



Getting Started with Kronos Workforce Analytics for Healthcare

Eight Proven Tips to Drive
Implementation Success



A SUCCESSFUL BUSINESS INTELLIGENCE PROJECT STARTS WITH PROPER PLANNING

By selecting Kronos® Workforce Analytics™ for Healthcare, you have taken a significant first step toward implementing complete labor cost management across your health system. Workforce Analytics delivers the actionable business intelligence your organization needs to maintain a healthy balance between cost and care. Providing on-demand access to historical and near real-time data, the solution helps you accurately align staffing volume and skill set to fluctuating patient demand for high-quality, cost-effective care delivery. With evidence-based insights at their fingertips, managers throughout your organization can make better decisions to control labor costs, improve productivity, and minimize risks — all while helping create a culture of accountability focused on high patient and staff satisfaction.

Business intelligence (BI) solutions like Workforce Analytics have become essential tools for improving financial and operational performance. Yet, according to Gartner, 70 to 80 percent of business intelligence projects are less than fully successful.¹ Why? Gartner asserts that most BI projects fall short of expectations due to a combination of poor communication, a failure to ask the right questions, and a lack of alignment with the real needs of the business.²

A successful BI implementation requires a strong commitment from key stakeholders — from senior executives to frontline managers—as well as diligent strategic planning, clear communications, proper governance, and ongoing assessment to mitigate risk and accelerate time to value. The following eight best-practice tips will help you avoid common pitfalls and put your health system on the path to a smooth, effective Workforce Analytics implementation that delivers rapid return on investment (ROI).

1. Establish a business partnership with your technology provider

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Your health system is investing significant time and resources in Workforce Analytics for Healthcare to help drive more informed and cost-effective workforce decisions. This kind of strategic enterprise software investment requires much more than a transactional relationship with your technology vendor; it requires an ongoing business partnership aimed at achieving mutual goals. Therefore, it's fair to expect your technology provider to work closely with your organization through every step of the implementation process.

At Kronos, we recognize that our success depends on the success of our customers. That's why we take a collaborative partnership approach to every implementation. Our team of experts — project managers, technical implementation specialists, and healthcare domain consultants — work hand-in-hand with key stakeholders to understand your goals and configure Workforce Analytics to fit your specific business model. You can count on your Kronos team to guide you in making the right decisions throughout the implementation process — and beyond — to help ensure that Workforce Analytics meets your expectations and supports your financial and operational goals.

¹ Bill Goodwin, *Poor Communication to Blame for Business Intelligence Failure, Says Gartner*, Computer Weekly (January 10, 2011), found at <http://www.computerweekly.com/news/1280094776/Poor-communication-to-blame-for-business-intelligence-failure-says-Gartner>.

² Ibid.

2. Set business goals — not data requirements

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Your Workforce Analytics for Healthcare implementation is about much more than providing some fancy reports and dashboards; it's about supporting key business goals through actionable business intelligence. In too many cases, business intelligence projects fail because the initial requirements do not drive specific business value and/or because the initial requirements change and the technology platform cannot adapt accordingly. To minimize these risks, it's important to view your implementation as a key cross-functional business initiative rather than solely an information technology (IT) project.

When setting out to implement your Workforce Analytics solution, develop your system requirements and configuration parameters based on the business objectives it is intended to support. Set business goals centered on expected outcomes tied to a specific timeline. Then define three to five key performance indicators (KPIs), such as productivity performance, percentage of overtime usage, and contract labor utilization, and use these metrics to drive the initial technology requirements. This business-driven approach will enable your organization to track performance and measure the benefits realized over time.

In addition, you need to plan for the reality that your healthcare organization will evolve over time and your business intelligence requirements will change with it. Establish a governance structure for decision making that is founded on a strategic plan tied to financial, operational, and performance improvement goals. This will simplify the process of updating Workforce Analytics targets to align with shifting business requirements.

