

Personnel Mistakes Can Be Costly for Practices

Hiring, managing and firing staff can be challenging tasks for physicians and practice administrators. Personnel management involves not only employing people with the right skills to do the job, but also finding the right mix of personalities, work styles and attitudes, which is especially important for small offices. Simply introducing one new physician, receptionist or medical assistant into your practice can radically change the office dynamics—for better or for worse.

The healthcare industry's average employee turnover rate is 16.6 percent, according to 2004 data from the Society for Human Resource Management's customized human capital benchmarking service. The same report states that it takes an average of 36 days to fill a position and costs \$4,474 to recruit each new hire.

Some practices treat personnel management lightly, a mistake that can end up costing them thousands of dollars. The healthcare industry's average turnover rate is 16.6 percent, according to 2004 data from the Society for Human Resource Management's customized human capital benchmarking service. The same report states that it takes an average of 36 days to fill a position and costs \$4,474 to recruit each new hire.

You do not have to be a math genius to realize that medical practices sometimes waste a lot of money hiring the wrong person.

"It's so painful to the organization if it makes a mistake," says Les McKeown, president and chief executive officer at EVNA, a human resource (HR) consulting firm in Marblehead, Mass. "You've got to spend months and months [determining] if you've made a mistake and then have to go to the expense of rehiring. It's good to get it right the first time."

Mr. McKeown says that there are several key steps that med-

ical practices need to follow when hiring staff. The first is to define the success factors of the job. Some employers attempt to do this by developing a basic job description, he says. But in reality, you need to be more scientific.

Develop a list of 10 to 15 success factors that zero in on the specific knowledge, skills and behaviors that the person must have to succeed in that position. If you are hiring a front-desk receptionist, for instance, one success factor may be the ability to multitask—the receptionist needs to answer phone calls in between filing and greeting people at the front desk.

Develop a list of 10 to 15 success factors that zero in on the specific knowledge, skills and behaviors that the person must have to succeed in that position. If you are hiring a front-desk receptionist, for instance, one success factor may be the ability to multitask—to answer phone calls while filing and greeting people at the front desk.

To develop an accurate list, ask other employees about their perceptions of the skills needed to perform each job, especially their own position. Their responses may surprise you. There may be an additional skill or two that you had not considered. For instance, “That person has to review Cindy’s reports, which are always filled with grammar and

spelling errors. So hire someone with strong writing skills.”

Besides job skills, pay attention to people’s attitudes and work style. Are you seeking an employee who is customer-service driven or someone who is motivated by income opportunities and profit growth? Maybe that person will work with one partner, who can be hard to get along with at times, so the ideal candidate will be flexible or easygoing. Focus on how an individual will get along with others and will fit into your practice’s overall environment.

Once your success factors are developed, you should create a list of interview questions that determine each candidate’s skill level.

“Most people doing interviews only have a vague sense of what they’re going to ask and usually start by saying, ‘Tell me something about yourself,’ then see where it goes,” says Mr. McKewon. “You can’t afford to do that. You want two to three questions per success factor that establish if they have [the skill].”

If, for example, the job requires frequent overtime, don’t sim-

ply ask candidates, “Can you work overtime?” If they want the job, they’re obviously going to respond affirmatively. Instead, ask them a series of behaviorally based questions: What was the overtime requirement in your last job? How many hours of overtime did you typically work each week or month? How did that impact your life?

This way, he says, you’re not posing hypothetical questions about what job candidates might do. Your questions will be focused on what they have already done.

Other examples: consider that receptionist job that requires multitasking. Your interview questions could include the following: “Tell me the last time you had to handle more than one task. What were those tasks? How did you handle them? What was the outcome?”

If candidates stare at you for a few seconds without responding, they may lack that skill or may have never developed or applied it at work. You need someone who immediately says, “Just last week, the phones were ringing off the hook; patients were waiting to be checked in, and I was working on a project for my office manager that had to be finished by the end of the day.”

Mr. McKeown advises employers to look for concrete proof that the candidates have applied the skills or success factors required for the position. Still, he says, the biggest mistake that medical practices make is conducting one-on-one interviews. He is not referring to screening interviews that weed out people who lack the minimum job requirements, but to those in which judgment calls are made as to whether you’re going to hire someone. During these interviews, more than one person needs to be involved.

“The reason is that most business owners and physicians possess ego,” he says. “Their ego tells them that if they like somebody, they’ll make everything else work. That’s what I call a visceral hiring process.”

