



HEALTHCARE EMPLOYMENT AND RECRUITMENT

Trends, Challenges, & Solutions

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The healthcare industry is currently thriving, and it's projected to add thousands of more jobs over the next few years. However, according to expert insights, there won't be enough healthcare workers to fill these new positions. As a result, it will become increasingly difficult for HR professionals to fill healthcare positions. This challenge will ultimately hinder their organization's reputation and bottom line.

Find out how you can compete for healthcare professionals.

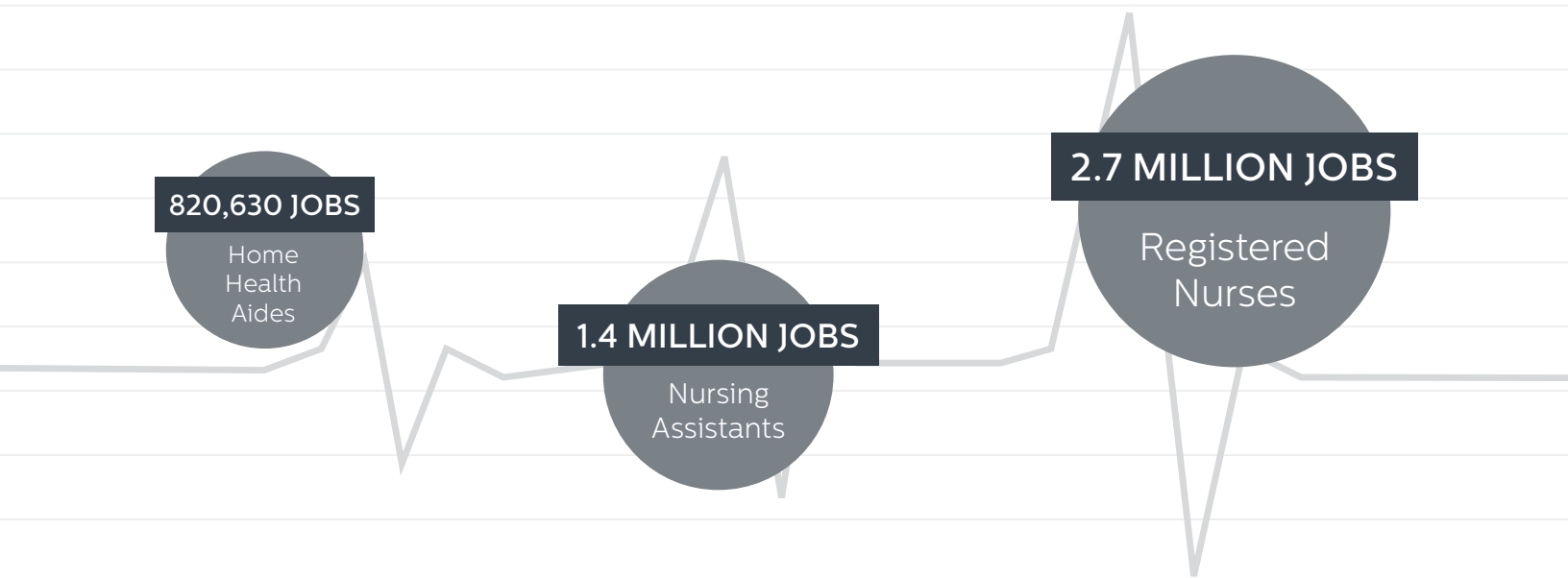
PART 1:

The Increasing Demand for Healthcare Workers

Employing more than 15 million U.S. residents every month, the healthcare industry is one of the largest industries in the nation. This industry is responsible for treating illness, maintaining wellness, and managing disease—services that will become more vital as the average age of the U.S. population continues to rise.

Because the demand for healthcare services will increase, the healthcare industry is projected to add more new jobs than any other industry within the next decade. The demand for more healthcare professionals will increase as more healthcare jobs are created.¹

THE 3 LARGEST HEALTHCARE OCCUPATIONS:⁸



The healthcare industry is projected to add approximately

2.3 MILLION NEW JOBS¹⁰

by 2024—more jobs than any other group of occupations.



In the past 10 years, the number of Healthcare & Social Assistance



employed workers has increased by **36%**⁹



By 2024, healthcare support occupations, healthcare practitioners & technical occupations will represent approximately

1 in 4 NEW JOBS⁶

In April 2016,

hospital employment increased by **23,000**⁵



This is the largest over-the-month gain since 1990.

THE FASTEST GROWING OCCUPATIONS IN THE NEXT DECADE¹¹

30–34%
growth

- Physician Assistants
- Occupational Therapy Aides
- Ambulance Drivers & Attendants
- Physical Therapists

35–39%
growth

- Nurse Practitioners
- Home Health Aides
- Physical Therapist Aides

40%+
growth

- Physical Therapist Assistants
- Occupational Therapy Assistants

Healthcare & Social Assistance is projected to become the

LARGEST EMPLOYING MAJOR SECTOR⁷

in 2024—overtaking the State & Local Government major sector.



