

# Balancing Act: Prioritizing Staff, Growth & Gains

SCOTTSDALE INSTITUTE 2022 CIO VIRTUAL SUMMIT



September 13, 2022 | Virtual Event

Sponsored by:



# Executive Summary

Given staffing shortages, capacity constraints, technology needs, regulatory compliance and budget cuts, healthcare CIOs operate on a razor's edge, every day. Learning how to do it well while keeping priorities (and sanity) in check requires courage, innovation and remarkable stability.

For this discussion-oriented Summit, the Scottsdale Institute (SI) convened 17 Member health systems and special guests from 13 organizations to discuss challenges and opportunities in key areas of CIO responsibility, including:

- **Balancing staffing challenges and clinical care capacity:** Competing with other industries for talent, navigating skyrocketing labor costs, preventing burnout and implementing digital solutions;
  - **Stacking up success:** Smoothing the customer experience through technology with guest speaker Fahim Siddiqui, EVP & CIO, The Home Depot; and
  - **Driving value via financial and market impacts:** Studying economic impacts on health systems, identifying key levers to boost operating margins, forecasting changing economic conditions and considering future trends.
-

## ROUNDTABLE PARTICIPANTS

**Scott Arnold**, EVP & CIO,  
[Tampa General Hospital](#)

**Jessica Camp**, Executive Director,  
Strategic Resources Clinical & Ancillary  
Apps, [AdventHealth](#)

**Praveen Chopra**, CIO, [Gundersen  
Health Systems](#) (Guest)

**Rick Cowan**, VP, IS Infrastructure,  
[Northern Light Health](#)

**Del Dixon**, VP, IS, [Northern Light Health](#)

**Lisa Dykstra**, SVP & CIO,  
[Lurie Children's Hospital](#)

**Robert Eardley**, SVP & CIO,  
[University Hospitals](#)

**Ben Isenhour**, VP IS – Data, Integration,  
Interoperability, [Northern Light Health](#)

**Tricia Julian**, CIO, [Baptist Health](#)

**Dave Lundal**, MBA, SVP & CIO, IT,  
[Children's Minnesota](#)

**Jonathan Manis**, SVP & CIO,  
[CHRISTUS Health](#)

**Ellen Pollack**, MSN, RN-BC, CIO,  
[UCLA Health](#)

**Keith Rivera**, SVP & CIO, [Presbyterian  
Healthcare Services](#) (Guest)

**Monetta Schwartz**, IT Director,  
[University of Texas at Tyler Health  
Science Center](#)

**Fahim Siddiqui**, EVP & CIO,  
[The Home Depot](#) (Guest Speaker)

**Brent Snyder**, EVP & CIO, [AdventHealth](#)

**John Yoder, Jr.**, VP Of Technology &  
CIO, [University of Texas at Tyler Health  
Science Center](#)

## CONVENER

### Scottsdale Institute

Janet Guptill, FACHE, CPHIMS; Cynthia  
Schroers; John Hendricks; Gail Donovan;  
Karen Sjoblom; Ishmeet Kumar;  
Margaret Shea; Courtney Olson;  
Genevieve Hedland-Hill

## SPONSOR

### Impact Advisors

**Moderators:** Lydon Neumann, VP; plus  
Jason Fortin, Sr. Advisor; Todd Hollowell,  
VP & COO; Andrew Smith, President and  
Co-Founder; and Peter Smith, CEO &  
Co-Founder

**Writer:** Karen Sjoblom

# Introduction

Referring to the opening poll question (far right), Summit Moderator **Lydon Neumann**, VP, Impact Advisors (right), suggested that “all of the above” likely would have been the most popular answer... which is why it wasn’t offered. “Everyone is dealing with all of these issues, but clinical staff shortages seem to be an especially common theme, particularly regarding nurses. And margin pressure is considerable,” he recapped. “But what’s interesting is the new non-clinical staffing shortage; historically this hadn’t been a problem, but now it’s growing.”



