High Employee Turnover at Hillcrest Memorial Hospital—Case for Chapter 3

Amy Dore

You are on a newly formed "Service Excellence Committee" at Hillcrest Memorial Hospital. Your area of expertise includes leadership issues such as mentoring, team building, motivation, and empowerment. Over the past year, employee turnover has dramatically increased throughout the organization with no obvious reason. The hospital CEO has asked the committee to survey and research reasons for the turnover. Upon careful review of the surveys, you notice that normal reasons for turnover, such as low pay and poor benefits, are not the problem. However, one trend stands out—dissatisfaction with job autonomy. You surmise the reason this is a problem is because Hillcrest operates with a traditional hierarchy, including traditional manager roles that appear more dictatorial than participative. Employees have limited freedom when it comes to their work and are neither motivated nor empowered by managers. You mention this to the committee and a vote is quickly taken to explore this theory. Empowerment is a controversial topic to members of the committee, as their initial fear is that once an employee is empowered they will run amok and the organization will suffer. Upper management ignores the concept of employee motivation due to the misconception that motivating employees means it will cost the organization money. The committee assigns you the task of writing a draft response to present to the CEO and the committee.

DISCUSSION QUESTIONS

1. In light of the committee's agreement on the causes of the high employee turnover, why should upper management give attention to the concepts of employee motivation and empowerment?
2. What are the costs and benefits of high turnover and of reducing it?

3. How might Hillcrest develop and implement an employee program that encompasses employee motivation and empowerment?
4. How could the committee ensure success of such a program?
5. Should the committee consider other strategies and opportunities to help Hillcrest overcome the issue of high employee turnover?
6. Should you be updating your resume in case the CEO doesn't like your recommendations? Explain your response.

Set Up for Failure?—Case for Chapter 3

Amy Dore

Allison began her healthcare career with an established general dentistry practice consisting of one dentist, Dr. Gable. Shortly after she started her job, Dr. Gable decided to add a second dentist, even though his past ventures with adding a partner had not been successful. Dr. Gable hired an expensive consulting firm to handle all the specifics, such as developing the contract with this new dentist, helping with hiring additional staff, purchasing additional equipment, and helping the current staff adapt during the transition. Even though Allison was new to the dental field, Dr. Gable kept her up-to-date with the process, but only to a certain point. Furthermore, Allison's input was not wanted, so she politely stepped back and observed the process. Both dentists had big ideas of a successful partnership and expected instant success. They even looked for land to build and move the current practice because they expected the practice to double or triple in size since there would be two dentists to serve their expanding patient base.

Watching the beginning of the partnership develop was exciting for Allison, and she was anxious for the partnership to succeed. The thought of managing such a large, successful practice would certainly be good experience for her. However, Allison noted a couple of negative factors that made her question the wisdom of adding a second dentist. Those factors included:

1. The new partner had just graduated from dental school and did not have a patient base to bring to the practice.
2. The discussions between the two dentists and the consulting firm did not indicate how the new dentist would market himself.
3. The new dentist would be paid a set salary, increasing each year, without consideration of how much revenue he actually generated.

Furthermore, several issues quickly came to the surface:

1. Expenses quickly exceeded profits.
   a. The new dentist wanted all the best and newest equipment, which was very expensive.
   b. Increased staff for the new dentist meant a larger salary expense (not to mention the salary of the new dentist).
2. The new dentist was neither motivated to nor interested in marketing himself. He was drawing a salary, which would increase each year, so he was not motivated to seek new patients.
   a. This meant he was treating the existing patients and, therefore, taking away business from Dr. Gable.
   b. In turn, little additional revenue was being generated, and expenses were going through the roof.
3. The morale of the office quickly deteriorated.
   a. The tension between the dentists and staff was obvious. Due to the increased expenses, the year-end bonuses for staff were eliminated and employee hours were cut.
   b. Allison was also feeling demoralized.

Now, after keeping Allison out of this process, both dentists expect her to fix the situation. Allison feels like her job is on the line, along with the morale of the staff and the outcomes of the practice. Plus, Allison is positive neither dentist will be open to accepting responsibility for the situation. She is trying to decide what to do and how to address these problems.

DISCUSSION QUESTIONS

1. How might she draw upon and apply the theories of management and motivation to address these issues?
2. How might she approach the dentists?
3. What are the most urgent issues?
4. What actions might she suggest to improve the situation?
5. What strategies might be used to motivate the dentists and the employees in working to begin to address the issues?
6. Should Allison be updating her resume and looking for another job? Explain your response.