

# Trustee Insights

## WORKFORCE STRATEGY



## Simulations Spur Board to Test Workforce Strategies

Baystate Health taps member creativity and competition to explore challenges, solutions

BY MARK A. KEROACK AND KRISTIN MORALES-LEMIEUX

**W**orkforce challenges are among the most pressing for health care leaders and their boards. A recent Issue Brief by the American Hospital Association noted that employment in the health care sector is down 80,000 jobs since the beginning of the COVID-19 pandemic, despite record high rates of job vacancies. A comprehensive strategy to attract and retain talent is imperative for health care leaders

to be successful, and the role of the board in contributing to that strategy can be substantial. Many board members have faced recruitment and retention challenges of their own, and their ability to contribute ideas or critique proposed strategies can enhance the likelihood of the organization's success.

Baystate Health is a \$3 billion health system in Western Massachusetts with four hospitals, more than 1,000 employed providers, a health plan and a home care agency. The system is the largest employer in the region with 13,000 team members and serves as its sole provider of tertiary care. Since the beginning of the pandemic, the system has cared for more than 8,000 inpatients with

COVID-19, of whom more than 800 died. Consistent with nationwide trends in health care employment post-pandemic, vacancy rates at Baystate Health now approach 14%, with expenses for contract labor and bonus pay driving significant negative operating margins. Robust efforts at recruitment, employee safety, emotional support, wellness and flexible scheduling have augmented already strong pipeline programs for over 30 health professions, but the crisis is far from over.

Baystate Health has utilized simulation exercises to engage our board in emerging strategic challenges over the years. The approach draws on the experiences of these adult learners and spurs creativity and friendly competition. The exercise also forces strategic choices upon the participants in a simulated environment of constrained resources. The management team devised a simulation around workforce strategy to enhance board member appreciation of key workforce issues and solicit their thoughts on strategic options.

### Designing the simulation

The simulation was conducted over a four hour session during our annual board retreat and focused on competition for nursing talent. Trustees divided into four groups of three, each representing the human resources (HR) team of a fictitious health care system. Each system had three existing nurse employ-

ees, and there were three at-large nurses. The system was fully staffed when it employed five nurses. The HR teams were asked to design a combination of employment offerings by assigning a limited number of chits (stars) among four categories, assuming that all organizations began at market equilibrium related to salaries and wages.

The teams were given 10 stars each and asked to assign 1 to 4 stars to each of the following categories:

- **Enhanced benefits** (including enhanced health benefits, parking, income replacement, parental leave and loan repayment)
- **Professional development** (including tuition assistance, career path development, mentoring and development centers)
- **Organizational culture** (including efforts to develop a participative culture, improve employee experience, advance diversity and inclusion and enhance communications)
- **Employee wellbeing** (including flexible scheduling, health & wellness offerings, concierge services and financial counseling)

Each category had four tiers of increasingly attractive offerings (i.e. 1-star tiers provided the least and 4-star tiers the most attractive offerings). In addition, there was an option to enhance pay to the 75th percentile of the market, but that choice required the investment of four of the available ten stars. The HR teams worked from a menu that described the suite of offerings for each star level within each category.

After deciding on their suite of offerings, the four teams each presented their approach to existing and at-large employees, who then chose which organization to align

with. The fifteen participants who represented nursing employees were each given individualized profiles that included their fictitious persona's age, gender, race, ethnicity, years of experience, personal background, values and goals. Nurses were asked to choose an employer that best fit their personas. After the initial choices were made, the teams debriefed based on the results.

After the original choice and team debrief, the personas were "aged" five years. For many nurses, their priorities changed; others retired or changed careers (those participants were assigned new personas). The somewhat older cohort, admixed with new arrivals to the labor pool, chose among the four organizations again, some of which had redesigned their offerings based on the initial debrief. Results were again tabulated, and the teams shared their strategies and results with the entire group.

No guidance was given regarding speaking to existing or prospective employees during any of the simulation. Gathering nurse feedback regarding the organizational offerings, as well as informal discussions with nurses inside or outside the organization, was left to the discretion and imagination of the individual HR teams. The tools for the simulation and the flow of the exercise were reviewed and given a dry run by experts from the Education Department of the regional Baystate Health campus of the UMass Chan School of Medicine.

## Results of the Simulation

Trustees found the rules of the game and the informational mate-

rials easy to understand, and the executives and trustees that played employee roles had some fun inhabiting their personas. The HR teams each chose distinctive approaches to their employment offerings. One invested heavily in pay, one made heavy investments in organizational culture, one focused on wellness programs and flexibility and the last adopted a balanced approach across all four domains. The teams tended to adhere to their original philosophies, and so changes in the offerings between the first and second rounds were minimal. Teams varied with respect to how much input they solicited from existing employees. Some queried and negotiated with nurses extensively, while others designed offerings based on their existing beliefs and opinions.

After the first round, two teams finished fully staffed (five nurses), one team finished with three nurses and the fourth team had the remaining two. The results were a bit more balanced in the second round, with three teams finishing with four nurses each and the fourth team finishing with three. While the final tally of employees did not clearly discriminate between any of the strategies, the HR team that focused on pay attracted younger nurses and had increased turnover, while the team that focused on culture seemed to do better on retention of long tenured nurses. Each team argued strongly for its approach, although the simulation did not indicate any clear winner among them. Surveys of the trustees after the meeting earned high marks for the exercise: all 11 respondents to the survey agreed or strongly agreed both that the

simulation was realistic and engaging and that it helped them better understand the difficult choices that needed to be made related to workforce strategy.

## Conclusions

---

Simulations are an effective way of engaging board members and bringing forth insights and perspectives based on their experiences. Many board members have wrestled with their own recruitment and retention strategies, and we observed that many came to the exercise with strongly held beliefs and values related to workforce issues. Testing these positions in a realistic format revealed that there were many alternative approaches, each of which tended to appeal to a specific demographic within the labor pool. Observing that differing avenues

led to some level of success helped move attendees away from the “all eggs in one basket” approach. This fostered a greater appreciation of the multifaceted concept that Baystate Health and most health systems are currently employing.

Our exercise simplified many aspects of workforce strategy in order to make for a workable simulation. Focusing exclusively on nursing did tackle one of our greatest workforce challenges, but it left unexamined the differing motivations of entry-level employees or those from other professions. Constraining HR design choices to stepwise gradations within four bucketed categories reduced the opportunities for nuanced and creative approaches, but this approach was adopted to force the difficult choices that are the essence of any strategy.

Beyond insights into workforce

strategy, the overall use of simulation has proven to be an effective board engagement tool at Baystate Health. The workforce simulation is our fourth such exercise, and each of them has led to energy, engagement and friendly competition that allows each board member to play an active part in a small group effort. We plan to look for additional opportunities to utilize this approach in the future.

---

**Mark A. Keroack** ([mark.keroack@baystatehealth.org](mailto:mark.keroack@baystatehealth.org)) is president and CEO of Baystate Health.

**Kristin Morales-Lemieux** ([kristin.morales-lemieux@baystatehealth.org](mailto:kristin.morales-lemieux@baystatehealth.org)) is senior vice president and CHRO of Baystate Health.

---

*Please note that the views of authors do not always reflect the views of the AHA.*