

STAFFING MANAGEMENT

instructor's manual

Central Columbia Hospital

Scenario B:
Retention

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Please note: All company and individual names in this case are fictional.

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The case begins with introductory information about the organization and is then divided into five scenarios.

Each scenario includes question sets for **undergraduate** and **graduate** students. A debrief is included with each scenario, but because management dilemmas can be resolved using a variety of solutions, expect that students may come up with solutions that differ from those included in the scenarios. This document contains only Scenario B: Retention. The scenarios are as follows:

- **Scenario A:** Transactional to Transformational HR.
- **Scenario B:** Retention.
- **Scenario C:** Talent Development.
- **Scenario D:** Technology/Social Media/HIPAA.
- **Scenario E:** Acquisition and Organizational Culture/HR Communications.

Central Columbia Hospital: Overview

Central Columbia Hospital was founded in 1889 as a nonprofit, community-based health care facility in northeastern Pennsylvania. This 116-bed, acute care facility employs 963 employees and is nestled along the Susquehanna River's northern branch in Briar Creek. The facility provides general medical and surgical services to the surrounding community of approximately 70,000 people. The hospital is proud of its tradition of upholding its mission to these communities by providing comprehensive health care services in a compassionate, caring and cost-effective manner while maintaining the highest level of professional excellence. The hospital is in the process of a yearlong celebration commemorating its 125th anniversary by partnering with the community for free monthly health screenings, hosting a summer carnival on the hospital's grounds and reaching out to local elementary schools to provide free healthy lunches each week.

Dr. George Stiller has served as the hospital's board chair for the past six years and is an obstetrician/gynecologist (OB/GYN) in the community. Stiller has lived and practiced in this community for more than 37 years and has delivered many employees of the hospital. He is known for being kind, gentle and truly caring, and can recall almost everyone in the hospital by his or her first name. Employees often seek Stiller's sympathetic ear to express concerns about everything from staff-to-patient ratios to the cafeteria food. Stiller takes a hands-on approach to his duties as chair and voiced strong concerns about the hospital's recent national search for a new president and CEO. Stiller pushed to keep the search close to home and cautioned the board of potential consequences to hiring a noncommunity member into such a pivotal role. In the end, however, the board launched a national search that resulted in hiring Anita Green. Green previously served as the chief operating officer for two community hospitals in Michigan and Indiana. Although Stiller plays quite a visible role in his position, the balance of the board members see their roles as ones of governance, not focusing on daily operations. As a matter of fact, most agree the day-to-day decision-making should be left in the capable hands of Green. Green knows that Stiller wanted to keep the president and CEO search at a local level. This created some tension between them when Green arrived to Central Columbia, and this tension still plays out occasionally during board meetings.

Green has been with Central Columbia Hospital for a little more than three years. When she joined the hospital, it was financially hemorrhaging from every service line. In the past three years, however, she and her team have turned obstetrics, radiology, gastrointestinal, and out-patient laboratory and surgery into revenue-producing service lines. Green is still concerned about emergency services, general surgery, orthopedics and critical care services. She knows that staffing these services with competent and experienced staff is essential to getting these areas to perform at the levels needed to make the hospital financially solvent.

Green knows that other areas of the hospital also need attention. Compliance in this heavily regulated industry continues to create substantial challenges, including a strain on the hospital's human resources (HR). Green feels the hospital is vulnerable to legal risks without a position completely dedicated to addressing HIPAA (the Health Insurance Portability and Accountability Act), Medicare issues, and regulations associated with the Pennsylvania Department of Health and the Joint Commission's criteria such as staff educational requirements, orientation documentation, patient care, and safety protocols and procedures.

Green has asked the board to approve a corporate compliance officer position as a member of the executive team. The current risk manager, William Toth, has said that he is not interested in expanding his scope to encompass all compliance issues and prefers to stay focused on patient safety goals. He has made great strides in the internal reporting procedures for patient-care incidents, and although the numbers are higher than they were two years ago, Toth sees this as a success because the hospital now has a better understanding of the issues and has started processes to implement appropriate changes.

Patient satisfaction has been on the rise, but it is still well below where Green and her team would like it to be. With an overall patient satisfaction rating of 78 percent, Green and her team know there is still a lot of work to do to reach a 90 percent satisfaction rate (a goal that is 5 percent above the national average), a target she set shortly after she arrived at Central Columbia. Although many patients feel the care is competent, the hospital still lags in satisfaction regarding communication of medical care to patient and family members and timeliness of treatment. The executive team, including the newly appointed vice president of patient care services and chief nursing officer, Ann Romero, has suggested that these scores may reflect a delay by nursing staff to inform attending physicians of a patient's status. Others on Green's team are concerned that her patient satisfaction goal is too lofty too soon, and they feel it has caused stress and morale issues in several areas of the hospital.

