

# Nurse Retention: Preserving the backbone of American healthcare

TIAA Insights to Outcomes



# TIAA research panel

Our panel comprises both current and former participants in TIAA retirement plans as well as other noncustomers. The panel is as diverse as our participant base, representing a wide range of ages, geographies, industries, attitudes, ethnicities and lifestyles.

Its remarkably high response and retention rates afford deep insights into our clients' retirement plan participants and nonparticipating employees, revealing far more than what is typical in three-party (employee/employer/plan sponsor) business relationships. Our knowledge of these individuals continues to grow over time through dynamic tracking studies, and the candid and thoughtful responses we receive.

A significant portion of our panelists are healthcare professionals; research from our panel includes in-depth, profession-based studies with nurses and doctors. The study was conducted prepandemic and at different intervals during the pandemic.

## About this study

In order to understand the experience of nurses, and to identify the best strategies for recruiting and retaining them, we conducted in-depth interviews with individuals, pairs and groups from four constituencies:

- TIAA internal healthcare experts
- Healthcare clients, consultants and prospects
- Nursing administrators/experts
- TIAA research panel nurses

During our conversations, we explored:

- Challenges in hiring and retaining nurses
- Reasons nurses seek other jobs
- Experiences of nurses who change jobs
- Measures that promote nurse retention

## Here's what we learned.

# A Contextual Lens: Nursing by the numbers

<p><b>4.9 million</b></p> <p>RNs and LPNs represent 6% of all working women</p> <p><i>Department of Labor, 2020; Census Bureau, 2020</i></p>	<p><b>90%</b></p> <p>RNs and LPNs who are female</p> <p><i>American Nursing Association, 2020</i></p>	<p><b>80%</b></p> <p>classify themselves as White/Caucasian versus 72% of the general population</p> <p><i>American Colleges of Nursing, 2019; U.S. Census Bureau, 2020</i></p>
<p><b>51 years</b></p> <p>average age of nurses</p> <p><i>National Council of State Boards of Nursing, 2020</i></p>	<p><b>20%</b></p> <p>working nurses who are 65 years of age or older</p> <p><i>Journal of Nursing Regulation, The 2020 National Nursing Workforce Survey, April 2021</i></p>	<p><b>20-40%</b></p> <p>average current attrition rate of nurses</p> <p><i>American Nursing Association, 2021</i></p>
<p><b>\$37,700-\$58,400</b></p> <p>average cost of nurse turnover to an organization, per nurse</p> <p><i>Nursing Solutions, Inc./USF Health, 2021</i></p>	<p><b>\$270,800</b></p> <p>annual cost or saving to the average hospital for each percentage of change in nurse turnover</p> <p><i>NSI National Health Care Retention &amp; RN Staffing Report, 2021</i></p>	<p><b>918,232</b></p> <p>projected deficit of nurses in the U.S. by 2030</p> <p><i>Registered Nurse Report Card &amp; Shortage Forecast, 2019</i></p>
<p><b>32%</b></p> <p>of nurses among all known healthcare staff COVID-19 deaths Nurses account for most known U.S. healthcare worker COVID-19 deaths</p> <p><i>Becker Hospital Review, March 2021</i></p>		

**The great need to attract and retain nurses**

Nursing is the nation’s largest healthcare profession. According to the U.S. Bureau of Labor Statistics, employment of registered nurses is projected to grow faster than the average for all professions from 2019 to 2029. The American Nurses Association reports that there will be more registered nurse jobs available by 2022 than any other profession. *Purdue University Global: Nursing Trends, December 2020.*

These statistics highlight the urgent need to attract more individuals to nursing as well as to hire and retain more nurses. The data also underscores the great need to cultivate a younger and more culturally diverse nursing staff.

# What Nurses are Saying: Every challenge historically confronted by nurses is magnified by the pandemic

## The result is beyond burnout and compassion fatigue

Many nurses and healthcare practitioners express concern that the terms *burnout* and *compassion fatigue* lead others to believe that the problem is coming from within the practitioner...that they are not strong enough to handle the issue at hand. They claim the more accurate term to use is *moral injury*.

### Burnout

...malaise, fatigue, frustration, cynicism and inefficacy arising from “making excessive demands on energy, strength or resources” in the workplace. The term was borrowed from other fields in the hopes of readily transferring existing solutions to address a growing crisis among healthcare practitioners.

