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EMPLOYERS GUIDE TO 2009: FEATURE RECRUITMENT

by Karen Burge

Karen Burge talks about the big recruitment and workforce challenges for 2009 with Megan Warrin, general manager Asia Pacific, Clinical One, and Dr John Bethell, co-founder and director of Wavelength International.

KAREN BURGE: Will 2009 be a challenging year for healthcare businesses when it comes to recruitment and retention?

MEGAN WARRIN: The shortage of healthcare professionals in Australia, which remains at critical levels, will mean that 2009 will be a challenging year for healthcare businesses. There is escalating demand for healthcare professionals everywhere but particularly in rural areas. Throughout Australia, specialist nurses (midwives and ICU nurses), GPs, doctors and allied health staff such as occupational therapists, physiotherapists and anaesthetic technicians are in high demand, so there is plenty of work around for good, committed people.

It's evident that politicians and health providers around Australia are aware that with our ageing population, healthcare is a serious issue. Talks around the employment of physician assistants, the introduction of nurse practitioners and the Nurse On Call telephone triage service are examples of innovations in place to address these shortages. Even if they are not the 'total' answer to the healthcare industry staff shortage they are acknowledgement that there is a problem and there is a need to change the way we operate. These roles plus the increase of aged care facilities and new providers in the community, and the recently introduced Aged Care Funding Instrument (ACFI), all help to address healthcare issues. The intent of the ACFI is to improve the care planning and quality of care for older people. As a result of these changes, the impact on organisations to have good staff to facilitate changes in care standards and cope with the industry staffing shortages is becoming more and more important.

DR JOHN BETHELL: We see healthcare recruitment as two separate markets which are subject to quite different economic and workforce pressures. The healthcare professional market is made up of doctors, nurses and other healthcare professionals. The medical administration market made up of all admin, management and corporate services staff. From a medical administration perspective we are entering a buyer's market. Undoubtedly we are entering uncertain economic times and typically companies respond with subdued hiring habits, head-count freezes or staff lay-offs during times of downturn. Paradoxically this presents an opportunity to anyone intent on acquiring talent. Because many of these skills are transferrable across sectors, candidates will be attracted to healthcare as it is considered a largely recession-proof industry and a safe haven for those concerned about their careers. They bring with them fresh ideas and practices which is good news for healthcare, which can often trail other industries in terms of cutting-edge practices. Candidates that have previously moved away from healthcare, in search of better packages, may consider returning to the fold. Retention also becomes easier in times of economic uncertainty as employees become risk-averse in terms of career moves.

The healthcare professional market marches to an entirely different beat and 2009 promises to be as challenging as ever. There is a long-term trend of deepening shortages in most of the healthcare professions which is leading to the internationalisation of the health workforce and upward pressure on salaries. There are numerous factors that fuel this. On the supply side health now competes with a multitude of emergent professions for students. Relative to other industries, salaries have slipped over

the past few decades, and the health professionals are not held in the same esteem that was traditionally the case.

At present 54 per cent of the “professions in demand” listed by the Australian immigration department are healthcare professions, giving some indication as to the extent of the shortages. Healthcare employers therefore need to sharpen their recruitment and retention tools if they wish to compete effectively in this global marketplace.

KB: What professions are emerging as being the hardest to fill?

WARRIN: In Clinical One’s temporary recruitment business, every day we see between 30-40 per cent of our nursing shifts nationally going unfilled due to lack of qualified staff. For permanent roles we are looking at a referral rate of 1:4. That is, one candidate for every four roles. Nurses and doctors make up a huge component of the health workforce but there are shortages across the board. In particular, rural doctor vacancies continue to stress the sector.

International competition for skilled staff means that Australian facilities are not just competing with the hospital or clinic down the road. More and more workers, particularly nurses, doctors and other allied health professionals are choosing to head overseas to pursue competing employment opportunities. This is putting tremendous pressure on the sector. Increasing international competition for skilled labour is representative of a worldwide trend as workforces become increasingly mobile.

