



Podcast



HEALTHCARE INDUSTRY GROUP

HUMAN CAPITAL & WORKFORCE MANAGEMENT

## The Future of Healthcare Human Capital and Workforce Management Podcast Series: Conversations with Healthcare Leaders About What They See in Their Crystal Ball (Episode 2)

### Transcript

**[00:00:03] Aaron Gillingham:** We don't yet know what the lasting impacts are going to be to our team members and to our patients and their families from a mental health perspective. We know that isolation has had an incredibly large impact on our patients and our team members, and I think organizations will continue to struggle with the effects on our team members, specifically from a mental health perspective. That's one area that I think will continue to evolve over the next couple of years.

**[00:00:37] Bianca A. Briola:** Hello, and welcome to the *Alvarez & Marsal: Healthcare Industry Group Human Capital and Workforce Management Podcast*. In this podcast series, we deep dive into the human capital perspective of the healthcare industry. I'm Bianca Briola, leader of our Human Capital and Workforce Management Practice in the healthcare group. I'm joined today by Aaron Gillingham, Senior Vice President and Chief Human Resources Officer of UnityPoint Health, which is based in Des Moines, Iowa. Hello, Aaron.

**[00:01:08] Aaron:** Hello, Bianca. Good morning. It's a pleasure to meet with you here today.

**[00:01:11] Bianca:** Yes, I've been really looking forward to this conversation mostly because you have a very interesting background and you're doing some really cool things. That's a recipe for success in the conversation. I would love for you to tell us a little bit about your role at UnityPoint Health and also a little bit about UnityPoint Health, in general.

**[00:01:31] Aaron:** Sure. First, thanks again for having me on your podcast. It's a pleasure to be here, and I appreciate the opportunity to talk about how we here at UnityPoint Health are supporting the human resources function within the healthcare industry. At UnityPoint, we provide healthcare to patients and their families across nine very large regions throughout Iowa, Western Illinois, and Southern Wisconsin.

We have more than 20 regional hospitals and 435 clinics, 19 community network hospitals, and four accredited colleges. To get all of this work done we've got a system of 32,000 members across our enterprise. This year we're projecting a total revenue of about \$5 billion for 2022. In my role, I lead the human resources function for the enterprise where I oversee a team of about 200 HR professionals across HR strategy, total rewards, talent management, employee and labor relations, health and safety, diversity, equity, inclusion, to name a few.

**[00:02:29] Bianca:** In short, UnityPoint Health is really big, and so is your job it sounds like.



**[00:02:36] Aaron:** We're certainly not the largest far from it, but we do have a large footprint in the area. We see it just as incredibly important mission-driven work to be able to support the families of the patients and our patients that we serve.

**[00:02:52] Bianca:** I think that that's fantastic. You shared with me in the past all of the great things that your organization is doing. I love to deep dive into that, but before we do that, I want to learn a little bit more about you. I remember you mentioning that you started your career outside of healthcare, which I always find very fascinating when people come from other industries. Where did you spend your time before UnityPoint Health?

**[00:03:17] Aaron:** That's a great question. It seems like it's been a lifetime of experiences, but as I added up, it's only about 25 years at this particular point. I've been supporting healthcare organizations since about 2013 when I joined Ohio Health, in Columbus, Ohio. Prior to my role at UnityPoint Health, I was the Chief Human Resources Officer at Beaumont, a large integrated health system in suburban Detroit, but as you mentioned, all of my non-healthcare experience includes more than 12 years at Walmart stores.

Something that your listeners probably don't know about me is that I actually started at Walmart while in high school as a cart pusher and then left for college and then rejoined after I graduated. I also have experienced leading human resources in financial services where I worked at Freddie Mac during the mortgage crisis, seemed like at the time, the right thing to do in 2007 when I joined the organization.

By 2008 it became a very serious situation following the failure of Bear Stearns and Lehman Brothers, and then later Freddie Mac and Fannie Mae being overtaken by the government. My experiences extend in financial services in retail to name a few.

**[00:04:29] Bianca:** That's very different than healthcare. I would love to hear from you what you learned from your time in retail at Walmart, and in the financial services industry, what kind of learnings have you brought into your current role or your healthcare tenure?

**[00:04:50] Aaron:** As you've pointed out, healthcare is very different than other industries in which I've worked, but the one aspect of healthcare that I've really come to love, the alignment to the mission. Our mission here at UnityPoint Health is to improve the health and the communities of those that we serve, which is an incredible responsibility. The great thing about having a mission is that it provides significant line of sight into our team members and how they actually deliver on the brand promise of knowing how much our patients matter to this world.

