

Qualivis

The Three Rs to Reduce Contingent Labor

August 2023

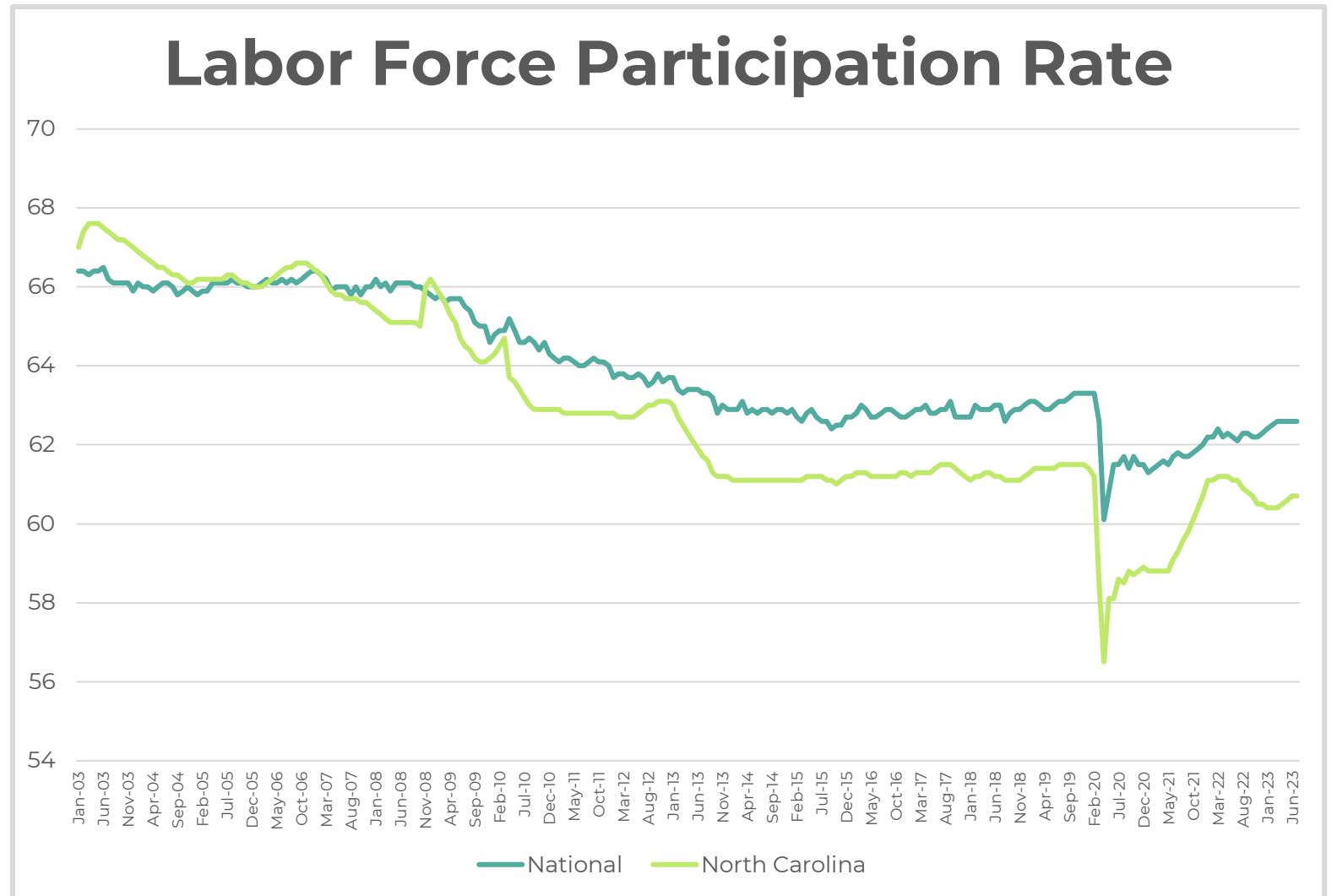


The Challenge

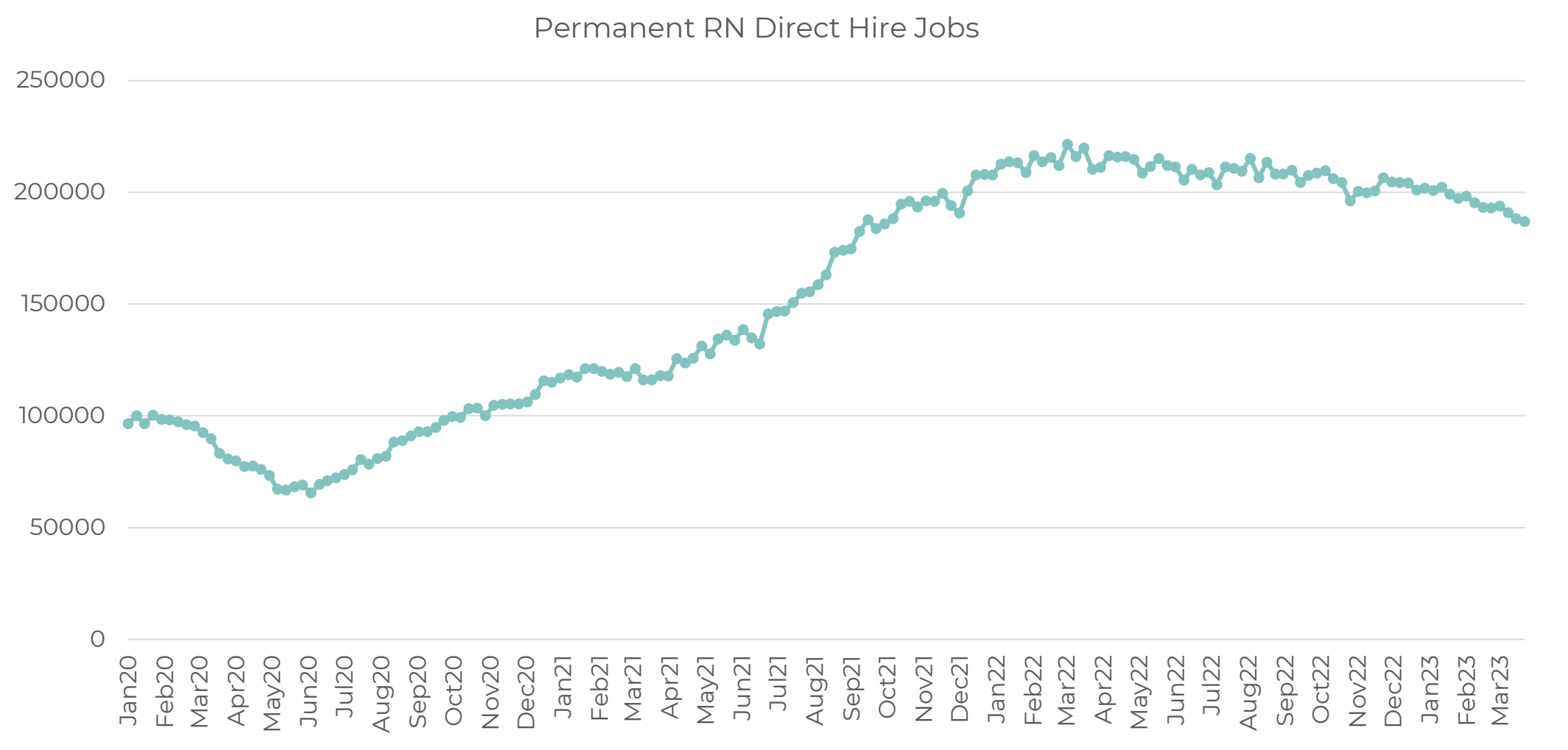


Fewer people are participating in the labor workforce

An additional 2.5 million workers would need to be in the labor force for the participation rate to reach its pre-pandemic level.



That drought has been felt in the healthcare industry



Source: Liquid Compass

**Length of time
people are staying
in a role is
decreasing**

AVERAGE LENGTH OF TIME SPENT IN A ROLE, BY GENERATION.



Impact of clinical workforce shortages



+ \$1,485

Increase in labor expense per adjusted discharge

+ 9%

Increase in total labor expenses made up by contingent labor

200,000

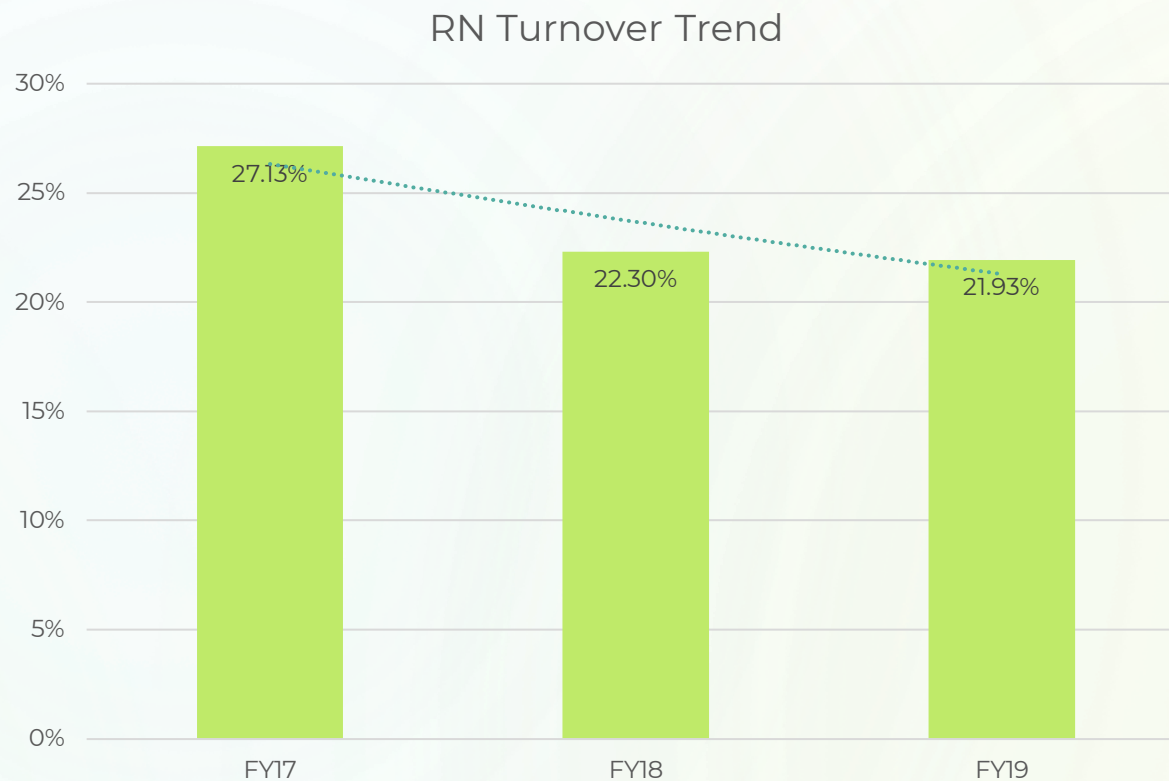
RN openings projected each year through 2031 due to retirements & workforce exits

