

Staff Retention is an Issue for Future Healthcare Delivery – Fact or Fiction?

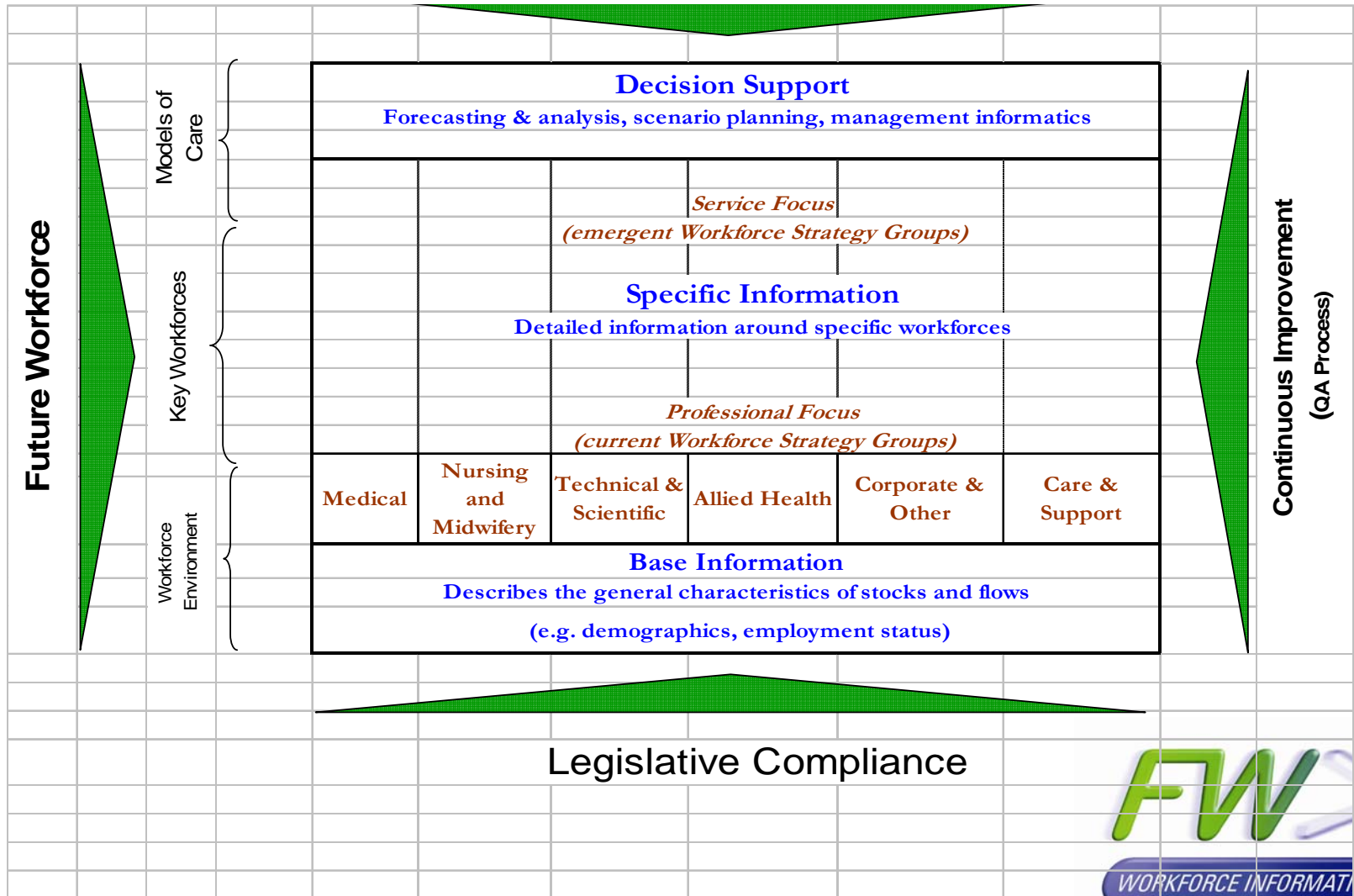
William Hamilton,
Health Workforce Information Programme,
DHBNZ



Staff retention is not just an issue for Healthcare, it is absolutely vital

- Exponentially-increasing health services demand from the rapidly ageing population is undeniable
- DHBs “lose” about 15% of staff annually – and mostly we don’t know why!
- DHBs have an older than average workforce and many will reach retirement age simultaneously
- Replacing staff is costly in time and \$\$
- World competition for experienced health professionals is already a serious issue.

HWIP - Background



Continuous Improvement (QA Process)

What's the big deal?

- % of organisations that find difficulty in recruiting staff?
- % that say staff retention is a “regular problem”
- % of new recruits that leave within 6 months
- % of new recruits that leave within 2 years
- Approx cost of replacing a person as a % of base salary?
- 2007 DHB direct costs –recruitment and relocations

~~50%~~
~~\$13m~~
150%

What's happening in the National Labour Force?

StatsNZ figures and estimates show:

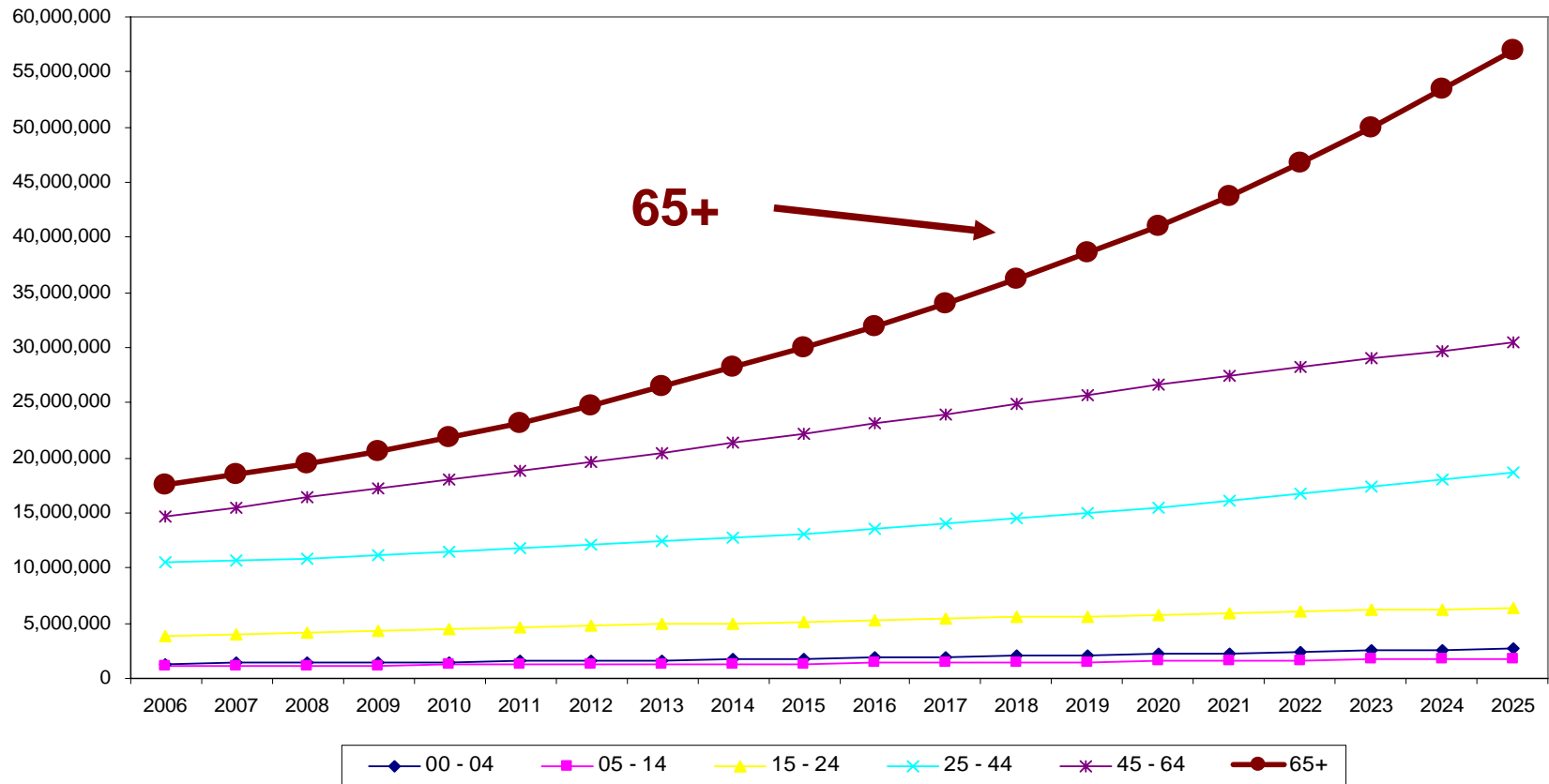
- The total NZ workforce is forecasted to peak in the mid 2020's at 2.39 million, then fall slowly
- Growth between now and then will be about 200,000 workers
- In 1900, there were 10 people working per retired person
- This halved over about 100 years to a 5:1 ratio
- By 2050, only 2 people will be working per retiree
- By just 2012/3:
 - 50% of workforce will be > 42 yrs (this was 36 yrs in 1991)
 - Median workforce age will be 43 (35 in 1991)
 - 13% of the workforce will be >65 (6% in 1991)

