Addressing High Nurse Turnover at Bronson Methodist Hospital in Kalamazoo, Michigan

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Adapted from Chapter 6 of Benchmarking for Hospitals: Achieving Best-in-Class Performance Without Having to Reinvent the Wheel
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About Bronson Methodist Hospital

• 334-bed hospital in Kalamazoo, Michigan, with 780 medical staff and 3,200 employees.

• Mission: To provide excellent healthcare services.

• Key elements of corporate strategy are the “3-C’s”: clinical excellence, customer and service excellence, and corporate effectiveness.
The Project Team

Project Champions

• Frank Sardone, CEO
• Susan Ulshafer, Senior V.P. of Human Resources and Organizational Development
The Problem

• Bronson’s performance indicators had been on the decline since the 1990s:
  – Moderate image in the community.
  – Profitable but declining market share (second to the major competitor in the market).
  – Poor human resource practices with high union vulnerability.
  – High turnover rate.
  – Low scores on employee opinion surveys, indicating weak leadership.
Project Goals

Reduce nurse turnover at Bronson, making it among the best in class for nurse turnover and helping develop a stable and committed workforce, which would in turn help Bronson achieve its vision of becoming a national leader in healthcare quality.
Root Cause Analysis

• Root cause of high nurse turnover: weak leadership.
• Complicating factor: major competitor in the service area was unionized and paid higher salaries.
Addressing Root Causes

- Tools used to address root causes:
  - Benchmarking
    - Early in this process Bronson engaged in benchmarking activities with other organizations recognized for service and workforce excellence, such as the Walt Disney Company and Ritz-Carlton Hotels.
  - Flowcharting
  - Malcolm Baldrige National Quality Award criteria
    - Bronson used the MBNQA criteria to connect the dots to fit the workforce development plan into the right place in its structure so that it was not a separate thing that HR did, but part of its strategy.
  - Leadership development and training
  - Workforce development
    - The Workforce Development Plan (WDP) comprises Bronson’s systematic approach to attracting and retaining qualified staff and its commitment to workforce excellence.
  - Bronson encountered no significant obstacles to the project.
Bronson’s Workforce Development Plan

Developing the Current Workforce
- Leadership Development
- Career Enhancement
- Succession Planning
- Retention

Developing the Future Workforce
- Partnerships with Schools & Communities
- Youth Strategies
- Recruitment

Diversity
- Diversity Strategic Plan
- Diversity Council
- Mentor Program

Employee Satisfaction & Well-being
- Two-way Communication
- Employee Input
- Listening Posts
- Workplace Health & Safety

Benefits & Services
- Your Life; Your Time
- Your Wealth & Financial Security
- Your Professional Development
- Your Health & Wellness

Staff Learning & Motivation
- Education & Training Plan
- Career Development
- Knowledge & Skill Sharing

Recognizing & Rewarding Excellence
- Competitive Compensation
- Formal & Informal Rewards

Return on Investment

Staff Satisfaction

• The annual employee opinion survey participation rate at the end of the project (2006) was 93 percent, and the survey documented improvement since 2001.

• 90 percent of employees rated Bronson as a great place to work.

• Bronson is listed among the 100 Best Companies for Working Mothers by Working Mother magazine and 100 Best Companies to Work For by Fortune magazine.
Return on Investment

Cost Savings

• Bronson estimates its costs for replacing one nurse to be $30,000–$60,000.

• In 2005 Bronson’s nurse turnover rate was 4.7 percent, while the national average was approximately 18 percent.

• For every 100 nurses on staff, the difference between Bronson’s nurse turnover rate and the national average could potentially result in a cost savings of $420,000–$840,000 annually.
Monitoring and Evaluating Over Time

• Bronson’s annual employee opinion survey (EOS) is the primary formal mechanism to assess staff satisfaction on 16 separate dimensions. In addition to the coded responses to the EOS, the administration carefully notes all written comments.
For More Information

• Learn more about Bronson Methodist Hospital: www.bronsonhealth.com.

• More case study presentations are available from the ASQ Healthcare Division: www.asq.org/health/quality-information/library.

• Read healthcare case study articles from ASQ: www.asq.org/healthcare-use/why-quality/case-studies.html.

• To find articles, books, courses, and other resources on healthcare quality, search the ASQ Knowledge Center: www.asq.org/knowledge-center/search.