



TURNOVER_x

How to Cure the Retention Problems Ailing Your Health Care Organization

careerbuilder[®]

CareerBuilder surveyed more than 1,000 health care workers to better understand the job challenges they face. The survey uncovered that lack of advancement, work overload, poor salary, too few staff, and poor organizational culture were the top challenges for these health care workers. This unbiased glimpse into what workers are really feeling offers a rare opportunity to prepare for the anticipated growth of health care jobs. How does this growth affect you and your organization? What are your long-term strategies? Continue reading to learn more...

The data quoted in this report comes from two surveys administered by CareerBuilder, most notably the 2010 CareerBuilder Health Care Survey, completed online by more than 1,000 individuals. This survey examined factors pertinent to the health care industry, including challenges faced by health care workers; resources available to health care workers; factors that influence turnover, employment factors for job candidates; importance of information contained in job advertisements; use of job-seeking strategies; and the use of temporary workers and opinions toward temporary workers. This report also draws from results of a November 2009 CareerBuilder Health Care Employer Survey, which had a sample size of 186 and included people involved in hiring decisions of potential candidates for their organization.

Health care is a life and death business, even on the best days and in the finest facilities — and the current health care worker shortage is making an often grueling job even harder for health care executives. Hiring and retaining the people who keep health care organizations running well is difficult, particularly when demand for these professionals so dramatically outstrips supply and turnover is fierce. To try to alleviate this, decision makers often devote more resources to worker salaries and bonuses, yet they still find themselves trying to stop a turnover avalanche that always seems to be picking up speed.

Retention is particularly critical in the health care field as the need for workers is immense and continues to increase. Demand for the services of top health care talent has intensified as the country's population has aged, rates of chronic diseases like cancer and diabetes have increased, and public budgets have shrunk, making it more difficult for many facilities to hire and train more personnel. On top of that, ever-advancing medical technologies mean the current health care work force needs to constantly update its skills. The result is a health care system facing crisis-level demands.

Decision makers in health care organizations find themselves in a difficult position. Failing to meet increasing service demands literally means putting patients at risk of death, but pushing existing staff to take on expanded duties can lead to burnout and mistakes.

CREATING AN ENVIRONMENT OF GROWTH

The best strategy is to develop a sustainable plan to grow and retain talent that will bridge the gap between health care supply and demand.

A recent CareerBuilder survey of health care workers and job seekers found that when it comes to hiring and retaining health care workers, it's less about the dollars and more about good sense. Organizations need to create an environment that enables employees to grow and encourages them to stay. And, according to CareerBuilder's analysis, the most important factor in retaining workers is to give employees solid, well-defined career paths.

As part of the 2010 health care survey, health care workers were asked about the challenges they face, what they want in a workplace, and what most strongly impacts their decision to leave an organization.

The results were surprising: Although workers said salary and benefits are important, lower-cost incentives like career path planning, training, and support may also greatly influence their desire to stay with an organization. In fact, more than half of the respondents said the biggest challenge they face is the lack of advancement opportunities.

HYPERTENSION: THE SHORTAGE STRAIN — AND WHY KEEPING THE BEST TALENT IS CRITICAL

Although turnover is costly even with an abundance of talent, the strain on an organization's resources becomes much larger when sought-out talent is in high demand. CareerBuilder's labor pressure analysis below illustrates the shortage of health care talent. In the pressure analysis, a value of one (1) indicates an equal number of new job seekers (supply) to new job postings (demand); a ratio lower than one indicates worker shortage. The situation is most dire for those hiring registered nurses; for example, the average pressure ratio between October 2009 and October 2010 was 0.26.

To put the analysis into perspective, the average pressure ratios of new job seekers to new jobs over the same time period are 0.71 for accountants and auditors, 2.12 for customer service representatives and 3.72 for secretaries and administrative assistants. The drastically lower labor pressure ratio for registered nurses shows that the nursing shortage is hitting hard in almost every health care organization in the country.

