

# From Survival to Stability:

## How Chartis Helped a Large AMC Stabilize Its Workforce and Improve Its Bottom Line



### The Client Challenge

A large rural academic medical center (AMC) was facing an untenable situation. Employee turnover was relentless — over 25% turnover among executives — and the national competition for staff risked deteriorating their financial situation, below their \$160 million annual operating loss pre-COVID.

Managers hadn't been held accountable for meeting labor budget or performance expectations. And there was a lack of clear ownership, performance management tools, and education.

### Navigating to Next: The Solution

The Chartis Group partnered with the AMC to conduct a comprehensive assessment of the medical center's operating expenses. In their flagship hospital, Chartis identified between \$13 and \$17 million in potential workforce opportunity alone.

Interviews and observations made it clear that the organization lacked consistent labor management systems that would support a culture of accountability and performance improvement. Furthermore, departments had developed their own staffing guidelines. The resulting lack of transparency led to distrust between executives and staff.

Chartis collaborated with executive leadership to prioritize departments, and ultimately provided implementation support across five areas: position review committee refinement, productivity management tools and analytics establishment, span of control assessment, staffing model development, and management education delivery.

Specifically, staffing models were developed for all inpatient nursing units, the Emergency Department, Perioperative Services, and Radiology. Front-line leaders received tailored training to cultivate their management skills. Standardized processes cultivated transparency and trust between clinical staff and executive leadership. And clear communications enabled nimble decision-making to address organizational need. The exact approach was tailored to each area, initiative, and leader.

### THE COSTS OF UNOPTIMIZED WORKFORCE MANAGEMENT

- Increased burnout
- High employee turnover
- Growing labor expense
- Declining operating margin
- Unsustainable performance pressure

### NAVIGATING TO NEXT: KEY COMPONENTS



#### Analyze Current State

Assess qualitative and quantitative information and data



#### Identify & Prioritize Opportunities

Determine focus areas for improvement



#### Design Solutions

Engage stakeholders in collaborative sessions



#### Implement & Educate

Support managers in execution



#### Refine Solutions

Conduct iterative process improvement



#### Foster Agility & Sustainability

Apply robust communications & change management plan

## Client Impact

By focusing on putting the right people in the right places doing the right types of work, the AMC implemented more than \$15 million in annual financial benefits. In addition, a new level of trust evolved between clinical staff and leadership, evidenced by more than 30 inpatient nurse managers who took on full ownership of and accountability for their nursing units' operational and financial performance. These managers were empowered with the tools and training to flex staffing to daily demand.

The broader outcome was a new organizational culture, which included a data-driven approach to decision-making and productivity monitoring, increased executive autonomy and nimbleness, and built-in training to ensure new leaders are equipped for similar performance.



### How We Are Making Healthcare Better

Chartis collaborated with all levels of leadership, from executives to front-line staff, to build sustainable financial health rooted in solid operations, an engaged workforce, and a culture of accountability and transparency — all critical to thriving in these turbulent times.

—CFO of the AMC

The new culture of accountability produced dramatic results in under one year.

70

Leaders trained in management principles

0

Executive turnover

\$15M

Reduction in labor expenses

## NEXT INTELLIGENCE:

### A stable and flexible workforce can be achieved through:

**Accountability and support:**  
Performance standards backed up by tools and training

**Efficiency and standardization:**  
The right people in the right roles at the right times

**Change management:**  
Communicating the “why” throughout the organization

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