



ON THE EDGE OF COMPETITIVE SUSTAINABILITY: MAINTAINING A HIGHLY ENGAGED WORKFORCE IN A CULTURE OF RAPID GROWTH

CareSource, a member-centric, non-profit managed care organization headquartered in Dayton, Ohio, was founded to serve the healthcare needs of the low income community with a mission “To make a lasting difference in our members’ lives by improving their health and well-being” (CareSource, 2015). Over the past several years, CareSource has experienced exponential growth in membership as a result of expanding beyond Ohio with new state contracts in Georgia, Indiana, Kentucky, and West Virginia, and additional product lines including Medicare Advantage and the Health Insurance Exchange. To keep pace with this rapid growth, CareSource has more than doubled the workforce in less than five years, while maintaining high levels of customer satisfaction and employee engagement (EE), and low turnover. On average, CareSource has increased in staff by 29% per quarter since the third quarter of calendar year 2014, and turnover rates have remained below 10%. Strategic efforts to maintain a high level of employee engagement are a critical success factor for CareSource.

Employee Engagement

EE is a measure that describes employees who work with passion and feel profoundly connected to their organization, (Gallup, 2014). EE encompasses what has been prevalent in recent Employee and Job Satisfaction/ Engagement surveys: employees want more. Best practice organizations want employees to find meaning in what they do because they are more likely to be engaged, empowered, and have higher job satisfaction than those who do not (Research in Organizational Behavior, 2010). Higher EE also ensures organizational success when it fosters higher employee retention and lower turnover. The cost of replacing an employee on average can be around 20 percent of an employee’s salary (HRM, 2012). Recent literature surrounding EE and employee satisfaction reports engaged employees want more than extrinsic motivation (such as good compensation, promotional opportunities, and bonus payments), but also intrinsic motivation (feeling supported by the organization, belief in the company goals, and feeling valued) (Arrowsmith & Parker, 2016; Harvard, 2013; Snipes, Oswald, LaTour, & Armenakis, 2004; Squire, 2012;)

Organizations, like CareSource, who place a high value in investing in their employees have a competitive advantage (Macey & Schneider, 2008). CareSource maintains a low administrative cost ratio (ACR) -6-10% vs 12-20 percent for traditional for-profit organizations (McCue, 2012), yet still allow room to make strategic investments in both its members and employees to drive and support growth. These organizations also have an edge as they invest in training and learning opportunities for their employees (Aguinis & Kraiger, 2009). They also develop employees for long-term growth by creating intrinsic motivation within the employee to achieve a level of empowerment that will lead to increased job satisfaction and service quality (Snipes, Oswald, LaTour, & Armenakis, 2003). In turn, the organization will continue to have better outcomes (Harter, Schmidt, Agrawal, & Plowman, 2013) and lower employee turnover (Shantz, Alfes, & Latham, 2014).



Learning Culture

Recently, CareSource developed a culture team to build a roadmap to sustain cultural strengths, seed and nurture these strengths in new locations, and evolve those cultural aspects that are critical to the organizational structure. The roadmap includes five key components that can be translated into key behaviors:

- *Mission Passion*: the organization is driven by the mission to go above and beyond what is expected for members
- *Collaborative Community*: foster friendly work relationships that are open to input from internal teams and external partners
- *Adaptive*: seek out new opportunities while expecting tactical shifts in business focus
- *Learning and Innovation*: investing in world-class training to support employee development to meet shifting business needs while also striving for greater empathy and understanding of our members
- *Employees as the Key to Success*: value our employees and their input as our richest asset

A variety of corporate activities, including talent acquisition, performance management, frontline employee and leadership development support this roadmap. Although the roadmap is only successful when activating all components collaboratively, this paper is specifically focused on one aspect, *Learning and Innovation*.

One way CareSource operationalizes the aspect of Learning and Innovation is through CareSource University (CSU). Staffed by highly trained employees, CSU is a unique internal learning institute that offers onsite and virtual learning and development courses to support a culture of excellence. CSU has been listed as one of the top 125 training organizations for the past seven years. Learning opportunities include initial onboarding to introduce new employees to the culture of the organization, professional development courses including emotional intelligence, communication, team building, and leadership programs which include mentoring and coaching. These options are offered to employees at all organizational levels and are aimed to connect each employee's role to the company strategy. To connect with a growing number of mobile or remote employees, CSU has increased the number of virtual and interactive tools, in addition to in-person classes. This helps support a high performance culture to deliver unparalleled customer service, as well as helping each member of the organization understand how their role is connected to company goals. CSU allows CareSource employees opportunities to learn and grow, while also fostering innovation within their jobs, which all help gain meaning in what they do, and further lead to a highly engaged workforce, and staying on the competitive edge.

Engagement for the Future

A highly engaged workforce is important for an organization to stay competitive in today's market, as well as to retain, develop, and reward employees who are both effective and productive. As with other best practice organizations, CareSource makes investing in the development of employees a top priority. Maintaining engaged and empowered employees will increase organizational outcomes. It also helps to create a highly effective workforce that is willing to go the extra mile for both the customers and the organization.



References

- Arrowsmith, J. & Parker, J. (2013). The meaning of 'employee engagement' for the values and roles of the HRm function. *The International Journal of Human Resource Management*, 24:14, 2692-2712, DOI: 10.1080/09585192.2013.763842
- Harter, J.K., Schmidt, F.L., Agrawal, S., & Plowman, S.K. (February 2013). The Relationship Between Engagement at Work and Organizational Outcomes- 2012 Q12 ® Meta Analysis. Gallup, Washington, DC. Retrieved on September 1, 2016 from <http://employeeengagement.com/wp-content/uploads/2013/04/2012-Q12-Meta-Analysis-Research-Paper.pdf>.
- Harvard Business Review (2013). The Impact of Employee Engagement on Performance. Retrieved on September 1, 2016 from http://www.achievers.com/system/files/resource/analyst-insights-HBR_Achievers%20Report_TheImpactofEmployeeEngagementonPerformance.pdf
- Macey, W.H. & Schneider, B. (2008). The Meaning of Employee Engagement. *Industrial and Organizational Psychology*, 1,3-30.
- McCue, M. (2012). Financial Performance of Health Plans in Medicaid Managed Care. The Centers for Disease Control-Medicare and Medicaid Research & Review (MMRR) 2012 2:2. Retrieved of November 1, 2016 from https://www.cms.gov/mmrr/Downloads/MMRR2012_002_02_A07.pdf.
- Shantz, A., Alfes, K., & Latham, G. (2014). The Buffering Effect of Perceived Organizational Support on the Relationship Between Work Engagement and Behavioral Outcomes. *Human Resource Management*, 55:1, 25-38.
- Snipes, R.L., Oswald, S.L., LaTour, M., Armenakis, A.A. (2004). The effects of specific job satisfaction facets on customer perceptions of service quality: an employee-level analysis. *Journal of Business Research*, 58, 1330-1339.
- Squire, R. (February 2012). Engaging Workers. *Training & Development*, 39: 1, 14-15. Retrieved on September 1, 2016 from <http://www.entegy.com.au/ebooks/traininganddev/feb2012/#/1>