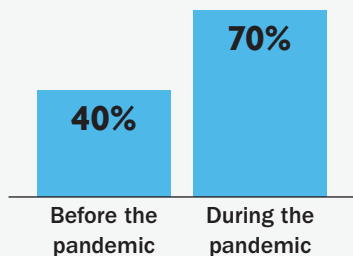
*The Federal Practitioner: Moral Injury Not Burnout, September 2019*

Burnout is associated with high turnover, substance abuse, suicidal ideation and, some cases, medical error.

*Campaign for Change, 2019*

### Burnout rate reported by nurses

*International Council of Nurses, 2020*



### Compassion fatigue

Compassion fatigue occurs when nurses develop declining empathetic ability from repeated exposure to others’ suffering...high-stress environments, and the continuous giving of self.

*NIH, Nursing Ethics, Feb. 2021*

This impact is particularly related to their perceived inability to alleviate the suffering of those in their care.

*NIH, Compassion Fatigue in Critical Care Nurses, April 2019*

### Moral injury

...first described in service members who returned from the Vietnam War with symptoms that loosely fit a diagnosis of post-traumatic stress disorder (PTSD), but which did not respond to standard PTSD treatment...those with PTSD experienced a real and imminent threat to their *mortality* and had come back deeply concerned for their individual, physical safety... those with this different presentation experienced repeated insults to their *morality* and had returned questioning whether they were still, at their core, moral beings.

*The Federal Practitioner: Moral Injury Not Burnout, September 2019*

**“We don’t have enough nurses, we do not have enough staff. We run out of beds and resources and supplies. So, we are making mistakes. Even something as simple as forgetting to give a patient their Tylenol. We go home and remember. And then we feel guilty and worried...and bad.”**

**“No amount of courage or skill or care can make up for our lack of resources.”**

# Defining the Crisis: It's personal and professional and impacting our nation

## Personal

- Nurses are often caregivers 24/7
- Many serve as sole or primary breadwinners and intergenerational caregivers
- They or their family members have been hard hit by the pandemic
- Work-life balance has been exacerbated by the pandemic

*“We’re hit on all sides. When you leave the hospital, your caregiving does not stop. Kids get sick, husbands get sick, parents get sick. It does not stop.”*

## Professional

- Patient acuity is up, and nurse-to-patient ratios are down
- Rigidity in scheduling makes it difficult to fill shifts, manage shift transitions and cover critical time periods
- The work environment does not always feel safe and supportive in providing physical safety as well as emotional and mental health support
- Many spoke of experiencing or witnessing hostility from peers as well as from patients and other staff

Nurses are often not in formal, visible and influential leadership positions. They feel a lack of genuine and consistent respect and recognition.

Many nurses feel “disconnected from our purpose” and “unable to fulfill our mission,” leaving many to struggle with visualizing a future in nursing.

## National

A nursing shortage of devastating proportions threatens to collide with increasing patient acuity.

50% of nurses cited taking care of home and family as the primary reason for no longer being employed as a nurse.

*Journal of Nursing Regulation, The 2020 National Nursing Workforce Survey (April 2021)*

Bullying is a systemic, pervasive problem that contributes to a poor nurse work environment, increased risk to patients, lower patient satisfaction scores, and greater nurse turnover, which costs the average hospital \$4–\$7 million a year.

*Nursing Administration Quarterly 2019*

Because of the pandemic, nurses have trouble visualizing a future in nursing. The current structure will never empower and care for nurses or allow them to practice to their full scope, aligned with nurses’ values.

