



Premier Has the Prescription for *Understanding Hospitals*



In the *Understanding Hospitals* simulation, participants work in teams to move through three years in a large healthcare facility, developing insights by actually putting themselves in the shoes of the hospital leadership, evaluating business situations, applying sound decision-making, and analyzing the results.

Need

Premier is a performance improvement alliance of more than 2,400 U.S. hospitals and nearly 70,000 other healthcare sites working together to achieve high quality, cost-effective care. Owned by not-for-profit hospitals, Premier maintains the nation's most comprehensive repository of clinical, financial and outcomes information, and operates a leading healthcare purchasing network.

In 2007, leaders across the organization articulated the need for a better understanding of hospital financials and improved financial acumen overall.

First, Premier's field teams across the country needed a better understanding of their members' business. The company's strategy was to help hospital C-level leaders reduce costs and patient risk while increasing quality of care. To achieve this goal, field leaders needed to better understand the complex issues involved in running a hospital, the decision pressure points, and all the interrelated drivers within the extremely complex healthcare arena.

Second, the field teams needed an enhanced understanding of their own business — the true value Premier offered its members, the client relationship opportunities, and all the drivers of the competitive healthcare services market.

Solution

Jill Lewandowski, senior director of organizational development and learning, headed the Premier Learning Institute. The institute is organized into three colleges: leadership, professional development, and business.

This would be a Business College offering and Lewandowski sought a best-in-class learning solution. "Our employees are high-performing and high achieving," she says. "They are also extremely busy. To take time out of their day for learning, we need to make sure that experience is truly valuable."

Advantage Performance Group partners Dan Terry and Sean Murray had a learning solution that would uniquely meet Premier's learning objectives: the BTS "healthcare simulation." This one-day experience is based on a board simulation. Participants work in teams to move through three years in a large healthcare facility, developing insights by actually putting themselves in the shoes of the hospital leadership. Participants are required to evaluate business situations, apply sound decision-making, and analyze the results. They experience business flow, functional interrelationships, and how making a decision in one area ripples across the entire business to eventually impact the bottom line.

The Premier version was called *Understanding Hospitals: A Hospital Simulation*. It was particularly powerful basic learning for Premier employees who had never worked in a hospital. "But it also gives you something much broader," confirms Lewandowski. "It gives insight into the magnitude and complexity of decisions that hospital leaders have to make. Insight into the ramifications of the strategic decisions made by hospital executives."

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The simulation didn't over-clarify or “dumb down” the complexity of healthcare challenges. On the contrary, it immersed Premier participants in the issues. Teams were required to feel and face the stress of decision-making head-on. Lewandowski says, “Part of the advantage of doing a simulation is that it replicates actual situations. You need to keep it complex and akin to the real world.”

During the simulation, teams are required to choose three strategic initiatives in each of three years. To enhance the real-world relevance, Lewandowski and Terry customized the learning by incorporating Premier products, services and tools into those initiative choices.

“One of the real benefits of this healthcare simulation is that it looks at business from 30,000 feet,” says Terry. “You see all the interdepartmental relationships. How people act independently or interdependently. It's a way for providers like Premier to understand how their clients juggle everything from customer satisfaction to nursing issues, investment choices, Medicare/Medicaid rules, infrastructure costs, doctor/nurse communications, and much more. This program is amazing in the way it clarifies the impact of decisions within an incredibly complex business environment.”

Understanding Hospitals requires a time commitment from participants, but the benefits are well worth the effort. “Organizations tend to want to shorten learning experiences,” Lewandowski says. “But my advice is that you need to dedicate the right amount of time to this. If you try to crunch the time, participants end up just going through the motions and there's less understanding of how the learnings apply to you, your organization, and your customer. This learning is definitely worth the time investment. In fact, every time we offer these classes, they fill up right away.”

The simulation format was also a hit with Premier's operations leaders and even their C-level executive leaders. Lewandowski recalls, “We've dabbled into simulations before, but nothing like this. Participants really got into it. They liked the competitive aspect of working in teams. Even our most senior leaders were sitting down at the table within a few minutes, completely engaged.”

Result

Understanding Hospitals helped Premier's managers deepen their understanding of key company financial levers and the consequences of their own decisions on Premier's bottom line. But more importantly, the program dramatically improved managers' understanding of issues affecting their alliance members' decisions.

Lewandowski says, “It showed what's going through the customer's mind when they have to make complex strategic decisions. The outcome we were seeking was for our employees to have a better understanding of our members. If they can leave the room at the end of the day having more insights about the financial struggles and complexities that our hospital members face every day, then we've been successful.”

During the first year, *Understanding Hospitals* was delivered to more than 500 Premier employees. “Feedback from our senior leaders was extremely positive. So much so that we are requiring everyone in the organization to experience it over the next two years,” she adds.

Terry explains, “This learning addressed precisely what Premier needed. There's nothing else on the market that addresses the hospital situation in such a specific and comprehensive way. Now Premier's managers can better support their account teams because they have a deeper understanding about what hospitals are trying to achieve from a purchasing and a strategic standpoint.”

“Premier's mission is to improve the health of our communities. When our people better understand how Premier can help our alliance member hospitals, we see improvement in our member satisfaction and retention rates, the participation rates with our products, services and tools. I do believe we will see the benefit of the *Understanding Hospitals* learning on our overall organizational results,” says Lewandowski.

Further impact

This financial acumen learning experience also gave Premier insights about filling a leadership learning gap.

Premier's Leadership College already offered “about the company” training for new leaders, plus more complex situational leadership model learning for experienced managers. But Lewandowski says, “There was a gap. There was something missing in between.”

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Terry knew that the BTS Symphony program would provide the missing piece. Symphony helps leaders better align their workforces around evolving strategies and goals while fostering peak performance and driving business results. An extremely unique, highly experiential learning experience, Symphony applies the metaphor of the “manager as a symphony conductor” and delivers a powerful approach for leading effectively, especially through periods of change. After Symphony, leaders have the tools and skills they need to assess, plan and manage individual and team performance more effectively.

The Leadership College piloted Symphony with line managers and received excellent feedback. “We’re finding that Symphony brings value to new managers who are hungry to learn about

leadership. And it’s also a welcomed refresher for our more established leaders. I was excited yesterday when we sent a targeted e-mail and within a couple of hours, we had more than 20 people enrolled,” says Lewandowski.

Maybe that’s because she and her team make sure to find the best learning that precisely meets needs. “If we’re going to offer something, we’re going to make sure it’s the right fit,” she says. For this healthcare giant, Advantage Performance Group remains committed to delivering learning prescriptions that work. ♦

BTS, world leader in customized business simulations, is the parent company and an alliance partner of Advantage Performance Group.

