



Value Analysis & Standardization:

Systematic steps to support system-wide change

NOVEMBER 2005

TRAINING THE NEW VALUE ANALYSIS PROFESSIONAL

Greetings from Carol Stone

This issue of the newsletter focuses on training the new value analysis professional. The majority of value analysis professionals have been in their jobs less than five years. Many are still the only individual in their institution charged with value analysis. Because there may be few resources to turn to, we have merged the experience and insight of our editorial board members to offer some practical advice about how to get the new value analysis professional off to a good start.

This issue follows quickly on the footsteps of our last publication from July. We are reinvesting our resources and commitment to this newsletter and plan to publish more frequently. We have received feedback from many of you that you find the newsletter valuable. We at C. R. Bard, Inc. want to continue to support the value analysis professional, and see the newsletter as one aspect of this goal.

I hope you enjoy this issue. As always, I enjoy receiving your feedback. And, if there are others you feel would appreciate the newsletter, we would be happy to add them to our distribution list. Just email me at carol.stone@crbard.com.

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TRAINING THE NEW VALUE ANALYSIS PROFESSIONAL:

THEORETICAL PERSPECTIVE

Training the new value analysis professional, or training any new employee, should be a simple and straightforward task, IF there is a well-thought-out plan behind the training. However, today's harried managers have little time to plan between handling the crises that arise each day. As a result, a formal training plan is often never developed. Training consists of an "on the job" boot camp. Some new employees are able to learn in that type of environment, and develop the skills they need to be successful. Others, while possessing the innate ability to flourish in their job, flounder without solid direction and never recover to be as productive as they could have been.

When developing a training plan for a new employee, concentrate on shaping behaviors that organizations need to be successful: innovation; creativity; outstanding customer service; and high quality.

Innovation

Successful organizations need to constantly improve products and services, develop new procedures, save money, and continually move ahead. At the beginning of their tenure, every employee should be coached about the importance of innovation, and be encouraged to present ideas that will move the organization forward. Sometimes, the new kid on the block can see things that more tenured employees don't, because they have a fresh, unbiased view.

Innovation is Essential to Improve Products and Services

Creativity

Successful organizations encourage creativity, not stifle it. New employees should be encouraged to be open to unusual ideas, to listen to others' ideas and support others when they speak up. They should also be expected to focus on execution — good ideas don't matter if they aren't put into action. Finally,

employees need to be coached to be persistent — not everyone will agree with new ideas, especially at the beginning. Champions of creativity know when and how to position their ideas for general acceptance.

Encourage Creativity — Be Open to Unusual Ideas

Outstanding Customer Service

Networking and relationship building are critical in today's team-focused environment. Without political savvy, even the most technically competent employee will be less productive. In the early days of training, it can be useful to put some structure around meeting others and building connections. Plan who to meet, and how. Some meetings may be best done as in-depth, 1-1 sessions, with individuals who will be key to the new employees' future work. Others can be met during group

Build Trust and Credibility into the Working Relationship

sessions, over lunch, or at informal gatherings. The purpose of these sessions can be nothing more than to learn about others — what they do, how they think, how they prefer to

communicate, what their own job goals and objectives are, who they are outside of the job. These are the first steps in getting to know one another, getting to like one another, and beginning to build trust and credibility into the working relationship. Having this foundation will be invaluable in future interactions.

The new employees also need to understand their sphere of influence. Who can they speak with directly? When must they go to a supervisor? Spelling out guidelines can save embarrassment and damaged relationships.

Clearly Define the Desired Expectations and Results

High Quality

Clear direction must be given to the employee that every task and every process must be of high quality. The supervisor and employee must have a detailed discussion about expectations for each of the tasks that are to be completed. Often, employees and supervisors discuss tasks, but do not clearly define the desired results. All employees, but especially new employees, need a clear view of what they are trying to accomplish. Clearly delineate what "finished" will look like. ❖

Time management skills can make or break the value analysis professional who is pulled in many different directions.

