



white paper

## **Beyond the Float Pool**

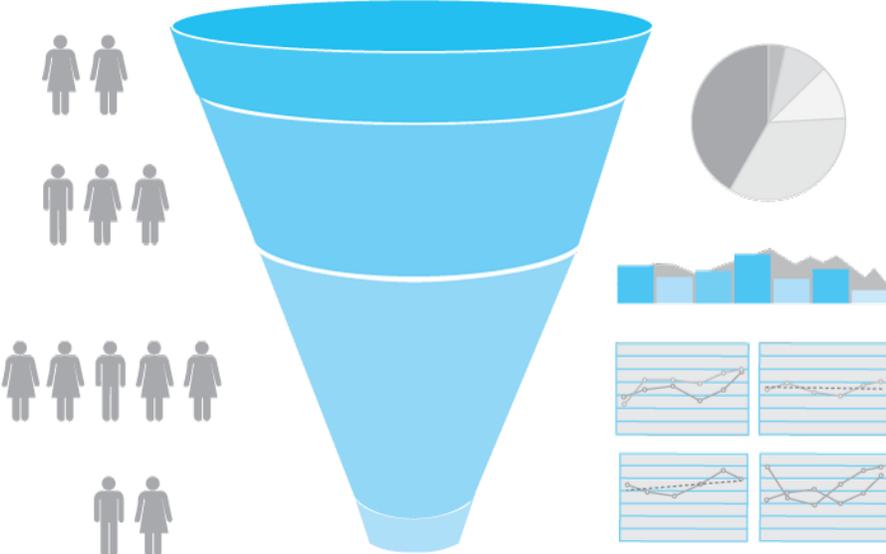
**Sophisticated contingency strategies  
for an increasingly complex reality**

## Increased Complexity Requires Increased Workforce Sophistication

In order to increase market share and expand services to provide a more comprehensive continuum of care, health systems are popping up in places outside their traditional campuses of hospitals and specialty offices. Today, providers are extending their brands into pharmacies, medical group practices, and clinic networks in grocery stores, schools, and corporate settings.

This degree of diversification and breadth of services requires a highly coordinated network of care providers to effectively meet patient/volume demand. The root of this network is a staffing strategy that utilizes the concepts of core and contingency resources.

Having the right mix of core and contingency resources results in cost effective management of workforce to volume as well as ensuring quality with staff levels at the right numbers and individuals working at the top of their scope.



## Core and Contingency

Care staff fall into two categories: Core and Contingency. Knowing who best fits into these categories and how many individuals are needed in each is crucial to the success of the organization and the wellbeing of its patients. Placing a person into a role not suited for them is not good for the individual or the organization. It creates unnecessary stress and leads to low morale, poor quality, and eventually burnout.

HR must take an active role in matching an applicant's traits with the organization's open positions. This is easier said than done as it must take into account actual vs. perceived motivations of staff members. In a study Avantas conducted it was found that an individual's perceptions of what motivates him or her to pick up shifts and how those motives manifest in reality are often contradictory<sup>1</sup>.

Filling a role with a person who is not adequately suited is a short-term solution with long-term negative consequences, including the eventual cost of turnover, estimated at one to two times the salary of the position.



**Core staff** members hold a full or part-time schedule commitment (FTE) and are assigned to a particular work area. In general, they enjoy the predictable nature of their schedules and find comfort knowing they will work on the unit they are familiar with alongside the co-workers with whom they have a relationship.

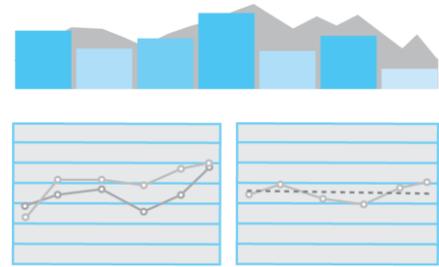


**Contingency staff** include all individuals not unit-based, such as internal float pools (with or without FTE commitments), all staff working above their FTE or into overtime, any shift selected via a open shift program, any PRN (unit-based or in a float pool), or external agency employees. Contingency staff, other than core staff working above their FTE, typically prefer flexibility and variation, and therefore enjoy working on a variety of units. They can be motivated by a higher wage or by a schedule that works around their lives.

The first step in this balanced approach to managing resources is determining the right size of core staff and the subsequent layering and sizing of contingency.

