

A photograph of three healthcare professionals—two men and one woman—wearing blue scrubs and stethoscopes, sitting together and looking at a tablet held by one of the men. They are all smiling and appear to be in a collaborative work environment. The background is a plain, light-colored wall.

How to **Overcome** **Turnover** and **Increase** **Employee Retention** at Your Healthcare Facility

The COVID-19 pandemic has touched everyone, especially individuals working in the healthcare sector. When infection rates soared in every state across the country, healthcare workers faced a lack of respiratory equipment, overcrowded ICUs and the risk of infection.

Since then, many healthcare employees have struggled with mental health concerns and burnout, leading some to retire, leave their current employer or switch to a career outside of healthcare.

Given the incredible pressure on employees in the healthcare workplace today, organizations need to take special action to retain them. There are many reasons for turnover—demanding caseloads, long hours, and shifting health and safety protocols—so you'll need to take a creative approach in improving the employee experience and building a proactive and engaged workforce.



Today's Healthcare Workplace

As an industry that touches the lives of nearly everyone, healthcare is also the **largest employer in the U.S.**, employing more than 20 million people according to 2018 U.S. census data. And although healthcare employment typically evokes images of nurses and physicians in hospitals, healthcare employees are also administrators, technicians, food service workers and housekeeping staff. They can work in public and private health systems, private practices or other facilities.

Being on the frontlines of the pandemic has hit the healthcare sector particularly hard, with nearly **3,000 healthcare workers losing their lives** to COVID-19 in 2020. Furthermore, no matter their location or position, employees have seen a number of dramatic changes in how they perform their roles.

For example, many faced challenges related to the rise in telehealth, enhanced cleaning and social distancing protocols, and shifting patient needs and expectations.

In the last several years, turnover has been on the rise in healthcare, and it seems to show no sign of stopping. According to the 2021 NSI National Healthcare Retention and RN Staffing Report, **employee turnover in healthcare has increased** from 16.2 percent in 2016 to 19.5 percent by the end of 2020.



employee turnover in healthcare at the end of 2020 compared to 16.2% in 2016

This reality is further compounded by a demand for healthcare talent that outpaces supply, as organizations seeking to replace lost talent will find it harder to find candidates.

According to the Association of American Medical Colleges (AAMC), there will be an estimated **shortfall of up to 122,000 physicians by 2032**. And Mercer research projects a **lack of talent across the board** for nursing assistants, lab technicians and nurse practitioners by 2025.

A range of factors contribute to the loss of talent in the healthcare workforce over time, but understanding what could be contributing to turnover in your organization is a critical first step. As you learn how to recognize the key drivers of turnover, you can take targeted action to improve retention.



Factors Impacting Healthcare Employee Retention

Even before the pandemic, employee retention was a concern in the healthcare industry. A rise in demand for services as a result of an aging population combined with a talent shortage has made it critical to compete for talent and hold on to existing employees. And the pandemic has only made things worse. In the words of [one healthcare CEO](#): “The market is as competitive as it has ever been in the history of U.S. healthcare when it comes to competing for talent.”

Lately, employee retention has become harder to achieve for healthcare facilities across the country. For various reasons, healthcare employees are resigning, retiring or thinking about doing so. Consider these latest findings:

- A MorningConsult poll of healthcare workers found that **26 percent have considered leaving their jobs** since the pandemic began, and 11 percent said they had resigned from a position in the last year.
- A McKinsey survey found that **more than one in five nurses** plan to leave their current positions, naming insufficient staffing, intense workload and the emotional toll of the pandemic as their top reasons.
- In a Medscape survey, 25 percent of physicians said they were considering **retiring earlier than previously planned** due to their experiences during the pandemic, and 12 percent were considering a career change away from patient care.

Though the pandemic has had a direct impact on the ability of healthcare employers to retain talent, there are other factors that pose a threat to healthcare employee retention, including the following:



Factors Impacting Healthcare Employee Retention (cont'd)

COMPETITION FOR TALENT

A shortage of talent has created a situation in which healthcare employees have many options to choose from when selecting an employer. In this job-seeker's market, it has become even easier for healthcare employers to lose talent to other practices and health systems.

In a [2021 survey of 320 hospitals](#) conducted by the U.S. Department of Health and Human Services, hospital executives said they have experienced high turnover and competition for medical staff, resulting in staffing shortages that in some cases impacted patient care.