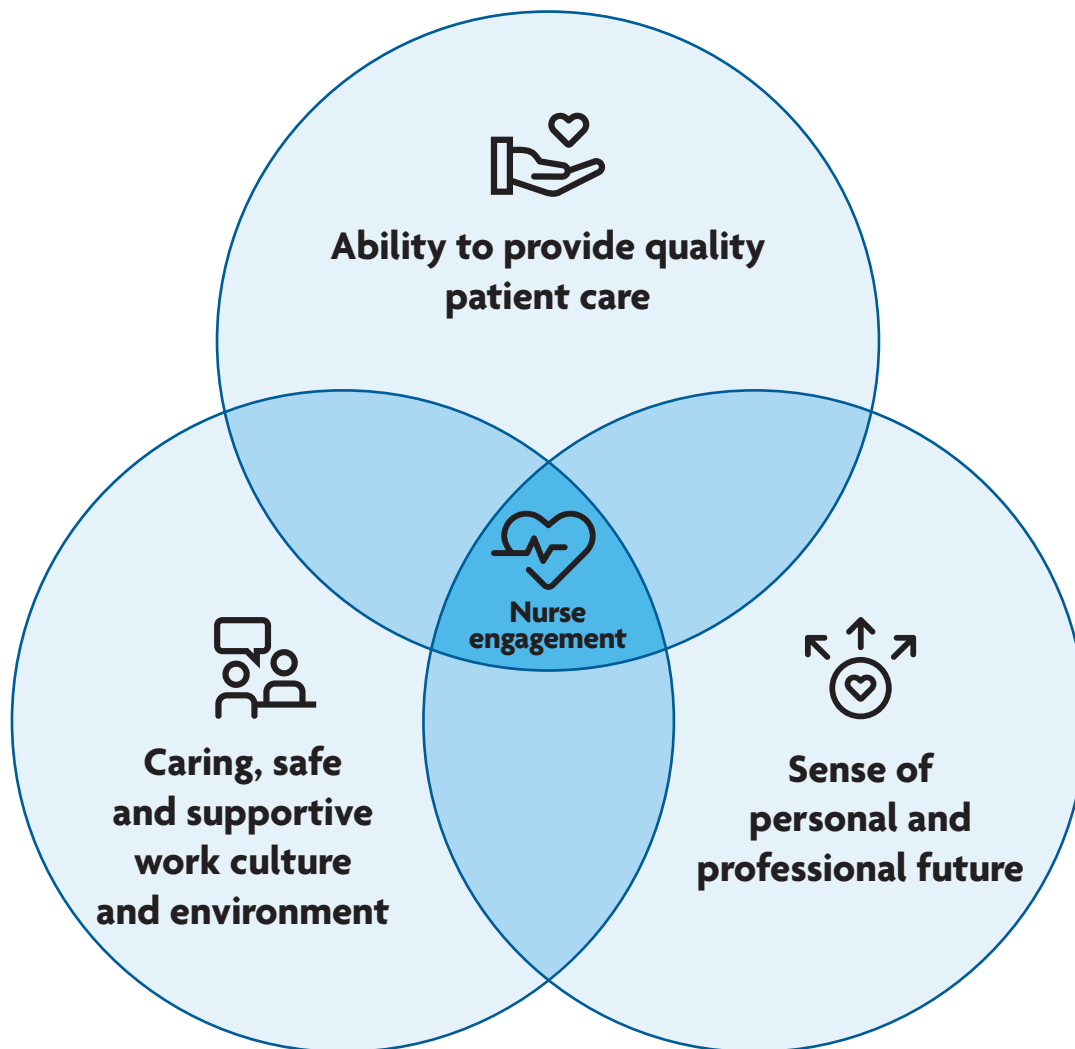
*American Nursing Association, 2021*

With hospitals again running out of ICU bed space, administrators are dealing with a shortage of nurses, scrambling to fill shifts and offering higher wages to those who can help. The problem comes as the crushing workload of the corona pandemic, coupled with external and on-the-job pressures, has led some nurses to simply step down altogether.

