NURSING WORKFORCE: SHORTAGES AND DIVERSITY

A Joint Project of the
National Health Foundation (NHF) and
the Hospital Association of Southern California (HASC)

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Purpose and background:

To address the severe nursing shortage and increasing temporary labor costs in Southern California that their member hospitals are facing, HASC established the Nursing Workforce Initiative. The purpose of this initiative is to increase enrollments in Nursing School programs in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara and Ventura Counties by creating and facilitating hospital-academic relationships.
Nursing Workforce Initiative activities

- Year 1 (2001)
  - Funded by HASC
  - Hospitals and nursing schools surveyed
  - 600+ increase in funded slots

- Year 2 (2002)
  - Funded by Unihealth Foundation and The California Endowment
  - Hospitals and nursing schools resurveyed and diversity questions added
  - Trend analysis conducted

- This presentation focuses on year 2 activities
Supply & demand for nurses

- California ranks 49th in nurses/capita
- 50% of its nurses were educated outside California
- 80% of its nurses are educated at the Associate Degree Level
- By 2010, nursing schools can graduate only 40,000 new nurse (32% of conservatively estimated demand)
How diverse are California’s nurses?

- More diverse than national nursing workforce
- Not diverse enough to meet current and projected population needs
- More sensitive demographic and cultural competency data are needed for more refined assessment
Diversity: CA population, US and CA nurses
Regional ethnic diversity in California
2002 NURSING WORKFORCE INITIATIVE
NURSING SCHOOL SURVEY RESULTS
<table>
<thead>
<tr>
<th>Nursing Schools</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools Surveyed</td>
<td>46</td>
</tr>
<tr>
<td>Schools Responded</td>
<td>29</td>
</tr>
<tr>
<td>Response Rate*</td>
<td>63%</td>
</tr>
</tbody>
</table>

*Only 24 schools (54%) completed all sections of the survey*
Who is applying?

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>Female 86%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>Male 14%</td>
</tr>
<tr>
<td>Asian/ Pacific Islander</td>
<td></td>
</tr>
<tr>
<td>African American</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
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</tbody>
</table>

Only 42% of nursing schools monitor the ethnic and gender diversity of their student applicants.
Are applicants qualified?

- 4 out of 5 nursing schools report at least 60% of their students are qualified and could be admitted if space was available
- Currently, nursing schools use a lottery system that does not ensure admission of the most academically qualified students
- No data describing students’ cultural competencies
Who is enrolling?

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>Female</td>
</tr>
<tr>
<td>49%</td>
<td>90%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>Male</td>
</tr>
<tr>
<td>16%</td>
<td>10%</td>
</tr>
<tr>
<td>Asian Pacific</td>
<td></td>
</tr>
<tr>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>African American</td>
<td></td>
</tr>
<tr>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

- Compared to the diversity of applicant pool, Whites and Asian/Pacific Islanders are most likely to be admitted.
Enrollment: Are the numbers increasing?

- Enrollment increased 6% over 2001
- The increase was primarily in programs that advance nursing careers (RN to Bachelor and Masters), not in programs that produce additional nurses
Enrollment trends in generic nursing programs
Enrollment trends in advanced nursing education

![Bar chart showing enrollment trends in advanced nursing education](chart.png)
Nursing programs’ expansion

Nursing programs are not expanding enough and enrollments are not increasing due to lack of:

- Funding resources for faculty salaries
- Availability of qualified faculty
- Physical facilities for students
- Adequate clinical sites for student rotations
- Number of slots allotted for nursing students
Program diversity

- Most ethnic diversity seen in Associate Degree programs (55%)
- In Bachelor of Science in Nursing and Entry Level Master programs, minority students represent 48% and 38% of the student body
Why are students dropping-out?

- Approximately 1 in 5 students drop-out
  - Associate degree programs: 18%
  - Baccalaureate programs: 20%
- Primary reasons for attrition:
  - Demands of family and work (87.5%)
  - Academic performance (70.8%)
  - Student financial need (41.7%)
- Few student-support programs to reduce attrition
Reasons for students dropping out

![Bar chart showing reasons for student attrition](chart.png)
2002 NURSING WORKFORCE INITIATIVE
HOSPITAL SURVEY RESULTS
**Hospital Survey**

<table>
<thead>
<tr>
<th>Hospitals</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals Surveyed</td>
<td>186</td>
</tr>
<tr>
<td>Hospitals Responded</td>
<td>120</td>
</tr>
<tr>
<td>Response Rate</td>
<td>65%</td>
</tr>
</tbody>
</table>
Hospitals & schools: How do they collaborate?

