



## Volume 2, Issue 4

*The Office of Public Health Support presents the fourth IHS CEO Brief in our email series designed to help you address the challenge of retaining our professional and clinical staff.*

*In this issue, a nurse executive makes a bold move with across-the-board salary bonuses to recruit and retain nurses. She believes this will help the facility ensure the best possible care for its patients. The best practice demonstrated by this case study is the importance of providing resourceful leadership.*

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## CASE STUDY

### Nurse Executive

Location: Small IHS Hospital

**Background:** In 2004, the hospital's leadership team successfully instituted a 3-R bonus program to provide relocation, recruitment and retention bonuses in the Family Care and Obstetrics units. Two years later, a new appointee to the nurse executive position found that there were still a number of vacant positions on her nursing teams in all departments. There were even positions available in Emergency, Surgery, and especially Outpatient, departments for which she knew nurses were easier to recruit and retain. This concerned the nurse executive. She knew that continuity of care is essential to enabling a hospital to provide the best possible patient outcomes.

**Challenge:** Exit interviews and staff interactions with the nurse executive indicated that the nurses were interested in earning more money. Many were leaving IHS in order to work at a local private hospital that was offering them a \$10,000 recruitment bonus plus an additional \$10,000 bonus at the end of their second year. For staff members at the GS-9 and GS-10 levels, this meant a 19 percent to 22 percent increase in pay over two years.

**Solution:** Realizing that a large part of her budget was spent on contract nurses and that the facility's CEO had the authority to offer 3-R bonuses, the nurse executive met with her governing board to discuss reallocating money spent on hiring contract employees to retaining staff nurses. She proposed a plan to apply the money to a 10 percent recruitment

and relocation bonus and a 15 percent across-the-board performance retention bonus for all nurses.

**Lesson Learned:** The nurse executive realized that recruitment and retention incentives would encourage her dedicated nurses to stay with the organization and remain committed to both the IHS mission and the hospital's patient population. The incentives provided a practical way to ensure that a strong sense of continuity would be maintained on behalf of patients.

## BEST PRACTICES IN ACTION

One of the most essential leadership responsibilities is supporting and protecting the interests of staff members. When staff are being drawn away for reasons such as salary, it is important to reinforce their sense of importance to the overall success of the organization and the high level of care provided to patients by re-establishing effective support for pay incentives.

*We recognize that you may have successful retention strategies and your own best practices and we value your input. Send your stories or comments. Add a colleague to the mailing list or update us with changes in your email address. Email us at: [IHS CEO Brief](#).*



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