With respect to what I brought to UnityPoint Health from other organizations, I would share a couple of things. First, it's been my experience that human resources is one of the supports functions that has not always look to be incredibly progressive in the healthcare space. As I've integrated into healthcare, I've placed a lot of focus on really understanding what's working well and moving much more towards a progressive human resources strategy.

In most cases, this progressive strategy has included a real focus on what HRs value proposition is for the organization and ensuring that it's very much and clearly aligned to the overall organization's strategy. The things that we're working on within human resources here at UnityPoint specifically tie to the organization's strategic goals. That's one difference that I've seen in moving from for-profit industry into not-for-profit healthcare, is that the things that HR is working on are not always aligned to the overall strategy of the organization.

The second thing that I would add is really about the things that we're doing within human resources to drive efficiency across the organization. In my last two organizations, when I joined human resources, they were very decentralized, still reported up through the

individual hospitals or regional locations. We've put a really strong effort into figuring out how we can drive efficiencies for work that is more flywheel or work that is more transactional in nature, working to centralize that or working to drive efficiencies within those groups so that the teams that help to drive the strategy can really focus on the strategy.

Then the third thing that I would say that we've been really working on is a purposeful focus on change management. Large organizations, we used to have this saying when I was at Walmart that, "Walmart could literally turn on a dime if it wanted to in terms of making decisions." It's a really large organization. You think about Walmart as being this ship at sea, and it often takes more than 10 miles to turn a ship at sea.

Walmart is one of those unique companies that can really turn on a dime and make decisions very quickly and move in different direction if it needs to be able to do so. Bringing those types of skills and competencies into the healthcare environment has been really important and exciting to be able to help teach the organization those principles as well.

**[00:07:57] Bianca:** I don't like to criticize our industry, but you're really hitting the nail on the head as a healthcare industry, particularly in the hospital and health system space. We are not agile. We don't move very fast.

I find it fascinating that Walmart as an organization has made that part of their process, made that part of their culture, and there's so much to learn there. I think that probably shined during the pandemic, that flexibility, but the healthcare industry was really able to showcase our skills and talents the best that we could during the pandemic. Then there's natural consequences to that, obviously, lots of burnout. We've lost a lot of really good legacy people with a lot of talent, a lot of knowledge who are just done. They're no longer with us for whatever reason.

I think that the past few years have really tested us as healthcare leaders, and I'm sure that you in your role you were not an exception to that. I would love to hear a little bit about what the past two years have looked like for you, understanding that we've been in the middle of the eye of a storm for quite some time.

**[00:09:24] Aaron:** Yes, Bianca, it's a great question. There is no question that the past two years have just been incredibly difficult. As COVID-19 started during the March of 2020 timeframe, I was the CHROs at Beaumont Health, and as I mentioned, it's a large integrated health system in suburban Detroit.

What became apparent, and as I was talking with other CHROs across the country, this is true for them as well, is that human resources was really not equipped to be able to handle a global pandemic. I don't think really anybody was really equipped, and so we had to learn very quickly. At the onset of the work that we were doing, and as the organization as a whole stood up different parts of the organization to be able to handle the pandemic, we and human resources really stood up our own internal teams.

We put a phrase up on our whiteboard that we met on a daily basis. That phrase was, "Never waste a good crisis." We quickly learned how to become more nimble in our decision-making and how to be more strategic in terms of how we were deploying our resources across the organizations. As we moved from this sprint that we were all on, say, for the first nine months or 10 months of the pandemic, we then had to figure out how to move from a sprint into more of a marathon.

We had to look at how human resources was supporting the organization over a wide variety of areas that became this perfect storm of issues that all happened at one time from a staffing perspective, from a compensation perspective, remote working among many, many

others. Now as an organization here at UnityPoint Health, we have more than 4,300 jobs currently open across the system. We've all heard about this term called the great resignation and how we're trying to get back to manageable staffing levels while at the same time having to invest in the future state and organizational strategy of the organization as well.

Then there was another piece that you mentioned which is this other piece which is people are getting out of healthcare in general and jobs that previously we didn't compete with from a healthcare perspective. For example, I find myself competing much more with the Walmart's of the world, the Costco's of the world for different jobs. What used to be 100% mission-based is now we're having to convince people to move into the healthcare organization for different reasons.

