

Managing People

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Introduction

Higher employee attrition rates in the healthcare sector can raise a number of problems including increasing workload and hampering the reputation of organisations in this sector. Different monetary and non-monetary retention schemes can be adopted in the healthcare sector to ensure an increasing employee retention rate. This study is going to focus on different reasons behind increasing employee attrition rates in the nursing sector of the United Kingdom. In this aspect, the impact of increasing employee attrition rate in this sector will also be emphasised in this study. Evaluation of five monetary retention schemes and five non-monetary retention schemes adopted by NHS of UK will also be focused on in this study.

Analysis of causes and effects of employee attrition within Nursing Industry

Causes of employee attrition

Employee attrition is one of the major problems in the nursing industry in the United Kingdom. According to a report, in 2022 around 40365 NHS nurses left active services in this country. Highest average nurse leaver rate in this country is around 16.8%. The lowest average nurse leave rate in this country is around 12%. Mostly younger nurses are leaving their roles in the nursing sector of this country. Around 23000 nurses who left their roles are under 45 years old (Nuffieldtrust, 2023). The increase rate of leaving nursing roles has increased by around 26% from the previous year. There are different reasons behind the increasing employee turnover rate in the nursing industry of this nation. Mental stress, lower pay rate and shortage of resources are some of the major reasons behind higher employee turnover rates in the national health sector of the United Kingdom. High staff shortage has increased the workload of nurses in this sector. Different problems have also been faced by nurses in the national health sector of this country. A lack of long-term workforce planning by the government of this country is one of the major problems that have been faced by nurses in this sector. Brexit is also another reason behind the loss of nursing staff coming from the European Union. Nurses have faced huge job pressures due to the shortage of staff. Improper supervision and management are other two major reasons behind higher employee turnover rates (Meyerowitz-Katz *et.al.*, 2020). Lack of training and job security are other two major reasons behind higher employee turnover rate in the nursing sector of the United Kingdom. Tough work rules and policies are also some of the major reasons behind higher employee turnover rate. Discrimination is another major reason behind higher employee turnover rate in the nursing industry of the United Kingdom. Nurses in this industry often face

issues related to the higher workload and sex-related discrimination. Harassment is another major reason behind the higher employee turnover rate in the nursing industry of this country.

Effects of employee attrition

Different issues have been raised in the nursing industry of this country due to the higher margin of employee attrition. Loss of valuable knowledge and experience is one of the major outcomes of the higher employee attrition rate in the national health sector of the United Kingdom. Organisations from the healthcare sector of this country have faced problems related to loss of experience due to the higher turnover rate of experienced employees of these organisations. Loss of belief in the team's competence is another major outcome of a higher employee turnover rate (Kline and Lewis, 2019). If an experienced employee leaves a team then the balance of that team can be hampered. Different group projects in the healthcare sector have also been hampered due to the higher employee turnover rate in the nursing sector of this country. Increasing employee turnover rate has also led to increased workload in the nursing sector of this country. Shortage of employees in this sector is one of the major negative outcomes of a higher employee turnover rate. Negative impact on the reputation of the organisation is another major effect of a higher employee turnover rate in this sector. Increasing shortage of nurses can lead to further increase in employee turnover rate. Recruitment of new employees can also lead to increased costs of hiring and training. The operations of the healthcare sector can be hampered due to increased employee attrition (Morrish, 2019). The morale of existing employees in this sector has also been hampered due to the gradually increasing employee turnover rate. There are different other aspects that are also related to the increasing rate of employee attrition. Employee attrition has also influenced other nurses to leave their roles in the nursing sector of this nation. Gradual increase in employee attrition rate can also negatively impact the perception of organisational

operations of candidates from outside who are willing to join an organisation from the nursing sector of this country. Decrease in sales of healthcare services can lead to a downfall in the growth of this sector (Drennan and Ross, 2019). People from higher-class families often choose the private health sector for their treatment due to the lower quality of services in the national healthcare service of the United Kingdom. Shortage of employees is one of the major reasons behind the lower quality of healthcare services in the nursing sector of this country.

Five monetary and five non-monetary existing retention schemes

Monetary retention scheme

Monetary retention schemes can be introduced as a strategy to increase the retention rate of employees with the help of providing different financial offers. Five different monetary schemes taken by the national health sector of the United Kingdom have been described below.

Signing bonus: This can be introduced as a one-time payment offered to the new employees after accepting the job offer. The employees who have joined the health sector of the United Kingdom can be benefitted from a certain amount of money. The authority of the national health sector of this nation has adopted this strategy to enhance the employee retention rate. The amount of the signing bonus can vary depending on the designation of nurses who will join the healthcare sector of the United Kingdom (Crawford *et.al.*, 2020). Adaptation of this strategy has helped the authority of the national healthcare sector of this country to reduce the margin of employees' attrition rate.

