The Loyal Employee

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A Trifecta Approach to Reducing Healthcare Personnel Turnover

Healthcare industry labour shortages are a growing problem on a global scale, but managers have the power to effect change at the organisational level. This article proposes a practical approach for managers to reduce turnover by combining a strong employer value proposition with effective employee onboarding, targeting the critical first year of employment.

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key points

- Healthcare labour shortages have reached a crisis point, forecasted to persist into the foreseeable future.
- The highest turnover rate in healthcare settings occurs in the first year of employment.
- Top factors influencing retention include autonomy, sense of belonging, purpose, caring colleagues, and feeling valued by management.
- The 6 Cs of onboarding is an employee onboarding framework scientifically proven to increase employee retention and engagement.
- Manager interaction has been shown to significantly impact employee retention and engagement.

The Healthcare Labour Crisis

The healthcare sector has long faced labour shortages, but developments in recent years have heightened the crisis as the demand for labour increases amid a shrinking workforce. Some factors include an ageing population requiring more care, worker retirement, and widespread burnout. Forecasts of registered nurse shortages are particularly dire due to a lack of nursing faculty, which limits nursing programme enrolment.
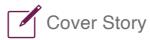
The healthcare crisis is considered by many analysts to be an inevitable problem with no immediate solution. The American Association of Medical Colleges (AAMC) predicts a shortage of as many as 122,000 physicians by 2032 (AAMC 2019). The problem extends to global proportions, with the World Health Organization predicting a shortfall of 15 million healthcare workers worldwide in 2030 (A Public Health Crisis 2023). As of 2022, the U.S. hospital turnover rate was 22.7%, and RN turnover was 22.5% (Colosi 2023).

Unlike a complex issue that can be resolved through strategic planning, labour shortages in healthcare are characterised by intricate interdependencies, varying perspectives, and a lack of a clear resolution on a large scale. Addressing this problem necessitates breaking it into manageable elements and seeking smaller-scale resolutions.

A Practical Solution to a Manageable Problem

While factors contributing to global labour shortages are outside the control of healthcare

personnel, employee turnover at an organisational level is within the realm of influence. This is a distinct area of opportunity, given that the first year of employment in healthcare settings consistently accounts for the highest turnover percentage. Moreover, healthcare workers with less than one year of experience have the highest rates of hospital turnover (Colosi 2023).

Healthcare organisations are experimenting with a multitude of solutions to labour shortages, including restructuring benefits packages, wellness programmes, student loan repayment, bonuses, and more. While these strategies are essential, they are resource-intensive. Focusing on management interventions to reduce new hire turnover presents a cost-effective, immediate alternative. As the first line of communication during the employee onboarding stage, managers are in a position to directly reduce employee turnover during this critical first-year period.

A Trifecta Approach

This article proposes a tri-fold approach, each aspect of which has been shown to effectively reduce employee turnover. They include a 6 Cs employee onboarding framework, heightened manager involvement, and a strong employee value proposition. This section will provide a brief overview of each of these functions before explaining how to implement this approach in the next section.

Managers Make a Difference

Post-pandemic studies continually highlight the significant role managers play in shaping workplace engagement, retention, and satisfaction. For instance, a Microsoft survey of 150K workers found active managerial participation in onboarding led to 3.5 times increased rate of new hire satisfaction (Work Trend Index 2021). SHRM cited another study where a staggering 70% variance in employee engagement

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hinged on managerial interactions (Kosinski 2023). The common factors associated with these findings are associated with increased levels of employee confidence, clarity around roles, team bonding, and overall satisfaction. Employees want to feel valued, trusted, and heard by managers. When these qualities are fulfilled, it translates to higher levels of employee productivity, engagement, and retention.

The 6 Cs of Employee Onboarding

Developed and tested over more than two decades by Talya Bauer, PhD, the "6Cs of Onboarding" framework effectively integrates new hires into organisations. A structured onboarding process is linked to a 50% surge in new-hire productivity, with such employees 58% more likely to remain with the company in the past three years (Hirsch 2017). The 6 Cs include:

- **Compliance:** Covers legal and policy-related rules, ensuring new hires understand their obligations and company expectations.

- **Connection**: Prioritises relationship-building, fostering collaboration and lasting engagement between new hires and their teams.

- **Confidence**: Empowers new hires with the necessary tools and resources, enhancing their job satisfaction and productivity.

- **Checkbacks**: Emphasises regular feedback, underscoring a company's commitment to employee input and trust-building.

- **Clarity**: Highlights clear role definitions and expectations, ensuring alignment in team goals and individual roles.

- **Culture**: Integrates new hires into the company's values and traditions, emphasising alignment with organisational objectives.

Employee Value Propositions

An employee value proposition (EVP) is an aspect of employer branding that conveys a proposition to attract and retain employees based on the value the organisation brings them. Gartner, a global business consultant and research firm, found that an effective EVP can decrease annual employee turnover by 69% (Gartner 2023).

The key word is "effective". Post-pandemic research has pointed to an increased desire among employees for a more holistic value proposition. In addition to material offerings such as compensation and benefits, Professors Mark Mortensen and Amy Edmondson suggest it's time to rethink EVP models by incorporating a more holistic value model (Mortensen and Edmondson 2023). They suggest a matrix of four interrelated factors:

- **Material offerings:** Traditional aspects of value such as compensation, benefits, flexible schedules, and quality of office space or work environment.

- **Opportunities to develop and grow:** Professional development such as job training and promotion opportunities.

- **Connection and community:** Being appreciated and valued by a larger community characterised by social relationships and mutual accountability.

- **Meaning and purpose:** The answer to the question, "Why do you do what you do?"

