



FTEs of the Future:

A Guide to Aligning the Right Trend with the Right Skills

Presented by:

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Learning Objectives

- Define succession planning & what that means to a healthcare facility
- State of the aging workforce
- Impacts on the industry
- 3 Steps in developing a plan that will address associate skills needed to recruit, train and build the “next generation workforce”
 - Analyze
 - Planning
 - Optimize

“To the extent that a CEO, an executive team, and a group of managers and employees explore their potential as individuals, so too will an organization explore its potential.”

- M. Kelly, The Dream Manager

Succession Planning

Definition:

Succession planning is a process for identifying and developing internal people with the potential to fill key positions in the company and helping them **achieve** what they want to achieve.

Succession planning increases the availability of **experienced** and **capable** employees that are prepared to assume these roles as they become available and creates a **culture of learning**.

Current Workforce Stats

Workforce Mix

Baby boomer

(age 54-71):

27%

Gen X

(ages 34-54):

35%

Millennials

(ages 21-36):

37%

- 10,000 people per day reach the average retirement age of 65.
- In 2015 almost a third of the workforce and nearly 50% of leadership were eligible to retire
- The average age of industry workers is 41, according to the Department of Labor statistics.
- A majority of adults in the labor force say that it will be essential for them to get training and develop new skills throughout their work life in order to keep up with changes in the workplace.

Challenges Impacting Our Industry

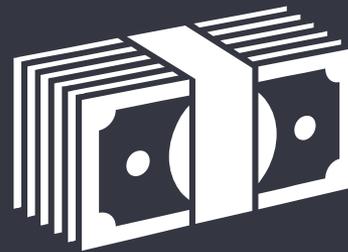
**Siloed
Business**



Downsizing



Costs



**Fragmented
Recruiting**



Supporting All Levels

- Succession planning is greater than just preparing front line associates for leadership.



- Through the **culture of learning**, all levels should be examined.

- Ask the associate:
“Where are you now, and where do you want to be?”

- Provide the support in order for them to achieve their goals.

3 Key Steps in Developing a Plan



1. Analyze

Data

- Examine industry & organizational data
- Use information to make informed decisions

2. Planning

Internship Program & Training

- Identifying the skilled trade needs
- Build the next generation
- Develop a formalized plan with leadership

3. Optimize

Communication

- Associate Engagement
- Sustainability
- Empowering the next generation

Analyze

Data

Examining Current Data

- Evaluate labor
- Evaluate Contracts (types & costs)
- Examine average repair times
- Analyze staffing needs to meet org. goal
- Examine average retirement age of workforce

Planning for the Future

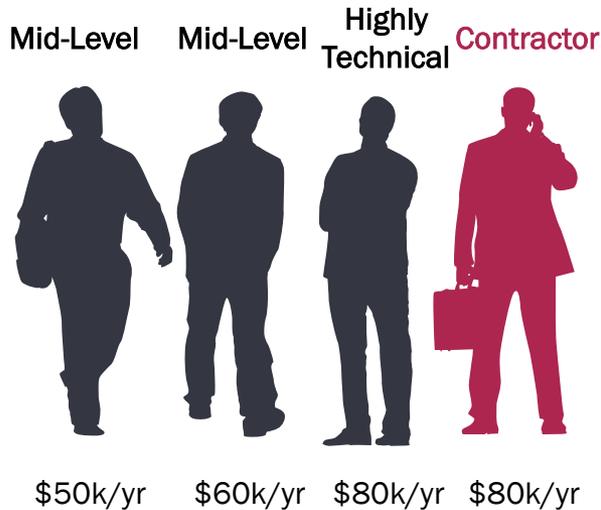
- Evaluate the value of retiring positions – is it a skillset you need to replace?
- Maintain contractor relationships who provide the most value
- Utilize & invest in contractor relationships to help train associates

End goal:
70% of work
performed by
associates

Scenario

Associate Gap

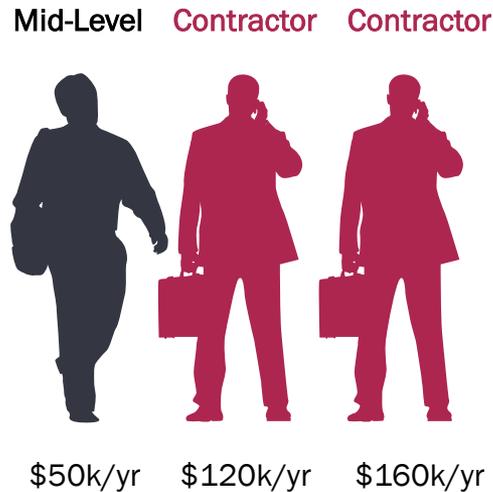
Retirements or Forced Restructure/Cuts Affect FTE Counts.



