Corona Regional Medical Center

Ethan Wong, Ana Calvillo, Jasmine Saelee, David Ly,

JiaJun Gu, Stephany Lam (Group #15)

University of California, Irvine

Introduction

The Corona Regional Medical Center (CRMC) is a small 238-bed community hospital in Corona, California. Having limited personnel, nurse retention is crucial to the CRMC; however, amidst the coronavirus pandemic, the nurse turnover rate has risen to 34%, creating a significant problem for the hospital.

This high turnover rate was emphasized during the coronavirus pandemic, during which the CRMC experienced an extremely high demand for nurses and hired traveling nurses, which are independent contractors or nurses affiliated with a consulting agency that could be rented for a certain period. Pay disparities, shifting team dynamics, and interpersonal conflict arose, however, CRMC's upper management did not respond to nurses' concerns, effectively fragmenting the relationship between nurses and upper management. Consequently, after COVID, the wave of nurse turnover rose from the industry standard of 18.7% to 34%. Over 20 years, the three persisting symptoms that characterize CRMC's high nurse turnover are weak team dynamics, stunted employee opportunities, and upper management's distant relationships with nurses. This can be measured in employee surveys, low patient satisfaction scores, high tardiness and absence rates, and high amounts of self-reported burnout.

Cause of High Turnover Rate

The major cause of the Corona Regional Medical Center's high turnover rate can be attributed to a lack of recognition and an undervaluing of staff nurses by upper management. According to Indeed.com, the longstanding frustration of staff nurses with upper management has been characterized by reports of being overworked, an unbalanced allocation of shifts, and a lack of transparency about upper management's decision-making processes (2020).

The most recent wave of nurse turnover occurred after the hospital recruited travel nurses to maintain sufficient staffing levels during the coronavirus pandemic. Compared to staff nurses, incoming travel nurses had better compensation and work flexibility. However, the tangible differences in rewards made staff nurses feel less valued than travel nurses, while upper management did not sufficiently address staff nurses' persisting issues of poor team morale and friction with travel nurses. As the strain between staff nurses and upper management worsened, staff nurses grew dissatisfied with their roles, and consequently, CRMC's turnover rates rose to new levels.

In examining how the influx of travel nurses widened the gap between the staff nurses quitting their roles and upper management, we can analyze the differences in work input and compensation between travel and staff nurses. According to Ming Leung (2022), Adam's Equity Theory compares the output to input ratios between employees to gauge its impact on motivation, satisfaction, and productivity. In terms of input, travel and staff nurses are relatively balanced when it comes to their skill sets and work responsibilities. While staff nurses may be assigned more shifts and take on the extra responsibility of training new travel nurses, travel nurses are challenged with adjusting to new work environments and routines quickly. Where they differ in input is the level of loyalty and social obligation they have to the CRMC. Travel nurses are only employed for short periods, with contracts typically starting at 13 months but going as low as 2 months in crisis scenarios (SEO Growth Partners, 2021). The short-term nature of their contract makes travel nurses exempt from hospital politics and social hierarchies among nurses. On the other hand, staff nurses are bound to these social structures. They are often subject to extra administrative meetings and performance evaluations, all while being expected to uphold a level of commitment to their workplace.

A balance in equity indicates that the higher input of staff nurses should yield a higher output when compared to travel nurses (Leung, 2022). The long-term employment of staff nurses should enable them to rise in seniority, take on more responsibilities, and develop their careers. Nevertheless, we continue to observe frequent reports of frustration among staff nurses with their lack of support systems and growth opportunities (Indeed, n.d.). Staff nurse underpayment (having higher input and lower output) and travel nurse overpayment signify an inequity. This is further supported in the material outputs of nurses. Travel nurses make an average of $14.76 per hour or $26.7K annually more than staff nurses (US Bureau of Labor Statistics, 2022). They also have more flexibility with vacation time and shift assignments (SEO Growth Partners, 2021). The underpayment inequity of staff nurses creates a perception of unfairness, as upper management is not providing sufficient rewards to compensate for the higher input staff nurses have relative to travel nurses. This inequity leads to the reduced motivation of staff nurses because they do not feel as validated for putting in more than travel nurses. This inequity model highlights how the disconnect between upper management and staff nurses has impacted nurse satisfaction, team morale, and overall quality of patient care. The gap between upper management and staff nurses must be bridged to prevent rising turnover rates from impacting patients at the CRMC.

