

# fastfacts

Resources for Nursing Home Professionals

## Culture Change: Connecting the Dots

A variety of research studies form a solid case for transforming the organizational culture in nursing homes. Most nursing homes operate around an institutional model of care, where decisions are made by management about all aspects of life in the facility. In an individualized or person-directed model, residents and the workers who provide direct care make and influence the decisions about daily life. Changing the culture of care giving makes sense from a both a clinical and a business perspective. This FastFacts crystallizes the case for the adoption of culture change by connecting the dots between the principles of culture change, staff retention and satisfaction, improved financial performance, and excellent clinical outcomes.

- Organizational changes toward a person-directed care model build on the intrinsic motivation of nursing home staff and managers. Their intrinsic motivation is fueled by a deep need to “make a difference” and enhance the life of residents. The innovative changes and foundational principles associated with culture change help to fuel this intrinsic motivation through a focus on relationship building and person-directed care.
- Capitalizing on the intrinsic motivation of employees triggers higher staff satisfaction and a renewed spirit in the organization. Higher morale leads to lower turnover, less absenteeism, and greater productivity and service.
- Higher staff satisfaction and lower turnover allows for caregivers to deliver better quality of care resulting in improved clinical outcomes.
- Low turnover, high staff satisfaction, and excellent clinical care and service results in better financial performance for the organization.

These points are supported by the following evidence.

### Staff Satisfaction

Dr. Vivian Tellis-Nayak’s research demonstrates that staff satisfaction is a key performance indicator with a strong correlation to other performance measures we routinely track. In Tellis-Nayak’s study, the research team analyzed over 30,000 staff satisfaction survey responses in 520 facilities in 16 different states from 1995 through 2001. The study found that rates of staff satisfaction influence state survey results, staff turnover rates, resident occupancy rates, and family satisfaction.

Organizations that embrace culture change consistently measure staff satisfaction and then use that data to improve outcomes through consistent assignment, staff empowerment, leadership development, skill building, and recognition.

### Occupancy Rates

Short-stay rehabilitation residents need consistently assigned caregivers and expect high levels of service. In addition, they want choice and flexibility. Such post-acute residents greatly benefit from the person-directed care model and their successful rehabilitation can be a key public relations force for any nursing home. Yet many facilities deny new admissions during periods of staff shortages, effectively turning away some of these short-stay residents.

Improved staff stability and low staff vacancy rates could allow nursing homes to admit and care for more residents. Organizations that embrace the principles of culture change have stable, happier staff that delivers excellent service. And this satisfaction can positively impact occupancy rates.

### Retention, Quality, and Profitability

Dr. Marilyn Rantz studied 90 randomly selected nursing homes in Missouri. She identified the 23 delivering the best clinical care by using data from survey reports, quality measures, and on-site evaluations. She then reviewed their financial statements and found that the homes delivering the best care were also the most profitable.

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One common characteristic of the highest performing facilities was very low staff turnover rates. She surmised that staff retention translates into increased efficiency. Knowledge of the residents leads to better quality outcomes resulting in cost savings. On average, these nursing homes were spending \$13.50 less per patient per day to deliver better care and service to the residents. Providing excellent care and profitability are closely related, with major links between staff satisfaction and low turnover.

### Reducing Risk of Litigation

Some consider the adoption of the principles of culture change as an effective risk management program for reasons stated above. A happy, stable staff that has close relationships with the residents and their families are less vulnerable to litigation because the quality of care and connection to residents increase.

#### References

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