Talent Management: Developing Clinical and Administrative Leaders

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Seattle, Washington

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Gary S. Kaplan, MD, and Charleen K. Tachibana, RN, have no relevant relationships to disclose.

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“Among senior executives, there is a growing recognition that a shortage of leadership talent in their ranks is, in large part, to blame for the lack of progress. . .”

Source: The Advisory Board Company

Workshop Objectives

• Describe the Virginia Mason talent management program

• Summarize tools and standard work used to support the process

• Apply lessons learned by Virginia Mason
Virginia Mason Medical Center

• Integrated health care system
• 501(c)3 not-for-profit
• 336-bed hospital
• Eight locations
• 500 physicians
• 5,000 employees
• Graduate Medical Education
• Research Institute
• Foundation
• Virginia Mason Institute

Time for a Change
Year 2000

• Issues
  ▪ Survival
  ▪ Retention of the best people
  ▪ Loss of Vision
• Leadership change
• A defective product
Leadership – A Different Time

• No accountability
• Physician centered
• Non-strategic
• Political
• Little succession planning or focus on talent development

Why is Change So Hard?

• Culture
• Lack of shared vision
• Misaligned expectations
• No urgency
• Ineffective leadership
Organizational Transformation Requires Leadership

- Clarity of expectations
- Responsibility and accountability
- Culture of feedback
- Transparency
- Trust

The Journey

- New Strategic Plan
- 2000 New CEO
- 2002 Japan
- 2005 KPO Rotations
- 2007 Executive Reassignment
- 2009 Speed of Trust
- 2010 Crucial Conversations
- 2011 Talent Review
- 2012 Succession Planning

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**Virginia Mason’s Strategic Plan**

- **Foster Excellence**
  - Recruit and retain the best people
  - Acknowledge and reward contributions to patient care and the organization
  - Provide opportunities for growth of leaders
  - Continuously strive to be the quality leader in health care
  - Create an environment of innovation and learning

- **Lead and Align**
  - Create alignment with clear and focused goals and strategies
  - Continuously measure and improve our patient care, service and efficiency
  - Manage and lead organization with integrity and accountability
  - Resolve conflict with openness and empathy
  - Ensure safe and healthy environment and systems for patients and staff

- **Listen and Communicate**
  - Share information regarding strategic intent, organizational priorities, business decisions and business outcomes
  - Clarify expectations to each individual
  - Offer opportunities for constructive open dialogue
  - Ensure regular feedback and written evaluations are provided
  - Encourage balance between work life and life outside of work

- **Educate**
  - Support and facilitate leadership training
  - Provide information and tools necessary to improve individual and staff performance

- **Recognize and Reward**
  - Provide clear and equitable compensation aligned with organizational goals and performance
  - Create an environment that recognizes teams and individuals

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**VMMC Leadership Compact**

<table>
<thead>
<tr>
<th>ORGANIZATION’S RESPONSIBILITIES</th>
<th>LEADER’S RESPONSIBILITIES</th>
</tr>
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<tbody>
<tr>
<td>Foster Excellence</td>
<td>Focus on Patients</td>
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<td>• Recruit and retain the best people</td>
<td>• Promote a culture where the patient comes first in everything we do</td>
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<td>• Develop exceptional working-together relationships that achieve results</td>
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<td><strong>Take Ownership</strong></td>
</tr>
<tr>
<td>• Create alignment with clear and focused goals and strategies</td>
<td>• Foster understanding of individual/team impact on VM economics</td>
</tr>
<tr>
<td>• Continuously measure and improve our patient care, service and efficiency</td>
<td>• Continuously develop one’s ability to lead and implement the Virginia Mason Production System</td>
</tr>
<tr>
<td>• Manage and lead organization with integrity and accountability</td>
<td><strong>Participate and actively support organization/group decisions</strong></td>
</tr>
<tr>
<td>• Resolve conflict with openness and empathy</td>
<td><strong>Maintain an organizational perspective when making decisions</strong></td>
</tr>
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<td>• Ensure safe and healthy environment and systems for patients and staff</td>
<td><strong>Continually develop oneself as a VM leader</strong></td>
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<tr>
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<td>• Coach individuals and teams to effectively manage transitions</td>
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<td>• Demonstrate flexibility in accepting assignments and opportunities</td>
</tr>
<tr>
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<td>• Evaluate, develop and reward performance daily</td>
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<tr>
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<td>• Accept mistakes as part of learning</td>
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## VMMC Leadership Compact

