Holding the Course: Stabilizing Business Operations
Thursday, June 20, 2019

Please stand by for real time captions. >>

Welcome everyone. Please start the recording.

[Erica Lindquist] Good afternoon, thank you for joining today's webinar holding the course stabilizing business operations. I am Erica Lindquist, a senior director at the National Organization of States United for Aging and disabilities, otherwise known as NASUAD. This webinar is presented through the Business Acumen Center, a part of the Business Acumen for disability Organizations grant managed by NASUAD and made possible by the Administration on Community Living. After the session you will be able to find the webinar and the PowerPoint, along with the archives of all of the Disability Network Business Acumen webinars at hcbsbusinessacumen.org/webinars.

There will be time for questions and answers at the end of the presentation please answer your questions in the Q&A pod at the lower right-hand side of the screen during the presentation.

Next slide please today's presenters include Chip Dodd and Laura Vegas. Chip is the president and CEO of Support Services of Virginia and Laura is the MCO business acumen director of the National Association State Directors of Developmental Disabilities Services (NASDDDS). Together they will discuss strategies and resources disability that organizations can use to stabilize their organizations through turbulent times.

With that I will turn this over to chip to share a little bit more about him and his program.

[Chip Dodd] Awesome can you hear me okay. [participants answered] we hear you perfectly.

[Chip Dodd continues} Thank you so much for having me, I am excited to be here and a little intimidated I heard there is 182 people watching, that puts me on the hook to deliver great content hopefully that all of you can take away back to your companies. One of my big pet peeves when it comes down to anybody that does presentations is that I want actionable, tangible things that when I write down I can do something different when I get back to my office. So, this presentation will hopefully be packed with little nuggets, so that you can actually go back and do stuff and not just feel-good that is my style. Let me start off by telling you a little bit about me and where I come from you can see the perspective that I am providing. My company is called Support Services of Virginia, my I mom founded it in 1994 right after the Virginia waiver system got developed in the early 1990s. She got cancer in 2005 that's when I took over at the ripe age of 32, so to go from a normal 32-year-old to all of a sudden running a company with 180 employees was a roller coaster for a little while. I'm a little street-smart and I know how to Google stuff so that's why we are still alive today, and we are pretty proud of that. The services we provide are Group Home, In Home, Sponsored Residential, Day Support, and Therapeutic Consultation to customers on the Virginia

waivers. We have three waivers in Virginia, there are related to these services, we do work with some people dual diagnosis and some sort of developmental disabilities but they have to have a primary diagnosis of some sort of developmental disability in order to serve them. For those of you who are not from Virginia, this is foster care, some people come from group homes, adult foster care and things like that that is one of our larger services.

And so, the main difference from my perspective, versus many perspectives of experts in our field, is that I am in the day-to-day fight like the rest of you on the call. We are actively combating the staffing crisis, the turnover, overtime, trying to figure out new waiver systems and all of that. I'm in the fight trying to figure it out, so today, I am not giving you best practices from my vast theoretical academic knowledge, this is literally our strategy over the years of what we have found out and the strategies in our company moving forward today. So, it is fun doing this presentation. This is really my to do list of all the things I need to get done over the next six months.

As you see in the photo, one of my quotes is, my job is to keep the stadium open to that others can play their game. The reason I say that, is that so many practitioners in our yield let's say they are phenomenal at providing services for being the expert in autism, or whatever it is in our field, but many of us do not have the skills or we do not have the background in just running a company. It does not matter if you are for-profit or nonprofit, those skills are what allow us to pivot and to keep the company stable in a downturn. So I recognized very quickly if I was going to keep this stable through the 2007 economic crisis and every other little economic hiccup, that I really needed to focus on the business, and let other people focus on the fun stuff like serving people with disabilities. With that kind unity and perspective, I believe that is what has helped us be successful over the years.

[Chip Dodd continues] One of the things also, was because all of us are in the staffing crisis, very recently we did races across the board, to try to be more competitive across the market and retain a higher level staff. Obviously, in Virginia Beach especially and any large city probably have a very competitive work environment where it is very difficult to attract and retain staff. So we threw a lot of money at it thinking that it would help and it did help with the turnover but it took us near zero on the financial performance, so we are literally back in it trying to figure out how do we improve efficiency, systems and processes how do we stabilize, how do we operationalize and how do we stabilize the company. I am not coming at you because I have this all figured out I am coming at you today saying I gave away a little bit too much money, and I'm trying to figure this out.

This is very actionable information that we are working on right now. Let's go ahead to the next slide. I think the easiest thing when you first think of operational stability, it is a little easier to conceptualize what is not. Any of us can walk into a company and recognize that it is a complete train wreck right out of the gates, if you were to describe a train wreck when it comes down to human services. Some of the bullets you can see on the slide. Starting with

unclear systems and processes like people are just kind of winging it. Poor communication, like nobody knows what is going on, both from the leadership, down to the people on the front line, that are out there doing the work but also side to side between different divisions or services. Poor communication is one of those things that cause morale to go down and it definitely makes the systems and processes breakdown. Technology is one that I think we throw around like companies can be tech or paper but at the end of the day, you have too much technology, but if it is not integrated properly that can also be a train wreck. One of my slides later I'll be talking about the tech stack, and how it can get unwieldy, and cause more problems than it back in the old days when we were on paper.

