In its vision statement, Robert Wood Johnson (RWJ) University Hospital Hamilton promises “to passionately pursue the health and well-being of our patients, employees and the community through our culture of exceptional service and commitment to quality.”

Those words aren’t much different than the words you’re likely to find in most hospitals’ vision or mission statements. It’s the realization of the words—particularly the final three, “commitment to quality”—that sets RWJ Hamilton apart from other hospitals. And it has a Malcolm Baldrige National Quality Award to show for it.

The Hamilton, NJ, hospital was awarded the 2004 Baldrige award in the healthcare category, selected from 22 applicants, more than in any other Baldrige category. In her acceptance speech, Christy Stephenson, president and CEO of RWJ Hamilton, said, “We take great pride in what we have accomplished, but more importantly, we are proud of the benefits that the award ultimately confers on the people we serve—our patients.”

**Growing Fast**

A private, not-for-profit hospital, RWJ Hamilton serves more than 350,000 patients a year. It employs about 1,700 people, with an additional medical staff of more than 650. Besides offering inpatient (medical, surgical, obstetric, cardiology, orthopedic, intensive care) and outpatient (diagnostic, therapeutic, ambulatory surgery, oncology, emergency) services, the hospital offers health education, health screenings and disease prevention programs to the community.
In terms of market share, it is New Jersey’s fastest growing hospital. From 1999-2003, RWJ Hamilton steadily improved its market share while its closest competitor’s share has remained the same or declined each year. Some departments that particularly saw their market shares grow in that period include cardiology, which improved from approximately 20% to nearly 30%; surgery, which grew from approximately 17% to 30%; and oncology, which improved from approximately 13% to more than 30%.

Always looking for ways to expand, in September 2004 RWJ Hamilton opened its Center for Health and Wellness, which is located four miles from the hospital and focuses on community wellness, education and physical therapy.

Framework for a Quality Journey

A hospital doesn’t grow that much that quickly without a plan. In 1999 and 2000, RWJ Hamilton’s executive management, in search of ways to better serve its customers, looked to the Baldrige criteria for “a framework … for leadership and acceleration of our quality journey,” says Connie Resnick, special projects manager at RWJ Hamilton.

The hospital had a quality system at the time, but Baldrige “enhanced our system in many ways. We began benchmarking extensively, no longer comparing (ourselves) to (the industry) average and implementing evidence based practices,” Resnick says.

Management began preparing to apply for the Baldrige award by applying for the state equivalent, Quality New Jersey, which uses the Baldrige criteria. In 2001, RWJ Hamilton was recognized by Quality New Jersey at the program’s highest level, gold. In 2002, RWJ Hamilton applied for the Baldrige award.

Part of the hospital’s existing quality program at the time was its five pillars of excellence—service, finance, quality, people and growth. They parallel the Baldrige criteria and have been the framework for the hospital’s strategic planning process since late 1998. Management adopted them after benchmarking practices at Baptist Hospital Inc., a group of hospitals in Pensacola, FL. Quint Studer, president of Baptist Hospital and originator of the five pillars, has since been named one of the 100 most powerful people in the industry by Modern Healthcare magazine.

Organizational Performance Measurement System

To live up to its five pillars of excellence, RWJ Hamilton developed an
organizational performance measurement system (OPMS), which it uses to track daily performance and operations. The OPMS has two parts. First, as shown on the right side of Figure 1, the OPMS is used to track objectives outlined in the hospital’s organizational performance improvement (OPI)/patient safety plan. These objectives are meant, for the most part, to meet what management calls “run the business” goals. They satisfy either regulatory requirements, from organizations such as the Joint Commission on Accreditation of Healthcare Organizations, or hospital performance improvement indicators that have previously established targets.

The second pathway tracks strategic objectives. Strategic objectives can be either “run the business”...
goals, specifically the ones in which significant improvement is needed, or “change the business” goals, in which the hospital already meets its targets and is striving for breakthrough performance improvement.

In both categories, each objective aligns with one of the five pillars of excellence. For example, under the people pillar, one objective is employee loyalty. Under the service pillar, an objective is patient satisfaction in the emergency department (ED). Objectives and targets are continually evaluated with weekly balanced scorecards.

