

Preface: Organizational Profile

P.1 Organizational Description

Robert Wood Johnson University Hospital at Hamilton (RWJUHH) is a private, not-for-profit acute care community hospital located in Mercer County, New Jersey. RWJUHH has a rich history of serving a unique and vital role in improving the health of our community. RWJUHH began this role in 1940 as the fourth hospital in the city of Trenton. In 1971, our visionary Board of Trustees (BoT) anticipated the population shift from the city into the suburbs and built the first building on the current hospital campus in Hamilton Township. In 1994, that same visionary board aligned with the premier academic medical center in New Jersey, Robert Wood Johnson Health System and Network. This strategic alignment, combined with the accuracy of the predicted population shift and the adoption of the Baldrige Model, have contributed to RWJUHH's impressive results. Today, RWJUHH provides "**Excellence Through Service**" (**ETS**) to over 350,000 residents in the service area through its extensive network of caregivers. Figure P.1-1 illustrates an overview of the 2003 hospital operations.

Figure P.1-1 2003 Hospital Operations

Annual Revenue	\$160M
Campus Size	60+ acres
Number of Beds	200
Number of Employees	1650
Medical Staff	650
Inpatient % Revenue	52%
Outpatient % Revenue	48%
Annual ED Visits	49,500
Annual Admissions	14,000

RWJUHH adopted the Baldrige Criteria for Performance Excellence, recognizing the business value of the Baldrige framework and application process. Since then, many local, state and national groups have recognized RWJUHH's

excellence with awards including Quality New Jersey's 2001 Governor's Award for Performance Excellence - Gold, the state equivalent of the Baldrige National Quality Award. RWJUHH has experienced exponential growth in each of the last six years across service lines. Finally, RWJUHH is recognized as a key community resource for promoting, preserving and restoring the health of the community. RWJUHH's commitment to the community and rapid response capabilities were tested when the entire organization was mobilized to treat 1,500 postal workers after the local post office processed the anthrax contaminated letters in October, 2001.

P.1a Organizational Environment

P.1a(1) Main healthcare services: RWJUHH's **Mission** is to deliver **ETS** in all customer interactions. Through **ETS**, RWJUHH seeks to *promote* health through community outreach; *preserve* health through diagnostic, therapeutic, and preventive care; and *restore* health through comprehensive inpatient, outpatient and emergency healthcare services. Primary services include medical, surgical, obstetric, cardiology, orthopedic and intensive care for both adults and neonates (Level II). Outpatient services provided at the hospital include diagnostic and therapeutic care, ambulatory surgery, medical and radiation oncology and emergency services. Community services include extensive health education, health screenings and disease prevention programs.

As RWJUHH refocused the **Mission** to promote, preserve and restore health, the **Vision** statement was revised to reflect our goal to "passionately pursue the health and well-being of our patients, employees and the community". This **Vision** is achieved by identifying and deploying innovative strategies to deliver acute care, health education and information, and preventative, complementary and integrative medicine based on community needs.

P.1a(2) Organizational culture: The culture at RWJUHH is built on the foundation of the **Mission**, **Vision**, and **Values (MVV)**. The **5-Pillars** (People, Service, Quality, Finance and Growth) represent our key categories for performance excellence (Fig. P.1-2). This **5-Pillar** format provides a balanced framework for the Strategic Positioning Plan (SPP) and a structure for communication. Presentations are structured in the **5-Pillar** format for consistency in communication to all audiences.

Three main characteristics of the culture at RWJUHH are:

- An energetic passion for raising the bar **to a higher standard** for all customer groups;
- Quality-driven and results-oriented performance enabled through fact-based decision-making;
- Caring, understanding, and compassionate environment.

Superior performance in market-share growth and customer satisfaction are a direct result of the **ETS Leadership System** (Fig. 1.1-1) continuously raising the bar **to a higher standard**. This system creates a culture where the customer drives our actions and aligns the organization's objectives with customer requirements.

RWJUHH recognizes that performance excellence is defined by sound approaches with superior results. To this end, all actions focus on producing world-class performance through systematic approaches and fact-based decisions. Decisions are made based on data including internal historical trends, and industry and non-industry benchmarks and comparisons.

Figure P.1-2 Mission, Vision, Values and Pillars of Excellence

MISSION				
Robert Wood Johnson University Hospital at Hamilton is committed to Excellence Through Service . We exist to promote, preserve and restore the health of our community.				
VISION				
Our Vision is to passionately pursue the health and well-being of our patients, employees and the community through our culture of exceptional service and commitment to quality.				
VALUES				
Quality	Understanding	Excellence	Service	Teamwork
PILLARS OF EXCELLENCE				
People – focus on our internal customers				
Service – focus on our external customers				
Quality – focus on clinical and operational outcomes				
Finance – focus on financial performance				
Growth – focus on developing services to meet customer needs				

RWJUHH's caring, compassionate environment is based on the **5-Star Service Standards**. The **5-Star Service Standards** are a list of behaviors expected from all employees including: a sense of ownership; commitment to customers; commitment to co-workers; courtesy and etiquette; appearance; communication; privacy; and safety awareness. These standards promote the **Values** of understanding and teamwork and support the caring and compassionate culture. For example, all employees exhibit behaviors such as walking visitors to their destination, using first names in greetings through hallways and treating both internal and external customers as family. All employees are recruited, selected and evaluated based on cultural fit with the **5-Star Service Standards**.

P.1a(3) Staff profile: Healthcare organizations cannot excel unless there is a strategic alignment between employees, physicians and the organizational **Vision**. RWJUHH recognizes employees are key drivers of organizational success. RWJUHH is the largest employer in Hamilton Township, with over 1650 talented staff members contributing to the knowledge assets of the organization. The management structure is relatively flat, encouraging effective two-way communication and empowerment of all employees. Employees are recognized for independently taking actions to satisfy internal and external customers. Diversity of the employee profile is illustrated in Fig. P.1-3. Two unions represent less than 5% of the total workforce for dietary aides, housekeeping and maintenance staff. In addition to hospital employees, there are over 650 medical staff members. Contracted physician services include anesthesiology, neonatology, pathology, radiology, intensivists, and emergency medicine.

Figure P.1-3 Employee Profile

Leadership	Management: 3.3%		Non-Management: 96.7%	
Gender	Female: 82%		Male: 18%	
Education	High School: 22%	College: 74%	Graduate: 4%	
Position	Nursing: 32%	Technical: 23%	Professional: 7%	Other: 38%
Shift	Day: 78%		Evening: 12%	Night: 10%
Ethnicity	Caucasian: 63%	Black: 21%	Hispanic: 5%	Other: 11%

Maintaining the health and safety of all employees is critical to providing quality health services to the community and is a priority to the organization. Health and safety education and testing are initiated during the hiring process and repeated annually for all employees. New employees receive general health and safety screenings including medical clearance, proof of immunization against common diseases, and tuberculosis testing. Employees with patient contact receive additional annual testing and training on topics such as the use of personal protective equipment.

P.1a(4) Technologies, equipment and facilities: As healthcare continues to evolve into a competitive, information-rich industry, investment in technology, equipment and facilities becomes critical to success. RWJUHH has fundamentally improved the image of the

organization through significant investment in technological resources, state-of-the-art facilities and equipment. Over the last seven years, RWJUHH has maximized the benefits of technology through innovative, award-winning information systems which: assist leaders in effective decision-making, enable clinicians to improve the quality, productivity, and safety of care delivery processes, and significantly enhance communication effectiveness. The IT Innovation Journey, Fig. 4.1-1, illustrates key technologies at RWJUHH. Innovative technology solutions to improve patient safety and key healthcare processes include the implementation of BIO-ID, which is a fingerprint identification system for safe medication administration. Information systems are linked internally through a central information system infrastructure, the Information Technology Enterprise Network (ITEN, Fig. 4.2-1), maintained within the hospital. In addition to these current technologies, we are anticipating the implementation of Barcoding Technology for medications, blood products and radiology as well as Computerized Physician Order Entry (CPOE) in the first quarter of 2005, and fully electronic medical records in 2006.

The hospital is a contemporary 340,000 sq. ft. facility located on a scenic 68 acre campus surrounded by a 350 acre park. The main hospital consists of five "towers," plus a comprehensive outpatient cancer center, Wellness and Occupational Health Center and a childcare center. In addition, there are three Grounds For Healing™, which are outdoor areas enjoyed by patients, visitors and employees to improve healing through art and nature. In 2001, a state-of-the-art Emergency Department, 20 bed ICU and 32 bed telemetry unit, were constructed to accommodate rapid growth and customer expectations. Major equipment used to provide diagnostic and treatment services include MRI, CT Scan, PET Scan, SPECT, Stereotactic Biopsy, Bone Densitometry, and IMRT. In August 2004, we anticipate the opening of the RWJ-Hamilton Center for Health and Wellness, a 86,000 sq. ft. center for community fitness, health education and physical therapy, located four miles from the Hospital campus.

Figure P.1-4 Key Regulatory Agencies and Requirements

Legal / Regulatory	
HIPAA	Privacy and security of health information
EEOC	Non-discrimination of employees
EMTALA	On-call physicians, patient transfer consents
FLSA	Fair and equitable labor practices
Occupational Health and Safety	
OSHA	Workplace safety and infection control
Accreditation and Licensure	
JCAHO	Standards for business and clinical accreditation
NJDHSS	Standards for services, facilities and staffing
Financial and Environmental	
CMS/OIG	Medicare/Medicaid Billing
EPA	Environmental impact

P.1a(5) Legal and regulatory environment: As a provider of healthcare services, RWJUHH operates under a strict legal and regulatory environment. RWJUHH proactively addresses legal and regulatory requirements as exemplified by the early adoption of and compliance with HIPAA requirements. As illustrated in Fig. P.1-4, Key Regulatory Agencies and Requirements, there are numerous standards that are required of healthcare organizations to ensure quality care, fair and equal treatment, ethical business practices, confidentiality and a safe environment. RWJUHH received full standards compliance for the past nine years from the Joint Commission on Accreditation of Healthcare Organization's (JCAHO) tri-annual survey with scores of 96, 96 and 97 respectively. In addition to the required regulations, RWJUHH has applied for and received certification from professional organizations for many specialty services.

P.1b Organizational Relationships

P.1b(1) Organizational structure and governance:

RWJUHH is a private, not-for-profit hospital in Hamilton, NJ. RWJUHH is part of a corporate family, RWJ Healthcare Corp at Hamilton (RWJHCCH), which consists of the hospital, eight childcare centers, a foundation and a Medical Services Organization. In 1994, RWJHCCH affiliated with New Jersey's premier academic medical center, Robert Wood Johnson University Hospital in New Brunswick (RWJUH-NB) to form the RWJ Healthcare Corp (RWJHCC), hereafter referred to as the "System". Today the System is comprised of RWJUH-NB, Children's Specialized Hospital, Robert Wood Johnson University Hospital at Rahway, and us. The System's governance structure is best described by the "common-parent" model. In addition to being affiliated with the System, RWJUHH has a secondary affiliation with the RWJ Health Network which is comprised of seven hospitals and several other healthcare entities. A guiding principle of both the System and Network is that healthcare needs are best met through local governance and management and enhanced through collaboration. There are multiple levels of collaboration within the System and Network as illustrated in Fig. P.1-5. RWJUHH is governed by the RWJ Healthcare Corp. at Hamilton bylaws administered by the BoT; similarly, the RWJHCCH medical staff is governed by medical staff bylaws established and approved by the RWJHCCH BoT.

Figure P.1-5 System and Network Collaborative Councils

Council	Scope
CEOC	Strategic Planning and Leadership. Business strategy sharing and benchmarking. Off-Shore captive insurance leadership.
PCC	Clinical Integration. Best Practice sharing for quality, evidence based practices, safety and benchmarking.
NCC	Nursing Practice and Patient Satisfaction. Also conduct annual joint research clinical studies, benchmarking and best practice sharing.
HR	Human Resource, Benefits and Education best practice sharing and benchmarking.
CFO	Financial Operations, Supply-Chain Management and Payor Relationships.

P.1b(2) Key patient/customer groups and requirements: Through several cycles of planning and refinement of the **ETS Leadership System**, RWJUHH identified three major customer groups: patients, employees and community. These three customer groups drive decision-making and are the focus of the **Vision** and **Mission** statements. Figure P.1-6 illustrates the three customer groups, market segments, and differences in their requirements. We view patients as the primary customer group. Employees are also critical to our success; for without satisfying this customer group, we could not be the market leader in quality and patient satisfaction. The community is the final customer group and RWJUHH is intimately involved in improving the overall health of the community by restoring health and preserving wellness. The community includes all constituents in RWJUHH's service areas - employers, schools and other organizations. Communities receive health information, screening for disease and volunteer support from RWJUHH. Requirements for these three customer groups are identified through face-to-face surveys, interviews, focus groups and market research. Identified requirements are then incorporated into the SPP. This provides a systematic approach to meeting customer requirements through the development of short- and long-term action plans that balance customers' needs and organizational strategic challenges.

Figure P.1-6 Key Customer Groups and Requirements

Customer Group	Requirements
Patients Market Segments include active and potential Inpatients, Outpatients, Emergency and Ambulatory Surgery	1. Convenient, continuous access 2. Courteous, safe care 3. Preventative, supportive care & info. 4. Most current medical technology, equipment, services 5. Assurance of rights including pain mgmt, privacy and participation in decisions 6. Efficient, timely service 7. Positive outcomes
Employees Market Segments include current, potential and former employees	1. Competitive compensation and benefits 2. Education and development programs 3. Open communication with leaders 4. Healthy work environment 5. Equipment and training 6. Work-life balance
Community Market Segments include the Primary Service Area and Secondary Service Areas	1. Preventative and supportive health information 2. Community organization support 3. Convenient access 4. Safe and effective care

P.1b(3) Supplier/Partner roles and supply chain requirements: RWJUHH's key suppliers and partners are: physicians, payors, pharmaceutical and general medical suppliers. The unique importance of physicians at RWJUHH is evidenced by including physician representatives on the BoT, BoT committees, and in

decision-making. Payor requirements include accurate timely bill submission and appropriate use of services (Figs. 7.5-1 and 7.5-2). Medical and pharmaceutical suppliers provide the services, equipment and materials that serve as inputs into many of the key healthcare and support processes. RWJUHH reduced the number of suppliers for goods and materials for cost savings and quality assurance. RWJUHH selects suppliers that can provide superior performance in the three supply chain requirements: Quality, Cost and Timely delivery. Key suppliers' performance is evaluated through quarterly performance report cards (Fig. 7.5-13). Physician requirements include involvement in decision-making, access to knowledgeable and courteous staff, and timely access to current medical technology and facilities.

P.1b(4) Key supplier and partner relationships:

Competitiveness, the quality of services and ultimately **Mission** success, depend on our ability to identify and maintain healthy relationships with key partners and suppliers. RWJUHH actively embraces physician partners in decision-making, strategic planning, and performance improvement. This partnership is maximized through effective two-way communication, involvement on administrative and operational committees and access to our electronic and traditional communication tools. This partnership has emerging complexities because we are simultaneously partnering and competing with our physicians. RWJUHH strives to maximize the strategic relationship with other System and Network organizations for cost effectiveness, clinical quality and knowledge transfer. Several board members and senior leaders participate on collaborative committees with respective leaders from other Network hospitals to facilitate communication and relationship building. Finally, in order to improve the health of our community, we partner with local organizations including competing hospitals. This is established through local health committees, referral programs to complementary services and leadership communication.

P.2 Organizational Challenges

P.2a Competitive Environment:

P.2a(1) Competitive Position: As a role-model for healthcare services in the industry, RWJUHH is taking healthcare **to a higher standard**. By maintaining a focus on creating loyalty within the three customer groups, RWJUHH has experienced exponential growth in each of the last six years, and has attained market leader status in an extremely competitive environment. There are four acute care hospitals within a fifteen mile radius, competing for both market share and quality healthcare professionals. Physician practices are both competitors and collaborators in providing quality services to the patients and communities while competing for market share of outpatient services and qualified staff. The most recent of our bi-annual Gallup community survey ranked RWJUHH first in all positive attributes compared to other area hospitals (Fig. 7.2-14).

P.2a(2) Principle Success Factors: Through cycles of refinement over the past several years and integration of the Baldrige criteria, RWJUHH identified five Critical Success Factors (CSFs) that have contributed to its competitive position and serve as the foundation for the strategic planning process (Fig 2.1-1) along with the **MVV**. These CSFs are:

- **PEOPLE:** *Distinguish RWJUHH as an **Outstanding Employer*** – The provision of quality healthcare services depends on the availability of high performing, professional staff. By focusing on recruitment and retention processes we will continue to build customer loyalty and distinguish RWJUHH as an Outstanding Employer. Positive trends in the employee satisfaction survey results and employee turnover are indicators of success in this CSF.
 - **SERVICE:** *Be recognized for our **Culture of Service*** - the consumer's choice for hospital services, health information and support. Our focus on being our community's center for health broadens our horizon from being a traditional hospital to being a comprehensive source of health information and services for the community. This has proven to be a factor of success as indicated by consistent positive trends in local Gallup surveys and satisfaction with our extensive community education programs.
 - **QUALITY:** *Distinguish RWJUHH from competitors by emphasizing **Excellence in Clinical Outcomes and Services*** – The leadership at RWJUHH is the driving force in the culture supporting quality-driven, results-oriented performance, which differentiates RWJUHH from competitors. RWJUHH's excellence is demonstrated by positive trends in customer satisfaction scores and clinical outcome indicators.
 - **FINANCE:** *Provide **Financial Performance** to allow for capital reinvestment and growth based on community needs* – In an organization that is experiencing rapid growth and customer satisfaction, it is important to maintain healthy profitability to ensure the ability to finance new programs and the agility to respond to customer and capital requirements.
 - **GROWTH:** *Develop **Partnerships** with physicians, communities and organizations and maximize the ongoing **Strategic Relationship** with Robert Wood Johnson Health System and Network* - RWJUHH is focused on building strong relationships with these groups in order to build market share, improve health and identify innovative ways to deliver services to meet their requirements. In addition, the benefits of being part of a strong health network include benchmarking, cost savings, knowledge transfer and branding that continue to set RWJUHH above the competition.
- Some of the key market changes affecting RWJUHH's competitive position and opportunities for collaborating are listed below:
- There are significant technological advances that enable healthcare organizations to improve the safety and quality of care they are providing and process information more accurately and efficiently. RWJUHH has implemented a wide array of technology to improve competitive position and grow market share. Collaboration with the System and Network enhances our technological capabilities by providing knowledge of new technologies and access to a wider variety of technologies.
 - Hamilton Township has seen the development of additional senior communities, which will expand the aging population in the primary service area. Using statistical analysis of bed usage and demographic changes, RWJUHH is expanding facilities and services to meet this increase in demand.
 - Over the last 12 months, RWJUHH's primary service area has become extremely competitive. Other acute care hospitals,

physician practices, health-related facilities and private entities have established or are in the process of developing services in our community including outpatient diagnostic and treatment facilities and ambulatory surgery centers.

P.2a(3) Sources of Comparative and Competitive Data:

RWJUHH uses benchmarks both within and outside of the healthcare industry to drive performance and learn from world-class organizations including SSM Healthcare, St. Luke's, Baptist, Ritz-Carlton and Clarke American (all previous Baldrige Award recipients). These benchmarks are validated to be synonymous with internal processes and used in the Dashboard/Balanced Scorecard (D/BSC) to set performance targets. We aggressively benchmark within the System and Network and jointly seek comparative/competitive data within the healthcare industry. Sources of comparative and competitive data within the healthcare industry include Quadramed, Gallup, MHAQIP, NJPRO, JCAHO, NJCOTH HealthGrades, AHA, Press, Ganey, NNIS, NJHCFFA, and NJHA FAST Stats as well as various professional organizations. In addition to the above sources, RWJUHH benchmarks its financial and operational performance against Solucient, Inc.'s national database as a management tool for performance excellence. Comparative and competitive benchmarks are used from other companies for financial, human resource and customer satisfaction indicators. RWJUHH addresses limitations in obtaining current market share by gathering the most current market share data available and projecting forward based on internal volume trends and market growth. Limitations in competitor data are addressed through local publication review and access to data that is required to be made publicly available.

P.2b Strategic Challenges: Guided by its *Mission* and *Vision*, RWJUHH's main objective is to continue to grow as a quality-driven center for health that promotes, preserves and restores community health. To achieve this objective, RWJUHH follows a systematic approach through the strategic planning process to identify, strategize and deploy action plans to overcome the following strategic challenges:

- **Facility Capacity** - RWJUHH has experienced significant growth in the last six years creating a physical limitation challenge. The current facility and grounds maximize potential space, and creative solutions have been implemented to accommodate future market growth and new services. Compounding this challenge, there are constraints on our ability to access the capital needed for renovation and new construction.
- **Aggressive Competition** - Local competitors, including hospitals, physicians and other organizations, are continuously targeting current and potential RWJUHH customers.
- **Balancing Excellence with Financial Constraints** - In order to be the community's choice for healthcare services and information, RWJUHH must provide a superior level of quality that exceeds customer requirements and expectations. This requires balance between the cost of quality and financial resources available. Healthcare consumers are aware of the advanced services available yet they are less familiar with healthcare reimbursement. Declining reimbursement trends present a challenge to fund healthcare services our customers expect.

- **Rapidly Changing Environment** - The healthcare industry is changing rapidly and the local market changes even faster. This requires healthcare organizations, especially RWJUHH, to be agile in its environment and focus on what is important to its success.

P.2c Performance Improvement System:

P.2c(1) Performance Improvement Approach: To support RWJUHH's culture of taking healthcare *"to a higher standard,"* the organization maintains a focus on performance improvement through an integrated approach which links the SPP, Organizational Performance Improvement/Patient Safety (OPI/Pt Safety) Plan and annual goals.

Organizational Performance Improvement (PI) is driven by the *"Run the Business" (RTB)* and *"Change the Business" (CTB)* objectives. These objectives are defined in the SPP and measured through the Key Performance Indicators (KPIs) on the D/BSC. KPIs are determined through the Organizational Performance Measurement System (OPMS) (Fig. 4.1-2), and reviewed in monthly management meetings, quarterly employee forums and weekly senior leader meetings to maintain a keen focus on measures that drive organizational improvement. Second, departmental PI is driven by objectives in the SPP that address environmental changes, customer requirements, strategic challenges and emerging/growing markets. These objectives, combined with a review of prior year key process performance feed the annual OPI/Pt Safety Plan which serves as the foundation for departmental PI activities. The OPI/Pt Safety Plan is deployed to clinical and operational departments in the organization, and performance evaluated through KPIs on the quarterly Organizational Performance Improvement (OPI) report, as discussed in Item 4.1. When a measure is not meeting target, drill-down sessions identify contributing causes, and the identified process develops and reports 90-day action plans to improve performance.

The organization utilizes the PDCA (Plan-Do-Check-Act) approach throughout the organization to systematically evaluate and improve processes. The Executive Management Team (EMT) prioritizes improvement opportunities during the annual strategic planning process and during the year as they change. Through this prioritization, improvements are segmented into two categories. For major improvement initiatives, multidisciplinary teams use the full PDCA approach (Fig. 6.1-3). When needed, teams use Six Sigma analysis tools to analyze root causes and control complex processes. Staff may also use a simplified PDCA approach to improve day-to-day operations of processes. This standard approach helps RWJUHH maintain a consistent philosophy toward improvement while employing multiple levels of analysis and discipline as appropriate.

P.2c(2) Organizational Learning: RWJUHH uses the collective knowledge of its intellectual assets as a competitive advantage. Organizational learning is achieved through the Best Practice Intranet site (described in Item 4.2b), the Education and Training Development Process (described in Item 5.2) and the Institute for Excellence (IoE), to share organizational knowledge assets between managers and leaders. Furthermore, RWJUHH leverages the RWJ Health System and Network as a source for best practices and knowledge transfer.

Leadership

1.1 Organizational Leadership

RWJUHH's leadership system is the visionary force that creates and sustains the culture of performance excellence. This robust system, coupled with effective communication and deployment, creates an environment for superior customer satisfaction, alignment, and overall performance.

1.1a Senior Leadership Direction

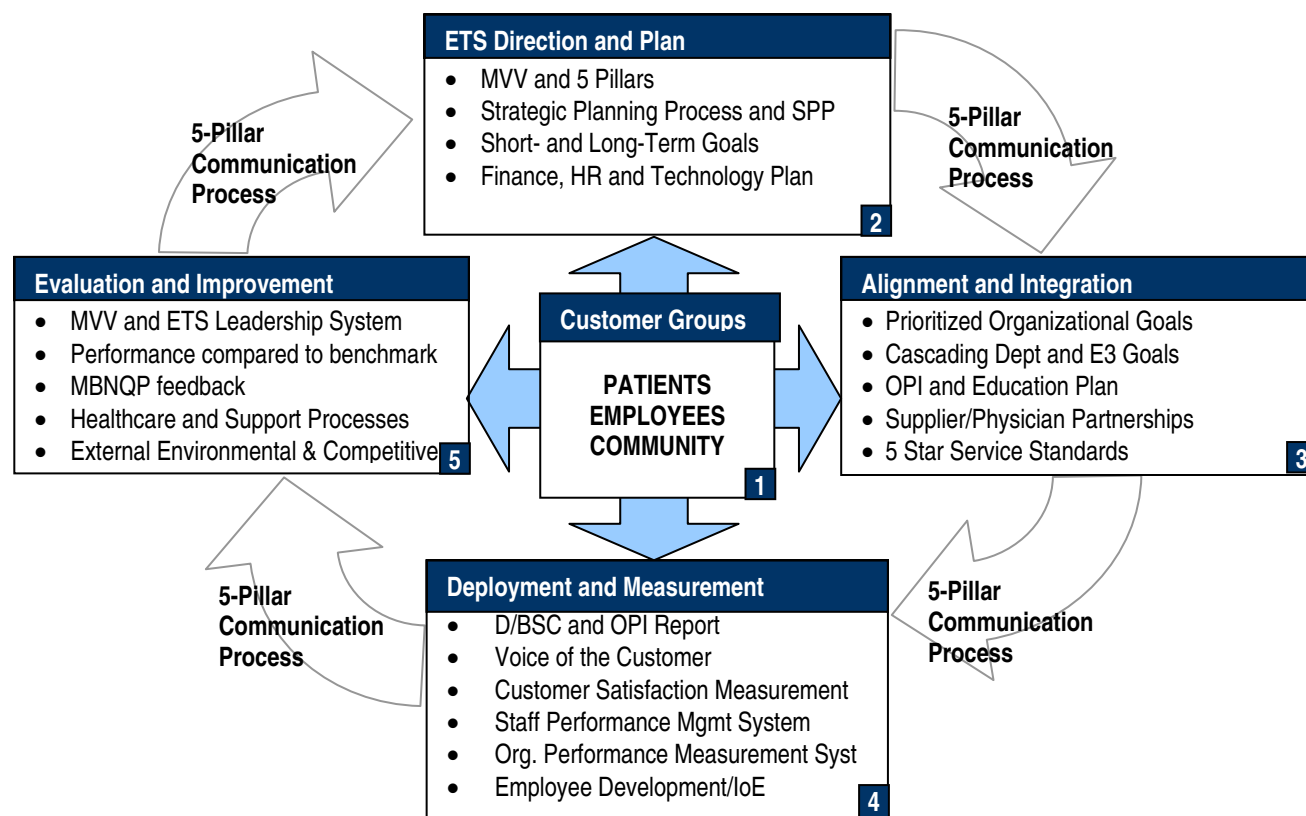
1.1a(1) Set and deploy values, directions, expectations: RWJUHH is committed to providing excellence in all encounters. This commitment is clearly stated in the **Mission, Vision, and Values (MVV)**. Senior leaders set, communicate and deploy the **MVV**, short- and long-term goals and performance expectations through the **ETS Leadership System** (Fig. 1.1-1). This robust system is used to align the **MVV** with the requirements of the three key customer groups to develop and deploy short- and long-term objectives and goals. It is the **ETS Leadership System** that gets the right processes in place and measures their effectiveness to drive continuous improvement. Senior leaders at RWJUHH are the CEO and her direct reports - the Executive Management Team (EMT).

1 The **ETS Leadership System** is centered on the three customer groups – patients, employees and community. Requirements of all three customer groups serve as the basis for all planning and

performance evaluation methods in the **ETS Leadership System**.

2 Short- and long-term organizational goals in each of the **5 Pillars** (People, Service, Quality, Growth and Finance) are set based on the alignment of the **MVV** and customer requirements through the annual strategic planning process resulting in the Strategic Positioning Plan (SPP) (Fig. 2.1-1). Financial, Human Resource (HR) and Technology plans are developed as part of the SPP. **3** RWJUHH achieves alignment and integration through annual prioritization of organizational goals that cascade to each department. Within each department, every employee has an E3 goal (Engage Every Employee) that supports their departmental goal and their department's Organizational Performance Improvement/Patient Safety (OPI/Pt Safety) Plan. All of the above align and integrate goals and establish specific performance expectations throughout the organization. **4** Deployment is achieved through the Staff Performance Management System (SPMS) (Fig. 5.1-1) and Organizational Performance Measurement System (OPMS) (Fig. 4.1-2) and supported by employee development and employee forums. Our primary measurements of effectiveness are the Dashboard/Balanced Scorecard (D/BSC) (Fig. 1.1-3) and the Organizational Performance Improvement (OPI) Report. **5** **ETS Leadership System** effectiveness is evaluated for improvement at least annually through a comprehensive assessment that includes organizational, departmental and individual goal achievement compared to targets, benchmarks and/or competitors' performance. Baldrige feedback reports also provide evaluation and improvement opportunities. The EMT formally evaluates its effectiveness

Figure 1.1-1 Excellence Through Service Leadership System



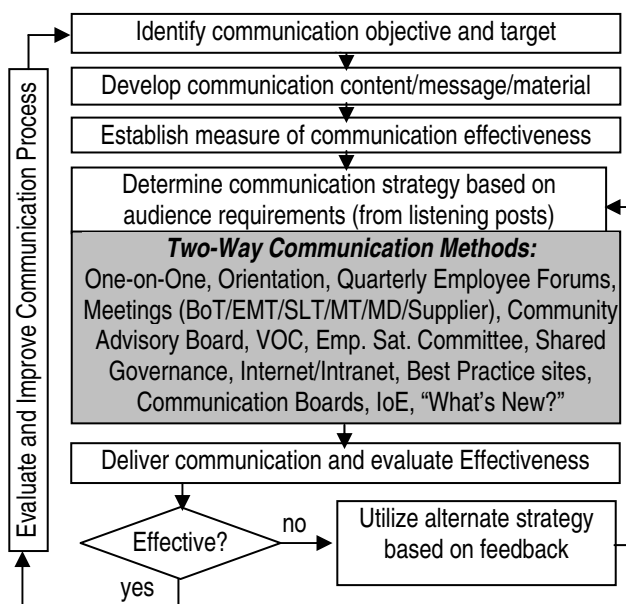
annually.

The **5-Pillar Communication Process** facilitates consistency in the ongoing delivery of key messages throughout the **ETS Leadership System**.

The **MOV** are defining statements developed in the early 1990's, and have been modified through annual cycles of review and refinement to reflect changes in the environment, industry and customer expectations. In three words, RWJUH's **Mission** is "**Excellence Through Service**" (**ETS**), reinforcing service excellence as a key differentiator in the market. The **5-Pillars of Excellence** establish a framework for communication and assist leaders in creating and balancing value for the three customer groups.

Key processes are identified to support **Run the Business (RTB)** and **Change the Business (CTB)** objectives. These objectives are based on customer requirements and Critical Success Factors (CSFs) to create value for the organization and our customers. The **5-Pillar** format of the D/BSC (Fig.1.1-3) ensures that performance is evaluated, improved and balanced for the entire organization and the three customer groups. The D/BSC contains leading indicators in each of the **5-Pillars** and is reviewed weekly by the EMT and Senior Leadership Team (SLT). The weekly D/BSC contains the previous quarter's Balanced Scorecard "Index" by pillars, so at a glance, leaders of the organization can see performance trends and comparisons to targets/benchmarks. The Index is a pie-chart in the traffic light format where green represents indicators scoring above the 90th percentile nationally and red indicators represent falling below the 80th percentile. D/BSC benchmarks are reset as necessary and, as a minimum, annually, to lead the organization "**to a higher standard.**"

Figure 1.1-2 5-Pillar Communication Process



Senior leaders communicate and deploy organizational **Values**, directions and expectations to all employees, partners and suppliers through the **5-Pillar Communication Process** (Fig. 1.1-2). This diagram reflects the two-way communication methods in the **ETS**

Leadership System. These communication methods ensure that employees, physicians, suppliers and partners:

- understand the **MOV** & align their actions to support them;
- understand strategic goals & their role in supporting those goals;
- understand current prioritized organizational goals & performance expectations; and
- have a means to effectively communicate with senior leaders.

RWJUH evaluates the effectiveness of communication in the feedback loop of the **5-Pillar Communication Process**; and if the communication is determined to be ineffective, alternative communication methods are utilized as needed.

1.1.a(2) Environment for empowerment, innovation, agility, learning, legal, ethical behavior: RWJUH creates a culture of empowerment, innovation and agility by driving decision-making to the most appropriate level of the organization. Employee and physician input is incorporated into planning and improvement processes through participation on committees and involvement in decision-making. Senior leaders role-model service behaviors and have signed a formal Senior Leadership Commitment Agreement (SLCA). RWJUH provides an environment where employees understand their role and are empowered to achieve personal and organizational goals through innovative approaches. There are several mechanisms that facilitate empowerment and innovation including:

- **Team Talk** - an internal customer service tool that provides all employees with an opportunity to give monthly quantitative and qualitative feedback to their colleagues in four categories: responsiveness, win-win, communication and follow-up.
- **Shared Governance** - an approach that gives nurses greater decision-making authority and overall accountability for care delivery and supporting processes to improve patient care.
- **Best Practice Sharing Technology** - RWJUH has an Intranet site dedicated to creating an environment that facilitates sharing of best practices and lessons learned. The RWJ Health Network sponsors a Best Practice website to enable knowledge transfer between Network entities.
- **External Benchmarking** - we benchmark with organizations inside and outside our industry including previous Baldrige Award recipients like Ritz Carlton (restructured orientation), Clark American (RTB and CTB goals), St. Lukes Hospital (D/BSC revision) and Baptist Hospital (customer satisfaction).
- **Voice of the Customer** - is a systematic approach to aggregate, track and trend employee and patient concerns, assign accountability for, and resolution of issues.
- **Service Recovery Process** - all employees can obtain items in the gift shop to ease a difficult patient situation, or if the employee determines that the customer is dissatisfied with service.
- **Employee Satisfaction, Work-Life Balance, Diversity Committees** - are examples of employee participation on teams, and input into decision-making through brainstorming and structured idea gathering

Senior leaders create an environment that fosters organizational and staff learning through significant investment in formal and informal learning opportunities including continuing education, mentoring, best practice sharing and communication. RWJUHH has significantly increased its investment in employee development (Fig. 7.4-11). Each quarter the Institute of Excellence (IoE), an off-site leadership development workshop for 100 employees, focuses on one of the **5-Pillars**, providing all senior leaders, medical staff leaders, managers and potential managers with tools and techniques for improving their performance. Communication boards facilitate shared learning in the **5-Pillar** format regarding performance trends, strategic goals, best practice sharing, and minutes of interdepartmental, departmental, and employee forums. Individual and organizational learning is evaluated and improved through the Education and Training Development Process (Fig. 5.2-1).

RWJUHH creates an environment for legal and ethical behavior by establishing a “zero tolerance” culture. Corporate compliance is part of orientation and annual education for all employees. A Compliance Hotline provides an anonymous vehicle for communicating ethical and legal concerns in clinical and business practices. In addition, RWJUHH also fosters a non-punitive culture to encourage reporting of medical incidents and to identify opportunities to improve processes, rather than placing blame.

1.1b Organizational Governance: The RWJUHH governance system ensures management accountability for the organization's actions and financial performance through the oversight provided by the BoT. The EMT meets weekly and conducts an extensive operational and financial review, a summary of which is reported monthly to the BoT. Audits are strictly independent and stakeholders' interests are always at the forefront of consideration.

- **Management accountability for the organization's actions:** EMT, SLT and Management Team (MT) members are assigned accountability for carrying out organizational goals through deployment in the strategic planning process. The BoT reviews organizational and EMT, SLT and MT performance annually.

- **Fiscal accountability:** The BoT conducts a detailed, line-by-line review of financial performance and action plans by EMT on a monthly basis to ensure continued financial viability. In addition, the EMT and the BoT evaluate operating margin by product line monthly to ensure that organizational financial objectives are met.

- **Independence in internal and external audits:** The Finance and Human Resource committee's responsibilities have been formally expanded to include audit functions. The new Finance, HR and Audit Committee reviews external and internal audits as well as Sarbanes-Oxley compliance which exceeds the not-for-profit industry standard. The Corporate Compliance Officer (CCO) regularly reports to the BoT on accreditation, legal and regulatory compliance as well as ethics and governance.

- **Protection of stakeholder interests:** RWJUHH employs the Request for Proposal (RFP) Process to develop and execute contracts for all goods and services. Potential conflicts of interest (for example, contracting with a member of the BoT's organization) would require an additional level of review by outside counsel to ensure no conflict of interest exists. In addition, the BoT exercises a fiduciary responsibility for the community through review of executive

compensation. Annual conflict of interest statements for each BoT, EMT, SLT and MT member are reviewed by the CCO to identify and address any issues.