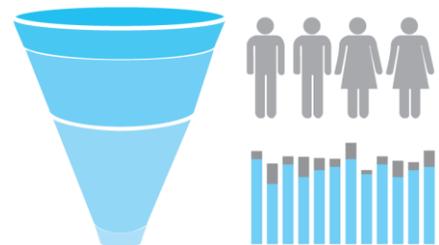
## Core Staff Sizing

Looking first at core staff, the point is to hire at a level that keeps them working to their FTE commitment with minimal need to float or have shifts cancelled. Core staff should be scheduled against forecasted patient flow, not level pattern. The number of core staff needed by department or service area should correlate to the most frequent census/volume point (mode). This strategy reduces over and understaffing as well as minimizes the need to float staff to or from other departments or bring in excessive contingency resources. It's important to remember that core staff will have a portion of their FTE not available for patient care due to the demand elements such as paid time off (PTO), the Family and Medical Leave Act (FMLA), meeting and orientation time, etc. This leads to the need for contingency staff.



## Contingency Sizing

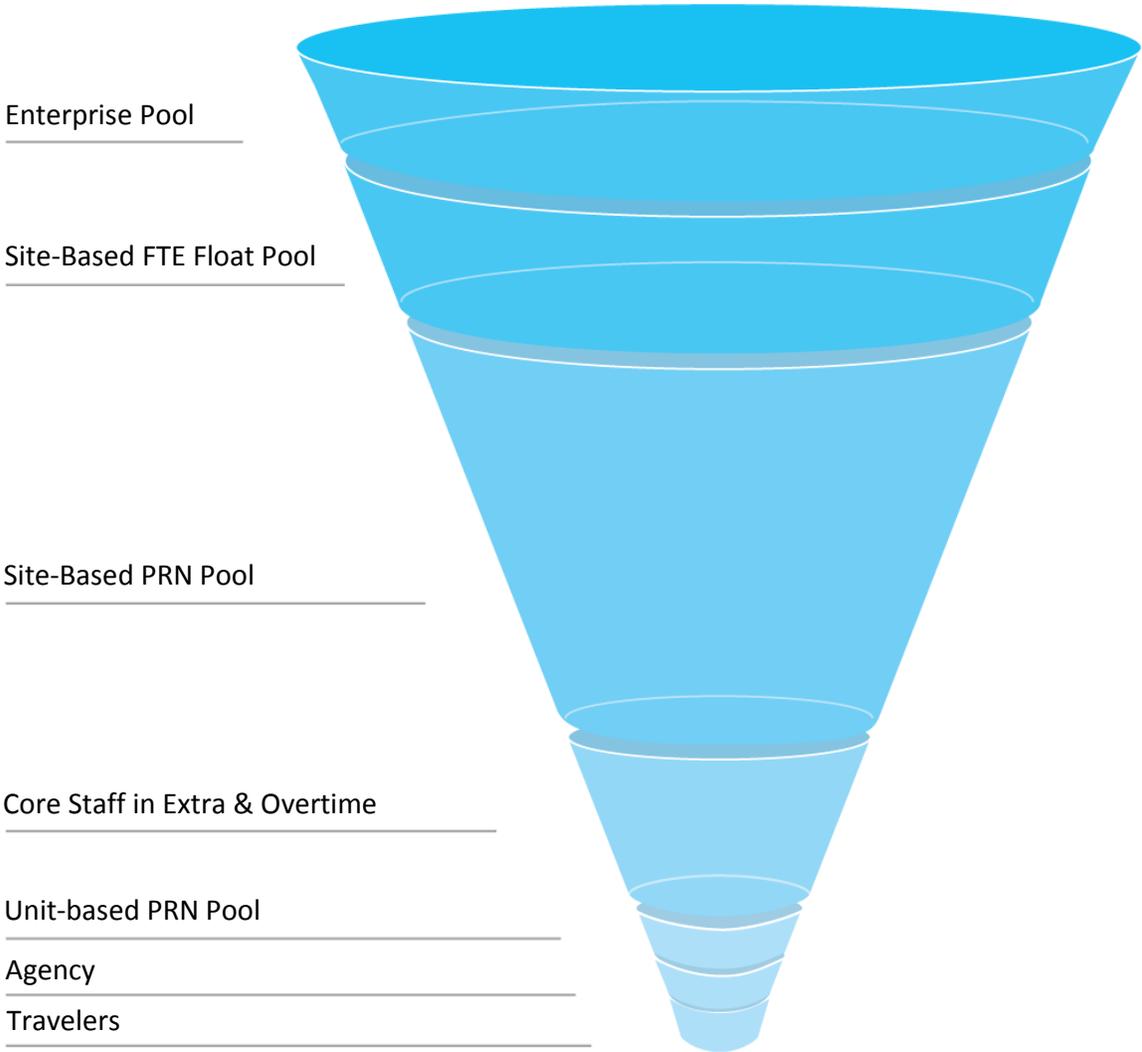
At the most basic level, contingency staff exist to cover the “what ifs” every organization experiences. What if flu season is particularly intense? What if we experience a wave of absence calls? What if a competitor experiences a change in their preferred provider status with an insurance company and we experience a spike in volume as a result? A contingency staff program is designed to provide ultimate flexibility and nimble expansion and contraction capacity. Hiring targets for contingency staff are based on demand elements, trended gaps (core staff behaviors, expected and unexpected time off, etc.), historical census levels and acuity spikes, and predicted future census.