### Organization's Responsibilities

- **Foster Excellence**
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- **Educate**
  - Support and facilitate leadership training
  - Provide and facilitate information and training necessary to improve individual and staff performance

- **Recognize and Reward**
  - Provide clear and equitable compensation aligned with organizational goals and performance
  - Create an environment that recognizes teams and individuals

### Leader's Responsibilities

- **Focus on Patients**
  - Promote a culture where the patient comes first in everything we do
  - Continuously improve quality, safety and compliance

- **Promote Team Medicine**
  - Develop exceptional working-together relationships that achieve results
  - Demonstrate the highest levels of ethical and professional conduct
  - Promote trust and accountability within the team

- **Listen and Communicate**
  - Communicate VM values
  - Courageously give and receive feedback
  - Actively request information and resources to support strategic intent, organizational priorities, business decisions and business outcomes

- **Take Ownership**
  - Implement and monitor VM approved standard work
  - Foster understanding of individual/team impact on VM economics
  - Continuously develop one’s ability to lead and implement the Virginia Mason Production System
  - Participate in and actively support organization/group decisions
  - Maintain an organizational perspective when making decisions
  - Continuously develop oneself as a VM leader

- **Foster Change and Develop Others**
  - Promote innovation and continuous improvement
  - Coach individuals and teams to effectively manage transitions
  - Demonstrate flexibility in accepting assignments and opportunities
  - Evaluate, develop and reward performance daily
  - Accept mistakes as part of learning
  - Be enthusiastic and energize others

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**Japan 2002**
Developing a Team of Leaders

Team Leader
Kaplan
reviewing the
flow of the
process

“It is not by accident that you were chosen to be a leader. It is your destiny.”

Sensei Chihiro Nakao
Our Focus Areas

- Talent Management: *aligns people capabilities with organizational needs*

- Succession Planning: *identifies individuals with the potential to fill roles*

Talent Management Strategy

- **Recruit**
  - Work Force Planning
  - Attract Talent
  - Hire for Fit

- **Set Direction**
  - Goals / Expectations
  - Align to Vision and Values
  - Equip Staff with Tools and Info

- **Ongoing Feedback**
  - Coaching
  - Performance Evaluations
  - Mentoring

- **Rewards & Guidance**
  - Ongoing Recognition
  - Reinforce Excellent Performance
  - Address Poor Performance

- **Develop**
  - On-the-job
  - Build Relationships
  - Classes / Books

- **Succession Plan**
  - Review Talent
  - Identify High Potentials
  - Plan for Future Movement
Retaining and Growing our Leaders

- Rigorous talent review
  - Depth of leadership talent
  - Invest in people
- Create leadership development resources
- Integrate development strategy with VMPS

Leadership Talent Approach

2010
- Planning
- Talent Reviews: 33 Administrative Directors

2011
- Talent Reviews: 60 MD Leaders, 25 Executives

2012
- Talent Reviews: 14 Administrative Directors, 84 Directors, 8 Executives, 26 emerging MD leaders, 24 interim reviews
- Succession planning
Talent Review Guiding Principles

- Talent is an organizational resource
- Executive leadership is accountable for developing the talent
- Assessment of leadership talent is broad based and supported with specific behavioral examples
- Executive leadership is accountable for "ready now" candidates

Talent Review

1) Pre-Review
   Create or update profile

2) Talent Review Session

3) Post-Review
   Discussion and Development Plan

4) Monitoring

Annual Cycle

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Standard Process

- Instructions template
- Talent profile template
- Leadership development plan template

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Pre-Review Conversation

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Talent Review Session

Development Philosophy

- Education Based
  - Training
  - Reading
  - Workshops
  - 10%

- Relationship Based
  - Role Modeling
  - Feedback & Coaching

- Experience Based
  - Development in Role
  - Full Job Change
  - Temp Assignment
  - 70%

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Post Review Discussion

Leadership Development Plan (LDP)

The purpose of this plan is to capture the leadership development activities for near term and long range development. Developing the plan is a joint process between a manager and their staff member.