PART 2:

The Shrinking Supply of Healthcare Workers

Although the number of healthcare jobs is increasing, the number of healthcare job seekers is decreasing. Many young healthcare professionals are leaving the healthcare industry because they are dissatisfied with their jobs¹⁶ and want to pursue different career paths. Meanwhile, a significant number of experienced healthcare professionals are reaching retirement age. As a result, the number of healthcare job openings is substantially outweighing the number of unemployed healthcare workers.²⁷

Nearly half of all registered nurses
will reach traditional retirement age by 2020.²⁸

Currently, the average age of a nurse in the United States is 50.

VACANCY RATES IN HEALTHCARE



From 2009 to 2013, vacancy rates for physicians in hospitals went from **10.7%** to **17.6%**; an increase of

64%²



Vacancy rates for nurses in hospitals went from **5.5%** to **17%**; an increase of

209%²

17.5%

of RNs leave their jobs within the first year.

33.5%

leave their jobs within two years.²⁴

YEAR 1 & YEAR 2



In the past five years, the Healthcare & Social Assistance



unemployment rate has decreased by **39%**⁹

84% of healthcare workers have considered **leaving their jobs.**²⁶

The main reasons why include:

- Increasing workloads.
- Budget cuts to the health service.
- Long working hours.
- Unreasonable employee expectations.

The United States will need **5.6 MILLION MORE** healthcare workers by 2020.¹⁵

Currently, there are

63% MORE JOB OPENINGS

than there are unemployed healthcare and social workers.²⁹

BY 2025, THERE WILL BE A SHORTAGE OF...



500,000
nurses



434,000
physicians



18,350
physical therapists¹



PART 3:

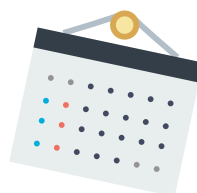
The Challenge to Find Healthcare Talent

Due to the shrinking healthcare labor market, most HR healthcare professionals are struggling to fill vacant positions within their organizations. They are experiencing a longer time to fill and intense competition for top talent, which is threatening their recruiting success. These problems are so severe that most healthcare organizations say their top business challenge is finding talent.



The average time to recruit an experienced RN ranges from **54 to 109 days**, depending on specialty.²²

The average time-to-fill for healthcare service jobs currently stands at **47.7 days**, an increase of **31%** over the past 8 years.¹⁴



Over **63% of hospital executives** say the influx of new patients through health reform will increase requirements for physicians and nurses at their facilities.³



The top 3 HR CHALLENGES FOR HEALTHCARE ARE:¹⁹

- ▶ Competition for experienced healthcare professionals.
- ▶ Baby boomers starting to retire in great numbers.
- ▶ Employees no longer holding jobs for security purposes.

4 of the 10 TOUGHEST JOBS TO FILL IN HEALTHCARE ARE:²⁵

- ▶ Home Health Aide
- ▶ Medical Services Manager
- ▶ Physical Therapist
- ▶ Registered Nurse

The Healthcare Services industry has the
LONGEST TIME-TO-FILL

out of all industries.¹⁴

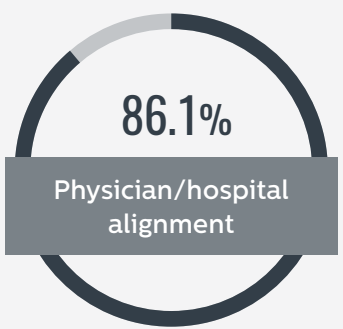


PART 4: How Ineffective Recruitment is Hindering Organizations

When healthcare organizations struggle to keep their positions filled, the ramifications reach far beyond their HR departments. Due to the high costs associated with recruiting and training new employees, the organization's bottom line suffers as well. Studies also show that when healthcare organizations maintain high turnover rates, their quality of care decreases and they are more likely to experience inconsistencies in their healthcare practices.