Green set the 90 percent patient satisfaction rate goal as a result of a patient and employee satisfaction survey conducted two years ago. Since then, the hospital has continued to participate in the survey process on an annual basis. These surveys have provided valuable data that have allowed Green and her team to establish several operational and patient care improvement initiatives. Green used the weeklong celebration of National Hospital Week in May to share the results with employees during her town hall talks. Green has used several occasions such as National Hospital Week to celebrate and educate employees on the important work they do and the reasons why it is necessary to continue to improve. Green has addressed several questions regarding the rumors of mergers during these meetings, and she is always candid about the real possibilities and the need for improvement.

Table 1. Patient Satisfaction—Most Recent Annual Report (Compared to Peers, State and National Average)

Percentage of patients who:	Central Columbia	Competitor A	Competitor B	State Average	National Average
Reported that staff “always” explained medicines before administering.	59%	57%	63%	62%	64%
Reported that their room and bathroom were “always” clean.	65%	70%	73%	73%	73%
Reported that the area around their room was “always” quiet at night.	54%	52%	48%	54%	61%
Reported that yes, they were given information about what to do during their recovery at home.	86%	86%	87%	86%	85%
Gave their hospital a rating of 9 or 10 on a scale from 0 (lowest) to 10 (highest).	62%	66%	75%	69%	70%
Reported that yes, they would definitely recommend the hospital.	62%	69%	78%	69%	71%
Overall	78%	81%	71%	84%	85%

Table 2. Selected Results from the Most Recent Cultural Assessment—Survey of All Central Columbia Hospital Employees

Question	Previous Year	Current Year
I would recommend employment here.	66.0%	62.3%
I am proud to work for this organization.	73.2%	71.6%
I often leave work with a feeling of satisfaction.	82.4%	83.1%
I have considered leaving during the past six months.	47.8%	51.5%
I feel there are opportunities for long-term growth at the hospital.	62.3%	60.4%
I would recommend the hospital to others considering health services.	78.2%	77.0%

In addition to the changes Green is suggesting in the compliance area, she is also working closely with the current HR manager, Frank Scott. Scott has been with the hospital for 26 years and has been successful at processing the transactional work required to meet employee demands. It has become evident to Green, though, that Scott does not possess the knowledge and leadership skills needed to move this function to a more strategic level. Green is hoping to convince her executive team that it is time to begin a search for an individual who can move the HR function from being reactionary to one that will be instrumental in transforming the hospital. Scott currently reports to Jeff Curry, chief financial officer, but Green's vision is to have the vice president of HR report directly to her. Green's short list of issues for HR seems to grow longer every day, and she needs that function to partner with her to ensure success. Compensation, hiring practices, retention, talent identification and development, and diversity are just a few of the items that Green knows need to be addressed by the hospital to remain competitive.

This freestanding community hospital has also been faced with maintaining its independence while being surrounded by two larger, growing health care systems. Although the hospital has been successful to date operating independently, the increased demand for specialized services and the shrinking reimbursement and payment for services are forcing Central Columbia to evaluate two possible moves to assist in providing the most comprehensive short- and long-term health care possible to the communities for which it cares.