1.1.c Organizational Performance Review

The healthcare industry is constantly changing, requiring organizations to be agile enough to respond successfully to these changes while constant enough to maintain stability. RWJUHH achieves that agility through frequent, systematic reviews of Key Performance Indicators (KPIs) on the D/BSC and the OPI Report. As part of the OPMS, these KPIs are balanced with leading and lagging indicators of process performance and clinical outcomes.

In 2001, we identified the opportunity to improve our performance in quality outcomes. We benchmarked with organizations nationally and within the RWJ Health System and Network. From this benchmarking, we adapted best practices from many of the organizations to create a dynamic, quality outcomes structure integrating physicians, the BoT, employees and senior leaders to set and review performance for quality outcomes. As a result, our quality outcomes in 7 of 9 indicators rank in the top 90% nationally (Fig. 7.1-8).

1.1c(1) Reviewing performance and capabilities: EMT employs two integrated review processes to evaluate and improve organizational performance through the OPMS (Fig 4.1-2). First, the EMT meets weekly with a pre-set agenda to review in-process and outcome KPIs on the D/BSC to manage and improve operations. There is a specific set of KPIs reviewed each week to ensure that all D/BSC KPIs are covered at least monthly as determined through the KPI Process (Fig. 4.1-3). Second, the Performance Improvement / Risk Management (PI/RM) Committee reviews organizational performance against targets and benchmarks on a quarterly basis, and reports it to the EMT. Where applicable and available, competitor performance is included in these comparisons. This frequent review of KPIs, combined with effective customer feedback, enables RWJUHH to continuously assess customer requirements and how the organization is performing to and changing with these needs.

This process concludes with communication in the **5-Pillar** format to employees on organizational performance and a feedback loop for action plan evaluation and validation. Review findings are communicated, as appropriate, with customers, suppliers and partners. Patient satisfaction results, for example, are communicated weekly to all employees to support, motivate and maintain customer focus and to achieve the **Mission of ETS**. Quarterly employee forums include updates on organizational goal performance.

1.1c(2) Key performance measures and findings: RWJUHH uses findings from KPI reviews to guide organizational change and improvements in service delivery. All review findings are aggregated, analyzed and communicated through the **5-Pillar** format and deployed throughout the organization through various communication strategies. Figure 1.1-3 illustrates the D/BSC with a sample of KPIs and the frequency of review in the **5-Pillar** format. The bolded indicators are included on the weekly D/BSC.

1.1c(3) Translation and deployment of improvement: EMT translates organizational performance review findings into priorities for continuous improvement and opportunities for innovation. Through weekly monitoring of D/BSC, negative variations compared to historical, budgeted, or best practice targets are identified. Indicators that are red or yellow trigger action plans as necessary to improve performance. Declining performance trends are evaluated using various analysis tools to identify improvement opportunities and develop potential action plans. EMT uses established decision criteria to prioritize these improvement opportunities. Priorities for improvement are deployed throughout the organization through the multi-layer Plan-Do-Check-Act (PDCA) improvement approach. First, prioritized strategic improvement objectives are deployed through multi-disciplinary teams using the detailed PDCA approach (Fig 6.1-3). Multi-disciplinary teams ensure that staff diversity is incorporated into brainstorming and research for best practices within and outside the organization. Second, staff are trained to use the simplified PDCA approach to achieve continuous improvement in daily operations. Improvement priorities are measured and evaluated against national, local, and RWJ Health System and Network benchmarks.

The deployment of our organizational goals and priorities for improvement are translated to our partners and suppliers during quarterly partner performance reviews. Their performance on organizational goals is realigned each year as part of the strategic planning process.

1.1c(4) Evaluating and Improving Leadership:

Senior leaders use the results reviewed in the Evaluation and Improvement Phase of the **ETS Leadership System** as the primary means to evaluate the effectiveness of administrative and healthcare leaders and the leadership system as a whole. Systematic evaluation of performance review findings provides the basis for continuous organizational learning and benchmarking with best-in-class organizations to drive performance **to a higher standard**. Feedback from employees is also used to evaluate the effectiveness of leaders' communication and teamwork. In the first quarter of each year, performance on organizational and individual goals is evaluated for senior leaders for the prior year. Goal performance is integrated with the SPMS (Fig.5.1-1) to develop educational and experiential training plans. These plans increase the breadth and depth of skills needed to improve the overall organizational effectiveness on the short- and long-term horizons.

1.2a Responsibilities to the Public

1.2a(1) Addressing societal impacts: Consistent with our higher standard commitment, RWJUHH goes beyond basic state and federal regulatory requirements. Targets for regulatory and accreditation results are established by the EMT and endorsed by the BoT. Figure 1.2-1 illustrates key processes, measures and goals to address risks associated with the management of healthcare services and operations, and for achieving regulatory, legal and accreditation requirements.

Operating with integrity and maintaining full compliance are consistent with our core values. These points are stressed continuously at all levels of the organization. A formal Corporate

Compliance Plan (CCP) is in place to specifically address regulatory and legal requirements, and is managed by the CCO, who reports directly to the CEO, and is reported to the BoT annually.

Figure 1.2-1 Public Responsibility & Ethics Measures

Process	Measures	Goals
Corp Compliance & Ethical Behavior	% of employees trained	100%
Care Delivery – Implementation	Safe medication delivery	Eliminate errors reaching patients
JCAHO Accreditation Process	JCAHO accreditation	Full accreditation
CAP	Accreditation	Full accreditation
CMS 7 th Scope of Work	Conditions of participation	Full participation
Commission on Cancer/ACoS	Center designation	Community cancer center
Internal and External Audit	Recommendations	Full compliance
Radiation Safety	Licensure	Full licensure
Licensure	% of staff licensed	100% compliance
Risk Management	1) Patient restraints 2) Patient falls 3) Workers Comp claims	1) Elimination of unnecessary use 2) None 3) Zero

1.2a(2) Anticipating public concerns: RWJUHH employs formal and informal approaches to anticipating public concerns. The strategic planning process (Fig. 2.1-1) contains two levels of assessment of societal concerns with current and future healthcare services and operations – the national/state level and the local markets that we serve. In addition, RWJUHH has a total of 12 Boards, Committees and Advisory Boards comprised of more than 150 area community leaders and physicians. RWJUHH took a lead role in establishing two community forums, The Community Advisory Board (CAB) and the Hamilton Community Coalition (HCC). The CAB meets quarterly to provide a direct voice in planning and anticipating future healthcare services. The HCC, a group of community leaders from area schools, churches, government and private industry, collaboratively plan and share resources for healthcare services. The RWJUHH Quality Report is a formal report card based on our hospital's performance, enabling consumers to make informed healthcare decisions, and published annually and posted on our website.

RWJUHH anticipated the 2004 malpractice insurance crisis emerging in the State of New Jersey early in 2002. In partnership with Network hospitals, we developed an off-shore captive insurance initiative that was implemented in late 2002 to avoid excessive operational and financial risk for the hospital and to maintain services for the community.

1.2b Ensuring ethical behavior: Ethical practices in every customer transaction and interaction is a fervent commitment of the

EMT and the organization as a whole. RWJUHH supports a “zero tolerance” policy for unethical behavior. Clinical and business ethical conduct is discussed during orientation and reinforced daily through the culture of the organization.

The principles of ethics are built into the **5-Star Service Standards** to ensure integrity in every encounter. The pre-employment process includes criminal background checks. All employees are encouraged and empowered to report any potential breach of ethical standards anonymously through the Compliance Hotline or to the CCO. Clinical ethical concerns are addressed by the Ethics Committee, a multidisciplinary group of physicians, employees and administration. A patient, his/her family, a friend or any healthcare provider directly involved with a patient may request a consultation with the Ethics Committee or the Patient Relations Manager. The patients’ Bill of Rights is posted throughout the hospital and is included in the *Guide to Patient Services* located at each bedside. The organization conducts random audits of customer and supplier/partner transactions to ensure ethical decisions or behaviors and standard billing and payment practices for patients’ financial commitments. Finally, all EMT, SLT and MT employees review and commit to corporate compliance standards annually. Key measures to identify potential and actual ethical compromises include results of external corporate compliance/ financial audits and citations by regulatory agencies. Even though the Sarbanes-Oxley regulations do not apply in the not-for-profit industry, our BoT made the decision to comply with these high standards of ethical behavior.

Figure 1.2-2 Community Support Activity

Community Support Activity	Measure	Goal
Charity Care	Dollars Committed	Budgeted 2004
Community Health		
• Community Support \$	Dollars Spent	x
• Community Health Ed	Contacts	x
• Volunteers Hours	Hours	x
Community Participation	# of orgs served	x

1.2c Support of key communities and community health:

RWJUHH has been a part of the service area healthcare delivery system for over 60 years. Our history and organization’s value and culture demonstrate a strong and passionate commitment to our community. Over the last six years, our support of community health has accelerated both in terms of financial contributions and the scope and depth of services provided. Financial support includes dollars for charity care, multiple clinics and screenings for high risk, low income individuals, Adopt-a-family programs, and direct financial contributions to community organizations. Uncompensated care as a percent of gross revenues has doubled in the last three years. Figure 1.2-2 summarizes community support activities. Leaders are encouraged and supported in their efforts to provide leadership on community boards, including healthcare and non-healthcare related organizations, or to serve as volunteers in general, to improve quality of life for area residents.

RWJUHH identifies key communities through the strategic planning process and determines areas of emphasis for organizational involvement and support through the Community Health Improvement Process (CHIP). The CHIP (Fig. 1.2-3) is a quantitative decision prioritization matrix that considers the degree to which any given program: 1) improves health outcomes, 2) enhances relationships, 3) is an efficient allocation of resources, and, 4) increases market share and volume. We have identified our key communities as our primary and secondary service areas with emphasis on seniors, women, cardiac, cancer, diabetes and obesity. Our primary intervention includes facilitating educational programs on our campus encompassing a wide array of topics pertinent to these groups and their specific concerns. In order to ensure that we reach a maximum number of targeted community members, we sponsor health fairs and outreach to six senior centers throughout the service areas. In addition to education, we make a direct impact through numerous free screenings. If health issues are identified, we proactively offer physician referrals, treatment and care management programs. The CHIP is completed annually, updated quarterly, and results in development of our community education calendar – *HealthCheck*. The CHIP process enables RWJUHH to fulfill its mission to promote, preserve and restore the health of our community.

Figure 1.2-3 Community Health Improvement Process

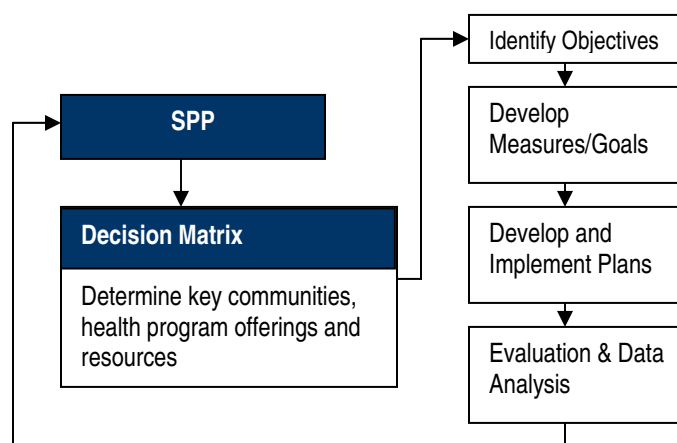
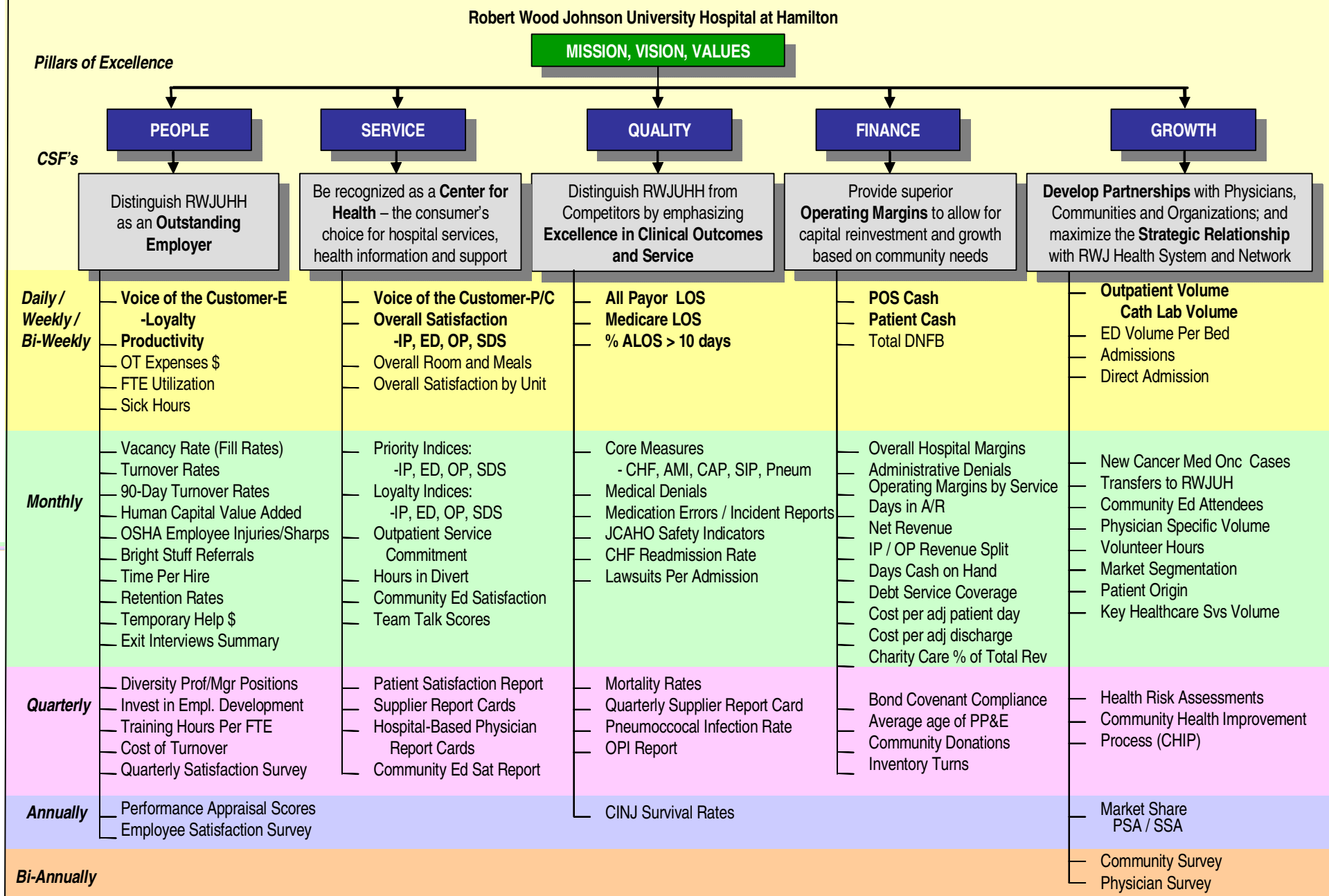


Figure 1.1-3 Dashboard/Balanced Scorecard Key Performance Indicators



2 Strategic Planning

2.1 Strategy Development

2.1a Strategic Development Process

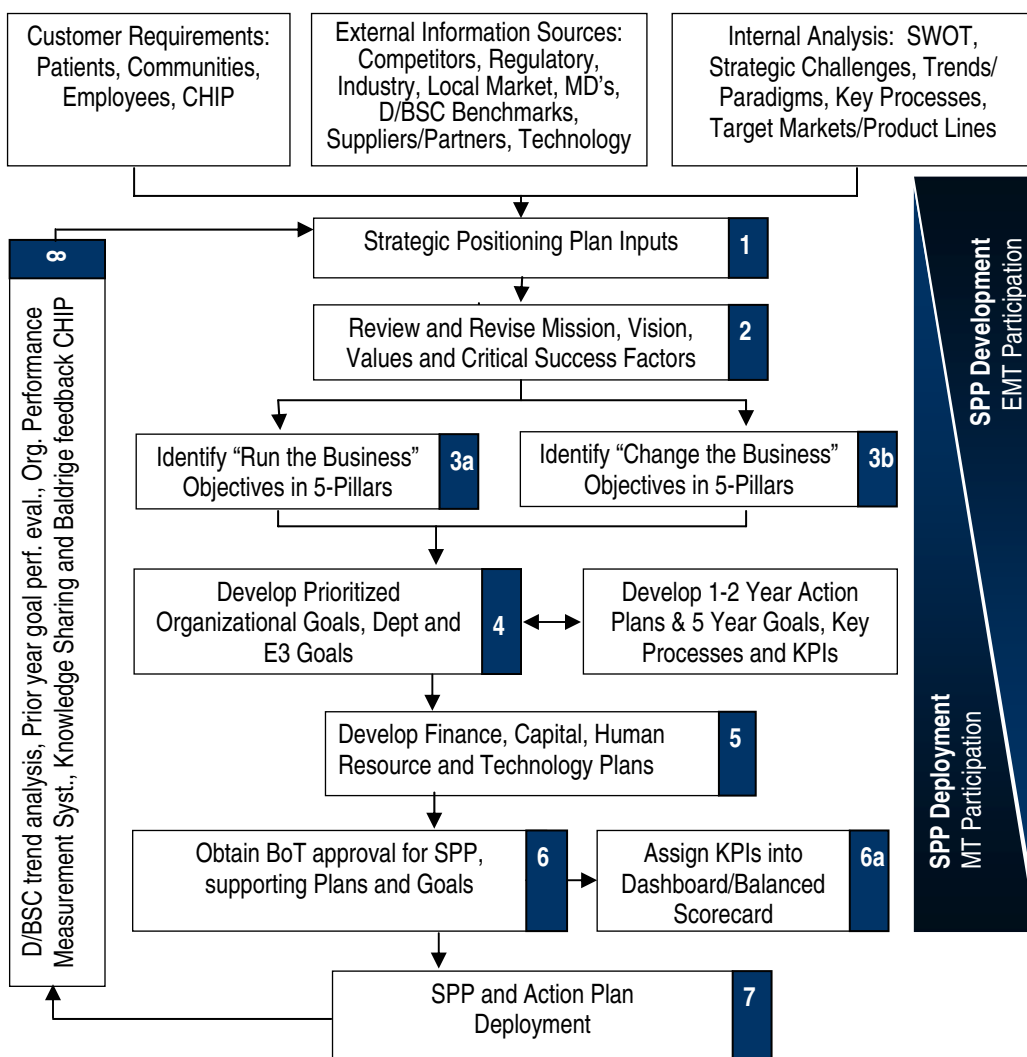
2.1a(1) Strategic planning process: RWJUHH's strategic planning process, Fig. 2.1-1, is a continuous cycle through which the organization's short- and long-term strategic directions and performance expectations are set. After examining multiple organizational planning processes over the last decade, RWJUHH developed its Strategic Positioning Planning Model as a combination of several best practices. The Strategic Positioning Plan (SPP) allows for greater agility than a traditional, static strategic plan through its systematic and robust processes. RWJUHH defines the short-term planning horizon as 12-24 months and long-term planning horizon as 3-5 years. These planning horizons were set to balance short-term changes in the local market and healthcare industry while setting long-term direction and continuity. In addition, the SPP is dynamic and thereby enables update and refinement while providing the consistent structure necessary for strategic alignment. The SPP enables RWJUHH to adjust to the rapidly changing healthcare environment, while creating long-term direction, and maintaining short-term flexibility. Through this long-term visionary planning, RWJUHH makes **"to a higher standard"** come alive.

The Mission, Vision, Values (MVV) sets the direction and the Critical Success Factors (CSFs) serve as the foundation for developing objectives in the SPP. The output is a clearly defined and prioritized set of Strategic Objectives in each of the **5-Pillars** with short- and long-term target horizons (Fig. 2.1-2). Finally, each year the strategic planning process is evaluated and improved by the Board of Trustees (BoT), Executive Management Team (EMT), Senior Leadership Team (SLT) and Management Team (MT) for effectiveness, timeliness and goal achievement.

1 Throughout the year, sources of input to the strategic planning process are collected and analyzed by the EMT at weekly EMT meetings and monthly Strategic Planning Committee (SPC) meetings. RWJUHH uses

this opportunity to learn more about each of the three customer groups, industry trends, competitor strategies, technological advances and opportunities. Hospital leaders meet with community members, employees and physicians throughout the year to capture and incorporate their voice into the strategic planning process. Key processes are evaluated and updated and key process performance is reviewed relative to benchmarks. The Dashboard/Balanced Scorecard (D/BSC) is evaluated annually to ensure it is kept current with needs and directions. Documentation of the SPP begins with a review of these inputs by the Institute of Excellence (IoE) and later the SPC of the BoT. Six years ago physician leaders were added to the BoT and SPC to integrate physician expertise in technology and healthcare services. RWJUHH has members from NJ's premier quaternary medical center, RWJUH-NB, on its SPC. This provides input on technological and clinical advances from their Emerging Technology Committee and Government/Regulatory Affairs Department into the SPP. These approaches move RWJUHH closer toward achieving the CSF of developing and maximizing Strategic Relationships and Partnerships with the System, RWJ Health Network (Network) and Physicians. Involvement of over 200

Figure 2.1-1 Strategic Planning Process



different individuals during input phase has enhanced the robustness and quality of the SPP over the years.

2 Once the SPP inputs are analyzed, the EMT and SPC review and update the *MOV* to ensure strategic alignment with advances in the industry and customer requirements. For example, a new *Mission*, “**Excellence Through Service**” (*ETS*), was created in the 1990’s to reflect the decision to differentiate RWJUH by service excellence. Similarly, in 2001 and 2003, the *Values* and *Vision* were evaluated and revised. Furthermore, the CSFs were realigned to reflect changes in customer requirements, strategic direction and market analyses. The BoT approves the *MOV* and CSFs at the annual board meeting in the spring.

3 RWJUH divides its strategic focus into two dimensions – one to run the day-to-day operations of the business and one to radically change how business is conducted. **Run the Business** (RTB) objectives in each of the **5-Pillars** improve, enhance or grow current services and strategies through effective benchmarking. **Change the Business** (CTB) objectives promote innovative changes in business practices to achieve breakthrough improvement in each of the **5-Pillars**. The EMT leads the IoE participants each summer in an interactive workshop to evaluate inputs to the SPP and provide a springboard for developing the strategic goals for the next year. The EMT takes the suggestions from the IoE and develops RTB and CTB goals and assigns accountability.

4 Organizational, Departmental and Engage Every Employee (E3) goals are developed and deployed for the upcoming year to support action plans. Through this step of the strategic planning process, the EMT prioritizes both short- and long-term measurable goals for organizational objectives, and begins deployment of these through the creation of departmental and individual employee goals. Measurable organizational goals are set for both planning horizons based on industry benchmarks and historical trends. Utilizing the KPI Process (Fig. 4.1-3), the EMT selects KPIs for the D/BSC and OPI Report to support the goal achievement. Accountability is assigned for the EMT and SLT in the SPP and deployment cascades to each department and all employees (Item 2.2).

5 This step ensures that the annual and long-term Finance, Capital, Human Resource and Technology Plans are developed and aligned with the prioritized strategic goals and CSFs. The organizational, departmental and E3 goals serve as a key input to these plans.

6 The SPP and supporting plans and goals are submitted to the BoT for approval in December and once approved, full deployment of the SPP cascades throughout the organization (Item 2.2) **7** This cascade is accomplished by deploying the accountabilities listed for the SLT to their respective MT members. Full deployment of each objective is hardwired through quarterly goal reviews at every level of the organization. KPIs are developed and assigned on the D/BSC in the **5-Pillar** format to ensure continuous monitoring of action plan progress. **8** The feedback loop of the strategic planning process includes an evaluation of performance on the D/BSC, key processes, Organizational Performance Measurement System (OPMS), Staff Performance Management System (SPMS), and knowledge sharing to improve the utility and effectiveness of the strategic planning process.

2.1a(2) Addressing key factors: Through cycles of effective learning and improvement, RWJUH refined the strategic planning process to address the key factors recognized by the Criteria for Performance Excellence. Internal and external sources of data and information are gathered and analyzed during initiation of the strategic planning process and serve as the starting point for the SPP along with the *MOV* and CSFs. These sources include:

Patient and market needs: Information related to patient, customer and market needs, expectations and opportunities is obtained through customer satisfaction surveys for the three customer groups, interaction with the community, senior leader rounding, and feedback from customer complaints captured in the Voice of the Customer (VOC) system. Statistical data and customer requirements are analyzed through the strategic planning process to establish organizational, departmental and E3 goals. In addition, RWJUH is exposed to new service opportunities through active membership in the AHA, IMPACT (Baldrige Leaders Domain), NJCOTH, HCAB and the RWJ Health System and Network.

Competitive and collaborative environment: RWJUH gathers comparative market share data including competitors’ share for the primary and secondary service areas segmented by healthcare services and zip code. Leading indicators are reviewed daily and weekly through volume and service measures and analyzed monthly by physician, key healthcare services, and patient origin information. Leadership presence in the community and physician relationships, also provide effective listening posts for competitor strategies. RWJUH seeks opportunities to collaborate with members of the System and Network through the Network’s Best Practice Website and Coordinating Councils (Fig.P.1-5). In addition, RWJUH collaborates locally with competitors and other community organizations such as Planned Parenthood and the YWCA.

Technology and innovations: Technological advancements and innovative breakthroughs are critical inputs in the strategic planning process to ensure that processes and services exceed customer expectations and outcomes. RWJUH gathers information on technology and innovation through physician input and continuous access to associations and publications. In addition, through our affiliation with the System we have access to a knowledge base and direction for technological advances. As a result of this affiliation, the implementation cycle for digital technology in radiology imaging was significantly shortened which enabled RWJUH to become the first all digital radiology facility in Mercer County. This collaboration also provided financial advantages from economies of scale.

Strengths and weaknesses: The EMT leads a full day workshop at the IoE with MT and prospective MT participants to analyze internal strengths and weaknesses and propose objectives to address opportunities identified. The SWOT analysis and proposed objectives are expanded by the SPC of the BoT. Finally, RWJUH uses feedback from Quality New Jersey and Baldrige processes to identify strengths and opportunities for improvement and develop action plans to address them.

Redirecting resources: RWJUH considers Finance, Capital, Human Resource and Technology resource allocation as part of step **5** of the strategic planning process. As opportunities for new

services or growth of existing services are identified, needed resources are allocated.

Financial, societal, ethical and regulatory risks: Risks that may potentially affect healthcare services are identified through environmental analyses in the strategic planning process. Examples of these risk assessments include societal risks of bio-terrorism and emergency preparedness, the malpractice crisis and cost-benefit analyses in new business developments.

Economic environment: Changes in the local, regional and national economic environments that may affect RWJUH are analyzed through external assessments. Findings of recent economic analyses include changes in insurance reimbursements, uninsured rates and national shifts toward consumerism.

Unique factors/partner and supply chain needs: RWJUH conducts a “Hedgehog Principle” analysis as part of the strategic planning process to determine what “we are passionate about, drives our economic engine and what we do best.” This facilitates planning discussions and focuses organizational attention. RWJUH works with partners and suppliers to develop effective relationships which enable RWJUH to proactively anticipate and direct changes in processes. Quarterly supplier and hospital-based physician report cards are reviewed via the D/BSC and during the strategic planning process to stimulate discussions of needs and capabilities. For example, over the last five years, RWJUH has changed two hospital-based physician contracts, anesthesiology and radiology. Both occurred without negative operational impact and resulted in superior clinical performance and outcomes through effective planning and deployment. RWJUH also realizes supply chain advantages through the System affiliation.

2.1b(1) Strategic objectives and timetable: RWJUH's top 5 strategic objectives for 2004 are summarized in Fig. 2.1-2, which also illustrates the strategic challenges relative to each objective. The timetables for each objective are listed in Fig. 2.2-2, which also identifies the senior leader accountable to lead the accomplishment of the objective. Integration and deployment of the SPP is hardwired through this accountability. This ensures that responsibility for accomplishing objectives is clearly identified. Accountability is further deployed by linking MT goals and quarterly performance evaluations with the organizational goals. Goals for all strategic objectives are set using local, state and national benchmarks and continual improvement over the prior year.

2.1b(2) Addressing strategic challenges: RWJUH aligns organizational objectives with strategic challenges in the strategic planning process to ensure that all strategic challenges are addressed. While the RTB objectives focus on improving operations, the CTB objectives are more strategic in nature and have a greater impact on addressing the strategic challenges. Figure 2.1-2 illustrates how the key 2004 objectives address our four strategic challenges. Balance is achieved throughout our strategic planning process by aligning strategic objectives with **5-Pillar** CSFs, and by involving all 3 customer groups in the planning process.

Figure 2.1-2 Key Strategic Objectives (Top 5)

#	Pillar	Strategic Objective	Strategic Challenge
1	Finance RTB	Margin Management <ul style="list-style-type: none"> • Overall • CHW • ED • OP 	SC 2 SC3 SC4
2	Quality RTB	Length of Stay	SC1 SC3
3	Quality CTB	Patient Safety	SC3 SC4
4	Quality RTB	Clinical Outcomes	SC3 SC4
5	Service CTB	Outpatient Service Growth	SC1 SC2 SC4
Legend: RTB – Run the Business, CTB – Change the Business SC-Strategic Challenges: 1-facility capacity, 2-aggressive competition, 3-balancing excellence with financial constraints, 4-changing environment			

2.2 Strategy Deployment

2.2a(1) Developing and deploying action plans: RWJUH effectively deploys its strategic direction through careful top-down, bottom-up alignment of departmental and E3 goals. This alignment is achieved through step **4** of the strategic planning process when the prioritized strategic objectives cascade to organizational, departmental and E3 goals. The MT then reviews the SPP, objectives and organizational goals and identifies their role and that of their department, in achieving those objectives and goals by utilizing their expertise and daily interaction with patients, employees, physicians and the community. From this information, they propose their individual goals through guided discussions with their respective SLT/EMT leader. Proposed MT and department goals are validated and aligned by the EMT/SLT at group sessions to ensure internal linkage of goals, establish standards of performance for shared goals, and to ensure that all organizational goals have been assigned. **5** These goals and subsequent action plans translate into department budgets and staffing resource requirements to align financial and HR needs with strategic direction and objectives. Deployment of the strategic objectives and their associated action plans and E3 goals is communicated to all employees through a variety of communication methods (Fig.1.1-2) including quarterly employee forums and monthly management meetings. Figure 2.2-1 illustrates an example of this cascade for an RTB objective in the 2004 SPP.

2.2a(2) Key short and longer-term action plans: Figure 2.2-2 documents key organizational short- and long-term action plans to support strategic objectives. Action plans are aligned with strategic objectives through prioritized goals that cascade throughout the organization. RWJUH carefully plans new services to ensure they

are implemented timely, address customer needs, and are current with the healthcare industry and local market. These action plans are reviewed quarterly to monitor progress toward achieving the organization's goals. The quarterly goal review results are communicated to all employees, Medical Staff leadership and the BoT.

2.2a(3) Key staffing plans: RWJUH integrates key staffing and HR plans with short- and long-term objectives and their associated action plans during steps 5 through 7 of the strategic planning process. The formulation of these HR and staffing plans is a collaborative process between the EMT, SLT, MT and the budgeting team to ensure balance among organizational objectives, departmental goals and needs. HR and staffing plans may include adjustments in Full Time Equivalents (FTE's), education and training needs, competencies, and work system changes. Examples of key HR and staffing plans for current action plans are depicted in Fig. 2.2-2. Finally, RWJUH evaluates FTE's, overtime usage and per diem (PRN) hours, bi-weekly to promote safe patient care, employee satisfaction with staffing and efficient resource utilization. This measure is segmented to provide drill-down data for each member of the EMT and reviewed every pay period for continuous monitoring and action.

2.2a(4) Tracking action plans: Figure 2.2-2 defines the KPIs for measuring organizational action plans and objectives. These indicators are aligned and prioritized for key strategic objectives in the **5-Pillars**. Senior leaders review action plan progress through quarterly analysis of the D/BSC as needed to achieve short- and long-term goals. KPIs on the D/BSC are reported at the SPC of the BoT, MT meetings and quarterly employee forums ensuring that action plan progress measurement is deployed. Progress on organizational goals is reported to physicians at monthly Medical Executive Committee meetings.

2.2b Performance Projections: Based on historical trends RWJUH's projected performance is expected to compare favorably with goals, competitors and benchmarks. Figure 2.2-2 defines RWJUH's key strategic objectives, short- and long-term goals, KPIs, and projections for 2004. Patient safety, clinical outcomes and outpatient service growth goals all compare favorably with local and state competitors, and comparable organizations nationwide. Our Margin Management and Length of Stay goals compare favorably

with local competitors and NJ Statewide performance. Hospitals within the State of New Jersey historically trail the nation on these indicators. Benchmark comparisons are obtained from sources defined in the organizational profile as appropriate to the type of indicator. These comparisons include out-of-industry organizations, including previous Baldrige Award recipients. RWJUH uses traditional trending analysis based on historical data, internal and external assessments to improve performance.

RWJUH anticipates favorable trends in performance for 2006 - 2009 through the use of our robust strategic planning process where the EMT sets and communicates direction. This effort is supported by a focus on patients, employees and our community through our effective OPMS (Fig. 4.1-2).

Figure 2.2-1 Strategic Objective-Goal Cascade Example

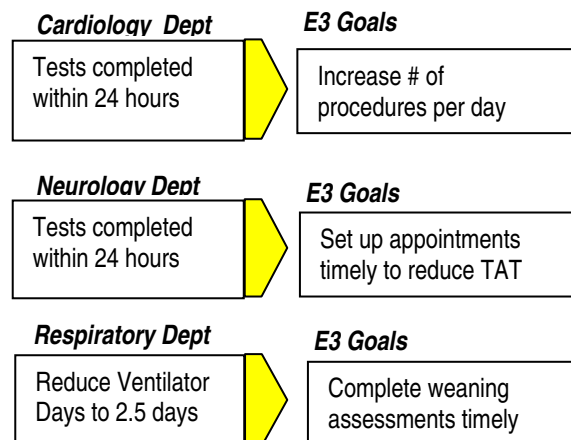
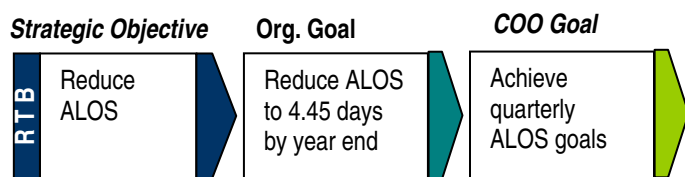


Figure 2.2-2 Key Action Plans, Timetables, KPIs, and Performance Projections

Objective	Owner	Short- and long-term action plans	Key Changes	HR/Staffing Plans	KPI	Goals		Benchmark & Proj.
						04-05	06-09	
1. Finance Margin Management	CFO COO	POS Cash Collection team to develop new process. Evaluate Margin by Product Line monthly. Implement suggestions from "Front-Line" committee. Reduce Red-bag waste. Implement reusable/recyclable program.	New contract initiated with United Health Care. RWJ Center for Health & Wellness. Shift in revenue generating Services out of hospital	Provide education for MT on margin management	Operating Margins • Overall Hospital • Inpatient • Outpatient • Emergency Dept • Ambulatory-Surg	• x% • x% • x% • x% • x%	Overall Hospital x%	Overall hospital
2. Quality Length of Stay	COO	Initiate Multi-Disciplinary Rounds on all units. One-on-one meetings with high variance MD's, Quarterly report cards to medical staff section chiefs. Reduce avoidably days through Pt. Management.	Day observation status. Clinical observation unit. Physician incentives to decrease length of stay. Outpatient care management.	Patient Management in ED	All Payor LOS Medicare LOS % patients > 10 days	x x x	x	
3. Quality Patient Safety	VPPCS AVPQO AVPN	Develop comprehensive plan based on NQF, AHRQ, JCAHO Guidelines & Internal Goals. Increase volume of incident reporting including increase in near-misses. JCAHO mock survey and tracer methodology training.	Increased use of technology to decrease errors. NJ mandatory error reporting.	Designation of patient safety leader. JCAHO tracer methodology training with System & Network.	JCAHO Safety Indicators	100% safety goals, Veri-5 Barcoding CII Safe	EMR CPOE 100% safety goals	100% Safety Goals
4. Quality Clinical Outcomes	AVPQO	Use PDCA to improve order sets to be more user friendly. Increase use of evidence-based order sets. Link with Disease Management Committee to improve overall outcomes. Education plan for staff on NQF standards.	Increased public acceptance and importance of Quality Reporting organizations. Reimbursement based on quality outcomes.	Staff and MD education on quality indicators and compliance	Core Measures Mortality Rates AHA NVHQI	Clinical Outcome measures above the 90 th percentile nationally	Clinical Outcome measures above the 95 th percentile nationally	Clinical Outcome measures above the 95 th percentile nationally
5. Service Outpatient Service Growth	AVPCAS	Develop Outpatient Service Commitment Advertisements for Commitment Monitor 24 hour results reporting Monitor appointment timeliness	Competitor with new OP facility one mile from RWJUH, MD SurgiCenters, and Endoscopic Centers. Increased Physician competition	Hire additional staff to cover additional am/pm hours and volume	OP Volume Growth	x%	x%	
Legend: Favorable trending compared to goals/benchmarks; Unfavorable trending compared to goals/benchmarks; Goals/benchmarks not fully met, action plans underway CFO-Chief Financial Officer; COO-Chief Operating Officer; VPPCS-VP, Patient Care Services; AVPQO-AVP, Quality Outcomes; AVPCAS-AVP, Clinical & Ambulatory Services; AVPN-AVP, Nursing								

3 Focus on Patients, Other Customers and Markets

RWJUH exists to be the source of healthcare to our community and to passionately exceed customer requirements and expectations. Positive trends in customer results, awards and recognition are attributed to a combination of superior service and response to community need, driven by commitment to the Mission, Vision, and Values (MVV) of the organization. The **Excellence Through Service (ETS) Leadership System** creates and balances value for the three customer groups, ensuring that customers are the nucleus of decision-making. Key to achieving results is our processes for leadership development, aligned incentives, and hiring for service (Cat. 5). RWJUH's approach serves as a market differentiator and foundation for achieving the **Vision**, and as a role model to other organizations by hosting site visits and participating in learning conferences to share our best practices.