Proposed Solution: Bridging the Gap Between Nurses and Upper Management

Swamped in a fast-paced and highly intense hospital environment, CRMC nurses are vulnerable to burnout and overwhelming pressure. Burnout and unrecognition influence many nurses to flee from a suffocating work environment in hopes of higher pay and freedom as traveling nurses. At first, the most apparent solution to retain nurses may be to raise staff nurses' pay; however, this is an easily tearable bandage over the excruciating gap within the hospital's

dissonant culture. As exampled by the SAS software company's low turnover, Jeffrey Pfeffer's (1998) article, "Six Dangerous Myths about Pay," exemplifies how non-monetary solutions are achievable. SAS employees emphasized that their motivation stemmed from knowing management cared for and appreciated them (Pfeffer, 1998). The employees' praise of SAS's supportive culture highlights one of the six debunked myths that demonstrate employees seek meaningful purposes, not just monetary incentives.

Hence, if CRMC aims to lower its turnover of staff nurses, the primary focus must not be on monetary incentives but on how nurses find purpose and feel valued at the hospital. The most effective remedy to reduce the high turnover rate is to improve staff nurses' morale by increasing upper management's recognition of them, resulting in a more inclusive culture. As head runners of the hospital, we believe upper management should take the initiative in closing the gap by implementing two motivational methods:

1. Showing **Support** for nurses: Upper management should take advantage of the Employee Assistance Program (EAP), an employee benefit program that offers short-term therapy and counseling sessions. Upper management can implement EAP by advocating and guiding nurses on how to benefit from personal support services.

2. **Showcase** individual nurses by integrating upper management into the nurses' frontline to have them understand nurses' work environment. Additionally, town hall meetings can be a platform to recognize staff nurses. Furthermore, upper management can spotlight nurses and their accomplishments in newsletters to make nurses feel seen and valued.

Implementation: Support

The Employee Assistance Program is an essential tool to support nurses. The EAP's objective is to support staff struggling with personal or career matters that affect their work performance or personal health. This service is included in the worker's benefits and offers confidential one-on-one counseling with a mental health therapist. More awareness is necessary for nurses to utilize this resource fully. The CRMC can begin by establishing an internal EAP where they can employ the professionals themselves rather than outsourcing them. Given the small hospital size, employing two professionals is ideal.

According to Mental Health America (n.d.), about 4% of employees utilize EAP services yearly. To further promote the EAP, an EAP Representative can be hired to lead "gradual wellness sessions" and address any questions or concerns employees may have. These sessions educate employees on using the EAP, promote the importance of work-life balance, and address rising mental health concerns. These complimentary services will help educate nurses on mental and professional wellbeing, spreading further awareness to those that often put their own health last when caring for others.

With a mental health therapist's yearly salary averaging $70,000, and an EAP representative averaging $63,000 a year (Glassdoor, 2021), our total expenses are $203,000 for the Support portion of our proposed solution.

Implementation: Showcase

The high turnover rate can be further mitigated by implementing a "showcase" program that highlights and recognizes diligent staff nurses, thus improving morale.

Initially, upper management can make monthly rounds to meet and get to know nurses during and between their shifts. This is a crucial step in bridging the gap, as sharing their front-line experiences with upper management increases the trust and familiarity between both

groups. The effectiveness of this step is presented by Recognize (n.d.), an employee engagement platform, which conducted a survey exploring the relative effect of praise from different sources. In this survey, 55% of employees reported praise from upper management as the most motivating, followed by organizational and peer recognition. This confirms the power upper management's praise holds to alleviate nurses' burnout. Managers can also identify well-performing staff nurses through the aforementioned scheduled interactions and recognize them in meetings and hospital publications. Upper management can select personnel who embody and practice the hospital's core values by getting to know staff nurses. This not only provides an unbiased standard to select nurses but provides a pipeline to reinforce positive behavior.