## Layering Contingency Staff

To effectively meet the ebb and flow of patient demand healthcare organizations must have the right size and layering of contingency staffing sources. How many layers are needed and the size of those layers will vary depending on the organization’s size and unique challenges. Under the umbrella of “contingency staff,” the traits individuals should have and their expectations of their role will vary greatly depending on what layer they occupy. In fact, the variances in this group of staff can be so great the strategies for managing them may be drastically different from one layer to the next.

Depending on the size of the system, an organization, in addition to a right-sized core staff, could have as many as seven different layers of contingency.



**Enterprise Float Pool:** For systems with two or more facilities within the same market or metro area, an enterprise float pool is a wise strategy. As more health systems develop or acquire outpatient facilities and medical groups this layer's composition of highly skilled and flexible individuals includes those who can float between hospitals/facilities and work on various units/departments as well as those who can move between clinic locations.

**Site-based FTE Float Pool:** This small segment of nursing generalists typically carry an FTE and can function in a variety of areas/departments. They provide consistency and stability of resources for known demand (when core are unavailable to take a patient) and the flexibility to adjust based upon the specific needs for a particular day/shift.

**Site-based PRN Pool:** Typically, this is the largest segment of an organization's contingency resources. These individuals work a fluctuating schedule based upon the match between an organization's needs and the individual's availability. They are the key to an organization's expansion and contraction flexibility. They will need to expand up to 1.5 times their normal hours to help in times of high need and contract down to near zero during low need times. This layer ensures that all FTE'd resources will have the consistency in hours to limit cancellations and reduce the need for overtime.

**Core staff in extra shifts and overtime:** While there is no getting around the use of overtime, it should be rarely used. In addition to being expensive, overutilization of overtime can lead to burnout and negatively affect morale and quality.

**Unit-based PRN Pool:** For heavily specialized departments and outpatient facilities to be able to manage spikes in census or staff absences they need a small number of PRN staff who can fill in.

**The "right" Agency Partnership:** Carefully choosing and nurturing relationships with high-quality local agencies is a sensible strategy that often ends up saving the day. And, the right contract stipulations can prevent agencies from hiring away a provider's staff. Certain third-party staffing providers also offer physician recruitment as well as permanent placement services which can be more effective and ultimately less expensive than provider-driven efforts.

**Travelers:** When a comprehensive, multi-layer contingency plan is in place, carefully planned, well-timed traveler assignments can complete a contingency staffing strategy.

As health providers are looking to realize cost savings or develop greater footprints through the expansion of services and number of touch points, they must increase the sophistication of their workforce management strategies. A right-sized and robust contingency staffing strategy managed and deployed centrally provides effective expansion capabilities in a cost-effective manner.



<sup>1</sup> (Avantas) Open Shift Management: Understanding Staff Motivations is Key to Filling Shifts. <http://avantas.com/whitepapers>

## About Avantas

Developers of the HELM™ methodology (healthcare enterprise labor management), Avantas is devoted to serving the healthcare industry. Its proprietary approach to managing labor consists of consulting services and a scheduling and productivity solution, Smart Square®. This comprehensive approach provides its clients with tailored best practice labor management strategies designed to drive substantial and sustaining cost and quality improvements across the enterprise through automation.

