

Insights from an Interim CEO

By Stephen C. Tweed, CSP

What would cause a nationally known healthcare strategist, professional speaker, author, and consultant to give up his day job and go back into operations?

Great question! But that's exactly what I did for six months from September 1999 to March 2000. I served as Interim President and CEO of a large home care company that provided 175,000 home health visits, nearly 200,000 hours of private duty services, \$3.4 million in DME sales and rentals, and \$1.4 million in home infusion pharmaceuticals.

My first day on the job, I received an e-mail from Ted Clingner, former President and CEO of United Home Care in Cincinnati. He said, "Congratulations! Every consultant ought to go into operations to get a good dose of reality. Can't wait to talk with you about what you learn after the assignment ends."

Well, Ted . . . here are seven significant things I learned:

1. This stuff really works! For the past 18 years, I've been speaking to home care audiences around the country on the principals of strategy and leadership needed to grow your business and get ready for the future. Although four months isn't long enough to demonstrate long term success, the feedback from my directors and managers reinforced that these concepts really do make a difference in running a successful home care organization. One of the most important things we did was a seminar series on finance for

non-financial managers. By end of the four-week series, the clinical managers had a much clearer understanding of the financial impact of their clinical decisions.

2. People need a clear vision and a sense of hope. It's been a long two years in home care. People are tired, frustrated, and sometimes burned out. They need a leader who will paint a picture of a possible and desirable future and who will give them a sense of hope and meaning. Our leadership team worked together to create a *Blueprint for Action*. It began with our vision for the future and with a *Strategic Focus* to take us there.

The greatest compliment I received during my tenure was from the Director of Home Health Operations. She said to me one day, "Stephen, the greatest gift you have given us is a clear vision for the future and a sense of hope that we can actually achieve it."

3. Focus, focus, focus. . . Execute, execute, execute. Home care is a complex business. It's easy to get pulled in a thousand different directions; to have your energies and resources diluted and diffused. The home care leader of the future needs to create a clear focus for the team and then pay close attention to execution.

One example of this was a team of utilization consultants who were able to concentrate their efforts. They cleaned up a backlog of unbilled Medicare claims worth nearly three million dollars in 6 weeks. That focused action generated huge cash flow for the agency and enabled us to avoid hundreds of thousands of dollars in write-offs.

In order to survive under IPS and PPS, home care companies will need to demonstrate outstanding operating performance. . . which means putting in place effective processes and executing them with excellence. A marginal strategy executed brilliantly will always outperform a brilliant strategy executed marginally.

4. What gets measured gets managed. What gets rewarded gets repeated. Home care is about compassion and caring for patients. It's also about running a sound business. One way to help your people stay focused is to let them know what's really important. The best way to do that is to measure what's important. What are the key quantitative indicators that drive your business? How do you measure them? How do you communicate the results to your people? Do you get your managers involved in setting goals, measuring results, and taking corrective action to get the outcomes you want?

Develop 7 to 9 key indicators that are the *Critical Measures of Success* for your business. Measure them monthly. Some you'll want to capture daily. Let your people know how they are doing. Get them involved in creating ideas to improve. You'll be amazed at the results.

What's the behavior that you want repeated? How are you rewarding people for that behavior? Your folks want to work in a place where they feel appreciated for what they contribute. Finding little ways to say "Thank you!" goes a long way. When you're in a state of crisis, as many agencies have been for the past two years, there's a tendency to see only the problems and the things people are doing wrong. Make a point to catch your team members doing things right. . . and give them little rewards and tokens of appreciation along the way.

5. Chocolate works great! Food is love. And there's no better way to show your appreciation for your people than with food. . . chocolate food! After rewarding a team of Utilization Consultants with a can of chocolate truffles, one of them stopped me in the hall.

“Mr. Tweed, we have a serious problem and we need your help.” When I got to the cubicle where they were working, they showed me the problem. . . an empty truffles can. “Where can we get more?”

On another occasion, a team of clinical managers were working late on New Year’s Eve to schedule the weekend and to make final Y2K preparations. I stopped in to see how things were going, and as I left, one said, “Don’t come back unless you bring chocolate!”. . . and they all laughed. A quick run to the local candy store and they were highly motivated by a two-pound box of mixed chocolates.

The next day, one of the clinical managers stopped me in the hall. “I just wanted to say how much I appreciate how you support and encourage us without getting in the way of what we’re trying to do,” she said.

6. Become an archeologist. Dig, dig, dig! Gather the facts. Ask questions. Dive into the numbers. Understand your information system. Make sure you understand the source of every number that is reported. Check the arithmetic to make sure things add up. The more you know about the details of your business, the better you will be at potential problem solving. As you move toward PPS and the other aspects of buBBA ’97, you want to be sure that you have a grip on what’s happening in your business. What should happen, what could happen, and what could go wrong?

7. Be best friends with your CFO. To be an effective leader in home care, you need four things. . .

Data: Capture raw data about every business transaction in a form that is usable. . . preferably in a computer database.

Information: Tabulate the data into useful information. Information is used to create bills and collect receivables, and to prepare financial and statistical reports to measure your progress.

Knowledge: Analyze and synthesize the information to create knowledge that will support business decisions.

Wisdom: Mix knowledge and gray hair and you get wisdom. You need to mix knowledge about your business with experience in home care to get wise counsel.

You need each of these four things from your CFO. The more closely you can work with your financial people, the better off you will be when it comes to measure results.

Lessons remembered: Early in my role as Interim CEO, people were saying, “Just tell me what to do and I’ll do it.” They were asking for clear direction. By communicating a vision for the future, defining what is important through our *Critical Measures of Success*, and setting clear goals, we helped people more clearly understand what to do. By focusing on a few critical issues, creating clear expectations and giving people the resources to do the job, I found that they could achieve amazing results in a short period of time.

An important role of the home care leader is to help your people learn. People learn best through stories. The greatest teacher of all time was a wonderful storyteller, as evidenced by the many parables in *The Bible*. Use stories, examples, and illustrations to help your team members learn and grow. They’ll remember the stories long after they’ve forgotten the verbiage in the policy manual or the flow chart in the procedure book. I know I’ll remember the lessons I learned from this experience by repeatedly telling and retelling these stories to my clients and audiences across the country.

About the Author: *Stephen C. Tweed, CSP*, is a nationally known home health care strategist, professional speaker, author, and consultant. He works with home care companies that want to grow, and with home care leaders who want to get ready for the future. He is the author three books, including *Strategic Recruiting: Finding the Employees You Need in Home Health Care*. He is a principal in the firm of **Tweed Jeffries LLC** in Louisville, KY, Chairman and CEO of *Leading Home Care... A Tweed Jeffries Company*, and **President** of the **National Speakers Association**. He can be reached at Stephen@leadinghomecare.com or www.leadinghomecare.com

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