Annual costs:
\$270k/year

Contractor Route

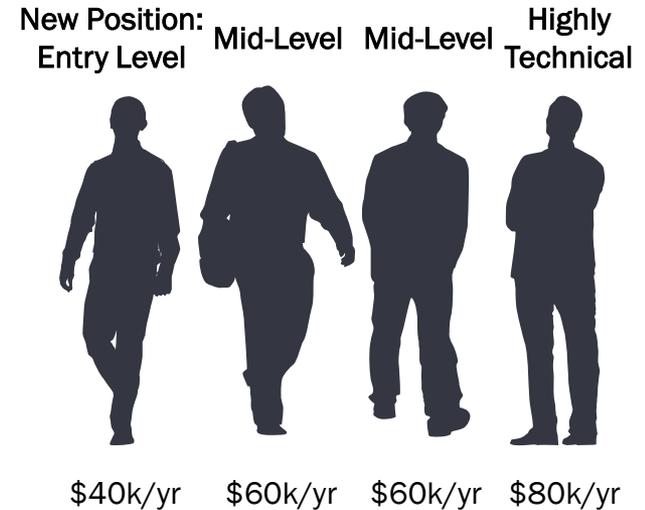
Highly technical and mid-level associate now gone. No one else on staff has the technical expertise to complete the work. A contractor must be called in.



Annual costs:
\$330k/year

Build Back the Workforce

Work alongside contractors and back-fill positions so those high cost contracts can be minimized or eliminated once again.



Annual costs:
\$240k/year

Planning

Staffing

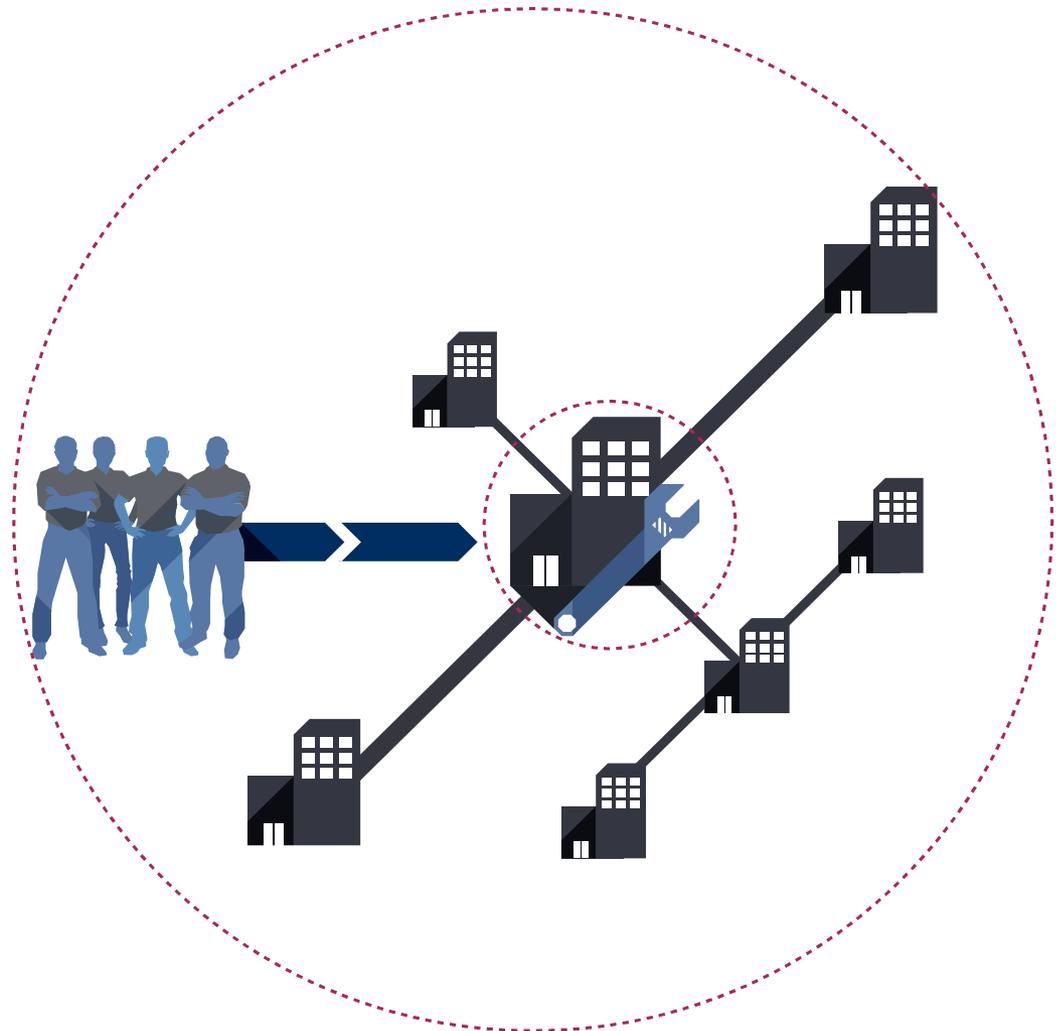
Problem:

