

**ARIZONA STATE BOARD OF NURSING  
EMPLOYMENT OF NEWLY LICENSED RN'S  
2014**

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**Background**

In 2010, the Arizona State Board of Nursing became aware that some newly licensed RNs were not able to obtain employment. In response to this unanticipated phenomenon in the midst of a “nursing shortage” and in an effort to quantify the problem, the Board initiated a survey regarding employment of newly licensed nurses (Randolph, 2010). In order to trend data regarding employment prospects for newly licensed RNs, new graduates have been surveyed every year since, providing five years of data.

**Review of Problem**

The National Student Nurses Association (Mancino & Feeg, 2014) conducts a survey of employment among new graduates each year. In 2013 Mancino and Feeg found that 76% had jobs versus 71% for 2012. There was more employment among baccalaureate graduates with 72% of those employed holding a baccalaureate degree versus 61% holding an associate degree. The most common reason for not having a job was that employers were looking for experienced RNs (75%).

Arizona graduated nearly as many RNs in 2013 as in 2012 (2850 vs.2852). However these numbers represented a shift in the type of graduates reflecting a 5.5% decrease in associate degree (AD) graduates and a 13% increase in baccalaureate graduates (BSN). There was an overall 166% increase in graduates from RN programs between 2002 (1074) and 2013 (2850).

Efforts to increase the number of new nurses were supported both nationally and locally from 2002 through 2007. Funding for nursing programs and subsidies for students increased. Throughout the early and mid-2000's, a shortage was experienced and an even worse crisis predicted. The prime strategy for alleviating this predicted shortage was to increase the supply of new RNs. Future predictions were based on the average age of the RN and assumptions regarding retirement and economic growth (Buerhaus, 2009). Students were recruited into nursing with promises of easy employment, job mobility and high salaries.

However, with the recession and decreased demand for medical care coupled with rapid expansion in nursing program enrollments, those projections have been modified. Aurebach, Buerhaus and Steiger (2011) reported that the registered nurse supply is growing faster than projected due to younger individuals entering the profession. Mancino (2013) questions whether future demand can be measured using models of the past. She believes it is time to re-calculate the number of RNs needed for the future. Stone and Feeg (2013) found that recent graduates feel misled about the availability of job opportunities for new graduates.

### Arizona Supply and Demand for RNs—2014

In an effort to quantify the overall supply and demand in Arizona for nurses in 2014, the following methodology was used:

- The US Department of Labor (2013) predicts a national 19% growth in RN employment from 2012 to 2022, meaning that 526,800 new RNs will be needed in the United States to account for job growth.
- Utilizing US Census Bureau (2013) estimates, Arizona is home to approximately 2.1% of the national population (6,626,624 (AZ pop)/316,128,839 (US pop),
- Arizona should be expected to produce 2.1% of the job growth total RNs needed by from 2012-2022 (11,062 or 1,100 per year).
- In 2014 there are 25,820 nurses with active RN licenses age 56 and older who may retire in the next 9 years (2,900 per year).
- Arizona will need to replace retiring nurses at approximately 2,600 per year.
- Of approximately 19,500 RNs were due to renew in 2014; 14,671 renewed, indicating nearly 4,800 nurses dropped out of the AZ nursing workforce, which will also need replacing;
  - Subtracting the estimated 2,900 nurses who are expected to retire each year, Arizona lost an additional 1,900 nurses due to attrition which would include moving to another state, changing careers or leaving nursing practice before retirement age.
- In 2008 only 85% of the RN renewal population worked in nursing (*a 15% downward adjustment to demand is made for nurses not working in an RN job*) (AZHHA, 2009)
- Approximately 65% of nurses who renewed in 2008 were working full time (AZHHA, 2009) (*A 5% downward adjustment to demand is made for part-time workers needing replacement*)
- Based, in part, on longitudinal data gathered for this report, it is assumed that endorsing RNs and new graduates are seeking full-time employment in nursing.
- 116 RNs reactivated their license following a refresher course in 2013.

Table 1. Supply/Demand 2014

Estimate of demand for new RNs 2014	Demand Numbers	Estimate of supply of new RNs in 2014	Supply Numbers
Retire	2,900	Endorsement (FY 2014)	3,665
New Job Growth	1,100	Exam (new grads FY 2014)	3,109
Attrition	4,800-2900 (retire)=1900 replacements	Refresher/re-entry (2013)	116
Demand Adjustment for	20% (-1220)	No supply adjustment	0

Part-time and non-nursing			
Total Annual Supply/ Demand for new FTE RNs	Demand is 3700 (if adjusted for part time) to 5900 new nurses	Total Supply FTE RNs	Supply is 6,890 new nurses

Currently Arizona appears to have a much greater supply of RNs than jobs available, however these data should be interpreted cautiously and require additional exploration. The numbers suggest the job market should be more difficult instead of less in 2014. In fact there was improvement in hiring of new graduates, indicating that job growth may have exceeded expectations or more nurses with active licenses dropped out of the job market, making way for new graduates. New graduates continued to report that employers are seeking experienced nurses with BSN degrees, rather than the more abundant AD non-experienced nurse. There remains an imbalance between employer expectations and preferences (experienced, BSN nurses) and available nurses (non-experienced, AD nurses). A more complex factor that cannot be fully accounted for is that nearly all newly licensed nurses are seeking full-time positions, however many retiring nurses are retiring from part time and non-direct care positions.

