



Workforce 2015: Strategy Trumps Shortage

January 2010



**American Hospital
Association**

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Summary of Recommendations

| | |
|----------|---|
| 1 | <p>A In a tight labor market, the keys to maintaining an adequate workforce by number and skill are:</p> <ul style="list-style-type: none"> • Redesigning work processes and introducing new technologies to increase efficiency, effectiveness, and employee satisfaction, • Retaining existing workers, including those able to retire, and • Attracting the new generation of workers. <p>B The workforce challenges and strategies facing hospitals require leaders who:</p> <ol style="list-style-type: none"> a. Have an appetite for leading change, b. Actively cultivate an engaged workforce, c. Are willing to be early adopters of innovative workforce practices, and d. Welcome the new generations to their organizations. <p>C To help address the workforce needs of hospitals, the Society for Healthcare Strategy and Market Development should develop an initiative—e.g., template, seminar, or webinar—demonstrating how to integrate workforce strategies in the hospital’s overall strategic, business, and service-line plans.</p> |
| 2 | Hospitals need to develop new work models that increase efficiency, workforce satisfaction, and patient outcomes. Proven process improvement strategies developed by firms outside of health care may expedite efforts to improve performance. |
| 3 | Hospitals need to help staff develop the skills necessary to work effectively in teams. |
| 4 | To provide care with a smaller workforce, hospitals need to increase the involvement of patients and families in the care process, including home- and community-based services. |
| 5 | <p>A Hospitals and their associations need to continuously assess whether changes in payment, scope of practice regulations, and work practices are reinforcing the current occupational patterns or encouraging new caregiver occupations and task allocations.</p> <p>B To achieve flexible, efficient work designs, accreditors, regulators, and educational programs must place greater emphasis on outcomes and less emphasis on structural or process requirements.</p> <p>C Hospitals need to work with colleges and universities to help educational institutions rapidly transform their traditional degree programs (1) to meet the requirements of new and evolving work models and (2) to provide the critical thinking skills necessary to work with the increasingly sophisticated technology of contemporary medical care.</p> |

Summary of Recommendations *continued*

| | |
|-----------|--|
| 6 | <p>A In identifying, developing and appointing managers, hospitals need to give increased attention to the person's understanding of, appreciation for, and effectiveness with the multiple workforce generations.</p> <p>B To accommodate the preferences of the multiple workforce generations, hospitals need to replace traditional human resources policies which were applied uniformly to all workers with policies and programs that include flexibility and choices.</p> |
| 7 | Hospitals need to work with employees approaching retirement age to identify attractive options regarding roles, schedules, and benefits for continuing to work full- or part-time. |
| 8 | Hospitals need to evaluate their organizational cultures and assess their attractiveness to the full diversity of their workforce, including young people entering the workforce. |
| 9 | Given the generational differences in dress, cosmetics, body art, and communication patterns, hospitals need to orient young workers to the expectation of patients and staff from the traditional, baby boomer, and Y generations as well as to differences in expectation by gender, race, and ethnicity. This should include more substantial orientation and mentoring programs as well as clear policies and guidelines for access to and use of internet sites, including social networking sites. |
| 10 | The American Society for Healthcare Human Resources Administration should complement its current project on human resource metrics with a new initiative focused on metrics for new work roles and a new workforce. |

Introduction



On a cool, sunny morning in May 2015, Sally Jones woke up, had breakfast, and complained to her husband, John, that she was having trouble breathing. At John’s suggestion, Sally called her health plan’s nurse triage center seeking medical advice. The nurse at the plan’s call center recommended that Sally have an appointment that afternoon with her primary care practitioner preceded by lab tests and a chest x-ray later that morning. The nurse scheduled each of the appointments for Sally.

In the afternoon, Sally met with her primary care physician who had the notes from the triage nurse, the lab test results, and the chest-x-ray images. After examination, the physician concluded that Sally had moderate to severe congestive heart failure (CHF) and offered her two options: admission to the hospital or admission

to the hospital’s “hospital-at-home” program. Following a discussion of both options with the physician, Sally elected the hospital-at-home program where she was seen regularly by a multi-disciplinary team and provided with home physical assessment, lab work, blood draws, and intravenous medications. Each day in the hospital-at-home program and following the conclusion of the home visits, Sally used her telephone to submit monitor results for blood pressure, weight, pulse, ECG, and temperature and to answer five questions on how she felt. Sally also enrolled in the health plan’s class for patients with CHF which was conducted by a health educator and a nutritionist. Because Sally had a chronic condition, a nurse practitioner who worked with Sally’s physician called or visited Sally quarterly to conduct a health assessment. Sally’s health plan paid for the medical services she received and billed her for copayments and deductibles adjusted for a low income subsidy that Sally and John received.

