# Retaining Your Most Valued Resource

## Appreciated high-value staff improve patient care

By Laura Ramos Hegwer

Faced with the lowest unemployment rate since the late 1960s and a shallower pool of job seekers, hospitals and health systems are hanging on to their top talent. Yet when it comes to turnover, healthcare hasn't had the best track record. Compdata Surveys & Consulting reports that the healthcare industry's overall turnover rate hit 20.6 percent in 2017, up from 17.7 percent in 2014. Total employee turnover for all industries is 18.5 percent.

Healthcare organizations can no longer ignore the potential impact high turnover has on the bottom line,

particularly as margins shrink and reimbursement models shift, says Hannah Spell, PhD, director of research and analytics for Strategic Management Decisions, Atlanta, an analytics-based employee survey and assessment firm. Consider that the cost of replacing a single nurse can vary from $22,000 to more than $64,000, according to the Robert Wood Johnson Foundation.

What's more, turnover can have a negative downstream effect on patient satisfaction scores, which are increasingly important as more organizations engage in value-based payment models. Spell's research of 2,500 nurses found that high turnover can have a 3 to 4 percent negative impact on HCAHPS scores.

"Retention has always been important, but in the current environment, the attention to it is greater," Spell says.

Understanding what makes different types of employees get the itch to leave is critical for healthcare executives in developing better retention strategies. By examining the connection between employee survey data and turnover across numerous clients, Spell found that management

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relationships and job fit are fairly universal factors that affect turnover for both clinical and nonclinical staff. However, because patient care requires an intense team effort, clinical staff view teamwork and alignment with mission as key reasons for staying with an organization, Spell says. "They want to feel like what they do matters in an organization that has the same goals and values driving that mission," she says. At the same time, clinical staff want to believe that their organization's leaders are implementing initiatives that drive the mission of providing excellent patient care.

Given these factors, what can healthcare executives do to retain their most valued resource—their people? Following are some examples of organizations that are implementing a variety of retention strategies that fulfill the needs of their top clinical and nonclinical employees as competition for talent heats up.

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## Creating a Better Workplace

What motivates employees to stay often depends on how long they have been with the organization, Spell says. Her research finds that more tenured individuals tend to stick with their employer if their career expectations are being met and they have good relationships with

leaders. They also are more likely to remain if they believe they "fit" in an organization.

Organizations like Midland (Texas) Health, for instance, are helping employees at every level connect to leaders while creating a positive work environment that supports caregivers.

## Case Study: Midland Health

While many hospitals have a difficult time recruiting and retaining staff due to a strong economy, Midland Health faces even greater challenges, given its location in oil and natural gas production country. "Nurses and certain nonclinical staff can probably make up to $40,000 more going into the oil and gas industry," says Bob Dent, DNP, RN, FACHE, senior vice president, COO and CNO. In the past, nurses and nonclinical staff would return to healthcare when the petroleum industry moved from the "boom" to the "bust" phase, but Dent does not anticipate the boom will end soon. As a result, his organization recognizes the importance of retaining its clinical and nonclinical staff.

With a 12 percent turnover rate, Midland Health is faring better than many healthcare organizations. One reason is that leaders have been focused on making themselves more physically visible throughout the organization and improving their communication with staff. For example, daily leadership huddles are held in the hospital's main lobby where any employee can attend. Additionally, leaders from around the hospital meet each day at 10 a.m. to visit patients and employees for an hour without distractions as part of their "Sacred 60" leadership rounds. Through these daily activities, closer relationships with staff and patients are built, Dent says.

Midland Health also has developed a civility pledge that creates a more positive work environment. By signing the pledge, employees agree that they will not waste time blaming, complaining or gossiping about

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others, nor will they commiserate with co-workers who do the same.

Recognizing the importance of taking care of its own, the organization has adopted a Quadruple Aim, adding "caring for the caregiver" to its Triple Aim of improving population outcomes, reducing the cost of care and enhancing the patient experience. To help meet this objective, Midland Health offers all employees a holistic lifestyle medicine program that provides support for nutrition and fitness, mental and spiritual health, and financial knowledge and well-being.