So, we will get into that on the future. The staff pipeline, most of us probably are using indeed or LinkedIn or some type of online thing to get folks to apply and join our team, but you also probably recognize the folks are absolutely a terrible match. Finding a strong staff pipeline obviously would be in our best interest. You can track turnover pretty easily, most systems have that if they have high turnover there is usually a problem, whether you are not training them properly, your supervisors are jerking them around a little bit, but either way, right now we are in a situation where we have to sell a career like a product to the workforce. It is no longer the days where they would like to have a job with us, we are begging them to work with us. In our field in general. So, staff turnover is showing that we are not doing a good job.

On inconsistent training, which is another one that is basically word-of-mouth training, and to the people that are doing the training do not have a guide to go by. Then all of a sudden, you have 10 different companies operating in the same little area and everyone is doing this differently. Licensing, Medicaid, and all the oversight agencies cannot stand it when your company is doing things differently in different areas, so it is obviously it opens it up to liability and risk.

Accounting that does not provide actual information this is one of my big pet peeves. I volunteer on many boards, I'm sure that many on the call are potentially on a board, but usually during a board meeting the financial person always comes in and goes through the financial statements and everyone looks down and nods, and maybe one or two people that understand finance a little bit, ask a question or two at the end of the day. A set of financial statements I believe is pretty much a big waste of time. Because it doesn't show over time what is happening. So I am a firm believer to have actionable information provided by the finance team, it has to be graphically represented, and I need to see if the line is going up down or staying the same. So just looking at a financial statement that is data, it is not information. And so, in a train wreck company, that would be that they are not able to gather actual information from their accounting team. And of course, the leadership, I have seen so many providers here in Virginia are not a member of the trade associations, and as such, they do not go to the conferences, and they have no idea that there is a new regulation, or a new waiver, or vocational is getting shut down, or whatever the changes are in the field. Us as leaders we need to look up to the horizon to know what is coming down the pipe 3 to 5 years out, especially in a managed care

provider environment, if we switch from pay for service, the leaders that are not plugged in will miss that. >>

So instead of going through and saying what the stability look like we want to go into the attributes of stability. This is coming from the errors that I've made in the past. Stability is not finite it is not like you are stable or not, it is definitely a continuum of complete disarray all the way up through rig and we do this exactly the way we are told like an astronaut. All of us are probably somewhere in the middle, obviously there are areas such as people center thinking training. You'll learn somethings that are core responsibilities, and then there is the doughnut around it in which are basically the areas where you can use judgment and creativity, and then do things outside the doughnut that are not our job. We are not going to be asked are not to be rigid, in the way that we serve people with disabilities. But, I think it's important that we move toward where we do have some strong systems and processes in place, and people know where they are allowed to use judgment and creativity.

The second law of thermodynamics is entropy, basically it talks about a perpetual motion machine, cannot exist because it takes work to go into a system to keep it functioning, and so when it comes to operational stability, the air that I've made and I'm sure that many on the call have made at some point is you come up with a beautiful system or process. Let's say the staff on boarding process, you spend a bunch of time in meetings and come up with a beautiful policy saying when we come in we will do this and this, and then you leave and everybody is expected to follow the policy. Well, that usually fails. So, entropy comes in and shake things around, a bit, it says entropy is the lack of order or predictability, it is a gradual decline into disorder. It is basically the measure of uncertainty or mixed [Indiscernible] on Wikipedia.

When you put an operational system in place you have to keep putting efforts into the system or it will dissolve into disarray, that is where we make mistakes, I love fixing stuff and I want to hand it to the team and they run with it, and do it the way I told you to do it and don't ask questions or whatever, and that never works, so to talk about ways to getting it to work, and is a little bit. The way to keep the work and effort to go back into the system to maintain it, is to get your leadership to develop a rhythm, basically to get every two weeks every month to re-inform the processes in according to the measurements with the system and processes you put in place and in addition of a measurement of that system and processes.

Let's go back to the example of staff on boarding, we just come up with a new type of system, maybe we need to drag this out little bit, do less training on the front and give them more time with the customers so that when they come to the training will be more relevant because they have more experience out in the field, we came up with all these ideas. To make that stick, I need to first well document that system and I need to have the HR team have a call every two weeks or monthly where they talk about the on boarding system every single time they have a call. In might only take two minutes to say, does anybody have a problem with the system

is there anything that's not working is there a step we she can reconsider, how is it going? If everyone says it is peachy, then we move forward, but if someone says it might be helpful if we could to the test a little earlier can the results don't come back in time, then we all decide on changing the process everybody agrees to it, and then you move forward. The key to it is you cannot just put the process on the shelf and nobody uses that we you have to bring it up in person on a regular basis it's our job as leaders to basically mandate that the HR person on every call is going to talk about that process. And that's the way you keep a process alive, that is where you keep entropy from turning that system into a disarray.

