



The University of Texas Medical Branch
Audit Services

Audit Report

Inpatient Nursing Recruitment Process Engagement

Engagement Number 2016-023

July 2016

The University of Texas Medical Branch
Audit Services
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Background

Nursing shortages are a nationwide epidemic, expected to increase exponentially over the next few years. The Texas Nurses Association reports Texas is currently experiencing a shortage of approximately 17,000 registered nurses statewide.

The University of Texas Medical Branch's ("UTMB Health") institutional vision, "The Road Ahead", includes a strategic goal to "Invest in the Success of our Workforce". Communicated tactics assisting in achieving this goal include robust recruitment, succession and workforce strategic plans. Recruitment of nurses represents an on-going risk to achieving institutional clinical goals.

The UTMB Health System's "2016 Nursing Services & Human Resources Nurse Recruitment Plan" ("Nursing Recruitment Plan") articulates the need for an increasing number of inpatient Nurse Clinicians as the result of the opening of new UTMB Health hospitals, nursing schedule changes, anticipated nursing separations, and current vacancies. Key factors vital to the success of this plan include hiring according to outlined goals; onboarding up to 40 nurses a month; retaining the current workforce; keeping an average separation rate below 14%; and, maintaining attractive and competitive compensation plans. The Nursing Recruitment Plan outlines various recruitment strategies to include marketing on social media, nurse job boards, niche print publications, and conducting job fairs and hiring events to increase exposure to targeted candidates.

Audit Objectives

The primary objective of this audit is to assess the efficiency and effectiveness of the processes to recruit nurses for UTMB Health's inpatient units and Emergency Department.

Scope of Work and Methodology

The scope of work includes current inpatient Nursing Services operations for the Galveston, Angleton-Danbury, and League City campuses. Our methodology includes interviews of key personnel, review of relevant supporting documentation, and workforce data analysis. Data reviewed for engagement purposes pertained to inpatient Nurse Clinician specific positions within units for Adult Patient Care Services ("APCS"), Surgical Services, and Women Infants and Children ("WIC") departments. Additionally, upon request by Health System Nursing Leadership, our scope included the Emergency Department ("ED").

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* as promulgated by the Institute of Internal Auditors.

Audit Results

Recruitment of new employees depends on an on-going, collaborative effort between the individual hiring managers and the Human Resources department (HR). The following audit results are grouped by responsible area.

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Health System

UTMB Health System Nursing Services is committed to hiring and retaining staff that exemplify UTMB Health's values, understand their impact on the patient experience, and embrace a culture of trust. Proactive planning helps departments avoid talent surpluses, shortages, or long delays in the hiring process. Hiring Nurse Managers are encouraged to analyze their current workforce, determine future needs, identify gaps and implement solutions.

Monitoring of Open Positions at the Unit Level

Audit Services interviewed Directors/Assistant Chief Nursing Officers for APCS, WIC and ED to gain an understanding of the unit level recruitment process. Additionally, we requested from 8 unit managers vacancy/open position reports for the period September 2015 through February 2016 to assess recruiting volume for each unit. Audit Services noted the process for monitoring vacancies varied among the unit managers, as some maintained data only for the current period while others needed to create the reports upon our request. Additionally, our interviews indicated that the responsibility for maintaining this data was delegated to them following the retirement of the Project Development and Support Manager for Nursing Services.

Recommendation 2016-023-01-SP:

The Chief Nursing and Patient Care Services Officer should develop, document, and implement a standardized process for monitoring open positions/vacancies at the unit level for consistency and to ensure a full understanding of organizational recruiting needs.

