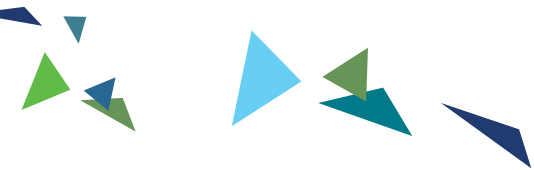


# Creating the New Future of Work in Healthcare

4 AREAS OF OPPORTUNITY FOR  
HOSPITALS AND HEALTH SYSTEMS

**workhuman\***



Global concerns surrounding the pandemic and social inequities have occupied the public consciousness – and organizations at large, including hospitals and healthcare systems – for the better part of 2020. These issues have highlighted decades-old challenges when it comes to adapting to new ways of working.

If your leadership team was considering making changes to operational structures before 2020, or if additional challenges have come to light, it's time to seize this rare opportunity to create the new future of work by adopting more agile practices and building an employee experience that surpasses even what you had before. Research from McKinsey & Company shows agile organizations have a 70% chance of being in the top quartile of organizational health, the best indicator of long-term performance.<sup>1</sup>



We've identified four areas of opportunity for healthcare organizations interested in putting a stake in the ground when it comes to building the future of work:

- 1. Compensation and total rewards**
- 2. Performance management and development**
- 3. The employee experience**
- 4. Diversity and inclusion**

Let's take a closer look.

# 1 THE FUTURE OF COMPENSATION AND TOTAL REWARDS

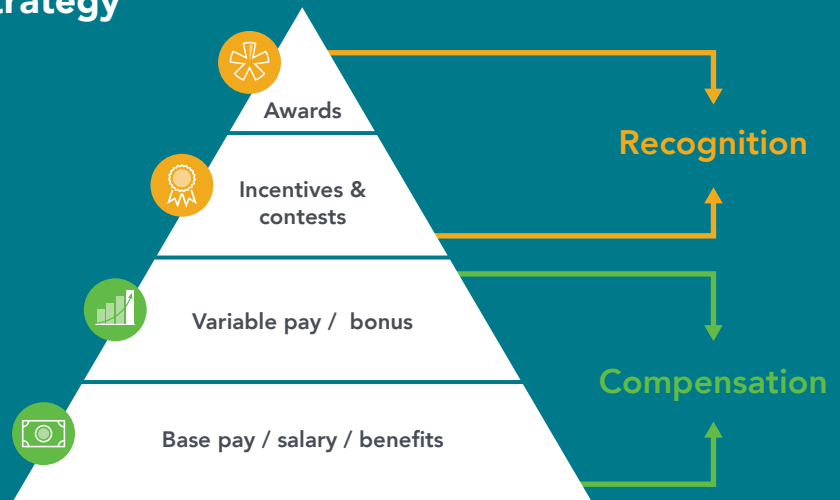
The economy has gone global. Many healthcare professionals are seeing patients remotely at least part time, thanks to increased telemedicine opportunities and hybrid schedules in the face of the pandemic.<sup>2</sup> As a result, more organizations are opening up to the possibility of including remote candidates from other parts of the world in their recruiting pipelines.<sup>3</sup> The world's top companies' total rewards strategies will need to include streamlined, easy-to-implement multicultural and multilingual incentive programs that support and benefit each and every employee.

While cash-based rewards may sound like the answer, they don't provide program consistency across the world, nor do they ensure global employees feel involved on a local

level. Cash-based rewards and bonuses mingle with an employee's paycheck and are often used to pay bills or for routine needs such as groceries. While this may fill a need, it doesn't contribute to a memorable experience or have the same long-term impact as non-cash rewards.<sup>4</sup>

To add balance and global consistency, healthcare organizations will need to view non-cash recognition and reward programs as equally significant to total rewards as compensation. A non-cash recognition program such as Social Recognition<sup>®5</sup> contributes to a gratitude-infused work environment – and sets the course for culture, aligns people to organizational values and goals, and creates human moments that matter.

