



Becoming the Employer of Choice for the Emerging Urgent Care Workforce

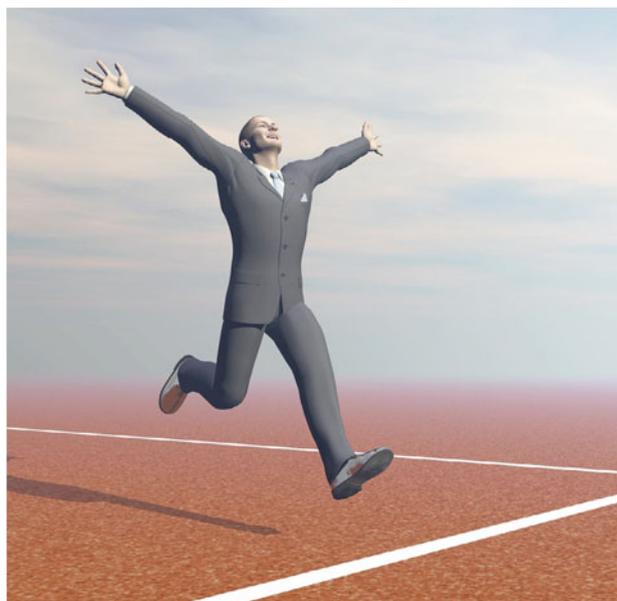
Urgent message: A tight labor market combined with stagnant real wage growth and shifting worker expectations has placed the onus on employers to rethink their approaches to attracting, engaging, and retaining talent. Thus, the challenge for talent-hungry industries such as healthcare is to fully reimagine their workplaces such that they become the “employer of choice” for the modern, millennial-dominated workforce.

ALAN A. AYERS, MBA, MACC

As a nation, the U.S. is well into what experts have dubbed the “new economy”—a buzzword denoting the economic transition from manufacturing-based to service-oriented. And without question, the most pressing issue facing today’s urgent care employers and business leaders across this new service- and information-focused economic landscape is this: How can we attract, develop, engage, and retain the talent necessary to remain competitive?

Indeed, workers with the education, training, and skills to assume new and evolving roles in the technology-driven, digital workplace of today (a vast departure from the traditional, manufacturing-dominant economy of the past) are at a premium for companies. Attracting and retaining coveted “knowledge” workers has been a struggle, however, for reasons ranging from noncompetitive wages to lack of employee engagement and buy-in.

Healthcare in particular—although it’s among the sectors forecast to add the most jobs (2.4 million through 2024 according to the Bureau of Labor Statistics¹ (BLS))—is struggling with this impending talent crunch. In fact, a study conducted last year by the Association of American Medical Colleges asserts that the industry will experience a shortage of nearly 105,000 physicians by 2030.² This is in addition to the looming shortage of nurses—half of whom are projected to retire by 2020,



©Fotolia.com

Healthcare, like many major industries, is facing a talent gap, and will need to devise creative solutions for hiring and engaging skilled talent for their workforces.

Alan A. Ayers, MBA, MACC is Chief Executive Officer of Velocity Urgent Care and is Practice Management Editor of *The Journal of Urgent Care Medicine*. The author receives salary from Practice Velocity, LLC and the CME Program has determined there is no conflict of interest.

according to the BLS—and the ongoing dearth of specialists, support staff, and trained technicians needed to support the healthcare infrastructure.

In short, a tight labor market with more jobs than workers demands that today's employers not only re-engineer their workplaces to make them more attractive to talented workers, but rethink their compensation structures, training and learning models, company branding, and employee engagement strategies for capturing the best and brightest from the limited pool of candidates.

To that end, we'll explore several potential areas of focus that can help companies transform into more engaging, better paying, and supportive workplaces towards becoming the "employer of choice" for the emerging workforce: The new "blue-collar" job of the future, the embrace of fair-pay principles, accommodating millennials, and the Net Promoter management philosophy.

