

# Managing for Peak Staff Performance

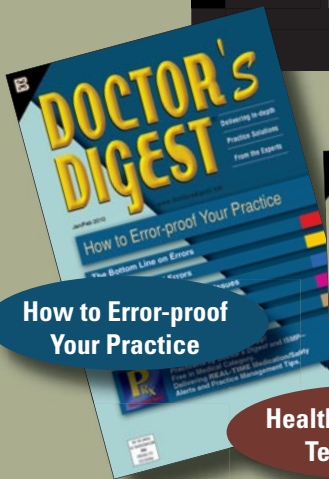
## Chapter FastFACTS

- 1. Giving too much information will overload new hires; give them only what they need to get started.**
- 2. Employee handbooks establish performance standards including expectations and consequences for violations.**
- 3. Feedback is effective if you follow established guidelines to ensure that your comments are constructive.**
- 4. The performance evaluation process and related forms should include both qualitative and quantitative input and a well-defined rating scale.**
- 5. Open communication inspires new ideas and solutions.**

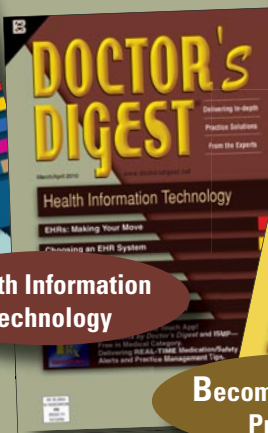
A quote attributed to Bill Shankly, one of Britain's most successful and respected sports managers, says "Aim for the sky and you'll reach the ceiling. Aim for the ceiling and you'll stay on the floor." The point is that you must have a high standard to achieve greatness. That concept also applies to managing your practice so as to attain peak staff performance—not only having high standards, but letting your staff know what you expect and whether they are meeting the mark.

To achieve those standards, employees need to know the goals of your practice and how their work moves the practice towards those goals. They must know the results that they will be evaluated against—and, of course, they must finally be evaluated, not left to guess how they are doing. Without this kind of communi-

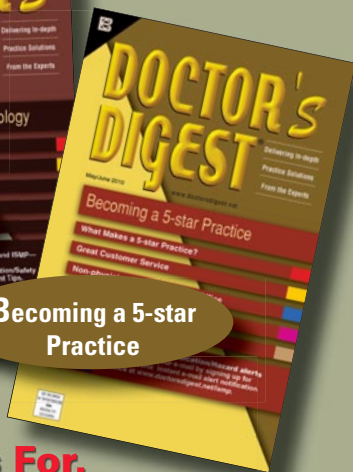
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cation, employees might not take their work seriously, slipping into errors or doing substandard work—in Mr. Shankly’s words, “staying on the floor” rather than reaching peak performance.

### **The First 90 Days**

Share your expectations with employees as soon as they begin working for your practice. Whether your welcome to new hires is formal or casual, group or individual, it should include everything from time sheets, lunch breaks, and parking to dress codes and personal safety. “Use a checklist to make certain nothing is missed during the onboarding process,” Dr. Davies says. “When you go over this material with new hires, you avoid surprises and ensure that both you and your employees start out on the same page.” If you use a written checklist, the new hire and a representative of the practice should sign it to indicate that this information has been conveyed; then place it in the employee’s file along with all pre-employment and ongoing HR employment information such as performance reviews and counseling memos.

Don’t overwhelm your new hires during orientation since they are unlikely to remember everything. “Do just-in-time onboarding,” advises B. Lynn Ware, PhD, president and CEO, Integral Talent Systems, a workforce management consulting firm based in Palo Alto, Calif. “That is, give new hires only information they need to get started, not something they won’t need until months from now.”

In addition to providing information, help new hires fit in. “Help them integrate personally with the practice,” she says. For example, assign new employees a buddy or mentor who will serve as an ongoing resource. The buddy can invite the new hire to lunch in the first week and introduce him or her to other employees to create a sense of community and a support network. The employee selected as mentor or buddy should be one who is a good performer and interested in taking on this role. This employee may get a valuable morale boost from being asked to serve as a buddy.

