



Centre for Productivity and Health Human Resources

WORKING SMARTER, NOT HARDER

About the Centre for Productivity and Health Human Resources

The key to a high quality of life and financial success is strong productivity. Unfortunately in Canada, over the last decade productivity levels have fallen relative to other OECD countries. The greatest challenge facing Canada is our dismal performance on productivity from a historical and international perspective.

Health care makes up approximately 10 percent of the Canadian economy, but little is known about productivity in health care. Some have argued that productivity in health care has declined significantly over the last decade, although there is much debate over this assertion.

There is near consensus that the health care system in Canada is not sustainable as presently organized. It is estimated that the impact from health system inflation, ageing, increasing utilization and looming health human resource shortages will make the health care system unsustainable in slightly less than a decade – if not sooner.

Raising the productivity of the health care system will ensure its long-term survival.



What Is Productivity and Why Is It Important?

Productivity is defined as the output per unit of input – it is a function of how quickly and how well we do things. Most experts talk about productivity in terms of labour productivity – the quantity of output per unit of time; this is a particularly relevant metric in health care since approximately 70 percent of the cost of health care is attributable to labour or health human resources.

A review of productivity drivers in health care shows that there is a lack of investment in training and development, and information and communication technology; a weak innovation environment; and little or no competition in terms of funding, delivery and governance.

Measures of productivity have been developed and used in the general economy since Confederation. Health care is only now discussing its relevance, applicability and utility.

The unit of output is very difficult to measure in health care. Some use the number of patients seen per hour; others prefer to include the use of quality measures, such as mortality or morbidity rates or standard outcome tools such as an SF36. Whatever the measure, a great deal more study, analysis and discussion is required.

A recent Canadian Nurses Association report estimated that increasing nursing productivity by one percent per year would reduce the nursing shortage by about half. So why not double it?

It is critical, however, to emphasize that productivity does not mean working harder. It means providing support and the tools necessary to help workers work smarter, not harder.

“If labour productivity growth equals or exceeds 2.0 per cent per year over the next 50 years, any financial burden arising from the aging baby boom cohorts becomes much easier to manage.”

Andrew Sharpe, 2007



The Purpose of the Centre

The Centre for Productivity and Health Human Resources (CPHHR) is an inter-sectoral, interdisciplinary network of leaders focused on ways to advance the importance of productivity in health care in Canada.

The purpose of CPHHR is to develop and exchange expertise, knowledge and better practices in health human resources with an eye to define, measure, track and manage productivity in health care. This

happens through the sharing of perspectives, the development of focused research designed for maximum impact and the timely exchange of relevant information.

CPHHR meets three times per year. Members are regularly introduced to leading practitioners, researchers, administrators and experts as a way to engage the group in focused discussion. The resulting dialogue stimulates learning and creates new knowledge through the member-driven research agenda.

Each year, the network may embark on a study tour of a selected better practice organization or jurisdiction to learn about and share emerging productivity concepts and ideas.



CPHHR Member Benefits

Canadian Policy Research Networks (CPRN) has a history of bringing leaders together to share and shape better policies and practices, facilitate knowledge exchange and create new ideas. Members of the Centre will also benefit from the objectivity and track record of CPRN on the issues of productivity and health human resources.

Canadian and international experts will help keep members up-to-date with the latest information. CPRN's reputation of delivering high quality research will ensure credibility, uptake and positive impact from Centre products and services.

CPHHR will give its members an opportunity to:

- Engage in open and confidential discussion with peers;
- Influence the direction of policy in this growing area by being the first to address health human resources productivity in a strategic fashion;
- Develop original research in the area based on the shared interests of network members; and
- Collaborate with others leaders in the area of health human resources and productivity from an inter-sectoral and interdisciplinary perspective.

"...the vast majority of productivity studies in health care do not address health outcomes; at best they measure activity."

Evans, Schneider, Barer, 2009

Potential Areas of Focus

Key areas that CPHHR may explore include:

- How would we go about defining, measuring and tracking productivity in health care?
- How would we use productivity measures to better manage health human resources?
- What is needed to deliver on a two percent productivity target for health care? What would the strategy look like?
- How do we create greater buy-in for productivity improvements in health human resources?

- What measurements of physical capital, human capital, technology and innovation, and competition are most suitable for health care?
- How do issues of employee satisfaction and engagement relate to productivity and sustainability in health care?
- What productivity tools, such as Lean and Six Sigma, are appropriate in health care and how should we best use them?
- What is the return on investment for research in the areas of productivity and health human resources?



For more information on the Centre for Productivity and Health Human Resources, contact:

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Leaders in socio-economic policy research and engagement

Who Should Join?

- Federal, provincial and territorial governments
- Regional health authorities, local health integration units and health services boards
- Hospitals and other care facilities
- Health professional associations and organizations
- Universities and leading health academics
- Research networks and institutes
- Health information organizations
- Patient advocacy groups and other organizations interested in ensuring the sustainability of our health care systems