

SO, IS THERE A NURSING SHORTAGE OR NOT?



ALABAMA HOSPITAL
ASSOCIATION

FEBRUARY 2,
2019



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The Nursing Shortage

Where are we?

How did we get here?

Where are we going?

Solutions/Discussion



What does the data tell us?

Sometimes data is reassuring,
sometimes it is troubling,
and sometimes.....
it completely contradicts itself.



This much is clear:

- Nursing continues to be one of the **most in-demand** professions today.
- Nursing continues to be the **most trusted** profession in America.
- There is a wealth of research showing a direct correlation between **adequate staffing of quality nurses and positive patient outcomes.**

For all of those reasons...

We need to understand facts about current and future availability of registered nurses.

And that's where some of the statistics and projections make the picture a little less clear.

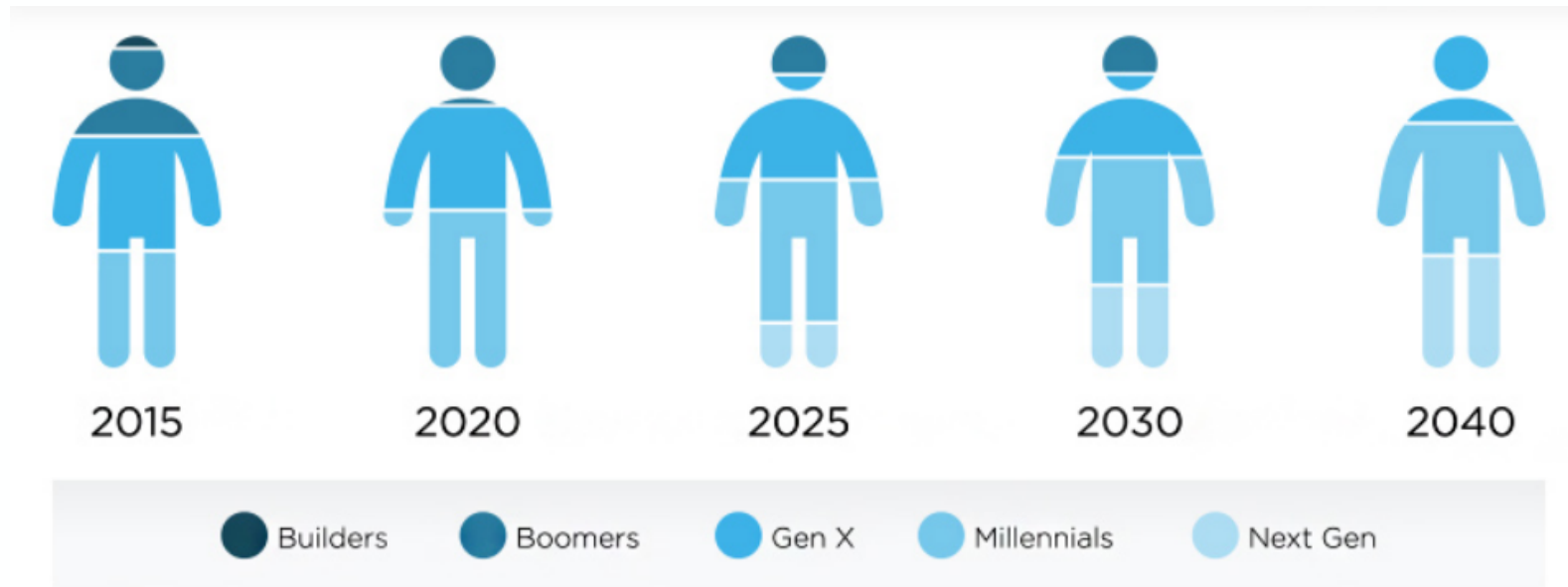


Nursing Shortage

Where are we?



A multi-generationally diverse workforce



Source: US Census Bureau, 2015

For the first time in history, we are seeing 5 generations together in the workforce.

Millennials: The Unforeseen Generation That Will Lead Healthcare Transformation
Thomas Jefferson University Hospitals (Joseph Anton, MSN, RN & Kristi Caldararo, MHA)

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“

Only 5% of companies tailor their recruiting efforts to a multigenerational workforce.