Leaders also have taken on clinician burnout. Midland Health was one of the first organizations in the country to adopt a fatigue-management guideline that prohibits clinical staff from working more than three 12-hour shifts in a row or more than 60 hours in a rolling seven-day period.

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## Onboarding for Success

Unmet expectations often drive new employees to leave within 90 days, which, for obvious patient care and safety reasons, can be especially detrimental to a hospital or health system. In addition, new hire turnover is more costly to an organization than losing long-tenured

employees because recouping the cost of hiring that individual takes time, Spell says. Setting realistic expectations and making sure that employees are welcomed as part of a team can help improve retention, particularly with early careerists. One example of an organization succeeding with this approach with its nursing staff is Indiana University Health, Indianapolis.

## Case Study: Indiana University Health

In the past, Indiana University Health expected nurses to stay on one unit for at least a year before getting promoted to another unit or taking on a role as a manager or specialist. But today, leaders recognize that early careerists from the millennial generation view their careers differently than previous generations. "They're interested in more movement, more quickly," says Michelle Janney, PhD, RN, chief nurse executive. "What we have done is change our mindset and not expect employees to change to fit in."

For example, IU Health has expanded the opportunities for nurses to make more lateral moves, rather than just the vertical. Specifically, leaders at IU Health have abolished the transfer policy that required nurses to stay on their unit for at least 12 months before moving to another.

Leaders also have made changes to foster a greater sense of belonging among nursing staff because "early careerists really like the social aspect of their career," Janney says. For example, IU Health enhanced its 12-month onboarding program so that four to six new nursing hires from across the organization form a social cohort. In lieu of a formal hospital tour during their first week, the cohorts go on a scavenger hunt through the hospital, using a tablet to document and display their finds. "They'll take selfies in front of the cafeteria, for example, and you'll see big smiles on their faces—they are actually having fun," she

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says. The cohorts meet monthly for education and support and stay connected through social media platforms.

At the six-month mark when new nurses may be feeling the need to move on to other employment opportunities, they will meet with a mentor to discuss their career progression to date. If the new hires believe they have already outgrown their current role, IU Health will find an open position for them. "It helps us meet our needs while embracing their desire for movement," she says.

After completing the one-year onboarding process, nurses enroll in one of several professional development pathways to become clinical experts, quality experts or researchers. They complete an assessment of their strengths and work with their manager to choose the best pathway. Each pathway includes activities such as joining a committee, shadowing a nurse or writing an article to further their development while staying in the same position.

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IU Health also redesigned its traditional clinical ladder programs, which were based on tenure and education, to make it more inclusive. In its place, leaders developed a distinguished nurse excellence program that mimics a university's honors program and provides recognition to an elite group of nurses who advance the profession. Nurses selected for the program receive executive mentoring with Janney and other leaders and are allowed to publish articles or expand their portfolio of work.

As a result of all of these changes, IU Health has reduced its first-year turnover year over year and maintains a rate that is below the national average, Janney says.

## Embracing Openness During Times of Change

Merger and acquisition activity often creates unrest within the employee base, Spell says. But leading organizations like Presence Health, Chicago, acknowledge anxieties of all staff members and foster open communication. They also try to foster better employee-supervisor relationships to keep staff happy.

### Case Study: Presence Health

Robert M. Dahl, FACHE, president and CEO of Presence Health's Northwest Region, believes many employees leave their organizations because of their supervisors. Often, what is missing is a sense of support. That is why leaders at Presence Health encourage supervisors to have "touch point" meetings 30, 60 and 90 days after a new employee is hired. During these meetings, managers can gain a greater sense of each employee's needs, establish clear performance expectations and identify tactics the employee needs to be successful and feel welcome in the organization.