Management's Response:

A monitoring spreadsheet will be created with tabs for each department (i.e., Adult Patient Care Services; Angleton-Danbury Campus Hospital; Care Management; Emergency Department and Burn Services; League City Campus Hospital; TDCJ-Hospital Galveston; and Women's, Infants', and Children's Services). Josette Armendariz-Batiste, Director of Adult Patient Care Services and Assistant Chief Nursing Officer, has agreed to create the spreadsheet. The spreadsheet will be placed into a departmental shared file in iSpace. The directors responsible for each of the areas will appoint a designee to update the spreadsheet on a weekly basis. Bimonthly, the spreadsheet will be reviewed and compared with the Vacancy spreadsheet supplied by HR-Talent Acquisition and Recruitment. A standing agenda item will be placed on the Nursing Directors' bimonthly meeting to review and reconcile the spreadsheet and provide explanations for variances. The explanations for variances will be noted on the spreadsheet. Mr. Vollmers or his designee will be invited to attend these meetings to participate in the process.

Implementation Date: August 17, 2016

Open Position Monitoring via PeopleSoft HCM

Human Resources routinely reports Inpatient Nursing vacancies/open positions to Health System leadership. The data reported is generated based on position number records within PeopleSoft Human Capital Management (HCM). HCM reports all open position numbers

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regardless of whether the unit is actively recruiting for that position number or not. If an employee is termed/retired, his/her position number can be reused to hire another employee. However, if the unit begins recruiting for a position prior to the existing employee leaving, the unit must create a new position number which can result in inflating the number of open positions when reported.

Audit Services compared open position/vacancy data from HCM with the unit-provided reports and noted discrepancies between the two data sets. Human Resources Talent Acquisition and Recruitment personnel indicated unit managers are responsible for maintaining the accuracy of the HCM position data including deleting all inactive positions. During our engagement, nursing leadership requested its managers perform a “clean up” of their respective positions in HCM.

Recommendation 2016-023-02-RM:

The Chief Nursing and Patient Care Services Officer should develop and implement a process to review/monitor open inpatient nursing unit vacancies/open positions to ensure the PeopleSoft HCM data is updated timely.

Management’s Response:

All vacant positions will be reviewed and compared during the bi-weekly Nursing Directors meeting with Nursing Recruitment. Any inconsistencies will be identified and resolved at that time.

Implementation Date: August 17, 2016 and at every Nursing Director meeting after that date

Vacant Position Approval Process

The process for filling a new or replacement position begins with the hiring manager’s completion of an Employee Authorization Form (EAF) in PeopleSoft HCM. The Health System’s Full-Time Equivalent Committee (Health System FTE Committee), comprised of Health System leadership, reviews the form, and if approved, the hiring nurse manager and an HR recruiter establish the criteria for the job posting.

In January 2016, Health System leadership expanded the scope of the committee from reviewing and approving only new positions to include reviewing and approving all replacement positions. Under the new process, hiring managers create EAF requests in PeopleSoft HCM and provide overall unit budgetary/current staffing data to the Senior Administrative Manager for distribution to Health System FTE Committee members. Audit Services noted the instructions for EAF submission located on the HR Recruitment webpage do not include the current procedures for Health System replacement positions.

Additionally, a review of the EAF tracking data during the audit scope period indicated instances where EAFs for new inpatient nursing positions were created in HCM after approval by the Health System FTE Committee rather than before as outlined in the current procedures documentation.

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Recommendation 2016-023-03-PL:

The Health System Vice President and Chief Operating Officer, working with HR Talent Acquisition and Recruitment, should ensure the documented EAF position request procedures reflect currently processes for Health System requests.

Management's Response:

HR Talent Acquisition and Recruitment (TAR) will work with Health System leadership to document current EAF procedures. TAR will add Health System EAF procedures to its website. TAR Director will work with Health System. Recruitment Manager will work with HR Communications Specialist.

Implementation Date: 8/1/16

Recommendation 2016-023-04-RM:

The Chief Nursing and Patient Care Services Officer should remind and ensure the inpatient nursing departments follow the documented procedures for requesting an EAF.

