

Achieve twice as much but only work half as hard

A thought leadership paper on 'Achieving operational excellence' co-authored with Zwanger-Pesiri siemens-healthineers.com/achieving-operational-excellence



Preface

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Paper

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Executive summary

Zwanger-Pesiri, an independent radiology service provider operating in the greater New York area, differentiate themselves from competitors by offering an excellent product – sub-specialty imaging with best-in-class technology – combined with exceptional service. Patients and referring physicians receive professional and personalized service of the highest quality, quickly and efficiently. This is the foundation of Zwanger-Pesiri's business model.

Delivering service at this level demands a higher level of engagement and commitment from management and from the entire workforce – everyone from front-line receptionists to radiologists. In order to fulfill this service promise, Zwanger-Pesiri (ZP) ensures that each of their locations is equipped with a full suite of all necessary technology. They also improved their internal processes, developed innovative training and recruitment methods, and devised unique workplace protocols to make their operations more productive and efficient.

Some workplaces cling to the view that the only way to improve productivity is to push employees to work harder and do more. ZP embraces a more enlightened management philosophy summed up by Chief Operating Officer (COO) Bob Day as "achieve twice as much but only work half as hard."

The results of ZP's workplace refinements are evident: happier and more productive employees, which directly contributes to greater patient satisfaction. That, in turn, supports the organization's business aims.

Fully independent healthcare chains are an exception in the U.S. system and must compete daily for the loyalty of their stakeholders – both patients and referring physicians. This paper consists of a detailed analysis of how ZP succeeded in this effort, with personal insights from their senior management and practical examples of best practices and impactful innovations.



Overview of Zwanger-Pesiri services

General Services

MRI

CT

X-Ray

Ultrasound

Biopsy

Women's Imaging

3D Mammography

Breast Ultrasound

Breast MRI

Breast Biopsy

DEXA Bone Density

Nuclear & PET

PET/ MRI

PET/ CT

Nuclear Medicine

Cardiac Stress Test

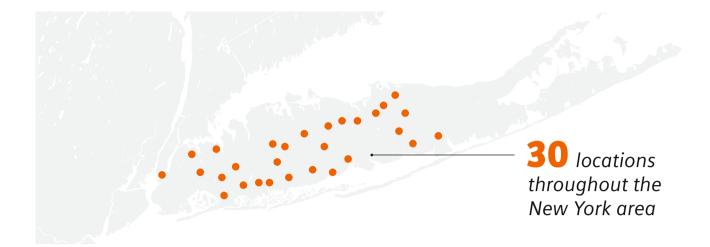
Cardiac MUGA Scan

About Zwanger-Pesiri

The greater New York area is one of the world's most competitive markets. Success – whether for a restaurant, a retail outlet or an art gallery – requires a thorough understanding of customers' needs and expectations. Those who invest their time or money demand good value for their investment.

Healthcare services are no different. Here too, the 'marketplace' is defined by intense competition. In order to be successful, customers - or in this case patients must be treated with the same attentiveness and professionalism they expect in a first-class restaurant. In terms of healthcare, this means not only medical treatment and services of the highest quality, but also personalized attention, a comfortable and professional environment, and highly efficient processes that respect patients' time. Patients, as well as referring physicians, are in a very real sense 'consumers' and must be treated as such. This is the philosophy embraced by ZP, a radiology service provider with 30 locations throughout the New York area. Their mission for more than 65 years has been to offer a truly patient-centric experience: delivering radiology services of the highest quality, when and where patients need them, in a comfortable and highly professional environment.

Services offered by ZP today include all basic and advanced radiology services including 3-Tesla Magnetic Resonance Imaging, Computerized Tomography scans, and Positron Emission Tomography Imaging scans (see full range of services on the left).



"We are constantly striving to make the best imaging easily accessible," says Zwanger-Pesiri's CEO Steven Mendelsohn, MD. "All patients deserve high-quality care and we are eager to provide that care."

The independent, family-owned business employs more than 1,300 people at its 30 locations throughout the New York area. Today ZP is present in every New York borough except Staten Island. They perform more than 850,000 exams annually, including more than half of all MRIs within their geographic region. And the business is generating solid financial results; between 2016 and 2018, charges and revenue both grew by more than 20 percent. As COO Bob Day concedes, "radiology itself is pretty straightforward." The challenge, according to Day, was to find a way to stand out, to differentiate themselves in a crowded marketplace. How did ZP achieve this?

