

The Week in Healthcare

STAFFING >> Joe Carlson

Nursing shortage eases but only while the recession lasts, experts warn

Not even the profound pressures exerted by a recession can alter the demographic force driving the national nursing shortage, namely the onset of old age.

While the graying of the nurse workforce and the American public in general continues apace, hospital administrators across the country say they have far more applicants for each nursing job than in the past. Executives are enjoying their newfound ability to parse resumes and skill sets for the perfect candidate, but observers caution that it's a temporary luxury, given the demographic trends.

"That's the good news. It is a buyer's market," said Deborah Burton, chief nursing officer for Providence Health & Services, a 24-hospital system based in Seattle. "To those who don't take the long view in workforce planning, it looks like everything is better—when, in fact, nothing could be further from the truth."

The risk is that people like New Jersey nurse Rachel Lynn will stop believing the overheated promises regarding her job prospects and

decide to change careers, which could undo some of the recent progress in addressing the nursing shortage. That could eventually leave the workforce even thinner than it was before the downturn.

Lynn is one of the hundreds of nurses who



Burton: "We need to get our head down and get through this."



Brewer: "This is a short-term trend on top of a long-term dynamic."

came out of an accelerated nursing education program this year and then found herself in an unexpectedly long and difficult job hunt. Unlike many of her peers, who she said have become

disillusioned, Lynn eventually landed a nursing job at a facility she declined to name. But she did this only after she found herself taking odd jobs during a five-month application process.

"It was extremely difficult, because I would call hospitals and apply for open positions, and was told that positions were being filled by more experienced nurses who were returning to the workforce," Lynn said. "I was under the impression that there was a nursing shortage and ... that I would have the pick of jobs."

Such attitudes have left nursing groups scrambling for ways to publicize an awkward message to prospective nurses: Don't stop studying nursing, even though your peers who just graduated say they can't find the jobs. Or at least the jobs they wanted.

The American Association of Colleges of Nursing recently published a two-page list of talking points on the situation, urging advocates and policymakers to see past the current trends and focus on the scholarly research that projects a stunning 500,000 shortfall in nursing ranks by 2025 if current demographic patterns hold.

"This is a short-term trend on top of a long-term dynamic that really has no change in its fundamentals," said Carol Brewer, a professor of nursing at the University of Buffalo. "This shortage has gone on long enough that some good things have happened, and if some of those good things go away, that would be tragic."

The average age of a U.S. nurse is 47, and because more nurses retire than graduate each year, that age is only going up. Yet as baby boomers approach retirement, students are finding themselves rejected from nursing schools by the thousands because of a shortage of nursing faculty. Now those nurses who do manage to get into a school and graduate say they can't find jobs because the recession has caused droves of part-time nurses to go back to full-time work; more-experienced nurses to delay retirement; and laid-off nurses to apply for positions once reserved for newbies.

"Our vacancy rate is down, and so is our turnover rate, which is clearly a function of market-slowness. People aren't leaving their jobs," said Suzanne Boyle, vice president of nursing and patient care at New York-Presbyterian Hospital's Weill Cornell Medical Center campus in New York. "There is more stability in the current workforce now. So obvi-



Nurses and staff watch the preparation of an infusion at New York-Presbyterian Hospital. Although the large system has 300 vacant RN positions, economic forces have created far more competition for each position, allowing administrators to be more selective in hiring.

BY THE NUMBERS

Elderly Medicare beneficiaries rated their insurance coverage higher than adults covered by employer-sponsored plans, according to a Commonwealth Fund study.

Note: Numbers don't add to 100% because of both rounding and the number of respondents who didn't know or refused to rate their insurance.

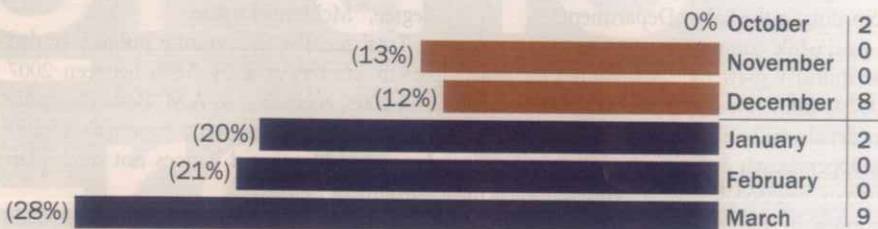
Source: Health Affairs, May 12

■ Medicare beneficiaries
■ Employer plan members



STAYING PUT

The faltering economy has led fewer healthcare employees to quit their jobs, demonstrated below by the percentage change in those who voluntarily left their jobs relative to the eight-year monthly average



Source: U.S. Bureau of Labor Statistics

ously you do fewer hires if your turnover is down and your vacancy is down.”