Performance-based bonus: This is another effective monetary retention scheme used by the NHS of the United Kingdom. Nurses have been offered a bonus based on their performance. This strategy is one of the most effective strategies to increase the retention rate of experienced nurses. Experienced nurses have also benefited in terms of achieving a certain amount of money by providing higher-quality services in the nursing sector (Willard-Grace *et.al.*, 2019). This strategy can also help to engage experienced nurses to reduce the turnover rate of experienced employees.

Increase wages: This is another effective monetary retention rate that has also been adopted by a number of organisations from the healthcare sector of the United Kingdom. The authority of the

NHS of the United Kingdom has decided to increase the wage of nurses from average of 25k pounds to 30k pounds to enhance the employee retention rate of the nursing sector of this nation.

Reward system: This is another important effective monetary retention scheme that has also been adopted by the NHS of the UK. Nurses have benefited in terms of achieving rewards and have provided extraordinary performance related to healthcare services.

Bonus in festivals: Nurses have also been offered a certain amount of bonus at major festivals in this country. Nurses in this country have benefited in terms of a certain amount of bonus at major festivals of this country (Bouya *et.al.*, 2020). This is another effective monetary retention scheme to enhance the retention rate of employees in the nursing sector of this nation.

Non-monetary retention scheme

Non-monetary schemes can be introduced as the strategy that can help to improve employee retention rate through different strategies that are not related to money.

Work-life balance: Work-life balance is a major non-monetary scheme that has been adopted by the authority of the National Health Sector of the United Kingdom. Employees have benefited in terms of a flexible work schedule that is one of the major needs of employees in the nursing sector of this country (Duan *et.al.*, 2019). Work-life balance has also helped nurses in this sector to reduce mental stress.

Career development opportunities: This non-monetary retention scheme has helped nurses in this sector to provide career development opportunities through promotional opportunities.

Discrimination Less workplace: This non-monetary retention scheme has helped the NHS of this country to increase the retention rate of nurses from foreign countries and different cultures. Nurses have also benefited in terms of ensuring job security with the help of this non-monetary retention scheme of the NHS.

Better communication: This is another important non-monetary retention scheme that has also been adopted by the authority of the NHS of this country. Most organisations from this sector have focused on implementing better communication style in the business environment to enhance the retention rate of existing nurses.

Training and motivational program: Arrangement of training and motivational programs can be another effective non-monetary retention scheme of the NHS. Employees who want to work in learning organisations have been pleased with the help of arranging a number of training and motivational programs (Frye *et.al.*, 2020). Arrangement of training programs has also helped to improve the efficiency of nurses. Improvisation in efficiency has helped them to secure their designations.

Recommendations to improve nurse retention

Short-terms strategies: The retention rate of employees in the nursing sector can be increased by increasing wages of nurses. This can be an effective short-term strategy to increase the retention rate of employees in the nursing sector of the United Kingdom. Apart from that, the organisations from this sector should focus on the adaptation of performance based bonuses for nurses who can provide better work. This strategy can also be helpful for increasing retention rate of experienced employees in this sector. Implementation of an effective communication style can be another effective short-term retention strategy. In this aspect, an *assertive communication style* can be implemented in the organisational environment of the national healthcare service of the United Kingdom. All the above-mentioned strategies can be helpful for decreasing the employee attrition rate in the healthcare sector of this country (Buchan *et.al.*, 2019). Assertive communication style is the simplest communication style. Implementation of this communication style can be helpful for improving relationships between nurses. Issues related to communication gaps can be mitigated with the help of this communication style.

Long-term strategies: Arrangement of training and motivational programs can be one of the most effective long term strategies to increase employee retention rate. This strategy will be helpful for retaining employees who have a huge interest in working in a learning organisation. Arrangement of training programs can help to improve efficiency of employees. As a result, nurses can develop their career opportunities through improving efficiency (Epstein *et.al.*, 2019). Adaptation of anti-discrimination laws in an organisational environment can be another effective long-term strategy to enhance the employees retention rate. This strategy will be helpful for attracting employees from different cultures. Diversity in the workplace can also be maintained with the help of this long-term retention strategy. Adaptation of transformational leadership style

in the healthcare sector can also help in engaging employees in organisational operations. In this way, the employee retention rate can enhance with the help of aforementioned strategies.

Conclusion

It can be concluded that improper strategies of the authority of the National Health Sector of the UK are one of the major reasons behind the increasing employee turnover rate of this sector. Gradual increase in workload of this sector is one of the major negative outcomes of increasing employee turnover rate. Performance based bonuses and increasing wages of nurses are two major monetary retention schemes adopted by the authority of the NHS of the United Kingdom. On the other hand, arrangement of training and motivational programs and implementation of better communication style are two major non-monetary retention schemes adopted by the authority of the healthcare sector of this nation.

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