Management's Response:

The directors responsible for each of the areas (i.e., Adult Patient Care Services; Angleton-Danbury Campus Hospital; Care Management; Emergency Department and Burn Services; League City Campus Hospital; TDCJ-Hospital Galveston; and Women's, Infants', and Children's Services) will review the correct process with their managers and administrative support to ensure the proper process is followed. In addition, a representative from Recruitment will be invited to attend the next Nursing Leadership meeting to review the correct process.

Implementation Date: July 14th, 2016 (Next Nursing Leadership Meeting)

EAF Monitoring

The Health System EAF Committee monitors all EAF requests for both new and replacement positions. The Committee considers new position EAF requests during a monthly in-person meeting while replacement position requests are generally handled using an email-based review and approval process. Additionally, this email based process is periodically used between the monthly in-person meetings to approve EAF requests. The requesting hiring managers are notified of the approval/denial decision via email.

Audit Services compared Health System FTE Committee meeting approval information with PeopleSoft HCM EAF data for the first three months of 2016 to ensure consistency between the data sets. Audit Services identified minor discrepancies between the Health System maintained information and EAFs recorded in HCM, the official institutional record. These discrepancies appear to represent a training issue at the departmental level which leadership indicates have been addressed.

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Replacement Position Approval Timelines

Audit Services review of the 33 replacement EAFs approved during the audit scope period had an average FTE Committee approval turnaround time of seven calendar days. Additionally, we noted no inpatient nursing replacement EAFs were denied during this timeframe. Given the challenges of achieving the hiring goals outlined in the Nursing Recruitment Plan, delays in initiating the recruitment process should be minimized as much as possible. Discussions with the Health System Vice President and Chief Operating Officer indicated the inclusion of replacement positions in the EAF process is a temporary measure that is slated to end August 31, 2016.

Human Resources Talent Acquisition and Recruitment Services

Human Resources Talent Acquisition and Recruitment (“HR TAR”) Services provide UTMB Health departments with hiring assistance, including but not limited to staffing, planning, candidate sourcing and screening, advertising, development of diverse applicant pools, onboarding of new employees and consultation on the job posting process. During the period included in Audit Services scope, 10,088 individuals applied for jobs at UTMB Health. Inpatient nurse applicants accounted for 304 or 3% of the total.

Job Openings Posted

Once an EAF is approved, Inpatient Nursing HR Recruiters (“recruiters”) work with hiring Nurse Managers to determine applicable information to include in postings for the positions. Once finalized, recruiters will post the job positions to the UTMB Health career website as well as other recruitment sites.

In addition to the EAF related postings, HR TAR created perpetual job postings to attract experienced nurse clinicians regardless of an available departmental job opening. Recruiters use these “sourcing requisitions” to monitor for and identify qualified applicants, routing them to nursing departments when a vacancy/open position becomes available. All applicants remain in a sourcing requisition until recruiters screen the application. If an applicant satisfies the job requirements and qualifications, the recruiter will link the applicant to a specific open job position for the hiring nurse manager’s consideration. If the applicant does not qualify, the applicant is rejected from the position. HR TAR created three generic experienced inpatient nurse clinician positions sourcing requisitions for the current fiscal year.

During our review of inpatient nursing applicant data, Audit Services identified two additional sourcing requisitions that were cancelled prior to the opening of the three current sourcing requisitions. Applicants applied and remained in these two requisitions until being dispositioned, in some cases up to nine months later, after a newly assigned recruiter began monitoring these applicants and subsequently cancelled the jobs. HR TAR personnel indicated there are no formally documented procedures related to timely disposition and monitoring of sourcing pool applicants or transitioning of recruiter responsibilities in the event of turnover.

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Recommendation 2016-023-05-SP:

The Vice President, HR Talent Acquisition and Recruitment, should develop, document and implement a process to monitor and disposition sourcing pool applicants timely and appropriately.

Management's Response:

HR Talent Acquisition and Recruitment (TAR) will create a master list of jobs where sourcing requisitions will be used. Jobs on the master list will be approved by TAR management. Sourcing requisitions will be open for no longer than six months. TAR management will audit requisitions that are open longer than six months. Recruitment Manager is accountable.

