

Midland Memorial Hospital Case Study on Values and Culture Initiative

(as of 4-21 – ongoing project)

Prepared by Joe Tye, Founder and Head Coach



Values Coach Inc.

**Consulting, Training, and Coaching on
Values-Based Life and Leadership Skills**

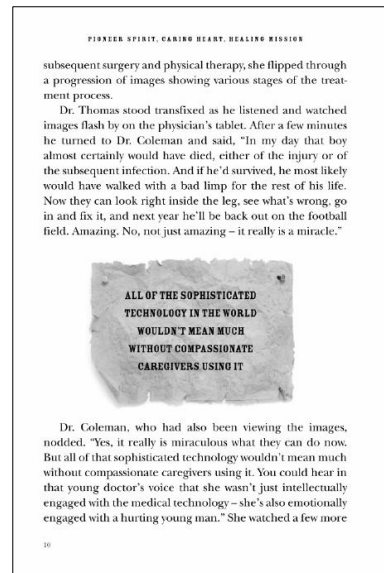
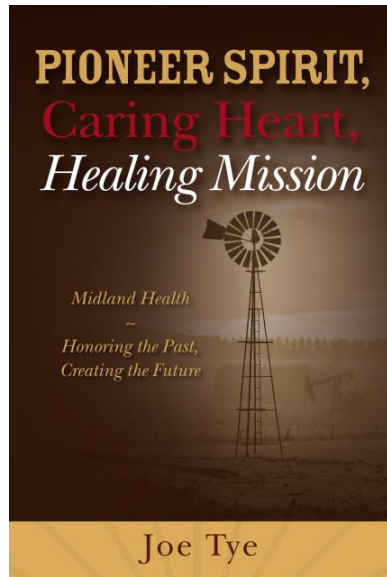
**Transforming People through the Power of Values
Transforming Organizations through the Power of People**

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Groundbreaking for the Invisible Architecture™ of Midland Health

During the week of May 25, 2015 there will be a series of ceremonies and celebrations to mark “groundbreaking” for the Invisible Architecture™ of Midland Health, the healthcare system that includes Midland Memorial Hospital. This will include public introduction of the new book *Pioneer Spirit, Caring Heart, Healing Mission* by Values Coach Founder and CEO Joe Tye; this story builds upon the traditions of the organizations to outline a vision for its future. It will be given to all current and future Midland Health employees, providers, volunteers, board members, and community supporters as a way of defining expectations for the Invisible Architecture of core values, organizational culture, and workplace attitude.



Midland Memorial Hospital Chief Operating Officer Bob Dent with the *Proceed Until Apprehended* banner at the MMH Values Training Center

“I consider our work with Values Coach on the Invisible Architecture of Midland Health to have been as indispensable as our work with the architects who designed our new hospital facility. As a result of our commitment to a culture of ownership we have documented record-high patient satisfaction and clinical quality indicators and have calculated a cultural productivity benefit of more than \$7 million annually.”

**Russell Meyers, President/CEO
Midland Health, Midland, Texas**

The Challenge

Patient satisfaction at Midland Memorial Hospital (MMH) had hit an unacceptably low level of performance, in part driven by low levels of employee engagement. The situation was deemed by the hospital's accreditation agency to be sufficiently serious to warrant a leadership deficiency notice. The MMH leadership team had assumed that both employee engagement and patient satisfaction would be substantially improved with opening of the new \$176 million Scharbauer Tower in late 2012. In fact, though, the reverse occurred: patient satisfaction continued to decline, reaching a record low point, and while employees genuinely appreciated the beautiful new facilities there was no evidence of improved engagement in the workplace. It was clear that with the new facilities MMH had raised patient expectations but had not significantly altered the experience of care. This gap between expectations and experience was responsible for the continued decline in patient satisfaction.