## The future of total rewards strategy



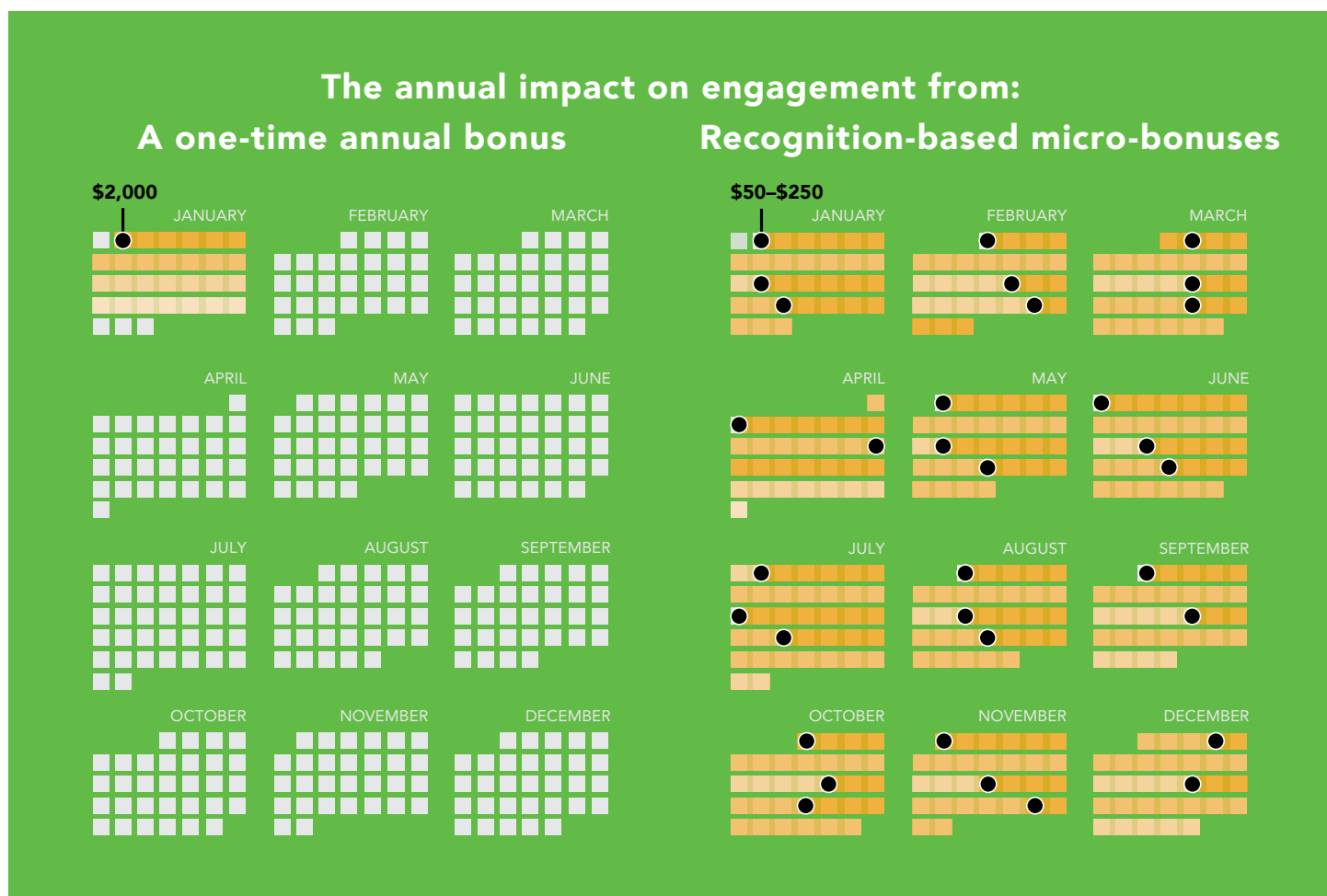
"Program analytics indicate significantly higher retention for our employees who have been recognized," said Jennifer Faulkner, vice president of team member experience and talent management at Baystate Health.

