Turnover – The Cost, the Causes and Sustainable Solutions

Panel Discussion
Becker’s Healthcare
September 8, 2016
Agenda

• The scope of the problem

• A more comprehensive approach
  • Including the role of selection

• The unique challenge of RN turnover

• The role of development efforts

• Q and A and Discussion
The Scope of the Problem

- 2015 Hospital Turnover: 17.1%
- 2015 RN Turnover: 17.2%
- Cost of bedside RN t/o:
  - $58,400 per?
  - Average hospital: $5.2 - $8.1M/annually
  - $373,200 per % change

- A disconnect:
  - Retention is a “key strategic imperative” 81.8%
  - A formal retention plan in place 51.5%

2016 National Healthcare Retention and RN Staffing Report, NSI Nursing Solutions
# Turnover by Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Total Turnover</th>
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<tbody>
<tr>
<td>All Industries</td>
<td>16.7%</td>
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<tr>
<td>Hospitality</td>
<td>25.9%</td>
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<tr>
<td>Banking and Finance</td>
<td>19.1%</td>
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<tr>
<td><strong>Healthcare</strong></td>
<td><strong>18.9%</strong></td>
</tr>
<tr>
<td>Not for Profit</td>
<td>15.7%</td>
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<tr>
<td>Services</td>
<td>14.9%</td>
</tr>
<tr>
<td>Manufacturing and Distribution</td>
<td>14.8%</td>
</tr>
<tr>
<td>Insurance</td>
<td>12.2%</td>
</tr>
<tr>
<td>Utilities</td>
<td>9.0%</td>
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*CompData’s 2015 BenchmarkPro Survey* of 28,000 organizations
The Scope of the Problem

• Leadership turnover
  • CEO t/o – 18% in 2015
  • Impact on:
    • Strategic planning and service development
    • Physician and employee engagement

• Physician turnover
  • Pushing 7% (historical high)
  • 43% of active physicians are 55 or older
  • Cost? $200,000 plus

Additional Costs/Impact

• Contingent staffing
• Continuity of care
• Training costs
• Losing potential leaders
• Staff workloads and stress
• Accidents and absenteeism
• Medical staff dissatisfaction
Ted Kinney, Ph.D.

• Director, Research and Development, Select International
Individual Drivers of Turnover

- Impulsivity
- Locus of Control
- Adaptability
- Self Esteem
- Integrity
- Growth Need Strength

Strategies:
- Behavioral assessment
- Realistic job preview
- Alternate recruiting strategies
• 174 people hired at least 30 days prior to data collection

• Applied Learning, Quantitative Problem Solving, Process Monitoring, and Mechanical Reasoning are significant predictors

• Cognitive predictors of early turnover could have training and onboarding implications

• Candidates who score in the Bottom 20% on SAM are 2.5 times more likely to turnover than individuals who score in the top 80%
Internal Drivers of Turnover

- Culture
- Pay and benefits
- Job design
- Workload
- Autonomy
- Growth opportunities
- Training opportunities
- Leadership
- Communication
- Job related shocks
- Relationships

Strategies:
- Socialization
- Training and development
- Remove low inadequate/abuse supervisors
- Justice and fairness
- Retention rewards
- Challenging, achievable goals
External Drivers of Turnover

- Unemployment rate
- Competition
- Reputation
- Local applicant pool
- Industry & occupational trends
- Industry stability
- Location
- Size

Strategies:
- Market analysis
- Find areas where you can excel/differentiate yourself
A Recent Example: Employee Dissatisfiers
A Comprehensive Approach

Turnover Scale

Just Another Job

- Address involuntary turnover through pre-hire assessments
- Improve job fit
- Improve performance

Where You Might Be

- Identify obvious factors driving turnover
- Examine impact and ROI
- Identify areas where small improvements can be made

Where You Might Want to Go

- SME interviews
- Stakeholder discussions
- Employee surveys
- Labor market analyses
- Identify areas where improvements can be made

Employer of Choice

- Deep dive into “culture of turnover” to address dysfunctional, voluntary turnover
- Exit interviews
- Stay interviews
- Identify areas of Organizational Change
Lauren Lloyd

- Senior Director, Recruitment Services Delivery, University of Pittsburgh Medical Center
Impact of the UPMC Nursing Workforce

12,000+
Nurses at UPMC

22%
of total UPMC workforce

50%
of UPMC nurses have their BSN

~700
Average Nurse Job Openings

17
specialties included within the nursing career ladder
Goals of Selection Enhancement

• Support UPMC’s **cultural movement**, integrating our values into all that we do