VHC Health

- Not-for-profit, 453 bed, acute care Magnet hospital
- Level II Trauma Center
- Comprehensive Stroke Center
- Second highest volume delivery site in the state of Virginia
- Level III Nursery in partnership with Children's National
- Teaching & research hospital associated with Georgetown University's School of Medicine
- CMS Four Star



Pre-Pandemic Progress!



All RN Turnover

- Includes Voluntary and Involuntary Terms
- Headcount, not FTEs

Added Nurse Residency Program for New Grad RNs

Improved ability of staff to transfer between departments

**Do you truly have
as many people
as you think?**



Starting Situation

27.13%

—
RN Turnover
Rate

48

—
Contingent
Labor FTEs

\$5M

—
Contingent
Labor Spend

Turnover is calculated using headcount (not FTEs) and includes both voluntary and involuntary terminations



**Proficiency in
recruiting and
retaining talent
is more critical
than ever.**

**Is your value
proposition valued?**



What candidates' value differs by generation

57% of job candidates report benefits and perks are among their top considerations before accepting a job

Baby Boomers

- Salary level
- Health insurance
- Retirement plan

Gen Xers

- Salary level
- 401K plan with matching benefits
- Job security
- Advancement within the company
- Opportunities for work-life balance

Millennials

- Benefits choices
- Paid time off
- Ability to work remotely
- Control over their schedules
- A great deal of flexibility

The definition of
“flexibility” is...
flexible



Scheduling

Set own hours, shifts or opt for compressed workweek



Location

Work from home, office or other locations



Job Sharing

Two part-time employees share a single full-time role



Hours

Ability to switch to part-time or cut hours when needed



Flexible PTO

Staff can take time off when needed



Job Rotation

Temporary assignment to a different department / role for new experience

Polish your value proposition

To meet the diverse values of a multi-generational workforce, offer menu-style options to supplement core benefits.

- ❑ Student loan assistance
- ❑ Sabbaticals for long-term employees
- ❑ Mental health workshops
- ❑ Phone / internet expense assistance
- ❑ Mindfulness app subscriptions
- ❑ Virtual hangouts for remote employees
- ❑ Home office improvement stipends
- ❑ Childcare reimbursement
- ❑ Pet care insurance
- ❑ Healthy lifestyles programs

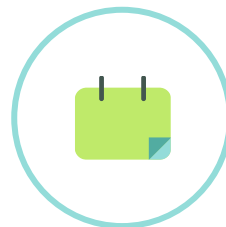


Flexible Benefits Alternative

- Not just nursing
- Permanent position
- Full time 36 hrs + per week
- Select shifts and units
- Limited PTO and generous unpaid time
- No paid holidays
- Benefits limited
 - High deductible plan
 - 401k
 - No tuition or loan repayment
- Earning tenure



Benefits of Being Full-Time



More desirable schedule



Loan Repayment

- Any loan
- Any role
- No lifetime max



Tuition Reimbursement

**Recruit better
& faster**



Filling your recruitment funnel

- Widen your candidate pool
 - Friends & family referrals
 - Veterans
 - People with mental or physical health challenges
 - Convert travelers
- Advertise in different, non-traditional venues
- Emphasize career pathways and opportunities for advancement



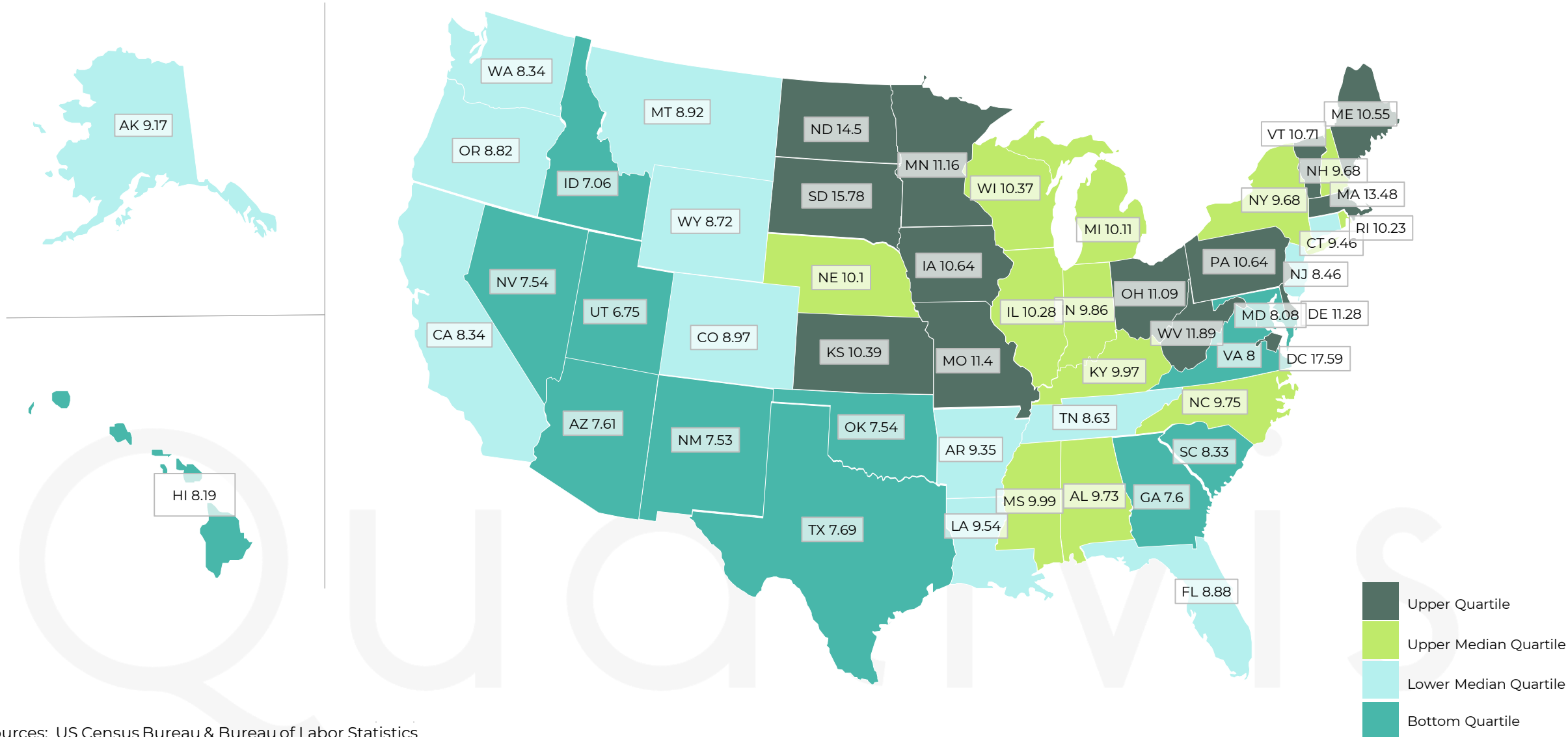
MAKE APPLYING TO YOUR JOBS EASY

- Decrease complexity & length of applications - 5 minutes to complete or less!
- No no's
 - ✓ Re-entering work histories
 - ✓ Multiple logins
 - ✓ References up front
- Best Practice – focus on people, not paperwork

