

Case Study Executive Summary

Poudre Valley Health System Fort Collins, Colorado

Strategizing for a Sticky Organization

In 1998, under the leadership of CEO Rulon Stacey, PhD, FACHE, PVHS developed a consensus of the Board of Directors and senior management to embark on a mission of creating a community within the organization by transforming PVHS into a “sticky” organization – an organization that attracts and retains a highly engaged workforce. To accomplish this mission, PVHS embraced Thomas Concept’s Opposite Strengths as a common language of communication and strengths among all its employees.

Infusing Opposite Strengths into the PVHS Culture

Starting with Dr. Stacey’s senior management team and the Board of Directors of PVHS in 1998, PVHS began incorporating Opposite Strengths as a common language of communication at the levels of senior management and governance. This support and inclusion was seen as crucial in creating acceptance of Opposite Strengths among all PVHS employees.

From 1998 through the date of this report (March 2008), 3,400 employees of the now 4,200-employee system have learned the Opposite Strengths language.

“Stickiness” – Attracting and Retaining

The first part of creating a “sticky” organization is attracting the best and brightest people to apply for positions created both by turnover and by organizational growth. When an organization becomes attractive, costs of hiring and recruiting are reduced. Dr. Stacey reports that, in 2006, PVHS had 800 open positions and 41,000 applicants – 51 applicants per position.

In 2007, the situation was similar with 500 open positions and 31,000 applications – 62 applicants per position.

The second and equally important other measure of the “stickiness” of an organization is the voluntary turnover rate. In 1998, the year that PVHS began to measure the voluntary turnover rate, the turnover rate at PVHS was 23%. After 10 years of using Opposite Strengths and seeing a steady decline in voluntary turnover, the turnover rate for 2007 through August (the most recent year of measurement) had dropped to 4%. Compared with an industry standard voluntary turnover rate of 20%, PVHS clearly had accomplished a major reduction in voluntary turnover as well as created a positive, energized, and successful culture within which to work.

Financial Benefit to PVHS

PVHS reports that, if its voluntary turnover rate were at the national average of 20% (remember that PVHS’ rate started in 1998 above the national average at 23%), the cost to PVHS would be approximately \$42,000,000. But because the actual PVHS voluntary turnover rate is 4%, the actual cost of voluntary turnover is approximately \$10,000,000.

Thus, due to its lower turnover rate compared to the industry average, PVHS saves approximately \$32,000,000 each year in direct costs related to voluntary turnover.

Accolades

Poudre Valley Hospital has been named a Top 100 Hospital by Thomson Healthcare for five consecutive years, one of only 8 hospitals in the country to achieve that distinction. PVHS has been a finalist in the Malcolm Baldrige National Quality Award in each of the last 3 years – 2005, 2006, and 2007—and is in the running again in 2008.

Update to the March 2008 Case Study

In September 2008, *Modern Healthcare* named PVHS one of America’s 100 best places to work in health care.

In November 2008 PVHS won the 2008 Malcolm Baldrige National Quality Award – one of only three organizations and the only healthcare organization to win in 2008.