Impact on DHBs ?

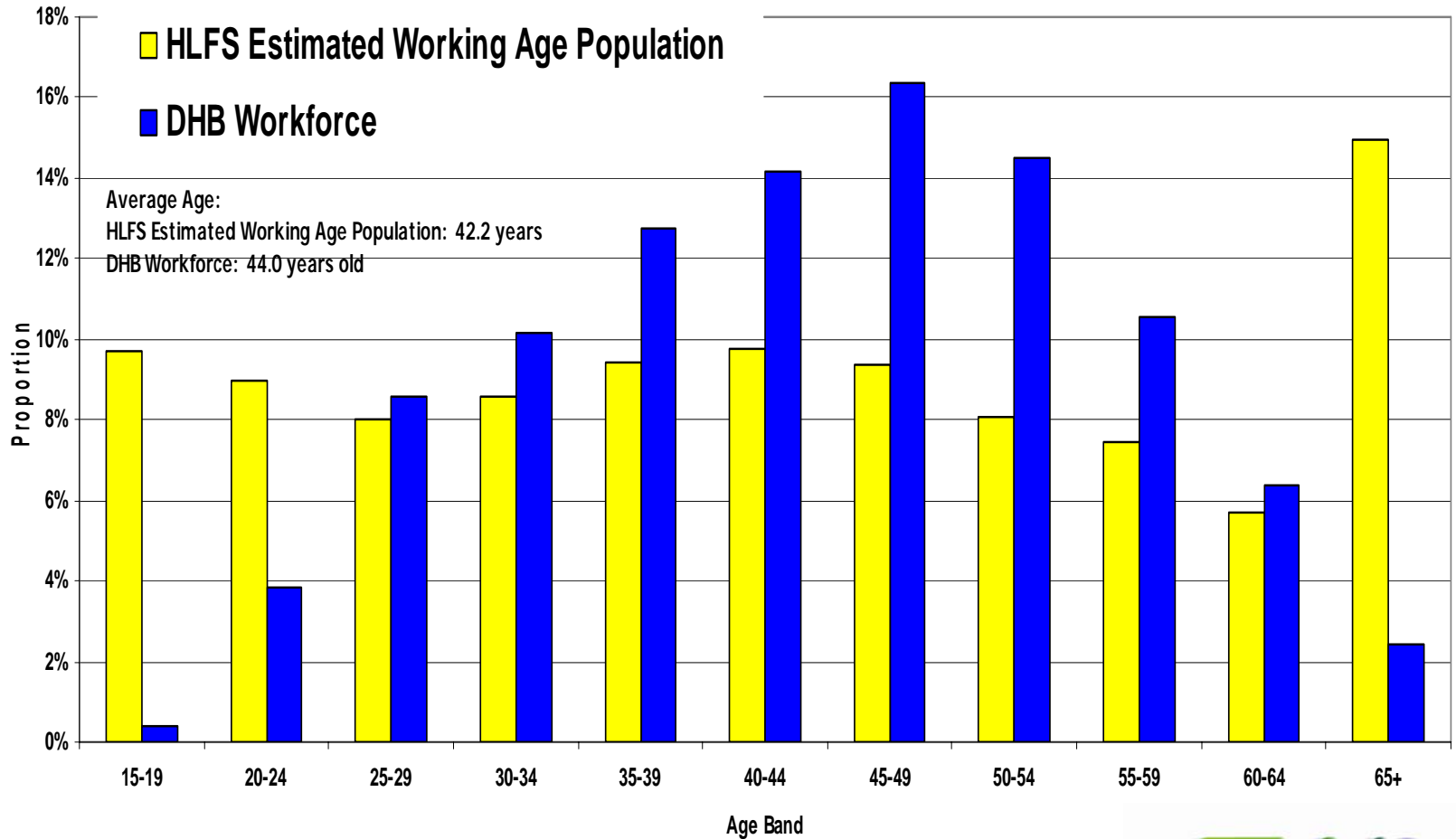
- NZ will have 38 over-65's per 100 population by 2050 (a 300% increase), but some countries will have up to 70 per 100!
- Competition for workers will be intense both domestically and internationally.
- The demand for health services, given the ageing population, is only going in one direction.
- Staff retention is already vital, but will become even more so.

Some recent HWIP pathology analysis clearly illustrates how much the ageing population is going to demand!

