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AHP Journal

ASSOCIATION FOR HEALTHCARE PHILANTHROPY / WWW.AHP.ORG / SPRING 2011

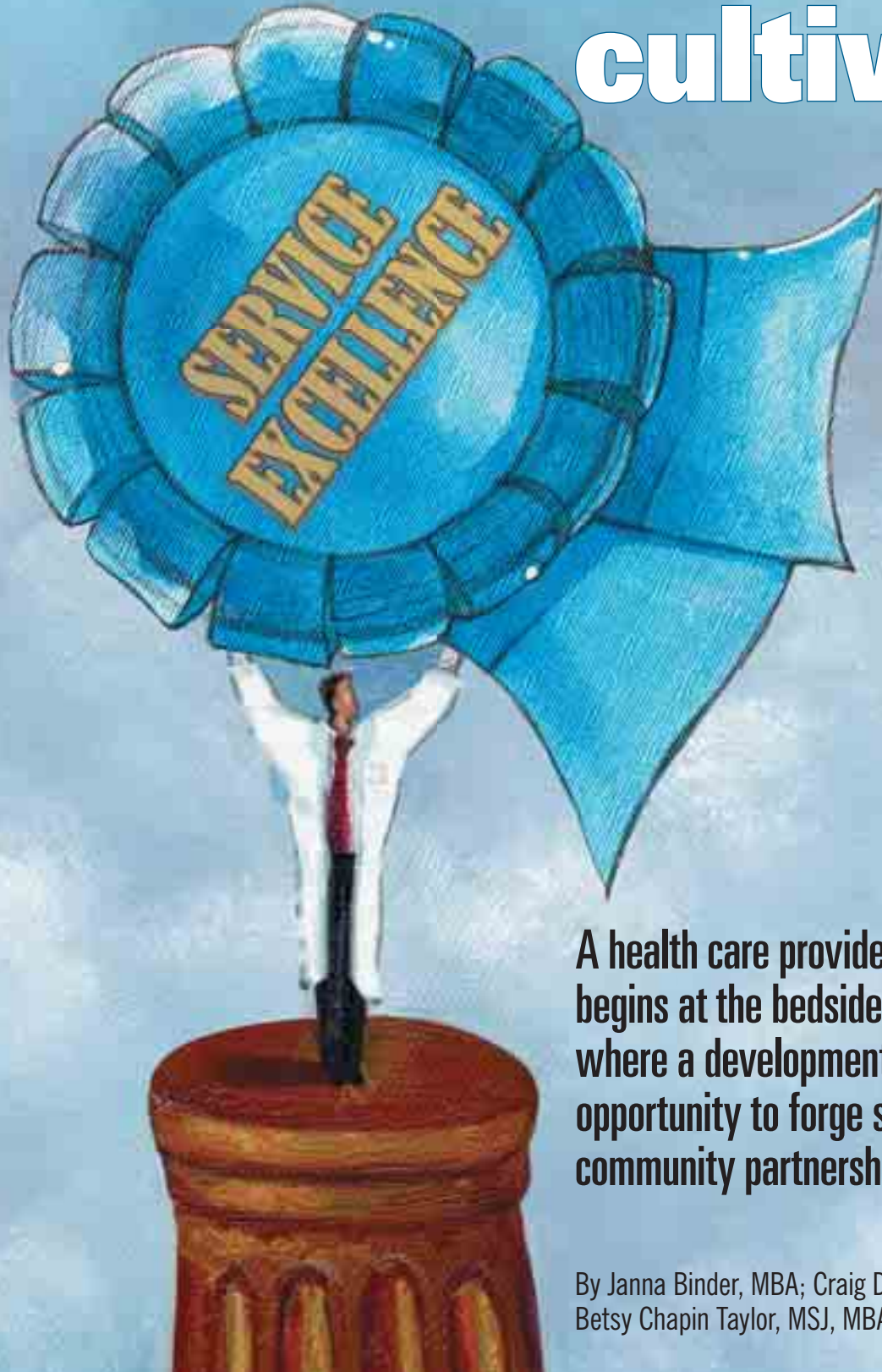


The data is in: Service excellence cultivates giving

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The data is in: **Service excellence** cultivates



A health care provider's mission begins at the bedside, and that's where a development organization's opportunity to forge stronger community partnerships starts too.

By Janna Binder, MBA; Craig Deao, MHA; and Betsy Chapin Taylor, MSJ, MBA, FAHP

Excellence giving

The role of grateful patients is becoming increasingly important to health care philanthropy as development organizations seek to better target their acquisition efforts, to expand their pipelines and to support long-term major gift growth. Many health care development shops are now turning increased attention to the tens of thousands of potential donors and their families who come through the health care organization's doors each year. However, the psychology at the heart of donor motivation is complex. For fundraisers to leverage the opportunity this most promising group of prospective donors presents, development leaders would benefit from understanding the experience that shapes patient attitudes and helps determine the desire to give.