The next thing is the leaderships identify and track use indicators, later on in the presentation we will talk about how to determine are, for example, what the indicators are, what is expected, what is measured, it is basically if you are looking at something, measuring its everyone knows you are looking at it you will see a performance change on that, versus just saying we would like you to improve this metric and nobody is looking at it. That tends not to work. Process maps if nobody uses them, you can Google it, and click over to images and you will see will what a process map is, they are very helpful to visually represent a process, especially when it bounces in and out of multiple departments for example staff on boarding with the training department, the HR department, the services if they are going to piggyback ships, so there is process maps that is a nice way to say one who does what and when from a system to the beginning to the end gets done properly. And again, your leadership needs a long-term strategy to adapt to a changing economy, or long-term relationship what are we doing this month or this month you need a three to five year strategy to adapt to whatever is coming, as many of you may know in our field, it does not stay static or more than about three to five years because the waiver gets renewed every year, and things change, and philosophy and language changes, and the services change. Your leadership team needs to be looking on the horizon.

Okay, let's start with the staff first I love the metric with Excel, at the end of the day I have a strong belief that quality happens between the staff and the customer. That relationship between the DSP person doing the work and the customer that is where quality resides. None of this administrative stuff we do behind-the-scenes, I don't think has as much value if that DSP relationship with the customer is not there it does not matter what admin does, the customer's life is not going to be a pleasurable one. So, let's talk a little bit about how to get the right DSP in, and I realize it is certain difficult, these are strategies that we are using to try to screen out the bad apples, and give our customers the best experience possible. I highly recommend the people in the HR and training team, maybe through services team to sit down and define the attributes of the perfect DSP. The person that you wish that you could clone, look at all the attributes, age, demographic, family situations, education, whatever it is, look at all aspects. And I will give an example, one of the things that popped up that I realized created a perfect DSP that they had a family member with a disability, they grew up with somebody with a disability whether it be their kid or their brother or their uncle it does not matter, we recognized that that is a way we

need to screening, that is a way to find people that my work out a little better.

Then you take that perfect DSP and work with the marketing team or communications, your tech team to develop a strategy to target those perfect DSP to your best of your ability. Obviously, there's a lot of creepy things you can do with Facebook, LinkedIn, and Instagram where your ads for hiring can show up on the exact process page, maybe there are a member of the local autism Facebook group, Facebook can help you target those family members if what you are trying to do is find staff that have skills in autism. So that is why it is nice if you know with the perfect DSP looks like, then you can specifically target them using the digital technology.

I would recommend using at least two pitches, the easy one is the pay is 1025 an hour, we have leave and holiday, and dental, the boring stuff that every company does, so it's kind of if you don't have that stuff you probably don't have a seat at the table. But the next level is, why, we are up against retail, and all the other $10, $12, $15 paint jobs, what do we have, what can we sell to these DSPs that they cannot sell? It is making a lasting impact on persons with disabilities, making a lasting impact, especially millennials and the younger generation, they really want to make a difference. They want to make an impact, they don't just want a job they don't want to work 30 years by to register a target and get a gold watch and a pat on the back, they want to make that lasting impact. So that is our unique value proposition in our field that we can give you a job that is stable, that can really make a difference in somebody's life. I would hold that pitch and really start with that before you get to all the normal boring job stuff.

The screening process is really important, I am sure that you all have one, just make sure you know what that perfect DSP is, but I would also challenge you for what is a terrible DSP, the type person, demographic, personality that does not work well in the field, they cycle out of the system very quickly. If you know what to look for and what not to look for, with the worst candidate it possible, that is a really good way to go in and hopefully reduce the turnover by screening those guys out so you don't waste money on training. Also, and it comes down to the on boarding process, we focused on it from the DSP perspective, and so many times the on boarding process you look at it from an HR process had to get the required documents as quickly as possible. Within compliance. We never look at it as how hard or what is the life of the DSP.

[Chip Dodd continues] Again, we are up about against targets, which are offering more money than we can offer with an easier job, if there on boarding process is streamlined, it's easy, and a digital effortless and then we hand them 40 pages where they have to rewrite their name 26 times and it's clunky. If that's my choice I will go to target. We need to think of it from their perspective, we are selling a career to this DSP, and we are up against all the companies out there trying to sell them a career. So, our boarding process does need to be a sales process. To win them over and make a decision to come and work for you instead of somewhere else. So, when it comes down to retaining a quality team, once you've got a minute how do you keep them. Again, keep the why prominence.

Simon Sinek does a lot of start with why stuff, I would definitely watch a lot of his Ted talks, to know how to articulate a why. Simon has done a lot of work on the subject. If you Google him, he is an amazing speaker and he has written amazing books that really have help us out. People in general love recognition. Highly motivating, so the more recognition systems that you have, at all levels, and ways of communicating that recognition out, that is high motivator to keep people engaged in your company. My preference is moving toward a performance-based culture, I think nobody works for the DMV.