Progression of Lab Test Utilisation by Age Through the Forecast Period



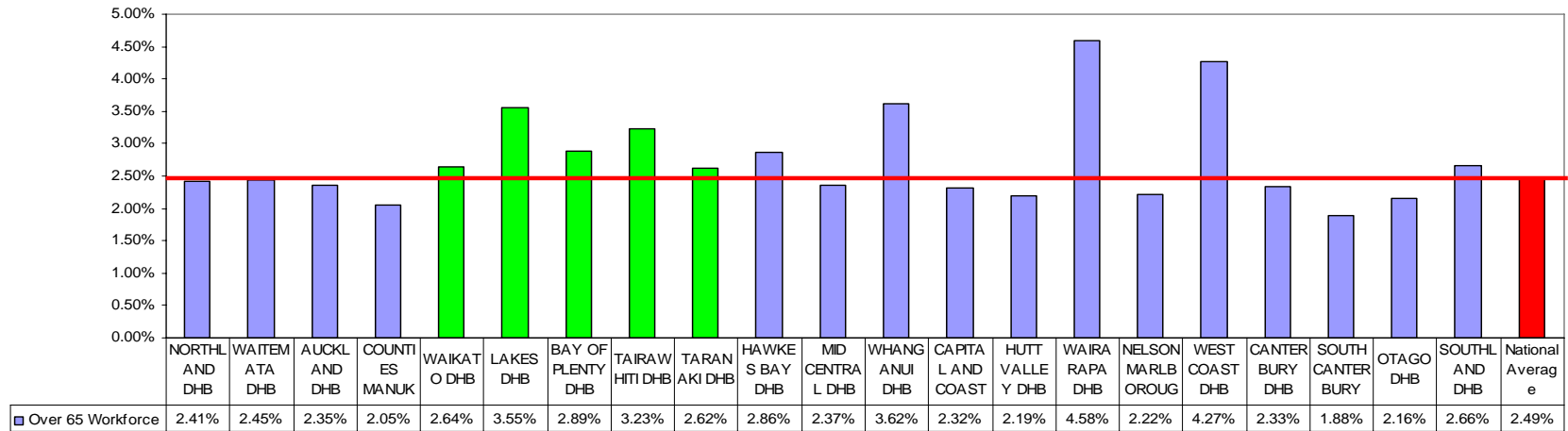
HWIP analysis shows us that DHBs already have an “older” workforce



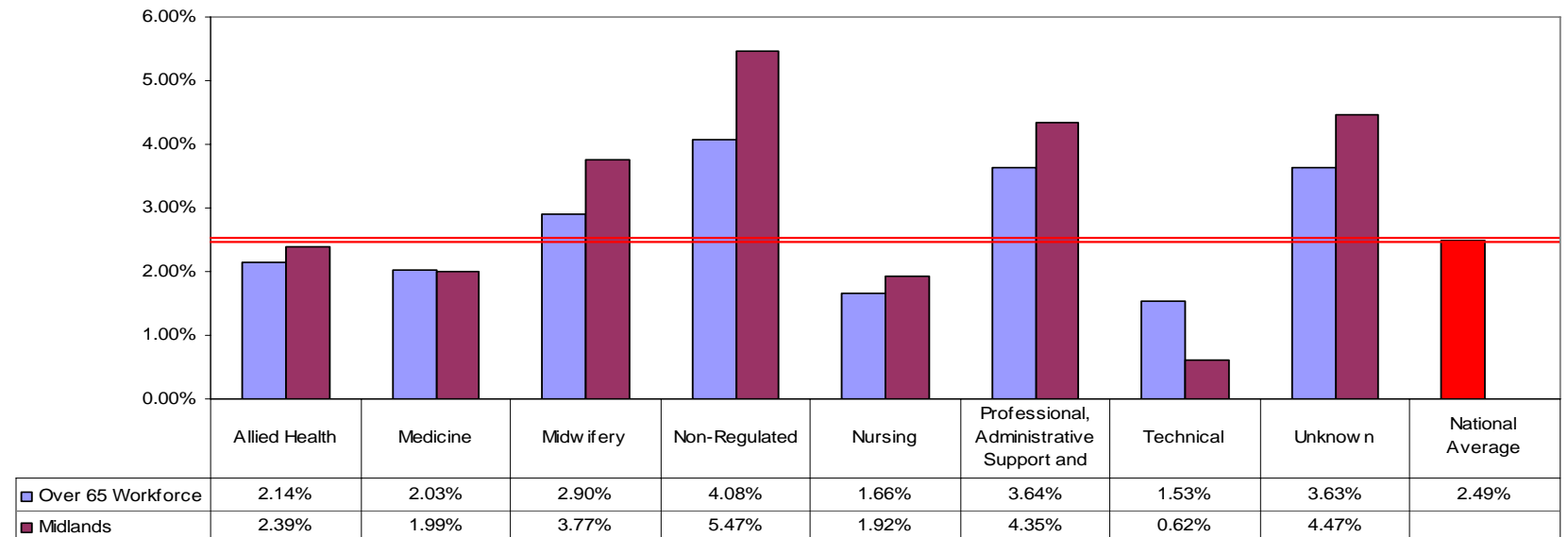
But maybe are not trying hard enough to keep over-65's workers ?

But the Midlands are making good use of this age group

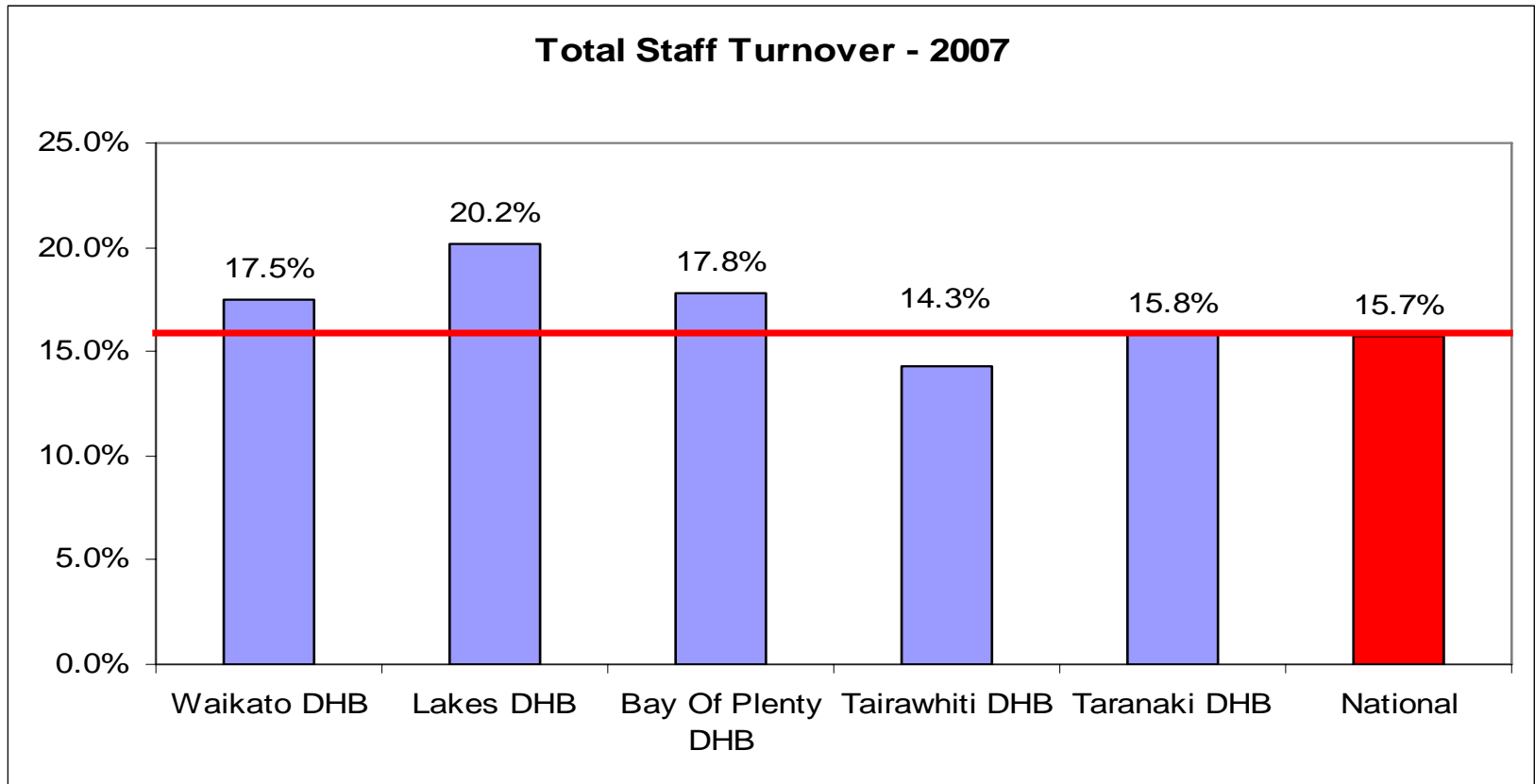
over 65 years olds in the Dec 2007 quarter



Proportion of DHB Workforce over 65 years old in the Dec 2007 quarter



Midland DHBs show an overall turnover rate of 17.4% v. 15.7% for all DHBs



This is based on total workforce. For non-casual staff only, Midlands drop to 17.2%, (National to 15.6%) and Taranaki is the biggest change, dropping to 14.6%

What does HWIP data show us about those who are leaving?