Name: [Name]
Position: [Position]
Department: [Department]
Supervisor: [Supervisor]
Date: [Date]

Short-Term Development Goals – Within the present position (1 year)

<table>
<thead>
<tr>
<th>Leadership Development Activities</th>
<th>Resources Required</th>
<th>Start Date</th>
<th>End Date</th>
<th>Success Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competency 1:</td>
<td></td>
<td>08/01/11</td>
<td>12/31/11</td>
<td>Meet or exceed with each individual; review performance management tools</td>
</tr>
<tr>
<td>Explore major employment groups across VM, enterprise, hospital and clinic</td>
<td>Enterprise - Sue Anderson, Hospice - Cherie Tachibana Site - Kate Reed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competency 2:</td>
<td></td>
<td>08/01/11</td>
<td>12/31/11</td>
<td>Form working relationship with outside agency; utilize underdeveloped skills</td>
</tr>
<tr>
<td>Identify, develop and assign to strategic initiatives</td>
<td>Introduction to CALOR Advisory Team, MHAMS, WSHA, or Puget Sound North Alliance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competency 3:</td>
<td></td>
<td>08/01/11</td>
<td>12/31/11</td>
<td>Lead NPI or RE in non-hospital setting</td>
</tr>
<tr>
<td>Expand working knowledge &amp; relationships across VM enterprise</td>
<td>Ministry of General Medicine 12/31/10 &amp; NPO 2011</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Long-Term Development Goals – For achieving career aspirations (2 - 3 years)

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</thead>
<tbody>
<tr>
<td>Competency 1:</td>
<td></td>
<td>08/01/11</td>
<td>12/31/13</td>
<td>Work on one to three projects per year outside of my scope of work</td>
</tr>
<tr>
<td>Complete assignments involving leadership in VM enterprise</td>
<td>Steve Russo/Atterbury, Carrie Farnum, Bob Holsbeg, Lynn Chudy, Catherine Pate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competency 2:</td>
<td></td>
<td>08/01/11</td>
<td>12/31/13</td>
<td>New or greater knowledge base about epidemiology, risk management &amp; community health oversight</td>
</tr>
<tr>
<td>Complete assignments involving leadership in VM enterprise</td>
<td>Steve Russo/Atterbury, Carrie Farnum, Bob Holsbeg, Lynn Chudy, Catherine Pate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competency 3:</td>
<td></td>
<td>08/01/11</td>
<td>12/31/13</td>
<td>Present a subject that's not directly related to quality, safety,</td>
</tr>
<tr>
<td>Complete assignments involving leadership in VM enterprise</td>
<td>Steve Russo/Atterbury, Carrie Farnum, Bob Holsbeg, Lynn Chudy, Catherine Pate</td>
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Performance Rating

[Diagram showing performance rating]

Director Talent Pool

Recommended Time to Next Move

[Diagram showing recommended time to next move]
Creating a Versatile Leadership Team

Success Stories!
Leader’s Potential

- **Ability**: Characteristics and skills used to carry out their work.
- **Engagement**: The extent to which an employee wants or desires.
  - Emotional Commitment
  - Rational Commitment
  - Discretionary Effort
  - Intent to Stay
- **Aspiration**: The extent to which an employee wants or desires.

Source: Corporate Leadership Council

Succession Planning

- All leaders have development plan
- Use a targeted, high yield approach for succession planning
- Priority successors have accelerated / focused plan
- Update list regularly

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Position Assessment

Position Assessment Matrix

- Optional priority if position criticality is known
- Aggressive investment if position criticality known
- Identification of emergency replacement only
- All imminent retirements treated equally if position criticality unknown

Strategic Importance

High

Low

Retirement Risk

Low

High

Lessons Learned

- Trust is fundamental
- Be clear about the process
- Follow-up is essential
- Not an isolated event
- All need to be committed to the process
- If done right, it will strengthen engagement of your leaders

Source: Advisory Board

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“In times of change, learners inherit the earth, while the learned find themselves beautifully equipped to deal with a world that no longer exists.”

Eric Hoffer