**"Our nurses receiving three or more recognition in 2018 had a turnover rate 7x less than those receiving no recognition."**

"In 2018, there was no turnover in the 40 physicians who received three or more recognition that year, as opposed to a 6% physician turnover otherwise. This is compelling information in an industry facing long-term, national shortages of providers."<sup>6</sup>

**Programs that allocate around 1% of payroll expressly for employee recognition micro-bonuses deliver the highest return – in fact, employees who are recognized 7-10x per year have a 2x lower chance of turnover.<sup>7</sup>**

This is illustrated when we contrast non-cash recognition with a standard annual bonus. A one-time bonus of \$2,000 given in January provides a lift in employee engagement for three to four weeks – and then nothing for the rest of the year.



Micro-bonuses, however, can be redeemed for locally relevant products and gift cards and provide a nearly constant lift when they're received throughout the year.

And it doesn't stop there. For every single recognition moment, it's not just the receiver who gets a boost – there's also the person who gave the gratitude, the person who approved it, and the colleagues who congratulate the receiver on the shared company feed. Non-cash recognition creates a ripple effect by empowering people in every department to say "thank you" when they spot great behavior and performance.

**This network of goodwill is the result of a choice to look at pay differently – and boils down to simply taking a penny out of every payroll dollar and giving it to your people to give to each other. Data shows that this simple solution is the future of compensation.**



# 3-4 weeks

A one-time bonus of \$2,000 given in January provides a **lift in employee engagement for three to four weeks** – and then nothing for the rest of the year.

## 2 THE FUTURE OF PERFORMANCE MANAGEMENT AND DEVELOPMENT

Traditional performance management, which relies on closed-door meetings, ratings, rankings, and formal documentation, fosters very little transparency or trust. According to PwC,<sup>8</sup> switching from this outdated model to more agile performance development encourages:

- Smaller, personal development goals and team goals
- Peer-to-peer recognition
- Informal check-ins
- Project-based assessments
- Flexible rewards

So how do you move toward a more agile performance development model? Start with having more frequent check-ins and keeping an open and honest dialogue with your team. This builds connection as teams work toward common goals – and leveraging technology to make this communication as seamless as possible is paramount. Workhuman research<sup>9</sup> shows people who check in with their manager at least weekly are:

- More than 2x as likely to trust their manager
- Nearly 2x as likely to respect their manager
- 5x less likely to be disengaged
- Nearly 2x as likely to believe they can grow in the organization

# 5x

Workers who check in with their manager at least weekly, as opposed to never, are **five times less likely to be disengaged.**

This is particularly relevant to working parents, according to Boston Consulting Group (BCG). Because of the disruption brought on by the pandemic, they now spend an additional 27 hours each week – the equivalent of a part-time job – on chores, childcare, and education on top of their regular household responsibilities. As a result, 50% feel their performance at work has decreased.<sup>10</sup> These hard-working and dedicated team members need additional trust built into the performance management and development process to give them more flexibility and support, and rebuild their confidence – without adding to fears that their performance is not up to par.

A truly agile performance management approach<sup>11</sup> gives physicians, advanced-practice clinicians, and medical staff members the ability to communicate and shift priorities as needed. Adopting this method and building check-ins, feedback, and priority-setting into one easy-to-use system – such as Conversations®, a part of Workhuman Cloud® – will give your organization the agility and edge it needs in the future of work.



# 27 hours

Working parents spend an **additional 27 hours per week on chores, childcare, and education** on top of their regular household responsibilities during the pandemic.



## 3 THE FUTURE OF THE EMPLOYEE EXPERIENCE

Peer-to-peer recognition supports increased employee engagement and productivity. Data from one global pharmaceutical company with a non-cash reward program shows a 12-point increase on the recognition question in its employee engagement surveys, and organizations with Social Recognition show an average increase in productivity of nearly \$2,000 per employee – creating an annual benefit of potentially millions of dollars, depending on the size of the organization.<sup>12</sup>

**Tracking engagement has emerged as a key strategy in the future of work.**

Pulse surveys – such as our free option, Moodtracker™<sup>13</sup> – are an agile, modern way to tap into the heartbeat of an organization and understand the voice of the employee in the new future of work.

