

White Paper

ERA OF SHORTAGES

Nurse Staffing Strategies for an Era of Shortages

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Travel Nursing

Nurse Staffing Strategies for an Era of Shortages

Human resources professionals working in healthcare face tremendous challenges today—not least among them is the issue of nurse staffing. Nurses are the largest workforce cohort within a hospital and make up the largest staffed role in the healthcare industry as a whole, with 3.1 million registered nurses nationwide. As frontline caregivers, they are essential to hospital operations. Nurse understaffing is associated with adverse events, patient dissatisfaction, and employee burnout.

The demand for experienced RNs is growing, with the U.S. Bureau of Labor Statistics forecasting a 16 percent expansion of the job market for nurses by 2024.¹ As the market shifts in favor of jobseekers, HR departments will struggle to keep patient units fully staffed, including those units that require specialized skills and nursing knowledge. Even with solid recruitment and retention strategies in place, hospitals can come up short. It's not just about filling positions anymore, but about recruiting high-performing talent with the crucial skills a hospital needs to provide high-quality care. Workplace planning today involves understanding the factors that are creating nursing shortages and looking

for ways to fill the gaps temporarily while recruiting and training for full-time positions. The three factors every healthcare HR professional should know about are (1) retirements and succession planning, (2) turnover rates and retention, and (3) local supply and demand as it affects talent acquisition.

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NURSE RETIREMENTS ARE ON THE RISE AS PATIENT VOLUMES INCREASE

By 2030, Pew Research Center projections indicate that 18 percent of the U.S. population will be 65 or older and eligible for Medicare benefits, an increase from the 15 percent in 2016.^{2,3} An aging population means hospitals can expect increased patient volumes and a higher demand for health services. There's just one problem: Nurses are included in this aging population. By the end of this decade, more than 70,000 RNs will be retiring annually⁴ and data analysis by Rasmussen College indicates the nation will need another 1.2 million nurses by 2030.⁵

The accelerating pace of nurse retirements presents a staffing dilemma for hospitals. And it's not just about the numbers: recruiting younger nurses cannot address the knowledge gap created when nurses with 20–30 years of experience leave the workforce. The skills and competencies acquired over time by nurses in critical units (L&D, ICU, NICU, ED, CVOR, etc.) cannot be matched by recent nursing graduates.

Succession planning for nurse retirements is crucial. Hospital HR directors should know approximately how many nurses in each unit can be expected to retire in the next five years so they can budget for recruitment costs and forecast not just the number of replacement nurses needed to maintain appropriate patient ratios, but the experience and skills needed as well.



NURSING STAFF TURNOVER IS A CONSTANT CHALLENGE

According to a 2016 report, the turnover rate for bedside RNs ranged from 4.6 percent to a whopping 26.4 percent among hospitals surveyed.⁶ There are a few reasons for this trend.

As baby boomers head into retirement, hospitals are left to rely on younger generations that seem to take a different approach to their career path. Gallup research reveals that millennials are the least engaged generation in the workforce and the most likely generation to switch jobs frequently.⁷ A report issued by staffing company Leaders For Today concludes that, *"hospitals are facing unprecedented turnover and attrition, and the numbers are alarming. The turnover of people who work in hospitals is at a level rarely seen in other industries, particularly human capital based businesses like healthcare."* The related survey found that 52 percent of hospital employees under 30 have switched jobs at least once and nearly 83 percent of those under 40 have switched jobs.⁸ Clearly, this creates an added challenge for hospitals: keeping younger nurses engaged while training them to replace retiring FTEs in critical units.

Nurse turnover is damaging to healthcare organizations, in terms of costs associated with replacing the nurse and the inadequate staffing levels that result. Understaffing has long been correlated with higher rates of adverse events and patient mortality, as well as job dissatisfaction and burnout among nurses.⁹ It can become a vicious cycle: as job satisfaction plummets, nurses of all ages may opt to explore career opportunities that take them away from the bedside, e.g., telemedicine, case management, administrative roles, or jobs with payers (which are hiring nurses at rapid rates¹⁰), many of which offer more typical business hours, with weekends and holidays off. This can lead to more staffing problems, which again creates burnout, and the cycle continues.

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Even when a hospital is able to successfully recruit and hire a new nurse, the required orientation period can last up to four to six weeks—creating another staffing gap. All of these factors leave human resource administrators in need of back-up staffing plans to avoid loss of quality.

TALENT ACQUISITION DEPENDS ON LOCAL SUPPLY AND DEMAND

Recognizing upcoming gaps in nursing staff and deciding to plan for contingencies may be the easiest part of a staffing strategy. The difficult part may be successfully recruiting experienced replacements who have the right mix of skills and experience.

Next to physicians, registered nurses are the most difficult positions to recruit for.¹¹ A staffing survey of 136 facilities revealed the average time to recruit an experienced nurse varied between 55 to 119 days, depending on the specialty needed.¹² Hard-to-fill specialties (including OR, L&D and critical care) take longer to fill, averaging nearly three months. Highly specialized critical units require specific education, experience, and clinical skills for the level of care associated with the role. Over the last five years, surgical nurse positions ranked as the hardest

to fill¹². Losing an operating room nurse to either retirement or a local competitor can cause a chain reaction of events, including surgeon dissatisfaction, surgical scheduling challenges, and patient deferrals.

Critical care units are vital for hospital operations; if an ICU unit is short-staffed, the unit may not accept patients from the emergency department, keeping a patient in the ED longer, holding a bed for an additional ED admission, causing ambulances and waiting patients to change to a different facility. Hospitals also cannot risk hiring inexperienced nurses to staff critical units, as the risks for poor outcomes would be high.