Throughout Sally Jones’ diagnosis and treatment, Sally’s care was fundamentally about people caring for her and helping her care for herself. Some of the people involved in her care were licensed caregivers with whom she had face-to-face contact or on-line consultations. Others were from a variety of support occupations—including software programmers, IT specialists, and billing and collection staff—whom Sally did not see personally but who each contributed to her care.

Introduction *continued*

An adequate number of well-trained staff is the fundamental resource for hospitals and health systems.¹ The hospital field has previously experienced workforce shortages. In 2002, the AHA Commission on Workforce published its report, *In Our Hands*, which was followed by a series of case reports on successful practices in making work more meaningful, building a new workplace partnership between hospitals and their staff, broadening the ethnic, racial, and gender base from which staff are drawn, and collaborating with other organizations to recruit, train, and retain staff.² As the decade has continued, hospitals have addressed the short-term shortages and now are expressing increasing concern about the projected, long-term shortage of an adequate supply of staff.

Therefore, the AHA Board of Trustees asked its 2009 Long-Range Policy Committee to examine likely workforce issues for the next decade and provide findings and recommendations which hospitals and their associations can use to develop successful workforce strategies. The committee found that most workforce projections for individual occupations assume no change in the way care will be organized and financed in the future. The assumption of no change in health care delivery and financing is unlikely as legislation and/or market forces stimulate change.

Rather than focus on individual occupations, the committee chose instead to focus on broad workforce challenges and key strategies. Their deliberations were based on published research and in-person presentations by:

- Jill Fuller, RN, PhD, the Chief Nursing Officer at Prairie Lakes Healthcare System in Watertown, South Dakota, who shared insights on thinking anew about hospital staffing using the challenging question: “How would we care for patients if we only had one nurse?”
- Mike Magee, MD, Editor of the *Health Commentary* in Connecticut, who shared his insights on where the health system is heading as it transforms from a care system based on hospitals and physician offices to a care system centered in the patient’s home, involving families as a major part of the care team that is physician-led and nurse-directed; supported by modern technology, especially electronic communications media; and is efficient and sustainable.
- Reginald Butler, Richard Battaglia, MD, and Reatha Clarke from PricewaterhouseCoopers who have been working on PwC’s “Millennials at Work: Perspectives from a New Generation,” and who generously shared their findings and insights.

The committee appreciates greatly their willingness to share insights and experiences.

The report is presented in four sections:

- The developing workforce challenges,
- Redesigning work,
- Retaining existing workers, and
- Attracting the new generation of workers.

In addition, the AHA is publishing a workforce data book on its website, www.healthcareworkforce.org with some of the statistical information used in this report to develop findings and recommendations.



The Developing Workforce Challenges

FINDING 1

THERE WILL BE MAJOR CHANGES IN HEALTH CARE DELIVERY IN THE NEXT DECADE REFLECTING DEVELOPMENTS IN AT LEAST SEVEN AREAS.

- New scientific developments are occurring simultaneously in four areas: biomedical sciences, biomedical materials, medical devices, and computer services.³
 - Payment policies will move from fees for individual services to payments for episodes of care requiring coordination across multiple practitioners and provider organizations.
 - Payments will include incentives to achieve defined thresholds of quality and penalties for unintended complications, poor outcomes, and/or excessive variation when compared to clinical guidelines.
 - There will be fewer uninsured patients and more patients covered by Medicare as a result of aging, government-sponsored (Medicaid or CHIP), and government-subsidized private coverage programs.
 - There will be widespread use of ambulatory, home, and community care in place of traditional inpatient services and expanded use of new communication and monitoring technologies.
 - There will be broad implementation of electronic record-keeping, monitoring, reporting, and payment allowing patients to connect with caregivers in virtual space and allowing staff-to-staff communication in real time.
- Physicians are developing three distinct relationships with hospitals with the result that the traditional voluntary relationship is being supplanted by pluralistic medical staff relationships requiring distinct strategies to support each.
 - a. The closest physician-hospital relationship is between physicians whose practice primarily involves care of patients in the hospital, including hospitalists, emergency medicine, intensivists, and trauma surgeons. The relationship is one of **interdependence** because the professional and economic objectives of the physicians and hospitals are closely aligned.
 - b. A second subgroup of physicians practices in community-based offices and/or freestanding ambulatory care centers while caring for some of their patients in the hospital. Physicians with an **associate** relationship with the hospital include those in orthopedics, otorhinolaryngology, obstetrics/gynecology, gastroenterology, radiology and others.
 - c. A third subgroup of physicians practices almost exclusively in community-based offices and generally refers patients requiring hospital care to physicians in one of the other two subgroups. Many of these hospital-**independent** physicians may maintain hospital privileges solely to meet the credentialing requirement of an insurance plan.

