



Kronos for Healthcare

Deliver Cost-Effective, Quality Care Through
Workforce Management

Lower labor costs and higher morale lead to better patient satisfaction.

For hospitals, providing quality patient care is Job 1. To do that, administrators have to balance escalating labor costs with employee satisfaction. This is proving increasingly difficult, however, as RN vacancy has gone up for 60 percent of hospitals.¹ As a result, more and more hospitals are relying on a contingent workforce to handle labor shortages, leading to higher labor costs and lower employee morale and patient satisfaction — threatening the quality of care. While research indicates that the problem will get worse before it gets better, hospitals need to do everything in their power to keep labor costs manageable and maintain high levels of patient care. But how?

The solution is workforce management.

Delivering high-quality, cost-effective patient care requires focusing on your most important resource: your workforce. Workforce management isn't about controlling employees, it's about controlling costs by empowering employees to be agents of change. It's about knowing how many nurses are needed on a given shift, which mix of skills, and what actions are required to make it happen. A well-staffed unit with skilled and satisfied employees will deliver the kind of care your patients demand — and a comprehensive workforce management solution will help you to effectively balance patient care, labor costs, and employee satisfaction.

Kronos for Healthcare

is the Key to Quality Care

Kronos for Healthcare is a comprehensive workforce management solution designed especially for healthcare organizations. Leveraging our nearly three decades of experience serving over 4,000 healthcare customers — including more than 2,200 hospitals — Kronos for Healthcare is an integrated set of tools and technologies that enable you to:

- Deliver the highest-quality care by balancing costs, demand, and compliance issues
- Improve productivity by providing real-time visibility into the workforce
- Increase employee satisfaction by empowering employees to manage their own information and preferences

In addition, it can help you align ongoing staffing needs with hard-to-predict patient volume. This is important because understaffing leads to increased overtime and agency usage – which pushes costs up and pulls morale down – while being overstaffed consumes resources that could be better utilized to support the float pool.

Kronos for Healthcare is a proven, low-risk solution that gives nurse managers the powerful decision-support tools they need to plan staffing needs proactively; allocate labor resources appropriately; execute a work plan in real time; and analyze the data that the system has collected to identify process improvements. This helps them to make better-informed labor decisions in real time.

The name says it all: Kronos is “for healthcare.”

The Four Phases of Workforce Management



It's a big job to accurately and efficiently forecast and plan for patient volume fluctuations, enhance employee satisfaction, control labor costs, and deploy the skills and staff you need to remain in compliance and deliver excellent patient care. In fact, it's four big jobs, requiring broad visibility throughout the organization and powerful, easy-to-use tools that collect and centrally store employee-related data.

Kronos for Healthcare is a comprehensive solution that automates and helps you to manage all four phases of the ongoing cycle of workforce management: Plan, Allocate, Execute, and Analyze. The integrated applications that comprise Kronos for Healthcare share a single, centrally located database that ensures that you draw the same accurate and current information regardless of which application you're using.

