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HEALTHCARE



The solution to healthcare's most persistent labor challenges? A smarter workforce strategy

A new survey of hospital leaders underscores the value of workforce optimization

E-BOOK

FORWARD

This ebook is partly based on conversations that occurred in the spring of 2020 as COVID-19 cases surged in viral hotspots around the nation. This was an extraordinarily difficult time for hospital leaders and frontline healthcare providers. Even before the domestic spread of COVID-19, U.S. clinicians were experiencing epidemic levels of burnout, and many hospitals were operating on shoestring budgets.

The monumental public health crisis created by the novel coronavirus exacerbated some of American healthcare's most enduring challenges. To safeguard provider well-being and ensure the delivery of high-quality care, decisionmakers at leading hospitals and health systems began rethinking their organization's approach to workforce management. This will remain a top priority for hospital leaders well into the future as they work to lead their cash-strapped organizations and exhausted staff to a better future. The insights below will retain relevancy well after the pandemic subsides.

WORKFORCE STRATEGY: A TOP PRIORITY FOR HEALTH SYSTEMS

In a survey of more than 100 hospital leaders and administrators conducted in early 2020 by *Becker's Hospital Review* in conjunction with VISTA, a leading provider of healthcare staffing solutions, more than 65 percent of respondents rated workforce strategy as either a high or top priority. When asked to rank the value of certain benefits of a good workforce strategy, more than 40 percent of respondents selected quality control as the No. 1 benefit, making it the most-cited supreme benefit in the survey.

Additionally, 25 percent of respondents cited cost containment as the primary benefit of a good workforce strategy, followed by greater profitability by service line (19 percent) and provider relations (16 percent). When asked to identify their greatest concern about their organization's current workforce strategy, more than 62 percent of C-suite executive respondents said they are most worried about patient satisfaction.

Andrea Nelson, COO of VISTA, has seen these trends bear out in her work with provider partners. "The biggest drivers of workforce optimization among our partners are improving the patient experience and ensuring staffing levels are adequate and can support the quality outcomes every provider wants to see," she said during an interview with *Becker's*.

Quality care objectives cannot be achieved without the hard work of diligent and committed physicians. Clinician recruitment and retention are top priorities for hospitals all over the country, especially those in areas with scarcity of provider talent. The demand for clinicians is so pronounced that more than 90 percent of healthcare facility managers [hired](#) locum tenens providers, including nurse practitioners and physician assistants, within the past year. And the demand for providers is poised to continue to increase further as the nation's physician shortfall worsens. In April 2019, the Association of American Medical Colleges [released](#) projections suggesting the U.S. could experience a shortage of up to 122,000 physicians by 2032.

The demand for healthcare providers created by the COVID-19 crisis was so significant it pulled retired clinicians and others that have moved on from the healthcare sector back into the workforce. When the state of New York augmented a surge workforce in late March, 2020, to respond to COVID-19, it called for medical professionals who had retired or left the practice to enlist. More than 40,000 people signed up, including physicians, nurse practitioners, and physician assistants.

WORKFORCE OPTIMIZATION: WHAT IS IT?

“The worsening clinician shortage coincides with declines in reimbursement and rising costs,” said Andrea. “Today’s healthcare executives must simultaneously work to get the right staff in place to support quality goals while also containing labor costs.” While these two aims may appear to be in tension, the reality is that these need not be competing priorities – enter workforce optimization.

Broadly, the term “workforce optimization” refers to a set of strategies meant to improve employee performance and efficiency. As it relates to healthcare, workforce optimization is the strategic use of contingent staffing. Demand at hospitals is not static. Bringing on temporary healthcare workers can help hospitals absorb increased patient demands, alleviate burnout among providers, and maintain optimal provider-patient ratios to ensure quality care goals are achieved. Launching an effective workforce optimization strategy begins at the top with an assessment of an organization’s current approach to staffing.

“When we perform these reviews with health systems, the process starts in the C-suite and then funnels down to various department heads,” Andrea said. The review process assesses various elements related to locum tenens spending, including trends in seasonal fees, management fees, and technology fees. Once the review is complete, hospital leaders will have a better understanding of the actual costs of their contingent workforce spend. This improved understanding allows leaders to eliminate unnecessary labor expenses.

The financial benefits of workforce optimization can be significant, but the gains don’t stop there. A healthy workforce strategy can also help ensure the delivery of high-quality patient care and facilitate provider well-being. The capacity of a strong workforce strategy to influence provider well-being is understood and valued by executive-level healthcare leadership. In the *Becker’s-VISTA* survey, half of the C-suite respondents cited better provider relations as the No. 1 benefit of a good workforce strategy, making it the highest-ranked benefit among this group of survey participants.

“Workforce optimization stabilizes provider scheduling and helps eliminate last-minute staffing emergencies that can be very stressful for clinicians,” Andrea said. “This helps with clinician retention because it demonstrates that the health system is responsive to demand. It leads to less burnout and the delivery of higher quality patient care because patients are not seeing a provider who has been working seven days a week for the last three weeks because they’ve been on call and holding regular clinic hours.”

During her interview with *Becker’s*, Andrea discussed how hospitals and health system leaders could optimize staffing levels to the benefit of the bottom line, individual providers, and patients. Below are four components of a workforce strategy optimized for both providers and patients.

FOUR COMPONENTS OF A STRONG WORKFORCE OPTIMIZATION STRATEGY

(1) Centralized data: One of the primary barriers to workforce optimization is a lack of centralized data. When data on staffing levels, contingent workforce spend, and care quality are captured disparately and not aggregated to a centralized location, it's impossible to have a comprehensive understanding of workforce costs across service lines.

