2024 NSI National Health Care Retention & RN Staffing Report

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Preface

We are proud to present the annual NSI National Health Care Retention and RN Staffing Report. In January 2024, **NSI Nursing Solutions, Inc**. invited acute care hospitals from across the country to participate in the nation's most comprehensive survey on healthcare turnover, retention initiatives, vacancy rates, recruitment metrics and staffing strategies.

The healthcare labor market continues to be strong with demand continuing to outpace supply. According to the US Bureau of Labor Statistics, employment in healthcare is projected to grow much faster than the average for all occupations and will account for forty-five percent (45%) of all jobs added through 2032. While supply varies geographically, on a national level, a major crisis is evident and deteriorating. The questions remaining are: how do we protect our human capital investment and how do we staff while controlling labor costs?

NSI Nursing Solutions provides industry insight to help hospitals benchmark performance, identify best practices, and understand emerging trends. We sincerely extend our appreciation to all 400 participating facilities for making this report possible. Your feedback and suggestions were encouraging and valuable. As promised, all information is provided in the aggregate to maintain the confidential and sensitive nature of the data provided.

Should you have any questions or recommendations on expanding the scope or depth of this survey, please feel free to contact me at bcolosi@nsinursingsolutions.com. I welcome your participation in future studies conducted by NSI Nursing Solutions, Inc.

Brian Colosi, BA, MBA, SPHR
NSI Nursing Solutions, Inc.
President
March 2024

About NSI Nursing Solutions, Inc.

NSI Nursing Solutions, Inc. is a national high-volume nurse recruitment and retention firm. Since 2000, we have successfully recruited U.S. experienced RNs (averaging ~15 years) as your employees, who fit your culture, and do so in an average time-to-fill of ~32 days. At NSI, we provide an industry leading one (1) year guarantee and the best part is that our services are risk-free…since you must hire the nurses before we are paid.

We have helped many clients and can help you! I encourage you to call Michael Colosi, EVP, Business Development, at (717) 575-7817 or macolosi@nsinursingsolutions.com to learn how NSI can satisfy your staffing needs.

Partial Listing of Survey Participants

NSI Nursing Solutions, Inc. would like to thank all participating hospitals and health systems for your energies in completing the survey. Your support and dedication make this annual report possible. We encourage all hospitals to participate in future studies.

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SOUTHWEST HEALTH SYSTEM

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Stormont Vail Health
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TGH Tampa General Hospital

TEMPLE HEALTH

TIFT REGIONAL MEDICAL CENTER

TuftsMedicine
Lowell General Hospital

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University Hospitals

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Virtua Health

Wellstar HEALTH SYSTEM

West Tennessee HEALTHCARE

WINDOM AREA HEALTH

Dignity Health
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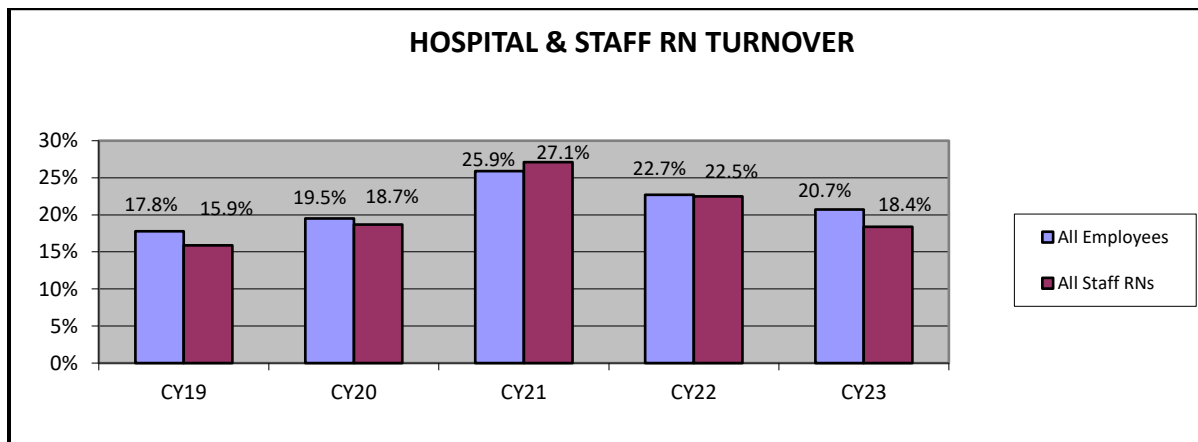
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Executive Summary

Recruiting and retaining quality staff remains a top healthcare issue. Last year, hospitals increased staff by adding 341,000 employees back to the rolls, a 6.2% add rate. Of this, 153,000 RNs returned which represents an 8.9% RN add rate.

Although welcome news, the labor gap remains and hospital turnover continues to be elevated. Nationally, the hospital turnover rate stands at 20.7%, a 2.0% decrease from 2022, and RN turnover is recorded at 18.4%, a 4.1% decrease. Registered Nurses working in pediatrics, surgical services, and burn centers recorded the lowest turnover rate, while nurses working in telemetry, emergency services and step down experienced the highest.

The cost of turnover can have a profound impact on diminishing hospital margins and needs to be managed. According to the survey, the average cost of turnover for a bedside RN is $56,300, a 7.5% increase, resulting in the average hospital losing between $3.9m – $5.8m. Each percent change in RN turnover will cost/save the average hospital an additional $262,500/yr.

The RN vacancy rate also remains elevated at 9.9% nationally. While 5.8% lower than last year, close to half (47.8%) still reported a vacancy rate in excess of ten percent. The RN Recruitment Difficulty Index decreased nine (9) days to an average of 86 days. In essence, it takes approximately 3 months to recruit an experienced RN, with med/surg and surgical services presenting the greatest challenges.

Feeling the financial stress, hospitals will continue to focus on controlling the high cost of labor. The greatest potential to offset margin compression is in the top budget line item (labor expense). Every RN hired saves $101,338. An NSI contract to replace 20 travel nurses could save your institution $2,027,000. Contact Michael Colosi at (717) 575-7817 to learn how NSI can improve your bottom line.

HOSPITAL & STAFF RN TURNOVER

	All Employees	All Staff RNs
CY19	17.8%	15.9%
CY20	19.5%	18.7%
CY21	25.9%	27.1%
CY22	22.7%	22.5%
CY23	20.7%	18.4%

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Methodology

In January, hospitals were invited to participate in the "NSI National Health Care Retention & RN Staffing Survey". To maintain consistency and integrity, all facilities were asked to report data from January through December 2023. I am pleased to announce that 400 hospitals from 36 states responded. In total, this survey covers 723,691 healthcare workers, and 194,111 Registered Nurses.