With such universal problems, Scottsdale Institute (SI) Members and Guests were invited to share as they gleaned insights from each other. Even beyond health systems’ shortage of human resources, there are other challenges to address: Investing in training- and learning tools, offering modifications and improvements to increase efficiencies, and finding ways to decrease fatigue will be key to long-term recruitment and retention successes.

## 2022 SI CIO Virtual Summit Poll Question #1

1. Which of the following is current the biggest concern for your organization? (Single Choice) \*



# Balancing Staffing Challenges & Clinical Care Capacity

“Our department offered a remote option up to three days per week, prior to the pandemic; then, we all had to ramp that up overnight due to the pandemic,” recalled SI presenter **Lisa Dykstra**, SVP & CIO, Lurie Children’s Hospital. “I am a supporter of remote work. We’re focused on doing things effectively and efficiently, and we also need to ensure our team members feel connected.”

One way Lurie Children’s has done this is by tying staff to the mission and highlighting the value of work done for the organization. “We’re looking at what we’re



**Scott Arnold**,  
EVP & CIO,  
[Tampa General Hospital](#)



**Jessica Camp**, Executive  
Director, Strategic Resources  
Clinical & Ancillary Apps,  
[AdventHealth](#)



**Praveen Chopra**, CIO,  
[Gundersen Health Systems](#) (Guest)

## ON KEEPING STAFFING IN BALANCE

Our HR and Legal departments have engaged an outside third-party to analyze the states in which Baptist will extend employment. Once that list is released, the policies around paying for travel, etc., will then be created to help address the needs of new employment relationships with those who live much farther away.

– Tricia Julian, CIO, Baptist Health

Our CNO and HR department have been doing a tremendous job of using creative tactics to address the clinical staff shortage. We have a state-wide recruitment/retention strategy now in Illinois as well as active conversations around emergency nurse staffing.

– Lisa Dykstra, SVP & CIO, Lurie Children's Hospital

There is a hidden side to remote work that most employees don't fully consider: If you are not in the office, you may not have the ability to develop a relationship and rapport with your colleagues; you may not have opportunity to become known as a valued member of the team. That means you could be anyone and anywhere. If you could be anyone and anywhere, organizations may migrate to where support and project labor are least expensive (especially in a time of tight margins). A potential outcome may be that we see an increased interest in outsourcing and offshoring. I believe the best solution for both organizations and staff is a flexible but balanced office-remote work model.

– Jonathan Manis, SVP & CIO, CHRISTUS Health

doing and calculating the value for ourselves and the business. How can we differentiate ourselves with the work we do to attract and retain talent?" Dykstra asked. "Success factors are celebrated regularly."

Lurie Children's has recognized that after seeing team members work so hard and so fast for so long during the pandemic, leaders are noting and celebrating the great work that's happening.

Dykstra also relayed that there's effective competition, especially in Chicago, for staffing. Lurie Children's conducted a thorough market analysis and significantly adjusted its market-based salary recommendations. They also did a compression analysis, which was important for their retention rates. "We also focused on increasing our skills and capabilities by offering additional competencies," Dykstra explained. "For example, we pulled a percentage of staff's time and sent them for various educational opportunities to further advance skills in emerging technologies. It's certainly increased the value of our team to the organization and helps drive retention as well.

"I often get asked, 'Will you require people back into the office?' I say, organizationally, we see the value of a hybrid model. I am clear with my team: If we are bringing staff back to the office, then make it meaningful. If you're calling staff back in to sit in a cube for eight hours of virtual meetings, it won't drive great value," Dykstra opined. "Don't make people come in for that. There are better, more rewarding ways to recognize and support people."

In opening up the conversation for feedback, Dykstra asked members how others increase visibility and value, and what other challenges remain. SI Members shared their experiences, as follows.

