

Improving Workforce Performance

TAKING A DATA-DRIVEN APPROACH TO MEET ORGANIZATIONAL GOALS

Organizational Background

The chief financial officer (CFO) of a multistate health system in the Northeastern United States engaged BRG to help the system identify duplication and optimize its back-office functions, following a merger with another health system. Several key departments remained untouched following the merger. Based on previous performance improvement work BRG had done for this health system, the executive leadership team (ELT) engaged BRG's workforce team.

BRG Approach

BRG initiated the workforce performance improvement project by meeting with the ELT to better understand members' concerns and organizational goals. The CFO tasked BRG with helping the organization find savings to ensure it would meet its capital needs over the next five years.

[A variety of studies](#) over the last two decades have found that administrative expenses account for approximately 15 to 25 percent of total national healthcare expenditures, which represents an estimated \$600 billion to \$1 trillion per year of total national health expenditures of \$3.8 trillion in 2019.¹

Findings from BRG's initial comprehensive assessment identified a potential \$131 million in recurring benefit, with \$15 million in savings specific to corporate overhead departments (e.g., Revenue Cycle, Human Resources (HR)).

To understand internal client needs, BRG facilitated ten focus groups with key stakeholders across departments such as Accounting & Finance, Compliance, HR, Legal, Revenue Cycle, and Supply Chain. These sessions provided valuable insights, directly capturing the "voice of the customer."

Leveraging this feedback alongside key benchmarks, BRG shared findings with department leaders to initiate discussions on how best to meet the needs of internal clients and the capital needs outlined by the CFO.

Results



\$100M

IN RECURRING SAVINGS



\$8M

IN CORPORATE OVERHEAD SAVINGS



36+

CONSECUTIVE MONTHS OF SUSTAINED IMPROVEMENTS

Implementation and Results

Sharing feedback from the voice of the customer to department leaders helped set expectations on specific, required changes and afforded BRG the opportunity to develop a roadmap tailored to the organization.

BRG outlined an execution strategy to move the health system forward. This included establishing targets in conjunction with the ELT, redesigning core processes, streamlining the span of control, and developing service-level agreements for customers. BRG's work with the ELT, department heads, and key clients of these departments yielded the following results for the health system:

- \$100 million in recurring savings versus \$131 million initially identified
- \$8 million in corporate overhead savings versus \$15 million initially identified
- More than thirty-six consecutive months of sustained improvements

Several factors limited the realization of full potential, including delay in the health system's enterprise resource planning (ERP) system migration due to preexisting contractual obligations, pandemic-related constraints on the transfer of patients to skilled nursing facilities, and the increasing need and utilization of clinical personnel during the pandemic.

FOR A DEEPER DISCUSSION AND TO LEARN MORE ABOUT HOW BRG CAN HELP YOU,
CALL OR EMAIL TO ARRANGE A PRIVATE CLIENT BRIEFING.



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Our top-tier experts include experienced industry leaders, renowned academics, and leading-edge data scientists. Together, they bring a diversity of proven real-world experience to economics, disputes, and investigations; corporate finance; and performance improvement services that address the most complex challenges for organizations across the globe.

Our unique structure nurtures the interdisciplinary relationships that give us the edge, laying the groundwork for more informed insights and more original, incisive thinking from diverse perspectives that, when paired with our global reach and resources, make us uniquely capable to address our clients' challenges.

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