



CASE STUDY

Swedish Covenant Health

Swedish Covenant saved \$1.4 Million in agency nurse costs in just a year by implementing a non-monetary incentive program through ShiftWizard.

HOSPITAL AT A GLANCE



- Non-profit health system
- 23 locations
- 300+ Staffed beds
- HQ in Chicago
- ANCC Magnet Designated

EXECUTIVE SUMMARY

In response to rising agency nurse costs, Swedish Covenant began an initiative in 2016 to reduce their reliance on premium labor. They sought out software systems that could help them use their full-time staff more efficiently, thereby reducing agency usage.

\$ 1.4 Million
in Agency Savings

After reviewing the top solutions on the market, Swedish Covenant invested in ShiftWizard's integrated scheduling, communication, and incentive management platform with a two-fold purpose: 1) to reduce agency nurse costs, and 2) to digitize and improve internal processes.

Swedish Covenant and ShiftWizard collaborated to develop a custom Points & Rewards program known as "Work Perks" to incentivize full-time nurses to pick-up extra shifts so that managers did not have to default to agency nurses to avoid vacancies.

ShiftWizard and the Work Perks program decreased agency costs by more than 75% in their first year, saving over \$1.4 million. The initiative was also successful at increasing employee satisfaction and team cohesion, while reducing time spent scheduling.



CASE STUDY

Swedish Covenant Health

BACKGROUND / THE PROBLEM

Swedish Covenant Health, a Magnet-designated health system since 2010, recognized that their premium labor expenses had gotten out of control. They were concerned about excessive use of overtime and cash incentives, but agency nurse usage was identified as the largest driver of unnecessary costs.

Agency nurse contracts were established to provide nurse managers with a way to fill shifts when a full-time nurse could not be identified. The availability of agency nurses eventually became a problem though as agency nurses were favored as the “easy option” whenever a shift was difficult to fill. Nurse managers knew they could count on agency nurses to fill scheduling gaps without the laborious process of calling resistant full-time nurses in for undesirable or float shifts.

Swedish Covenant’s leadership team began an initiative in 2016 to reduce premium labor costs by improving internal scheduling processes and communication protocols. Swedish Covenant’s VP of Nursing & Chief Nursing Officer, Kathy Donofrio, notes that “Swedish Covenant has always emphasized innovation and rewarding and recognizing people that are doing a great job.” With this in mind, they sought out an innovative software solution that could replace their paper-intensive processes and provide a way to incentivize nurses to opt-in to less desirable shifts, thereby reducing agency needs.



Prior to investing in scheduling technology, managers would spend hours and hours tracking and saving audit reports. Emergency Departments, in particular, had a nightmarish level of complexity and paperwork to deal with. Countless hours were spent managing and resolving schedule change requests, including shift swaps, sick calls, and reactions to census fluctuations...



Kathy Donofrio
VP, Nursing and Chief Nursing Officer

FINDING A SOLUTION

After a series of product demonstrations, it was clear that ShiftWizard would streamline Swedish Covenant's scheduling process, drastically reducing the time required for managers and staff to manage their shift calendars. More importantly, ShiftWizard provided a clear path to reducing reliance on agency usage and cash incentives through its integrated incentive management platform.

ShiftWizard was selected as the vendor of choice, after evaluating a number of competitive technologies, and was introduced system-wide in the first half of 2017. Swedish Covenant’s Magnet Program Director, Mary Kolleff-May, notes that “hospitals everywhere are looking to reduce costs. Once we realized that ShiftWizard had the potential to save us millions per year, the decision was a no-brainer.”



THE SOLUTION

ShiftWizard's Customer Success team collaborated closely with Swedish Covenant's leadership team to develop a non-monetary incentive program, known as "Work Perks," that would be easy to manage and encourage managers to leverage full-time nurses over agencies whenever possible.

The Work Perks program incentivizes:

- Taking an extra/undesirable shift
- Consistency (ex. not calling in sick)
- Floating to another unit
- Involvement in shared-governance committees
- Community involvement (ex. donating blood)

ShiftWizard enables managers to highlight vacancies in the shift calendar that are associated with Work Perk points. Once a highlighted shift is completed, points are automatically adjusted and tracked in the ShiftWizard system. While many point additions can be achieved through automation, points can also be added to ShiftWizard manually for activities like donating blood.

Staff members are able to exchange their points at any time for items in the Work Perks "store." Swedish Covenant updates the catalogue of available items often. Cycling in special items helps to keep the program fresh, but a set of standard items have emerged as staff favorites.

Staff-favorite reward items:

- Free parking
- Free massage or acupuncture at an affiliated clinic
- Meal tickets for cafeteria
- Branded clothing & bags (shirts, scrubs, tote bags)
- One-off events (local concert or sport tickets)



NON-MONETARY INCENTIVES

Organizations have two options to consider when developing an incentive program—monetary and non-monetary incentives. Monetary incentive programs motivate desired behaviors through increased pay rates or bonuses. Non-monetary incentive programs provide motivation through points which can be used to "purchase" items from a catalogue of options.

Non-monetary incentives are known to be more effective and efficient motivators.

Non-monetary incentives are:

- Very cost effective.
- More motivating than cash alternatives which are often rolled into a paycheck and forgotten in a family's budget.
- More unique and memorable and less likely to be taken for granted.
- More likely to be discussed between employees, furthering their motivational influence.



CASE STUDY

Swedish Covenant Health

OUTCOMES

ShiftWizard and the Work Perks program have been in place for nearly 2 years, and the resulting data and sentiment suggest a home-run success. Swedish Covenant's implementation of ShiftWizard's integrated scheduling, communication, and incentive management platforms succeeded in their two-fold objective: 1) to reduce agency nurse costs, and 2) to digitize and improve internal processes.

REDUCING AGENCY COSTS

 **\$2+ million**
in agency savings

 **85% reduction**
in agency costs YTD

“*ShiftWizard and the Work Perks program decreased agency costs by more than 75% in their first year. That’s over \$1.4 million in savings to our bottom line! These numbers are improving as well—we are experiencing an 85% reduction in agency costs year-to-date.*”



Kathy Donofrio
VP, Nursing and Chief Nursing Officer

PROCESS IMPROVEMENT

Benefits of ShiftWizard & the Work Perks program:

- Improved employee satisfaction.
- Drastically reduced time spent scheduling and tracking.
- Floating is now seen as a great way to earn points, versus a negative that staff get dragged into.
- Staff are much more likely to pick up shifts without managers direct involvement.
- Less internal drama. Nurses feel they are treated more fairly across units.
- Managers now have a way to say “thank you” beyond salary/bonus.

“Our RNs and CNAs love ShiftWizard and the Work Perks program. Since inception, we have seen a dramatic increase in the number of staff willing to float. We have also noticed a significant increase in employee satisfaction scores.

An unexpected result of the incentive program has been its impact on team building and morale. Some nurses will generously spend their points on items to share with their colleagues, such as treating their unit to hot chocolate or pastries from our café.”

Kathy Donofrio
VP, Nursing and Chief Nursing Officer

www.shiftwizard.com || (866) 828-3318