Anecdotal evidence has supported that a positive patient service experience would engender positive feelings that could incline a grateful patient to give. However, there has been little or no quantitative and qualitative data to show what specific aspects of the patient experience or of the patient's perceptions of the health care organization drive the conversion of a grateful patient to a donor. In seeking to better understand health care consumers' and donors' behaviors, health care marketing research firm PRC surveyed 1,000 U.S. consumers who were health care decision-makers for its 2009 National Consumer Loyalty Study.

The data

The PRC study shows that overall 20.5 percent of consumers have made a charitable gift to their preferred hospital. Taking a closer look at this group, consumers who made a charitable gift to their preferred hospital are more likely to:

- Rate their overall quality of care as excellent (52.7% vs. 41.6% overall).

- Believe the hospital typically exceeds their expectations (37.0% vs. 26.1% overall).
- Have their loyalty most affected by the hospital staff (20.6% vs. 14.7% overall).
- Have a close friend or relative who had an inpatient stay at this hospital (75.8% vs. 63.6% overall) or received emergency care at this hospital (73.2% vs. 61.9% overall).

It is nearly impossible to determine the exact triggers that ensure a grateful patient will become a donor. However, we can analyze the behavior of those who have contributed to their preferred hospital in the past to help steer our donor cultivation.

From the study we know that of people who believe that the employees at the hospital are excellent, and the hospital provides excellent quality care, and the hospital always exceeds their expectations, nearly half have given to their preferred hospital (48.4%). If we look only at those who believe that the hospital provides excellent quality care and always exceeds their expectations, the number of donors drops significantly to only one-third of the population giving to the hospital (30.4%).

In other words, providing excellent quality care and exceeding expectations generally isn't enough to foster the feelings that will drive someone to give—and many hospitals focus almost exclusively on these two key metrics. To drive the level of ownership needed for a patient to decide to give, the hospital must do all three things:

1. Have excellent overall quality of care.
2. Exceed expectations.
3. Have excellent staff.



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Most patients do not have the knowledge or experience to evaluate whether clinical quality was good. They assume that it is. However, they can effectively evaluate the interpersonal interactions which make up their care experience, which are about *service*.

Hospitals that successfully achieve these have more than double the percentage of donors (48.4% vs. 20.5% population overall).

Redefining quality of care

It is important to clarify what patients are evaluating when they rate “quality of care.” While the question could seem to point to clinical quality indicators, such as outcomes or safety, patients who respond to this question are generally evaluating their *service* experience. The reason for this is simple: most patients do not have the knowledge or experience to evaluate whether clinical quality was good. They assume that it is. However,

they can effectively evaluate the interpersonal interactions which make up their care experience, which are about service.

So, all three primary drivers to cultivate donors come down to one thing: service excellence. By grooming excellent staff that exceeds expectations and by providing excellent care, hospitals are much more likely to build relationships that lead to charitable investment.

Simple actions and interactions that are part of the patient care experience also can make a big impact on a patient’s overall perception of their care. For example, some key drivers that affect the three indicators that support giving include:

- Physicians, nurses and staff working together as a team.
- Courtesy and friendliness staff shows toward patients.
- Instructions and explanations nurses communicate about patient treatment and tests.
- Physicians easing patient worries and fears.

While this list is not exhaustive, it provides an indication of the aspects of care that have a significant impact on patients.

Expanded view of grateful patient prospects


The PRC survey data shows development professionals also need to think more broadly about who their prospective donors may be. It isn’t necessarily the patient

Beyond Giving

	Donors	Nation Overall
Recommended hospital or said positive things to others regarding hospital	94.6%	79.0%
Volunteered at the hospital	19.1%	6.1%
Attended hospital fundraising events	35.5%	14.1%
Attended hospital classes	49.7%	31.7%
Strongest loyalty toward hospital	57.3%	35.0%
Most likely to recommend hospital in future	62.1%	42.2%

Beyond advancing philanthropy through financial gifts, donors also are more likely to become advocates for the hospital: to recommend the hospital to others, to volunteer, to attend fundraising events and classes and to express higher overall loyalty than the nation as a whole.

Source: PRC 2009 National Consumer Loyalty Study.



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receiving care who is more likely to contribute. It's often the close friend or family member of a patient who donates.