3.1 Patients, Other Customer, Healthcare Market Knowledge

3.1a (1) Determining/Targeting patients and customers:

The Management Team (MT), Senior Leadership Team (SLT) and the Executive Management Team (EMT) all participate in the process to determine/target current and potential customers, customers of competitors and healthcare markets. The Board of Trustees (BoT) Strategic Planning Committee along with the EMT conduct a formal annual planning session and divide into focus groups to analyze market opportunities and new services, identify customer requirements, and make recommendations. During the input step of the strategic planning process (Fig. 2.1-1), information from industry trends, market research, market share by service line, zip code, population trends, competitor strategies, marketing/advertising campaigns, customer satisfaction trends, community surveys and physician referral trends is reviewed and analyzed by the EMT. Each year the EMT, SLT, and MT conduct a SWOT analysis of the organization at the IoE to determine changing customer requirements, define/redefine customer groups, and identify key strengths and opportunities for RWJUH. For example, during strategic planning sessions in 2003, physicians were reclassified as a partner versus a customer as that category best described our relationship. The information is then used by EMT to determine future markets, new service opportunities and other customer and healthcare market segments. RWJUH solicits and utilizes unbiased feedback of current patients, potential customers and customers of competitors as well as the community by contracting with independent survey organizations, including Gallup and Press/Ganey (PG). RWJUH identified three customer groups—patients, employees and community, which were determined by their

individual impact and collective importance to the success of the organization. The four primary *patient* segments are inpatients, outpatients, ambulatory surgery and emergency patients. Patients are further segmented based on their similarity in needs, expectations, characteristics, nature of illness, and duration of stay. The EMT conducts a monthly review of patient origin information; IP and ED patient transfer patterns, physician admission trends, as well as a review of competitor marketing and industry analysis and analyze the information to determine/target customers and healthcare markets. Following this analysis, action steps are defined and accountability assigned. This customer grouping and segmentation process has improved over the years to enable RWJUH to identify key quality characteristics that drive customer satisfaction and loyalty in order to improve market position and organizational performance results. *Employee* groups are segmented by direct and indirect caregivers, and current and potential employees as determined annually by the EMT during the strategic planning process. Direct caregivers have the most collective impact on patient quality and outcomes and are supported

by those who provide service, equipment and materials to facilitate the provision of this care. Our Patient-Focused Model (PFM) (Fig. 3.1-1) places patients at the center of all work to ensure that patient needs drive decision-making and internal teamwork supports patient focus.

Potential employees provide critical feedback used to improve recruitment and retention strategies. The *community* is segmented into two geographic groups; primary and secondary service areas, as determined by the EMT as part of the annual strategic planning process. The primary service area is where 80% of our admissions originate from during the prior year. The secondary service area includes the remaining 20%. This ensures that our market definition is kept current with customer direction and needs. The community is further segmented by targeting

seniors, women, and disease specific categories. RWJUH maintains an awareness of health problems and disease specific prevalence in our community through partnerships and individual contacts. Programs are developed using the Community Health Improvement Process (CHIP) (Fig. 1.2-3) and based on the specific health needs of our community. For example, a need for a diabetes self-management program was identified through listening to customers and analyzing inpatient diabetes volume. In response, RWJUH developed a comprehensive diabetes education program in partnership with Bristol-Myers Squibb that was nationally recognized in 2002 as a source for diabetes self-management education. In 2003 and 2004, additional grant dollars were obtained to reach out to pediatric diabetics to target their specific needs for education, diet, and exercise programs.

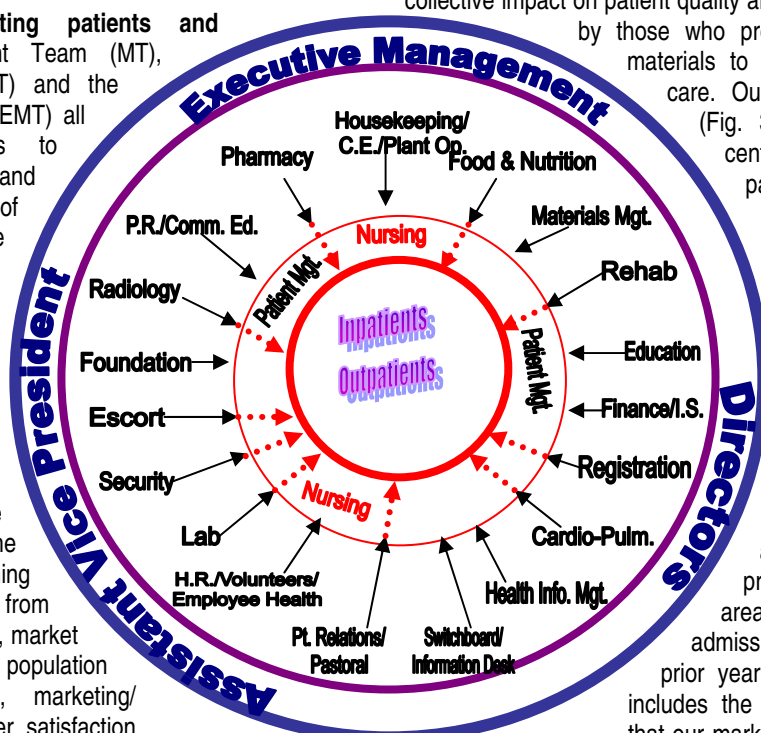


Figure 3.1-1 Patient-Focused Model

3.1a (2) Listening, learning and determining requirements: Knowledge of customers and their requirements is essential in order to fulfill our *MVV*. RWJUHH employs a robust set of qualitative and quantitative listening and learning methods (Fig.3.1-2) used for annual strategic planning and monthly/weekly reviews by the EMT, SLT, and the Patient Satisfaction Committee to determine customer requirements. The primary sources of information to assist in this determination are the patient satisfaction surveys administered by PG and the The Voice of the Customer-Patients/Community (VOC-P/C) database. Aggregate information from VOC-P/C on concerns and compliments are utilized in the process. Other sources of information used in the process include listening and learning methods as shown in Fig. 3.1-2. This dynamic process enables the EMT, SLT, and MT continuously interact with patients and visitors for concurrent information on requirements, enabling us to be agile in response to ever changing patient needs. The MT participates in the process as part of the annual Service Pillar of the IoE. The frequency and intensity of expressed needs along with a regression analysis of highly correlated patient satisfaction drivers are criteria used to determine requirements. The EMT has the responsibility for analyzing all the information from the leadership groups and making the determination of *patient* requirements. This information is also used in steps **1** and **4** of the strategic planning process (Fig. 2.1-1) to align Strategic Objectives with customer requirements and to ensure that all customer requirements are addressed.

To determine *employee* requirements, RWJUHH uses a combination of methods to listen and learn to determine employee requirements. The same process as described for patients is used to determine employee requirements. Two important sources of information are the Employee Satisfaction Survey and the Voice of the Customer - Employee (VOC-E). The annual employee survey is administered by the hospital and comparative results reported by the PG organization. Leading indications of new and changing employee requirements from Administrator-on-Call (AOC) rounds are discussed weekly at SLT under the people pillar agenda. The voice of potential employees is captured through partnerships with nursing schools and intern and extern programs, as well as open houses and job fairs through discussions, applications and student experience evaluations. An Internal Service Communication Tool (Team Talk) was developed by the MT to determine and evaluate their own key customer requirements. The MT identified internal requirements required from other departments in order to provide excellent service. Directors score each others departments utilizing an Intranet survey using a 1 to 5 scale on the degree to which these requirements were met. Aggregate scores by department are communicated to the MT and SLT and used to ensure that prompt action is taken in response scores in the yellow or red zone. This innovative approach improves communication and promotes overall service excellence and teamwork among the group. All the above information is aggregated and analyzed on an annual basis by the EMT to determine requirements. Criteria used to prioritize requirements include the frequency and intensity of the expressed need as identified by employees in their department roll-out of the survey. This process is not static in that as new information becomes available it is reported and acted on in the weekly EMT meeting and modifications made as appropriate.

RWJUHH uses the results from a *community* survey conducted by the Gallup Organization, a national research firm, in addition to other

data from Fig. 3.1-2 to assist us in determining the requirements of our community.

Figure 3.1-2 Listening and Learning Methods

Listening and Learning	Patients	Emp.	Community
Press, Ganey Surveys	D	Q	A
Committees/Meetings	M	M	Q
Letters	N	N	N
VOC	D	D	N
Direct Contact/Rounds	D	D	N
Team Talk		M	
Call Center			D
Health fairs		N	N
Open houses		Q	N
Exit Interviews		N	
Program Evaluations		N	N
Service Recovery Log	W		
Website and Intranet	N	D	N
D- Daily W- Wkly M- Monthly Q-Qtrly A-Annually N- As needed C/P – Community / Potential Customers			

RWJUHH commissions the Gallup Organization to conduct an assessment of our community. This is a telephone survey administered every other year to 500 residents in our primary and secondary service areas to obtain data regarding healthcare utilization preferences and assess the hospital's image in the marketplace as compared to its competitors. Information is also obtained from our Community Health Connection (CHC) call center, the community education department, the Hamilton Community Coalition (HCC), and by senior leadership involvement in local boards. Our quarterly Community Advisory Board (CAB), led by the CEO, also provides valuable insight from the perspective of current and potential customers in the community. Formal and informal feedback from telephone calls, post-program evaluations, and discussion groups, is used to plan comprehensive schedules of community education programs for the community. Information is also reviewed and analyzed by the EMT on an ongoing basis so that that we remain agile in a dynamic healthcare market. The EMT assumes the final responsibility for determining requirements using criteria similar to that used for other customer groups- the frequency and intensity of the expressed need. In the summer of 2004, RWJUHH will open the 86,000 sq. ft. Center for Health and Wellness, built on a medical fitness model driven by the health needs of our community, and based on feedback from our customers and CAB.

3.1a (3) Keeping listening and learning current: Listening and learning methods are kept current through ongoing review and evaluation by EMT. They determine whether a particular method yields actionable information to assist in improving performance. A formal evaluation of the effectiveness of listening and learning methods is conducted annually as part of the strategic planning process by SLT and EMT to ensure that customer listening methods capture new or changing customer requirements. EMT regularly compares our methods against industry best through daily reviews that include a scan of current events, conferences, Internet sources and networking. Our Technology Assessment Committee identifies

products and services that would assist us by automating and aggregating data such as the VOC software. Finally, RWJUH uses feedback from Baldrige winners to evaluate the effectiveness of listening strategies.

3.2 Patient and Other Customer Relationships and Satisfaction

Figure 3.2-1 Relationship Management Strategies

Patient Loyalty	
15/30 Program	Integrative Therapy
Hearts Apart	Free TV and Telephone
OP Service Commitment	Service Recovery
Complimentary Transport	Interpreters
Greeters	Food-on-Demand (Room Service)
Virtual Nursery	Educational Channel
Employee Loyalty	
WOW Program	Employee Satisfaction Committee
Longevity Benefits	Health and Wellness Center
Circles	Around-the-clock Emp.Forums
Diversity Committee	Child Care and Mortgage Subsidy
Language Line	Intern/Extern Program
Shared Governance	Tuition Reimbursement
Nursing Certification Pay	Employee Wellness Program
"What's New" Publication	Intranet/Internet Access
Community Loyalty	
Education Programs	Senior Centers
About Health	OP Service Commitment
Health and Wellness Center	Newsletters
Support Groups	Integrative Therapy
Community Advisory Board	Hospital Giving Programs
Ham. Community Coalition	Grounds For Healing™

3.2a Patient/Customer Relationship Building

3.2a(1) Building relationships and loyalty: Building strong relationships and creating loyalty with our customers is central to achieving *Excellence Through Service* since loyalty is a predictor of future behavior. RWJUH builds and maintains strong relationships through highly collaborative interactions and partnering. Service excellence is the responsibility of each employee as defined in the *5 Star Service Standards*. Figure 3.2-1 illustrates many of the innovative ways that RWJUH builds lasting relationships and loyalty by passionately meeting the needs of the three customer groups. RWJUH measures loyalty for all customer groups with a *Loyalty Index*, a leading indication of loyalty and retention for patients and employees. Our results led to national recognition for patient satisfaction; the 2002 Press, Ganey Success Story Award Winner, and recently, a 2004 Press, Ganey Success Story Finalist.

Patients: Fundamental to RWJUH's approach to patient loyalty is our belief that loyalty is the result of the ability to consistently achieve the highest quality outcomes for patients in a consistent manner and delight them with exceptional service. The organization maintains a sufficient and highly competent staff to ensure that patients receive safe, compassionate care. Programs such as Service Recovery empower staff members to respond quickly to service disappointments, apologize, and take quick action to correct problems. Free telephone and television service along with an innovative *Food on Demand Program* promote patient comfort and

satisfaction. Early identification of issues through leader rounding very often neutralizes dissatisfaction and promotes loyalty. Customer requirements and expectations are formally included in our Process Design and Improvement Cycle (Fig. 6.1-3) when developing new products and services, thus ensuring that customer needs are considered. An example, outpatient requirements include convenient access and efficient, timely service. These requirements were used in the development of the new *Outpatient Service Commitment*, based on timely diagnostic testing and results to physicians within one day.

RWJUH promotes positive relationships with *employees* through effective two-way communication, mutual respect, and an array of programs and learning opportunities in order to build loyalty with employees. The culture is one that welcomes employee feedback in terms of issues, concerns and needs. We recognize that success in the People pillar drives positive outcomes for the organization. Our approach to employee satisfaction and loyalty are described in detail in Category 5. The Employee Satisfaction Committee (ESC) and survey process are both key methods to promote loyalty. Investing the human and financial resources in order to conduct a confidential, comprehensive survey to employees, followed by formal action plans and feedback sessions, demonstrates our commitment to listen and act on the voice of our employees. Information from the Employee Survey and ESC are used to assist in determining organizational and departmental priorities. We have a systematic process in place to recognize staff with hand-written thank you notes, and a process to schedule Directors and staff to be recognized formally at Employee Forums on a quarterly basis, and at MT meetings on a monthly basis for acts of service excellence. Twenty-five around-the-clock employee forums are used to communicate information and foster alignment and loyalty with employees. The innovative use of technology is deployed as appropriate to assist employees in being more efficient and to deliver safe care to patients. For example, instead of manually signing and tracking time and attendance, an automated software system was implemented to relieve the employee and the manager of burdensome paper time tracking. Web-based enrollment to the benefit program is available as well as an employee concierge program. To promote loyalty and increase communication between the MT, SLT, and EMT, a Department Director subgroup was chartered. Effectiveness of the meetings is determined by a written evaluation following each meeting. Two innovative examples of how RWJUH applies these approaches are the Shared Governance Committee (SGC) and the ESC, which are forums to openly communicate, share decision-making, address key concerns of employees and promote retention. For example, in an effort to build stronger relationships and increase loyalty among nurses with twenty or more years of service, senior leaders recognized concerns with internal compensation equity. Retention strategies were developed, including salary increases and longevity benefits for these employees, enhancing results in relationships and satisfaction.

RWJUH builds relationships and loyalty with the *community* through partnerships and a shared vision by designing programs and comprehensive services to meet and exceed requirements and by being a resource for health and wellness information. Community members participate in the planning and development phase of new services and innovative programs such as the *Layperson Medical School*. The community education department provides a wide

variety of classes to community residents each year and coordinates education activities, physician referrals, health fairs and screenings. Senior leadership meets quarterly with the CAB to proactively listen and learn about healthcare needs and actively utilizes feedback in planning services. Relationships with seniors are developed through six active off-site senior centers. Programs designed to target their special needs are offered. The hospital is meeting the special needs of our diabetic and obese children by providing specially trained nurses to monitor and improve outcomes. RWJUH partners with the Township Health Department and leads efforts in terms of equipment, facility, and staff education for emergency preparedness to assure safe and efficient response to disasters. The hospital recently received funds to develop smallpox and bioterrorism programs to meet and exceed the community need for safety and emergency preparedness.

3.2a (2) Access mechanisms, determining/deploying contact requirements: Figure 3.2-2 illustrates key access mechanisms for the three customer groups. Greeters, information desk and registration staff are often the first point of contact and, routinely approach guests to offer assistance. The Patient Relations Manager is centrally located in the hospital lobby to assist patients and visitors. The AOC and nursing supervisor are available 24 hours a day to facilitate customer contact and access. AOC's conduct scheduled rounds to make themselves available to employees and patients. Employees enjoy open, two-way communication and the friendly culture at RWJUH. All customer groups communicate concerns and suggestions through the various verbal, written and electronic access mechanisms that are addressed using the Problem Resolution Process (Fig. 3.2-3). An increasingly popular mode of access is the VOC, where customer feedback are entered in the system and viewed by members of the EMT as described in Item 3.1a (2). Potential employees learn about career opportunities and can apply for jobs through the hospital website. In response to employee listening, web-based benefits review and enrollment was made available in 2003 to meet the increasing demand for electronic access. The Community can access senior leaders, services and information through direct communication, telephone, Internet and Intranet. EMT analyzes data from listening posts and determines key access mechanisms and contact requirements during the annual strategic planning process as well as ongoing SLT and EMT review. Criteria used for this determination includes the level of correlation to overall satisfaction as well as the frequency and intensity of the feedback.

5-Star Service Standards are organizational contact requirements for employees (Category 5). These standards are used to hire, train, and coach staff to achieve consistent, service-oriented behaviors. Deployment of access and contact requirements is initiated during orientation and continued in department specific training and supported by the culture in the **ETS Leadership System**. These standards are used to coach, council, and evaluate employees and are monitored during leadership rounds by the MT, SLT and EMT. Customer satisfaction with access and contact requirements is measured through the analysis of data from various customer listening posts as defined in Fig. 3.1-2.

3.2a(3) Aggregating, analyzing and resolving complaints: RWJUH employs the Problem Resolution Process (Fig. 3.2-3) to provide timely resolution and follow-up to customer complaints, to

aggregate complaints, to identify trends, and to drive performance improvement. Complaints are viewed as gifts and all staff is encouraged to solicit and resolve complaints.

Figure 3.2-2 Key Access Mechanisms

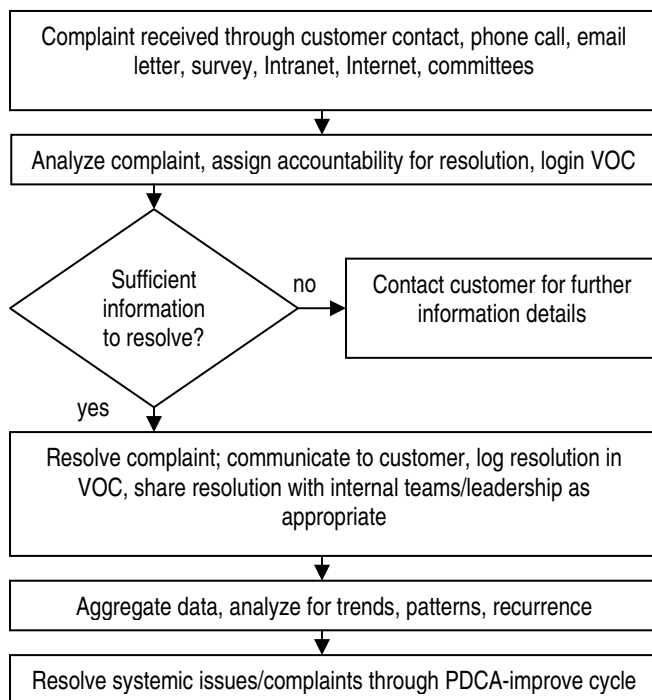
Seek Information	Obtain Services	Make Complaints
<ul style="list-style-type: none"> • Direct contact • Written material • Internet/Intranet • 5-Pillar Boards • Call Center • Meetings • Service reps 	<ul style="list-style-type: none"> • Web-based registration • Community ed classes • Health Fairs • Human Resources 	<ul style="list-style-type: none"> • Direct contact • Telephone • Letter/fax • Internet • Surveys • VOC

Patients are provided information about how to voice complaints upon admission and information is posted throughout the facility indicating the right of patients to voice their concerns without fear of retribution. All customer groups have the opportunity to communicate complaints anonymously if desired. Operational complaints received by staff are forwarded to the Patient Relations Manager to begin the resolution process. Complaints not resolved upon notification are tracked until a resolution acceptable to the customer is deployed. Our operational objective is to respond to complaints within 48 hours, recognizing that many complaints will require additional time to resolve. All written complaints are forwarded to the office of the CEO where accountability is assigned for follow-up and logged in the VOC database until resolution. The VOC software has an escalation feature whereby a supervisor is notified if any delay in problem resolution occurs. Once a concern is resolved, the customer receives a written response outlining the course of action. The customer is also asked if satisfied with the resolution. When a dissatisfied customer is identified, s/he is invited to meet personally with the CEO/COO/CNE to explore the concern and acknowledge the service disappointment. After the meeting, actions steps are taken to prevent future reoccurrences. Most complaints are received in person (37%) and by telephone (47%). To proactively identify complaints the nurse leaders conduct rounds using scripted questions based on key factors affecting satisfaction. After a complaint is closed, the actions taken are entered into the VOC system for tracking. A summary of complaint related information goes to the Patient Satisfaction Committee (PSC) on a weekly basis and to the Performance Improvement/Risk Management (PI/RM) Committee on a quarterly basis to enable appropriate actions to be taken. The EMT and BoT receive a summarized report relative to patterns, trends, and actionable information. The concerns that are identified as being the most highly correlated with overall customer satisfaction take priority for process improvement using PDCA. Timeliness and satisfaction of complaint management have been improved through training and empowering staff with the Service Recovery process.

3.2a (4) Keeping relationship building approaches current: The EMT leads the charge in keeping relationship building approaches and customer access current. This is done using information from internal and external sources including customer feedback, market and industry trends, feedback loops of organizational processes, web based sources, conferences and literature review.

Benchmarking with Baldrige winners has been a most valuable source of information.

Figure 3.2-3 Problem Resolution Process



3.2b Patient/Customer Satisfaction Determination

3.2b(1) Determining satisfaction and dissatisfaction: The processes used to determine customer satisfaction/dissatisfaction begin with an analysis of quantitative and qualitative information from the VOC and customer satisfaction surveys. Aggregate information from patient and employee surveys, VOC, weekly service report cards, service recovery, Team Talk, rounds, and written complaints are all utilized by the EMT to determine satisfaction/dissatisfaction and used as inputs into the strategic planning process. The primary source of information is the satisfaction surveys for all customer groups. RWJUH partners with nationally recognized industry leaders, PG and Gallup, to measure, aggregate, and benchmark results with competitors. All inpatient admissions and ambulatory surgery patients receive a survey and a random sampling technique is used for emergency and outpatients. Patient satisfaction surveys are scanned to provide easy on-line access by the EMT, SLT and MT within three days of return. Leaders have access to satisfaction/dissatisfaction data through on-line analytical software. Drill-down capability includes information segmented by unit, department, date, age and gender. Weekly report cards are generated internally, and electronically communicated to the EMT, SLT and MT in traffic light format and tracked in the D/BSC. Nursing leaders make daily rounds on all new admissions and call back discharged patients to collect actionable feedback on services. Written patient comments are available on-line and segmented by patient group and unit to provide detailed satisfaction/dissatisfaction information. Information from all the methods described previously is reviewed weekly at the PSC and prioritized for improvement. Responsible VP's and AVP's use this information to drive performance improvements. An important

method for determining *employee* satisfaction / dissatisfaction is the annual Employee Satisfaction Survey. Information from this survey is aggregated, followed by roll-out sessions to identify priorities for improvement. Priority issues are tracked over the course of a year to ensure actions get taken. Staff completes an evaluation of the effectiveness of communication called the "Culture Check" following every Employee Forum. Exit interviews are a valuable source of information and offered to all exiting employees. *Community* satisfaction is determined by the EMT after analyzing information from the Gallup market survey, CAB, complaints, compliments and program evaluations.

3.2b (2) Obtaining prompt/actionable feedback: RWJUH leaders obtain prompt, actionable feedback from customers through written, verbal and direct contact and well deployed systems that are replicable. Discharge telephone calls and information from rounds as described in Item 3.2b(1) are examples of actionable information. Employee and patient surveys and VOC data also capture actionable information. Meetings with patients and families provide staff and senior leaders with key information on opportunities for improvement. Letters sent from all customers provide details on key factors affecting satisfaction and dissatisfaction. When details of specific incidents are not included, RWJUH contacts the customer to obtain actionable information to drive improvements or recognize staff.

3.2b(3) Relating satisfaction to competitors: RWJUH obtains comparative data for all customer groups through third party administrators of satisfaction surveys as described in Item 3.2b(1). Patient satisfaction data is compared with over seven hundred hospitals across the country. Comparisons are made with three benchmark groups: similarly sized hospitals across the country, hospitals in New Jersey, and total hospitals across the country. Additionally, RWJUH benchmarks with hospitals within the RWJ Health System and Network. Community surveys compare RWJUH to local competitors. Other information on satisfaction relative to competitors is obtained through contacts of peers and employees of those organizations, physicians, participation in community organizations and activities, the BoT and Baldrige winners. RWJUH uses this information to identify opportunities for improvement and as inputs to the strategic planning process.

3.2b (4) Keeping approaches current: Through active networking and participation in organizations RWJUH receives information relative to ever changing standards and best practices. Ongoing market analyses provide valuable insight into potential factors driving satisfaction, and approaches are improved to reflect those changes. Electronic communication tools, such as Internet and Intranet suggestions, are examples of how RWJUH responds to changing customer preferences. In addition, contracting with industry leaders as administrators of the surveys (PG, Gallup), provides RWJUH with a proactive means of keeping approaches current based on national trends. The EMT is responsible for keeping approaches to keep current with healthcare needs and directions and determine customer satisfaction current. This is done formally during the annual strategic planning process and monthly as part of the EMT agenda.

4 Measurement, Analysis and Knowledge Mgmt

4.1 Measurement and Analysis of Organizational Performance

RWJUHH uses an integrated information technology system that supports the data driven culture for decision-making, managing operations, and improving key processes. Figure 4.1-1 illustrates RWJUHH's ten year journey, enhancing the strategic information and communication systems that distinguish RWJUHH from other organizations within and outside the healthcare industry.

Figure 4.1-1 IT Innovation Journey



4.1a Performance Measurement

4.1a(1) Gathering and integrating data: RWJUHH's Organizational Performance Measurement System (OPMS) (Fig. 4.1-2) is comprised of two parallel paths linked to the strategic direction of the organization as established in the annual strategic planning process. In Column A, organizational Key Performance Indicators (KPIs) are driven by the prioritized Strategic Objectives and presented in the Dashboard/Balanced Scorecard (D/BSC) in the **5 Pillar** format. KPIs **1a** are aligned to one or more Critical Success Factors (CSFs), strategic objectives, strategic challenges (SC), and organizational goals in the Strategic Positioning Plan (SPP). In Column B, departmental performance improvement objectives are presented on the Organizational Performance Improvement (OPI) report **1b** developed from the annual Organizational Performance Improvement/Patient Safety (OPI/Pt Safety) Plan to support the overall strategic direction. The OPI Report is a repository of indicators from the OPI/Pt Safety Plan. Departmental improvement KPIs are distinguished in "**Run the Business**" (RTB) or "**Change the Business**" (CTB) indicators on the OPI Report. CTB indicators on the OPI Report measure major breakthroughs in service and quality, serving as a strategic focus of the organization. Both the D/BSC and the OPI Report include a set of measures for monitoring organizational and departmental objectives to promote business excellence. KPIs are selected through the KPI Process (Fig. 4.1-3) to ensure continuous measurement and analysis of statistically

meaningful performance indicators to improve key processes, satisfy customer needs, and achieve RWJUHH's **Vision**.

Each measure is owned by a member of the Executive Management Team (EMT) to evaluate and improve key process performance. In steps **1a, 1b**, the D/BSC and OPI Report are in a traffic light format based on targets set in the KPI process. Drill-down analyses identify cause and effect relationships and root causes to drive improvements. This allows the EMT to rapidly identify opportunities for improvement and accurately allocate resources to needed process improvements. In step **2a, 2b**, Organizational KPIs are structured in the **5-Pillar** format on the D/BSC and OPI Report and reviewed by senior leaders based on standard frequency. Data is collected **3** from various points in the service delivery system through fixed frequency metrics captured from specialized applications to meet operational needs. Collection is automated whenever possible. Manual data collection is coordinated and validated through formal and informal measurement system analyses. In-process and outcome KPIs are selected to support and improve daily operations and strategic decision-making. When opportunities to improve are identified or targets are not met **4**, we use the Process Design & Improvement Cycle **5a** or the Plan-Do-Check-Act (PDCA) **5b** approach to achieve those improvements. These KPIs are aligned and reported via the Dashboard (leading), Balanced Scorecard (lagging), and the OPI Report **6a, 6b**. Decision-making is supported through daily, weekly, monthly, quarterly, and annual review and analysis of KPIs **7** in the **5-Pillars** to ensure rapid identification of improvement opportunities, facilitate decision-making, and deploy action plans. KPIs are evaluated annually through the strategic planning process **8** to ensure continued relevance of measures in RTB and CTB improvement objectives, strategic plans, changes in customer requirements, and industry trends. Through weekly analyses of outpatient volume statistics, senior leaders identified a decline in specific outpatient segments. Root cause analysis led to the development of an outpatient service commitment to focus on these specific segments, which are now projected to exceed initial goals.

4.1a(2) Selecting/using comparative information: RWJUHH selects and uses comparative data and information of the KPI Process (Fig. 4.1-3). In addition, all new service design and improvements incorporate comparative information in the Plan phase of the PDCA model (Fig. 6.1-3). RWJUHH ensures systematic use of comparative data through the inclusion of key comparisons on KPI reviews at the weekly EMT meetings, MT meetings and Performance Improvement/Risk Management (PI/RM) Committee meetings. The D/BSC and OPI Reports were revised to a traffic light format. Comparisons are collected from many local, regional and national sources for clinical operations and outcomes (e.g. HCAB, Quadramed, JCAHO, NJPRO, RWJ Health System and Network, CMS, KCI, NNIS), financial and organizational effectiveness (Solucient, Gallup, Press, Ganey, NJHCFFA Apollo, NJHA FAST Stats), market share, competitors data, and partnerships with Baldrige recipients. As a result, the Dashboard changes over the course of the year to reflect current conditions. Percentile ranks are presented in the traffic light format, where green is the 90th percentile representing the top 10% of all hospitals nationwide. These best-in-class comparisons drive stretch goals for all objectives and improvement activities based on similar organizations, competitors, and national databases. Effective use is

ensured through comparative data review as part of the EMT and SLT organizational performance reviews to evaluate performance on a relative basis and identify gaps.

4.1a(3) Keeping measurement system current: RWJUHJ keeps its performance measurement system current with healthcare service needs and directions through the feedback loop of the KPI Process as part of the annual SPP (D/BSC) and OPI/Pt Safety Plan developments. This creates alignment with organizational strategy, customer requirements, and industry trends. Throughout the year, the PI/RM Committee reviews KPIs and determines the continued need for RTB-Control and RTB-Improve measures based on control of process variation and goal achievement. KPIs are initiated and refined through continuous monitoring of industry and market trends, daily and weekly updates from the AHA, CMS, Health Leaders, HCAB, IHI and professional conferences. Frequent review of KPIs and leadership's presence in the community and professional associations, provides the agility to recognize and initiate needed changes in performance measures in response to organizational or external changes. For example, when RWJUHJ determined that

current systems did not proactively identify suspicious, high-risk drug administration patterns, we contracted with Pyxis to implement CII Safe technology. This enabled pharmacy to: manage high-risk medication data from the wholesaler to point of administration, provide real-time audit capabilities, integrate inventory management, and to help proactively detect high-risk medication diversion.

4.1b Performance Analysis

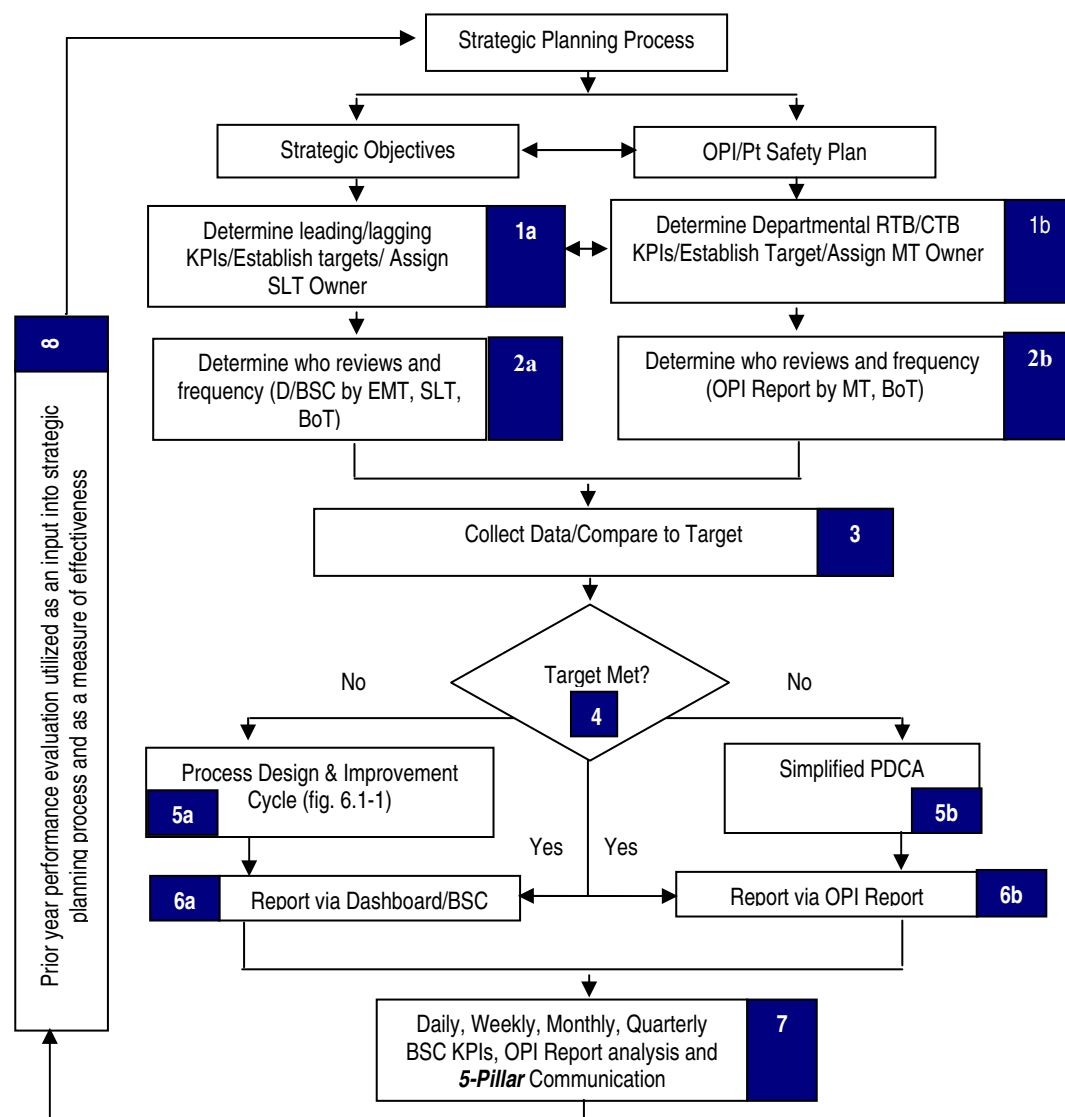
4.1b(1) Supporting review/planning by analysis: RWJUHJ uses only decision-quality information that is aggregated, analyzed, and summarized to support management of daily operations, performance reviews, and strategic planning. Several types of analyses are used to support KPI reviews, depending on the type of data and level of analysis needed to meet the objectives. RWJUHJ typically formats all measurement reports in traffic light format to facilitate understanding. Analyses, in statistical and graphical form, include: Correlation, Pareto, Cycle Time, Statistical Process Control, Variance, Decision Matrices, Process Valuation, Root Cause, FMEA, Cost of Poor Quality, Gap, Industry, Competitive and Market. As

part of the strategic planning process, the EMT uses appropriate analysis tools, combined with comparative data to determine action plan effectiveness and develop future RTB/CTB initiatives. Regression analyses is used to identify key satisfaction drivers for employees and patients through Press, Ganey surveys.

