J Walter Thompson
Specialized Communications

# WHY HEALTHCARE WORKERS QUIT

28,000 FORMER HEALTHCARE EMPLOYEES REVEAL WHY
THEY LEFT THEIR LAST HOSPITAL.

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## CONTENTS

Understanding Turnover Using Exit Interview Data 3

It's About Management 4

It's About Staffing Levels 6

It's About Protecting New Hires 7

It's About Compensation in the Broadest Sense 10

Conclusions 12

About JWT Specialized Communications 13


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## UNDERSTANDING TURNOVER USING EXIT INTERVIEW DATA

*"I wish they had asked me these questions before."*
*– Exit interview response 2002*

As the crisis in healthcare staffing deepens, hospital administrators realize that they must act swiftly and decisively to reverse the trend but often hesitate to commit resources blindly to any plan for fear of failure. In choosing their retention strategies, however, hospital administrators have reams of research available to guide them, much of it based on information gained from interviews conducted with former employees.

The Consulting Group of JWT Specialized Communications has interviewed more than 28,000 healthcare workers and continues to speak with an average of 2,665 former employees each month. We ask the respondents why they left their jobs; what might have kept them there; and how satisfied they were with their managers, salary, training, working conditions, career opportunities and other factors.

Several clear themes emerge from these interviews:

- More employees leave because of bad managers than for any other single controllable reason.
- The workload and stress that result from understaffing and poor staffing mixes are crushing, especially for nurses.
- New hires are the most vulnerable segment of the hospital population. More than one third of terminating employees leave within the first six months of employment.
- Employees care about compensation in the broadest sense, not salary increases only. Stress-reducing measures can be more important than salary increases for retaining employees.


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## IT'S ABOUT MANAGEMENT

*"The manager lacked people and management skills."*
*"Administration was uncaring"*
*"After twenty-nine years of service, my supervisor would not let me take my vacation when I requested it."*
*"I went to the manager and she told me she didn't have time for me."*
*"The upper administration was unethical and threatened staff when we tried to discuss ethical and safety issues."*
*"They don't care about patients. They need to tear down the statue of Christ outside and erect a big dollar sign instead."*
*"My manager was straight from hell."*
*– Exit interview responses 2002*

Employees leave their jobs for many reasons, many of them beyond the hospital's ability to control. Relocation, retirement, medical and maternity separation, family circumstances, and department or facility closings, among other reasons, account for about 40% of all terminations.

Management-related reasons account for the second greatest percentage. "Supervision and management" is cited by 8% of exit interview respondents as the main cause of their leaving. But if we include all the other reasons respondents give for leaving over which management has significant influence, the percentage rises sharply. By including such supervisor-driven areas as "inconsistent treatment of employees," "lack of communication," "work schedules," "poor morale," "work conditions," "lack of recognition," "limited advancement," "limited employee input," and "quality and productivity standards," inadequate management accounts for approximately 25% of terminations.