Statistics released by the U.S. Bureau of Labor Statistics last week reported that in healthcare the so-called “quits rate” of workers who voluntarily left their jobs in March was 30% lower than the eight-year average for the month.

At Christus St. Patrick Hospital of Lake Charles in Louisiana, it was not uncommon for the 288-bed hospital to have 50 or more vacant full-time RN jobs after hurricanes Katrina and Rita. Today, only 12 RN jobs are open. “This is really great for us right now,” said Shelly Welch, assistant administrator of human resources at the hospital. “We are able to be much more selective in our hiring process.”

Five-campus New York-Presbyterian Hospital, the largest nongovernment employer in the nation’s most populous city, could fill all of its 300 vacant RN positions tomorrow with new graduates, if that was the goal, because the waiting list has grown so long. But that’s not the goal, Boyle said. Administrators can now afford to look for the right person for each position—a change from the days, not long ago, when hospitals had to accept the responsibility of letting applicants grow into more challenging positions.

“Sometimes maybe your standards were not exactly at the standards you wanted,” said Jeff Wicklander, chief nursing officer at Allina Hospitals and Clinics’ 449-bed United Hospital, St. Paul, Minn. “In this current environment you can be more selective.”

Even when the right person does come along, it can be a challenge to hire them. Providence managed to hire the top graduate from this year’s class at the Johns Hopkins University School of Nursing, but Burton said the number of responses to a systemwide e-mail asking about interest in interviewing the candidate was abnormally low. “We got her about four interviews and we found a place for her. But in the past I would have had 60 e-mails asking to interview her,” Burton said.

Academic researchers say the tightening in the market for nurses has ample precedent in past recessions, because nursing is a female-dominated profession in which salaries are considered secondary household incomes. In a downturn, many women temporarily re-enter the workforce to supplement or replace the primary income in the home—a process that can reverse itself quickly when the recession ends, Brewer said.

The recession has also changed retirement plans for many. Susan Hassmiller, the senior nursing adviser at the Robert Wood Johnson Foundation, said a colleague in a hospital human resources department recently recounted a situation in which she had nurses who were due to retire, and even had all of the paperwork filled out and signed so they could leave as soon as the time was right. “They were on their way out, and

they wouldn’t go,” Hassmiller said.

The experienced nurses who are staying in the workforce are not only limiting job openings for new graduates, but they’re taking the plum positions that green nurses once expected to be able to walk into: niche specialties such as critical care and pediatrics, said Linda Cape, a managing director with Huron Consulting.

That means many starting nurses who can get jobs end up on general med-surg floors—which is where they ought to be starting anyway, several administrators said. “Yes, it may not be the glory days when nurses could name their salary and could get a huge signing bonus. But things have sort of normalized a bit,” said Cynthia Kinnas, president of the healthcare staffing division of Clinical One.

In other cases, newly educated nurses can’t find openings at highly regarded or even middle-of-the-road facilities and wind up taking jobs in nursing homes or in home healthcare. Hassmiller said she’s even advising some new nursing graduates to take volunteer positions at homeless shelters and Red Cross clinics just to show they’ve been doing something productive with their time. “I’m telling new graduates to hold tight,” Hassmiller said. “This is a blip.”

Hospitals should feel a responsibility right now to manage their workforces as assiduously as possible, Burton said. If declines in revenue and patient volume force layoffs, administrators ought to work cooperatively with other hospitals to make sure that every nurse who loses a job to downsizing has another position elsewhere. The recession is eventually going to end, she said, and the healthcare sector should do everything possible to hold onto the workforce it has. “Those of us who have done this for a living understand that we need to get our head down and get through this and get ready for the other side,” Burton said.

Kinnas of Clinical One said if she was a hospital administrator, she would be worried about the industry sending a message that recent economic conditions have solved the nursing shortage. “It’s a dangerous message,” she said. “Administrators who have been around for a long time will know that it always comes back with a vengeance.” <<



Boyle: “Our vacancy rate is down, and so is our turnover rate.”