



University of California  
San Francisco



# The End of the Shortage? Emerging Trends in California's RN Labor Market

April 28, 2015

# Today's presenters

- Joanne Spetz
  - Professor at the Philip R. Lee Institute for Health Policy Studies, University of California, San Francisco
- Teri Hollingsworth
  - Vice President, Human Resources Services, Hospital Association of Southern California
- Judee Berg
  - Executive Director of the California Institute for Nursing & Health Care

# Goals for this webinar

- Assess how the economic recovery is affecting demand for RNs in California
  - Learn how Chief Nursing Officers perceive the current RN labor market
  - Track the latest hospital vacancy and turnover data
  - Understand how recently-graduated nurses are faring
- Identify next steps for ensuring an adequate nurse supply

# The collaboration

- Betty Irene Moore Nursing Initiative
- Philip R. Lee Institute for Health Policy Studies, University of California, San Francisco
- California Institute for Nursing & Health Care
- Hospital Association of Southern California
- Acknowledgements & thanks to...
  - California Hospital Association
  - Hospital Council of Northern & Central California
  - FutureSense Inc.
  - Hospital Association of San Diego & Imperial Counties
  - UCSF Staff & Interns: Tim Bates, Lela Chu, Jesse Smith

# What is going on in our RN labor market?

- Reports of nurse surplus 2009-now
  - Newspaper stories of new graduates who are unemployed
  - Shortage may not have ended in some states
- Emerging reports of shortage
  - Anecdotes about using more contract nurses
  - Potential mismatch between needs and skills
- What will happen next?
  - Is the economic recovery changing the situation?
  - Is the Affordable Care Act changing the situation?

# Goals for this webinar

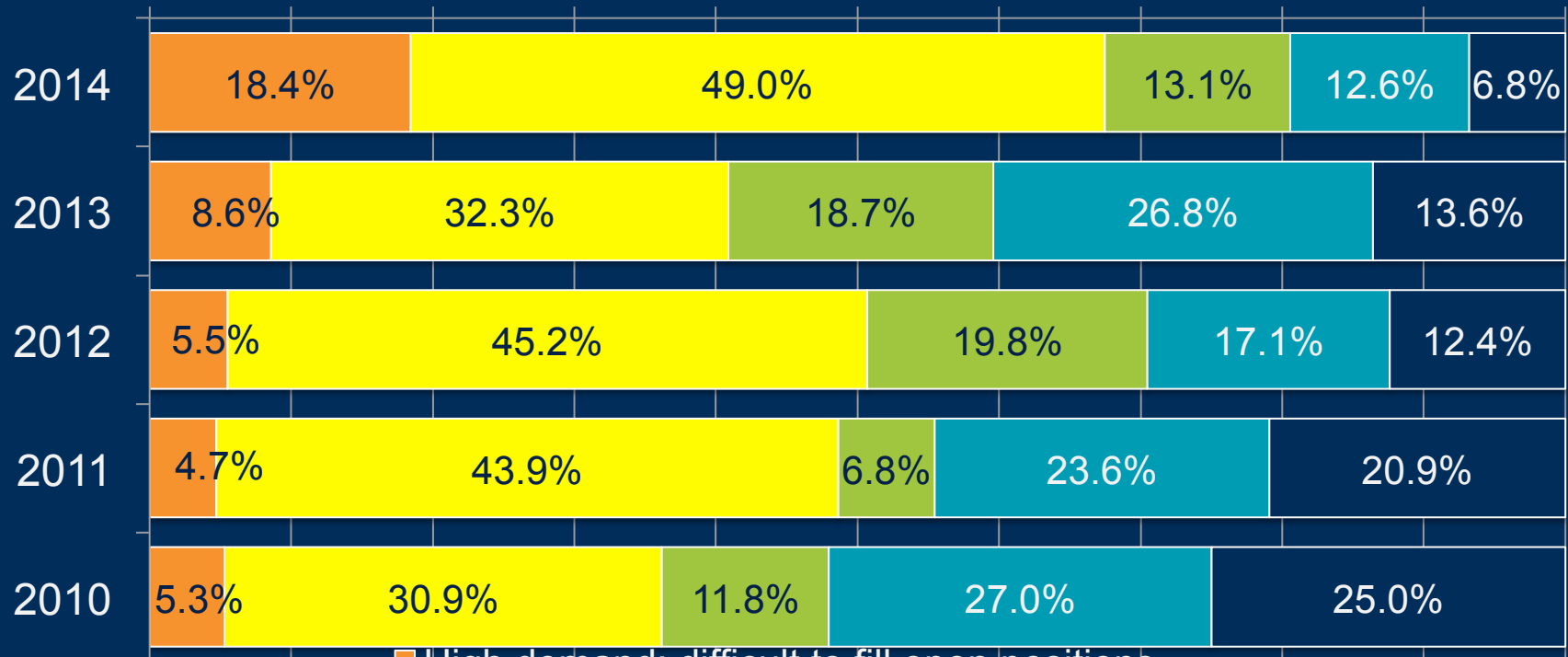
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# Survey of Chief Nursing Officers

- Fielded by UCSF
- Funded by Gordon & Betty Moore Foundation
- Web-based survey with option to return paper survey via fax or email
- Questions based on previous CINHC survey and National Forum of State Nursing Centers “Minimum Demand Data Set” recommendations
- 7 surveys conducted
  - Fall 2010, Spring 2011, Fall 2011, Spring 2012, Fall 2012, Fall 2013, Fall 2014
  - Fall 2014 survey: 207 CNO responses, 238 HR Director responses

# Perceptions of employers: Overall labor market Fall 2014

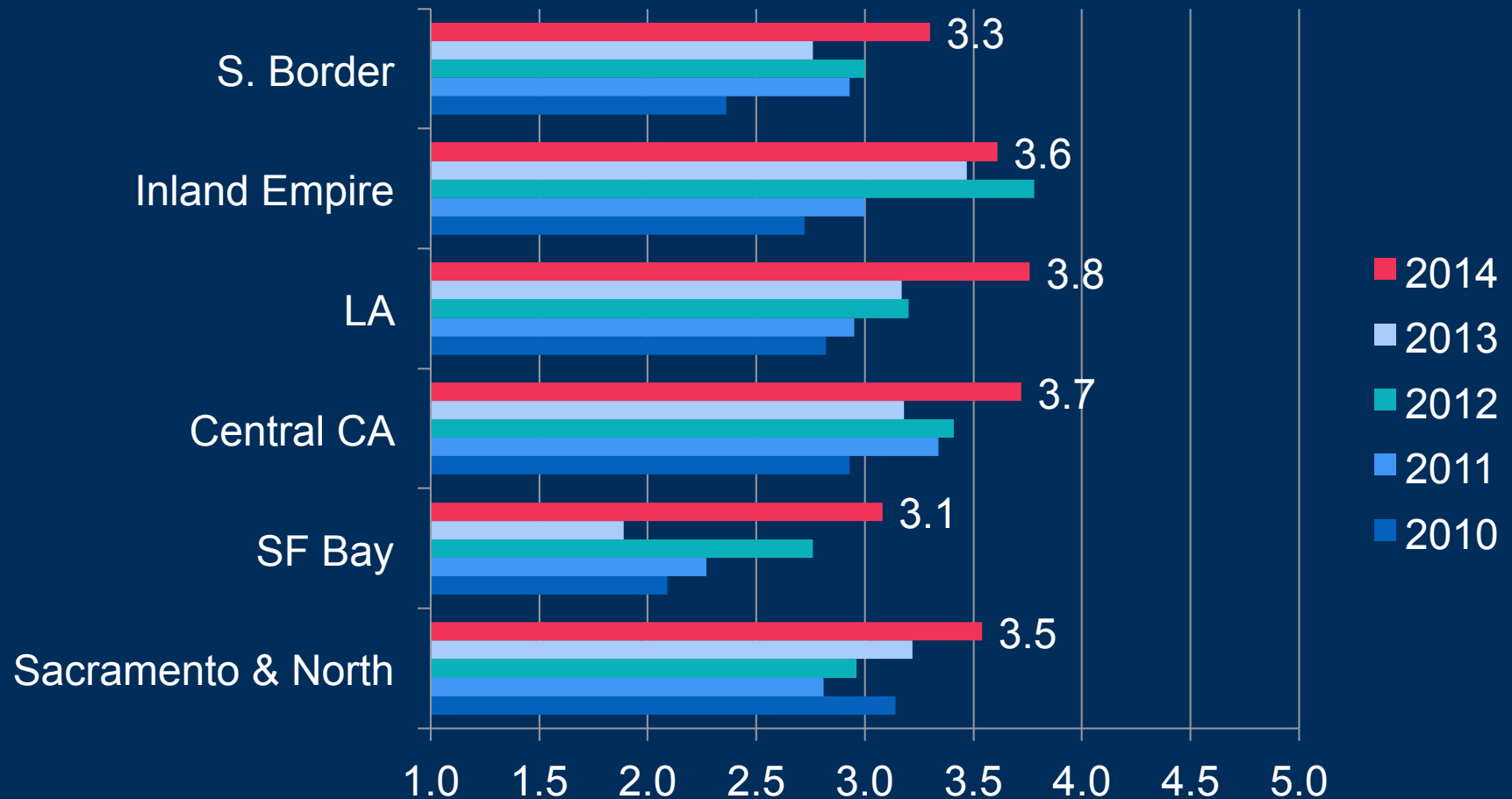
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%



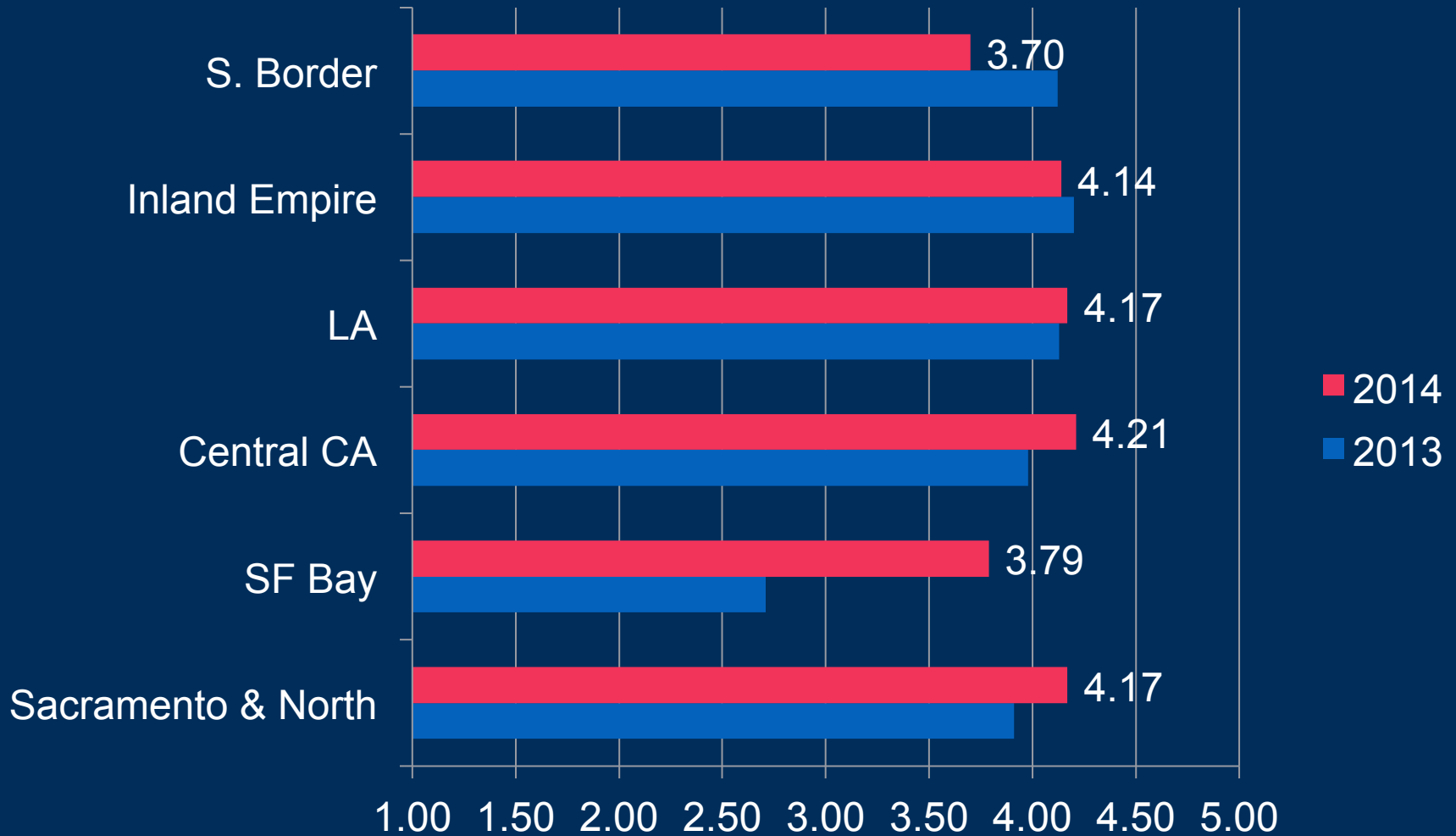
- High demand: difficult to fill open positions
- Moderate demand: some difficulty filling open positions
- Demand is in balance with supply
- Demand is less than supply available
- Demand is much less than supply available