- ◆ Consider scheduling time with vendors on specified days.
- ◆ Schedule time to visit with your mentor.
- ◆ Schedule time to visit different hospitals you are responsible for, to get to know people in locations other than your home base.

If you don't schedule, or don't stick to your schedule, the crisis of the day will take precedence.

SHARE *Your* VIEW

Cindy Mano was just hired as a new Value Analysis Coordinator. She will be working for the Director of Materials Management, Bob Davis. Cindy has 16 years' experience as a critical care nurse. Bob has been running the materials management function for 10 years. Bob is thrilled that Cindy accepted the position. In his view, her many years of clinical experience and the fact that she already knows other employees and knows her way around the hospital will allow her to hit the ground running. His department is currently down two employees, so he is feeling stretched to the limit already.

On Cindy's first day in the office, Bob holds a 15-minute coffee and danish celebration to welcome her and introduce her to other members of the department. He then meets with Cindy for 10 minutes, outlining her goals for the next six months. As he starts to map out whom she should meet initially, he gets called away to an emergency meeting with his boss. On his way out the door, he gives Cindy a smile and a nod of encouragement. "We don't really need to be too formal about this, you already know your way around. I'm sure you'll do great." He walks away, Cindy sits there stunned. Over the next year, Cindy does her best, but is less than successful. Overworked and overstressed, Bob becomes increasingly frustrated with her inability to accomplish her goals. He gets complaints about Cindy's interactions with others. Cindy works hard, but never gets the "right" things done. After a year, she decides that value analysis isn't for her, and she returns to clinical nursing.

What could have avoided this "train wreck?"

SCENARIO 1 Bob should have sought Cindy out when he returned from his meeting with his boss. Ten minutes was not enough time to lay out goals for the year. He could have spent another hour with her, describing expectations. Then, she would have had a clear picture of what she was to accomplish.

SCENARIO 2 Bob was overworked and overstressed, and that made him hard on Cindy, as well as all of the other employees. He needs to get better at delegating so that his tolerance levels increase. Cindy probably did a fine job. Bob was really hard to please as a result of his own issues. He destroyed Cindy's confidence in her ability to do the job.

SCENARIO 3 Bob should have recognized that even though Cindy knew the hospital and knew other nurses, the world of value analysis was foreign to her. He should have helped her identify a mentor from the finance or purchasing group to help guide her in the early days. And, as busy as he was, he needed to be a manager. A formal training plan was a must to help her transition from her clinical world to the business side of the hospital. ❖

Email your thoughts on this case to gardner@gmced.com. A sample of responses will be published in the next issue.

What's Your Reality?

Suggestions for dealing with daily issues...

Value analysis may be a new role in many institutions. As a result, it may be useful to not only train the new value analysis professional (VAP), but to also "train the organization" to understand and accept the role of the value analysis professional. Some things to try.

- **"Launch" value analysis in the hospital, with informational meetings developed for important groups within the hospital.** Explain what value analysis is. Introduce members of the department. Survey clinical staff about what the value analysis process can add to the institution. Introduce the members of the various value analysis committees. Share cost savings goals, if they are available. Communicate the process people will need to follow to obtain supplies. Communicate any changes to existing policies.

Hint: Make sure what you communicate is couched in terms of benefit to the institution and or/staff. Benefits won't always be obvious to everyone. Most importantly, make things informal and listen as much as you speak. This is the time to get a solid relationship started.

- **Start teams off with process.** Teams will likely be comprised of many Type A, task-oriented individuals. Don't get pulled into immediately jumping into solving tasks. Take at least the first few meetings to establish norms, goals, responsibilities, roles, decision-making protocols, etc. for your team. A well-grounded team will function much better if time is spent up front laying the ground work for working together.

Hint: If budget allows, it is very helpful to hire an outside consultant to drive this initial team-building

Continued on inside.

Many RNs transition from a clinical role to a position in value analysis.

Tips for Moving from a Clinical Role to a Business Role...