# +12

A global pharmaceutical company reported a **12-point increase on the recognition question** in its employee engagement surveys.

# \$1,700+

Companies with Social Recognition show an average **increase in productivity of \$1,737** per employee.

These nimble, fast platforms make it easy to administer frequent, targeted surveys that keep you in touch with what your employees are thinking and feeling. In addition to engagement, they can address many of the business challenges organizations are facing today, including retention and productivity – particularly important in an untested environment in which many humans are suddenly working remotely.

A recent article in HR Technologist<sup>14</sup> offers a concise overview of the many benefits of an employee pulse survey, such as:

- Providing a real-time view of engagement
- Requiring less than 10 questions
- Avoiding bias, thanks to immediacy and greater contextualization
- Supporting peer-to-peer commentary, thereby tapping into the wisdom of the crowd
- Delivering insights that can be acted upon quickly and effectively



**“Now, more than ever, we need to focus on the fundamentals. And there is nothing more fundamental than maintaining open, honest, two-way communication throughout your organization.”**

**JASON LAURITSEN**

**Employee engagement expert and author<sup>15</sup>**

# 4 THE FUTURE OF DIVERSITY AND INCLUSION

As evidenced by the recent social unrest in the United States, systemic racism is embedded into the core of society and there is no quick fix. It's on HR and business leaders – as people accountable for making the workplace better – to ensure they're acting to eradicate racism, sexism, and other inequitable business practices where they do have control: their organizations.

According to Workhuman Chief Human Resources Officer Steve Pemberton, who spoke on a panel for Quartz at Work on creating anti-racist companies, BIPOC (Black, Indigenous, people of color) remain underrepresented in many industries, especially STEM industries. Steve recommends leaders cast a wider net by recruiting from historically Black colleges and universities.

"These aren't matters of unconscious bias," Steve explained. "These are conscious behaviors – people know what they're doing and they defend, justify, explain it away. ... I've yet to encounter a company that really put the longer-term effort

and resources into diversifying its workforce and has not found success."<sup>16</sup>

In general, peer-to-peer recognition leads to greater feelings of inclusion and helps employees feel that diversity is valued in the workplace. But it goes deeper than that. There is so much a recognition program can do to help your leadership team understand the state of diversity and inclusion in your organization. Because Workhuman Cloud is an open platform within your company and everyone communicates differently, it's possible to get a window into unconscious bias by observing how people write to one another.

**In analyzing these words, trends emerge that show how fair and equitable your organization truly is – as well as areas for improvement and opportunity.**

It's on HR and business leaders – as people accountable for making the workplace better – to **ensure they're acting to eradicate racism, sexism, and other inequitable business practices where they do have control:** their organizations.

Using Workhuman data, it's possible to gain insight into award values for different demographic groups and see how their networks and experiences with recognition vary. For example, would you want to know if one specialty group is showing more bias than another in terms of women receiving fewer awards or whether men and women are receiving awards for different reasons?

Jesse Harriott, global head of analytics at Workhuman, cited this example: "We see that women receive awards for teamwork one and a half times more often than other award types than men do. Women also receive awards more frequently, but they're receiving about 12% less in value – and that's from other women too, not just from men. It's one kind of unconscious bias that shows up in the data."<sup>17</sup>

Data also suggests that award amounts tend to vary by ethnicity, with Black and Hispanic employees often receiving lower-value awards than their Asian and white counterparts.

**Knowing the D&I data specific to your organization can unveil pay equity challenges and opportunities and help you identify areas where you can overcome bias, build empathy among all levels of the organization, and do a better job of amplifying employee voices.<sup>18</sup>**



**Forward-thinking healthcare leaders know that now is the time to think about everything we've learned in 2020 and consider how it can be applied in the future to create more equitable, flexible, transparent, and diverse workplaces.**

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