”

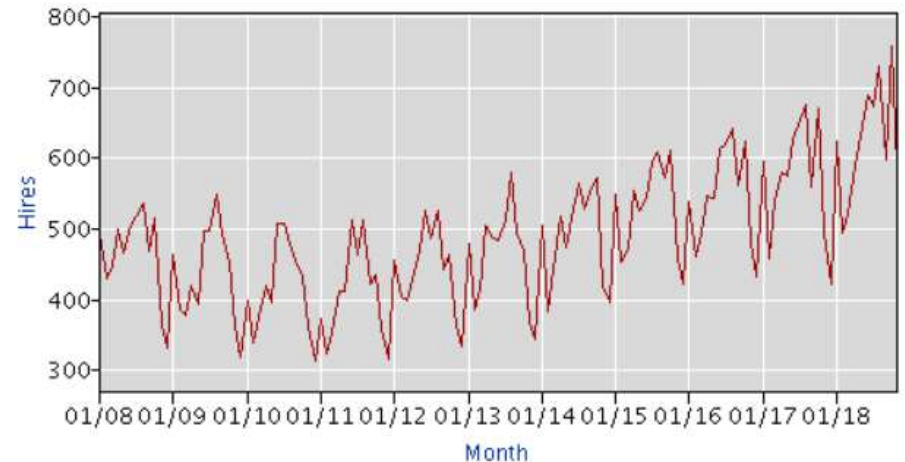
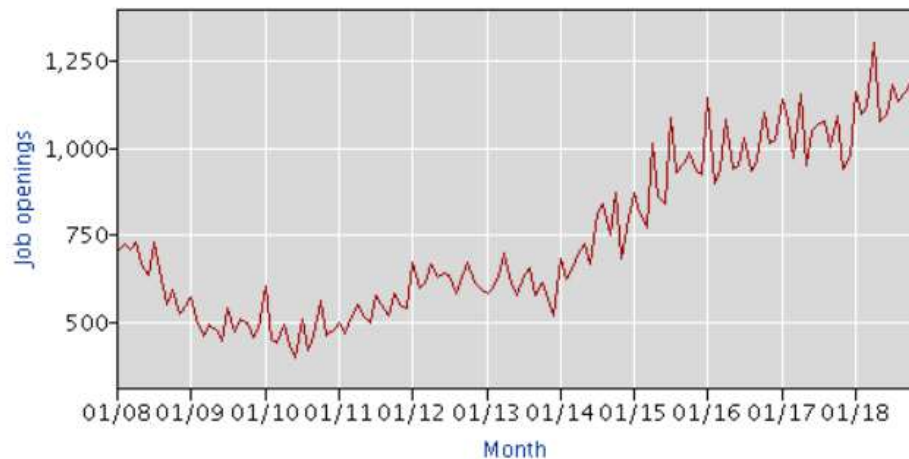
Korn Ferry - FutureStep

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Demand continues to outpace supply

Healthcare & Social Assistance

Job Openings & Hires (in thousands)