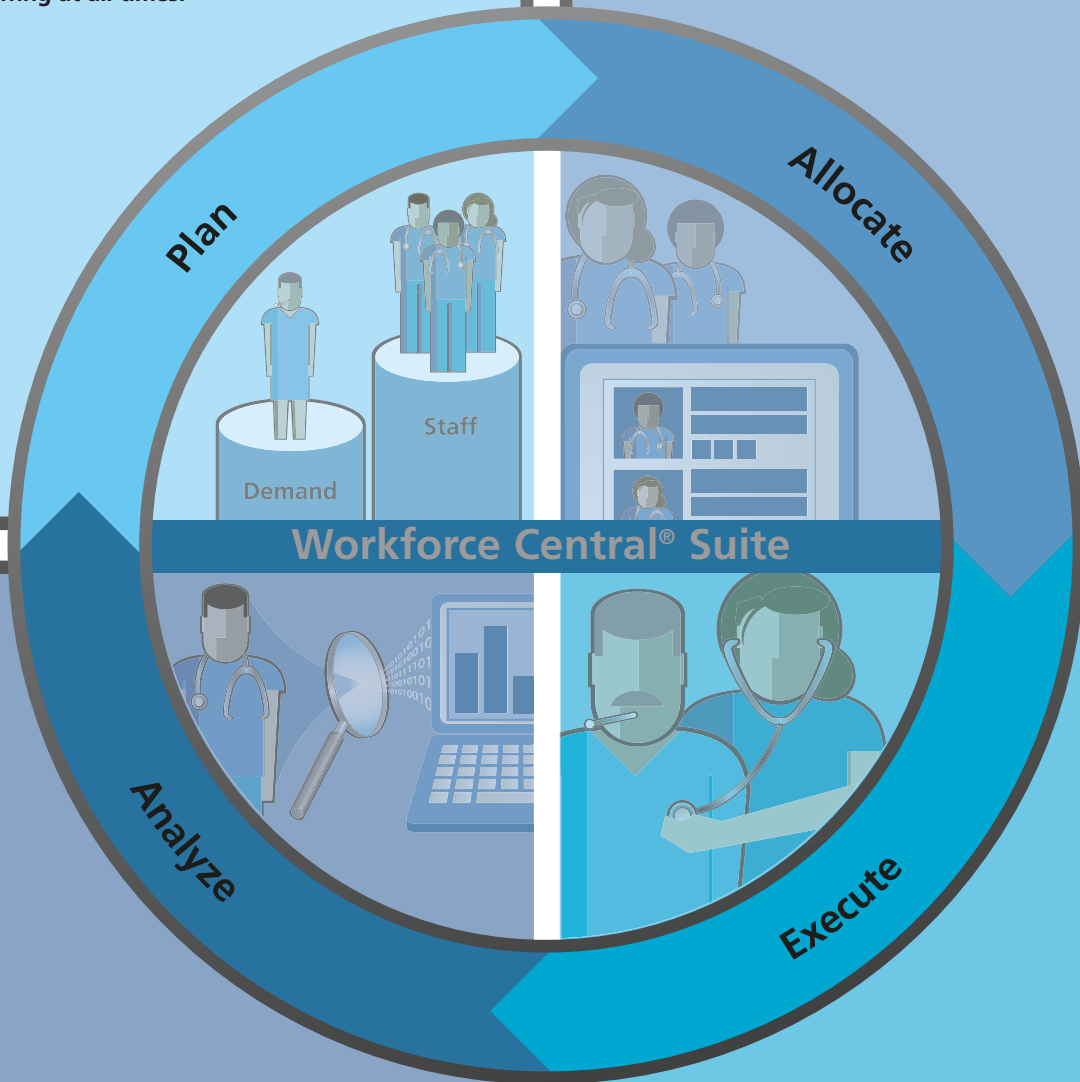
Data collected at each phase informs subsequent phases, a key advantage of implementing a single, tightly integrated solution.

"Before we implemented Kronos, everything was done manually and employees were overwhelmed with spreadsheets that were time-consuming and error prone. We needed a systematic method of tracking productivity and labor costs. Workforce Central exceeds our expectations. The solution allows us to control overtime, contract and supplemental personnel, and allows us to optimize our workforce so we can continue to provide superior patient care."

Kim Trahan
Senior Project Manager, CHRISTUS Health

By monitoring your workforce and workload daily, you get the data you need to identify staffing requirements throughout the hospital over a defined period of time. This allows you to match labor to volume based on real-time census and acuity, thereby minimizing shortages and care disruptions, and ensuring proper staffing at all times.

From your plan, you can schedule employees based on workload, ensuring deployment of appropriate skills and certifications and, whenever possible, making scheduling decisions according to qualifications or employee preferences. This helps you to minimize overtime and agency usage.



With real-time data capture as employees come and go, you can identify and resolve schedule coverage gaps or overages as they occur, with attention to skills and costs. You also gain the visibility needed to confirm that employees are being paid accurately and fairly.

With real-time decision-support tools in your hands, you will be able to review performance data to identify trends, set benchmarks or key performance indicators, and monitor overall productivity, helping you to make better, more informed labor decisions.

The Balancing Act

And How Workforce Central® Keeps You In Control



No one doubts the skills and commitment of your employees — or anyone who chooses to enter the healthcare profession. However, the realities of operating a healthcare facility result in a number of labor-related issues that can have an adverse effect on patient care because they make it more difficult for your staff to do their jobs to the best of their abilities.

Kronos for Healthcare is derived from our renowned Workforce Central suite of workforce management solutions (for IBM eServer iSeries environments, you can gain the same capabilities and benefits with the Kronos iSeries Central suite). These capabilities help you to address the three key “balls” you have to keep in the air in order to ensure quality patient care: matching labor to patient volume, increasing employee and patient satisfaction, and controlling labor costs.

“The Kronos solutions will enable us to achieve our goal of providing superior patient care while controlling labor costs. Kronos will help us ensure we have the right person with the right skill level at the right place. But most importantly, we trust Kronos because of their success rate working with large, complex healthcare organizations like ours.”