Examples of this type of hiring can be found in almost every business or industry. Somebody walks through the door, and within 15 seconds the interviewer gets a bad feeling about the person. From that point on, no matter what the candidate says or does, the interviewer won’t consider hiring him or her. The opposite also holds true. How many stories have you heard in which someone with only one success factor (such as professional appearance)

lands the job? This one factor overshadows everything else, including minimal skill level and experience. Physicians or office managers don't even ask the candidate other questions because they're afraid they'll get a negative response. They convince themselves that the individual can overcome any weakness through mentoring or coaching.

Worse yet, no one else in the office may feel the same way. In fact, if it's a very busy practice, other employees may become frustrated with the person's inability to perform job-related tasks or may even get angry that someone else with more experience wasn't hired.

To avoid this scenario, form a panel to conduct the interviews. Not only will panel members offer differing perspectives on candidates, but they will also feel more responsible in helping the new employee to achieve success on the job.

"A two- or three-person panel keeps each other honest and

Questionnaire Reveals a Lot About Job Candidates

Pediatric Associates of Stockton in Stockton, Calif., asks job candidates to answer the following questions in their own handwriting, says Sue Zumwalt, the practice's office manager. Besides helping her understand their job expectations and work style, she says it also tests their writing, punctuation, handwriting and spelling abilities.

1. If you could have made any changes in your last job, what would they have been?
2. What was your most interesting job or project?
3. Describe the best person you ever worked with.
4. When you and your former employer had a disagreement, how did you resolve the conflict?
5. What do you expect from the office that hires you?
6. What do you think constitutes a good attendance record? What do you consider to be good reasons for missing work?
7. How would your former coworkers describe you?
8. Describe the best boss you ever had. Now describe your worst boss.
9. What do you think each of your references would say about you—both negative and positive?
10. What motivates you to do a great job?

makes you follow through on all of the success factors,” Mr. McKeown says. “Get somebody else in the room with you. You’ll get a much higher-quality hire and higher retention rate.”

What You Can and Can’t Ask

Other problems can arise from physicians and other staff who are inexperienced at interviewing. Do you know what questions can legally be asked during an interview? Not everyone does, and sometimes inappropriate questions are asked that can land the practice in legal trouble, says Adrienne Court, vice president at Oasis Outsourcing, a human resources outsourcing firm for small and mid-sized businesses in West Palm Beach, Fla.

Ms. Court developed the following list of interview questions—both proper and improper:

AGE

Proper:

- Are you at least 18 years of age? If not, please state your age.
- Dates of education and employment can be asked if used for verification of information given.

Improper:

- How old are you?
- How old is your spouse, child or parent?
- Do you remember the 1950s?

DISABILITY

Proper:

- Are you able to perform the essential functions of the position?

Improper:

- What is wrong with your hand?
- Are you handicapped?
- Why did you park in the handicapped parking space?
- Do you always use that walker?
- How much do you weigh?

NATIONAL ORIGIN

Proper:

- In what languages are you fluent (if job related)?

- Are you authorized to work in the United States?

Improper:

- Where were you born?
- Where were your parents born?
- What type of name is that?
- What is your native tongue?
- How did you learn to speak that other language?

BIRTH CONTROL

No questions can be asked about birth control, about whether a candidate is pregnant or plans to become pregnant or even about how many children the candidate has.

CHILD CARE

Proper:

- Is there any reason why you will not be available to work your scheduled hours?

Improper:

- Who watches your children during work hours?
- Who will care for your children if they get sick?

ARREST RECORD

Proper:

- Have you ever been convicted of a crime? If so, please provide the details of your conviction.

Improper:

- How many times have you been arrested?
- Have you had any run-ins with the police?

MARITAL STATUS

No questions can be asked regarding marital status.

RELIGION

Proper:

- Is there any reason you can't work overtime or weekends?

Improper:

- What church do you attend?
- What religious holidays do you observe?

WORK EXPERIENCE

Any inquiries into prior employment, duties with prior employees and work experience are proper.

Assessing Skills

Even if you ask the right questions, there is still no guarantee that the person is right for the job or your practice. Paul Henderson, the practice administrator at The Surgery Group in Pensacola, Fla., gives job candidates a pre-interview assignment. He asks them to list 10 items they need to address before considering a job offer. While this list encourages them to think hard about the position and their needs, he says that it also gives him a chance to find out about their interests and job expectations.