Implementation Date: 8/1/16

Recommendation 2016-023-06-PM:

The Vice President, HR Talent Acquisition and Recruitment, should ensure appropriate procedures are in place and completed when transitioning recruiting personnel.

Management's Response:

Talent Acquisition and Recruitment (TAR) will create a Standard Operating Procedures manual that will be used to train new recruiters. Recruitment Manager is accountable.

Implementation Date: 9/1/16

UTMB Health's Career Website

Audit Services explored what job seekers experience when visiting the UTMB Career Website to search for available positions. As part of this process, Audit Services called the help desk phone number provided to assist applicants in resolving issues and was connected to an answering service unrelated to UTMB Health. Additionally, a link to an application assistance webpage directed applicants to a blank screen. Audit Services communicated these issues to HR Welcome Center staff who indicated appropriate action was taken to address them. Although we verified some areas of the website and instructions were corrected during the course of our engagement, our most recent review indicates that the external applicant webpages still displays incorrect/inaccessible information.

Recommendation 2016-023-07-PM:

The Vice President, HR Talent Acquisition and Recruitment, should ensure that all applicant assistance information posted to the UTMB Health career website is up-to-date and accessible on an on-going basis.

Management's Response:

HR Talent Acquisition and Recruitment (TAR) will review the UTMB Health career website on a quarterly basis. Recruitment Manager will designate a Recruiter to work with the HR Communications Specialists in updating the website.

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Online Application Process

As part of our testing, Audit Services completed an online application for an inpatient Nurse Clinician position, inputting the minimum information deemed necessary as indicated by asterisks within the application. The application system provides error messages notifying the applicant when additional information is required prior to submission. Upon completion and submission of a successful application, applicants receive a confirmation email notifying them of their applied status. Audit Services did not encounter any issues inputting information or submitting the online application.

If an online application is incomplete or not submitted by the applicant it remains in a draft form within HCM. During our data review, Audit Services noted 22 applicants did not complete the online application process and their applications remained in a draft status. Recruiters have the ability to view draft applications by applicant name or job position; however, only one of the three recruiters interviewed indicated they proactively monitor draft applications to identify and reach out to potential hires.

Upon occasion, recruiters instruct applicants to apply to a job posting without selecting a job position via a link on the UTMB Health career website. Recruiters will then search the system for the applicant name and link their application to an applicable job position(s). Audit Services analysis of HCM data indicated 450 or 4% of the 10,088 applicants successfully applied without selecting a job position.

Audit Services notes that applicants can apply without selecting a job position even if not instructed to by a recruiter via the same link. If an applicant applies without being instructed or selecting a job position, recruiters will not know the applicant applied and application will not be reviewed. The recruiters indicated they do not monitor applicants who do not select a job position.

Recommendation 2016-023-08-SP:

The Vice President, HR Talent Acquisition and Recruitment, should consider modifying the application template requirements to include the selection of a job position or implementing a monitoring process for applicants who apply without selecting a job position to ensure all applicants are considered.

Management's Response:

HR will modify the PeopleSoft application template to include the selection of a job position as mandatory. Recruitment Manager is accountable.

Implementation Date: 10/1/16

Screening/Routing Process

Recruiters screen applications based upon requirements established by the hiring Nurse Manager and included in the detailed job posting such as the minimum/preferred qualifications, shift availability, and salary requirements. Recruiters monitor their assigned job postings daily

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for newly applied candidates. If the applicant meets these specifications, they are routed to the nursing department for the next steps in the hiring process. The applicants not meeting the job requirements are rejected from the requisition and notified via email communication upon the job being filled or closed.

A sample of screened applicants from HCM inpatient nursing applicant data was reviewed to determine the validity and timing of rejecting or routing an applicant to a hiring department. Observation was conducted as recruiters opened applicant resumes/applications and validated that the 20 sampled applicants appeared to have legitimate reasons for being routed or rejected and were screened timely.