This assimilation period is critical because many new hires leave within the first 90 days and because this period requires so much time and so many resources. “Within about a three-month

period in most jobs within healthcare, the manager has invested enough resources and time to get a good measure of whether there's a good fit and if the employee is performing well," Mr. Ostrom says. "During that time, effective communication is key. The new employees should know how they are performing, what gaps there are, and what they need to do to improve."

While the employee needs feedback on performance, the employer needs feedback on what the employee is thinking and feeling about the job. At CORE Physicians, Mr. Fournier conducts assimilation interviews at the 45-day mark. He believes that getting new hires' input at this stage has helped reduce the number of terminations in the first year of employment. The information he receives from new hires allows him to be proactive rather than reactive. For instance, if a new hire feels he's overqualified at 45 days, Mr. Fournier can request a transfer rather than having him eventually leave because he's not being fully utilized.

## The Employee Handbook

All employees—not just new hires—can learn what is expected of them from the employee handbook. Unlike the job description, which should list job-specific responsibilities, the employee handbook gives a general sense of the performance standards that all staff need to uphold. For example, instead of saying the receptionist will welcome all visitors to the office (specific job duties that would be in the job description), the handbook might say all staff are responsible for treating patients, vendors, and other visitors with respect. If you already have a handbook, give someone on staff the responsibility for keeping it up to date. And have it reviewed by an attorney or an HR consultant.

If you do not yet have an employee handbook, determine whether your current policies and procedures are still serving

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your needs; if not, adjust them accordingly before creating the handbook. Do you now have so many employees that verbal requests for vacations don't work anymore? Are more employ-



**"Don't designate too many people as complaint receivers. Whoever receives your staff's complaints must act on them; if too many parties are involved, you'll lose control over the response."**

**Ron Chapman, Jr.**

Shareholder

Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

Dallas

ees working overtime than you can afford to pay? This may be the time to create a vacation request form or to require approval before overtime hours are worked. If you have no stated policies, write down the unstated ones. At a staff meeting announce that a handbook is being created or updated, and ask your staff what policies or processes they would like. Dr. Johnson says the value of the handbook to employees is that "they can be more independent and able to doublecheck and look things up on their own." She cautions that the handbook should support and supplement verbal instructions, not replace ongoing communication between employees and the practice.

HR experts recommend you consider the following as you create or revise an employee handbook:

■ **Include expectations as well as consequences for violations.** In addition to spelling out guidelines, share what will happen if employees do not perform in the manner described. For example, "Employees who bring weapons to work will be disciplined up to and including termination." This ensures there will be no surprises if an employee needs to be disciplined.

■ **Include your practice's commitment to respect.** Your handbook should include a statement about your practice's commitment to creating and maintaining a respectful work environment.

■ **Include complaint procedures.** It's one thing to state your commitment to a workplace free from harassment, discrimination, and other disrespectful actions. But "if your employee

handbook doesn't include the process by which an employee can make a complaint of harassment, safety violations, discriminatory practices, etc., then the handbook doesn't [protect] you from potential lawsuits," Mr. Gabor says. Smaller medical practices in particular need to have more than one person to whom employees can register complaints, because it's possible that person could be the very one employees want to complain about. Mr. Chapman recommends enlisting the part-time help of an HR consultant or using a private service that provides toll-free numbers to which employees can phone in their concerns. "Just don't designate too many people as complaint receivers," he cautions. "Whoever receives your staff's complaints must act on them; if too many parties are involved, you'll lose control over the response."

■ **Include HIPAA regulations and practice guidelines for confidentiality.** To ensure that staff is aware of privacy laws affecting interactions with patients, include a statement in your handbook like this one: "Your time as a staff member in a medical practice may involve working with confidential information. All staff have the duty to maintain the confidentiality of patient and employee information." Additionally, the practice has a duty to protect the privacy of employee health as well as personal information, Dr. Ralston says, and your handbook should say so.

■ **Leave out information that changes frequently over time.** Be sure the handbook doesn't address dynamic aspects of your business. Use binders or electronic files because they can be more easily updated than a bound version.