All findings are reported in the aggregate. Since organizations track and report turnover differently, it is important to establish a consistent methodology. To this end, raw data was collected on all employee terminations, whether voluntary or involuntary. Temporary, agency and travel staff were specifically excluded. Also, this survey does not measure transfers or "internal terminations."
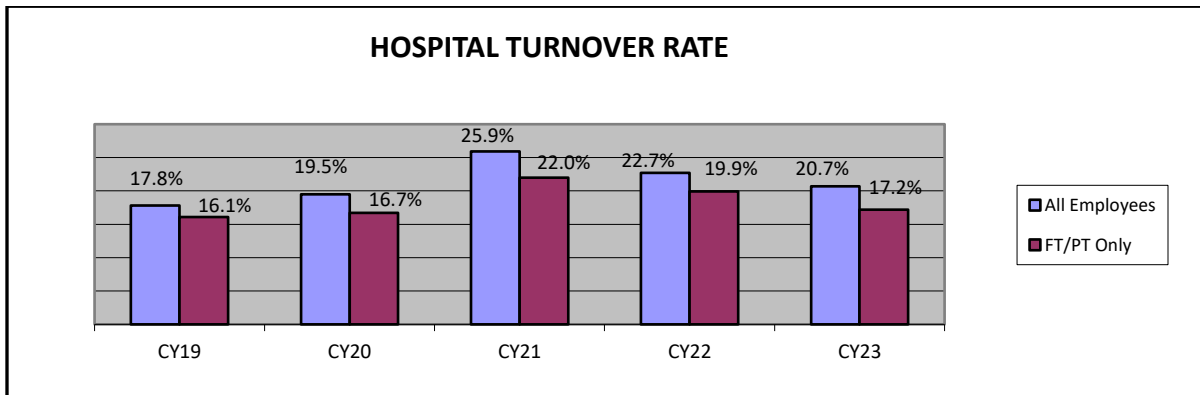
According to the findings, hospitals continue to be split on which employment classifications to include when calculating turnover. A slight majority (50.5%) include all employment classifications, such as full time, part time, per diem, prn, casual, occasional, etc. when reporting turnover. The remaining hospitals only include full-time and part-time employment classifications. Given this split, respondents provided data on all employees and for full/part-time staff only. For comparative purposes, we will adjust for this distinction and report for both methodologies. **Hospitals who only include FULL and PART-TIME classifications and exclude all other employment classifications in their metrics are directed to utilize the "Full/Part-Time" statistics for benchmarking purposes.**

Hospital Staffing & Turnover

According to NSI's Hospital Executive Level Priorities (H.E.L.P.) survey, recruiting and retaining quality staff remains a top healthcare issue consuming operational energies and capital. It is what keeps CEOs, CNOs and CHROs up at night. Since turnover has a direct correlation to staffing and is a leading indicator of future financial pressure, and patient & employee satisfaction, it is easy to understand why healthcare executives are concerned.

Last year, 1.13m employees exited their hospital position. During this same period, hospitals were able to hire 1.48m employees. This resulted in 341,000 employees being added back to the rolls, a 6.2% add rate.

Nationally, the hospital turnover rate decreased 2.0% and currently stands at 20.7%, with the median and mode recorded at 22.2%. Given varying bed size, hospital turnover ranged from 7.5% to 34.2%. The following graph illustrates annual hospital turnover rates since 2019. Reflecting on the past 5 years, the average hospital turned over 106.6% of its workforce. Hospitals that only measure "Full/Part-Time" separations reported an average turnover rate of 17.2%, with a median of 17.5%, and a mode of 18.9%.

HOSPITAL TURNOVER RATE

	CY19	CY20	CY21	CY22	CY23
All Employees	17.8%	19.5%	25.9%	22.7%	20.7%
FT/PT Only	16.1%	16.7%	22.0%	19.9%	17.2%

To further benchmark hospital performance, the following table provides the percentiles for hospital turnover. The top tier hospitals or those in the 90th percentile have a turnover rate of 16.2% and below; 14.0% for those measuring Full/Part-Time only. Conversely, hospitals with a turnover rate of 27.2% and higher are in the bottom ten percent; 23.2% for those measuring Full/Part-Time only.

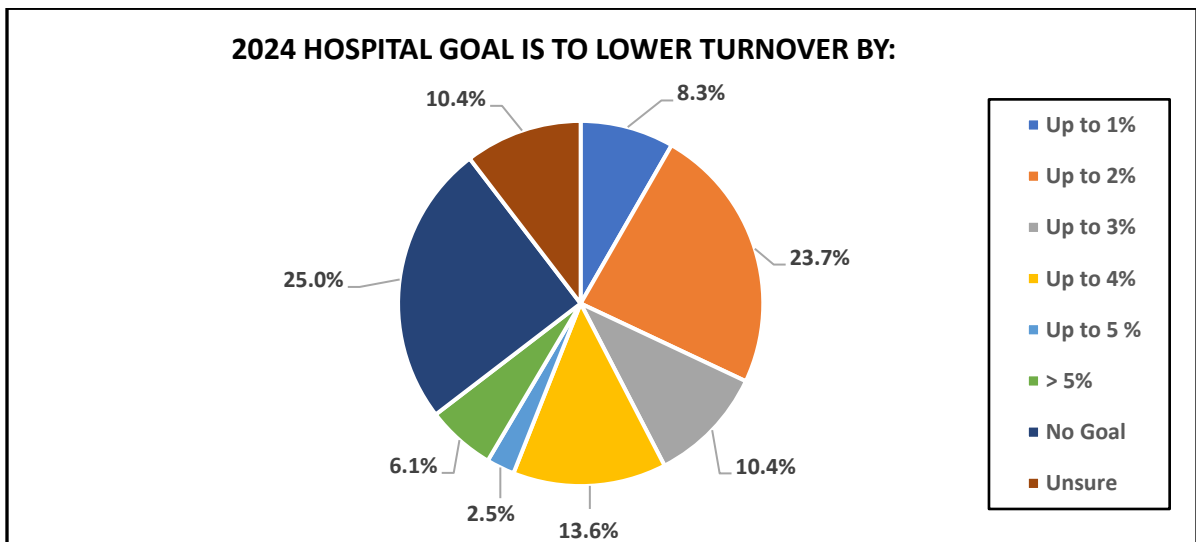| METRIC	HOSPITAL TURNOVER	HOSPITAL FULL/PART TIME TURNOVER
90th Percentile	16.2%	14.0%
75TH Percentile	18.8%	15.5%
Median	22.2%	17.5%
25th Percentile	24.8%	20.7%
10th Percentile	27.2%	23.2%
NATIONAL AVERAGE	20.7%	17.2%

Voluntary terminations accounted for 95.4% of all hospital separations. To further understand turnover, respondents were asked to identify the top five (5) reasons why employees resigned. Participants were asked to select from a list of twenty (20) common reasons. Career advancement, personal reasons, and relocation are the primary drivers of turnover. Finishing the list of top ten reasons why employees left include: retirement, salary, education, scheduling, working conditions, commute and workload/staffing ratios.

