

Key Takeaways from 2017 LEAP HR Healthcare Conference: Insights and Findings

Radically Rethinking HR

Korn Ferry joined LEAP HR Healthcare in their annual conference, which brings together thought leaders from the most forward-thinking Healthcare systems, to engage in dialogue around solving complex HR challenges.

This report offers a summary on Radically Rethinking HR and insights into to what healthcare CHROs and their organizations are doing to tackle this key issue.

Pulse Check:

This topic started with a polling question geared at understanding how different the attendees think HR will look in 5 years. The results are below:

Poll Question - Which statement best describes your view of HR in 5 years?

- 0% - It will look pretty much the same as it does today
- 0% - A few things will change, but nothing too substantial
- 67% - We will see quite a few substantive changes
- 33% - You won't recognize HR in 5 years

Clearly, this group expects to see change in HR soon.

Internal CHRO perspective: Linda McHugh, CHRO at The Cleveland Clinic

McHugh has been in her role as CHRO for just over 18 months. She came from an operations background and has applied that experience in her HR work. Part of what she sees as a lever toward radically rethinking HR is using technology to elevate the level of work within HR. Since she took on the CHRO role, they have implemented Workday, created centralized appointment setting for HR, created an HR Knowledge Book they call "Ask HR", and implemented a case management tool. Additionally, they created an HR self-serve portal that connects to Workday and the Pay & Benefits system. Managers and team members can now view everything that they need on-line. Through the implementation of Workday, they eliminated 5 other systems and consolidated recruitment systems.

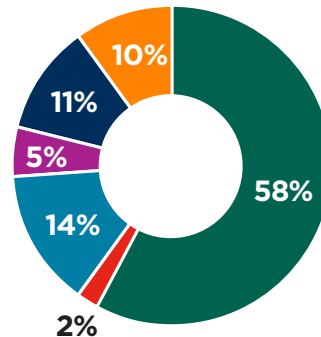
McHugh stated "With these changes in place, it is now so much easier for people in talent acquisition, the hiring manager and HR Services to work together. HR is no longer an order taker. A lot of the work is now done automatically. This frees up time which allows us to focus on more strategic HR activities".

External Market Perspective: Shannon Libbert, Associate Client Partner at Korn Ferry

Libbert referenced an article on the role of HR from nearly 20 years ago and asked the group how far they thought HR had come as a profession. She shared that especially among all the change and uncertainty within healthcare, leaders of the people function need to be ever mindful of the human aspects of an organization. Yes, technology advances are critical; however, there are still some functions that may always require a personal touch. There was also a discussion of which C-Suite colleagues were crucial for the CHRO's to have strong partnerships with. Three primary areas mentioned were Finance, Clinical Leadership and Nursing.

Insights from the CHRO discussion groups on this topic included:

- The Role of the CHRO**—there is little doubt that the role of the CHRO is changing and a key challenge for today’s CHRO is clear definition of their role. What is the strategic function of HR within an organization? This needs to be clearly defined by senior leaders and embraced and communicated well across the organization.
- Bots/Artificial Intelligence**—what could be more radical than turning over aspects of employee relations to a computer? Bots/AI can give you the sense that you are talking to a real person, but you are actually interacting with a computer. Bots/AI are prevalent in the support of recruiting, benefits question answering, other employee relations matters, etc. HR magazine’s March 2017 article shared how AI is helping in recruiting. So much of employee relations work is answering these basic questions that can be handled through the use of new technologies, leaving more time for HR to be more strategic.
- Outsourcing of Hiring**—some organizations shared success stories related to how outsourcing of hiring had led to better hires and higher satisfaction rates among managers. Their previous internal recruiting teams simply could not handle the volume and their longer time to fill critical positions was hampering them financially as well as from a quality perspective.
- Workforce Analytics** - mentioned in Topic #1 as well, using analytics to inform areas such as workforce planning, interpreting trends in diversity statistics, understanding what a successful profile looks like for any given job, etc. all leads to better decision making and ultimately to elevating HR to more than just the “soft skill” side of the business.
- Ownership of Culture**—considerable time was spent discussing who should own culture within an organization. Is it HR, Is it the CEO, a formal committee, etc.? CHROs had differing viewpoints on who should own it directly, but all agreed that it requires time and attention. One success story centered around the creation of a Culture Leadership Team made up of a portion of the CEOs direct reports and overseen by the CHRO. The CEO is a strong supporter of culture work and knows that he ultimately owns it, but he has provided this team with decision making authority so that they can make swifter decisions.

What is the most important competency for a CHRO to have today?

 Source: 2015 CHRO Pulse Survey <https://www.kornferry.com/institute/chro-pulse-survey-2015?popular>

- Tolerance of ambiguity**—Ability to work in conditions of uncertainty and change
- Empathy**—Ability to assess team culture and identify strengths and weaknesses
- Confidence**—Ability to make bold, yet informed decisions
- Composure**—Ability to remain emotionally steady when pressure is high
- Energy**—Ability to sustain analytical thinking and motivate others
- Adaptability**—Ability to listen to and accommodate others’ methods

A seat at the table is more likely to occur for the CHRO when the following four critical skills were evident


The CHRO thinks strategically



The CHRO is viewed as the “People Expert,” not just the “HR Expert”



The CHRO has the expertise and ability to help the senior team manage and make decisions



The CHRO has the political and persuasive skills to garner the support of the senior executive team

 Source: American Society for Healthcare Human Resources Administration (ASHHRA) <http://www.naylor.net/work.com/ahh-nw/articles/index-v2.asp?aid=121507&issuelD=22494>
Comparing next-generation CEOs with CHROs.

CEO	CHRO
Establish a clear mission statement for the company that sets a strategic tone and clear metrics.	Set a strong HR mission statement that is strategic and measurable.
Ensure that the board and executive team are aligned on the mission and the business plan.	Ensure that the CEO is aligned with HR’s mission statement and plan. The CHRO must make this occur with strong stewardship and advocacy of the HR function, supported by a strong metrics-driven HR business plan.
Ensure the company’s mission/direction will powerfully address client needs.	Ensure that the HR plan addresses the business needs, and the executive team and line and staff leaders agree that HR owns the talent agenda and must be more than their HR administrator.
Install strong leaders as their direct reports.	Place strong HR leaders in key roles.
Monitor results and modify strategy and tactics.	Monitor results and modify the HR strategy and tactics.

 Source: “Why CHROs really are CEOs” <https://www.kornferry.com/institute/why-chros-really-are-ceos>