

Optimizing Workforce Management Through Data and Analytics

Insights from Leading Health Systems on Workforce Intelligence Solutions

Rethinking Traditional Talent Management to Improve Today's Workforce

The need for enterprise-wide workforce optimization has been a long-standing priority for health systems that was exacerbated by the COVID-19 pandemic. Total employment in the industry has declined, with some Leading Health Systems (LHS) ¹ reporting a 30% reduction in job applications and record high levels of provider burnout.^{2,3} Simply put, traditional strategies aren't working, driving health system executives to reassess their talent management model and address the challenges impacting employee recruitment and retention (Figure 1). Challenges include:

Misaligned strategic workforce planning.

Some health systems lack a comprehensive strategy, the tools, and up-to-date workforce data to effectively manage and execute functions that drive talent management. Without a coherent strategy, decisions are siloed to the C-suite, resulting in misaligned objectives, a staffing supply and demand imbalance, and mismatched employee expectations.

Traditional hiring methods no longer attract high-quality talent.

Cost-to-hire has surged, but raising wages is a costly lever for employee acquisition with diminishing returns. In a competitive and technology-driven market, solely posting on job boards, relying on internal-only hiring, or using temp agencies to shortlist candidates are now considered outdated practices. Stringent job descriptions shrink candidate pools, especially for administrative roles, and providers expect low friction application processes without the burden of paperwork and voluminous forms entry. For some organizations, the greatest weakness is inefficient or lengthy recruitment and onboarding processes, which can leave candidates frustrated and at risk of attrition.

Deprioritized learning and development thwarts progress.

Even before the pandemic, some health system leaders reported they struggled to invest in their staff due to budget constraints. Limited career pathing, mentorship, feedback, and ineffective performance review processes detract from the employee experience and their willingness to stay within the organization.

Low engagement and poor culture impact retention.

A narrow understanding of employee motivators, such as lack of recognition and fixed compensation and benefits, can lead to employee leakage. Most of all, negative work environments impact higher turnover rates.

Limited internal mobility opportunities or elasticity detracts talent.

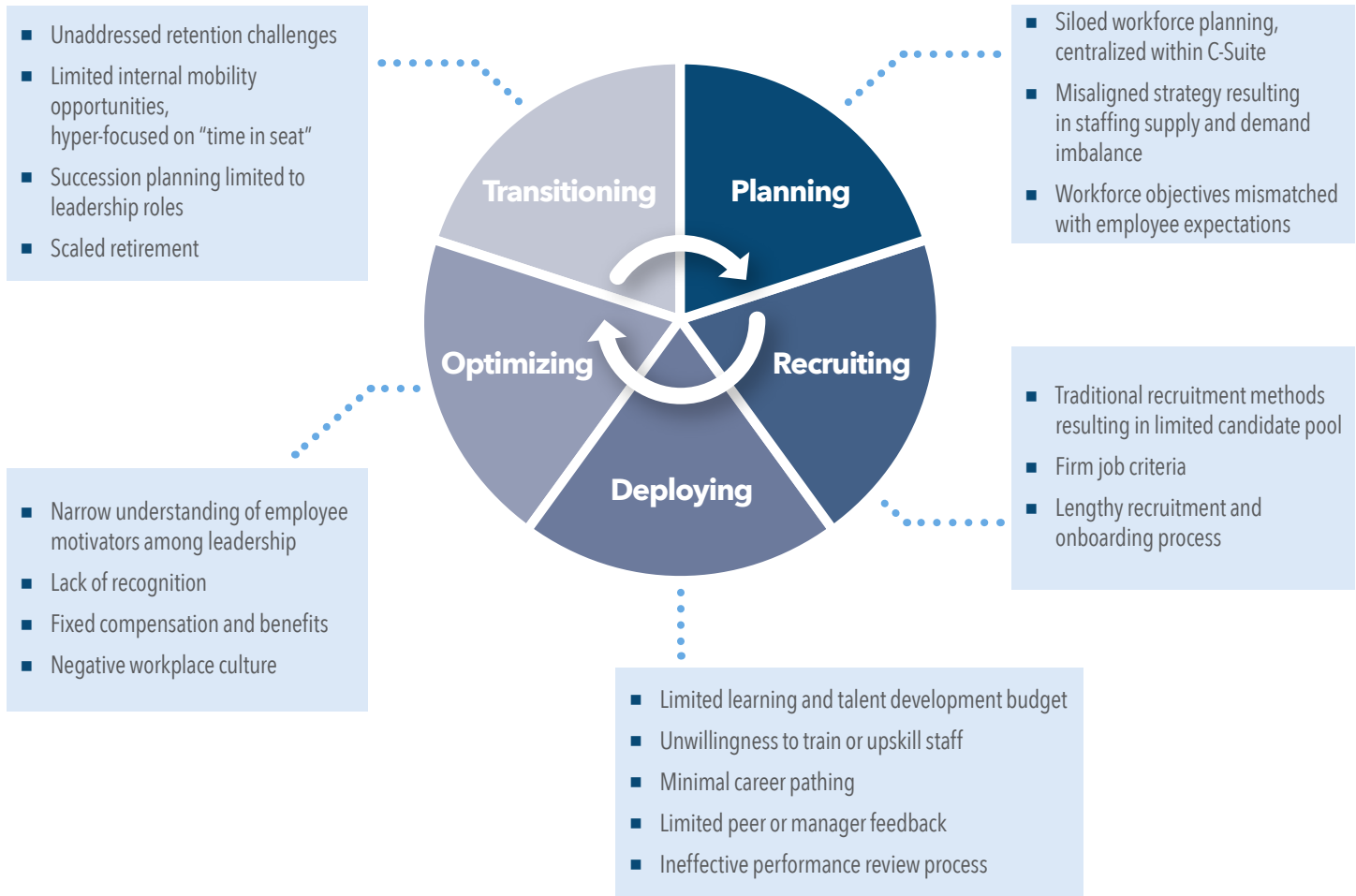
Limited growth opportunities and measuring promotion based on an individual's "time in seat" forces employees to seek roles elsewhere. As a result of the pandemic, scaled retirement and providers leaving the profession shrink the pipeline. Notably, health systems that turn a blind eye to employee attrition and advancement will continue to have workforce shortages, which can lead to poor patient outcomes.