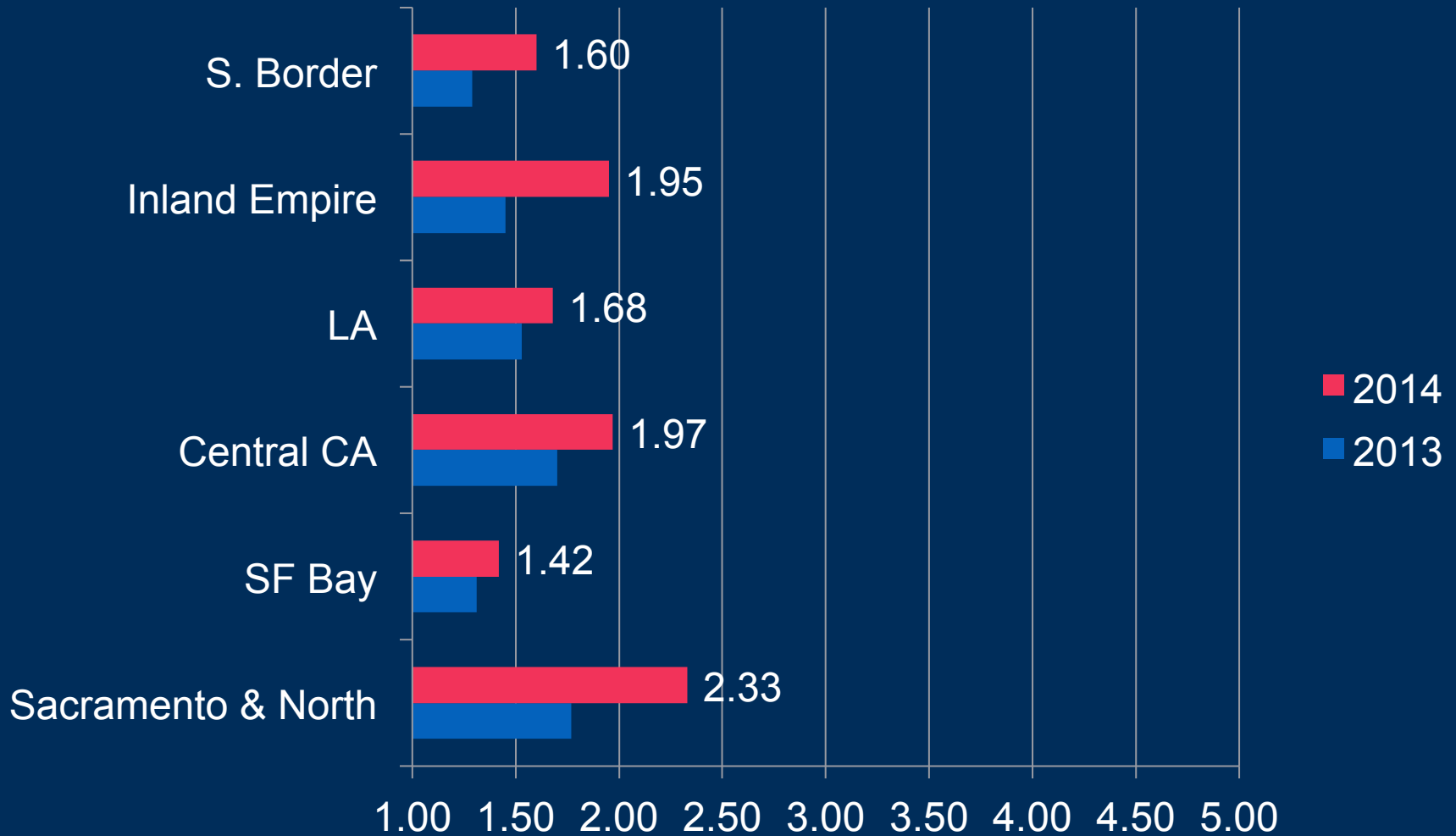
# Differences across regions: Overall RN labor market



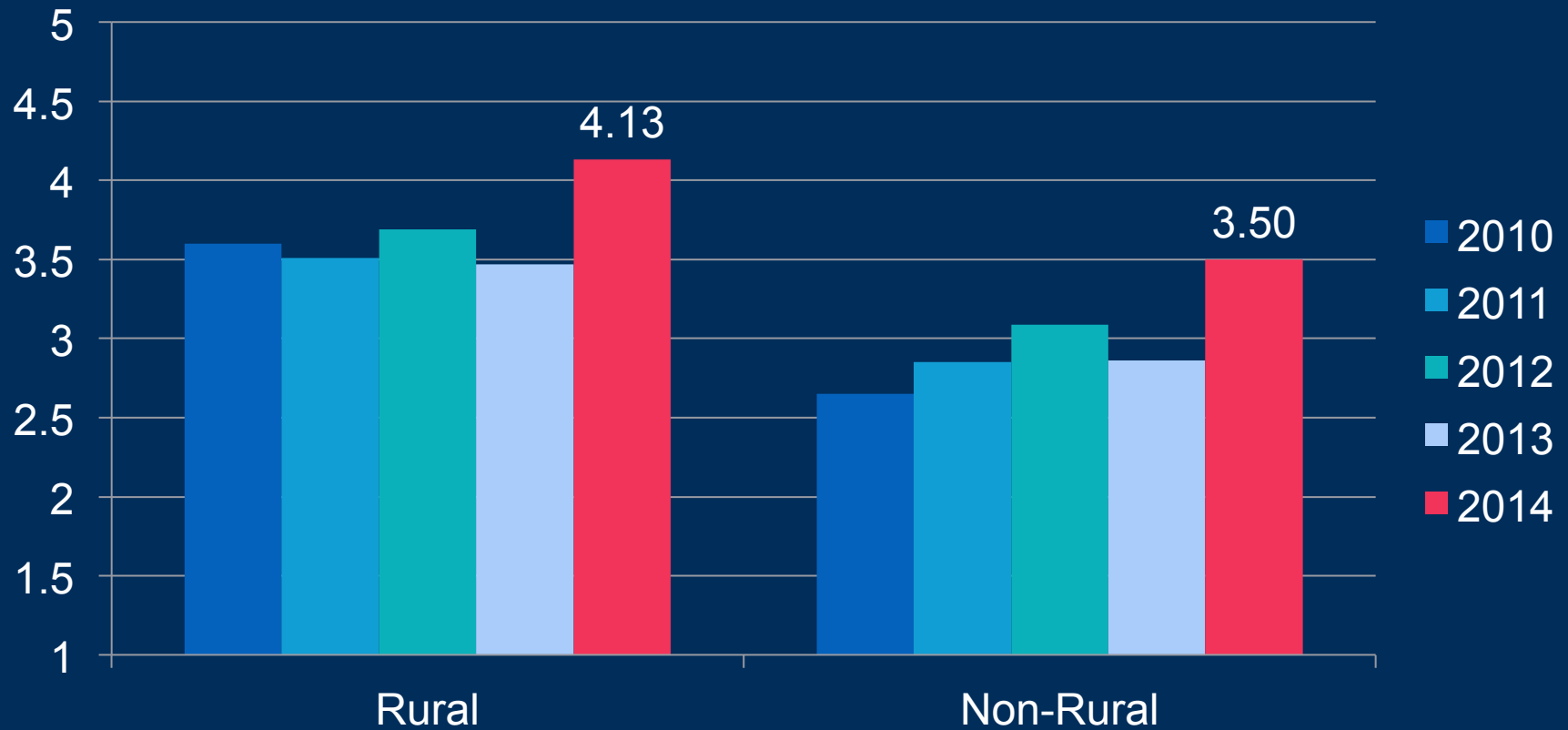
# Differences across regions: Experienced RNs



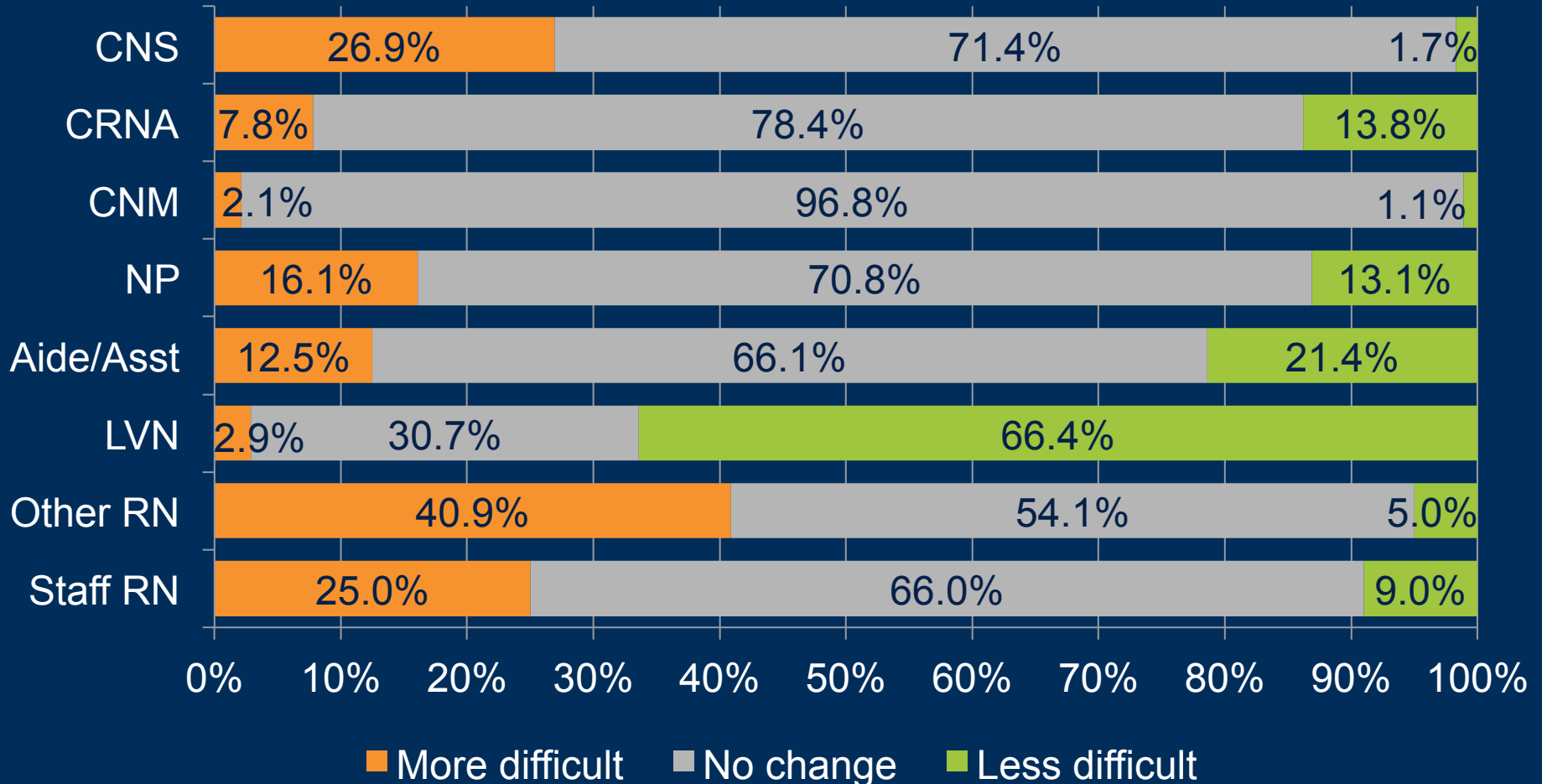
# Differences across regions: New Grad RNs



