

NATIONAL CENTER FOR HEALTHCARE LEADERSHIP

2014 Human Capital Investment Conference
& Gail L. Warden Leadership Excellence Award

Managing for Efficiency
Insourcing of Executive Searches

Henry Ford Health System



Kathy Oswald
Senior Vice President & CHRO

BOLD
REdesign



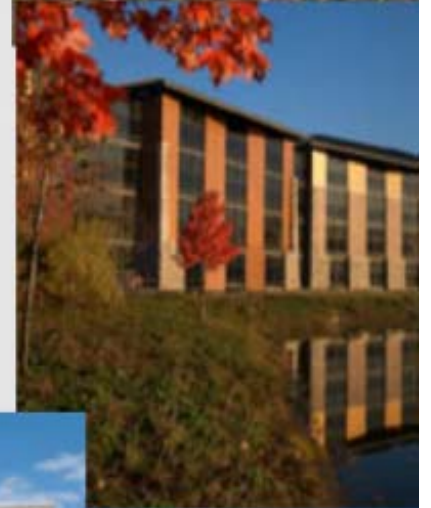
HENRY FORD HEALTH SYSTEM

Managing for Efficiency:
Bringing Executive Search In-House

2014 Human Capital Investment Conference
National Center for Healthcare Leadership



Henry Ford Health System



Facts and Figures

- HFHS is one of the nation's leading comprehensive, integrated health systems, which provides health insurance and health care delivery including acute, specialty, primary, and preventive services backed by excellence in research and education
- HFHS is a not-for-profit corporation governed by a 21-member Board of Trustees
- HFHS has 5 hospitals:
 - Henry Ford Hospital
 - Kingswood Hospital
 - Henry Ford Macomb Hospitals
 - Henry Ford West Bloomfield Hospital
 - Henry Ford Wyandotte Hospital



HFHS Employee & Financial Statistics

- More than 23,000 total HFHS employees
- More than 8,200 employees work in the city of Detroit
- HFMG is comprised of physicians and scientists from 60 countries around the globe
- 2,000 private practice physicians affiliated with Henry Ford Macomb, West Bloomfield, and Wyandotte Hospitals
- Revenue: \$4.46 billion
- Net income: \$53.1 million
- Uncompensated care: \$234 million
- Payer distribution: Medicare 44%; Blue Cross 25%; Medicaid 16%, and other 15%



100th
Anniversary



Henry Ford Medical Group

- One of the nation's largest medical group practices
- 1,200 physicians and researchers
- More than 40 specialties
- Provides care at Henry Ford Hospital, Henry Ford West Bloomfield Hospital, and 29 Henry Ford Medical Centers throughout SE Michigan



HFHS Patient Statistics

- 3.2 million outpatient visits
- more than 88,000 surgical procedures performed at HFHS
- More than 95,600 patients admitted to HFHS hospitals
- 66% of HFHS admissions are patients 50 or older
- 7,551 births at HFHS hospitals
- More than 30,000 home health visits annually



2011 Malcomb Baldrige National Quality Award Recipient

1 SHINING LIGHT.
30,000 TEAM MEMBERS STRONG.



Henry Ford Health System – 2011 Malcomb Baldrige National Quality Award Recipient.

"WE'RE HENRY FORD, WE CAN." It's a belief by which we operate every day. That we can be excellent. That we can be an example of how a health system can thrive. That we can inspire others.

Henry Ford is proud to be the recipient of the 2011 MALCOLM BALDRIGE NATIONAL QUALITY AWARD, the nation's highest presidential honor for performance excellence through innovation, improvement and visionary leadership.

We are the only Michigan organization chosen in 2011 for this honor – and one of only four companies in the entire country. Furthermore, of the thousands of hospitals and health systems in the nation, we are one of only 15 to ever have received this prestigious recognition.

More than any other award, this one not only recognizes the efforts of each individual team member, but also celebrates what an entire organization can do when it comes together focused on a single, shining goal... to improve the world of health care.

Thank you to each and every one of our team members. You made this possible.

Learn more at henryford.com/baldrige.



Why In-Source Executive Recruitment?