Workforce elasticity refers to the degree of a workforce's extensibility, thus how dynamically adaptable it is in efforts to scale and meet changing business needs and demand trends.

"We're not much different than other organizations. We can't find enough nurses. The cost for roles that used to be entry level have gone up (such as med tech roles). We've done market adjustments and raised salaries, but incurred major expenses. There's a major lack of candidates and lack of supplies—we're paying up to 30-40% more. We started evaluating our market competitiveness and determined having a data structure can help us make good decisions."

—SVP Total Rewards & HR Operations, Leading Health System

Figure 1. Challenges Impeding Progress Across Five Phases of Talent Management



Beyond the pandemic, longer-term trends will continue to affect the healthcare workforce. An aging population will require more complex care and lead to an increase in staff retirement, as one-third of nurses are baby boomers.⁴ Younger generations entering the workforce will have different expectations than older workers. Changing consumer demands—including shift of care delivery to ambulatory or at-home settings—and growing digital capabilities will require new strategies to meet the demands of the workforce of tomorrow. As such, innovative health systems are moving from workforce management to strategic workforce planning.

Strategic workforce planning is created by designing processes to proactively manage current and future workforce needs. Workforce planning is powered by **workforce intelligence**—using data to improve, design, and align health system workforce practices. Strategic workforce planning is growing across healthcare—45% of health systems reported having an active workforce strategy and 35% are evolving their strategy.⁵

Workforce Intelligence is a comprehensive approach using artificial intelligence-powered solutions and data to drive actionable change by providing insights to complex workforce challenges.

This pragmatic and operational approach to workforce challenges can help health systems meet the following goals:

1. Reach financial objectives.

Through business planning, finance, and human resources (HR) teams can appropriately allocate resources to increase revenue and attract and retain talent.^{6,7}

2. Improve the employee experience by putting people first.

Prioritizing employee wellbeing and motivators leads to a more engaged, productive workforce that allows health systems to focus on delivering high-quality care.

3. Promote collaboration by breaking silos.

Workforce planning requires effective partnership between finance, HR, information technology (IT), data analytics, and clinical leaders to leverage data in innovative ways, and to use cross-functional insights to make informed workforce decisions.

Workforce Intelligence—An Enterprise Hub Connecting Executives to Actionable Insights

Workforce intelligence starts with leveraging the proper data sources and verifying entities in an automated way.