The Developing Workforce Challenges *continued*

FINDING 2

IN THE NEXT 10 YEARS, HOSPITALS WILL FACE A TIGHT LABOR MARKET.

For the past several decades, the U.S. labor pool has grown rapidly as increased numbers of women and “baby boomers” of both genders joined the workforce, and as the relatively small number of persons born during the Great Depression retired. The future looks much different.

- A growing and aging population will need more health care services.
- The U.S. Bureau of Labor Statistics projections for the decade from 2006-2016 estimate that 15.6 million jobs will be offered, but the civilian labor force will only increase by 12.8 million persons.⁴
- The number of students graduating from high school in the next decade will remain relatively static at about three million per year.⁵
- Most other fields from public schools, to government agencies, to trucking companies project needs for new workers and will also be developing initiatives to attract new workers. For example, “the federal government needs to hire more than 270,000 workers for ‘mission-critical’ jobs over the next three years, a surge prompted in part by the large number of baby-boomer federal workers reaching retirement age, according to the results of a government-wide survey” released September 3, 2009.⁶ . . . “The medical and public health area is most in need of hires, according to the study.”

Health care will face the twin challenges of attracting and retaining replacements for retiring workers while expanding its workforce to care for an aging population. If current trends persist:

- The U.S. Bureau of Health Professions projects a shortage of 109,600 physicians in 2020,⁷

- Peter Buerhaus and colleagues at Vanderbilt University estimated in 2009 that the shortfall of registered nurses in 2025 will be 260,000 FTEs⁸; and
- The U.S. Bureau of Labor Statistics projects major growth in health care occupations other than physician and nurses.⁹

Many careers in hospitals, especially as caregivers, require substantial education beyond high school. While the Association of American Medical Colleges projects a significant increase in medical school enrollments across the next decade, few of those students will have completed more than their medical school and residency training by 2020. Nursing schools have qualified applicants that they cannot accept because of limitations in faculty, laboratory space, and clinical training sites. Similar challenges confront the several therapist, technician, and technology occupations. As university and state budgets face the constraints of the current recession, rapid expansion of educational capacity in fields other than physician education appears unlikely.

Health care is a significant component of the national economy. It will continue to be a major employment sector in both good and challenging economic times.

The shortage of workers throughout society; the projected shortages of physicians, nurses, and supporting caregivers; and the unlikely expansion of most higher education programs require thinking anew about the workforce and human resources management. The shortage also requires hospital leaders—including trustees, executives, human resource administrators, and managers—to embrace both the challenges and the new strategies necessary to address them.

The Developing Workforce Challenges continued

RECOMMENDATION 1

1A

In a tight labor market, the keys to maintaining an adequate workforce by number and skill are:

- Redesigning work processes and introducing new technologies to increase efficiency, effectiveness, and employee satisfaction,
- Retaining existing workers, including those able to retire, and
- Attracting the new generation of workers.

1B

The workforce challenges and strategies facing hospitals require leaders who:

- a. Have an appetite for leading change,
- b. Actively cultivate an engaged workforce,
- c. Are willing to be early adopters of innovative workforce practices, and
- d. Welcome the new generations to their organizations.

1c

To help address the workforce needs of hospitals, the Society for Healthcare Strategy and Market Development should develop an initiative—e.g., template, seminar, or webinar—demonstrating how to integrate workforce strategies in the hospital’s overall strategic, business, and service-line plans.



Redesigning Work

FINDING 3

THE LONG TRAINING PIPELINE FOR HEALTH PROFESSIONALS MEANS THE SUPPLY OF GRADUATES WILL INCREASE SLOWLY. HOSPITALS WILL NOT HAVE ENOUGH STAFF TO MAINTAIN TRADITIONAL STAFFING PRACTICES.

A high school senior who graduated in June 2009 and wants to be a physician will spend at least eleven years in college, medical school, and residency. They will not be independent practitioners until the next decade. A graduating high school senior will not be a licensed registered

nurse for at least two and more likely three-to-five years. Thus, the supply of graduating caregivers will not expand rapidly enough to meet the needs of hospitals over the next decade.