The Zwanger-Pesiri Commitment

The central element of ZP strategy to differentiate themselves was a commitment to excellent customer service resting on a set of fundamental promises. Their first goal is to provide an unsurpassed level of quality in their imaging services. This demands the best technology and a full team of certified specialists trained to use this equipment. Second, they are determined to never say no to an incoming patient. As COO Bob Day says, "We always figure out a way to get every patient in." Third, they aim to eliminate patient wait times. This not only demonstrates respect for patients and their time, it also serves as tangible evidence that internal processes and systems are operating at peak efficiency. CEO Steven Mendelsohn makes this point even more forcefully: "A waiting room full of patients represents complete system failure." ZP's final goal is to deliver highly personalized service that always

puts the patient first. As in any service industry, friendly, attentive service goes a long way toward winning customers' respect and loyalty. This, more than anything, is what allows ZP to stand out from their competitors. Consistently delivering this level of service and care demands that every employee, from the first person patients see upon entering to the last person who completes their visit, is always delivering top performance.

Delivering on these promises is an essential to ZP's business model. It requires a multi-track approach, with state-of-the-art technology ready when and where it's needed, perfectly aligned internal processes and systems, and expertly trained teams performing at peak efficiency.

"A waiting room full of patients represents complete system failure."

Steven Mendelsohn, CEO

The challenge

Even with their commitment to excellent customer service, Zwanger-Pesiri faced challenges that required them to think carefully about their business model, re-evaluate their philosophy, and make ongoing changes to their internal procedures and operations.

In an increasingly competitive environment defined by growing industry consolidation and growing ties between referring physicians and hospitals, ZP was determined to maintain its independence. "We'd invested a lot in this community over the course of more than fifty years," explains Bob Day. "And we didn't want to be taken over by someone who would focus only on the bottom line. We wanted to continue to provide outstanding service to our community – better service than what was being offered by our competitors."

Protecting their independence meant an even stronger focus on their core commitment: excellent imaging, excellent service, and a consistently excellent patient experience. But the business fundamentals also had to be in place: they had to increase their volumes and referrals, and they had to become more efficient. "Improving efficiency wasn't just an abstract goal. The truth is, because of the competitive environment we were in we simply couldn't afford to be inefficient or wasteful," says Day.

A targeted growth strategy was also part of the solution. Increased size would provide more power over referrals and permit greater leverage. Centralized training, scheduling, and administrative functions like billing could all be scaled. But expansion wasn't simply an exercise to increase revenue. It was undertaken in a very strategic way, to enhance their accessibility within their target market, particularly the New York boroughs. Thereby, it supported their mission of making life even easier for patients and offering them greater convenience. In this way, the business was strengthened in a sustainable way.

"We essentially have two client groups," says Bob Day.
"Patients and referring physicians. We must keep both
happy. And for us, patients are the key. If we treat them
right, we can earn their loyalty and then we know they'll
come back and tell it to their family and friends."