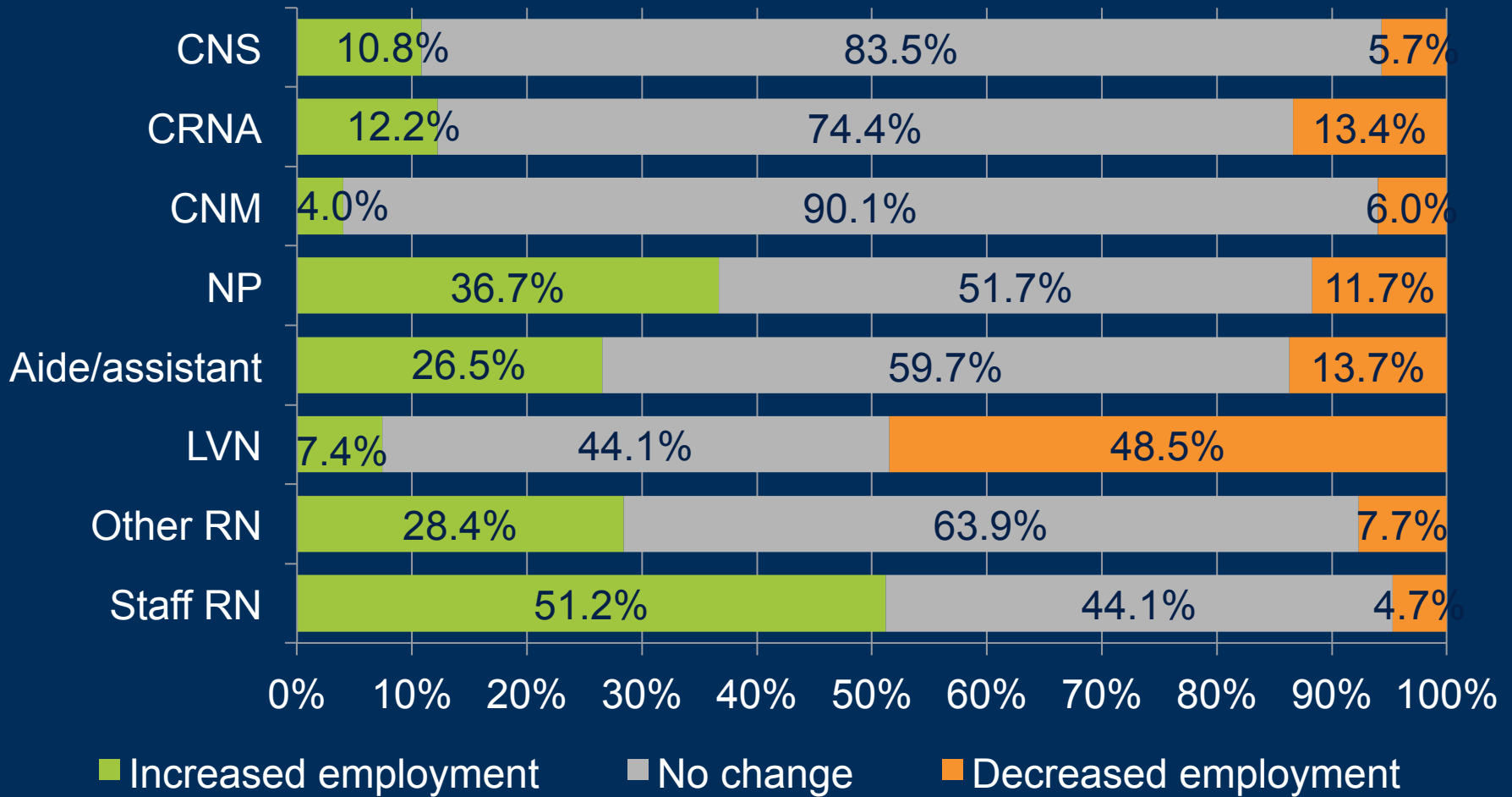
# Rural vs. urban perceptions



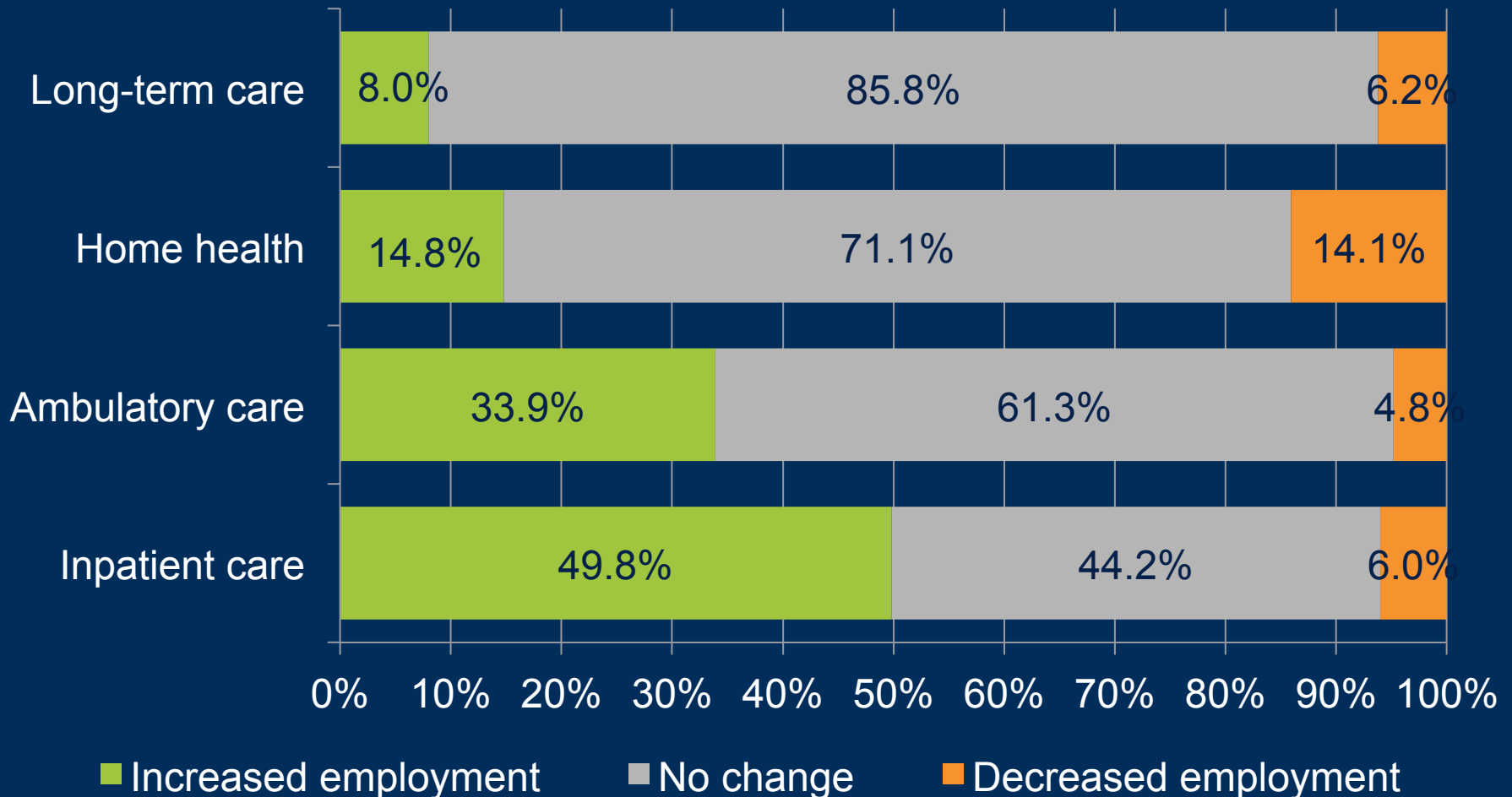
# Difficulty recruiting, compared to last year, Fall 2014



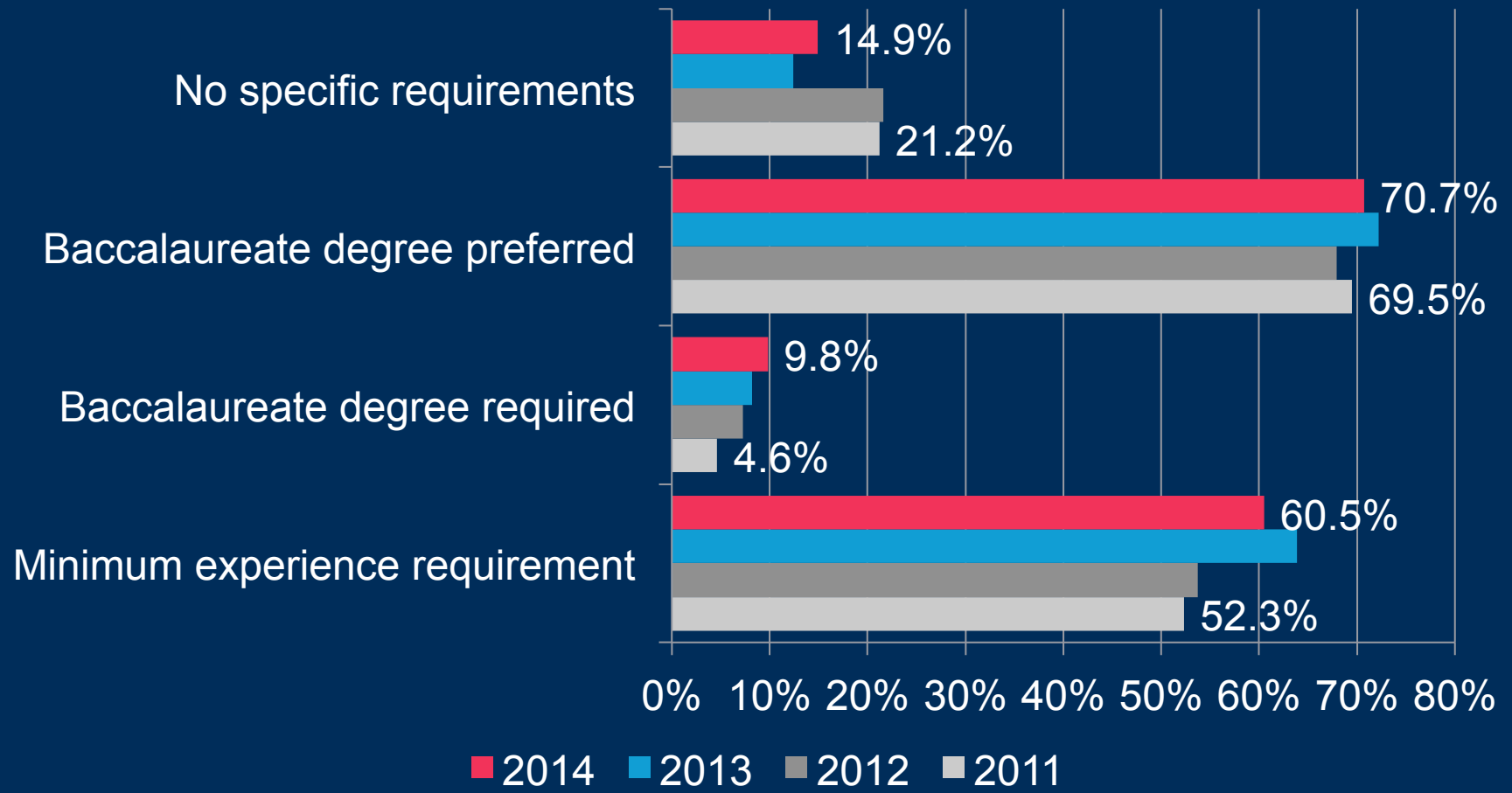
# Change in employment in the past year (2013-2014)



# Change in RN hiring by care setting (2013-2014)



# Hiring requirements and preferences, 2011-2014





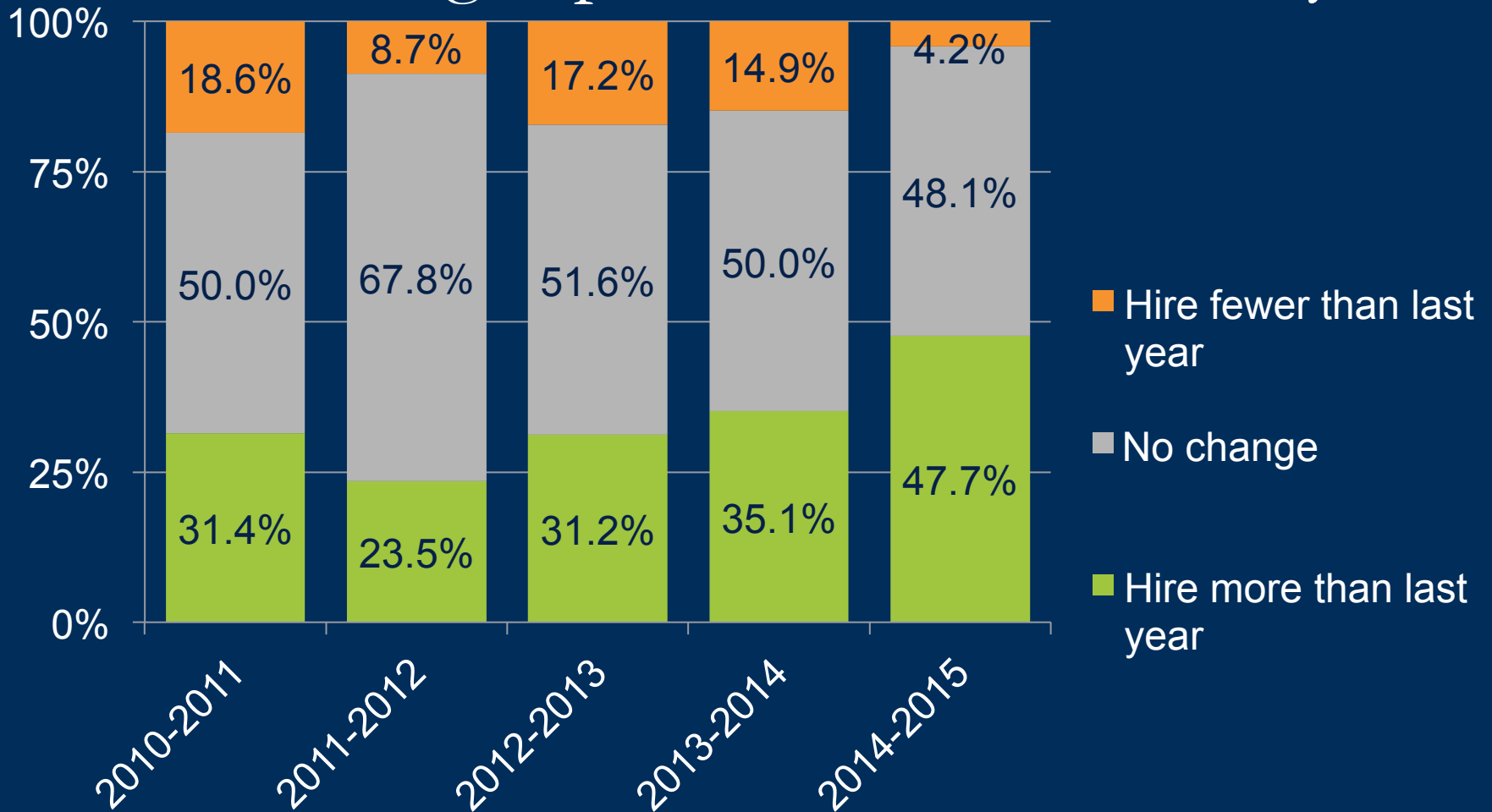
# Plans regarding BSN-educated nurses, 2014

- 71% plan to increase the share with BSN (was 66% in 2013)
  - 54% are targeting more than 50%
- 11.8% require that hired RNs obtain a BSN within a certain time
- 55.1% require a BSN for promotion beyond staff nurse
- 32.9% differentiate RN salary by education degree
  - 48.4% differentiate RN salary by advanced certification

# Challenges to increasing the share of BSN-educated RNs

- Most common barriers to increasing share with BSN:
  - Low supply of BSN-educated RNs in community
  - Lack of tuition reimbursement funds
  - Lack of funds for financial incentives
  - Lack of interest among RNs