As health systems continue to refine their strategic plans, executives will need to know what data and analytical tools they need to inform workforce strategies and key performance indicators (KPIs). Figure 2 outlines internal health system data, data acquired from external agencies or clearinghouses, and emerging data sources to support talent management. Advancing workforce intelligence infrastructure will require: 1) investing in (occasionally) new data inputs that power insights; 2) finding value in overlooked data to support change; and 3) centralizing these datasets to ensure the inputs talk to each other and provide actionable, nearly real-time guidance to make workforce optimization decisions.

“Workforce intelligence gives you a look at data through a rearview mirror and front mirror. Looking at your rearview mirror to see what’s been going on and looking ahead to navigate, pivot, or plan, helps you predict the future, explain the past, and the present.”

–Chief People Officer, Leading Health System

Investing in workforce data and analytics enables leaders to spot trends, analyze performance, and monitor KPIs.

Data analysis and statistical models assess the impact of employee-related data, and the workforce’s performance.⁸ Dashboards, scorecards, escalation trackers, alerts, simulation modeling, and other visualization tools feed through connected networks which allow leaders to have a “conversation” with data and understand gaps. This changes the process of workforce planning from an annual endeavor, to one that is integrated into the culture and operating model of the organization.

Evaluating partnerships that bring in the right technology investments can drive workforce intelligence at scale.

Outdated or underfunded technology constrains the full benefits of workforce intelligence. While many health systems rely on internally built solutions, new analytics software and technology can streamline data mining and analysis.

Investing in the right workforce data and analytics can be a daunting task. That’s where a workforce intelligence partner can help. Workforce intelligence solutions and partnerships can streamline access to robust data networks and provide health systems a vast array of insights, analytics, and reporting to help eliminate complexities and delays. For example, health systems can access thousands of data sources to address provider capacity planning, credentialing, privileging, and payor enrollment through partnerships.

Workforce intelligence platforms support broader strategic planning efforts, allowing executives to make better and faster decisions to meet **patient demand, improve economic efficiencies, and reduce provider burnout**. In the future, workforce intelligence platforms may be viewed as a critical part of workforce strategic planning.

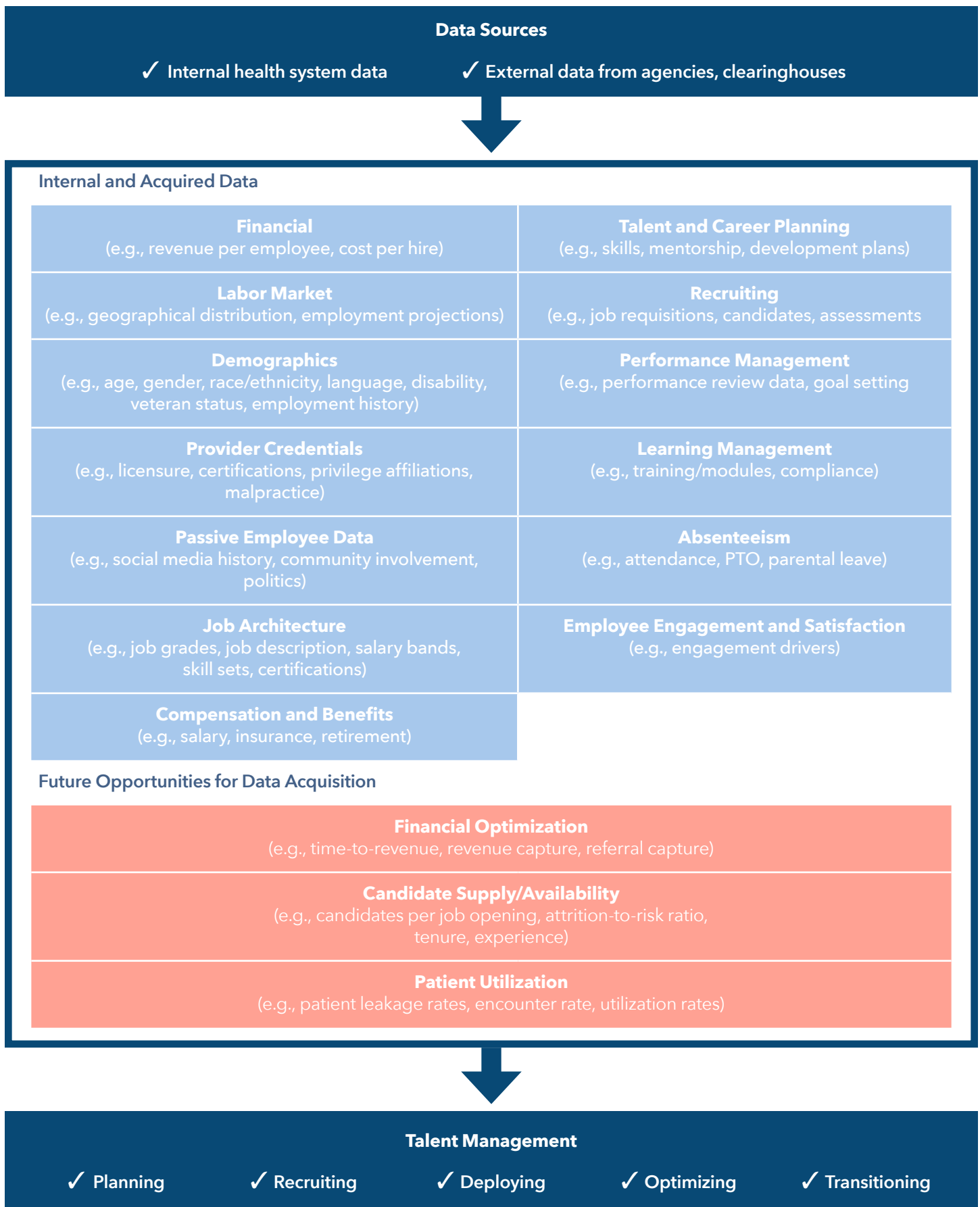
“We know health system leaders want data that is easy to view, crunch, and analyze in different ways. The goal is to have a conversation with your own data and the data around your market to deploy clinical workforce capital. It’s simple—we need to care for the people that care us, and data can help us do that.”