- First and foremost, people leaving are not being routinely polled for their reason(s) why.
- Of over 17,700 leavers' records, how many have “Undefined” or “Not given” as the reason for leaving ?

15,000 !!! Or 84%

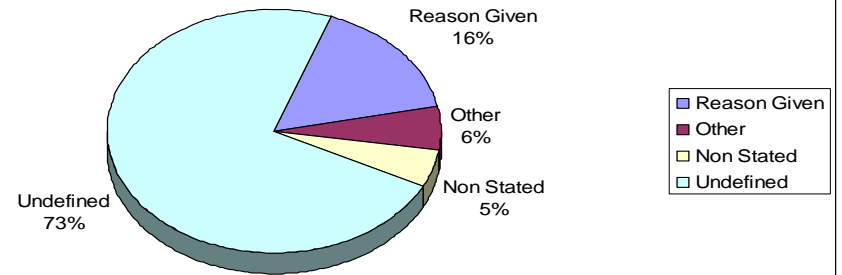
- The major reasons on those records that are populated by defined reason codes are:
 - Personal / Family / Whanau reasons
 - End of fixed term contract

Reasons for Leaving

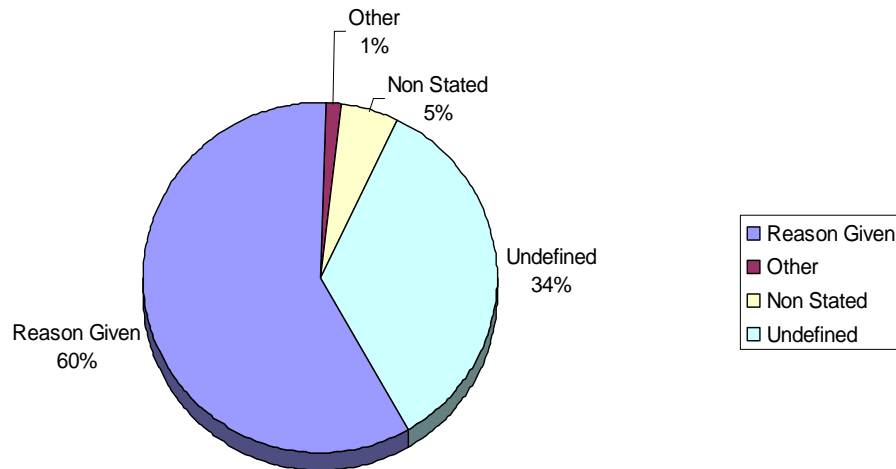
Nationally, 13 DHBs record 95% or above in leavers having an Undefined reason.

Wairarapa show how it can be done at just 1% undefined

Total Reasons for Leaving - All DHBs



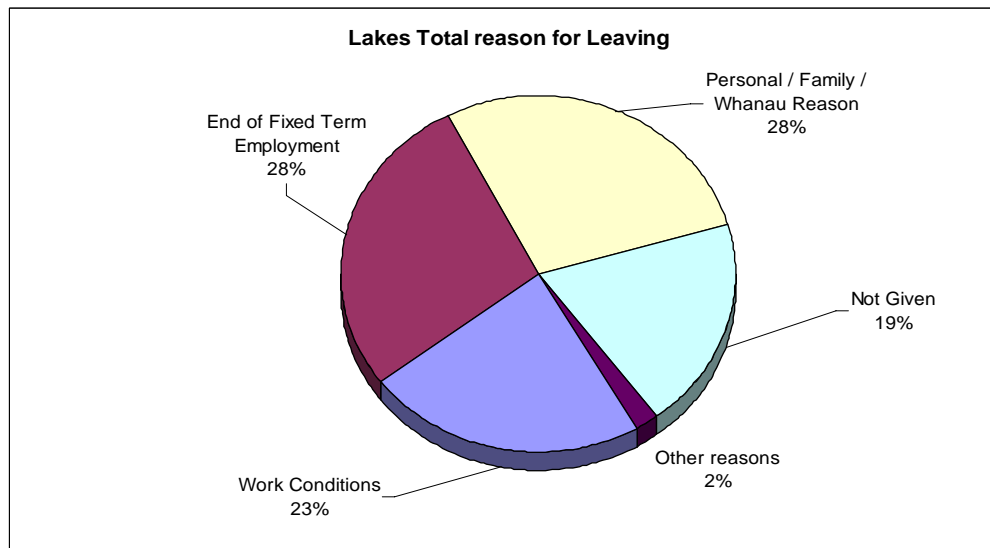
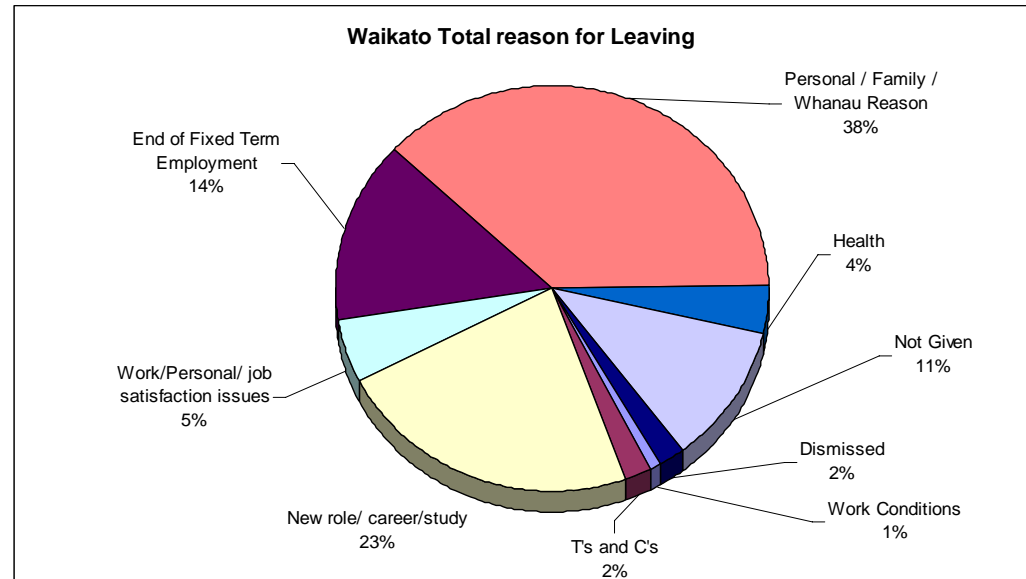
Total reasons for Leaving -Midland DHBs



Waikato, at 10% undefined, is second best in NZ, with Lakes 3rd on 19%, but some others are not quite at this level.....