Intervention

MMH had invited Values Coach founder Joe Tye to speak at a nursing leadership conference during 2012 at a time when the Scharbauer Tower was still under construction. In his presentation Tye had described the importance of what he called the Invisible Architecture™ of core values, organizational culture, and workplace attitude. When it became obvious that the hospital's investments in the visible architecture of new facilities would not solve the problems of low employee engagement and patient satisfaction, management commissioned Values Coach to help the MMH leadership team create a cultural blueprint for the organization's Invisible Architecture, and to promote a culture of ownership in which every employee would think and act like an engaged partner.

Culture Assessment Survey, Round 1: In February of 2014 a 12-question Culture Assessment Survey was responded to by 465 of MMH's nearly 2,000 employees. Results confirmed the previous assessment of low employee engagement, and furthermore highlighted a widespread employee perception of an overly negative workplace environment and a weak culture that was incompatible with being recognized as a great place to work and optimally high patient satisfaction. Highlights from this survey include:

- 64% of respondents disagreed or were unsure when responding to the question of whether MMH employees treated others with respect and refrained from engaging in complaining, gossiping, and other forms of toxic emotional negativity.
- 62% of respondents believed that fewer than one-half of their coworkers were highly engaged in their work at MMH.
- Out of 4,450 possible opportunities to "strongly agree" with a positive statement about values, culture, and workplace attitude at MMH, only 309 times (7%) did this happen.
- 65% of respondents estimated that more than 10%, and 25% of respondents estimated that more than 20% of all paid hours at MMH were wasted on complaining, gossip, and other forms of toxic emotional negativity.

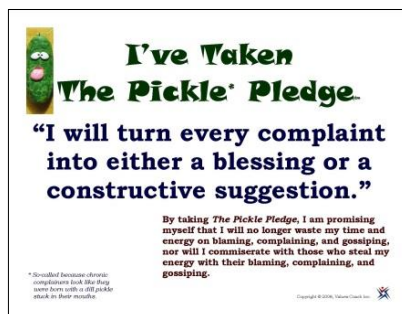
- The estimated annual dollar cost of salaries and wages wasted on toxic emotional negativity was calculated to be \$14.4 million – not including the indirect impact of these behaviors on productivity, patient satisfaction, or community image.

The Florence Challenge: In early May all MMH employees were given a special edition of Joe Tye’s book *The Florence Prescription: From Accountability to Ownership* with an introductory letter from the executive team. This book summarizes key concepts of Invisible Architecture; describes 8 essential characteristics of a culture of ownership (commitment, engagement, passion, initiative, stewardship, belonging, fellowship, and pride); and introduces techniques for a more positive workplace attitude including The Pickle Challenge and The Self Empowerment Pledge. Later that month Tye conducted all-employee presentations attended by nearly 90% of MMH staff in which he shared results of the Culture Assessment Survey and challenged the organization to more clearly define cultural expectations.



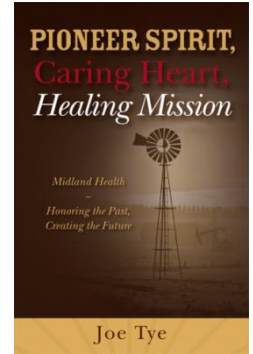
The Florence Challenge Certificate of Commitment has been signed by employees across MMH

The Pickle Challenge: During his presentations Tye also shared The Pickle Pledge and issued The Pickle Challenge: MMH employees were challenged to, during a one week period, raise \$1,000 in quarters by “fining” themselves and each other when they caught themselves complaining, gossiping, or engaged in other forms of toxic emotional negativity. Values Coach would then match that amount and proceeds would be donated to the MMH catastrophic employee assistance fund. Challenge dates were set to coincide with National Hospital Week. The event was promoted in the CEO’s Monday Message newsletters and a pickle jar decorating contest was launched to generate enthusiasm. The challenge was met and thanks to an additional match from an anonymous donor nearly \$3,000 was donated.