### **Employment of New Graduates**

In an effort to understand employment of newly licensed RNs in Arizona and provide longitudinal comparison data, the Arizona State Board of Nursing surveyed all persons licensed by exam (e.g. new graduates) in Arizona between October 1, 2013 and September 30, 2014. This is consistent with the time frame of last year's survey. As in previous surveys, the queries asked volunteer respondents to indicate if they were practicing as registered nurses and where they were practicing. From those who were not practicing, queries were focused on their perception of why they were not practicing, their efforts to obtain work, and what would be acceptable working conditions for them. Answers to the following questions were obtained from the surveyed population across 5 years of surveys.

1. What is the percent of newly licensed RNs currently practicing and not practicing registered nursing?
2. Are there differences between practicing and not practicing RNs in terms of length of licensure and nursing program characteristics?
3. In which settings are newly licensed RNs practicing?
4. What are the reasons newly licensed RNs are not practicing?
5. How many applications/written inquiries for employment were made by non-practicing newly licensed RNs?
6. What workplace settings did non-practicing RNs apply to?

7. What are non-practicing RNs seeking in terms of shift, and salary?

In 2011, the employed RN group was also queried regarding residency (on-boarding) programs at their employment site. Residency programs to help newly licensed RNs adjust from the student role to the RN role are recommended by both the recent Institute of Medicine report on the future of nursing (Institute of Medicine, 2011) and the Carnegie Report on nursing education (Benner, Stupen, Leonard & Day, 2010). The data was used to address the following question:

8. What are the characteristics of nurse-residency programs in terms of length and setting?

In 2013, additional questions were asked of employed RNs regarding job satisfaction and factors important in selecting employment. The data was used to address the following questions:

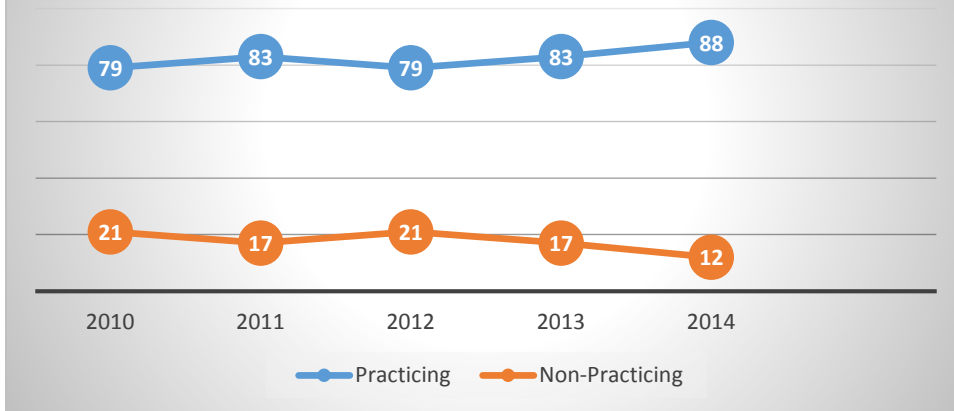
9. What is the reported job satisfaction of newly licensed employed nurses?

10. What factors are important to newly licensed nurses in selecting employment?

#### **Results--2014**

Electronic mail surveys were sent on October 8, 2014 to 2,435 RNs with e-mail addresses who were initially licensed October 1, 2013-Sept. 30, 2014. Of that total, 8 surveys were returned undeliverable resulting in a surveyed population of 2,427 RNs. Respondents were informed that responses were anonymous and would be recorded as aggregate data only. Each respondent's survey consisted of 10 or fewer questions using Survey Monkey®. The survey was triangulated so that each respondent would only answer the minimum number of questions. There were a total of 641 respondents yielding a response rate of 26%. Of those responding, **88%** (563) indicated they were practicing as an RN and **12%** (72) indicated they were not currently practicing as an RN. This represents a **10% increase** in employment for newly licensed nurses when compared to 2013.