- 91% of hospitals have relationships with local nursing schools
- 81% would like more student rotations
- Since 2001, clinical rotation capacity increased in:
  - Pediatrics/Neonatal
  - Postpartum and Nursery
  - Labor and Delivery
  - Adult Ambulatory Care
  - Pediatric Ambulatory Care
Clinical rotation capacity

Chart showing clinical specialty distribution for 2001 and 2002.
Is there a staffing crisis?

- Vacancy rates range from 1-50% (average of 14%)
- 60% report significant staffing shortages
Seriousness of nursing shortage
How are hospitals responding to the crisis?

- 91% use temporary labor
  - Annual temporary labor expenditures average over $2 million, a 56% increase from 2001
- 64% use hiring bonuses as a recruitment strategy
- Annual hiring bonus expenditures average over $62,000 per hospital
Are hospitals hiring foreign nurses?

- 47.5% have considered or are currently considering foreign nurse recruitment
- 33.3% have considered and have rejected foreign nurse recruitment
- 10.8% will not consider foreign recruitment
- Cost per nurse averages $8,050
How are hospitals supporting nursing schools?

- 41% reported having relationships that extend beyond clinical rotations
- 29% provide direct financial subsidies averaging over $72,000 annually
- 18% have staff with joint appointments in nursing schools
- 40% reported having staff who could serve as clinical faculty
Hospital-Nursing School resource sharing

Resource Sharing

% of Total Hospitals

0% 10% 20% 30% 40% 50%

Joint Appointment  Potential Clinical Faculty

Functions

2001  2002
How are hospitals supporting their staff?

- Student cohorts of employees funded at local community colleges
- Consolidation of student loans
- Student work/stipend programs
Internal workforce development

![Bar chart showing the percentage of total hospitals offering different types of program: Tuition, Scholarship, Work Study. The chart compares the years 2001 and 2002.](chart.png)
Hospitals’ experiences with new graduates

- 96% hire new graduates, averaging 18 new grads per hospital (range 1-100)
- 87% provide extended orientation programs (average 43 days, range 2-180 days)
- 77% hire new graduates into specialty areas, their orientation programs average 64 days (range 5-240 days)
Retaining new graduates

- Overall, hospitals report losing 1 out 3 (31%) of their new graduates after two years
- Average new graduate retention levels:
  - 89% at 6 months
  - 81% at 12 months
  - 69% at 2 years
CONCLUSION
What needs to be done?

- Steps must be taken to
  - Increase the nursing education pipeline
  - Increase workforce diversity and the cultural competencies of nursing students
Expanding the education pipeline

Long Term:

• Exert pressure on the public education system to restructure nursing education funding and policies

• Encourage collaboration among
  – Policy makers
  – Education and healthcare administrators
  – Hospital nurse executives
  – Deans and directors of nursing schools
Expanding the education pipeline (con’t)

Short Term:

• Hospital School Partnerships
  – Provide funds for faculty, joint appointments and staff’s nursing degree tuition
  – More flexible student rotation schedules
  – Hospital staff more closely involved in student supervision and teaching
Expanding the education pipeline (con’t)

Short Term:

• Hospital-School Partnerships (con’t)
  – Provide clinical lab support and classroom space
  – Funding for better data collection on ethnic background and cultural competencies
Increase nursing workforce diversity and cultural competency

- Nursing programs should:
  - Actively participate in State-level efforts to increase the nursing educational pipeline
  - Implement information systems that support monitoring the diversity & cultural competencies of applicants, enrolled students & students that drop out.
  - Use improved data to develop programs that attract, recruit & retain ethnically and culturally diverse students
Finally

- California’s nursing workforce is
  - Too small to meet hospitals’ staffing needs
  - Not sufficiently diverse to meet patients’ needs
- A permanent solution will take years, requires policy changes and public funding
- In the mean time, hospitals and nursing schools can collaborate to reduce local nursing shortages through programs that attract, recruit and retain ethnically and culturally diverse students.