Zwanger-Pesiri drives workforce productivity by utilizing three solution levers

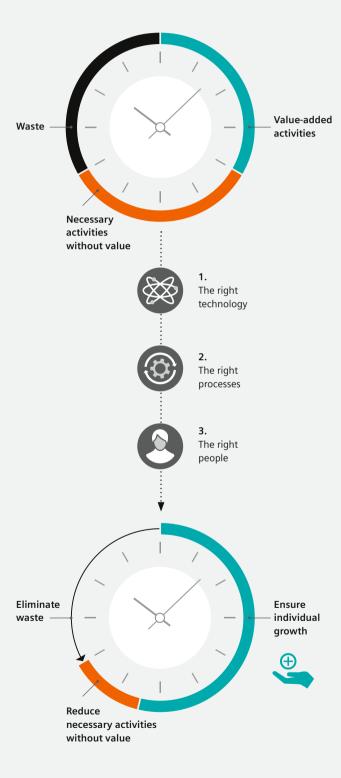
The solution



The right technology

Like every business, ZP aims to operate profitably. But their commitment to service excellence is embraced so seriously that in some areas it occasionally requires compromising on short-term economic imperatives. "You can't just look at driving costs down," says COO Bob Day. "Nor can you just focus on the clinical side. You have to strike the right balance." Fulfilling their pledge to make patients' lives easier means taking extra steps to ensure that technological capacity is in place to meet peak load, when and where it's needed. For ZP, this means investing in new or additional technology when existing equipment is utilized at about 80%. The more common industry practice is to invest in new capacity only when equipment is utilized at 100% or greater. This additional capacity permits waiting times for patients to be minimized and allows peak loads to be spread more broadly. It also supports the organization's business strategy, making it easier for ZP to grow and expand without straining existing resources.

What also sets ZP apart from competitors is their commitment to provide all high-end imaging services at every one of their locations. Having all machines – including for instance 3-Tesla Magnetic Resonance Imaging – in place at every location is a significantly more expensive operational principle than the conventional hub-and-spoke model, yet it is essential to ensure that all patients have access to the same quality and breadth of service.



"Every internal process should be re-evaluated and adapted every few years."

Steven Mendelsohn, CEO



The right processes

In addition to high-end equipment, delivering the quality of customer service that ZP strives for also requires that overall processes and systems are fine-tuned for elite performance. Processes that contribute to peak performance are not something that can be put in place once, then simply taken for granted. Continually offering excellent service requires ongoing review and continual adjustment of all internal systems and procedures. This constant review and search for greater efficiency is a personal priority for CEO Steven Mendelsohn, who argues that every internal process must be re-evaluated every few years.

Optimizing scan times

Reducing scan times was the starting point for ZP's efforts to streamline their internal processes. Through a series of marginal improvements, ZP is now able to provide three MRI scans per hour as opposed to the industry norm of two scans per hour. This reduction makes a significant difference to patients as well as to professionals, providing patients with quicker, more flexible service and allowing ZP to manage their diagnostic caseload more efficiently. Further improvements required ZP to look beyond the 'low hanging fruit'. With scan times close to optimized, any further marginal improvements in this realm would offer only negligible results. Further improvements, therefore, required a deeper and more comprehensive approach. Consequently, those processes occurring before and after actual 'machine time' were reviewed and optimized. ZP rigorously analyzed their entire internal workflow followed by the removal of waste and the elimination of processes that add little or no actual value. A corresponding measure: those services that did add real value to patients and to the organization - were enhanced.

Keep patients moving

In order to make the best use of the time patients spend at a clinic, as much information as possible is gathered from them before they arrive. This makes the time they actually spend at the clinic shorter and more result-oriented. Almost immediately after patients arrive at reception, clinic staff and technicians can proceed with the appropriate procedures rather than spending time on routine intake tasks like information gathering. Another innovation was a system to ensure that patients are constantly moving, not sitting and waiting. After arrival, they proceed through a series of sub-waiting rooms, where the necessary support staff and technicians are already expecting them. This results in a more streamlined process and gives patients the feeling that they are being actively treated during their entire visit instead of just passing time.

'Remove the thinking'

More professional processes to optimize equipment usage were also part of this effort to streamline systems and enhance standardization. The objective, according to CEO Steven Mendelsohn, was to make all processes simpler and more predictable; to remove as much of the 'thinking' as possible. With this approach, employees could devote their full attention to the 'how', rather than grappling with questions about 'what' to do. For more complex questions, employees always have access to Command Central, a centralized hub of experts who are available with advice or hands-on support. Approximately 30-40% of the calls received by Command Central are questions about machines, questions that in most cases can be answered quickly. For more difficult inquiries, Command Central can manipulate and control all machines remotely through a virtual network computing (VNC) tool.

The goal is to never leave an employee alone with a problem he or she cannot solve.

Flexible hours to be accessible

The 'Never say No' promise presents unique challenges in a clinical environment where approximately 40% of patients are walk-ins. One way in which ZP fulfills this promise is by adopting highly flexible operating hours. Instead of forcing patients to conform to their own operating hours, ZP approaches the issue from the opposite perspective, looking first at the needs of patients.

"Our hours are not static; we are constantly adjusting and fine-tuning them," explains COO Bob Day. "I receive regular, detailed reports on activity at each of our locations, and this data allows me to adjust and respond to changes – as well as anticipate changes. Our goal is to offer our patients maximum convenience, to make their lives easier."

