

Data Tool Can Help Facilities Spend Smart to Reverse Turnover

The first time Barbara Frank met Scott West, he was washing windows at Birchwood Terrace Healthcare, the 160-bed, 186-employee nursing home in Burlington, Vt. Later that day, West passed trays to residents and made a few beds.

The fact that Birchwood Terrace's administrator was carrying out housekeeping and caregiving jobs might have surprised other visitors to the facility, but not Frank. She and her business partner Cathie Brady were at Birchwood Terrace that day to help West with his facility's biggest problem: the high staff turnover rate that each day was adding greater stress and more frontline tasks to his job.

Birchwood Terrace received technical assistance from Frank and Brady's Rhode Island-based B&F Consulting firm after the facility became involved in the Better Jobs Better Care (BJBC) initiative in Vermont. By that time, turnover at the facility had reached 61.5 percent and was costing Birchwood Terrace \$450,000 a year. Over the next six months, Birchwood was able to reduce turnover by more than 15 percent and to increase its percentage of full-time staff from 50 to 75 percent.

Frank and Brady describe the transformation, and share the tools that Birchwood used to make its organizational change, in *Achieving Staff Stability: Using Data-Driven Decisions to Re-Examine Industry Norms*. The document is one of more than 80 tools included in a new IFAS publication, entitled *A Crisis with a Solution: Tools and Resources for Transforming the Long-Term Care Workforce*, which was released this fall to celebrate the accomplishments of BJBC.

Not for Lack of Trying

West and the administrative staff at Birchwood Terrace weren't ignoring staffing issues. On the contrary, they had instituted a number of widely accepted practices to stabilize the facility's workforce. Birchwood Terrace offered competitive sign-on bonuses to new nursing hires. It employed a Baylor program, which paid nurses for 30 hours if they agreed to work two, 12-hour shifts. It also offered a bonus of \$5 per hour to certified nursing assistants (CNAs) – and \$10 extra per hour to licensed nurses – who agreed to accept last-minute assignments when other staff didn't come to work.

The trouble, explains Frank, was that Birchwood, like many other nursing facilities in its position, was spending its money in the wrong places and, in the process, making its turnover problems worse. The sign-on bonus, for example, was attracting many workers who quit after the bonus was paid out. Full-time staff members were changing their employment status from full-time to per-diem so they could qualify for the last-minute assignment bonus. The Baylor nurses were actually earning more per hour than the director of nursing. And morale suffered among full-time employees who reliably came to work yet received less net pay than per-diem staff who had less commitment to the facility.

Hard Data and Good Management Practices

Frank and Brady didn't have to work very hard to convince West that Birchwood Terrace was on the wrong track. That convincing was done by a "Drilldown Tool" that the two consultants, and their colleague David Farrell, developed to help West see clearly where he was spending his money and how it was affecting staffing patterns.

"It was the data that convinced him," says Frank. "And that's the power of the Drilldown Tool. Birchwood realized it was spending \$1 million a year on practices that accelerated instability and turnover, and only one tenth of that on practices to stabilize the workforce. Once they shifted dollars, and used them better, they got stability. They didn't spend more money. They spent smarter, by redirecting their money, investing in their staff and sustaining that investment to sustain the gains."

Within six months after West first reviewed his Drilldown data, Birchwood Terrace made several major changes. It eliminated the facility's signing bonuses. It used the \$360,000 it had been spending each year on last-minute assignment bonuses to offer benefits and pay raises of \$2.25 per hour to staff members who promised to work a certain number of hours per week. It eliminated the Baylor program, and decided instead to reward current employees by instituting "Refer-a-Friend" and monthly "Perfect Attendance" bonuses that have been immensely popular and effective. Now the facility has a waiting list of local CNAs and nurses who want to join its staff.

Equally important, Birchwood Terrace instituted several management strategies to support staff stability. For example, when the facility realized it was losing a large number of staff in the first month after hire, it

established new hiring and welcoming practices and instituted several policies that made Birchwood Terrace a better place to work.

“If they had just done the money things and not done the management things, it wouldn’t have worked and vice versa,” says Frank. “Simple practices that reinforced and supported team work and better communication went hand-in-glove with the fiscal practices.”

Collecting data through the Drilldown Tool was critical to solving the workforce crisis at Birchwood Terrace, says Frank. But knowing what to do with that data was even more critical, she says.

“The real story of Birchwood is how smart it was in being able to use the data it collected,” says Frank.

“Scott West is a respected leader in his field and he was doing what everybody was doing. But he changed course. That was the brilliance of it; he had the data and he knew exactly how to use it.”