Pre-Onboarding Process

Once an applicant has accepted a job offer, the following pre-onboarding requirements must be completed before HR TAR can create a start date for the applicant:

- Pre-Employment Drug Screening
- Criminal History Background Check
- Educational Background Check
- Pre-Employment TB Screening of Healthcare workers
- Immunization of Healthcare workers
- Work Step physicals

HR TAR uses several vendors to assist with completing these requirements. The time to complete pre-onboarding activities can be impacted by these vendors, the applicant, and HR TAR. Our analysis of the inpatient nursing successful hire data indicated the length of time from offer-to-start date averaged 35 days.

Performance Metrics

HR TAR routinely reports inpatient nursing hiring data to Health System Leadership using a Quality Metrics dashboard generated with data from PeopleSoft HCM. Data reported includes the average time for successful hire based on various disposition intervals from a job posting/opening to start date. The dashboard presents this information by number of days as well as the percentage of data inputted for the successful hire.

Audit Services obtained data for all successful hires for the time period of September 1, 2015 through February 29, 2016 and filtered for all applicable in-scope inpatient Nurse Clinician related departments (including ED), job codes and business units. Our analysis of the data indicated that there were 135 successful hires that started during this time frame with an average job posting/opening to start date time of 88 days. This result was consistent with the overall information presented in the HR TAR Quality Metrics dashboard. Audit Services noted in the underlying data one successful hire with a 986 days from job posting/opening-to-start date metric. Excluding this hire from the timeline from job posting-to-start date would drop the average to 81 days.

Additionally, we noted in the underlying data 50% of successful hires had either no date or the same date recorded for more than one dispositioning interval, such as applied-to-route, route-

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to-find, and offer-to-acceptance. Missing and/or inconsistent data entries impact the overall integrity of the inner disposition interval metrics.

Recommendation 2016-023-09-PM:

HR Talent Acquisition and Recruitment should establish a process to ensure standardization of the data entered into HCM for disposition intervals and periodically evaluate the Quality Metrics reported to ensure only valid representation of successful hire data is presented.

Management’s Response:

HR Talent Acquisition and Recruitment (TAR) will develop a standard approach to data entry into HCM and on a quarterly basis evaluate the quality metrics reported to management to ensure they validly represent important recruitment results and outcomes. Recruitment Manager is accountable.

Implementation Date: 9/1/16

Other Observations

Nursing Recruitment Plan

The 2016 Nurse Recruitment Plan outlines milestones routinely monitored by Nursing leadership and HR. The “Goals vs. Starts” table below created from applicable HCM data indicates milestones are currently tracking below targets for the period January – April 2016; however, approximately 50 hires are in progress as a result of job fairs conducted in May 2016.

**Inpatient Nursing Milestones
Goals vs. Starts**

<u>Goals vs. Starts</u>	<u>January '16</u>	<u>February '16</u>	<u>March '16</u>	<u>April '16</u>
	Goal	15	21	36
Starts	<u>25</u>	<u>21</u>	<u>14</u>	<u>28</u>
Total	10	0	(22)	(8)

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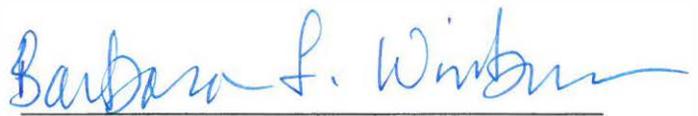
Conclusion

Audit Services assessed the efficiency and effectiveness of the processes in place to recruit for UTMB Health's inpatient units and noted opportunities exist for HR Talent Acquisition and Recruitment and Health System for enhancing their policies, procedures, monitoring and reporting functions.

We greatly appreciate the assistance provided by Human Resources and Health System staff and hope that the information presented in our report is beneficial.



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