



For Immediate Release

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Skilled Interim Leaders Turn Short-Term Vacancies into Long-Term Advantages *Healthcare Facilities See Improved Performance with Strategic Use of Interims*

LENEXA, Kan. (October 14, 2009)—When a key leader leaves a healthcare organization, it can affect financial, operational and clinical performance for months or even years, according to recent data gathered by the American College of Healthcare Executives. But in spite of its challenges, a leadership void presents an opportunity to leverage a skilled interim leader to take the organization to the next level.

“Hiring an interim who simply ‘fills the gap’ to keep the department functioning until a permanent leader can be found seems logical, but it contributes nothing to the positive momentum of the organization,” said Doug Smith, president and chief executive officer of healthcare leadership solutions and consulting firm B. E. Smith. “Healthcare executives are discovering that a top-performing interim leader can be an effective strategy for improving their business long term. Filling the gap is no longer satisfactory, nor should it be.”

A seasoned interim leader brings the ability to make an immediate and lasting impact on the organization in terms of improved financial, operational and clinical outcomes. Experience, while necessary, is only the starting point. “The right executive knows industry best practices and brings a knowledgeable, objective viewpoint backed by proven success in interim assignments,” Smith said. “He or she is not bound by organizational politics, and can focus on the objective at hand.”

In addition to meeting the organization’s day-to-day leadership needs during the vacancy, a strategic interim will begin by performing an exhaustive operational assessment to identify opportunities for improvement. This assessment is followed by a written action plan outlining concrete, implementable strategies that lay the groundwork for significant gains in performance. A high-performing interim also will implement short-term strategies prioritized by the organization, while developing a transition plan and long-term expert recommendations for his or her permanent successor. Finally, the leader will provide a means to measure the return-on-investment for their efforts, according to Smith.

Case in point: a 750-bed, not-for-profit hospital hired an interim director to fill a leadership void in their 80-bed emergency department. The results the interim director achieved were dramatic: emergency department turnaround time decreased from 255 minutes in October 2007 to 195 minutes a year later—despite a volume increase in 2008. What’s more, the “left without being seen” rate decreased from 10 percent in April 2008 to 1.5 percent in December 2008, while “arrival to bed placement” time decreased from 73 minutes in early 2008 to 24 minutes by October of the same year.

The strategic use of an interim leader also can succeed on the non-clinical side of the business. In one compelling example, a 500-bed tertiary hospital brought in an interim vice president of operations to fill a leadership void. Upon arrival, the interim leader focused on educating willing employees to cover additional areas of expertise. She also right-sized employee numbers, decreased supplies, reduced contract expenses and ceased operations where expenses exceeded revenues.

The results the hospital achieved far exceeded their expectations. In the first six months, the interim leader reduced overall expenses by \$3 million and created a sustainable, positive bottom line. This was the first positive bottom line the hospital had experienced since being acquired by another healthcare organization.

“With the razor-thin margins healthcare organizations are experiencing today, executives need to ensure continued growth,” Smith said. “Innovative decision makers are using interim leaders to turn a short-term vacancy into a long-term advantage.”

To meet the rising demand for executive talent with the skills and credentials to strategically improve outcomes, healthcare organizations increasingly will rely on firms that employ their interim leaders in some capacity, said MaryAnn Digman, RN, B.S., MSHA, senior vice president of interim leadership for B. E. Smith.

“Working with firms that use the third-party employment model is safer and cost-effective. Interim leaders are employed by the firm, which manages their taxes, insurance and withholdings. This eliminates regulatory exposure for healthcare organizations,” she said. “The firm will supervise its interim leaders in the field, using performance goals clearly defined in the agreement to move the organization forward.”

About B. E. Smith:

Founded in 1978, B. E. Smith is a full-service leadership solutions firm for healthcare providers. B. E. Smith’s comprehensive suite of services includes Interim Leadership, Permanent Executive Placements and Consulting Solutions. The company is comprised of veteran healthcare leaders who partner with each client to create a solution that uniquely fits that client’s individual needs. In 2008, B. E. Smith placed more than 600 leaders into healthcare organizations worldwide. For more information, visit www.BESmith.com or call 877-802-4593.

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SIDEBAR:

Case Study: Interim Leader Takes Emergency Department To Next Level

For Harris Regional Hospital in Sylva, N.C., the unexpected resignation of the emergency department leader came at a critical time. The department was getting ready to add six new exam rooms, while staff was working hard to maintain recent gains in patient satisfaction.

Chief Nurse Officer Sheila Price, BSN, RN, FACHE, called B. E. Smith, a healthcare leadership solutions and consulting firm that employs hospital executives who provide interim leadership services. “In healthcare, you can’t afford to go backwards,” Price said. “We felt this investment was critical to keeping forward momentum.”

A seasoned healthcare administrator with more than 15 years of nursing leadership experience, the interim leader from B. E. Smith started with a thorough assessment of the emergency department, identifying needs and providing a document with action steps, which were prioritized with Price’s help.

The interim took a number of steps to meet performance goals. She worked closely with physicians and staff to develop standardized treatment protocols based on nationwide best practices. Steps were taken to enhance the department's data collection and analysis activities and improved processes were implemented, enabling Harris to use emergency department data to identify opportunities to improve the patient experience. And, she helped staff discover ways to use resources effectively and get patients care as quickly as possible.

She also implemented several solutions to operational issues. A new department schedule allotted shifts more fairly, effectively matching peak hours and focusing employees on the jobs they were hired for. Costs were contained by maintaining inventory at the lowest levels possible, as well as several low-cost equipment purchases that improved clinical efficiency. The interim leader then uncovered errors that resulted in lost revenue and created an easy-to-use scoring model to help nurses identify the right level of acuity. The system produces charges that are more accurate and more defensible if audited, according to Price.

A wide range of "people" issues also were addressed. A more effective orientation process for new staff improved retention, and the department's charge nurse leadership structure was strengthened through a new, detailed job description. She then worked one-on-one with individuals to show them how to be more effective in their leadership roles.

According to Price, bringing in the interim leader was cost effective because it laid the groundwork for big gains in performance.

"For us, the payback has been dramatic," she said. "Even after just two months, we already have a stronger foundation."

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