Location also matters. According to the U.S. Census Bureau, 60 million people (nearly 20 percent of the U.S. population) live in rural areas¹³—where it is notoriously challenging to locate, recruit, and hire experienced nursing talent, particularly for highly specialized job roles. Yet rural populations have higher rates of accidents and injuries, as well as higher rates of multiple chronic illnesses.¹⁴ It's the age old dilemma of high demand and low supply. How can hospitals remain fully staffed, including the hard-to-fill specialties, regardless of location, while nurses retire at record rates and new nurses expect to change jobs frequently? On top of daily staffing, how can hospitals deal with unplanned census spikes resulting from events like influenza outbreaks or natural disasters?

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STAFFING SOLUTIONS: INTRODUCING A SOLUTION IN THE GIG ECONOMY

In 2017, airports, sport arenas and major tourist attractions now have visible signage for a new service unheard of less than five years ago: ride share service. Travelers can now arrive in a new city, hop on their phone, and within three taps, arrange a ride to pick them up while walking through the terminal. The fare is automatically deducted from a pre-loaded bank account and riders are notified via text the exact car, license plate and driver name for their ride. Drivers of ride share companies are not employees; they are classified as contractors. Drivers chose when and where they want to work, no set schedule, providing flexibility for those wanting a “come and go” method to employment. These drivers fall into a growing category nicknamed “gig economy”. The phrase “gig economy” has yet to be set in stone as a formal definition, but people who fall into this category work on demand, set their own hours and schedule in return for flexibility in their employment regimen. Gig drivers for ride share companies provide quality rides, clean vehicles, customer service, and undergo the same background screenings as traditional taxi companies. The gig economy mentality carries over into additional areas outside of ride share, including information technology, child care, housekeeping, writing, contracting, labor, landscaping, and more.

It's been said that today's “gig economy” favors workers who have specialized skills, deep expertise, and experience that's in demand.¹⁵ That's why so many experienced nurses are embracing the gig economy by signing on with travel nurse agencies.

Travel nursing is not a new phenomenon—hospitals nationwide have used travel nurses to fill existing staffing gaps for quite some time. In today's healthcare environment, the demand for travel nurses has increased: Staffing Industry Analysts reported travel nurse revenue grew by 23 percent in 2016.¹⁶ This is no surprise,



considering that hospitals searching for temporary staffing solutions can gain operational flexibility through the use of travel nurses, while simultaneously preserving their commitment to quality patient care.

As the pioneer and industry leader in Rapid Response® nurse staffing solutions, Fastaff has been delivering nurses in ten days or less for more than 25 years. With a deep database of experienced nurses in hard-to-fill specialties, Fastaff differs from traditional travel agencies by guaranteeing coverage in even the most critical units. This allows hospitals to avoid long delays during recruitment searches by supplementing existing staff with a short-term, highly qualified Fastaff nurse.

Fastaff's Rapid Response® staffing solutions offer several advantages not found among other travel nurse agencies.

- **Time to fill:** One call to Fastaff results in instant action. An in-house team of experts can address all staffing issues with urgency, often providing qualified candidates for initial review within two days. Fastaff's guaranteed-delivery promise enables hospitals to keep all units operating at full capacity, including highly specialized critical units. While a hospital is recruiting for a hard-to-fill specialty, Fastaff can deliver instant relief with a skilled travel nurse.
- **Flexible-length assignments:** Hospitals can utilize Fastaff nurses only for the time needed, without being locked into a traditional 13-week assignment. Once a full-time employee has been recruited and hired, the Fastaff nursing assignment can be cancelled within a four-shift notice for no penalty fees. Alternatively, if recruiting a replacement takes longer than originally planned, hospitals can easily extend the Fastaff assignment.
- **Rural area recruitment:** Fastaff has a track record of successfully placing travel nurses in over 900 client facilities of all sizes, in all locations. Fastaff nurses can be deployed to rural hospitals, for flexible-length assignments, while long-term recruitment efforts are underway.

Fastaff understands the dilemmas facing hospitals today in terms of recruiting and retaining nurses and the risks associated with nurse short-staffing. Adding experienced nurses to the core staff not only provides continuous, high-quality care, but helps to prevent burnout dissatisfaction among existing nurses—thereby breaking the cycle of turnover caused by job dissatisfaction. Fastaff is poised to support both clinical outcomes and the hospital's bottom line by creating an optimal staffing plan. Our in-house experts will recommend opportunities to meet quality and financial objectives by analyzing patient volume for ideal contingent staffing levels.

Start the conversation today by emailing HelpNow@Fastaff.com.

Hard-to-Fill Specialties

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|---------------------------------|---------|----------------------|
| ✓ NICU
Including
NICU III | ✓ OR | ✓ Cath Lab |
| | ✓ ED | ✓ Pediatrics |
| ✓ L&D | ✓ CVOR | ✓ Ped ER |
| ✓ PICU | ✓ CVICU | ✓ Case
Management |
| ✓ ICU | ✓ ENDO | |
| ✓ ER | ✓ HEMO | |

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Cheryl Myrick

With more than 20 years of experience, Cheryl Myrick is well-versed in all aspects of human resources, including talent management. Cheryl began her career as the corporate recruiter responsible for staffing 40+ locations when unemployment was approximately 3%. As critical team member to several fast growing companies, Cheryl played a key role in hiring and retaining top talent. Cheryl is certified in Korn Ferry's suite of tools, including competencies, interviewing and high potential performer identification.



Kathy Kohnke

With more than 17 years of experience as a former buyer of hospital contract labor, Kathleen Kohnke understands the importance of having a comprehensive emergency management plan ready to activate. Kohnke currently builds staffing strategies for hospital clients nationwide as Fastaff's vice president of client services. She's ready to be your trusted partner in contingency planning.





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