When hosting town hall meetings, upper management can begin by offering specific praise to a nurse. Furthermore, upper management can spotlight staff nurses and the core values they embody on the screens placed around the hospital. Lastly, nurses can be spotlighted through a weekly newsletter that is mass distributed to all staff, personnel, donors, stakeholders, and subscribed community members. With upper management expressing their appreciation through town hall meetings, screens, and newsletters, staff nurse loyalty increases (Lacey, 2017), thus improving nurse morale and decreasing turnover.

The **yearly total cost** of the first component of this program is estimated to be $333,071.68 and is based on the implementation time utilized by staff nurses and upper management. This calculation assumes that 4 upper management personnel will be actively involved and bases salary values on the US Bureau of Labor Statistics (2022). **Table 1** features the breakdown of the calculations:

Item	Quantity

Upper management average annual salary	**$203,862**
Daily salary (250 working days per year)	$815.45 = $203,862 / 250 days
Hourly salary (8 hour work day)	$101.93 = $815.45 daily / 8 hours
Nurse average annual salary	**$77,600.00**
Daily salary (250 working days per year)	$310.40 = $77,600 / 250 days
Hourly salary (8 hour work day)	$38.80 = $310.40 daily / 8 hours
CRMC staff nurse count	~ 600 nurses
Town hall estimated capacity	50 nurses, 4 upper management
Town hall frequency (upper management)	**12 meetings per month** = 600 nurses/ 50 nurses per mtg
Total time (upper management)	144 hours = 1-hour meeting x 12 meetings x 12 months
Total cost (upper management)	**$58,711.68 = 144 hours x $101.93 x 4 personnel**
Town hall frequency (nurses)	1 per month x 12 months
Total cost (nurses)	**$279,360 = 12 hours x $38.80 x 600 nurses**
Total Annual Cost	**$338,071.68**

Table 1 Annual Cost of Town Hall ShowCase

The second component of this program calculates the newsletter showcase cost, estimated to be $3,432.00. The data in Table 2 is based on the time utilized by Human Resources staff to create a newsletter. This calculation is based on the activity-based costing assumption that an HR staff member requires 2 hours to create the newsletter.

Item	Quantity
HR professional annual salary	$66,053
Daily salary (250 working days per year)	$264.21 = $66,053 / 250 days

Hourly Salary (8 hour work day)	$33 = $264.21 daily / 8 hours
Newsletter unit production time	2 hours
Newsletter dissemination frequency	52 times a year = 1x per week * 52 weeks
Total newsletter production time	104 hours = 52 newsletters * 2 hours
Total Annual Cost	**$3,432** = $33 hourly salary * 104 hours

Table 2 Annual Cost of Newsletter

In summary, the cumulative total cost of the entire proposed Showcase and Support solution is $544,493.68.

Potential Risks and Limitations

Although EAPs benefit nurses and organizations, certain risks are associated, such as low usage and ineffective services. Nurses may refuse to use EAP services despite management's encouragement due to stigma, fear of breaching confidentiality, or a lack of time. There is a widespread belief that expressing or seeking help for things like stress or depression is unprofessional and could jeopardize one's professional abilities and career. Thus, we can reduce these risks by reminding nurses that EAP services are available at all times and not only during a crisis. EAP services are designed to guide nurses in achieving a work-life balance and to provide additional support when personal issues interfere with their performance. In addition, employees are often apprehensive about their personal information being breached and used against them. As a result, the employer must ensure that employees' personal information will remain confidential by keeping EAP personnel accountable to privacy policies.

When implementing the EAP, the risk of ineffective services arises. Services may not be of high quality and may worsen with time. This contributes to nurses' stress levels by diminishing their confidence about receiving the support they need to accomplish their jobs properly, thus lowering utilization and furthering high turnover rates. We may mitigate these

risks by selecting a dynamic EAP team with relevant credentials. Another approach includes monitoring service quality. EAP staff can distribute surveys to gather client feedback and analyze the services' effectiveness to highlight concerns that need to be addressed.

A probable issue with employee recognition is inconsistency. Many organizations begin with a thorough recognition program and invest significant resources in recognizing their employees. However, after a month or two, employee recognition falls to the bottom of the organization's concerns. This could have unforeseen consequences, such as employees not being adequately recognized for major and minor achievements, resulting in reduced trust and morale. This can be mitigated by remaining consistent with the monthly recognition program and honoring behaviors, accomplishments, groups, and individuals.

