

AI Meets Health Care's Turnover Problem

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ONE HEALTH SYSTEM FOUND THAT ARTIFICIAL INTELLIGENCE (AI) CAN PROVIDE AN EFFECTIVE MEANS TO ENSURE THE RIGHT NURSES ARE HIRED FOR THE RIGHT ROLES, THEREBY HELPING IT TO MEET STRATEGIC GOALS ON QUALITY, SATISFACTION, AND COSTS.

Healthcare labor markets have never been tighter. The U.S. Bureau of Labor Statistics (BLS) in February 2018 reported that healthcare unemployment remained at 2.5 percent, which is below what often is considered full employment. A survey by Compdata found the average turnover in healthcare jobs in 2017 was 20.6 percent.^a

The impact of such turnover rates is most problematic among nurses, whose work directly affects safety, quality, and patient experience. The most recent data from NSI Nursing Solutions indicate that the annual turnover rate for bedside registered nurses (RNs) is nearly 17 percent, and first-year turnover for new nurses is roughly twice that rate.^b

The outlook for the next several years is more ominous: The National Council of State Boards of Nursing says half of all nurses are aged 50 or older, and more than 1 million of them are expected to retire in the next decade. The BLS projects 649,100 replacement nurses will be needed by 2024, which, combined with the needed growth in the nursing ranks, would create 1.09 million job openings.

MultiCare Health System's Experience

Leaders at MultiCare Health System, Tacoma, Wash., were aware of this challenge, having faced nursing turnover surpassing 10 percent in 2015, with first-year turnover nearly twice that amount. MultiCare competes for talent with other large health systems across the entire region, including the Seattle metro area and in Spokane. In King County, which includes Seattle, the competition for experienced and newer RNs is especially fierce. Accordingly, MultiCare has built a pipeline of new talent by working closely with local colleges and establishing a nurse residency program.

One reason the organization strives to attract and successfully retain highly skilled nurses is that filling the vacancy created when a nurse leaves is an expensive proposition. MultiCare estimates that the average cost of filling a vacancy—including overtime, lost productivity, pre-hire recruitment, and training—amounts to \$80,000. Because nurses make up a large percentage of the system's clinical staff, the cost of replacing nurses annually exceeds \$1 million.

Beyond the expense, operating with numerous vacancies or continually relying on fill-ins can be noticeable to patients, which can have an impact on their satisfaction with their care.