Both sides of the OPMS stem from RWJ Hamilton’s strategic planning process (SPP) and begin with determining key performance indicators (KPIs) and establishing their targets. RWJ Hamilton determines KPIs by using a standardized selection process (Figure 2, p. 74). Examples include vacancy rate, turnover rate and employee retention rate. KPIs are reviewed weekly by senior leaders, monthly by managers and quarterly by all employees. All KPIs are reviewed annually as part of the SPP.

Peter Newell, CFO and senior VP for finance, says IT plays a crucial role in the OPMS and KPI selection. Management includes the hospital’s IT plan in the annual SPP, reviewing and revising it along the way. “All of the strategic initiatives for the upcoming year are supported by detailed plans of how IT will play a role,” Newell says. “RWJ Hamilton has a well-developed computerized backbone that enables it to collect and analyze data and integrate new systems into … the organization’s improvement.”

**The 15/30 Program**

One of the more significant improvement programs born from all this has been the 15/30 pro-

ALWAYS OPEN: RWJ Hamilton’s emergency department receives 50,000 patient visits a year.
gram. Implemented in 1998, the 15/30 program guarantees patients coming into the ED will see a nurse within 15 minutes and a physician within 30 minutes. If the timeframes are not met, the ED portion of the bill is waived, at the patient’s request.

More than 70% of RWJ Hamilton’s inpatient admissions are initiated through the ED, so satisfaction there is an obvious a priority. Recognizing this, the RWJ Health Network, made up of several hospitals in the area, began developing the 15/30 initiative in the late 1990s. A steering team with representatives from all the hospitals in the network analyzed existing practices, benchmarked against other organizations and collected baseline patient satisfaction and market share data. Each individual facility then determined what type of technology, facility and process redesign would be necessary to implement the program.

Quality and Improvement
Results by the Numbers

This is how patients have benefited from RWJ Hamilton’s Baldrige efforts:

• Inpatient satisfaction with nursing and nursing courtesy has improved from 70% in 1999 to more than 90% in 2004, placing RWJ Hamilton in Press Ganey’s 90th percentile. Press Ganey Associates measures healthcare satisfaction nationally.

• Gallup survey results ranked RWJ Hamilton as having the best nurses among local competitors in 2000 and 2002.

• In the 2002 Gallup survey of customer loyalty, RWJ Hamilton ranked first among local competitors in all nine positive attributes. Among them were most improved, most personal care to patients, state-of-the-art technology and equipment, best doctors and best nurses.

• Seventy-three percent of customers said they were likely to use RWJ Hamilton again.

• Mortality rates for patients with congestive heart failure decreased from nearly 8% in 1999 to 2.5% in 2003, the Agency for Healthcare Research and Quality Best Level that year. According to the QuadraMed Clinical Performance System, an organization that provides comparative statistics for clinical operations, the expected rate in 2003 was 6.2%.

• Hospital acquired infections, such as ventilator associated pneumonia and urinary tract infections, have decreased since 2000. For example, ventilator associated pneumonia rates have decreased from approximately 10 per 1,000 device days in 2000 to two per 1,000 device days in 2004.

• Between 2001 and the first quarter of 2004, safeguards to prevent patients from receiving the wrong medication were successful in about 93% of cases, exceeding the national median of approximately 64%.

• Occupancy rates have increased from 70% in 1999 to 85% in 2003. The nearest competitor’s rates ranged from 57% to 60% in that same time.

Employees have also benefited:

• Satisfaction with benefits rose from nearly 30% in 1999 to slightly more than 90% in 2003.

• Satisfaction with leadership increased from nearly 90% in 1999 to almost 100% in 2003.

• Satisfaction with participation in decisions grew from slightly more than 40% in 1999 to 90% in 2003.

• Satisfaction with employee recognition has improved from 70% in 1999 to 97% in 2003.

• Registered nurse retention has improved from 94% in 2001 to 99% in 2003.

• Retention of other employees has gone from 80% in 2001 to 98% in 2003.

• Training hours per full-time employee have increased from approximately 38 hours in 2002 to approximately 58 hours in 2003.
RWJ Hamilton measures the success of the 15/30 program by reviewing its market share, patient satisfaction results and percentage of payouts when the bill is waived. Since the program’s initiation, RWJ Hamilton’s percentage of these payouts has been less than 1% of its total ED patients. Its number of ED visits has doubled, and it has become the ED market leader in the community. Patient satisfaction with the emergency department has grown from 85% in 2001 to 90% in 2004, exceeding the national benchmark.