Figure 1: Labor Pressure Analysis

	SOC Occupation	Oct. 2009 - Oct. 2010 Avg.	October 2010 Avg. Application per Job
Ratio of New Job Seekers to New Jobs	Registered Nurses	0.26	8
	Licensed Practical and Licensed Vocational Nurses	0.65	23
	Health Diagnosing and Treating Practitioner Support Technicians	0.63	25
	Accountants and Auditors	0.71	54
	Customer Service Representatives	2.12	93
	Secretaries and Administrative Assistants	3.72	161

Although nurses are certainly a big part of the equation, they aren't the only health care workers in short supply. According to the U.S. Bureau of Labor Statistics, 10 of the 20 fastest-growing occupations in the country are health care-related. That adds yet another challenge to an industry that doesn't have enough workers. Figure 2 (below) shows the incredible growth predicted by the Bureau of Labor Statistics for various health care positions between 2008 and 2018.

Figure 2: Projected Growth for Selected Health Care Positions

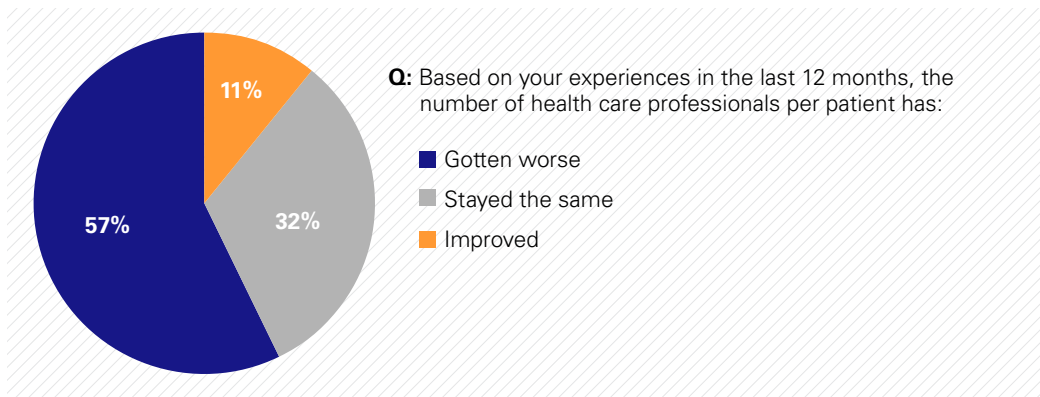
Position Title	Position Growth (2008-2018)	Percent Increase
Registered Nurses	581,500	22
Physical Therapists	56,200	30
Licensed Practical Nurses	155,600	21
Physician Assistants	29,200	39

With the current high demand of health care workers in most U.S. locations, those employees interested in leaving jobs that aren't fulfilling their needs have their pick of jobs waiting for them.

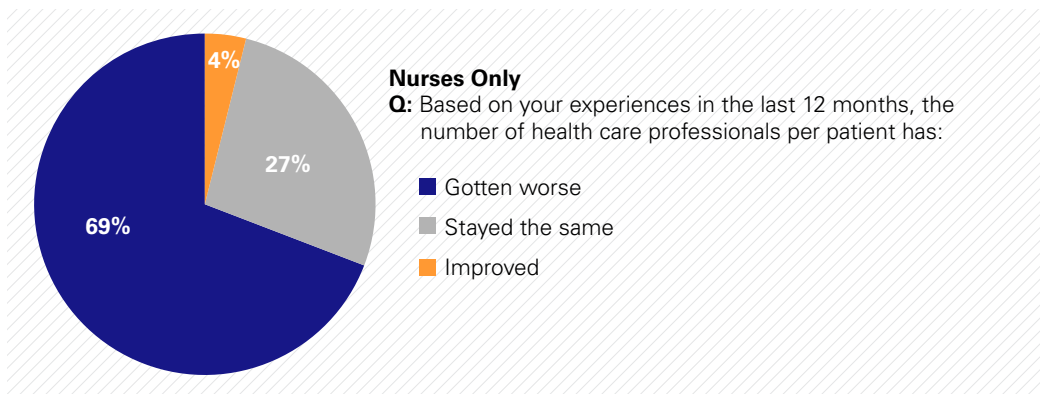
To lower turnover, you must create an environment where employees want to work, and the first step in doing this is to remove the challenges workers face. Enriching your workplace environment will help ensure your employees don't uproot and take their skills elsewhere.

One of the key turnover issues CareerBuilder uncovered was health care workers taking on additional responsibilities above their comfort level. In the 2010 CareerBuilder Health Care Survey, respondents were asked whether the number of health care professionals per patient has gotten worse, stayed the same, or improved in the past 12 months (see Figure 3). Of the 810 individuals who responded, 57 percent said the ratio has gotten worse. When that question was posed to 273 nurses, 69 percent said the health care caregiver-to-patient ratio has gotten worse.

