



Contrarian Wisdom

By Clay Sherman

Problem Employee or Problem Manager?

Problem employees represent 3% to 8% of many hospitals' payrolls. Yet their actual cost to the organization is approximately eight times their payroll cost in excessive lost time, medical claims, quality problems, lower productivity, and negative morale impacts. Can you afford these people?

Example, if 5% of a hospital's workforce is problem people, the total damage could be equivalent to 40% of the organization's payroll expenditures—how's that for an attention getter?

Examining what's really going on reveals a more troubling core problem: inattentive management is at the root of this difficulty, and it stems from executives who don't run a tight ship. Here are some all too widely found practices, as well as some possible prescriptions for the problems:

- **Sloppy Hiring.** One study found that the average non-degreed hospital worker is hired in 15 minutes. The labor market views hospitals as "soft employers," places with little or no selection screening. Contrast that with Home Depot, which drug tests all applicants and puts a sign to that effect on the front door telling drug users to not even apply. Rx: Multiple interviews, longer interviews, peer interviewers, and testing.

- **Ho-Hum Orientation & Training.** "Follow Harry around—he'll show you what to do." Sound familiar? The only problem is Harry keeps a hidden bottle and is an undermining titan. Rx: Forty hours of training each year to really tune people in to skills, standards, and changing job expectations.
- **Limp Objectives & Standards.** A common complaint from HR is that they're unable to make the legal case for disciplinary action because managers fail to communicate, set expectations, and provide frequent feedback and staff training. Rx: Departmental communication centers and scoreboards, celebrations for achievement, and doing the hard work of people managing.
- **A Messy House.** Spongy management allows problem people to stack up like cordwood. The culture shifts downward as good people are driven out, and turnover inevitably leads to an increased percentage of problem people. Rx: Create an action plan on all problem employees, review with management and HR, counsel those affected, provide support where needed, or proceed directly to termination. Remember, you can't win with losers, so fix 'em or fire 'em.
- **Negative Energy.** Work is not the place where freedom of speech means anything goes. A workplace with an undertone of bitching and bellyaching brings everybody down. Rx: Scripting, living by the standards of courtesy and respect, and implementing a defined rule of "No Negative Energy." Often negative energy has resulted by not fixing legitimate issues and grievances, so grab hold of this downward-cycle problem and get rid of both the underlying issues and the negativism that flows when problems aren't fixed.

Those are some of the most common negative traits. Thanks to our friends at *Fortune*, we know leaders of the most admired *Fortune* 500 companies have some traits of their own:

- **They establish direction.** Set a clear vision, a dream, and never be satisfied. That will keep your people pushing forward.
- **They align the organization.** Get people believing, wanting to contribute, and aligned with goals. Be a tireless talker who sells the vision.
- **They create great workplaces.** Create conditions that energize and inspire people to do their best.
- **They have traits of lovers.** Run your organization with love, passion, commitment, and ferocity.

Such leaders know that leadership is a people business. It doesn't come from issuing memos, but in establishing a community of caregivers who are on fire with the desire to achieve.

Leadership has to be learned and mastered. Santa doesn't bring competence and neither does the Easter Bunny. If top executives don't step up to the task of creating a supercharged management team, their people's performance will be less than the best and business results mediocre. The truly good news is that this doable work of building leaders and setting tough standards predictably leads to stellar success. ■

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