Reasons for Leaving – more detail:

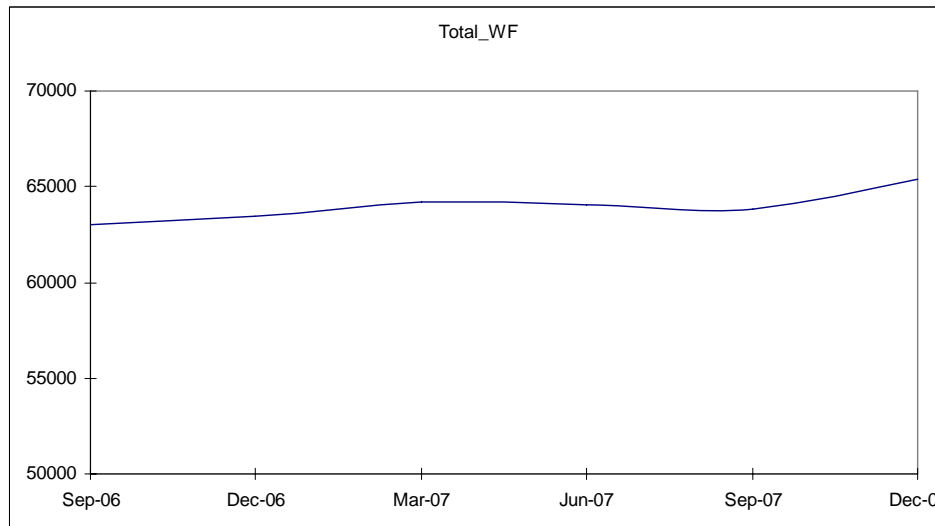
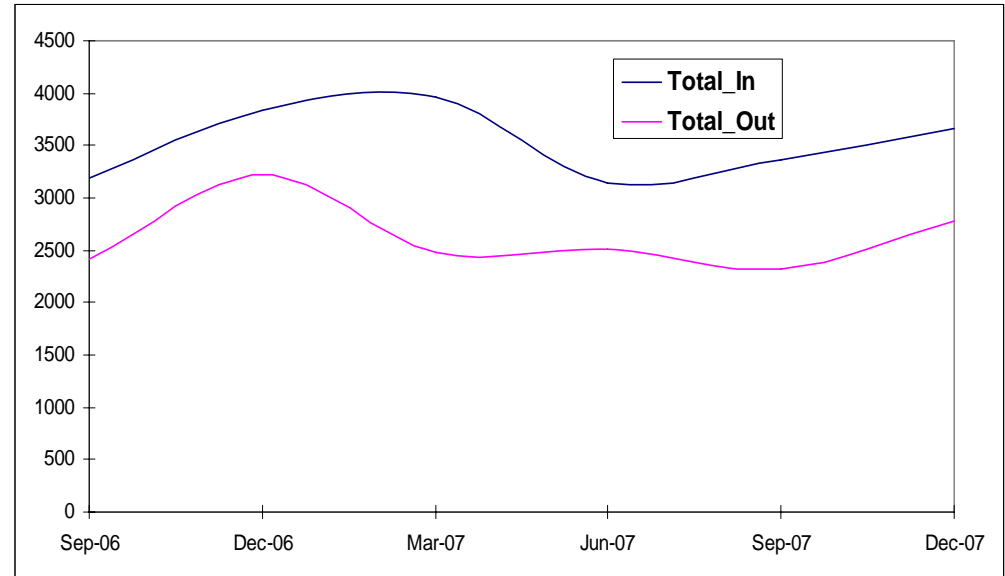
Waikato show a wide range of reasons, some avoidable, some not perhaps?



Lakes have a large % quoting “Work Conditions” – this is the first code on the list and only 1 other DHB records this reason?

Total DHB Entry and Exit flows

Entry and exit flows look quite volatile at a National level – and Midlands data shows the same pattern

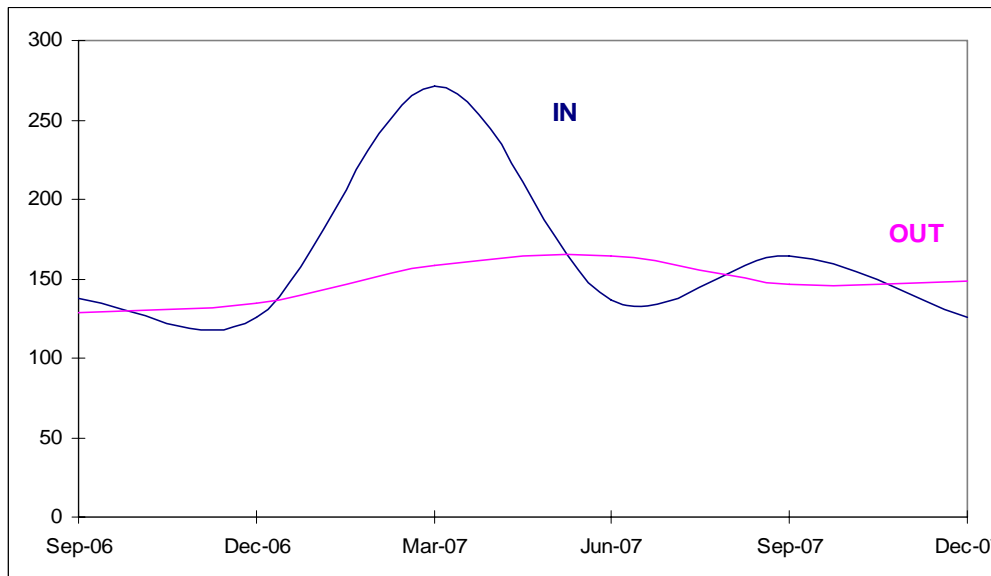
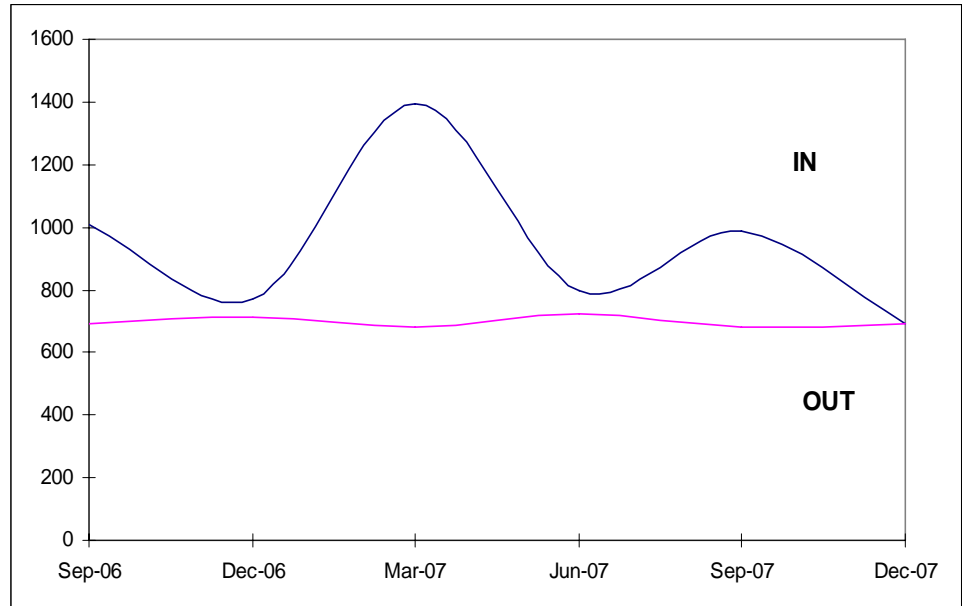