4.1b(2) Communicating analysis results:

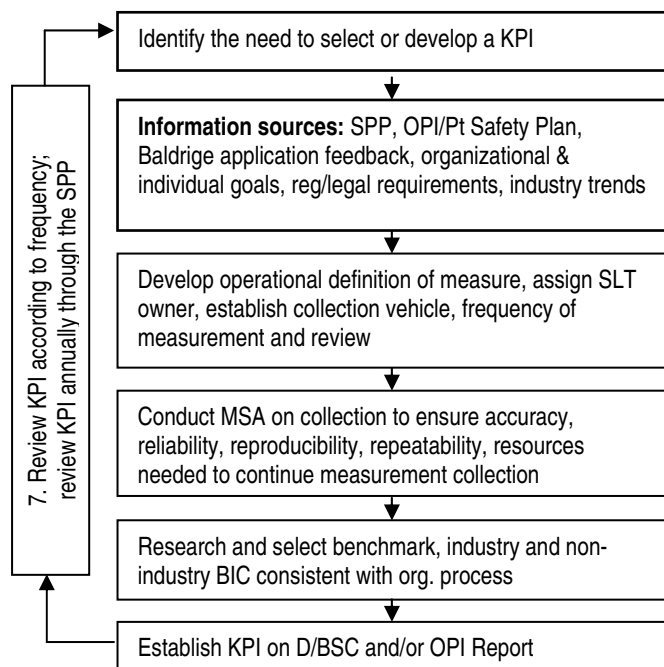
Communicating analyses of organizational KPIs in an understandable format is critical to engaging all employees. Organizational-level analyses are translated into graphical formats, presented in the **5-Pillars**, and deployed to all employees through the Communication Process (Fig. 1.1-2) to ensure clear understanding of performance levels, trends, and expectations. KPIs are translated into traffic light format to facilitate rapid identification of problematic areas and improvement trends. Each quarter the EMT presents performance levels in all **5 Pillars** and summarizes the achievement of the top 5 goals at around-the-clock employee forums. All communication is delivered in

Figures 4.1-2 Organizational Performance Measurement System



the **5-Pillars** for consistency and alignment and validated through the communication process as being accurately received by the intended audience.

Figure 4.1-3 KPI Process



4.2 Information and Knowledge Management

4.2a(1) Making information available/accessible: RWJUHH invests significant resources in a contemporary, centralized IT Enterprise Network (ITEN) (Fig. 4.2-1) to ensure availability and accessibility of data and information to all users. The IT Innovation Journey (Fig. 4.1-1) depicts the evolution of the data-driven culture at RWJUHH, making quality information the basis of business decisions and organizational effectiveness. This evolution distinguishes RWJUHH from other healthcare and non-industry organizations. RWJUHH identifies key users of data and information and their requirements through Customer Listening Methods (Fig. 3.1-2) and develops access modes and communication strategies to meet those requirements. Real time information is made available to support decision-making for management and non-management staff. An internal Baldrige assessment revealed a need for more detailed, departmental financial performance information by the MT. Teams comprised of MT and EMT participants, designed web-based, drill-down reports to make the information available and understandable through EPSi. Post-survey analysis showed favorable MT response to the information availability enhancements.

RWJUHH uses electronic and paper media to make information readily available to users. Information is made available to all hospital employees and medical staff through the ITEN and delivered through a mechanism selected to meet their requirements as determined by the annual needs assessment. The *What's New?* Newsletter was developed from an employee suggestion to communicate monthly updates between hospital departments. Physicians and staff have secure access to patient information through clinical information systems, radiology and laboratory information systems, and documentation systems. The EMT

communicates with employees electronically through e-mail and the Intranet. MT members access EPSi through the ITEN to support operational decision-making. MT members also collect information from Management Meetings, Institute of Excellence (IoE), and Seminars and cascade that information to appropriate staff. Patients, Community, and Suppliers have access to needed data and information through the hospital's website, printed material, and electronic mail and ordering systems. All staff have visual access to the **5-Pillar** Communication Boards for open sharing of hospital information, successes and improvements.

4.2a(2) Ensuring reliability, security, friendliness: RWJUHH uses the Request for Proposal (RFP) process for all hardware and software acquisitions to ensure reliability, security, and user friendliness. The RFP Process is a joint development and validation cycle that requires the participation of key customers including internal customers, primary users and technical experts to ensure individual and systemic compatibility and security. Application users are involved to ensure their needs are identified and addressed, including friendliness. Applications are tested through standardized procedures to ensure reliability and security prior to live deployment. The RFP Process feedback loop provides users with a continuous evaluation and improvement cycle of current applications identified through analysis of Help Desk feedback, annual internal customer surveys, and ITEN operational issues. Security of all hardware and software is ensured through a confidentiality policy signed by all IT users, password protection, firewalls, and physical security of the ITEN Warehouse. Information systems security is evaluated annually by a third party, External Security Assessment. Assessment findings feed into the annual OPI/Pt Safety Plan for improvements. RWJUHH proactively adapted all hardware and software to be HIPAA compliant to ensure security of patient information.

4.2a(3) Keeping hardware/software current: Since the beginning of the IT Innovation Journey, RWJUHH has remained focused on becoming an information-rich organization to support the **Vision** and data driven culture. Each year, an inventory of information systems is conducted in three major categories – clinical, support, and infrastructure to determine current performance levels and to identify life cycle issues. In addition, the Information and Knowledge Steering Committee (comprised of staff, management and physicians) conducts a systematic needs assessment, formally polling users to determine if systems meet their needs, and if there are unmet needs. Current hardware, software, and information availability systems are evaluated annually through user surveys, professional publications, and participation on national committees to determine application currency and innovation opportunities.

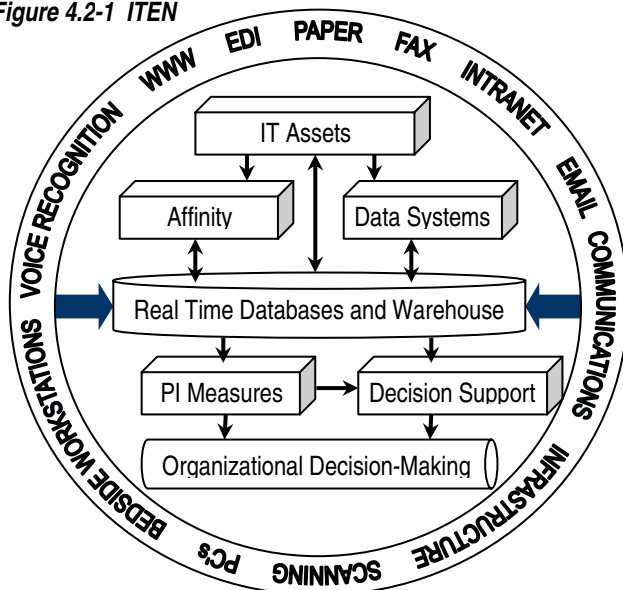
Results of the inventory and assessment serve as inputs to the strategic planning process, and ensure an up-to-date ITEN to meet the organization's needs. RWJUHH shares an information systems specialist with other members in the System providing a level of expertise beyond the realm of most community hospitals. Cycles of innovation and improvement led RWJUHH to win the 2002 and 2003 Most Wired Awards from the Hospital and Health Networks.

4.2b(1) Managing organizational knowledge: Organizational knowledge is a critical asset that RWJUHH manages in order to meet the CSF of being distinguished as an Outstanding Employer

and to achieve our Vision. A two-step process is used to manage organizational knowledge.

First, the Intranet Best Practice Site is a repository for all best practices and employee centered knowledge to be posted and shared throughout the organization. The site facilitates knowledge management after validation by the EMT. In addition, the Education and Training Development Process (Fig. 5.2-1) provides a systematic approach to manage organizational knowledge needed to support key strategic objectives and action plans. The **5-Pillar** Communication Process ensures that information is shared with the appropriate recipients, and its effectiveness is evaluated. Staff knowledge is captured and transferred through their participation on committees, Shared Governance, feedback sessions with EMT, and Voice of the Customer-Employee (VOC-E). Peer interviews capture staff input on potential employee job fit and mentoring sessions allow the MT and non-management staff to transfer experiential knowledge to other employees. The IoE provides participants with the opportunity to share experiences and knowledge through interactive learning sessions frequently led by internal speakers. All staff suggestions, ideas, and comments are captured for best practice evaluation, validation, and deployment to all employees. For example, a Six Sigma team was chartered to design a process to collect co-pays at the point of service in the ED. Once that process was designed, the team shared lessons learned with other outpatient departments to expedite implementation and improve the overall revenue cycle process. Knowledge transfer with the System and Network occurs through communication and best practice sharing for clinical and operational improvements through the Physician Coordinating Council, Nursing Coordinating Council, Human Resources, Tumor Board, and Safety Committees. Video conferencing is utilized by many committees to increase attendance and overcome common challenges.

Figure 4.2-1 ITEN



Second, knowledge transfer from patients, physicians and the community, including suppliers, is accomplished through the effective listening and communication strategies in the **5-Pillar** Communication Process. Supplier Report Cards and quarterly performance review meetings provide RWJUH with applicable knowledge of improvement opportunities and best practices with

supply management. Physician participation on the BoT and improvement teams, as well as feedback surveys, create a conduit for physician knowledge transfer to the organization. Patient and family participation in care decisions and committees creates the transfer of individual knowledge into the Care Delivery Processes in all service areas. Finally, patient and community feedback including community and patient satisfaction surveys, Internet suggestions and participation in hospital committees provide a direct conduit for patients and community members to make suggestions for improving or adding services.

4.2b(2) Ensuring integrity, timeliness, reliability, security, accuracy and confidentiality: IT data and information quality is critical to the data-driven culture and fact based management system at RWJUH. The integrated ITEN provides the infrastructure to capture data streams from clinical and support operations, using interfaces, real-time databases, and data within the ITEN. As part of the Information and Knowledge Steering Committee's annual system inventory and needs assessment, RWJUH ensures the ITEN's ability to provide reliable, secure, accurate, and confidential data. Hardware, software, operating systems and communication tools within the ITEN architecture ensure that data and information is not altered or destroyed during use. This architecture is tested and validated in the RFP Process. Organizational knowledge integrity is ensured through feedback loops of learning and communication strategies to validate that knowledge transferred was received as it was intended. All ITEN systems are backed up daily to ensure continuous availability of reliable data and information.

Automated collection and transfer methods facilitate timely provision of data and information to all users. This automated data collection is integrated through the ITEN and shared with employees through scheduled, **5-Pillar** communication strategies (Fig. 1.1-2). The D/BSC provides EMT, SLT, and MT members with real-time performance measurement to support timely improvements to key organizational processes. Quarterly employee forums and IoE also provide timely knowledge transfer for employees. Automated collection of data and information provides the foundation for accurate and reliable sourcing. All data and information are validated by process owners/customers prior to release to ensure accuracy and reliability of its contents. The EMT validates best practices prior to replication to ensure a reliable prediction of performance results. The ITEN is maintained and supported by a Help Desk to provide continuous system availability and user support, as well as trending emergent issues. Software and hardware systems provide audit trails through transaction logs that identify user, time, and operation to enable root cause analysis of data integrity issues. Medication administration processes are secured through "BIO-ID," whereby systems require fingerprint identification for access to medications. Physical security of the network and database servers is protected with a keycard entry system with audit trails of access. All IT users review and sign a confidentiality statement prior to use of any information system preventing unauthorized use or release of confidential information. RWJUH immediately removes access rights from ITEN technologies for terminated employees to protect patient and organization confidentiality.

5 Staff Focus

5.1 Work Systems

5.1a(1) Organizing/Managing for cooperation, initiative, empowerment, innovation, culture and agility: RWJUHH organizes and manages its healthcare services through an organizational structure designed to be flexible and responsive to the needs of customers and partners. To this end, there are two complimentary methods to organizing work and jobs at RWJUHH. Work is organized in the Patient-Focused Model (PFM) and jobs are organized and managed in department/line functions.

The PFM (Fig. 3.1-1) places patients at the center of all decision-making and processes. Nursing functions are in the ring immediately surrounding the patient, as they deliver care to patients. Other clinical and support staffs are in the second surrounding ring as they provide inputs into many key processes and enable the nursing staff to deliver timely, compassionate, high quality care to patients (a direct arrow from the second ring to the patient indicates a direct caregiver). Finally, the Executive Management Team (EMT), Senior Management Team (SLT) and Management Team (MT) are in the exterior ring providing the supportive environment for all staff to carry out processes and setting direction and performance expectations through the **Mission, Vision, Values (MVV)**. This model supports a focus on internal customers promoting teamwork and cooperation to provide service excellence to the patient. For instance, for customer groups other than patients the direct customer contact employees are in the center ring and support structures are in the exterior ring. **5-Star Service Standards** are used to set behavioral expectations for all employees within the PFM. Applicants must sign that he/she will uphold the **5-Star Service Standards** in order for the application to even be processed. The PFM coupled with **5-Star Service Standards**, promotes cooperation and agility as they focus all employees' efforts on delighting the customer through empowerment and a supportive team atmosphere. Agility is further achieved through effective cross training of employees to areas in need due to increased demand.

Jobs are organized in department/line functions to facilitate effective staff supervision, motivation and communication throughout the organization. During the strategic planning process (Fig. 2.1-1) we assign accountability for the strategic objectives. As part of this accountability assignment, the organizational chart is reviewed as part of the HR Plan and modified as necessary to ensure appropriate alignment of necessary staff, skills and resources to achieve our organizational objectives. This organization and management approach has contributed to positive trends in employee satisfaction with supervision over the last three years.

A key factor affecting employee satisfaction is participation in decision-making. RWJUHH use teams to promote innovation, empowerment and initiative such as Shared Governance, an interdisciplinary team approach for nursing and support staff to drive decision-making affecting patient care. Staff management and physicians participate on teams to capitalize on their ideas and experiences in improving healthcare services. For example, in collaboration with the Emergency Room Physician Associates, a multi-disciplinary team utilized the Plan-Do-Check-Act (PDCA) methodology (Fig. 6.1-3) to improve the emergency department (ED)

cycle time from triage to EKG of patients discharged with a final diagnosis of acute myocardial infarction.

5.1a(2) Capitalizing on diversity: RWJUHH capitalizes on the diverse ideas, cultures and thinking of its staff and community through the utilization of teams and shared decision-making. The diversity of the workforce is reflected in the make up of teams and work groups, thereby allowing for diverse ideas, cultures and thinking to be expressed in team activities and daily work. The team approach utilized at RWJUHH integrates diversity into all process design, management and improvement. Teams comprised of management, staff, physicians and community members contribute their innovative ideas and through shared decision-making, changes and designs are implemented. For example, the Diversity Committee has implemented educational activities to promote cultural awareness among all staff utilizing the knowledge from the diverse members of the committee.

5.1a(3) Communication and skill sharing: Formal and informal approaches have been defined and integrated into a systematic process to facilitate effective communication, skill sharing and knowledge transfer between individuals and departments. The process begins with formal management training including the new director orientation program, Institute of Excellence (IoE), management team meetings and computer based learning modules. This training is delivered through and reinforces RWJUHH's commitment to open communication to employees. Formal communications are structured in the **5-Pillar** format including weekly EMT and SLT meetings, monthly MT and department meetings and quarterly employee forums. Management cascades information from the monthly MT meeting to the department meetings to ensure that consistent communication messages are deployed throughout the organization. In addition, all departments have a communication board where Key Performance Indicators (KPIs) and other key organizational and departmental information are routinely posted in each the **5-Pillars**. Communication strategies for performance measurement follow the traffic light format for rapid identification of improvement opportunities.

The second key element of the process includes deployment of innovative programs that achieve skill sharing include "Walk in my Shoes", peer mentoring, participation in interdisciplinary teams and formal knowledge cascading from management to employees. "Walk in my Shoes" was developed by MT and staff representatives, whereby an employee spends time in a parallel or supportive department to develop an appreciation for performing their processes. Upon realizing its strength, the "Walk in my Shoes" program was expanded to include multiple clinical departments and is part of the formal nursing orientation process. All new directors are assigned a "peer mentor" upon hire to provide ongoing support and training from a "best practice" peer. Additionally, peer mentoring is provided to department directors with opportunities to improve their Team Talk scores. Knowledge and skills acquired during various forums (including MT meetings, IoE sessions and seminars) are cascaded to appropriate staff to ensure effective best practice and skill sharing. Communication and skill sharing are promoted through the Intranet best practice site, email system and shared electronic file folders.

5.1b Performance management system: RWJUHH's Staff Performance Management System (SPMS) (Fig. 5.1-1) begins with

a clear set of standards and expectations (SEs) for each position that are derived from the strategic planning process **1**, and set annually as part of the HR Plan within the SPP. When setting the SEs, new services and technologies, individual goal setting, regulatory changes, healthcare trends and customer requirements are taken into consideration by the MT and incorporated as appropriate to the position. In Step **2**, Education and Training provides staff with the tools, skills and competencies necessary to achieve high performance and meet SEs. Continuous education and training support the **5-Star Service Standards** to deliver excellent service and clinical outcomes to the three customer groups. Employees are encouraged to take advantage of educational opportunities to improve their skills in their current position as well as develop skills for advancement within the organization. The MT observes and evaluates individual performance on an ongoing basis to determine if individual SEs are met. When individual SE's are met, the MT recognizes and rewards performance (Step **3a**). Reward and recognition mechanisms are aligned with the Strategic Positioning Plan (SPP), contributing toward overall organizational excellence. For example, all employees participate in a bonus program where they can receive quarterly bonus payments based on patient satisfaction scores and achievement of departmental goals linked to the organizational strategic objectives. Individual employees have E3 (Engage Every Employee) goals aligned with the departmental goals. The EMT, SLT and MT's incentive compensation program includes both employee and patient satisfaction. "Managing Up" is a fully deployed, hardwired, employee recognition program whereby the MT nominates employees weekly to receive a handwritten note from the SLT/EMT at home thanking them for a specific instance when they delivered "Excellence Through Service." When SE's are not met, the MT recognizes and redirects through additional training, coaching, mentoring, and corrective action planning to improve performance. Annual performance evaluations, Step **4**, provide critical feedback to staff on their performance as it relates to

expectations set by the EMT through the **ETS Leadership System**. Results of staff competency and performance evaluations are reported to the BoT annually. Staff has the opportunity to give feedback to their manager and provide input in refining standards and expectations for the next year. In 2003, the MT evaluation tool was modified in order to improve alignment with the SPP, organizational and departmental goals. The overall effectiveness of the SPMS is evaluated through performance of the KPI measurements reported on the D/BSC and the OPI Report.

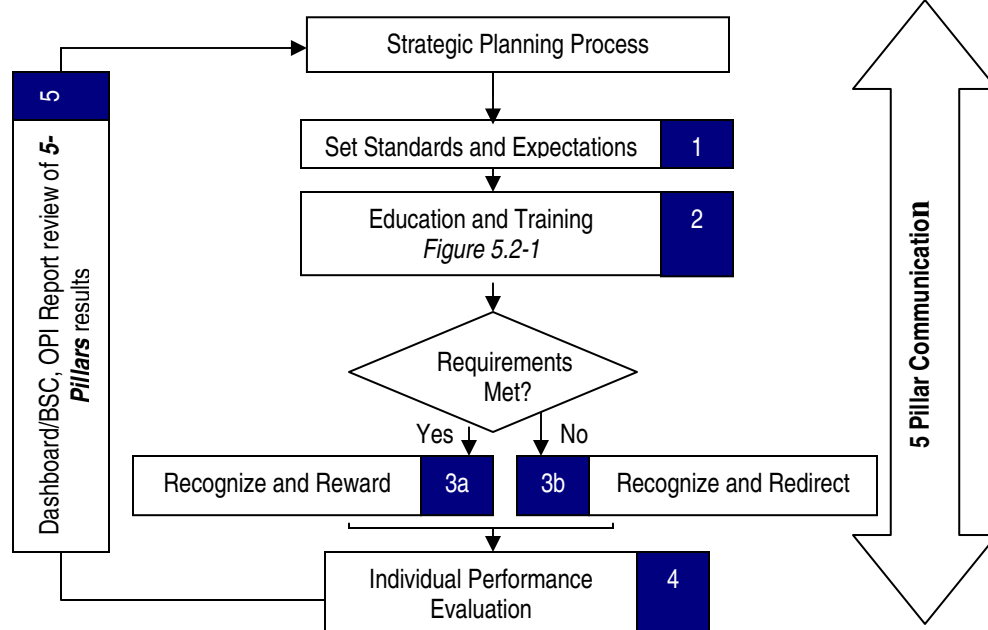
5.1c Recruitment and Career Progression:

5.1c(1) Identifying characteristics and skills: Characteristics and skills needed by potential staff are identified through the Job Design Process (Fig. 5.1-2). Through this process, responsibilities, and competencies are defined, aligned with customer and organizational needs and translated into a job description. There are three dimensions of skills in the Job Design Process: technical and regulatory competencies of the position (e.g. task level skills and licensure/certification requirements), and the interpersonal skills needed to meet the employee into the **5-Star Service Standards**. The standards were developed by an internal task force of front line employees to promote alignment with the **MVV**. These inputs are filtered through internal and external experts including hospital management, medical staff, leaders, and professional organizations. The job description and **5-Star Service Standards** are reviewed during the application process to make candidates aware of our commitment to service and reduce the likelihood of improper job fit and employee turnover. Job descriptions are evaluated annually through the Performance Evaluation step of the SPMS to ensure they are current with industry, customer and organizational needs.

5.1c(2) Recruiting, hiring and retaining staff: The national labor shortage is a factor affecting healthcare organizations. The impact of this factor is compounded by RWJUH's double digit growth in each of the last six years. While the rest of the healthcare industry faced a problem of filling current vacancies, RWJUH faced a challenge of a widening gap due to the current vacancy plus the creation of new positions requiring aggressive, breakthrough hiring strategies. Through effective listening posts, the EMT identified factors driving loyalty and recruitment and developed innovative programs listed in Fig. 5.1-5.

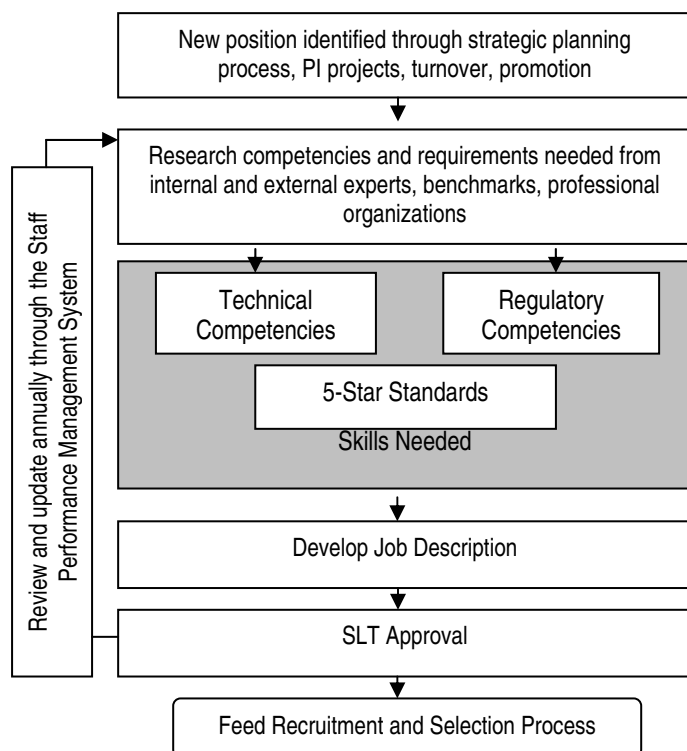
RWJUH uses two processes to diminish the labor gap – the Recruitment and Selection Process and the **5-Star** Retention and Satisfaction Process. Based on HR needs identified through the annual strategic planning process, organizational performance reviews, promotions and turnover, RWJUH recruits and hires new employees through the Recruiting and Selection Process (Fig. 5.1-3). This process is driven by the Job Design Process, defining the type of candidate and skills

Figure 5.1-1 Staff Performance Management System



needed for the position. RWJUH supports an open application policy and consistently uses local advertising venues to attract potential candidates that reflect the communities served. The Diversity Committee (comprised of management and staff level employees) promotes an understanding of cultural differences and identifies ways to increase the likelihood of capturing potential employees from diverse backgrounds.

Figure 5.1-2 Job Design Process



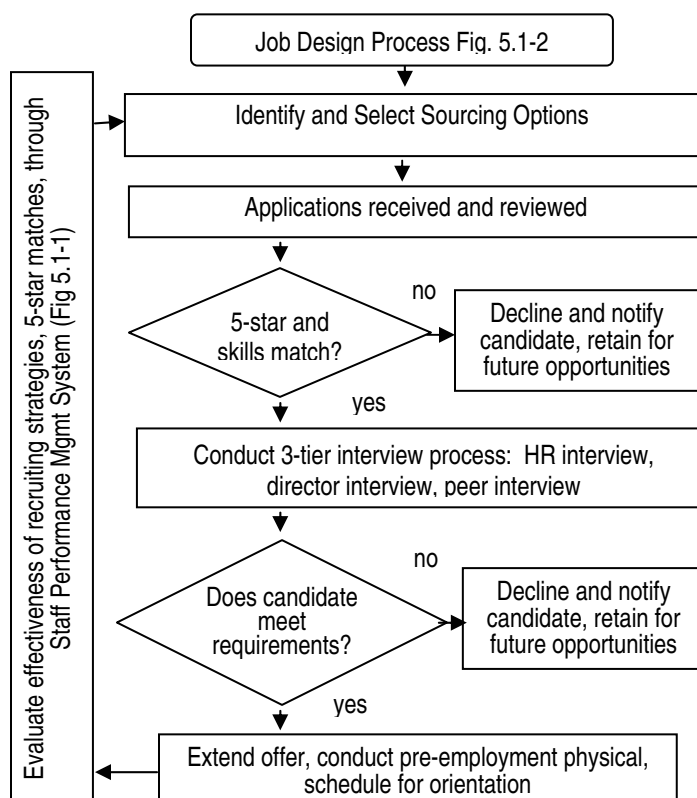
RWJUH firmly believes that listening to employees and acting upon their feedback develops strong relationships to build loyalty, increase retention, and overall employee satisfaction. As a result of this belief, RWJUH uses the **5-Star** Retention and Satisfaction Process (Fig. 5.1-4) to develop creative strategies to increase employee loyalty. Through this systematic process, RWJUH uses two-way communication strategies to listen to employees and identify key factors that drive satisfaction, motivation and loyalty. This information is prioritized through cost/benefit analysis, population size and impact on organizational results. Action plans are prioritized, communicated to employees, implemented and evaluated for effectiveness. For example, senior leaders identified a need to improve benefits through the employee satisfaction survey. The HR Team utilized the PDCA process to improve the benefit program resulting in quantum improvement in employee satisfaction with benefits and overall.

5.1c(3) Succession planning and career progression: Formal and informal succession planning processes ensure current and future administrative and healthcare leadership needs are met. The BoT and CEO develop and maintain a formal Succession Plan for EMT members to meet organizational needs. This plan places each EMT member on an Individual Potential Matrix based on Present Performance and Future Potential. The value of this format is that it recognizes individuals in different places on the matrix have different

development needs to maximize their potential. RWJUH is a founding member of the Healthcare Advisory Board Academy Fellowship leadership development program. Five individuals are engaged in this two-year fellowship focusing on improving strategic and operational leadership skills. A key component of career progression for the MT and their potential successors is the Institute of Excellence (IoE). The IoE is a quarterly program, focusing each quarter on one of the **5-Pillars**, to develop the skills leaders need to be effective and facilitate knowledge transfer within the organization. Since its inception in 2001, 14 individuals have been promoted to positions of increased responsibility after participating in the IoE.

Career progression and succession planning at the staff level is achieved through the annual mandatory training program. Staff identify their personal career objectives and the education or training needed to support those goals. Discussion with their manager occurs following this identification and during the Individual Performance Evaluation step of the SPMS. Career progression and personal development is also supported through extensive learning opportunities and tuition reimbursement.

Figure 5.1-3 Recruitment and Selection Process

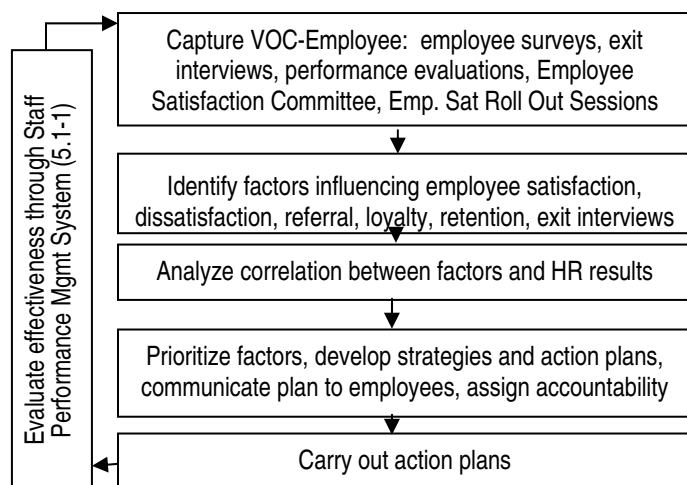


5.2 Staff Learning and Motivation

5.2a Staff Education, Training, and Development: Employee development is critical to delivering the highest quality healthcare and support services. Education and training is designed to support technological changes, environmental trends, strategic action plans, regulatory requirements and customer requirements. High performance learning through knowledge acquisition and transfer

assists RWJUH in addressing its human resource Critical Success Factor (CSF) and Strategic Challenge (SC).

Figure 5.1-4 5-Star Retention and Satisfaction Process



5.2a(1) Contributing to action plans and balancing needs: The annual education and training plan is developed from the annual SPP and educational needs assessment (including regulatory agencies, performance evaluations, Job Design Process, Satisfaction Survey Results, program evaluations and new technology and equipment). Measurable goals for each Strategic Objective are defined and supporting educational needs are developed. These inputs are analyzed and prioritized to determine critical organizational educational needs. This prioritization matrix includes a systematic, quantitative impact assessment on organization and individual requirements. The education and training plan is deployed with input from managers and employees to meet organizational and individual learning needs. During the Education and Training Development Process (Fig. 5.2-1) organizational needs identified through the SPP are reconciled with individual needs to determine educational priorities for employee groups. This creates a balance between short and long term organizational objectives and individual staff needs. Tuition reimbursement and training policies assist employees in acquiring knowledge and skills for current and future positions.

Programs developed in the education and training plan include curricula to support organizational and individual development, credentialing and re-credentialing objectives. These include physician and nursing continuing education through partnerships with the System and Network, and the New Jersey State Nurses Association. The IoE, Intranet training and departmental in-services also support career progression.

5.2a(2) Addressing organizational needs: The Education and Training Development Process facilitates the development of programs to support key organizational needs and strategic objectives. Education and training begins with general orientation where the CEO introduces the **Mission, 5-Star Service Standards** and the performance excellence culture. New employee orientation was enhanced based on learning from Baldrige recipients to a more participative model, engaging all new staff in the commitment to customers and teamwork, resulting in an 11% reduction in turnover

of provisional employees. Education and training continue with competency assessment, skills training, performance improvement, safety, technology, and leadership training to build staff knowledge, skills and capabilities contributing to high performance. Valuing ethics and diversity is also supported through new employee orientation, and Ethics and Diversity Committees with management and staff representation. Quarterly, all management and management-successors receive eight hours of leadership development at IoE. Annually, all employees use the Intranet to review the patient safety plan and environmental safety programs as well as the **MVV**. Job specific task training is provided to reduce variability in service delivery and reinforce performance expectations. Knowledge retention is evaluated through post-tests and application to daily tasks. Managers submit employee skills evaluation after training to Education and Development to evaluate training impact on organizational effectiveness. Implementation of this process, combined with the reconciliation describe in Item 5.2a(1) ensures that staff education addresses key organizational needs.

5.2a(3) Incorporating input from staff: Staff and supervisor input is gathered through the Education and Training Development Process, an annual needs assessment, program and employee

Figure 5.1-5 Recruitment and Retention Programs

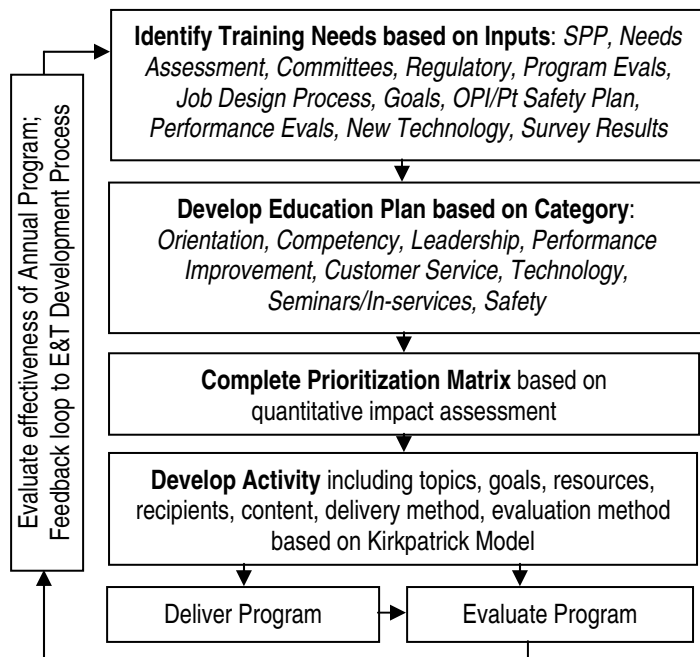
Examples of Programs	Rec	Ret
Night Owl	X	
Mortgage Loan Program	X	X
Child Care Discounts	X	X
Referral Bonus	X	X
Professional Recognition	X	X
Certification Differential	X	X
Tuition Reimbursement	X	X
Intern/Externships	X	
Expanded Benefits	X	X
Shared Governance		X
Internal Promotions		X
Partnerships with Community & Schools	X	
Committee Participation and Governance		X
Weekend Program	X	
Foreign Recruitment	X	
Celebrations		X
Employee Wellness		X
WOW's		X
Employee Discounts	X	X
Legend: Rec – Recruitment Ret – Retention		
Highlighted = Innovative		

evaluations. The Education Team analyzes and uses this as a key input in developing the annual education plan. Evaluations may include suggestions for additional programs that are addressed by the department and incorporated in the education plan. Open communication also exists between the Education Department and staff and management. Requests for programs are prioritized and assigned to the appropriate educator.

Curriculum development incorporates organizational learning into a systematic process identifying the goal, objectives, content and delivery method for educational offerings. Knowledge assets are

identified and utilized for planning and presenting programs. Knowledge assets are leveraged by recruiting internal experts including physicians, leaders and employees to present programs. For example, a nursing coordinator with a passion for patient safety received extensive training and now serves as a trainer and mentor for all nursing staff.

Figure 5.2-1 Education and Training Development Process



5.2a(4) Delivering education and training: Education and training are delivered through many methods tailored to meet the diverse learning styles of employees. Preferred learning methods are determined through employee listening posts. Seminar style and poster presentations, journal articles, on the job training, self-learning modules, mentoring, unit to unit in-servicing, "Walk in my Shoes" and computer based education are some methods utilized. In 2003, NetLearning, a fully automated, web-based educational delivery and tracking system was implemented. By utilizing this system, employees can complete training modules 24x7. Staff education is delivered on all shifts and varies depending on the level of understanding of the program participants. Figure 5.2-2 provides program examples.

Internal and external experts deliver education and training through traditional and electronic means. When possible, internal experts are identified and those with interest in developing expertise are trained to bring acquired knowledge back to the organization. RWJUH partners with subject matter experts and nationally recognized organizations for knowledge transfer such as Ritz Carlton for HR, HealthGrades for quality outcomes and The Studer Group for service excellence.

Figure 5.2-2 Education and Training Programs

Forum	Content	#	Presentation
Orientation	Hospital History 5-Star Service Standards Safety, Ethics Confidentiality Diversity, Teamwork	B	P L H R I
IoE	Management and Leadership Development	Q	P L R H I
Environmental Safety	Safety Codes Incident Reporting Infection Control	A	N
Performance Improvement	PDCA Six Sigma JCAHO Tracer Methodology	J	P L
Employee Forums	MVV 5-Pillar updates	Q	P L N
Legend: B – Bimonthly Q – Quarterly A – Annually J- JIT P – Powerpoint L – Lecture N – Intranet/NetLearning R – Role Playing I – Interaction H - Handouts			

5.2a(5) Reinforcing use of knowledge and skills: New knowledge and skills are reinforced through direct observation, immediate reinforcement of specific skills, e.g., new technology, the annual competency assessment program and performance appraisal. "Just in time" training is often utilized to maximize the use and applicability of knowledge and skills obtained through education and training programs. For example, all employees who participate on Six Sigma Projects receive "just-in-time" training on the statistical tools and methodology for process analysis and improvement. The tools and techniques are put to use immediately to ensure development and effective use on a project. "Managing Up" letters from the EMT and WOW's from directors to employees reinforce and recognize the acquisition of new skills and knowledge through acknowledgement of accomplishments.