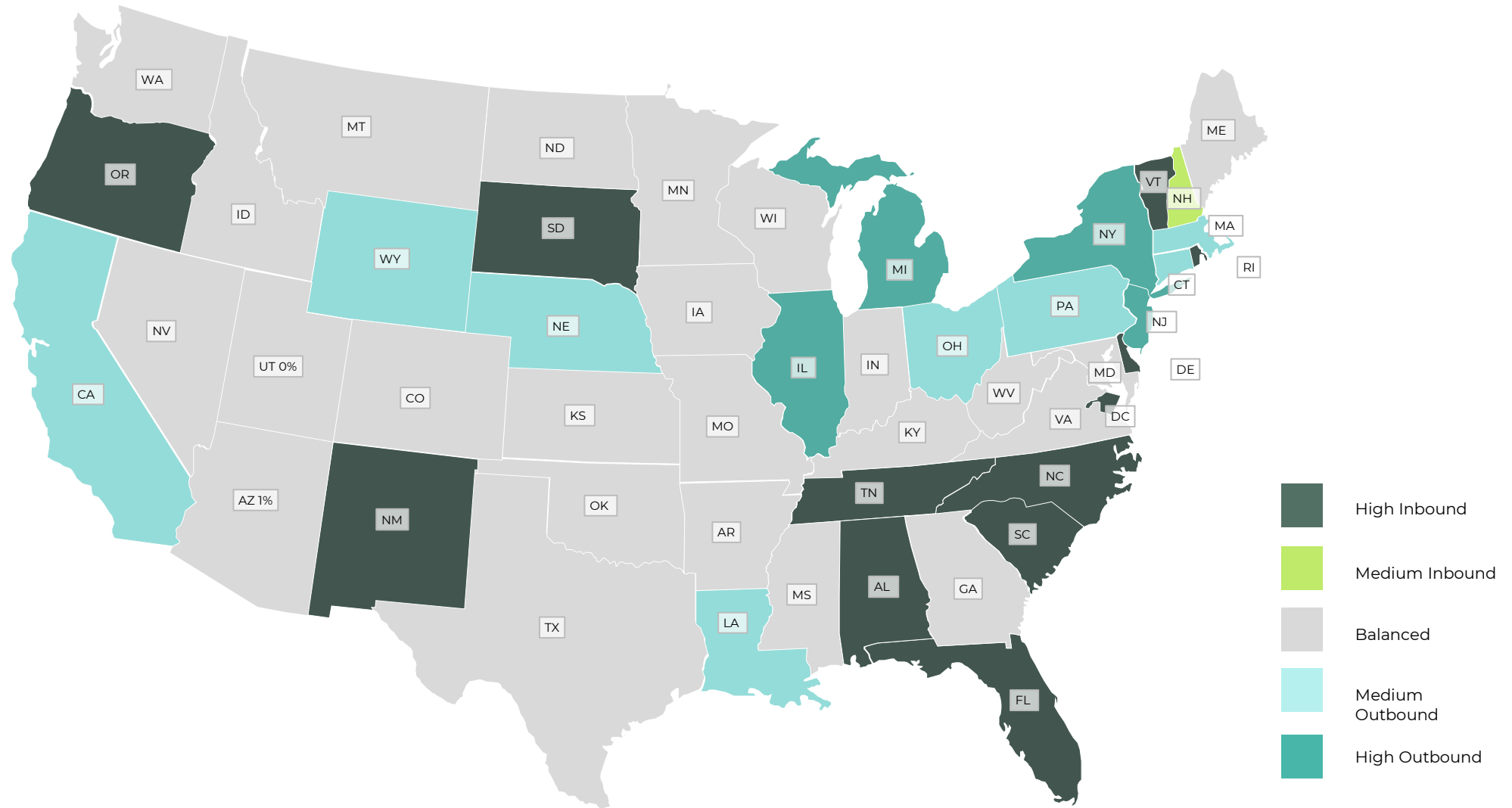


80 to 92% of candidates who click apply never complete the application!

North Carolina is in the upper median quartile of employed RNs per population (in 1000s)

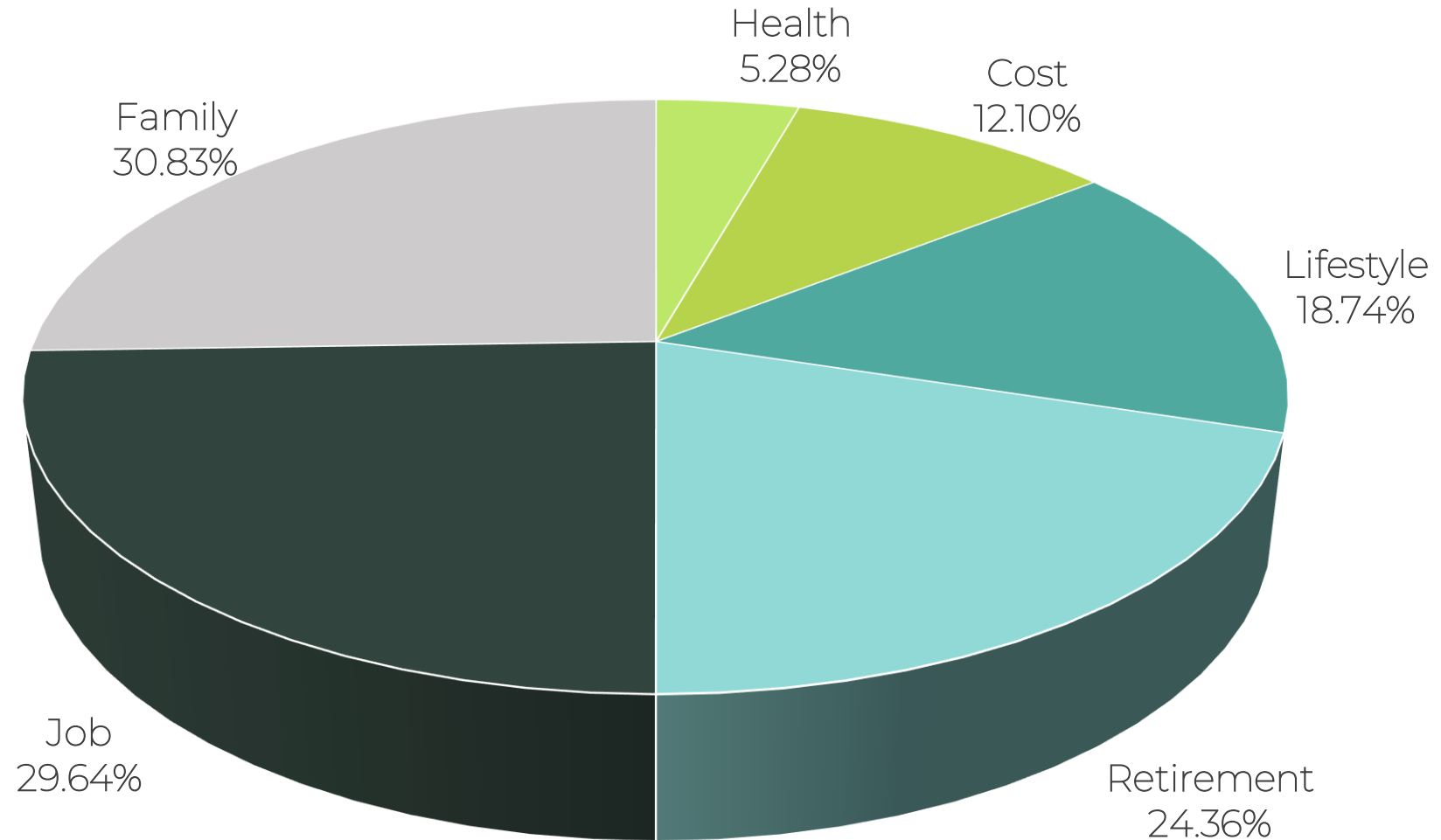


Where Americans moved In 2022



Capitalize on the relocation movement

REASONS CITED FOR MOVING TO NORTH CAROLINA



Matching your recruitment strategy and value proposition to moving job seekers

WHAT THEY SEEK

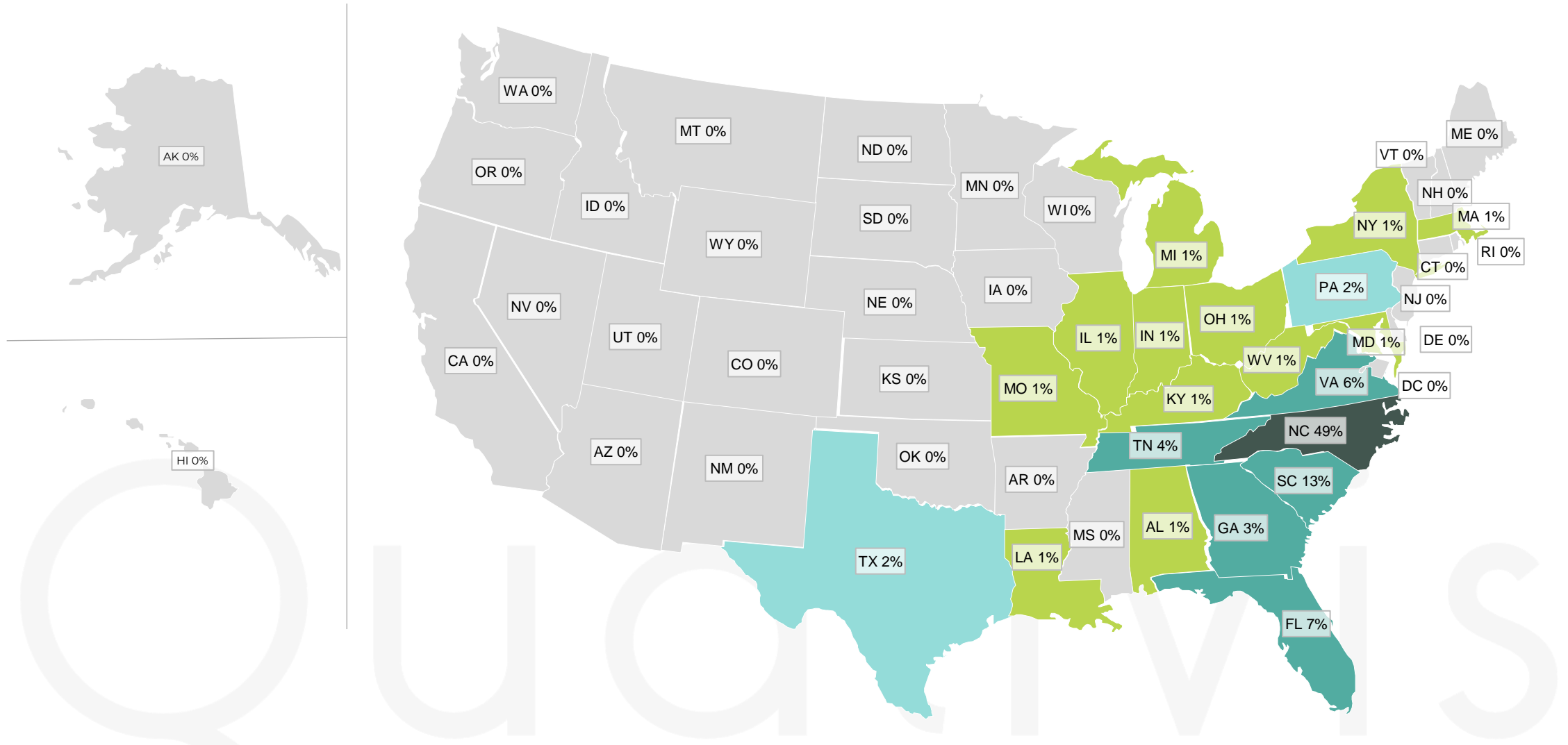
- ✓ Affordability
- ✓ Ability to work from home
- ✓ Proximity to family & friends
- ✓ More living space