FINDING 4

ATTEMPTING TO MAKE OLD STAFFING MODELS WORK WITH FEWER STAFF LEADS TO EMPLOYEE BURNOUT, INCREASED FRUSTRATION, AND HIGH VACANCY RATES.

During the 1990s, hospital staff saw work redesign as simply doing the same or more work with fewer workers. The result was increased stress and increased workforce dissatisfaction. Work redesign acquired a bad connotation with staff that continues today.

With the tight labor market of the coming decade and the long pipeline required for education in many health care occupations, hospitals will face the challenge of creating work systems that increase efficiency by having all staff make maximum use of their present education and experience and by supporting the development of new staff competencies.

“ Work design makes or breaks productivity, and good work design mixes human skill and automation to get the best of both. Companies should enrich jobs and enable people to use their skills rather than routinize work and treat people as automatons. Enriched work engages people’s intellect, energy, effort, and commitment. Reengineering business processes should always yield more interesting and challenging work for employees. So unlike the process re-engineers of the late 1980s and early 1990s who largely ignored the human element, you can combine flexible technology with engaged employees and create the work of the future.”¹⁰

RECOMMENDATION 2

Hospitals need to develop new work models that increase efficiency, workforce satisfaction, and patient outcomes. Proven process improvement strategies developed by firms outside of health care may expedite efforts to improve performance.

Redesigning Work *continued*

While hospitals will learn from one another and share practices to improve efficiency and reduce variation in processes and outcomes, successful work redesign consistently has shown that new work models are most successful if developed by front-line workers and take into consideration the needs of patients, staff skills and competencies, and the characteristics of the hospital itself. This has been demonstrated in the study of innovative work models by Joynt and Kimball,¹¹ the British National Health Service “New Ways of Working Program,”¹² and the Transforming Care at the Bedside Project funded by The Robert Wood Johnson Foundation and conducted by the Institute for Healthcare Improvement and the American Organization of Nurse Executives.¹³ The Agency for Healthcare Research and Quality also has a website with tools for work design at <http://teamstepps.ahrq.gov>. Common themes from these projects include the following insights:

- Start with a real, identifiable patient service problem; then analyze that problem through a systems diagnosis focusing on the “who does what” questions.
- Use a “bottom up and top down” approach wherein staff teams from multiple disciplines identify and work on ideas for change with explicit executive support and enablement.
- Test small innovations and build on learning and successes, instead of starting with large, difficult-to-manage changes. It is easier to adopt and adapt than get it all right the first time.
- Recognize the increasing importance of new technologies, facility designs, and increasingly sophisticated patient protocols in the development and operation of work systems.
- Build collaborative change by utilizing multi-disciplinary peer group learning and support to achieve outcomes.
- Incorporate and make human resource techniques easy for staff to use, thereby building confidence and competence, and reducing pressure on human resources departments.

FINDING 5

HEALTH CARE WORK WILL INCREASINGLY USE TEAMS FROM MULTIPLE PROFESSIONS.

Staff in the health and allied health professions train in programs that are separate and distinct, with limited opportunities to learn as a team. While the phrase “team-based care” is frequently used in discussing approaches to work design, it has multiple meanings. For example, Hall and Weaver distinguish three distinct team-based concepts:¹⁴

- The term **multidisciplinary team** allows for each discipline to independently contribute its particular expertise to an individual patient’s care.
- The **interdisciplinary team** refers to a team whose members work together closely and communicate frequently to optimize care for the patient.
- In **transdisciplinary teams**, the . . . roles of the individual team members are blurred as their professional functions overlap.

In developing patient care teams, it is helpful if all participants share a common understanding of these three approaches so that the same term is not used with different meanings.

“Education on how to function within a team is essential if the endeavour is to succeed.”
 “Interdisciplinary education must address role blurring, group skills, communication skills, conflict resolution skills for team members and leadership skills for faculty.”¹⁵

Redesigning Work *continued*

RECOMMENDATION 3

Hospitals need to help staff develop the skills necessary to work effectively in teams.

Futurists examining health care expect it to become increasingly home- and community-based. Their forecast is supported by developing pilots like the “Hospital at Home”¹⁶ which substitutes high technology home care for hospital admissions; “Home-Based Care of Frail Elderly,”¹⁷ which reduces hospital admissions for chronic conditions; and a growing multitude of home testing, monitoring, and reporting technologies allowing patients at home to be in regular contact with their caregivers. Some of this care may require trained, on-

site caregivers. In other cases, well-trained family members may provide an appropriate and more familiar source of care that complements on-site professional caregivers.