DMV is a great example, most people when they go to the Department of Motor Vehicles they come away with a poor experience, people are not hustling, they don't get treated well, everybody there probably gets paid the same, they are probably not rewarded for good performance, like a bellhop for a waitress or waitress they get tips, so by getting tips they are going to know there can have quick feedback do they perform well or not. In many situations, employees do not know if they are performing well or not because there is not a feedback loop. We're trying to figure out how can we have a performance-based culture where we do shine a light on the people doing it right and letting everybody know this is what it looks like when things go well.

Also, humans are, and if you study society at all, or human society people really are fascinated with knowing where they rank amongst their peers. We just look at sports, people that are sitting around the pubs talking about football stats, they know more about the stats on the players in football, baseball or whatever the sport is, that then they know about their own company. If we had that level of detail that we know exactly how much money we were making a day, how many hours did we use relative to the staffing and all of that, we would not be having the problems we are in. So the question is how in your company can you set up systems where people know where they rank, they know who are the top performers, the people who are struggling, you never want to throw anybody under the bus when it comes to low performers, but at the end of the day it is highly motivating at the people who are low performers know that everybody is seeing that they are a low performer, very motivating to have them work a little harder.

People also tend to appreciate clear achievable goals. What we have tried and failed miserably in the past, it's that we will say you are the new day support assistant coordinator blah blah blah. Go in there and figure it out, have fun. Make that not my problem. And they get in there and people do not function like that, the average person does not function like that. I mean, an entrepreneur my love that because they hate rules and processes, they say would be like hey just give me something and I will go and solve the problem. That is not the average person. The average person is saying what is the goal, how do you want me to do it, where's the checklist the training, and I will do what I am told. We have a lot of people who really appreciate that. Quality leadership is another one, when it comes down to it, many people create steady turnover at all, one of the common things that cause turnover is that people are quitting, another job but their supervisor.

So, focusing on your leaders, and turn them into really good mentors and coaches, that is the way to produce a quality team. In the old days, you think about corrective actions, the typical human resources bag of tricks to keep people in line that does not work when you are in a staffing crisis. We are in a sales situation, we are trying to win over the staff, to have their career and stay with your company. So, we cannot use the normal typical HR bag of tricks, we have to think about it how do we motivate people, mentor them, coach them, make them feel part of the team or family. They don't want to let their team down because they care so much about the customer and their colleagues. It takes quality leadership to do that, I would definitely spend time to teaching your leaders how to produce that quality team.

Communication is another one that people leave companies, they do not know what is going on, something changes, and nobody told me, so working on your communication system, to make sure that the things like recognition but also changes in systems and processes can be communicated top to bottom and side to side. Another big complaint, when it comes to turnover, they do not like a rigid schedule. You can also say that people won't come in when they're asked, they're always late, or they call in. so, how can we as a field, try to figure out how to allow the person as much flexibility as possible while still having our customer service. That is something to think about.

So, here's a quick way to figure out who are your A players, if you look at the graph basically the left-hand is culture and the right side is productivity. So, what you do is you take the employees and rank them, you can do it from one to ten, or you can do it binary like it is in this graphic, and say when it comes and culture rate them, are the great with your culture are they not great, and then on the bottom you rate them are there low productive or highly productive. After a while you can put little dots on where people fall on these plots, what you will find is, here A players obviously are the ones you do not want to lose, these are your future leaders the ones to make stuff happen. They also do not mind helping the B players to A players.

The C players they need help, they are not a good match for the culture and are not productive they should have been fired a long time ago. The worst ones are the sheets. Ts, because they are terrorists, these are the people they are actively causing disarray in your company, and they are not going to get fired because they are highly productive. We all have them, they are the negative nannies, it's not going to work, they torpedo every idea that you have, they pull wrenches in the system. Even though they are high productive leaders need to make the decision to get them out of the company is the letter a and B players do not want to work with terrorists and you will lose them, the A's and B's, if you do not get rid of the them.

The systems and processes. Again, just like your staff, start with the why, no one wants to follow a checklist unless they realize it is important. The way we do this in the company is called a learning management system, you can get a couple of different versions, one is software as a service. For example, Adobe has a learning manager system a lot of payroll companies have them, we chose to go with noodle, which is

an open-source piece of software, that we have housed on a server, that way we have a place to put all of our training and all of her systems and processes you can get to it from your mobile device anywhere in the world, 24 hours a day. I highly recommend it if you have not already jumped to the LMS system.

 Also, with the LMS system it allows you to do things like video, audio and checklist and written, it does not matter what modality people learned it always has that ability, it's just a matter of training teams to take things that a PowerPoint which is usually, death by bullets, the way my presentation is apparently, you can change it over to videos so someone who is visually oriented could learn those skills that would stick a little better than written as regular classroom training. I whole highly recommend going with the mobile first strategy, as you realize rec your staff stinks at typing on the computer, but many have smart phones and they don't have a problem with Facebook. So, how can we figure out how to take the whole company and make it that mobile first strategy so that your staff come in with the training they need, to do the work and to enter their documentation or clock in and out etc.