*US News, Aug. 2021*

# The Heart of the Matter: Engagement is the solution

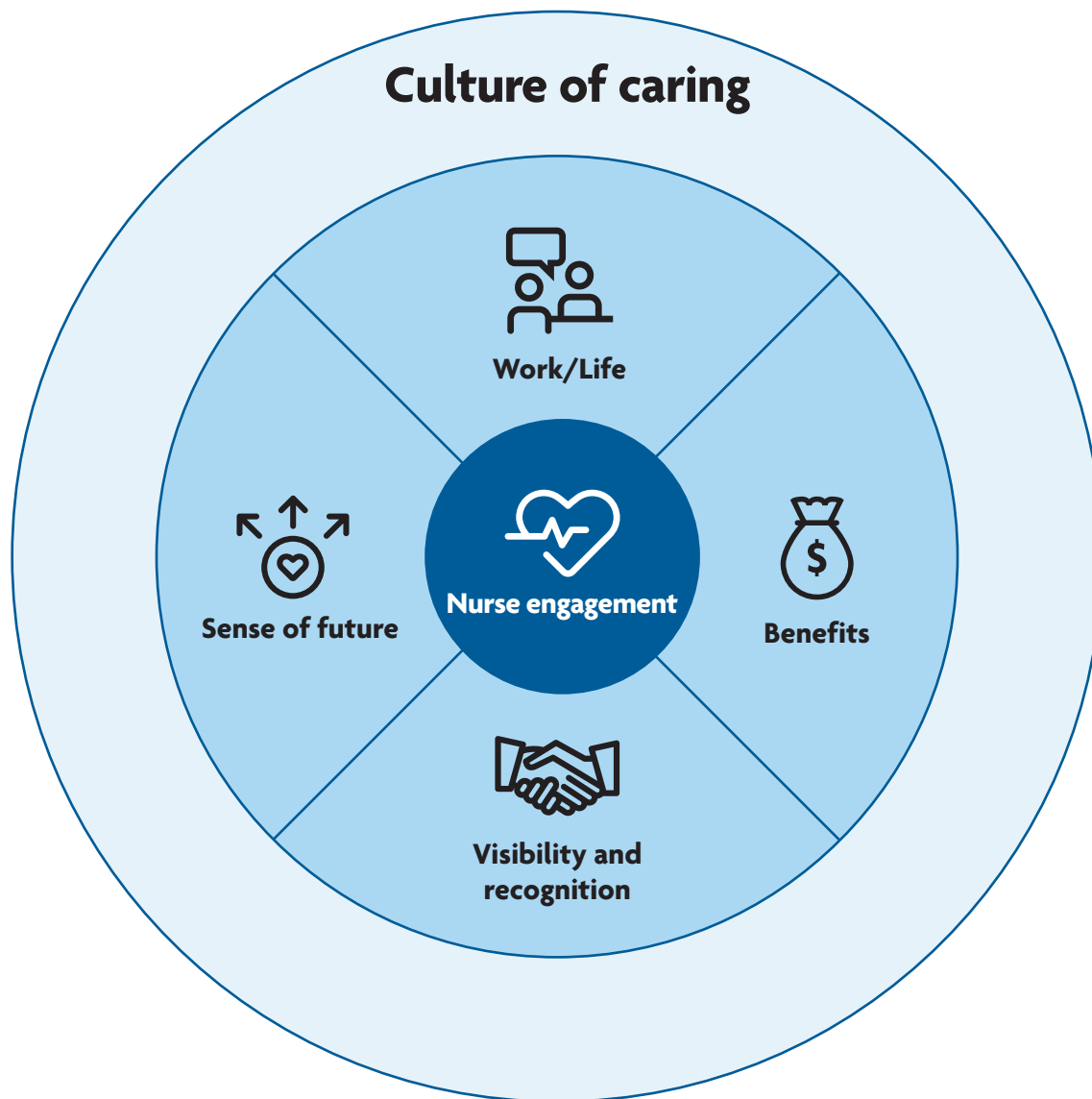
Healthcare has a profound need to cultivate fully caring healthcare organizations in which care is a way of life between and among all constituencies...not just between nurses and patients.



## Satisfaction + Loyalty = Engagement

To address the exit and nurse shortage, employers must address the obstacles and challenges that nurses face.

# What Can be Done: Culture change at a core and systemic level



## Cultivating a culture of caring as a way of life

- Mandate, manage and measure the “behaviors of care” among all constituencies, not just between nurses and patients.
- Institutionalize the goal of overall wellness for all constituencies.
- Mandate, manage and measure safety in all work environments.
- Establish zero tolerance for bullying or hostile behavior.
- Institutionalize inclusion and diversity. Cultural competence is a win everywhere: hiring, patient care, retention.

Nurses who maintain a work/life balance tend to be physically, mentally and emotionally healthier; they are less likely to call in sick or leave the nursing workforce.

*Eastern Illinois University, 2019*

# What Can be Done: Culture change at a core and systemic level

## Visibility and recognition

- Ensure nurses embodying competence and caring are placed in high-level and formal leadership positions.
- Managing by wandering around (MBWA). Boots on the ground!!!
- Establish ongoing channels for nurse input, including multidisciplinary teams for problem solving and continuous learning/improvement (vertical and horizontal cross-section of organization).
- Examine the best practices of other healthcare organizations. (Best practices can be tied to a business case and more successful patient outcomes.)