But overall total workforce numbers show a slow, but steady increase – as is the case for Midlands



Major Workforce Groups

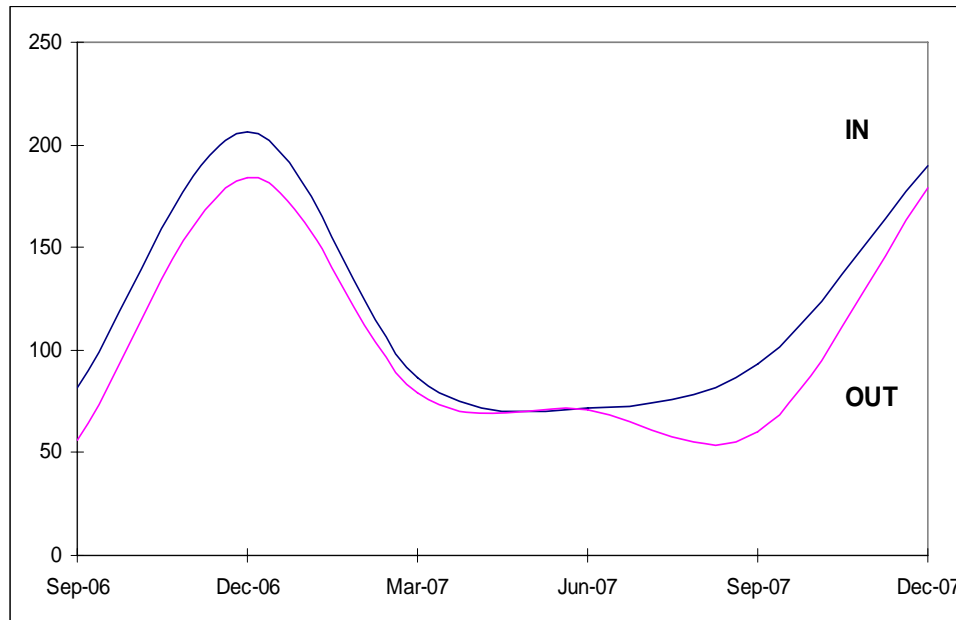
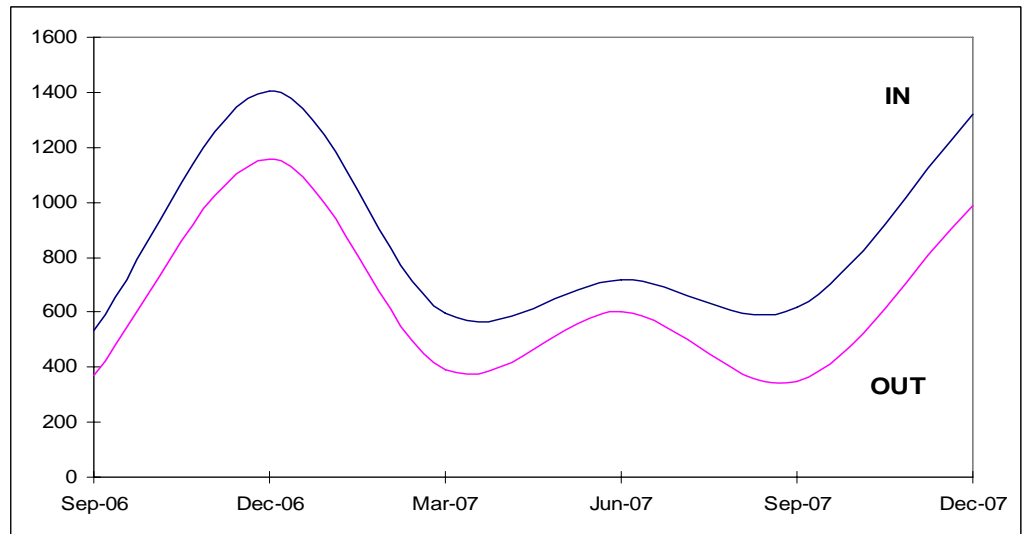
National flows show a big intake in March Qtr (graduation) - and lesser intakes in both September Qtrs. The leaving rate is very steady.



The Midlands follow the same pattern, but do show a net loss of staff in 3 of the 7 Qtrs

Major Workforce Groups (cont.)

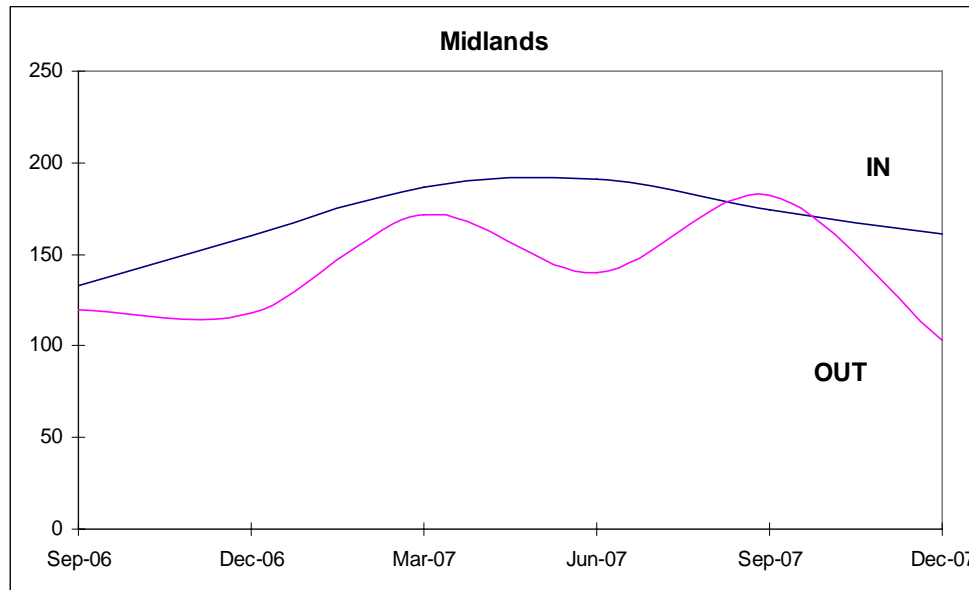
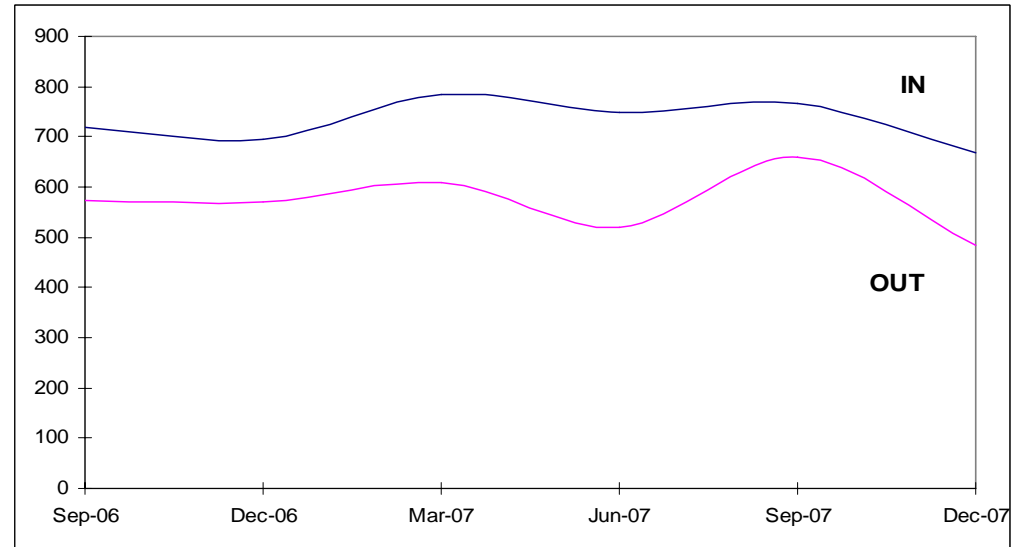
This National workforce is by far the most volatile, resembling a rolling production line, but is slowly growing. The December Qtr is the major entry / exit point



