Transforming Your Culture

IHCA-ICAL
July 21, 2010

Presented By:
Dave Sedgwick, VP The Ensign Group
- 4 case studies
- what, why, who, how of transforming your culture
Case #1

The Miracle On Ice
Miracle Clip #1
Miracle Clip #2
✓ Unwavering Resolve of Leader
✓ Hard Work & Pain
✓ Team Chemistry vs. Individual All-Stars
✓ Again! Again! Again!
Case #2

We’re good ... right?
Service Center Photo
Survey Results
Survey Results

53 ED/CEO Responses

3 Measures:

1. Department Services
2. Department Culture
3. Individual Overall

“On a scale of 0 to 10 ...”
Survey Results

“On a scale of 0 to 10 ...”

9-10  Promoters

7-8  Passives

0-6  Detractors
Overall 8.45

Service 8.10
Culture 8.80
% Change +/- 2007 vs. 2008

- Accounting/Payroll: 17.80%
- AR: 13.70%
- HR: 9.20%
- Legal: 6.40%
- IT: 2.90%
- Clinical: 1.50%
Genius!
(>9.0 average with more than 10 recorded scores)

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<thead>
<tr>
<th>Douglas, Tyler</th>
<th>Paxman, Marcus</th>
<th>Rushton, Ryan</th>
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<tr>
<td>Walker, Daniel</td>
<td>Burnam, Soon</td>
<td>Norman, Alan</td>
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<td>Stapley, Gregory</td>
<td>Porter, Mehgan</td>
<td>Connolly, David</td>
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<td>Podesta, Carissa</td>
<td>McLendon, Aaron</td>
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<td>Young, Robin</td>
<td>Richards, Cathy</td>
<td>Miele, Nancy</td>
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<td>Wittekind, Beverly</td>
<td>Lopez, Susan M</td>
<td>McFadden, Joseph</td>
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<td>Pirnat, Kathleen</td>
<td>Ruvalcaba, Eva</td>
<td>Prussoff, Dana</td>
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<td>Hadley, Oril</td>
<td>Aiken, Kris</td>
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<td>Kaler, Peggy</td>
<td>Sedgwick, Dave</td>
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</tbody>
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Genius!
(>9.0 average with less than 10 recorded scores)

Fallon, Patricia  Lea, Rebecca  Marshall, Leigh A
Maynes, Helen    Powers, Laurie    Sanchez, Jess N
Turner, Candace  Armocida, Nita    Sekutera, Janis
Thompson, Carmen Parker, Linda L  Waddell, Daniel
Flood, Michael   Powell, Tamie     Horne, Kathy
Uychiat, Julie   Spears, Kristina  Kimball, James P
Gerodias, Joyce  Fukumoto, Danny  Smith, Christie
Childress, Katie  Crouch, Cheryl D  Cruz, Marjorie
Graves, Valerie  Marvin, Jill A    Archuleta, Barbara
                 Dardon, Elizabeth
“The Service Center rocks...thanks!”
“

I do feel like sometime our distance from the larger part of cluster / co. facilities has limited the training that some of our staff has received, but I really appreciate those SC employees who have taken the time to come here, and not make us feel bad about it!”

"
WHAT ABOUT kATHLEEN ON THE PHONES?? WITHOUT HER I WOULD BE LOST TRYING TO REMEMBER WHO I NEED TO SPEAK TO ABOUT DIFFERENT CONCERNS. SHE ALWAYS DIRECTS MY CALLS AND IF SHE DOES NOT KNOW SHE WILL FIND THE ANSWER.”
Great team. I really have seen some amazing improvements this year...not that they weren't great last year. They just seem to be focused on being better and better. Thanks for all of your help...everyone does a great job.”
“keep up the good work. I think we have come a long way in the last 4 years since I have been part of the company.”
Overall, the Service Center does an amazing job supporting us in the field. Although I do not have much exposure to other organizations in this industry, what little I have had has shown me that we are far and away the best at supporting our field operations. Thank you to everyone at the Service Center for all that you do for us in the field. We truly appreciate your work 'behind the scenes' as we strive to provide extraordinary care and make an honest buck. I recognize that being a 'resource' is not easy in our organization, so thank you to each of you.”
So What?
Survey Summary

• Each Department Improved!
• \( E=mc^2 \) in Every Individual
• Higher Expectations Than Ever
• Congratulations
• We’ve got work to do
2009

1. Reach Out (Pro-Active)
2. Identify areas to improve
3. “I got your back” ALWAYS
Service Center WhiteBoard
E = mc^2

E - Extraordinary Service
(To The Field)
mantra
Second
Earn Respect
Responsive
Value
Inviting
anti-Corporate
Extra Mile
Together

“We’ve got your back”
Flywheel
It's not rocket surgery
'Genius'
Recognition

Flywheel
It's not rocket surgery
It's not rocket surgery
'Genius' Recognition

360 Feedback

Cluster/Company Meetings

Flywheel
It's not rocket surgery
It's not rocket surgery.
'Genius' Recognition

360 Feedback

Annual ‘Field’ Trips

Monthly All Staff

Cluster/Company Meetings

Flywheel

It's not rocket surgery
SC volunteer at facility
What
Why
Who
How
Case #3

“Buy a bus”
65 9 8
Census out of 99  Medicare  yrs failed surveys

-$287k
Dollars lost after Q1 2005
Survey/Department of Health - “G” or worse 8 years in a row
New Management
Roller Coaster Census
Feeling "Stuck" (internally & externally)
Recruiting
Staffing
Morale
Financial Stress
Survival Mode
Customer Complaints
"What makes our building different from our competition?"
(That your competitors wouldn't list about themselves if they answered the same question)
NOW LOOK! DON'T YOU DARE STEP ACROSS THIS LINE.
Not my patient
Fidela
Where’s my check?
Census out of 99