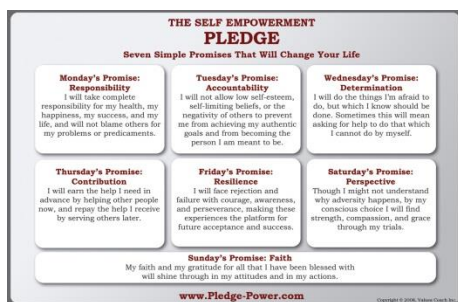
The Pickle Pledge and entries in the MMH pickle jar decorating contest

Hospital Values Statement: The foundation of the Invisible Architecture metaphor is core values. In his April presentations Tye had challenged the MMH leadership team to define a statement of values that was authentic and avoided typical boilerplate that would be embraced by the entire organization. In July, Tye conducted individual and focus group interviews with more than 200 executives, board members, providers, volunteers, and board members on the subject of MMH core values. In August a draft values statement was presented to the hospital's boards, providers, and employees for feedback. The final version was approved by the MMH boards in December. To assure optimal employee ownership for these values and the expectations they establish, Tye was commissioned to write a book that will, in fictional format, capture the history, traditions, values, and cultural expectations of the organization. This book will be given to all employees at a celebratory event in May 2015 and then shared with the broader Midland community the following September.



Culture Assessment Survey, Round 2: In July another Culture Assessment Survey was conducted to assess the extent to which employee perceptions of the MMH culture had changed since the April sessions – and again there were nearly 500 responses. In addition, a separate survey was given to managers with an 80% response rate. Results were presented in a second round of management and all-employee sessions in August, and are summarized in the Results section below.

The Self Empowerment Pledge: The Pledge features one promise for each day of the week (Responsibility, Accountability, Determination, Contribution, Resilience, Perspective, and Faith). In many departments groups of employees gather for several minutes each day to recite that day's promise, and many employees – including all members of the executive team – wear the daily promise wristbands. During the second quarter of 2015 the new 21-module online course for The Self Empowerment Pledge will be offered to all members of the MMH family.



The Twelve Core Action Values: During his August presentations, Tye shared an overview of the Values Coach course on *The Twelve Core Action Values* (see illustration below). Following that, MMH recruited 40 individuals who in December participated in a 5-day workshop to become Certified Values Coach Trainers (CVC-T). Exhibit 1 includes representative comments from CVC-Ts said about their participation in the course; the most common phrase was some variation of “life changing.”

Between January and April of 2015 these CVC-Ts are sharing the course with all MMH employees in a series of 2-day classes to be conducted throughout the year. New employees will also be scheduled to take the course, and it will be offered to medical staff members and their office employees. As of mid-January six classes have been completed with more than 150 MMH employees having participated, again with extraordinarily positive responses.

The Twelve Core Action Values			
And the Cornerstones that Put Action into those Values			
I. Laying a Solid Foundation <small>The first six Core Action Values and associated cornerstones develop inner strength of character.</small>		II. Taking Effective Action <small>The second six Core Action Values and associated cornerstones catalyze action and contribution.</small>	
1. Authenticity Self Awareness Self Mastery Self Belief Self Truth	4. Courage Confrontation Transformation Action Connection	7. Purpose Aspiration Intentionality Selflessness Balance	10. Enthusiasm Attitude Energy Curiosity Humor
2. Integrity Honesty Reliability Humility Stewardship	5. Perseverance Preparation Perspective Toughness Learning	8. Vision Attention Imagination Articulation Belief	11. Service Helpfulness Charity Compassion Renewal
3. Awareness Mindfulness Objectivity Empathy Reflection	6. Faith Gratitude Forgiveness Love Spirituality	9. Focus Clarity Concentration Speed Momentum	12. Leadership Expectations Example Encouragement Celebration

Outline of the course on personal values



First class of Certified Values Coach Trainers (CVC-T)

Results

Round 2 Culture Assessment Surveys indicated a significant positive shift in employee perceptions of the MMH culture and concomitant workplace attitudes and behaviors. When these findings were presented at employee and provider sessions in August, in each presentation people were asked if the changes were real and being experienced in the workplace – the responses were overwhelmingly affirmative. Following are key results:

- 64% of respondents reported that their coworkers were more positive and more fully engaged than they were before the April sessions.
- 87% of respondents reported being more personally positive and more fully engaged.
- 61% reported that people in the organization were more likely to reflect positive attitudes and refrain from toxic emotional negativity than they were before the April sessions.
- There were significant increases in the proportion of people reporting pride in the organization and willingness to embrace change and be advocates for progress.
- 82% reported that their managers were fully supportive of these culture change efforts.