At Pediatrics Associates of Stockton in Stockton, Calif., top candidates take a series of tests that assess their personalities, relationships and language skills, says Sue Zumwalt, office manager at the practice that supports four physicians, four nurse practitioners (NPs) and 16 staff members.

“Hiring is very difficult,” she says. “You can give them tests, ask the questions, try to read between the lines. You’re still just getting the tip of the iceberg about that person. Everybody comes in with their Sunday best and puts on their best attitude, their best show and their best manners.”

The best candidates are brought in for an interview with Ms. Zumwalt. At that time, they take the series of tests. If they are being considered for a back-office position, the candidates then interview with the practice’s back-office supervisor, who tests them on even more skills. The supervisor may role play—for example, as a mother who has a child with a stomachache—then ask candidates to take a patient history. Are they asking the right questions? Are they asking leading questions? Do they go too far by trying to diagnose the patient?

After the interview, Ms. Zumwalt and the back-office supervisor compare notes. Lately, Ms. Zumwalt says, they both have picked the same candidate to hire. But when their opinions differ, they discuss the pros and cons of candidates, each offering a different perspective, then reach a compromise.

Sometimes former employees make the best hires—even ones who quit. In 2005, Ms. Zumwalt received a call from a former

employee who had walked out on her job. She was a very skilled back-office medical assistant who had worked at the practice for three years. However, there had been some friction between her and another employee, which had escalated day by day until there was a big confrontation. The medical assistant had become very upset with her co-worker, had vowed “not to take this anymore” and had stomped out the door.

Four years after the incident, the medical assistant discovered that her former co-worker had left the practice, so she swallowed her ego and asked Ms. Zumwalt for her old job back.

“She said, ‘I would love to come back. I have learned my lesson. I know what I did was wrong, and I apologize,’” recalls Ms. Zumwalt, adding that this individual clearly understood why the practice might not interview her, let alone hire her.

While offering no guarantees, Ms. Zumwalt told her that she could interview for the job; she would have to start from scratch and be compared with other candidates. The former employee jumped at the chance. In the end, the practice gave her a second chance and hired her. So far, says Ms. Zumwalt, “It has worked out wonderfully.”

Groups Offer Knowledge Exchange

There are virtually hundreds of Federal and state employment laws that govern everything from safety and overtime pay to family and medical leave. To help sort them out, encourage your office manager or another member of your staff to join a professional organization like the Professional Association of Health Care Office Management (www.pahcom.com) or the Society for Human Resource Management (www.shrm.org).

Patricia Harrison, a certified medical manager and healthcare consultant in Port St. Lucie, Fla., is a member of both organizations. “I learned [about] so many laws,” she says, adding that she also served as an office manager for a variety of medical practices for 25 years. “I would have never had an opportunity to learn them on my own.”

Likewise, she applied a variety of best practices that were suggested by her peers and other human-resources professionals in different industries. For example, she sweetened her employer’s benefits package by offering rewards to employees for work accomplishments. Since many medical practices can’t compete in the benefits arena with

While the practice's employee handbook states that all employees are subject to random drug testing, new hires are also asked to sign an agreement stating that they will openly agree to a drug test. Then they undergo a background check. Even though a small percentage of the results come back a bit shaky, Ms. Zumwalt says that they are well worth the money.

She recalls hiring once for a front-office position. The lead candidate came across very well. In fact, she might have been hired if her background check hadn't revealed that she had been caught stealing from her employer.

Gulf Breeze Internal Medicine in Gulf Breeze, Fla., considers background checks and drug screens as its safety net, says Crystal Dancler-Reeves, office manager for three solo practitioners who share the same office space and staff.

Last year, one job candidate's urinalysis came back inconclusive for drugs, so she was asked to take a blood test. The candidate refused. Her job offer was rescinded.

"The person said, 'I'm sorry, I don't know what happened. I don't think this is going to work out for me,'" recalls Ms. Dancler-

hospitals or large corporations, she says, small incentives that show employees how much they're appreciated and valued can positively impact loyalty, productivity and retention rates.

Other benefits didn't cost her employer a dime. Instead of employees' paying an individual membership fee to organizations like AAA or BJ's Wholesale Club, she arranged for a corporate membership, which saved them money. "A lot of employees loved the idea that we cared for [them] and that we were doing other things for them other than providing health insurance," she says.