Figure 3: Perceptions of Caregiver-to-Patient Ratio



**Note: A "don't know/not applicable" option was available. Respondents selecting "don't know/not applicable" were not included in the analysis. Sample size: 810*



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The caregiver-to-patient ratio is vital because of its direct correlation to worker stress and medical errors. In addition, when these workers are spread so thinly, most of their time is spent on patient care, leaving little time for the career development so important to advancement (particularly for registered nurses).

CareerBuilder also explored its extensive database to examine the employment histories of 12,147 registered nurses, investigating how length of employment varies by industry type in the health care and social assistance sector. The study found that registered nurses had a median tenure of only 1.4 years; a much lower tenure than the 4.4 years that wage and salary workers had had with their current employer, according to a 2010 U.S. Bureau of Labor Statistics study.

So where do nurses stay on the job the longest? As Figure 4 shows, offices of physicians see the lowest RN turnover (median job tenure of 1.57 years), while nursing care facilities see the highest (.97 years). Operators of certain health care facilities have a harder time retaining employees because of the difficult nature of the work.

Figure 4: RN Job Tenure Rates by NAICS Industry*

U.S. NAICS Title	Median Tenure at Last Job (in years)
Offices of Physicians (except Mental Health Specialists)	1.57
General Medical and Surgical Hospitals	1.50
All Other Miscellaneous Ambulatory Health Care Services	1.33
Kidney Dialysis Centers	1.23
Specialty (except Psychiatric and Substance Abuse) Hospitals	1.20
Home Health Care Services	1.17
Continuing Care Retirement Communities	1.00
Nursing Care Facilities	0.97

* Table provides job tenure information for industries with a sample size of more than 100 resumes.

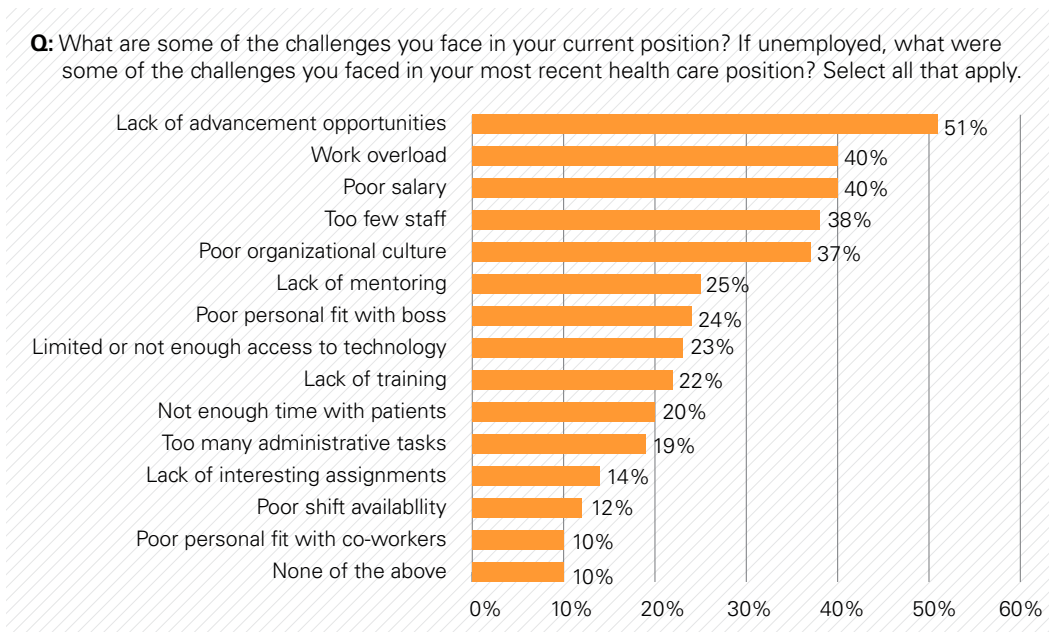
CREATE REASONS TO STAY

Because health care workers are in such demand, health care organizations must create environments that encourage them to stay once they're hired. Part of that involves removing the challenges employees see as barriers to long-term work satisfaction.