We're having to be more competitive from a compensation perspective. This piece on wellbeing and mental health is becoming more and more and more important because of what's happening with healthcare in general, and having to deal with so many different patients with so much death and so much suffering associated with the global pandemic. Those are the types of things that we're really focused on here and what we've been spending our time these past two years on.

**[00:12:29] Bianca:** Knowing what you know now, is there anything you would've done differently?

**[00:12:35] Aaron:** I'm the type of person that I think looking in the rearview mirror can both be depressing and cathartic at the same time. It makes you better understand what you could have done differently.

I would say there's probably two or three areas that I would focus on differently. First dating back on my time at Beaumont, and it's probably true for UnityPoint Health as well I would've ensured that our employee health or team member health function was better structured to be able to handle the amount of work that would be coming their way through surges and vaccines, and leaves of absences, and change in processes and laws and all of these things that we couldn't have predicted would happen.

If you think about it, our employee health organization pre-COVID was really more focused on needle sticks and occupational health injuries and those things. All of a sudden overnight had to manage all of these different areas and went from taking maybe 25 phone calls a week to more than 250 phone calls in a single day with folks that are out.

I can remember back early in the pandemic, there was a point in time at Beaumont where we had 1,900 of our team members out at one particular time and we had a total inability to be able to do testing and effectively know whether or not our folks were really sick from the virus or if there was something else going on. It's been this retrospective look at things and saying, "Yes, I definitely would've prepared the employee health organization differently."

I think that we've done a decent job since then of finding the resources for our team members and getting this employee health area moving in a different direction. The other area that I would say is that I mentioned the marathon before, and we know that COVID has had a profound impact on our team members and I would've focused and put more resources in the area of mental health and wellbeing before if I could have done things over.

Then the last area that I would say, there's a lot of areas that I would improve upon is we've really struggled with compensation related to nursing particularly with the influx of agency nursing that we found ourselves in across the system. I'm not sure there's a great answer for

this. I don't think that there's any silver bullet of how we could prevent this, or how we could have managed this in a different way.

Just having the knowledge up front that we were heading down this path of having staffing issues combined with agency issues, combined with the great resignation on all of those sorts of things I would've had my team really focused in a room thinking about this much earlier.

**[00:15:18] Bianca:** I think that that's incredibly insightful. There's a lot of learning there. [laughs] Looking to the future, though, I'd love to get your perspective on what are the things that are really keeping you up on at night and what are the things that you're doing to address those items.

**[00:15:38] Aaron:** First off, my wife would tell you that I'm a very sound sleeper. Nothing really keeps me up at night, but lots of things worry me. I think one of the biggest areas that doesn't get talked about enough is that I think we've lost a layer of management as we've gone through the pandemic. Middle managers went from being boots on the ground management to all of a sudden having to do a lot of the work that was left to them when shifts got on that weren't being able to be filled or their team members were out with COVID.

From a development perspective, we had to put that group on pause and we need to get back to development and getting middle management moving in the right direction. Because we've noticed with all of these resignations that we're now stressed from a succession planning perspective and from getting people to be interested in going into management and getting that entry point back, I think is going to be critically important.

The second thing that I would say is really around mental health. We've got to make sure that our health plans are flexible, that they provide for great coverage as it relates to when people come in from an ERP perspective and then potentially transition into maybe needing to go to a mental health provider. It's providing good transitional areas from a mental health perspective to ensure that we're taking care of the whole person and we're meeting people where they're at.

We also have to use this time right now to make sure that our HR teams are getting focused back in the right areas and I mentioned two. Those would be a couple of areas including reducing variation, improving capability and all of those things.

**[00:17:32] Bianca:** I'd like to pivot and I suspect that you're going to talk about reducing variation here. Before the pandemic, we saw a lot of merger and acquisition activity in the hospital and health system space. I think that you have some experience with this with organizations like this. Now it seems like organizations are looking around and thinking, "Okay, we are past the bolus of the pandemic." We're not swinging from the curtains per se. We need to really focus on integration efforts. We know where all the process breaks are, we know where there's opportunity.

I remember you mentioning that you supported some of these integration efforts or organizations that have grown and acquired. What are some of your best practices in the workforce space? I would imagine that eliminating variation is one of your key focus areas, right?

**[00:18:27] Aaron:** Certainly, when it comes to integration with two organizations coming together, reducing variation is the key to making sure that you're driving efficiencies and you're able to hit the items that were agreed upon in the letter of intent when deals were originally pent.