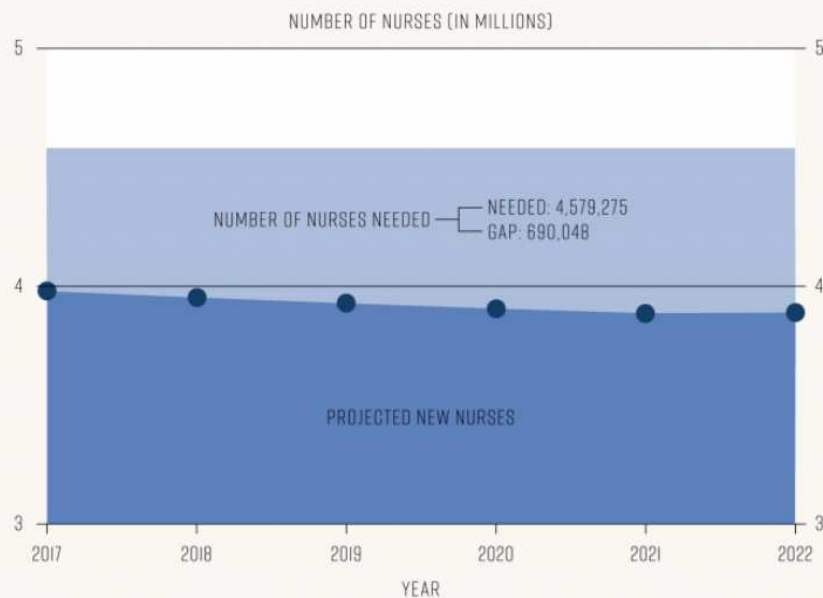


Source: www.bls.gov/iag/tgs/iag62.htm#about

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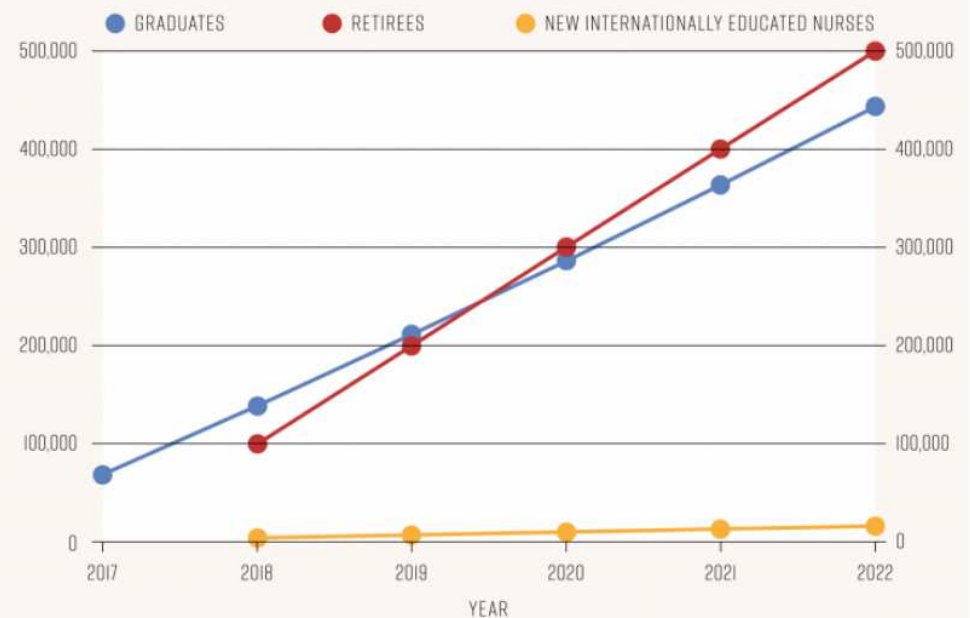
New grads are on the rise, but it's not enough

THE US NURSE SHORTAGE 2022



SOURCE: SUNBELT PROJECTIONS BASED ON AVERAGE ANNUAL INCREASES FROM ANA, NCSB AND AACN. FOR INFORMATION ON METHODOLOGY VISIT THE SUNBELT STAFFING BLOG.

RETIREMENTS, GRADUATES, AND FOREIGN NURSE PROJECTIONS 2017-2022

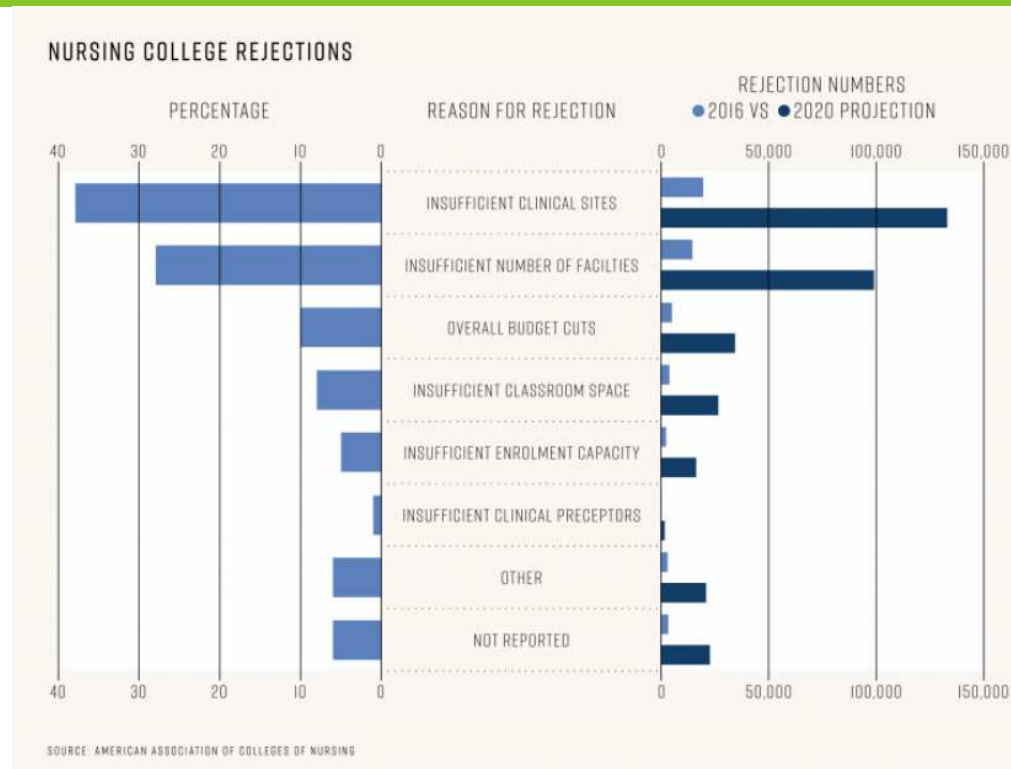


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Source: blog.sunbeltstaffing.com/nursing/the-future-of-us-nursing-a-690000-staff-shortage/

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Qualified applicants are being turned away



Source: <http://blog.sunbeltstaffing.com/nursing/the-future-of-us-nursing-a-690000-staff-shortage/>

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Did you know?

2,995,200

Current number of RN jobs

2,906,840

Number of currently licensed RNs

**So, a deficit of only 88,360 RNs,
right?**

“

In the **July/August 2009** edition of Health Affairs, Dr. Peter Buerhaus found that “despite the current easing of the nursing shortage due to the recession, the nursing shortage is projected to grow to **260,000** Registered Nurses by **2025**”.