The Midland DHBs show the same December Qtr peak and a similar trend and volatility

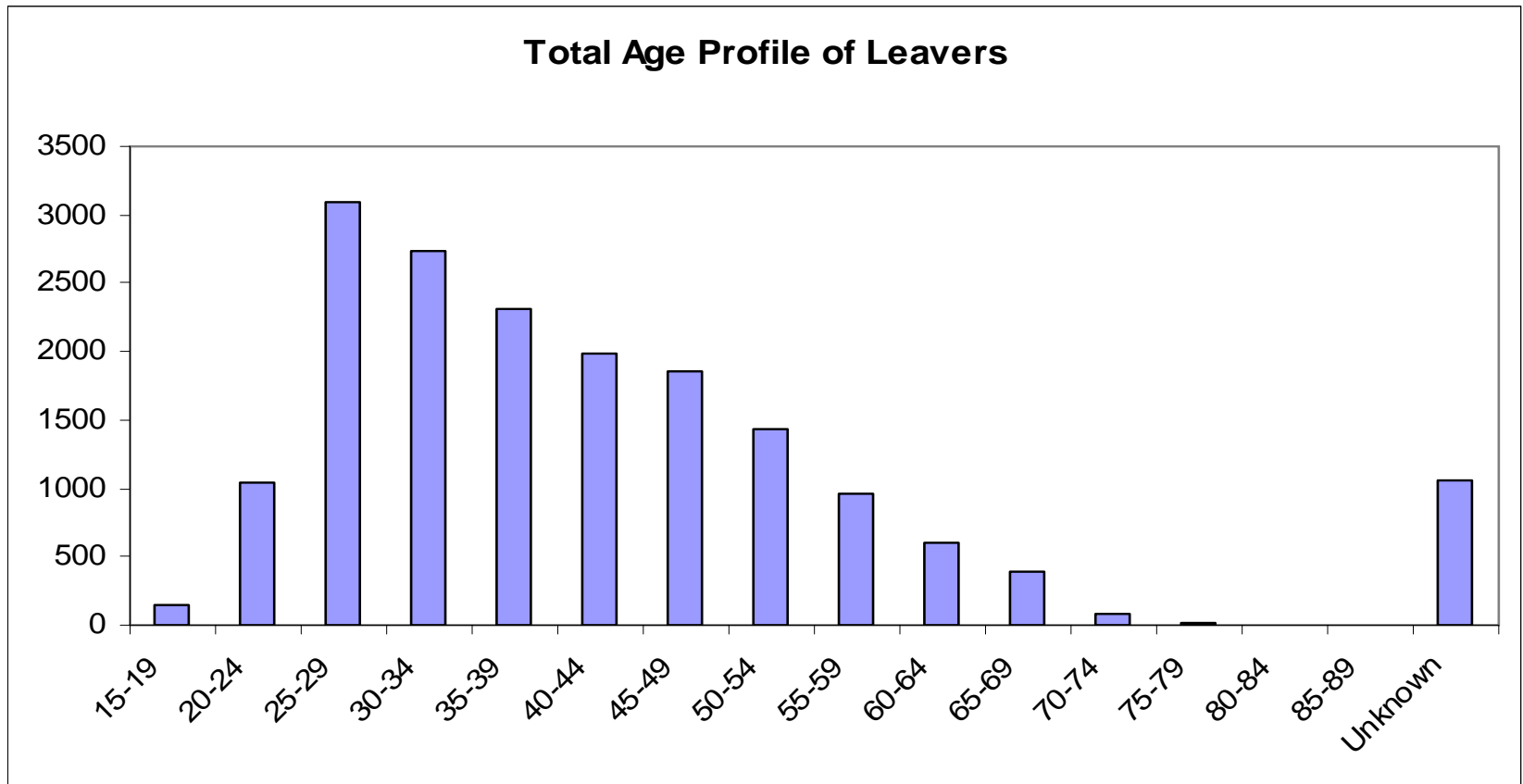
Major Workforce Groups (cont.)

This National workforce shows a regular entry and exit flow, with no peaks or troughs



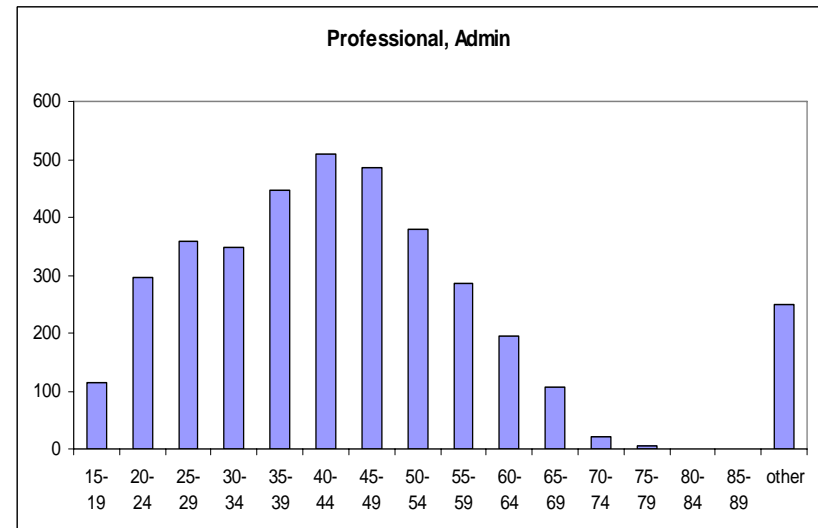
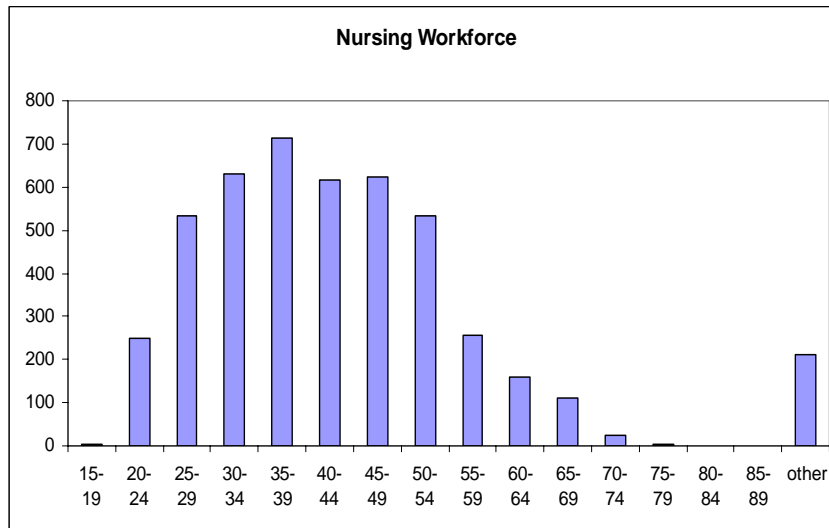
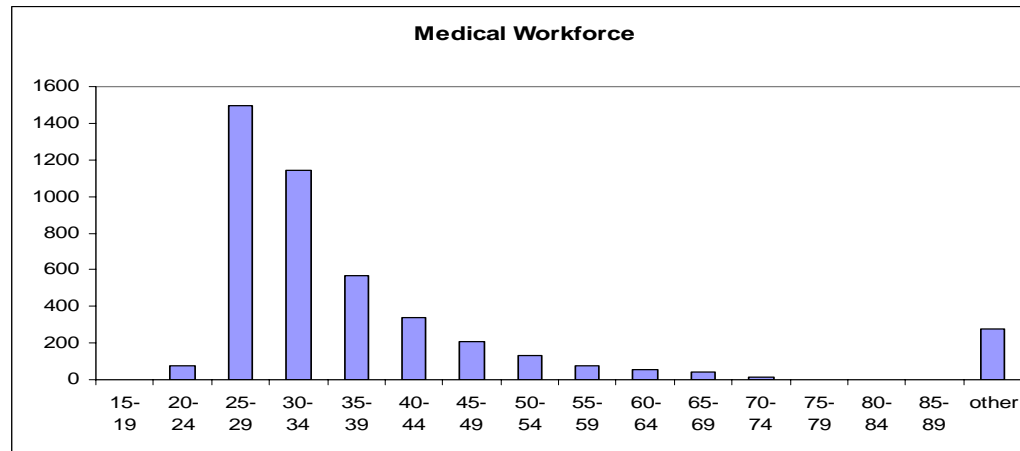
The Midland DHBs have been showing more volatile entry and exit rates