Results from the managers' survey were equally positive, if not more so:

- 96% responded that they were personally enthusiastic about and supportive of efforts to promote a more positive culture of ownership.
- 83% reported having encouraged their people to read *The Florence Prescription*, sign a Certificate of Commitment, and participate in The Pickle Challenge and The Self Empowerment Pledge.
- 94% reported that this initiative was helping them to be more effective both as a leader within MMH and in their personal lives.

The first 150 graduates of the classes on The Twelve Core Action Values being taught by MMH Certified Values Coach Trainers were surveyed. The very high level of satisfaction is especially notable given that the Values Trainers are not professional speakers or teachers but were sharing what they had learned from the heart. Enthusiasm for the course is reflected in these results:

- More than 90% of respondents stated that the course would help them to be more effective at work and in their personal lives (two separate questions).
- Nearly one-third of respondents said that the course will be “life-changing” and 92% stated that they would recommend the class to others.

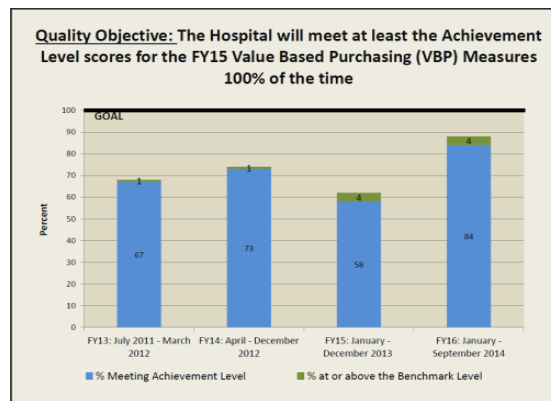
Patient Satisfaction

Increased employee engagement has been reflected in patient satisfaction which went from all-time lows in January to record high levels in December. The improvements have been subjectively corroborated by physicians, board members, and others based upon what they are hearing from patients and neighbors. Just before Christmas of 2014 the hospital was able to pay out \$2.5 million in incentive compensation checks to employees because for the first time in a number of years they had hit their target on patient satisfaction. As shown in the following chart, there was a ten point increase in overall HCAHPS scores in the six months following launch of the Values and Culture Initiative.



Clinical Quality

Largely as a result of increased employee engagement, clinical quality indicators have also increased to record high levels:



Return on Investment and Cultural Productivity Benefit

The Values and Culture Initiative at Midland Memorial Hospital was not primarily intended to be a cost-saving or productivity-enhancing undertaking. The focus was on increasing employee engagement first and as a result increasing patient satisfaction. As has been shown, the results in this arena have been quite impressive. However, there has also been a significantly positive financial and productivity impact.

On page 4 of this report it was estimated that based upon results of the initial Culture Assessment Survey Midland Memorial Hospital was spending more than \$14.2 million per year on wage and salary expense that was wasted on complaining, gossiping, and other forms of toxic emotional negativity. When a second Culture Assessment Survey was administered six months later, the results indicated that figure had been cut in half. This accounts for time that was being spent on activities that were not only not productive but were actually counterproductive having been redirected to patient service, better communication, and investment in personal development. *The Cultural Productivity return is more than \$7 million per year, which does not include higher reimbursement as a result of increased patient satisfaction and significant improvement of the hospital's image and reputation in the community.*

Over time an enhanced culture of ownership will also reduce unwanted turnover, yielding a significant savings. It's been estimated that up to 5% of a typical hospital's operating costs are related to turnover, including recruiting, orientation and training, disruption to operations, and in some cases lost revenue if patients must be diverted or services curtailed. It's also estimated that the cost of replacing an employee can be as high as twice that employee's salary for highly-skilled positions.