*“It’s not just lack of recognition and involvement. We often feel invisible.”*

*“Do you have any idea how much it means to us to be asked these types of questions and feel heard?”*

## Work/Life

- Ensure adequate nurse-to-patient ratios based on patient acuity
- Offer flexible scheduling options and increase ease of scheduling (e.g., self-scheduling, assigned floor scheduler, etc.)
- Revisit shifts/hours required to obtain benefits
- Provide adequate training and orientation to newly hired nurses before assigning them to work
- Communicate changes systematically and include the rationale
- Enable nurses to take breaks and time off (and provide coverage so they can do so)
- Offer on-site mental health support

*“As an industry, we need to rethink how we structure shifts. Can we offer 8-hour shifts instead of 12 and offer more daytime shifts? Be more flexible with the duration of time to be eligible for benefits? What if older nurses came in for 4-hour shifts to cover breaks?”*

## Sense of future

- Create a formal nurse mentorship program that begins with new hires, adjusts based on career stage and continues through their career
- Provide career path counseling and offer *in house* what nurses may seek *outside* of the organization
- Proactively provide education and tuition support...degrees and licensing are important to all—including later career stages
- Reinstate and/or broaden continuing education
- Harness and maximize the learnings and “silver linings” of the pandemic

*“It is hard to focus on the future when you are always in crisis mode. It is hard to think ahead.”*

*“We want our nurses to have a future and plan that future with us. We say, ‘come for a job, stay for a career.’”*

**2% vs. 4%** Percentage of nurses cited in scholarly articles two decades ago compared with today.

*The Shift, 2020*

Fully staffed hospital floors tend to have fewer costly adverse events such as medication errors, falls, hospital-acquired infections and patient deaths. Having enough nurses also guarantees a higher quality of care, buttressing hospitals’ reputations and indirectly increasing their income and job satisfaction.

*Healthcare Financial Management Association 2020*

**80%** Percentage of nurses citing shortage of nursing staff as their key challenge in providing care.

*Nurse Grid, 2020*



# What Can be Done:

## Culture change at a core and systemic level

### Benefits

- Periodically educate nurses about their benefits and how the value of benefits increases with tenure (outside of new job orientation)
- Position savings and investing as “saving to live,” not just to retire
- Offer comprehensive tuition-related solutions throughout nurses’ careers
- Consider products of particular value to nurses such as Health Savings Accounts, Retiree Healthcare Savings Plans and Public Service Loan Forgiveness
- Provide nurses (especially new staff) some form of cash allowance (nursing shoes, support hose, parking, travel)

*“There is a big opportunity here. Offer benefits as a carrot to fill gaps and tough-to-schedule shifts. Increase benefits with tenure. Offer special benefits, like a stipend, to hire nurses and nurses’ aides. And educate nurses about benefits after they are acclimated to their job.”*

*“Nurses do not consider the impact of leaving their job on benefits. If they really knew, it may make them reconsider.”*

*“Knowledge of benefits and the promise of even greater benefits in the future would be a good nurse retention tool.”*

### **TIAA conducted additional research with nurses to assess the impact of the following three products on retention:**

- Health Savings Accounts (HSAs)
- Retiree Healthcare Savings Plans (RHSPs)
- Public Service Loan Forgiveness support (Savi)

All three products were well received.

*“I see this benefit as a recruitment tool. Nurses know firsthand the issue of health and healthcare costs.” (HSA)*

*“This could create greater commitment to your job and your employer, especially as you progress in your career.” (HSA)*

*“Very wise...nurses are not thinking about being retired and sick when you are 25 or 35. You think you will never reach retirement...then you blink, and you are there.” (RHSP)*

*“Wish I had this now! If I had this now, I would have not struggled with paying my healthcare premium.” (RHSP; newly retired nurse)*

*“This would reduce burnout. New nurses work too much overtime just to be able to pay off school loans. It wears them out.” (PSLF)*

*“Education changes the work ethic in nurses...from just getting the job done to learning and doing the job better.” (PSLF)*

