

 **COMPLIMENTARY RESEARCH**  
for all healthcare organizations

# Recommendations for stabilizing the RN workforce

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Clinical workforce shortages generally, and RN shortages more specifically, remain the number one issue facing hospital and health system C-suites across the country. Executives must target investments to areas of greatest need. Many investments have been made but unsustainable RN turnover continues.

For this report, Advisory Board conducted a survey in March 2023 of nearly 250 nurse leaders to identify their biggest areas of current concern about the RN workforce. This report was also informed by other recently published literature and studies regarding current workforce challenges. By analyzing multiple data sets, we provide a unique insight on balancing the needs and expectations of staff with organizational and market realities.

This report presents five insights and recommendations for 2023 action and investments to further stabilize the nursing workforce in hospitals and healthcare systems.





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# Our take

Over the past three years, unprecedented workforce challenges have plagued the healthcare industry. Leaders put numerous strategies in place to stem extremely high turnover in all clinical disciplines, especially nursing. Some promising workforce trends are now being reported. In hospitals and healthcare systems, overall employee turnover has decreased by 3.2% and overall RN turnover has decreased by 4.6%. These numbers suggest several retention strategies — such as upping compensation, offering scheduling flexibility, and creating internal staffing agencies — are starting to make a difference.

Despite this welcome news, several RN workforce problems persist. At a time when increased baby boomer retirements are predicted, first-year turnover has increased. Time to fill vacant RN positions in local markets has increased. With competition for RNs being fierce in local markets for RNs and new reports that H1 visas for international nurses have run out, an overwhelming number of hospitals plan on continuing to use travel nurses to fill vacancies — a costly strategy that is unsustainable. At the same time, the academic pipeline for nursing is fragile. New data from the American Association of Colleges of Nursing (AACN) reports that overall nursing student enrollment is down 1.4%, the first time enrollments have decreased in over 20 years. Further complicating this situation is continued clinician burnout, in particular for early-career RNs.

This sobering picture suggests the need to further examine current workforce recruitment and retention strategies to ensure that investments are aligned with 2023 issues. Many surveys have been done to understand the perspective of nurses regarding their employment needs and expectations. However, we must also understand the perspectives of nurse leaders to ensure the most impactful interventions. Since few surveys of nurse leaders exist, Advisory Board conducted its own survey of nurse leaders to identify their current concerns about the RN workforce and their perceived ability to influence those areas.

The following is a summary of top, moderate, and lesser concerns about the RN workforce as reported by nurse leaders on the Advisory Board survey conducted in March 2023.

## Advisory Board Survey: Leaders rank 2023 concerns

### Top concerns

#### 01 Inadequate numbers of qualified RNs to fill frontline/acute care vacancies

- Abuse (physical, verbal, emotional) directed at RNs by patients, visitors, other team members
- Continued escalation of RN labor costs
- Unresolved clinician burnout
- The academic pipeline not keeping up with projected RN demand
- The ability to recruit unlicensed, frontline workers

### Modest concerns

- RN disillusionment with finding meaningful work in acute care
- Inpatient RN roles viewed as a short-term career option
- Hospital ability to compete with nontraditional healthcare employers for RN talent

### Lesser concerns

- Union organizing
- The momentum to establish federal staffing standards
- The exodus of early-career RNs for NP programs
- Organizational ability to ensure service access
- Limited technology investments to support RN work and work processes

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# Inside our research

A comprehensive analysis of data from multiple perspectives can provide the best guidance on priority strategies for the next year, balancing multiple perspectives to advance responsive, responsible workforce solutions. Using our survey as the framework to guide this analysis, we compared our survey results with the results of two other leading surveys. Notably, this analysis revealed how nursing leaders' priorities align and diverge with the reported needs of the workforce.

## **Advisory Board's 2023 nursing leaders survey**

In March 2023, we surveyed nurse leaders from hospital organizations in our network across the country. We asked them to rate their level of concern about 22 workforce challenges and their perceived ability to impact those concerns. We also analyzed for any market or positional differences. We received 242 responses to our survey.

## **2023 NSI National Health Care Retention & RN Staffing Report**

We examined the results of the [2023 National Health Care Retention & RN Staffing Report](#) from Nursing Solutions, Inc.(NSI) to gain perspective on our survey results in the context of RN workforce shifts and trends.