It is common for hospital and health system executives to encounter this void of visibility into the actual cost of staffing. While staffing costs may be visible to department heads, this knowledge does not always travel up the command of leadership.

“Department heads might have some sense of what their staffing costs are, but it's not something the C-suite typically has access to,” Andrea said. “Most of the time, these executives are surprised when they find out what the actual cost of staffing is.”

Once a health system's executive-level leadership has access to centralized cost data, they can begin more incisive conversations regarding their workforce strategy.

“These cost insights provide a real opportunity for robust conversation around staffing level optimizations,” Andrea said. “These discussions could involve plans for expanding

profitable service lines through contingent labor, or even reductions of contingent spend in areas where locum tenens staffing isn't as necessary.”

(2) Buy-in among department heads and internal recruiters: The primary barriers to workforce optimization are internal. In addition to a lack of centralized data, resistant department heads or permanent recruiters who were traditionally responsible for establishing staffing levels may hinder workforce optimization efforts. These individuals may be hesitant about change or simply unaware of the benefits new technology and processes can bring to workforce strategy.

VISTA addresses this issue by inviting the department leaders or recruiters that have been traditionally tasked with overseeing or implementing workforce strategy to play central roles in the optimization process.

“What we do is engage these individuals directly and bring them along throughout the process to make them the biggest advocates for change,” Andrea said. “We let them know that technology can help make them even more valuable to their organizations because the information will directly improve workforce decision-making.”

While buy-in begins with the C-suite, the next set of leaders that need to jump on board are those department heads and internal recruiters. Once these team members sign-on, the workforce optimization process can begin in earnest.



(3) A committed contingent staffing

partner: To meet demand and provide relief to providers, hospitals and health system leaders should leverage contingent staffing in a way that is tailored to meet their organization's specific needs. However, it's not enough to simply bring in workers from a staffing organization. Hospital and health system leaders should only partner with staffing providers that are capable of crafting a customized workforce strategy, whether it means increasing or decreasing locum tenens spend or bolstering the recruitment and retention efforts related to permanent positions.

In addition to its staff of physicians, nurse practitioners, and physician's assistants, VISTA offers its healthcare partners access to technology that can provide real visibility into labor costs and identify both gaps in workforce capacity and superfluous labor spending.

"We work to identify gaps in the staffing process and prioritize the specific needs of our partners," Andrea said. "We help partners work through all of the technical logistics and help get the people who will be using our technology ready to go."

(4) An emphasis on burnout prevention:

The mitigation of clinician burnout should be at the center of any workforce optimization strategy. Frontline care providers face a considerable amount of workplace stressors, including long hours and ubiquitous high-pressure scenarios. These can all contribute to stress, exhaustion, and a sense of hopelessness among clinicians. And the psychological difficulties experienced by providers can translate into problematic patient care.

The burnout rate identified in surveys of clinicians is particularly troubling. More than 43 percent of respondents reported experiencing at least one symptom of burnout, according to a survey of more than 5,000 physicians published in [*Mayo Clinic Proceedings*](#) in 2019. While the number indicated a decline in burnout rates since 2011, the figure remains troubling when considering its implications for patient care. And, of course, these assessments of burnout prevalence preceded the stressful public health crisis spurred by novel coronavirus.





WORKFORCE OPTIMIZATION: WHY NOW?

Prior to the rise of COVID-19, healthcare industry trends that had been compounding for years were amplifying the importance of establishing a workforce strategy to contain costs, ensure high-quality patient care, and combat clinician burnout. Additionally, high levels of merger and acquisition activity have been creating opportunities for health systems to centralize their workforce and patient care data.

“Partnerships are a big trend in healthcare,” Andrea said. “This presents a major opportunity for organizations to finally realize what their true workforce costs are. We’re seeing more and more leaders in charge of budgets eager to dig in and find out how much money they’re spending.”

The need for workforce optimization in healthcare has been made evident and more urgent with the COVID-19 pandemic. And clinicians need new tools and support to help them meet the demands of today and recover from the crisis.

“With the COVID-19 pandemic, we’re seeing hospitals and health systems working to rapidly figure out what optimal staffing looks like in this high-demand environment,” Andrea Nelson, said. “There is a higher demand for both critical care providers and noncritical care providers to address the high volume of patients we’re seeing and will continue to see.”

To support hospital partners and clinicians, VISTA also offers a telehealth solution to help hospitals increase capacity, improve safety for both providers and patients, and preserve personal protective equipment supplies. VISTA telehealth can be implemented in a matter of days and runs on standard technology that is already present in hospitals.

“Telehealth can greatly expand the number of patients that can be served,” Andrea said. “We are continuously working to provide technology to help health systems do the traditional management of healthcare staff and also working to help health systems implement rapidly deployable solutions to help protect providers and patients alike.”

To learn more about VISTA and the company’s telehealth solution, [click here](#).



At VISTA, we're dedicated to being our clients' strategic workforce optimization partner. With our deep industry expertise and new suite of services, VISTA Select, we partner with health systems, hospitals, practices and government entities to build and sustain effective workforce models that ensure patient access to care and organizational stability. For 30 years, VISTA Staffing Solutions has been utilizing best practices to fulfill staffing needs and help our clients achieve both short and long-term goals.

844-607-5828 | WorkforceOptimization@vistastaff.com | vistastaff.com

CORPORATE OFFICE | 2800 EAST COTTONWOOD PARKWAY, SUITE 400 | COTTONWOOD HEIGHTS, UT 84121

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beckershospitalreview.com | (800) 417-2035 | 17 N State St. Suite 1800 Chicago, IL