



## Talking Quality and Learning with Stephanie Mercado

### Leading Learning Podcast Transcript for Episode 310

Stephanie Mercado (00:00):

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Celisa Steele (00:24):

I'm Celisa Steele.

Jeff Cobb (00:26):

I'm Jeff Cobb, and this is the Leading Learning Podcast. Welcome to episode 310, which features a conversation with Stephanie Mercado. Stephanie is CEO of the National Association for Healthcare Quality. NAHQ believes that workforce readiness is the key to delivering on quality, safety, and value in healthcare. NAHQ supports individuals, organizations, and higher education with competency standards for quality and safety, along with assessments, coaching, and upskilling.

Jeff Cobb (01:01):

Stephanie and Celisa talk about competency frameworks, certifications, workforce development, partnerships with employers in academia, the importance of not jumping to solutions but clearly identifying and sitting with a problem to be solved first, and the value in asking, "If your organization ceased to exist tomorrow, would anyone start the organization again and why?" Stephanie and Celisa spoke in May 2022.

Celisa Steele (01:33):

Now, given our focus at Leading Learning, I definitely want to talk about the role that NAHQ plays as a training and credentialing organization. But, before we get to that, you are a membership organization. You're an association that serves the interests of people in a specific industry, in that quality industry. I'm curious to get your perspective on the role that associations play in society.

Stephanie Mercado (01:59):

Absolutely. I think associations play a critical role in society and are really a foundational underpinning element to the success that we have in all of the industries that are represented by

your audience. The thing that's really special to me about working in an association is that the role of the association is really grounded in the word itself, which is to associate, right?

Stephanie Mercado (02:26):

When people either start associations or become a member of associations, they're really coming to them in a "help me help you help me" situation and really understanding that they're coming together as a community to really educate, sometimes certify and advocate for the work that the individuals within those associations are responsible for.

Stephanie Mercado (02:53):

When I think about industries across all disciplines, I really think about the fact that it's people helping people, and that I don't know of an industry in business that doesn't have a corresponding association to go with it because that's how people support each other to do their best work.

Celisa Steele (03:14):

Well, I like that idea of the mutuality of it, and everyone helping everyone and then thereby improving society in whatever specific industry or profession is being served. I know that NAHQ offers the Certified Professional in Healthcare Quality certification, the CPHQ. Would you share a little bit about the backstory on that certification, how it came to be and why it came to be?

Stephanie Mercado (03:42):

Sure. As I talk about the certification, I feel like I need to just give a little backstory on maybe the beginnings of the profession of healthcare quality too because they're completely related. Let me take you back to 1965, when Lyndon B. Johnson signed Medicare into law. When that happened, the federal government became the single largest payer of healthcare expenditures.

Stephanie Mercado (04:08):

About 10 years after the signing of that law, there was discussion about how expensive it turned out to be to pay for healthcare to the Medicare beneficiaries. And, as a result of that, the federal government started to pursue a line of inquiry to say, "Geez, what are we paying for? And is it any good? What are we getting for the spend?" That really was the realization that there needed to be some type of—they called it quality assurance back in those days—quality review, understanding utilization review.

Stephanie Mercado (04:45):

What is going on, and is it adding value? At that time, that was really when the profession of healthcare quality was born, which was in 1976. What happened, sort of true to the story, it follows the pattern of every association that has ever come into existence, where a group of people who were like-minded and working in a similar workspace said, "Oh, geez, we've been tasked with doing this quality assurance thing for healthcare, and we need to figure out how to do that." There's no training on how to do that.

Stephanie Mercado (05:17):

There's no workshops to go to. It's a brand-new thing. Together, we need to figure out how to do our best work. That was really when the association formed was 1976. It started by, again,

that people-helping-people notion, which is the reason associations are in existence in the first place. It also began with some education, right? They started to help—"I know how to do this. Let me teach you. You know how to do that. I'd like to learn."—and really supporting each other.