Figure 1. Hospital Organizational Chart

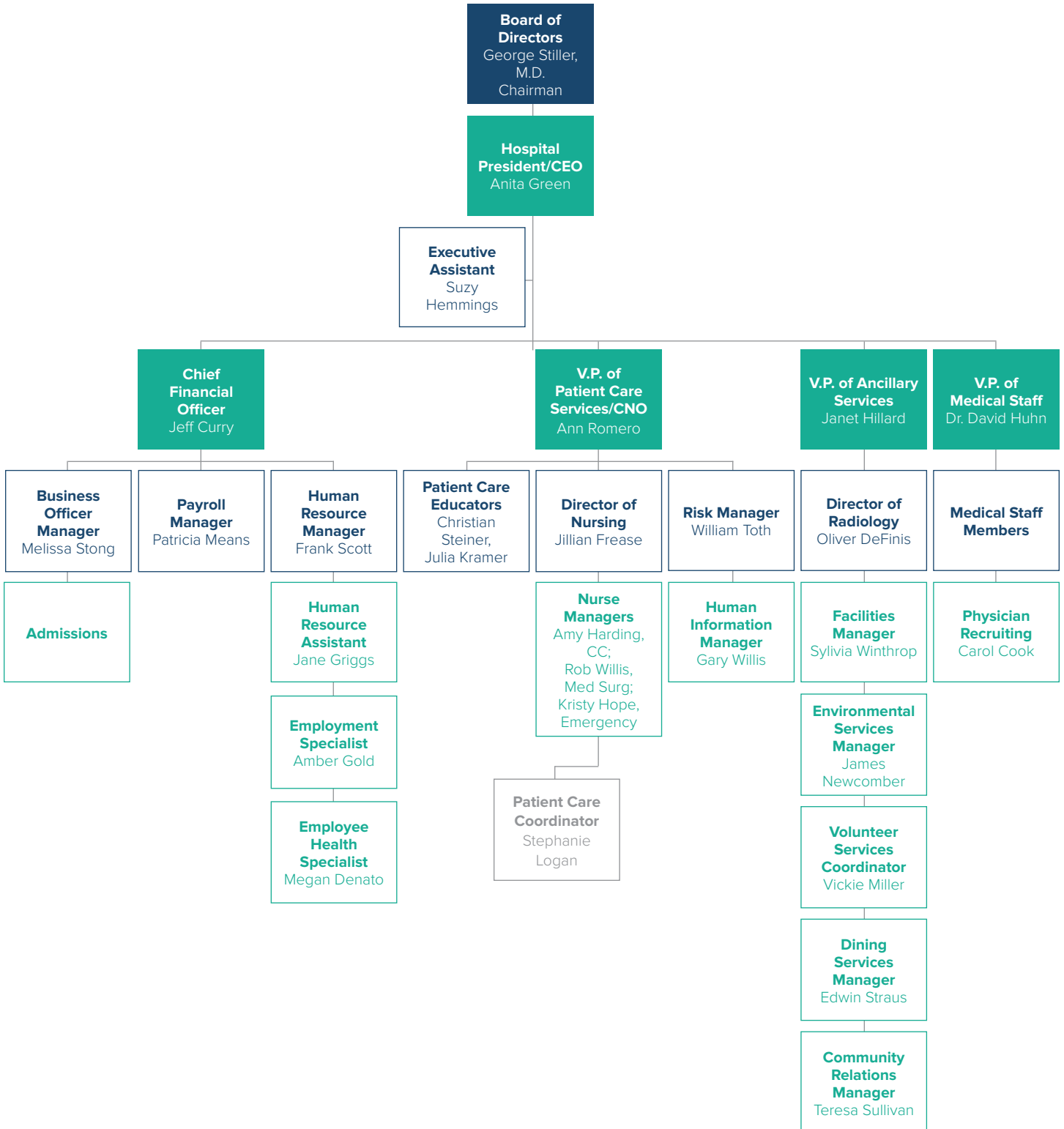


Table 3. Employee Count by Ethnicity and Gender

Total Number of Full-Time Employees: 963		
Ethnicity	Number of Employees	Percentage
White (Not Hispanic)	788	81.8%
Black (Not Hispanic)	95	9.8%
Hispanic	64	6.7%
Asian/Pacific	16	1.7%
Gender	Number of Employees	Percentage
Female	541	56.2%
Male	422	43.8%
Job Classification	Number of Employees	Percentage
Exempt	433	45.0%
Nonexempt	530	55.0%

Scenario B: Retention

Players

- Ann Romero, vice president of patient care services and chief nursing officer (CNO)
- Frank Scott, HR manager
- Jane Griggs, HR assistant

In the hospital's large conference room (Thursday, 7:30 a.m.)

Ann Romero is leading the weekly patient care leadership meeting. The patient care managers are discussing the difficulties they face retaining qualified nursing staff. Several managers have raised this concern privately to Romero. Now that the entire team is assembled, it is clear that the retention problem is much larger than Romero had originally believed. Green's very public goal of a 90 percent patient satisfaction rate is only adding to the stress.

The discussion seems to be focused not only on retaining newly hired staff but also on the clinical preceptors (the tenured employees responsible for the clinical skills training provided on the nursing floors for recently hired staff); the clinical preceptors are also feeling overwhelmed and frustrated. The patient care managers are concerned that if this trend continues and the clinical preceptors do not receive much needed relief, they too may be looking for employment outside the hospital. Romero knows that the loss of these experienced and tenured nurses could put the entire hospital in jeopardy.

In the hospital cafeteria

As Frank Scott enters the hospital cafeteria, he notices Romero in the corner finishing up a conversation on her phone. Romero had asked Scott to meet after her management team meeting this morning. Romero greeted Scott as he approached the table.

“Good morning, Frank. I appreciate you meeting with me for coffee on short notice. I had a meeting with my patient care management team this morning, and they shared that our clinical preceptors are overwhelmed. As a matter of fact, they told me that they no sooner get a nurse off the orientation program than the individual leaves the hospital. I think it was a bit of an exaggeration, but it certainly feels that way to them,” she said.

“Hmm, I knew we were doing a lot of hiring in your area, but I didn’t realize how much of an issue retention has been. Are there reasons why there is so much turnover now?” asked Scott.

Romero thought to herself for a moment that the HR manager should not be asking such a question, but instead offered possible reasons along with solutions to address this ongoing challenge.

“Well, that’s why I asked to see you this morning,” said Romero. “I would like your office to pull a report on the turnover breakdown for the past 24 months for the critical care unit. I believe these data would be helpful for all the units, and we should provide these reports to them on a monthly basis, at least for the next few months until we can get a handle on what is really happening.” Romero continued, “We can’t turn these units into the high production service lines that Anita and the board want if we can’t see the real picture.”