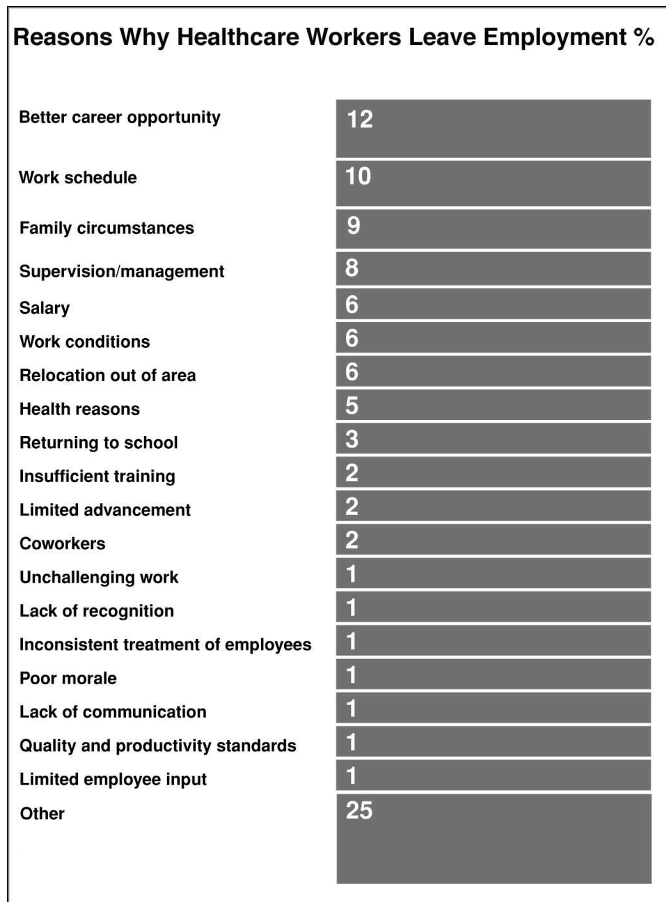


Figure 1: Reasons Why Healthcare Workers Leave Employment %

In our study of more than 28,000 former employees, 12% cited "better career opportunity" as their reason for leaving, the most frequently cited single category. Here, too, a large part of the responsibility for guiding employees' career paths and determining compensation belongs to the manager so that satisfaction with these areas can also be seen as a measure of the manager's skill. Salaries, cited by 6% as the reason for leaving, are often set with the manager's recommendation and it bears remembering that the manager is an employee's chief advocate for raises and promotions. Likewise, it is the manager who assigns cases and duties that do


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or do not allow employees to gain skills and experience. The manager also alerts employees to continuing education opportunities and sets the schedule that does or does not make it possible for them to take advantage of these opportunities. Managers are largely responsible for how and whether employees advance in their careers. Adding salary and career opportunity to the other manager-related factors for leaving employment increases managers' responsibility for attrition to 43% of terminating employees.

In our study, 24% of former employees rated their managers' overall performance as poor or unacceptable. Exit interviews along with surveys conducted with current employees show that satisfaction with the manager is the single most reliable predictor of whether an employee will quit. Employees may be dissatisfied with many aspects of their job yet still remain in it, but when they are dissatisfied with their manager, they are highly likely to quit or to be terminated.

Few managers in the healthcare industry are trained to manage; they are trained to provide healthcare. Many are elevated to managerial positions with little or no management training. Though employees have a generally high regard for their managers as caregivers, they hold a good deal less regard for their management skills. Study participants rated their managers rather highly for their commitment to patient care (only 15% unsatisfactory scores) and rather low in the following management areas: equal treatment of employees (30% unsatisfactory), providing adequate support (29% unsatisfactory), manager trustworthiness (29% unsatisfactory), and employee/manager teamwork (28% unsatisfactory). Respondents' comments indicate that showing favoritism, inaccessibility, indifference, and unreliability are common complaints against managers, making working conditions for these employees miserable.

A facility's upper management is not a strong factor in employee attrition. For many employees, especially the 54% who terminate within the first year, the administration is all but invisible. For many employees, however, an invisible administration is an indifferent one. In our study, the administrative team received its lowest ratings for "concern for employees"; 26% rated this area as unsatisfactory. (The highest-rated area, incidentally, was the administrative team's commitment to providing high-quality patient care, with only a 15% unsatisfactory rating.) Many healthcare workers feel that the administration is unconcerned about employees and inappropriately profit driven. A quarter of respondents, moreover, see their administration as untrustworthy. Healthcare workers hold the administration ultimately accountable for staffing shortages, low wages, and for failing to address reports of ethics violations and egregious manager behavior.


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## IT'S ABOUT STAFFING LEVELS

*"How much more can we take?"*
*"Totally burned out."*
*"The workload was so large, sometimes employees would be rushed and would make mistakes."*
*"We were very understaffed."*
*"Patient-to-nurse ratio was too high. One patient was overmedicated because of the shortage."*
*"I was putting my license at risk every day."*
*"Patient advocacy was becoming harder and harder."*
*"The risk load was high."*
*"I couldn't handle the 12-hour shift."*
*"Twenty-five patients for one CNA is unacceptable."*
*"Unrealistic workload."*
*– Exit interview responses 2002*

These are typical comments former healthcare workers offered during their exit interviews. The desperation, frustration, and resentment stemming from understaffing and overwork are apparent in many former employees' comments.

There is no question that many healthcare workers, particularly nurses, are hideously overburdened as a result of staffing shortages. They work longer days as the 12-hour shift becomes more common, treat sicker patients as acuity levels rise, and handle more patients as staffing shortages force the nurse-to-patient ratio up. Compounding the situation is the fact that the nursing population is aging fast—the average age of RNs is now over 45 years old—and many can no longer handle the physical demands of the job. Many nurses, technicians, and other healthcare workers work under crisis conditions daily as the normal expectations of their job. A crisis, however, cannot become normal without exacting a heavy physical and psychological toll. Though tens of thousands of healthcare workers struggle valiantly to make the best of their situation, many give up and go—and many give up and stay. Both courses of action make the crisis even worse.

