Making Sense of Dollars and Cents: Employee Engagement and the Bottom Line

Before you take a seat at the healthcare leadership table, you'll need to be prepared with knowledge and skills that aren't typically taught in nursing school. In this series, you'll gain practical tips to help you develop – and showcase – your business acumen.

This CE course is relevant to nursing and advanced practice nursing professionals.

Episode 1 – How Employee Engagement Impacts the Bottom Line

What's the link between employee engagement and labor expense? Turnover and associated labor costs. Learn leadership strategies to raise engagement among nurses, strengthen retention, and improve your department's financial performance.

Guest

Pamela Hunt, MSN, RN, NEA-BC, FAAN

- Independent healthcare consultant specializing in productivity, quality and safety, improved organizational performance, caregiver engagement, leadership competence, talent development, and team building
- Associate Faculty, Indiana University School of Nursing and Kelly School of Business
- Nursing Management Conference Chair for Wolters Kluwer in Philadelphia, Pennsylvania
- Former Vice President of Patient Care Services for Community Health Network, Community Hospital North in Indianapolis, Indiana

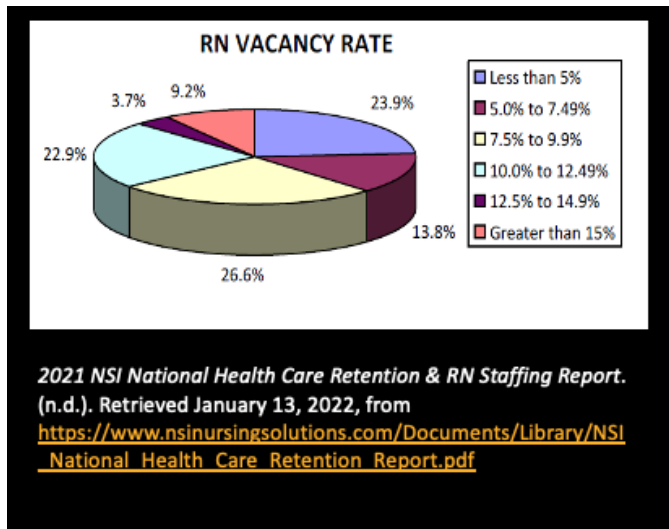### Host

Faith Roberts, MSN, RN

- Former Executive Director of Spiritual Care and Environmental Services for Carle Health in Urbana, Illinois

- Former Executive Director of Magnet, Pathway to Excellence, Professional Practice, Pastoral Care, and Faith Community Nursing at Carle Foundation Hospital and Carle Physician Group in Urbana, Illinois
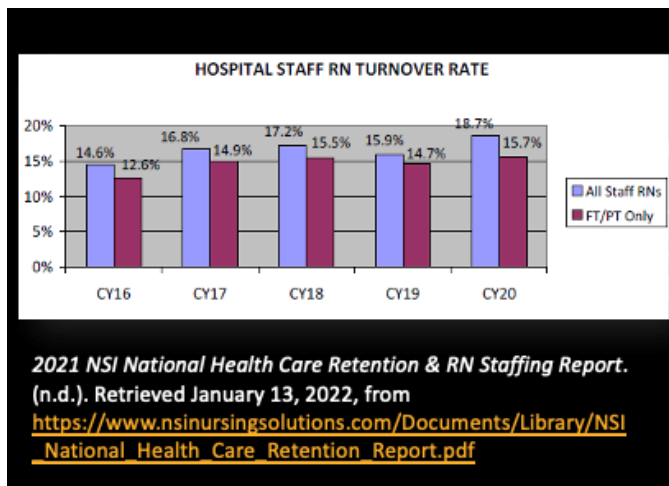
Episode Key Points

RN Vacancy Rate

- As of March 2022, the U.S. RN vacancy rate averages 9.9%, one full percentage point higher than in 2020.
- RN vacancies directly impact quality outcomes, patient experience, and excessive labor costs.
- In 2019, 23.7% of hospitals reported a vacancy rate greater than 10%. As of March 2022, 35.8% of hospital vacancy rates are greater than 10%.
- Sixty-two percent of hospitals report a vacancy rate higher than 7.5%.

