The Pursuit of a Culture of Success
The Epworth Journey

Alan Kinkade was appointed in December 2006 as the new Group CEO with a brief to turnaround Epworth’s financial and operational performance.

As Group CEO, Alan believed the longer term brief would involve cultural transformation if Epworth was to survive and prosper in the changing, competitive and challenging health care environment. Alan and his Executive Team developed and implemented key strategies that successfully turned around the business and significantly improved the operational performance of Epworth. With this improved performance, key investments were made in human resources, organisational development, quality and teaching and research to drive Epworth’s future success. The Executive Team developed a vision for the future and adopted the adage of “what gets measured gets done”.

The team developed a sense of urgency and recognised that anything was possible with a vision, strategic plan, accountability and hard work. Since then, Epworth has gone from success to success. As part of this journey In February 2009, Epworth HealthCare commissioned Best Practice Australia (BPA) to conduct a whole of organisation Staff Engagement Survey. The Executive team were convinced that investments in people would ultimately enhance patient care. As part of this process Epworth developed, with feedback from staff, its Values and Behaviours.

Back in 2009 this was a survey of 3,143 employees, a much smaller organisation than what Epworth Healthcare is today. Of these employees, 2,167 responded to the survey, achieving a 69% response rate.

One of BPA’s signature pieces of research is their Model of Engagement, depicted by 6 Types of Culture. This highly intuitive model based on ten organisational level questions typically characterises the strength of an organisation’s culture.

To determine the Type of Culture, BPA calculates the percentage of respondents who are personally experiencing their working life in their organisation in either an:

- **Engagement Cycle** (positive, upbeat, optimistic, engaging)
- **Swinging Voters** (neither overtly positive nor overtly negative)
- **Disengagement Cycle** (negative, pessimistic, blaming)

At the time of the 2009 Survey, Epworth’s mix of these cycles came out as ...

- 40.9% in the **Engagement Cycle**
- 43% **Swinging Voters**
- 16.1% in the **Disengagement Cycle**.

With 40.9%, the organisation was typed as a Culture of Consolidation, which is characterised by BPA as a Culture in transition, fragmented, there is usually pressure to consolidate gains already made. This diagnosis perfectly illustrated Epworth’s position at the time … the organisation had a new CEO driving a significant cultural change agenda.

Fast track to 2015. Four BPA surveys have been conducted, the organisation is a much larger entity. In the 2015 survey conducted in October, the analysis revealed 59.3% of employees personally experiencing their working life in Epworth in the Engagement Cycle and only 7.6% in the Disengagement Cycle.

A 76% response rate was achieved in the 2015 survey, the highest ever in Epworth. The survey has momentum in the organisation and is championed by all levels of management.

Whilst an increase of 18.4% in the Engagement Cycle over a period of 6 years may not seem like a big deal, in the world of organisational culture it is a big deal because your people drive your strategy.
So what can others learn from Epworth?

The following is a comment from Jacqui Parle, a Director of Best Practice Australia:

“I first met Alan Kinkade while rolling out the results of the 2009 survey. The attributes I saw in Alan’s leadership style was a passion for numbers, a relentlessness in terms of wanting to be the best and using the data derived from the diagnosis. He set a goal, he pursued it, held managers and staff accountable for achieving it.

Alan initiated some transformational changes. One strategy in 2009 was to make all employees and VMOs sign-up to Living the Epworth Values and Behaviours. Values are the cornerstone, the fabric of an organisation, and in the best organisations BPA has measured we see Values are taken very seriously … Leaders recruit by the Values, reward by the Values, remove by the Values.

Today with 59.3% of respondents in the Engagement Cycle Epworth borders on a Culture of Success, a significant achievement, a standout in private healthcare in Australia.

Executive, the Board and all levels of management have been briefed on the strengths of a Culture of Success and the potential pitfalls of this type of Culture.

The message BPA has given Epworth is that whilst a strong well-directed culture is no guarantee of high performance … … it will drive Epworth’s strategy far more effectively than a Damaged Culture and the organisation pays the same in labour costs regardless of where the culture sits.

Self-Critique is the critical component where leaders are always saying: “This is good … but we can do better”. And never believing your own publicity. These are things for Epworth to be mindful of.

THE IMPACT FOR OUR PATIENTS

By working tirelessly to develop and embed the principles and practices of Epworth Excellence, patient satisfaction is on the rise. In the last quarter patient survey results, (January to March 2016), Epworth achieved the highest mean score in the history of conducting these surveys. Having employees highly engaged in their vision and mission is critical to providing high quality care.

THE IMPACT OF EPWORTH’S CULTURE OF SUCCESS ON BUSINESS CRITICAL KPI’S

The benefits of Epworth having an engaged, committed and high performing workforce are being realised every day. Four examples are outlined in the following sections of this publication.

EPWORTH’S REPUTATION

The top 3 Attraction Factors to work in Epworth, as nominated by employees in the 2015 Staff Engagement Survey, were coded by BPA as:

1. Reputation
2. Opportunities
3. Education

REPUTATION FOR ATTRACTING EMPLOYEES TO WORK FOR EPWORTH (THE GEELONG AND RICHMOND LEE WING EXPERIENCE)

The rapid expansion of Epworth Richmond, the commissioning of the new Epworth Geelong in July 2016 and the new South West Regional Cancer Centre in Warrnambool in August 2016 are the cornerstones of Epworth’s development as Australia’s most advanced not for profit healthcare provider. Attracting staff who wanted to be part of a cutting edge, fast paced environment with a focus on the provision of outstanding patient care was a key priority. Epworth’s steadfast commitment to being an employer of choice and its reputation for providing an unmatched focus on professional development has resulted in an extraordinarily high number of expressions of interest for employment and job applications. Epworth is delighted that this has culminated in the appointment of values driven and capable employees and leaders who will continue the tradition of providing great patient care.

THE IMPROVEMENTS SEEN IN PATIENT SATISFACTION ACROSS THE GROUP

The top 3 Attraction Factors to work in Epworth, as nominated by employees in the 2015 Staff Engagement Survey, were coded by BPA as:

1. Reputation
2. Opportunities
3. Education

8,820 Expressions of Interest (309 Internal EOFIs)
3,114 Job Applications (72 Internal applications)
350+ finalist employees (25+ Internal placements)
SCHOLARSHIPS

Scholarships have been made available thanks to the very generous support of individual donors, companies and associations who have chosen to support their employees. Many of Epworth’s valued donors have established perpetual scholarships that will provide support to employees every year into the future. This demonstrates a virtual circle, by having engaged employees providing great care, patients willingly invest back into the development of our employees.

WORKPLACE HEALTH & SAFETY

Epworth has significantly reduced its lost time incident frequency rate from over 20 in 2011 to less than 5 in 2015. The strategy of everyone returning home safely at the end of each day has been a major focus for the Board and Executive. It has been multifaceted strategy that relied on strong employee engagement. Focusing on developing a safety culture utilising awareness campaigns including, monthly safety topics, wellbeing program, resilience training, videos and posters have all lead to making safety a personal responsibility and always keeping safety in the forefront of employees’ minds.

Final words from Alan Kinkade:

“Epworth’s goal is to be the Employer of Choice where we provide an environment and opportunities that will enable our staff to be their best and give their best.”