Obviously, morale suffers. In exit interviews, former employees consistently rate department morale as no better than average, and 39% describe it as unsatisfactory. Low employee morale leads to attrition, which puts more stress on those remaining, which, in turn, lowers their morale and results in more attrition. Many facilities nationwide cannot pull themselves out of this downward spiral.

When hospitals understand who—nurses, largely—and in which departments employees feel the most stress, they can focus their retention efforts accordingly, not only by recruiting more nurses to add to their ranks, but also by hiring LPNs, nurses' aides, and technicians to reallocate workload. Hospitals can repair and upgrade equipment, give relevant departments the crackerjack clerical staff, limit overtime and shift length, and provide for more breaks and continuing education opportunities. Such measures save and restore time and energy and alleviate stress, allowing guilt-riddled nurses to be more satisfied with the level of care they provide and with their jobs overall.

As clerical, administrative, inventory, and other tasks consume more of nurses' time, they spend less time on direct patient care. If hospitals change the staffing mix to include more LPNs, nurses' aides, and technicians, RNs can be freed to do what they went into nursing for—caring for patients. As work intensity decreases, satisfaction and retention increase.


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## IT'S ABOUT PROTECTING NEW HIRES

*"They did not allow me enough time to learn everything the job entailed."*
*"I was thrown into a lot of things that I was expected to do without any direction."*
*"The training didn't fit the job responsibilities."*
*"They gave us no opportunity to use the equipment."*
*"I decided to leave after two days of orientation because they could not give me a definite job description or schedule."*
*"I never had the same preceptor. It was too difficult."*
*"They violated the law for new-grad RNs. They had too little training and too much independence on the unit too early to meet the training requirements."*
*"I felt unwelcome. The nurses who had been there a long time would not talk to me or help me."*
*– Exit interview responses 2002*

Probably the most alarming statistics we found in our exit interview studies are that more than a third of respondents (34%) had terminated their employment within the first six months, more than half (54%) had left within the first year, and 79% had been in their jobs for less than three years. Hospitals are failing, massively, to incorporate new hires and provide adequate training and support. And once employees have been on the job for a year or two, hospitals are failing to provide adequate challenges, career opportunities, and compensation.

New hires from housekeepers to nurses feel that they are required to assume job responsibilities before they have been adequately trained. One fifth of study participants rated their training to perform job responsibilities as unsatisfactory. Their comments indicate that ill-prepared, unskilled, constantly rotating preceptors are largely to blame. From this first experience as employees, new hires infer that the hospital is unwilling to commit to them by assigning its best personnel in a well-designed, well-executed training program. Not surprisingly, the new hires feel similarly uncommitted to the facility and many soon quit.

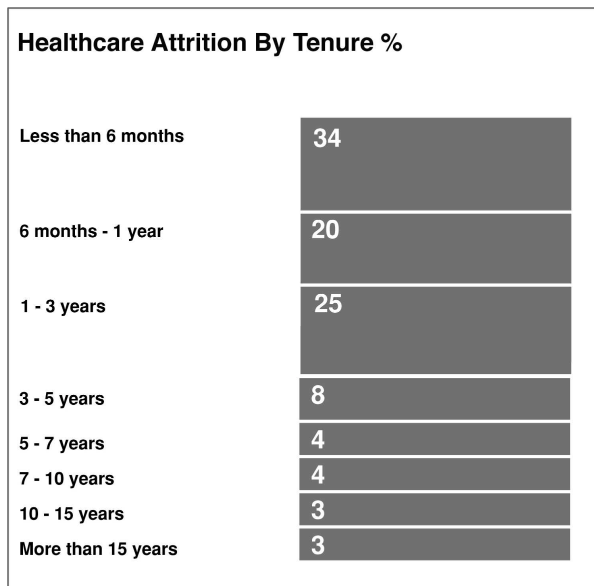


Figure 2: Healthcare Attrition By Tenure %

New hires tell us that they need more job support once they assume full duties, especially new-grad RNs who cannot yet handle the now-common heavy patient loads. Mentorship can be an answer. Many hospitals with mentorship programs, however, make the mistake of pairing new-hire 20-somethings with crusty 25-year veterans who, having trained in a different era, are perceived as somewhat too edgy. Hospitals should instead use mentorship programs to target retention of the 2-3-year veterans by asking them to serve as mentors to new hires. This tenure group, usually of the same generation as the new hires, also has a very high attrition rate, much higher than the 25-year veterans'—employees with at least ten years' service accounted for only 6% of attrition in our study. Those with two or three years' service


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have survived training and acclimation and may now be looking for new challenges and responsibilities. Pairing these employees with new hires should help to anchor both and increase retention in this most vulnerable of tenure groups, the 0-36 month employees.