Conclusion

Furthermore, this proposed solution is expected to have beneficial impacts on the Corona-Regional Medical Center. The growing engagement from upper management will reinforce the team dynamic, close the gap between staff nurses and upper management, and decrease the turnover rate. A further recommendation is to conduct a staff and personnel survey requesting ideas on how to improve the hospital in terms of patient care, team dynamics, and employee engagement. Again, this is a low-cost method to gain valuable insight from the very building blocks of the hospital.

The Support and Showcase solution is an opportunity for upper management to peel away any short-term bandage solutions that only serve to cover up the gap between them and staff nurses. By exposing the gap and directly addressing the origin of the nurses' high turnover, the CRMC can focus on on what's actually important - improving the health and wellbeing of their community.

References

Glassdoor. (2021). *How much does an Employee Assistance Program Representative make?*

Retrieved June 9, 2022, from

https://www.glassdoor.com/Salaries/employee-assistance-program-representative-salary-

SRCH_KO0,42.htm

Indeed. (n.d.). *Corona Regional Medical Center*. Retrieved June 9, 2022, from

https://www.indeed.com/cmp/Corona-Regional-Medical-Center/reviews?ftopic=paybenef

its

Lacey, J. M. (2017). *Why internal newsletters are a boost for morale*. J.M. Lacey - Arts and

Culture Grant Writer. Retrieved June 9, 2022, from

https://www.jmlacey.com/internal-newsletters-boost-morale/

Leung, M. (2022) *MGMT_102_Week 1 - Welcome Introduction and Overview [PowerPoint*

Slides].

https://canvas.eee.uci.edu/courses/44585/files/folder/Class%20Files/Week%201%20-%2

0Introduction_Motivation%20and%20Happiness?preview=17870582

Mental Health America. (n.d.). *How can we promote our EAP to increase its usage?* Retrieved

June 9, 2022, from

https://mhanational.org/how-can-we-promote-our-eap-increase-its-usage

Payscale. (2022a). *Healthcare Administrator with Human Resources (HR) Skills Salary |*

PayScale. Retrieved June 9, 2022, from

https://www.payscale.com/research/US/Job=Healthcare_Administrator/Salary/79eb8763/

Human-Resources-HR

Payscale. (2022b). *Mental Health Therapist Salary in Los Angeles, California | PayScale*.

Retrieved June 9, 2022, from

https://www.payscale.com/research/US/Job=Mental_Health_Therapist/Salary/719eb2b4/

Los-Angeles-CA

Pfeffer, J. (1998). *Six Dangerous Myths About Pay*. Harvard Business Publishing Education.

Retrieved June 9, 2022, from

https://hbsp.harvard.edu/download?url=%2Fcourses%2F922433%2Fitems%2F6773-PDF

-ENG%2Fcontent&metadata=e30%3D

Recognize. (n.d.). *Nurse Burnout*. Retrieved June 9, 2022, from

https://recognizeapp.com/healthcare-burnout-employee-recognition-stats

Salary.com. (2022). *Hospital Chief Executive Officer Salary in California*. Retrieved June 9,

2022, from

https://www.salary.com/research/salary/recruiting/hospital-chief-executive-officer-salary/

ca

SEO Growth Partners. (2022, March 10). *Do Travel Nurses Make More Money? A*

Comprehensive Guide To Travel Nursing Wages. Trusted Nurse Staffing. Retrieved June

9, 2022, from

https://www.trustednursestaffing.com/do-travel-nurses-make-more-than-staff-nurses/

Successories. (n.d.). *Why Employee Recognition Increases Productivity & Retention*. Retrieved

20222–06-09, from

https://www.successories.com/articles/why-employee-recognition-works

U.S. Bureau Of Labor Statistics. (2022, April 18). *Registered Nurses : Occupational Outlook*

Handbook. Retrieved June 9, 2022, from

https://www.bls.gov/ooh/healthcare/registered-nurses.htm#:%7E:text=%2439%2C810-,T

he%20median%20annual%20wage%20for%20registered%20nurses%20was%20%2473

%2C300%20in,percent%20earned%20more%20than%20%24111%2C220