Industry causing hospitals to go to an FTE count

Solution:

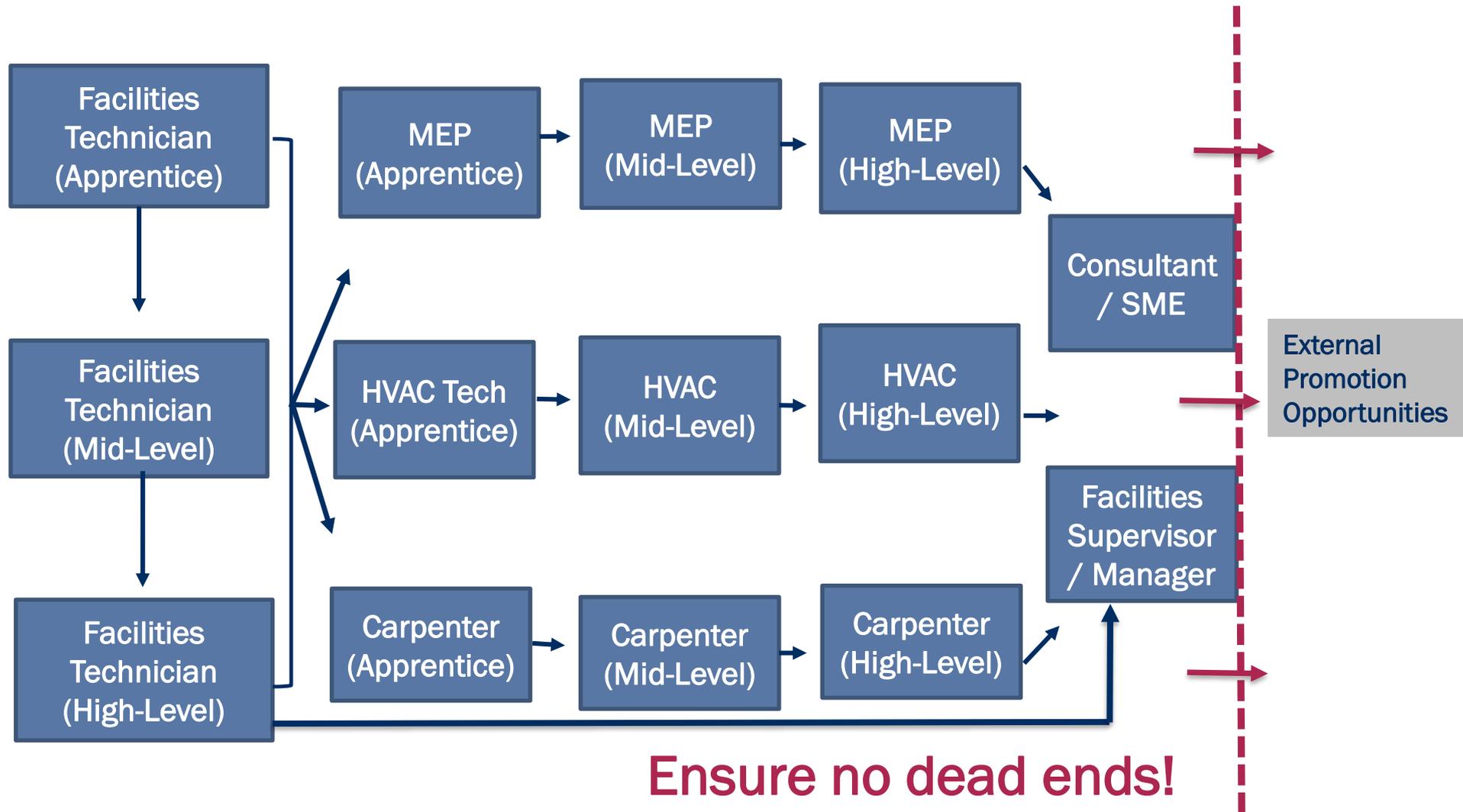
“Draw the circle bigger”