2021 NSI National Health Care Retention & RN Staffing Report. (n.d.). Retrieved January 13, 2022, from https://www.nsinursingsolutions.com/Documents/Library/NSI_National_Health_Care_Retention_Report.pdf

RN Turnover

- Although RN turnover is a large cost, only 57% of hospitals track it.
- The average cost of one RN turnover ranges between $28,4500 and $51,700.
- Each percentage change in RN turnover will cost/save the average hospital $270,800 per year.

HOSPITAL STAFF RN TURNOVER RATE

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The Ability to Adjust

- **Self-confidence**
- **Resourcefulness**
- **Curiosity**
- **Self-discipline**
- **Level headedness**
- **Flexibility, together with problem solving and emotional stamina**
- **Intelligence and a strong sense of self**
- **Higher level of education (autonomy and critical reflective practices)**

Leaders' Strategies to Cultivate Nurse Engagement

- **Facilitating social connections**
  - **At work**
    - **Engaging in social events**
    - **Random acts of kindness**
    - **Bulletin board on unit for positive comments**
    - **Working for a nonprofit together**
    - **Intentional social interaction at beginning of the shift**
  - **Outside of work**
    - **Socializing with friends/networking**
    - **Family activities**
    - **Leisure activities**
    - **Hobbies**
- **Promoting positivity**
  - **Three good things/gratitude**
  - **Positivity notebook**
  - **Listening to music**
  - **Positive comment jar**
- **Nurturing growth**

- o **New graduate breakfast**
- o **Certification/degree recognition**
- o **Continuing education**
- o **Teaching conflict resolution**
  - ▪ **Steps to positive resolution**
  - ▪ **Strategies for speaking up effectively**
  - ▪ **Warnings to hold back**
- o **Encourage new experiences**
- o **Capitalizing on individual strengths**
- o **Nominating team members for available recognitions**
- **Encourage nurse self-care at work**
  - o **Flexible scheduling**
  - o **Home-like break rooms**
  - o **Massage service**
  - o **Experienced team to debrief a difficult situation**
  - o **Workload modification**
  - o **Ensuring breaks**
 - o **Model behavior**
- **Example: Self-care Bingo**

- **Example: Community coloring**

Employee Engagement as a Strategy to Improve Financial Performance

- **Listening and responding to staff concerns**
- **Physical work environment**
- **Selective hiring (right fit)**
- **Encouraging high performers to refer potential hires**
- **Well-designed clinical orientation, skilled preceptors, and post-orientation mentorships**
- **Meeting with new employees with scheduled cadence to ensure no "bumps" in orientation**

- **Examples: Engagement boards**
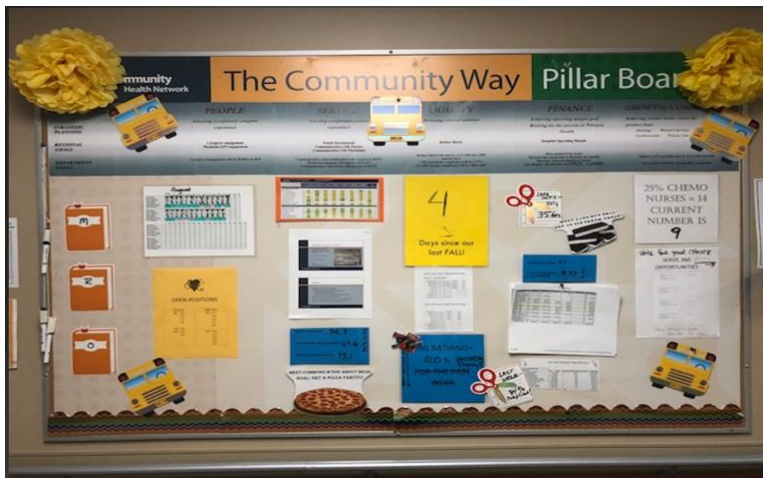
Authentic Leadership

- **Offer genuine praise**
- **Instill hope**

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Resources

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