets the tone for other management and administrators to be supportive and involved in creating opportunities for employees.

Institutionalization

The programs, policies, and informal practices at Faxton St. Luke’s intended to create education and career advancement are institutionalized into the organizational mission and strategic plan. Institutionalization signifies the hospitals’ commitment to employee development and insures sustain-

ability and funding for the programs. Further, identifying employee development as one component of the hospital’s organizational mission propels hospital divisions and departments to align their policies and practices to support this goal.

Culture of Learning

Participants across the different programs reported feeling encouraged and supported by their supervisors and organization regarding career development. They spoke of supervisors encouraging them to take advantage of opportunities. Administration and staff agree that the hospital has a strong commitment to make career ladder and educational programs available to workers on a consistent basis throughout the year and annually.

Participatory Decision-making

Faxton St. Luke’s explicitly solicits, acknowledges and responds to the needs and ideas of employees. For example, administrators instituted

the employee satisfaction survey as a way of assessing workers' perspectives on the hospital. The weaknesses workers' identified (lack of employee participation, promotion and advancement opportunities) became a priority for the hospital to address. Similarly, as a component of RBC, each of FSLH's 60 departments has a Unit Practice Council (UPC). The UPC is a small group, typically 20 percent of the department population, who are selected by their peers to meet regularly to discuss issues/challenges that have

arisen within, as well as across, departments, and work on solutions to improve them.

Giving workers a voice in creating a positive work environment provides guidance to administrators on how to best meet the needs of employees. It also makes workers feel valued by their organization, increases job satisfaction, and encourages the trust and organizational commitment necessary to generate interest in advancement opportunities such as the ones Faxton St. Luke's offers.

“Anytime you can improve and invest in the workforce, it’s going to drive better outcomes in our patient care areas in terms of quality and service. That’s why as an organization we have made the commitment to invest in the workforce and develop them.”

PATRICIA ROACH,
SENIOR VICE PRESIDENT AND
CHIEF NURSING OFFICER

Return on Investment

Reduced Turnover

After the physical merger in 2000, the turnover rate at FSLH was 22 percent. The 2010 turnover rate at the hospital was 7.5 percent. This is substantially lower than the state average (11 percent). Administration and management attribute a substantial portion of this decrease in turnover to the hospitals' commitment to employee development. In the departments that are active in supporting and developing employees, turnover is even lower. For example, the turnover rate in the Pharmacy department is 3.5 percent.

Increased Employee Satisfaction

Low scores on employee satisfaction survey items related to education and career advancement were one impetus to FSLH's development of career opportunities. Since implementing the programs highlighted in this case study, scores on these items have soared. Scores on the question, "Our organization places a high priority on continuous learning," have improved from the 14th percentile in 2004 to the 76th percentile in 2010. Similarly, scores on the question, "I have good opportunities for advancement," have improved from the 11th percentile in 2004 to the 89th percentile in 2010.

“I think one of the big things that you get out of Aspiring Leaders is improved problem-solving skills. Because you discuss all these different organizational operations, you get better ideas. So if I have a problem with something, now I know where to go. It helps you problem-solve and build teams at the same time. You know what your resources are and you know how to connect to different people and who you might talk to about different topics.”

ERIC MCKINSTY,
CLINICAL COORDINATOR,
ASPIRING LEADERS PARTICIPANT

EMPLOYEE SATISFACTION SCORES



Skilled Employees

Employees who have participated in the educational and career opportunities at Faxton St. Luke’s reported valuable increases in skills and knowledge relevant to their current jobs and future career goals. Participants spoke of stronger communication, team-building, and time management skills most frequently. Aspiring Leaders participants noted that understanding the “big picture” regarding the mission, strategy, and operations of the hospital helped them to be more efficient and effective in their departments.

Integration of Work and Learning

One requirement of participants in the Aspiring Leaders program is that they complete a group project. Managers in departments across the hospital send project ideas to Aspiring Leaders facilitators who then assign them to participants. Many of the projects address specific department concerns or are designed to improve workflow or care delivery. For example, one Aspiring Leaders group was tasked with improving advertising for the pulmonary rehabilitation program.

To accomplish this task, the group created television ads, flyers for physicians, and information sessions for physicians and patients. Another team's project involved disseminating strategies to effectively clean and organize workspaces for maximum efficiency. These projects not only provided participants with valuable hands on experience, they also resulted in meaningful improvements to work process and care delivery at the hospital.

Employee Engagement

The structured career ladders for frontline workers require employee

accountability. It is workers' responsibility to accomplish activities and request developmental opportunities. This employee accountability translates into increased employee engagement. Employee engagement scores from the employee satisfaction survey increased from the 12th percentile at the time of the physical merger (in 2004) to the 50th percentile in 2011. Providing the incentive and opportunity for advancement, but leaving it up to the employee motivates workers to take initiative and to have ownership in their own career development.

Next Steps

FSLH will continue the current employee development efforts. As Patricia Roach, Senior Vice President and Chief Nursing Officer notes, *"In our hearts and minds, we really know that these programs are making a difference for us and it's something that we've committed to make sure we continue going forward."*

In addition to sustaining current efforts, FSLH incentivizes employees to pursue Bachelor's and Master's degrees in nursing. The hospital is also seeking additional funds from community and other grants to supplement internal funds dedicated to training and development in order to expand current programs and create future ones.