Her newfound knowledge helped her tackle one practice's pension plan by bringing in financial experts to convert the plan, which had a very low participation rate. She recalls one employee who contributed 10 percent of his salary for 10 years and earned only \$125 each year. Since the new plan was introduced, employee contributions have increased by 28 percent.

She believes joining such organizations can help office managers at medical practices better deal with the demands of the job and can reduce the fiduciary responsibility of their employer. "It gave me the business side of [medicine], which is different from the medical side."

Reeves, adding that the practice has been conducting drug testing since 2000. “In my mind, she was doing drugs. There’s no telling what could have happened if that one got through and in the door. In the medical profession, you don’t want to open yourself up to any liability. It’s very important to have that screening in place.”

The practice is also considering testing each candidate’s skills before a job offer is made. In January 2006, the office was searching for a part-time registered nurse. Ms. Dancler-Reeves came across one resume that was simply impeccable. The candidate had more than 20 years of experience as an RN at various hospitals and hospice care facilities, and wanted to work only part time because of a disability that was never mentioned. She appeared to be the ideal person for the job.

What’s more, she was very friendly. Everyone liked her, including the physicians. So when her drug and background check came back clean, she was offered the job.

However, first impressions can be deceiving. In view of her experience, she was expected to hit the ground running. Instead, she was extremely slow in performing her tasks and didn’t act like someone who had over two decades of experience. One of the office’s medical assistants had to show her how to perform an EKG on a patient. She couldn’t operate a computer despite the fact that the practice supported an electronic medical system. The physicians constantly had to repeat their instructions to her. According to Ms. Dancler-Reeves, one doctor described working with her as being “connected to a ball and chain.”

The nurse lasted two weeks. When told she was being fired, she apologized and claimed that she had entered the workforce too quickly, considering her disability, felt overwhelmed and that she really needed a desk job that didn’t require strenuous or fast-paced work.

“If it sounds too good to be true, step back and really look at [the situation],” says Ms. Dancler-Reeves. “I would have checked more of her references and maybe given her some kind of skill testing in the office.”

A new trend across the country will make recruiting medical staff even more difficult than it is now. Some major retailers like Wal-Mart and Kmart are going to carve out space in their stores for physician practices, says Billy D. Adkisson, president and chief executive officer of Adkisson Consultants, a national physi-

cian recruiting firm in Bloomington, Ill.

“I know of one company that’s been hired by a national retail chain to put in doctor’s offices in a thousand of its stores a year for five years,” he says. “Each store may need somewhere between three and five FTEs (full-time equivalents). If you put three primary-care physicians in each of their stores, that’s 3,000 a year. This will fundamentally change the supply-and-demand curve for primary-care doctors.”

Not to mention nurses, medical assistants, physician assistants, nurse practitioners, receptionists, billing clerks and other staff typically employed by medical practices. Not only will the demand cause physician compensation to jump between \$20,000 and \$30,000, but there will be a similar jump for other staff as well, Mr. Adkisson says.

To make matters worse, the generation gap has widened. A 50-year-old solo practitioner may want to invite a 28-year-old physician into his practice as partner. But in most cases, such a gen-

Average Medical Staff Salaries

Average 2005 annual salaries and hourly rates for selected medical practice positions by years of experience

Position	< 2 Yrs	2-5 Yrs		> 5 Yrs
		Annual Salaries		
Administrator/ Executive Director	\$81,246	\$77,913	\$83,768	
Business Manager	48,883	51,655	54,969	
Office Manager	42,392	45,410	49,050	
		Hourly Wages		
Billing Coordinator	\$15.00	\$15.06	\$17.51	
Bookkeeper	14.83	16.13	16.98	
Certified Coder	13.54	14.81	16.34	
Lab Technician	12.25	14.38	17.90	
Licensed Practical Nurse	15.02	15.30	15.77	
Medical Secretary/ Transcriptionist	12.50	13.87	15.14	
Receptionist	10.85	11.98	13.27	
Registered Nurse	21.30	21.44	23.04	

Source: The Health Care Group 2006 Staff Salary Survey. Reprinted with permission.

erational leap doesn't work, he says. Their practice styles are completely different. Their work styles inevitably clash.

Mr. Adkisson says that many older physicians still use paper-based charts while younger physicians prefer electronic medical record systems. Older physicians may not rely as much on sophisticated tests or other technology as young ones do. He says that virtually all young physicians prefer to work in a technology-integrated office.