- Find a good ally in the finance or decision support area to give you a crash course in "Finance 101" so you can begin to understand the management/business side of the world.
- Learn Excel and Access.
- Learn to document financial information using Excel.
- Embrace financial terminology — network to find people who will help you.
- Find a good course in project management.

TRAINING THE NEW VALUE ANALYSIS PROFESSIONAL:

PRACTICAL PERSPECTIVE

Data published by the Association of Healthcare Value Analysis Professionals reports that 82% of the Association members have been in their current position less than five years. Many value analysis professionals are still “learning the ropes.” As a result, we’re looking beyond just those initial few months to when employees are considered “new” in their jobs, through the first eighteen months. After this point, employees should have developed mastery of the tasks associated with their position, a good solid network of relationships, and have a development plan in place for how they will continue to grow in their role.

Immediate Needs – First Three Months

In the first three months, a new employee needs to be exposed to all of the people, procedures, and organization systems that impact or have impact on his or her position. Initially, share with the employee all of the “hard data” regarding his or her position and how the position fits into the overall organization. Include information on hospital policies, the employee’s job description, an overview of standing committees and how they work, and an overview of how the purchasing systems are managed, including guidelines about who has authority to alter policies. Introduce the employee formally to the rest of the other department, to key members of the departments that interact closely with value analysis, and to the key stakeholders on both the clinical side and administrative side. Let the employee review past reports that have been written so he or she has a sense of what is expected. Make sure that employee computer skills are up to par. New employees should be very familiar with Excel, PowerPoint, and Access.

After a month or so, begin to share information regarding the process side of the job. Often, having a mentor is the best way to navigate these areas.

The mentor can highlight the best way to communicate with different groups within the hospital. As the employee attends different committee meetings, the mentor can share insights about the different “personalities” of the various committees, and the committee members themselves.

Once the employee begins to feel comfortable with his or her immediate environment in the hospital or health system, consider formal value analysis training efforts. Resources are available from several different vendors, and may also be available through the hospital’s Group Purchasing Organization. The new employee may also wish to join the Association of Healthcare Value Analysis Professionals.

Three Months to Nine Months

During this period, the employee can begin to move away from a concentration on the very tactical aspects of his or her job and begin to be more independent and strategic. The new

employee should be ready to begin taking charge of his or her assigned committees or teams. New employees should also have projects assigned specifically to them. They may be

Think about what will make a difference — what numbers can be used, what different analysis would make sense to the audience, and bounce ideas off others to understand their perspective.

responsible for implementing a change effort, or for identifying new cost savings opportunities. As part of these activities, new employees should be out speaking with stakeholders on their own. They should begin to make presentations to mid-level and upper-level management within the hospital. He or she can also be responsible for reviewing contracts, and for initiating the steps to either renew existing

Resources for the Value Analysis Professional

Professional Associations

Association of Healthcare Value Analysis Professionals (AHVAP)	www.ahvap.org
Materials Management in Healthcare	www.matmanmag.com
Healthcare Information and Management Systems Society	www.himss.org
National Healthcare Cost and Quality Association (NHCQA)	www.nhcqa.org
Healthcare Financial Management Association	www.hfma.org
Association for Benchmarking Healthcare	www.abhc.org

Vendors

The Advisory Board Company	www.advisory.com
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contracts or search for new vendors. Managers and mentors need to stay closely involved during this period to help with questions, strategic direction, and feedback.

Nine Months to Eighteen Months

By this time the new employee should be settled in, and should be requiring less “formal” training by the manager. There should be a clear understanding of policies and procedures to be followed. The employee should clearly understand goals and accountability for reaching the goals. The employee should also be in control of the process side of the job. He or she should be familiar with the resources available in the hospital in order to direct inquiries

and requests to the right person. A value analysis professional who tries to do everything himself or herself will surely fail — the job is just too broad. The individual should now understand how to get things done in the organization — the formal and informal networks, politics, recognition of who has authority, who has power, and who to stay away from. Mentors remain important through this last stage of training. The individual should now be responsible for his or her own team, and should be comfortable making presentations to senior management. With “training” complete, it is time to formalize a development plan for the employees, so that they can continue to grow in their job. ❖

➤ Managers, don't let lack of time prevent you from properly training new employees. Think how much easier your life will be in six months if you have a well-functioning employee, compared to the problems involved with firing an employee who is not performing up to expectations, and then finding a replacement.