5.2a(6) Evaluating effectiveness of education and training: Historically, RWJUH used two levels of evaluation – learner feedback on program effectiveness and feedback from managers and staff on utilization of skills. To provide a more cohesive approach, RWJUH adopted the Kirkpatrick model of evaluation. Four levels of evaluation are applied in this model: 1) program reaction, 2) knowledge confirmation, 3) application of skills after the program, and 4) impact of training on organizational effectiveness. RWJUH determines the level(s) of evaluation needed during the Education and Training Development Process. Roll-out of this model began with the 2004 Education and Training Plan. One or more of the Kirkpatrick's levels of evaluation are applied to each of the planned education and training activities. Data and information from each level is aggregated and analyzed by the Education Department. A summary evaluation of the Education and Training Program effectiveness is reported annually to the EMT.

5.2b Motivation and career development: Motivation and the development of employees to utilize their full potential and attain job and career related goals is accomplished through several programs as part of the SPMS (Fig. 5.1-1) and the **5-Star** Retention and Satisfaction Process (Fig. 5.1-4.) Analysis of employee feedback

identified two key factors that drive employee motivation – recognition and rewards. Based on employee input, programs were developed to recognize, reward, and motivate employees to drive high performance and achieve organizational objectives. Managers and supervisors use the annual performance evaluation process to discuss career goals and what RWJUHH can do to help employees achieve goals. This feeds into employees' educational goals to assist in achieving their career objectives. In addition, nurses' career development is supported by a professional recognition bonus, rewarding nurses for obtaining advanced training in their profession.

5.3 Staff Well-being and Satisfaction: RWJUHH received the 2002 New Jersey Psychological Association's Healthy Workplace Award and the 2003 SHRM Employer of Choice Award in recognition of superior improvements in workplace health and safety. Employee feedback from Communication Strategies serves as an input to many key organizational processes including the strategic planning process, **5-Star** Retention and Satisfaction Process, and the SPMS driving improvements in workplace health, safety, and security through action plans.

5.3a Work Environment

5.3a(1) Improving workplace health, safety, security and ergonomics: RWJUHH relies on a healthy workforce to promote, preserve and restore the health of the community. Workplace health is improved through programs, developed as part of the **5-Star** Retention and Satisfaction Process and environmental assessments in the strategic planning process. Employee wellness has remained as an organizational focus since 1999 based on feedback from the Employee Satisfaction Committee. Employee safety and health begins during the pre-employment process, when the occupational health department identifies potential health and safety hazards and communicates improvement opportunities to the employee. Upon orientation and throughout their employment, segmented employee groups are provided special training and equipment to address the health, safety and ergonomic factors specific to their job requirements. These factors are determined by regulatory requirements, employee satisfaction feedback sessions, Voice of the Customer–Employee (VOC-E) and data analysis by the Occupational Health Department. The Job Design Process (Fig. 5.1-2) is deployed for each position with the capability to address different workplace factors for different staff groups.

Safety, security and ergonomics are evaluated and improved by the Safety Committee, a cross functional team responsible for safety inspections, injury analysis and concern resolution. Program deployment reaches all staff to ensure total work environment quality both collectively and individually. The Safety Committee reviews KPIs for safety, security and ergonomics, (Fig. 5.3-1) and identifies opportunities for improvement through various analysis tools described in Item 4.1b(1). The Safety Committee evaluates trends and implements appropriate action plans. The Occupational Health Department conducts monthly ergonomics assessments to identify opportunities to reduce workplace injuries. All employees can make suggestions for workplace improvement through participation on committees, including the Safety Committee, feedback through communication strategies (Fig 1.1-2), and VOC-E.

Figure 5.3-1 Environment and Satisfaction KPIs

Factor	Measure	Target	Results
Health	Employee Wellness Participants	250	332
Safety	Preventive Maint. Completed	95%	100%
Satis.	Satisfaction Composite	90%	91%

5.3a(2) Emergency and disaster preparedness: RWJUHH serves as a proactive leader in emergency and disaster preparedness as demonstrated by the rapid and effective response to the Anthrax Post Office Incident in 2001. The Corporate Compliance Officer (CCO) leads the organization in a systematic process of emergency and disaster drills to ensure staff preparedness in the event of internal or external disasters. A communication tree ensures all staff is notified of hospital need for additional staff and/or equipment. Emergency/Disaster planning and mock drills involve both township and county participation to increase reliability of critical response processes. RWJUHH participates in a state-wide disaster preparedness committee to discuss community needs and processes to ensure continuity of healthcare services. RWJUHH purchased equipment for the township for use in the event of biological or chemical weapon attack. At the conclusion of all drills, the Safety Committee analyzes the process to identify any opportunities for improvement and adjusts accordingly.

5.3b Staff Support and Satisfaction

5.3b(1) Determining satisfaction factors: Key factors affecting staff satisfaction and well-being are determined through analysis of information from the listening methods in the **5-Star** Retention and Satisfaction Process (Fig 5.1-4) including analysis of an annual employee satisfaction survey. Regression analysis is performed each time the survey is delivered to determine the most important factors. Findings are validated through other employee listening posts, such as the employee satisfaction roll out process. This approach also enables the identification of factors that are unique to different employee groups. Standard questions on the survey allow for comparison with over sixty healthcare facilities while custom questions enable leaders to drill down on particular areas of importance and past opportunities for improvement. The survey is administered during all shifts, contributing to a 72% participation rate for full and part time staff. Translation and physical assistance is provided to employees with learning disabilities and language differences. Survey data is segmented by department, shift, length of service, employee category and specific subscales. Survey frequency and participant groupings were increased to enhance visibility to leading indicators of satisfaction, correlation with patient satisfaction, and to better identify factors needing improvement.

RWJUHH deploys a roll out process for the employee satisfaction survey results through trained facilitators on the EMT or SLT. EMT or SLT members facilitate department meetings (outside their area of responsibility) with the department director to communicate the hospital's and department's overall and subscale results. Employees engage in brainstorming sessions to identify improvement opportunities in each subscale; the department director is excused for a portion of the session to give employees an opportunity to freely communicate supervision and leadership concerns. Results of the roll out sessions are reported to the EMT for aggregation and action planning and results of action plans are

reported back to the department midway through the year. In addition to the employee satisfaction survey, RWJUH determines key factors affecting staff well-being, satisfaction and motivation through two-way communication strategies including the Employee Satisfaction Committee (ESC), VOC-E, and feedback at the quarterly employee forums. The ESC, comprised of front-line staff led by the CEO, is a team designed to meet its CSF of being an Outstanding Employer. The committee serves as a conduit of information between staff and senior leadership and a method of validating plans to improve motivation and satisfaction. The on-line VOC-E System is another means for employees to communicate concerns, suggestions, ideas and satisfaction to the EMT, anonymously if preferred.

5.3b(2) Services, benefits, and policies: RWJUH develops benefits, services and policies to support staff through the **5-Star** Retention and Satisfaction Process. Each year during the budgeting process employee feedback is carefully evaluated to identify employee perceived deficiencies in benefit offerings. Modifications are made to address these needs and the programs are compared with other healthcare facilities to ensure competitiveness. This feedback serves as an input to the strategic planning process to ensure that financial plans support these benefits and services. Programs are tailored to meet the diverse needs of the workforce through flexible benefit options, customization based on critical need and request and innovative solutions for workforce challenges. This is accomplished by reviewing quantitative data from the survey and comparing it with qualitative input from focus groups and other pivotal committees such as the ESC. Following are examples of benefits, services and policies used to support all employees and specific segments:

- The **benefit plan** was revised to address employee dissatisfaction in the 2001 survey. Benefit enhancements included an enhanced pension plan, expanded health plan option, prescription and dental plan, life insurance, vacation buy-back, educational fellowship for dependents, flexible tuition reimbursement and a tiered benefit contribution system providing employees with premium schedules graduated according to wages.
- **Flexible Health Spending** dollars are provided to employees who choose to waive enrollment in health insurance programs. All employees have access to enroll in the credit union to take advantage of associated discounts, benefits and programs.
- The **Work-Life Balance Committee** identifies and implements ideas to improve employee's work-life balance. Discounts are offered at our Childcare Center. Flexible work schedules, self scheduling and home-based environments enhance recruitment and retention of specific employee segments.
- RWJUH partners with two local banks to offer **mortgage loans** and subsidized mortgage payments to nurses to assist with moving to the community and closer to the hospital. Over \$5M in mortgages has been provided, contributing to the significant reduction in nursing vacancy.
- Employees' psychological well-being is supported through the **Employee Assistance Program (EAP)** and employee wellness programs. EAP provides confidential counseling for personal, family, legal, financial and work-related problems at no cost.

5.3b(3) Assessing well-being, satisfaction and motivation: The **5-Star** Retention and Satisfaction Process is the over-arching

process to assess staff well-being, satisfaction and motivation. The primary source of input is the Employee Satisfaction Survey. The top ten factors affecting employee satisfaction and dissatisfaction are identified through regression analysis. The roll-out process provides detailed feedback needed to develop action plans to address employee concerns, ideas and suggestions. In addition, the VOC-Employee, department staff meetings, 90-day interviews with employees after hire, and staff interaction provide senior leaders with informal information on staff well-being and satisfaction. The EMT collects, aggregates, and analyzes data on turnover rates, vacancy rates, productivity, percent of hires through employee referrals and staff injury rates to validate and reinforce findings of the survey and other listening posts. Analyses are reviewed by the EMT, MT and BoT monthly to enable rapid response to employee concerns and dissatisfaction. Productivity and injury indicator reviews ensure that staffing is optimal, to prevent employee injury and burn-out. Based on feedback analysis, the EMT determined that employees who are satisfied with their work recommend friends and family members for employment. The Bright Stuff program was developed to provide financial incentive to employees for referring successful employment candidates. Staff satisfaction, well-being and motivation are further evaluated through performance evaluation and exit interviews. The exit interview is designed as part of a systematic process to ensure that all voluntary departures include an exit interview. Information from these methods assists leaders in identifying drivers of employee retention and departure. Employees are encouraged to comment on their performance evaluation to provide department directors and organization leaders with candid feedback. Communication between staff and senior leaders at the ESC provides a means to assess employee satisfaction, well-being and motivation through direct conversation with representatives of all employee groups. Plans developed to increase motivation, improve well-being and satisfaction are submitted to an employee representative on the committee for validation prior to implementation.

5.3b(4) Relating assessment findings and improving results: Results and feedback from the annual employee satisfaction survey, roll-out sessions, exit interviews, performance evaluations, communication strategies and wellness programs are reviewed during the input step of the strategic planning process. The planning team identifies areas of potential staff deficiencies in terms of skills, knowledge and coverage. This information is evaluated by analyzing key measures of organizational performance relative to employee data such as competency assessments, performance appraisal results and educational needs. Results are used to align organizational strategy, financial, technology, facility, HR, education and training plans, and organizational goals to help prioritize objectives to improve employee well-being, satisfaction and the work environment. The Education Department completes an annual evaluation of Education and Training Programs deployed through the Education and Training Development Process (Fig 5.2-1) and correlates them to organizational results to determine their effectiveness.

6 Process Management

6.1 Healthcare Processes

6.1a(1) Key healthcare services and processes: RWJUH determines its key healthcare services by identifying those services that address customer and market needs and strategically fit with the **Mission, Vision, Value (MVV)**, Strategic Objectives, and Critical Success Factors (CSFs). This is accomplished through analyses in the annual strategic planning process and during the year as new opportunities are identified. These services create value for the organization by significantly impacting financial and market position, customer satisfaction, and physician and community image.

Key service delivery processes (Fig. 6.1-1) are defined as processes that:

- impact a high volume of patients;

- are at high risk for error; and
- integrate evidence-based practices which affect patient safety, quality outcomes and customer loyalty.

These key healthcare processes create value for patients and physicians by delivering safe, timely services based on their identified requirements and expectations. Key processes create value for the community by providing high quality care that is accessible to all community members. RWJUH further substantiates the selection of key healthcare processes by incorporating the critical focus areas recommended by the JCAHO (Fig. 6.1-2) to have a positive impact on clinical results. External research and internal performance improvement data demonstrate that incorporating these critical focus areas in process steps and measures increases the likelihood of achieving improved healthcare outcomes.

Figure 6.1-1 Key Healthcare Services and Processes

Key Service	Key Process	CSF	Requirement	Indicator	I/O	Results
Inpatient Care <i>Strategic Objectives:</i> RTBQ1 RTBQ2 CTBQ1	Patient Assessment Planning Care Implementing Care Evaluating Care	COS ECS	Timely	H&P Completion	I	7.5-8
			Safe	Nutritional Assessments	I	Item 7.5a(1)
				Med. Delivery Process Safety	I	7.1-12
				Hospital Acquired Decubitus	I	7.5-7
				Infection Rates	I	7.5-3, 4, 5, 6
			Effective	Patient Falls	I	7.1-14
				Core Measures	I	7.1-6, 7, 8
				CHF Readmission Rate	O	7.1-9
				Total Mortality	O	7.1-1
			Courteous Assurance of Rights	All Payor Length of Stay	O	7.5-1
				Satisfaction with Nurse Courtesy	O	7.2-3
				Restraint Use	I	7.1-15
ED Care <i>Strategic Objectives:</i> RTBQ1 CTBQ3	Patient Assessment Planning Care Implementing Care Evaluating Care	COS ECS	Timely	Triage to EKG Time	I	7.5-9
			Accessible	Left ED without treatment	O	7.2-9
				Gallup Preference Survey	O	7.2-15
			Safe	Unplanned Returns w/in 72 hrs	O	7.5-10
				Core Measures	I	7.1-6, 7, 8
			Effective	ED Market Share	O	7.3-11
				ED patient sat with nursing care	O	7.2-5
				ED patient sat with physician	O	7.2-6
Outpatient/Ambulatory Surgery Care <i>Strategic Objectives:</i> CTBS2	Scheduling Registration Testing Treatment	COS ECS	Timely	Radiology Cycle Times	I	7.5-18
			Safe	Surgical Time Out	I	7.1-13
				Satisfaction w/Scheduling	O	7.5-17
			Effective	Satisfaction w/Reg Wait Time	O	7.5-11
				Info. Day of Surgery	O	7.5-12
			Courteous	Lung Cancer Survival Rates	O	7.1-10
Community Health <i>Strategic Objectives:</i> CTBG5	Community Education Community Support	OE DP/SR COS	Access	Community Ed Satisfaction	O	7.2-16
			Health Info Org. Support	Community Ed Activities	I	7.6-4
				Charity Care Dollars	I	7.6-6
				Community Donations	I	7.6-5
				Community Survey	O	7.2-14
Legend: CSF: COS – Culture of Service ECS – Excellence in Clinical Outcomes and Services OE- Outstanding Employer DP/SR–Develop Partnerships and Strategic Relationships I – In-process O - Outcome						

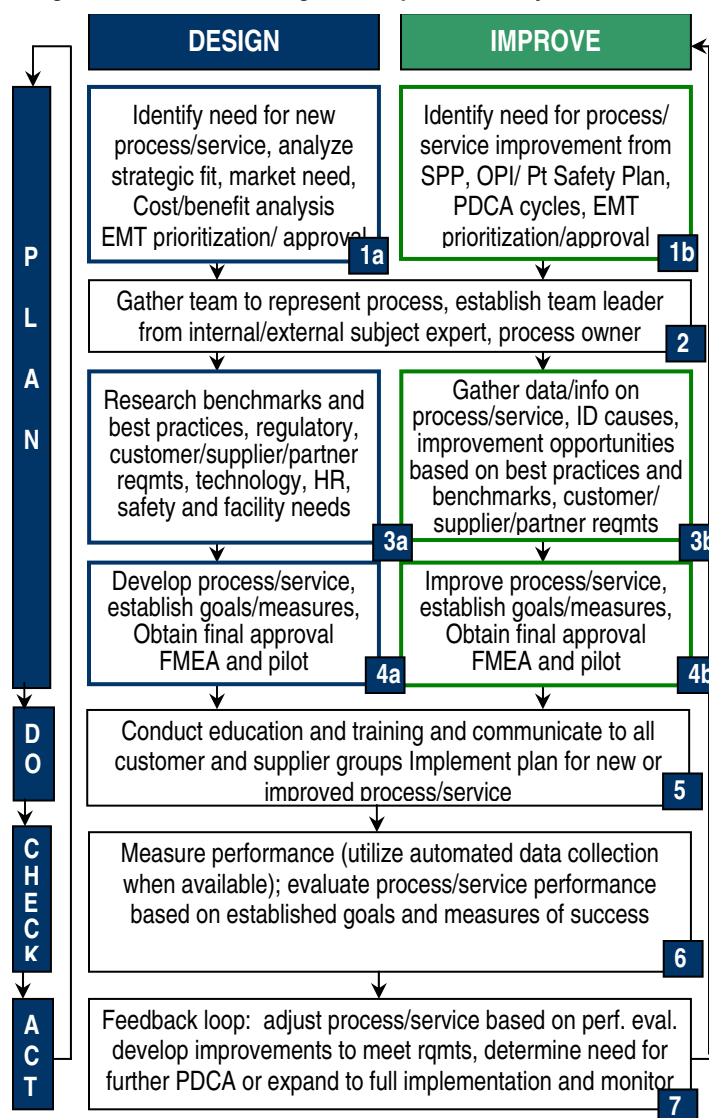
6.1a(2) Determining key healthcare process requirements: Key healthcare process requirements are determined by using input from the three customer groups, suppliers and partners, as appropriate, in the “Plan” phase of Process Design and Improvement Cycle (Fig. 6.1-3). This approach incorporates input received from suppliers, partners and customers early in the Plan phase through surveys, direct contact, focus groups, and participation on committees and teams. Accreditation, regulatory and payor requirements are identified through professional associations and industry listening posts. These requirements serve as critical inputs as well as measures of effectiveness for designing new processes and improving existing processes. Comparative data is gathered from industry and non-industry best practices to establish stretch goals and drive exceptional outcomes. All of these requirements and benchmarks are aggregated and analyzed during the input step of the annual strategic planning process to ensure that key process requirements continually drive organizational process improvements. Key requirements for RWJUH’s key healthcare processes are illustrated in Fig.6.1-1.

Figure 6.1-2 Critical Focus Areas and Key Processes

JCAHO	Key Healthcare and Support Processes
Patient Assessment	Assessment Process
Communication	Human Resource Management Process
Credentialing	Employee Education Sub-Process
Equipment Use	Environmental Safety Mgmt Process
Infection Control	Care Delivery Process
Info Management	Information Management Process
Medication Use	Care Delivery Process
Org Structure	Strategic planning process
Staff Orient. & Trng.	Human Resource Management Process
Rights and Ethics	Care Delivery Process
Physical Environment	Environmental Safety Mgt. Process
Quality Improvement	Evaluation Sub-Process (PDCA)
Safety Engineering	Environmental Safety Mgmt Process
Staffing	Human Resource Management Process

6.1a(3) Designing key healthcare processes: RWJUH carefully considers customer input, market research, extensive testing and analysis, and planned implementation, before a new process or service is introduced to ensure internal capability and customer acceptance. RWJUH designs service delivery processes using the Process Design and Improvement Cycle (Fig. 6.1-3). This cycle follows the Plan-Do-Check-Act (PDCA) model and employs two parallel paths for designing and improving processes. As the opportunity for a new service or process is identified, RWJUH uses the “Plan” phase of the PDCA model to ensure that the service/process is in alignment with customer needs and organizational direction **1a**. In addition, the Plan phase includes cost/benefit analyses for all options. Once the Executive Management Team (EMT) approves the service/process, a team is selected to represent customers and suppliers of the service as well as process owners **2**. A team leader is selected from internal and/or external subject matter experts to facilitate knowledge transfer for the team and the organization. The team is charged with gathering and incorporating data from customer listening methods, emerging technology, industry and local market trends, benchmarks and comparisons, safety needs, regulatory and accreditation

Figure 6.1-3 Process Design and Improvement Cycle



requirements **3a**. These data inputs ensure that RWJUH proactively considers all customer needs and expectations, safety and risk issues, reimbursement policies, human resource needs, facility needs and supplier/partner needs. Once these data are gathered, the team analyzes the information, designs the process to meet and exceed key requirements, develops in-process and outcome measures of success and assigns responsibility for measurement and frequency. In addition, the team develops an implementation plan including training for appropriate staff and a project timeline **4a**. Teams use process mapping and analysis during the “Plan” phase to design processes with reduced cycle times, lowest costs and highest productivity. Through effective benchmarking with world-class organizations in the PDCA design approach, RWJUH designs processes to be efficient, effective, and current with healthcare directions. During the “Do” phase **5**, teams implement processes designed during the “Plan” phase. Performance is validated during the “Check” phase **6** as discussed in Item 6.1a(5). The PDCA-design process was utilized in the successful development and full implementation **7** of processes to

support the new CINJ Cancer Center Radiation Oncology service, Sleep Center and Center for Health and Wellness.

6.1a(4) Addressing patient expectations: Patient expectations, identified through customer listening methods (Fig. 3.1-2), are addressed and considered in the design, delivery, and improvement of healthcare service delivery processes. RWJUHH analyzes information obtained from the customer listening methods to identify patient needs and expectations through the Priority Index defined in Item 3.1a(2). Healthcare services and processes are designed to consider patient expectations in the planning phase of the PDCA-design approach. Patient expectations are addressed in the delivery of key healthcare services as framed by the **5-Star Service Standards** and evaluated based on patient feedback. This feedback serves as the basis for driving improvement in exceeding patient expectations through the PDCA improve approach.

Staff explain to patients key services and likely outcomes in order to set realistic expectations during the assessment and care planning process. Registered Nurses develop an individualized plan of care with identified goals and expected outcomes based on input from the multidisciplinary team, physicians, patients and their families. This assessment, care planning and goal setting process includes patients in decision-making by gathering information related to patient learning and language preferences, cultural needs, lifestyle, quality of life issues, life support options and organ donation wishes. Real-time patient/family, physician and employee input are sought through continuous interaction with the care giving staff. Once the plan of care is developed and implemented, patient expectations and response to the plan of care are evaluated daily by the multidisciplinary team with input from the patient, physician, family and other caregivers to update the plan of care as needed. Documentation of the plan of care and goal performance is maintained in the patient's medical record to ensure communication among all caregivers. Case managers coordinate patient services to ensure timely delivery of appropriate services, facilitated by the Canopy software for quality and utilization. In addition, RWJUHH uses a standardized process and documentation to obtain patient consent for any care, procedure or treatment after explaining the risks, benefits and alternatives. This ensures that patients are making informed decisions on their care and communicating that decision through documentation to the care delivery team.

6.1a(5) Measuring and managing key healthcare processes: The day-to-day operation of key healthcare processes is measured and managed through a set of in-process and outcome indicators developed through the KPI Process (Fig 4.1-3), and analyzed during the "Check" phase **6** of the PDCA cycle through the Dashboard/Balanced Scorecard (D/BSC) and the OPI Report. Methods of data collection, frequency and accountability are assigned during the "Plan" phase and key indicators are reported to the appropriate group. This frequent measurement and monitoring allows for the rapid identification of performance gaps as well as opportunities to praise staff for achieving goals and exceeding expectations. Successful day-to-day operation of key processes requires employees to effectively identify and resolve problems within their scope of control. If a serious deviation impacting customer satisfaction or safety is identified, employees are empowered to place the process on hold until the concern is addressed or eliminated. At daily bed management meetings, nurses and

managers review current census, demands, preferences, availability, and staffing to ensure customer requirements are met. When appropriate, patients, families, physicians and other stakeholders are consulted for their feedback and suggestions. This feedback is aggregated and analyzed, and appropriate changes are incorporated in day-to-day operations in order to meet and/or exceed process requirements (Fig 6.1-1) **7**. For example, the quality outcomes department utilizes concurrent chart review to monitor the appropriate use of standardized cardiac guidelines to provide a leading indication of overall cardiac mortality.

6.1a(6) Minimizing costs, preventing errors and rework: Costs associated with rework are kept at a minimum through effective process design and improvement using specific tools in the PDCA approach. Overall costs due to errors and rework are minimized through process standardization and proactive identification of potential failures during the "Plan" phase. In addition, quality control measures are analyzed at the department level and reported to the Performance Improvement/Risk Management (PI/RM) Committee through the OPI Report. In the PDCA model, when appropriate, processes are piloted to identify potential opportunities for failure, errors and rework. These opportunities are addressed prior to full deployment of the process as illustrated by the Act phase of the PDCA approach. RWJUHH reviews evidence-based research and conducts RCA's and FMEA's on key processes to determine further opportunities to reduce errors. Utilizing standardized approaches to deliver healthcare enables RWJUHH to analyze these processes to identify and reduce rework. RWJUHH's patient safety program utilizes technology and standardized processes as evidenced below.

- The ED information and documentation system, IBEX, reduces rework associated with errors of omission by standardizing assessment and documentation. IBEX also reduces errors from poor legibility.
- Pyxis, an automated medication dispensing system, reduces the potential for errors by preventing nurses from obtaining incorrect medications. Bio-ID prevents unauthorized access to medications. RWJUHH minimizes costs associated with inspections and performance audits through automated data collection and reporting, valid sampling techniques and minimum indicator sets to measure and control processes. Teams identify in-process measures at the earliest possible step in the process to enable early recognition of errors, thus minimizing the impact of errors and costs associated with rework.

6.1a(7) Improving healthcare processes, keeping current: On an annual basis, during the input step of the strategic planning process, RWJUHH reviews key healthcare processes to determine if they are current, continue to meet customer requirements and add value to the organization. During the year, methods to keep healthcare processes current include PI/RM Committee evaluations, participation in professional organizations, attendance at conferences and seminars, participation in NJCOTH and IHI, subscriptions to professional journals and Shared Governance research.

RWJUHH employs the PDCA approach to improve key healthcare services and processes, reduce variability and keep current with healthcare service needs and directions. Significant improvement objectives identified through the annual strategic planning process and Organizational Performance Improvement/Patient Safety Plan

(OPI/Pt Safety) are prioritized, and utilize the full PDCA approach to achieve goals **1**. During step **3** of the PDCA process, RWJUHH uses Six Sigma analysis tools for significant improvement objectives that require deeper levels of analysis and team resources. For less significant improvement objectives, staff are empowered to use a simplified PDCA approach which includes identifying improvement opportunities, developing a plan, implementing and evaluating the process, see Item P.2c(1).

RWJUHH reduces process variability by determining standards of practice, operating guidelines, and protocols deployed through hospital-wide policies. Procedure, training, and documentation standardization as well as process automation further reduce variability. Process changes and improvements are communicated and implemented throughout the organization within the **5-Pillar** format through strategies in the Communication Process (Fig. 1.1-2). Posting hard copies of results, sharing results on the Intranet's Best Practice site, "lessons learned" presentations by teams and celebrating successes within the organization are other methods of sharing improvements. In addition, the RWJ Health Network Best Practice website provides a forum for communicating and sharing improvements with other Network hospitals. RWJUHH leaders frequently share internal best practices with external organizations at local and national conferences.

6.2 Business and Support Processes

6.2a(1) Key business and other support processes: Key business and support processes are those considered most critical to successfully implementing our strategic vision and provide the infrastructure for **Run the Business (RTB)** and **Change the Business (CTB)** objectives. Like key healthcare processes, RWJUHH determines its key business processes by identifying those systems that support the **MVV**, CSFs, strategic objectives and improve financial and market performance through the strategic planning process and during the year as new opportunities arise. Key support processes are also determined through the strategic planning process based on the impact they have on enabling staff to deliver high quality, timely service. While all business and support processes have a role in the organization, key processes align with the design and delivery of healthcare processes to drive operational excellence, effectiveness and efficiency. Figure 6.2-1 illustrates key processes that support healthcare processes.

6.2a(2) Determining key support process requirements: RWJUHH determines key business and support process requirements through the same approach as key healthcare processes described in Item 6.1a(2). Feedback is obtained from internal customers through many methods including Team Talk, a monthly report card identifying strengths and opportunities for improvement in internal customer relations. Input from customers, suppliers and partners is obtained through listening methods including quarterly supplier meetings, physician participation on committees and interaction with the EMT, customer and physician satisfaction surveys and during the information gathering step of the strategic planning process. Safety, regulatory and accreditation requirements are also determined through this approach. Key business and other support process requirements are illustrated in Fig. 6.2-1.

6.2a(3) Designing key support processes: Key business and other support processes are designed using the PDCA-design approach (Fig. 6.1-3), to meet process requirements based on

customer feedback, safety, regulatory and accreditation requirements. Technology and organizational knowledge is incorporated into new process design during the PDCA-design approach to ensure that best practices and innovation are built into new processes. RWJUHH designs key business and support processes based on benchmark productivity, efficiency and effectiveness as determined in step three of the PDCA-design approach. The design team selects the most cost effective process option based on the number of steps in the process and cycle time analysis prior to deployment. In-process and outcome measures are developed to ensure the process meets internal and external customer specifications after deployment. RWJUHH utilized Six Sigma tools in the PDCA design approach to develop a new support process for point of service cash collection of co-payments resulting in more than \$500K cash added to the bottom line annually.

6.2a(4) Measuring and managing key support processes: RWJUHH ensures that day-to-day operations meet process requirements by having well deployed processes with KPIs, process controls, and evaluations that have been refined through continuous improvement. Key performance measures include both in-process and outcome indicators developed through the KPI Process in the Organizational Performance Measurement System (OPMS) to manage, analyze and improve support processes in the "Check" phase of the PDCA cycle reported through the D/BSC and the OPI Report. These performance measures are used to determine if the day-to-day process operation is meeting customer and organizational requirements to support key healthcare processes. When a performance gap is identified, action plans are developed and evaluated through the PDCA-improve approach. Concurrent customer feedback, such as Team Talk, is used to integrate changes in day-to-day operations to improve process performance. Through cycles of improvement, using the PDCA-improve approach, Team Talk was refined and revised. This revision includes an automated tool, available on the Intranet, to provide real time teamwork scores to the EMT/SLT and MT. KPIs of business and support processes are listed in Figure 6.2-1.

6.2a(5) Minimizing costs, preventing errors and rework: Like key healthcare processes, business and support processes are analyzed prior to full deployment to ensure they will perform as designed. Piloting processes in the "Do" phase, when appropriate, provides the opportunity to reduce rework and the potential for error prior to full implementation. Teams use RCA and FMEA to proactively determine possible failures in processes and validate designs with internal and external customers prior to deployment. Automated data collection techniques are employed whenever possible to minimize errors and costs associated with performance measurement. In addition, technology is integrated in business and support processes for efficient and accurate operations. For example, RWJUHH automated the scheduling and registration processes to eliminate non-value added steps, improve efficiency and reduce cycle time. Through this automated technology, costs associated with measuring process performance decreased and errors and rework were reduced while improving customer satisfaction.

6.2a(6) Improving support processes, keeping current: To keep current with healthcare needs and also take the organization **to a higher standard**, RWJUHH utilizes the PDCA-improve approach (Fig. 6.1-3) to evaluate and improve key business and support processes. Teams employ many analysis tools to determine root causes of improvement opportunities based on process complexity. Best practices that apply to parallel and congruent support processes are identified and incorporated into the PDCA-improve approach. Results from these improvements are shared with all staff through communication strategies (Fig.1.1-2) including staff meetings, newsletters, communication boards, department meetings and the hospital's Intranet. Improvements are also shared between the RWJ Health System and Network hospitals, and as appropriate, through the physician, nursing, and HR collaborative councils. RWJUHH uses Six Sigma tools for significant business and support

processes. For example, senior leaders identified a long-standing trend in excessive days to send bills to insurance companies after patients were discharged and did not achieve benchmark performance after PDCA cycles. A team was initiated and used six sigma tools in the PDCA process to dramatically improve the DNFB process resulting in a \$3M increased cash flow to the hospital in 2002 and sustained through 2004 (Fig. 7.5-20).

Figure 6.2-1 Key Business and Other Support Processes

Key Process	Sub-process	CSF	Rqmt	Indicator	I/O	Results
Human Resource Management <i>Strategic Initiatives:</i> <i>RTBP1</i> <i>CTBP3</i>	Recruitment /Selection Retention/Satisfaction Education & Training Staff Performance Mgmt System	OE COS	Competitive Comp. and Benefits	Employee Turnover	I	7.4-6
				Employee Vacancy Rate	I	7.4-4
				Employee Sat. w/ Benefits	O	7.4-14
				Training Hrs per FTE	I	7.4-10
			Ed & Develop. Equip/Train Leadership Comm. Work Life Bal	Investment in Employee Develop.	I	7.4-11
				Performance Appraisal Score	O	7.4-8
				Emp. Sat w/Leadership Comm.	O	7.4-14
				Employee Satisfaction	O	7.4-13
Strategic planning process <i>Strategic Initiatives:</i> <i>All</i>	SWOT analysis Competitor Analyses Goal Cascade Process Partnering/Relationships Organizational Perf. Measurement System	All	Effective	Segmented Market Share	O	7.3-11 to 18
				Occupancy Rate	O	7.3-3
				Community Loyalty	O	7.2-13
				Hosp-based Physician Ptnrships	I	7.5-19
				Priority Objectives	I	Fig. 2.2-2
				Public Responsibility	I	7.6-1
				Gallup Performance Survey	O	7.2-15
Revenue Cycle Management <i>Strategic Initiatives:</i> <i>RTBF1</i>	Billing Reimbursement	FP	Accurate Timely	Days to Final Bill	I	7.5-20
				Days Cash on Hand	O	7.3-1
				Days in Accts Receivable	I	7.5-21
Financial Planning <i>Strategic Initiatives:</i> <i>RTBF1</i>	Budgeting	FP	Profitable	Operating Margin	O	7.3-8
				Average Age of PP&E	O	7.3-2
				Inpatient / Outpatient Revenue	I	7.3-7
Supply Chain Management <i>Strategic Initiatives:</i> <i>RTBF1</i>	Selection Perf. Eval	FP DP/SR	Quality Timely Cost	Supplier Report Cards	I	7.5-13
				Inventory Turns	I	7.5-14
				Expense per adj Admission	I	7.3-5
Information Management <i>Strategic Initiatives:</i> <i>CTBG2</i>	Acquisition/RFP Process User Support	OE DP/SR	Effective Timely Current	Help Desk Cycle Time	I	7.5-15
				Community Sat w/Technology	O	7.2-14
				IT Innovation Journey	O	Fig. 4.1-1
Environmental Safety Management <i>Strategic Initiatives:</i> <i>CTBQ1</i>	Equipment Management Plant Management	OE	Safe Healthy Work Environment	PM completion	I	7.5-16
				Employee Sharp Injuries	I	7.4-19
				Emp. Perception of Safety	O	7.6-3
Legend: CSF: COS – Culture of Service EOS – Excellence in Clinical Outcomes and Svcs FP- Financial Performance OE- Outstanding Employer DP/SR–Develop Partnerships and Strategic Relationships I – In-process O – Outcome						

7 Organizational Performance Results

In the early 1990's, RWJUH ranked fifth of five Mercer County hospitals in market share. The BoT and EMT developed a strategy to transition RWJUH into the community's hospital of choice. This strategy was three-pronged: to improve customer satisfaction, achieve ED performance excellence, and develop comprehensive community outreach services. Successful implementation and achievement of this strategy resulted in phenomenal volume growth, improved quality outcomes, customer satisfaction and financial health. RWJUH's overall performance meets or exceeds national benchmarks in most key measures as demonstrated by the results in this category. Comparisons reflect the latest available data.

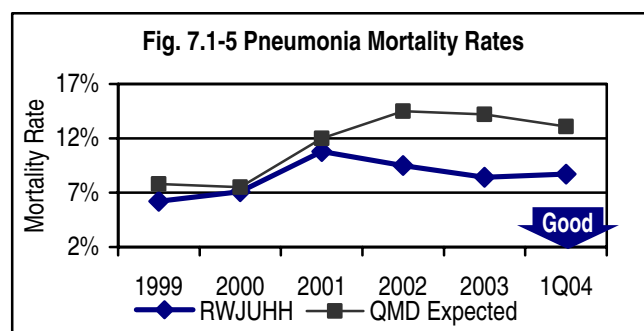
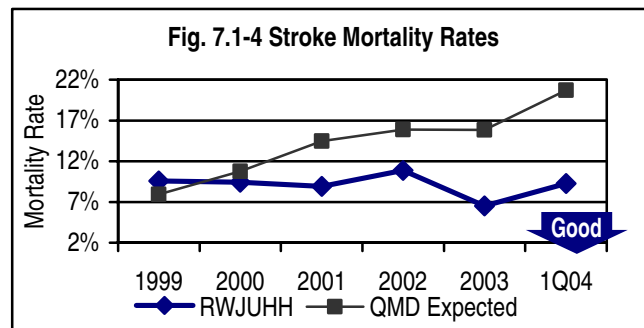
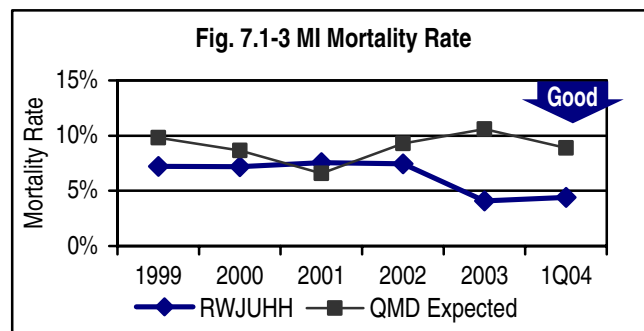
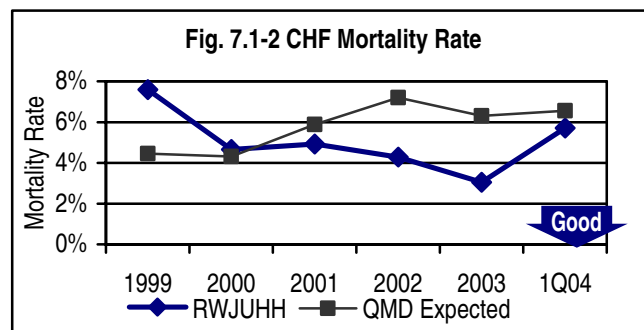
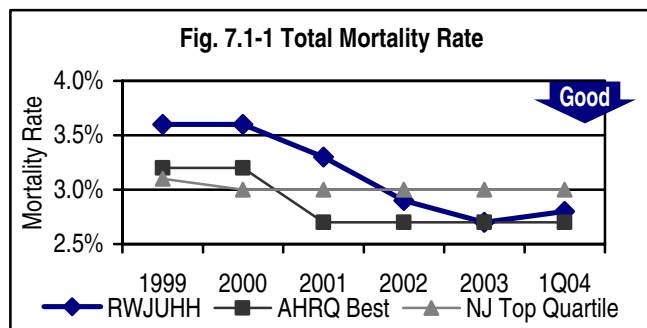
RWJUH's **5-Pillars** of Excellence correlate with result requirements in the Baldrige Criteria as listed below. In addition, Organizational Effectiveness Results (7.5) and Governance and Social Responsibility Results (7.6) overlap many of the pillars due to the integration of key processes and community support throughout the organization. This synergy, balance and exceptional performance in all of the **5-Pillars**, clearly demonstrates RWJUH taking health care **to a higher standard**.