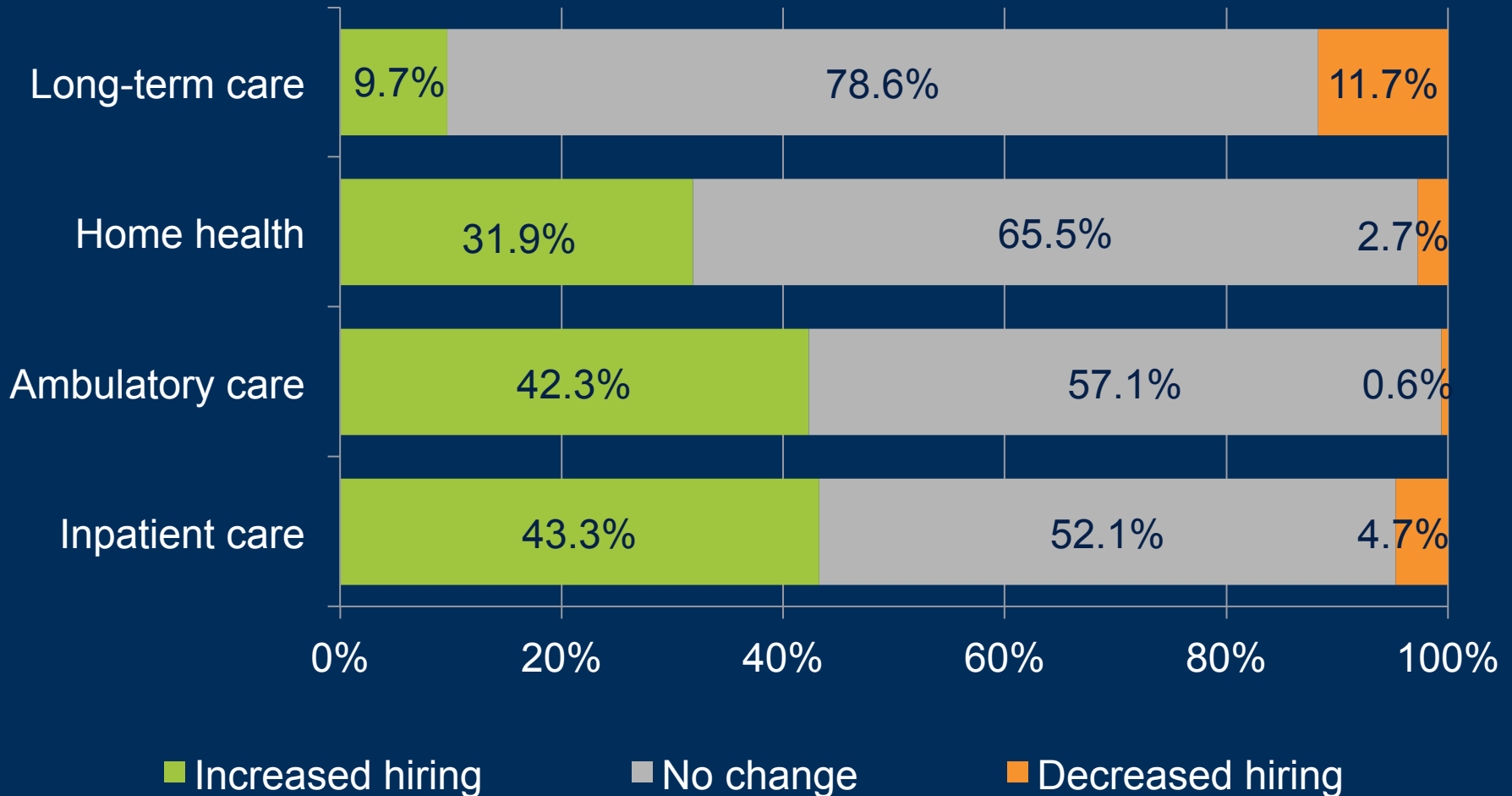
# Overall hiring expectations for the next year



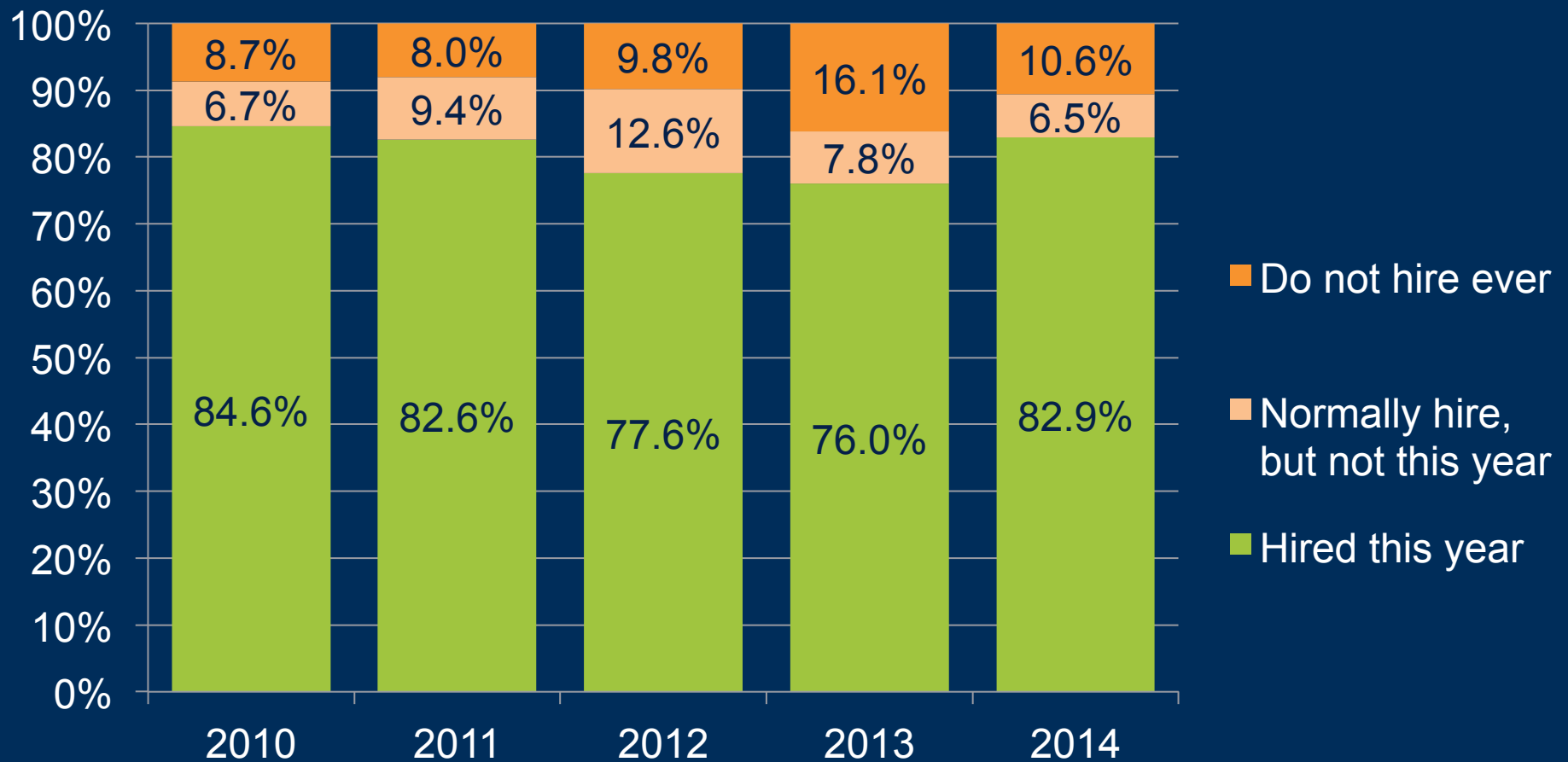
Reasons for expected growth:

Expected increase in census, Expected increase in acuity

# Expected RN hiring by care setting for next year (2014-2015)

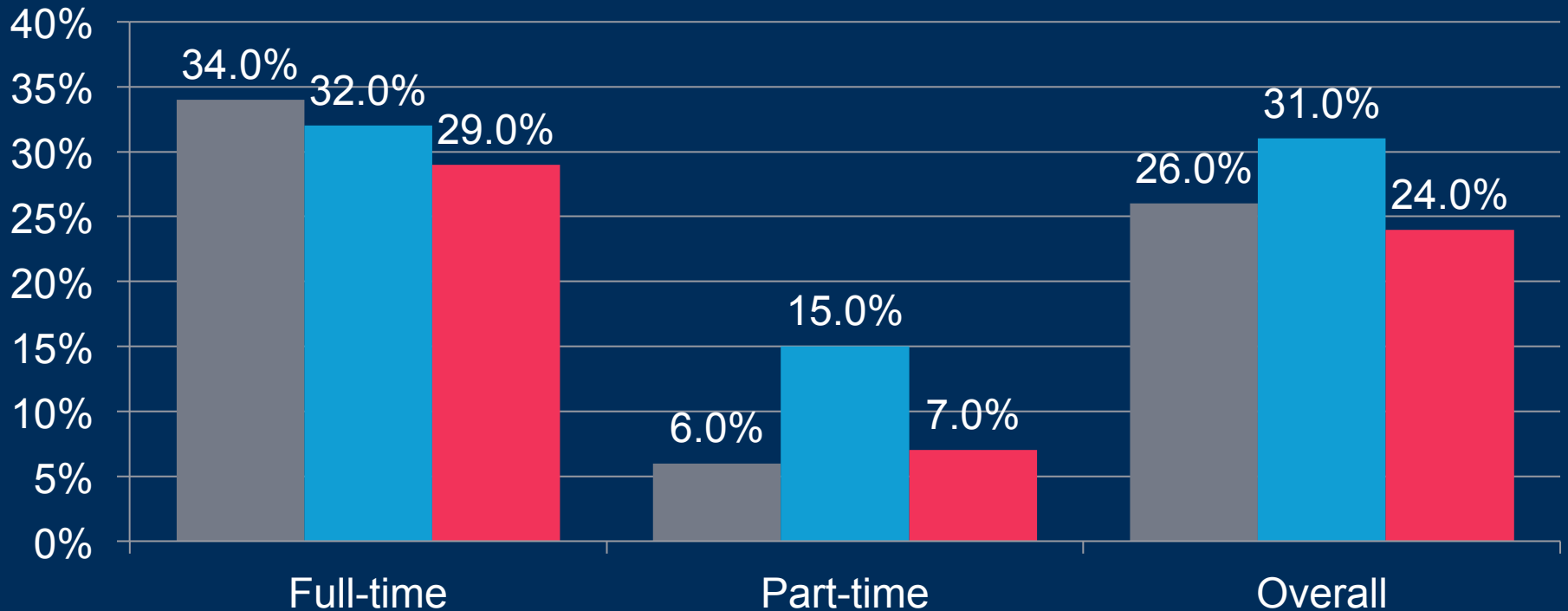


# Hiring of newly graduated RNs, 2010-2014

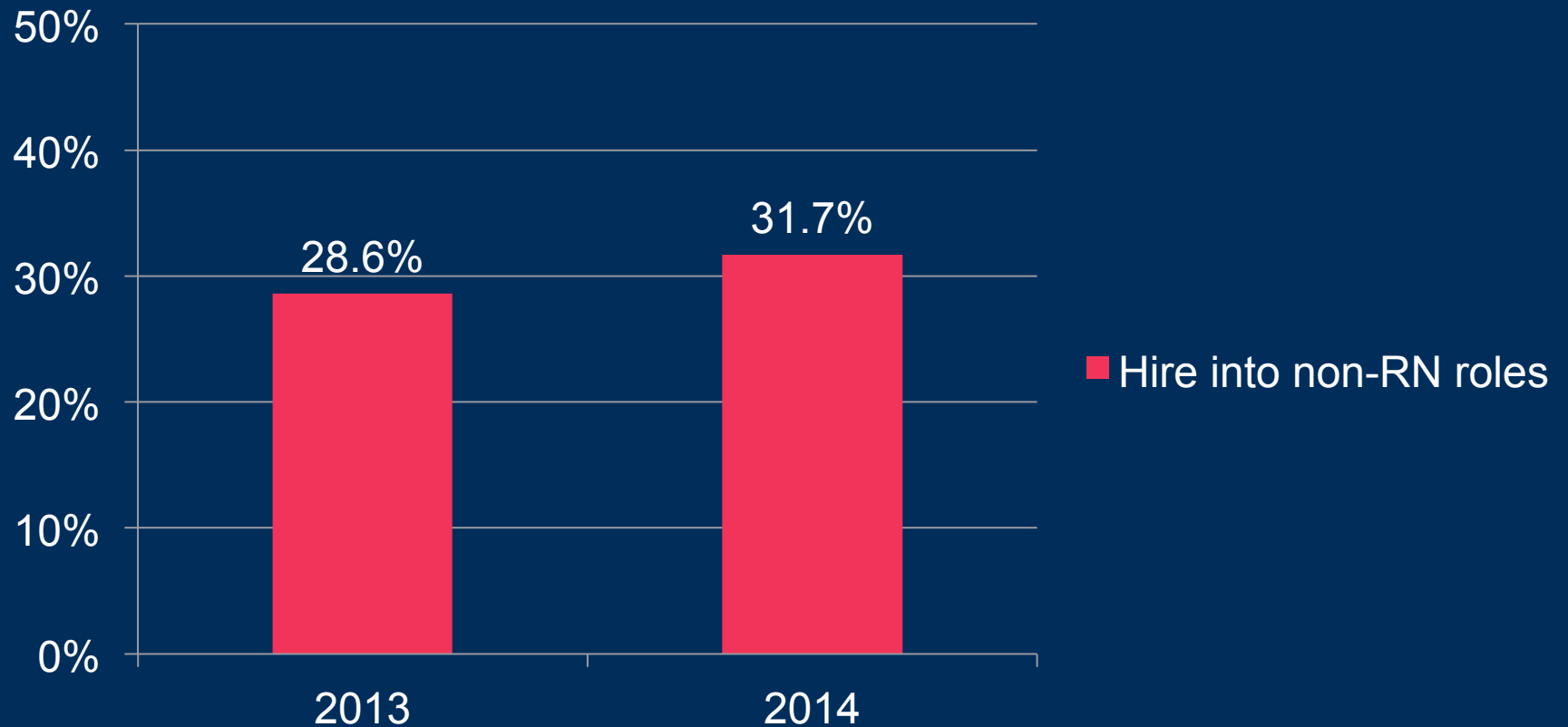


# Percent of new hires that were new graduates

■ Fall 2012 ■ Fall 2013 ■ Fall 2014



# Hiring of new graduates into non-RN roles

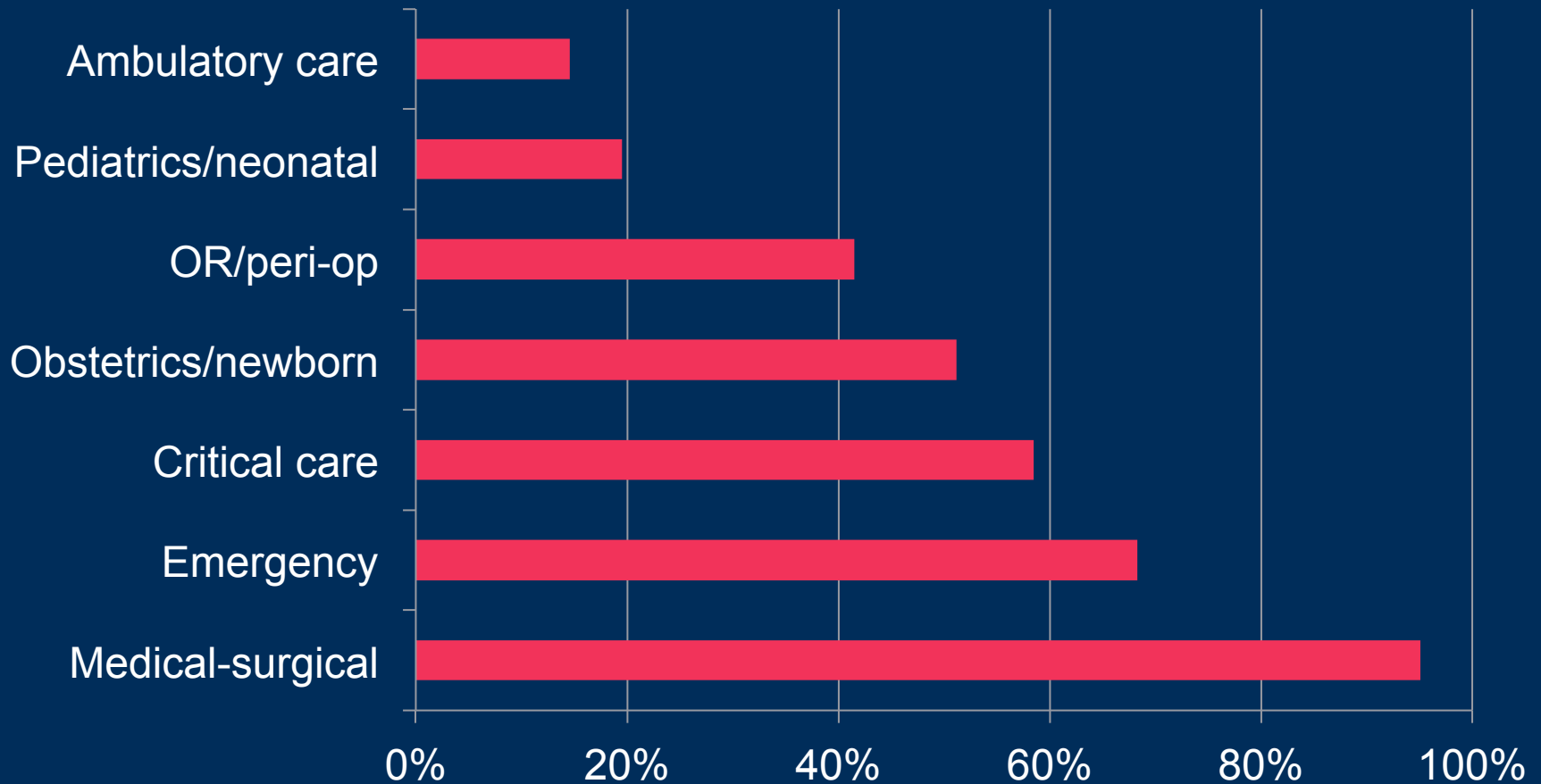


# Residency programs for non-employee new graduates, Fall 2014

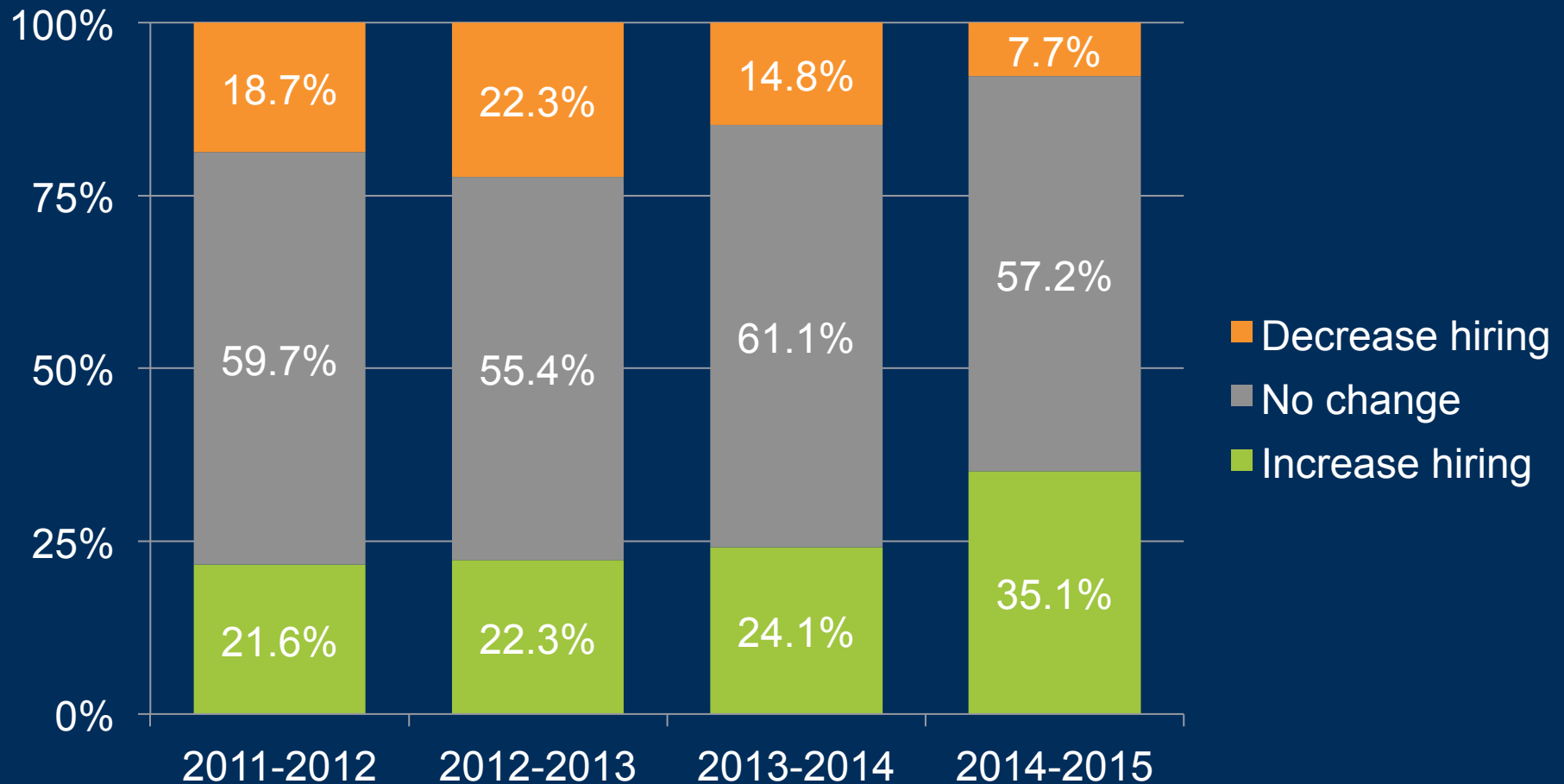
- 39 hospitals have residencies for new graduates not guaranteed to be hired
  - Most common capacity is 20-30 new grads
  - Most common length is 12-16 weeks
  - 63.2% internally-developed
  - 68.3% paid program
- 77.1% of hospitals said 75-100% of residency completers were hired in last year
  - 14.3% said they hired less than 25%



# Residency programs for non-employee new graduates, Fall 2014



# Hiring expectations for new graduates 2014-2015



# Reasons for expected changes in new graduate hiring

## ▪ Expect an increase

- Fewer experienced RNs will be available
- Partnerships with academic programs to create pipelines
- Expansion of own clinical programs

## ▪ Expect a decrease

- Too many new graduates already
- Cost of transitioning new graduates too high

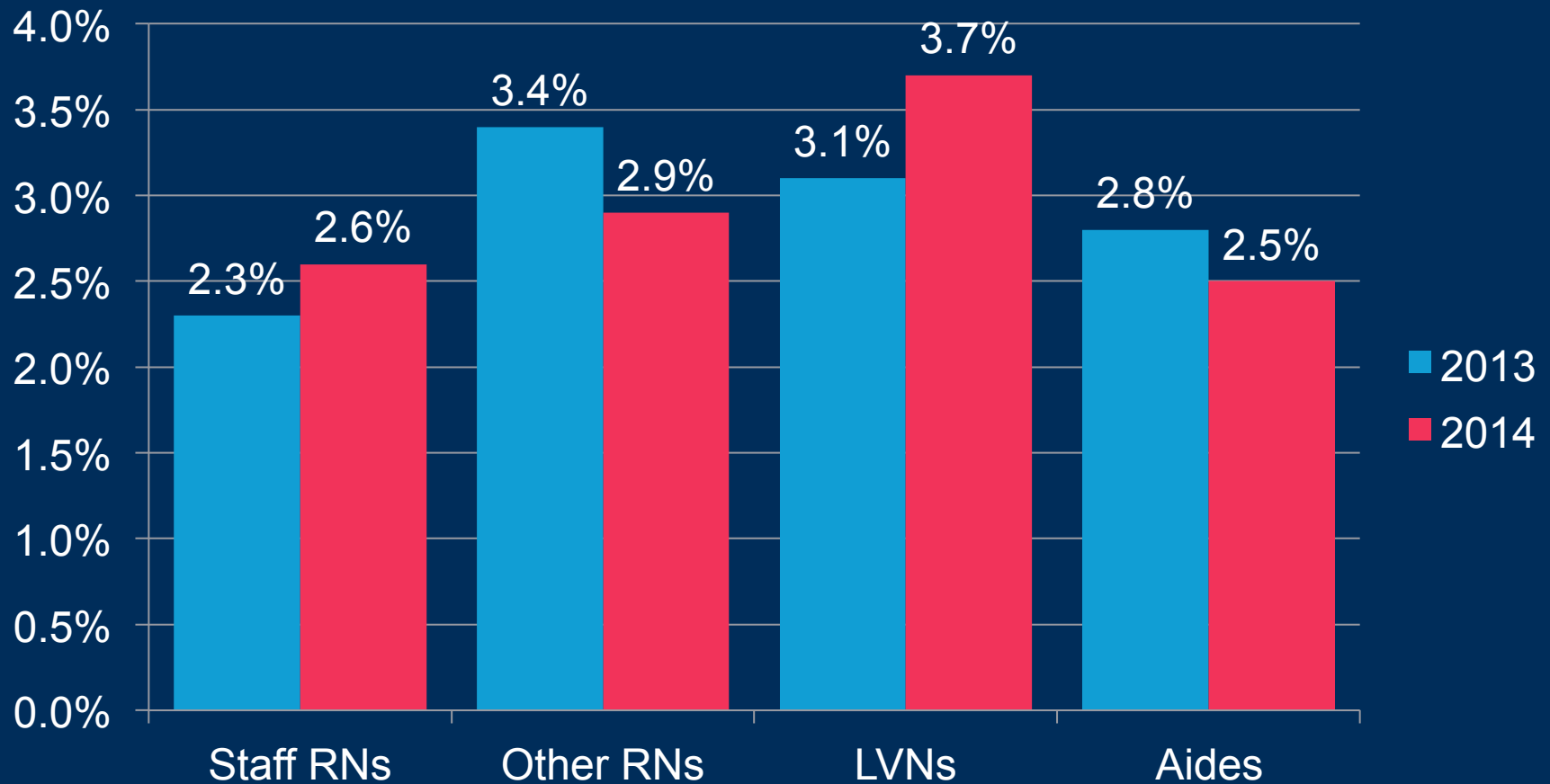
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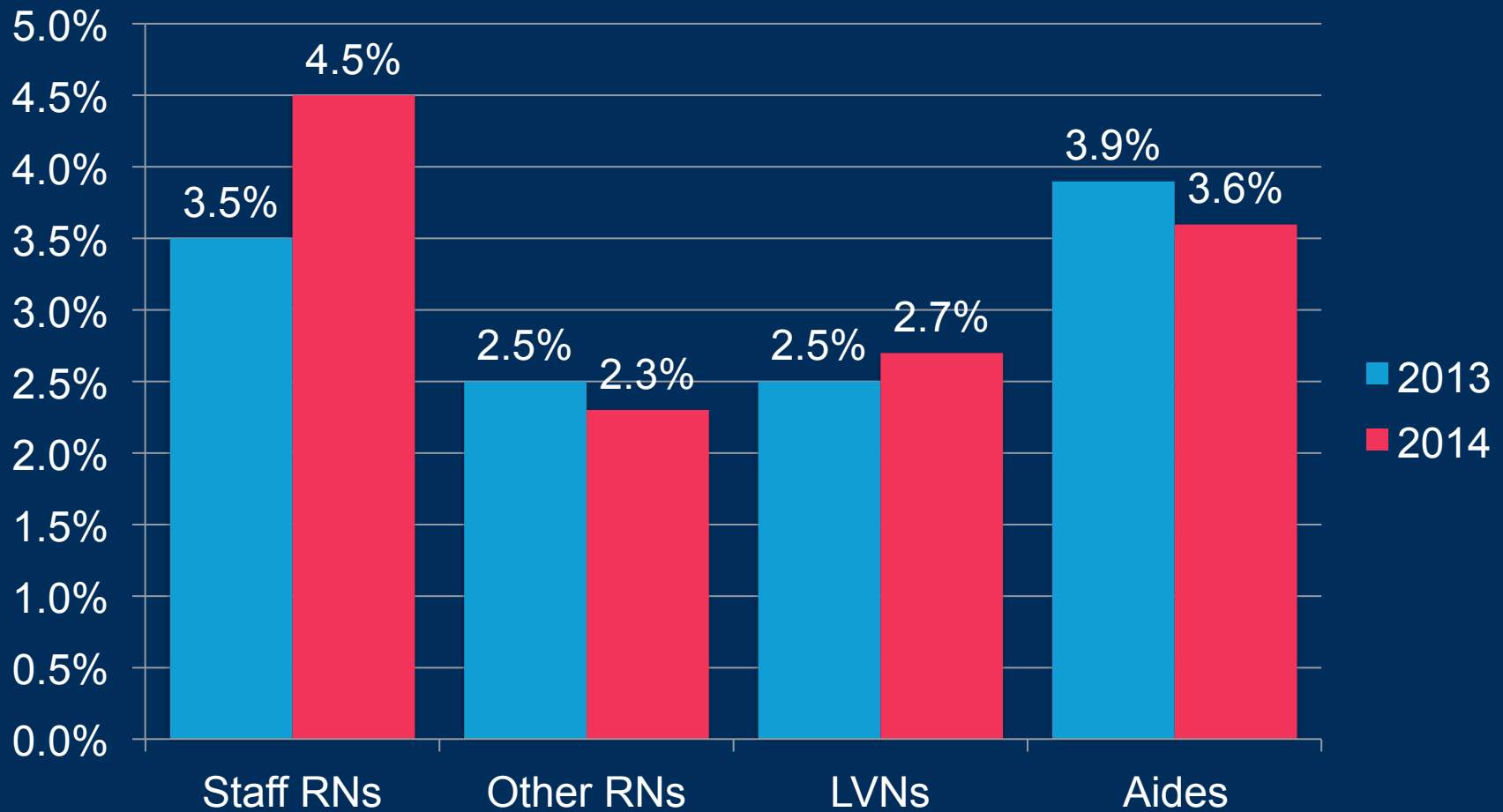
# Hospital Association of Southern California's Healthcare Workforce Survey