Stephanie Mercado (05:45):

Around 1983, those same group of people said, "You know, we actually have a skill here, and we have learned how to really get into the quality assurance space and really understand it." They decided to create a certification so that if other people wanted to do it too and carry that badge of honor with the CPHQ that they could as well. That's really how that started. I will say that the certification has absolutely stood the test of time.

Stephanie Mercado (06:16):

Because, since 1983, we have made sure that it has kept up with what was going on in the industry and today has evolved far beyond the notion of quality assurance and is really focused on quality and safety broadly, which today includes topics like health data analytics, performance and process improvement, population health, quality leadership and integration, quality management, regulatory and accreditation, and more.

Stephanie Mercado (06:45):

The certification really was born out of the need for this whole profession to emerge as a result of the federal government really putting their arms around healthcare back in the '60s.

Celisa Steele (06:55):

Well, thank you for that history, the background there. That's very instructive to know that. While we're going through some dates, when did you join NAHQ? When did you come on?

Stephanie Mercado (07:06):

I began working at NAHQ in December 2013. I've been at the organization about eight and a half years now.

Celisa Steele (07:14):

Let's talk a little bit more broadly about the portfolio of offerings that NAHQ has out there. You have products to help individuals prep for that CPHQ certification. You have a certificate, with an E, not an N. You have a journal. You have a lot more, I'm sure, than even those things. I'm just curious to know how does NAHQ go about figuring out the needs and wants of the market and then determining what to build and what to offer?

Stephanie Mercado (07:47):

Great question. Where we come in on this is maybe a little bit different than how some organizations think about how they would go about deciding what their learning portfolio is going to be. The way that we do that is that we actually come from a position of what problem are we trying to solve. We actually don't set as a goal at NAHQ to create learning or to create certifications, although we do have learning and certifications. What we aim to do is to support the workforce and help people advance their careers.

Stephanie Mercado (08:21):

Our mission is really more about preparing the profession to do its best work and unleashing human potential to make healthcare better. Ways that we go about that and trying to figure out what is the need in the market, what problem are we trying to solve, certainly we go through many techniques to assess the market.

Stephanie Mercado (08:44):

I would say that would include things like environmental scanning with customers but not to figure out what they need to learn, more to figure out what problems they need to solve, which may be supported through learning. We spend a lot of time looking at healthcare trade publications and figuring out what are some of the macro trends in healthcare and what do people struggle with and how could we help them.

Stephanie Mercado (09:10):

We also engage our Strategic Advisory Councils, which is a part of NAHQ's governance structure, which is sort of a built-in focus group for NAHQ with some really strong leaders who are helping us identify what the needs are in the market. And then, of course, we do some traditional market research. But all of this is done from the perspective of not to figure out what course we develop next but to figure out what problem needs to be solved in the market, and then how might education, training, or certification support that effort.

Jeff Cobb (09:50):

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Celisa Steele (10:18):

I know that one of the things that NAHQ has really spent a lot of work on, invested in heavily is developing the Healthcare Quality Competency Framework. I'm guessing putting that together was a lot of work. How did you approach creating that framework? And then how do you go about that work of maintaining it?

Stephanie Mercado (10:40):

Yeah, it's a wonderful resource, and I'm really proud of the competency framework that we created. I'll go back to when you say how did we create it. I can talk to you mechanically about how we did that. I want to stop for just one second though and say go back to what was the problem we were trying to solve for. When we developed the framework, it wasn't necessarily because anyone came to us and said, "We really need to develop a Healthcare Quality Competency Framework," right?

Stephanie Mercado (11:06):

Nobody had that idea before we understood what the problem was, right? The problem was that, since 1965, when Lyndon B. Johnson signed to Medicare into law, and then 10 years after that, when the government decided to start really understanding the expenditures and the quality and the value that was coming out of that over the next several decades, healthcare

quality competencies and skills had been developed on the fly at a local level without the benefit of a standard.

Stephanie Mercado (11:37):

So it was great that NAHQ, that started in 1976, had a bunch of professionals coming together, help me help you help me, right, through that association network, through the certification. But, in fact, there was a lot of building, like I said, on the fly at a local level without the benefit of a standard. Most people came into healthcare quality because they were really good at something else. And then they were assigned to the quality role. You're a great nurse. How about you run quality?