MMH's direct investment in this work on Invisible Architecture™ (not including the time of employees participating in training activities) was less than two-tenths of one percent of the investment in the visible architecture of a brand new hospital, but the impact on employee engagement, patient satisfaction, and community image has been much greater.

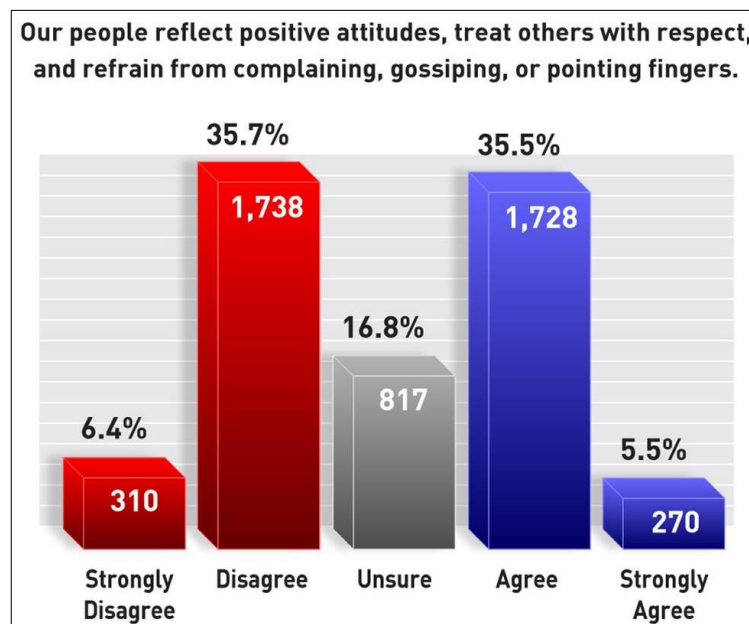
Plans for 2015

- Introduce the book *Pioneer Spirit, Caring Heart, Healing Mission* during all-employee meetings.
- Offer every employee access to the new Values Coach online course PledgePower, featuring 21 learning modules on the seven promises of The Self Empowerment Pledge.
- A community event built around the MMH culture of ownership and the *Pioneer Spirit* book in September.
- Every Midland Health employee will complete the course on The Twelve Core Action Values.

Key Lessons

Lesson #1: Assess, don't assume. Research from The University of Iowa Health Management and Policy Department shows that the higher one falls on the organization chart, the greater the likelihood to be wearing rose-colored glasses when making assumptions about culture. The shocking results from the first round survey at MMH are not atypical for hospitals and other healthcare organizations. As in medicine so also with cultural transformation – the first step is accurate diagnosis. The first step toward creating a culture of ownership at Midland Memorial Hospital was the leadership team honestly assessing its current Invisible Architecture™ and acknowledging that change was essential in order to enhance patient satisfaction, community image, and internal operations.

When Values Coach works with hospitals and healthcare associations, the project often starts with the sort of Culture Assessment Survey mentioned above. The chart below summarizes results from the most recent twelve surveys (as of March 1, 2015). Especially in a healthcare setting and among healthcare professionals, having a positive attitude, treating others with respect, and refraining from toxic emotional negativity should be a minimum expectation. Of nearly 5,000 healthcare workers participating in these surveys more people disagreed than agreed with that statement, and barely 5% strongly agreed. Unfortunately, these results are very typical of what we see whenever we conduct these surveys in the healthcare setting. Fortunately, as shown by the example of Midland Memorial Hospital, with courage and determination the leadership of an organization can influence this toxic element of culture – and do so quickly.