■ **Discuss separation.** Although you hope to have your employees with you for the long term, you need to spell out how separation works. Ms. Cline recommends that you include something like this: "Employment at ABC Pediatrics is at-will, meaning that either you or the practice can choose to end your employment at any time with or without cause. We would appreciate your giving us ample notification should you decide to leave our practice, and we will try to do the same for you." You should add: "All papers, documents, ID badges, and equipment must be returned to the practice at the conclusion of your time here."

■ **Reflect your practice.** If your practice isn't stuffy, your handbook shouldn't be, either. The handbook is intended to share the

spirit, not the letter of the law, and how it applies at your practice. Instead of giving a description of the Family and Medical Leave Act (FMLA) that includes legal jargon, complicated definitions, exceptions, etc., include a statement like this: “ABC Medical respects your time on and off the job. We will do our best to limit the amount of overtime you will be asked to work;



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**Richard A. Berning, MD**  
Pediatric Cardiologist  
Hartford, Conn.

and when we ask you to work additional hours, we will pay you overtime at a rate of time-and-a-half for each hour worked, according to FLSA policy.”

■ **Get the handbook reviewed by a lawyer.** After all your hard work, don’t risk finding out that your handbook contains information that is incorrect or inflammatory or even illegal. For instance, if you include a dress code that offends someone from a religious standpoint, your entire handbook could come into question. Your lawyer can ensure that your language complies with FLSA and such laws as COBRA, EEOC, and the Americans with Disabilities Act. “Your handbook should have language that is precise and reflects the latest court standards. You need someone who stays current in these areas to make sure it does,” Ms. Cline advises. For instance, your handbook should contain information about harassment law. A lawyer should ensure that you include proper language to specify, as in your offer letter, that the handbook does not constitute a contract of employment. Make sure that your handbook doesn’t end up giving employees reason to sue you, Ms. Cline says. Instead of using an absolute phrases like “we will” (e.g., “We will review your performance quarterly”), express your intent: “We will make our best efforts to review your performance quarterly.” To help you with this,

SHRM offers a comprehensive table of contents, a complete sample handbook, and a sample employee handbook acknowledgment form at [www.shrm.org](http://www.shrm.org).

## Managing the Manager

One way to get peak performance from your employees is teaching them how to “manage up”—i.e., getting what they need from you. “Teach your employees how to manage you” so they can advocate for what they want when they need it, freeing you to focus on your own work, advises Ms. Matuson, author of *Suddenly in Charge: Managing Up, Down and Succeeding All Around*. She recommends explaining in detail how you want to be communicated with. “For example, you might have to say, ‘I’m a bottom-line guy. When you come to me, I just need you to tell me the facts,’ or ‘I prefer that you leave me a note with the status of billing; don’t tell me verbally.’ Think about [whether] you want to know about problems as soon as they occur or save them for a debriefing meeting,” she advises.

## Powerful Feedback

Create an environment in which employees receive ongoing feedback about how well they’re meeting your expectations. As you’ll read in the next chapter, feedback is one of the most motivating management behaviors.

Feedback can be formal or casual; it can be delivered by you or others. You may say, for example, “You stayed calm and collected when that patient started yelling at you this morning—good job,” or “Before you enter an examining room, please remember to knock.” The key, Dr. Tepper says, is to create an environment in which people are comfortable talking about and receiving input about how they are performing. For example, spend time in staff meetings talking about what is or isn’t working; then ask for feedback on your own performance. Says Dr. Berning, “Employees have to see you as approachable. If employees think they cannot give you feedback on the practice or on your own performance, you won’t get feedback or insight from staff, which can lead to problems.” You also should regularly pull people aside to tell them you’ve noticed when they go above and beyond basic expectations. “We give positive feed-



back to our employees because when they feel respected and when they feel their input is respected, then they feel part of the team; and the whole office works better when everyone feels like part of the team,” Dr. Berning says. “Then they’re willing to step in and help when problems need to be solved. They feel a sense of pride. And it limits infighting and backstabbing.” See “Overcoming Obstacles to Giving Feedback,” opposite.