1. **Reduce Costs (100 Director & Above openings/year)**
2. **Part of a larger succession planning strategy to ensure best qualified candidates with goal of 70% internal and 30% external**
3. **Provide a consistent, high-quality, inclusive process**
4. **Decrease time-to-fill**
5. **Ensure strong cultural fit**
6. **Build relationship with candidates**



The 56% Hiring Failure Rate Problem

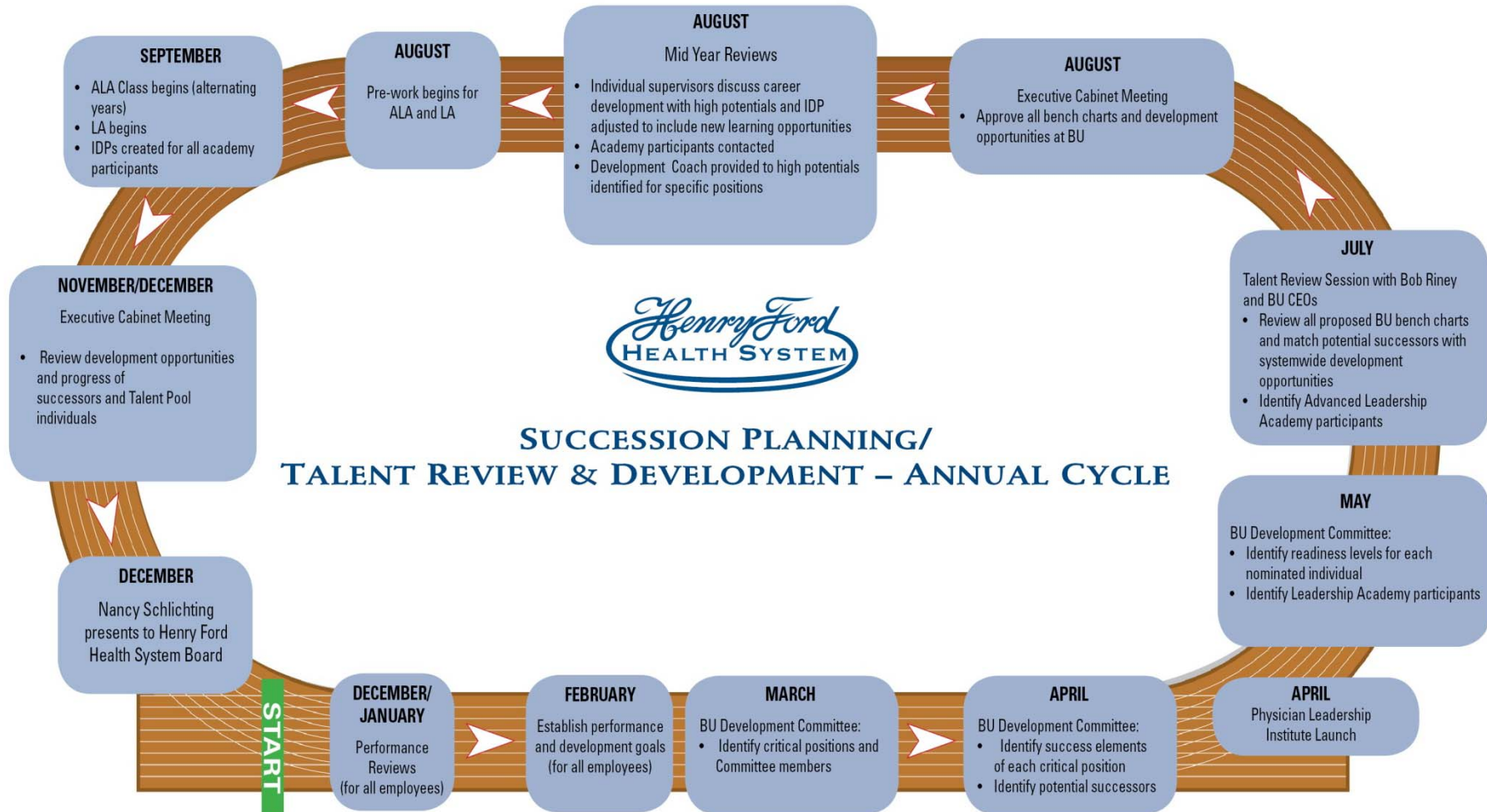
Roughly 56% of Newly Hired Executives fail within two years of starting new jobs.*