Then there's the issue of lifestyle. The number-one factor that young physicians consider when scouting for a job is call coverage, says Mr. Adkisson. They want more freedom or flexibility in their lifestyle than their predecessors. They want—maybe even demand—a higher quality of life.

So if you are a solo practitioner seeking a partner, your new doctor would be on call every other day and weekend. Most new doctors would decline your offer. Whether they want more time to travel or to spend with their family, they will look elsewhere for employment.

Although hiring part-time physicians is always an alternative, it will dramatically increase your malpractice premiums by at least 20 or 30 percent, Mr. Adkisson says.

These are key reasons why recruiting is going to become more difficult in the coming years. Still, there are some things you can do to help you attract physicians and other staff.

Besides offering a competitive salary for your market, consider offering internships at your practice. Ms. Zumwalt says that her practice serves as an internship site for several different colleges in town that educate medical assistants (MAs). Up to six MAs rotate through the practice every year.

Each unpaid student internship lasts six weeks, which is enough time to check out someone's skills, work style, work ethic and attitudes. "It's been very helpful to find out how they truly do work," she says. "We have hired quite a few [students] after they completed their internship."

The practice is also a rotation site for nurse practitioners and doctors of osteopathy. So far, she says, the practice has hired about three NPs and helps train several DOs each year.

By agreeing to field-test students, you will also be asked to help plan the college's curriculum since schools strongly desire

high student-placement rates, adds John Kelly, president of Grindstone Healthcare Consulting in Onalaska, Wis. By customizing programs, he says, you can produce tailor-made graduates for your office.

He points to some practices that also place experienced staff, like a medical secretary who understands medical terminology, on the faculty of a local college to help run the program, which is a very effective recruitment strategy. Many technical colleges are not up to speed on teaching students about electronic medical records (EMR). So if your practice supports an EMR, offer student clerkships, which will make your practice highly valued by both the school and students.

But hiring physicians is another matter. Consider supporting or participating in a hospitalist program so that new physicians won't need to take care of inpatient admissions during evening hours. That's a significant issue, says Mr. Kelly.

New Approach to Personal-Leave Time

Attendance is a big issue for many medical practices. Just one employee calling in sick can throw a kink into any schedule and impact patient care.

"Attendance used to be a really bad problem when I first came to work here," says Cathy Bird, administrative director of Premier Urgent Care in Melbourne, Fla., which employs five physicians, two physician assistants and 21 support staffers.

In the past, employees received approximately seven vacation days and three sick days each year. But if they didn't use their sick days, they would lose them. So it wasn't unusual for employees to use sick days as personal days, causing last-minute changes in scheduling and assignment of tasks.

To keep this scenario from continuing, the practice began lumping all personal-leave time together. During their first year on the job, employees now receive eight days of personal leave and can roll over up to 40 hours to the next year or cash in up to 20 hours at payroll time, such as during the holidays. All personal-leave requests must be in writing at least two weeks ahead of the dates requested.

The new strategy has worked well in discouraging last-minute absenteeism. "It's great," Ms. Bird says. "We don't have to pay for [extra] coverage when they're out."

“If they can get out of the burden of going to the hospital, that’s a huge advantage to the private practice trying to recruit a family practitioner,” he says.

So is creating an on-call schedule that is no greater than one in three days. If you offer one in two days or even one in two and one-half days, he says, that is “hugely negative.” Despite the economics, he suggests partnering

Consider supporting or participating in a hospitalist program so that new physicians won’t need to take care of inpatient admissions during evening hours. “If they can get out of the burden of going to the hospital, that’s a huge advantage to the private practice trying to recruit a family practitioner,” says John Kelly, president of Grindstone Healthcare Consulting.

with other medical practices to share the on-call burden. It will help stabilize your ability to recruit for your practice or to add a partner.

Apply a similar strategy for nursing-home coverage, especially since this is not time efficient and offers low remuneration. Mr. Kelly says that many physicians have convinced nursing homes to employ a geriatrician, nurse practitioner or physi-

cian assistant who can handle daily issues by offering to be their supervising physician and co-sign medical charts.

The idea is to create as close to an 8 a.m. to 5 p.m. work schedule as possible, says Mr. Kelly. Eliminate as many after-hours responsibilities as possible, and create a highly efficient, clinic-based practice.

