Achieving Statistically Significant Improvements in Patient Satisfaction Scores in a Community Hospital Through the Development of a Service Excellence Model

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ORGANIZATIONAL INFORMATION
This organization is a not-for-profit community healthcare system governed by a volunteer board of trustees consisting of 28 community members and physicians. The system employs more than 7,000 people and has 1,700 physicians on staff. It is the largest healthcare system in the region—the result of a merger of two systems in 1998—and comprises four hospitals, two long-term care facilities, two outpatient surgery centers, a health education center, a home care agency, and a state-of-the-art health and fitness center. Each of the two organizations that came together to form the merger had provided services in this community for more than 100 years.

Today, the service area has a population of more than 1.4 million people, and the system has 30.0 percent overall market share, 44.5 percent women’s health market share, and 23.6 percent pediatric market share, with major pediatric competition coming from a world-renowned children’s hospital in a major city nearby. More than 7,000 babies are born annually between two of the system’s hospitals, where comprehensive neonatal intensive care for premature newborns is also available. Pediatric primary and specialty care services are offered at the two maternity centers as part of an affiliation with a full-service children’s hospital (not the competing children’s hospital previously noted). With four community-accessible emergency departments, the system handles more adult and pediatric emergencies than any other health system in the region.

The specific facility within the system that is the subject of this case study is the hospital that serves the largest population of women and children, with more than 5,200 deliveries annually, a Level III neonatal intensive care unit, and comprehensive pediatric services. The hospital has 1,200 full-time equivalent employees and is licensed for 164 adult medical surgical beds, 15 adult intensive care beds, 20 pediatric beds, 59 obstetrical beds, 30 neonatal intensive care bassinets, and 50 normal newborn bassinets. The emergency department at the hospital has 45,000 visits per year.
BRIEF SUMMARY OF THE PROBLEM
The hospital in this case study was part of a merger of two health systems that occurred in 1998 and resulted in a plan to transform the organizational culture throughout the system to improve patient satisfaction, enhance market share, and improve financial performance. When I became chief operating officer in 2001, the hospital had a history of inpatient patient satisfaction scores in the 40th to 50th percentile and emergency department patient satisfaction scores in the 20th percentile for more than five years based on a commercial patient satisfaction survey. Clear and specific goals to improve patient satisfaction were established for me by the chief executive officer of the system and the board of trustees, leading to the development and implementation of a service excellence and caring culture model that resulted in significant improvements in patient satisfaction scores.

DESCRIPTION OF THE PROBLEM
The merger and formation of the new system led to a critical evaluation of organizational performance by the senior leadership team. It was determined that although the system had many strengths, its overall performance in the areas of quality, customer service, employee satisfaction, and financial performance was average. The leadership team believed that the existing performance was unacceptable and that a systemwide organizational transformation was required to achieve the goals that had been established. I worked with the CEO and other senior executives for the system to create the organizational framework for change. The result was the creation of the STAR initiative.

The STAR initiative was designed to focus the work of the organization on three specific goals: (1) creating an outstanding patient experience, (2) becoming a high-performing organization, and (3) achieving recognition for excellence. The five-point star symbolizes the five components of the cultural initiative: best people, clinical quality and safety, resource stewardship, excellent service, and caring culture. Improving patient satisfaction by creating an outstanding patient experience was part of the larger effort to transform the culture. This case study reports on the work I led to improve service excellence and to establish a caring culture in the hospital where I served as COO.

Because I had served on the team that created STAR, there was a heightened expectation for me to implement STAR in my hospital and serve as a role model for achieving the aggressive goals established as part of the initiative. I had the additional challenge of running the hospital that was the largest financial contributor for the system because of its location, programs, and high occupancy rate. I was in a visible position, with high expectations for delivering significant improvements in patient satisfaction. Although the STAR categories of excellent service and caring culture indicated the importance of patient satisfaction to the organization, a specific structure, focus, and direction still had to be developed. In addition, there were numerous obstacles to overcome and issues to be addressed to achieve substantial and sustained improvements in patient satisfaction.
Patient Satisfaction Scores

Patient satisfaction with inpatient and emergency department care and service was measured via a commercial patient satisfaction survey. Scores were provided monthly, and both scores and national percentile ranks were provided quarterly. The inpatient scores at the hospital had been in the 40th to 50th percentile in the national database for the five-year period during which the organization had measured patient satisfaction. The emergency department scores had been in the 20th percentile in the national database. Although numerous customer service training programs had been undertaken, no real improvements had been achieved.