–Charlie Lougheed, CEO, Axual

Example: Using Data to Address System-wide Resignations

A participating health system recently analyzed their resignation codes and found employees were leaving the organization for three reasons: 1) home and family responsibility; 2) career advancement opportunities; and 3) geographic relocation. Human Resources leaders pivoted work to implement new strategies to retain staff. The system launched career development and mentoring programs, a permanent remote work strategy to offer geographic relocation, and a push for more flexible work schedules to allow employees to take care of their families. Leaders are seeing improvements in retention across the workforce.

Figure 2. Examples of Data Sources and Inputs to Fuel Workforce Intelligence Algorithms and Decisions Across the Workforce



Opportunities to Evolve Your Workforce Intelligence Strategy

In the upcoming years strategic workforce plans will become more commonplace within healthcare. Fortunately, health systems already have the foundational tools to build out their workforce intelligence infrastructure. Executives can consider three strategies to support growth:

Get the right people at the table

Solving workforce challenges requires cross-functional collaboration and breaking down silos. Through steering committees consisting of finance, HR, IT, data analytics, and clinical leaders, a comprehensive workforce strategic plan may be developed, KPIs established, and analytical tools selected to continually monitor progress.

Redefine the talent pool

It's time to get creative and expand the candidate pool to quickly fill roles that meet patient demand. By expanding their talent acquisition strategy and identifying root causes impacting recruitment, health systems can find qualified candidates to fill roles across the organization. For example, providing on-the-job training and partnering with local organizations and academic institutions can not only fill vacancies, but tap historically overlooked populations.

Prioritize employee engagement

Employees are now in the driver's seat, and health systems are switching gears to meet employee expectations, including benefits, development opportunities, and overall well-being. Leaders can look to match engagement to individuals in hopes of retaining employees.

Addressing workforce challenges is difficult work. Simply put—we can do more than we think. As health systems continue to make progress, workforce intelligence will supply executives with the data they need to back up creative solutions to create a sustainable workforce.

Sources

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Built with leading healthcare systems, Axuall is a workforce intelligence company powered by a national real-time clinician data network. The technology enables healthcare systems, staffing firms, telehealth, and health plans to dramatically reduce onboarding and enrollment time while also providing unique, powerful data insights for network planning, analytics and reporting.

To learn more, visit <https://www.axuall.com/>

The Academy extends its appreciation to Axuall for their sponsorship of this project.

The logo for Axuall features the word "axuall" in a lowercase, sans-serif font. The letter 'x' is stylized with two purple diagonal lines crossing at its center, while the remaining letters 'a', 'u', 'a', 'l', 'l' are in a dark blue color.

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