Scott responded, “I got it, Ann, I can have the report to you by the end of the day today.”

Shortly after they concluded their conversation, Scott headed back to his office to discuss the turnover report with Jane Griggs.

In the HR department

Scott returned to the office and told Jane Griggs about his conversation with Romero. “Jane, Ann Romero asked for a turnover report on the critical care unit for the past two years,” he said.

“OK, that shouldn’t be very difficult to pull from the payroll system. I’ll work on it right away and should have it to you in a half an hour,” Griggs responded.

Less than 30 minutes later, Griggs handed the report to Scott. The report contained tables A-E (see pages the follow):

Table A. 24-Month Turnover Report (Patient Care Services)

Turnover Presented by Job Classification and Generation	RN = 202		Nursing Assistant/ Technician = 97	
	Voluntary	Involuntary	Voluntary	Involuntary
Baby Boom (1946-1964)	4	0	6	2
Generation X (1965-1979)	7	2	5	2
Generation Y (1980-2000)	14	11	7	4
Turnover Totals	25	13	18	8
Turnover by Percentage	18.8%		26.8%	
National Average Turnover	16.4%		27.8%	
Turnover by Specific Unit—Medical Surgical	RN = 88		Nursing Assistant/ Technician = 45	
	Voluntary	Involuntary	Voluntary	Involuntary
	18	7	4	1
Turnover by Percentage	28.4%		11.1%	
National Average Turnover by Unit	24.1%		17.3%	
Turnover by Specific Unit—Critical Care	RN = 23		NA/Techs = 9	
	Voluntary	Involuntary	Voluntary	Involuntary
	3	6	3	0
Turnover by Percentage	39.1%		33.3%	
National Average Turnover by Unit	14.8%		14.8%	

DEMOGRAPHICS (PATIENT CARE SERVICES)

Table B. Number of Employees			
Total Registered Nurses (RNs)	202	Nursing Assistants/Technicians	97
White (Not Hispanic)	161	White (Not Hispanic)	74
Black (Not Hispanic)	23	Black (Not Hispanic)	12
Hispanic	12	Hispanic	9
Asian/Pacific	6	Asian/Pacific	2

Table C. Employee Age Categories			
Total Registered Nurses (RNs)	202	Nursing Assistants/Technicians	97
Age 25 or Younger	19	Age 25 or Younger	6
Age 26-35	46	Age 26-35	24
Age 36-45	41	Age 36-45	26
Age 46-55	56	Age 46-55	29
Age 56-65	35	Age 56-65	12
Age 65 or Older	5	Age 65 or Older	0

Table D. Generation			
Total Registered Nurses (RNs)	202	Nursing Assistants/Technicians	97
Generation Y (1980-2000)	42	Generation Y (1980-2000)	30
Generation X (1965-1979)	120	Generation X (1965-1979)	54
Baby Boomer (1946-1964)	38	Baby Boomer (1946-1964)	13
Traditionalist (before 1946)	2	Traditionalist (before 1946)	0

Table E. Years of Experience		
Years of Experience	< 1 year	1 year or >
RN	24	14
NA/Techs	15	11
By Unit: Medical Surgical		
RN	11	14
NA/Techs	2	3
By Unit: Critical Care		
RN	7	2
NA/Techs	1	2

SCENARIO B: **QUESTIONS FOR UNDERGRADUATE STUDENTS**

1. Turnover is a common metric used by HR professionals. Why is it so common, and how can it be used to positively affect the overall operations of the hospital?
2. What additional information should be considered to improve employee retention in this department and in the entire hospital? What additional information could HR provide to line managers so they can better understand the turnover issues?
3. Discuss what the turnover data in the above scenario reveal about Central Columbia Hospital's critical care unit. What improvements should the hospital consider to decrease the current turnover rate?

SCENARIO B: **QUESTIONS FOR GRADUATE STUDENTS**

1. HR professionals use many metrics to identify the health of an organization. Discuss why turnover is an important metric and how organizations can use this metric to develop targeted recruitment, selection, hiring and retention processes.
2. By examining the data provided in the scenario, what conclusions can you make regarding the sources of the turnover? Discuss possible corrective actions Central Columbia could implement to reduce high turnover in the critical care unit.
3. What correlations exist between turnover and employee age? What specific importance does this information provide Central Columbia, and how would you, as an HR professional, develop a framework to reduce the turnover in this specific age group?

Debrief

SCENARIO B: QUESTIONS FOR UNDERGRADUATE STUDENTS

1. Turnover is a common metric used by HR professionals. Why is it so common, and how can it be used to positively affect the overall operations of the hospital?