DR BETHELL: The most critical needs are for dentists, midwives, radiographers and sonographers, of which there are acute shortages nationally and internationally. Nurses and doctors, as broad groups, have particular disciplines in which there are acute shortages. Any shortfall in these professions, however, has wide-reaching impacts on the community because of the large numbers required and their front-line status in healthcare delivery.

Nationally, Australia remains short of psychiatrist, anaesthetists, intensivists, pathologists, radiologists, general surgeons, and procedural GPs. Worryingly, many of the professional colleges report difficulty recruiting trainees for their specialist training programs which portends shortages for the future.

Non-metropolitan employers are likely to find themselves at the end of the queue when it comes to recruitment, with remote and indigenous employers experiencing particular difficulty attracting staff.

KB: What do employers need to do to ensure they lure the best candidates?

WARRIN: All successful businesses know having the right people in place is essential. It still surprises me - with the overwhelming evidence of staffing shortages in healthcare - at the lack of investment in workforce planning and dollars allocated to securing the right candidate. Sometimes if it’s the right person, employers need to increase the salary or offer good salary sacrificing options. Further to this, hospitals and aged care facilities need to not just sell the job but also the culture and work life balance of their organisation as part of the package. These factors are really important to candidates, as is sustainability and environmental policies of the organisation.

A recent employment trends study by specialist recruitment group Vedior Asia Pacific found these last two factors increasingly important to the younger generation. With the shortage of healthcare professionals in Australia remaining at critical levels, the need to source candidates from a wider candidate pool has become a necessity, no longer just an option.

DR BETHELL: Healthcare as a sector generally lags behind the corporate world in terms of contemporary HR practice. If people are important in the fulfilment of your organisation's mission (and they probably are) then you should be directing time, thought and resources into your HR strategy.

In a candidate short market the candidate is king – able to pick and choose where they want to go and leave any time they feel like it. To compete successfully for staff under these conditions you must start by taking a close look at the whole package on offer.

This means creating a pleasant, safe work environment, a supportive and nurturing culture, interesting roles with development and promotion prospects and a trusting relationship with your staff. Many employers think that offering a higher salary package is the best way to compete but most surveys find this to be quite low on the priority list.

The best way to understand what constitutes the right work environment for your business is to ask your staff for frank (possibly anonymous) feedback about what they like and don't like about the current workplace. The feedback is always illuminating, and should inform your recruitment strategy.

KB: What do you find are some of the traps employers fall into?

WARRIN: So often we find clients making decisions based on being understaffed, under pressure and overworked themselves. They often try to take on board the majority of the recruitment process themselves and fail to do the simple checks and ensure cultural fit and environmental fit is right between them and the candidate. Organisations are making the wrong decisions because they are desperate to fill a role. It's sometimes better to wait a little bit longer to find the right person than have someone that leaves within a short period of time, or damages the cultural environment because they are not suited to the role. There are options to ensure staffing levels are maintained – opt for a short term contract with an agency and negotiate cheaper rates than normal agency rates whilst you (or them) find the right person for you.

DR BETHELL: The traditional method of finding staff is to identify a role (usually when someone resigns) then run an ad in the usual place, such as a broadsheet paper or industry journal – possibly on an internet job board. Then sit back and wait. Today, such passive tactics are likely to result in disappointment.

The modern workforce has access to many communication channels and networks. Unless you do proper research, you may find yourself singing to an empty theatre. Ask your existing staff where they would look for a job. You are likely to hear about some obscure job board that you were not even aware of. Your staff may be looking for jobs on Facebook or some other social networking site.

When candidates are in short supply it pays to keep track of everyone that ever applied to your organisation. There are some user-friendly technology tools that allow even the smallest organisation to

maintain a talent pool. Someone you interviewed a year ago, but was too junior at the time, may be perfect for your current role. If you binned their CV they are lost to you now.