Another attractive feature would be to present new physicians with their own book of business. Mr. Kelly says that some of his physician clients temporarily ramp up their business or patient load before they hire a new physician. For example, if your limit is 3,500 patients, increase that number to 4,200 for a short period of time. This way, you can hand off the extra patients to your new junior colleague.

“That relieves a lot of the tension for a new person,” Mr. Kelly says, explaining that an open schedule typically makes new physicians nervous. “Set up protocols with appointment staff—every third or fourth new patient call goes to the new doctor.”

Most patients won’t mind being transferred to the new doctor if correctly handled. For instance, when Mrs. Jones comes in for

her visit, say, “I want you to meet with Dr. Smith. He’s an excellent doctor, just graduated from Loyola. You’re really going to like him. But for any reason, if you have any problems, come talk to me. But I’m confident you two will hit it off.”

You’re actually selling the referral, Mr. Kelly says. Start planting the idea in patients’ minds that they would be lucky to be the new doctor’s patient. Then tell employees to follow your lead. When someone calls for an office appointment, they can say, “Dr. Jones can see you in two weeks. However, we have a new colleague, Dr. Smith, who can see you this afternoon. We’d like you to consider him. He’s really an excellent doctor.”

Little by little, you can start shedding your additional patient load. Before you know it, your new physician is booked solid for the next two weeks.

Seamless Transition

When you hire physicians right out of training, consider having them shadow the senior doctor at your practice for a week or two to see first-hand the rate and speed at which patients are seen, and to become more familiar with office procedures, suggests Mr. Adkisson.

New hires can change relationships in your office, especially in small practices where there is typically a very tight and strong sense of loyalty to the senior physician. As your practice begins to grow, your staff may begin to feel increasingly as if they’re one, two or three steps removed from your inner circle or the heart of your prac-

2005 Average Mid-Level Provider Compensation

Specialty	(by region)				
	All	Eastern	Western	Southern	Northern
Nurse Practitioner	\$74,736	\$80,200	\$71,102	\$81,474	\$73,840
Physician Assistant (Medical)	\$75,664	\$68,806	\$82,027	\$73,684	\$76,590
Physician Assistant (Surgical)	\$85,805	\$80,200	\$93,308	\$80,000	\$85,765

Reprinted with permission from the 2005 Medical Group Compensation & Financial Survey. Copyright 2005, American Medical Group Association and RSM McGladrey (www.amga.org).

tice's activity. Sometimes a "them-and-us" feeling is created.

"I counsel folks who are growing or hiring rapidly to not worry so much about the new hires because they don't know any different, but to look after the folks that got them there," says Mr. McKeown. "Be sensitive to their sense of loyalty, to the people who have been with you from the very start."

For starters, avoid any references to your new hires as superheroes. If you give the impression that the new hires do everything right, older employees can interpret that message to mean that they've been doing everything wrong. Try modeling a sense of openness, a willingness to embrace change, instead of suggesting that your staff has made plenty of mistakes and that now this new person is going to fix them. Otherwise, you will generate resentment for your new hires.

Productive comments you can make to staff include the following: "We're committed to always doing things better"; "It always helps to get an outside perspective"; "I'm really looking forward to learning what Jane has done before—maybe we can combine it with our best practices."

Then privately talk to Jane and coach her on how to avoid alienating staff. Sometimes, he says, new hires may roll their eyes or shake their heads in disbelief over a business method or technique that is very different from what was done at their last job. If new initiatives or policies are being implemented, don't huddle in a corner to discuss them with your new hire. Instead, introduce the new policies as a cross-functional activity by sharing the information office-wide.

"You've got to have a fear-free environment where folks understand no one is going to shake their fists at them and say, 'Why didn't we work this out a year ago?'" says Mr. McKeown. "Create a comfortable environment to communicate. Jane can't be seen as someone who doesn't like anything that's happening here and wants everything her way."

Taking Corrective Action

The right course of action is not always obvious when it comes to disciplining or firing employees. Most HR consultants suggest using progressive discipline, a four-step process that involves verbal counseling, a written warning, final warning with perhaps suspension,

then termination, explains Ms. Court at Oasis Outsourcing.

She says that many supervisors fall into the same trap. They either forget to document in detail their conversations with employees or don't provide them with tangible reasons that explain why they're being disciplined or fired.

"Give examples of behavior like misconduct, negligence, insubordination, poor attendance," Ms. Court says. "Then there are examples of poor performance like poor productivity or failing to meet the standards. When you get into the more nebulous areas—well, she kind of had an attitude over the phone and I just didn't like it anymore—that's where you can get yourself in trouble."