I'll share a couple of best practices that I think are relevant to the human resources folks. First, in any M&A work, I think that timely open and transparent communication is essential in managing any significant change. When I was at Beaumont, this was a grassroots effort that came up during our engagement survey, we implemented something called the 15-minute HR-wide huddle which occurred every Monday morning, which I have carried over to UnityPoint Health. Each Monday morning, we meet to discuss what's happening across the system, what's happening across within human resources, and any other topic that the team wants me to cover.

I personally lead these meetings. If I'm on vacation or I happen to be out for traveling or something along those lines one of my direct reports leads this meeting. We have it religiously every Monday morning and it's been great for the team.

As we've been going through a lot of this integration work and moving from what I would describe here at UnityPoint is a federation of independent states if you will, to a fully integrated health system communication has got to be the key. Because human resources is going through the change first, so managing that change and just being open and upfront with people is just incredibly helpful. It leads me to the second piece, which is around engagement and continuing to ask for feedback, and actually doing something about the feedback that you receive.

We just finished our latest pulse survey and share a little bit about what we're learning from the survey as we're beginning to get our results back. The human resources function for the areas that I lead our favorability score for engagement is above 90%. It's significantly higher than the rest of the organization.

I truly believe that the reason that we've gotten here from an engagement perspective is because of the open and transparent communication that we've been having about the really the what's in it for them across the entire human resources function and really spending time to make sure that folks understand for the case for change. Why the change is happening? Where they will be? Then if you don't know an answer, just say, you don't know an answer and you go out and figure out what the answer is going to be for the organization.

Then the final area that I think is incredibly important in any integration effort is really around data and analytics, and making sure that you know what you're going to be measuring as you're going through this work and why you're measuring it. There's lots of other things that you do through integration efforts, but those are three key areas that I was thinking about.

**[00:21:35] Bianca:** Let's take out your crystal ball. Dust it off. What does the next few years look like for you and our industry? What do you think?

**[00:21:48] Aaron:** I think first off Bianca, the next couple of years are going to be incredibly exciting. I'm really looking forward to particularly here at UnityPoint Health of getting through all of this integration work that we've been working on for the last eight months or so that I've been here, and what we'll probably take the next two or three years to fully get through. That is really fun work.

Your question in terms of what does the industry look like? One of the myths that our CEO Clay Holderman often talks about is the myth that COVID is over. We live here in the Des Moines, Iowa area. If you went out to eat or to the mall or to the movies or whatever, there's not very many masks that are being worn right now and we're in a high transmission area.

A lot of folks believe that COVID is over and I assure you it's not. We continue to see spikes in the virus. We continue to see folks out for COVID-related illnesses, but yes, hospitalizations are down. The key issue is we don't yet know what the lasting impacts are

going to be to our team members and to our patients and their families from a mental health perspective. We know that isolation has had an incredibly large impact on our patients and our team members.

I think organizations will continue to struggle with the effects on our team members, specifically from a mental health perspective. That's one area that I think will continue to evolve over the next couple of years. The second area that I think is going to continue to evolve over the next couple of years are staffing and workforce challenges. They're going to continue and we need to figure out differently how care is delivered at the bedside.

We have an organization-wide strategy that's being led by our chief nursing officer around looking at how care is delivered at the bedside differently, so that we can make sure to take advantage of the fact that we know that there are going to be fewer nurses that are graduating, or there are nurses that are available and we're figuring out how to redeploy care. Whether that's through other folks at the bedside or that's through technology or through how we're managing our EMR system and doing other things differently. Those would be two things that I think are going to be really important to take a look at over the next couple of years.

**[00:24:17] Bianca:** I'm right there with you. We have no option, but to redesign our care model. That is the only solution out of our current shortage of license and clinical resources, encourage that this is the hard work that you're doing right now. You are the first person that has shared their outlook for the future and there's going to be a lot of fun work for us, but I agree with you. There's good, hard work to be done in the next few years.

I think that it's a good point that you're making about COVID not disappearing. Although we're out of the pandemic stage, this is something that we must address and understand moving forward and the long-term consequences. So insightful. Aaron, I really appreciate your time. I really value your experience. I think that you have such good learnings here. Lots of juicy information. Thank you. Thank you. Thank you for taking the time to chat with us today.

**[00:25:19] Aaron:** It's my pleasure, anytime. Look forward to hearing from me again.

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