Debi Seipp
Director of Enterprise Applications, Trans Healthcare

Matching labor to patient volume

It's hard to predict patient volume. If you're understaffed, you risk patient care and employee morale; if you're over-staffed, you waste money. In addition, two key trends are working against you: demand is increasing, and nurses are becoming more scarce (see graph at right). Because hospitals lack the real-time systems required to link staffing needs based on the current census to what actually appears on the schedule, it will be increasingly difficult for you to escape the impact of these trends.

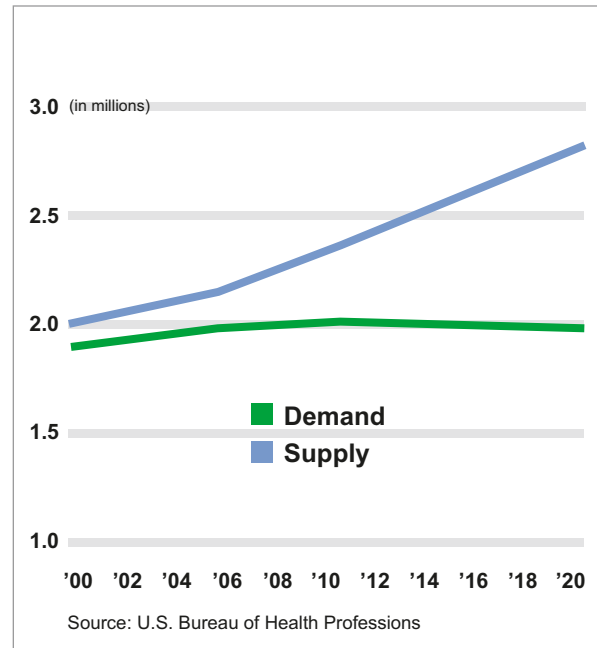
Kronos for Healthcare provides the workforce visibility and demand metrics you need to be able to better match labor to patient volume — even during sharp, sudden fluctuations in demand — allowing you to maximize in-house labor usage.

Increasing employee and patient satisfaction

Understaffing undermines employee satisfaction, often requiring staff to work overtime. Studies have shown that overworked nurses are more likely to commit errors — little surprise, then, that there is a correlation between employee satisfaction and patient satisfaction.² After all, employees are part of every aspect of the patient experience, from admission to treatment to discharge and follow-up. Satisfied employees are able to provide a more positive experience to patients. At the same time, agency workers generally aren't able to create the same rapport with patients as in-house staff. Patients with longer hospital stays, in particular, value the same, consistent, dependable corps of nurses.

Kronos for Healthcare helps increase employee satisfaction by providing self-service capabilities that empower staff to manage their personal information, set scheduling preferences (even swap and/or bid on open shifts), and check allowances — all online, even from home.

Demand for nurses to dwarf supply



Controlling labor costs

According to a recent study by the American Hospital Association (AHA), labor costs comprise as much as 60 percent of all hospital costs — the single largest controllable expense in hospitals. Understaffing is no solution, since it affects patient care and retention. And if employees leave, it can lead to an increase in overtime and agency costs. The AHA has found that 76 percent of hospitals pay contingent workers 30 percent more than what they pay in-house staff. Furthermore, specialized skills are costly to locate, and the penalties for non-compliance can be significant. Ultimately, rising labor costs can cut into margins and limit the ability to invest in equipment and operations.

Kronos for Healthcare can help you control labor costs by enabling you to better manage staffing and scheduling, and plan for periods of high and low volume. You can also ensure fair and equitable pay for actual hours worked, and gain the visibility needed to look inside the organization for replacement workers, rather than relying on a costlier outside agency.

Workforce Central/Kronos iSeries Central Suites: *Managing Your Most Important Asset*

In addition to the powerful scheduling, time and labor, analytics, human resources, and payroll solutions found in Kronos for Healthcare, our Workforce Central and Kronos iSeries Central suites of integrated workforce management applications offer additional capabilities to help you tackle today's most complex labor-related challenges. In any environment, Kronos provides an end-to-end solution with seamless integration and a consistent user experience across the entire platform. You can choose to deploy one or all of Kronos' modules — at one time or in stages — depending on the needs of your organization.

Kronos for Healthcare includes



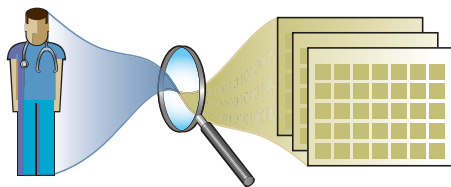
Workforce Scheduler™

Provides the tools your managers need to plan staff coverage by shift, employee, or job description, and create schedules that take into account employees' preferences, availability, and skills.