*Barry Deutsch, Impact Hiring Solutions

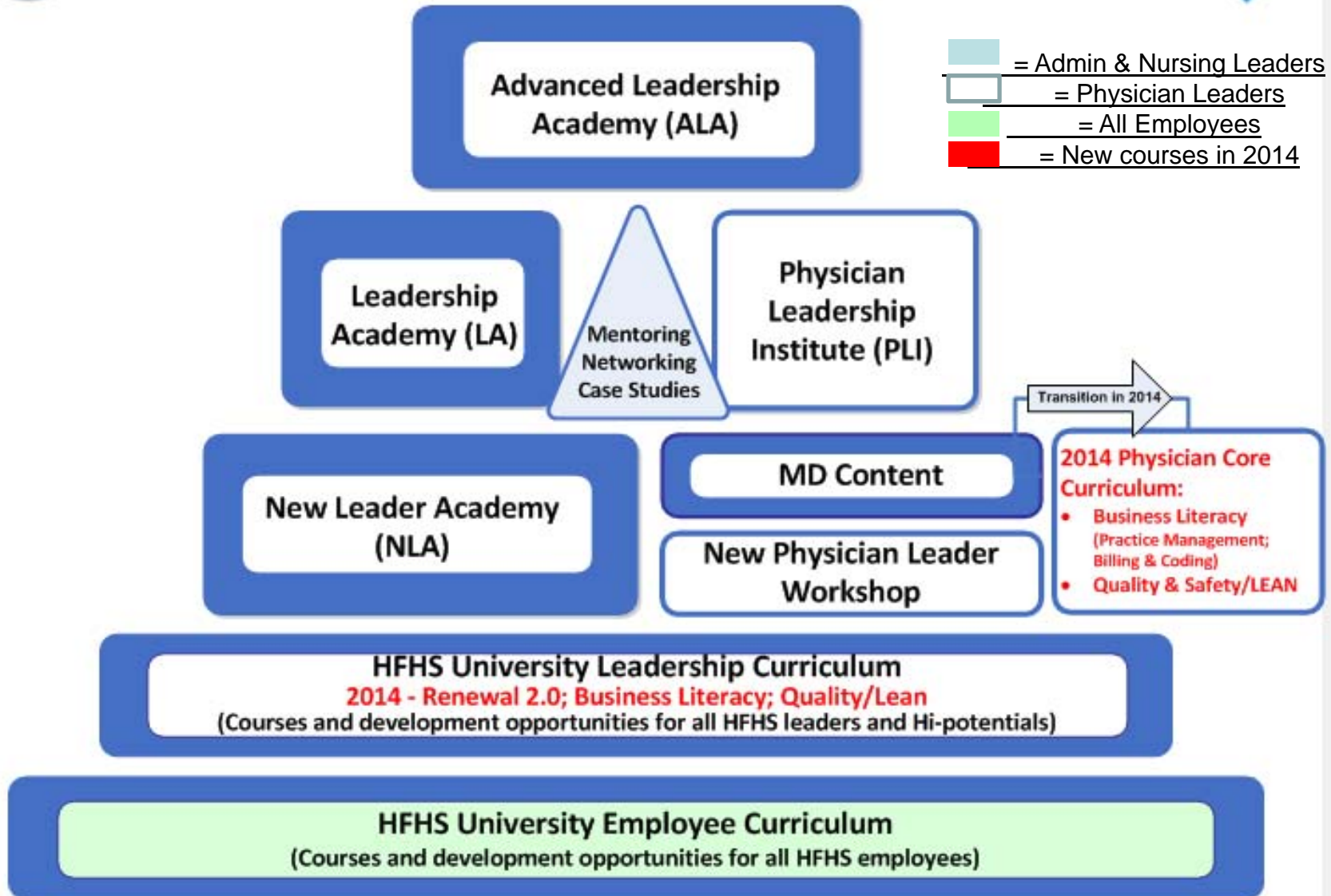


Succession Planning





HFHS Leadership Development



- = Admin & Nursing Leaders
- = Physician Leaders
- = All Employees
- = New courses in 2014

How Do We Measure Value?

Internal Promotions/External Hires

Measure	2011	2012	2013	Goal
Total Open Leadership Positions	492	289	255	
Internal Promotions	44%	59%	67%	70%
External Hires	56%	41%	33%	30%

How Do We Measure Value?

Measure	ALA	Physician Institute
Retention Rates	88%	94%
Promotion Rates	65% - 1 st Cohort 21% - 2 nd cohort (prior to graduation)	56%
Participants Evaluations	4.6 out of 5.0	4.6 out of 5.0
Efficiencies	\$3,094 per student	\$3,300 per student
Engagement 2013 Pulse	.31 higher than HFHS Overall**	N/A

How Do We Ensure Success of our 30% Outside Hires?