An illustrative example: New York's 'Urgent Care' program required large numbers of physicians to work late into the evening. ZP adjusted to this change, extending their own operating hours, thereby not only providing patients with care when and where it was needed but reducing the burden on area hospitals as patients were not forced to visit Emergency departments. A current program to further automate their registration process is another part of this effort. The system currently being introduced makes it even easier for patients to schedule their own appointments online, when it best suits them, with ZP's scheduling office essentially open around the clock.

Full staffing

The Zwanger-Pesiri commitment to patient service is also evident in the company's approach to human resources. In keeping with Bob Day's philosophy of not focusing exclusively on driving costs down, ZP operate their facilities with more on-site staff than are strictly necessary. Like a first-class restaurant, they know that the desired personal touch can only be achieved when customers have the feeling they are receiving personalized attention. The attention to sufficient staff is evident not only in front-line employees. ZP employs more than 60 sub-specialty trained radiologists who review all studies in their own field of expertise, allowing most studies to be read the same day. This specialty focus leads to more accurate results. ZP also makes use of Artificial Intelligence to classify prior reports, thus ensuring greater consistency and lowering the number of studies that must be repeated.

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The right people

The combination of enhanced, streamlines processes, together with adequate technological and human support, is the essential foundation of ZP's operating model. But bringing it to life requires people - the right people. The ZP promise to treat all patients with superior attention can only be realized with the active commitment of every employee. Demanding that employees treat patients with personalized attention, be more accommodating, and be willing to work more flexible hours requires a higher level of engagement on the part of the entire workforce. It requires genuine passion. ZP understands that employees cannot be forced to work at this level; they must be inspired. They achieve this through a unique program of targeted recruitment, training, comprehensive on-the-job support, and by providing exceptional opportunities for professional growth.

Recruitment & training

Identifying and recruiting employees willing and able to work at this level is a crucial part of the equation. Somewhat counter-intuitively, ZP often chooses to hire people directly from school, without any previous work experience. This, according to ZP, allows them to identify new colleagues who are anxious to learn, open to new ideas, and who can adapt more quickly to the unique elements of the 'ZP way' of working. All new hires receive intensive training, not just in the job they will perform but also to ensure that they learn and embrace the company's 'make things work' ownership attitude. In addition to professional instruction, this training includes high standards for attire and appearance, as well as the simple directive 'Be Nice, Be Kind, Smile', which is often easier said than done. In many cases, employees also receive training which gives

them professional capabilities that go beyond their own specific area. Many technologists, for example, are trained to become multi-skilled across various diagnostic procedures.

Multi-disciplinary

This multi-disciplinary capacity ensures that employees are available when and where they're needed, from ultrasound to MRIs to CT scans. The ability to learn new skills and expand one's responsibilities serves as a positive motivational tool for all employees, providing opportunities for professional growth and career advancement not available in more traditional clinical settings. It also supports the organization's drive toward greater standardization of processes; as more people are trained to operate more machines they are better able to identify opportunities across modalities and perform the necessary tasks seamlessly.

Willingness to help outside of one's assigned area is another important component of the company-wide attitude at ZP. One example: receptionists who are the first point of contact for incoming patients are fully committed to their intake responsibilities, but during times of slow workload they can directly take calls coming into the clinics' call center thereby helping to ease the burden in this area. Training and deploying people in this way helps COO Bob Day realize what he calls a 'return on investment' on the time and energy of his people. Productive employees know what to do, know how to do it, and know why they are doing it - in other words, how their work contributes to the overall goals of the organization. If employees are working like this, and receiving feedback on how to improve further, the likelihood that they will perform at an elite level is heightened.

"With the right training and processes, our employees can do twice as much but only work half as hard."

Bob Day, COO

Support

To ensure that all employees receive honest and timely feedback on their work, as well as opportunities to raise concerns or questions, weekly meetings are held between leadership and staff groups during which problems and issues are discussed openly. Bob Day personally meets with staff weekly and points out, "We own our mistakes. Only then can the necessary changes and improvements be made." Employees also benefit from continuous, ongoing improvement, and this too is a team effort. In order to promote a deeper understanding of how, where and why improvements are necessary, ZP measures outcomes and shares this data with employees, seeking their feedback and ideas. A multi-skilled technician offered insights on how ultrasound processes could be delivered more efficiently – ideas that were subsequently implemented. She is now ZP's Director of Ultrasound Operations. By proceeding in this way, improvement measures are not imposed 'top-down' without explanation or context but receive buy-in throughout the team.