• **Create and retain a more engaged workforce** who contribute to our culture

• Lay the foundation for future measurement of **values and engagement** throughout the employee lifecycle
How we work is as important as what we do.
Engaging New Nurses

• Interest in promotion opportunities
  • Career ladders
  • Returning to school

• Supportive environment
  • Alleviate stress and burnout
  • Remediate skills
  • Create a connection with manager

• Recruit once, hire twice
Risk/Impact Assessments

- Developed by CNO Employee Engagement Strategic Goal work group
- Targeting individual departments with significant turnover
- Stay interviews to be completed for high risk/high impact individuals

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<tr>
<th>RN Turnover – Risk/Impact Assessment</th>
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<tr>
<td><strong>Current RN Staff</strong></td>
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<tr>
<td></td>
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<tr>
<td>High Risk</td>
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<tr>
<td>Low Risk</td>
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<tr>
<td>Low Impact</td>
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<tr>
<td>High Impact</td>
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Risk/Impact Assessments

RN Turnover – Root Cause Analysis

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<tr>
<th>Business Unit:</th>
<th>Reasons for Turnover:</th>
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<tbody>
<tr>
<td>Dept:</td>
<td>□ Trust, Listening and Caring:</td>
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<tr>
<td>Description:</td>
<td>□ Growth and Development:</td>
</tr>
<tr>
<td>BDHPPD:</td>
<td>□ Work Environment:</td>
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<tr>
<td>Current Dept Vacancy Rate:</td>
<td>□ Leadership Visibility:</td>
</tr>
<tr>
<td>FY16 Final RN Vacancy Rate:</td>
<td>□ Traveler Agency:</td>
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<tr>
<td>2016 Dept MyVoice Engagement Score:</td>
<td>□ Other:</td>
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Insight from Stay Interviews:
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Action Plans

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<th>Task</th>
<th>Desired Outcome</th>
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Potential Recovery Opportunities
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Scott Hopkins

• Director of Leadership Development,
  CHRISTUS Health
50% of us have quit our job because of a bad boss
- Survey of 7200 in 2015

“Clarity of expectations is perhaps the most basic of employee needs and is vital to performance”
- Gallop
Sustainable Employee Engagement Through Leadership Development
CHRISTUS Health HR Structure

HR SERVICE DELIVERY

- Operations
- HR Shared Services
- Centers of Excellence
  - Total Rewards
  - Talent Management
  - Talent Acquisition

Strategy and Problem Solving
- HR Business Partners

CUSTOMERS

- All Associates
- Business Units
  - Regions
  - Hospitals
  - International
- Potential Candidates
Develop Throughout Talent Lifecycle

- Talent Acquisition
- Onboarding
- Learning & Capability, Leadership Development
- Career, & Succession
- Workforce Planning
- Performance Management
- Total Rewards & Recognition
- CHRUS Experience
- High Performance Culture
- Integration with Applicant System & LinkedIn
- Managing by Total Labor Costs
- Generations Training
- Interview Boot Camp Training
- Hiring Guides Assessments
- Leadership Foundations (1st Year) Includes Software Training
- High – Solid – Low Conversations
Improved Operational Performance Through High – Solid – Low Conversations

HR Business Partner’s – Essential Connection
• Train the Trainer to teach in classrooms
• Tier based development based on Associate Survey Results
Leadership Development

**Leadership Development Institutes**
- Done 3 to 4 times per FY

**Leadership and Ethics Academy**
- Nominated to attend
- 18 month Succession Program

**CHRISTUS Center For Leadership**
- Nominated to attend
- Done 3 times per FY

**Leadership Foundations**
- New Leaders
- FY16 standard across system

**Executive Assimilation Program**
- New Executives
- Coaching/Same Experience across regions

**General Orientation**
- All new hires
- CHRISTUS Leader Onboarding Guide
Pursue Continuous Learning

Immediate
Performance support and other tools for point-of-need learning
Q. WHAT DO I NEED TO SUPPORT MY SUCCESS IN THE MOMENT?

Intermediate
Current job development and competency expansion
Q. WHAT DO I NEED TO GROW IN MY CURRENT ROLE?

Transitional
Development of skills and relationships that will meet long-term business goals
Q. WHAT DO I NEED TO GROW IN MY CAREER?

Source: Bersin by Deloitte, 2014
Impact on Our Patients

Engaged Workforce, Reduced turnover, and Fewer workarounds

These factors combined makes a SAFER environment for our patients!
Discussion
Thank You!

To learn more, please visit us at [www.selectinternational.com/healthcare](http://www.selectinternational.com/healthcare)

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