Satisfying More Than Patients

All employees are expected to serve patients according to RWJ Hamilton’s five-star service standards—sense of ownership, commitment to customers, commitment to coworkers, courtesy and etiquette, appearance, communication, privacy and safety awareness. These eight standards are the basis for what the hospital calls its patient focused model. As part of the model, patients’ care plans are evaluated daily by employees and patients. Management determines the effectiveness of the model by measuring employee satisfaction, patient satisfaction and increased growth and market share.

In the name of total quality, RWJ Hamilton doesn’t just define its customers as patients. Its excellence through service leadership system is centered around three customer groups—patients, employees and the community. Management uses several methods to identify customers’ needs, including surveys, doctors’ rounds, discharge calls, industry trends and focus groups. The primary tool is surveys. Patients are surveyed weekly; employees and the community are surveyed annually.

Management says satisfaction among each group feeds into the others. “Employee satisfaction is foundational to achieving patient satisfaction,” Resnick says. “We recognized that through achieving high levels of employee satisfaction, we would be able to increase patient satisfaction, which would lead to ongoing growth.”

One tool the hospital uses to attain feedback from employees is its voice of the customer feature, accessed through the hospital’s website (www.rwjhamilton.org) and inviting compliments, complaints, suggestions and questions. After clicking on the feature, employees are taken to a page where they can provide feedback in one of four ways: as an employee, as an employee entering feedback for a patient, as a physician or as an employee entering feedback for a physician.

Ongoing communication between employees and senior leaders is also a key element of RWJ Hamilton’s employee satisfaction. Each executive management team member, including the CEO, attends daily briefings in designated departments to share current information with the staff and answer questions.

Employees are also encouraged to report any potential breach of the hospital’s zero-tolerance ethics policy to management or anonymously through the compliance hotline. Newell says open communication like this “helps reinforce accountability, identify opportunities for improvement and underscore a focus on results.”

Among the improvements that came in the name
of employee satisfaction is the walk-in-my-shoes program, in which employees work for a day in departments other than their own. According to Resnick, feedback from employees has been “very positive … employees appreciate getting a feel for what it’s like to work in a department that provides service to their own department or one that their department provides service to.”

The program is mandatory for new employees and optional for current. To ensure there is no endangerment to patients—a possibility when hospital employees are working in areas they’re not trained to work in—the employees are not expected to carry out specific duties on their own. They simply work side by side with an employee from that department, observing and assisting.

To serve its third customer group, RWJ Hamilton’s senior leaders and staff try to improve community health through financial contributions, education programs, health fairs and screening services. On average, free health screening is provided to more than 900 community residents per month. Donations to community organizations increased to approximately $140,000 in 2003, up from approximately $80,000 in 1999. RWJ Hamilton staff members contribute to the community by serving meals at a local soup kitchen once a month, serving on 88 community boards and raising money for several local programs, nearly $100,000 in 2003.

Not surprisingly, a 2005 survey in RWJ Hamilton’s community ranked the hospital number one in all 10 attributes included in the survey.

Remaining a Leader

In her Baldrige acceptance speech, Stephenson said, “RWJ Hamilton has become a leader in providing the quality of care that our community expects and deserves.” This goes without saying—the improvement numbers (see sidebar, “Quality and Improvement Results by the Numbers,” p. 73) and the Baldrige award in her hand speak for themselves.

Recognizing that remaining the best in the country doesn’t happen by standing still, Newell says the hospital plans to build on its Baldrige success, focusing on continually improving employee satisfaction and market share. He also plans to “continue to improve critical processes,” specifically mentioning knowledge management.

And RWJ Hamilton is committed to using Baldrige as its framework, convinced it’s the best basis for a quality program available.

“Employees are proud of achieving the Baldrige recognition. Many have commented on the number of friends and family members that are so impressed that their organization achieved Baldrige,” says Resnick. “I would say Baldrige brought us new depth in the way we listen and learn, determine satisfaction and dissatisfaction, and develop loyalty strategies.”

Please comment

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