At the time I assumed the COO role the board of trustees had identified that improving patient satisfaction was a major goal for the entire organization. Because of the population mix at the hospital I ran, it was believed that I was in the position to achieve the highest scores of any hospital in the system. The specific goals I established were to achieve inpatient satisfaction scores in the 70th percentile in the national database and emergency department patient satisfaction scores in the 55th percentile in the national database within one year. Although these percentile ranking goals do not seem high, they do represent statistically significant increases in patient satisfaction in both areas. They also reflect the fact that the average scores in the region were below the national average. Thus, a ranking of 70th percentile nationally would actually equate to a ranking of close to the 80th percentile in the region.

The Role of the Staff

In addition to consistently performing at or below the 50th percentile, the organization suffered from wide variation in staff performance relating to service excellence behaviors. Many of the staff had worked at the organization for 20 years or more and had seen numerous changes in administrations. They largely possessed an “I’ve seen it come and I’ve seen it go” attitude. Overall, the staff were poorly informed about patient satisfaction surveys and scores and had minimal education related to service excellence strategies. Most were unaware of their department rankings and had never seen a patient satisfaction survey. The staff were disconnected from the fact that their actions today would be evaluated by patients via the survey next week or the week after. They did not realize that by changing behavior, patient satisfaction scores could actually be improved.

Lack of Manager Accountability

Wide variation also existed in manager ownership and accountability for driving improvements in patient satisfaction scores. Similar to the staff at the hospital, many of the managers had been in their positions for 20 years or more. Many of these managers had learned to survive through numerous administrations. There was a definite “flavor of the month” perspective among the managers, resulting from many failed service excellence initiatives. Many of the managers believed that STAR was another flavor of the month. Historically, the service excellence programs
had not been hardwired into the operation, and no connection had been made between departmental patient satisfaction results and managerial evaluations and incentives. Improving patient satisfaction with care and service had not been a priority of many managers. Those who had made it a priority had largely been unsuccessful in achieving sustained improvements because there was no infrastructure to support their efforts.

**Patient Expectations**

With more than 5,000 deliveries each year and a large pediatric and neonatal program, half of the patient population of this hospital came from the maternal child health service. Obstetrical patients have high expectations for care and service. Although the hospital’s market share indicated that it was the obstetrical and neonatal provider of choice, maternal child health patient satisfaction scores did not reflect this leadership position. A key opportunity existed for improving patient satisfaction scores overall by enhancing the services and amenities provided to the maternal child health areas.

The medical-surgical patient satisfaction scores by unit ranged from the 10th to 30th percentile. The results indicated that patients had been dissatisfied with the same things for many years: lack of information and education, lack of family involvement, and not feeling cared about by the staff. The emergency department scores reflected patient dissatisfaction with long wait times and uncaring staff and physicians. The patients also felt that they were uninformed and did not receive adequate education regarding follow-up care.

**Administrative Decisions**

Following the merger in 1998 the organization reevaluated its priorities and developed a broader plan to transform the culture—the STAR initiative. Because patient satisfaction scores indicated that patients were not very satisfied with the care and service the hospital delivered, the first objective of the STAR initiative was to create an outstanding patient experience. Improving the patient’s experience would be reflected in improved patient satisfaction scores. In the COO role I served as the senior executive responsible for implementing strategies to improve patient satisfaction with care and service at the hospital I ran. My focus was to develop and support a model to guide the staff, physicians, and managers in specific actions that would be directly related to creating an outstanding patient experience and improving patient satisfaction scores.

As such, I led the development of the excellent service and caring culture strategy to provide structure for significant and sustained improvements in patient satisfaction. This strategy focused on three concrete concepts: service awareness, service delivery, and service recovery. These concepts served as the basis for development of the specific excellent service and caring culture program.

**Service Awareness**

The service awareness strategy was aimed at helping employees understand the patient’s and internal customer’s needs and expectations and recognizing that
ultimately the patient is everyone’s customer. The employees learned that every employee must serve and support patients because every employee has a direct or indirect influence on the patient’s perception of care and service. Some of the specific service awareness elements included the following:

- Development and implementation of a comprehensive communication plan to establish patient satisfaction goals and drive changes throughout the organization. As COO I served as a role model and led the program implementation, establishing clear, concise, and measurable goals for improving patient satisfaction scores.

