

## Case Study: Blackhawk Healthcare

*Hospital finds a new life through focus on values*

April 2010

**Industry:** Healthcare

**Offices:**

- 1 Corporate Office
- 3 Rural Hospitals

**Country:** USA

### THE SITUATION

Mangum Community Hospital was on the brink of closure due to an operating loss of approximately \$500,000 for the fiscal year 2005. Around this same time, Blackhawk Healthcare, an organization committed to providing quality healthcare in rural areas, stepped in to acquire the struggling hospital. Blackhawk was able to help them get to a financial breakeven point in less than 60 days.

Despite the more stable financial footing, several issues continued to impede Mangum. They were experiencing high turn-over on an executive level with three CEOs in two years. Employees were living in fear of losing their jobs. Well-respected doctors were no longer willing to practice at the hospital and people in the community stopped going to the facility for care.

### THE PROCESS

To help with the situation at hand, Blackhawk contracted with Kathryn Weldon, a CTT-trained independent consultant, to facilitate a culture change that positively impacts the people and the bottom line. Ms. Weldon recommended that the best place to begin was to develop a set of shared values chosen by the people rather than instituting mandates from the home office. This way, the people in the hospital could be collaborative and more easily align with the hospital's values because they helped set them.

In 2007, Blackhawk participated in an organization-wide Cultural Values Assessment (CVA) as the first step in the culture change process. The results from Magnum Community Hospital were some of the worst in Barrett Values Centre history. The 56% entropy and 11 potentially limiting values in the Current Culture confirmed the seriousness of the issues being experienced at Mangum.

Hospital-wide meetings were held to discuss the values assessment beforehand and to present the results. Meetings were held several times a day to ensure that all employees had a voice in the process.

The hospital then developed a set of shared values based on the survey results, using the issues currently being experienced in the

culture and the requests in the Desired Culture as the foundation for conversations.

With the shared values agreed upon, employees defined each of the determined values and established behaviours on how to live these values within the organization. Leadership development and action planning sessions took place in conjunction with hospital-wide communication trainings and team meetings to improve key systems and processes.

## OUTCOMES

All of this hard work and effort paid off. In 2009, Magnum Community Hospital (now named Quartz Mountain Medical Center) conducted their second values assessment. The results were astounding:

- Entropy (degree of disorder, negativity) dropped from 56% to 14%.
- All of the top values in the Current Culture were positive.
- The top Current Culture values spanned 6 of the 7 levels of organizational consciousness (almost full spectrum).
- There were 5 matching values between Current and Desired Culture.
- Three of the espoused values were represented in the Current Culture.

The outcomes of these dramatic shifts have been demonstrated in numerous ways. To highlight a few:

- Gross revenue grew from \$4 million a year in 2007 to approximately \$20 million a year in 2010
- Opened two new community clinics
- Increased staff, including well-respected doctors
- Upgraded equipment and facilities, including new MRI and Bone Densitometry machines and remodeled patient rooms
- Increased patient census
- Significantly improved employee satisfaction and productivity
- Community involvement with several philanthropic endeavors

## MANGUM COMMUNITY HOSPITAL CORE VALUES

**Patient Satisfaction:** We strive to achieve patient satisfaction by focusing on the person as a whole with attention to emotional, physical, and spiritual needs with caring and compassion.

**Teamwork:** We work together to achieve a common goal and are always willing to lend a helping hand no matter the task.

**Compassion:** We believe in unconditional, selfless giving: incorporating genuine kindness, patience, understanding and warmth in all that we do.

**Accountability:** We are responsible for our actions by knowing our job duties and carrying them out accurately and timely.

**Honesty:** We tell the truth with integrity and compassion.