

Quick-Hitting Survey COVID-19 Workforce Adjustments

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Executive Summary

Methodology

In May 2020, The Health Management Academy conducted a quick-hitting survey of Leading Health Systems (LHS) to identify health system workforce adjustment strategies in response to COVID-19. The 13 responding Chief Human Resources Officers (CHRO) represent health systems with an average Total Revenue of \$6.34 billion that own or operate 163 hospitals and have approximately two million admissions per annum.

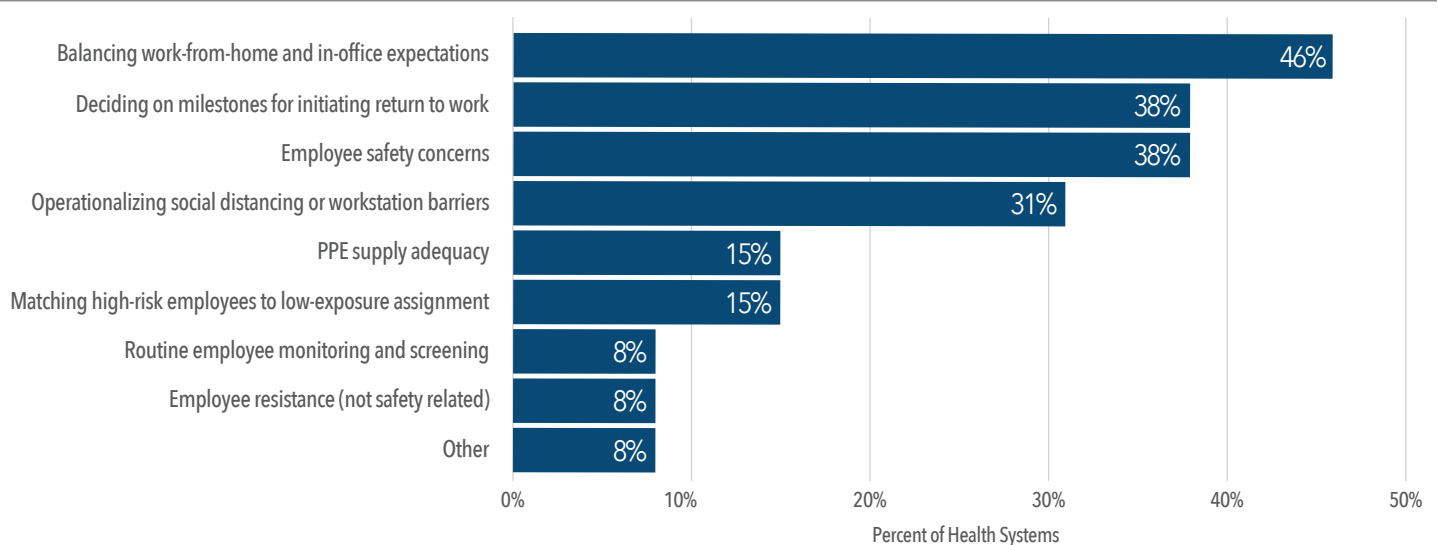
Key Findings

- Almost half (46%) of health systems have measured the productivity of their remote workforce and all of them have found it to be more productive than traditional work in the office.
- The vast majority (92%) of LHS are considering more non-clinical workers working remotely in the future with 69% considering significantly more workers working remotely.
- Many health systems (54%) are considering reducing the physical footprint of corporate/back office workers.

Results

As LHS develop their return to work policies they are faced with a number of challenges and barriers. The most common barrier among responding LHS (46%) is balancing work-from-home and in-office expectations (Figure 1). Employee safety concerns (38%) and deciding on milestones for initiating return to work (38%) are also common challenges among health systems. One health system also noted availability of cleaning supplies is also a challenge.

Figure 1. In developing or executing your return to work policy, which of the following barriers have presented the greatest challenge? (Select up to 3)



In order to determine the role of remote work as part of LHS' future workforce strategy, almost half of health systems (46%) have assessed the productivity of their remote workers (Figure 2). Of the 46% that have measured their remote workforce productivity, all found remote work to be more productive. The remaining health systems (54%) have yet to assess the productivity of their remote workforce. Determining remote productivity will be an important step in shaping both LHS' return to work strategies and the future of remote work more broadly.

Regardless of whether health systems have assessed productivity, almost all (92%) of LHS are considering more non-clinical workers working remotely in the future with 69% considering a significantly larger proportion of the workforce working remotely (Figure 3). The surge in remote work in response to COVID-19 will likely have long lasting impacts on the way LHS plan and adjust their workforce strategies. Because all health systems that measured the productivity of their remote workforce found them to be more productive, more non-clinical workers will likely find themselves working remotely in the future.

Figure 2. Has your health system assessed the impact of remote work on productivity, either formally or informally?