”

Peter I. Buerhaus, PhD, RN, FAAN, FAANP(h), is Professor of Nursing and Director, Center for Interdisciplinary Health Workforce Studies, College of Nursing, Montana State University

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And now for the rest of the supporting facts

- 21% of licensed RNs are not engaged in patient care
- Resulting in an actual deficit of nearly 700,000 RNs
- 1,090,000 RN vacancies projected by 2022
- **More than twice** the deficit of the last nursing shortage

(and 4 times the prediction of Dr. Peter Buerhaus, in 3 years less time.....)

“

*For every vacancy filled,
two or more positions come open.*

*Julie Hill, Recruitment Coordinator for Tideland
Health, President of the National Association for
Health Care Recruitment*

”

Nursing Shortage

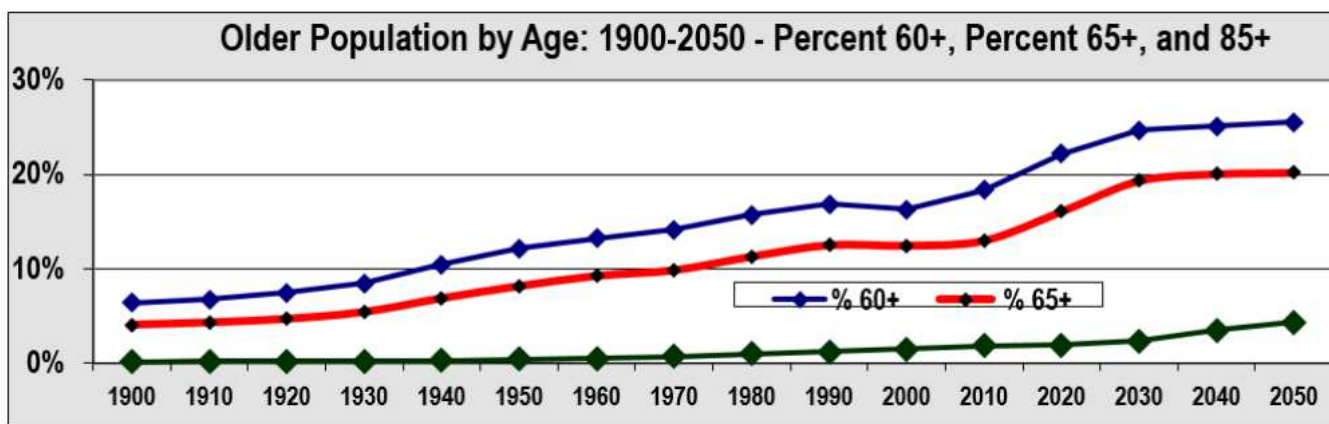
How did we
get here?



Factors contributing to the nursing shortage

- Aging population
- Rapidly changing economy
- RN's are retiring at a faster rate than we are graduating new RN's
- New grads leaving the profession (as quickly as they arrive...)
- Staff burnout (understaffed, overtime, lack of work/life balance)
- Opportunities outside of the traditional “four walls” of a hospital
- Expanding roles requiring new skills (technology, collaboration)