The following table records the average hospital turnover rate by region. Hospitals who only include Full/Part-Time employment classifications in their metrics are directed to the column on the right. The number in parenthesis reflects the year-over-year change.

All regions experienced a decrease in turnover from the prior year, ranging from *-1.3%* to *-3.7%*. While the North-Central region experienced the lowest turnover rate, the West recorded the greatest decrease. Hospitals in the South-East continue to trend higher than the national average. North-East and South-Central hospitals were close to the national average.

| REGION	HOSPITAL TURNOVER	FULL/PART TIME TURNOVER
North-East – *(CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI & VT)*	20.4% (-1.8%)	17.2% (-1.7%)
North-Central – *(IA, IL, IN, KS, MI, MN, MO, MT, ND, NE, OH, SD, WI & WY)*	19.0% (-1.7%)	15.1% (-3.3%)
South-East – *(AL, FL, GA, KY, MS, NC, SC, TN, VA & WV)*	22.2% (-1.3%)	18.6% (-2.2%)
South-Central – *(AR, CO, LA, NM, OK, & TX)*	20.2% (-2.2%)	17.2% (-3.1%)
West – *(AK, AZ, CA, HI, ID, NV, OR, UT & WA)*	20.1% (-3.7%)	16.8% (-3.2%)
NATIONAL AVERAGE	**20.7% (-2.0%)**	**17.2% (-2.7%)**

In 2023, hospitals were able to decrease turnover by 2.0%. However, this fell short of the goal which was to reduce turnover by 3.8%. For 2024, hospitals are looking to lower turnover by 3.0%. Establishing a measurable goal needs to be a core component of any retention strategy. At present, twenty-five percent (25.0%) have not established a measurable goal.

2024 HOSPITAL GOAL IS TO LOWER TURNOVER BY:

- Up to 1%
- Up to 2%
- Up to 3%
- Up to 4%
- Up to 5 %
- > 5%
- No Goal
- Unsure

8.3% · 23.7% · 10.4% · 13.6% · 2.5% · 6.1% · 25.0% · 10.4%

Registered Nurse Staffing and Turnover

In 2023, 317,000 staff RNs terminated their position. Hospitals responded by hiring 470,000 RNs, resulting in 153,000 additional RNs added to the rolls. This is an 8.9% add rate and supported by the increase in hospital RN salary, the need to work due to inflation and the rising cost-of-living, and decreases in travel/agency compensation.

During the pandemic, RN turnover jumped to 27.1%. Since then, it continues to subside with 2023 experiencing a 4.1% drop. Currently, the national RN turnover rate is 18.4% with a median of 18.7% and a mode of 21.0%. Given varying bed size, RN turnover ranged from 5.6% to 38.8%. Hospitals that only measure "Full/Part-Time" separations reported an average RN turnover rate of 15.0%, a 3.2% decrease, with a median and mode of 15.0% and 17.4%, respectively. In the past five years, the average hospital turned over 102.6% of their RN workforce.
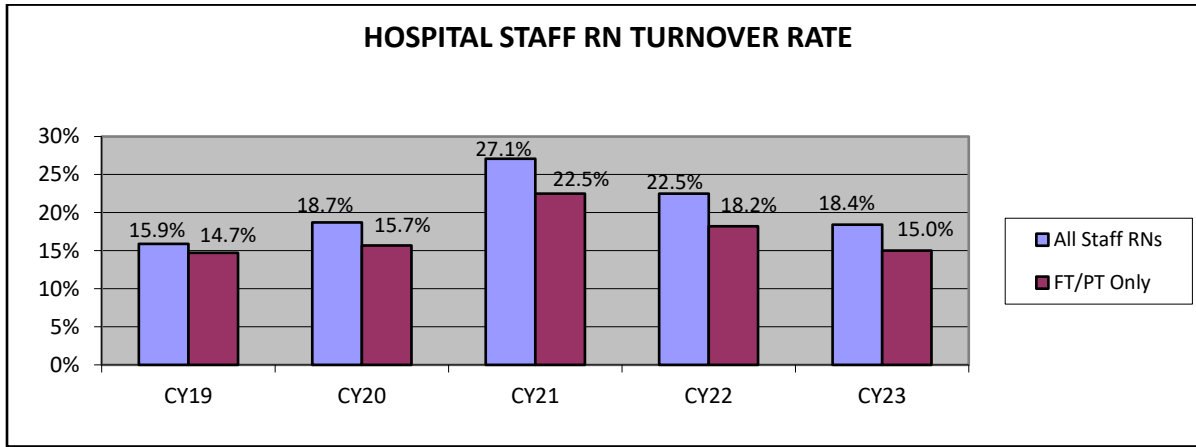
To further benchmark performance, the following table provides the percentiles for Staff RN turnover in hospitals. The top tier hospitals or those in the 90th percentile have a turnover rate of 14.2% and below; 11.8% for those measuring Full/Part-Time only. Conversely, hospitals with a turnover rate of 26.0% and higher are in the bottom ten percent; 21.0% for those measuring Full/Part-Time only.

METRIC	STAFF RN TURNOVER	STAFF RN FULL/PART TIME TURNOVER
90th Percentile	14.2%	11.8%
75TH Percentile	16.6%	13.0%
Median	18.7%	15.0%
25th Percentile	21.6%	17.4%
10th Percentile	26.0%	21.0%
NATIONAL AVERAGE	18.4%	15.0%

The cost of turnover can have a profound impact on the hospital margin. Although retention is viewed as a key strategic imperative, today, less than half (41.7%) of the hospitals track this cost. The average cost of turnover for a staff RN is $56,300 with the range averaging $45,100 to $67,500. This is a 7.5% annual increase and is reflected in the labor expense budget line to include overtime, increases to salary, critical staffing pay and travel/agency fees. Given turnover, the average hospital lost $4.82m in 2023,

ranging from $3.87m to $5.79m. Breaking this down further, each percent change in RN turnover will cost/save the average hospital $262,500 per year.

The following table records the average staff RN turnover rate by region. Again, hospitals who only include Full/Part-Time employment classifications in their metrics are directed to the column on the right. The number in parenthesis reflects the annual change.