In the survey, health care workers were asked about the challenges they face in their current position; or, if they were unemployed, their last position (respondents were asked to select all the challenges that apply to them). Respondents said the biggest challenge they face is the lack of advancement opportunities (51 percent). That's a startling fact in this market: More than half of the workers polled said they want to stay with their current organization, take on new roles and contribute more to their workplace, but they don't see a way to do so.

This can happen for several reasons. First, employees often devote so much time to meeting work demands that they don't have additional time to pursue education or training that will help them advance. Second, the worker shortage has some employees spread so thin that they simply are too tired to take on more education or training opportunities. And third, organizations often see the day-to-day care of patients as workers' first priority, so they don't offer training or advancement opportunities to begin with.

Figure 5: Challenges Identified by Health Care Workers



Sample size: 1,008

Another interesting finding from this survey was how low salary ranked. Salary is always an important employment issue, and 40 percent identified it as a challenge here, but almost as many people (37 percent) said their organization’s poor culture was a major challenge. Other top challenges selected were work overload (40 percent), too few staff (38 percent) and lack of mentoring (25 percent).

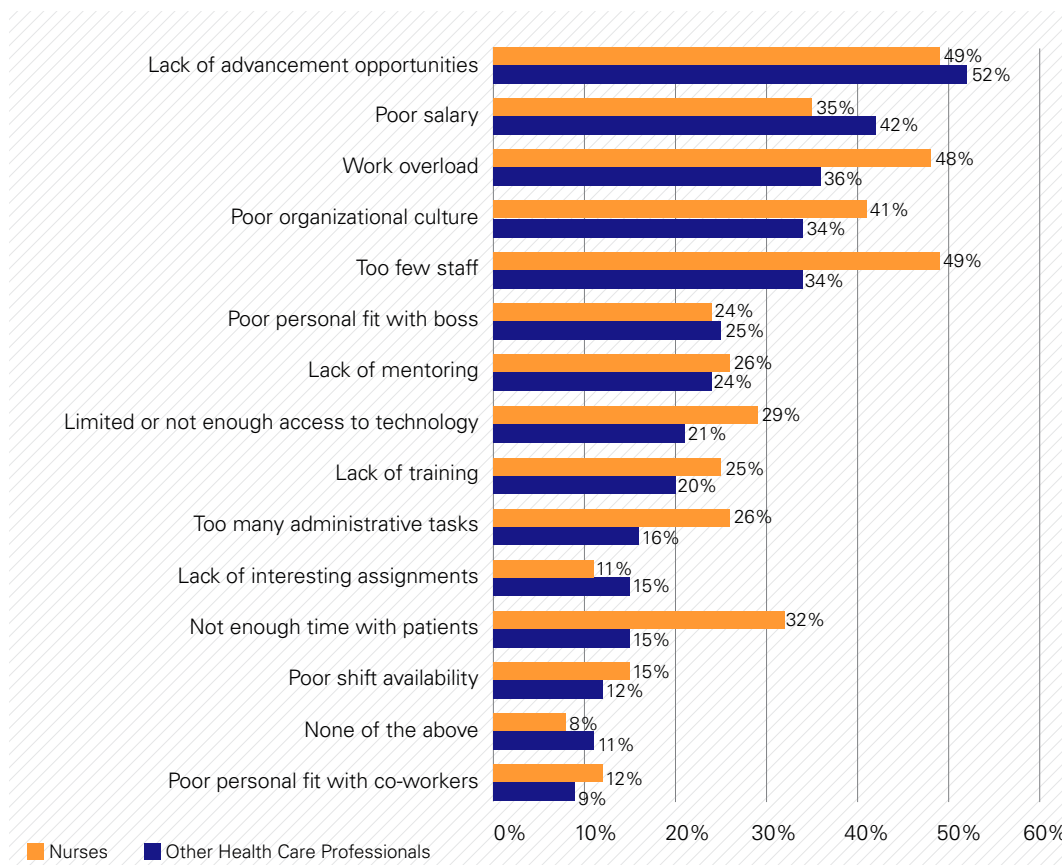
Organizations are at a serious risk of losing workers who are committed to improving the organization and its goals because those workers don’t see a way to move up. A better work environment can be created by showing workers the organization is invested in them and has a stake in their continued development. Again, giving health care workers what they feel is important in a workplace means those workers don’t have to look somewhere else.