Medicare ADC

yrs strong surveys

$100

EBITDAR PPD
Case #4

J&J Crisis
Johnson & Johnson
People like my predecessor believed the Credo with a passion, but the operating unit managers were not universally committed to it. There seemed to be a growing attitude that it was there but that nobody had to do anything about it. So I called a meeting of some 20 key executives and challenged them. I said, “Here’s the Credo. If we’re not going to live by it, let’s tear it off the wall. If you want to change it, tell us how to change it. We either ought to commit to it or get rid of it.”

The meeting was a turn-on, because we were challenging people’s own personal values. By the end of the session, the managers had gained a great deal of understanding about and enthusiasm for the beliefs in the Credo. Subsequently, Dave Clare and I have met with small groups of J&J managers all over the world to challenge the Credo.

Now, I don’t really think that you can impose convictions or beliefs on someone else. However, I do believe that if I really understand what makes the business work, then I can prompt you to think through the facts and come to see just how pragmatic the philosophy is when it comes to running a business successfully. . . . And I think that’s what happened here.
In the early morning of Wednesday, September 29, 1982, 12-year-old Mary Kellerman of Elk Grove Village died after taking a capsule of Extra Strength Tylenol. Adam Janus of Arlington Heights died in the hospital shortly thereafter. His brother, Stanley (of Lisle), and his wife Theresa died after gathering to mourn, taking pills from the same bottle. By October 1, 1982, the poisoning had also taken the lives of Paula Prince of Chicago, Mary Reiner of Winfield, and Mary McFarland of Elmhurst. Investigators soon discovered the Tylenol link. Urgent warnings were broadcast, and police drove through Chicago neighborhoods issuing warnings over loudspeakers.

As the tampered bottles came from different factories, and the seven deaths had all occurred in the Chicago area, the possibility of sabotage during production was ruled out. Instead, the culprit was believed to have entered various supermarkets and drug stores over a period of weeks, pilfered packages of Tylenol from the shelves, adulterated their contents with solid cyanide compound at another location, and then replaced the bottles. In addition to the five bottles which led to the victims' deaths, three other tampered bottles were discovered.
What do you do?
By the way ...
Johnson & Johnson, the parent company of McNeil, distributed warnings to hospitals and distributors and halted Tylenol production and advertising. On October 5, 1982, it issued a nationwide recall of Tylenol products; an estimated 31 million bottles were in circulation, with a retail value of over US$100 million. The company also advertised in the national media for individuals not to consume any products that contained Tylenol. When it was determined that only capsules were tampered with, they offered to exchange all Tylenol capsules already purchased by the public with solid tablets.
Johnson & Johnson was praised by the media at the time for its handling of the incident. While at the time of the scare the market share of Tylenol collapsed from 35% to 8%, it rebounded in less than a year, a move credited to J&J's prompt and aggressive reaction. In November it reintroduced capsules, but in a new, triple-sealed package, coupled with heavy price promotions, and within several years Tylenol had become the most popular over-the-counter analgesic in the US.
✓ Set the tone
✓ Make it real
✓ Culture is Power
First Who, Then What

Good is the enemy of great

Flywheel
Flywheel
Commit
Define
Engage
Pain
Flywheel ...
Daily
Weekly
Monthly
Annually
What
Why
Who
How
Thank you

For more: WorldClassCare.WordPress.com
Results/Skills

Technical proficiency
No errors
Outstanding Outcomes
Natural Talent for Position
No audits
A resource to others in the department or related department

Yes

Good work ... Very limited mistakes ...
Follows policies & procedures

Lack of courtesy & respect ... constant complainer ... negative attitude ...
"cancerous" effect on team ... talking badly of others to others ... closed ...
defensive ... involved in "drama" or conflicts with several others ... see themselves as a "victim" ...
undermining reputations and success of others ...
can be "bossy."

Careless work ... Repeated mistakes ...
Lack of courtesy & respect ... constant complainer ... negative attitude ...
Wastes time ... does not reach individual or departmental goals ...
Fails to follow policies & procedures.

No

Good work ... Very limited mistakes ...
Proactively attempts to help related departments. Achieves job-requisite results consistently.

Respectful & professional ... constantly praising others behind their backs ...
positive attitude ... optimistic ...
coachable ... ownership mentality ...
loves the facility ... problem solver ...
inviting and open ...
happy ...
grateful

Careless work ... Repeated mistakes ...
does not reach individual or department goals or requirements ...
Fails to follow policies & procedures.

Lives the customer service guidelines,
tries to achieve individual or department requirements, but fails. Loves the facility ...
happy ...
positive attitude.

No

Yes

Lives The Culture

Knows & Lives the Becoming World Class Mission, Employee Promise, Motto, Customer Communication Guidelines, Service Definition, Answers Call Lights; Positively influences everyone around with a happy, supportive, helpful attitude. Celebrates the success of others and is genuinely engaged in the success of the facility as a whole. Has an ownership mentality.