Earlier, like I was saying, when it comes to on boarding, I definitely recommend having quite a bit of piggyback experiences when people come in the classroom training is more relevant, also, keep your training up to date, because obviously the systems and processes change, and the training have to change with it. I would analyze the tech stack, but I don't have enough time in this is our tech stack and there is a lot of redundancy. For example, we have SharePoint and face camp and they serve the same purpose, we use email to communicate in some directions and [Indiscernible] to communicate and others, it is a little confusing and I realize our tech stack it's too complicated to the point that we are technological savvy that entropy has moved back in and cause disarray.

[Chip Dodd continues] We are going to have to clean that up a little bit, but just spent some time analyzing and see if there are efficiencies you can put in place. Finding your rocks, finding the PPIs, very shortly, giving you, when it comes down to the tech stack, all of the items can produce data, information that you can mine, the problem is it is way too much information. So, if you watch this YouTube video, it is a really neat concept, basically I will break it down intend seconds. If what you want to do is get everything done in a period of time, you have to put the rocks in the jar first. Then he put the pebbles which can fall around the rocks, then put the sand and around the pebbles in the rocks, at the end of the day you can add water. And the jar does not overfill. But if you put the sand in first and in the pebbles in the rocks the rocks will not make it.

So, in the next slide, I'm going to show you how can you find the rocks in your organization, and focus on measuring those, if you get the rocks done correctly, all of the little things like pebbles and sands like email and twitter, and Facebook and your kid's callings and the interruptions and all of that stuff. If you have the rocks done, first, then all of the other stuff basically has to wait until those main things that you need to get done are done. So, this is my favorite way of figuring out your rocks.

You can do this to buy two or five by five it is a matter, in this scenario I did a three by three because a fit nicely on the slide, on the left side are customer metrics, the number of customers, number of hours that they are served and the total billing that they bring in, and then across the top you have DSP metrics. The number of DSPs, hours that they work and the total dollars that you paid them. So, on the next slide you can see you can fill in those blocks, once you fill in the blocks basically this is creating key ratios relative to your staffing and services. I'm using this as an example because we all have probably have a service matching DSP with customers. So, it's a great example. You can scale it up to whatever your company needs, it could be case management whatever, therapy consult, but everyone knows DSP and customers. let's say this is a day supports, you and your team spend time building up blocks talking about each block and what does that metric and what is it mean to you, how is critical in your company.

So, in my company if you look, you can see that blue are the ones that are not so interesting, they may be interesting in other scenarios in my world these are not metrics that I really need to track. The light green are things that are kind of interesting, I might look at it from time to time but they're definitely not a rock, so let's call those pebbles, in my world the rocks are the three dark green boxes. I would like to spend a little bit of time on those. So, the first one, next slide, is the labor hours percentage, so this the number of hours the staff were there versus the number of hours the customers were there. If you find out that metric and track it over time, this is really talking about the amount of staff support based on the individuals need or their ISP, money is not involved in this metric. This is kind of a nice one this is more about quality of services. And making sure you are not overstaffed or understaffed from a quality standpoint. A very good metric to staff to track.

Labor doll is dollars percentage, this is what the CFO and owner will be most interested in, if you get this one wrong you go out of business. This is basically the number of customer billing coming in versus the number of dollars coming out in the form of labor, for most of us labor is the big line item with expenses. So, companies they get labor right are in the 72% range, and customers businesses that are going out of business or above the 78%. Of course, that's a machine number depending on your benefits and how you measure it, but Basically, this is the big one I would focus on, if you only focus on one thing after leaving this presentation when it comes down to financial acumen, find out your labor dollars percent and track it methodically. I would even recommend doing a weekly or at least every pay period, and this is the one the develop a rhythm around because if you can keep this under wraps, all of the other stuff is easy to solve.

So, the next one is the income per our words. I used to work at McDonald's Ray learned a lot of this analytic stuff, and McDonald's days is called sales per man hour, we use this in my company we have four different divisions in different areas of economic cost of living, and so the problem is if you have labor percent, you can't really compare that to an area of high cost of living or low cost of living because you have

to pay your staff more, to attract your staff to a big city with a high cost of living than you would in a rural area in the middle of nowhere, which it's just low cost of living. If you want to compare, let's say a day support to another in different areas, then focus on the income per hour work, since you are only bouncing off of hours, the staff wages not included in the metric and you can see basically what the productivity is, of a day support relative to another day support in another area.