# Moving Toward Engagement: Example of best practices

<b>Initiative</b>	<b>What the organizations do</b>	<b>How their people talk about it</b>
<b>Hiring and driving students into nursing</b>	Take their mission and values to high schools and colleges	<p><i>“We start early on to drive the right people into the field.”</i></p> <p><i>“We spell out the values of our organization...what makes us different.”</i></p>
<b>Strong new hire welcome and orientation</b>	Provide socio-emotional support as well as skills and knowledge to be successful	<p><i>“CNOs meet with all new hires and follow up with them 6 weeks later.”</i></p> <p><i>“A manager, nurse educator, precept manager and orientation leader meet with new nurses weekly throughout a 12-week orientation.”</i></p> <p><i>“We learn from our new nurses. We want to be sure there is no fear, no trepidation about speaking up.”</i></p>
<b>Job enrichment and career pathing</b>	Recognize that offering career opportunities costs far less than attrition-related hiring	<p><i>“We offer opportunities inside that nurses would have to pursue outside.”</i></p> <p><i>“This includes working in physician practice, working closer to home, changing shift schedules, modifying hours and working part time.”</i></p>
<b>Continuous examination and improvement</b>	Routinely examine other healthcare organizations: the best hospitals with low turnover rates	<p><i>“We look at the best and ask ourselves, ‘How can we do better?’”</i></p> <p><i>“Continuous improvement is a way of life in our organization.”</i></p>
<b>Patient care team meetings include care for all</b>	Care plans include the needs of patients and staff	<p><i>“Huddle notes include our promises to all populations, including empathy and compassion.”</i></p> <p><i>“We have systematized our commitment to demonstrating care to and for all.”</i></p>
<b>Formal forums devoted to nurses to enhance care</b>	Form teams to examine and foster quality of care, safe and supportive work environments, and the best utilization of resources	<p><i>“An interdisciplinary team chaired by individuals in different roles of care.”</i></p> <p><i>“We assign one or two managers to each council, not in leadership roles but in staff support roles.”</i></p>
<b>System-wide survey of staff regarding work environment</b>	Challenge staff to identify and implement ways to create a more safe, healthy and caring work environment	<p><i>“We vote to identify top ten measures, then implement and measure one or two new initiatives.”</i></p> <p><i>“We conduct this challenge on an annual or biannual basis, depending on the time needed for implementation.”</i></p>

# The Silver Lining: An opportunity for profound learning and improvement exists in American healthcare

## Transformation

Healthcare leaders should consider the lessons and achievements of the COVID-19 crisis in forging new innovation and aspirations—and the mechanisms needed to execute them.

For an industry that thrives through constant discovery, the COVID-19 crisis is both the challenge of a lifetime and a potential catalyst to reaching new heights of achievement.

*McKinsey & Company, 2020*

*“I fantasize that I would buy (a hospital) and rename it ‘Nurses’ Hospital.’ I would recruit all the best nurses—in every unit—and knowing that Nurses’ Hospital had the best nurses would attract the best doctors because EVERY doctor knows that a good nurse is worth twice as much as a doctor. And the patients would flock to Nurses’ Hospital because not only were the best nurses there, but the best doctors were there, too.”*

## Our observations

### Across the board, research participants care deeply about:

- Their workplace and its standing
- Patients and staff (personally and professionally)
- Feeling heard and understood\*
- The future of healthcare in the United States

We get it:

- Nursing staff engagement—their satisfaction and loyalty—is easier said than done.
- We value developing a holistic view of our customers. Studies like this help.
- We want to partner with you.

\*Nurses in our research continue to contact us and offer insights and updates well after our study concluded.

# TIAA cares

Nurses comprise a significant portion of the U.S. work population, your organization's staff and payroll, and a significant portion of TIAA's customer base. Improve the lives and well-being of nurses, and we improve the lives and well-being of the American public.

We at TIAA understand that nurses serve as the backbone of American healthcare. So, it is personal and professional for us to play a role not just in financial wellness, but in the overall wellness of American nurses. We care. And we want to help.

**We're dedicated to those who serve others.**



## Looking for more?

Our stories and repository of studies include:

- *Women's financial confidence*
- *The financial moments that matter*
- *Financial well-being during times of transition*
- *Crossing the threshold to retirement*
- *Exploring the impact of COVID-19 on the not-for-profit market*
- *Additional profession-specific research*

Our research illuminates the forces that shape individuals' attitudes toward life, career, finances and the future. They foster an unusual degree of insight into the exceptional people we serve.



## Your two cents

So, what are your reactions to this summary? Any surprises? Anything you wish we had further explored? We want to know!

**Please contact your TIAA representative if you would like to discuss this research or other studies that may be helpful to you and your organization.**



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