Not far into any discussion of employee retention in the healthcare industry, the word *crisis* comes up. That word does not exaggerate the current situation, but it leaves us with no stronger word to describe what is happening with the retention of young nurses. *Looming catastrophe* might describe it best. In the past year, the nursing profession permanently lost 41% of RNs aged 30 and under. These are people who were attracted to the vocation, underwent years of training, became licensed, obtained a job in the field, then left nursing altogether, sure that they would never return to it. Obviously, hospitals have not learned how to make nursing attractive to the members of Generations X and Y who must now replace the fast-retiring Baby Boomers. Boomers, who dominate nursing, do not have much understanding of, or sympathy for, the values of younger nurses who then feel unwelcome and out of place in their jobs. If the profession is to survive, hospitals must learn to speak the language of each generation. They must learn to offer each generation what it wants—job security for the Matures and Boomers, career mobility and advancement for Generation X, and adequate work/life balance for Generation Y. Managers and employees of different generations need to be trained to co-exist.

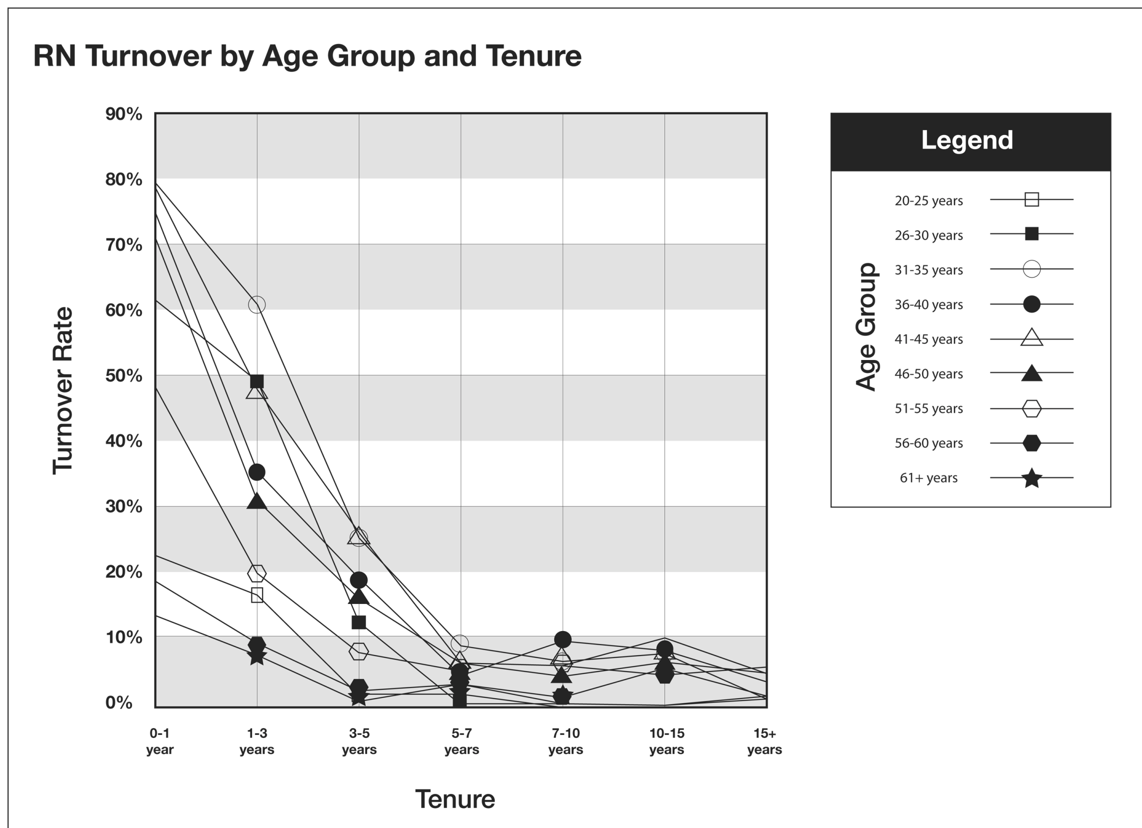


Figure 3: RN Turnover by Age Group and Tenure


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A hospital that bleeds new hires bleeds cash. It is not only that the costs of recruiting, hiring, and training are expensive. These expenses are significant, but they account for only a fraction of the real cost of replacing an employee. Most of the real cost is concealed in lost productivity: of the departing employee as he nears the termination date, of the vacant position, of the new staff member as she trains and becomes fully proficient, and of the rest of the staff as they struggle to compensate first for the missing employee and then for the still-green new hire. If a facility is locked into a perpetual cycle of hiring, training, and losing employees, it will run out of cash long before it runs out of available staff. No retention program targeted at the 0-36 month tenure group can possibly be more expensive than continual hiring.

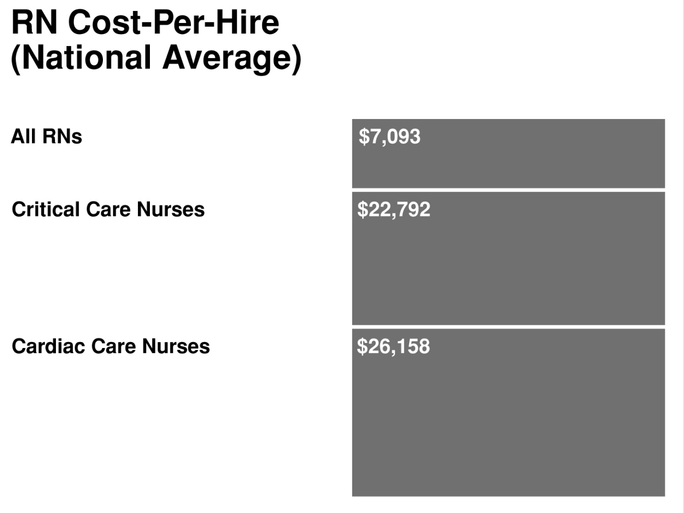


Figure 4: RN Cost-Per-Hire (National Average)


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## IT'S ABOUT COMPENSATION IN THE BROADEST SENSE

*"If they raised their salaries, I'd run back over there."*
*"The pay and benefits were poor."*
*"For the work that I did, I felt I was underpaid."*
*"There was a lack of respect for employees."*
*"No ability to impact the system."*
*"I trained someone who was making $2 an hour more than me. That was humiliating."*
*"I was losing pay with inconsistent work, poor morale and unit conflict."*