*We've moved from a regional workforce to a virtualized regional workforce...but some of us are saying we can find additional talent if we go national. We've been trying to settle on the following question with HR: How often will we fly people in? We're starting with four times per year and might end up with two. When we move to a virtualized, national workforce, part of the cost-offset (of real estate, etc.) is allotting dollars for travel. If we can't*

*bear the cost to bring people in twice per year, then the virtualized national model is likely not the right one for the organization.*

**-Robert Eardley, SVP & CIO, University Hospitals**

*We are rural at the core at Northern Light and have kept staff engaged while moving to a remote environment. We've had the luxury of it working out quite nicely. But now we've grown our talent base so well that our people are being wooed by others around the world; we have to look at the market and become more competitive. Another area of consternation is our vendor partners, who are eager to embrace the old styles of sales and relationship-building: They want to get on a plane and interact with teams, but we don't have a singular meeting place anymore. It weighs on us every day; we don't want to lose connection with and focus on our colleagues, so we've got to figure out ways to build that in a remote environment.*

**-Del Dixon, VP, IS, Northern Light Health**

*At CHRISTUS Health, we especially value collaboration, communication and community. As a Catholic health ministry, our strength is in our community. It is much like coming together at church for worship. As such, we are 100 percent return-to-office. Like all high-performance teams, we believe we are better when we actually practice or work together. Remote work is situationally dependent and considered on a case-by-case basis; however, given how popular remote work has become, we have received some pushback from staff.*

**-Jonathan Manis**

*We're now competing on national levels; some of those big pay rates are coming down while those in rural communities are going up. For us, that's a significant cost increase when we consider a longstanding, localized/regionalized talent pool...not to mention additional pressures with inflation, too.*

**-Rick Cowan, VP, IS Infrastructure, Northern Light Health**



**Rick Cowan, VP,  
IS Infrastructure,  
Northern Light Health**



**Del Dixon, VP, IS,  
Northern Light Health**



**Ben Isenhour, VP  
IS - Data, Integration,  
Interoperability,  
Northern Light Health**

*We're trying to help the organization glean real value. Let's leverage our vast investments and analytics to drive improved performance. It's not easy; there's resistance because it drives a lot of change.*



*We have data-informed conversations with our providers and leaders to show areas for efficiency and engagement. Also, we're looking at things holistically to drive greater revenue with partners and investments. In this way, IT is one of the greatest stewards in an organization, helping it stay financially solvent.*

**-Presenter Lisa Dykstra**

*I don't know how organizations will compete without remote or flexible work options. Here in Tampa, there's more than just healthcare organizations that are competing for tech talent. It's also a competitive market, health system-wise. We offer a hybrid, flexible work schedule, even prior to COVID. I'm not a huge fan of 100 percent remote all the time...but also not a fan of compelling people into the office either. There is a balance. Being flexible and having remote options is the cost of doing business with team members now. Having a hoteling space and large meeting space is also important for keeping up the team's energy, culture and collaboration. I absolutely think you need to bring people together with some regularity. There are trials and tribulations but if you're not flexible, you'll lose the war for talent.*

**-Scott Arnold, EVP & CIO, Tampa General Hospital**

*We're thinking about the digital future of the workforce and workspace: What space are we not using? What tools are we using more? Should we design space differently? To create a "sense of belonging," one size doesn't fit all. One of the ideas we've focused on is that of water cooler conversations: Virtual is great for efficiency, but it gets in the way of innovation (article reference). Innovation comes from being around the water cooler. So now we have virtual water cooler discussions spread across the week; we listen and create a sense of belonging. It's helping people feel empowered.*

-Praveen Chopra, CIO, Gundersen Health Systems

## Stacking Up Success:

Fahim Siddiqui, CIO, The Home Depot

SI Members agreed in poll question #2 (right) that health systems have much to gain by studying successes in other industries, especially in retail, around unifying, speeding and easing consumer experiences.