STRATEGIC RECRUITMENT

- ✓ Advertise in states with higher cost of living & offer relocation packages
- ✓ Offer remote / hybrid work opportunities
- ✓ Solicit referrals from current employees
- ✓ Flaunt it if you've got it! Highlight less dense communities in your service area while recruiting

Where traveling RNs are coming from to work in NC



Changes to Recruitment

- New Director of Recruitment
 - Set accountability standards for team
 - Added recruiters to focus on support roles
 - Marketing via LinkedIn, Monster, and other social media sites
 - Hot Jobs List
 - Multi-Media Specialist

- Life@VHC
 - Instagram
 - TicToc
 - Facebook

- Virtual Job Fairs



Retention



“Train people well enough so they can leave, treat them well enough so they don't want to.”

Richard Branson



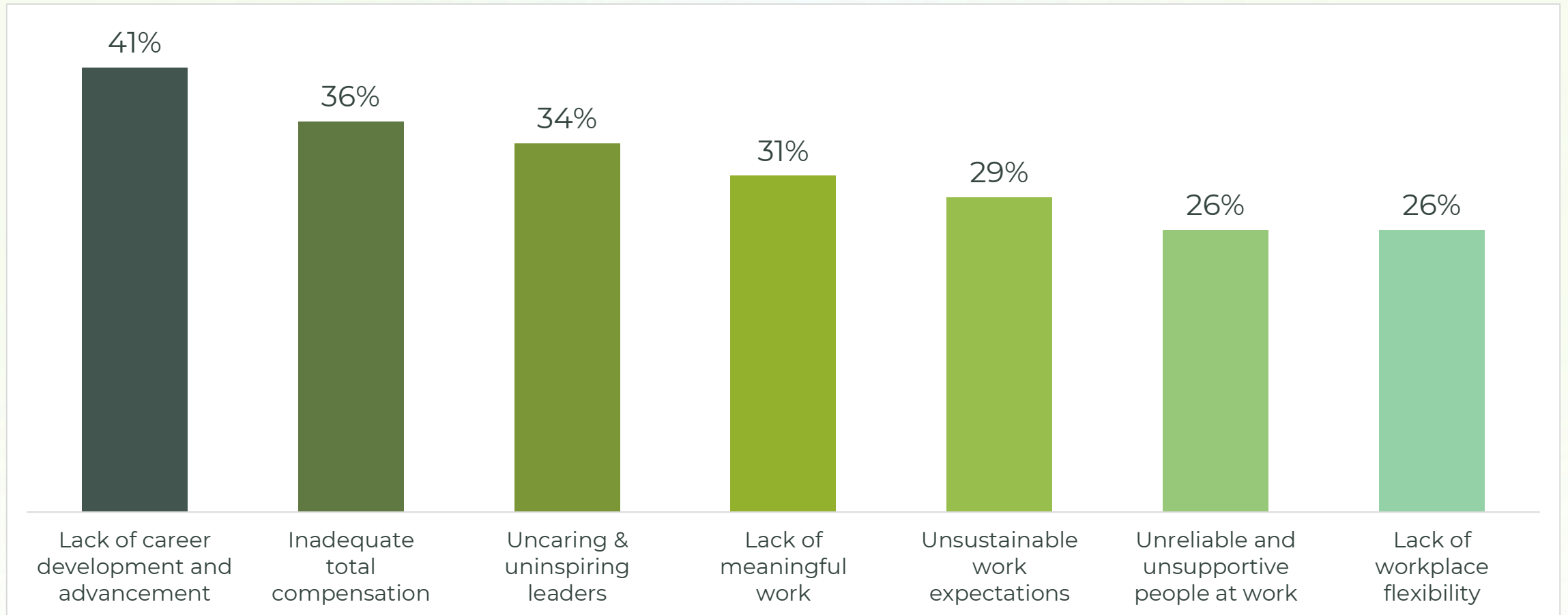
If we can't measure it, we can't fix it

- Employee engagement is higher when leadership shows they are committed to understanding and improving turnover
- Talent exit surveys are vital – get help doing them well!

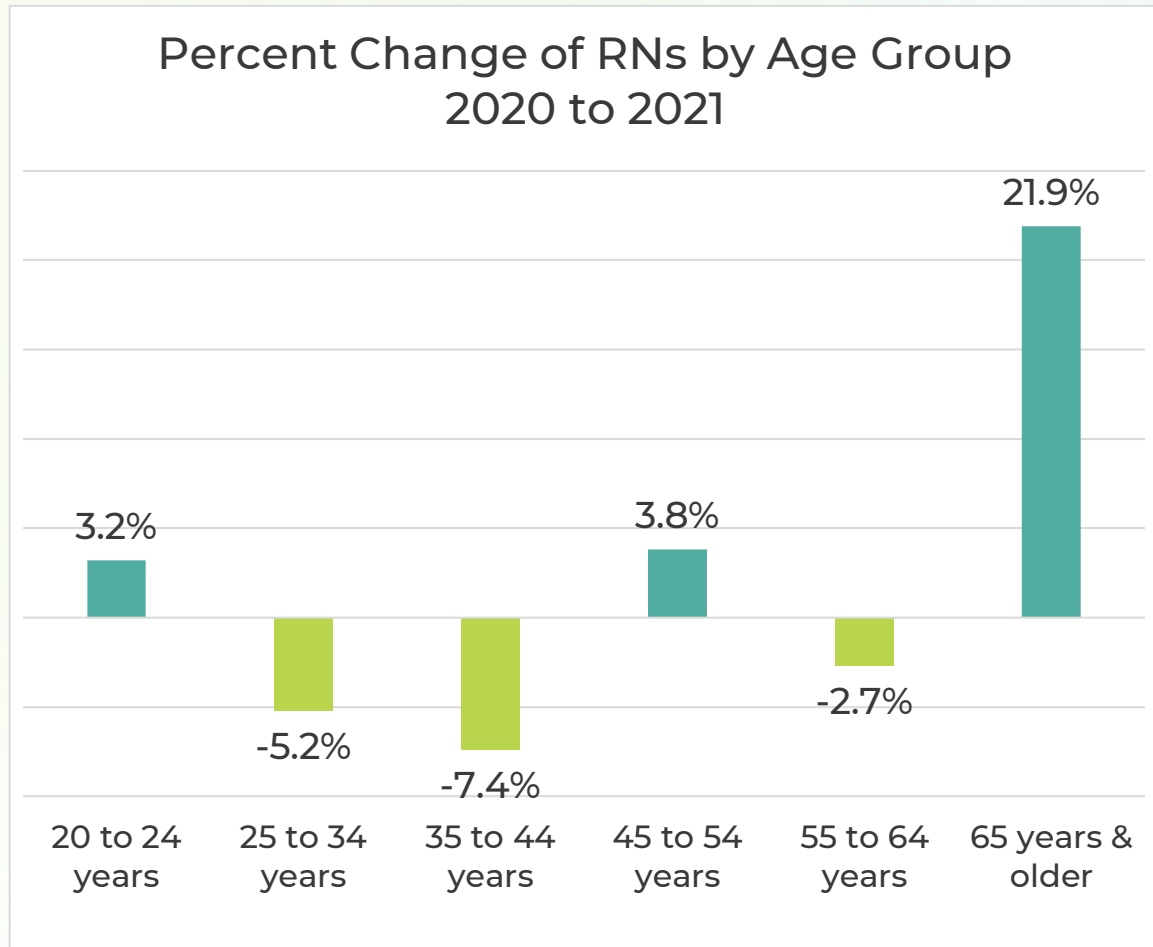
 Don't	 Do
Why have you decided to leave this company?	What caused you to start looking for a new job?
	What does your new company offer that encouraged you to accept the offer?
How was your relationship with your manager?	How would you describe your manager's leadership style in 3 words?
	What 2 or 3 things could your supervisor do to improve his/her management skills?

Why people quit their previous job

Top reasons for quitting previous job



Retaining vulnerable age groups



Highly experienced (aka older) staff

- Offer flexible / shorter shifts / job sharing / seasonal work
- Focus on ergonomics
- Provide career paths that capitalize on experience and are less physically rigorous
- Keep their specific needs in mind (i.e., retaining social security benefits)

Maternity age staff

- Identify work-at-home opportunities
- Offer per-diem status / job sharing
- Implement parent-friendly scheduling policies (consistent schedules, shifts around school breaks, etc.)
- Don't add to their stress by calling them in on days off

Focus on Retention

- Enhanced EAP
- Mocktail hour with New Grads
- “WE” at VHC Committee
- Friend of Nursing Awards, added
- “Friends of Healthcare”

FRIENDS OF NURSING



The VHC Health Foundation Friends of Nursing Fund gives our nurses the opportunity to broaden their education through specialty training, certificate programs and advanced degrees. Since 1989, the fund has grown to \$4 million, with nearly \$215,000 in scholarships, awards and educational activities going to 31 nurses in 2022.





“Sticky” benefit offerings

Child Care

Housing Assistance

Apprenticeship & Grad Programs

Consider (again) offering childcare

- 4 million U.S. workers resigned each month during the second half of 2021 due to struggles with childcare or senior care challenges.
- Childcare expenses can wipe out the financial benefits of returning to work, especially for lower income workers.
- Employees whose children are enrolled in employer provided daycares are less likely to leave.
- Partner with local organizations to fully fund daycare centers and research available grant money.