What's Your Reality?

Continued from outside.

process. Having an expert will allow you, the value analysis professional, to participate as a member of the team, without trying to also be the facilitator.

• Map the “Lay of the Land.”

Interview the top 10-15 key stakeholders in the institution. Honestly assess if they are “with you, against you, or neutral.” Put a plan in place to communicate with each one, based on their pre-existing personal biases about the value analysis process.

Hint: The plan should cover at least a six-month window. It is not necessary to convert all of the “disbelievers” overnight. As successes begin to occur, there will be opportunities to highlight the importance of the value analysis process.

- **Share Success.** Start with a small, easy change. When that change has been executed, announce the success to the hospital. Recognize individuals who contributed to the idea for the cost savings. Recognize everyone who was a part of implementation. Let people see the value in the process for themselves. ❖

FOOD FOR THOUGHT

Sometimes, managers are so happy to have a new employee on board that they immediately throw the person into job-related tasks. However, taking a step back to give the new employee a perspective about his or her job is extremely useful.

The manager and new employee might discuss the employee's new job by reviewing:

- ◆ Why was my job created?
- ◆ How does my job relate to others in the organization?
- ◆ What opportunities to contribute to the organization exist in my job?
- ◆ How is my job linked to the organization's objectives?
- ◆ What did the last person who filled my job do well, that I should continue?

Expect new employees to make mistakes — but make sure they learn from their mistakes.

A mistake can be any occurrence or interaction that didn't happen the way you expected or the way you wanted.

Always ask what could have been done differently so that a certain mistake doesn't happen again.

SHARE YOUR VIEW...

In the last issue, we introduced **Carol Rose**, who had been a Value Analysis Coordinator for 18 months. Carol is a hard worker, a whiz with numbers, very detail oriented, but she is failing in her job. She has missed all of her cost savings targets. The clinical staff report that they don't know who she is. We offered three scenarios for Carol.

SCENARIO 1 Carol should look for another job. She is talented and a hard worker. The people in the hospital don't understand her. The culture is not right for her.

“Carol is a hard worker; however, she is missing the mark about what is important. It doesn't help to get things done if they are the “wrong” things. Carol and her manager need to have a frank discussion about what the job of Value Analysis Coordinator entails. They must agree on what is necessary to help Carol build relationships with people. Both need to commit to the training and work ahead to improve Carol's skills in this area.”

SCENARIO 2 Carol should keep lists of everything she does, document when she finishes projects early, and track her overtime hours. Her manager just doesn't know how hard she is working and how much she gets done.

“Perhaps Carol has a chip on her shoulder? Does she think that she is a great worker, and that her manager is all wrong? Perhaps she doesn't think it is necessary to have relationships with people, because she is getting the job done. Carol's manager needs to work with her to review her goals again. He needs to concentrate on what satisfactory, good, and outstanding performance against those goals look like. He needs to make sure that Carol understands what she is doing wrong. Maybe he is afraid of conflict and hasn't given her the right feedback?”

SCENARIO 3 Carol should understand that there are key pieces of her job that she is not doing. She should work out a process with her supervisor to improve her process and relationship-building skills.

“Carol seems like a good employee who just hasn't been managed well. She works hard. She believes she is doing her job to the best of her ability. Perhaps her manager can work with Human Resources to complete a 360-degree feedback system for Carol. She is data driven. With some data about how she is seen, and where she is failing, she may open her eyes. Reports from the 360-degree feedback can then be used to construct a performance improvement plan that specifically concentrates on relationship building and networking. ❖

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*Teach a new employee to
always be prepared, whether
making a presentation,
attending a meeting,
or giving a supervisor or
coworkers new ideas.*

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