Population aged 85 and over: 1900 to 2050

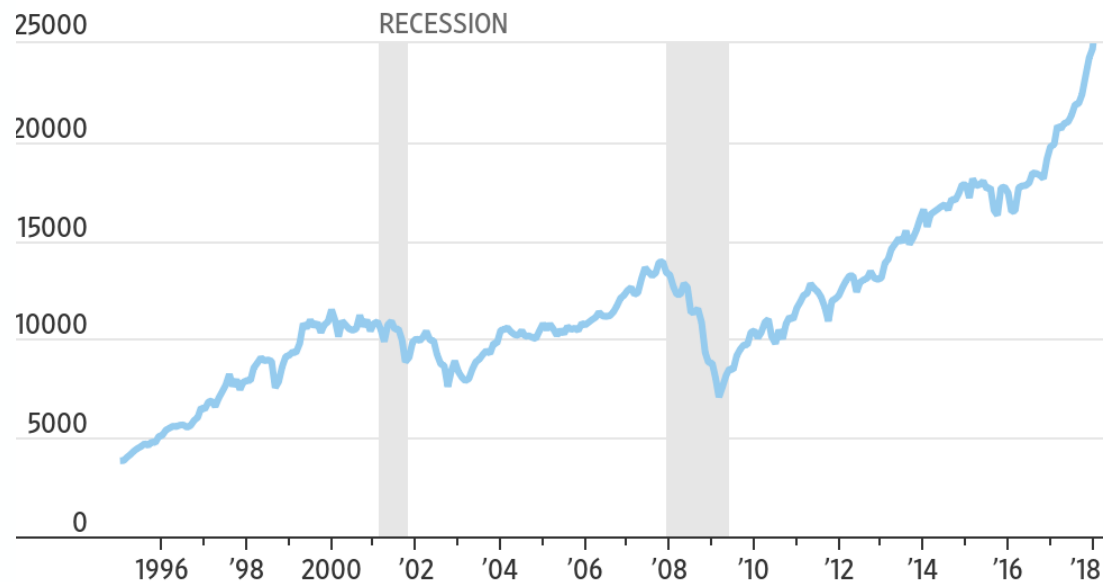


USA : Older population by age – 1900 to 2050

This graph shows the increase in the percent of the population 60+ from 6% in 1900 to 16% in 2000 and projected to be 25% in 2030. It is likely to reach 26% in 2050.

The economy and the retirement rollercoaster

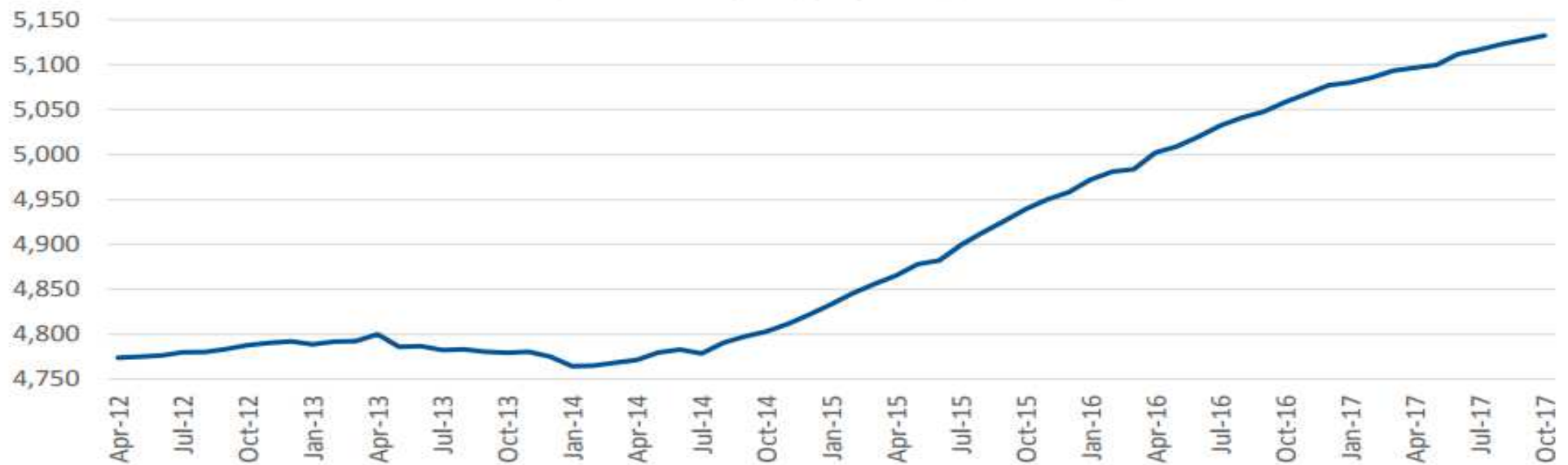
Dow Jones Industrial Average, monthly



Source: WSJ Market Data Group

354,000 jobs added in the last 3 years

US Hospital Industry Employment (Thousands)



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Source: US Bureau of Labor Statistics

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Your competition is not your only competition

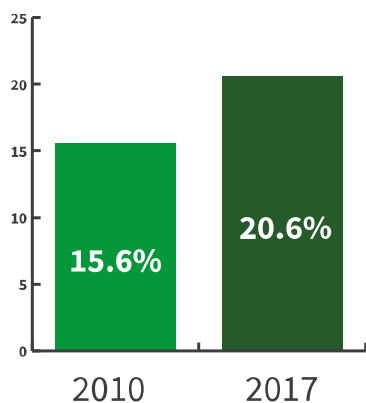
- Increased competition for “hospital” talent (surgery centers, retail clinics, technology and pharmaceutical companies, etc.)
- New jobs that didn’t exist 10 years ago (chief safety officer, chief quality officer, chief health population officer, etc.)
- The elephant in the room: **Turnover**

Source: Economist Intelligence Unit (EIU) survey— sponsored by Prudential—of more than 300 hospital executives



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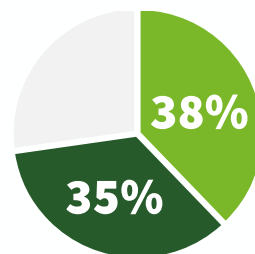
Turnover: The growing staffing issue



The average turnover rate among healthcare workers

#2

Healthcare ranks second only to the hospitality industry in turnover.



38% of nurses say they often feel like resigning from their current job, and 35% would if they could.