- Fielded quarterly by the Hospital Association of Southern California and FutureSense Inc.
- Conducted via online survey sent to HR Directors
- Data collected over a period of one month in September 2014
- Data describes staffing, turnover, and hiring patterns for third quarter of the year (July – September 31, 2014)
- Elicited 193 unique responses, representing 238 general acute care hospitals, and 51,530 beds

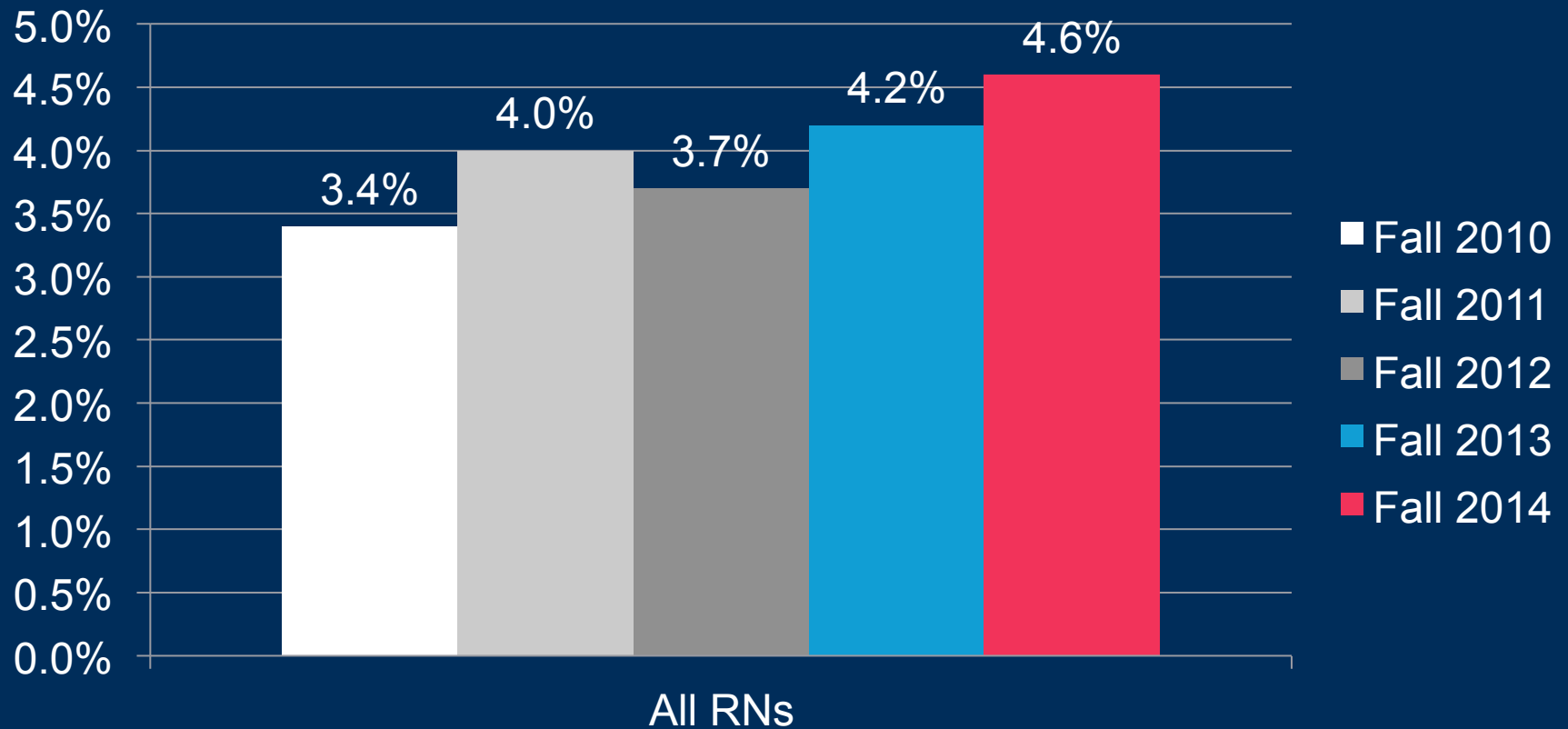
# Quarterly turnover of full-time personnel, Fall 2013 vs. Fall 2014



# Quarterly hiring of full-time personnel, Fall 2013 vs. Fall 2014

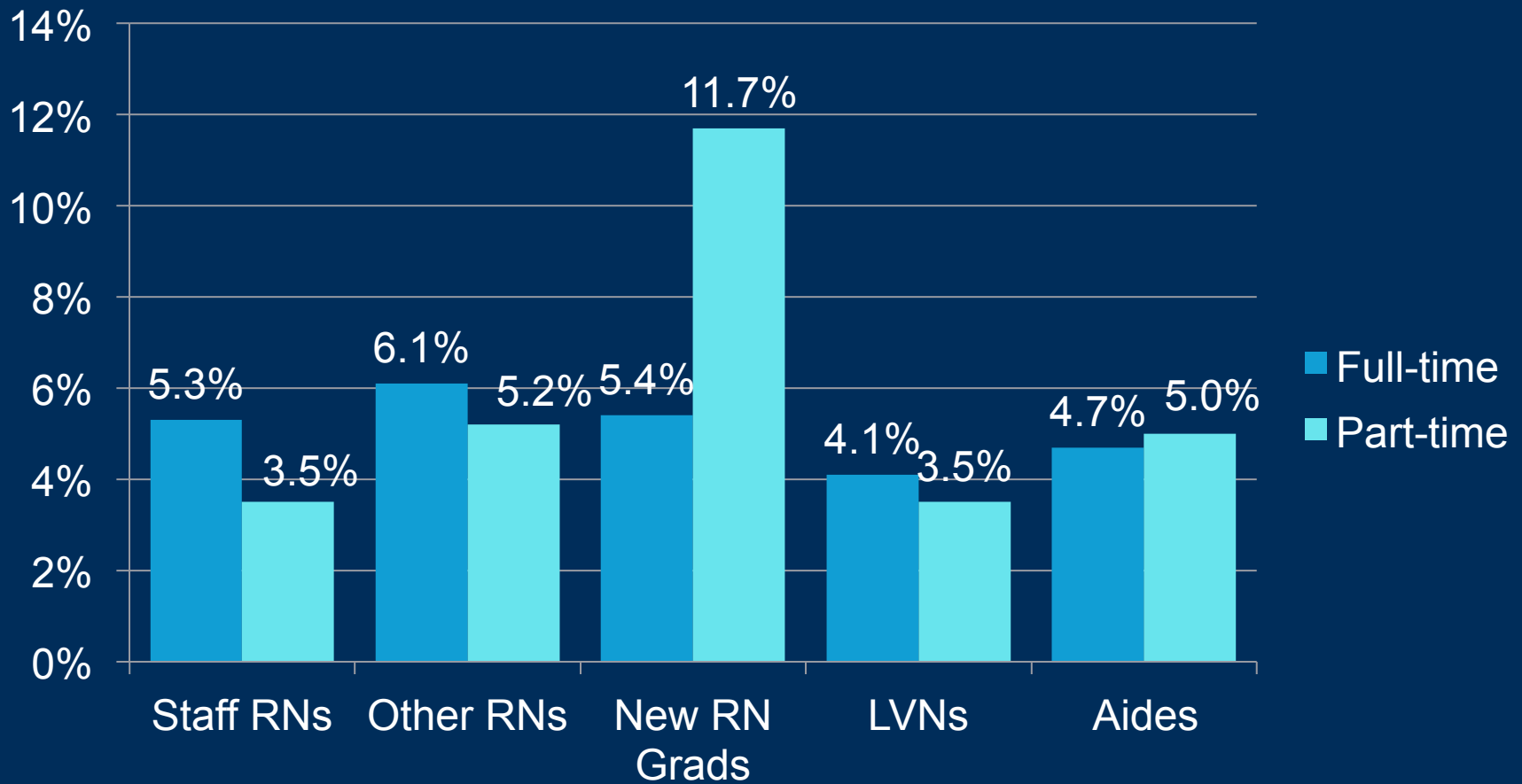


# RN Vacancies, 2010-2014

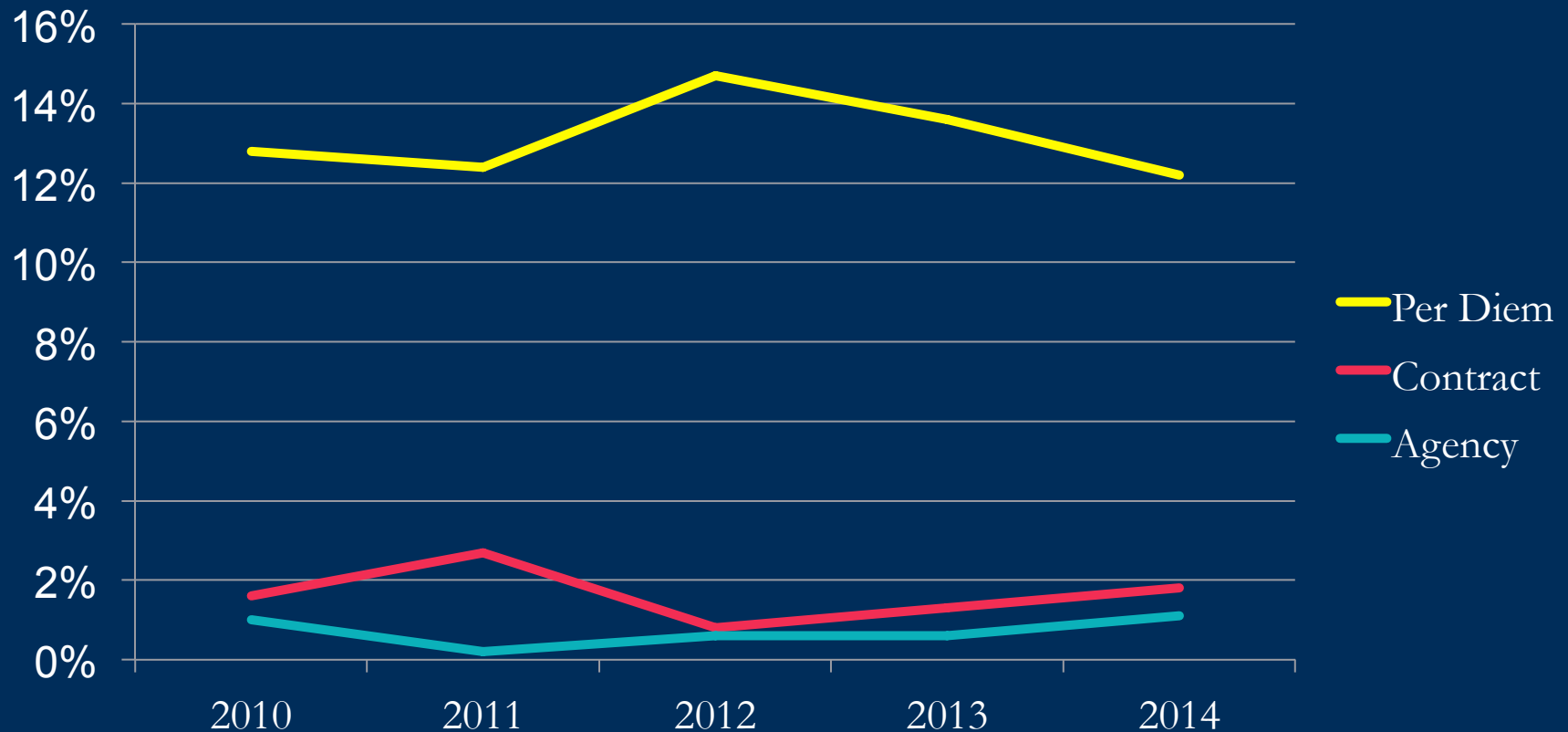




# Vacancy rates by part-time and full-time status, Fall 2014



# Per Diem, Contract, and Agency RN Staff as Percent of Current Staff



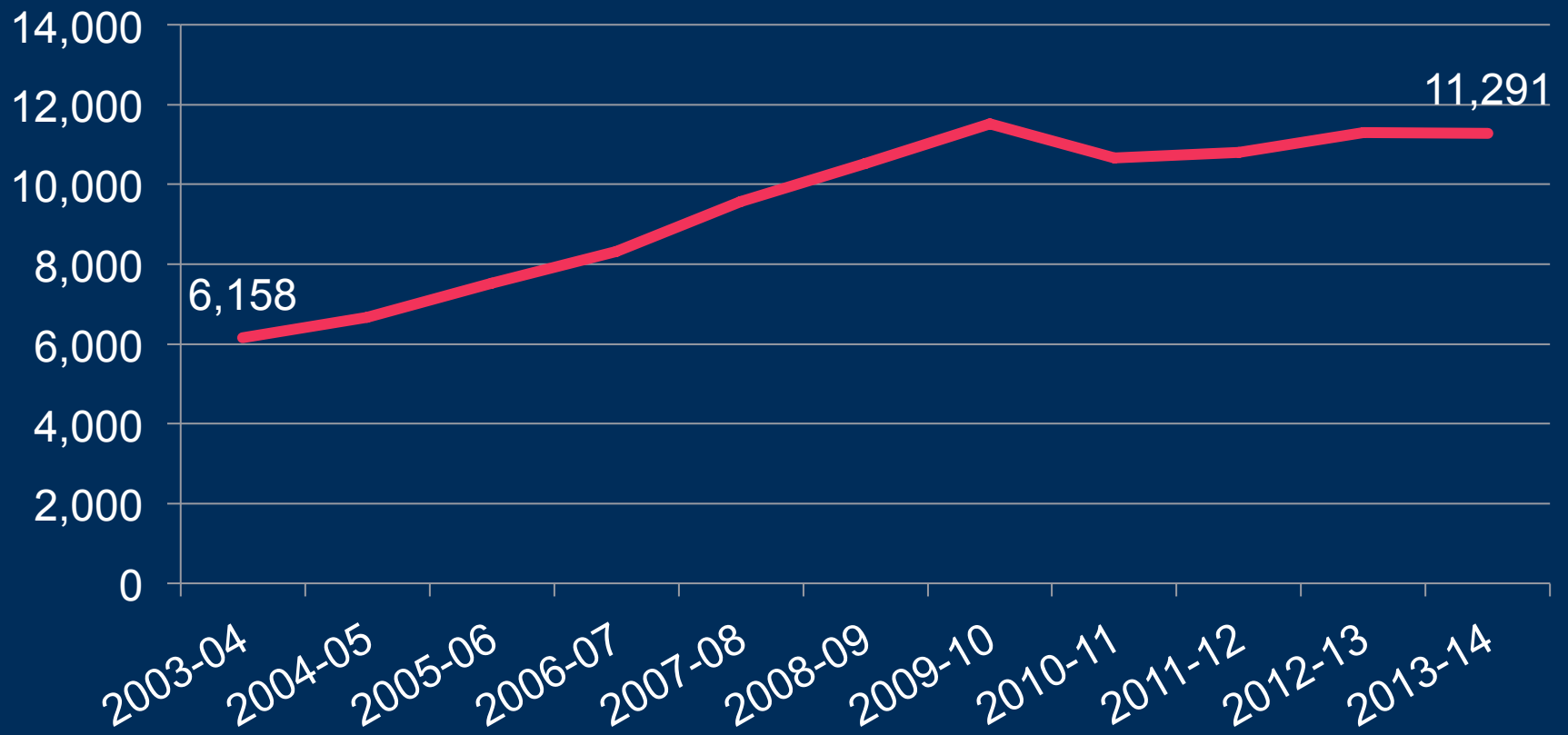
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# New RN Graduate Hiring Survey