Support - Command Central

Once on the job, the goal throughout the organization is to ensure that no employee feels abandoned or alone with a difficult decision. Only in this way can a truly elite performance environment be achieved. Whenever things get tricky, employees can seek help from Command Central, the problem-solving team of 'super-techs' created in 2018 and available to all employees. The Command Central team currently receives between 300-400 calls per day, about half from technologists, the rest from office managers, front line staff, and even from patients. The result is an environment in which every employee sees their workplace as an environment in which they receive the support they

need to grow, to learn, and to do more. This enhances productivity and boosts morale, with every member of the team understanding the broader goals and feeling that they have a personal stake in making things run even better. Offering a more diversely talented team also enhances efficiency and increases patient convenience.

Work better, not harder

Some workplaces cling to the view that the only way to improve productivity is to push employees to work harder and do more. ZP embraces a more enlightened management philosophy, summed up by COO Bob Day as enabling employees to "do twice as much but only work half as hard."

Workplace research suggests that being more productive gives employees a greater sense of fulfillment. It creates happier and more enthusiastic employees, who feel they are contributing and that their contributions are valued and respected. Even flexible hours are something employees understand and embrace. Some situations may require a longer working day, but when demand at some locations is low, COO Bob Day is just as willing to close early, at 7:00 instead of 9:00 in the evening, giving employees a welcome break.

Conclusion

Throughout its history, Zwanger-Pesiri's business model has rested on a philosophy of providing radiology services that meet the highest professional standards while also offering superb, personalized customer service. The challenge facing CEO Steven Mendelsohn and COO Bob Day was how to maintain this level of service excellence as their business grew and locations multiplied. Only in this way could they safeguard their independence in a challenging and competitive marketplace.

Both Mendelsohn and Day were aware that further growth and continued profitability were only possible if the 'ZP brand' was not compromised. Both also knew that maintaining the high standards on which their business success and leadership position rested, while at the same time pursuing a strategy of growth and expansion, was a complex challenge demanding new and innovative solutions. Recognizing that the key to personalized service is people, ZP set out to create a culture in which every employee fully embraces the company mission. Understanding and embracing this mission, and then seeing first-hand how it provides real benefits to patients, has given ZP's employees a real stake in the success of the organization. Employees know what the company is trying to achieve, and they understand how their own efforts contribute to this success - which further increases motivation and heightens the desire to do even better.

Workforce productivity is raised to peak levels, not simply by demanding that people work longer or harder, but by inspiring them to work with more passion, harnessing their creativity, and giving them a sense of ownership. The organization's success becomes their personal success. And that is one of ZP's strongest recruiting and motivational tools: inviting employees to be part of an elite team, the 'best in the business'.

If employees believe they are part of a superior team and raise their own performance to that level, the benefits for patients clearly follow. Patients feel they are getting excellent, high-end medical service, and that they are being treated with the respect and professionalism they expect from other service providers and establishments.

As with any business, this level of customer satisfaction is a recipe for success. ZP's data on patient satisfaction tells a compelling story. Overall, of more than 45,000 patients who completed ZP's patient survey close to 95% answered that they would 'absolutely' or 'highly' recommend ZP to others. According their anonymous patient surveys, 90% of customers rated the ease of getting through on the telephone as exceptional or excellent, with less than 1% rating it as unsatisfactory. Friendliness and knowledge of phone representatives was rated as exceptional or excellent by 93% of respondents. Ease of scheduling online received a more than 91% exceptional or excellent rating. For appointment availability the results were even more impressive with more than 95% rating it exceptional or excellent. Cleanliness and comfort, length of wait times, and professionalism all received similarly glowing reviews. Perhaps most surprising, 89% of patients indicated that they were familiar with ZP's online portal where they could retrieve their results online demonstrating a remarkable level of patient engagement.

