

Estimate of the Situation

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Staffing Standards in the Real World

In this issue we turn our attention away from health care mega issues to a more immediate and practical concern that executives and managers confront on a daily basis: department level labor productivity.

Benchmarks and staffing standards are very different things. A benchmark is simply a “mark on the wall” against which performance can be measured. Benchmarks are usually developed from sources outside the hospital although the hospital’s productivity history can be an expedient source of benchmarks (with a few caveats). A staffing standard, on the other hand, is an internal management target that the hospital has adopted.

The impact of reimbursement changes and their effect on hospital utilization makes this a good time to review fundamental principles, important facts that are occasionally overlooked or misunderstood. Here are three.

1. The limits on human productivity in any hospital department are determined by factors that fall into four factor categories. They are system and work process factors, resource factors, organizational factors, and cultural factors. When labor productivity in any given department fails to reach observed norms, the performance-limiting causes of variance will reside in one or more of those factor categories. It is vitally important to understand that factors in those categories negatively affecting labor productivity will also produce undesirable results in the critical outcome areas of quality, physician and patient satisfaction, employee relations, and community image.
2. Effective staffing standards are those that confirm professional judgment *over time*. Even when the statistic that serves as a surrogate indicator of workload stays the same from day to day, actual workload within the department can vary tremendously because of procedural variances, patient behavior, staff mix, staff fatigue, patient assignments, etc. Consequently, day-to-day success in meeting management targets can be expected to vary. What matters is their achievement over time (on a year-to-date basis, for example).
3. Self-evidently, the real workload cannot be predicted in advance of its arrival in most departments. Moreover the relationship between the amount of work on any given day and the number of staff required to accomplish that work is highly elastic and not at all linear. Therefore, on any given day, professional judgment should always trump the numeric staffing standard when the two conflict. Otherwise, quality issues will arise. When the gap between professional judgment and the established standard is persistent, both should be re-evaluated.

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