

Elevating HR's Business Value in Healthcare Through People Analytics

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Agenda

1. About Kaiser Permanente
2. Understanding and benchmarking the healthcare workforce
3. The journey to centralized People Analytics
4. The North Star: Linking People Analytics to business outcomes
5. Some tips for making the LEAP to People Analytics



About Kaiser Permanente

Founded in 1945, Kaiser Permanente is one of the nation's largest not-for-profit health plans with:

- **12.2 million** members nationally
- **\$72.7B** In 2017 Annual Operating Revenue
- **39** Hospitals and **680** medical offices.
- **22,000** Physicians and **213,000** employees including **57,150** nurses.



Human Resources Fast Facts at Kaiser Permanente:

- PeopleSoft ERP transitioning to Oracle HCM
- Taleo ATS
- SABA Cloud LMS
- Visier Workforce Analytics & Planning implemented in 6/2016
- Complex organization hierarchies (managerial, cost center, representation, function, location, etc.)



Understanding and benchmarking the healthcare workforce

Why we, as HR practitioners in healthcare should be thinking about this*:

- Employment of healthcare occupations is projected to grow **18** percent from 2016 to 2026, much faster than the average for all occupations adding about **2.4 million new jobs**.
- Healthcare occupations are projected to add more jobs than any of the other occupational groups. This projected growth is mainly due to an aging population, leading to greater demand for healthcare services.

*Source: BLS

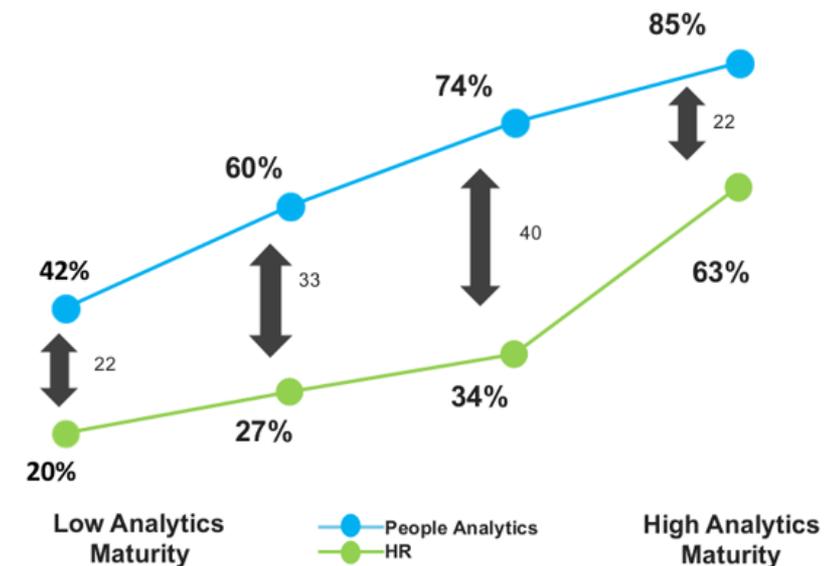
HR in healthcare:

- Data-driven HR: Healthcare compared with other sectors
- Audience participation moment: Can you confidently state:
 1. The current headcount of your organization?
 2. The retirement risks in your organization and where you'll have clinical talent gaps?
 3. The staffing mix in care delivery settings?

Last audience participation moment:

Does your organization have a funded and robust People Analytics Function?

Percentage of Organizations Reporting Basic Data Literacy Skills*



*Source: Josh Bersin, "The Rise of the Individual in the New World of Work"

The Journey to Centralized People Analytics

- We just saw the gap... Now what?
- How do you justify spend in a cost-constrained environment?
 1. Ask leaders (clinical, support and strategy) what people concerns they have.
 2. Assess data quality and calculate the true spend on “HR reporting”.
 3. Find a trusted partner and demonstrate incremental and early insights.
 4. Market and promote what you find.

Three examples of workforce insights: Lightning round...

Example 1: Kaiser's Growing Millennial Population Exceeded our Retiring Baby Boom Population in March 2017.

Kaiser Permanente in All locations during Q2 2018 with attributes: Representation (...) + = 212,787

