THE NURSING SHORTAGE AND CHANGING RESPONSIBILITIES

ARE YOU PREPARED?

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INTRODUCTION

Is any group of professionals more critical to healthcare reform than nursing? Nurses make up the single largest segment of the healthcare workforce and spend the greatest amount of time delivering direct patient care. Nurses work across every segment of the healthcare delivery system and not only provide direct patient care but coordinate care and, more than ever before, are leading efforts to redesign the care delivery system itself.

While the profession works to meet these challenges, individual organizations need a strategy to understand and prepare for the changes, compete for qualified candidates, choose those best suited for success, and retain them.

YES, THE JOB MARKET IS GREAT BUT THE GROWING SHORTAGE IS SCARY

Labor market analysts are excited about the nursing job market. In 2017, for the first time, the number of healthcare employees surpassed both manufacturing and retail.[i] Over the next decade, the healthcare sector is projected to account for one third of all new employment.[ii] More specifically, employment of registered nurses is expected to grow by 16% by 2024.[iii] The challenge, though is that the supply of qualified nurses cannot meet the projected demand, creating a growing crisis for organizations.

Combine the demographics driving demand, with an aging nursing workforce (more than half of working nurses are over 50 – portending a wave of retirements) and we are going to need over 1.05 million new nurses by 2022. How are we doing filling that need? Nurses who passed the NCLEX RN exam in 2016 numbered 232,385, up only 1% from 2015.[iv] That's not promising.

What is happening on the ground? What are healthcare talent professionals seeing?

- More than half of employers anticipate hiring more healthcare professionals

- They are seeing nearly a 25% increase each year in healthcare job postings

- 36% of talent professionals report turnover is increasing

- 49% report time to fill increasing – mostly an inability to find qualified professionals

- Only 33% say their recruiting budgets will increase[v]

In summary, the demand for nurses is far outpacing the supply and the talent cycle is complicating matters. Employers are posting more jobs but recruiters are working with limited budgets. Time to fill is increasing. Turnover is on the rise. It would seem impossible to catch up.

Employment of registered nurses is expected to grow by 16% by 2024

NURSING ROLES AND EXPECTATIONS ARE CHANGING

Simply preparing more nurses to fill the need will not solve the problem entirely. There are specific growth areas, and the needs reflect a changing care delivery system and focus. Nursing skills, expectations, and roles are evolving rapidly:

- Technology will continue to play a bigger role in providing care.

- Most of the growth will NOT be in traditional hospital-based positions. Over the next decade, hospital employment is projected to be the slowest area of growth. Nurses will play a much bigger role in non-hospital settings, ambulatory care, preventative medicine, in the community, and in the home – including assisted living and rehab centers.

- The greatest demand will be in the areas of chronic disease management, geriatrics, palliative, and hospice care. According to the Centers for Disease Control, chronic disease is now responsible for 7 of 10 deaths and 86% of the nation's healthcare costs.[vi]

- Care coordination responsibilities will increase – not just providing care bedside, but making sure patient's needs are met, ensuring the right care is delivered to the patient and family, and that they are fully engaged in their recovery. We need more nurses who specialize in data analysis, communication, and health system navigation.

- Nurses will collaborate more with other providers and disciplines. "Multi-disciplinary care" – once a progressive concept, will become the norm. This collaboration will not only be about how to ensure patients get the best care possible, but that money and resources are used as efficiently as possible.

- Finally, these new roles and expectations mean that behavioral skills, including emotional intelligence and communication, are more important than ever.

The demand for nurses is far outpacing the supply

ATTRACTING QUALIFIED APPLICANTS

What can organizations do to bolster the pipeline of qualified applicants? Progressive organizations are already adopting innovative strategies but many more are still using outdated approaches. Important considerations:

Branding - According to Human Resources Today, companies with a positive employer brand attract two times the number of applicants. The goal is to have a recruitment marketing strategy that hits home with today's nurses, and attract talent that will connect with your mission. This sounds obvious but while 92% of employers recognize that branding is an important means to attract talent, only 43% have a dedicated budget for branding.[vii]

The Candidate Experience – Every qualified nurse you hope to attract is being targeted by several competitors. Your branding strategy might get their attention, but what happens then? How do you create a fun, engaging, and easy process for them – a process that gives a positive first impression of your organization?

Passive Recruiting – Most organizations plan to increase the use of "passive" recruiting – courting candidates who are not currently looking for a job, and possibly for positions you don't even have open yet. The goal is to be proactively approaching, connecting with, and attracting qualified passive nursing talent – ahead of your hiring needs. This was unheard of not that long ago.

Compensation – While compensation is not the biggest reason that a person changes jobs, it's hard to get that candidate interested in the first place if you aren't competitive. The candidate pool, and the

impact of salary is, very much, regional. Salary varies greatly by region. Nurses in the Pacific region make as much as $18,000 more than average, whereas those in the East South Central region make $4,300 below average. Regardless of these differences, 64% of recruiters say they are offering higher salaries than the previous year and 72% are offering sign-on bonuses more frequently.[viii]

A DELIBERATE "SELECTION SYSTEM"

Attracting candidates is one thing. Sifting through them to pick nurses who will help you achieve your goals is something else, entirely. First, you need to address the issue of balancing quality with supply. With the numbers presented above, it would not be completely illogical to conclude that all of your time and resources would be well focused on talent "attraction." Better organizations realize this is a mistake.