- Statewide survey of new grads conducted in fall of 2014
- Collaborators:
  - CINHC
  - UCLA School of Nursing
  - California Board of Registered Nursing
  - Association of California Nurse Leaders
  - California Student Nurses Association
- Funder:
  - Kaiser Permanente Fund for Health Education at the East Bay Community Foundation

# California RN graduations per year

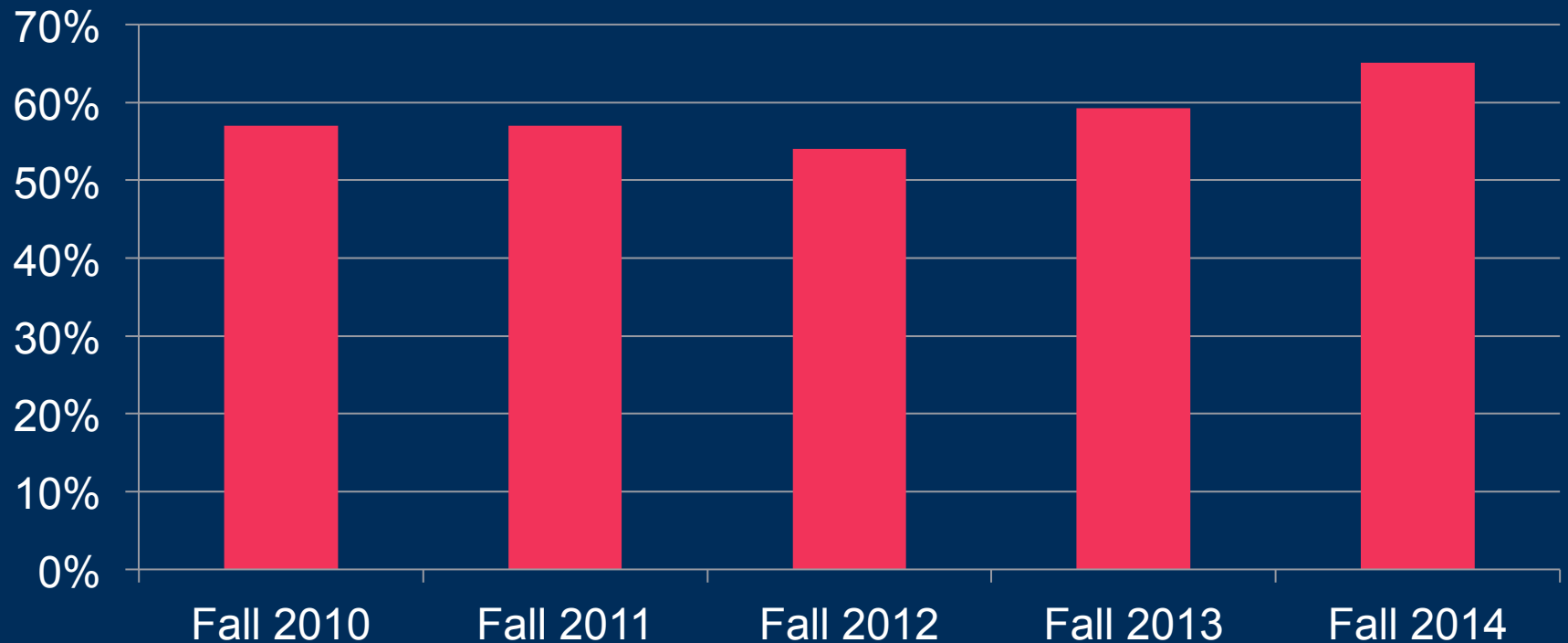


# New RN Graduate Hiring Survey

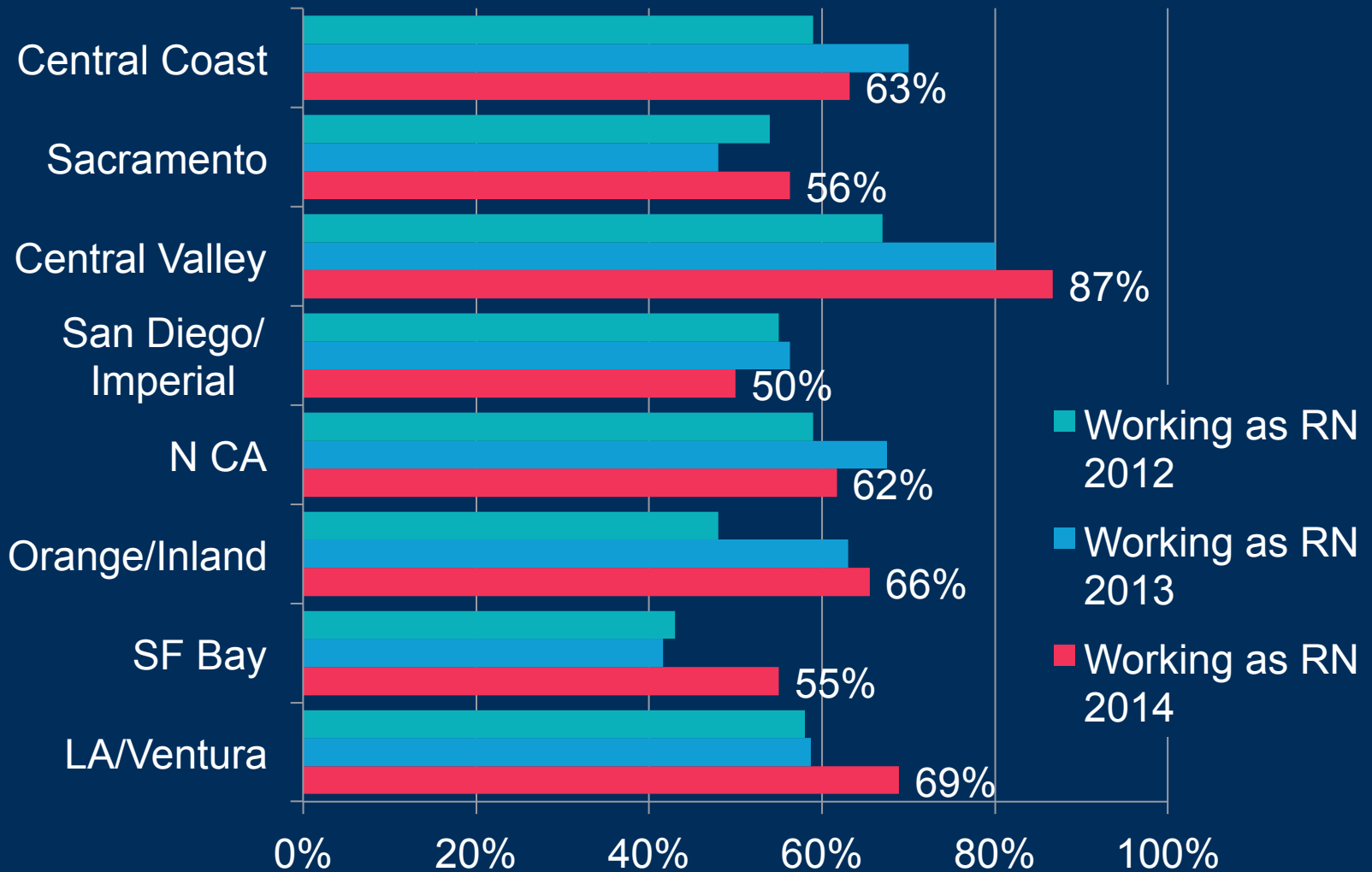
- Random selection of 3,429 newly licensed RNs in CA - September 2013 through August 2014
  - Sample was mailed letters with invitation to complete web-based survey
- 634 responses received (18.5% response rate)
- Margin of error is +/- 3.8 percentage points