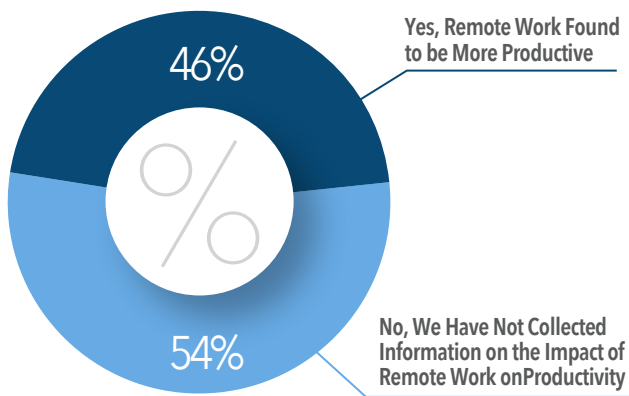
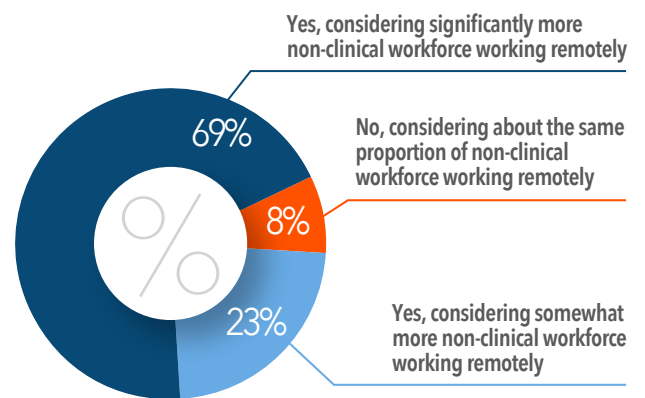
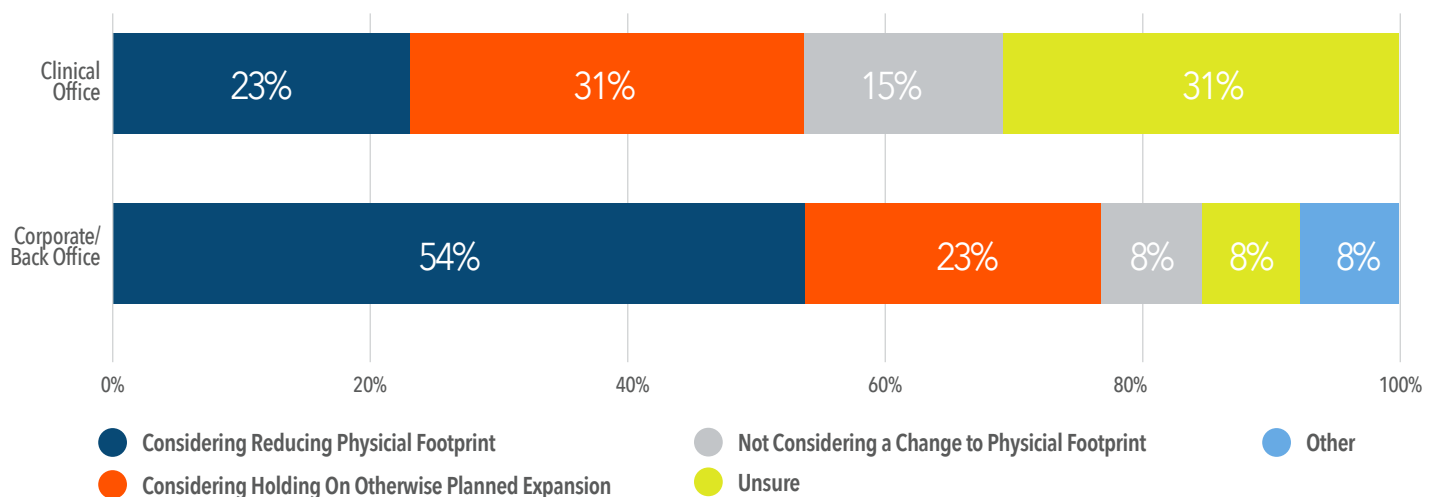


Figure 3. Is your health system considering having a larger percentage of your non-clinical workforce work remotely in the future, compared to a historic pre-COVID baseline?



Due to a likelihood of increased remote work as well as immense financial pressure, many LHS are considering reductions in physical footprint in both clinical and corporate offices. Over half of health systems (54%) are considering reducing the physical footprint of corporate/back office space, and almost a quarter (23%) are considering holding on otherwise planned expansions (Figure 4). While fewer LHS were considering reductions in clinical office footprint (23%), almost a third (31%) are considering holding on expansions. "Other" strategies health systems are considering include moving workers from leased spaces to owned spaces to cut costs.

Figure 4. Is your health system considering reducing your office physical footprint to realize cost savings?



LHS are considering a number of more specific pay and benefit strategies in light of COVID-19 economic pressures. Most commonly, health systems are already reducing hours (31%), foregoing pay increases (31%), and furloughing staff (31%) (Figure 5). Other strategies health systems report using include hiring freezes, paused travel, and sabbaticals. Health systems are considering implementing additional strategies, including deferring incentive payments (46%), freezing retirement contributions (38%), and/or foregoing pay increases (31%). Strategies that many health systems are not considering leveraging include reopening union negotiations (91%), reducing executive pay (69%), and reducing hours (69%).

Figure 5. Which of the following pay and benefits strategies have you already implemented or are considering in light of COVID-19 economic pressures?