Last year all regions experienced a decrease in RN turnover. This ranged from *-1.0%* to *-6.4%.* Although recording the greatest decrease in turnover, the South-Central region remained above the national average, along with the South-East. North-Central hospitals experienced the lowest RN turnover rates. The North-East and West also recorded below the national average.

REGION	STAFF RN TURNOVER	FULL/PART TIME RN TURNOVER
North-East – *(CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI & VT)*	17.8% (-3.1%)	14.2% (-2.8%)
North-Central – *(IA, IL, IN, KS, MI, MN, MO, MT, ND, NE, OH, SD, WI & WY)*	16.8% (-1.0%)	13.1% (-1.8%)
South-East – *(AL, FL, GA, KY, MS, NC, SC, TN, VA & WV)*	19.0% (-4.7%)	16.3% (-2.3%)
South-Central – *(AR, CO, LA, NM, OK, & TX)*	19.5% (-5.1%)	15.2% (-6.4%)
West – *(AK, AZ, CA, HI, ID, NV, OR, UT & WA)*	17.6% (-4.8%)	14.3% (-2.6%)
NATIONAL AVERAGE	**18.4% (-4.1%)**	**15.0% (-3.2%)**

Respondents were also asked to identify the top five (5) reasons why staff RNs voluntarily resigned. Participants were asked to select from a list of twenty (20) common reasons. Personal reasons, relocation and career advancement continue to be at the top of the list. Rounding out the top 10 reasons why RNs voluntarily resigned are: scheduling, retirement, salary, education, commute, working conditions, and workload/staffing ratios.
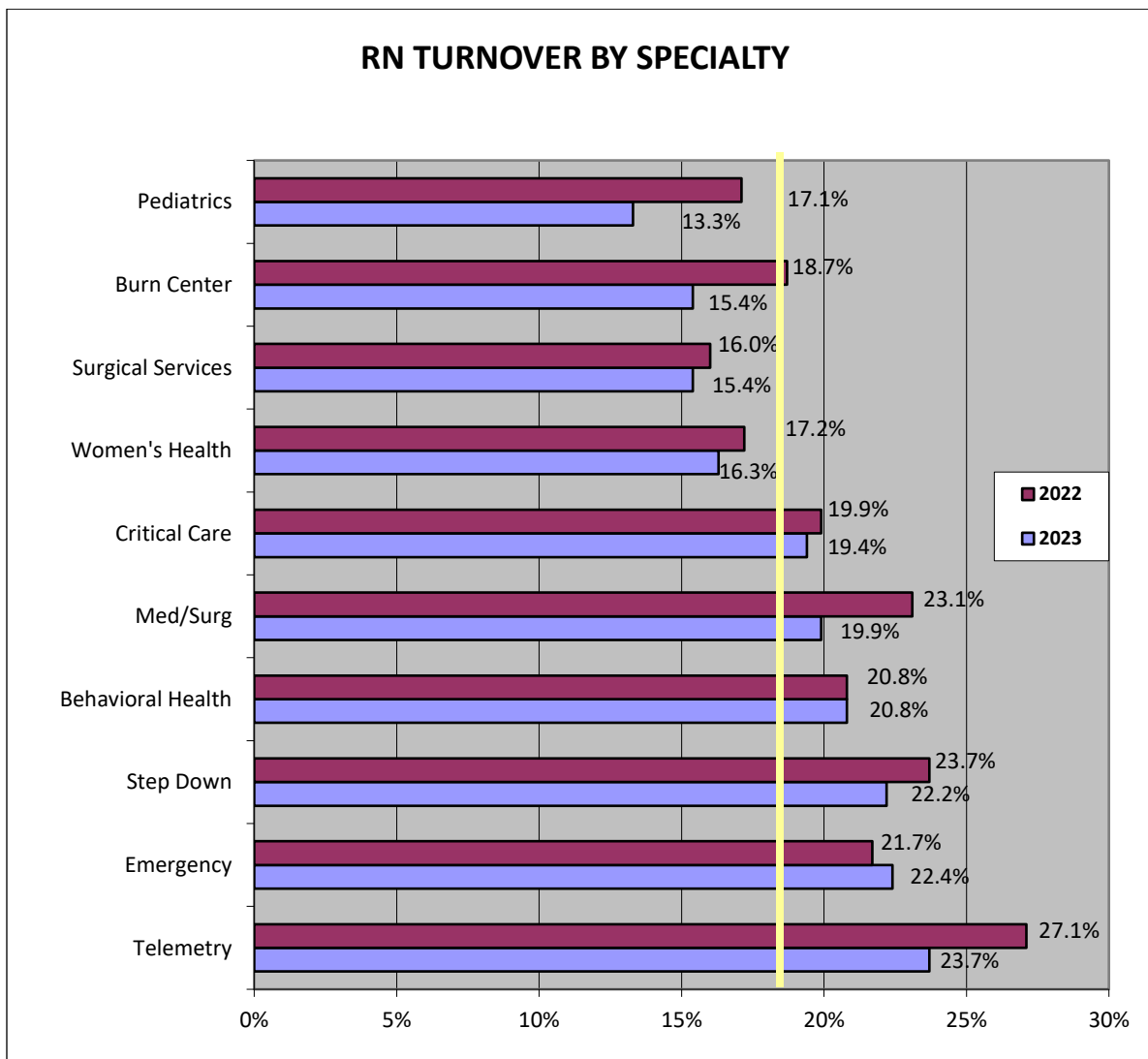
To better understand how hospitals met their short-term RN staffing needs, respondents were asked to identify strategies utilized. The top five most common strategies to staff the bedside include: asking RNs to volunteer for overtime, authorizing critical staffing pay, flexing part-time or per diem employees, relying on travel/agency nurses and utilizing the internal staffing pool.

Hospitals are becoming more strategic when it comes to retention with 57.2% having a formal retention strategy. This is up from 43.2% in 2019. Hospitals are protecting newly hired RNs through customized orientation, enhanced sign-on bonuses and nurse residency programs, among others. To protect existing staff RNs, hospitals have increased pay by 3.2%, offered retention bonuses, hired additional support staff, modified the RN care delivery model, etc…

Registered Nurse Turnover by Specialty

Registered Nurse turnover varies by discipline. The following graph compares the average RN turnover rate by specialty for the past two years. The solid yellow line represents the national turnover rate for RNs (18.4%). Turnover for RNs in telemetry, emergency services, step down, behavior health, medical/surgical and critical care all exceeded the national average. Looking back over the past five years, RNs in step down, telemetry, and emergency services were the most mobile with a cumulative turnover rate of 119.0%, 115.9% and 112.1%, respectively. Essentially, these departments will turn over their entire RN staff in less than four and a half years. During this same period, RNs in pediatrics and surgical services exited at a much slower rate of 77.2% and 78.7%, respectively.