This was very helpful in the restaurant world it was very helpful to compare the performance of two different restaurants in two different cost of area livings. Those are the three big rocks I would recommend, like with the financial statements that I talked about earlier looking at a metric one metric, over one period of time is absolutely useless, because of the end of the day what we need to see is a trend. If you are in an airplane are you gaining altitude or are you flat or are you diving down into the dirt. Most of us would like to know if we are going to crash our airplane, so what I would recommend doing is taking your rocks and charted over a period of time, that period of time is going to depend on the metric, when it comes down to payroll, I would recommend per payroll it is little harder to get out of per week. I would not monthly, when it comes down to labor because there are three pay periods and some months and to pay periods and others, and it will increase your volatility. And my favorite to show people like the banker because they like monthly and I do not, is I have turned my measurement period into payments, so if you take 26 divided by two that is 13. So, I turned it into 13 pay months when you show the trends over time. Whatever you are measuring you would have to show your recording's IPO cycle.

 [Chip Dodd continues] In the next slide I have two examples on how I take metric and turn them into graphical representation. And tells a story that I can bring to my meetings that we have on a rhythm. Overtime is one thing that most of you are combating, from time to time as you can tell by the chart, we had a spike December 21st, as you can imagine the holidays, everybody wants to take off, people call in because they are out of town, overtime was go through the roof, in this graphic you can see how we have been performing on overtime. You can see my LB division is the area of focus obviously I will go out of business in this area if we don't get the overtime to 11%, that is my hotspot, my other areas maintain 3% or 4% which I consider a win.

The next slide, the other way to tell a story, many people in human services do not want to look at data and charts and it drives him crazy, I love them though, so I try to compromise by turning the charts into something that they can relate to. So, in the slide I've taken the number of hours of overtime in each division and divided by 40 hours, which then it tells me how many people would, I need to hire in each division to take overtime down to zero, if that is the goal. But then on top of that I actually say, wait a second in the top division, the LB division, you will need 7.45 people that are needed, when I hire eight there will not be ate there in another six months, only three or four of them will be there, you have to take each of these numbers and time of by three, I know right now we need to hire 21 people if I want to keep my overtime down to zero.

When I have these rhythm meetings every Monday after payroll we go through this and talk about how many people we need to hire based on the overtime charts. I think I'm on my last slide that I have roughly 1-minute left. When it comes down to the stuff I personally track in my company and I recommend doing all of these and adding to them, based on whatever field you are in, I'm not going to read them out, because we have covered most of them in the presentation. I guess the main thing is when it comes down to your accounting team, there is accrual and cash, and both have a really good reason for looking at both, there is not one where the other, it is both.

For example cash in the bank is something that I pay very close attention to because if you do not have that and there was a problem, you do not make payroll, accrual is of course how much people owe you or how much do you owe people in the future which is neat when you're tracking your accounts receivable maybe the government is jerking you around a little bit on approving hours, or maybe somebody's Medicaid is down and you have a backfill, so I do like to look at accrual to see how much in a perfect world what I get paid, but I also watch cash. Each of the metrics I do I track on a different measurement period, so some of them are weekly, the bank account balance we can look about weekly, anything labor related I look at the pay period or payment, and then other things that let's say our longer timeframe I can maybe look at it quarterly, maybe calendar month does not make sense, in any time your charting information a lot of times the data is volatile, and human services people hate it when there is a chart that has lines bouncing over the place, if you use Excel or other type of charting, that software you will find that you can usually put in their a rolling average.

For example, if you are doing by pay period you can do is six pay period moving average, so that way its flat lines with the chart a little bit and makes it prettier to look at. So again, this is like the DSP where we have to think of them as if we are selling them are career selling them a path to leadership, when it comes to the chart how can I produce a chart that provides good information of the person on the other and has a good experience, they feel like they know where they stand they know what they need to do, and they were not overwhelmed by a beautiful mind type of data analyst is who I am in my spare time. So that is the end of my presentation, hopefully you got a lot of valuable takeaways, things that you can go back and do in your company, I know that many of you probably do not want to mess around with Excel day-to-day, if you go back to the finance team and HR team and you tell them this is the rock that I want to get to, they can probably do the analysis for you and produce information that you can use on your monthly or biweekly meetings, but either way I believe if you want operational stability, this is the primary path to do that. Thank you guys so much for your time, I'm happy to take questions later or shoot me an email. I would like to help anyway that I can. Thank you.

[Erica Lindquist] Thank you, we will have time for questions and answers at the end of the presentation, so start entering those in the Q&A box at the lower hand corner of the screen. In the meantime, now we will learn a little bit about the national core indicators.

[Laura Vega] Thanks you Erika, thanks you Chip that was a great presentation. You mentioned most everything that the national coordinator survey looks at, we want to give you a really high level overview of national core indicators and in particular the national core indicators staff stability survey, so that you can located online, and you can look and look at the statistics and as always, if you need an additional assistance on more clarification on what you are seeing you can always contact us at (NASDDDS).

Just some background about the national core incentives, so HRS I and several state media directors were together in the late 1990s and they wanted to develop a set of core indicators that looked at quality in systems. Not only did they want to look at quality they wanted to be able to compare the quality of their services delivered in their states with other states across the nation. And so, they really wanted to be able to pull some core indicators it together, so they could get a baseline, of the quality of their services and that way they can have a place to launch initiatives, and policy changes that would hopefully increase the quality of their services.