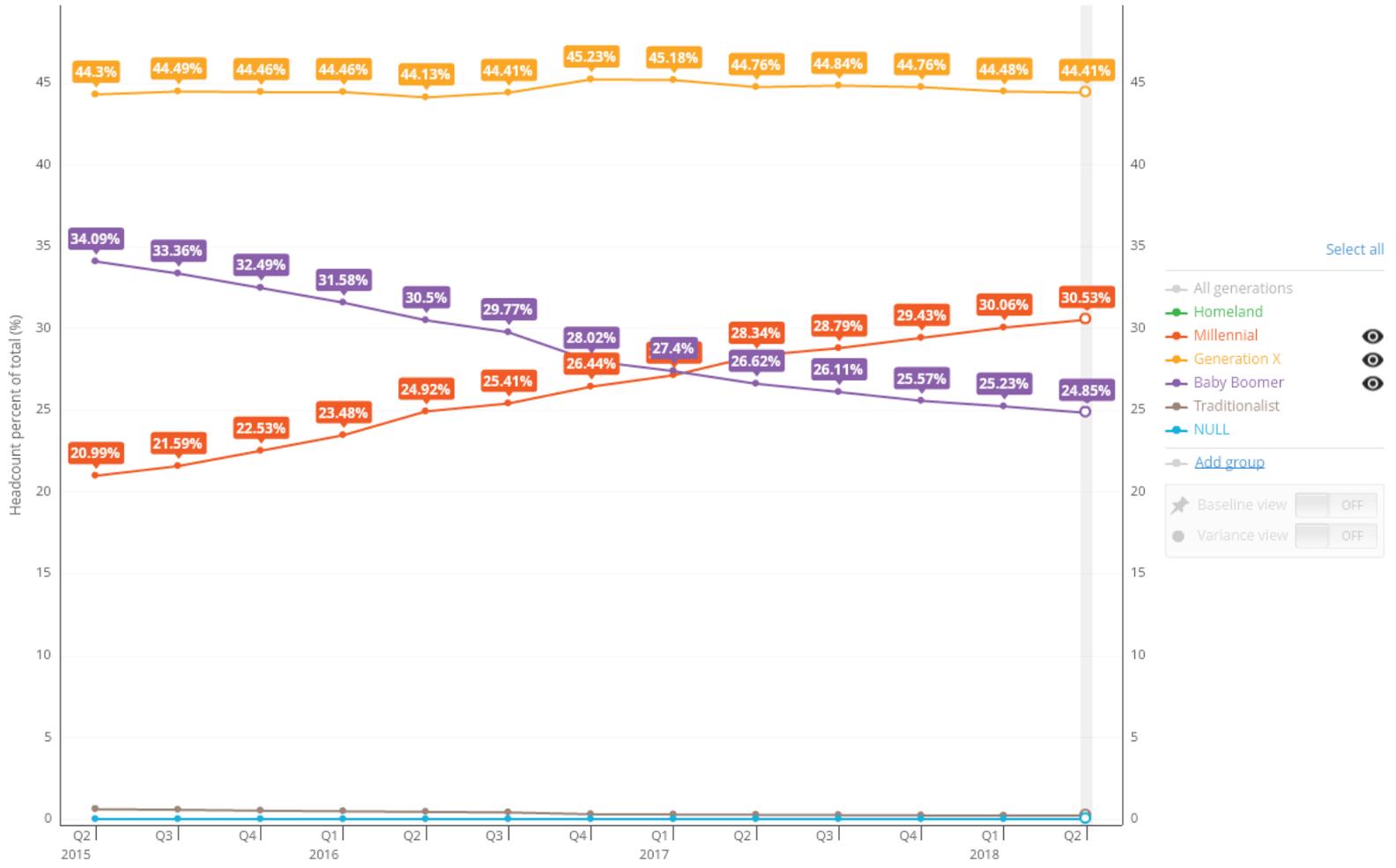
Headcount percent of total **100%**

Quick view Analysis

- Group by
- Search groupings
- Generation
 - Compensation
 - Demographics
 - Learning & Development
 - Performance & Recognition
 - Structure
 - Other
 - Recently used