The increasing use of family members and informal caregivers provides hospitals with the opportunity involve them in the care of patients and to extend their services into the community and address workforce challenges with fewer employed staff.

RECOMMENDATION 4

To provide care with a smaller workforce, hospitals need to increase the involvement of patients and families in the care process, including home- and community-based services.

Innovations with work redesign that involve reallocating tasks among the staff or using family to augment staff will be constrained if laws and regulations on licensure, scope of practice, and payment are used by individual occupations to protect “their turf” and inhibit innovation. These laws and regulations, which often differ among states, complicate hospitals’ abilities to redesign and reallocate work. The Pew [Foundation’s] Health Workforce Commission’s Taskforce on Workforce Regulation recommended in 1995 that,

“States should base practice acts on demonstrated initial and continuing competence. This process

must allow and expect different professions to share overlapping scopes of practice. States should explore pathways to allow all professionals to provide services to the full extent of their current knowledge, training, experience and skills.”

While licensure and scope of practice have an origin in the protection of consumers, the advancing levels of education and the training resources available today to health professionals and community residents make a strong case for moving consumer protection from limitations on “who can do what” to assessments based on performance and outcome measures.

Redesigning Work *continued*

RECOMMENDATION 5

5A

Hospitals and their associations need to continuously assess whether changes in payment, scope of practice regulations, and work practices are reinforcing the current occupational patterns or encouraging new caregiver occupations and task allocations.

5B

To achieve flexible, efficient work designs, accreditors, regulators, and educational programs must place greater emphasis on outcomes and less emphasis on structural or process requirements.

5C

Hospitals need to work with colleges and universities to help educational institutions rapidly transform their traditional degree programs (1) to meet the requirements of new and evolving work models and (2) to provide the critical thinking skills necessary to work with the increasingly sophisticated technology of contemporary medical care.



Retaining Existing Workers

A key step in meeting the hospital's workforce needs is retaining current staff. They already have the training, experience, skills, and understanding of the organization and its culture.

FINDING 6

TODAY'S WORKFORCE IS COMPOSED OF FOUR DISTINCT GENERATIONS: TRADITIONALISTS, BABY BOOMERS, GENERATION X, AND MILLENNIALS.

For the past several decades, social trends have been dominated by the values, preferences, and experiences of the “baby boomers” born between 1946 and 1964. But, they are not the only generation in today’s workplace, which also includes the “traditionalists,” Generation X, and Millennials.¹⁸ Members of each generation are not homogeneous; however, each generation does have distinctive characteristics as shown in the following table.¹⁹

| Generation | Traditionalists | Baby Boomers | Generation X | Millennials |
|---------------------------|--|--|--|--|
| Date of birth | Before 1945 | 1946-1964 | 1965-1978 | 1979-present |
| Cohort size | 27 Million | 76 Million | 60 Million | 88 Million |
| Workplace Characteristics | Respectful of authority Value duty and sacrifice Value accountability Value practical experience Strong work ethic with emphasis on timeliness and productivity Strong interpersonal skills Believe promotions and recognition come with job tenure Value academic credentials Accept limited resources Loyal to employer and expect employer loyalty to them | Individuality Driven by goals for success Measure work ethic in hours worked and financial rewards Believe in teamwork Emphasize relationship building Expect loyalty from co-workers Career equals identity Want work-life balance | Self-reliant Highly educated Questioning Risk averse Most loyal employees Want open communications Respect production over tenure Value control of their time Invest loyalty in a person, not in an organization | Image conscious Need constant feedback and reinforcement Value instant gratification Idealist Team-oriented Want open communications Search for an individual who will help them achieve their goals Want job that is personal fulfillment Search for ways to shed stress in their lives Racial and ethnic identification of reduced importance |

Retaining Existing Workers continued

From a managerial or workforce perspective, it is important to recognize and acknowledge the characteristics of the four generations, and foster a culture of inclusiveness and respect for all the generations in both the workplace and in the patient population.

To avoid allegations of discrimination, many hospitals have human resource policies that apply uniformly to all

employees regardless of age. While this approach may have been successful when the vast majority of staff was from the traditional and baby boomer generations, the growing presence of Generation X and Millennial workers with different work interests and expectations suggests the need to develop human resource policies and practices that provide more flexibility.

RECOMMENDATION 6

6A

In identifying, developing, and appointing managers, hospitals need to give increased attention to the person's understanding of, appreciation for, and effectiveness with the multiple workforce generations.

6B

To accommodate the preferences of the multiple workforce generations, hospitals need to replace traditional human resources policies which were applied uniformly to all workers with policies and programs that include flexibility and choices.

