

Effective Human Resource Management

It's a critical ingredient in practice success.

BY JOHN V. GUILIANA, DPM, MS

Most podiatry practices spend approximately 65% of their revenue on overhead expenses, including staffing costs. Among the top operational issues faced by physicians today, human resource management is among the most impactful. Despite this challenge, most practices don't have the time or resources to dedicate to human resource management, which can ultimately cause even higher costs incurred by the practice through turnover, legal fees, etc. Managing and addressing human resource issues is essential to reducing overhead expenses of a practice, and ultimately plays a role in the delivery of quality healthcare.

In any practice, the physician owner and the administrator are in charge of the responsibilities associated with human resource management. This includes compliance with employment

and labor laws, cost, as well as the threat of employee litigation. There are some common elements that are typically found in those practices that manage resources effectively and efficiently:

1) A clear mission statement. In any business, employees need to

healthcare. The number of employees and their positions will depend largely on the scope of services of your practice, its patient volume, and the goals and objectives of the practice. While the payroll ratio (staff salaries and benefits compared to revenue)

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know not only their individual purpose but also the overarching purpose of the entire organization.

2) Proper staff recruitment and retention. Having a well-trained, engaged, and qualified team who fit the needs and the culture of your practice is critical to providing quality

has increased post-Covid, most podiatry practices seem to operate most efficiently between 25% and 30%.

3) Clear and accurate job descriptions will help guide your interview process and facilitate open communication with the potential candidate.

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This can also help avoid hiring the wrong fit. As part of the hiring process, you should consider performing background checks, as well as implementing a probationary period after employment to allow for training and assessment of the employee.

4) Once the proper staffing level and personnel are recruited, successful practices also have a solid retention plan in place. Components of your retention plan may include job-specific training programs, many of which are offered at various podiatry conferences. This gives the employees a sense of investment in the success of the practice.

5) A formal review process. Regularly scheduled performance reviews allow employees to understand their strengths and weaknesses.

The five pillars above serve as the foundation frequently found in successfully run practices. The “glue” that puts everything together for regulatory compliance and communication is the Employee Handbook and Policies and Procedure Manual.

Creating a practice employee handbook may seem like a daunting task, but it's necessary to protect the practice. There are many resources and templates available online that can provide you with guidance. The handbook serves many purposes. It is a collection of the practice's policies, office procedures, and mission, and highlights expectations and ensures uniformity in the way things are handled and conducted in the practice. Additionally, there are some employment policies mandated by law that must be physically posted where employees can view them. The US Department of Labor's (DOL) website provides an online poster advisor tool to help you identify which DOL posters are required: <https://webapps.dol.gov/elaws/posters.htm>.

The implementation of an employee handbook generally should include the following:

- Operational policies such as attendance, confidentiality, leaves of absence, maternity and other benefits, and time off policies.
- Standards of Conduct.
- Disciplinary procedures if an employee violates the policies, including, for example, written warn-

ing, required training, or termination of employment.

- A statement that the employees are hired “at-will” (other than those who have specific contractual relationships such as physicians).
- Your performance review process.
- Your adherence to nondiscrimination laws, and wage laws such as the Fair Labor Standard Act.
- A statement that the practice has the right to amend the policies at any time in its sole discretion.
- Policy statements that note the

place culture. Open communication should not only take place unidirectionally during employee reviews. Employees should have the opportunity to evaluate their supervisors, and hence participate in 360 degree performance reviews. Consider using rewards and incentives to promote employee engagement and investment in the practice. Incentives should be structured in a way that enhances the employee's performance and base compensation, and they should be aligned with the employee's job description.

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employer is committed to providing equal opportunities in a non-discriminatory manner in compliance with all applicable laws.

- Acknowledgment page signed and dated by each employee and filed in the employee's personnel file.

In addition to the manual, you should consider appointing a human resource officer to whom employees may voice complaints and issues without fear of retribution.

The final key ingredient to successful human resource management involves creating a great workplace culture. According to studies conducted by Harvard, MIT, and McKinsey, happy employees are 200% more productive than unhappy employees. Additionally, they found that an unhappy workplace has a 41% higher turnover rate.

A great workplace culture can lead to improved employee morale, retention, and productivity. The first step in creating a positive work environment is to determine your practice's core values and then incorporate those values into everything your practice does. Core values define your practice's beliefs, ethics, and guiding morals upon which you base your business decisions. Examples of core values include honesty, integrity, innovation, and trust.

Establishing open and honest communication throughout the practice will also help foster a positive work-

Especially post-Covid, job flexibility is an important ingredient of a healthy culture. Employees shouldn't fear repercussions for taking time off to manage their personal responsibilities outside of work. Offering the flexibility to work remotely, when possible, can create a better work-life balance and improve morale. Flexibility can also attract more candidates to your practice.

Effective Human Resource Management offers numerous benefits that can contribute to the success of your podiatry practice. From employee satisfaction and compliance to a competitive advantage of improving staff acquisition and retention, effective human resource management plays a pivotal role in shaping a thriving and resilient podiatry practice. **PM**



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