Affordable housing benefits

Forgivable loans closing cost assistance

Low interest loans

St. Luke's Wood River Foundation

building a 12-unit single-family home housing development for long-term rentals for employees.

Johns Hopkins

offers grants of up to \$14,500 toward a down payment and closing costs associated with buying a house in designated city neighborhoods after completing three eligibility requirements.



Apprenticeship programs

Graduates must see a clear path to a job and a career in their local community.

Partner and provide!

UC Berkeley

undergraduates earn academic credits in exchange for serving as unpaid patient navigators.

Geisinger

awards \$40,000 in financial support to become an RN to any employee who has worked for them for a year or more with a 5-year work commitment as an inpatient nurse.

Get to them early!

Partner with high schools and middle schools to share the value of a career in health care. Offer job shadowing and career days.



Focusing on Career Development

- Loan Repayment (new)
 - All undergraduate degrees
 - All staff (FT/PT)
- New Grads
 - Slippage in turnover for this group
 - Re-emphasis on Residency fundamentals
 - Cohort meetings matter
 - Stay interview competency for nurse leaders
 - Management of group size
 - Earned PTAP Accreditation- first in DMV



Engagement

- Sunsetted Clinical Ladder in Lieu of Pathways Program
 - Why? Clinical Ladder limitations
 - Launched in 2021- June
 - Two Paths- Clinical Excellence and Research
 - Points Based
 - Activity Table
 - Final Step- Panel Interview
 - 64 nurses have completed the process

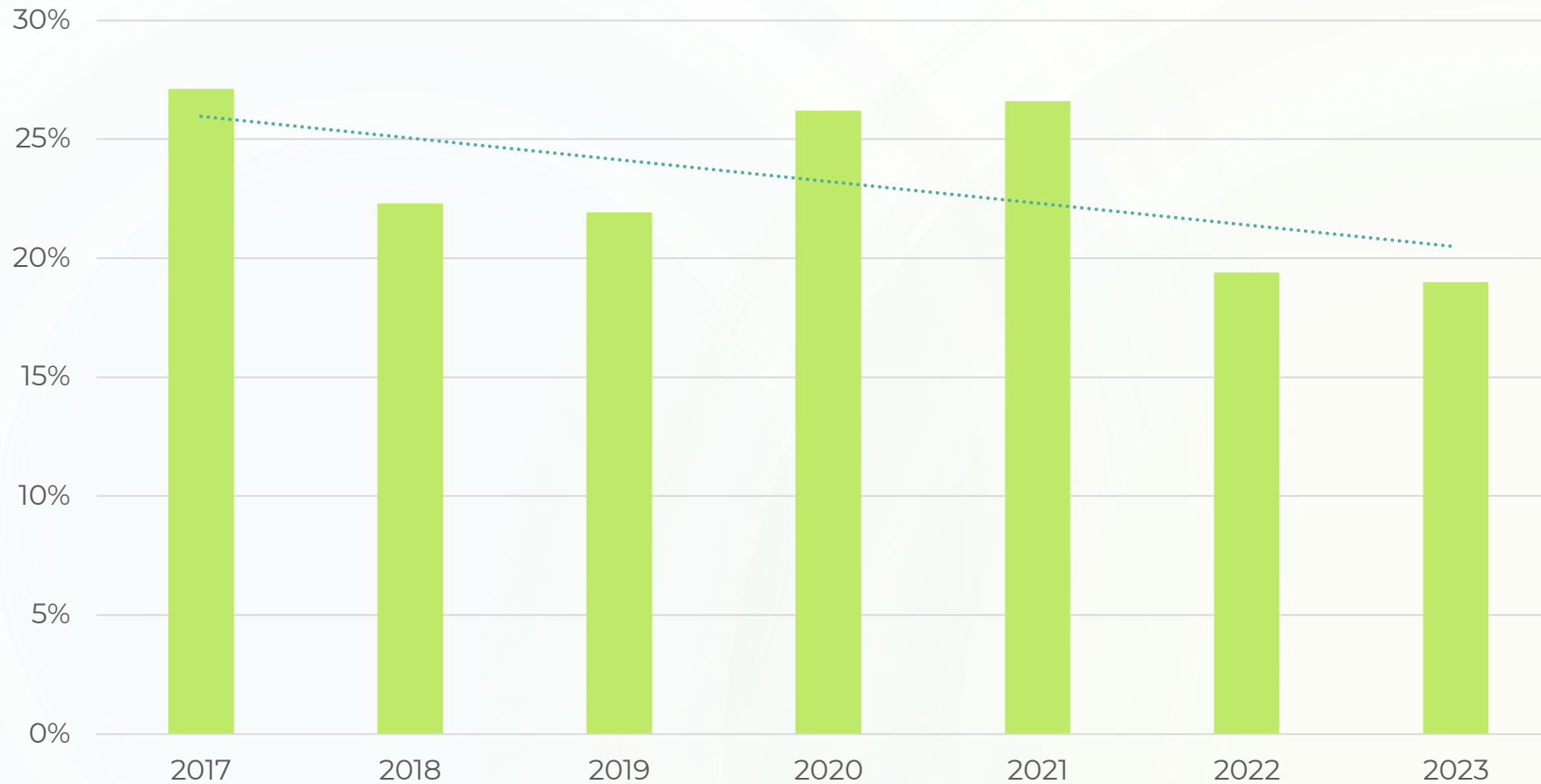


Logo property of VHC Health™

Results

Decreased RN Turnover

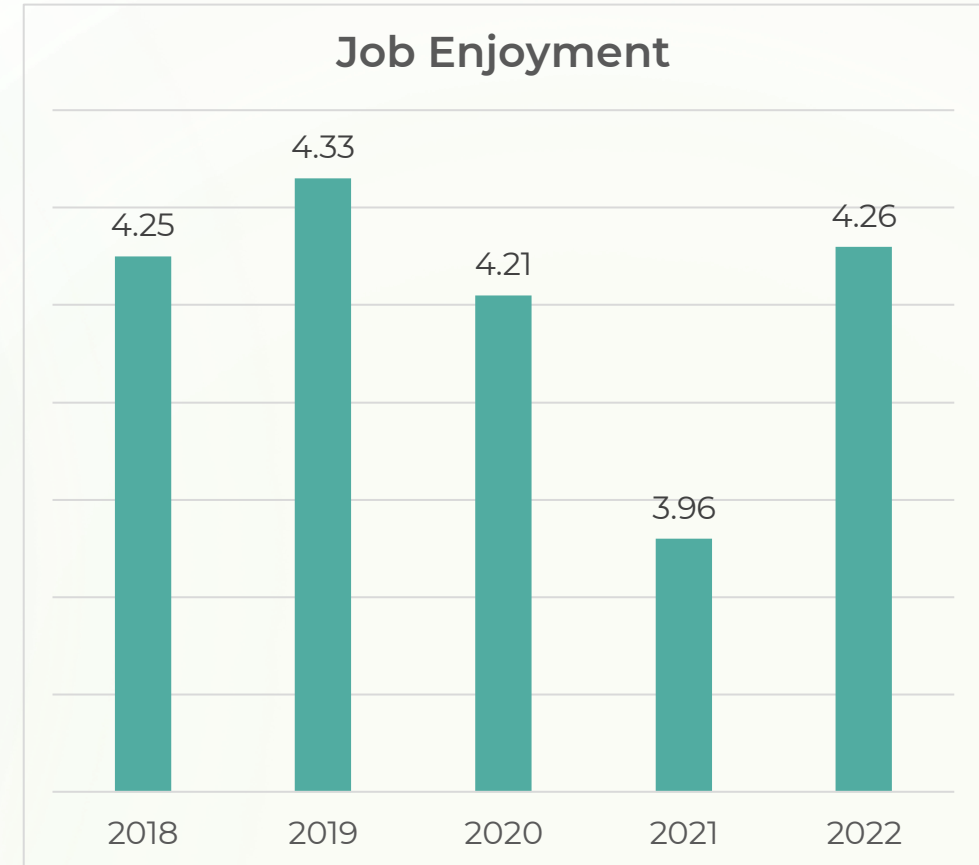
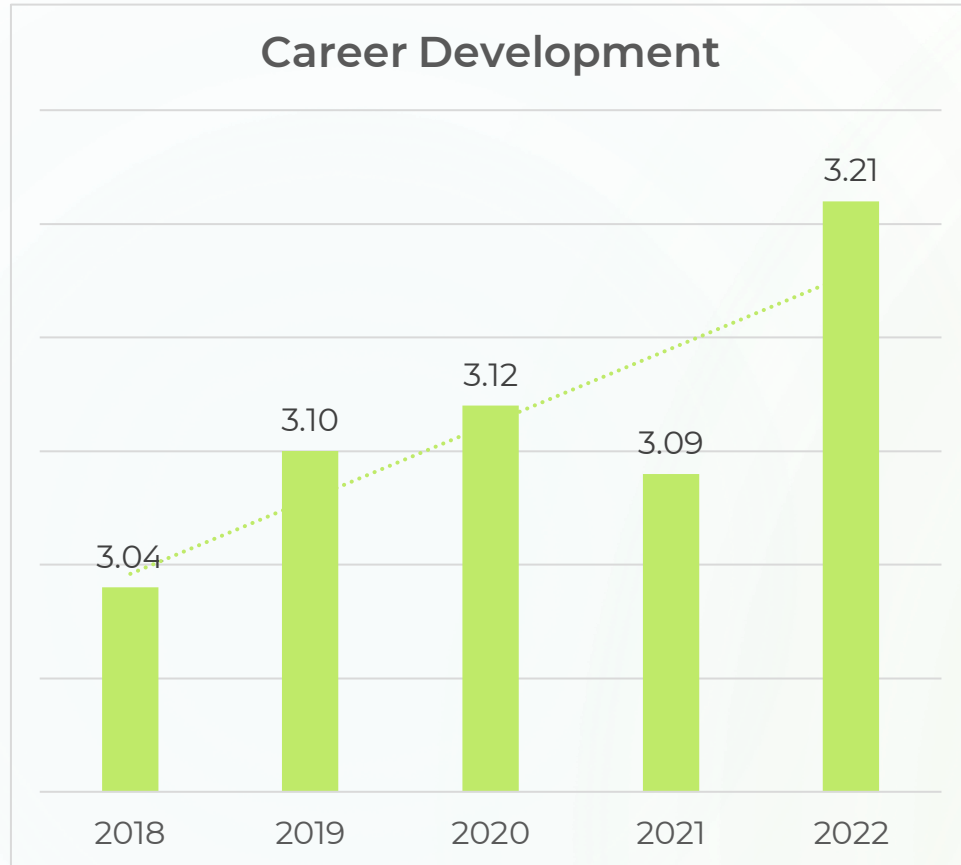
RN Turnover Trend