- Providing the staff with detailed education about the survey design and methodology used. The approach of an “open book test” was taken to make the staff more comfortable with the components of care and service that patients were being asked to evaluate.

- Development of a service awareness process called the “Pathway to the Patient” for employees and departments to map their connection to patient care. Departments that did not directly affect patients identified who their customers were on the path to the patient. The employees identified key encounters during which patients and customers form an opinion about the quality of services or people. They also identified gaps in service and developed plans for correcting those gaps.

- Improved communication of patient satisfaction survey results through the creation of department dashboards highlighting monthly and quarterly scores. Frontline staff was provided with results promptly. To heighten the awareness of current performance, surveys with comments were also sent to the department manager as soon as they were received and shared with the staff. I also reviewed every survey with comments and wrote personal notes to staff who were mentioned (both positive and negative comments). The monthly and quarterly scores were also reviewed at monthly manager meetings highlighting each department’s performance.

- Development of a quarterly internal customer satisfaction survey that measured employee satisfaction with the services of departments such as environmental services, admissions office, and maintenance.

- Implementation of manager and executive patient rounds to identify opportunities to address service issues immediately. Compliments about the staff were shared immediately and publicly to reinforce positive behavior. The team also designed a shared file, available online to all managers, in which issues were tracked and trended and follow-up was posted. Sharing this information also gave managers the opportunity to learn from one another.

- Development of a “Leadership Passport” signed by each manager to reinforce their commitment to serving their patients, customers, and staff and the importance of their role in establishing a service excellence culture.
Service Delivery
The service delivery strategy was aimed at promoting consistent service levels and staff behaviors through development of explicit service standards and a code of conduct for all employees. Some of the specific service awareness strategies included the following:

- Development of specific and concrete service standards that provided staff with clear expectations for behavior, promoting consistent service levels and decreasing the variation in staff performance. The STAR standards, behaviors, and scripts explained expected service behaviors and were published in a handbook distributed to all employees.

- Development of an excellent service and caring culture management education program to improve manager competence at implementing service excellence standards and leading organizational change. This strategy was based on the premise that the frontline managers were in the best position to provide day-to-day oversight for implementation of the service excellence standards. The program used a train-the-trainer design, with the manager serving as the trainer of his or her staff. All managers were required to attend the training and then drive the change throughout their departments once they had been given the tools to do so. The managers were provided with a detailed timeline and plan for presenting the material to their staffs.

- Driving manager accountability by hardwiring performance in patient and internal customer satisfaction scores to manager compensation. This step involved tying manager performance evaluations and raises and bonuses to actual patient and internal customer satisfaction scores. Members of the leadership team at the hospital were expected to support the model and serve as role models and leaders in implementing the changes necessary to improve patient satisfaction. The managers at the local levels were responsible for driving the changes within their departments.

- Driving staff accountability by hardwiring the organization’s service excellence priority to human resources policies. Service excellence expectations were connected to job descriptions and performance evaluations. Orientation of new staff was revised to include service excellence standards. I also met with all new hospital employees 30 days after they joined the organization to seek their opinions regarding what the hospital does well, what it could do better, and whether anything it does would cause them to leave. Meeting with new employees allowed me to communicate my expectations and stress the importance of service excellence at the hospital.

- Development of a reward and recognition system to recognize individual staff members for their efforts. Staff members were rewarded by their managers and administration based on comments on patient satisfaction surveys, patient letters, and recognition from fellow staff members.
• Distribution of a Letter from the COO to every patient on admission describing the organization’s commitment to service excellence and providing both my office and home phone numbers for patients and families to contact me directly should they need to do so.

**Service Recovery**
The service excellence strategy was aimed at improving the patient’s experience when his or her expectations were not met. Service recovery focused on ensuring that patients had the opportunity to express concerns and complaints and that employees and managers had the skills to validate and recover dissatisfied patients, families, and customers. Some of the specific service recovery strategies included the following:

• Implementation of a structure for nurse manager and department head rounds to meet with patients to solicit concerns and improve patient satisfaction.
• Development of service recovery protocols, including how to manage patient and family expectations and scripted apologies for employees to use.
• Development of a complaint resolution structure to provide staff with the ability to resolve complaints immediately.
• Development of a complaint tracking and follow-up process. The tracking process led to the development of a database that tracked and trended complaints, facilitating identification and resolution of underlying problems and obstacles to service excellence. Follow-up to patient complaints included a phone call or visit from the department manager and a Letter from the COO so that patients realized complaints were taken seriously.