Retaining Existing Workers *continued*

FINDING 7

LARGE NUMBERS OF WORKERS APPROACHING RETIREMENT EXPECT TO CONTINUE EMPLOYMENT.

The Employee Benefit Research Institute (EBRI) has conducted its “Retirement Confidence Survey” annually since 1996. They have consistently found that large number of persons expect to work in retirement. In the 2009 survey, 72% of workers expect to work for pay in retirement.²⁰ It is not clear if the current economic recession will alter the findings of future surveys. If they do, it is most likely that more people approaching retirement would expect to work for pay beyond their “normal” retirement age.

Staff approaching retirement face three career choices. They can continue full- or part-time employment in their current organization, work full- or part-time in a less demanding organization/occupation, or stop working for pay completely.

Retaining staff who are approaching retirement is a cost-effective strategy that will help hospitals manage the workforce supply issues in the decade ahead. First, the organization retains the knowledge and skills possessed by the potential retiree. Second, current staff is familiar with and generally accepting of the organizational culture and work systems of the organization. And third, current staff do not require the orientation, training, and supervision required for new staff.

“ The right opportunities might keep people in the labor force well beyond the ages at which they say they want or expect to leave, and perhaps even entice

some back into the labor force, but employers should heed the possibility that keeping older persons at work may be easier than getting them back to it. Though there are exceptions, adjustment to retirement appears to occur quickly and well. Examples can certainly be found of people who do not adjust well to retirement, but they are not the norm.”²¹

Those who have studied people who defer retirement or continue to work in retirement find a number of key retention strategies:

- Develop a mature workers’ strategy.
- Create a culture and reputation of valuing older staff.
- Review job descriptions and remove both explicit and implicit references to employee age.
- Use work redesign to create adaptive, less physically demanding roles for older workers.
- Regularly identify and track the expertise of staff, especially those approaching retirement age.
- Educate older workers about retirement planning, including options to continue working full- or part-time.
- Align the organization’s pension calculation with your objectives for employee retention.
- Publicize phased retirement as an option, either as a formal or an informal program.

RECOMMENDATION 7

Hospitals need to work with employees approaching retirement age to identify attractive options regarding roles, schedules, and benefits for continuing to work full- or part-time.

Attracting the New Generation of Workers



Designing new work systems and retaining existing staff eligible for retirement are two legs of a strategy to address the workforce challenges of the next decade. In addition to success in both areas, it is also essential to attract new,

young workers who are part of the Millennial generation. This group, which began entering the workforce around 2000, will be a larger component of the workforce in the 2010s and the majority of workers in the decade after that.

FINDING 8

YOUNG WORKERS BRING DIFFERENT EXPECTATIONS ABOUT WORK.

In his book, *Grown Up Digital: How the Net Generation is Changing Your World*,²² Don Tapscott identifies eight norms that distinguish the expectations of Millennials from prior generations in the workforce:

1. They want *freedom* in everything they do, from freedom of choice to freedom of expression.
2. They love to *customize*, personalize.
3. They are the new *scrutinizers*.
4. They look for *corporate integrity and openness* when deciding what to buy and where to work.
5. They want *entertainment and play* in their work, education, and social life.
6. They are the *collaboration and relationship* generation.
7. They have a need for *speed*—and not just in video games.
8. They are *innovators*.

Similar observations apply to younger physicians. Studies of physicians under age 50 find:²³

- 71% responded that “time for family and personal life” was a very important factor in a desirable practice.
- 37% identified “flexible scheduling” as a very important factor.
- When female physicians under age 50 were questioned, very important factors in a practice were “time for family and personal life” (82%), “flexible scheduling” (54%), and “no or limited on call” (44%).
- 66% of male and female physicians said they were not willing to work longer hours for more pay, and 80% said they would reduce their work hours if they could afford to do so.

Attracting the New Generation of Workers *continued*

FINDING 9

THE CULTURE OF THE TYPICAL HOSPITAL DOES NOT MATCH THE WORK EXPECTATIONS OF MILLENNIALS.

| Typical Hospital Culture | Millennials' Expectations |
|---|--|
| <ul style="list-style-type: none"> • Hierarchical | <ul style="list-style-type: none"> • Workplace flexibility |
| <ul style="list-style-type: none"> • 24x7 • Fixed work hours | <ul style="list-style-type: none"> • Flexible schedules |
| <ul style="list-style-type: none"> • Face-to-face communication | <ul style="list-style-type: none"> • Multi-taskers • Texting and cell phone communications |
| <ul style="list-style-type: none"> • Separation of work and personal life | <ul style="list-style-type: none"> • Integration of work and personal time |
| <ul style="list-style-type: none"> • Limited career mobility • Education not articulated to facilitate mobility | <ul style="list-style-type: none"> • Multiple jobs |
| <ul style="list-style-type: none"> • Highly regulated | <ul style="list-style-type: none"> • Self-directed |

Clearly, the Millennial generation with its reliance on virtual networks, instant communications, social networking, and flexible activities presents hospitals with major new cultural challenges.