3. Get executive buy-in to build support

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Executive sponsorship is essential to the success of your Workforce Analytics for Healthcare implementation. Executive team members must be on board with the project right from the start because their buy-in sends a message to the entire organization that this is a high-priority project with the potential for significant financial and operational impact. A committed and enthusiastic executive sponsor with a vested business interest in the project — from kickoff to ROI — can mean the difference between success and failure. This individual could be the chief executive officer, chief human resource officer, chief financial officer, or another senior leader with enough political influence to champion the project and demand change.

The executive sponsor guides the decision-making and assumption-defining processes during the project implementation and build phases, engaging front-line managers whose input and feedback are vital for building acceptance and achieving desired outcomes. Even after Workforce Analytics goes live, the executive sponsor should continue to participate in monthly meetings with Kronos consultants. His or her continued involvement will help ensure that performance insights are being used to inform workforce decisions and identify areas for improvement and that updated system features are being fully integrated into business processes across the enterprise.

4. Assemble the right in-house project team

5. Integrate analytics into essential business management processes

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A successful Workforce Analytics for Healthcare implementation starts with identifying and committing the appropriate resources. Because Workforce Analytics is an enterprise business management solution as opposed to a purely transactional system like billing or timekeeping, it requires a strong, cross-functional project team. While IT resources play a central role in the initial project implementation, project success hinges on the active participation of key stakeholders from departments across the enterprise, including finance, human resources, payroll, scheduling, nursing, and other operations, as well as those front-line managers who will be using the system to make workforce decisions.

In addition to lining up an executive sponsor, it is critical to designate a project manager who will lead the project team, identify the need for best-practice decisions, and align the right resources to support the implementation work plan. With the right team in place from the project outset, your organization will be better positioned to implement a solution that supports strategic business goals for rapid time to value.

5. Integrate analytics into essential business management processes

Your Workforce Analytics for Healthcare project can be deemed a true success only if it meets the business goals your organization set out to achieve. Even if your technical implementation is flawless and your new business processes are highly efficient and clearly defined, you're not going to see the business results you had hoped for unless intended users adopt the new tool and use it regularly to gain actionable insights and make informed workforce decisions.

Hard-wiring Workforce Analytics into your organization's management culture is a process that needs to begin even before you kick off implementation. In order to drive acceptance and maximize ROI, you need to change the behavior of people within your organization through effective change management. Using a systematic model and proven best practices, change management helps you plan for transition, overcome obstacles, and effect new behaviors.

Start by figuring out what frontline managers expect from Workforce Analytics for Healthcare, how they will use it as a day-to-day decision-making tool, and how the solution will integrate with existing systems such as those for financial planning and budgeting. Then identify the behavioral changes that need to take place to make Workforce Analytics an integral and well-accepted tool for ongoing workforce management and labor cost control.

Communication is key to getting managers within your organization to adopt a new behavior. Because people accept change in stages, your communication efforts must increase as intended users move along the change acceptance continuum.

6. Perform technical due diligence — before implementation begins

- **Awareness:** Build awareness that change is coming and why through carefully timed communications such as emails, team meetings, and organizational announcements
- **Understanding:** Ramp up communication frequency using demos, videos, and the intranet to help users understand what the change looks like and why it matters
- **Buy-In:** Initiate more direct communications to engage users in the change process — perhaps involving them in solution testing — and emphasize how it benefits them
- **Action:** Conduct live and/or on-demand training to help ensure users have the skills and abilities to do what is expected of them once the change takes place
- **Reward:** Publicly recognize individuals who are embracing the change and doing what is expected of them to reinforce their behavior and encourage others to get on board

6. Perform technical due diligence — before implementation begins

While Workforce Analytics for Healthcare is designed for ease of configuration and reporting, there are still many details to consider as you set up the system. Addressing key technical issues up front can help ensure a smooth implementation and accelerate time to value — especially if your solution is being deployed across a multi-facility health system.

