

# Think Like Your Hospital Executives

## Tips and Strategies

The following information was gathered from facility directors who have been successful in getting executive support, resources, and recognition for energy management and other efforts. There are three sections: Tips for Getting Executive Attention; Tips for Making Your Case for Energy Management; and Strategies for Convincing People.

### Tips for Getting Executive Attention

#### **Be prepared:**

- Prepare, rehearse and time your presentation.
- Anticipate executives' questions and have answers ready.
- Organize your materials. An accordion file works well.

#### **Gain trust:**

- Show how you are already providing value in an area meaningful to them. Answer the question: "What have you done for the executives lately?"
- Volunteer to solve a problem important to each executive and deliver beyond expectations.
- Be 100% honest and transparent with information; only promise what you believe you can deliver.
- It's OK to say you don't know. Say that you will have that information by a specific day/date.
- If you are uncomfortable with financial terms, get help from the financial department and bring an ally.

**Keep it short and be direct:**

- Plan for a 10 to 15 minute presentation.
- Stay with the big picture. Zero in on economic value; minimize technological details.
- Use crisp, terse and clear writing – get help from the Public Relations department.
- Use visuals – charts, graphs, PowerPoint.
- Ask directly and clearly for what you want. “We would like \$XXX to implement this package of energy efficiency investments with a net present value of \$XXX, XXX and an internal rate of return of XX% over X years.”

**Make connections:**

- Connect the dots between your proposal and their goals (e.g., patient comfort and care, improved bottom line, community support, environmental stewardship, new construction, reduced risk from utility price volatility, etc.).

**Be persistent and patient:**

- Keep trying. If it doesn’t go the way you anticipated, ask for a second chance.

## Tips for Making Your Case for Energy Management

When convincing executives of the value of energy management, it is very powerful to let them know that your goals directly support theirs. The following is a list of common mission-critical goals, as well as goals that may not be stated.

**Mission-critical Goals**

- Financial health
- Environment of care
- Staff retention
- Community relations
- Environmental stewardship

**Unwritten Goals**

- To be unique
- To be the biggest
- To look modern, important, prestigious
- To have the top MDs doing advanced procedures

Below are talking points on how energy management supports these goals.

**Financial Health:** Energy management is a low-risk, high-return investment that will directly benefit the bottom line every year.

Let's say your hospital has a 3% margin and you cut energy costs by \$150,000 per year. It would take \$4.5 million to get that same amount of net revenue! (\$4.5 million x 3% = \$150,000). Most efficiency investments yield returns of 10% or more. They're low risk because they "make" money by saving on energy costs – no matter the number of customers.

**Environment of Care (EOC):** Improving efficiency often also improves...

- Indoor air quality
- Temperature consistency
- Daylighting and electrical lighting
- Infection control by improving air balance and pressure
- Facility reliability

**Staff Retention:** The above EOC issues, of course, also affect staff.

- Turnover among nurses averages about 20% per year. A good working environment will help reduce turnover.
- It costs about \$64,000 to replace one nurse.
- Staff and patient complaints about temperature will diminish, leaving your staff more time.
- People like daylighting and views.

### **Community Leadership and Environmental Stewardship**

- Set an example of resource and carbon footprint reduction for the community.
- Address the needs of individuals (future patients) who are vitally concerned with the environment.

## **Strategies for Convincing People**

Everyone has an internal, often subconscious, strategy to convince themselves to take a particular course of action. You can uncover this "convincer strategy."

The goal is to present your information in a way that your boss can easily process and understand. This will increase your chances of achieving a more favorable result.

Because you are new to this process, start by practicing on your friends by asking them questions about how they were convinced. For example:

*How do you know that a co-worker is doing a good job?*

*How did you know that you bought the right house, selected the right contractor, car or vacation spot? How did you know that you took the right approach on project X?*

Then write down the answer verbatim and note on the following table how many visual, auditory or kinesthetic words were used and if they utilized written reports to make a final decision.

<b>Convincer Strategy</b>	
Reads a <b>Written</b> report	
Uses <b>Visual</b> words	Saw, Observed, Visualized
Uses <b>Auditory</b> words	Heard, Sounds
Uses <b>Kinesthetic</b> words	Did with others, Hands-on

People process their experiences differently and this is expressed in their language. By matching someone's preferred style (Written, Visual, Auditory, Kinesthetic), you will dramatically up your chances of being heard.

A second question will reveal how many times you have to present your material and the type of backup material that is needed. Again, practice on friends.

*How many times does/did this need to be demonstrated for you to be convinced? How many different sources of information did you need? Over what period of time did you make your decision?*

Write the numbers down in the table below. Some are convinced by hearing something once. Others can hear it 60 times and are not convinced. Most people will say that they need to gather information over a period of time or look at X number of examples before making a decision. Many people will need to hear a new concept from different sources (peers, media, professional meetings, etc.). It is important to respect another's need for time, even though it may differ from your own sense of urgency.

Approximately 15% of the population will remain skeptical and will never be convinced, or they will appear to be convinced and after a period of time need to be convinced again. It is not fair to say that these types never change. The threat of failure will often convince them to adopt new ideas. Their hesitancy may be that they are in an organization or job that is slow to change and has lots of rules and regulations.

<b>Number of times</b>	
<b>From how many different sources</b>	
<b>Over what period of time</b>	

The last thing to consider is to find out what is important to the individual by asking:

*What is important to you about X?*

This question will reveal their criteria. For example if you asked someone what is important to you in a house, you might get an answer such as space, a large kitchen, a shop or a low-maintenance yard. Pay particular attention to their language to determine if it reflects a shopping list of things they are moving toward (more space, better school district, better community) or moving away from unpleasant things or avoiding problems (avoiding a long list of repairs, avoiding a long commute or avoiding yard work). Many people will have some mixed responses, but a general trend becomes evident. The individual will be either **motivated toward** specific outcomes or **motivated away from** unpleasant outcomes. Fill in the blanks below.

Criteria	Motivation: Toward or Away

You now have most of the information you need to build your own strategy to convince your boss.

An example...

Your current situation may be:

You have completed benchmarking and find that you will need about \$15K to have a facility assessment done by professionals.

- **Convincer strategy:** When you first approached your boss he said no. You have discovered that he hates to read reports and says, “just tell me the facts,” so he’s probably auditory.
- **How many times:** You have discovered that he needs about 6 months to process any new information and that he needs to hear about facility assessments from at least one more source.
- **Criteria:** His criteria for a well-run facility is: “I don’t want to hear complaints from my peers, I don’t want any big incidents and it’s just overhead so I need to keep the costs down.” His motivation direction is obviously away from unpleasant outcomes.

One way to approach this boss is to lead with your concerns that the chiller is 25 years old and the old refrigerant is an issue. You: “I am afraid that if we don’t replace it soon it will crash when we need it the most. With the new data center nearing completion, I am not sure that I will have the capacity to cool it. This would be a good time to do an assessment of our chilled water system. I know you are concerned about costs, but there are utility rebates for doing assessments and for replacing inefficient equipment. I have some initial figures on the costs and benefits. I talked to Jim at Lone Pine General Hospital and heard all kinds of information on how they were successful in their recent project. I’ll leave you to ponder this information.”

In the above example you have presented to your boss what you want in a language and manner that will allow him to comfortably process the information. If you address his concerns, he will feel understood and will be less reactive. Good luck and we encourage you to have a little fun with this material.