



Perspectives

# MANAGING PEOPLE GROWTH **FAST**

How one healthcare  
leadership team is taking  
on a huge challenge:  
an industry shaken by  
an M&A boom.



**The problem:**

*Healthcare providers are in the midst of a long M&A spree, with thousands of employees suddenly finding themselves with new employers.*

**Why it matters:**

*Many healthcare workers, from doctors to nurses to administrators, began their careers in an era when the industry moved considerably slower.*

**The solution:**

*While they can't guarantee much certainty, executives can communicate, mentor, and coach employees about embracing new ways to improve healthcare.*

In Jim Dunn's first decade of work, he wasn't much concerned about human resources issues for a simple reason—there weren't that many other humans around. As a research scientist and epidemiologist, he was locked in a lab all day running tests and recording data. "It was me and a lab of animals," Dunn says.

It's a far cry from what Dunn does now, seeing more and more new employees joining his current organization, Atrium Health. Dunn became chief human resources officer as the Charlotte, North Carolina-based healthcare provider was in the midst of unprecedented growth; it now has nearly 70,000 employees across 900 healthcare facilities. "You need to integrate people with the right mindset for growth," he says. The pace may not get any slower either, as Atrium Health's president and CEO, Gene Woods, continues to look for opportunities to bring the group's mission—to improve health, elevate hope, and advance healing for all—to more people through new partnerships.





Onboarding new employees can be challenging under normal circumstances. HR pros have to make sure that new recruits are set up at their new workspace, learn new systems, and feel engaged early. But that gets considerably more complicated when those employees arrive as part of their old firm being acquired by their new employer. HR executives are challenged to come up with ways to blend the organizations effectively and efficiently. They have to retain and integrate employees into the old firm's culture (or create an entirely new culture for the combined organization). At the same time, those responsibilities shouldn't eclipse the CHRO's primary job: ensuring that HR remains aligned with the organization's strategic objectives.

It's a quandary many healthcare providers are going through now as hospital systems, doctors' offices, and other patient care centers look for partnerships to better scale up with the already consolidated health insurance and pharmaceutical industries. Through the first nine months of 2019, there were 578 healthcare transactions, up 41% from the prior year, according to the investment advisory firm Hammond Hanlon Camp.

Dunn and his team have been responsible for integrating an average of 125 to 150 new employees per week, ever since he joined Atrium Health in early 2018. Many of those hires came when the company formed a strategic combination with another North Carolina-based healthcare provider. Dunn also has to focus on integrating the culture with that of Wake Forest Baptist

Health and Wake Forest University, with which Atrium Health is entering a strategic combination. As part of that combination, Atrium Health will also be building a new medical school in Charlotte, North Carolina.

Dunn and Woods sat down with Korn Ferry senior client partner Katie Bell and principal Shannon Libbert to talk about the challenge of bringing in so many employees from so many different backgrounds at once, and cultivating the right relationship between the CHRO and the CEO.

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***How do you get employees to adopt the organization's mission?***

*Dunn:* Unlike many other fields, the beautiful part of that is you don't struggle at all with it in healthcare. People go into our field for the purpose, the mission, and patient care. I'm on the other end, ensuring that people aren't close to burnout. You can have a whole lot of mission—and a whole lot of purpose—and still have tired, unengaged teammates. And that's what we solve for, keeping them engaged and in touch with our mission and purpose.

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***That seems to work for doctors and nurses, but what about the thousands of employees who aren't seeing patients?***

*Dunn:* You have to connect a few dots sometimes to show that what you do is ultimately impacting the patient. We want our teammates to be no more than two degrees from the patient. In our organization, you are either caring for the patient or you are caring for the people who are treating the patient. I have to make sure everyone has a mindset for fast-paced growth.

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***What do you mean?***

*Woods:* Here's an example. In 1950, it took about 50 years for all medical knowledge in the country to double. And today ... it takes about 73 days. We're living in an age—and a field—where it's nothing but fast-paced.

*Dunn:* And to add to that, in just the last three or four years, you've seen the healthcare model shift from volume-based to value-based care. We're more focused on the health of entire populations. We have electronic data records. There's a new normal that's emerged in healthcare, and we need to adjust to it because it's not likely going to go away anytime soon.

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***How do you get employees to adapt to that fast-growth mindset?***

*Dunn:* The challenges are the same across industries; rapid growth is only as good as the teams that drive it. Yes, an organization's HR department needs to do things efficiently—things like benefits, compensation, learning and development, and the like. But if you get hardworking, growth-minded people in the door, that's half the battle. The rest comes naturally.

I spend most of my time looking with the executive team to ensure that there's cultural alignment between leadership and the rest of the organization, and that is a lot of work. And then there's also a lot of coaching and mentoring leaders across the organization. They may be doing great things, but they're not necessarily doing the right things. So, you have to help people transition to how things need to be done today versus how things have traditionally been done.

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***That sounds a little scary.***

*Dunn:* It's only natural that we all would prefer certainty in our work, but we can no longer guarantee that as a healthcare field, or even as a society. But what we can provide is clarity.

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***What's the biggest challenge when bringing in people from an organization that you combine with?***

*Woods:* The number one challenge, especially in the nonprofit world, is fear that the community will lose their voice or identity. Many times you hear that family members were born or cared for in these hospitals—it's a very personal connection. So, we spend a lot of time on the front end sharing how meaningful their voices will be in deciding how the two organizations will be better together.

In many ways, there's a calibration that occurs on an ongoing basis between enterprise-wide initiatives that build "system-ness," balanced with making sure that we're hearing the voice of the local community in a real, authentic way. Part of why we've been able to grow so fast as an organization is that establishing this sort of trust and listening orientation resonates very well with new partners.

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***What type of relationship do the CHRO and CEO need to make a growth strategy work?***

*Woods:* Nowadays, it is a fundamental requirement to have a CHRO who can operationalize your vision, knows how the business works, and can truly help you drive culture in a deep and scalable way. In fact, I changed the name of my CHRO to chief people and culture officer, in part to reflect the transformation of the role. I strongly believe that talent management and “best people-planning” initiatives are as much strategic imperatives as operational ones when it comes to growing an enterprise. And as such, I believe the relationship needed is one that doesn’t stay in traditional lanes but expands to cover the full spectrum of the organization’s direction. Simply stated, the CHRO needs to be at the table to help design what the new organization, at its best, can be from a people perspective—which, after all, is the central core of the business we are in.

*Dunn:* The truth of the matter is that aligning people, cultures, and executive teams—while creating the right organizational conversations—is truly tough work. It sure makes life easier for both the CEO and CHRO when the two have complete trust in one another and know they can depend on each other ... and it helps if they genuinely like working together, too!

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