Start by developing a plan to integrate Workforce Analytics for Healthcare with existing business applications, such as HR, payroll, budgeting, billing, position control, and ADT, and to import critical data from any systems you may be replacing. Because the “garbage in, garbage out” concept holds true for Workforce Analytics just as it does for any business management system, take steps to normalize data across the enterprise by standardizing pay codes and workload metrics, and by cleaning up inconsistencies. For example, create uniform definitions for key terminology by asking questions such as:

- What is overtime?
- What constitutes contract labor?
- What is orientation vs. training?
- Are job titles consistent across work units?

Early in the implementation process, establish a common hierarchy of roles and responsibilities as they relate to usage and access rights so you can control which organizational levels are permitted to see sensitive information such as salaries and performance ratings. In addition, consider developing protocols for assumption changes that may require you to add or modify labor levels, redefine terms like productive vs. nonproductive work, adjust measurement criteria, or make other adaptations to reflect shifting strategic objectives.

7. Take the long view of labor cost management

Addressing these types of technical details prior to installation will help you avoid speed bumps and detours that could delay your project, impact performance, and reduce acceptance by the user community. Taking the time to perform technical due diligence can accelerate cost savings and productivity gains for faster ROI.

7. Take the long view of labor cost management

While activating labor cost management may be the final phase of the Workforce Analytics for Healthcare implementation process, it's really just the beginning of a continual operational review and optimization cycle. Even before your system goes live, establish regular checkpoints for evaluating your analytics targets and assumptions, so you can make any adjustments needed to take your performance to the next level. Assess your labor cost management approach from various angles including:

- Are your assumptions related to labor utilization, labor expenses, and quality risk management yielding expected results?
- Are you consistently hitting your work unit targets?
- Are workforce management initiatives aligned with targets to achieve business goals related to cost control, productivity, and patient and staff satisfaction?
- Which business intelligence metrics are providing value and which are not?
- What can be done to enhance the value of Workforce Analytics and the data-driven insights it delivers?

Kronos recommends conducting a full Workforce Analytics assessment six months after go-live to evaluate solution content, usage, and results. After that, annual optimization assessments and system health checks are encouraged to help you realize continued value from your Workforce Analytics investment.

8. Appoint an analytics coordinator to drive sustained success

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Identify an analytics coordinator to champion the continuous utilization and advancement of Workforce Analytics for Healthcare within your organization — even as opportunities and issues surface and as business goals and priorities change. Depending on your organization's culture, values, and strategies, this may be an executive from finance, operations, administration, or nursing who recognizes the value that actionable business intelligence brings to your health system.

The analytics coordinator role is focused on action planning to drive the ongoing evolution of Workforce Analytics for Healthcare as the basis for data-driven decision making and organizational advancement — well beyond the implementation phase. With an analytics coordinator working to continuously align Workforce Analytics with current organizational strategies, practices, and goals, your health system will be better positioned to achieve effective labor cost management as part of a more efficient and accountable culture centered on value-driven care.

CONCLUSION

Organizations looking to implement effective labor cost management can count on Kronos Workforce Analytics for Healthcare as a proven, reliable performance measurement tool. With increased visibility into workforce data, managers throughout your health system can act faster on information to keep results in line with expectations.

Because quality patient care starts with quality workforce data, taking advance steps to develop plans, establish governance, align resources, manage change, and address data standardization and technical integration issues can go a long way toward a smooth implementation. In addition, establishing roles and processes for ongoing assessment and continued advancement of your business intelligence solution will help ensure that Workforce Analytics for Healthcare continues to support evidence-based decision making and drive high-quality, value-driven care.

ABOUT KRONOS

Kronos is a leading provider of workforce management and human capital management cloud solutions. Kronos Services is committed to providing smart value fast with a wide range of strategic service offerings — all delivered with the industry expertise and domain knowledge of a technology leader. We're dedicated to helping customers achieve a rapid time to value from their workforce solution investment while delivering the experience they expect. Learn more at www.kronos.com/services. **Kronos: Workforce Innovation That Works™**.



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