93.4%* Friendliness and knowledge of phone representative

95.5%* Appointment availability

91.1%* Explanation of procedure











89.9% Ease of getting through on the phone

91.2% Ease of scheduling

Lenght of time waited for your exam

Professionalism and responsiveness to my concerns

94.59 of patients would recommend Zwanger-Pesiri

An appointment for a radiology scan, or indeed any medical treatment, is something most patients regard as a mildly troublesome but necessary encumbrance. Yet, with an expertly trained team and expertly calibrated processes, the entire experience can be made quicker, less inconvenient and more productive – resulting in real benefits. In addition to greater patient comfort, the outcome is less patient anxiety as well as prompt, highquality diagnostic results.

As CEO Steven Mendelsohn observes, "If we provide an overwhelmingly positive experience for our customers, they will become our advocates." Just as with restaurants, nothing is as powerful as a first-hand referral.



Suggested follow ups

siemens-healthineers.com/transforming-care-delivery

- Siemens Healthineers Insights series, issue 2: Culture of diversity, respect, and inclusion
- Harvard Business Review: "Transforming care delivery to increase value"

^{*} Sum of 'Exceptional' and 'Excellent' responses, Source: ZP patient satisfaction reporting 2018 [n=45.000]

^{**} Sum of 'Absolutely' and 'Highly'

Insights series, issue 5

About the authors



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Bob Day serves as Chief Operating Officer (COO) of Zwanger-Pesiri, a position he has held since 2010. As COO, he manages all operational processes, guiding the group's growth and strengthening its reputation for excellence. Bob Day has been with Zwanger-Pesiri for more than 20 years, initially as an MRI Technologist, then as Chief Technical Officer, and currently as COO. Bob Day heads the group's IT, Clinical and Financial departments and is responsible for overseeing all internal processes, developing and executing corporate strategies, creating and maintaining Zwanger-Pesiri's unique corporate culture, and ensuring compliance with regulatory requirements and agencies. Bob Day's career in radiology spans more than 40 years. In addition to senior leadership roles, his professional background also includes hands-on experience as a technologist as well as extensive direct engagement with patients, customers, and suppliers – a background that provides him with unique, first-hand insight into every aspect of the industry. Prior to joining Zwanger-Pesiri, Bob Day worked at University Hospital Stony Brook as the Associate Director of Radiology. Then he joined General Electric Medical Systems in Milwaukee, at Advanced Cardiovascular Imaging in New York City, and at Integrated Cardiovascular Therapeutics in Woodbury, New York. He studied at State University of New York College at Cortland and at the Glen Clove Community Hospital School of Radiologic Technology. He is licensed by the NYS LRT, and is certified by the ARRT for Radiology, MRI, and Computer Tomography.



Herbert Staehr, PhD Vice President, Global Head of Transforming Care Delivery at Siemens Healthineers

Herbert Staehr is passionate about healthcare and, as global head of Transforming Care Delivery, drives activities to equip healthcare providers to deliver higher-value care. Prior to this position, he led Portfolio Development and Marketing within the Enterprise Services and Solutions business of Siemens Healthineers. Before joining Siemens Healthineers, Herbert Staehr worked with a major private hospital group in Germany in senior leadership roles including serving as managing director of an acute care and a post-acute care hospital. Earlier, he led the group's Corporate Development department. He was employed for several years in the Healthcare Consulting practice of McKinsey & Company on various European and international assignments. Herbert Staehr holds a PhD in Healthcare Economics from the University of Hohenheim, Germany. He obtained a dual degree (Bachelor of Arts and Diplom-Betriebswirt) in International Business and Finance from the European School of Business, Germany, and Dublin City University, Republic of Ireland.

At Siemens Healthineers, our purpose is to enable healthcare providers to increase value by empowering them on their journey toward expanding precision medicine, transforming care delivery, and improving patient experience, all made possible by digitalizing healthcare. An estimated 5 million patients globally benefit every day from our innovative technologies and services in the areas of diagnostic and therapeutic imaging, laboratory diagnostics, and molecular medicine, as well as digital health and enterprise services.

We are a leading medical technology company with over 120 years of experience and 18,000 patents globally. Through the dedication of more than 50,000 colleagues in 75 countries, we will continue to innovate and shape the future of healthcare.

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