Turnover is a measurement used by HR professionals and organizations. In the most basic terms, turnover measures the number of employees who have left the organization in relation to the number who have stayed. HR professionals track voluntary and involuntary turnover (Fox, 2012). Collecting turnover statistics allows an organization to benchmark (compare) how one organization is doing in relation to other organizations in the same or similar industries.

The general procedure for identifying and measuring turnover costs is based on the premise that in measuring turnover, the organization must consider three major separate cost categories: separation costs, replacement costs and training costs. At Central Columbia, the clinical preceptors, experienced employees, provide training to new employees for a period of time until they reach an acceptable performance level. This on-the-job training cost must be determined for all replacement employees because it is an important element of training and thus turnover costs (Cascio, 2000).

Looking at aggregate (collective) turnover may allow the organization to benchmark its turnover rates against others; however, looking at specific turnover components can help illuminate specific trends across the organization or in a specific department. These simple aggregate tabulations of turnover rates could mask serious underlying problems (Cascio, 2000). Closely examining turnover metrics can uncover bigger organizational concerns such as the readiness of the individuals being hired, the onboarding success of newly hired individuals, supervisory and leadership skills gaps, and even equal employment opportunity (EEO) compliance concerns.

Turnover should be segmented by looking at good turnover versus bad turnover versus unavoidable turnover. Each slice of the turnover pie represents another slice of the overall picture of the aggregate number. To control turnover, the organization must identify the factors associated with the higher turnover rates and work to correct them (Walker, 1992). Each organization will identify different factors as contributing causes to the turnover rate. The most common causes of turnover deal with promotional opportunities, pay opportunities, satisfaction with co-workers, and several personal factors such as age, educational level and tenure in profession (Walker, 1992).

Central Columbia is experiencing a higher-than-average turnover rate in nursing in most areas reported. The nursing assistant/technician turnover is at or below national average turnover rates for all areas except critical care. The critical care unit is also reporting substantially higher turnover rates for RNs; the fact that both job categories have elevated turnover rates indicates that the critical care unit needs attention.

Central Columbia must collect and tabulate data from existing employees in the critical care unit. Once the data are compiled, the results can be used to develop a strategy to minimize turnover. Minimizing strategies may include updating recruitment and hiring practices, revising the orientation process, and making changes at the management level. Accurately identifying the contributing factors of the turnover will allow the Central Columbia leadership team to appropriately forecast staffing needs and better manage current resources to more effectively provide care.

2. What additional information should be considered to improve employee retention in this department and in the entire hospital? What additional information could HR provide to line managers so they can better understand the turnover issues?

Many organizational and personal factors affect employee retention. Job analysis, recruiting processes, employee socialization, personal development opportunities and overall satisfaction with the organization all contribute to employee retention. Accurate job analysis of the registered nurse and nursing assistant positions will allow Central Columbia to identify the knowledge, skills and qualifications needed for appropriate performance. Comprehensive job descriptions can be created after completion of the job analysis of the positions. These job descriptions will provide the foundation for the rest of the employment experience.

A pivotal area that influences employee retention is recruiting. Recruiting is more likely to achieve its objective if recruiting sources reflect the type of positions to be filled in the organization (DeCenzo, Robbins, & Verhulst, 2013). Employee retention begins with selecting the best employee with the skills, knowledge, qualifications and appropriateness for the organizational culture. At Central Columbia, the recruiting process—including identification of appropriate recruitment sources—must appropriately represent the job requirements as identified through the job analysis and reflected in the job description. Central Columbia can improve employee retention by ensuring that recruiting sources are appropriate for the skill levels required to work in specific units. For instance, the critical care unit has a higher turnover among RNs and nursing assistants; recruiting sources should be examined to ensure that newly hired staff for the critical care area have the educational and practical experience needed to handle the care required of the patients in this highly specialized unit.

After effective recruitment and selection, one of the most important ways that organizations can improve the effectiveness of their talent management system is through the strategic use of onboarding (Bauer, 2010). Employees cite various reasons for leaving organizations. Organizations that onboard well, helping employees adapt to the new job and to the new cultural environment, experience less employee turnover in the first year of employment. The first year with an organization is a critical period during which an employee will or will not become a high performer. The careful matching of company and employee expectations during this period can result in positive job attitudes and high standards (Cascio, 1998). Central Columbia should evaluate the current socialization or onboarding processes to ensure they include the review of company standards, expectations, norms and traditions. Onboarding should also include appropriate examples of social behavior and create opportunities to interact with employees in the organization. Finally, the onboarding process must review the technical aspects of the job.

A shortage of skilled workers will continue to be one of the major challenges for employers. Employers that provide ample opportunities for employees to develop skills through training may be able to retain the current workforce and mitigate the forecasted skills gap (SHRM, 2014). Central Columbia's evaluation of the skills training provided to current and newly hired staff may allow the organization to identify opportunities to accentuate this aspect of the employee retention plan. Along with skills training, Central Columbia may consider planning specific career development programming to assist in career advancement in the organization. A key to keeping high-performing and high-

potential talent is to maintain a varied career path. SHRM also identifies career advancement opportunities as a contributing factor to overall job satisfaction (SHRM, 2014).

