

Achieving Workforce Optimization: Merging Strategy and Technology

The healthcare industry is experiencing unprecedented change, and leaders are facing some of the most difficult challenges in the history of healthcare. Dramatic decreases to reimbursement serve as the driver for implementing creative strategies and tactics that unlock the secret to meeting unpredictable patient demand. Historical approaches, such as the use of agency personnel and incentivized shifts, no longer offer viable solutions to rising labor expenses, burnout, and disengagement.

KEY BENEFITS:

- Optimal staff mix – skill set and full-time/part-time/contingent employees.
- Optimized workforce costs.
- Reduced overtime and premium spend.
- Higher employee retention and lower turnover.
- Standardized scheduling and staffing practices.

Hallmark combines unique, strategic solutions with advanced technology to help healthcare organizations optimize staffing scenarios and increase the number of highly skilled professionals available for bedside care. These innovative staffing solutions, guided by the use of artificial intelligence and cloud technology, result in substantial savings within the first year.

The Challenges

Healthcare executives across the country strive to provide an excellent patient experience while ensuring the best clinical outcomes. However, the amount of available resources continues to dwindle each budget year due to the pressure to control costs and continual evolution of healthcare reform. Leaders must find ways to deploy more qualified nurses to the bedside while spending less money to provide care.

Overtime and Agency Usage

Many organizations employ a reactive approach to closing staffing gaps with costly agency personnel that lack engagement and buy-in to the organizational mission, vision, and values. Traditional methods for scheduling and utilizing staff, measuring productivity, and trending performance often offer a retrospective view into what went wrong from pay period to pay period – far too late to prevent unfavorable variances in productivity and expense.

Hallmark's technology component positions organizations to use real-time data for improved decision making with regard to the use of human capital.

Expired Credentials

It is challenging to maintain compliance with regards to the licensure, certification, and staff scheduling checklists (e.g., hazmat training, EKGs, criminal background checks) required to function as a staff nurse. Systems and processes for tracking these items are either manual or housed in a system limited to one department, such as human resources, and the data is not available to the frontline manager in real time at the time of scheduling.

Disparate Workforce Management Systems

The healthcare industry is inundated with software packages offering the best in scheduling and analytics; however, the shortfall is a lack of real-time data coupled with intelligent algorithms that lead to better decision making and workforce optimization. Further, these software solutions rarely interface in real time with other staffing systems, such as payroll, time and attendance, and census-tracking systems. Too many organizations continue to tell a fragmented story and offer staffing solutions in the moment, rather than in a more proactive and comprehensive manner.

Hardware and Software Cost Management

Costs for current software packages often involve capital expense, lengthy contracts, and significant in-house IT involvement. As a result, organizations are limited in their ability to choose better alternatives.

The Opportunities

Hallmark offers a unique approach that combines strategy with technology to create a transparent, centralized scheduling process. Using real-time data, we are able to determine the right staffing mix with full-time, part-time, and contingent employees. Tracking compliance, skill sets, and base rates of pay ensures that the most qualified and equitable resource selection process is utilized. Organizations can then manage the daily needs of clinical and nonclinical departments while allowing the flexibility to meet fluctuating patient volumes.

Align People, Processes, and Technology

Hallmark believes the key to most effectively addressing workforce issues is to adopt an integrated and holistic approach that leverages people, process, and technology. Our approach helps hospitals and health systems realize significant savings in agency and overtime spend through centralized scheduling of a common contingent pool.

A recent study found “strong evidence that incorporating contingent talent offers several advantages,” such as cost flexibility, speed, agility, and a boost to innovation and knowledge transfer.¹ Healthcare organizations need to maintain a contingent workforce at 20% to 25% to help flex with census and acuity while optimizing staffing expense.

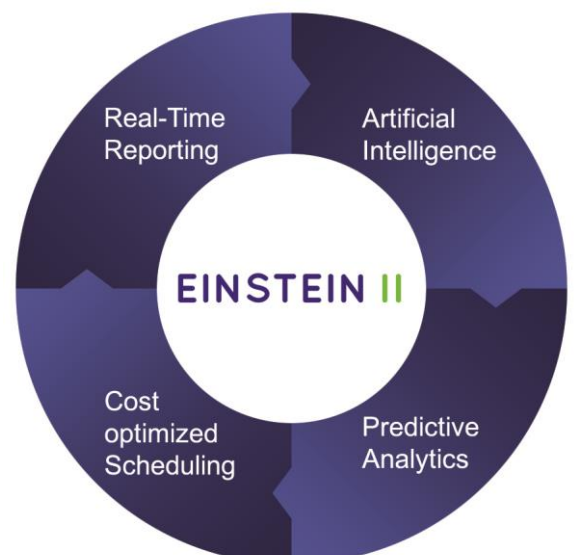
¹ Tammy Erickson, “The Rise of the New Contract Worker,” Harvard Business Review Blog Network, September 7, 2012.