LONG, UNPREDICTABLE WORKING HOURS

Any time there is a shortage of talent, existing employees are often called upon to fill in the gaps. A combination of long hours and excessive overtime can create a perfect storm of poor work-life balance, fatigue, and an increase in medical errors, leading some healthcare employees to seek positions that offer more predictable schedules and overtime.

EMPLOYEE STRESS AND BURNOUT

Burnout is a real threat to employees who struggle with competing priorities and a consistently heavy workload. According to research published in the Lancet, under usual working conditions, about [one third of critical care nurses](#) and up to 45 percent of critical care physicians experience burnout. And in times of crisis, the threat is even greater.

A 2021 Washington Post-Kaiser Family Foundation poll found that three in ten frontline healthcare workers [have considered leaving their profession](#), in large part because of stress and burnout.



of critical physicians experience burnout

Factors Impacting Healthcare Employee Retention (cont'd)

DRAMATIC CHANGES IN THE WORKPLACE

The pandemic has offered many images of healthcare workers in hazmat suits and with faces swollen from N95 masks, but the increase in personal protective equipment is just one of many changes that healthcare workers have faced.

Employees have also had to navigate changes such as the shift to telehealth, the transfer of staff from support for elective procedures to emergency care, and the introduction of protocols for sanitizing patient areas and social distancing. These changes are stressful and could encourage individuals to seek employment in sectors they perceive to be safer and more stable.

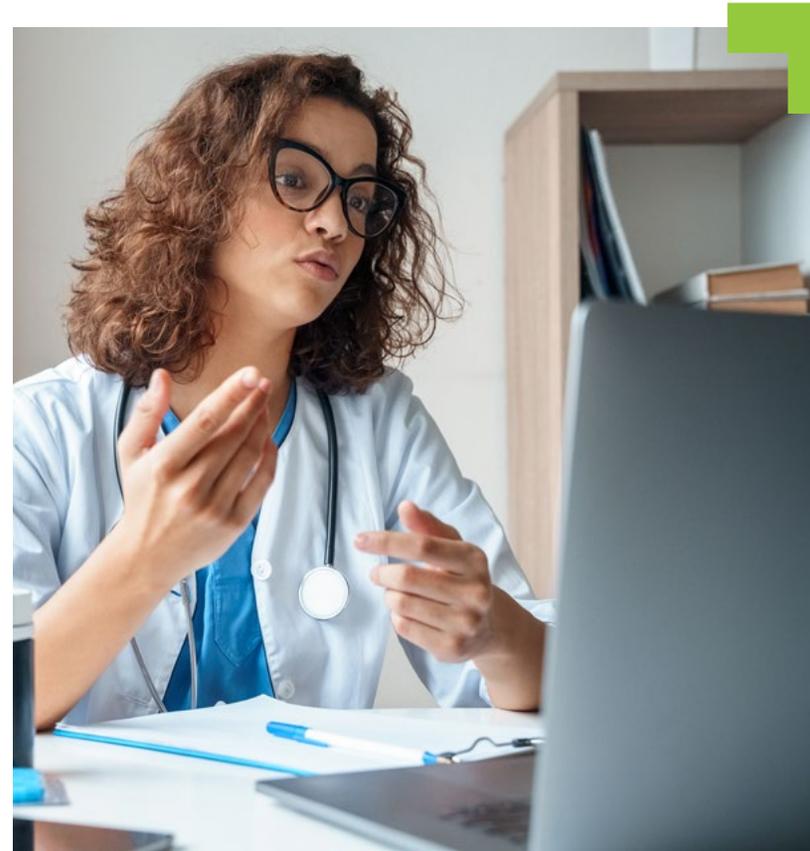
SHIFTING REMOTE WORK PREFERENCES

When the pandemic sent employees from just about every sector home, some healthcare employees also shifted to remote work. Whether they were physicians conducting telehealth consultations, nurses quarantining due to COVID-19 exposure, or administrative staff working from home permanently, remote work became part of the new reality for many employees in healthcare. And, as is the case in other industries, some employees aren't ready to return to their pre-pandemic mode of working.

According to a February 2021 Envoy study, 61 percent of surveyed healthcare employees said they would [prefer a hybrid work option](#) going forward. Employers who aren't able to offer the flexibility employees expect may end up losing talent to organizations who do.



of healthcare employees would prefer a hybrid work option



How to Increase Healthcare Employee Retention

Research shows that engaged employees tend to be easier to retain. In fact, a Gallup study found that employees with a healthy combination of engagement and well-being were **59 percent less likely** to look for a job with a different organization in the next year.