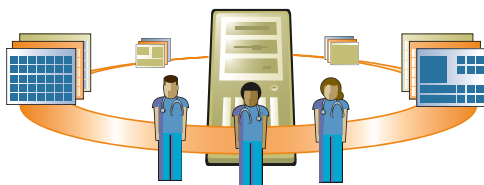
Workforce Timekeeper™

Automates and streamlines the management, collection, and distribution of employee hours, eliminating the inefficiencies and errors of manual timesheets.



Visionware®

Enables managers to analyze employee data throughout the organization, helping them to make informed decisions on the type, quantity, and mix of labor needed, based on current and predicted patient volume.



Workforce HR™

Automates a wide range of human resources processes, from recruiting to benefits administration, allowing your staff to focus on more strategic initiatives.



Workforce Payroll™

Manages all of the complex information required to administer and complete payment of wages, bonuses, and other forms of compensation.

Healthcare Services Team: *Delivering Value from Implementation Through End-User Support*

The Healthcare Services Team is composed of healthcare specialists who lead your implementation and complement it with a wide range of other world-class services. This specialized service team is involved as early as the discovery and sales process, so that your goals and expectations for the solution are understood from the beginning. Our extensive services portfolio means that we can meet just about any need you may have.

A proven service approach

Kronos employs a proven service approach that has helped us achieve a near-perfect customer satisfaction rating and an impressive track record for successful enterprise deployments. Our industry-certified experts craft an implementation plan for your organization using our time-tested and proven Momentum™ implementation methodology, a phased approach highlighted by certified project management and custom education for your project team. No implementation is too large or too complex.

The Healthcare Services Team represents Kronos' extensive healthcare knowledge and experience in implementing and supporting medical care facilities. Highly proficient in hospital operations, our service professionals employ industry benchmarks to identify productivity improvement opportunities, monitoring success through the implementation of labor standards, variable staffing patterns, and training. They will impart the best practices you need to optimize your workforce for maximum performance and the highest-quality, safest, and most effective patient care.

A lifecycle of support

Kronos does more than just help you with the implementation of our technology. The Healthcare Services Team draws upon our extensive support resources to respond to technical issues that may occur at any point throughout the lifecycle of your Kronos solution. Healthcare industry specialists staff our technical support center, ready to take your calls or to address your online inquiries. Because your self-sufficiency is important to us, we provide you with a robust selection of electronic support features through our customer portal. In addition, you can continue to refresh your staff's knowledge and proficiency through ongoing education. Our course curriculum addresses the training needs of employees with various healthcare-related job roles.

"We have over 400 applications at Health First that the IT department supports, and I have to say that their (Kronos) support is by far better than any other support that we have."

Karen Ardito
Enterprise Systems Manager, Health First, Inc.

A Trusted Provider for Healthcare Providers

Kronos has been providing innovative and powerful workforce management solutions to healthcare organizations for virtually our entire history — more than 27 years and counting. Our long and successful history in healthcare, evidenced by our more than 4,000 healthcare customers in the US — more than 10 times the number of installations of any other vendor³ — demonstrates our proven quality and expertise. We have a deep understanding of healthcare operations and the industry's competitive landscape and compliance environment. Our solutions are designed to help healthcare organizations address the specialized workforce management challenges they face on a daily basis.

You can feel confident choosing Kronos because we are a proven, low-risk provider of powerful workforce management solutions. Nearly 25 percent of fiscal year 2004 revenues came from healthcare sales, and we invest heavily in our products to ensure that we will continue to meet the needs of the ever-changing healthcare industry.



“As a long-time customer, we know Kronos solutions work. We trust Kronos as a business partner because they are committed to our success and understand the complexities of the healthcare industry.”

George Chaboudy

Director of Corporate Payroll/HRIS, Five Star Quality Care

To begin exploring the benefits of Kronos' workforce management solution in your organization, contact a Kronos representative at (800) 225-1561.

Visit us online at www.kronos.com.



KRONOS®

Improving the Performance of People and Business™

Kronos Incorporated 297 Billerica Road Chelmsford, MA 01824
(800) 225-1561 (978) 250-9800 www.kronos.com

©2005, Kronos Incorporated. Kronos, the Kronos logo, Workforce Central, and Visionware are registered trademarks, and Workforce Scheduler, Workforce Timekeeper, Workforce HR, Workforce Payroll, Momentum, and "Improving the Performance of People and Business" are trademarks of Kronos Incorporated or a related company. iSeries is a trademark of International Business Machines Corporation. All other product and company names mentioned are used for identification purposes only and may be the trademarks of their respective owners. All specifications are subject to change. All rights reserved. Printed in the U.S.A. 4703570-001 Rev B