

Nursing Retention

Overview

Many hospitals have a significant problem with nursing turnover. Measurable effects of high turnover include increased cost of recruitment and relocation for new staff, as well as agency fees and overtime. Since costs from all factors can easily exceed \$25,000 per nurse recruited, the price tag is enormous for hospitals turning over several hundred nurses per year.

In addition, there are other less easily measured costs of high turnover—significant overtime, coupled with a large percentage of temporary nurses, can quickly develop into a serious morale issue with costs of up to 25% in hidden productivity losses.

There is no question that the nationwide nursing shortage is a real issue. However, too many hospital administrators believe they have no choice but to live with high nursing turnover. Fortunately, administrators have more resources to confront this issue than they may realize. The fact is, turnover rates are heavily dependent on staff morale, and high morale is dependent upon the strength of an institution's leadership and the degree of empowerment it provides its nurses. Strengthening leadership and empowering nurses can make significant reductions in turnover and all its associated costs.

At the same time, you will be building the foundation for dramatic performance improvement in all hospital processes—the kind of improvement that can only come from satisfied, empowered employees.

Typical Nursing Retention Opportunity

Symptoms

- High nursing turnover
- Excessive overtime and agency costs
- Low staff morale and satisfaction scores

Achievable Results

- 20-70% reduction in turnover rate, depending on baseline
- Annualized savings of \$25-50k per additional position retained
- Significant improvements in staff satisfaction, morale, and productivity

Improving Productivity through Staff Satisfaction and Innovation

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Background

A comprehensive approach to staff empowerment was implemented in a high-volume, Level 1 trauma center in response to problems of high staff turnover (58%) and low patient and staff satisfaction scores. The leadership team, through a comprehensive culture analysis, identified several areas of staff concern:

- Lack of autonomy to make decisions
- Minimal support and visibility from leadership team
- Poor morale
- Strained working relationships with physician staff and colleagues
- Lack of recognition for work performed

Further investigation through a series of focus group meetings identified the need to establish a formal process by which staff members could be involved in decision-making and feel that they had a voice in the department. A steering committee of staff members was assembled to begin to develop a comprehensive empowerment model to address the identified concerns.

Empowerment Model Initiative

Brainstorming and nominal group processes were utilized to elicit areas of concern for inclusion in the model. Three major areas of focus surfaced: quality, operations, and education/research. It was decided to include all of these areas in the model.

Quality

The focus of quality concerns surrounded the care of patients within the disciplines of cardiology, trauma services, pediatrics, triage, and observation. It was decided that a representative that supported an interest in each of these would be elected to represent the specialty and maintain a responsibility to meet with the staff to develop strategies to address concerns in each of these areas. These five representatives would reside as active members on the council.

Operations

Several concerns surfaced in the area of operations. The group felt that staffing and scheduling was a concern, especially in the area of fairness and the utilization of contingents. It was decided to include a group that was dedicated to the creation and maintenance of the scheduling process inclusive of the approval of vacation and time off. Since most of the budget in this department resided in the area of manpower, the staffing and scheduling group would be responsible to work with management to develop effective staffing models based on a variable design and contribute to the budgeting process.

There was a concern that the hiring process performed by the managers was focused on hiring anyone to fill the vacancy. The nurses felt that it was more important to hire staff that was compatible with staff members in the department. It was decided that a team of staff members would be responsible for all of the interviewing and hiring of staff. A group would be created for this function.

The quality of charge nurses was a concern voiced by the members of the steering committee. To improve the quality and consistency of the charge nurses, a plan to orient and develop a strong charge nurse leadership team, later identified as Team of Eagles, was created. Staff would be responsible to work with leadership to define the areas to be included in the training program.

Lastly, under the topic of operations, it was decided that a representative from all categories of workers in the department needed to be formally included in a formal Professional Nursing Council (PNC). Representatives from the clerical, technical, and physician group would be chosen and given full voting rights on the PNC. This decision stemmed from a belief that teamwork is a vital component in the emergency environment, and any decision of the group would affect all members.

Education and Research

There was an overarching belief that the educational opportunities and performance level of the staff members varied widely due to high turnover rates and continual orientation of new staff members. A formal education council was developed to work with the Clinical Nurse Specialist to identify educational needs, present in-services, and programs, as well as be involved in orientation of new nurses. Along with this initiative, it was decided to increase the strength of the preceptor group and develop an official mentorship program.

PNC Process

The PNC was scheduled to meet monthly on the same day of the month for a period of four hours. It was vital that the managers upheld the commitment to relieve the staff or provide alternative coverage for the group to attend the meetings. It was expected, however, that the individual team members met more frequently if necessary to work on identified projects. The PNC also worked with the leadership team to develop what processes were in their scope of control, as well as what decisions could be made autonomously and which ones needed administrative approval. A process for the creation of policies and procedures along with expectations for minutes, goals, and objectives were mutually defined. The group also drafted bylaws for operation.

Leadership Representation and Responsibility

It was decided that initially, until the group felt comfortable with processes, the director of the department and managers would attend the entire meeting. Following this period of orientation, the director and the managers of the department would be assigned specific times to attend. The director and the managers, however, committed to be available to all members of the team if coaching and support was needed.

Timeframes

The steering committee met for a period of six months from September 1999 to February 2000. The election of members was held in March 2000, and the PNC held their first meeting in April of 2000. Despite the beginning challenges of team process, the PNC appeared to be well received by the staff and the physicians. The expertise and sophistication of the team continued to develop to become an integral part of every process in the department.

Long-term Impact

The staff empowerment model remains in place since April 2000. Staff turnover rates dropped from 58% to below 15%. Currently the department enjoys a waiting list of nurses to work in the department, and the vacancy rate is 3%. Orientation and staff replacement costs have been reduced whereby staff and patient satisfaction scores have improved.

The intervention has been so successful that the hospital has utilized the model in the Emergency Department to create a hospital-wide Professional Nurse Council that has become the vehicle for staff involvement throughout the nursing organization. Within the last year, empowerment models have been implemented in the Radiology, Radiation Oncology, Nuclear Medicine, and Respiratory Therapy departments.

Conclusion

This initiative proved to be a comprehensive approach to improve staff morale, reduce turnover, and enhance the quality of patient care provided. Although initially piloted in the Emergency Department, it has now been successfully deployed in many other areas of the hospital. This program has helped leadership control costs, improve quality, and enhance the quality of the work environment in the departments targeted.

Case Summary

Situation

- Large teaching hospital
- Poor staff morale
- RN turnover was greater than 50%
- Staff costs were 38% over budget
- Difficult recruiting environment

Improvements

- Reduce turnover
- Improve morale
- Keep staff costs within budget

Results

- RN turnover below 15%
- High morale environment
- Waiting list for RN positions
- Staff costs within budget 