18% of newly licensed nurses leave their first job within a year



34% leave within two years

Sources: CompData 2017 Healthcare Compensation Survey & 2017 Survey of Registered Nurses

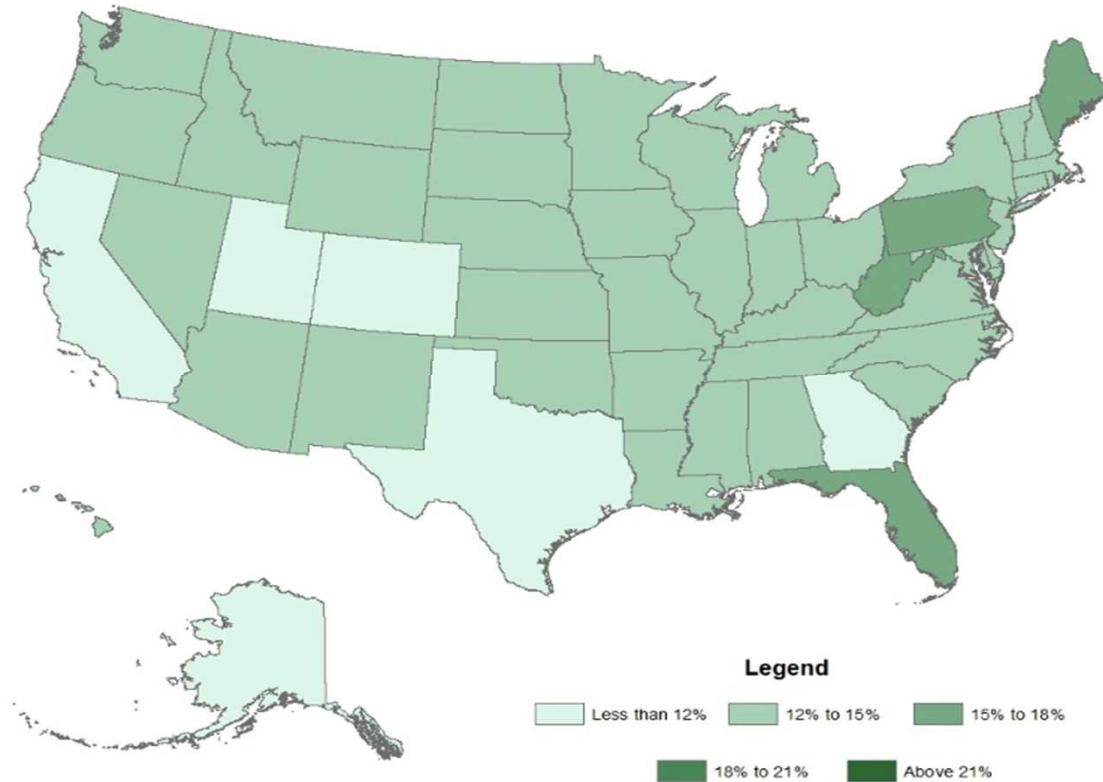
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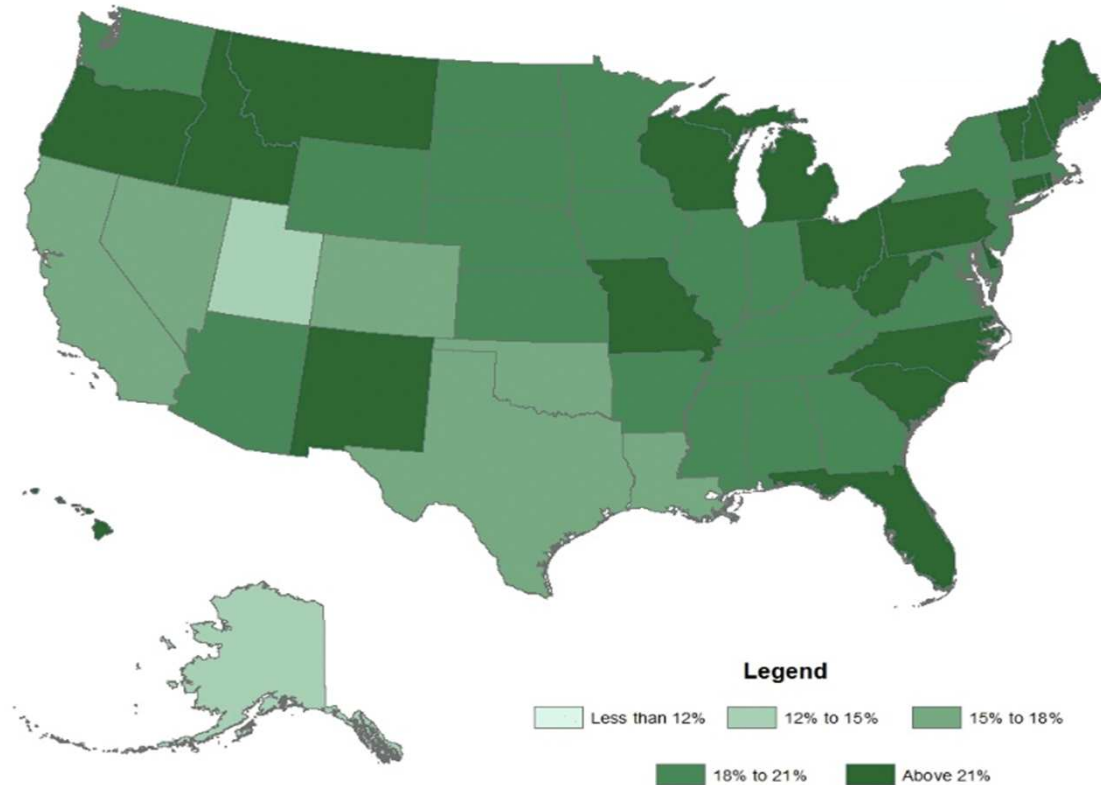
Where are we going?