When it comes to registered nurses — the largest segment of the health care work force — CareerBuilder found some fascinating differences between nurses and other health care professionals in what each group perceives as workplace challenges.

As Figure 6 (below) shows, both nurses and other health care professionals said lack of advancement opportunities was the biggest problem in their workplaces, with 49 percent of nurses and 52 percent of other health care professionals identifying this as a challenge. Most interesting, however, was that only 35 percent of the nurses surveyed said their salary was a major job challenge for them. In fact, a greater percentage of other health care professionals (42 percent) reported that their salary was a problem.

Nurses, the segment of the work force that is hardest to recruit and retain, is more concerned with doing their job well in a good environment than with the amount of money they make. As shown in Figure 6, salary was fifth on the nurses’ list of biggest workplace challenges. And while 35 percent of nurses said poor salary was an issue, a similar number (32 percent) said the same about lack of time with patients.

Figure 6: Differences Between Nurses and Other Health Care Professionals in Challenges Faced



Sample size: 1,008 (315 nurses, 693 other health care professionals)

When RNs do well at their jobs, they expect to move up the career ladder. CareerBuilder examined the average tenure of registered nurses at their last job and then compared that number to the average tenure at their last organization. The data showed that these differences in tenure were very small, which suggests that nurses are not being promoted very frequently. So, instead of waiting around to move up, nurses are moving on.

CareerBuilder resume data for workers from eight health care industries indicated that general medical and surgical hospitals offered nurses the greatest opportunity for advancement. In Figure 7 below, smaller gaps between the organization and the job indicate RNs were leaving their organizations and not advancing while larger gaps represent advancement within the organizations. For general medical and surgical hospitals, the average RN tenure at the last organization was 3.14 years, while the average RN tenure at the last job was only 2.74 years. That difference is just 0.4 years, but it is the best within the health care industries studied.

Figure 7: Registered Nurse Organizational Tenure and Job Tenure by NAICS Industry

U.S. NAICS Title	Mean RN Tenure at Last Organization	Mean RN Tenure at Last Job	Difference Between Job and Organization
General Medical and Surgical Hospitals	3.14	2.74	0.4
Offices of Physicians (except Mental Health Specialists)	3.26	2.87	0.39
Specialty (except Psychiatric and Substance Abuse) Hospitals	3.09	2.77	0.32
Home Health Care Services	2.09	1.93	0.16
Nursing Care Facilities	1.8	1.6	0.14
Kidney Dialysis Centers	1.99	1.85	0.14
Continuing Care Retirement Communities	2.02	1.93	0.09
All Other Miscellaneous Ambulatory Health Care Services	1.92	1.87	0.05

Source: CareerBuilder resume data

FOCUS ON THE FACTORS

Recruiting and retaining the best health care workers depends so much on developing and nurturing an environment where these professionals can thrive. It's important to keep in mind that although employers might be offering the opportunities and programs employees say they want, the employees may not know about them or may not have the time to fully take advantage of them.

Health care professionals are looking for employers who offer ways for them to advance their careers and develop themselves professionally. The facilities that offer these perks will be at a decisive advantage when it comes to recruiting and retaining health care professionals.

