

Federal Health

UNDER THE SPOTLIGHT



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From Great Resignation
to Great Reimagination

Sector overview and 2022 outlook

Leaders are struggling with an urgent talent crisis, rating labor and skills shortage as the top issue expected to disrupt their business strategies within the next 12 months.¹

Public health care organizations are no different as the COVID-19 pandemic has called attention to the forces of change affecting the dimensions of work, workforce, and workplace.

There's an opportunity right now, for leaders to rearchitect how work is done, reengage with new talent pathways, and reimagine the workplace to enhance the workforce experience.

What are we seeing?

Public sector healthcare agencies are charged to align mission and policy to best support emerging drivers in order to remain competitive with similar private sector organizations for top talent.

The future of health will be driven by three key elements:

DIGITAL TRANSFORMATION

enabled by radically interoperable data and open, secure platforms to oversee data collection, enable electronic health records, and promote telehealth visits.²

STRATEGIC PARTNERSHIPS

between private and public sectors to improve global vaccine supply chains and health equity initiatives to drive greater collaboration amidst stretched government funding.³

CUSTOMIZED BEHAVIORAL INTERVENTIONS

to drive wellness and preventive care⁴, especially as care models focus on sustaining well-being on an ongoing basis rather than responding to major illness when it happens.





Current labor situation

Federal health agencies face persistent staffing challenges, hindering its progress to achieve its future of health goals.

From January 2018 to February 2022 there was an 85% increase in monthly public sector job postings, and the average time to fill those roles increased by 3% to approximately 51 days.⁵

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Despite the increased demand for public sector healthcare professionals during the COVID-19 pandemic, the extended time to attain talent is further impacted by five areas:

#1 COMPETITIVE COMPENSATION

As talent supply and demand shifts, salary and benefits fluctuate which may impact the type of roles filled and by whom. Based on Deloitte's Global Millennial Survey, there has been year-over-year consistency showing that the greatest source of dissatisfaction for millennials is pay.⁶ Federal health agencies in particular are restricted to certain pay schedules unlike private sector counterparts who may have more flexibility to offer more pay for similar roles. This was evident in the fiscal year 2021, when the Department of Veteran Affairs (VA) faced a turnover rate of 9.9% as employees left for roles at private health care systems offering higher wages and bonuses.⁷

#2 OPEN ACCESS TO INFORMATION

Advances in technology have made information more accessible online. This includes visibility to job opportunities and self-serve skills training. Workers can actively search for openings outside of their primary geographies while also attaining new skills quickly through online courses to rebrand themselves when pivoting into new roles. Rather than waiting for the organization to provide career and professional development guidance, workers have greater autonomy to choose alternative career paths, outside of healthcare.

#3 CHANGING NATURE OF WORK

The intensity of health care work has increased as the delivery model shifts from one that was provider-centric to a more equitable consumer-centric focus. Patients are no longer being led by doctors to a diagnosis, rather they are being empowered to bring suggestions.⁸ And, the increasing use of telehealth is changing the experience of patient care and the skills providers need to understand, diagnose, and treat patients without a traditional bedside approach.

As a result, health care and medical leaders will need to shift the focus of their training and how they define work at a fundamental level, with more focus on essentially “human” skills: from an ability to memorize and retrieve complex scientific information to expressing empathy, and from periodic continuing medical education to lifelong learning.⁹ As new models of care and technology advance, candidates entering health care will need new skills but may be deterred given the training time required and the cost of educational programs.