The New "Blue-Collar" Job of the Future

The manufacturing-based blue-collar job of the past provided by large companies such as Chrysler and GM is slowly becoming a thing of the past. Performed on factory floors across America for decades, these jobs were once the backbone of the nation's economy, and offered the kind of living wages, health/retirement benefits, and job security that workers could build a life upon. As with so many modern industries, however, technology is rapidly reshaping the traditional blue-collar workplace such that human labor is being replaced by robots, and many erstwhile human tasks have become automated via machines and computers. Naturally, this has resulted in diminished employment opportunities and lowered wages in most traditional blue-collar sectors. So, as the economy shifts from manufacturer-based to service-oriented, the new "blue-collar" jobs won't be found in large numbers in manufacturing plants, but in the service industry.

Sectors like healthcare, therefore, will become the new venue for the blue-collar job of the future. The healthcare industry, for example, has a growing need for not only physicians and nurses, but technicians, medical assistants, facilities staff, and other support personnel. Unlike the manufacturing jobs of the past though, blue collar service-based jobs of today—due to a multitude of shifting economic factors—won't necessarily feature the same great wages, benefits, and job security that past generations relied upon.

In the absence of those traditional wages and benefits, the challenge for blue-collar employers of today is to

Engaging Millennials in The Workforce

According to Pew Research statistics, Millennials have edged the Baby Boomer cohort to become the largest segment of the labor force. Millennials, defined as workers between the ages of 21–36 as of 2018, are 53 million strong, with their numbers on the rise. As Millennials increasingly assume workplace leadership positions, their unique characteristics as a generation will exert a growing influence on their organizations' business strategies, attitudes, and values.⁵

With that in mind, here are several of the most noteworthy characteristics of Millennials as they relate to the workplace, along with the way organizations can engage them to make the most of their unique worldviews and specific talents:

- Millennials favor technology platforms as their preferred method of communication. As a generation that has never known life without the internet, millennials are tech-savvy digital natives. They thrive when texting, email, teleconferencing, and social media are the dominant communication tools—and balk at an excess of face-to-face meetings and lengthy telephone conversations. Organizations, therefore, should embrace newer communication platforms to leverage the strengths and tendencies of millennials who are adept with these technology tools, and can wield them expertly to increase their workplace efficiency and productivity.
- Millennials embrace variation and novelty in the workplace. They thrive on challenge, learning experiences, and goal-setting/attainment. Conversely, they can quickly become bored and disengaged with a lack of stimulation, monotonous routines, and the status quo. This means leaders should ensure that Millennials are given opportunities to cross-train, learn and develop new skills, and interact with colleagues in various capacities across organizations.
- Millennials place great importance on relationship building, teamwork, and transparency. While they love collaborating with colleagues and leaders regardless of position, they bristle under the constraints of rigid, hierarchal leadership structures. Hence, organizations should offer ample opportunity for team projects and collaborative initiatives, where feedback and sharing of opinions and insights—even with upper management and executives—is encouraged and solicited.
- Millennials are in search of greater meaning in their day-to-day careers. Eager to fulfill personal and social goals through their work, Millennials will often turn down higher-paying positions and advancement if the work is not fulfilling or gratifying. So, it's important that workplaces allow Millennials to take part in the creative process and ensure that their core values as people are represented in organizational objectives. Additionally, encourage Millennials to lead the way as change agents, especially when those initiatives help the company better serve the community and impact people's lives.

Net Promoter: From 'Score' to 'Service Philosophy'

Nearly every service industry uses the popular customer service measurement tool Net Promoter Score (NPS), created in 2003 by business strategist Frederick F. Reichheld and now in its 15th year of usage, which measures customer satisfaction beginning with the asking of a simple question: How likely is it that you would recommend "X" to a friend or colleague?