Central Columbia must look at its retention concerns through both a wide angle and a telephoto lens. It should take the opportunity to further explore leadership appropriateness. The critical care unit is experiencing a higher-than-average involuntary turnover rate. Although many of the items discussed above will contribute to an improved involuntary turnover rate, the relationship an employee has with his or her immediate supervisor may also cause an employee to look outside an organization. HR can gather appropriate data by conducting exit interviews or by holding focus group meetings with members of the critical care unit to gain a better understanding of the driving forces that cause employees to leave the organization. Treatment of current employees by management and co-workers, management responsiveness to individual and collective concerns, patient-care-to-staff ratios compared to nationally acceptable parameters, and wage appropriateness for the specialty area are a few items that must be evaluated to gain a clear picture of the causes for the involuntary turnover in the critical care unit.

Understanding the contributing factors to retention and exploring targeted solutions for factors such as accurate job task identification, appropriate recruitment sourcing, selecting for job skills and cultural fit, strong socialization processes, and a future-oriented view of skills and career development will help Central Columbia report on turnover metrics and understand and strategically plan to positively affect employee retention.

3. Discuss what the turnover data in the above scenario reveal about Central Columbia's Hospital's critical care unit. What improvements should the hospital consider to decrease the turnover rate?

Central Columbia's critical care unit has more than two times the turnover of the national average for this specialized area. The turnover data also show that a high number of critical care staff represented in the turnover rate have less than one year of experience and are younger individuals. Several factors may be contributing to the higher turnover. The report may reflect the fact that individuals with less than one year of professional experience may not have an adequate skill set and exposure to patient care needed to fully and successfully perform in this specialized area. In addition, many individuals leaving Central Columbia belong to

Generation Y, so they may hold different values, beliefs, expectations and work habits than their older co-workers. The combination of professional readiness and the generational differences may be major contributors to the higher turnover rate in this particular specialty area.

The recruitment and selection processes play a vital role in ensuring that staff members are adequately qualified and prepared for the job they will perform in an organization. HR professionals must ensure that job descriptions and the interview process reflect the job requirements. In Central Columbia's case, the high turnover rate may be attributed to the fact that the qualifications of those being hired do not match the required skills, knowledge and qualifications needed for newly hired staff to perform adequately in the unit. Several changes may be considered to the recruitment and selection processes to help hiring managers better understand the candidate's skills, knowledge and qualifications for the vacant positions in critical care. First, HR should ensure that the job analysis and job description accurately reflect the tasks, knowledge levels and experience needed to perform successfully. In addition to ensuring that the job is accurately represented, it may be helpful for HR to review the hiring and selection processes used for staff members who were hired in the past two years and identify the recruitment sources for those who stayed beyond one year and who are satisfactory performers in their roles. HR can then compare those data with the recruitment sources of employees who did not stay and were not adequate performers. Identifying the recruitment sources may help focus and narrow future recruitment sources for the critical care unit. According to DeCenzo et al. (2013), the effectiveness of past recruiting efforts will show itself in the organization's historical ability to locate and keep good performers. Reviewing available internal data on past recruitment sourcing and the performance of the individuals hired from those sources will provide direction for future recruitment activities.

The selection process should also be evaluated. HR should start offering candidates a realistic job preview to help reduce turnover rates, specifically for candidates for the critical care unit. Most individuals approach a new job or the prospect of a new job with enthusiasm and an inflated perception of what the job and environment will entail (DeCenzo et al., 2013). A selection process that includes behavioral-based questions and a realistic job preview will help candidates self-select out of the job because these steps address the discrepancy between unrealistic job expectations and the oftentimes elevated image or glamour of the organization or unit.

Finally, much has been written on the varying generations that workers belong to and how their values, beliefs, expectations and work habits

differ. In Central Columbia's case, the number of employees leaving within the first year is higher than staff leaving after more years of service. Central Columbia is experiencing a higher-than-average turnover with members of the younger generation, Generation Y. Members of Generation Y have been reported as having a larger interest in aligning themselves professionally with an organization that shares their personal values. Researchers have also suggested that the highly structured lives this generation is accustomed to and their over-scheduled experiences contribute to their desire to have more structure in the workplace. In *Not Everyone Gets a Trophy* (Tulgan, 2009), the author states that this generation is more transactional than previous generations in the workplace. This generation needs to know what they need to do today, so organizations must provide more task structure, clearer ongoing performance expectations and constant feedback.

Central Columbia can positively affect turnover rates with employees in the first two years of service by addressing the driving forces and the internal processes that are causing the departure of employees from the organization. HR must ensure that all recruitment, selection and onboarding processes are in line with the needs of the individual units. By doing so, a reduction in turnover should be attainable.