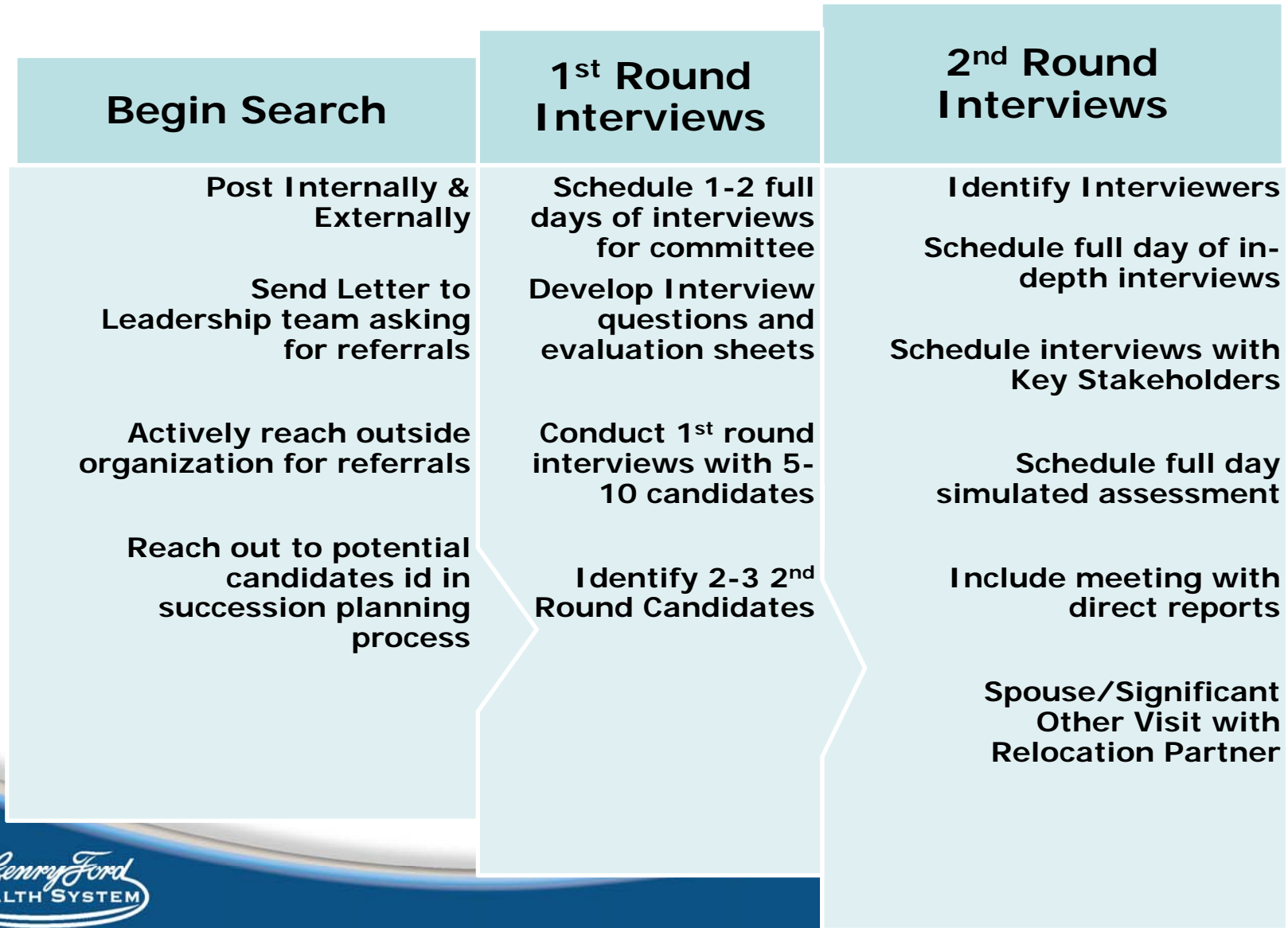
- **Starts with a robust hiring process with many interviewers**
- **Understanding stakeholder requirements**
- **Ensure strong cultural fit:**
 - Spending time with candidate throughout the search process
 - Investing in full day simulated assessment with lead assessor who knows culture of your organization
 - Conducting thorough reference check (both formal and informal)
- **Ensure spouse/significant other is enthusiastic participant in the move**
- **Provide a robust on-boarding process including:**
 - New Leader Academy
 - Cultural Immersion – “Creating One Henry Ford”
 - Assessment Review
 - Assimilation Coaching