## **ANF Three-Year Annual Assessment survey**

We reviewed the American Nurses' Foundation (ANF) [Three-Year Annual Assessment](#) survey to gain perspective on the key issues that RNs report they are facing in the work environment and what type of support they need from employers to stay in their positions.

In addition to analyzing and comparing the results of these surveys, we drew on Advisory Board research to add a qualitative lens to our analysis. Other sources were also added in as needed for additional support.

It's important to note that we specifically looked at hospital-based nurses. While some of the insights apply to RN positions in other settings, our specific focus was on nurses working in the hospital setting.

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# Five insights for nursing leaders in 2023

Based on our cross-survey analysis, nursing leaders should focus on five priorities to continue stabilizing their workforce in 2023 and beyond.

**01** **INSIGHT**  
**You can't hire or buy your way out of the turnover problem**

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**02** **INSIGHT**  
**One-size-fits-all retention strategies fail early-career nurses**

**03** **INSIGHT**  
**Burnout is impossible to eliminate, but improvements matter**

**04** **INSIGHT**  
**Scaling care model innovation is critical to workforce stabilization**

**05** **INSIGHT**  
**Acute-care employment has a public image problem**

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# 01 You can't hire or buy your way out of the turnover problem

## **There aren't enough workers to hire, and the challenge is here to stay**

While overall hospital RN turnover has decreased since last year, it remains too high. The cost of each RN that turns over has increased by 13% in the last year. Health systems and hospitals across the country are dedicating significant resources to recruiting RNs to fill high vacancy rates. NSI reports that 37% of hospitals plan to increase their recruitment budget and 20% plan to increase recruitment (HR) staff.

At the same time, nearly 70% of hospital organizations intend to increase overall RN positions in 2023. To recruit more RNs, many organizations continue to rely on compensation adjustments. Despite these investments, hiring nurses became more difficult over the past year, with the RN difficulty index (time to fill) increasing from 87 days in 2021 to 95 days in 2022.

Our survey found that nurse leaders across all regions and positions report that “market shortage of qualified RN candidates” is their number one concern.

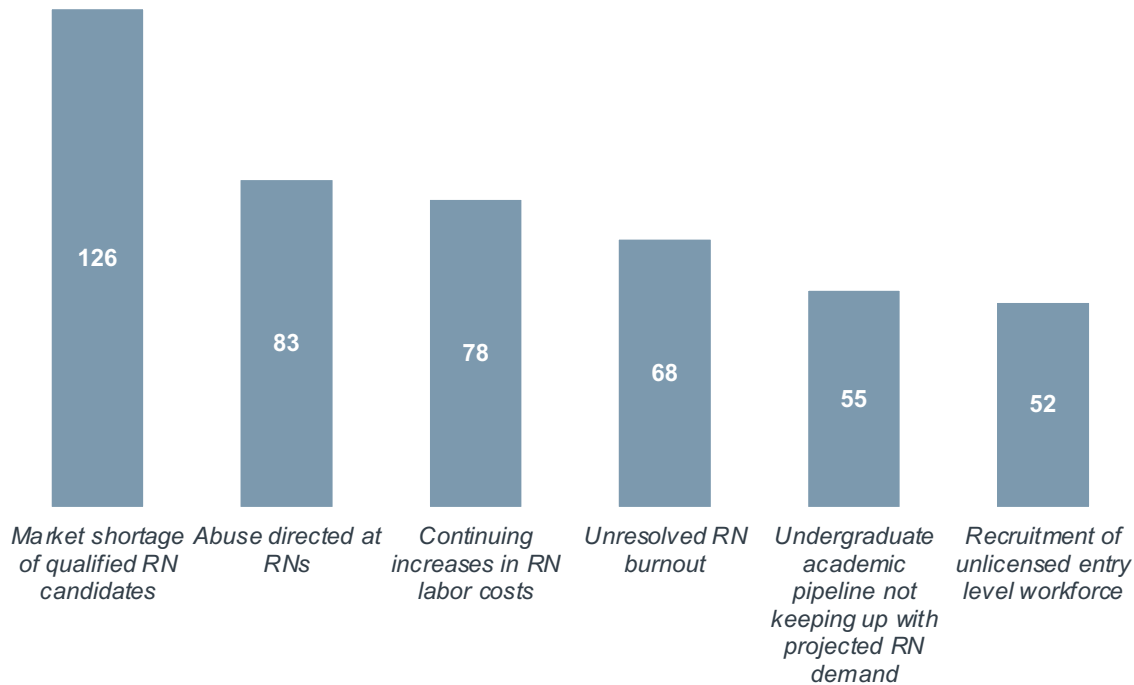
According to AACN, for the first time in 20 years, nursing school enrollment has decreased. Retirements continue to outpace the number of new entrants into the nursing field. Nurse leaders are aware of this and reported “academic pipeline not keeping up with projected RN demand” as another top concern in the Advisory Board survey.



