

Michael D'Agnes, FACHE, President and CEO of Raritan Bay Medical Center
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Michael D'Agnes, FACHE, President and CEO of Raritan Bay Medical Center, has 30 years of experience at the health care executive level. Before coming to Raritan Bay, he was President and CEO of Bayonne Medical Center and has held a variety of senior financial and administrative positions at the Jersey Shore Medical and Princeton Medical Centers. Under his leadership, Raritan Bay has received awards for organizational excellence and patient care quality and has launched new patient-focused initiatives. Most recently, he has guided Raritan Bay to a merger with Meridian Health.

One of the most difficult roles for any CEO is to have every member of the leadership team focused on the same mission and priorities. How do you make sure that you and your team are all working toward the same goals?

It starts with building the right team. I believe in surrounding myself with experts – whether it's in finance, human resources, operations, medical or nursing. Then you give them the responsibility and accountability to achieve the very best they can. Of course, it can take a while to identify the people who will work well together to achieve excellence – and sometimes you have to realign the team if there are those who are highly skilled but aren't contributing to the team as a whole.

We set goals at the beginning of every year in each key area – keeping them simple and mutually agreeing that these are the goals we want to attain.

I lead the efforts to monitor progress each month – where we are and how we can overcome any barriers.

In the past, we mostly focused on financial measures, but today we concentrate on patient and employee satisfaction, quality outcomes and growth. These are more difficult to achieve – but, in many ways, much more gratifying.

I know Raritan Bay has a very strong culture – built around “professional, compassionate and quality health care to all patients and to meeting the changing

health care needs of our communities.” How do you embed this vision into your everyday activities, at all levels in the organization?

I am a strong supporter of employee orientation. Each year, about 10% of our workforce is new hires, and a well-done orientation is the best way to share our history, goals and culture. I attend every orientation. That way the employees see the president the first day they are here. I want to emphasize that there is no distance between leadership and employee.

Culture really does start at the top. Employees need to feel they can give all executives, including the CEO, unvarnished feedback about how we can improve. I go to the cafeteria, I walk the halls. I make sure that we have created an atmosphere where everyone can make recommendations, pointing out the good, bad and the ugly, without fear of retaliation.

We now have our on-call administrators coming in on the weekends – and I put myself first on the roster. Employees see that the executives, even in off-hours, are there to listen to them and find out what we might be missing during the week.

Human resources plays an ever more important role in a health care organization, as the industry changes, new roles emerge and younger hires have very different expectations of an organization and their career paths. How do you keep on top – or ahead – of these human capital challenges?

We have 2,000 people, ranging from the early 20's to the 70's. How do we recognize and take into account what is important to different people at different points in their careers? It is definitely a challenge. And then continue to motivate them to do the best job they can, always focused on quality of care?

We realized that, across all ages and positions, we needed to have a better grasp of accountability for patient satisfaction – and what it means for each person in each job. So we have put in place more rigid performance appraisals, with patient satisfaction at the forefront. Before, we were somewhat lax about when these were completed, but now we have specific dates and make sure they are met. It helps us understand where we need to make changes to improve both employee satisfaction and how we address excellent patient care.

Looking to the immediate future, say three years from now, what do you see as the key issues that will be facing health care organizations? How do you keep in front of them?

We are going to see a continued reduction in what hospitals receive for their services – and a greater emphasis on value vs. volume. The focus will be on outcomes, not on how many services are provided.

Population health will be a huge issue. But keeping people healthy requires a major transition for many hospitals, which are, day to day, still paid for helping the already ill. It will be tougher and tougher for smaller hospitals to survive going forward.

So these are some of the reasons that you have joined with Meridian?

Yes, some of them. But I feel we synch well with Meridian for other reasons, too.

Meridian is dedicated to creating a “high reliability” organization. For example, they are training 15-20 people in each hospital, including Raritan Bay, on how to make the high reliability process real and continuous – and those people will then train the others in their organization. It is an extensive program that a smaller hospital would be hard to duplicate well.

Meridian also has access to in-house expertise that we simply don’t have. At our next executive retreat, for instance, Meridian’s diversity group is presenting a session on intergenerational workforce issues. I’m really looking forward to hearing the information they will be sharing.

I am excited about our merger with Meridian. They have the scale and size to help us be on top of the changing landscape of health care and patient satisfaction. It will keep us moving into the future.

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