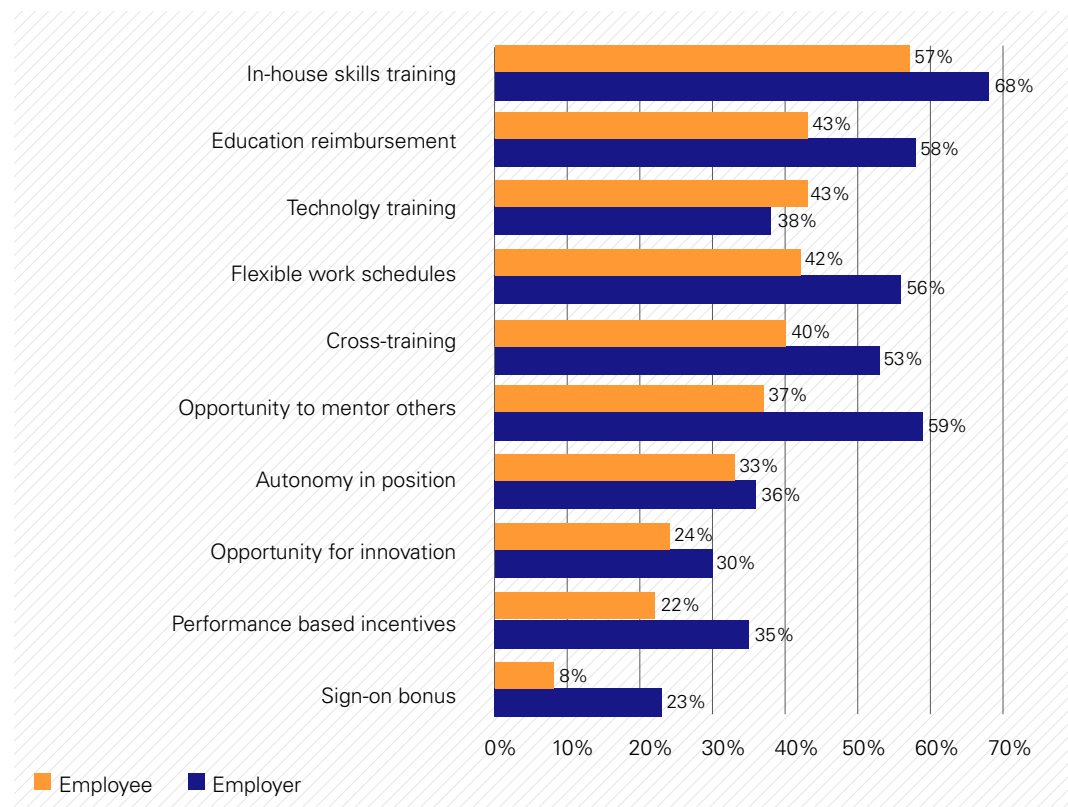
In the CareerBuilder survey health care professionals were asked if their current or most recent employer offered a number of different programs to their health care employees. Of the 10 programs listed, only one, in-house skills training, was answered "yes" by more than 50 percent of the survey-takers. Below are the full results:

- In-house skills training (57 percent)
- Education reimbursement (43 percent)
- Technology training (43 percent)
- Flexible work schedules (42 percent)
- Cross-training (40 percent)
- Opportunity to mentor others (37 percent)
- Autonomy in position (33 percent)
- Opportunity for innovation (24 percent)
- Performance-based incentives (22 percent)
- Sign-on bonus (8 percent)

Again, health care workers value these programs because they encourage professional development and upward career mobility. But many health care organizations aren't offering them; nine of the 10 factors were said to be offered by fewer than half of the respondents' workplaces. Investing in a few of these programs and making them a part of the recruitment conversation have the potential to go a long way in impressing applicants.

Part of the problem may be disconnect between what employees perceive is offered at their workplaces and what employers say is actually available. CareerBuilder provided health care employers a list of benefits and asked, "Which of the following are available to your current employees?" For nine out of the ten items, a greater percentage of the employers indicated the item was available in their organization. The greatest difference in perception was seen in mentoring programs. This indicates a problem of messaging: Although employers have created the programs, they need to do a better job of communicating those benefits and telling employees about them. These programs are important to employees' growth and advancement, and if they're not offered or communicated well, employees will likely look for jobs where they are able to take advantage of them.

Figure 8: Differences in Perceptions About Programs Offered



Sample size: 948 employees; 240 employers

CareerBuilder's analysis suggests that offering employees programs that support their professional development plays a huge role in recruitment and retention. And when employees start talking to health care professionals who work at other organizations (either face to face, via social media or in online health care forums) they are likely to spread the word about their employer's professional support programs and get potential applicants interested and excited about the opportunity to work there.

LISTEN TO WIN

Health care organizations face a unique problem in this tricky economy: Business is booming but there aren't enough employees to go around. And that quandary is only going to get worse in the coming years as the general population ages and creates more patients. In addition, the health care work force is aging, and the impending retirements of these workers will add to the shortage the industry is already facing.

The laws of supply and demand are putting increased pressure on organizations that need to hire these workers, but pure economics won't fix all their problems. Although competitive compensation packages are a key, it's not all about the money for these valuable professionals. Those organizations that listen to what employees and potential employees want in their workplace will see their supply of workers go up and their bottom line rise accordingly.

The best way to win this talent war and grow your business isn't by opening the wallet, but rather by starting to listen to what employees truly want and need.

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