To achieve the same, hospitals need to reengineer their staff scheduling approach to duplicate best practices adopted by agencies, including:

- A centralized and transparent scheduling process.
- Proactive planning for overstaffing and shortage.
- Clear staffing policies to include contingent staff.
- A reengineered orientation program adapted to the needs of the contingent workforce.

Improve Financial Performance

The combined approach of strategy consulting and use of Einstein II technology positions organizations for expense savings in the first year of implementation. Organizations implementing these solutions have realized an average savings of \$1.2 million in the first year in overtime expense alone. Additional savings include reduction or elimination of



agency expenditure and elimination of incentivized shifts that contribute to increased expense and burnout.

The variety of reports available provides a vehicle for deploying the most qualified and equitable resource to the right place at the right time, every time. This approach closes the gap by placing more qualified resources at the bedside, especially for nursing, and potentially saving millions of dollars at the same time.

Empower Frontline Managers

As theoretical CEOs of their own multimillion-dollar businesses, nurse managers arguably have the most difficult job in the healthcare industry. Clinical expertise alone no longer makes one worthy of a leadership role in healthcare. The current lexicon requires a transformational leader focused on results in a heavily regulated, service-oriented industry that is strapped for cash and plagued with workforce shortages.

Hallmark's strategy consulting and technology enable managers to fulfil responsibilities that promise the highest reimbursement.

While the industry embarks on a journey to achieve zero adverse clinical events, the margin for error with regard to the nurse manager is also approaching zero. The demands are overwhelming – achieve high marks in patient satisfaction, quality outcomes, physician satisfaction, and employee engagement within the strict guidelines established by the plethora of regulatory agencies that govern care delivery. These demands are to then be met within stringent budget and time constraints. Many nurse managers spend more time in the staffing mix because too few resources are available; as a result, the needed rounding and follow-up take a backseat to meeting the resource requirements for the department. We believe managers deserve to spend their time creating a culture of service and accountability rather than allocating the majority of work and non-work hours staffing their departments.

Facilitate Real-Time Decision Making

Built on a platform of artificial intelligence and using cloud technology, Einstein II is one of the most progressive tools available to optimize your workforce and control labor expense. The software automates an organization's scheduling process based on a specific customized set of rules. Einstein II facilitates real-time decision making that parallels organizational targets for expense and productivity. The analytic reports, combined with the ability to download data in various formats, facilitate predictive modeling for leaders in nursing, finance, and human resources. Additionally, Einstein II allows senior leaders to identify top and bottom performers in real time, analyze future scenarios that impact labor spending (such as opening new units), and make projections for future budget periods.

WHY Hallmark?

Hallmark partners with organizations to build and launch a program within 90 to 120 days. Our experts can dedicate 100% of their time to collaborating with key stakeholders and creating a program that meets the organizational needs. In turn, our clients continue with the high demands of their everyday roles and responsibilities without having to juggle another competing priority.

Our unique consulting approach and superior IT package position organizations to meet staffing demands with the most qualified and equitable resources at the right time, every time. We fully stand behind this approach and guarantee significant savings within the first year of utilization. Hallmark offers support long after program implementation. We believe in the strength of relationships and are committed to serving our clients' needs long term.

Looking for more? Visit our Web site to access additional information, including case studies and articles based on our deep industry experience and to register for any of our complimentary Webinars.

About Hallmark Healthcare Solutions

Hallmark is a global healthcare solutions and information technology firm comprised of nearly 400 employees; with offices located in New Jersey, New York, Michigan, Texas, Dubai and India. As of 2013 we have conducted more than 3620 engagements for more than 1140 clients nationwide. Over the years, we have helped organizations optimize and save millions in labour expenses, improve their efficiency, and achieve fiscal responsibility through our best-in-class software and strategic workforce solutions.

Visit: www.hallmarkhealthcareit.com

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