This matrix is remarkably similar to the top factors that Registered Nurses reported as having a high influence on staying in their position. The following list shows these factors as reported in a recent survey by McKinsey & Company (Berlin 2023):

- Feeling they do meaningful work (82%)

- Having trustworthy and caring teammates (69%)

- Safe environment (64%)

- Able to work autonomously (51%)

- A sense of belonging (61%)

- Feeling valued by their manager (57%)

These responses bear a similarity to many research findings on healthcare professional retention. However, the focus on registered nurses is relevant as they comprise one of the highest percentages of healthcare professional turnover (Colosi 2023).

While the Growth and Development quadrant of the EVP matrix is not represented in the list above, it is notable that development opportunities were a factor for 38% of respondents who decided to stay in their position. This is consistent with a pattern showing that healthcare workers tend to view their vocations as a calling, which may influence a focus on purpose over promotion.

Actionable Steps for Immediate Impact

The blueprint for managers to increase employee retention rests on integrating a relevant EVP into an effective onboarding process to win over employees in the critical first-year period.

The following preliminary steps help pave the way for the effective implementation of the trifecta approach:
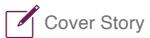
1. **Empower Managers to Take Action**

   One of the advantages of this approach is its scalability. A large organisation may take a year to fully develop and implement an entire strategy for employee retention that includes an EVP and onboarding plan. At the other end of the spectrum, an empowered manager can implement this approach in less than a month by applying the principles in a practical and "just in time" method.

2. **Develop or Use an Existing Employee Value Proposition**

   At its most basic level, an EVP identifies elements of value the organisation provides the employee. These elements are most successful when they are unique and differentiated from competition. The EVP graphic in the previous section shows four elements of value.

   Several resources on the internet make this process relatively simple to get started. Gathering employee feedback is a crucial aspect of determining the level of value your organisation provides and where gaps may lie. In the absence of internal data, research the healthcare sector within which your organisation operates to reveal values most associated with employee retention.

3. Incorporate the 6 Cs and EVP Into Employee Onboarding plan

After determining the elements of your organisation's EVP, review the employee onboarding process and identify how to incorporate those values at each stage of new hire integration. Simultaneously, ensure that each of the 6Cs of onboarding is present in the employee onboarding process. This step will be more effective with some additional research or the assistance of an onboarding expert. However, steps can be taken immediately to improve the existing process.

Putting It In Practice

Below is a brief overview of the 6 Cs of onboarding emphasising the top six factors for RN employee retention, as referenced in the prior section. In an organisation where these factors are prevalent values among employees, they could be incorporated into the 6Cs of onboarding framework, as shown below. Otherwise, replace the EVPs below with the values employees report as highly important to employee satisfaction. Action items for implementation are included as a starting point but should be customised to each organisation based on the availability of time and resources.

6C: Compliance

EVP: Desire for a safe working environment

In a recent survey, 42% of nurses indicated that not having a safe working environment was a very important factor in their decision to leave patient care (Berlin 2023). The compliance element of the onboarding process is the starting point for organisational policies around safety. However, it extends beyond compliance and should be incorporated into safety training, preparation, and feedback.

Action Items for Implementation:

- Promptly complete mandatory regulatory safety training.

- Clearly outline who to contact for support or concerns regarding safety.

6C: Connection

EVP: Desire for trustworthy and caring teammates

Building strong connections from day one can improve team cohesion and long-term engagement. Team connection is associated with reduced errors, higher productivity, and overall job satisfaction - not just in healthcare but across industries.

Action Items for Implementation:

- Assign a work buddy beginning on the first day of work.

- Provide multiple opportunities for team activities during the first months of onboarding.

6C: Clarity

EVP: Desire to do meaningful work

Connect roles to meaningful work through transparency. Clear role definitions remove confusion and allow employees to see how their work fits into larger organisational objectives. This sense of purpose can be a powerful motivator for job satisfaction and retention.

Action Items for Implementation:

- Share case studies or personal stories that illustrate the impact of the new hire's role.

- Get to know the new hire's "why" behind their role and why they are called to it. Clarify how their role relates.

6C: Culture

EVP: Desire a sense of belonging

A strong organisational culture isn't just a nice-to-have; it's a must-have for long-term employee retention. By incorporating cultural elements into the onboarding process, new hires can quickly align themselves with organisational values.

Action Items for Implementation:

- Regularly spotlight employee achievements.

- Involve new hires in corporate social responsibility activities.

6C: Confidence

EVP: Desire to work autonomously.

Employees who feel empowered to make decisions and perform tasks without micromanagement are generally happier and more productive. Managers can set their teams up for autonomous success by providing the proper training and resources.

Action Items for Implementation:

- Provide comprehensive training.

- Offer ongoing resources for troubleshooting and problem-solving.

6C: Checkbacks

EVP: Desire to feel valued by the manager

Effective two-way communication between managers and team members can significantly improve employee engagement. By regularly checking in, managers can promptly address concerns and make employees feel valued.

Action Items for Implementation:

• Implement a monthly feedback mechanism.

• Schedule quarterly one-on-one reviews.

Finally, flexible work schedules are rated high in importance across many healthcare personnel surveys. It was reported by 62% of respondents in the survey referenced above. This is not included in the framework presented here due to the limitations most managers would have in executing policy changes. However, it is a highly recommended factor to consider offering as part of an EVP.

Conclusion

While the global healthcare labour shortage is anticipated to continue, actionable steps at the organisational level can mitigate its impact. The first year of employment, marked by high turnover, is crucial for intervention. This article proposes a trifecta approach to boost retention and engagement: effective onboarding, proactive management, and a robust employee value proposition.

Conflict of Interest

None. ■

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