The most important administrative decision and action associated with implementing the excellent service and caring culture strategy was the commitment to develop a formal structure and process. Improving patient satisfaction required diligence, focus, consistent communication, and accountability. The development of an organizational model to guide the improvement of patient satisfaction across all hospital departments and services required administrative planning, organization, and strong communication and leadership skills. The ability to drive organizational culture change was also important.

Alternatives considered included bringing in an outside firm to assist with the development of the excellent service and caring culture strategy. The reasons the team did not bring in an outside firm were skepticism on the part of the staff and frontline managers and an overall flavor-of-the-month perception associated with other customer service activities. The team did not want this cultural change to be perceived as a program and therefore thought it more appropriate for the actual organizational leadership to develop and oversee the implementation of the excellent service initiative.
The obstacles encountered included resistance to change from many staff and managers who felt that they could ride out this latest initiative. Close monitoring, extensive reinforcement, and relentlessly driving manager accountability were required to overcome these obstacles. In addition, there was a constant concern for balancing patient satisfaction with employee satisfaction. Although employee behaviors had to change, forcefully driving those changes put the organization at risk for losing employees. Because much of the work focused on reducing obstacles for staff to allow them to deliver service excellence, and the team was building a caring culture, many employees got on board with the organizational change. Overall, the excellent service initiative had a tremendous effect on positive staff and gave them a roadmap for holding their negative peers accountable. Once the managers set the standards and facilitated staff learning on how to be successful at achieving service excellence, the influence of staff on one another was extremely powerful.

RESULTS
Control charts that incorporate statistical control limits were used to evaluate patient satisfaction scores for inpatient and emergency department surveys for a three-year period. The team worked with the national company that produces the surveys to determine if statistical changes had occurred. At the company’s recommendation the team looked at scores from 1999 through 2002 to provide adequate information about score trends prior to implementation of the excellent service and caring culture strategy. The analysis revealed that difference outside the normal variation control limits did occur. The results reflected statistically significant improvements in patient satisfaction scores. Inpatient scores went from the 40th to 50th percentile before the program to the 70th percentile after the excellent service and caring culture initiative. Emergency department scores went from the 20th percentile to the 60th percentile. Since the implementation of the program, the goals established for the hospital in 2002 were met or exceeded. The difficulty has been in moving to the next level and improving the scores beyond the initial goals of the 70th percentile for inpatient scores and 60th percentile for emergency department scores. The ability to further improve scores will require a resurgence of the original organizational effort and the development of new and creative strategies involving the entire staff and management team providing excellent service consistently.

SUMMARY
Throughout this process I have learned that organizational change of this magnitude requires consistent and continual focus and direction. It also requires driving accountability through all levels of management and staff. Communication must be thorough and repetitive to incorporate changes in practice throughout the organization.
In my opinion it requires top leadership in the organization to drive significant changes in patient satisfaction. Although every manager of every department must model the behavior, establish the expectations, and hold staff accountable, it is absolutely necessary that the leadership of the organization drive the change.

**Source Materials**
Primary sources of information for this report were the author's personal experience, observations, and hospital data such as patient satisfaction scores and quality review findings. Another source were minutes from meetings and documents prepared for senior management and the board.

**References**

Adrienne Kirby, Ph.D., FACHE, is the vice president and chief operating officer of Ambulatory Services and Programs of Excellence at Virtua Health. Prior to assuming her most recent position, Dr. Kirby was the vice president and chief operating officer of Virtua West Jersey Hospital Voorhees. In addition to her responsibility for ambulatory service development and operations, Dr. Kirby has systemwide responsibility for directing strategy and business development for Virtua Health’s Programs of Excellence. Dr. Kirby earned her bachelor’s degree from Rutgers University and her master’s and doctoral degrees from the University of Pennsylvania. This case study represents a part of Dr. Kirby’s ACHE Fellow Project. It was voted one of the best case studies in 2003. To view this Fellow Project online, visit http://ache.org/membership/AdvtoFellow/fellowproj.cfm.