# Findings from the 2014 New RN Graduate Hiring Survey

## Percent of new graduates employed in nursing

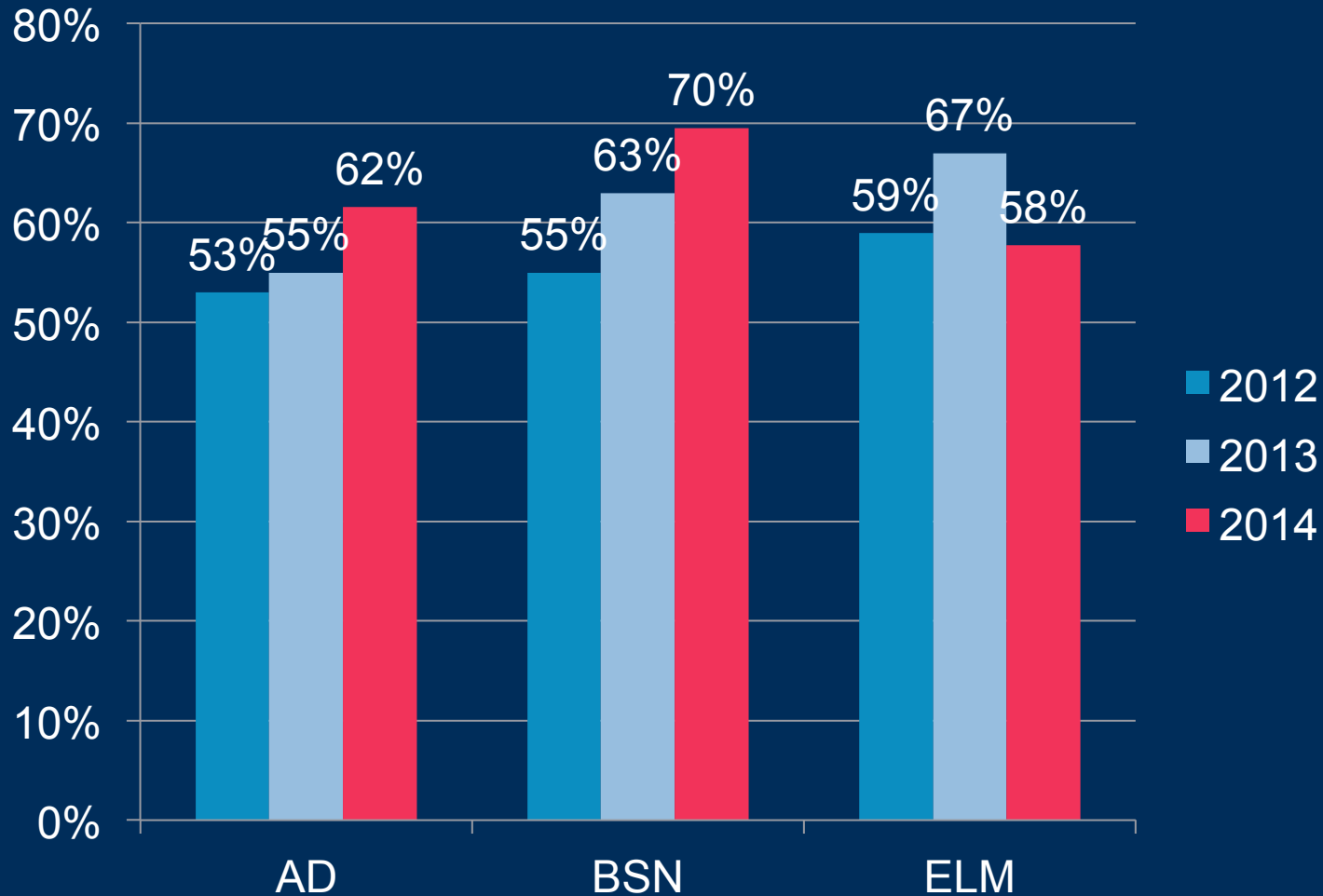


# Regional variation in employment

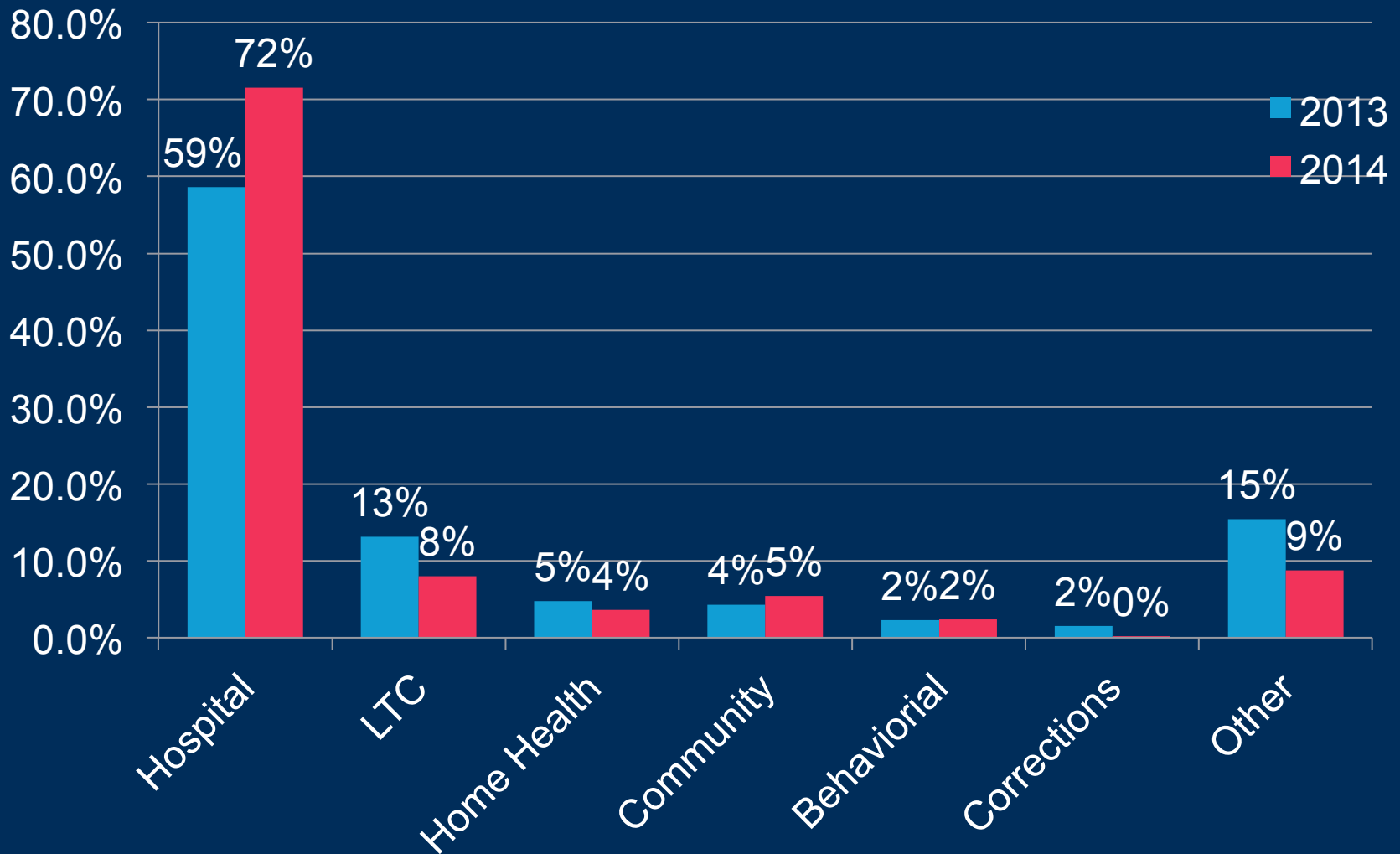




# Employment rate varies by education



# Employment settings of new graduates



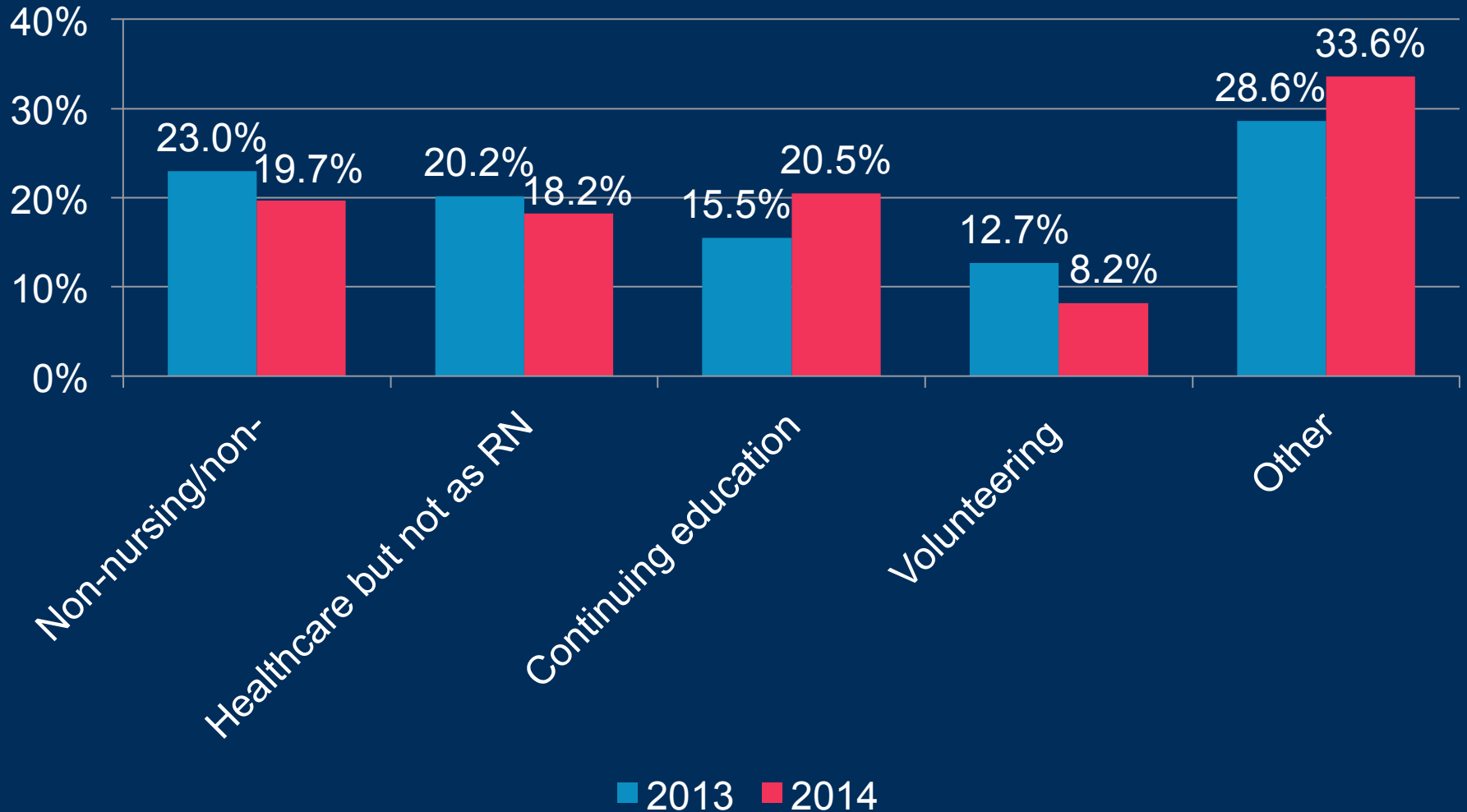
# For those employed...

- 55.7% employed within 3 months
  - 46.6% in the 2013 survey
- 70.2% reported working in “job of choice”
  - 61.6% in the 2013 survey
- 79.4% are working full time
  - 77.2% in the 2013 survey
- 21.3% participated in a transition to practice or residency program
  - 26.6% in the 2013 survey

# Why are they not employed?

- 83.3% no experience
- 41.3% no position available
- 38.5% BSN preferred or required
- 21.8% work experience not applicable
- 4.5% academic preparation insufficient for position scope
- 4.3% weak resume related to volunteering or activity to enhance experience/skills
- 2.3% out of school too long
- 0.8% low GPA

# What are unemployed nurses doing?



# What do Deans & Directors observe?

Deans' estimates of the percent of grads from the past year in each employment setting

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>
<b>Hospital</b>	<b>71.4%</b>	<b>59.0%</b>	<b>54.4%</b>	<b>61.1%</b>	<b>56.7%</b>	<b>56.0%</b>
<b>Long-term care</b>	<b>8.4%</b>	<b>9.7%</b>	<b>7.8%</b>	<b>8.3%</b>	<b>7.9%</b>	<b>7.1%</b>
<b>Comm/public health</b>	<b>5.4%</b>	<b>3.9%</b>	<b>4.5%</b>	<b>3.6%</b>	<b>3.6%</b>	<b>3.7%</b>
<b>Employed in CA</b>	<b>83.4%</b>	<b>81.1%</b>	<b>68.0%</b>	<b>69.6%</b>	<b>72.9%</b>	<b>68.8%</b>

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# What is happening now?

- There is current and anticipated job growth
  - Inpatient care growth in census and higher acuity
  - Ambulatory care growth
- Shortages are emerging
  - Experienced RNs are in short supply
    - Operating Room
    - Labor & Delivery
    - Emergency Department
    - Intensive care
- Reservoir of recent graduates who are still unemployed



# Concerns for workforce policy

- Will recent graduates who can't find work leave California permanently?
- What education changes are needed to ensure new graduates have the right skills?
- Can we foster opportunities to gain on-the-job skills and to pursue additional education?

# Some recommendations

- Employers: Invest in new graduate hiring
  - Less expensive than a shortage
    - Recruitment costs
    - Costs of patient care lapses
    - Costs of rapid wage increases
- Educators: Partner with employers
  - Offer electives in the clinical areas of shortage
  - Ensure streamlined education progression
- Policymakers: Maintain education capacity
  - Do not let enrollments drop
  - Support scholarship programs such as the HPEF programs

# Check out our website!

<http://rnworkforce.ucsf.edu>

## RN Workforce: California's RN Labor Market

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### Welcome to RN Workforce: California's RN Labor Market

#### News

- **[Report & Dashboard: Survey of Nurse Employers in California, Fall 2014](#)**

Post date: April 13, 2015

**New Report:** [Survey of Nurse Employers in California, Fall 2014](#)

**Interactive dashboard of the findings:** [Demand data from Survey of Nurse Employers in California, Fall 2014](#)

- **[Webinar Invitation: California Employer Report - Survey of Nurse Employers, Fall 2014](#)**

Post date: April 13, 2015

**Webinar Invitation: The End of the Shortage? Emerging Trends in California's RN Labor Market**

**Date:** Tuesday, April 28, 2015

**Time:** 12PM-1:30PM

#### Our Mission

The registered nurse (RN) workforce is the largest group of health professionals in California, with over 371,000 licensed nurses. RNs work in every health care setting and provide care for millions of Californians every year. Active tracking of the supply of and demand for RNs is essential to ensure that there is an adequate number of nurses to meet future care needs. UCSF collaborates with organizations throughout California to collect and share data to support workforce planning.

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# Interactive data displays

## Demand for Nursing Workforce

Survey of CA Nurse Employers

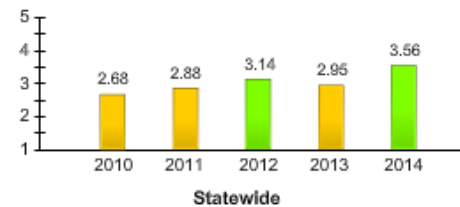
From fall of 2010-2014, CNOs were asked to describe the RN labor market in their area using a rank order scale of 1 to 5, where:

- 5 - High demand for RNs
- 3 - Balanced demand/supply
- 1 - Low demand for RNs

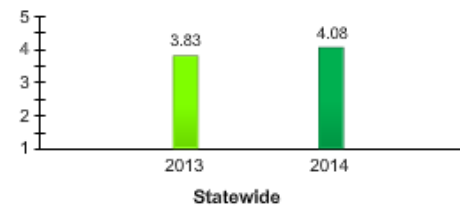
Statewide



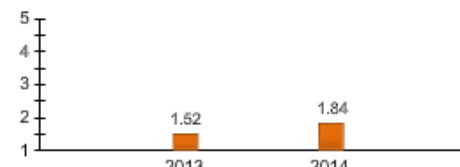
### Overall Demand



### Demand for Experienced RNs



### Demand for New RN Graduates



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Forms → Publications

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## Publications

- [School Reports](#)
- [Biennial RN Survey and Forecasting Reports](#)
- [Other RN-Specific Surveys and Reports](#)
- [Nursing Practice Act](#)
- [BRN Report Newsletter](#)
- [Board-Specific Publications](#)

### School Reports

- [2012-2013 Pre-Licensure Nursing Program Annual School Report: Data Summary and Historical Trend Analysis](#) - Updated 4/23/14
  - [2012-2013 Pre-Licensure Nursing Program Annual School Report: Data Summary](#) - Updated 4/23/14
  - 2012-2013 Pre-Licensure Nursing Program Annual School Regional Reports
    - [Northern California](#)
    - [Northern Sacramento Valley](#)
    - [Greater Sacramento](#)
    - [San Joaquin Valley](#)
    - [Bay Area](#)
    - [Central Coast](#)
    - [Los Angeles Area](#)
    - [Inland Empire](#)
    - [Southern Border](#)
- BRN School Report Data, 2003-2004 to 2012-2013:
  - [Prelicensure Interactive Database Instructions](#) (READ FIRST)
  - [Prelicensure Interactive Database](#)
- [2012-2013 Post-Licensure Nursing Program Data Summary and Historical Trend Analysis](#)

### Biennial RN Survey and Forecasting Reports

- [Survey of Registered Nurses in California 2012](#) - Revised October 18, 2013
  - [2012 Survey of Registered Nurses in California \(PowerPoint Presentation\)](#) - Revised October 18, 2013
  - [Survey of Registered Nurses in California 2012 - Errata, October 18, 2013](#) (Corrections for July 8, 2013 version of Report)
  - [Data Summaries](#)
  - [Forecasts of the RN Workforce in California 2013](#)

### Quick Hits

- Meetings
- Practice Information
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- [Nursing Associations](#)
- [Nursing Groups and Commissions](#)

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# Available from the BRN website

- Annual Schools Report
  - Public-use Excel workbook to summarize data by region, type of program...
- RN Surveys (every 2 years)
  - Full reports
  - Link to a webpage with summary data, and ability to get regional and other cuts of the data
- RN Forecasts
  - Full reports
  - Regional reports when we have them
- Other studies

# What is happening next?

- UCSF and HASC are continuing our collaboration
  - HASC does quarterly surveys of HR directors
  - UCSF does annual CNO surveys
- The 2014 BRN Survey of RNs report will be published later this spring or early summer
  - New forecasts in Summer 2015
- The 2014-2015 BRN Annual Schools Survey will be sent in October
- The 2015 Employer Survey will be sent in October

Questions?

Thoughts?

Ideas?

Perspectives?



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