The Cost of Morale

Leveraging Consultants for Successful Implementations and Protecting Workforce Morale

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More than a technical decision.
A commitment to your people.

Challenges · The role of consultants · Two case studies · Cost-benefit · Choosing a partner

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Executive summary

Organizational transformations, such as system implementations, present significant opportunities for growth and operational efficiency. However, they also come with risks, including strained employee morale and potential layoffs. Additionally, less than one-third of companies have been successful at both improving performance and sustaining those improvements over time during transformations, underscoring the critical importance of effective change management and the need for consultants when navigating complex transformations. By leveraging consultants during an implementation, organizations can help mitigate risks to ensure a smooth transition, maintain workforce morale, and protect jobs. This white paper explores the key benefits of using consultants for implementation projects, focusing on their impact on morale and workforce stability.

Challenges of internal implementation

1. Increased workload for staff

Implementations often require staff to balance their regular responsibilities alongside the demands of the project. This dual burden often leads to burnout, dissatisfaction, and mass exodus. And once one internal team member leaves, the flood gates open, placing strain on the remaining staff and decreasing overall effectiveness.

2. Knowledge gaps

Internal teams may lack the specialized expertise needed for complex system implementations, leading to inefficiencies, errors, and delayed deliverables. Even with extensive training, internal team members will find themselves ill-equipped to handle more than basic questions, negatively impacting short and long-term strategizing, which leads to workforce uncertainty.

3. Morale concerns

Without clear communication and a hardened plan, employees may fear that the implementation will lead to job redundancies and/or workforce reductions, reducing engagement and trust in leadership. Additionally, these fears will create a competitive environment where team members feel the need to outperform their peers to maintain employment, rather than fostering a team-based approach. When the above challenges are not addressed proactively, organizations will find themselves reactively filling gaps and losing residual knowledge. And since residual knowledge cannot be replaced by consultants, a strong project design should pair residual knowledge with future system expertise.

The role of consultants

1. Expertise and efficiency

Consultants bring specialized knowledge and a proven track record in similar implementations. Their expertise minimizes errors, accelerates timelines, and ensures that internal resources are not overstretched. It is often said that a good consultant pays for themselves in efficiency gains, on-time deliverables, and avoidance of obstructive items in the curvy roadmap. Not to mention the confidence boost a team can feel by meeting timelines and delivering a quality product.

2. Neutral perspective

As external agents, consultants can navigate organizational dynamics more objectively. They can mediate between departments, address concerns impartially, and foster collaboration. A consultant's primary objective is to complete their assigned work. This mandate enables them to often avoid bureaucracy or at least navigate it more freely. And

since maintaining long-standing relationships with peers is not a top priority for consultants, they can approach work with a mission-based mindset and minimize things getting in their way.

3. Morale boost through focus

By offloading portions of the implementation workload to consultants, internal staff can focus on their core responsibilities, thereby reducing stress and improving confidence in the process. Additionally, having extra time to learn the new product and internalize implementation strategies often results in increased knowledge, output, and morale from the internal staff.

4. Knowledge transfer and training

Consultants can empower internal teams by providing enhanced, real-world, practical training. Many vendor-led trainings only teach "happy path" workflows and the basics users need to perform day-to-day duties. By having consultants supply more advanced training, internal staff can build confidence in what they already know while gaining the necessary tools to perform once the training wheels have been removed. This ensures employees feel equipped to manage the system post-implementation, which reduces anxiety about their future roles and helps maintain morale.

5. Proactive change management

Effective consultants incorporate change management strategies, emphasizing transparency, communication, and employee engagement. When internal team members can get a clear picture of what their work life will look like post-implementation, it dispels fears of layoffs. With layoff fears removed, internal team members will be more engaged, strive to gain knowledge, and morale will increase.

Safeguarding morale during an implementation

Case study #1

Background: A healthcare system with one hospital and 83 clinics undertook a full electronic health record (EHR) implementation. Concerns arose related to job security, resulting in deteriorating morale. Internal team members were concerned their skills would not transfer. Leadership was concerned that team members would exit due to the uncertainty in their future.

Approach: Consultants were thoughtfully placed into specific roles where they would have the greatest impact. Consultants were placed into leadership (two-in-the-box), analyst, training, and project management roles. A blended approach of 40% consultants and 60% internal team members was achieved.