#4 BURNOUT

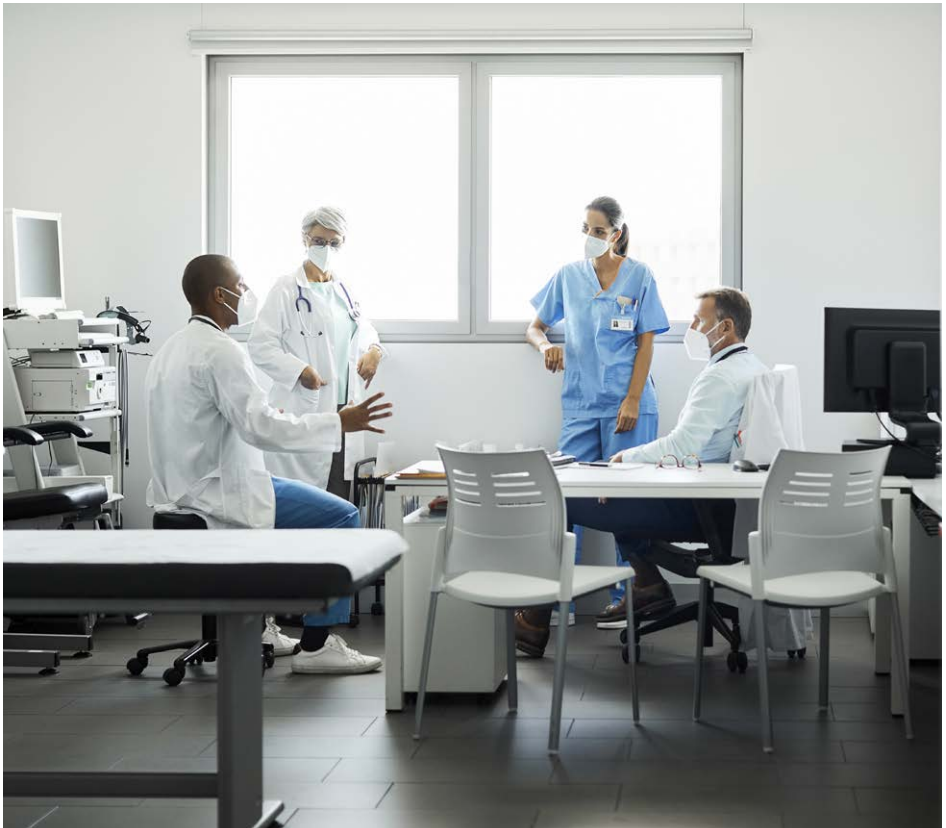
Millennials who make up 24% of the federal workforce¹⁰ face higher levels of burnout as compared to Gen X and Baby Boomers, meaning that these employees will either look for opportunities outside of federal government or continue to perform below peak performance.¹¹ Burnout causes include: workload, lack of communication, feedback, and support, time pressures, lack of technology tools, and lack of boundaries between personal and professional lives.



#5 OUTDATED INFRASTRUCTURE

To accommodate geographical changes in staffing for remote and hybrid work, federal health agencies are reevaluating their real estate footprint so facilities may be closer to where patients are located. For example, more than half of VA's health care facilities have a median age of 60 years as compared to 8.5 years for private sector hospitals.¹²

These aging hospitals have an excess of unused inpatient beds and VA as begun to reassess its infrastructure to refocus capital investments in specific markets of need.¹³ A change in location strategy would require federal health agencies to reevaluate how it attracts talent and the mandates it places on its workforce.



Implications for Federal Health

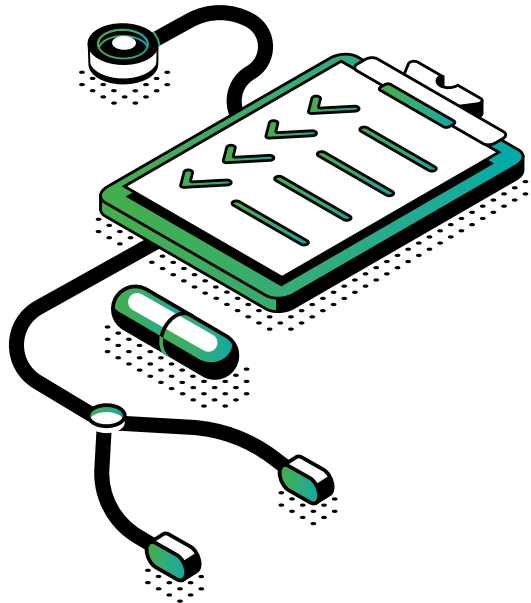
Talent is scarce. Federal health agencies face considerable barriers to filling open roles and adapting to a changing environment. Leaders today have the opportunity to build sustainable solutions. The costs of doing nothing will impact how federal health agencies meet their missions:

SHORT-TERM IMPACT

Federal health agencies risk responding in the moment to worker preferences without connecting actions to a sustainable workforce strategy. In a low talent supply environment, workers base their choice of employer on what each is offering and how well those offerings meet their immediate desires.¹⁴

LONG-TERM IMPACT

Federal health agencies will suffer from certain roles going from “hard to fill” to “impossible to fill.”¹⁵ By solely catering to worker preferences, certain roles may never become filled. With vacant roles, some missions may be left unfulfilled which will significantly impact how federal health agencies are allocated funding in future years.



It's time to take action

Leaders of federal health agencies can act today by taking a holistic approach comprised of the following:



#1 RETAIN – DEVELOP WORKFORCE RESILIENCE BY REARCHITECTING HOW WORK IS DONE

Reframe conversations to focus on outcomes that “humanize” work for greater productivity. For example, instead of asking, “how can we hire and retain more lab scientists to combat our labor shortage?” The question should be repositioned to, “How can we augment lab science roles so that high-performing scientists wouldn’t want to work anyplace else?”¹⁶ To answer this question, leaders will need to assess specific jobs and workflows and how they can be re-envisioned by employing enabling technologies. By centering on work and aligning core technology capabilities to augment the workforce, we begin to change how work gets done – enabling new ways of working that elevate the workforce to unlock their true potential.¹⁷

#2 REENGAGE – CONSIDER NEW TALENT PATHWAYS BY BROADENING THE WORKFORCE ECOSYSTEM

Promote alternative credentialing to encourage reskilling amid rapidly evolving technology and skills needed for health care jobs. Instead of relying on traditional two- and four-year degrees, consider micro credentials, certificate programs, and other alternative means specific to exact technologies mastered and needed on the job. Verification of those skills through these alternatives promotes reskilling, simplifies career shifts, widens the talent pool, and accelerates employee selection.¹⁸

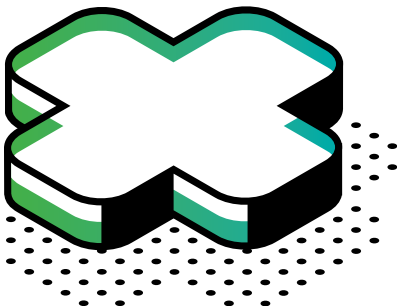
Leaders must constantly re-evaluate aspirations as the environment faces different disruptions.

#3 REIMAGINE – REDEFINE THE WORKPLACE TO ENHANCE THE WORKFORCE EXPERIENCE

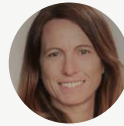
Recruit a diverse workforce to mirror the patient population and to align workplace locations so that the talent pool opens new possibilities. This will increase the adaptability of the workplace to shift to virtual work, to reach underserved communities and provide high quality healthcare with an equity lens.

These are no one-time fixes, rather leaders must constantly re-evaluate aspirations as the environment faces different disruptions such as the current labor challenge. Federal health agencies have the opportunity to make changes now to the workforce and workplace, and more specifically how and why work gets done.

**READY TO
REIMAGINE
WHAT'S
NEXT?**



CONTACTS



LIBBY BACON
DC PRINCIPAL

elbacon@deloitte.com



MAURITA BENJAMIN
MANAGING DIRECTOR

mabenjamin@deloitte.com



NICOLE OVERLEY
SENIOR MANAGER

noverley@deloitte.com



LESLEY WARNICK
SENIOR MANAGER

lwarnick@deloitte.com

**CONTRIBUTORS AND
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VICTORIA LUK, KATHERINE FU

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