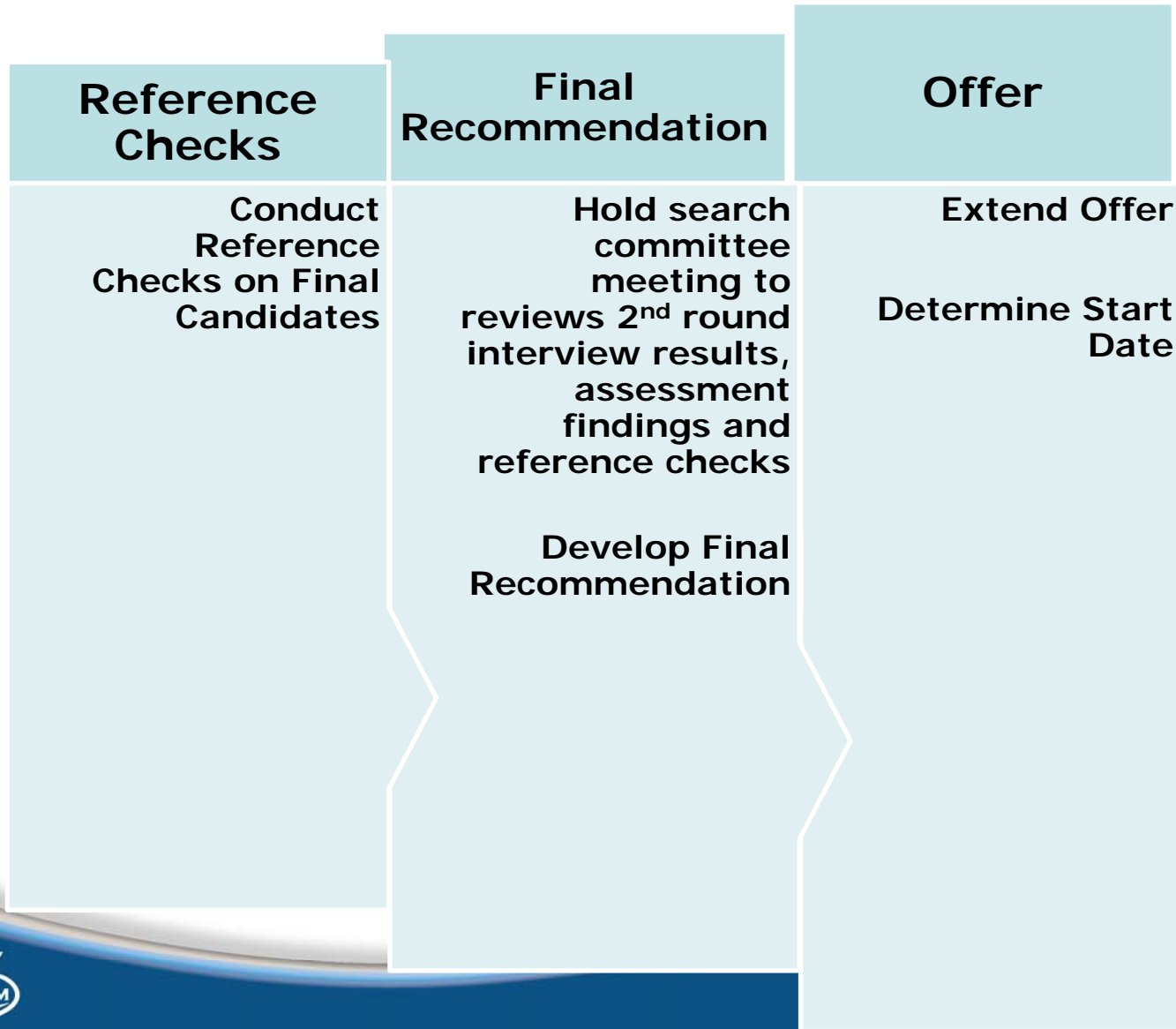
Process Overview – Pre-Interviews (First 30 Days)