Currently 45 states including DC are parts of the national core indicators project, the national core indicators consist of four different types surveys that most common one that we talked about is the in-person survey and that is a survey where people are receiving services and are interviewed by trained interviewers to talk about the outcomes that they are receiving for their services. We also have an adult family survey, for families of people who are living at home who are adults and we also have a child family survey for families of children living at home. And the fourth one, of course, is the staff stability survey we can find the results of all of the surveys and the method for implementing all of those surveys and how we analyze data and other reports that we have available at the national core indicators.org, including staff stability.

We have not been doing staff stability surveys from the beginning we've only been doing the surveys for the last few years, you may ask why, why we decided to add another survey to the collection of surveys in the national core indicators, as Chip just explained, part of the organizational stability is your support staff stability. And we are hearing things across the nation, as you know, providers and community-based organizations are struggling to hire and retain really high-quality direct support professionals. States needed to know how their workforce is changing or improving and where the specific challenges lie in that state. The nation wanted a standardized method, for collecting and calculating the data, that way we can have credibility for the final results, and it is very important for state agency directors to be able to speak as one voice. And that is facilitated by collecting the same data.

[Laura Vega continues] next slide. Some of the ways that states have used staff stability data, some states have used it to inform policy and program development, at the state level, so some states have used it to tweak their training requirements for example, or to tweak their background check requirements, or to change the policies that they have

viewed to be challenges, in hiring and retaining quality direct support professionals, they also use the data to monitor and evaluate the impact on any workforce policies or initiatives that they may have put in place based on the data. It is really good data for provider trade associations, to use, to look for improvement or to help identify strategies to support the members of the Association in terms of recruiting and retaining direct support professionals. And it is helpful to compare DSP data, with those of other states. One state in particular, Tennessee actually use the stability data to go to their legislature and campaign for a direct support professional wage increase, and they were successful in obtaining that. And after the wage increase was implemented, the state also used staff stability data to monitor the changes and the impacts of the wage increase. So, states are really using it at that state level, to really try to support community-based organizations and direct support professionals in their work. Next slide.

I just wanted to hit some highlights of interesting data that you can learn from looking at the staff stability survey, this is for data as of 12/31/2017, calendar year 2017 data, you can see here that we look at tenured employee, one of the data points that we look at and you can see that the percent of DSP employed less than six months was almost 20% with a range from 14% to a range of 26% and then on the other and the percentage of DSPs that have been employed for a year or more, was 64.7% and the range in statements went from 56.6% to 72%. What that really tells us, a lot of things, one of the things that jumps out at this at the national level is that almost 1/5 of DSPs have been working less than six months.

In some states it is higher over a quarter DSPs that have been employed for less than six months. That tells the state a lot about the workforce and gives them hints in terms of how to hopefully increase stability of the workforce, also it is great information for CBO to look at the same thing especially if you are keeping your own data like Chip organization is, it's easy to compare it to the national and state data. Next year we added more 10-year ranges to the staff stability report so that we can look at agencies with more characteristics that have longer 10-year rates.

Nest slide. We looked at DSPs who were separated in 2017, and you can see the statistics, basically one third of separated DSP that had been employed for less than six months, that goes back to the 10-year slide, so people either if they made it past six months, they were a little more likely to stay, so that tells us to look at what is going on with the first six months of on boarding that can increase staff stability, and one state less than a quarter of all separated DSP have been employed for 12 or more months before leaving, so that is telling us that if DSPs can make it for 12 months, in the organization, that they are more than likely to stay.

So that gives us a lot of clues to states in terms of policy and implementation and guidelines around, but they expect from CBOs in the first 12 months of the employees. >> This slide just tells us a little bit and I apologize the colors did not come out correctly, but this slide tells us a bit about how many percentages of DSPs are making at or above

minimum wage in all of these different states, we can take this wage
data, and place it alongside vacancy rates in the states and we can make
comparisons about assumptions around wage versus vacancy rates, we can
also take the wage data and put it up against the rate of voluntary
separation data and make some assumptions about that as well.

 [Laura Vega continues] Next slide. >> We also looked at the percentage
of regular and percentage of overtime hours, and we looked at that for a
month in time in 2017, versus the whole 12 months, and the reason we
looked at overtime is because we have heard from providers and from state
organizations, that overtime has really been at the extend and byproduct
of not having retention for DSPs and it is costing providers a lot of
money as well as states. So, we were surprised to find out that most of
the hours that were paid were regular hours, and a small percentage of
hours for actually overtime hours. However, you will note that Tennessee
had 12.5% overtime hours which was the largest percent and Utah had the
lowest percent of overtime hours. So as a state organization it might
behoove me to reach out to Utah and say, what kinds of policies and
practices do you have in place when it comes to staffing ratios.