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Debrief

SCENARIO B: QUESTIONS FOR GRADUATE STUDENTS

1. HR professionals use many metrics to identify the health of an organization. Discuss why turnover is an important metric and how organizations can use this metric to develop targeted recruitment, selection, hiring and retention processes.

Employee turnover is an important metric that is often central to organizations' workforce planning and strategy (SHRM, 2012). The reasons why employees leave their current positions—not just the fact that they leave—have crucial implications for future retention rates among current staff, job satisfaction and employee engagement, as well as an organization's ability to attract talented people for job vacancies. Employee turnover can be evaluated in two ways: voluntary and involuntary. A high voluntary turnover rate indicates that the organization is selecting either employees who are incompatible with the job skills or employees who have unrealistic organizational expectations. High involuntary turnover due to poor performance may indicate mismanagement by organizational leadership. The traditional method to benchmark turnover is to compare one organization against another organization.

Turnover can have positive and negative effects on an organization. In *Costing HR*, Cascio (2000) stated that some mistakes in selection are unavoidable and that these mistakes have a cleansing effect on the organization as these employees leave. Other employees may have plateaued in their abilities or performance and also provide organizations opportunities as these employees exit (Cascio, 2000).

Several subject-matter experts today question the positives attributed to turnover and to benchmarking against outside organizations or competitors. As Collins (2012) posited in *Good to Great*, an organization

can improve performance only by benchmarking against itself. If the national turnover rate is 16.4 percent, as in this case, does Central Columbia have a turnover concern if its current rate is below this number? How far below the national average is acceptable, and how high above the national average indicates that the organization is doing well? Turnover is a metric best monitored and managed based on the organization's performance goals. Turnover needs to be low enough that it does not negatively affect the organization's ability to reach its goals.

HR professionals and organizational managers need to constantly evaluate the turnover rate in their organizations and look at its root causes, not just the stated reasons. Exit and stay interviews can be used to gather vital information to develop effective recruitment and selection plans, and an effective retention program. Central Columbia can use exit interviews to gather information as to why nurses and nursing assistants are leaving. Identifying the driving forces for exiting the organization will provide more significant and useful information than simply stating the reason for leaving as a "better opportunity." Central Columbia must uncover what drove staff members to look for another opportunity and ask in what ways were the staff members' needs not being met. Exit and stay interviews can also uncover areas of mismanagement by organizational leadership and identify where organizational policies and practices provide difficulties in retaining qualified and high-performing staff.

The driving forces that lead an individual to consider leaving an organization will provide valuable insights into how Central Columbia must retool its human capital strategies on recruitment, selection, onboarding and long-term retention. Central Columbia must also be open to evaluating organizational members for high-quality supervision and examining internal policies and practices that may be contributing to an increase in involuntary turnover.

2. By examining the data provided in the scenario, what conclusions can you make regarding the sources of turnover? Discuss possible corrective actions Central Columbia could implement to reduce high turnover in the critical care unit.

Central Columbia's overall turnover is in line with national averages, and it does not indicate a need for increased concern for nursing or nursing assistant/tech turnover when compared to national peers. The data for the critical care unit, though, indicate that turnover in this particular unit is more than double the national turnover rate. Turnover statistics in the

critical care unit must be evaluated using Central Columbia's own data. Central Columbia must use other available data sources such as employee and patient satisfaction surveys, exit interviews, and stay interviews to determine the effect turnover is having on the organization's ability to provide patient care and to affect employee satisfaction and morale.

HR should review its orientation process to determine if it is meeting objectives and should also identify areas for continued improvement; these steps are vital to the success of any onboarding or socialization process (Cascio, 1998). Although this review can take many forms, HR should consider interviewing the critical care nurses who provide training to newly hired employees. Central Columbia must pay careful attention to the types of typical challenges faced by the new employees, the frequency and categories of questions being raised by new staff, and the overall perception of socialization and assimilation of new staff into the patient care unit. In addition, stay interviews should be conducted with critical care nurses at three and six months and at one year post-hire to provide ample opportunity for employee feedback. These interviews will also provide Central Columbia with valuable satisfaction indicators and skills gap information to better target ongoing training and engagement initiatives (Commins, 2011).

The implementation of an exit interview process to capture feedback from individuals as they leave the organization will provide vital information regarding reasons for voluntary and involuntary turnover. Exit interviews will provide additional information the organization can use to strengthen its recruiting, selection and onboarding programs. Central Columbia's clinical preceptors have identified that after orientation, many nurses seem to be leaving; HR should evaluate recruiting sources of exiting nurses to determine if frequently used sources, such as a particular local nursing school, are identified. If a correlation is found between nurses leaving and any particular educational institution, HR should consider discontinuing the institution as a recruitment source or contacting the institution to provide guidance on the overall curriculum.