A major cause of failed recruitment is taking too long to make decisions. Candidates, particularly good ones, do not hang around. One of the worst traps to fall into is to hire the wrong person because they were the only ones that applied. You are always better off waiting rather than putting someone on the payroll who will do a sub-standard job or disrupt your existing workforce.

Finally, while other industry sectors are comfortable outsourcing recruitment to professional recruiters many healthcare employers remain suspicious of the industry and do not perceive value for money of using this type of service. Many employers never really sit down to calculate the true cost of protracted recruitment process or an unfilled role. Even the most basic failed assignment can cost your organisation many thousands of dollars in wasted time or lost revenue.

KB: Once you get new staff through the door, how do you keep them? Any tips?

WARRIN: Some organisations are very good at providing staff incentives to stay, such as paying back sick leave at year-end, providing bonus structures and providing training and development. Incentives are offered to healthcare professionals by Clinical One, whether for permanent or contract positions. These incentives are:

- Free or subsidised accommodation for contracts, or free accommodation for an initial period for relocating permanent placements;
- Travel reimbursements for travel to and from contract locations, organised flights for very remote locations and travel/relocation costs for permanent placements;
- “Refer a friend” incentives – which can be quite lucrative for some people who have a large network of healthcare professionals.

Health professionals have become a truly global resource, yet the challenge for Australia is to ensure that candidates are properly sourced, credentialed and reference-checked so that inappropriate placement does not occur and more importantly, candidates are placed in a position that suits their abilities and qualifications.

Today’s tough employment conditions are here to stay. For the sector to function effectively in the long-term, employers are going to have to rethink the way that they attract and retain their staff. It is all very well for organisations to source internationally, but given the necessary investment for such an undertaking for both employers and candidates, it is vitally important that employers do not ‘oversell’ their offering when trying to attract candidates. This includes the location, the organisation, the job, the vitally important concierge services and the candidate management.

Retention strategies must commence from day one, particularly when international candidates arrive as first impressions are never forgotten. Across the board, organisations have to place a real emphasis on human capital management if they’re to be successful. Getting your offering right is especially important for a service-based sector like health, where the success of an organisation is heavily dependent on the quality of its people.

Employers need to look at why people want to work for them and why they leave so that they can create and market a great workplace culture. They also need to promote the advantages of living and working in Australia, and their city, state and in particular their organisation, to current and prospective employees.

The specialist Clinical One brand, together with our longstanding reputation in the health sector places us in the strongest position to attract the right candidates, particularly those with increasingly rare, highly valued and expert skills, and provide them to clients.

DR BETHELL: Retention is a worthy strategic goal but it is also an inevitable by-product of good management and HR practice. Quality employees are hard to find so it makes sense to look after them once they are on board.

Health professionals are no different than any other employee in the sense that they wish to feel a sense of belonging, feel that they are valued, want to know that they make a contribution and like to remain challenged in their role. With our own staff, we ask them at every quarterly review to mark themselves out of 10 on each of these measures. The conversation is always helpful in identifying what is really on the mind of each employee.

The first thing to look at with regards to retention is a historical appraisal of your own retention rate. If you have a turnover of staff of greater than 20-30 per cent per annum then you should probably take a closer look at your retention strategy. Helpful questions to ask yourself include:

- Do I meet regularly with my employees for formal appraisals of their performance?
- Do I routinely ask them about their aspirations for the near future and how they want to progress their careers over the long term?
- Do my employees have a clear understanding of their job and how their work benefits the company as a whole?
- Do I offer, and encourage, professional development and training to all staff equally?
- Do I offer my staff a clear pathway for career progression?
- Do my staff have clear channels of communication to management (including anonymous) to voice concerns or make suggestions for improvement?
- Are their concerns & suggestions taken seriously and acted upon if possible?
- Do I actively promote fun in the work-place including extra-curricular socialising?
- Do I encourage and reward team play amongst my employees?
- Do I create a climate of trust with my employees?