When we consider the average age of nurses and the anticipated wave of retirements about to break, we need to keep in mind that some specialties will be impacted at a quicker pace. This is particularly true for surgical services, behavioral health and women's health. Managing retention should be a strategic imperative, particularly given the high cost of turnover and the ongoing RN staffing crisis.

RN TURNOVER BY SPECIALTY

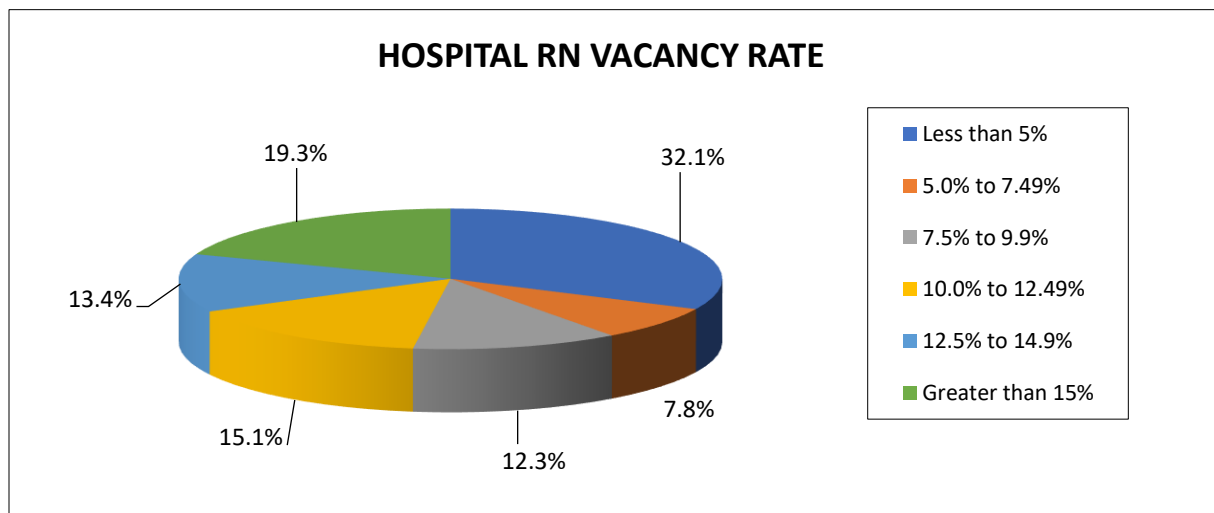| Specialty	2022	2023
Pediatrics	17.1%	13.3%
Burn Center	18.7%	15.4%
Surgical Services	16.0%	15.4%
Women's Health	17.2%	16.3%
Critical Care	19.9%	19.4%
Med/Surg	23.1%	19.9%
Behavioral Health	20.8%	20.8%
Step Down	23.7%	22.2%
Emergency	21.7%	22.4%
Telemetry	27.1%	23.7%

Hospital RN Vacancy Rate

In 2023, hospitals were successful in hiring an additional 153,000 RNs and lowering the RN vacancy rate by 5.8%. Although progress, a significant labor gap remains. The RN vacancy rate continues to be elevated and currently stands at 9.9%. This has a direct impact on quality outcomes, the patient experience and leads to excess labor costs such as overtime, critical staffing pay, salary increases, and travel/agency usage.

A high vacancy rate coupled with a high RN Recruitment Difficulty Index *(see page 11)* is a clear indication that the labor shortage will continue to challenge hospitals. To further illustrate the magnitude of the staffing crisis, close to half (47.8%) reported a vacancy rate greater than ten percent. As the demand for RNs increases, as nurses move away from the bedside, and as Baby Boomers reach retirement, expect the vacancy rate to remain critical.

When the labor market tightens, hospitals bridge the gap by authorizing overtime and crisis pay, by increasing travel staff usage, and by flexing their internal staffing pool. All of which are costly strategies, especially when travel rates average $102/hr and range to $160/hr. At NSI Nursing Solutions, Inc. we encourage our clients to minimize excess labor utilization and focus on a strategy that embraces full staffing and builds retention while enhancing ROI. I encourage you to contact Michael Colosi, at (717) 575-7817 or macolosi@nsinursingsolutions.com to learn how NSI can improve your bottom line.
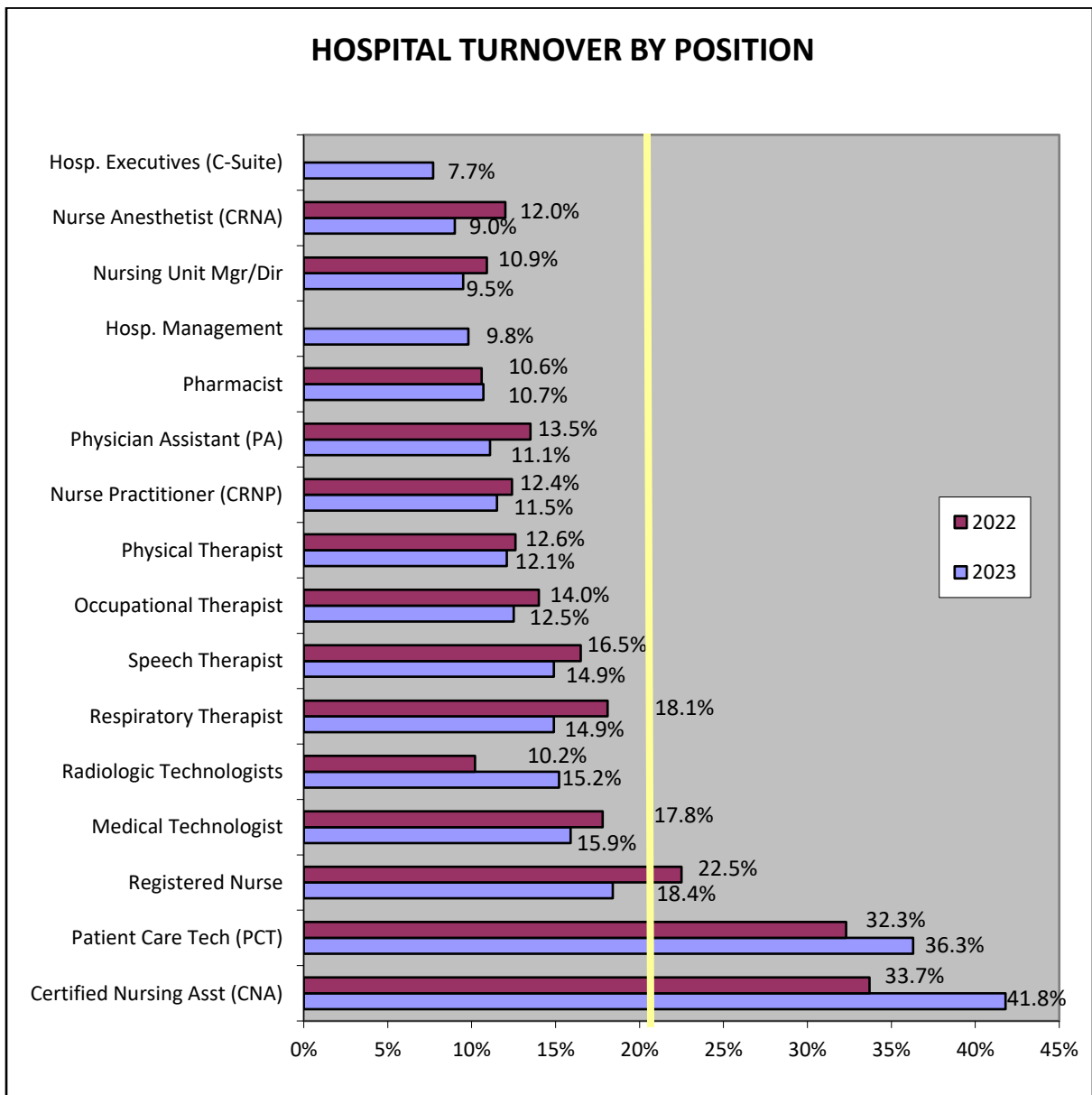
RN VACANCY RATE	2020	2021	2022	2023	2024
Less than 5%	19.3%	23.9%	6.5%	5.0%	32.1%
5.0% to 7.49%	18.2%	13.8%	3.6%	7.3%	7.8%
7.5% to 9.9%	30.7%	26.6%	8.6%	12.3%	12.3%
10.0% to 12.49%	15.9%	22.9%	12.2%	13.4%	15.1%
12.5% to 14.9%	4.5%	3.7%	7.9%	10.6%	13.4%
Greater than 15.0%	11.4%	9.2%	61.2%	51.4%	19.3%
Average	9.0%	9.0%	17.0%	15.7%	9.9%