Visualize

Headcount percent of total grouped by Generation over time

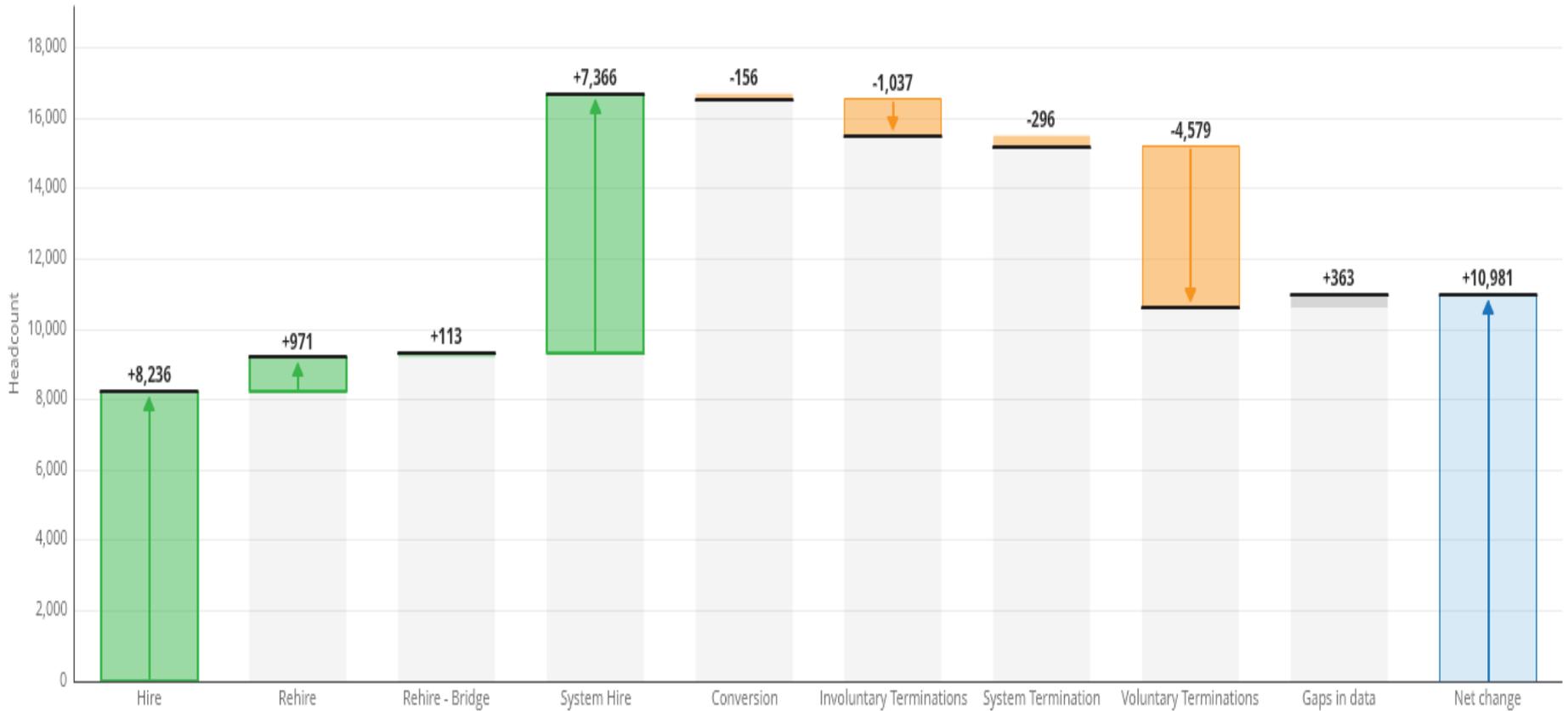


Example 3: What changes in Headcount have Occurred YTD in 2018?

Identify the relative volume of the different moves into and out of the organization. Identify which types of movement are having the biggest impact on headcount change.

Summary

start (Jan 1, 2018)	end (May 31, 2018)	Headcount
201,806	→	212,787
		+10,981 ▲ (5.44%)

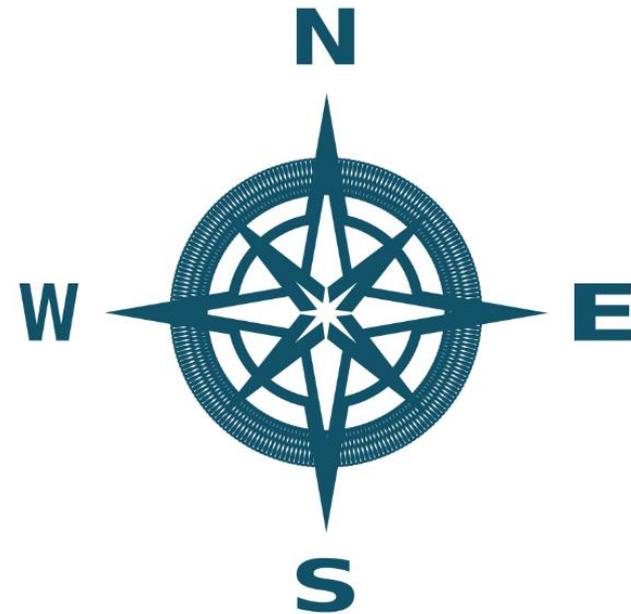


The North Star: Linking People Analytics to business outcomes

The real power of People Analytics is linking workforce attributes with business outcomes:

- Is there a correlation between employee attributes / metrics and higher or lower patient satisfaction results?
- Can we correlate manager churn with higher or lower HCAHPS?
- Do readmission rates vary by care delivery organization based on workforce demographics?

Success in People Analytics should start with this capability in mind rather than include it as an afterthought.



Some Tips for Making the Leap to People Analytics

1. The **explorer** model:
 - Ask leaders to review a deck with people information.
 - Each time they have a question about something, add a tic mark.
 - Use the tic marks to create requirements for a People Analytics capability
2. The **“single version of truth”** model:
 - Ask 5 – 10 leaders of an organization any of the audience participation questions on slide 4.
 - Correlate and report on the results.
3. Have Visier present to decision-makers in your organization:
 - The value proposition is apparent.
 - Consider the functionality, service model, inclusive pricing model to quickly see the cost-to-value.