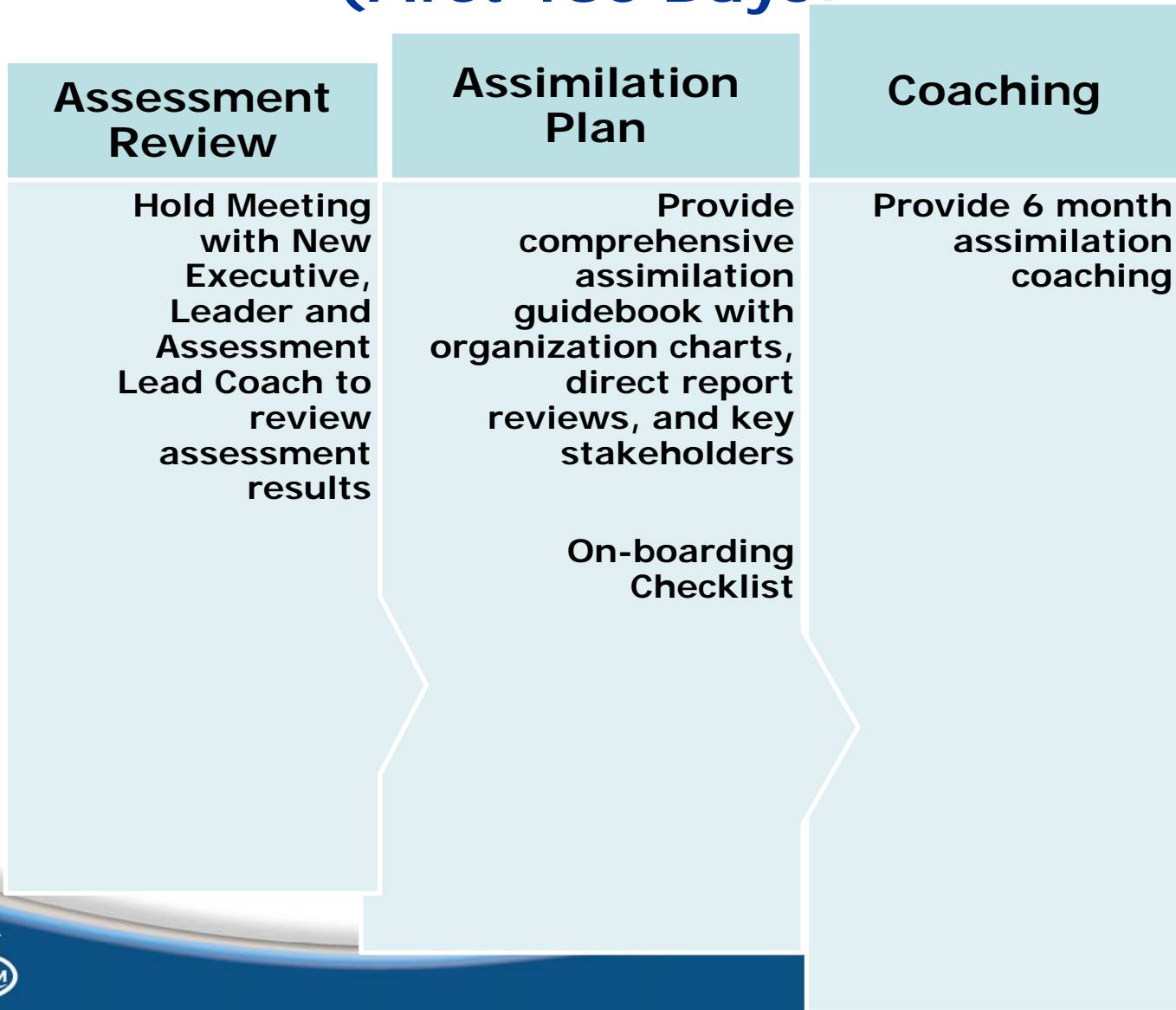
Process Overview – Interviews (Next 60 Days)



Process Overview – Final Offer (Next 30 Days)



Process Overview – On-Boarding and Assimilation (First 180 Days)



Lessons Learned

- Take time to do your homework up-front
- Developing interview questions based on Stakeholder Requirements is a must
- Video pre-screen interviews are insufficient
- Listen carefully to Simulated Assessment Results and take heed
- On-Boarding and first 180 day Assimilation Process is Key
- In-sourcing Executive Recruitment is time-consuming but well worth the investment