Stephanie Mercado (12:05):

You're a great physician. How about you run population health, right? People have been put in roles that they have a lot of adjacent skills that would be helpful for, but they didn't have the skills to actually deliver on quality, safety, and value, those underpinning nonclinical competencies. What we did is said, "Okay, well, let's define what those competencies are." We went through a process where we engaged... It started first with a Delphi panel, thought leaders, to say, "What's the landscape we're talking about here?"

Stephanie Mercado (12:37):

And, in doing that, we were able to come up with the eight dimensions that are in our Healthcare Quality Competency Framework, again, including things like health, data analytics, population health and care transitions, quality review and accountability, performance and process improvement, et cetera. Once we had those, we said, "Okay, what goes underneath of those?" Within each of those eight domains, we have competencies, and the total across all eight domains is 29 competencies.

Stephanie Mercado (13:06):

After we got done with that, we said, "Okay, so now we have the areas, the domains, and we have three, four, five competencies under each of those areas, but what are the skills? What do people need to know how to do in those areas?" Right? So then we looked at a level deeper and created foundational, proficient, and advanced level skills so that it was clear what the work was. When we were done, we had 486 skills stratified against the foundational, proficient, and advanced levels.

Stephanie Mercado (13:37):

The framework, what it does is two things. Number one, at the end of the day, it really solves for that problem of having healthcare quality being built and defined on the fly at the local level without the benefit of a standard. The competency framework outlines all the things that should be present in a high-functioning quality organization, soup to nuts. What it also does is gives individuals an opportunity to understand where a career path might be. No one person needs to have 486 skills, right?

Stephanie Mercado (14:10):

Most of the time when I mention the 486 skills, I have to block the exits. Everyone's like, "Oh my gosh! I'm not doing that 486-skill thing." What we say is no one person has to. That's not necessary. It would not have a good result. It does those two things: really solves for the

definition of healthcare quality broadly at an organization and then helps individuals know how to best contribute.

Celisa Steele (14:39):

Well, thank you. I'm so glad that you took it back to the problem that was being solved, that then the competency framework was the answer to that. You've mentioned career path just in what you were talking about there. You mentioned supporting the workforce earlier. Would you just talk a little bit about NAHQ's involvement in workforce development? Do you engage with employers?

Celisa Steele (15:02):

How do you engage with employers, whether that's to buy your products or potentially to help shape your products during development?

Stephanie Mercado (15:08):

Sure. Our roots at NAHQ are in being an individual membership and certification organization. Around the time I arrived at NAHQ, what we started to hear was that organizational leaders really needed help training their teams. We started to explore the option of maybe we could do some of this training on scale. The market was quite interested in that training. But one of the problems with it is that very often the healthcare leaders would not even know where to start with the training.

Stephanie Mercado (15:40):

They're like, "Well, how do I even know what my people need?" They're like, "Oh, geez, that's a whole other layer that we need to kind of understand." Again, because we aim to understand the problems in the market, we said, "Well, how would we figure that out?" What we did is we went to the Healthcare Quality Competency Framework, and we said, "I think what we could do is actually create an assessment around this framework."

Stephanie Mercado (16:04):

It wouldn't be assessing the skills or competencies that the individual had, but it would ask them, "What work do you do here at your organization in relationship to the competency framework?" They would go through a subset of those 486 skills, and they would do an assessment. They would identify the type of work that they were doing.

Stephanie Mercado (16:23):

On the back end, we're able to look at that work that they're doing and put them into categories of the foundational, proficient, or advanced levels, or there's an option for them to say "NA, I don't do any of those things." What we're able to produce is a very robust reporting package built on a Power BI platform, where the leader of an organization who's focused on quality can go in and say, "Okay, from a big-picture quality perspective, are my bases covered?"