Adding a more mobile workforce shared amongst multiple local facilities will present more opportunities for associates



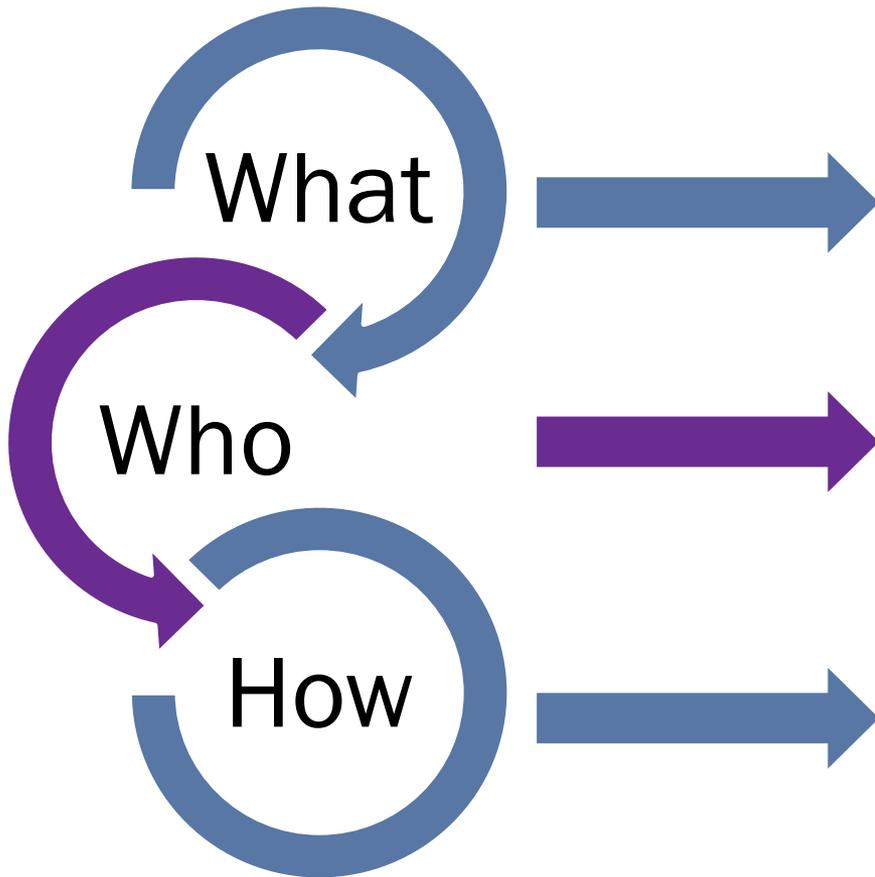
Planning

Career Pathing



Planning

Training



Determine **WHAT** types of training is needed

Determine **WHO** receives what training based on workforce plan

Determine **HOW** to deliver that training

Planning

Development Programs

Example: Interns

A structured training program allows for additional opportunities

Benefits:

- Building talent from the ground up
- Diversifying your workforce
- Increasing productivity and efficiencies
- Reduced turnover & liability
- Closing the skills gap
- Interns can then see how opportunities are built within your organization

How:

- Build strong relationships with trade schools – curriculum alignment
- Standardize training across all facilities
- Hands-on experience teaches and develops the skills needed for them to grow and sustain in their careers

Break Our Way of Thinking: *Expand the Talent Pool*

Outside the Industry



Industry background

Optimize

Communication

Well-documented impact of high associate engagement:



Profitability



Productivity

Lost productivity stemming from associate disengagement costs U.S. companies \$450-\$550 billion annually. (Gallup)



Customer Loyalty



Greater financial performance.

Source: Gallup



Greater annual revenue increase.

Source: Aberdeen



Fewer safety incidents.

Source: Gallup



Lower absenteeism

Source: Gallup



Higher profits.

Source: Aberdeen



Higher employee productivity.

Source: Gallup



Lower turnover.