Supervisors at Presence Health are working toward having no more than 20 direct reports, which helps to build familiarity between managers and their employees. The goal is to foster a better relationship so supervisors can address employees' needs proactively rather than waiting for their annual reviews, Dahl says.

Presence Health has joined Ascension and is now part of AMITA Health. AMITA Health is a joint operating company formed by the Adventist Health System in Altamonte Springs, Fla., and St. Louis-based Ascension, the nation's largest nonprofit health system. Getting staff comfortable with the joint venture and acquisition has been a top priority for Dahl and his executive team. During M&A activity, he recommends that leaders acknowledge employees' anxieties and embrace openness. To reduce employee unease, Dahl and his leadership team opt for transparent and frequent communication with the workforce. Their goal is to dispel the unknowns and provide the rationale and timeline for various changes.

As Presence Health transforms its organization, leaders also have developed a bottom-up approach to management to encourage nonclinical staff, volunteers, nurses, residents and physicians to share feedback on ideas that can enhance care. "We have three cultures that we're trying to blend to provide a standardized model for efficiency, and each entity has its thoughts on what works and what doesn't," Dahl says. But taking the time to listen is critical to make staff feel respected and valued. "They appreciate knowing their ideas are heard, and knowing that we are implementing their vetted ideas really helps to build loyalty and helps them feel valued contributing to the organization and making a difference," he says.

## Thinking Beyond the Money

Although employee exit surveys may suggest that inadequate pay is what causes employees to leave, employee survey data analysis finds that compensation is not usually the driving factor for organizations that offer comparable pay, Spell says. To make a difference in retention, healthcare executives should focus on other issues, such as building a more positive work environment, creating a better onboarding program, embracing openness or helping supervisors support their staff.



Midland Health leaders like Bob Dent, DNP, RN, FACHE, senior vice president/COO/CNO, focus on making themselves more physically visible throughout the organization and improving their communication with staff.



Michelle Janney (center), PhD, RN, chief nurse executive, Indiana University Health, says the organization has expanded the opportunities for nurses to make more lateral moves, rather than just the vertical.

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The previous case studies demonstrate the importance of tackling retention using multiple strategies. Healthcare executives should consider the following tips from experts on how to win the race for talent.

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***Stay connected to local colleges and universities***. Leaders at Midland Health focus their clinical recruitment efforts on local candidates who already have an established residence and social network in the area, rather than trying to draw candidates from the coasts who may be less likely to stay. For example, Midland Health has developed a nurse internship and residency program that attracts nursing students from local schools. The vast majority of these students—approximately 95 percent—go on to work for the organization, Dent says.

***Be clear with new hires about what their jobs entail***. This is especially important for intense clinical roles so new hires have realistic expectations regarding their new positions. "If you try to downplay some of the less attractive aspects of the job just to get people in the door, you could ultimately do more harm than good," Spell says.

***Let employees be themselves***. IU Health recently loosened its nurse dress code so that nurses can dye their hair whatever shade they choose and display their tattoos. "It's been part of our effort to move from a rules-driven culture to a values-driven culture," Janney says. When leaders decided to scale back the organization's 50-page dress code to be more relevant to what younger generations value as important, they removed every rule that did not relate to infection control. "We wanted to say to employees that we trust you to look professional but we also want to embrace your authenticity, and we want you to bring your whole self to work," Janney says. Leaders tested the policy with patients, who said the tattoos were not relevant. In fact, many patients revealed their own tattoos and found them to be a way to connect with their caregivers.

The policy also has helped with recruitment. "We heard from our managers who felt that they were turning away qualified applicants because of visible tattoos," Janney says.

***Leverage the C-suite's role in retention***. CEOs should shadow each role in an organization, from dietary to security to nursing. "This helps to build familiarity and a family-type atmosphere," Dahl says. It also helps CEOs learn about barriers and challenges that staff face and what hospital executives can do to make employees happier and more productive. Happy staff tends to translate to happy patients and superior patient satisfaction scores. "At the end of the day, we have got to have a servant leadership mentality so those who deliver the care are front and center," he says.

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