Although you have no control over the pandemic or the talent shortage affecting healthcare, there are several actions you can take to retain your existing employees. By engaging and supporting your workforce, you can reduce the chances of potentially losing your employees to premature retirement or another employer.

DEMONSTRATE APPRECIATION FOR EMPLOYEES

The pandemic has stretched healthcare workers in ways no one could have imagined. By recognizing the sacrifices and hard work of your employees, you can make them feel valued and appreciated. Some acts of recognition you can take to retain employees include:

- Celebrating employees who go the extra mile with shout-outs, an extra day off or a small token of appreciation (e.g., a gift card).
- Giving out employee-of-the-month awards.
- Offering cash bonuses based on performance, attendance or other metrics.

You can also create opportunities for employees to recognize each other. A study by Bonusly found that highly-engaged employees were **2.6 times more likely** to be working in organizations with peer recognition programs than disengaged employees.

SUPPORT EMPLOYEE WORK-LIFE BALANCE

During a pandemic and peak times of demand, long work hours are part of the reality for many healthcare employees. However, by looking for ways to help employees cope with stress and avoid burnout, you can avoid making them feel that leaving is the only way to achieve normalcy.

Some ways you can support a better work-life balance for your employees include:

- Making sure employees have ample break rooms to spend a quiet moment during meal and break times.
- Reminding employees of available mental health resources and counseling.
- **Improving employee schedule predictability** with tools that set schedules **based on anticipated demand**.

How to Increase Healthcare Employee Retention (cont'd)

LISTEN TO EMPLOYEE FEEDBACK

There are many reasons employees leave, but if you want to know why your employees are resigning or retiring early and what you can do to retain them, just ask.

Conducting periodic employee surveys is a great way to give employees a voice and show them that their feedback makes a difference. It can also improve their performance. Research by Salesforce found that when employees feel their voices are heard, they are [4.6 times more likely to feel empowered to do their best work](#).

CREATE A RETENTION PLAN

A retention plan can not only help you keep employees who are considering a move to another healthcare organization, but also those who may be considering early retirement.

A plan that explicitly tells employees you want to retain them improves transparency and promotes serious consideration of the pros and cons of leaving. The following are examples of elements you can include in your retention plan:

- Retention bonuses for employees who remain with the organization through a specific date
- Incentives for employees who delay retirement past a specific date
- Opportunities to be considered for other roles as an alternative to leaving



How to Increase Healthcare Employee Retention (cont'd)

OFFER OPPORTUNITIES FOR GROWTH AND DEVELOPMENT

With new advancements regularly occurring in medicine and patient care, healthcare employees need to continually update their knowledge and skills. The last thing you want is for your employees to leave because they feel unable to advance in your organization.

Therefore, it is essential to offer a range of opportunities for employees to learn new skills and sharpen their existing knowledge. Traditional classroom training is one option, but you can also consider these forms of employee development:

- Mentorship relationships between experienced and newer employees
- Opportunities to attend symposiums and professional development events
- A formal program outlining career pathways and promotional opportunities

REVIEW YOUR COMPENSATION AND BENEFITS PROGRAM

Although the optimal mix of compensation and benefits needed to retain employees will vary across organizations, it's worth looking at whether your pay, benefits and perks are competitive and comprehensive enough to retain your workforce.

Salary increases that permanently raise your payroll expense aren't the only option. You can also consider offering the following:

- Paid continuing education and tuition reimbursement programs
- Rewards for employees who work more challenging shifts
- Performance-based bonuses
- Flexible work arrangements for eligible positions



Leverage Retention for Smoother Operations at Your Healthcare Facility

Every day, healthcare employees devote their energy to helping others stay healthy and overcome serious illness or injury. To keep employees engaged and positioned to do their best work during the remainder of the pandemic and beyond, it is critical to understand the many actions you can take to minimize unwanted turnover and retain your best talent.

Given all the changes that have occurred in the healthcare industry, you can't leave employee retention to chance, especially because the talent shortage will make it increasingly difficult to replace employees. Instead, you need to create a work environment that encourages employees to remain with your organization and fulfills their needs for balance and growth.

Are Poor Employee Scheduling Practices Causing Strife In Your Organization?

Read "**6 Reasons Healthcare Companies Need Demand-Driven Scheduling**" to understand how to overcome those challenges and boost employee satisfaction.

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