Healthcare leaders report that they are either **somewhat or extremely concerned** about the following issues:³



TURNOVER RATES IN HEALTHCARE

In 2014, the healthcare industry experienced the

largest new-hire turnover rate at

17%⁴

Healthcare organizations with turnover rates over 22% experience **higher risk-adjusted mortality scores** and low severity-adjusted lengths-of-stay.²¹

The national average turnover rate for hospitals is

17.1%¹²





Over **92% of healthcare CFOs and CEOs** are either somewhat or extremely concerned about clinical staffing costs.³

In 2014, 7% of patients switched providers due to negative patient experiences—a rate that translates into an estimated

\$100 MILLION REVENUE LOSS FOR A HOSPITAL⁴

36.5% of healthcare leaders indicate that staff shortages have **COMPROMISED ACCESS TO CARE FOR PATIENTS.**³

Healthcare organizations have seen a

16% increase

in recruiting spending—the largest increase among all industries.⁴

\$13.4 billion

will be spent on healthcare recruitment advertisements alone in 2016.²³

Every percentage point increase in nurse turnover costs hospitals an additional

\$373,200²²

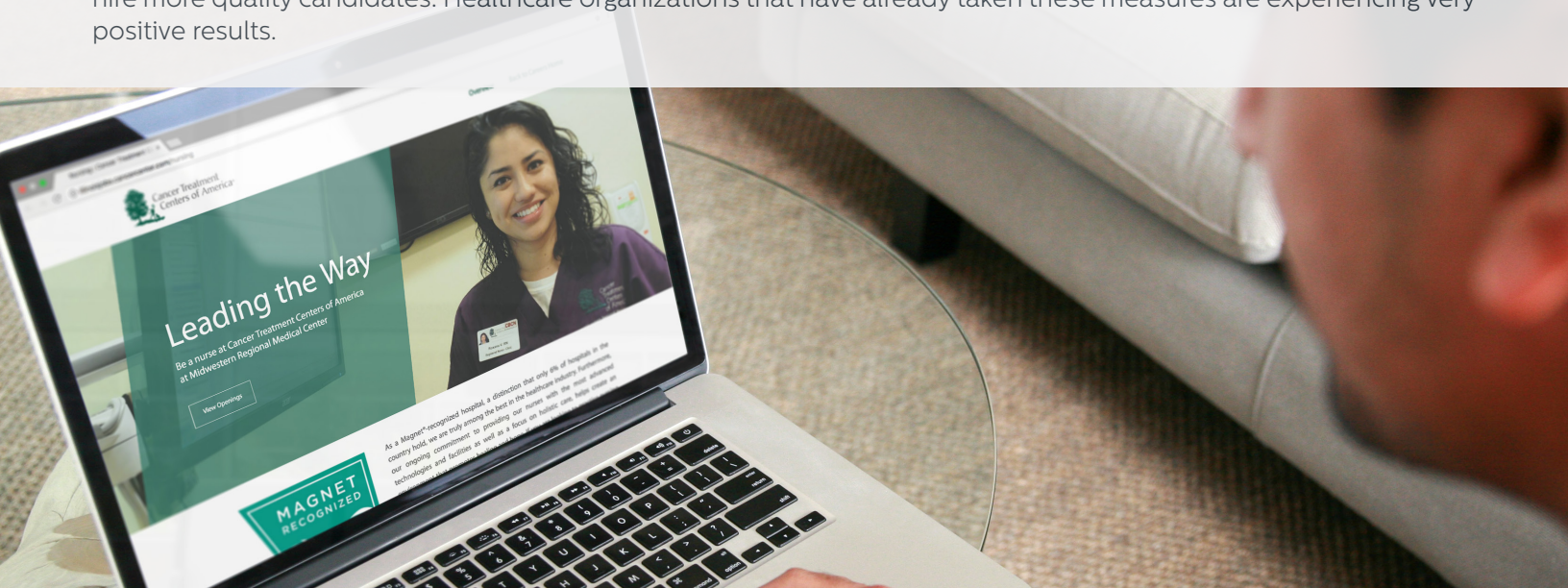
The average cost of turnover for a bedside RN ranges from \$37,700–\$58,400.

This results in the average hospital losing **\$5.2–\$8.1 million every year.**²²



PART 5: How Leading Healthcare Organizations are Responding

Many healthcare companies are implementing new recruiting strategies and tools to overcome the challenges they are facing. In fact, in a recent survey of healthcare organizations, nearly half of the respondents said they plan to invest more money into recruiting this year.²⁰ Most are pursuing initiatives that will help them attract more applicants and hire more quality candidates. Healthcare organizations that have already taken these measures are experiencing very positive results.



Establishing Employment Brands to Compete for Top Talent

Today's healthcare recruiting leaders agree that their employment brand (what candidates think, feel and share about working for its organization) is a priority that affects their ability to hire top candidates. As a result, more healthcare employers are building or strengthening their employment brands so that quality talent develops a desire to work for their organization.

79% of healthcare employers say that their brand and culture are a primary focus in their organizations.¹⁸

“The compensation and benefit plans always need to stay competitive, but clinicians care a lot about the work environment too. For example, if top talent isn't challenged or valued on a regular basis, they find places where they can be.”