Once you’ve committed to giving constructive feedback, follow these established guidelines—worth a revisit here—for making your feedback effective and meaningful:

■ **Refer to observable behaviors, not personality traits.** Say, “You only filed five of these reports in the last two days” rather than “You’re lazy,” a more judgmental and less objective accusation. Be as specific as possible, e.g., “You kept four patients waiting while you were talking to that sales rep.” Avoid allegations that are easy to disprove. For example, if you say, “You always file this in the wrong place,” an employee can easily reply, “Two weeks ago I didn’t.”

■ **Be clear and direct.** Being uncomfortable giving feedback gets in the way of being direct. The result is feedback that sounds more like a question. If the feedback is worth giving, don’t apologize for it; state it clearly and concisely, and move on. For instance, instead of saying, “I was thinking there might have been a better way to deal with that patient who was nervous about having her blood drawn. Do you agree?” say, “Earlier today you told a patient who was anxious about having her blood drawn just to ‘suck it up.’ In this practice, we are empathetic with our nervous patients. You could have said something like this: ‘Some very strong people are afraid of needles, and even those patients have told me I’m very good at this.’”

■ **Consider your timing.** Feedback is most effective when it comes as soon after the observed behavior as possible. Otherwise, people won’t remember the situation clearly, or it won’t seem as if it mattered very much to you.

■ **Don’t overwhelm.** Don’t save feedback and dump it all at once when you reach the boiling point or conduct an annual review. That’s why it’s critical to make feedback an ongoing part of your management style. People can work on only so many fixes at a time.

## Overcoming Obstacles to Giving Feedback

Despite the benefits of giving feedback, many physicians struggle to do so. Here are strategies for getting around five of the most common obstacles you may face in giving performance feedback to your employees:

■ **“My good performers know how I feel about them.”** A common myth is that good performers don’t need much attention from supervisors because they’re doing what they’re supposed to and know it. But all employees need and deserve feedback that recognizes good performance, Dr. Berning says.

■ **“I don’t like conflict.”** Let your employees know when they haven’t performed up to expectations. No one sets out to perform in a substandard manner and might be embarrassed if left to do so. The overall goal of performance management is to correct, not to punish, Ms. Whaley says. She offers these examples of what to say: “Things have changed. You don’t seem happy. Is something going on that I can help you with? Can we talk about it because it’s affecting your work with patients?”

■ **“My employee needs this job.”** Mr. Micucci says doctors in small practices often complain about staff but don’t do anything to resolve issues because they know too much about their employees. “They know about the employee’s family, that she has two kids in college, that she needs the money,” he says. But if the doctor had a conversation with the employee, the situation might not reach the point where the employee was in jeopardy of losing her job. Giving feedback on performance that needs improvement is actually giving her an opportunity to hold onto her job, he points out.

■ **“It’s not that big a deal, and I don’t really have time.”** Mr. Micucci calls this type of objection, “Management by ‘When I Get Fed Up With It’”. This style of management avoids smaller issues or tolerates poor performance until the manager ends up letting the employee go. Mr. Micucci recommends managing by a different credo: “These Are Expectations We All Must Live By.” In other words, be proactive by giving constructive feedback.

■ **Emphasize the consequences of ineffective performance on others.** People generally care about the impact of their behavior on others and often aren’t aware of it. Instead of saying, “You were late again,” say, “When you are late, Susan has to leave her desk to cover for you; and she gets behind on her paperwork.”

■ **Turn feedback into a two-way dialogue about solutions.**

Feedback shouldn't simply consist of talking to the receivers. Ask him or her to brainstorm with you on how to correct the situation.



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**Marc Fournier**

Manager, Human Resources  
CORE Physicians LLC  
Exeter, N.H.

## Performance Reviews

If you give ongoing feedback, there should be no surprises at the formal performance review. Instead, the review should strengthen relationships with your employees. A good performance evaluation is a one-on-one meeting in a setting free from distractions in which employer and employee can talk about how well the employee is meeting goals. This not only motivates the employee but also provides a record of performance that helps when making promotion or merit increase recommendations or when disciplining employees.

A good performance management system will reflect the practice's goals. Mr. Fournier says, “We put a high weight on personal behaviors that make us stand out against our competitors. For instance, 25% of our evaluation has to do with ‘soft skills’ like flexibility, creativity, optimism, integrity, and compassion. We only want people who are by nature positive, even if they are the best at their technical or skilled area.”