Stephanie Mercado (16:53):

The answer is always "No, not exactly how I wish they were covered would be covered." We're also able then to drill all the way down into departments, regions, individuals and really identify who is doing what work and what is the delta between the work they're doing and the

work that the employer wants them to be doing, and then how do you close that gap. Is it with skilling? Is it with mentoring? Is it with some type of coaching, et cetera?

Stephanie Mercado (17:22):

We're going into healthcare organizations for the first time ever solving for that challenge, which has been created by not having that standard and creating things on the fly, local level, without the benefit of that standard. That assessment has been hugely valuable and so is the support that we also offer through what we call a NAHQ Navigator.

Stephanie Mercado (17:44):

We actually assign a NAHQ Navigator to our organizations to walk with them step by step through this journey to assess the team's plan for career pathing and progressing through their careers and then making sure that they're getting the proper upskilling that they need. We call that solution Workforce Accelerator.

Celisa Steele (18:06):

Well, it sounds like a really compelling package because it does take that big-picture view of both the organization, the department, the individual level, and then it marries that up with these practical next steps, how to actually address those gaps. How long have you had that product out there? The NAHQ Navigator, which is part of the Workforce Accelerator? Is that a relatively new edition, or has that been out there for a while?

Stephanie Mercado (18:31):

We actually piloted the concept of Workforce Accelerator in 2020. We started that in February right before the pandemic hit in the U.S. We did proceed with our pilots. We piloted an early version of Workforce Accelerator in 2020. It was very successful, and we also learned a lot through that process.

Stephanie Mercado (18:51):

We also got a lot of interest from the stakeholder groups that actually participated, so much so that two of the three client sites that we worked with, their points of contacts, their leaders of quality, actually said, "I want to come work at NAHQ and do this for the United States of America. We want to do this for NAHQ domestically and even globally. We want to help build this into something that can really change how healthcare quality competencies and skills are thought about and developed."

Stephanie Mercado (19:22):

With that, in 2021, we actually did a beta launch of Workforce Accelerator. One of those individuals came on at that time to be the first leader in that space. We had launched in 2021 four betas, including the Veterans Health Administration, Kaiser Permanente, Bon Secours Mercy Health, and Valley Medical Center. Three of the four of those organizations have not only confirmed that they want to continue on with what they've started in the betas, but they actually are going to be expanding their programs with us.

Stephanie Mercado (19:58):

That's necessitated us to hire more navigators. We brought on the other individual point of contact as a navigator now for NAHQ, who participated in our pilot with us, and just added a

third NAHQ Navigator. We are in a full commercial launch of the initiative now, and I'm really excited about the impact that it's having on the leaders' ability to really support their teams and unleash human potential.

Celisa Steele (20:33):

In looking over the NAHQ Web site as I was getting ready to talk to you, it struck me that you forefront opportunities for universities right there on your Web site. Can you share with us some of your experience partnering with academic institutions, what that looks like, how it's gone?

Stephanie Mercado (20:49):

Yeah. At NAHQ, we really believe that the key to reducing variability in healthcare delivery is going to be to reduce variability in healthcare quality competencies. While the variability there shows up loud and clear in the market where we serve individuals and organizations, we really contemplated, well, what would it take to solve this problem sooner?

Stephanie Mercado (21:15):

How would we get upstream on this so that we wouldn't have an entire healthcare workforce, not only in the United States but around the world, that hasn't been built on these standards and with these competencies in the first place? We said, "Well, what if we started working with higher ed? What if we went upstream?"

Stephanie Mercado (21:37):

What that partnership looks like, a lot of higher-ed organizations in healthcare quality and also health business administration and also nursing and really any other discipline you could think of have begun to incorporate quality and safety competencies into their curriculum, which is great, but that perpetuates the problem, which is a high degree of variability in healthcare quality competencies.

Stephanie Mercado (22:01):

If we have every single profession making up their own, that doesn't work when people get to work in healthcare, where they have to work together. We said, "Well, what if we could move upstream and actually standardize some of that competency training?" We do work with nursing organizations. We work with health business administration programs. We're working with quality and safety programs. And they use our content as training.

Stephanie Mercado (22:30):

We just plug that right into their curriculum, and they follow the NAHQ standard. That takes the shape of a licensing agreement from us.