When giving a verbal warning to an employee, Ms. Court says,

Physician Compensation, Selected Specialties

Specialty	National Average	Eastern	Western	Southern	Northern
Allergy and Immunology	\$207,278	\$193,480	\$210,802	\$204,870	\$206,241
Cardiology	336,000	264,900	343,646	386,957	369,566
Family Medicine	164,209	141,225	166,750	163,417	168,488
Gastroenterology	308,246	263,594	325,698	325,033	306,994
General Surgery	294,000	250,028	275,336	301,761	330,903
Geriatrics	159,492	150,000	****	158,400	170,278
Gynecological Oncology	334,009	290,795	345,355	****	347,005
Gynecology & Obstetrics	250,196	232,276	240,118	258,756	275,419
Hematology & Medical Oncology	255,007	207,300	261,004	293,043	255,007
Hospitalist	171,991	153,515	175,084	183,775	171,913
Internal Medicine	169,569	158,824	171,246	167,740	170,511
Pediatrics & Adolescent	169,267	155,916	168,301	191,511	168,609

Asterisks indicate the sample size was too small to report data.

Reprinted with permission from the 2005 Medical Group Compensation & Financial Survey. Copyright 2005, American Medical Group Association and RSM McGladrey (www.amga.org).

you must tell the employee in private what the problem is, clarify your minimum expectations and outline the consequences of not correcting it. The discussion has to be documented and signed by both you and the employee. Then place it in the employee's personnel file.

Written warnings also need to address behavior problems and clarify minimum expectations. The difference here, she says, is that this document must state that continued instances of the employee's unsatisfactory behavior will result in further corrective action up to and including termination. However, final written warnings need to go one step further by stating that further instances of the unacceptable behavior or performance will result in employment termination. Once again, document the conversation. Both you and the employee need to sign it, then file it in the employee's personnel record.

Don't forget to document such information in the employee's performance improvement plan. While similar to the written warning procedure, include a time frame to establish when the employee's progress will be reviewed as well as a detailed outline of performance deliverables and minimum expectations that must be immediately achieved.

Whenever disciplining or terminating an employee, Ms. Court advises physicians and administrators to remember the importance of due process. Basically, this involves the following:

- Establishing and communicating behavior or performance standards to employees.
- Gathering sufficient examples or evidence of occasions when those standards aren't being met.
- Informing employees that their behavior or performance is not meeting the practice's pre-established standards.
- Giving employees the opportunity to present their opinions or viewpoints.

■ Imposing corrective action that is fair and consistent. Were other employees with simi-

We love hearing your comments and suggestions! Please fill out our short Reader Survey by clicking on the **Reader Survey** line at the bottom of the home page at www.doctorsdigest.net.

lar behavioral issues disciplined in the same manner?

- Repeating what the expected standards are for the position.
- Communicating the consequences of a failure to meet those standards.
- Taking appropriate action if those standards are not being met.

Besides providing anecdotal examples of what the employee has done wrong over the last few weeks or months, establish some metrics. For example, the receptionist must have no more than one abandoned call per day, or the billing clerk must have less than a .05 percent error rate when dealing with insurance companies. This way, you have hard data that can't be disputed.

Firing an employee should never be a surprise, adds Mr. McKeown at EVNA. You can't simply sit down with someone and say, "For the past six months you've been doing this wrong, so you're fired."

Mr. McKeown says, "There's got to be a monthly check that says here's what you're doing, here's what my expectations are, here's where you are exceeding them or not making it and what are we going to do jointly to make it better next month."

Sometimes the problem is that the physicians' personalities clash. The Surgery Group in Pensacola, Fla., hired an industrial psychologist who addresses communication issues at the practice's quarterly board of director meetings, Mr. Henderson says. During retreats, consultants are also brought in to facilitate role-playing exercises that help physicians understand the basic differences in their personalities and how to solve problems as a team or as individuals.

"We have tried personality testing and sharing results with one another so they can see why they act the way they do, why they think the way they do," he says, adding that physicians sometimes come into his office to vent about another doctor at the practice. "When they're done, I'll start asking these questions: What have you done to solve the problem? Have you talked to him or just came into my office to yell at me and expect me to talk to him? I try to get my physicians and staff to realize that if they're part of the problem, they also have to be part of solving the problem."