RECOMMENDATION 8

Hospitals need to evaluate their organizational cultures and assess their attractiveness to the full diversity of their workforce, including young people entering the workforce.

Attracting the New Generation of Workers continued

Policies and practices that appeal to one generation may not appeal to the others. The AARP has identified the following managerial preferences for baby boomers, Generation X, and Millennials.²⁴

| Workforce Generation | Prefer to Work for Managers Who | Managers Who Drive Them Crazy |
|-----------------------------|---|--|
| Baby Boomers | <ul style="list-style-type: none"> • Are consensual and treat them as equals • Take a democratic approach • Work with the group to define a mission • Show warmth and caring • Assure them they are making a difference | <ul style="list-style-type: none"> • Aren't open to input • Are bureaucratic • Send a "my-way-or-the-highway" message • Are brusque • Don't show interest • Practice one-upsmanship |
| Generation X | <ul style="list-style-type: none"> • Competent, direct and straightforward • Genuine • Comfortable giving them a deadline and turning them loose to meet it • Informal • Supportive of training and growth opportunities • Flexible • Results-oriented | <ul style="list-style-type: none"> • Micro-manage • Don't walk the talk • Spend too much time on process and too little on results • Are flashy • Are bureaucratic • Schmooze |
| Millennials | <ul style="list-style-type: none"> • Educational and know their personal goals • Positive • Comfortable coaching and supporting them • Collaborative • Organized and create a reasonable structure • Achievement-oriented • Motivational | <ul style="list-style-type: none"> • Are cynical and sarcastic • Treat them as if they are too young to be valuable • Are threatened by their technical savvy • Are condescending • Are inconsistent and disorganized |

Attracting the New Generation of Workers *continued*

Amy Lynch from BottomLineConversations.com suggests that incorporating Millennials ("Ys") into an organization and managing them can be facilitated with the following five strategies:

1. Train your managers to lead collaboratively and to give lots of feedback. Make sure managers treat Ys' need for feedback as a desire to grow and collaborate.
2. Provide part-time and project-based positions for Ys. This gives you more value for your money and lets you find out what kind of employee a Y will be. It also allows Ys more flexibility (a high priority for this group) and the opportunity to sample working with you before they commit.
3. Beef up your training programs for all Ys. Ninety percent of Millennials who say they're challenged and learning also say they'll stay with their employers.
4. Link your Ys with on-call mentors. This will help reassure them that they have a future with the company.
5. Keep cross-training. Ask senior employees to teach skills like negotiation to the young folks, and have the Ys teach technical skills to your Boomers and Xers. Bring everybody's value to the table.

RECOMMENDATION 9

Given the generational differences in dress, cosmetics, body art, and communication patterns, hospitals need to orient young workers to the expectation of patients and staff from the traditional, baby boomer, and Y generations as well as to differences in expectation by gender, race, and ethnicity. This should include more substantial orientation and mentoring programs as well as clear policies and guidelines for access to and use of internet sites, including social networking sites.

Attracting the New Generation of Workers continued

FINDING 10

AS GENERATION X AND THE MILLENNIALS BECOME THE PREDOMINATE STAFF IN HOSPITALS, SYSTEMATIC DATA COLLECTION AND ANALYSIS ARE NEEDED TO GUIDE HOSPITAL HUMAN RESOURCE PRACTICES.

In the last several years, the American Society for Healthcare Human Resource Administration (ASHHRA), an AHA personal membership group, has developed a data collection and benchmarking service of performance metrics for human resource professionals in health care. Given the new

work expectations and preferences of Millennial staff and the changes likely to result in human resource practices, the existing metrics need to be supplemented by metrics assessing the organization's success in attracting and retaining a new workforce.

RECOMMENDATION 10

The American Society for Healthcare Human Resources Administration should complement its current project on human resource metrics with a new initiative focused on metrics for new work roles and a new workforce.