Celisa Steele (22:40):

Wonderful. I appreciate that you shared this idea of, again, what made you think about why these partnerships would make sense, that idea of going upstream and standardizing even earlier. I think that just gets back to your idea of understanding the problem and then thinking about what the solutions are, which seems to have led you to partnerships with academic institutions, higher ed.



Celisa Steele (23:02):

I'm curious to know how you approach your own lifelong learning, Stephanie. When you are thinking about how to continue to grow as a CEO, as an individual, what are some of your practices or habits or sources that you go to to help you learn?

Stephanie Mercado (23:19):

I'd say there's three categories that I pursue my professional development in. In no certain order, they would be certainly keeping up with what's going on in healthcare. Also keeping up with what is going on in learning and skilling and competency development. I think it's a really important, critical area for the future to focus on. And then also those leadership and management topics that allow me to continue to build and grow the organization.

Stephanie Mercado (23:53):

One of the practices that I have is seven days a week, around 6:00 or 7:00 in the morning, I grab my coffee and sit at my kitchen table and open up my e-mail, which includes news feeds from what are some of the best sources for all of that type of content. I spend probably about 30 minutes a day, Monday through Friday, really focusing on probably more of the quick healthcare topics, keeping up with what's going on. And then on Saturdays and Sundays, I spend a little more time than that.

Stephanie Mercado (24:25):

And then that's when I really dig into those leadership and management topics, which have a little more meat to them. I open up workforce learning reports and understand what's going on with workforce learning. That's a big way that I keep current. I'm consuming, I guess, maybe four to five hours, minimally, of content a week about the things that are most important for me to keep my finger on the pulse on with regards to advancing the business of healthcare and quality and competency development.

Stephanie Mercado (24:57):

I also have a really great network of some people that have just become good professional friends and trusted advisors. It's sort of like I would say they're my board of directors that I can draw on outside of the NAHQ board of directors, which I also draw on, that I can really tap into if I just kind of want to brainstorm something or need some support in one way, shape, or form.

Stephanie Mercado (25:20):

I sort of have this tiger team, if you will, that if I have a challenge, I can say, "Help me attack it. How am I going to get through this?" They're really great sounding boards, which I appreciate very much.

Celisa Steele (25:31):

Well, that sounds like a fantastic resource. Curious—how large is your tiger team, as you just called them?

Stephanie Mercado (25:38):

I would say I probably have five to seven people who I rely on regularly just to touch base with. And, by regularly, I mean maybe once a week I'll reach out to someone and say, "Hey, I was thinking about this. What do you think about that?" Or "I ran into this challenge. Have you

ever experienced that before? What did you do?" Things like that. About five to seven people that are in my inner circle that I really appreciate and value and trust.

Celisa Steele (26:03):

What I hear in your answers to that question about how you think about your learning and what you do to further your learning is that you're doing it on a continuous basis. It's a daily practice, the time in the morning every day, and then it sounds like even reaching out to your network, that tends to happen fairly frequently, on that weekly basis.

Stephanie Mercado (26:22):

Yeah. I would say too, one more thing that I do is...I'm a working mother of two school-age boys. The small bites, the 30 minutes, the 60 minutes, are things that I can do first thing in the morning when the house is still quiet, but also too I do keep up with reading or listening to books, business books, healthcare books, different things like that. I'm not reading as many as I would like to be reading. But, when I do that, I will often just go on a walk and just listen to an hour or part of a book.

Stephanie Mercado (26:54):

Or if I'm getting a pedicure on a Saturday or Sunday, I have my earphones in. I'm not listening to music; I'm reading. I take notes like, "Oh, that was really great. I want to remember that." I'd say it's really hard to keep up with everything that's going on in the world and in healthcare and in workforce development and learning. If you're not spending the time doing it probably 5 to 10 hours a week, I think it would be really hard to keep up with any one of those, let alone all of them.

Celisa Steele (27:23):

Stephanie, when you are thinking about the future, and I'm thinking, especially of the future for learning, what excites you? Are there trends or developments that you have your eye on?