RN turnover is at the lowest levels in over 6 years

Turnover is calculated using headcount (not FTEs) and includes both voluntary and involuntary terminations

RN Satisfaction Results



Recap

- Invest in recruiting and social media
- Work to retain travelers in the interim
- Reinvigorate and invest in a nurse residency program
- Review the professional development model and think of strategies to reignite the excitement
- Create a menu of benefits and job categories that appeal to the nursing and support service employee groups

Final thoughts on retaining your talent

- Market competitive pay
- Ensure appropriate time off
- Recognize / award them meaningfully
- Partner with your staffing agencies to avoid burnout during high volume months
- Get creative with solutions that offer flexible schedules that truly meet employee needs



Muppets, Inc.	
Name	Fozzie Bear
Position	Artist In Residence
Date of Hire	2/2/2009
YTD Through	01/01/2018 – 12/31/2018
Indirect Compensation as a Percentage of Total Compensation = 22.91%	

TOTAL COMPENSATION STATEMENT

The purpose of a Total Compensation Statement is to provide you with an overview of your direct and indirect compensation (salary and benefits) you receive from your employer. This statement contains personal and confidential material and is intended for your information only.

Direct Compensation	
Regular Pay	\$51,554.95
Paid Time Off	\$6,375.85
Bonus/Commission Pay	\$1,500.00
Other Pay	\$2,337.20
Total Direct Compensation	\$61,768.00

Indirect Compensation	
Social Security Tax	\$4,705.57
Unemployment Tax	\$-
Workers Compensation	\$733.31
Other Tax	\$76.50
Total Indirect Compensation	\$5,515.38

Indirect Compensation – Employer Paid Benefits	
401k Match	\$1,853.04
H.S.A. Match	\$1,000.00
Health Insurance	\$9,600.00
Dental Insurance	\$-
Vision Insurance	\$-
Life Insurance	\$65.28
Short Term Disability Insurance	\$175.44
Long Term Disability Insurance	\$144.00
Total Benefit Contribution	\$12,837.76

Total Compensation	
Direct	\$61,768.00
Indirect	\$5,515.38
Indirect – Benefits	\$12,837.76
TOTAL	\$80,121.14

Articulate your total compensation

A total compensation statement quantifies the full picture of compensation with employees who may not realize the true measure of what they're being compensated.

Consider issuing these annually to all employees

Money isn't the only motivator

Baby Boomers



- Mutual respect
- Hands-on education
- Predictable schedule



- Gossipy environment
- Entitlement
- Technology

Generation X



- Independent decision-making
- Flexible schedule
- Career advancement training



- Lack of feedback
- Feeling “dumped on”
- Micromanagement

Millennials



- Recognition & praise
- Clear goals & structure
- Direct supervision & mentorship



- Hearing “how we do things here”
- Expectation working all the time is good
- Disparaging comments re them & generation

Generation Z



- Practical experience with orientation
- Internal competition
- Work-life balance



- No straightforward, consistent feedback
- Lack of opportunity for internal growth
- Unfair or unethical manager

Use the “right” resource

Staff resourcing

TYPICAL CENSUS DEMAND

75 – 80%

- Internal core perm staff on regular pay

SPIKES IN DAILY DEMAND / SICK CALL OFFS

10 - 20%

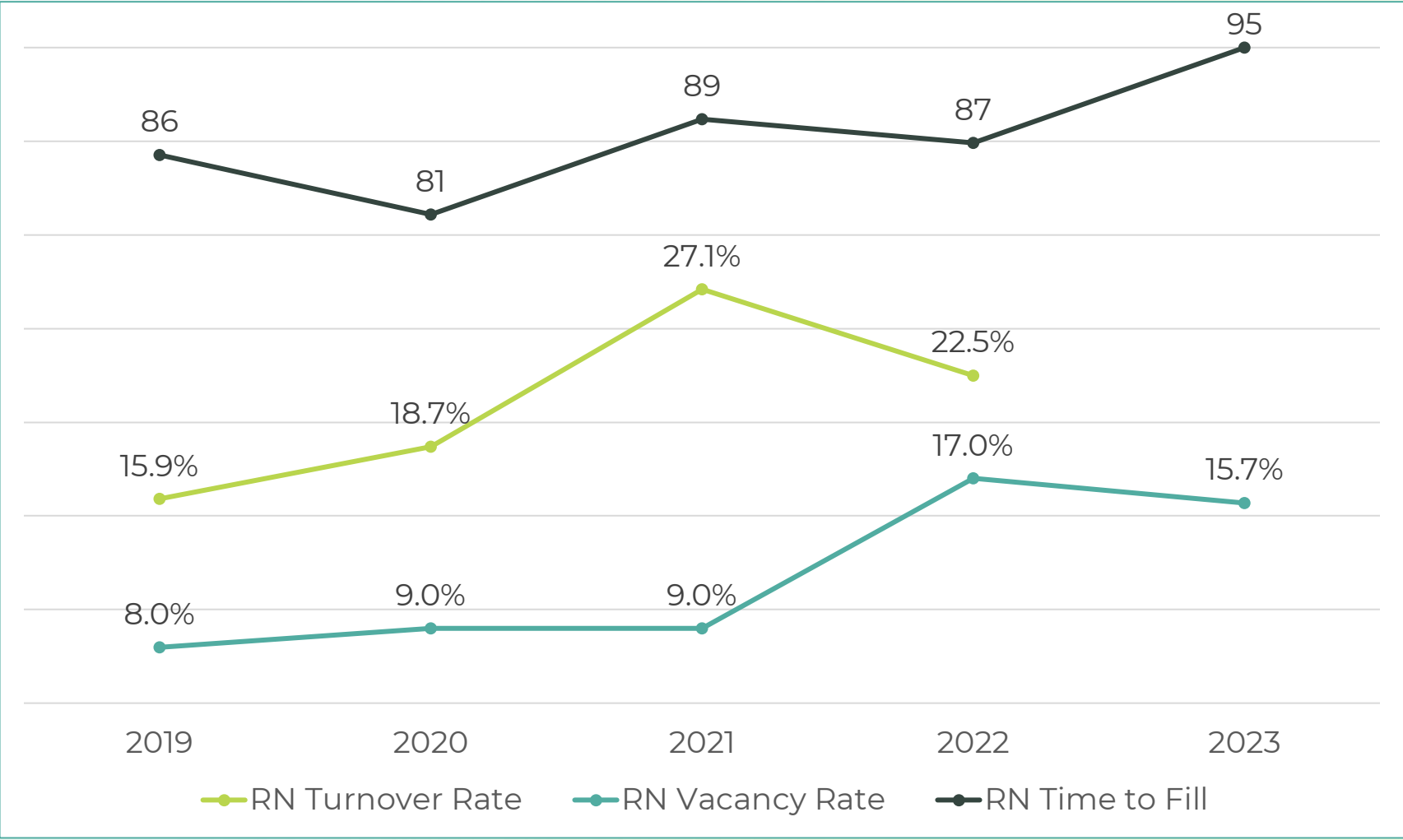
- Internal float pool on regular pay
- Internal part-time / per diem on regular pay
- Internal core perm staff on overtime

SEASONAL CENSUS / LEAVE COVERAGE

5 – 10% as
needed

- External ad hoc daily registry
- External travelers

How do we staff to cover vacancies?