Conclusion

For more than thirty years, the U.S. workforce has been dominated by the growing presence of the “baby boomers” and their characteristics. The workforce has grown relatively rapidly because of the large number of boomers and the employment of large numbers of women. The boomers are now beginning to approach retirement, and there is little room for a substantial growth in the percentage of working women. Thus, hospitals and health systems face a workforce environment characterized by limited growth in the number of workers. Large numbers of employers throughout the economy will also need those workers.

Simply put, hospitals and health systems will face a tight labor market in the next decade and perhaps longer. To help hospitals address this challenge, the AHA Long-Range Policy Committee presents ten findings and related recommendations for actions by hospitals and health systems.

Three strategies are emphasized for addressing the tight labor market:

1. Redesigning work to maximize the efficiency, effectiveness, and satisfaction of staff,
2. Retaining existing workers, especially those approaching retirement, and
3. Attracting the new generation of workers, especially the Millennial generation.

Hospitals and health systems need to rapidly implement these strategies, learn early implementation insights, and share successful practices. Employers in other fields face the same challenges and are likely to use similar strategies. Hospitals and health systems need to be on the leading edge of innovative workforce practice to assure they have adequate number of staff to care for the patients they serve.

Endnotes

- 1 This paper is written to address the workforce challenges faced by independent hospitals, hospitals that are a part of multi-hospital systems, health care systems themselves, and other health care organizations and providers. For ease of presentation, the paper will use simply hospitals.
- 2 All of the reports are available online at <http://www.healthcareworkforce.org>
- 3 2008 AHA Long-Range Policy Committee "The Impacts of New Science and Technology on Hospitals and Health Systems," available at www.aha.org/aha/content/2009/pdf/09sprRPB-LRPCComm.pdf
- 4 <http://www.bls.gov/news.release/ecopro.nr0.htm>
- 5 Western Interstate Commission for Higher Education
- 6 Steve Vogel, "Federal Government Needs Massive Hiring Binge, Study Finds," *The Washington Post*, September 3, 2009.
- 7 Bureau of Health Professions, Health Resources and Services Administration, Department of Health and Human Services. "Physician Supply and Demand Projections to 2020," October 2006.
- 8 Peter Buerhaus, David I. Auerbach, and Douglas O. Staiger. "The Recent Surge In Nurse Employment: Causes and Implications," *Health Affairs Web Exclusivew* 657.
- 9 <http://www.bls.gov/oco/cg/print/cgs035.htm>
- 10 Ken Dychtwald et al. *Workforce Crisis: How to Beat the Coming Shortage of Skills and Talent*. Harvard Business School Press, 2006. P 211.
- 11 "Innovative Care Delivery Models: Identifying New Models that Effectively Leverage Nurses." Published by Health Workforce Solutions, LLC. January 2008.
- 12 The U.S. adaptation of the National Health Service work is available at www.healthcareworkforce.org.
- 13 http://www.aone.org/aone_app/aonetcab/index.jsp
- 14 Pippa Hall and Lynda Weaver. "Interdisciplinary Education and Teamwork: A Long and Winding Road." *Medical Education* (2001) 35: 868.
- 15 Pippa Hall and Lynda Weaver. "Interdisciplinary Education and Teamwork: A Long and Winding Road." *Medical Education* (2001) 35: 868.
- 16 Bruce Leff et al. "Hospital at Home: Feasibility and Outcomes of a Program to Provide Hospital-Level Care at Home for Acutely Ill Older Patients," *Annals of Internal Medicine*, (2005) 798-808.
- 17 Developed by Eric DeJonge, MD, and colleagues at the Washington Hospital Center, Washington, DC.
- 18 The Millennial generation is also referred to as the Net Generation or Generation Y.
- 19 Adapted from multiple sources, including a presentation to the Long-Range Policy Committee by Reggie Butler, PricewaterhouseCoopers, "Millennials at Work;" "Meet the Generations" at www.marstoncomm.com; MSA/Clark Consulting, "The Multigenerational Workplace: Strategies and Solutions for Healthcare Employers."
- 20 http://www.ebri.org/files/EBRI_IB_4-2009_RCS.pdf
- 21 Sara E. Rix. "The Meaning of Retirement in the 21st Century," in *Working through Demographic Change: How Older Americans Can Sustain the Nation's Prosperity*, edited by William Zinke and Susan Tattershall. Bolder, Colorado: Human Resource Services, Inc, 2000. P. 43.
- 22 McGraw Hill, 2009
- 23 Ed Salsberg, Association of American Medical Colleges, personal communication, May 2009.
- 24 Susan Murphy. "Leading a Multigenerational Workforce," AARP, 2007.

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