In a special presentation guided by Robert Eardley, The Home Depot's Fahim Siddiqui illuminated for SI Members some highlights in his tenure as the company's EVP & CIO. The company's [history](#) depicts a commitment to being in the people business, much like medicine, but also touts a type of seamless experience currently lacking in many health system settings. Since opening their first two stores in Georgia around 1979, The Home Depot has focused continually on differentiating to:

- Focus on Pro customers;
- Invest in communities after disasters like 9/11 and Hurricane Katrina;

- Become the first major home improvement store to establish self-checkouts and e-commerce in the early 2000s;
- Be the first brick-and-mortar retailer offering apps on the top three smartphone platforms;
- Interconnect its retail strategy with online fulfillment- and tech centers; and
- Commit to supporting local and veterans' causes alongside a multi-billion-dollar strategic investment plan.

### 2022 SI CIO Virtual Summit Poll Question #2

1. In which of the following areas can health systems learn the most from the retail industry? (Single Choice) \*



Eardley moderated the conversation, querying around **innovating the consumer digital front door** (i.e., how do other industries focus on this, who owns the roadmaps and when to build use cases) and **enhancing systems across platforms** (i.e., who takes the lead to identify, conduct outreach and drive functionality).



Tricia Julian, CIO,  
Baptist Health



Jonathan Manis,  
SVP & CIO,  
CHRISTUS Health



Ellen Pollack, MSN,  
RN-BC, CIO,  
UCLA Health

For confidentiality purposes, the messaging from this presentation is abbreviated, as follows.

Siddiqui explained that his team is responsible for tech strategy and infrastructure for 2,300 retail stores. His colleague, EVP-Customer Service **Matt Carey**, noted recently that now more than ever customers want to shop whenever, wherever, and however they want—without friction. Of course, the same is true for accessing healthcare as well these days.

Toward this end, The Home Depot continues to focus its efforts more on technology and experiences, determining to become more agile around digital

transformation and the customer experience both in-store and online. Certain shared, common services have been consolidated and streamlined to ensure greater productivity for associates and a seamless experience for consumers. The Home Depot's investment in technology is a constant, as is the goal of eliminating friction points and making the customer experience more pleasurable and efficient.

SI Members were encouraged to take some of the more salient points of Siddiqui's presentation and apply them to their current healthcare scenarios with renewed goals of patient satisfaction and strengthened efficiencies for providers and consumers.



*This is a topic I get fascinated about—the approach to technology in other industries such as retail, banking and airlines. I have colleagues in Marketing and in Digital, but The Home Depot has a **digital enterprise**. It's not just people wearing "digital" titles but a whole staff effort. They're setting the tone of how we should do this right. They started as a traditional in-store experience, then went online and now...there's just **one** experience. It's seamless, not siloed.*

– Presenter Robert Eardley



*My father was a physician, so I'm a big fan of what SI does. As to delineating whether your Members are in healthcare, or healthcare **and** technology, I'd say there's a continuum of technology. We all have to be up and running no matter what. We all have to deliver the best service.*

– Presenter Fahim Siddiqui, EVP & CIO



**Keith Rivera**, SVP & CIO, [Presbyterian Healthcare Services](#) (Guest)



**Monetta Schwartz**, IT Director, [University of Texas at Tyler Health Science Center](#)

# Driving Value via Financial and Market Impacts

"So, poll question #3 is the easiest question of the day," quipped Neumann, "but the deeper question is, how do we then create value? IT needs to demonstrate that value is being created, delivered and sustained as the financial landscape shifts."

**Dave Lundal**, MBA, SVP & CIO, IT, Children's Minnesota, prepared this session on financial and market impacts as his organization was navigating a nursing strike. In his opening comments, he considered the market and economy impacts on today's healthcare organizations: Greater out-of-pocket costs to families, rising IT OpEx costs as a result of how tech supports healthcare, shifts from volume- to value-based care, increasing non-traditional competition, and growing strategies focused primarily in response to market competitors.

