

CHAPTER 2

Shoring Up the Servicescape

SNAPSHOT

Institution:

Grace Hospital, a 425-bed, not-for-profit hospital providing general medical and surgical services

Location:

Richmond (population 175,710), located in the West South Central region of the United States

Characters:

Mr. Todd Davis, President and Chief Executive Officer

Ms. Maria Stevens, Vice President of Nursing

Mr. Bradley Walters, Vice President of Marketing

(all of Grace Hospital)

Context:

In this case, a nursing executive improves the physical environment of the areas falling under her supervision and responsibility, but encounters difficulties when trying to effect the same improvements in areas falling outside of her span of control.

Making her rounds at the beginning of the day's work, Maria Stevens cannot help to be anything but frustrated. She has been employed as Vice President of Nursing at Grace Hospital for 5 years and has witnessed the best of patient care and attention delivered by its employees. But all of

that excellence is tarnished by weaknesses in other areas of the hospital, which cloud what otherwise would be a beautiful picture. Completing her initial rounds of the day, she makes up her mind that now is the time to address these weaknesses that hamper across-the-board excellence at Grace Hospital.

The biggest issue, as Maria sees it, is that the quality of the physical plant, fixtures, and furnishings of Grace Hospital is not consistent with the quality delivered by its caregivers. As for the physical plant, the hospital has very obvious shortcomings: chipped paint on the walls, cracked tile on the floors, blotched ceiling tiles evidencing apparent leaks, and color schemes throughout the institution that are very much outdated. Patient waiting areas have mismatched furniture, some of it damaged by the normal wear and tear of public use and, at least in some cases, outright abuse. Further, landscaping around the hospital could be much improved with even the slightest bit of attention that quite obviously has not been forwarded. On top of that, the parking areas are patchwork quilts of concrete and asphalt with an occasional blade of grass bursting through crevices; segments pieced together over the years and hastily repaired only when absolutely necessary, with little concern for aesthetics or even functionality. Maria believed that if as much attention was given to these areas as was given to patient care, Grace Hospital would rise to new levels in the minds of its customers and the surrounding community.

Grace Hospital, a financially sound, 425-bed, not-for-profit medical facility, is located in Richmond, a city of 175,710 located in the West South Central region of the United States. It was constructed 50 years ago and periodically has been upgraded, with the last comprehensive refurbishment occurring 15 years ago. Since that time, only routine maintenance has occurred, with many oversights taking place along the way. The hospital grounds, however, have never been addressed professionally, just simple lawn care—plenty of opportunities for improvement, but none ever taken.

Having recently constructed and landscaped a new home, Maria well knows the costs of construction and comprehensive refurbishment and refinement, but she does not believe that such drastic measures are warranted at Grace Hospital. In her opinion, the primary issues of concern simply call for more attention to detail. The repairs and minor enhancements

that Maria believes would improve the aesthetics and ambiance of Grace Hospital's servicescape would not call for terribly significant resources.

She estimates that, apart from minor material expenses, the only additional requirement would involve the time and attention of maintenance personnel and perhaps also those in environmental services—individuals who are already employed by Grace Hospital. Given this, the most obvious challenge to achieving Maria's vision of improved property, plant, and equipment is the direction of attention to aesthetics and ambiance by Grace Hospital's administration and associated departments, namely maintenance and environmental services.

Maria indeed knows the power of aesthetics and ambiance. When she was hired as Grace Hospital's Vice President of Nursing, she was appalled that clinical staff members, regardless of job title or department, were wearing scrubs of every color in the rainbow, confusing patients and visitors and even creating difficulties for the staff members themselves. Order was needed, so she instituted a policy that involved assigning scrub colors to given departments, giving associated members a uniform appearance that fostered identification and professionalism. Strict grooming protocols were instituted and enforced to ensure that employees looked their best as they went about conducting their various duties and responsibilities. These simple changes elevated the appearance of clinical employees by leaps and bounds, creating order from what once appeared to be massive chaos.