Case study #2

Background: A healthcare system with 4 hospitals and 133 clinics undertook a full electronic health record (EHR) implementation. Concerns arose related to job security, resulting in deteriorating morale. Internal team members were concerned their skills would not transfer. Leadership was concerned that team members would exit due to the uncertainty in their future.

Approach: Leadership made the decision to take on the implementation with internal team members only. No consultants were brought on to the project as the cost was felt to be prohibitive.

Results side by side

Outcome	Case study #1: blended team	Case study #2: internal team only
Timeline and scope	The project was completed on time with product deliverable surpassing MVP requirements.	Project was delayed by 8 months with many product deliverables moved to an optimization timeframe.
Workforce	No layoffs occurred post-implementation.	30% of internal team members exited the organization before the delivery date. This resulted in the need to backfill roles, causing extensive delays. Many team members exited the organization shortly after the delivery date due to feeling burned out, frustrated, and seeing no end in sight to these feelings (based on exit interviews).
Leadership	Senior-level leaders gained trust from the CEO for a tactical approach and delivering a premium product.	The CIO was terminated by the organization shortly after the delivery date, as were two VPs.

Outcome	Case study #1: blended team	Case study #2: internal team only
Budget	Project was delivered under budget.	Project was delivered at 35% over budget.
Morale	Employee satisfaction surveys reported a 30% increase in morale compared to the pre-implementation phase.	Employee satisfaction surveys reported a 70% decrease in morale compared to the pre-implementation phase.

Cost-benefit analysis

Costs of internal-only implementation

- Decreased productivity due to staff overload
- Increased turnover from burnout or dissatisfaction
- Extended project timelines and potential rework
- Often results in leadership turnover

Benefits of using consultants

- Higher likelihood of meeting deadlines and budgets
- Avoiding 'gotchas', controlling scope, and being able to deliver product more efficiently
- Reduced need for internal overtime, preserving employee satisfaction of internal team members, reducing chances of burnout
- Enhanced skills development through training and knowledge transfer

Key recommendations

1. **Engage consultants early.** Involve consultants from the planning phase to streamline implementation and integrate change management strategies.
2. **Prioritize communication.** Leverage consultants to develop and execute a robust communication plan, addressing workforce concerns about job security and the rationale for the project.
3. **Focus on training.** Ensure consultants provide hands-on training, enabling employees to adapt to new systems confidently.

4. **Measure success holistically.** Evaluate project outcomes not just on timelines and budgets but also on employee morale and retention.

Choose your partner(s) wisely

Not all staffing vendors are created equal. Many serve as 'body shops' and allow your organization to choose consultants that they can offer. The problem with this approach is that most organizations lack the expertise to choose the best consultant for the project. That's why it's important to not just choose a staffing vendor, but a true partner with a thorough vetting process that leverages industry experts with up-to-date knowledge. A partner that has a pulse on your organization's unique culture and will take this into consideration when vetting candidates. The only thing worse than not having consultants on the project is having consultants that don't align with your culture.

Things to look for in staffing partner(s):

- **Quality not quantity:** A good staffing vendor will present you with 2-3 candidates for each role, not 30
- **Vetted for your needs:** Thorough candidate vetting process with up-to-date industry knowledge
- Many staffing partners have former employees from the vendor you're implementing; however, their industry and system knowledge is no longer relevant to current best practice(s)
- **Verified success stories:** References from other organizations that have leveraged their services for at least one year

Conclusion

System implementations are pivotal for organizational progress but can negatively affect morale if not handled thoughtfully. Bringing in consultants is a strategic investment to manage these challenges. By ensuring a smooth, efficient implementation process, consultants can safeguard the workforce from undue strain and foster a culture of trust, collaboration, and stability. Investing in external expertise is so much more than a technical decision. It's a commitment to the well-being and future of your people.

About the author

Christopher Gudding's passion for protecting workforce morale and driving successful transformations stems from nearly 20 years of leadership in large-scale implementations. He combines people-focused strategies with technical expertise, ensuring efficiency while fostering cultural stability. With a track record that includes 45 hospital systems and over 2,000 clinic implementations, Christopher excels at aligning operational goals with positive organizational outcomes.

How Spark helps

Spark helps health systems staff implementations in a way that protects their own teams. That includes consultants for leadership, analyst, training, and project management roles, backfill staffing during the transition, communications and change planning, and at-the-elbow and adoption coach staffing. Together, our leaders have supported implementations across more than 100 hospitals and 5,000 clinics.

Planning an implementation? Start a conversation.