94% of health system executives describe nurse shortage as “critical”
Including input from 100 U.S. health system senior executives from both inside and outside the Incredible Health employer network, this report showcases their concerns, illuminates areas where nurses and leadership are misaligned, and highlights other areas where there remains room for improvement.

The report’s findings strike a chord of urgency. 94% of respondents described the severity of the nursing shortage in their health systems as critical, and 68% said they do not have the adequate nursing staff to manage another large-scale health crisis.

There is a silver lining: healthcare executives, specifically those charged with hiring and retaining nurses, are embracing the opportunity to change their nurse hiring and retention methods to improve the nurse experience, and ultimately patient care.

## AVERAGE NURSE TENURE AND EXPERIENCE ARE PRESSING ISSUES RELATED TO HIRING

40% of health system executives reported that **more than a quarter of nurses in their system have less than a year of experience.**

This is in stark contrast to what hospitals are looking for when hiring nurses: previous experience (43%) and qualifications (43%) are tied for the top factors they consider.

Overall, health systems reported that **53% of nurses had an average tenure of less than five years at their institution.**

## LARGE DISCONNECT BETWEEN WHAT NURSES LOOK FOR IN AN EMPLOYER AND WHAT EMPLOYERS OFFER TO HIRE AND RETAIN NURSES

Health system executives reported **80% of younger nurses requested more flexible scheduling**, yet only 11% of health system executives surveyed actually offer more flexible schedules. Few hospitals are looking to flexibility as a hiring differentiator, they are focusing on compensation.

On a similar note, despite a quarter of nurses pointing to **limited career advancement training and opportunities as a reason they would leave nursing before retirement**, many health systems are not prioritizing these programs and opportunities as a hiring and retention method.
Sign-on bonuses continue to be the primary method to attract nurses; more than one-third of hospital executives (35%) say they are still offering them.

Increasing salaries for nurses (26%) and improving patient-to-staff ratios (16%) are other hiring techniques used to attract talent.

Despite hospitals offering sign-on bonuses and higher salaries to attract talent, our latest State of U.S. Nursing Report found that only one-third (33%) of nurses feel fairly compensated in their roles.

**GENERATIONAL DIFFERENCES ARE IMPACTING HOSPITALS AS YOUNGER NURSES DEMAND MORE FROM EMPLOYERS**

Nearly all (95%) health system executives have noticed generational differences within their nursing workforce in their approach to work and career growth.

While over one-third (35%) of respondents point to conflicts between generations on teams, the majority of differences lie in what younger and older generations request from their employers.

**Compensation demands:** 78% of younger nurses request increases vs. 48% of older nurses

**Specialized roles:** 54% of younger nurses seeking specialized roles vs. 14% of older nurses
Career advancement opportunities: 74% of younger nurses request opportunities vs. 8% of older nurses.

Over three-quarters (79%) of executives pointed to a reduction in loyalty and tenure with younger nurses, in contrast to 21% in older nurses.

TRAVEL NURSES REMAIN A BAND-AID SOLUTION TO THE NURSE SHORTAGE IN HEALTH SYSTEMS.

Almost all (93%) health systems utilize travel nurses to keep up with patient demand, yet this is a reality that executives are eager to change, as temporary staff significantly impacts the health system’s bottom line with high costs, as well as a negative impact on the quality of patient care and culture in nursing units.

Nearly two-thirds of respondents (75%) noted that temporary nurses make up a quarter of their nursing staff.

Nearly all health system executives (96%) reported plans to prioritize permanent nurse staff over temporary staff. Over half of respondents are working towards this goal, as 55% did not increase the number of travel nurses within their hospital systems over the last year.
Looking ahead

By bridging the gap of what they think nurses want and what they are actually requesting, health systems can work towards solving nurse staffing issues in their facilities.

Methodology

We surveyed executives from 100 hospitals and health systems in May 2023. Respondents included a mix of employers inside and outside the Incredible Health employer network. While anonymous, the survey included some of the largest health systems in the United States, academic medical centers, regional systems, community hospitals, in both urban and rural areas.