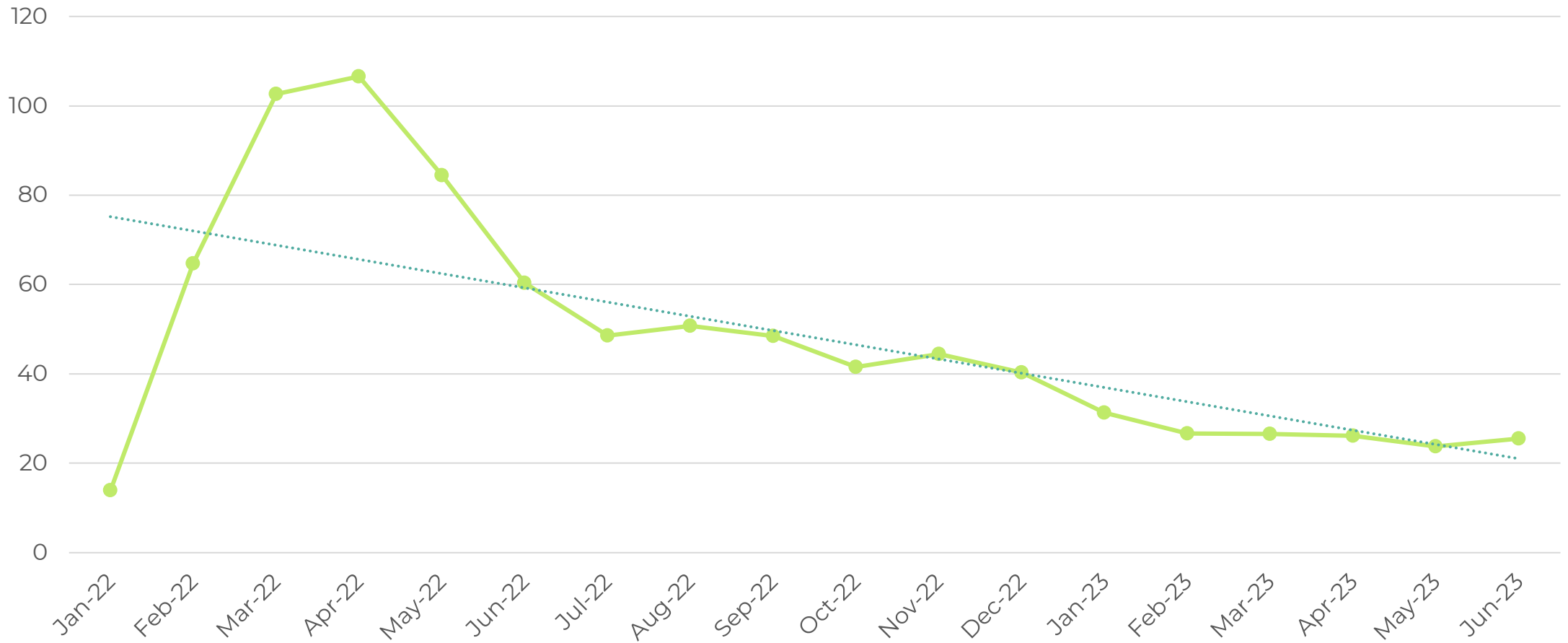


Source: Advisory Board / National Healthcare Retention Report

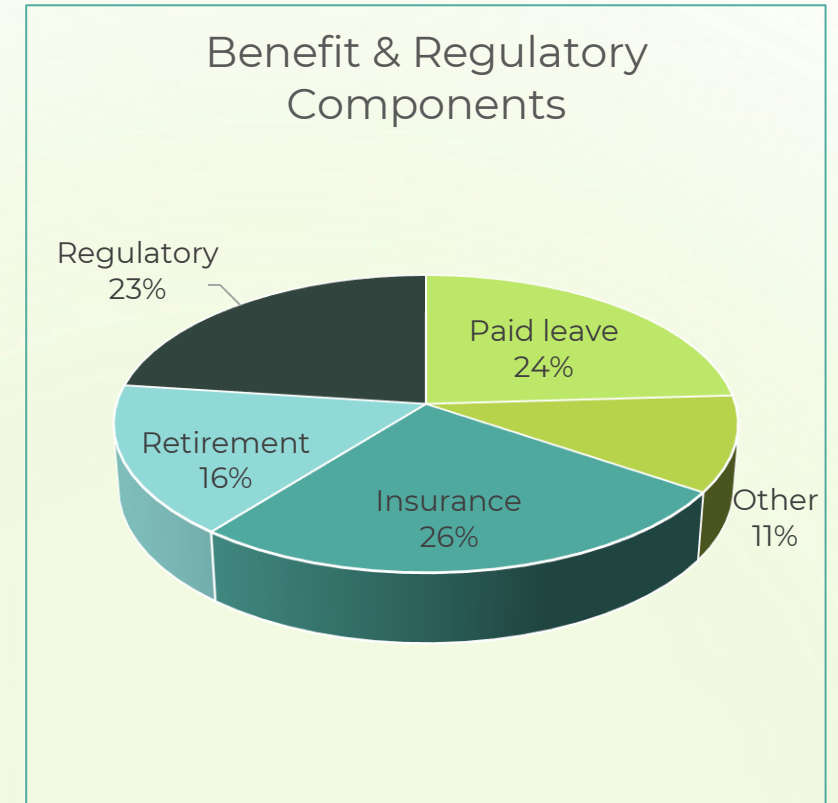
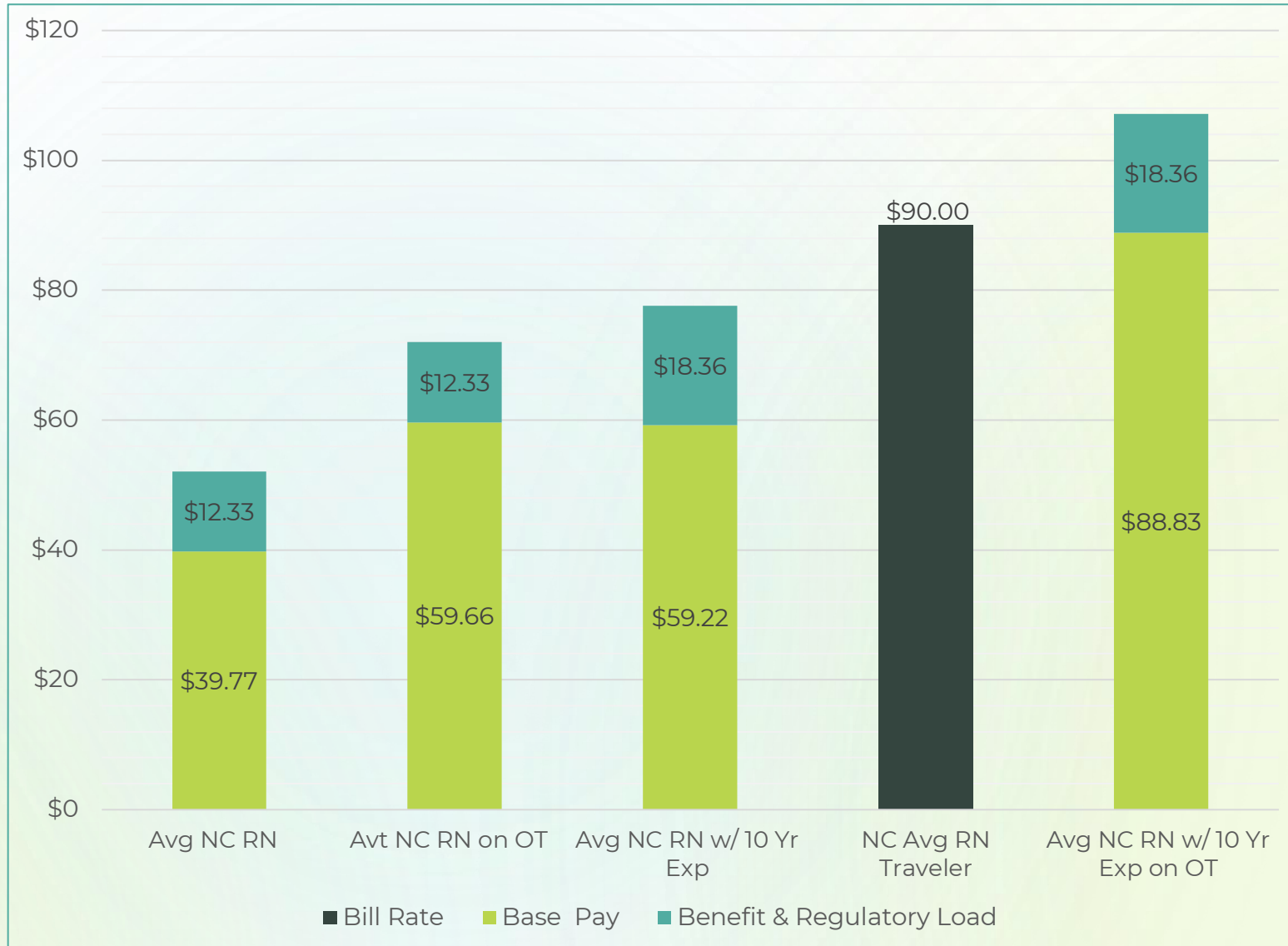
Decreased Traveler FTEs