HOSPITAL RN VACANCY RATE

- Less than 5%
- 5.0% to 7.49%
- 7.5% to 9.9%
- 10.0% to 12.49%
- 12.5% to 14.9%
- Greater than 15%

Hospital Turnover by Position

For the past six years, advance practice and allied health professionals recorded turnover rates below the hospital average. This holds true for 2023. The following chart compares the average turnover rate for advance practice and allied health personnel in the acute care setting for the past two years. Hospital Management and Executive Leadership (C-Suite) were recently added to the survey. The solid yellow line represents the current hospital turnover rate (20.7%).

In 2023, most positions in the NSI Nursing Solutions Inc survey, recorded a decrease in turnover. While Pharmacists recorded a nominal change (+0.1%), Patient Care Technicians (PCTs), Rad Techs and Certified Nursing Assistants (CNAs) experienced the greatest increase ranging from 4.0% to 8.1%. PCTs and CNAs continue to outpace all other job titles when it comes to turnover. Pharmacy has been the most stable with a five-year cumulative turnover rate of under fifty percent (48.2%).

HOSPITAL TURNOVER BY POSITION

| Position	2022	2023
Hosp. Executives (C-Suite)		7.7%
Nurse Anesthetist (CRNA)	12.0%	9.0%
Nursing Unit Mgr/Dir	10.9%	9.5%
Hosp. Management		9.8%
Pharmacist	10.6%	10.7%
Physician Assistant (PA)	13.5%	11.1%
Nurse Practitioner (CRNP)	12.4%	11.5%
Physical Therapist	12.6%	12.1%
Occupational Therapist	14.0%	12.5%
Speech Therapist	16.5%	14.9%
Respiratory Therapist	18.1%	14.9%
Radiologic Technologists	10.2%	15.2%
Medical Technologist	17.8%	15.9%
Registered Nurse	22.5%	18.4%
Patient Care Tech (PCT)	32.3%	36.3%
Certified Nursing Asst (CNA)	33.7%	41.8%

Hospital Turnover by Tenure

The following graph illustrates the years of service (tenure) for all employees and RNs who left during the survey period. Based upon the survey data, close to a third (30.2%) of all new hires left within a year. This same group accounted for forty percent (40.4%) of all turnovers. As consistent with previous surveys, a majority (62.2%) of the exited employees had less than two years of service and employees with more than 5 years of tenure experienced a greater level of organizational commitment.

First year turnover continues to outpace all other tenure categories. When looking at the range of those employees who terminated with "less than one year of service", this group can make up 59.0% of a hospital's total turnover. When expanding this to include all employees with less than two (2) years of service, the range jumped to 79.5%. Obviously, this is not the typical or average facility. However, a large portion of all separations are caused by employees with less than two years of tenure.

Although not as dramatic, when viewing RNs, a similar trend is noted. Close to a quarter (23.8%) of all newly hired RNs left within a year, with first year turnover accounting for a third (34.0%) of all RN separations. The median and mode were recorded at 32.7% and 38.7%, respectively.

A significant opportunity to protect a hospital's investment in Human Capital and to recapture revenue exists. Operational considerations must address how employment decisions are made and include programs that build relationships, commitment, and confidence early in the employment cycle. When it comes to retaining staff, hospitals focus more strategies on protecting new hires (69.9%) than on more tenured RNs (48.9%).
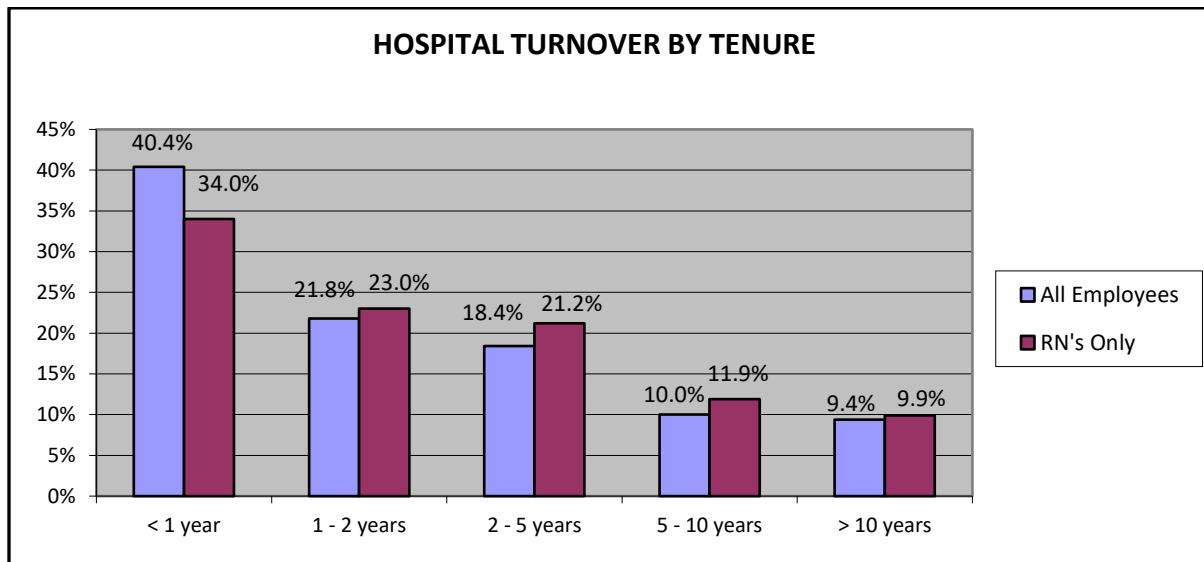
RN Recruitment Difficulty Index