Healthcare is unique. Often you need qualified individuals in place before you can provide your core service. Without someone in a particular role, a patient doesn't receive care. If you are facing that reality, you still need to apply basic selection principles. Otherwise, you risk exposing patients to a substandard experience, and co-workers to a new colleague who may have the technical training but would be a nightmare to work with – harming your work culture – potentially worsening your turnover problem.

If you only have one candidate to consider, it's even more important during the hiring process to understand their strengths and weaknesses. How else will you position and manage them for success? In most cases, you have more than one qualified candidate to consider and when it's hard to attract candidates in the first place, making a good hiring decision becomes even more important. This is where evidence-based hiring principles come into play. Why invest those resources to attract candidates only to choose the wrong one?

Start with a simple, three step process:

1. Define the skills and attributes that predict success – with specificity. Saying you want nurses who will "provide a good patient experience" is not enough. You need to know the specific attributes, including considering the new expectations discussed above.

2. Use data to understand a candidate's potential. The vast majority of companies in other industries use tests of behavioral competencies or aptitude during the hiring process as an important data point. These are not generic personality tests, but tools designed for hiring decisions and, ideally, for healthcare and for the specific role. The data needs to be understood, analyzed, and used to continually refine the process.

3. Use a structured interviewing program to create a positive candidate experience, sell your organization, and to glean useful information that predicts performance. Also, a mixture of art and science, we know that well-trained interviewer is far more likely to make an effective hiring decision.

KEEPING GOOD NURSES

Ok, you've attracted candidates and selected the right ones. How do you keep them? Nursing turnover is a constant challenge. In their first job, 17.5% of RNs leave in one year, and 33.5% leave within five[ix] RN turnover costs a hospital on average, between $5.2 – $8.1M/year[x] and while 89.1% of organizations see retention as a "key strategic imperative" only 36.4% have a formal retention strategy.[xi] Nursing turnover is a complex problem and the mix of contributing factors vary greatly. Anyone touting a simple solution to nursing turnover doesn't understand the problem.

One thing that won't change - nursing is a tough job. Taking care of patients can be strenuous and

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dangerous. Workplace hazards include bloodborne pathogens, injuries, and exposure to cold and flu germs. Nurses experience more than 35,000 injuries to the back, hands, shoulders, and feet each year.[xii]

Nurses frequently work long shifts and with staffing shortages, often must work back-to-back or extended shifts. Inadequate staffing causes overwork, job dissatisfaction, and negatively impacts on-the-job safety. Workplace violence, committed by patients and co-workers, is still a major problem. Issues related to staffing levels, unit organization or inequitable assignments are one of the top reasons nurses leave a job. With any of these complex causes potentially at play, consider a multi-faceted strategy to boost retention:

- Clarify work expectations during the recruiting and on-boarding process. Nothing dissatisfies staff more than finding out the job is not what they expected. Consider using realistic job preview videos as one way to prevent surprises.

- Allow nurses to have input on critical issues. A sense of control goes a long way.

- Support career development.

- Optimize scheduling flexibility.

- Build a culture of teamwork and do NOT tolerate lateral violence.

- Wherever possible, ease every nurse's administrative burden.

- Reward superior performance AND don't tolerate substandard performance. Underperformers burden their colleagues and failure to address it undermines faith in the organization.

- Place and train better managers. Like all roles, the relationship with the immediate supervisor is critical to job satisfaction. A good nurse does not necessarily make a good manager. Use evidence-based hiring concepts to place managers, whether you are considering internal or external candidates. Give new managers more support than you think they might need.

To learn more about how Select International is supporting our clients to select and develop successful nurses, go to: http://www.selectinternational.com/healthcare-employee-assessments/nursing-assessments

[i] https://www.theatlantic.com/business/archive/2018/01/health-care-america-jobs/550079/?utm_source=atltw
[ii] https://www.theatlantic.com/business/archive/2018/01/health-care-america-jobs/550079/?utm_source=atltw
[iii] https://www.bls.gov/ooh/healthcare/registered-nurses.htm
[iv] https://www.ncsbn.org/9436.htm
[v] 2017 Healthcare Recruiting Trends Report, Healthcare eCareers
[vi] https://www.cdc.gov/chronicdisease/overview/index.htm
[vii] 2017 Healthcare Recruiting Trends Report, Healthcare eCareers
[viii] 2017 Healthcare Recruiting Trends Report, Healthcare eCareers
[ix] http://www.nsinursingsolutions.com/Files/assets/library/retention-institute/NationalHealthcareRNRetentionReport2016.pdf
[x] http://www.nsinursingsolutions.com/Files/assets/library/retention-institute/NationalHealthcareRNRetentionReport2016.pdf
[xi] 2015 National Healthcare Retention and RN Staffing Report, Nursing Solutions, Inc.,
[xii] Bureau of Labor Statistics