Supporting direct support professionals, how flexible are schedules for
DSPs, so that maybe they can come in to work when they're supposed to and
not have to resign it is great information for states to learn from each
other from. And of course we can always take this and compare it to
vacancy rates. We did notice that some states have high vacancy rates and
low overtime hours, so if I were that states I might look and say how are
all these hours being covered? How are these hours of support beings
provided to the people we write supports to with low overtime hours? How
is an organization figured out how to do that without pain every time and
if they have had a great solution maybe that is something that we can
learn from and scale it up across the state.

Next slide. >> We also looked quite a bit at benefits, so we look to see
if providers as chip mentioned we don't have a seat at the table unless
you have a nice if it package to offer, so we wanted to see how providers
offered paid time off, which is basically vacation, sick, all of those
leave days rolled up to one, and 22.7% of providers responded to the
survey offer that, of those providers that did not use the pool method,
and they offer distinct categories of paid time off we learned that
almost 60% offered paid sick time, 64.6% and offered paid vacation time,
and 30.4% offered personal paid time to some or all. We also thought it
was interesting to note that amongst the risk thing agencies for the
year 2017, 71.7% offered health insurance to some or all and the staff
stability report you can actually dig down and differentiate between a
full-time and part-time DSPs and the packages they were offered, 68%
offered dental coverage, and 65.5% offered vision coverage to some or all
DSPs.

As I said earlier these are highlights of the information that is
available to the staff stability survey, I hope that you have gotten
enough information to gain curiosity so that you will go and look at the
website and take a little deeper in the state, I will say that not all
46 states participate in the staff stability survey every year, but
states sometimes choose to implement the survey, every other year, or

every three years so some states to it on a different cycle but there is quite a bit of data around the stability of staff that is available right at your fingertips. I encourage everyone to look at that, as always if you have any questions please contact me, I'd be happy to work through the questions for you or help you find any information that you are looking for. Thank you.

[Erica Lindquist] Excellent thank you. Thank you both for all the exceptional information. We just have a few minutes available, for questions and answers, if there are any questions please enter them in the right hand box in your screen, for the Q&A section, as a reminder, the webinar recording, and presentation materials of this webinar will be available. Shortly after this presentation. So, we have one question they came in that says are your waivers controlled in a managed care environment. I feel like that question might be for Chip? Are you working with managed care?

{Chip Dodd] No, Virginia is not, other than mental health, they have tested it, right now our leadership is trying hard to not go straight in his care, the private NCO but have a quasi-managed-care system governed by the state. So that is the direction that we are trying. We are preparing for it which is why Virginia is in this business acumen grant.

[Erica Lindquist] Great thank you. As questions come in, you both shared some excellent resources and suggestions and recommendations for the use of data to help understand the organization, and to manage it better. If an organization is not currently using a lot of data, or perhaps not comfortable with it yet what would be the recommendation for getting started?

[Chip Dodd] My favorite thing is to Google everything. That is a tough question. Most likely, hopefully there is somebody in the HR department or finance department they are usually more data oriented, so maybe take that three by three from this presentation and ask I put on each block and why is important if those are applicable to your organization which I tried to pick an example that would be applicable, maybe you're fine at the HR team can help look at that and say let's get to labor percent how many dollars came in, most of us can get to that number, and how many dollars went out in the form of payroll. And I would recommend not burdening it, burden meaning calculating leave and holiday and an employment and all of those things, just look at the straight pay, how many dollars went out and the actual wage itself, that is an easy number for payroll to get to, your income is an easy number, your payroll is an easy number put those two together maybe track it per pay period that would be the first one that I would go after, I think on you have once you have that success under your belt it'll be a lot easier to expand to this mother metrics. and I think once you have that success under your belt it would be a lot easier to expand into some other metrics in a staffing intensive field, I believe that is the most important one.

[Erica Lindquist] >> And just from my experience using data on different platforms I find that if you start with easy questions the questions you think you want answered, it only raises more questions and it will help you guide the dig that you end up doing. We are at time we have one quick

question that I will ask for the audience. How does full-time versus part-time influence overtime questions? Part-time DSPs are picking up more hour, will not be requested as overtime technically?

[Laura Vega] The way it influences for that question in particular it is anyone who worked over 40 hours in a particular pay period or however that organization works at it does not have that much of an effect on that statistic, it is just the two different classifications of employees. It may be different for part-time because they are normally part-time and they normally way under 40 hours a week. Then looks for a full-time who are normally at 40 hours a week. I don't know if it makes sense but if you have to call a full-time person in, it is more than likely going to be overtime right away versus a part-time person. Looking at the two different classifications of employees.

[Erica Lindquist] Thank you. If you want to look at the last slide as a reminder, one last time, this material and all the archives from past webinars can be found at the www.hcbsbusinessacumen.org, if you have any questions for the HCBS business acumen center or either the presenters today feel free to email us at businessacumen@nasuad.org and we will connect you with them and you can call the main phone line (202.898.2583) as well. Thank you again, Chip and Laura for all your time on today's presentation for the exceptional material and thank you all for attending. We look forward to speaking with you again in a month. Enjoy your day.

Thank you. >> [Event Concluded]