Results from the most recent 12 Culture Assessment Surveys conducted for Values Coach hospital and healthcare association clients

Lesson #2: Senior leadership visibility and commitment is essential. At MMH, members of the executive team are fully committed to the entire culture change process, and convey to the people who report to them that their support is also mandatory. As one example, every day every member of the executive team wears the wristband for that day's promise from The Self Empowerment Pledge and there are pickle jars for The Pickle Challenge in every executive office.

Lesson #3: Middle management engagement or non-engagement can make or break the cultural transformation process. Prior to this initiative, MMH was characterized by a culture of optionality more than it was by a culture of ownership – and creating that sense of ownership had to begin with members of the middle management team.

Lesson #4: Remember that everyone listens to radio station WIIFM – What's In It For Me? Give people practical activities, tools, and techniques they can use not just in their professional work but also in their personal and family lives. The real power of The Pickle Challenge, as one example, is not just in the way it can reduce complaining and gossiping in the workplace, but in the way it can help individuals who make the commitment learn to be more positive, cheerful, and optimistic in their own lives – and in the way they can take the challenge home and share it with their families.

Lesson #5: The Human Resources department must play a key leadership role. From the beginning, middle managers were told that they could no longer blame HR for their failures to confront and correct inappropriate attitudes and behaviors. HR has played, and continues to play, a leading role in promoting a positive culture of ownership. The first thing people see at the HR department is The Pickle Pledge, the seven daily promises of The Self Empowerment Pledge, and each HR employee's signed copy of The Florence Challenge Certificate of Commitment.



Lesson #6: There should be a manifesto or other written document that not only describes cultural expectations but also inspires employee ownership for those expectations. In the case of MMH, the books *The Florence Prescription* that was shared at Hospital Week in 2014 and *Pioneer Spirit, Caring Heart, Healing Mission*, which will be shared during Hospital Week of 2015, have served that purpose.

Lesson #7: Culture change should begin to have the feel of a movement – beginning with growing intolerance of toxic emotional negativity in the workplace. At MMH, we are hearing stories of toxic employees being confronted by coworkers and even leaving the organization because they don't want to embrace the new norm of positive expectations. The analogy of the movement to eradicate toxic cigarette smoke from the workplace environment has been especially helpful in communicating our expectations that the MMH workplace will be both physically and emotionally healthy.

Lesson #8: Embrace the skeptics, marginalize the cynics, and plow through resistance. Skeptics are people who ask tough but legitimate questions (such as “How do we know this will work?” and “Who else has taken this approach and what were their outcomes?”), and they ask those questions in good faith. In

our experience, once their questions are answered skeptics become some of the strongest supporters. Cynics, on the other hand, assume that management is acting in bad faith and do everything in their power to make sure the effort fails (cynics love nothing better than to say “I told you that wouldn’t work”). In our experience, once momentum for culture change starts to build, the cynics either get on board, stop talking, or in some cases decide to leave the organization because they can’t stand not being the center of attention at the water cooler.

Resistance is inevitable. Depending upon the organization it can range from mild skepticism to caustic cynicism. It is imperative that the management team not allow resistance to derail the culture change commitment. Otherwise, this becomes just another failed program of the month – validating the chief criticism of the cynics who want this to fail.

Lesson #9: There must be a real and visible commitment that the culture change initiative will not be just another “program of the month.” At MMH this commitment is reflected in the remodeling of the staff training specifically for this purpose. The walls are decorated with the new Midland Health statement of values and the personal values in *The Twelve Core Action Values*, The Pickle Pledge, the seven promises from The Self Empowerment Pledge, and a large “Proceed Until Apprehended” banner.



The walls of the Midland Health staff training center are decorated with permanent visible reminders of their values, their culture, and their expectations for attitude in the workplace – the Invisible Architecture™

It is also important that work done with the Values and Culture project build upon and complement work that has been done before and other ongoing projects. We call this “initiative coherence.” This is essential to prevent the perception that this work is just another “program of the month” and, more important, to make sure that the organization is optimizing and sustaining the value of previous work. Values Coach has worked with organizations that have conducted, or are conducting, projects with Covey, Disney, Studer, and many other entities and appreciate the importance of building upon existing foundations. At Midland Memorial Hospital, for example, Values Coach has been a strong supporter of the DAISY Award program.