The RN Recruitment Difficulty Index (RDI-RN) gauges the average number of days it takes a hospital to recruit an experienced RN. Participants were asked to identify the range which best describes the time to fill a RN vacancy, given specialty. Although time-to-fill decreased across the board, it still takes approximately three months to hire an experienced RN with many hospitals indicating they cannot find experienced RNs. The average time to recruit an experienced RN ranged from 59 to 109 days.

The following chart illustrates the average number of days it took to recruit by specialty. The yellow line is the current RN Recruitment Difficulty Index and represents the average time to fill a vacancy regardless of specialty. Currently, this stands at 86 days, which is nine (9) days quicker than 2022. Hospitals continue to be challenged, which begs the question; is this acceptable or should we think differently? Contracting with a staffing provider can help Talent Acquisition improve time-to-fill. With an average time-to-fill of ~30 days, NSI has the national reach and proven track record to quickly hire experienced Registered Nurses. Contact Michael Colosi at (717) 575-7817 or macolosi@nsinursingsolutions.com to learn how NSI can help.
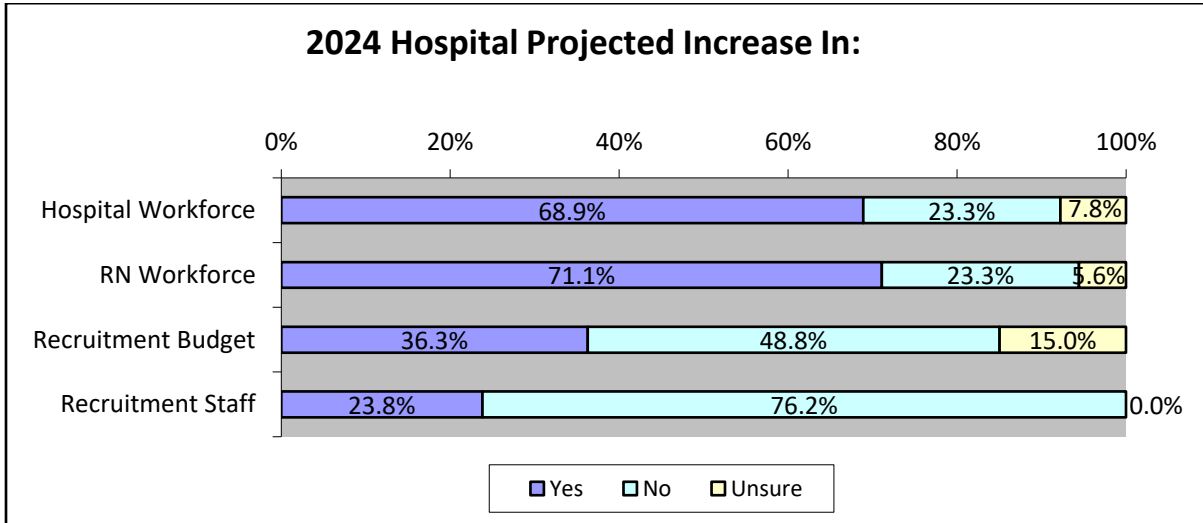
Medical/Surgical RNs continue to be the most difficult to hire. On average, it takes 80 to 109 days to fill an experienced M/S RN, with the average being 94 days. Operating Room, critical care, step-down and telemetry nurses also posted above the average. Last year, hospitals were able to hire L&D RNs quicker, but the position was still vacant for two and a half months (73 days).
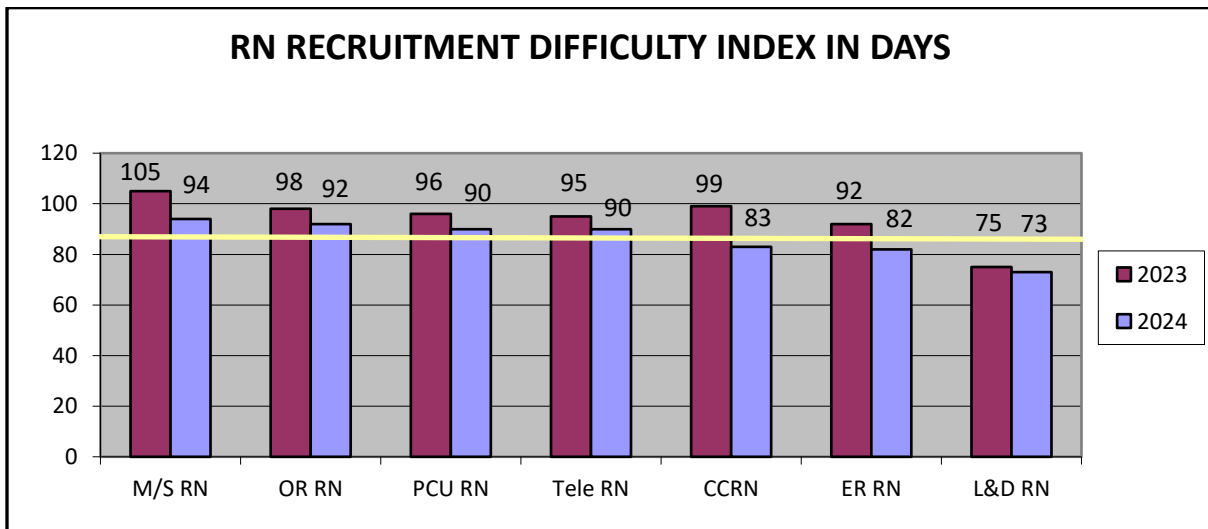

When it comes to recruiting RNs, not all regions perform the same. The South-Central and South-East outperformed all other regions and could recruit quicker, with an average time-to-fill of 72 and 76 days, respectively. The West, North-East and North-Central found it more difficult to recruit with an average RDI-RN above the national average. The North-Central region recorded 92 days, while the North-East and West were at 106 and 107 days, respectively.