– Scott Gallo, Talent Relationship Manager at Cancer Treatment Centers of America



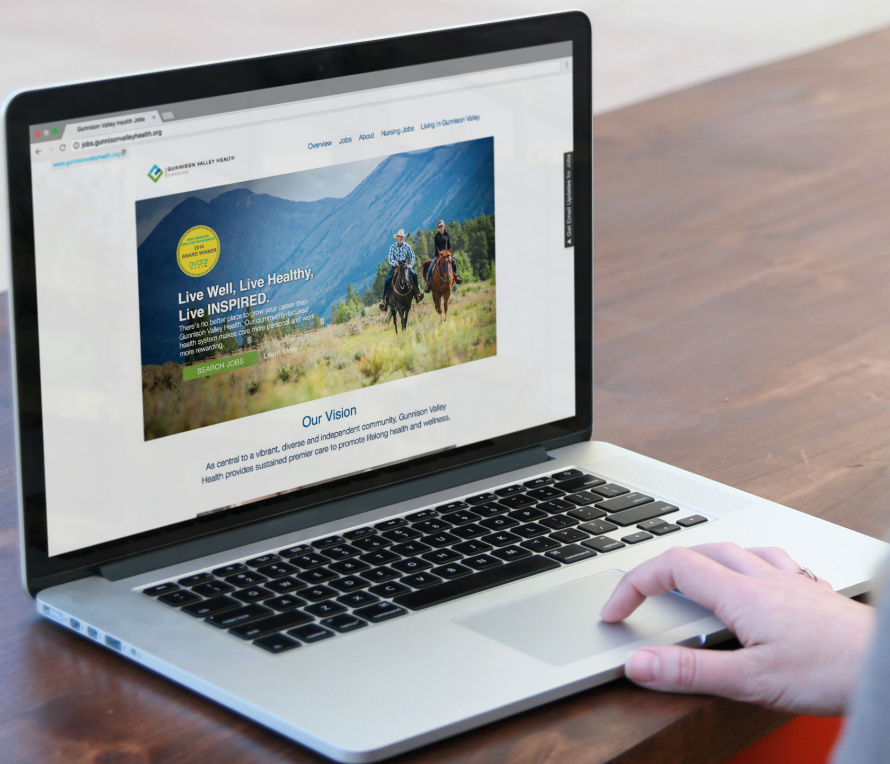
Leveraging Career Sites To Recruit 24/7

Recently, more healthcare organizations have launched or improved their corporate career sites to increase the visibility of their jobs and showcase their employment brands. This allows their target candidates to more easily discover their jobs online, as well as experience what it's like to work for the company. Career sites can also advertise and recruit for positions 24/7, which is largely why healthcare organizations are finding them to be extremely effective in attracting new applicants.

59% of healthcare job seekers are searching for jobs on employer websites.¹⁷

“Being able to regularly recruit and hire more qualified candidates saves our organization time and money. We no longer waste time reviewing as many unqualified resumes, and we find the right candidates faster and easier.”

– Christina Lovelace, Director of Human Resources at Gunnison Valley Health



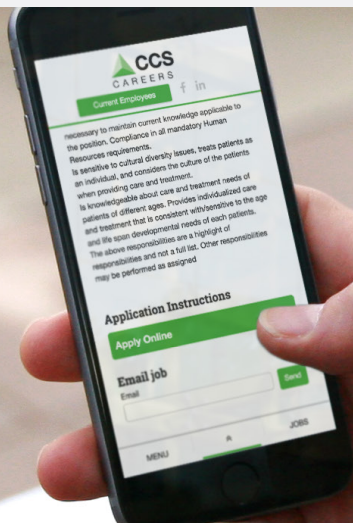
Going Mobile To Engage Millennials

To combat the problem of an aging healthcare workforce, many healthcare recruiters are finding ways to appeal to the next generation of job seekers: millennials. Because millennials make up more than half of the workforce and are largely dependent on mobile devices, more healthcare recruiters are leveraging mobile recruitment to connect with more millennial job seekers.

83% of healthcare employers said that they believe it's important to have a mobile-friendly career page and application process.¹⁸

“With more candidates living their daily lives through their personal devices, mobile optimization is one of the more important initiatives at this time. That’s why we made our career site mobile friendly from a content, delivery and functionality perspective. Today, more than half of our applications are coming through mobile interfaces or applications.”

– Scott Pustizzi, Senior Vice President at Correct Care Solutions



Maintaining Talent Communities To Improve Time-To-Fill

Many healthcare recruiters are starting to think proactively about recruiting and hiring in order to fill their vacant positions more quickly. More specifically, they are regularly interacting with quality candidates and maintaining relationships with them to build a pipeline of qualified talent. This way, when new positions become available in their organizations, they can source their talent community to fill the position faster.

74% of hiring managers say sourcing and building a bench of talent is more important today than it was a year ago.¹³



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Appendix

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