These visitors are keenly aware of hospital staff, their actions and the excellent service they provide, or the lack thereof. In some cases, they are even more aware of the service provided by staff than the patient is—something staff may not realize. By hiring excellent staff and developing training programs that seek to better understand what patients and families need and how to exceed their expectations, hospitals will provide better care, increase word-of-mouth referrals and have better patient compliance with discharge instructions. They also will have more donors to invest in strengthening and sustaining the mission into the future.

The survey also indicates development organizations may need to think more broadly about who their best grateful patient prospects may be from a service area standpoint. Anecdotal wisdom says outpatients are less inclined to give than inpatients. The thought is that most of these patients generally have non-lifesaving, routine care that does not build the strong emotional connections and gratitude that inspire giving.

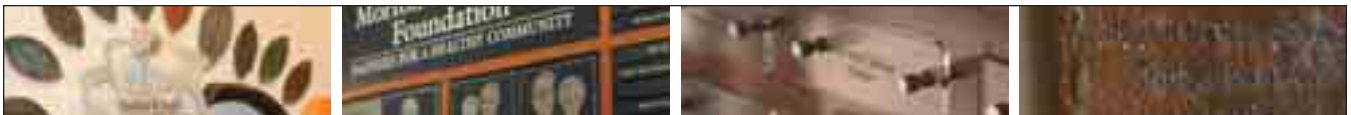
The 2009 national study turns this assumption upside-down and shows that patients with an outpatient experience in the last two years are *more likely* to give to their preferred hospital than those who have an inpatient or emergency experience (25.0% outpatient vs. 21.5% inpatient vs. 20.9% ED). While it is unknown if the gifts were made prior to or

following care experiences, this is worthy of more research and demonstrates that development organizations should consider all patient types when soliciting gifts.

Implications for development organizations

Providing a service experience that patients view as excellent produces desirable benefits for the health care organization. However, few providers act systematically and proactively to understand and to address what patients value in the nonclinical aspects of their care experience.

Progressive development organizations and health systems looking to increase philanthropic investment in their mission should consider what they can do to create the ideal environment for attracting new donors. It should embrace and



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advance the three key indicators: excellent employees, excellent quality and always exceeding expectations.

For many development organizations, driving the culture to support service excellence could be a logical extension of their commitment to being donor-centric. However, it would be too simplistic and likely unsustainable to focus on this as a customer service initiative. Creating an environment in which staff and the organization are perceived as excellent and in which each individual patient's expectations are understood and exceeded often requires organizational transformation.

The development organization can be a catalyst toward this by helping hospital leadership and the board understand the connection between improvements in patient perception of care and growth in charitable gifts—a link that is seldom considered. Development organizations also may facilitate strategic financial investments to enable building an organizational culture to support service excellence.

Helping to create a culture of service excellence

The Studer Group is one of several consulting firms that offers coaching and evidence-based tactics to drive a service culture in hospitals. The firm says the aim is to create a “leadership operating system” that fosters a culture of accountability for creating better outcomes for patients. This is reflected in both technical quality improvement and gains in how patients perceive their care. Their research and experience working with more than 700 hospitals provides these specific opportunities for development organizations to consider:

1. Initiate dialogue with senior leadership and the board about the correlation between patient perception of care and the ability to attract charitable gifts.

Most organizations have some form of balanced scorecard with goals under specific focus areas such as service, quality, people, finance, growth and community. For example, goals to improve patient perception of care may be in the “service” section, core measures would be included in “quality” and philanthropy may be in the “community” section. Too often, these are viewed as discrete, which results in fragmented approaches and diluted resources.

The development organization can play a leadership role in identifying specific opportunities for collaboration through adopting evidence-based tactics proven to impact results across these areas. For example, proactive hourly visits to patients improve the patient perception of care and clinical quality outcomes.

2. Encourage the adoption of aligned leadership goals that focus the organization and all leaders on the patient.

Health care organizations are notorious for using obsolete leadership evaluation systems that reward effort and competency rather than outcomes. The result is a disconnect between organizational priorities and the focus of its leaders. Conversely, organizations that objectively evaluate individual leaders' performance based on objective performance outcomes foster accountability and leadership consistency.

It's a difference even patients can see. In a review of organizations coached by the Studer Group that have objective leader evaluations hardwired, overall patient perception of care is rated on average 10 mean points higher than those organizations without objective leader evaluations.

3. Proactively visit with employees—yours and those in other departments.

Research in health care and other industries shows a clear connection between satisfied patients and satisfied employees, and the strongest driver of employee loyalty is their rating of senior leadership. So, just as a physician makes routine rounds on patients, hospital and development organization leaders should initiate directed visits with employees.