Aging US Population Over 60 - 2010



Aging US Population Over 60 - 2040



2017 HRSA Health Workforce Report

Top 5 states projected to have greatest RN shortage by 2030

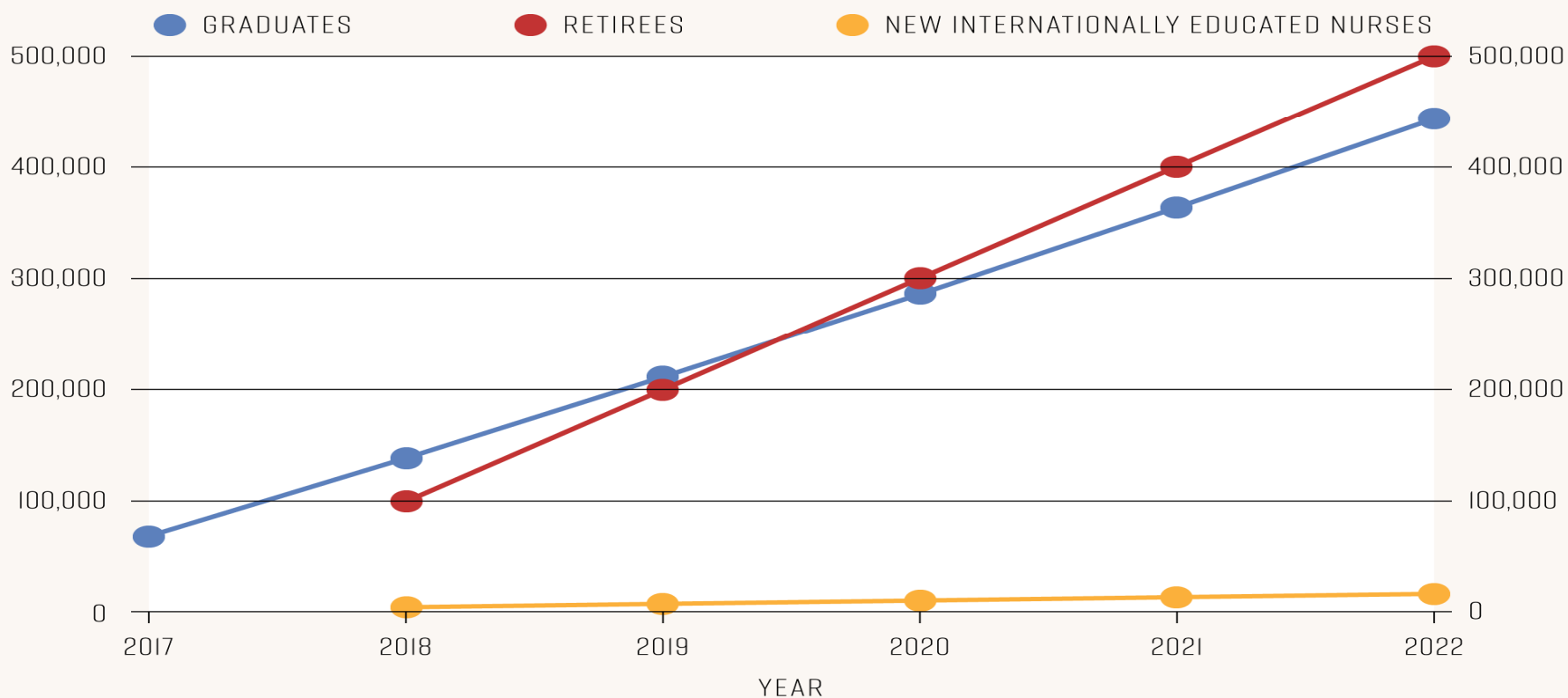
- California (- 44,500)
- Texas (- 15,900)
- New Jersey (- 11,400)
- South Carolina (- 10,400)
- Alaska (- 5,400)

2017 HRSA Health Workforce Report

States projected to have greatest RN surplus by 2030

- Florida (+ 53,700)
- Ohio (+ 49,100)
- Virginia (+ 22,700)
- New York (+ 18,200)
- Missouri (+ 16,700)
- North Carolina (+ 16,500)

RETIREMENTS, GRADUATES, AND FOREIGN NURSE PROJECTIONS 2017-2022



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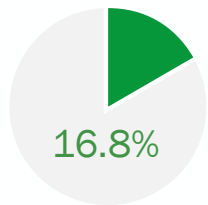
Nursing Shortage: What can we do?