Be sure your standards are consistently applied across the practice. In “Get Better Results With Staff Performance Standards” on the AAFP Website, Ms. Capko advises, “As you set employee standards, look at how you evaluate each physician's performance as well.... Ask yourself if you are willing to hold physicians to the same standards—timeliness, patient service,

and workload volume—to which you hold staff. Often employees will observe the attitude and performance of their leaders and reflect that example.”

The performance evaluation process and related forms should include both qualitative and quantitative input, a well-defined rating scale, data from all individuals who come into contact with the employee, and comments in support of the highest or lowest rating on a particular item. A tactic for creating employee goals that has been touted in business and management circles—and is still widely in use—is the SMART goal, an acronym for “specific, measurable, achievable, relevant, and timely.” Use this meeting to get feedback on the employee’s experience at the practice and what broader career goals he or she may have that can be linked to his or her present role.

HR professionals advise that if you’re planning to give all employees a cost-of-living increase, this is not the time to announce it. When the performance review is tied to pay raises that are routinely given, regardless of the evaluation, the performance review loses its validity. This is the right time, however, to discuss merit increases and performance-related bonuses. Finally, like most formalized HR functions, the employee should sign the performance review form and any resulting action plan. If he or she declines to sign the review itself, get a signature either on a form acknowledging that the review took place, or on an addendum to the review (explaining the employee’s view of the situation) that will become part of the personnel file.

### **Creating a Cohesive Practice**

“Being in the know” and “feeling in on things” consistently rise to the top in studies of employee motivation and result in getting the best from your employees. These motivators help overcome what Ms. Whaley calls “the divide between the front and the back” in medical offices. This divide, she says, leads to an “us and them” mentality. Her practice asks staff, “Whom would you most like to shadow for half a day, and whom would you most like to have shadow you, learning more about your job in the process? They then create a schedule for staff from the front and back office to shadow each other. “It helps us create

cohesion and operate seamlessly as a practice,” she says.

Dr. Pepper says his employees know that what they say mat-



**“If [staff] don’t like something, I encourage them to come up with an idea to change it. They know that, after they run it by me, I’m extremely likely to use it.”**

**Eric Pepper, MD, ABFM**

Family Medicine Practitioner  
Golden State Physicians Medical Group  
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ters. “Ninety percent of my day I’m behind a closed door. If I’m not listening to my staff, I don’t know what’s going on.” He doesn’t hold regularly scheduled meetings, but he frequently talks to his employees, often over lunch in the office. “If they don’t like something, I encourage them to come up with an idea to change it. They know that, after they run it by me, I’m extremely likely to use it,” he says. Ms. Matuson tells of a practice that holds a “Monday morning huddle.” For 15 minutes, standing together in the hall, staff share their observations— from difficult patient issues to processes that aren’t working.

Especially in turbulent times, constant, open communication prevents people from fueling the rumor mill with the worst possible scenario. Without that dialogue new ideas don’t come up, solutions to problems don’t surface, and a practice can become stagnant and ineffective.

“This is the first year I couldn’t give my employees a raise,” Dr. Liebman says. “I felt really bad, but I took some time to explain the situation to them, not just how it played out in our practice, but in the medical field as a whole. When the checks were delivered without the expected raise, there were none of the consequences that accompany unhappy surprises.”

If you don’t have open communication, your patients will sense it, too. “When a patient asks the front office staff, ‘What’s up with your appointment system?’ and they just roll their eyes or mutter, ‘We’ve told the doctor how difficult patients say that system is,’ you know you have a doctor who is not listening to

his staff and it's being felt by his patients," Ms. Matuson says.

Dr. Tepper's office reinforces cohesion with a holiday party in the fall for employees and their families. Because many of the staff members have younger children, the practice tries to come up with ideas that appeal to young kids. They also have some kind of social event each July on the anniversary of the opening of their office. "It makes my employees feel that the office is more than a money-making scheme," Dr. Tepper says. "[It shows] that we care about employees and, in turn, they care about their work and getting it all done."