DAISY Foundation founders Mark and Bonnie Barnes pictured with The Pickle Pledge at Midland Memorial Hospital

Lesson #10: Celebrate and share stories. Many MMH employees have been inspired by stories of how coworkers have changed their lives as a result of participating in the culture initiative. After being asked by his department manager to participate in daily readings from The Self Empowerment Pledge a nurse on the Endoscopy Unit experienced cognitive dissonance because the promises he was making were not compatible with the fact that he was stealing narcotics for his own personal addiction. He is now closing in on his first full year of being clean and sober and serves as an example to everyone else.



Kyle Graham RN, third from left, with members of the leadership team who have supported his efforts to break a drug addiction

Lesson #11: As much care and attention must be given to the design and implementation of the Invisible Architecture™ of an organization as is given to the design and construction of the bricks and mortar of the visible architecture.

Lesson #12: Positive culture change requires a serious and sustained commitment. Implementing another “program of the month” not only does not work, it can actually be counterproductive.

Summary

Culture does not change unless and until people change. People will not change their attitudes and behaviors to improve HCAHPS scores, to bolster the bottom line, or to make their bosses look good. They will only make and sustain these changes if they perceive a personal benefit that is consistent with their own personal values. The best investment in your organization is an investment in your people.

Midland Memorial Hospital Journey toward a Culture of Ownership

The Midland Memorial Hospital journey from a culture of accountability toward a culture of ownership is further described in a special page on their website. This page also includes a video in which the CEO and a number of the MMH Certified Values Coach Trainers are interviewed. Some of these interviews are conducted in the new MMH training facility that is decorated with the Midland Health Core Values, The Twelve Core Action Values, The Self Empowerment Pledge, The Pickle Pledge, and other reminders: *This is who we are, this is what we stand for, and this is what we won't stand for.*

[Midland Memorial Hospital Culture of Ownership web page](#)

Exhibit 1: What MMH Values Trainers Say about the Course*

LESSONS LEARNED



The classes have positively made an impact in my life in general. Not only do I feel happier but also empowered and inspired to help others reach their potential. I have realized the importance of choosing the right attitude in the workplace and at home. It was to my surprise the lessons learned throughout the course have influenced the decisions I make financially, professionally, and personally.

Michael Banda | Medical Unit Coordinator

LESSONS LEARNED



I would say I felt like the entire week was empowering and life changing. We live our lives and don't really stop and think about our core values or what we want to stand for, but this course opens your eyes and creates those conversations within yourself and family! I know that this course will make MMH the Best Hospital in Texas!

Aline Fuselier BSN, RN | RN Residency Manager

LESSONS LEARNED



This program was a chance to take a very introspective look at ourselves and empowers us with tools to grow and change. For me, it was absolutely life changing.

Anissa R. Gatten | Accreditation Specialist


LESSONS LEARNED



This was a life changing experience for me. I realize that I need to be a better person in my private life as well as my work life. This classes teaches you how to be the person you want to be.

Wayne Suarez | Environmental Services


LESSONS LEARNED



Values' class is no ordinary class. It is a life-altering overhaul of your inner self for a better you. MMH Administration supports their employees to take this time of reflection in order to organize their personal life to impact their professional life. Values start on the inside and overflow into performance and work ethic. I'm proud to be a Midland Memorial Hospital employee.

Robyn Wood, BSN RN CMSRN | Director of Inpatient Surgical Services

LESSONS LEARNED



The values coach class has taught me that I can be whatever I want to be so that I can help people to become whatever they want to be

Afton Harris | Environmental Services

*** From the Midland Memorial Hospital website**

To learn more about how Values Coach can help your organization:

Michelle Arduser, Director of Client Services

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