Today, Net Promoter has grown from being a simple customer satisfaction metric into an entire company philosophy built around tapping into an innate human desire to make other people happy. Indeed, the satisfaction derived from making a customer's experience wonderful, NPS experts found, can be molded into a system with repeatable methodologies that lead to predictable, measurable results. When implemented, reinforced, and fine-tuned, the NPS allows employees to derive a deep sense of satisfaction in delighting customers—and consequently, places the responsibility squarely on customer-facing teams to do just that.

Hence, the NPS philosophy is a great tool for increasing employee engagement, as it frees and empowers your most valuable employees to put in discretionary effort, exercise judgement, and give customers rich experiences. To that end, here are the six conditions Reichheld and NPS philosophy partner Rob Markey say companies must ensure are in place to implement an NPS system:⁶

- 1. Consistently reliable metrics** – In order to trust that NPS scores are reliable, there must be an established system for accurately collecting and measuring feedback.
- 2. Clear links between NPS scores and strategic outcomes** – Incentivized compensations and rewards must be clear to all participants as they work to achieve strategic targets.
- 3. Tools and processes that aid in understanding root causes** – Only when employees and leaders consistently understand the factors that both delight and anger customers can they take meaningful action, address the root causes, and implement changes.
- 4. Organized learning** – Employees must learn from each others' successes and missteps, and how their service delivery impacts scores in order to progress and fine-tune their methods.
- 5. Constant communication** – There should always be regular reminders of the goals and benchmarks of any incentive plan, and the way employees can achieve improved compensation while adhering to the rules of the system.
- 6. Strong antigaming deterrents** – There should be direct consequences for in any way attempting to manipulate scores, tamper with the collection process, or beg customers for favorable feedback. These rules help keep scores and feedback authentic, which allows it to be tracked, measured, and improved accurately.

reimagine their workplaces toward filling those gaps in innovative ways while still providing a quality employment opportunity. An article in the January 2018 issue of the *Harvard Business Review* tackled this very issue of blue-collar jobs in the new economy, with the authors arriving at several insightful and instructive conclusions.³

First, to attract and retain a talented and engaged workforce, employers must increasingly offer employees a direct stake in the company's performance—through profit-sharing, stock options, or a combination of both.

Second, there must be opportunities for transferable learning and skill development, such that employees retain the marketability to find work during economic downturns.

Third, for maximum employee engagement, workers must be encouraged and trained to think like owners, understand the economics of the business, and be taught to track and improve key performance metrics.

Bear in mind, as well, that an employee's wages constitute just one component of total compensation. Robust benefits packages that include a 401K and/or profit-sharing plan may offer operators the option of granting employees a sense of ownership and investment.

Then again, some companies may find it advantageous to offer its employees true ownership. Practice Velocity, LLC, a software and billing solutions company servicing the urgent care industry, surprised their 240 employees by announcing that it was rolling out an employee stock ownership plan (ESOP), in effect transforming its entire workforce into part-owners.

While the Practice Velocity ESOP was conceived as a show of appreciation for its dedicated employees and a long-term investment in its most valuable resource (ie, its people) the plan had solid economic grounding, as well. ESOPs have been studied in detail by academics and HR experts alike, with the research documenting numerous positive economic benefits for companies, including:

- Increases in productivity of up to 5% during the first year of implementation
- 25% greater job growth over a 10-year period compared to companies with conventional ownership models
- A median household wealth 92% greater than that of comparable employees absent a similar ESOP plan
- 33% more income from wages as a result of the accompanying increases in productivity compared to conventional ownership models

The lesson for companies? Given full transparency into the company's economics and the sharing of key

financial metrics with employees, ESOPs can help create an unrivaled culture of ownership and employee engagement. While ESOPs may not be accessible to all urgent care operations (such as small practices or those whose earnings are not robust enough), many blue-collar companies unable to pay above market rates will gain a competitive advantage when employees become “owners”—figuratively and literally.