*"Agency nurses took our hours away from us."*
*"New hires were making more than employees with tenure were making."*
*"My philosophies did not match the hospital's. I took a $15,000 pay cut to go work for a non-profit organization."*
*"Employees are very dedicated and need to be acknowledged."*
*"If they would just say 'Thank you' once in a while."*
*– Exit interview responses 2002*

Increasing wages has been the focus of many hospitals' retention efforts and, on the whole, the salaries of healthcare workers have improved a great deal. In our exit interviews, former employees rated their wages as slightly above average (3.2 on a 5-point scale), though they rated benefits as slightly below average (2.7). When asked, "What could the facility have done to keep you as an employee?" 10% named "increased salary" and only 6% cited salary as their reason for leaving, though certainly at least some of the 12% who cited "better career opportunity" took the opportunity because it offered an increase in salary. What we conclude from these figures is that though employees might not be completely happy with their salaries, less-than-desirable wages will not push them out the door as decisively as will bad managers or extremely stressful work conditions.

The salary structure for nurses in particular, however, does not reward longevity. Initial salary offerings, sign-on bonuses, and quick raises often put new hires' salaries above those of tenured nurses. This creates resentment against the new hires and the administration, and provides tenured nurses with added incentive to leave so that they can become new hires elsewhere themselves. To attract the best of the available nurses and to hold on to the ones they have, hospitals must offer steady raises and longevity bonuses in addition to sign-on bonuses.

Many healthcare workers harbor resentment for the way their facility chooses to allocate the salary budget. In addition to those heavily front-loaded salaries that favor new hires, employees resent the money spent on agency nurses and travelers who come and go, often do not perform well because they are unfamiliar with procedures and routines, and have no incentive to build good working relationships in the department. Employees see money spent on overtime and special pay to compensate for short staffing rather than on the hiring of additional permanent staff. Employees' perception that their facility does not recognize or care about their commitment and dedication not only reduces their commitment and dedication, it fosters bitterness.

Comments healthcare employees offer in their exit interviews reveal that it is not that they feel their wages are uncompetitive so much as they feel under-compensated for the stress they experience from heavy workloads caused by understaffing. Money is good, they tell us, but stress reducers are better.