"We've all experienced a lot! Then, factor in COVID, declining birth rates, virtual care advancements and more, and we have to consider the business and tech drivers that lead to cost and demand pressure," Lundal explained. "After the pandemic-initiated changes around revenue enhancement, digital front door, virtual care and supply chain optimization, we've chosen to really focus in 2022 on the fact that we're an inpatient pediatric specialty hospital...which means we need to put all our strategies in that direction."

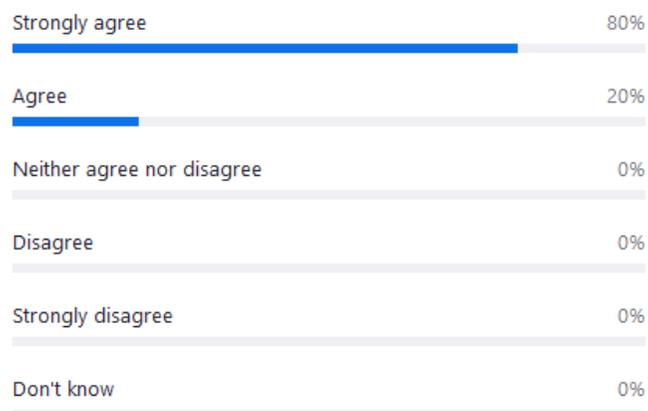
Lundal first queried Members as to what they believe is different in today's environment versus what they've been through in previous periods of change.

*We've had our first negative margin in 17 years. We've done back-to-budget exercises but are upside down for the first time. Staffing/labor costs, medical and pharmaceutical expenses...prices are going up faster than reimbursements.*

–Robert Eardley

## 2022 SI CIO Virtual Summit Poll Question #3

1. Please respond to the following statement: "Our health system is significantly impacted amid rising pressure on operating margins."  
(Single Choice) \*



*Our length of stay (LoS) is up, and we have fewer commercial payors. That combination hurts. LoS seems to be a California-wide thing...we don't know why; it's not clear: Did people defer care during COVID and now we're seeing a backlash?*

–Ellen Pollack, MSN, RN-BC, CIO, UCLA Health

*The new competitive battleground is consumer experience. There is competition from new entrants and start-ups thinking they can offer the same services, but provide a more pleasurable experience by leveraging apps, self-service, remote monitoring, no-wait appointments, in-home testing, specialty clinics, and spa-like concierge care...it's happening in all markets. There is a "MinuteDoc" or "We'll See You Now" clinic in every strip mall.*

–Jonathan Manis

*There are so many things swirling right now... The economy is coming into our conversations but isn't our sole focus; it's just one of many ingredients to the whole discussion around margin pressures and increasing costs. We had an eight-percent-inflation month—the highest we've seen yet. Where is that heading, and where is the relief? It's probably not in sight anytime soon...so how do we control costs if the revenue side isn't returning?*

–Rick Cowan

Lundal pivoted to asking participants to determine what they'd do if they were in the decision seats of the CEO or Board and how they'd innovate going forward.

*If we really embraced our traditional core competencies, we'd specialize in procedural, tertiary and quaternary care. What could the model look like if we actively courted places like CVS to send us their referrals for specialty care? The message would be, when your person needs additional care, we want to be your destination of choice.*

**-Robert Eardley**

*The operating margin pressure is pervasive. The good news, when analyzing Baptist's revenue from 2017-2022, is it is steadily growing; however, the revenue growth is coming less from the inpatient business and more from our sites of care outside the inpatient arena. The nursing labor shortages and associated contract labor cost pressures will continue into FY23 along with the potential for inflationary realities to curb patients' likelihood to seek care and/or impact their ability to pay. Our new fiscal year began on 9/1 and Baptist leaders will meet monthly to monitor revenue and cost performance against budget projections to determine and implement countermeasures to address any shortfalls.*

