



## CASE STUDY: ARKANSAS CHILDREN'S HOSPITAL

### *While Other Hospitals Face Overcrowding, Layoffs, Arkansas Children's Hospital Boasts Happy Patients, Staff -- Thanks to Lessons Learned from Disney Institute*

For a health care organization, patient satisfaction scores are critical. Not only do they tell hospital administrators whether patients are receiving good care, they also can reveal dissatisfaction among the ranks. When scores are low, it can be difficult for a hospital to recruit and retain top-notch nurses and doctors. Low scores can also make it difficult for a hospital to negotiate good reimbursement rates from insurance companies, which directly impacts the bottom line.

Unfortunately, improving patient satisfaction scores can be a long and difficult process. But once a health care organization finds the right formula, as Arkansas Children's Hospital did, the results can be astounding: Satisfaction scores above the 90th percentile, low turnover, financial stability and growth, and ranking on national lists of the best companies to work for in America.

#### **NO MORE SHORT-TERM FIXES**

A 316-bed, private, nonprofit healthcare facility located in the capital of Little Rock, Arkansas Children's Hospital (ACH) in 2001 was saddled with mid-level patient satisfaction scores, a continuous loss of good staff members, and difficulty recruiting new critical staff, including nurses and respiratory therapists. The hospital tried several short-term fixes – such as offering signing and relocation bonuses – but the strategy did not work. Leaders of the 93-year-old organization decided it was time for a new and different approach.

"We started researching corporate training and benchmarking and discovered *Disney Institute*," said ACH Chief Operating Officer Scott Gordon. "We were intrigued by *Disney Institute's* unique approach of using best practices from The Walt Disney Company to help other organizations make positive changes in the way they do business."

Gordon and other leaders from ACH arrived at the *Walt Disney World*® Resort in Lake Buena Vista, Fla., in May 2002 for a program called "Excellence in Healthcare Leadership." The program, created specifically for ACH,

incorporated content from Disney's Approach to People Management and Disney's Approach to Leadership Excellence, two of five core programs offered by *Disney Institute* at the *Walt Disney World*® Resort; the *Disneyland*® Resort in Anaheim, Calif.; and in cities worldwide.

Hospital leaders studied how Disney trains its leaders and began to understand how strong, effective leadership is the key to business growth drivers such as high employee and customer satisfaction. The group also learned how Disney recruits and trains new cast members – Disney-speak for employees – through a modified version of Disney's employee orientation program, called "Traditions."

"It was eye-opening," Gordon says. "From the very start, Disney leaders tell cast members what's expected of them and what the job entails – both good and bad. You come away knowing the job won't be easy all the time, but you also feel a sense of pride and commitment."

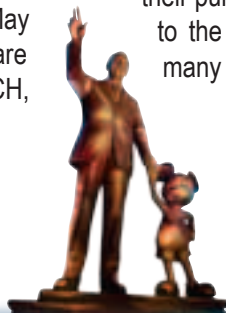
The hospital's leaders also learned that effective communication from leadership is essential in fostering a positive working environment on the front lines.

"It really starts with us," Gordon says. "If we communicate effectively, listen to our staff and show them how we 'walk the walk' then they'll want to do the same."

"Even though the program was not specifically tailored for us, the reaction was so positive that we scheduled a third program for December," recalled Berry.

#### **PUTTING IT TO WORK**

ACH leaders returned to Arkansas and got to work. First, they developed a service theme to effectively capture and communicate their purpose. After much deliberation, team members came back to the words that had been painted on their hospital exterior many years before, "Giving Care, Love and Hope."



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From there, the team identified four service standards and nine behavioral standards for bringing the service theme to life. The team determined that all decisions at all levels in the organization would be measured against the service theme and standards.

Next, ACH used Disney's service recovery model to develop its own strategy for when things didn't go as planned. Finally, ACH developed a new system for recruiting and retaining employees. The recruiting process for some of the large, high-turnover departments was centralized to make it more efficient and effective. ACH also implemented its own version of Disney's "Traditions."

"Every employee went through this program in less than six months," Gordon says. "We also had our vendors go through the program so that they, too, could better understand our culture and our mission."

### REAPING THE REWARDS

After nearly 10 years and a variety of follow-up sessions with *Disney Institute*, including training for physicians and nurses in late 2009, ACH boasts the following achievements:

- Named one of U.S. News & World Report's best pediatric hospitals
- Ranked on the FORTUNE 100 Best Companies to Work For® list for the second year in a row. (ACH is the only Arkansas-based company and only one of three pediatric hospitals listed).
- Ranked in the 99th percentile for employee commitment when compared to other national and pediatric children's hospitals (2009). Areas cited as showing the greatest improvement:
  - Great customer service
  - Treating employees with respect
  - ACH as great place to work
  - Overall employee satisfaction and pride
  - ACH cares about quality
  - Employee training
  - ACH as great place to work
  - Recognition of employees from different backgrounds

Employee opinion scores have steadily increased since 2001. ACH is now ranked above the 90th percentile in both patient and employee satisfaction, despite a double-digit increase in the number of patients treated in high-stress departments such as the emergency room. The hospital has been able to attract hundreds of new physicians, boosting the number of patients seen in the hospital and in outpatient facilities. Perhaps most importantly, the hospital has seen a direct positive impact on its bottom line.

"We saved \$5 million just by eliminating our floating nurse program," says Gordon. "That and other efficiencies helped us make our budget, which meant no layoffs and the ability to add staff in critical areas where they were needed."

Gordon says that he and other leaders "could not, in our wildest imagination, have predicted how powerful a change agent the *Disney Institute* training would be for our organization."

"We are now purposeful in treating our children, families, fellow team members and entire community with care, love and hope," says Gordon. "Now that we have a Culture by Design, we find that all of our efforts - fundraising, retention of team members, patient satisfaction and work with our physician partners - are more successful because we are more consistent and focused."