Pillar	Criteria Item
People	Staff and Work System Results (7.4)
Service	Patient and Other Customer Focused Results (7.2)
Quality	Health Care Results (7.1, 7.5, 7.6)
Growth	Financial and Market Results (7.3, 7.5, 7.6)
Finance	Financial and Market Results (7.3, 7.5, 7.6)

7.1 Health Care Results

7.1a(1) Health care outcomes, service delivery and safety:

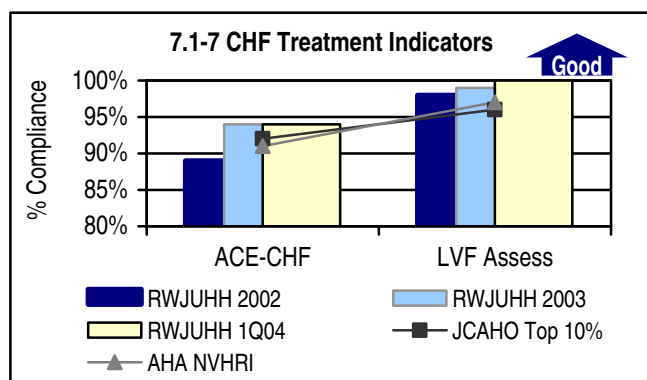
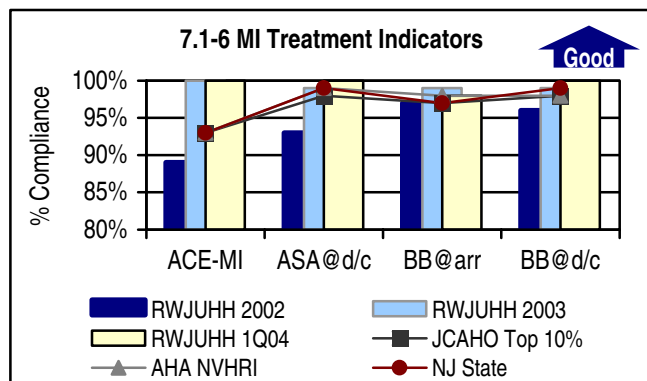
Results in the Quality Pillar represent health care outcomes, service delivery and patient safety. This Pillar reflects our ability to deliver the highest quality care and services, exceeding our customers' expectations. Senior leaders partnered with physicians and employees to accomplish these results and achieve the CSF of *Excellence in Clinical Outcomes and Services*. RWJUH monitors clinical performance and benchmarks with other organizations nationally using Quadramed Clinical Performance System. This system provides risk adjusted clinical outcome measures for establishing reliable quality benchmarks. Figures 7.1-1 through 7.1-5 illustrate a favorable trend in actual mortality as compared to our expected mortality (calculated by Quadramed based on national patient demographics and morbidity). These improvements were accomplished by integrated work teams, partnering with physicians, implementing evidenced-based best practices, care standardization, clinical guidelines, and improved documentation of risk factors. Comparisons for total mortality are from ARHQ.



In addition, we have partnered with HealthGrades to identify further opportunities for improvement using their best practices identified nationally. HealthGrades is a healthcare quality rating organization that rates 5,000 hospitals. RWJUH performance for CHF mortality in 2003 was significantly better than expected, resulting in a 5-star rating. CHF actual mortality in the 1st quarter 2004 is as expected. RCA identified that these six patients were from nursing homes, aged with high acuity, and multi-system disease involvement.

Figures 7.1-6 & 7.1-7 represent key in-process measures for improving outcomes for patients with myocardial infarction (MI) and congestive heart failure (CHF) as recommended by state and national regulatory agencies. Aspirin (ASA) and Beta Blockers (BB)

are evidenced-based treatments for patients who have suffered MI. Administration of ace inhibitor medication and assessment of left ventricular function (LVF) are key CHF in-process treatment measures.



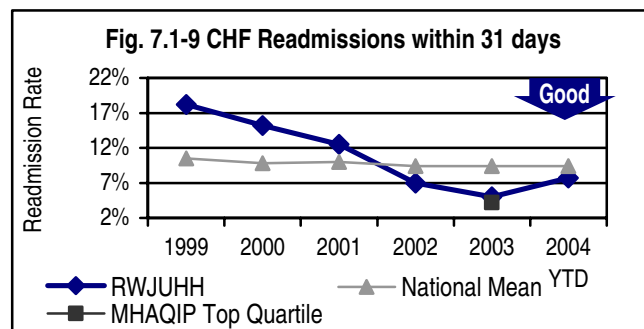
RWJUH's leadership commitment to quality, openness and accountability is demonstrated by its early adoption of voluntary public disclosure of data on 10 quality measures to the AHA's National Voluntary Hospital Reporting Initiative (NVHRI), and the first hospital of the RWJ Network and Mercer County to pledge participation. Less than 30% of the hospitals nationwide have taken the step to voluntarily submit their performance data for external reporting.

Figure 7.1-8 AHA's Quality Initiative (NVHRI)

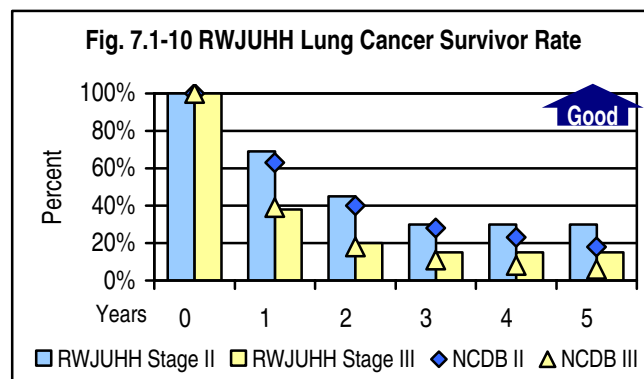
Diagnosis	Indicator	RWJUH	Top 10%
MI	ASA@Arrival	99%	100%
	ASA@d/c	99%	99%
	ACEI for LVS	Insuff. vol.	93%
	BB@d/c	99%	98%
	BB@Arrival	99%	98%
CHF	LFV Assess	99%	97%
	ACEI for LVSD	95%	92%
	Oxygen Asses	100%	100%
Pnuemonia	Pnuemo Vacc	89%	73%
	ABX w/in 4hr of Arr	68%	86%

Figure 7.1-9 demonstrates a sustained improvement trend within CHF readmission rates in the top 25% of performing hospitals since 1999. Using PDCA, interdepartmental teams educate patients on diet, weight monitoring and medication management. Our success with CHF readmission rate and the case management program will serve as the foundation for a chronic disease case management

model for 2004 and beyond. In 1Q04, CHF readmission rate was slightly higher due to patients with co-morbid conditions.



Understanding the clinical effectiveness of the oncology program is essential to effective enhancements being made. RWJUH benchmarks with the National Cancer Data Base (NCDB) for survival rates for a variety of cancer sites. RWJUH lung cancer survival rates (Fig. 7.1-10) surpasses NCDB in years 4 and 5 for Stages II and III. To improve the survival rates, we have intensified screening efforts, and implemented a variety of community education programs such as smoking cessation. Partnering with CINJ has enabled us to provide the most current treatment protocols, research and technology to our patients and the community.



Prompted by the IOM report, AHRQ led efforts to research, develop and disseminate evidence-based best safety practices to provider organizations. Newly identified practices were incorporated into our existing OPI Pt Safety Plan. One of our patient safety goals is to establish a culture to encourage our staff to report actual incidents or near misses. The success of this can be seen in the increased incident reports received (Fig. 7.1-11).

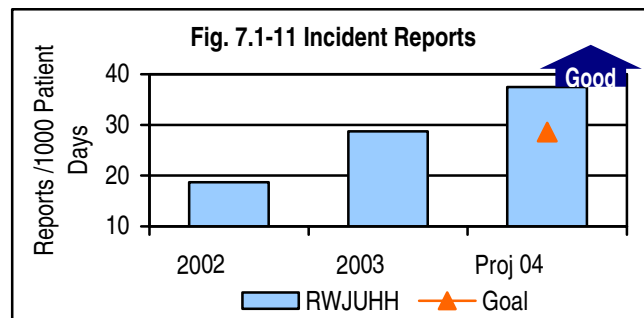
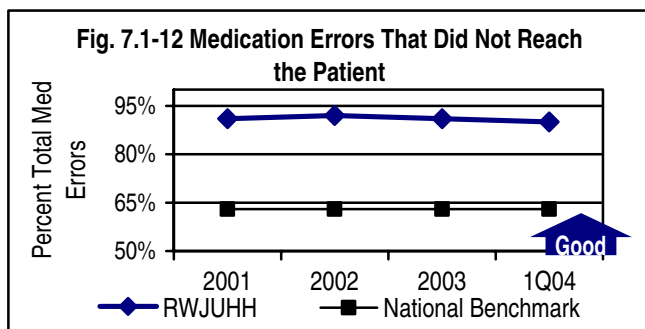
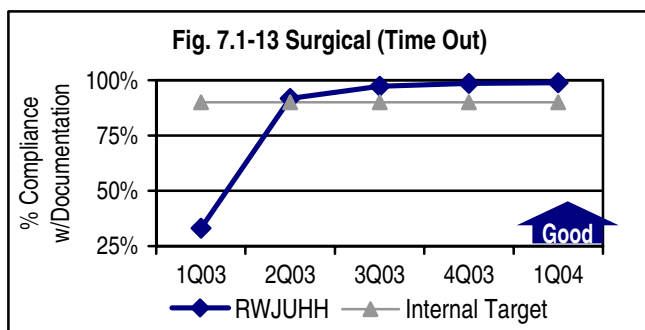


Figure 7.1-12 assesses the effectiveness of the safeguards and safety steps which have been implemented within our medication

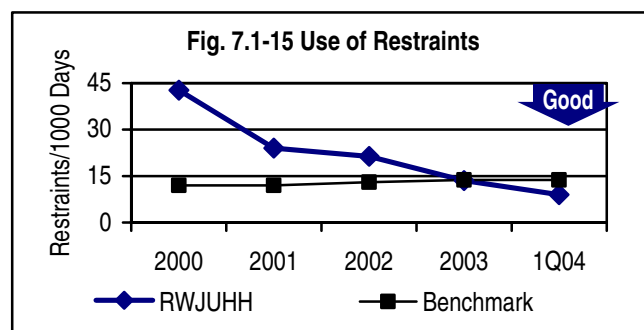
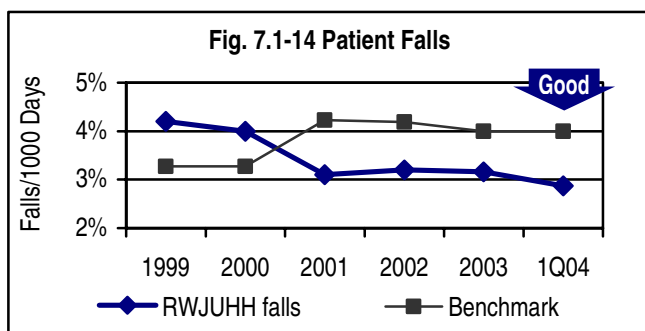
process. Our results currently out perform the national norm, and we are implementing additional technology in 2004 to further improve safety of the medication process. (Pyxis CII Safe, Pyxis Connect, Pyxis Veri 5, and CPOE)



RWJUH has never performed a wrong patient, wrong site surgery. However, sentinel events reported to JCAHO have verified this error has occurred in other organizations. Surgical teams take "time out" to verbally acknowledge that the correct patient, correct site, correct procedure, and correct documentation are in place immediately prior to performing a procedure. Implementation of best practices based on established research will enable us to continue to provide safe care to our patients (Fig. 7.1-13).



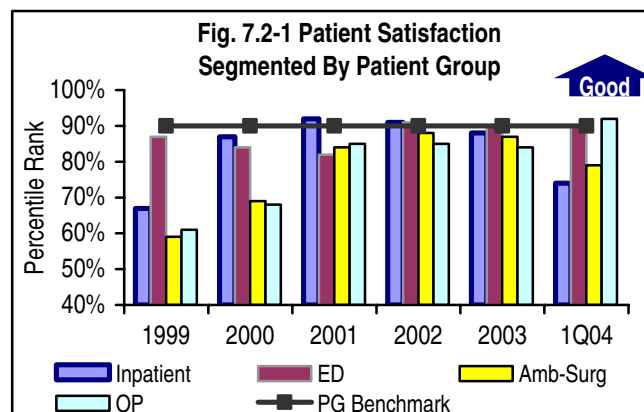
Patient falls and use of restraints are key measures in balancing patient rights and safety (Figs. 7.1-14 & 15). Utilizing segmented data, RCA, research, evidence-based practices, and environmental assessments, interdisciplinary work teams used the PDCA methodology to improve assessment and early intervention. Our target is to have zero patient falls and to use restraints only when alternatives have failed and there is a risk of interference with medical treatment and self harm.



7.2 Patient and Other Customer Focused Results

7.2a(1) Patient and other customer satisfaction and dissatisfaction:

Our commitment to service excellence combined with an employee-focused culture, are the key factors to impacting results in the Service Pillar. Our goal is to be at the 90th percentile in the Press, Ganey (PG) national database for all patient groups. Startup issues with a recently deployed "food-on-demand" program, transition to InfoTurn (on-line survey process), and restructure of our environmental services dept. are the root causes of the slight decline in IP and Amb-Surg satisfaction in 1Q04. Following implementation of action plans, results are anticipated to recover in 2Q04.



RWJUH recognizes the strong correlation between satisfaction of nurses and patient satisfaction and the pivotal role that nursing plays in the organization. The sustained positive trends noted in Figs. 7.2-2 and 7.2-3, are a result of nurse leader rounds, weekly report cards and discharge phone calls. This segmentation provides key information for nursing managers on satisfaction levels with nursing care, compassion and quality. Leading indicators of patient satisfaction by unit and subscale are reported on a weekly basis and on the D/BSC. The results are further reinforced by the Gallup Community survey results, ranking RWJUH as having the "Best Nurses" among local competitors in 2000 and 2002.

Fig. 7.2-2 Inpatient Satisfaction with Nursing

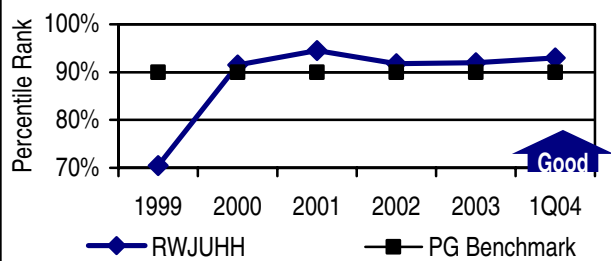
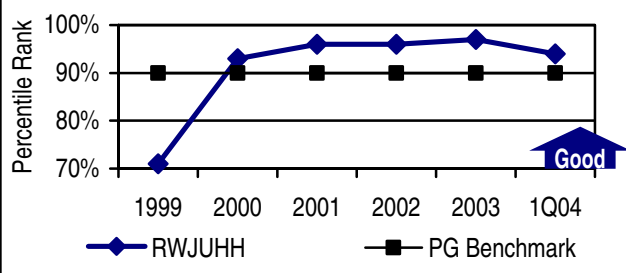
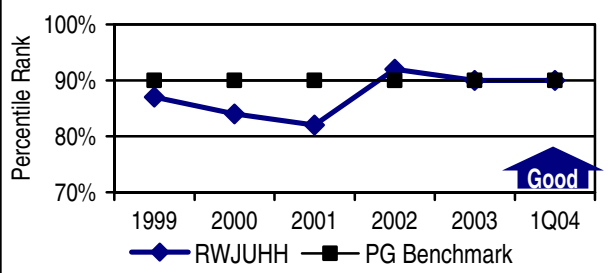


Fig. 7.2-3 Satisfaction with Nursing Courtesy



Well defined ED processes and programs, such as 15/30, described in Item 7.3a(2), combined with committed physicians, nurse leadership, and staff are the key factors impacting this measure. The slight decline in ED satisfaction in 2000 and 2001 was reversed after capacity constraints were addressed by opening a new ED in November 2001. ED patient satisfaction rebounded to exceed the national benchmark since 2002 (Fig. 7.2-4).

Fig. 7.2-4 ED Patient Satisfaction



Our positive trend in ED satisfaction with nursing and physicians has been sustained for the last 3 years as shown in Figs. 7.2-5 & 7.2-6. To further enhance ED efficiency and clinical outcomes, a new program is being implemented in 2004, which will physically locate a physician in the ED triage area to expedite care.

Fig. 7.2-5 ED Patient Sat. with Nursing

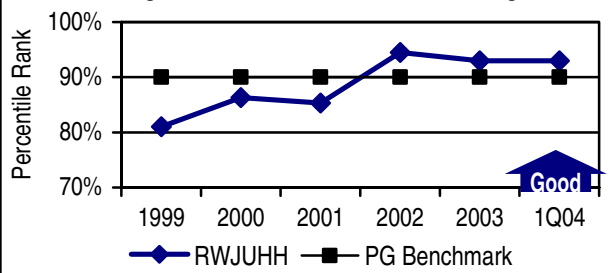
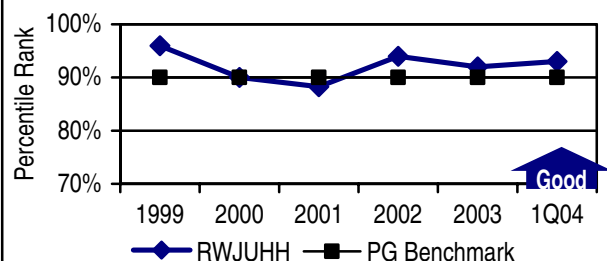
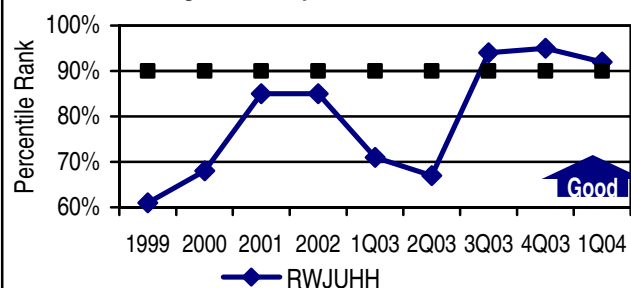


Fig. 7.2-6 ED Patient Sat. with Physicians



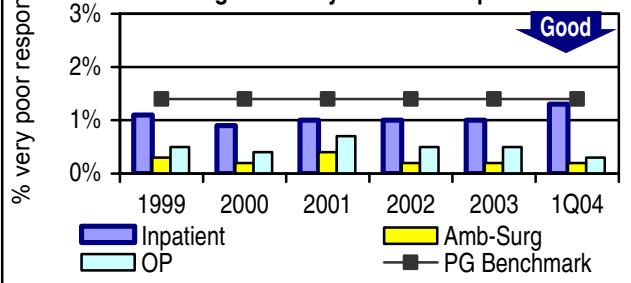
Outpatients are a key patient group for RWJUH as a result of increased market competition. Following a decline of scores in early 2003, an interdisciplinary team used the PDCA to improve the scheduling and registration process through innovative use of technology. The outpatient team launched a new program called the *OP Service Commitment* in 3Q03.

Fig. 7.2-7 Outpatient Satisfaction

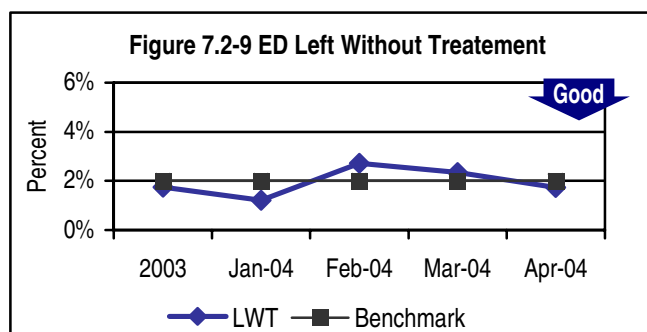


While improving patient satisfaction, RWJUH also seeks to minimize customer dissatisfaction. Results at or below 2% on IP dissatisfaction compare favorably to the System benchmark for the past four years. Figure 7.2-8 demonstrates minimal levels of customer dissatisfaction as measured by the percent of patients rating care "very poor" on the IP, OP, and Amb-Surg surveys.

Fig. 7.2-8 Patient Dissatisfaction Segmented By Patient Group

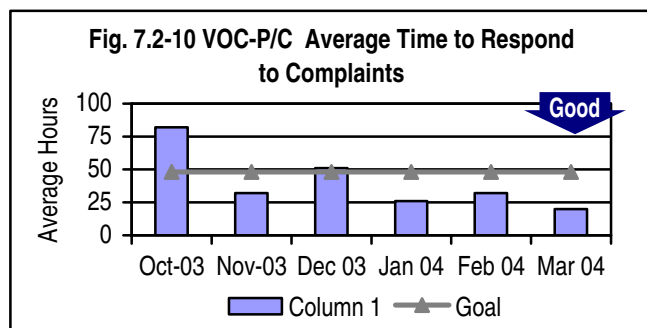


A key indicator of ED dissatisfaction is the number of patients who left without treatment. To further reduce dissatisfaction, the triage process is being redesigned to include a second triage room, and additional nursing and physician staff.



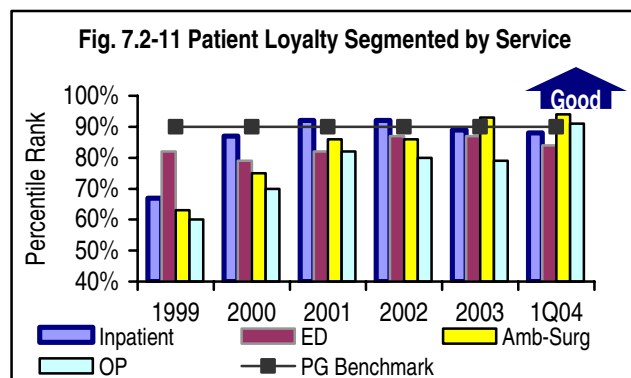
Complaints are logged into the VOC-P/C database. Response time to complaints is reported monthly and our goal of a 48 hour response to patient complaints is currently being met with an average response time of 38 hours (Oct 03 - Mar 04), a 25% reduction since implementation. The top five categories of complaints from VOC-P/C are reviewed weekly by EMT, SLT, and Patient Satisfaction Committee, and reported quarterly to the PI/RM Committee.

Increased focus on managing the complaint process has led to improved cycle times over the past six months as illustrated in Fig 7.2-10.

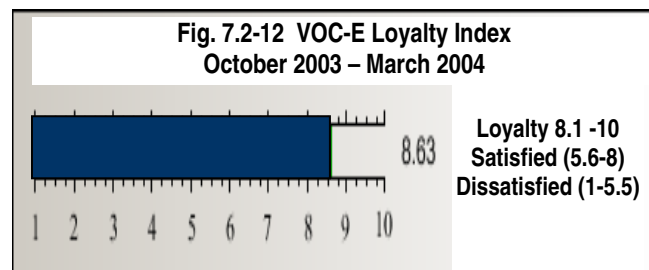


7.2a(2) Perceived value, loyalty and retention:

The Patient Loyalty Index, as measured by a patient's willingness to recommend the hospital to family and friends, is a key measure of loyalty and retention, and reflective of the overall patient experience with RWJUH (Fig 7.2-11).



Employees are one of our three customer groups and, as such, we measure their loyalty as well as patients and community. Through the VOC, employees are prompted to answer 8 questions about their employment experience using a 1-5 scale. This data is used to calculate an employee loyalty index (Fig. 7.2-12).



To assess community satisfaction, RWJUH measures its image in the community every two years with the Gallup Organization. The next survey is scheduled for October 2004. As demonstrated in Figure 7.2-13, RWJUH ranks the second highest in the primary and secondary service area in terms of "likely to use the same hospital again," a measure of customer retention and loyalty.

Figure 7.2-13 Gallup Community Survey

Community Loyalty: Likelihood of Using Same Hospital Again	
Hospital 1	83%
RWJUH	73%*
Hospital 3	69%
Hospital 4	56%
Hospital 5	51%
* rated "very likely"	

RWJUH ranked first among all local competitors in all nine positive attributes (100%) in the 2002 community survey (Fig. 7.2-14), reflecting the value the community places on RWJUH's services and commitment to ETS.

Fig 7.2-14 Gallup Community Survey-1st Place Rankings

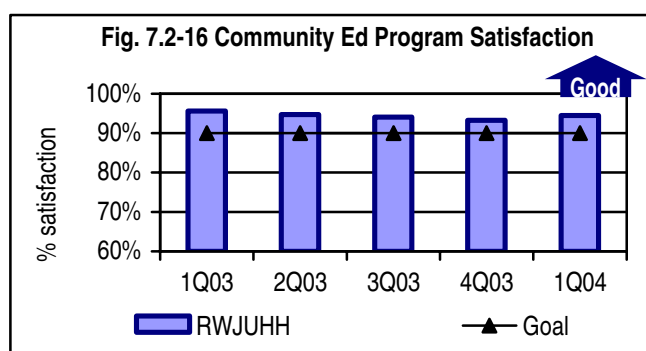
Attribute	1994	1996	2000	2002
Most Convenient to Home	✓	✓	✓	✓
Most Responsive to Community		✓	✓	✓
Most Improved		✓	✓	✓
Cleanest		✓	✓	✓
Most Personal Care to Patients			✓	✓
Pleasant/Comfortable: Pts/Visitors				✓
Advanced, State-of-the-Art Technology and Equipment			✓	✓
Best Doctors			✓	✓
Best Nurses			✓	✓
Best Overall			✓	✓

Table 7.2-15 reflects community preference for using RWJUH in 7 out of 8 services. This preference led us to develop the Center for Health & Wellness to improve the functional outcomes of patients across the continuum of care, and to implement our chronic disease case management model.

Figure 7.2-15 Gallup Community Survey

Hospital Preference by Service Type (%)					
Service/Treatment	RWJ	H2	H3	H4	H5
ED care minor	23	19	13	4	8
ED care chest pain	21	17	12	3	11
OP Surgery	20	19	13	4	8
IP Surgery	19	16	12	3	8
Maternity	17	17	18	4	6
Surgery/bone/joint	18	14	11	3	7
Cancer	11	5	7	2	7
Wellness	24	13	11	4	6

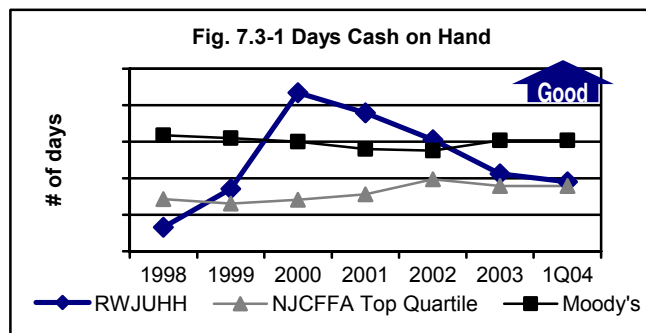
Figure 7.2-16 reflects the effectiveness of community education programming as reported by participants; satisfaction with community education programs as measured by post program evaluations.



7.3 Financial and Market Results

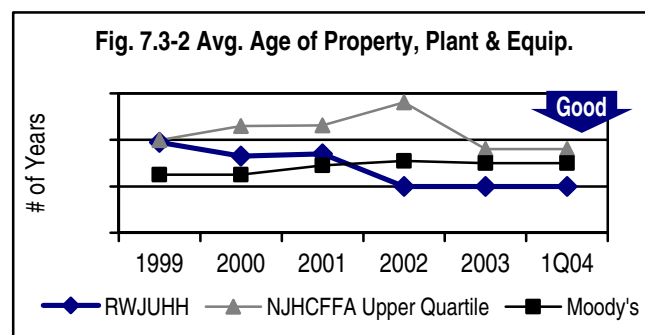
7.3a(1) Financial performance:

RWJUH has selected the Moody's "A" Rating for hospitals as the benchmark for financial indicators. The Moody's "A" rating is a composite of over 30 indicators, representing a balance between short term results and long term stability. RWJUH also monitors the financial results of local competition using the NJ Hospital Association's (NJHA) FAST report and the NJ Health Care Facilities Financing Authority's (NJHCFFA) Apollo Report. Revenue cycle improvements in 2000 led to improved cash flow, enabling RWJUH to fund PPE while maintaining 90 days cash on hand to meet operational needs.

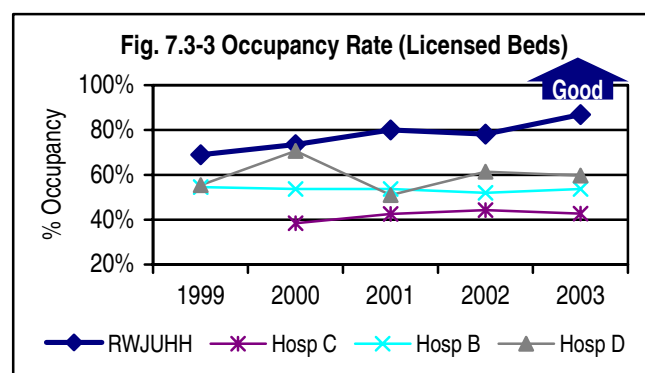


This investment in PPE has improved our average age of PPE dramatically, surpassing the Moody's "A" Rated benchmark and has resulted in RWJUH being recognized by our community as having the newest facility and the most advanced, state-of-the-art

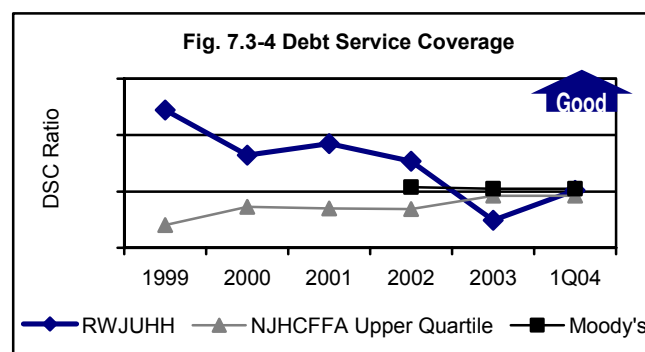
technology and equipment in the latest Gallup Community Survey (Fig. 7.2-14).



Our continued investment in facilities and many other items have enabled us to maintain superior occupancy rates compared to our competition, demonstrating that we are the provider of choice in Mercer County.

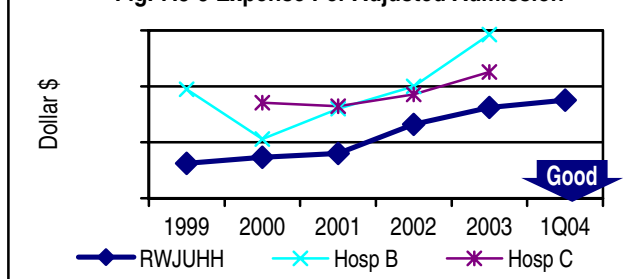


RWJUH also maintains sufficient cash flow to meet our debt service needs. Our debt service coverage ratio compares favorably to the Moody's "A" Rated debt and places us in the upper quartile in the NJHCFFA Apollo Report.



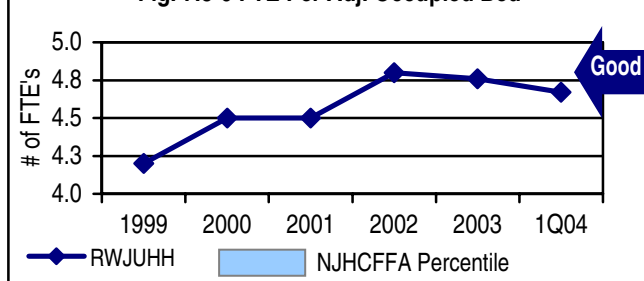
Total financial health is achieved by improvements in both revenue cycle and expense management. During 2003, we began to use the Solucient financial benchmarking database and have improved our operational expense performance by 2.3%. The benchmarking data identified opportunities for improvement in FTE management and expense control. Additionally, directors benchmarked with their counterparts in the database to share best practices. Our expense per adjusted admission, CMI adjusted, compares favorably to our competition.

Fig. 7.3-5 Expense Per Adjusted Admission



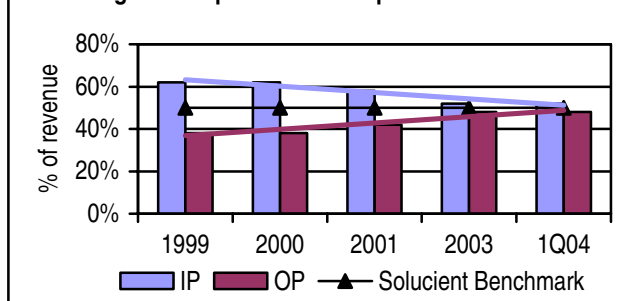
RWJUH seeks to maintain FTE's per adjusted occupied bed between the NJHCFFA Apollo median, and the NJHCFFA Apollo 75th percentile (the shaded bar in Fig. 7.3-6). AHRQ released a series of research studies that demonstrate a positive correlation between adequate staff ratio and higher quality outcomes.

Fig. 7.3-6 FTE Per Adj. Occupied Bed



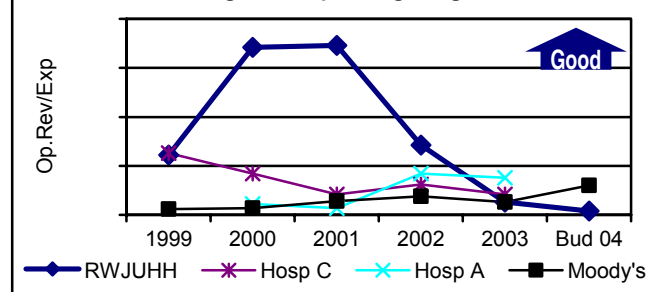
RWJUH follows a model to achieve balance between inpatient admissions and outpatient volume. In Solucient's ranking of America's Top 100 Hospitals, they indicate that a 50/50 balance is crucial to protect an organization from an unanticipated decrease in either revenue stream.

Fig. 7.3-7 Inpatient and Outpatient Revenue



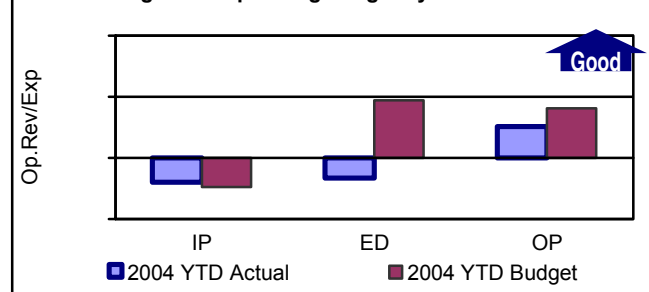
In 2003, the RWJUH BoT decided that it was prudent to continue to invest in staffing, training, and quality initiatives to maintain high patient satisfaction and quality outcomes. The BoT made the decision even though it had a temporary negative impact on margins. The operating margin remained positive as is improving in 2004 as appropriate expense reductions occur.

Fig. 7.3-8 Operating Margin



To further improve operational performance, RWJUH analyzes margin by health care service, allowing us to monitor the success on a fully loaded product line basis. Each health care service has a Margin Manager, a member of the EMT, assigned to achieve the designated margins. This focused review has led RWJUH to a positive bottom line in the face of continued reimbursement cuts, increased expense pressures, and expensive new technologies. Figure 7.3-9 demonstrates that 2 of the 3 product lines are performing better than expected. While the ED saw a drop in volume during January and February, the volume has increased and the margin has improved in March and April.

Fig. 7.3-9 Operating Margin by Product Line



7.3a(2) Market performance and business growth:

As part of our growth strategy to better meet the needs of the community, Figure 7.3-10 illustrates RWJUH's new clinical services that were initiated since 2000.

