



# Case Study

## GBMC

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## 1. Background

Opened in 1965, Greater Baltimore Medical Center (GBMC) is a 335-bed community hospital located in Towson, Maryland. The center specializes in cancer, women’s health, surgery, and emergency services and has had multiple clinical services ranked in U.S. News & World Report’s “*America’s Best Hospitals.*”

## 2. Situation

As with many healthcare organizations, GBMC faces the twin pressures of addressing immediate shortages in Registered Nurses (RN)—through rolling and annual staff planning—and devoting resources to longer-term (up to 4 years) RN retention.

For GBMC, RN availability has a significant quantitative and qualitative impact on the organization’s ability to fulfill its mission:

- **Direct Financial Cost**—The annual cost of utilizing temporary nursing staff exceeded \$5 million, a significant drain on hospital budgets. Additionally, nurse shortages in the Emergency Department and other areas means that the hospital must reduce patient capacity, resulting in lost revenue.
- **Standard of Patient Care**—Shortfalls in RN availability materially impacts patient care quality and customer service.

Acutely aware of the falling external labor supply of RNs, GBMC’s Human Resource leaders’ partner with Infohrm to assess the organization’s current and projected internal labor supply patterns and estimated future demand for staff and skills over the next 4 years. **Outlined below are GBMC’s criteria for selecting Infohrm as its workforce planning partner:**

<b>In Selecting a Workforce Planning Partner, GBMC Cited Infohrm’s...</b>
<ul style="list-style-type: none"> <li>• Philosophy that workforce planning is a long-term strategic initiative</li> </ul>
<ul style="list-style-type: none"> <li>• Proven, replicable methodology for workforce planning</li> </ul>
<ul style="list-style-type: none"> <li>• Expertise in taking a data-driven approach to building forecasts</li> </ul>
<ul style="list-style-type: none"> <li>• Balance between estimating supply and demand</li> </ul>
<ul style="list-style-type: none"> <li>• Commitment to leading-edge research on current and future workforce planning practices</li> </ul>
<ul style="list-style-type: none"> <li>• “Train-the-trainer” approach to building organizational self-sufficiency in workforce planning</li> </ul>

### **3. Actions**

In conjunction with a GBMC cross-functional project team (comprised of workforce planning leaders, nursing, and HR staff), Infohrm conducted several days of onsite workforce planning consulting, featuring:

#### **1. Environmental Analysis**

The first step in the workforce planning process, environmental analysis evaluates the conditions in which the organization operates. It can include external regulatory, technological, and economic facts, risks and challenges to growth, and internal strategies that will impact future operations. GBMC identified nine major environmental factors including Capital Investments, Information Technology, Patient Profiles, and External Population Demographics, and grouped specific driving forces, into a SWOT Analysis.

#### **2. Formulating Scenario Plans**

Workforce planning scenarios outline plausible futures in which the organization could operate. With a firm likely to face hundreds of possible driving forces, scenarios enable workforce planners to aggregate forces with similar outcomes into more manageable categories. For example, GBMC created two alternative scenarios about future events and placed driving forces into each.

#### **3. Analyzing Demand and Supply Gaps to Determine Talent Management Interventions**

Infohrm and GBMC conducted a detailed RN demand analysis—via interviews with key business leaders—featuring quantitative assessments of desired headcount and qualitative projections of future skills inventories. Using data to calculate estimated labor supply, GBMC found that high turnover among younger RNs and those with <1 year of tenure would significantly decrease internal RN availability.

#### **4. Selecting Common Workforce Planning Metrics**

To bolster ongoing utilization of workforce data, GBMC selected several metrics to track, including Turnover Rates by different job categories, the RN Vacancy Rate, RN Hiring Ratios, and Staff Retention Rates through two years of service.

#### **5. Identifying Data on Internal Labor Supply**

Infohrm staff partnered with GBMC's IT leaders to outline what data would be needed to build long-term workforce plans. At this stage, it was critical to consider what data currently exists, in which systems it is located, and who is responsible for maintaining standards of data quality.

## 4. Results

### 1. HR Launched New Initiatives to Reduce Early-Tenure (<1 Year) Turnover and Increase Supply

- Onboarding of RNs in 12-14 member cohorts to offer greater support for new hires.
- New training programs to strengthen NSTs (Nursing Support Techs) and RNs' working relationships.
- Mentoring program in which experienced nurses are scheduled on off-shifts (where new RNs are often placed) to answer questions.
- Participating in state initiatives to raise the number of nursing faculty & students at area universities.

### 2. Double-Digit Decreases in Nursing Vacancy Rates Have Generated \$4 Million in Cost Savings

- Vacancy Rates have fallen from 14% to 4.7% in twelve months, with RN agency costs dropping by \$1.2 million (with projected saving of \$3 million in the next year).
- RN turnover has decreased from 18% to 14%.

### 3. Workforce Planning Improved HR's Credibility as a "Business Driver"

- HR has received extremely positive feedback from GBMC's nursing leaders (the Professional Nurses Council) and Board of Directors. Workforce planning has bolstered HR management's credibility as a business driver and brought focus and discipline to workforce issues.

### Implications and Lessons Learned

1. Workforce planning should balance data forecasting with change management, especially conditioning internal audiences to utilize workforce data in supporting talent management decisions
2. Supply and demand forecasts provide a longer-term human capital perspective for business leaders
3. Quantitative and qualitative data (such as skills and roles) are both important for designing interventions