Many organizations have found success implementing buddy systems for newly hired employees. This type of informal, yet structured, partnership reduces new-hire anxiety and helps employees better acclimate to the organization while also becoming more productive faster than other employees without such a partnership. New employees need special attention to reduce ambiguity and overall anxiety; new hires often feel a lack of identification with the organization and are unsure of the organizations' and units' values, norms and rules (DeCenzo, Robbins, & Verhulst, 2013). Socialization—or the lack of it—contributes

significantly to the turnover experienced within the first year, so it is advisable to expedite the socialization process by allowing new employees ample opportunities to learn the nuances of the organization by pairing them with a more tenured employee.

Today's organizations, like Central Columbia, are becoming more and more complex. The roles, rules, expectations and organizational culture are often difficult to navigate for new employees, thus adding to first-year turnover. Every organization requires well-adjusted, well-qualified and well-trained employees (DeCenzo et al., 2013). Central Columbia must evaluate its recruiting, selection and onboarding activities to ensure that they are, in fact, sourcing candidates from institutions that have well prepared them for the realities of the working environment. Central Columbia must also ensure that it selects individuals who match the qualifications, values and mission of the organization. In addition, Central Columbia should evaluate the organizational structure, working conditions and leadership/supervision to ensure that all internal processes and practices support a healthy and supportive working environment.

New-employee anxiety levels should be reduced as much as possible to increase the speed in which the employee feels he or she is contributing in a positive manner to the organization. Central Columbia can improve turnover by ensuring that new hires have proper qualifications and understand the hospital's values and mission and that the hospital is providing supportive internal processes and practices that encourage a positive working environment.

3. What correlations exist between turnover and employee age? What specific importance does this information provide Central Columbia, and how would you, as an HR professional, develop a framework to reduce turnover in this specific age group?

In evaluating turnover statistics by age category, Central Columbia clearly has a higher turnover rate among its youngest employees. Turnover within the first two years of employment is at the highest level, and assuming, based on the tables provided, that the number of staff leaving are also the youngest, Central Columbia is no different than many organizations across the nation in its ability to retain members of Generation Y. According to a retention study on Millennials, also known as Generation Y, 45 percent of companies experience higher turnover with this generation than with employees of other generations (Schawbel, 2014). Although Central Columbia seems to be no different

than many of its peers regarding turnover with this particular age group, the cost of this continued turnover will make it difficult for the hospital to meet its strategic patient care and business goals.

New-hire turnover is typically an indicator of ill-fitted expectations, values and norms/rules between the new employee and the reality of the work environment. Central Columbia should evaluate its socialization process, including a pre-arrival stage, an encounter stage and a metamorphosis stage, to align with Generation Y's needs (DeCenzo et al., 2013). Generation Y candidates should be shown a realistic view of the organization during the selection process; this youngest generation approaches job selection from a consumer perspective and wants to know exactly what is in store once the employee joins the organization. An incongruence between what is demonstrated during the pre-arrival stage and the encounter stage will lead to a higher level of anxiety and ultimately a departure from the organization. Peer interviews and job preview interviews are helpful tools to ensure that members of this generation get a clear picture of the job and the organization. Maintaining regular contact between the time of acceptance and the first day of work can also help keep members of this generation positive about their selection and less open to other courting competitors.

After joining the organization during the encounter stage, employees are confronted with the possible contrast between pre-arrival expectations and the realities of the actual work environment (DeCenzo et al., 2013). When pre-arrival expectations are confirmed, due largely to the emphasis the organization has placed on ensuring all interactions have been realistic representations of the work environment, a new employee will have a more positive entrance and will more quickly advance to the metamorphosis stage. Implementing programming specifically focused on the needs and values of Generation Y during the encounter stage—such as access to frequent and accurate feedback regarding work, the appropriate use of technology, structure related to the completion of tasks and level of decision-making—will aid in the transition. Many members of Generation Y seek input from others and have an expectation that they will be able to contribute to the design of the workflow from the first day of employment. Implementing a buddy system to provide this feedback and venue for input can contribute to a more efficient advancement to metamorphosis.

The goal of the socialization process is to move to the metamorphosis stage, that is, complete transformation of accepting and taking on the organizational norms. Turnover in the first several months of employment indicates that this stage is not being fully achieved. The acceptance of organizational norms translates to the employee

accepting membership; for members of Generation Y to fully accept membership, they must feel as though they will be challenged and developed professionally and personally. Some research suggests that this generation has a diminishing view of company loyalty (Jackson, 2014). Members of Generation Y are reported as having up to six jobs before turning age 30 (Carneval, Hanson, & Gulish, 2013). Employees leaving Central Columbia in the first two years of employment represent this generation's value on gaining as much knowledge as possible and constantly looking for the next opportunity. Central Columbia will have to continue to provide individual skill and professional development and a clear path as to how these newly acquired skills support continued career growth in the organization or be faced with the continued drain on resources as members of this generation leave one employer for the next.

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