Figure 7.3-10 Start-Up Clinical Services initiated since 2000

Level II Nursery	Radiation oncology
Vascular lab	Full service cardiac cath lab
MRI	Stereotactic Breast Biopsy
Lithotripsy	Emergent angioplasty
Sleep center	Inpatient Dialysis
PET CT	IMRT

The ED is the community's "front door" to the hospital with over 70% of inpatient admissions initiated through the ED. Thus, ED performance excellence was selected as one of the facets of the three-pronged strategy. RWJUH implemented the "15/30" program in 1998 through a partnership with other RWJ Health Network hospitals. This program provides a service guarantee for patients to see a nurse within 15 minutes and a physician within 30 minutes. This program, combined with improvements in physician satisfaction

in ED services, resulted in a 100% growth in ED volume over six years. RWJUH's ED has taken a market lead over the four area hospitals with steadily rising volume over the last four years (Fig. 7.5-11). This leadership position has a direct relationship with our national benchmark results in patient satisfaction in the ED (Fig. 7.2-4). We project 2004 ED volume and market share to continue to lead the competition.

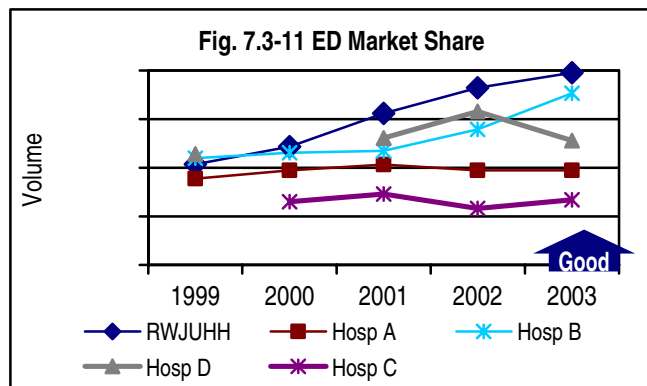
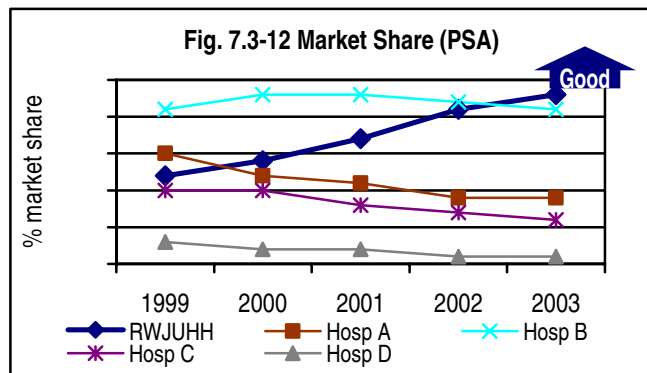
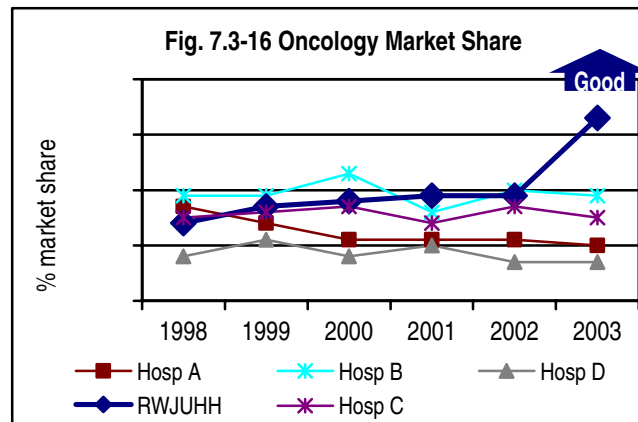
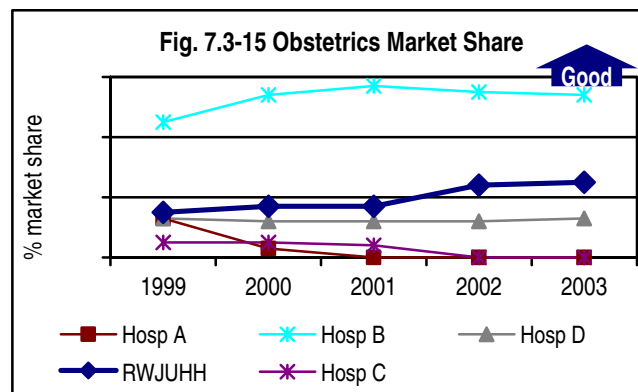
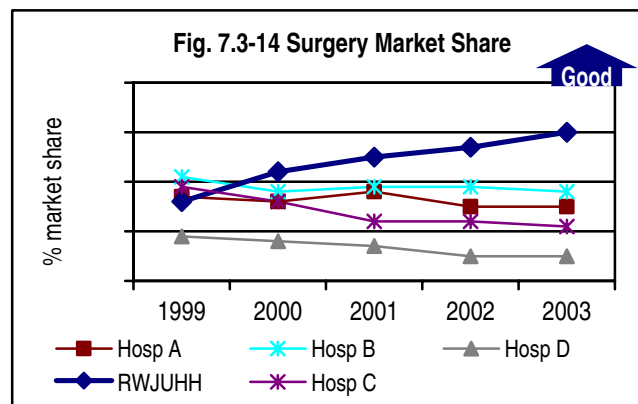
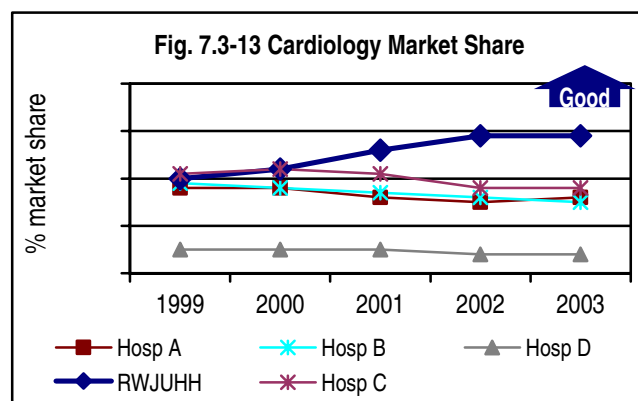
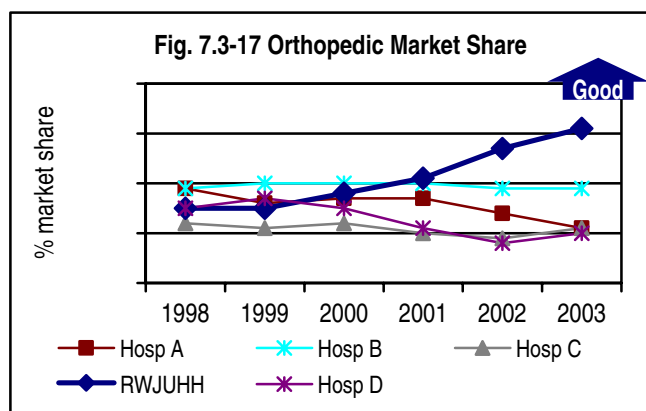


Figure 7.3-12, Market Share in the PSA (primary service area), illustrates RWJUH's movement from third to first place in the market from 1997 to 1999. RWJUH has continued this positive trend of over 100% growth during the same six year period, while all three major competitors experienced negative trends in this competitive environment. We project 2004 PSA market share growth to continue.

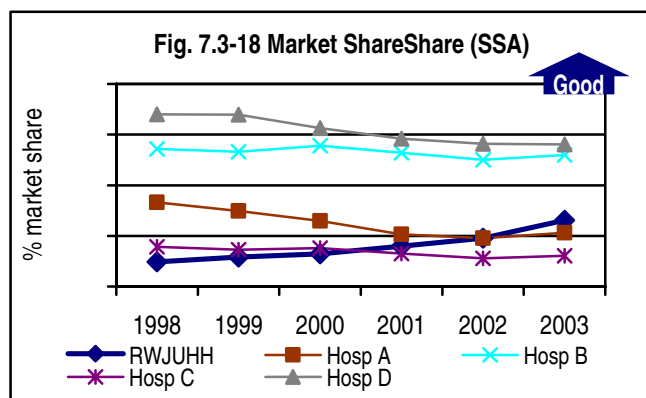


RWJUH is New Jersey's fastest growing hospital over the last five years. Complementing the ED, IP, and surgical volumes, RWJUH has experienced impressive product line growth. Figures 7.3-13 through 7.3-17 illustrate six year growth trends in each of the five key product lines: cardiac, ambulatory surgery, obstetrics, cancer, and orthopedic services. These product lines provide a solid foundation for continued market share growth and positioning. RWJUH strategies to achieve success in each of these product lines have focused on patient satisfaction and physician loyalty. In the Surgery and Orthopedic product lines, we also partnered with physicians to provide clinical quality, creating operational efficiencies and a total patient experience that exceeded what had been available in our Community.





In addition to market share growth in the PSA, RWJUHH also experienced growth in the (secondary service area) SSA as demonstrated in Figure 7.3-18. While this growth is at a slower pace than PSA, RWJUHH maintains a favorable trend in SSA market share growth while both the competitor with highest market share in our SSA, and the average of all competitors are experiencing declining trends over the last four years. This SSA growth is fueled by RWJUHH's continued expansion of community outreach and penetration strategies in the surrounding communities, and we project SSA market share to continue to grow in 2004.



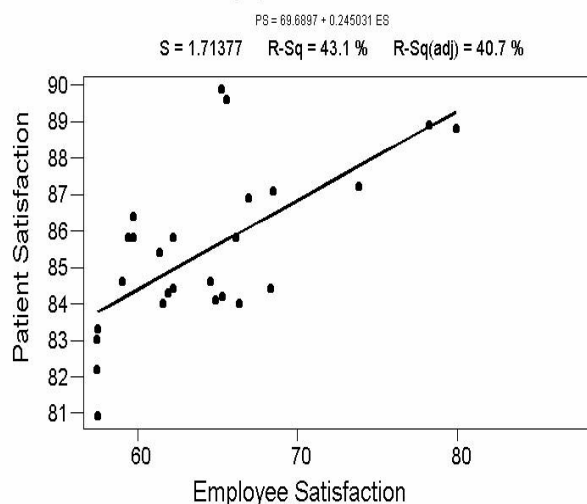
Staff and Work System Results

7.4a(1) Work System Performance:

Success in the People Pillar is fundamental in supporting the 3-pronged strategy noted in 7.1. Over the last four years, RWJUHH has explored the correlation between employee and patient satisfaction. We established goals to improve employee satisfaction and retention which, in turn, contributed to a positive impact on patient satisfaction (Fig. 7.4-1).

Figure 7.4-1

Correlation between Employee Satisfaction and Patient Satisfaction



RWJUHH focuses on maintaining an adequate number of RNs to support optimum staffing levels and to maintain overall employee and patient satisfaction (Fig. 7.4-2 & Fig. 7.4-3).

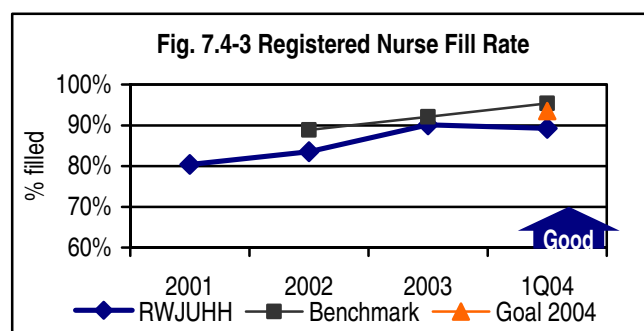
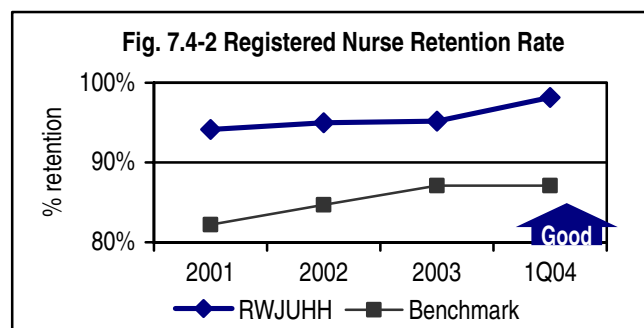
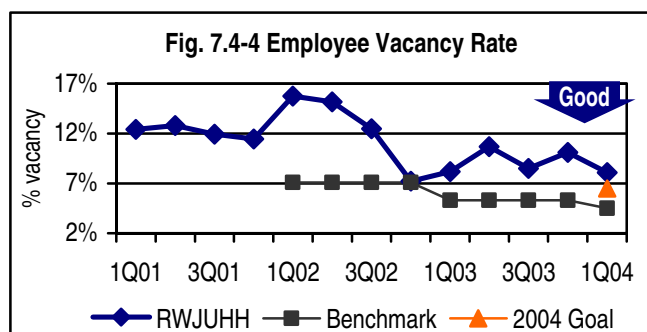
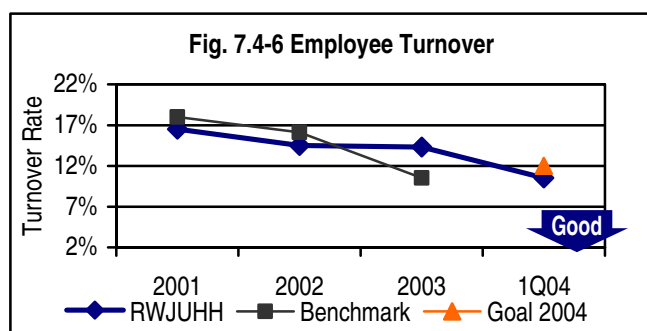
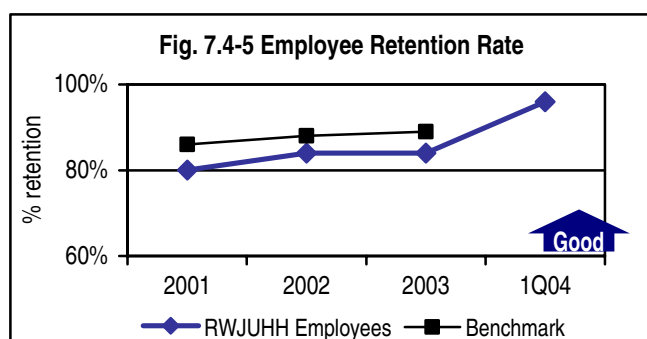


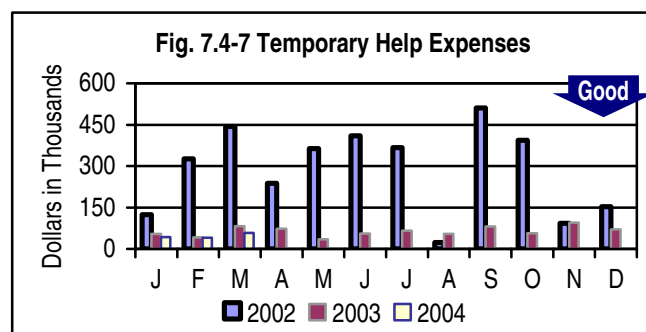
Figure 7.4-4 reflects open positions as a percent of approved positions. During 2002, the increase was caused by significant growth in all services and the creation of new positions to support the opening of 52 new beds. Significant reductions were achieved over the past 2 years despite creating 104 new positions since the beginning of 2003.



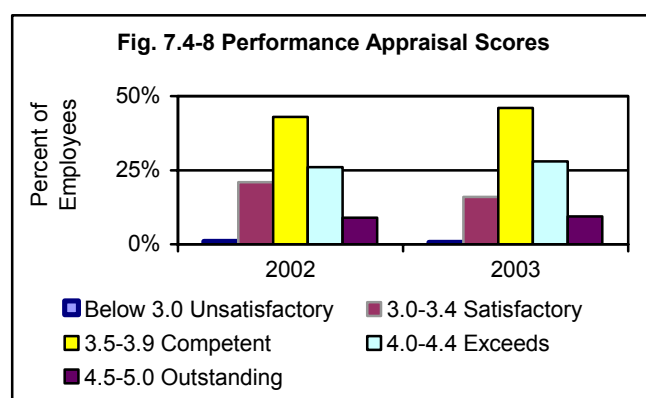
In a competitive market, retaining top talent is essential to providing quality services. RWJUHH focuses on retaining high employee retention and low employee turnover. Figures 7.4-5 & Fig. 7.4-6 show favorable trends over the past 3 years demonstrating the effectiveness of the **5-Star** Retention and Satisfaction Process.



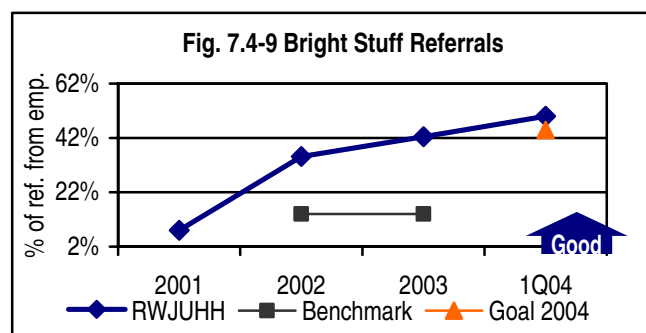
In 2002, rapid growth in IP volume resulted in a peak in the temporary help expenses due to the creation of new positions. Improved employee retention rates resulted in an 80% reduction in average monthly temporary help expenses from 2002 to 2003, and has been sustained in 1Q04 (Fig. 7.4-7). RWJUHH strives to minimize temporary help expenses to maintain organizational flexibility while managing expenses.



Each employee receives an annual performance appraisal to provide individual feedback. Employees receiving a satisfactory score (Fig. 7.4-8) or higher receive merit increases while those receiving unsatisfactory scores are placed on a performance improvement plan to increase performance.



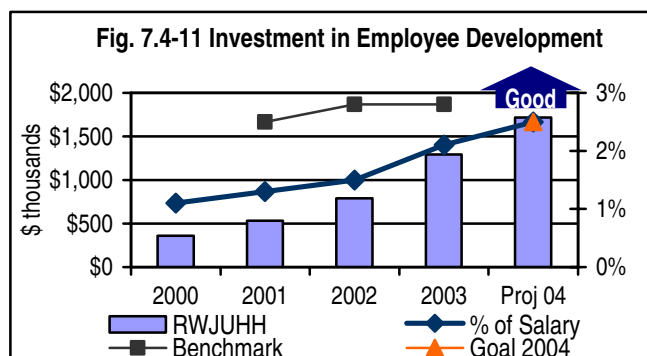
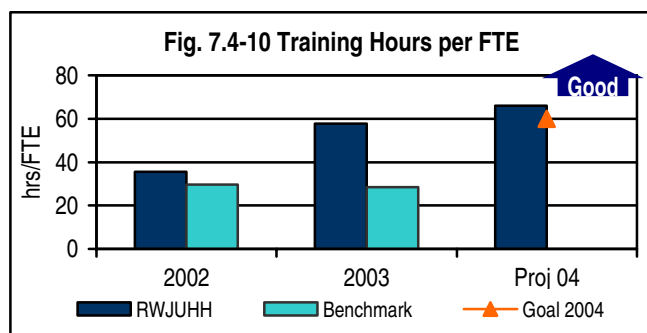
Internal data analysis indicates that new employees referred by current employees, have lower 90-day turnover rates than others resulting in lower overall turnover. To leverage this finding, we initiated the Bright Stuff program. Internal referrals for employment have increased 80% in the period of 2001 to 2003, and continue to surpass the benchmark (Fig. 7.4-9).



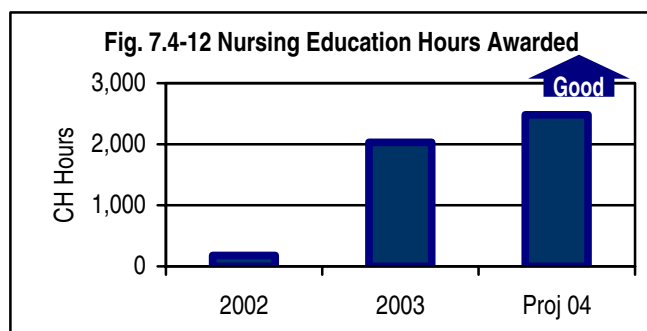
7.4a(2) Staff Learning and Development:

Figures 7.4-10 & 7.4-11 show continued growth in training hours per FTE and investment in employee development as percent of payroll. Over the past 3 years, RWJUHH has increased the amount of training provided to each employee at a pace greater than the increase in total investment demonstrating the efficiency in the overall development training process. Efficiency is achieved by

leveraging internal resources such as the use of internal speakers at the quarterly IoE.

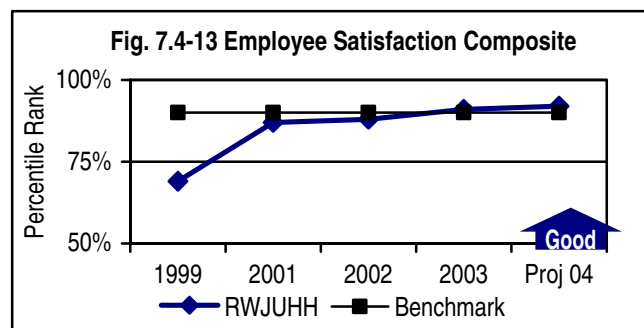


In 2002, RWJUH became an approved provider of nursing continuing education through the NJ State Nurses Association. Figure 7.4-12 demonstrates the number of continuing nursing education hours awarded to our nursing staff.

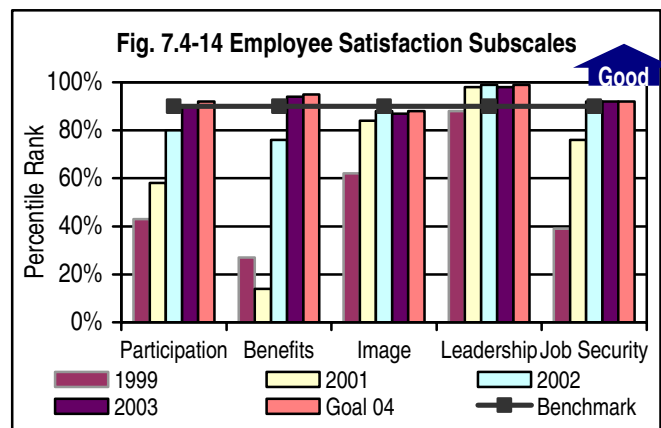


7.4a(3) Staff well-being, satisfaction and dissatisfaction:

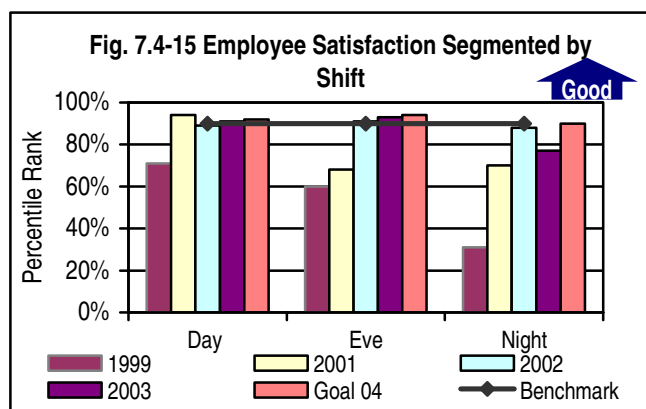
Employee satisfaction is surveyed annually through Press, Ganey (Fig. 7.4-13). Composite score sub-scales are segmented by shift, position and department, and priority indices are provided to highlight any differences in priorities by employee group.



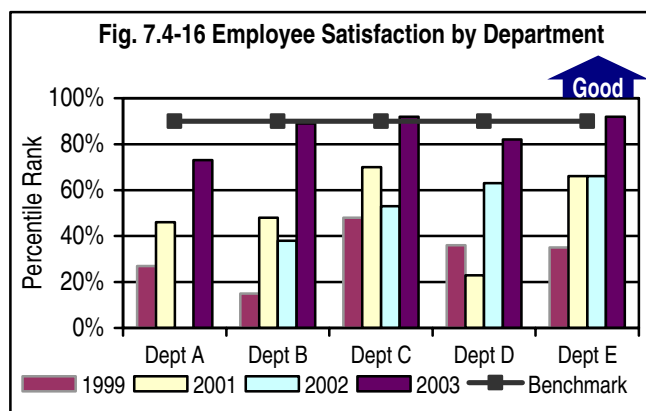
Through the survey process, key drivers of overall employee satisfaction are determined and specific action plans are implemented to increase satisfaction in these areas. The Participation Subscale measures employee satisfaction with participating in decisions, which has increased 52%. Benefits, a key component of our recruitment and retention strategy has risen 85%. The Image Subscale indicates employee pride in the hospital including whether an employee would recommend RWJUH services to friends or family. Our culture of service excellence and effective communication is measured in the Leadership Subscale while the Job Security Subscale measures the employee's feeling of the organizations commitment to each employee. We have achieved a positive trend in each of these Subscales contributing to sustained achievement of the CSF of being an Outstanding Employer.



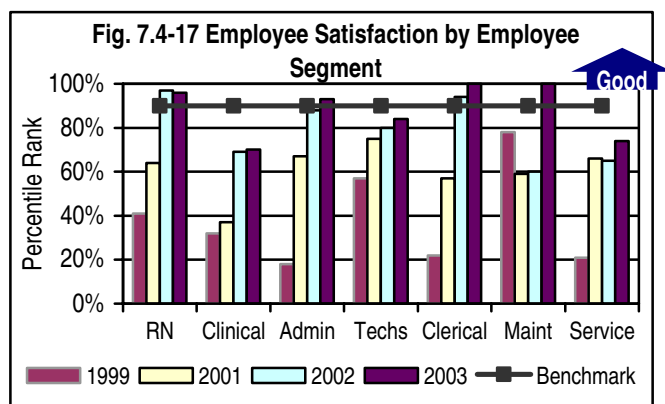
Employee satisfaction composite percentiles are segmented by shift in order to capture the specific needs particular to each group (Fig. 7.4-15). Over the past 5 years we focused on improving satisfaction on the evening and night shifts, implementing such programs as enhanced benefits, flexible work hours, increased employee communications, and leader rounding.



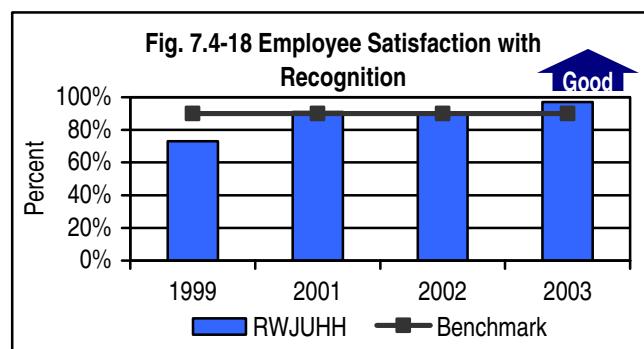
Segmenting Employee Satisfaction by Department allows us to focus on unique issues at the departmental level. Figure 7.4-16 reflects the use of this data by specific departments to improve their overall employee satisfaction.



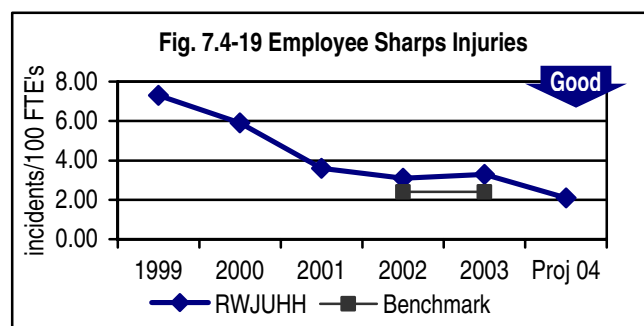
RWJUH recognizes that various employee segments have different needs relative to satisfaction. By focusing on satisfaction by employee segment, leaders develop strategies targeted at specific employee groups. Figure 7.4-17 demonstrates improvement in overall employee satisfaction across all employee segments.



Satisfaction with Reward and Recognition is a key driver of maintaining staff motivation. For example, a Recognition Bonus program was implemented for RN staff to provide rewards for continued professional development and community volunteer activities. Employee Satisfaction with Recognition is currently at the 97th percentile (Fig. 7.4-18).



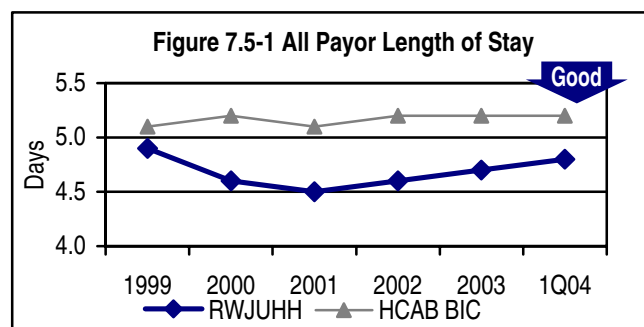
Employee satisfaction and morale is further enhanced through the promotion of a safe work environment. RWJUH has experienced a favorable trend over the past five years in reducing sharps injuries (Figs. 7.4-19), a significant safety risk in an acute care environment.

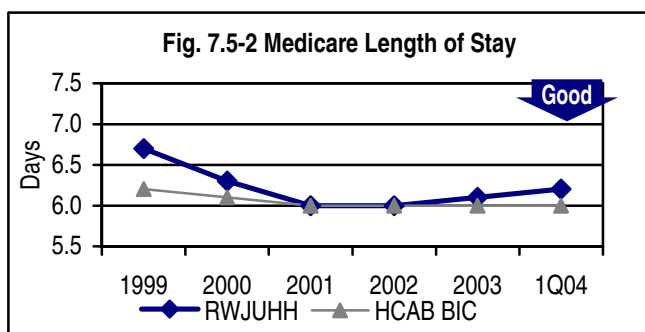


7.5 Organizational Effectiveness Results

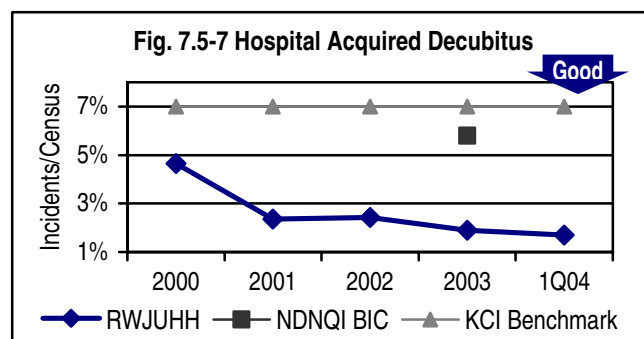
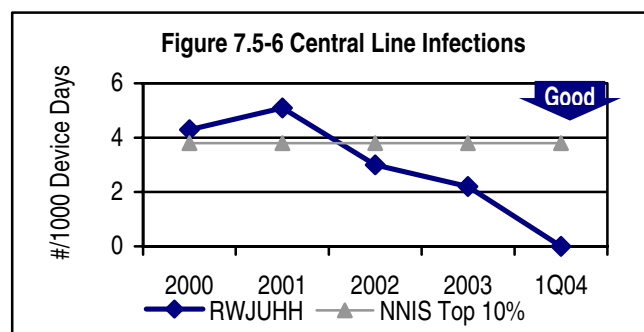
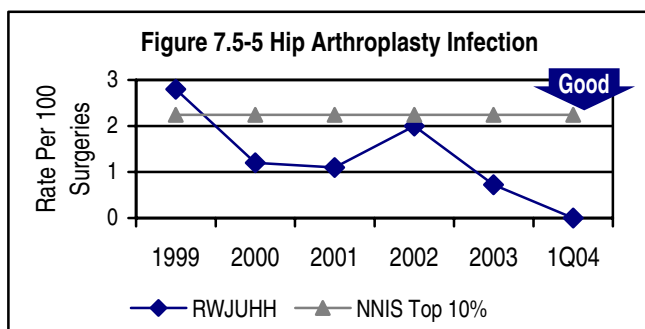
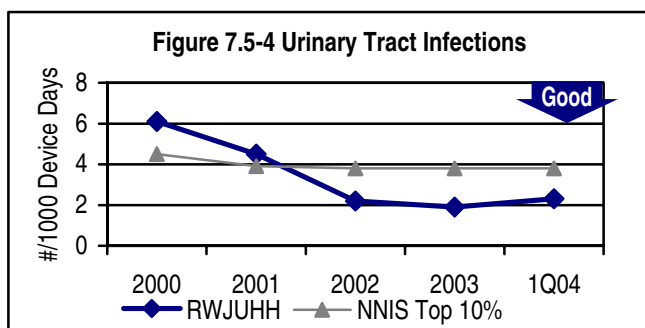
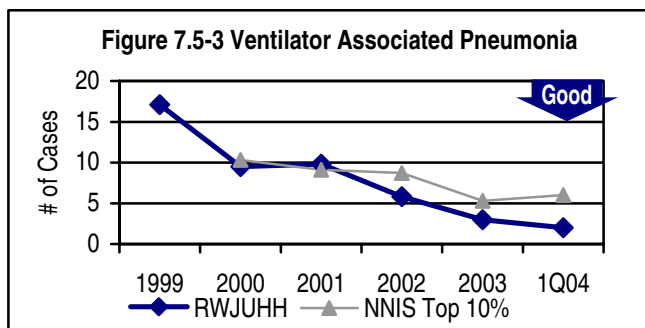
7.5a(1) Health care process performance:

RWJUH outperforms the HCAB BIC and is within the top 10% of NJ hospitals. Noting an unfavorable trend, the EMT partnered with experts to achieve Best of State. We have implemented one-to-one meetings with the 15 outlier physicians, aggressive denial management, ED case management, nursing home collaboration, and daily multidisciplinary unit-based rounds. Our 1Q04 results are better than prior year, and based on preliminary 2Q04 data, we are projecting to meet our 2004 goal in All Payor LOS and Medicare LOS (Figs. 7.5-1 and 7.5-2).



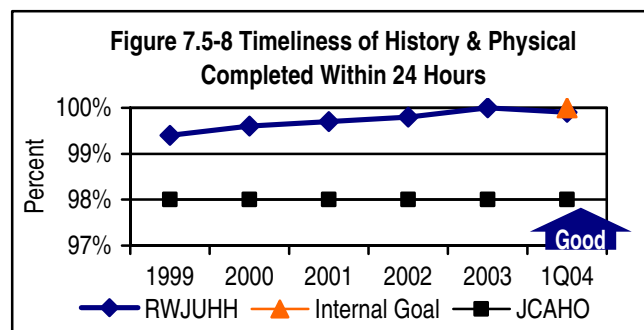


Figures 7.5-3 through 7.5-7 represent in-process measures of reducing VAP, UTI, surgical Infections, central line infections and hospital acquired decubitus. RWJUH's target is to perform within the top 10% of organizations as reported by the NNIS. As a result of multidisciplinary teams, utilizing research, evidence-based practices and PDCA approach, we have maintained a positive performance trend since 1999, and have achieved our target since 2002. Through continued efforts, we strive to achieve our internal goal of zero infection incidents.

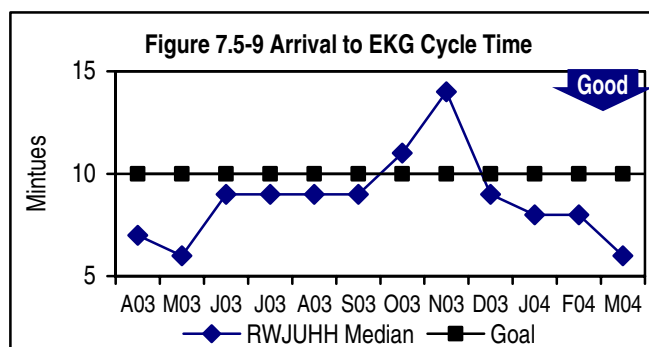


Figures 7.5-8 & 7.5-9 depict in-process measures of effectiveness for our key health process of patient assessment. Timely interdisciplinary assessment and development of an effective plan of care lead to improved patient outcomes. The assessment is completed by the RN immediately upon patient arrival to the department. Screening for multidisciplinary needs take place during the initial RN assessment, and referrals are sent to the appropriate discipline based on pre-determined criteria. Hospital Licensing Standards states patients determined to be at nutritional risk shall be assessed by a registered dietician within 72 hours of admission. We have established and met an internal goal of 24 hours for completion of dietary assessment.

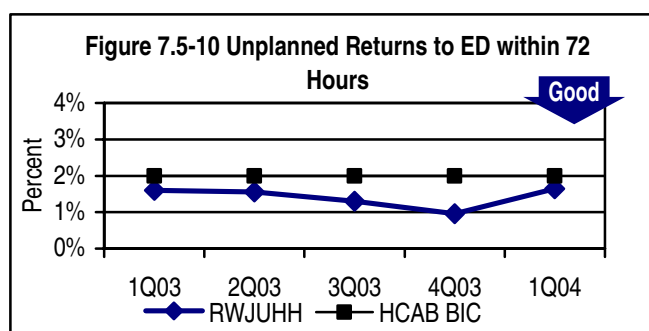
JCAHO requires an H&P to be completed by the physician within 24 hours 98% of the time. Our internal goal is 24 hours completion 100% of the time.