Workforce Projections

Labor demands are forcing hospitals to use costly approaches to staff beds. The mandate to hire more employees will further strain Talent Acquisition. While hospitals expect to grow their workforce, 36% anticipate increasing the recruitment budget and 24% plan to increase their recruitment staff. Currently, the HR FTE to employee ratio in an acute care setting is .87 per 100 employees. The average recruitment FTE per 100 employees is .28.

2024 Hospital Projected Increase In:

Category	Yes	No	Unsure
Hospital Workforce	68.9%	23.3%	7.8%
RN Workforce	71.1%	23.3%	5.6%
Recruitment Budget	36.3%	48.8%	15.0%
Recruitment Staff	23.8%	76.2%	0.0%

To improve margins, hospitals need to better control labor costs. Hospitals feel this pressure with 80% indicating a desire to decrease reliance on travel/agency staff. When comparing the cost difference between employed RNs vs travel RNs, the amount is staggering. To help wean hospitals, NSI is ready to assist. For every 20 travel RNs eliminated, a hospital can save, on average, $2,027,000. Contact Michael Colosi at (717) 575-7817 or macolosi@nsinursingsolutions.com to learn how NSI Nursing Solutions, Inc can improve your bottom line.

RN Travel & Agency Usage

Category	Percentage
More	1.1%
Same	12.2%
Less	80.0%
Unsure	6.7%
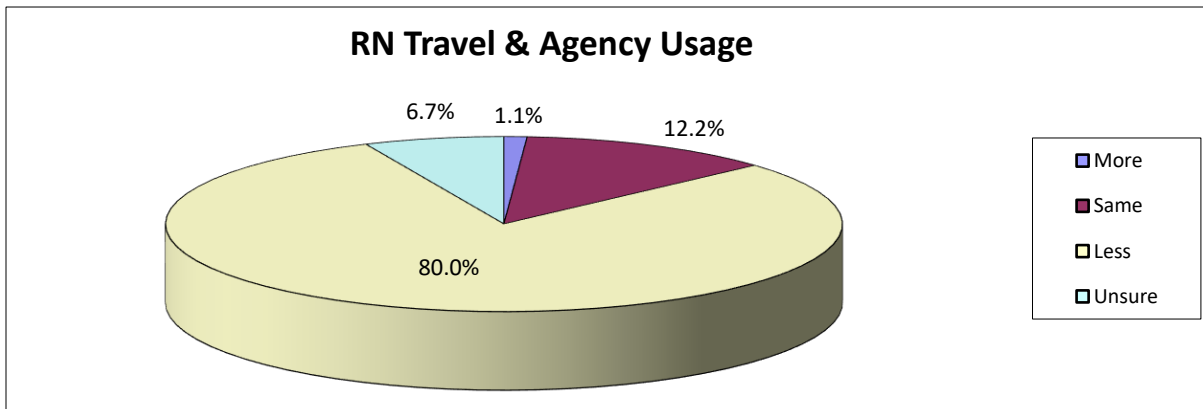
Conclusion

The health care industry continues to be a cornerstone of our economy and must be ready to adapt to the changing landscape. The expanding healthcare rolls, the aging population, the mandate on quality & safety, the squeeze in reimbursements, the competition for patient volume, the shift in the delivery of care, the shortage of physicians, nurses & allied professionals, and the disappearing hospital margins have all stressed the industry.

As a leading indicator of future organizational pressure, hospitals must understand and trend turnover. The value hospitals place in their people will have a direct correlation to their commitment, confidence and engagement. Enhancing culture and building programs to reinforce these values is critical to driving retention. Focus on strategies that enhance culture and eliminate those that do not.

A quantifiable measure of the severity of a hospitals vacancy rate is contract labor and overtime usage. Management must identify contract labor costs and not view it as an "operating expense", but rather as aggregated within the position control system. Inclusion within the payroll cost line, will provide greater insight into the actual direct cost of labor.

To strengthen the bottom line, hospitals need to build retention capacity, manage vacancy rates, bolster recruitment initiatives and control labor expenses. Building and retaining a quality workforce is paramount to navigate the staffing paradigm. Let NSI Nursing Solutions Inc. help!

CLOSE

2024 NSI Quick Reference Guide

Hospital Turnover Statistics	
Hospital Turnover Range	7.5% to 34.2%
Average Hospital Turnover Rate*	20.7%
Average Hospital Turnover Rate *(Full and Part Time employees only)**	17.2%
Staff RN Turnover Range	5.6% to 38.8%
Average Staff RN Turnover Rate*	18.4%
Average Staff RN Turnover Rate *(Full and Part Time staff RNs only)**	15.0%
1st Year Employee Turnover Rate	30.2%
1st Year RN Turnover Rate	23.8%
Cost of Each RN Turnover	$56,277
Annual Average Hospital Cost of RN Turnover**	$4.82m
Average Annual Cost/Savings per 1% Change in RN Turnover	$262,544
Percent of Involuntary Turnover	4.6%
2024 Hospital Retention Goal *(To lower turnover by…)*	3.0%

*All turnover formulas = ((# of separations/average # of employees)*100)

**Based on the average of the selected range.

Hospital Staffing & Recruitment Metrics	
Average Hospital RN Vacancy Rate**	9.9%
Average RN Time-to-Fill**	86 days
Percent Anticipating to Increase Workforce	68.9%
Percent Anticipating to Increase RN Workforce	71.1%
Percent Anticipating to Increase Recruitment Budget	36.3%
Percent Anticipating to Increase Recruitment Staff	23.8%
HR to Employee Ratio *(per 100 employees)***	.87
Recruitment to Employee Ratio *(per 100 employees)***	.28
Percent Anticipating to Decrease Travel/Agency Usage	80.0%

***HR ratios = ((# of HR or Recruitment FTEs/Total # of employees)*100)

Staff Nurse vs. Travel Nurse Cost Savings	Hourly / Annually
Average Travel Nurse Fee	$102.33 / $212,846
Average RN Pay *(includes 26.6% for benefits)*	$53.61 / $111,508
Cost Difference: Staff Nurse vs. Travel Nurse	$48.72 / $101,338
For every 20 Travel RNs eliminated, the average hospital can save	**$2,026,760**

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