**-Tricia Julian**

*I think technology was there when we needed it: When COVID hit, we had the technology to send people home, ramp up telehealth quickly and put COVID clinics in place. As people burned out, we implemented ideas to work more efficiently. Now we're in this perfect storm of rising costs, fewer reimbursements, challenging social determinants...but maybe that will force organizations to turn to IT as leaders—that notion that we've helped them in the past, and they're ready now, so let's tackle*

*Around Children's Minnesota, we're seeing transformation when companies have literally changed who they are and what they offer. Take John Deere: Instead of just selling tractors, they're offering a model for people to pay a fixed rate and get equipment plus agriculture information-as-a-service—like where and what to plant and other ideas. According to a recent Wall Street Journal article, selling farmers software subscriptions is expected to yield higher profit margins than sales of Deere's machinery, which will continue to make up the bulk of Deere sales. A 2021 analyst report estimates the average gross margin for farming software at 85%, compared with 25% for equipment sales. So, how can we change healthcare into Healthcare-Information-as-a-Service? That would be the Holy Grail to me.*



**-Presenter Dave Lundal**

*this together. We saw it in the digital space during the middle of COVID. It feels daunting, but maybe we're the ones the organization will have to lean on to move into the next phase.*

**-Ben Isenhour, VP IS - Data, Integration, Interoperability, Northern Light Health**



**Brent Snyder,**  
EVP & CIO,  
AdventHealth



**John Yoder, Jr.,** VP  
Of Technology & CIO,  
University of Texas at Tyler  
Health Science Center

# Conclusion

In the end, CIOs must balance both past and future as they innovate forward. Jonathan Manis offered a paradoxical summary when he suggested the future actually is not in front of us.

“As an industry, I think we are missing our most critical opportunity. We all have children or grandchildren. The future is not in front of us: The future is coming up behind us. Our children were born in a digital age and the generations that follow will be born in the digital age; they are mobile and ever-connected.

“The current healthcare delivery model is not designed for them. The current model is built around the convenience of the supplier of services, not the convenience of the consumer of services. That must change,” Manis said. “A new model must be designed to provide a pleasurable experience when, where and how it is most convenient for those who seek our services. New entrants and our emerging competition know that immediate access, ease-of-use and convenience are foundational to market success. For any of us to succeed, we need to realize that the everyday consumer experience in healthcare must be the same as the everyday consumer experience in every other industry. Today’s consumers should expect nothing less. Tomorrow’s consumers will accept nothing less.”

## ABOUT THE SPONSORS

The **Scottsdale Institute** (SI) is a not-for-profit membership organization of over 60 prominent, advanced, not-for-profit health systems and academic medical centers whose mission is to improve healthcare quality, efficiency and personal experience through IT-enabled transformation. Our North Star is thought leadership guided by SI’s Three Pillars of Collaboration, Education and Networking. We convene intimate, informal and collegial forums for senior healthcare executives, including but not limited to CEOs, CMOs, CIOs, CMIOs and CNIOs, to share knowledge, best practices and lessons learned. Our goal: Gather the right people to discuss the right topics at the right moment.

For more information, visit [scottsdaleinstitute.org](https://scottsdaleinstitute.org)



**Impact Advisors** is a nationally recognized healthcare management consulting and technology services firm that is solving some of the toughest challenges in the industry by delivering strategic advisory, technology implementation and operational improvement services. Our comprehensive suite of strategic planning, digital health, clinical optimization and revenue cycle services spans the lifecycle of our clients’ needs. Our experienced team has a powerful combination of clinical, revenue, operations, consulting and information technology experience. The firm has earned several prestigious industry and workplace awards including Best in KLAS® for 14 consecutive years, Healthcare Informatics HCI 100, Crain’s Chicago Business Fast Fifty, as well as “best place to work” awards from: Modern Healthcare, Consulting Magazine, Becker’s Hospital Review, Inc., and Achievers.

For more information about **Impact Advisors**, visit [www.impact-advisors.com](https://www.impact-advisors.com).