Embrace of Fair-Pay Principles

In the new economy, technology has evolved to the point where it has irrevocably altered the traditional workplace. Now more than ever, companies need employees with the specialized skills and training to use, develop, and service the tech-driven tools, systems, and platforms that have become workplace fixtures. But due to the aforementioned tight labor markets, employers are having difficulty filling these roles. PriceWaterhouseCoopers for example, in their 20th CEO survey, found that nearly 80% of CEOs declared a scarcity of key skills as the greatest detriment to their businesses’ growth.⁴ And despite their efforts to attract and retain talent—including making the workforce more millennial-friendly, recruiting from high schools and universities, and offering apprenticeships—they’re still struggling to fill key positions.

Nevertheless, more companies are taking a more straightforward approach to attracting and retaining talent: the adoption of fair-pay principles. When companies talk about fair-pay principles, they’re referring to workplace policies specifically designed to guide them when it comes to matters of total compensation and remuneration for their employees. Fair-pay principles usually pertain to providing employees a livable wage, equal pay for equal work regardless of race or gender, and company-wide transparency as it relates to compensation and benefits. Transparency in particular is a hot-button issue these days, with it oftentimes being a deciding factor when people decide whether to apply for work with a particular company. If a perception exists that a company is not offering competitive wages comparable to their industry counterparts, for instance, studies have shown that in-demand talent is far less likely to consider that opportunity. Additionally, it’s far more difficult to keep current employees from defecting to competitors when they feel they’re unfairly compensated.

And beyond the competitive edge it lends in the war for talent, fair-pay principles help companies take the lead in combating stagnant real wage growth, which has been an economic dilemma for decades.

Of course, adopting fair-pay principles has cost implications for companies, especially upfront. But to flourish in the new economy, employers are realizing that above all, their talent is their greatest asset, and is well worth the long-term investment of ensuring competitive wages.

In sum, businesses leaders at the forefront on fair wages are the best positioned to attract, retain, and nurture the valuable human capital that remains key to driving their businesses. And as the spotlight around fairness principles—in the workplace and in larger society—grows brighter, it’s not an issue that businesses can afford to ignore.

Conclusion

With the advancement of workplace technology and the decline of manufacturing jobs, the growing importance of fair-pay principles and employee engagement, along with the ascendancy of the Millennials in the workforce, the traditional workplace is undergoing a dramatic transformation. Employers are increasingly realizing that to attract, retain, and engage the talented and skilled workers necessary to drive their businesses in the new economy, they must reimagine their workplaces toward becoming the “employer of choice” that talented candidates in a tight labor market will choose. Hence, ESOPs, service-based blue-collar jobs, transparency around fair pay and compensation, the impact of Millennials, and brand differentiation through NPS philosophies will become central in the new service-oriented economy—and of paramount importance for industries seeking a competitive edge in their markets. ■

References

1. United States Department of Labor. Bureau of Health Statistics. Occupational Outlook Handbook. Available at: <https://www.bls.gov/oooh/healthcare/home.htm>. Accessed September 25, 2018.
2. Mann S. Research shows shortage of more than 100,000 doctors by 2030. AAMC News. Available at: <https://news.aamc.org/medical-education/article/new-aamc-research-firms-looming-physician-short/>. Accessed September 25, 2018.
3. Campbell D, Case J, Fotsch B. More than a paycheck. Harvard Business Review. January-February 2018. Available at: <https://hbr.org/2018/01/more-than-a-paycheck>. Accessed September 27, 2018.
4. PriceWaterhouseCoopers. 20 years inside the mind of the CEO...what’s next? Available at: <https://www.pwc.com/gx/en/ceo-survey/2017/pwc-ceo-20th-survey-report-2017.pdf>. Accessed September 25, 2018.
5. Pew Research Center. Millennials are the largest generation in the U.S. labor force. Available at: <http://www.pewresearch.org/fact-tank/2018/04/11/millennials-largest-generation-us-labor-force/>. Accessed September 27, 2018.
6. Markey R. Applying the Net Promoter System to internal customers. Bain & Company. Available at: <https://www.bain.com/insights/applying-the-net-promoter-system-to-internal-customers/>. Accessed September 25, 2018.