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

In this issue, a clinical director initiates a program to improve retention and recruitment. He discovers that compensation is a change he can make with a measurable impact. This case stresses the best practices of leadership and shared management.

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CASE STUDY

Clinical Director

Location: Large Rural Hospital

Background: Recruitment and retention of staff members at the hospital was a serious issue. Because of the remoteness of the hospital, clinicians typically stayed for just two to three years before moving on - and the facility lost about two staff members per year.

Challenge: The hospital's clinical director decided to initiate a program specifically designed to reverse the hospital's recruitment and retention trends. But when he looked at all of the factors involved, he discovered that many of them were beyond his control. For instance, many staff members were leaving their positions due to family concerns, such as living too far from ailing parents or limited opportunities for a spouse to find work. While compensation was not usually mentioned as a reason for leaving, the clinical director knew that it was an area he could positively affect, and one that was likely to have a measurable impact on his hiring and retention processes.

Solution: The clinical director developed a Medical Staff Pay Committee and invited his entire medical staff and administration to participate in it. A number of people volunteered for the committee and met weekly during their lunch hour. They performed a comprehensive review of existing staff salaries, comparing them to data in the *Physician Compensation and Production Survey* produced by the Medical Group Management Association.

Based on the committee's analysis, they determined that salaries could be increased by 50 percent of the pay gap. They used six specialties to demonstrate their findings to the hospital's executive leadership. Because hiring and retaining staff in these particular positions would lessen the need for more costly contractors, it was projected that a pay increase in these areas would not affect the hospital's budget. So the hospital applied the salary increase to the six specialties, which resulted in measurable success in the areas of recruitment and retention. This proven success enabled the committee to propose another new plan to the hospital's executive leadership - one that closed 50 percent of the pay gap for the entire medical staff.

Lesson Learned: By looking for factors that were under his control, the clinical director realized he could make a definitive impact on his retention and recruitment efforts. His staff members were more accepting of the changes he made because he had involved them in an employee-based committee. And while the clinical director understood that his staff members would still eventually leave, he was encouraged by their commitment to staying at the facility even a year longer - a significant improvement in the workplace.

BEST PRACTICES IN ACTION

Responsible leadership involves researching factors, such as compensation levels, that might impact your retention efforts, and finding innovative ways to appropriately address them.

When you implement the concept of shared management, employees feel they are part of a fair and equitable decisionmaking process, and they become empowered by the organization's willingness to let them help lead.

WORDS TO LEAD BY

Physician Compensation and Production Survey: 2008 Report Based on 2007 Data by Medical Group Management Association (MGMA) (July 2008).

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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