

## GREAT WORKPLACES

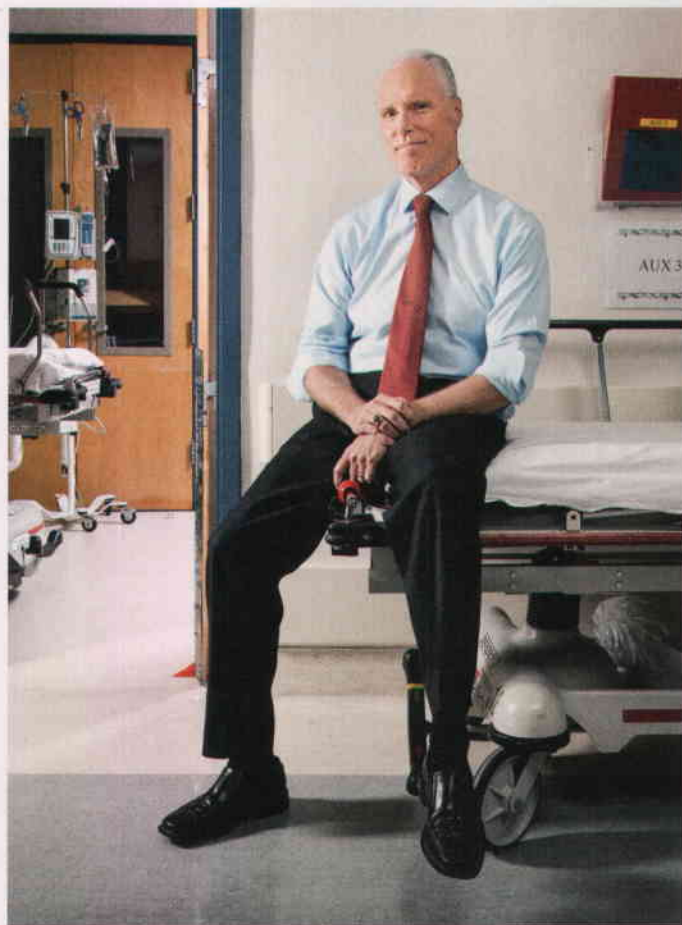
AN EX-COP  
COMES TO  
THE RESCUE

To turn around Scripps Health, Chris Van Gorder started with its employees. *by Erika Fry*

**C**HRIS VAN GORDER'S rise to the ranks of health care CEO began rather abruptly. In November 1978, Van Gorder, then a Los Angeles police officer, was rammed by a vehicle while pursuing a suspect. He spent the next year at Los Angeles Orthopaedic Hospital recovering from serious nerve damage to his back and neck, injuries that forced his retirement from law enforcement. But the incident awakened his passion for another area of public service: health care.

After his recovery, the hospital hired him as head of security. Then, after a graduate degree in health care administration and a series of hospital management positions, Van Gorder landed the COO job at Scripps Health, a struggling non-profit hospital network in San Diego. Thirty days into his stint, the board made him CEO—a bold move that would lead to a stunning turnaround.

At the time, Scripps was bleeding money, employees, doctors, and donors, and its hospitals were at war with one another (the local newspaper called it *CODE BLUE AT SCRIPPS*). Today, Scripps—a \$2.5 billion system of five hospitals and 23 ambulatory clinics—is a picture of health and the product of a turnaround



Van Gorder at Scripps Memorial Hospital in La Jolla, Calif.

**100 BEST COMPANIES TO WORK FOR (No. 43)**  
**Scripps Health**

**HEADQUARTERS**  
San Diego

**NO. OF EMPLOYEES**  
13,500

**FACT**  
The hospital system offers flexible work opportunities to retirees and seniors.

that put employees first.

How'd he do it? First, Van Gorder prioritized repairing staff relations and promoting a culture that stressed transparency and engagement. (Doctors, who were distrustful of Scripps's administrators, were invited to participate in decision-making.)

He also instituted a "success shares" program that made all employees eligible for incentive compensation (previously only top executives were eligible), and created a career center that retrains workers who might otherwise have lost their jobs. Van Gorder is strongly opposed to layoffs—he blames them on bad management—but in unavoidable cases, he says, the center has provided support, boosted morale, and saved the company money in severance pay.

The company has added nearly 5,000 employees since the dark days, and morale has vastly improved under Van Gorder's tenure. Scripps has ranked on *Fortune's* Best Companies to Work For list for three years running.

Van Gorder has been good for the company in other ways: Scripps is expanding and draws high-profile doctors, and in his biggest move yet, in 2010 Van Gorder "flipped Scripps on its side" by integrating its disparate hospitals. The move has saved some \$141 million—just as hospitals are facing reduced Medicare reimbursements and declining revenues—and made Scripps a model for hospitals nationwide. It seems Van Gorder, who still moonlights as an EMT, has come to the rescue once again. ■