The most impactful strategy for strengthening this relationship, with ripple effects on patient loyalty, is having intentional conversations with employees. This provides the opportunity to understand what's working well, to harvest occasions to recognize other employees, to spot areas for improvement and to knock down barriers caused by inefficient systems or missing equipment that prevent employees with skill and will from being effective. Development leaders can ask employees for specific ideas on what they can do to support an improved employee and patient experience.

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4. Participate in patient rounds.

Just as rounding builds rapport with and harvests information from employees, there are several similar strategies used with patients. Among the best is daily nurse leader rounds. Development leaders should consider joining the rounds to hear firsthand from patients their positive and negative feedback, which will uncover specific opportunities for improvement or the opportunity to expand best practices that the development organization may support. In the last several years, many development shops also have started programs to round on current donors or on those patients with identified ability to give. A strategic and proactive approach that surfaces and corrects issues and expresses the commitment to deliver excellent care can help enhance the care experience.

Specific strategies that could add value during development organization rounding include:

- “Managing up” the unit’s staff by communicating their expertise and experience.
- Expressing genuine concern or caring for the patient or their family when appropriate.
- Serving as a friendly, positive presence who offers an ear to listen when needed.

In hospitals where it is not legally permitted or organizationally accepted for the development organization to directly interact with patients, it will be important for clinical leaders to take the lead in making these personal, proactive touches to ensure a positive experience. In these instances

a strong organizational understanding of the role of philanthropy and how it is impacted by service can be greatly beneficial.

5. Encourage the inclusion of patients in shaping the care experience.

Development organizations can help find and cultivate patients to participate on advisory councils. As in any organization, direct input from customers is an essential strategy for ensuring the organization understands and exceeds expectations. Development organization sponsorship of these forums also is an excellent opportunity to position the development organization as taking an active role in engaging the community to enhance the patient care experience.

In addition to the general understanding of patient perceptions that can be gained from advisory councils, an even more profound strategy for understanding and exceeding expectations is when this can be done for each and every patient. This starts with caregivers asking patients at the beginning of their encounter to describe what excellent care means to them or to define a specific goal for the visit or day. The caregiver writes this goal on a whiteboard in the patient’s room, so all who interact with the patient understand that Mrs. Jones in room 208 wants to ensure that her pain is well managed, while Mr. Reed in room 410 has specific religious requests. At each change of shift, this goal is revisited with the patient to ensure evolving needs are noted.

Shaping a care experience that will foster giving is about creating an organizational culture that empowers employees to provide excellent care that exceeds expectations.

6. Focus development organization investments on the key drivers of patient experience.

Not all aspects of care are perceived by patients as being equally important. In general, items like pain management and nurse communication carry far more weight in a patient's overall experience than items like the cleanliness of the environment or the level of noise.

Strategic investments to improve those areas deemed most important by patients will have the biggest impact on experiences. Again, many of the most important measures can be addressed simply by implementing hourly rounding. For instance, nurse communication, pain management and responding to call lights are all directly impacted through hourly rounding. Additionally, research shows that hourly rounding reduces falls by 50 percent and pressure ulcers by 14 percent. The development organization may invest in training to implement or sponsor research to accelerate the adoption of this best practice.

7. Upgrade your leadership operating system.

Development organizations have long supported facility upgrades and capital investments in technology. However, emerging roles for philanthropic investment include programs to drive quality, safety and *service*. With hospitals facing median


operating margins of under 3 percent, strategic investments to improve the care environment will increasingly require charitable support.

Since health care delivery continues to be a high-touch service delivered by people, the key to producing a high-performing organization over the long term depends on the robustness of its leadership operating system. This entails how the organization selects and retains people with compatible values, provides them the skills they need to maximize their potential, gives them clear feedback and rewards based on produced outcomes, removes the obstacles along the way and introduces evidence-based practices that can be sustained over time. A solid leadership system creates consistent leadership practices, which results in consistent employee experiences, which produce consistent patient experiences. It is the ultimate "killer app" to create an environment that produces grateful patients.

Expand your horizons

Shaping a care experience that will foster giving is about creating an organizational culture that empowers employees to provide excellent care that exceeds expectations. Health care organizations that can successfully meet these standards have the capacity to double

the number of grateful patients who are likely to consider their organization for charitable investment. Participating in the creation of such a culture through advocacy, philanthropic investment or the adoption of these practices is also consistent with the development organization's overarching commitment to facilitate and steward the involvement of the community in advancing the organization's healing mission.

As all development organizations seek to achieve greater impact through their work and to build genuine partnerships with their community, now may be the time for fundraisers to expand their horizons and affect patients and the community in more positive ways than ever before. 



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