Stephanie Mercado (27:34):

Yeah. There's a lot that excites me about learning right now. I think that one of the key things is really this notion of skills-based hiring and performance management. There's a lot of work being done, as I'm sure you know well, around really being able to identify who has what skills for the work. Employers don't have the time or the money to make bad hires and hire people who don't know how to do what they say that they can do.

Stephanie Mercado (28:05):

This validation of skills for the purpose of hiring and performance management I think is really, really interesting. I also think that all of the technology that's kind of tied up in that is really neat too. I'm really excited about that.

Celisa Steele (28:20):

Based on your experience, what advice—or maybe it could be a question to consider—what would you offer to other association CEOs or learning business leaders as they're trying to think about, "What do I need to do to be successful?"

Stephanie Mercado (28:36):

I'm a big fan of the notion that Simon Sinek brought forward, which was start with why and that people don't buy what you do, they buy why you do it. I think that the secret to make you success or the secret to my success has really been searching for those answers. Why are we here? What can we do that nobody else can do as good as us? And how can we add value to the market and solve those challenges?

Stephanie Mercado (29:05):

I remember, when I first joined NAHQ as the executive director, I heard in the interview process that the board was looking for what I would categorize as more, better, faster. But when I asked them, "Specifically, more, better, faster what?" no one could really articulate what that was. I went in search of finding out what it might be that we could do that would really add value to the market and be our differentiating value proposition.

Stephanie Mercado (29:35):

The question I asked every board member and five past presidents and everybody who happened to be on our advisory board at that time, so about 25 people, I interviewed, and I said, "If NAHQ was wiped off the face of the earth tomorrow, would anyone start this organization again and why?" And that was a question that stopped everybody in their tracks, and they're like, "Oh my gosh! I don't know. I've never thought about it."

Stephanie Mercado (30:03):

I think that when you take a breath and say, "Okay, what are we really trying to do here, and let's get consensus on what that is," it doesn't start with tactics. It really starts with the problem that you're trying to solve for. Luckily for us, what became very clear to me as I asked that question, "If NAHQ was wiped off the face of the earth tomorrow, would anybody start it up again and why?" the answer was because we're the only organization focused on workforce competencies for quality and safety.

Stephanie Mercado (30:36):

All right, then let's do more of that. Let's do that really, really well. We don't have a competency framework. We should build one. We don't have a competency-based assessment. We should build one. We don't have a way to work with healthcare organizations. We should find a way. That, I think, has been really, really important. I think that the secret to NAHQ's success and the secret to my success is to be intentionally curious and persistent and not give up because it was hard.

Stephanie Mercado (31:07):

It took a long time for us to answer that question. I had some of the people I admire and respect said, "Stephanie, I don't know why you're trying so hard. Maybe there isn't an answer." I said, "I know that there's an answer, and we're going to figure it out." And we did. We're doing great work now. I think NAHQ's in a great position in this profession. The discipline of healthcare quality is in a great position because of that.

Jeff Cobb (31:35):

Stephanie Mercado is CEO of the National Association for Healthcare Quality. You'll find a link to learn more about NAHQ in the show notes for this episode at [leadinglearning.com/episode310](http://leadinglearning.com/episode310).

Celisa Steele (31:45):

At [leadinglearning.com/episode310](http://leadinglearning.com/episode310), you'll also find a link to connect with Stephanie on LinkedIn, and you'll see options for subscribing to the Leading Learning Podcast. We would be grateful if you would subscribe, if you haven't yet, as subscriptions give us some data on the impact of the podcast.

Jeff Cobb (32:07):

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Celisa Steele (32:25):

Lastly, please spread the word about Leading Learning. At [leadinglearning.com/episode310](http://leadinglearning.com/episode310), there are links to find us on Twitter, LinkedIn, and Facebook.

Jeff Cobb (32:35):

Thanks, again, and see you next time on the Leading Learning Podcast.

*[music for this episode by DanoSongs, [www.danosongs.com](http://www.danosongs.com)]*