Maria did not stop there. She then focused on reducing noise levels throughout patient care areas, knowing that excessive noise negatively impacted patient comfort. One of the biggest culprits, the overhead paging system, was eliminated, being replaced by cell phones assigned to each employee, greatly reducing noise throughout the hospital. Doors were adjusted so they would not slam, hospital carts were modified to minimize noise, and foam padding was added on various surfaces, such as pneumatic tube and patient chart receptacles, to reduce clanging. Sound monitoring devices were mounted at nurse stations, providing visual indications of ambient noise levels, which reminded employees to take steps to be as quiet as possible. These efforts resulted in a vastly improved environment, for both employees and patients, garnering Maria much praise throughout the hospital.

With her sights now set on aesthetic and ambiance matters resting in areas beyond her formal scope of authority, Maria needs to formulate a

plan for approaching Todd Davis, Grace Hospital's President and Chief Executive Officer, in hopes that he will agree with her assessment of the state of the institution's environment and authorize improvements. As her ideas ultimately will yield a more marketable hospital, she decides to first meet with her fellow senior manager, Bradley Walters, who serves as Grace Hospital's Vice President of Marketing.

Excited about the opportunities for improvement, Maria shared her vision with Bradley, who indicated that her ideas were most pleasing to hear. He communicated that he completely agreed with her assessment, noting that for years, he had viewed the lack of attention to detail to limit Grace Hospital's ultimate potential as an institution. This, Bradley expressed, even limited the appeals that Grace Hospital could use in its various marketing communications campaigns. Maria's initial excitement, though, turned to disappointment when Bradley informed her that he had made countless efforts in recent months and years to initiate improvements, but that his efforts always fell on deaf ears, with Todd refusing to act on his suggestions and recommendations.

Bradley explained that the resistance seemed to stem from Todd's view that the recommended improvements constituted costs, rather than investments, in Grace Hospital. He noted that Todd always responded that Grace Hospital was financially sound and was generating significant business and questioned why upgrades were even necessary. Providing even further detail, Bradley went on to state that, based on interactions with Todd, who has served as Grace Hospital's President and Chief Executive Officer for just over 2 years, he viewed him to be a "status quo" executive, noting that eventually this attitude would catch up with Grace Hospital, likely costing the institution dearly. Maria responded that the neglected physical plant likely was already taking a toll on the hospital.

Not one to easily concede, Maria suggested to Bradley that they work together to develop and assemble an economical plan for initiating improvements. If Todd viewed improvements simply to be costs, then an inexpensive plan might be just enough to persuade him to authorize the improvements. Perhaps Grace Hospital could even call upon volunteers who would contribute their time and talents to improve the facility. Mutually excited, the pair agreed to meet the following morning to begin brainstorming on the many possibilities, with confidence that Grace Hospital would soon receive much needed refinements.

DISCUSSION

1. Grace Hospital seems to possess servicescape excellence in nursing service, but not in other important areas of the facility; something Maria sought to correct due to associated negative consequences. Think deeply on the aesthetics and ambiance of the servicescapes of healthcare institutions and prepare a list of negative effects that occur when servicescapes are inferior. Identify the parties that inferior servicescapes impact and describe how such environments impact each party.
2. Bradley mentioned to Maria that Grace Hospital's servicescape weaknesses limited the appeals that the hospital could use in its various marketing communications campaigns. Based on your knowledge of marketing and marketing communications, what did Bradley mean by this statement?
3. Todd's mindset that a financially sound and full hospital need not invest in improvements is unfortunately not uncommon among some in the healthcare industry. Why do you believe that individuals would possess such a mindset? What would you envision their career paths to be?
4. Given Todd's history of resistance to improvements, Maria and Bradley decided to strive for change by developing an economical plan for enhancing Grace Hospital, even suggesting the possibility of calling on volunteers for contributions. Based on the weaknesses noted by Maria, develop a cost-effective plan of improvement by identifying possible "fixes" that could be implemented in a manner that would likely be acceptable to Todd.
5. Assume that Todd rejects the economical improvement plan formulated by Maria and Bradley. Given that the consequences of failing to make improvements might cause real harm to Grace Hospital, what action, if any, should the two take? Please justify your response.