The Age Profile of leavers shows the highest number of leavers amongst the younger age groups, despite the workforce being skewed towards the higher ages. This pattern also holds true for the Midlands



This however may be connected to new placements, career progression, starting families, going overseas etc

The medical workforce follows the overall leaving age profile, but Nursing and Professional/Admin are leaving across the age bands. This picture is the same for the Midland DHBs.

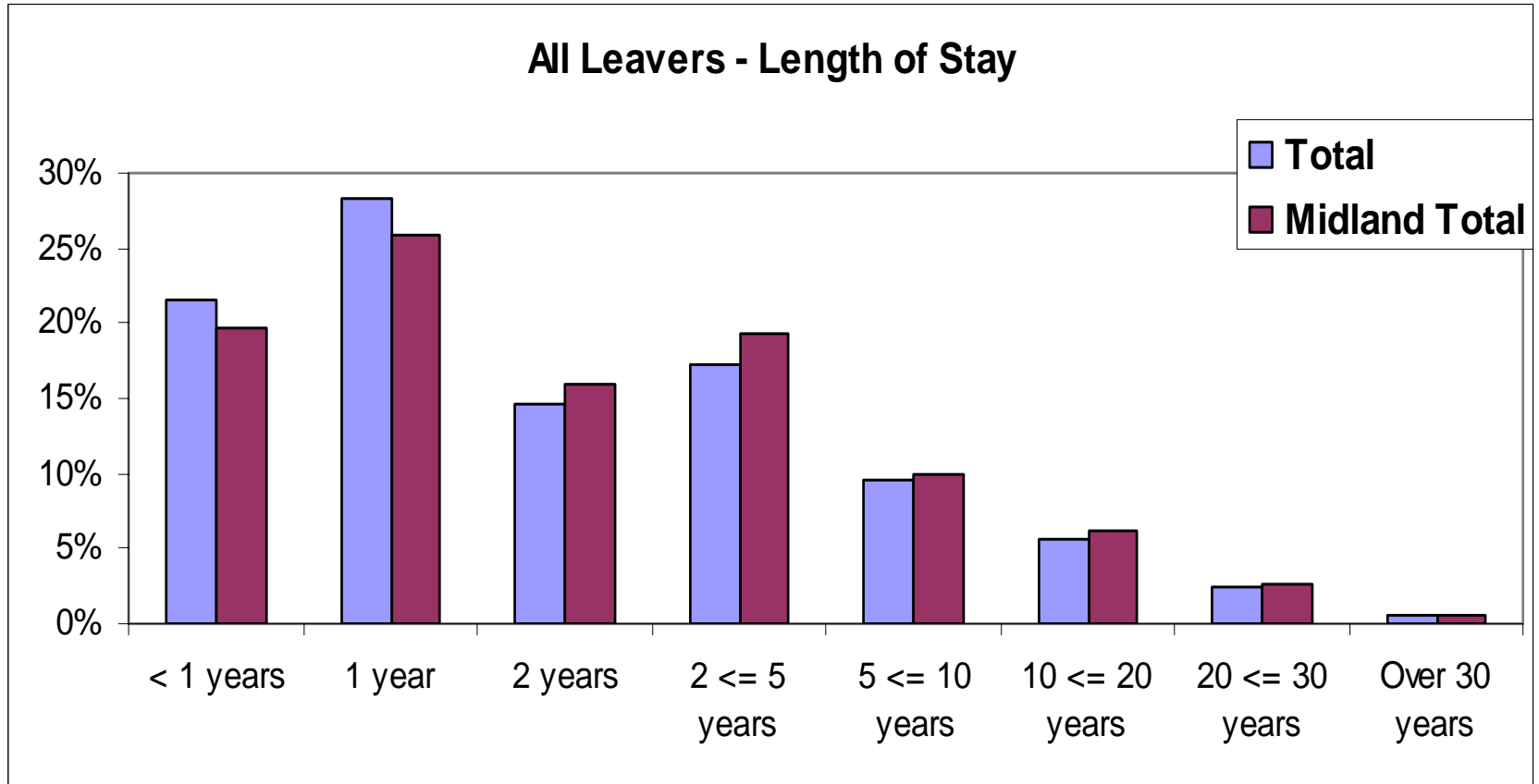


Splitting reasons for leaving into age bands for Midlands (National data is not robust enough for this) shows some age differences

	<u>15 to 29</u>	<u>30 to 44</u>	<u>45+</u>
Career Issues	15%	17%	9%
Personal/Family	22%	24%	28%
Environmental	5%	9%	8%
Fixed Term	16%	10%	10%
Not Given	41%	39%	43%

- Figures back up logic, younger workers - career development, older workers it may be more a lifestyle choice.
- More younger workers on fixed term contracts ?

HWIP analysis shows that those leaving are skewed towards the lower levels of LOS. 65% of leavers have had 2 years or less service (61% for Midlands)



However, the 116 leavers with over 30 years experience (1% of leavers) lost DHBs the same total man-years of experience as the 3,832 (22%) with under 1 year's service

Ideas as to how can HWIP help ?

- Benchmarking between DHBs on staff turnover and retention rates?
- Comparisons by major workforce group?
- Future Introduction of ANZSCO job descriptions will enable benchmarking down to service level
- Data collected quarterly enables tracking of future retention initiatives.
- International benchmarking ?
- But some of this hinges on reason for leaving being accurately and consistently recorded and reported...

Any Questions