Source: Gallup



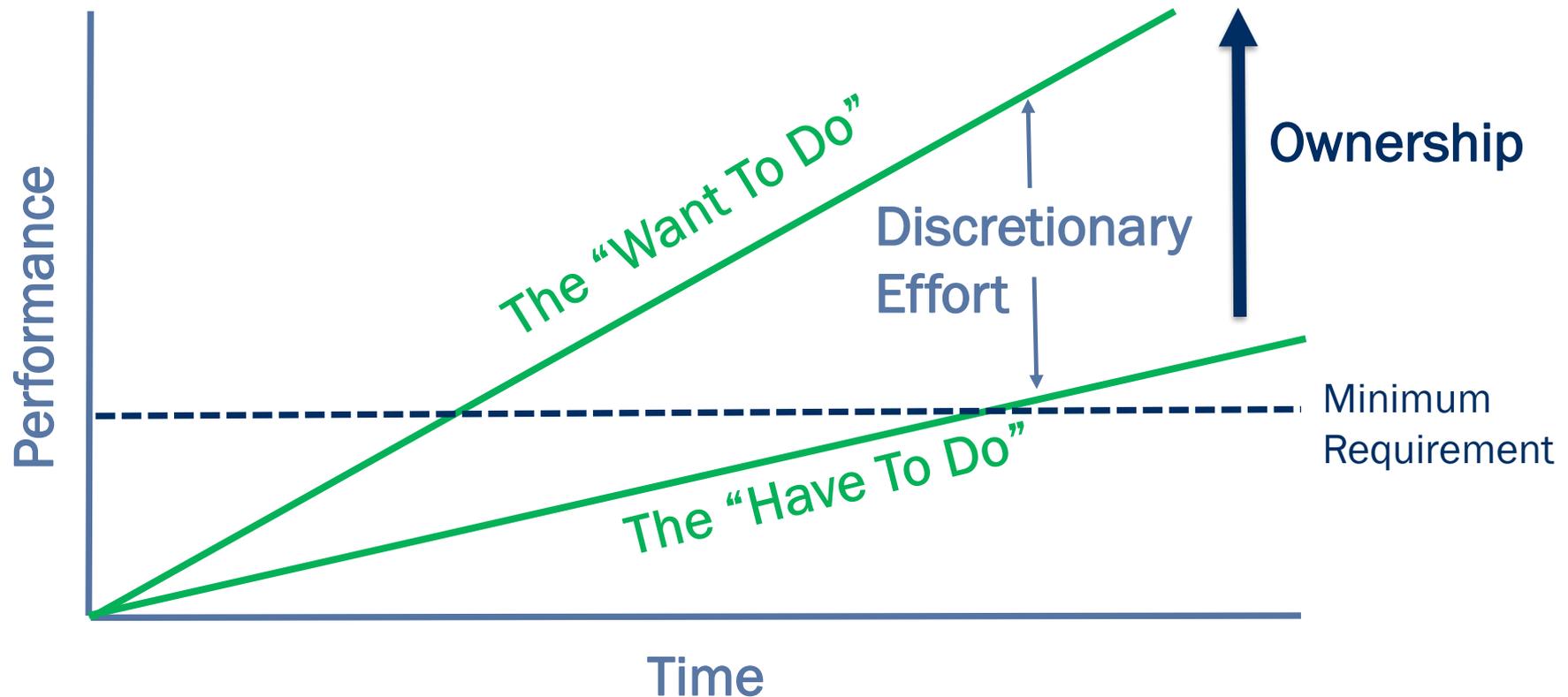
Greater customer loyalty.

Source: Gallup

Optimize

Communication

Figuring out the discretionary effort



Optimize

Communication

Setting the Stage for Success

- Building a partnership between the associate and the organization
- Make the associate aware of resources, the path & how to be successful
- Make the associate aware of their responsibility in their path

Resources Training Support



Opportunity

Optimize

Communication

Empower your associates

- An associate who feels appreciated (and empowered) will always do more than expected.
- Listen to them and act – regular associate one-on-one's, associate surveys
- Create individual developmental plans for growth opportunities
- Encourage associates to pursue certifications

Recap

- Succession planning is a crucial component to sustaining skilled labor
- Aging workforce rates – necessary to close the skills gap
- Current challenges impacting the industry: Siloed Business; Downsizing; High Outsourcing Pressures; Fragmented Recruiting
- 3 Steps in developing a plan that will address associate skills needed to recruit, train and build the “next generation workforce”
 - Analyze: Examining the Data
 - Planning: Internship Program & Training
 - Optimize: Communication