Roundtable Discussion



Quantify! Justify budgeting for recruitment

What is your budget for advertising the services of your hospital? What is your budget for recruitment? Is there a difference? Why?



Average RN turnover rate

\$49,000/RN

Average cost of turnover

Each percent change in RN turnover rate will cost/save

\$337,500

Cost-per-hire ranges from

\$14,225 to \$60,102

(what is your CPH?)

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Workforce management strategy

1. Engage workforce management programs with multiple service lines
2. Utilize staff strategically
3. Contingent staff – Understand the true cost analysis.
4. Look for ways to transition the best supplemental staff into full-time staff. Consider travelers a “try before you buy” opportunity to add to your team.
5. Engage the staff in developing scheduling plans to give them a sense of more control over their lives. Workforce planning should be something that is done **with** your team, not **to** them.

Data, it's a thing.....

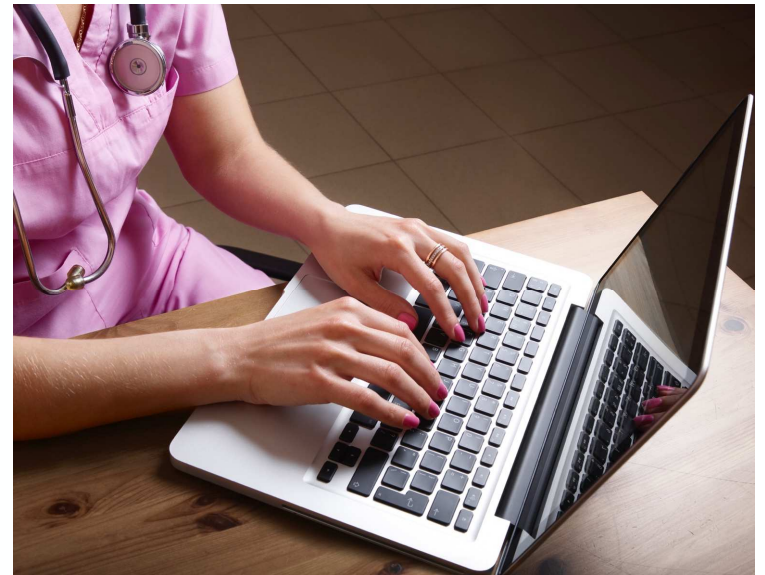
If you don't measure it, you can't manage it! **You have an ATS, use it!**

Measure, identify problem areas, implement solution, repeat!

- Turnover rate (Where? What units? Why?)
- Days to interview, days to hire, days to start, etc.
- Cost per hire can reveal various issues

It's all in the digits.....

- Get on the digital/social media bandwagon already (Facebook, Instagram, Snapchat) and post information frequently!
- These are more competitive (if not essential) recruitment strategies, especially with the millennials.
- Are you advertising or **marketing**?



Roll out the red carpet (and keep it out!)

- Engage a formal on-boarding program to make new employees feel welcome, comfortable and so they can acclimate quickly
- Incentivize behaviors you want in your employees
- Invest in long-term training and professional development
- Convert current employees into recruiters (pay referrals)
- Offer alternate/flexible schedules to accommodate the personal and professional needs of your employees

Oh teacher, where for art thou?

- Develop relationships with **area** schools and colleges and offer student internships to help build a pipeline
- **Local** schools and colleges short on faculty? Help! Do you have staff that could transition to faculty before retiring, or, serve as part-time faculty?
- At a **state** level, push for legislation to create a program for RNs to pursue graduate degrees in exchange for serving as faculty for a set period of time.
- At a **national** level, contact your Congressman regarding H.R. 959! This bill amends the Public Health Service Act to extend through FY2022 support for nursing workforce programs and grants.



**Clemson University Nursing's
largest classroom can hold 250
students.**

**Clemson unveils new
nursing facility with
Greenville Health System**

By **Ariel Gilreath** - Aug 21, 2018

Importing, it's not just for goods.....

- Recruitment of foreign trained professionals is a viable strategy
- High retention rate
- Excellent work ethic
- Various recruitment options
- Numerous full-service agencies





Questions?
Discussion & Sharing



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*Simplifying healthcare staffing
and building a better workplace.*