RN Traveler FTEs Trend



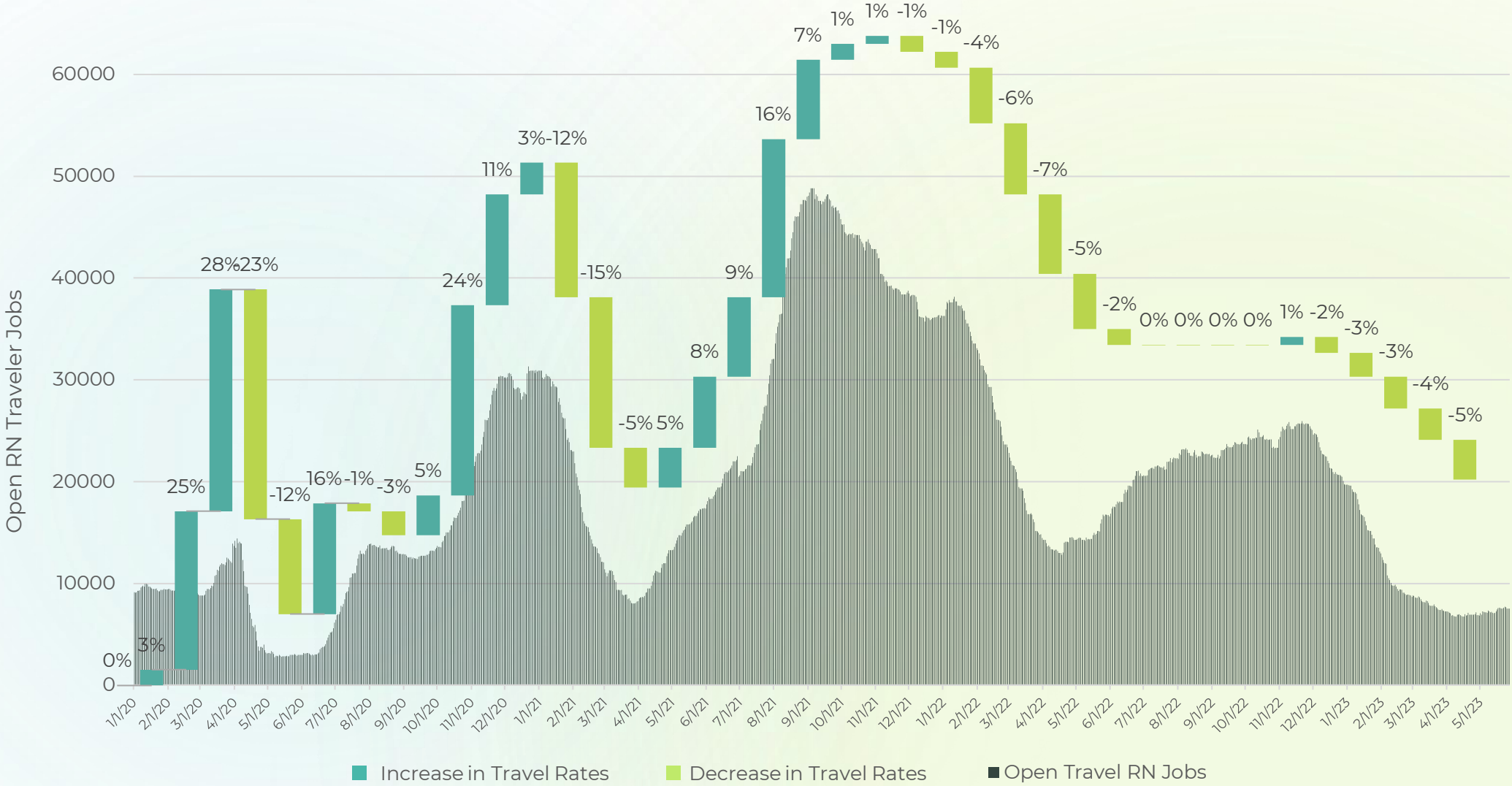
Selecting the most cost-effective resource











31%

average benefit & regulatory load
(per 2023 Bureau of Labor Statistics)

Impact of traveler demand on rates

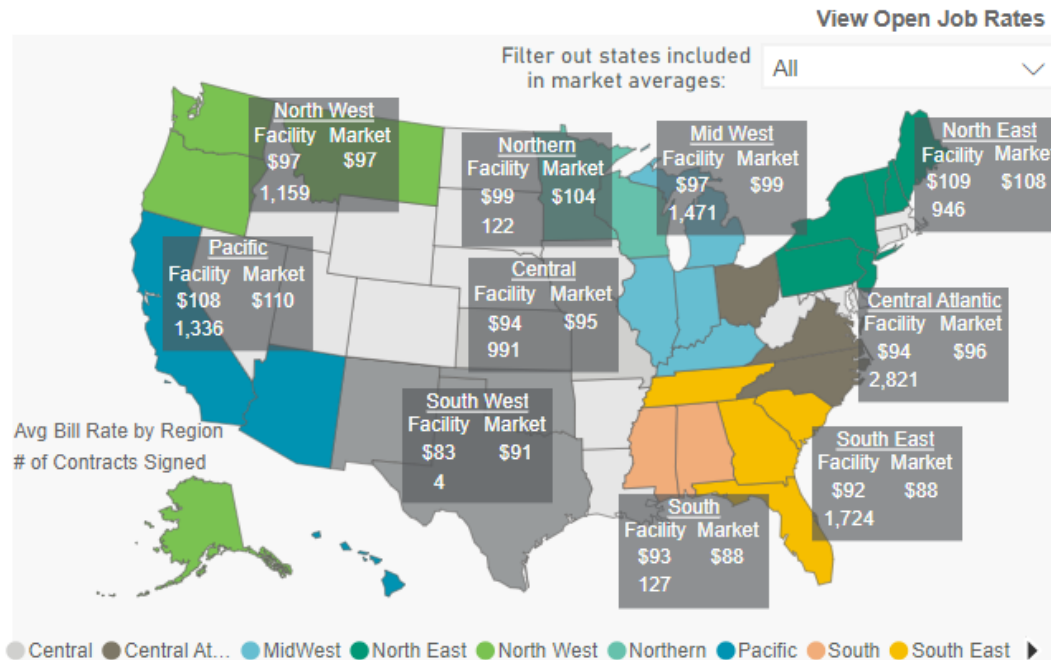


Lotus Analytics provides market & bill rate transparency

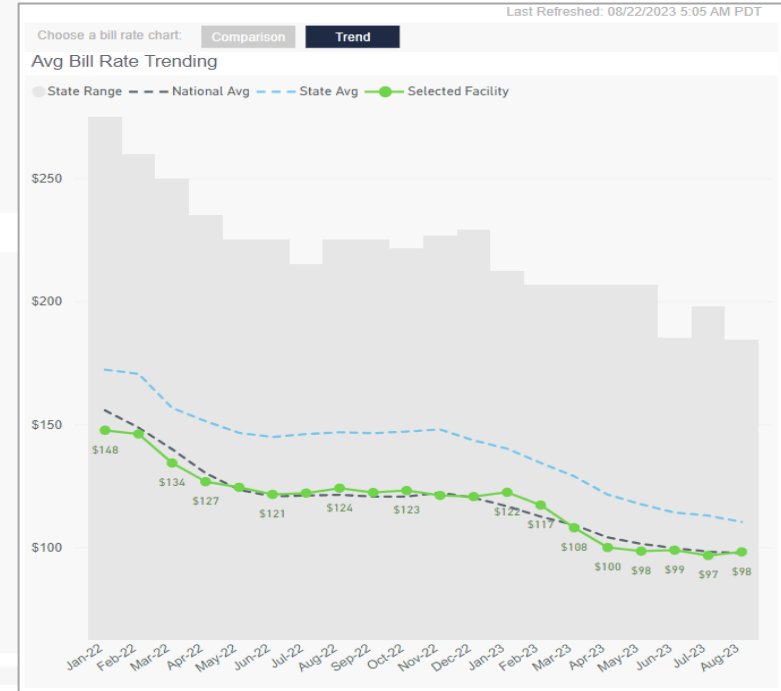
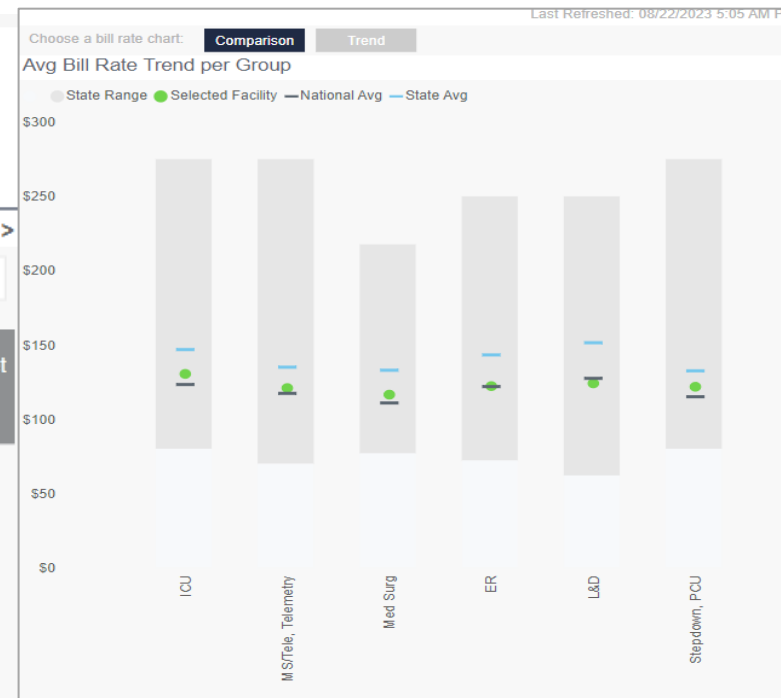
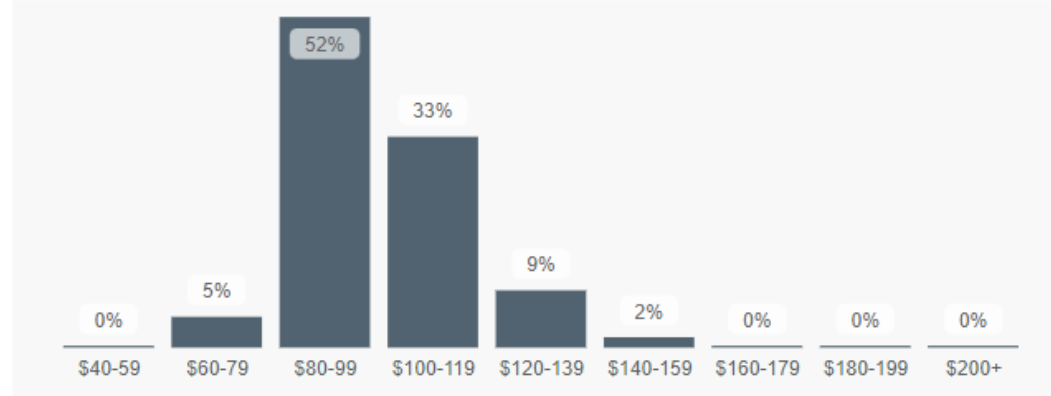
-  Home
-  Workers
-  Jobs
-  Traveler Gantt
-  Spend
-  Rates Gantt
-  Rate Trends
-  MyAya Activity

Lotus Analytics

Placement Rate Trends



National Bill Rate Distribution



Tips on negotiating with your contingent labor suppliers

- When comparing rates, take terms into consideration
- Overtime bill rates and when applied
- Call off penalties
- Conversion fees
- Ask if you can post your perm jobs on their website

**What is your call
to action?**



Let's re-imagine recruitment and retention together.

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Thank You