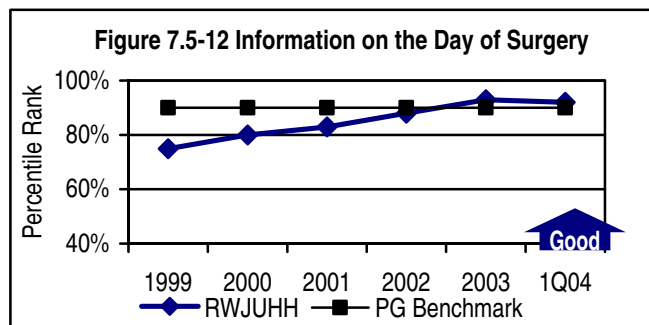
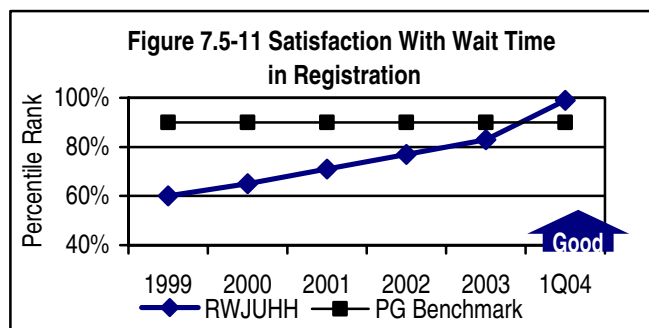
Utilizing PDCA, a multidisciplinary team implemented a chest pain protocol and redesigned the triage process to decrease variance and establish consistency in obtaining EKG's upon arrival in the ED (Fig. 7.5-9). The team presented this improvement project at the National Best Practice Sharing Conference of the Emergency Physician Associates in May 2004, and will present at NJPRO in June.



In addition to mortality rates, we evaluate ED clinical effectiveness by analyzing the percentage of unplanned returns to the ED within 72 hours. The ED Medical Director reviews and analyzes unplanned returns, identifies opportunities, and implements action plans based on that assessment.



Figures 7.5-11 & 7.5-12 illustrate overall favorable trends in two key indicators of the OP health care delivery process. Declining scores in the overall OP satisfaction resulted in mobilization of an inter-departmental improvement team, which established POS registration and improved scheduling through innovative use of technology that led to increased patient satisfaction.



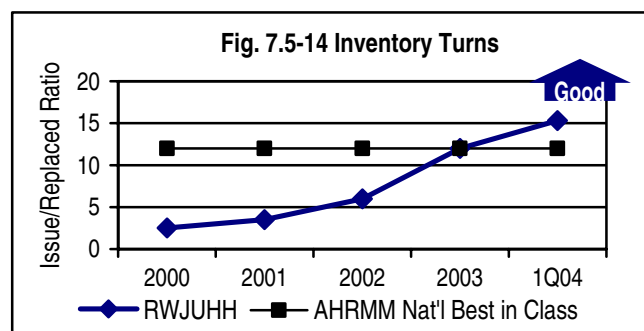
7.5a(2) Support process performance: The Supplier Report Card is a management tool that identifies strategic business and customer service indicators (Fig. 7.5-13), and tracks progress at-a-glance using the traffic light format. RWJUH's performance requirements for suppliers are quality, cost and timely delivery. We meet quarterly with vendors to discuss reports, review areas of strength, opportunity for improvement, and to develop action plans. As indicated by their Supplier Report Card rating, Supplier 5, has not met performance expectations for the last two quarters. Due to the exclusivity of their contract and the importance of delivery, we have issued an RFP to select a new vendor.

Figure 7.5-13 Supplier Report Card

Indicator	Q103	Q203	Q303	Q403	Q104
Supplier 1					
Service	Green	Yellow	Green	Green	Green
Price	Green	Yellow	Green	Green	Green
Quality	Yellow	Yellow	Green	Green	Green
Supplier 2					
Service	Yellow	Yellow	Yellow	Green	Green
Price	Yellow	Yellow	Yellow	Green	Green
Quality	Yellow	Yellow	Yellow	Green	Green
Supplier 3					
Service	Yellow	Yellow	Yellow	Yellow	Green
Price	Red	Red	Red	Yellow	Green
Quality	Yellow	Yellow	Yellow	Yellow	Yellow
Supplier 4					
Service	Yellow	Green	Green	Green	Green
Price	Green	Green	Green	Green	Green
Quality	Green	Green	Green	Green	Green
Supplier 5					
Service	Green	Green	Green	Red	Red
Price	Green	Green	Green	Red	Red
Quality	Green	Green	Green	Red	Red

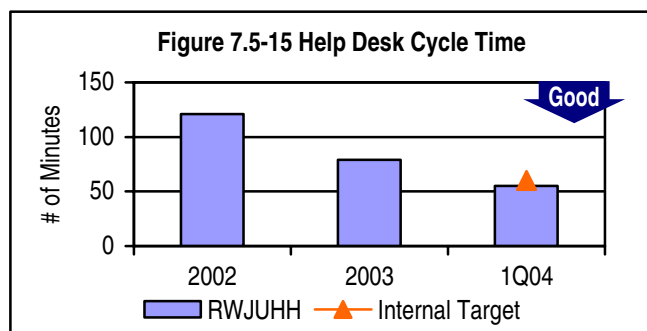
Expectation Legend: Green 3.5 to 4; Yellow <3.5; Red <3

Inventory Turns is a ratio of how many times inventory is issued and replaced over an established period of time. Higher turns of inventory positively affect both cash flow and profit. Our results have significantly improved due to a reduction of shelf inventory through ongoing analysis of customer needs. We are currently performing better than the best practice from the Association for Healthcare Resource & Materials Mgmt (AHRMM).

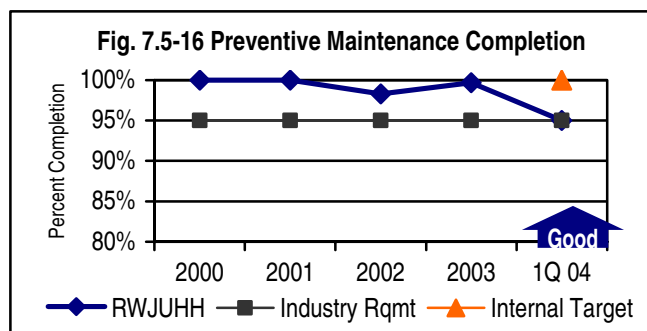


Physicians and employees rely on mature technology systems as a source of timely, accurate information. The IT Dept serves internal

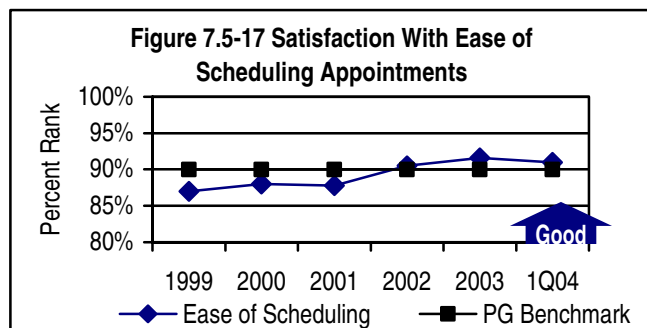
customers through a Help Desk (Fig. 7.5-15), providing courteous, timely resolution to questions and issues. Our internal target has been established based on customer feedback and requirements. We have seen a significant improvement in the response time since we implemented technology to automate the process. In addition, as measured by the Gallup Organization, physicians responded, "very satisfied with technology," and the community ranked RWJUH first place in 2000 and 2002 for advanced state-of-the-art technology & equipment.



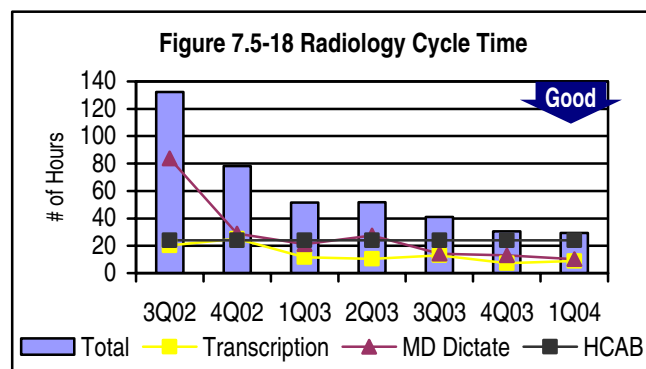
The clinical engineering dept. conducts preventative maintenance evaluations on all clinical equipment and reports findings to the Safety Committee. Our internal goal is 100% completion. To reduce cost and improve services, we transitioned from a contracted service to an internal operation. We have seen a slight decrease in our PM completion rate as a result of transitioning from an automated to a manual scheduling system (Fig. 7.5-16). We project our 2004 results to be back on target once the automated schedule resumes.



RWJUH initiated an improvement team to develop a new process for automated central scheduling and pre-registration in 2002. As a result of process redesign, technology implementation and employee scripting, abandon rate decreased 82%, average call time decreased from 3.5 to one minute. Since implementation, cycle times have improved and satisfaction of our key customer group has increased.



RWJUH improved cycle time for radiology tests through digital technology (Fig. 7.5-18). The implementation of PACS improved total radiology turnaround time 67% in less than one year, with additional improvements realized in transcription and physician dictation time- key components of total cycle time. We have adopted the new HCAB best-in-class standard (exam completed to results reported) as a target for radiology turnaround time. Current performance reflects significant improvement over prior years and is approaching the national BIC of 24 hours.



7.5a(3) Organizational strategy and action plans:

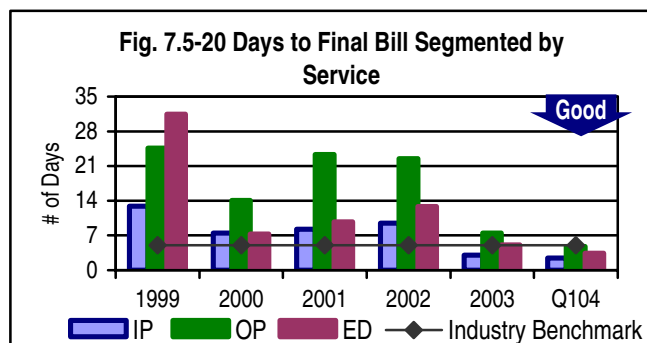
Physician report cards are management tools that identify strategic healthcare and customer service indicators. Report card results are reviewed during quarterly RWJUH and physician meetings to identify areas of strength, opportunities for improvement, and develop action plans. Red and yellow areas are discussed and modifications made to improve. Within Physician Partner 2, we are discussing the elimination of the exclusive contract, and determining if we will allow other pain management credentialed physicians of the Medical Staff to provide these services. Patient satisfaction with ED physicians dipped below the 85th percentile in 4Q03, triggering an ED action plan leading to improved scores in 1Q04. Projections for 2Q04 are anticipated greater than 90th percentile.

Figure 7.5-19 Physician Partner Performance

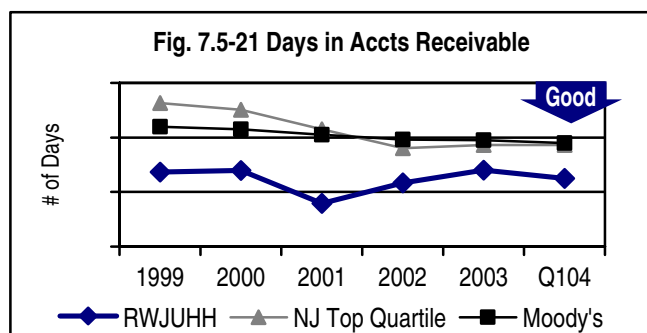
Indicator	1Q03	2Q03	3Q03	4Q03	1Q04
Physician Partner 1					
TAT Radiology	Green	Green	Green	Green	Green
Mammography	Green	Green	Green	Green	Green
Physician Partner 2					
SIP 1	Green	Green	Green	Green	Green
Pain Control	Red	Green	Green	Green	Red
Patient Satisfaction	Green	Green	Green	Green	Green
Physician Partner 3					
Quality of Care	Green	Green	Green	Green	Green
Patient Satisfaction	Green	Green	Green	Red	Green
Physician Partner 4					
Blood Transfusion	Red	Green	Green	Green	Green
Surgical Pathology	Green	Green	Green	Green	Green
Expectation Legend: Green >90; Yellow <90; Red <85					

DNFB is a leading indicator of the revenue cycle, measuring how long it takes to submit a claim for payment (Fig. 7.5-20). Leaders identified a significant lag in claim submission time compared to

industry norms, and by 1999, achieved the industry average rate. In 2002, RWJUH selected this initiative as its first Six Sigma project. The team decreased steps and reduced variability in the process to take performance **to a higher standard**. In 2003, RWJUH exceeded the industry benchmark with performance at less than three days, increasing cash flow.



Days in Accounts Receivable is a leading indicator of the revenue cycle, measuring RWJUH's cycle time to collect on a patient bill (Fig. 7.5-21). We have sustained excellent performance by utilizing a metric-driven tool at monthly account receivable meetings to trend and categorize indicators that warrant further investigation. RWJUH's Days in A/R compares favorably in each of the last six years to Moody's Median for "A" rated debt.



7.6 Governance and Social Responsibility Results

7.6a(1-3) Fiscal accountability; Ethical Behavior and Stakeholder Trust; Accreditation, Regulatory and Legal Compliance

To assure fiscal responsibility, RWJUH engages a large, international accounting firm annually for external audits. Since 1997, these external audits have been free of Management Recommendations. The Finance, HR and Audit Committee receives a formal presentation of the external audit report each year, and spends time with the auditors without management in the room. Internal audit is done to ensure effectiveness of the internal controls as well as compliance with policies and procedures. The results of our internal audit of financial and operational processes, conducted annually are presented to the Chair and Vice-Chair of the Finance, HR and Audit Committee, then the CEO and the entire Committee. Further, there are no unresolved audit issues relating to audits reported annually by third party payers such as Medicare and Medicaid.

RWJUH is an early adopter of the Sarbanes-Oxley Act recommendations, going over and above the regulatory

requirements for a not-for-profit hospital. Actions taken included revising the incentive compensation plan to void and require senior leaders' payback bonuses, if paid, based on misleading financial and operating results. Every member of the BoT, EMT, SLT and MT is required annually to attest that they have read and understood RWJUH's Code of Business and Ethical Behavior Policy and complete a corporate compliance questionnaire. 100% of RWJUH's leaders have responded to the compliance questionnaire. A summary of the issues self-disclosed are presented to the Executive Committee of the BoT. Figure 7.6-1 shows RWJUH's results for public responsibility and ethics measures. RWJUH has received full accreditation from every appropriate accrediting body, experienced no compliance or ethics violations, and fully-trained all employees on compliance and ethics requirements.



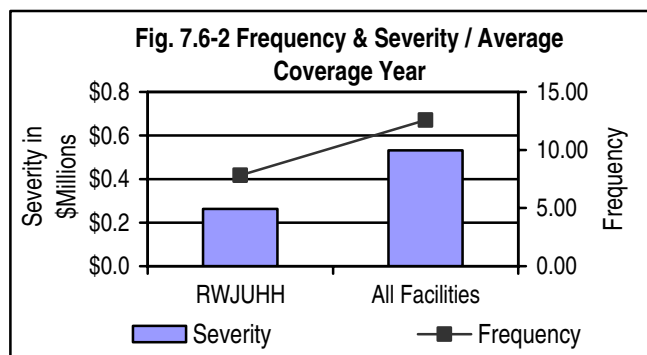
RWJUH received the "Gold Seal" of Approval from JCAHO for compliance with standards as evidenced by the results in Figures 7.6-1. In addition to the high score, JCAHO has not identified any Type I deficiencies in the last two surveys. Both results represent a positive trend in meeting regulatory requirements and exceeding industry comparisons.

Figure 7.6-1 Public Responsibility & Ethics Measures

Process	Measures	Results
Corp Compliance & Ethical Behavior	1) % of empl. trained;	100%
Care Delivery – Implementation	Safe Medication Delivery	> 90% of medication incident reports have intervention
JCAHO Accreditation Process	JCAHO Accreditation	Full accreditation
CAP	Accreditation	Full accreditation with distinction
CMS 7 th Scope of Work	Conditions of Participation	Full participation
Commission on Cancer/ACoS	Center Designation	Community cancer center designation
Internal and External Audit	Recommendations	Full compliance, no recommendations
Radiation Safety	Licensure	Full licensure
Licensure	% of staff. licensed	100%
Risk Management	1) Patient restraints 2) Patient Falls 3) Workers Comp. Claims	1) 9/1000 pt days 2) 2.87% 3) 36% ≤ expected

Through early identification and management of risk and positive patient relations, the hospital has been able to minimize lawsuits and insurance claims. Based on the most recent 5-year claim experience compared to other Princeton Insurance Company-insured healthcare facilities, the severity of RWJUH's professional

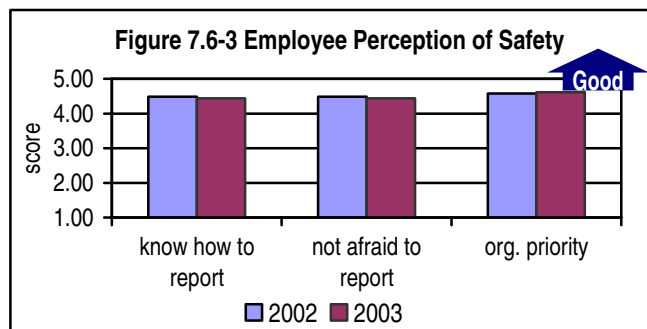
liability claims per 1000 patient encounters was 50% less than the average, and the frequency of claims was 38% less than the average.



RWJUH's alliance with other Network hospital's in the creation of the off-shore captive insurance company, reduced our insurance costs by \$750,000 in 2003, and about \$3 million savings is anticipated in 2004 (based on insurance premium increases experienced by other NJ hospitals). RWJUH has managed our workers' compensation costs with similar effectiveness - they are 36% below expected rates for organizations in our industry and of our size. Our rates rank 12th best out of 192 NJ healthcare providers.

RWJUH's early adoption of public disclosure of healthcare quality data is evidenced by voluntary participation in both the Leapfrog Quality Initiative and AHA NVHRI reporting of quality data (Fig. 7.1-8). These results along with our *Quality Report to the Community*, which is readily available on our website, communicate RWJUH's commitment to evidence-based medicine and social responsibility.

RWJUH conducts surveys at each quarterly employee forum. Survey results demonstrate employee perception of patient safety and their rating of how important patient safety is to the hospital (Fig. 7.6-3).

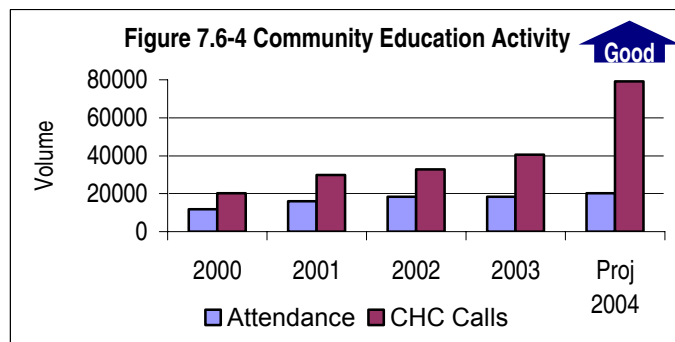


The Gallup Community Survey results (Figs. 7.2-14 & Fig. 7.2-15) demonstrate the increase in our community's trust in RWJUH and our governance over time. We are trusted to respond to patient and community needs, have the right technology, and professional staff.

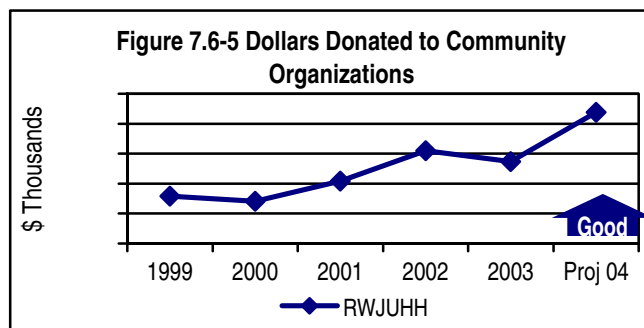
7.6a(4) Organizational citizenship and community support:

One arm of the organization's 3-pronged strategy is to provide community outreach and health promotion. Organizational resources dedicated to community education increased for 2004. Fig. 7.6-4 illustrates the number of calls to the Community Health

Connection (CHC) call center, and attendance at community education programs. The high levels of satisfaction our community programs have maintained are shown in Fig. 7.2-16. RWJUH provides health screening to over 900 community residents on average per month, both on campus and throughout the community. We provide health education at schools, senior centers, churches and community events.



Early in 1999, RWJUH initiated The Hamilton Community Coalition (HCC), a task force of all public health, education and community organizations to improve the health of our community. Through a survey of coalition members, it was determined that the health needs of children would be the first priority. In response, RWJUH financed the first ever survey of all 7th and 10th graders in Hamilton Township public and parochial schools to assess the health assets of the children. Subcommittees of the HCC are working to improve health assets identified in the survey and will reassess the children in 2004. RWJUH also provides funding to local and community organizations, youth groups and health associations. Figure 7.6-5 demonstrates our continued financial commitment to community programs.



Financial assistance is also provided to patients who have difficulty paying for their health care. Figure 7.6-6, Charity Care Dollars, reflects our continued and increasing commitment to providing healthcare regardless of the patient's ability to pay. Charity Care is the amount of money associated with services that are provided free of charge or at a reduced rate. Throughout the U.S., the number of individuals without health insurance or underinsured continues to rise in the communities we serve.

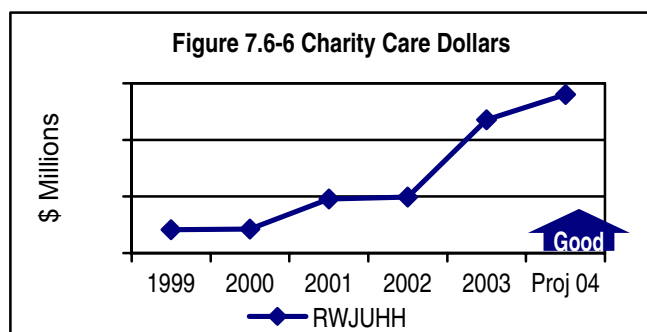
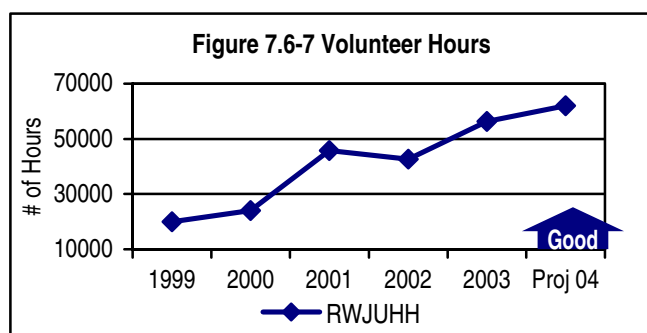


Figure 7.6-7, Volunteer Hours, reflects the community's connection with the hospital through their generosity of service hours. RWJUH provides an environment for community members to contribute to the hospital, including a program for the mentally and physically challenged.



RWJUH is extremely generous with our time and talents within our community. Hospital leaders and employees serve on eighty-eight community boards. In addition, the hospital staff serves meals at the Trenton Area Soup Kitchen one day a month. And finally, in 2003, the hospital family raised nearly \$100,000 for the American Heart Association Walk, the March of Dimes Walk, and the Hamilton Township Adopt-a-Family Program.

RWJUH's organizational excellence has earned recognition at the local, state, and national levels (Fig. 7.6-8).

Figure 7.6-8 RWJUH Awards and Recognition

Year	Award	Sponsor
2003 N	Most Wired Award	Hospital and Health Networks
2003 N	Corporate Recognition Award for Nursing Excellence	NJ League for Nursing
2003 S	Employer of Choice Award	The Garden State Council for SHRM
2003 S	Governors Award for Performance Excellence – Bronze (Network)	Quality New Jersey
2003 L	Employer of the Year Award	Mercer Co. Workforce Investment Board
2002 N	Success Story Award	Press, Ganey
2002 S	Excellence Award	PRONJ
2002 N	Most Wired, Most Wireless, Most Improved Awards	Hospital and Health Networks
2002 N	eHealth Leadership Award – Best Intranet Site	eHealthcare Strategies and Trends
2001 S	Governors Award for Performance Excellence, Gold	Quality New Jersey
2001 L	Corporation of the Year	Mercer Co. Chamber of Commerce
2000 S	Outstanding Employer of the Year	NJBIA

Legend: N – National S – State L – Local

5-Pillars - The 5-Pillars of Excellence: People, Service, Quality Finance and Growth. Used for organizing, aligning and balancing the organizational focus

5-Star Service Standards – Behaviors expected of all employees as part of a culture of excellence: a sense of ownership; commitment to customers; commitment to co-workers; courtesy and etiquette; appearance; communication; privacy; and safety awareness

15/30 – ED Service Commitment for timely physician assessment

ACoS – American College of Surgeons, an accrediting entity

Acute Care – services provided to patients in a hospital based on the orders of a physician during an acute episode of illness or injury

AHA – American Hospital Association

AHA NVHRI – AHA's National Voluntary Hospital Reporting Initiative

ALOS – Average length of stay

Ambulatory Surgery –Surgical procedure performed without an overnight stay at the hospital, also known as Same Day Surgery; one of the patient groups

AOC – Administrator-on-Call

ASA – Aspirin, medication recommended to assist in the prevention of heart attack (Acetylsalicylic Acid)

AVP – Assistant Vice President, member of the Senior Leadership Team

BB – Beta Blocker, a cardiac drug category

BIC – Best-in-class

BIO-ID – security system that uses biological identification (fingerprint) as a means to prevent unauthorized access to medications

BoT – Board of Trustees

Bright Stuff – a recruitment and retention program that gives a cash bonus to employees who refer an applicant that completes at least six months of employment

BSC – Balanced Scorecard

CII Safe – software product that provides real-time audit capabilities for controlled substances.

CAB – Community Advisory Board

Canopy – Concurrent Case Management Software

CAP – Community Acquired Pneumonia

Cause-Effect – Analysis that assists in the determination of contributing factors of an end result.

CCO - Corporate Compliance Officer

CDC – Center for Disease Control

CEC – Community Education Center

Center for Health – a source of health related information, support, diagnostics, treatment, prevention, wellness and education.

CEO – Chief Executive Officer, member of the Executive Management Team and the Board of Trustees

CFO – Chief Financial Officer, member of the Executive Management Team

CHC – Community Health Connection call center

CHF – Congestive Heart Failure

CHIP – Community Health Improvement Process

CHW – RWJUHH Center for Health & Wellness

CINJ – Cancer Institute of New Jersey at Hamilton

CME – Continuing Medical Education

CMS – Centers for Medicare and Medicaid Services

CNE – Chief Nursing Executive

CNO – Chief Nursing Officer, Member of the Executive Management Team

Community – the area surrounding the hospital that is within its reach for health information, services and support

Complementary and Alternative Medicine - treatment modalities that incorporate healing of the mind and spirit with physical modalities

COO – Chief Operating Officer, member of the Executive Management Team

CPOE – Computerized Physician Order Entry

CSF – Critical Success Factor, areas of focus that are vital to the organization's competitive success

CT Scan – Computer Tomography Scanning; digital images of "slices" of the human body

CTB – Change the Business, objectives and associated indicators that strategically change how hospital operations are addressed and improved

D/BSC – Dashboard/Balanced Scorecard

Decubitus – a bed sore resulting from lying in one position too long

D/C – discharge, termination of the patient's admission

Densitometry – radiologic study that tests the density of the bones

DMAIC – Define-Measure-Analyze-Improve-Control, methodology used in Six Sigma improvement

DNFB – Discharged not final billed, measured by Days to Final Bill, is the lapse of time between patient discharge from the hospital and bill submission

E3 – Engage Every Employee

EAP – Employee Assistance Program

ED – Emergency Department, also known as Emergency Room; one of the patient groups

EDI – Electronic Data Interchange, a timely, cost effective and accurate means of ordering from suppliers through computer

EEOC – Equal Employment Opportunity Commission

EKG - electrocardiogram

EMT – Executive Management Team, comprised of the CEO, CFO, COO, CNO, VPHR, and VPD

EMTALA – Emergency Medical Treatment and Labor Act

EPSi – Electronic cost accounting, capital and operating budget and financial management software

ESC – Employee Satisfaction Committee

e-Centaurus – electronic Customer Relationship Management software used by the call center

EPA – Environmental Protection Agency

ETS – Excellence Through Service, the hospital's abbreviated mission statement

ETS Leadership System – the hospital's leadership system providing direction, action, evaluation and improvement.

Excellence – a superior level of performance compared to competitors and national benchmarks

FAST – Financial Analysis and Statistical Trends tabulation by the NJ Hospital Association

FLSA – Federal Labor Standards Act

FMEA – Failure modes and effects analysis, a tool used to proactively identify where a process can breakdown and develop action plans to avoid and intercept those situations

FTE - Full time equivalent

Gallup – The Gallup Organization, a national company that conducts the hospital's physician and community satisfaction surveys.

Gap Analysis – a tool used to identify the variance between optimal and actual performance

Goals – measurable targets set for the organization and hospital leaders aligned with the Strategic Positioning Plan

H&P –History and Physical

HCAB – Health Care Advisory Board

HCC – Hamilton Community Coalition

HealthGrades – a national organization that measures and reports hospital performance based on normalizing calculations

Hedgehog Principle – an analysis tool used in the Strategic Planning Process, displayed in a Venn diagram to determine the overlap between what we do best, what drives our economic engine and what we are passionate about

HIPAA – Health Insurance Portability and Accountability Act

HR – Human Resources

HRIS – Human Resource Information System

IBEX – Emergency Department electronic information system

ICU – Intensive Care Unit

IHI – Institute for Healthcare Improvement

IMPACT Network – a national collaborative organized by the IHI with 5 key improvement domains

IMRT - A type of three-dimensional radiation therapy that uses computer-generated images to match radiation to the size and shape of a tumor

InfoEdge – Press,Ganey online aggregate patient satisfaction data

InfoTurn – Press,Ganey scanned surveys available online

Inpatient – patient's who are admitted to the hospital for treatment; one of the patient groups

IoE – Institute of Excellence, a quarterly educational session for the hospital leadership and their successors focusing on one or two of the 5-Pillars each quarter

IOM – Institute of Medicine, published the 1999 patient safety report

IT – Information Technology

ITEN – Information Technology Enterprise Network, the hospital's network of clinical, operational, financial and communication systems.

JCAHO – Joint Commission on Accreditation of Healthcare Organizations

KCI – Kimberly Clark, Inc, a national company providing benchmarks for hospital acquired decubitus

Kirkpatrick Model - model of evaluation. Four levels of evaluation are applied in this model: 1) program reaction, 2) knowledge confirmation, 3) application of skills after the program, and 4) impact of training on organizational effectiveness

KPI – Key Performance Indicator, high level measures reviewed by hospital leaders to improve performance, many of which are on the Balanced Scorecard

Leapfrog – a group of large employers who established standards of safe practice for hospitals

LOS – Length of Stay

Medical Staff – physicians that have privileges to provide services to patients at the hospital. Members have delineated privileges that allow them to provide care within the scope of their license.

MHAQIP – Maryland Hospital Association Quality Improvement Project, a national comparative database for clinical operations

MI – myocardial infarction, heart attack

Mortality Rate – measures the death rate based on statistical factors that would affect the risk of death including gender, age, ethnicity and others.

MRI – Magnetic Resonance Imaging, a radiologic test that uses magnetic waves to detect abnormalities in the body

MSA – Measurement System Analysis

MT – Management Team, comprised of department directors and managers

MVV – Mission, Vision and Values

Neonatal – the first four-week period after birth

Netilla – Secure remote computer access

Network – RWJ Health Network, a group of hospitals and systems governed by separate local boards, working in collaboration through a common parent

NICU – Neonatal Intensive Care Unit

NJ – New Jersey

NJCOTH – New Jersey Council of Teaching Hospitals

NJDHSS - New Jersey Department of Health and Senior Services

NJHCFFA – New Jersey Care Facilities Financing Authority

NJPRO – New Jersey Peer Review Organization

NNIS – National Nosocomial Infection Surveillance, comparative database for hospital-acquired infections

NQF – National Quality Forum

NVHRI – AHA's National Voluntary Hospital Reporting Incentive

Obstetrics – care and treatment of pregnant women

OIG – Office of the Inspector General

OPI – Organizational Performance Improvement

OPI/Pt Safety Plan – Organizational Performance Improvement / Patient Safety Plan

OPMS – Organizational Performance Measurement System – a process ...

ORMIS – Operating Room Management Information System

Orthopedics – The branch of surgery broadly concerned with the skeletal system

OSHA – Occupational Safety and Health Administration

Outpatient – patients who receive diagnostic or treatment services without admission to the hospital; one of the patient groups

PACS – Picture Archiving and Communication System, filmless imaging and long term digital storage of radiology studies

Pareto Analysis – an analysis tool used to identify the “vital few” focus areas

Patient Groups – Inpatient, Outpatient, Emergency Department, Ambulatory-Surgery

PDCA – Plan-Do-Check-Act; the hospital's design and improvement approach

PET Scan – Positron Emission Tomography, a highly specialized imaging technique using short-lived radioactive substances producing three-dimensional colored images of the body's chemistry and metabolic function

PFM – Patient-Focused Model

PI – Performance Improvement

PI/RM Committee – Performance Improvement/Risk Management Committee

PM – Preventive Maintenance

POS – Point of Service

PG - Press, Ganey – a national survey and benchmarking organization that is used to measure patient and employee satisfaction.

PRN – per diem; “as needed”

PSA – Primary Service Area, where 80% of the patient volume originates

PSC – Patient Safety Committee

Pyxis – a brand of automated medication dispensing system

QNJ – Quality New Jersey, the organization that administers the New Jersey Governor's Award for Performance Excellence based on the Baldrige Criteria

Quadramed – (QMD) a national organization providing comparative statistics for clinical operations such as length of stay and mortality rates

QUEST – Quality, Understanding, Excellence, Service and Teamwork, the hospital's values

Radiation Oncology - the use of high-energy rays to damage cancer cells and stop them from growing and dividing

RCA – Root cause analysis

RFP – Request for Proposal

RTB – Run the Business, objectives and associated indicators that improve hospital operations

RTBC – Run the Business-Control, indicator used to monitor performance of past improvement projects or required by a regulatory or accreditation agency

RTCI – Run the Business-Improve, indicator used to monitor performance of current improvement projects and RTB objectives

RWJ Health System and Network – member organizations of the hospital's common parent

RWJHCC – RWJ Health Care Corp., the hospital's common parent

RWJHCCCH – RWJ Health Care Corp. at Hamilton, the hospital's parent organization

RWJ-NB – Robert Wood Johnson University Hospital in New Brunswick

RWJUHH – Robert Wood Johnson University Hospital at Hamilton, the applicant hospital

Sarbanes-Oxley – Federal legislation for corporate responsibility and guidelines

SC – Strategic Challenges

SE – Standards and expectations

Service Area – the geographic areas surrounding the hospital, comprised of the Primary and Secondary Service Areas

Service Lines – Cardiac, Cancer, Orthopedics, Ambulatory-Surgery, Obstetrics

Shared Governance – 1, a philosophy placing decision making in the hands of those who are affected by the decision 2, a committee that uses the Shared Governance philosophy comprised of nurses and supportive departments

SHRM – Society for Human Resources Management

SIP – Surgical Infection Prevention

Six Sigma – an improvement methodology that seeks to eliminate variation and defect from processes using the DMAIC approach

SLCA – Senior leadership commitment agreement

SLT – Senior Leadership Team, comprised of the Assistant Vice Presidents

Solucient – a national company that provides financial and operational benchmarks

SPC – Strategic Planning Committee

SPECT - Single Photon Emission Computer Tomography, used for nuclear medicine cardiac studies

SPMS - Staff Performance Management System – a process used to communicate direction, provide education and training, reward and recognize employees and evaluate performance.

SPP – Strategic Positioning Plan

SSA – Secondary Service Area, where 20% of the patient volume originates

Stereotactic – computerized radiologic technology that maps three dimensional coordinates for breast biopsies

Stroke – (also known as Cerebral Vascular Accident) sudden death of brain cells due to inadequate blood supply

SVPHR – Senior Vice President of Human Resources and Health Promotion, member of the Executive Management Team

SWOT – Analysis of Strengths, Weaknesses, Opportunities and Threats

System – RWJ Health System, a group of hospitals governed by separate local boards, working in collaboration through a common parent

Team Talk – an internal communication tool providing employees with an opportunity to give quantitative and qualitative feedback to their colleagues

Tempus – Outpatient scheduling system

To a higher standard – the hospital's motto setting the bar for all competitors and national benchmarks

Traffic Light – a report format that uses Red, Yellow and Green colors to easily identify performance that exceeds target, meets target or fails to meet the target

VOC – voice of the customer

VOC – E – voice of the customer – employee

VOC – P/C – voice of the customer – patient / community

VPD – Vice President of Development

VPPCS – Vice President of Patient Care Services

WOW – employee recognition that gives public thanks and praise (and frequently a physical bonus) for outstanding performance

Zero-tolerance culture – An environment that supports significant consequences up to and including termination of employment in the event of ethical standard violation