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If the idea of "compensation" can be broadened to include stress-reducing measures, the issue takes on a different character. Compensation can come in the form of more flexible work schedules and job sharing. Compensation can mean on-site continuing education, grants, and tuition reimbursement for outside certification and degree completion, along with the opportunity to take advantage of these built into the schedule. It can also mean removing or retraining inadequate managers and offering 24-hour day care. And since it is their co-workers that employees cite overwhelmingly (in 47% of exit interviews) as what they like most about their jobs, compensation can mean opportunities to enjoy their co-workers' company both in social settings and in professional team activities.

Recognition is another underutilized form of compensation that again broadens the definition. Healthcare workers derive great satisfaction from the quality of care they provide and want others to recognize their competence. Praise and encouragement from their supervisor are meaningful—27% of employees in our study felt that they did not get enough and that the manager did not offer sufficient feedback on their job performance. Most of all, employees value the recognition that comes in the form of participation in decision making. To be entrusted with decision making is the highest, most meaningful, and most motivating form of praise. When employees feel that they are meaningfully involved in making the decisions that affect them, they take greater ownership of their jobs. And job ownership translates into job loyalty.

One way to involve employees in decision making is simply to survey them periodically for their opinions and act on the survey results. Annual employee interviews, frank and free discussions about the results, and plans designed in response to the results should be part of every hospital's retention plan.


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## CONCLUSIONS

Management-related reasons account for about 43% of employee terminations. Without good managers and effective management training and support, hospitals will continue to lose employees.

Morale is critically low. Thirty-nine percent of exit interview respondents describe department morale as unsatisfactory. In large part, low morale both creates and results from excessive work intensity. Efforts to raise morale should focus on introducing time- and energy-saving measures to relieve stress. Parties and other similar morale boosters provide only a brief respite from the high work intensity and do nothing to alleviate stress long term.

A third (34%) of terminating employees left within six months, 54% within the first year, and 79% within three years. Hospitals must focus retention efforts on training, incorporating, supporting and continually challenging employees in the most vulnerable 0-36 month tenure group. They must also understand the impact on retention of the four generations' working side by side, learn to speak each generation's language, and offer training to managers and employees on acknowledging and maximizing each generation's strengths and meeting its needs.

While hospitals should continue to work on increasing salaries, especially for nurses with longer tenure, they should also investigate non-monetary forms of compensation that relieve stress, such as flexible scheduling. Allowing employees to participate in making the decisions that affect them is a meaningful and motivating reward for good service.

Conducting annual incremental surveys allows the facility to become alert to areas of dissatisfaction and to address them before employees quit.

Sixty-eight percent of exit interview respondents say they are open to the possibility of returning to their institution. Hospitals should not overlook the pool of former employees as a potential source of new recruits. Many of these employees need only for their employers to acknowledge their issues in order to be satisfied. With acknowledgement and sincere efforts to redress grievances, many employees will willingly return.


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## ABOUT JWT SPECIALIZED COMMUNICATIONS

**JWT Specialized Communications** (JWTSC) is an award-winning agency that has provided distinctive strategic solutions across the employment communications spectrum for more than 50 years. We are currently ranked as the third-largest full-service recruitment advertising and employment communications company in the world. Our services include e-recruiting, communications planning, consulting, digital@jwt, direct sourcing, diversity, recruitment communications, research, response management, and Employer Branding.

JWTSC helps clients to attract, recruit and retain their workforce. As part of our consulting services, we conduct more than 200,000 exit interviews and employee opinion surveys annually. In addition, JWTSC offers solutions that improve the recruitment process from start to finish including: workforce planning and historical assessment of needs, secret shopping, process improvement, statistical management and benchmarking, incremental and exit interviews, surveys, research and training.

**Greta Sherman** is Managing Partner of JWTSC's Consulting Group. With over 27 years' experience in recruitment advertising and retention program development, Greta brings a wealth of innovation and experience to JWTSC clients. An internationally recognized speaker, Greta addresses groups that cover topics such as addressing the differences among generations within the workplace and developing successful retention programs. Greta serves on the Executive Board for JWTSC, is an Advisor for the American Colleges of Nursing and is the only non-healthcare professional to serve on the National Nursing Practice and Education Consortium. Greta has been part of the JWTSC team for ten years after stints with other recruitment advertising firms. An avid swimmer and tennis player, Greta lives in Louisville, KY.

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