Editorial

COST AND PERFORMANCE ISSUES - FACTORS RURAL NURSE MANAGERS CONSIDER WHEN MAKE STAFFING DECISIONS SIMILAR TO NURSE MANAGERS IN OTHER HOSPITAL SETTINGS

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The healthcare industry is under tremendous pressure to lower cost while improving quality (Levit, Lazenby, & Braden 1998). Since nursing cost is the single largest item in providing care for hospitalized clients, nurse managers must make nursing staffing decisions that control labor expenditures and yet allow for the provision of quality care. Managing nursing labor costs by making timely staffing decisions is essential for hospitals to survive.

Two studies were conducted to determine the usefulness of a labor computer decision support system, developed by the investigator, to control nursing labor cost and provide quality nursing care.

The first study was conducted in a large medical and a large psychiatric hospital in the South. Two nurse managers participated from both hospitals (Carter & Cox, 2000). The second study included the nurse manager from two small rural hospitals, one from the South and the other from the North Central United States (Carter, 2002). As part of these two studies, nurse managers were interviewed weekly for a three-month period to determine factors they considered in making personnel changes and the changes in personnel that they made to improve cost or quality of care. Changes that were made will be reported in the next issue.

Factors the nurse managers considered when making staffing changes

The nurse managers (NMs) primarily considered three factors when making personnel changes. Table 1 depicts the nurse managers' most frequent responses in the three different hospitals. The three most frequent responses reported by the NMs regardless of setting were A-Acuity, B-Balance (the level of staff needed to handle non-volume related activities such as admissions and discharges) and C-Census. These three factors accounted for a mean of 79% of the factors (80, 82, and 75) the six NMs considered when making staffing changes. Census as a factor had the highest response rate with a mean of 34%. Census was the major factor considered by the two NMs in the medical hospital and the two NMs in the small rural hospitals. In the rural hospitals, census was the factor used to determine staffing changes 41% of the time, and the medical nurse managers considered census 34% of the time. The census factor was considered by the psychiatric nurse managers 27% of the time.

The psychiatric NMs reported that acuity was the factor considered 44% of the time in making staffing changes. The medical NMs reported 23% and the rural NMs reported 27% of their staffing changes were based on the acuity factor. Balance was the third largest factor considered with a mean of 14%.
Table 1
*Factors the Nurse Managers Considered in Making Staffing Changes*

<table>
<thead>
<tr>
<th>Factors considered</th>
<th>Medical</th>
<th>Psychiatric</th>
<th>Rural</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Census</td>
<td>34%</td>
<td>27%</td>
<td>41%</td>
<td>34%</td>
</tr>
<tr>
<td>Patient Acuity</td>
<td>23%</td>
<td>44%</td>
<td>19%</td>
<td>27%</td>
</tr>
<tr>
<td>Balance</td>
<td>13%</td>
<td>15%</td>
<td>15%</td>
<td>14%</td>
</tr>
<tr>
<td>Total ABCs</td>
<td>80%</td>
<td>82%</td>
<td>75%</td>
<td>79%</td>
</tr>
</tbody>
</table>

Other factors the six nurse managers considered were staff available (e.g. decreased LPNs available), one to one nurse patient ratio (psychiatric NMs), nurse resignations, a difficult patient family, RN to LPN ratios, and the need to maintain a qualified pool of staff (rural NMs).

**Conclusion**

Regardless of hospital setting, census, acuity and balance were considered the three primary factors considered when nurse managers made decisions about nursing staffing changes. Therefore, the ABCs of nursing staffing decisions were acuity, balance and census with census being number-one. With the changing healthcare environment facing today's nurse managers, knowledge about factors considered when making nursing decisions and staffing changes made by nurse managers to control cost or quality of care is useful.

**REFERENCES**


Carter, M., & Cox, R. (2000). Nurse manager's use of a computer decision support system: Differences in nursing labor costs per patient day. *Nursing Leadership Forum, 5*(2), 57-64. [MEDLINE]