YOU CAN'T HIRE OR BUY YOUR WAY OUT OF THE TURNOVER PROBLEM

The ability to recruit unlicensed, frontline workers is also a top concern reported in our survey. Frontline workers such as Certified Nursing Assistants (CNA) are essential to supporting RN work. Despite a small decrease in the past year, CNA turnover is still extremely high. Building up this workforce will require strong, long-term retention and recruitment strategies.

**Top concerns of nurse leaders for the 2023 RN workforce**



**Competition at an all-time high for licensed and unlicensed workers**

RNs have a plethora of employment options that offer competitive compensation and appear more conducive to work-life balance than working in a hospital environment. Despite this, nurse leaders reported in our survey only moderate concern about hospital/health system ability to compete with nontraditional healthcare employers for RN talent. Given market shortages, leaders must pay more attention to options for competing with non-hospital healthcare employers. Organizations must understand what non-hospital employers offer to RNs and identify the most effective and feasible options for countering these advantages.





## YOU CAN'T HIRE OR BUY YOUR WAY OUT OF THE TURNOVER PROBLEM

There is also strong competition for unlicensed workers. These workers have a variety of other employment options both within and outside the healthcare industry that offer competitive compensation as well as other benefits. Nurse leaders report “recruitment of unlicensed entry level workers” as a top concern on our survey. It is important to understand what other industries offer these essential employees and determine ways to retain them.

### **Continued overreliance on agency labor is financially unsustainable**

As turnover and vacancies increased during the height of the pandemic, hospitals substantially increased their utilization of traveling nurses as an interim staffing solution. Despite the pandemic being stabilized, NSI reports that nearly 80% of hospitals predict the same level of external agency use in 2023 as in 2022.

However, this tactic is financially unsustainable. While pay rates for travel nurses have decreased nearly 20% this past year, the average hourly rate for a traveler remains almost double that of a permanent employee. The expenses associated with overreliance on travel nurses further burdens an already strained labor budget and does nothing to address underlying issues that make hiring more difficult.

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### **Retention outweighs recruitment for workforce stability.**

In the immediate, access to qualified RNs make ambitious hiring goals difficult. With costs of RN turnover increasing, focus on retaining the nurses you already have. Reallocate more of your investments toward retention at this time. However, maintain current efforts to improve both your current pipeline through innovative recruitment, as well as consider creative ways to cultivate the academic pipeline moving forward.

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# More on workforce

## *Promote professional growth and loyalty in the first year*

 TOOL KIT

First Year Nurse Retention Toolkit

[Read now](#)

## *Healthy practice environments are key to retention*

 BLOG POST

What nurse leaders should know about RN intent to leave

[Read now](#)

## *Address blind spots in your workforce planning*

 BLOG POST

3 insights to better retain and recruit your clinical workforce

[Read now](#)

## *Implement strategies for shortage conditions*

 RESEARCH

Support safe, effective staffing amid the nursing shortage

[Read now](#)

## *Experiment with different staffing models*

 RESEARCH

8 insights for nurse leaders to achieve success with alternative staffing models

[Read now](#)

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## Project directors

Carol Boston-Fleishhauer, Shay Pratt

[fleischc@advisory.com](mailto:fleischc@advisory.com), [prattm@advisory.com](mailto:prattm@advisory.com)

## Research team

Jennifer Bierhoff, Donald Malott, Sebastian Beckmann

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655 New York Avenue NW, Washington DC 20001  
202-266-5600 | [advisory.com](https://www.advisory.com)