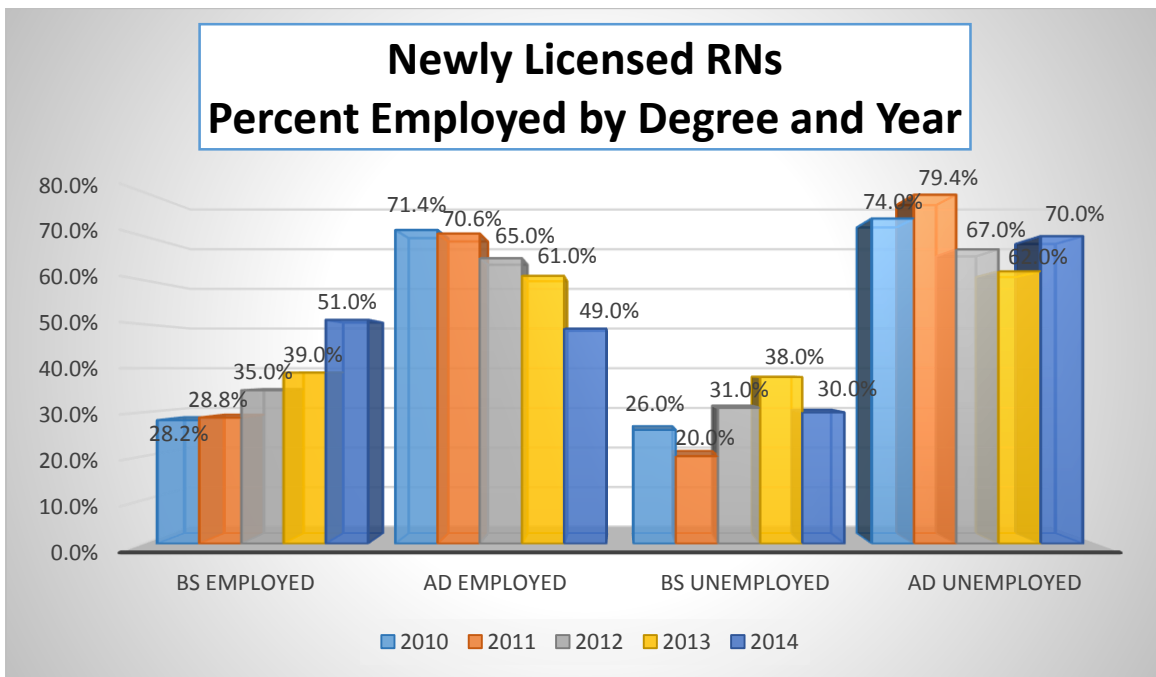
## Employment Trends for Newly Licensed Nurses



### Type of Nursing Program

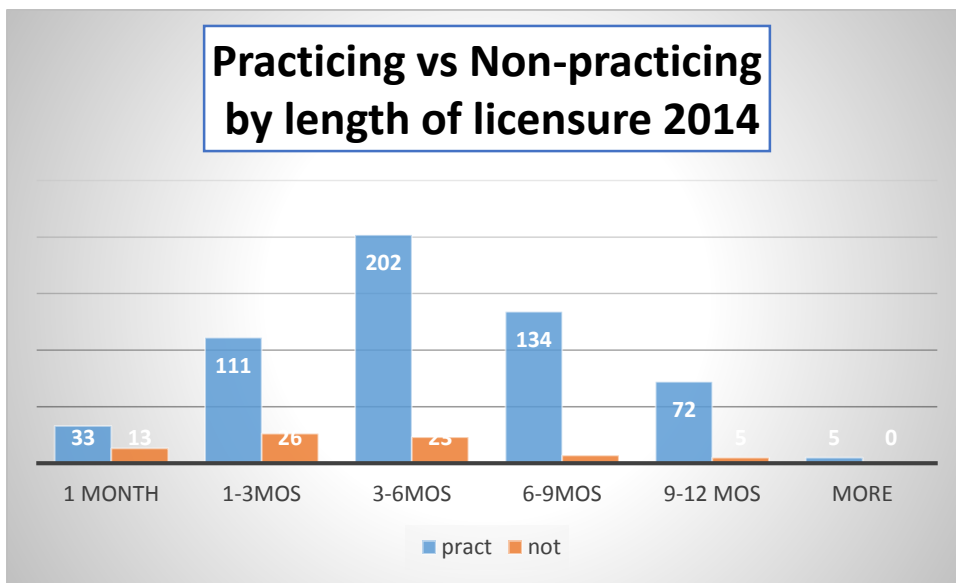
There were differences between practicing and non-practicing RNs based on educational preparation in 2014. Among the entire sample, 302 (48%) reported holding a BSN degree compared to 326 (52%) holding an Associate Degree. Fifty-one percent of practicing nurses held BSN or higher degrees while 49% held associate degrees. However AD nurses were over-represented in the unemployed group comprising 70% of non-practicing nurses. There appears to be a distinct preference by employers for BSN or higher prepared nurses.

## Newly Licensed RNs Percent Employed by Degree and Year



### Length of Licensure

A better outlook for employment is also seen in length of licensure with the majority of employed nurses being licensed 6 months or less (62%). Length of licensure was different between the practicing and non-practicing groups with the majority (53%) of the non-practicing nurses licensed less than 3 months. This result continues a trend noted last year when the majority of employed nurses were licensed less than 6 months. This same trend is seen in Mancino’s national data (2014). The chart below illustrates differences between practicing and non-practicing RNs over length of licensure. The most common length of licensure for practicing nurses was 3-6 months, compared with 1-3 months for non-practicing nurses, indicating that if one perseveres, a practice setting will be found. In fact only 17 nurses in the entire sample were unemployed after 6 months of licensure.



### Practice Characteristics

#### *Employment hours/benefits*

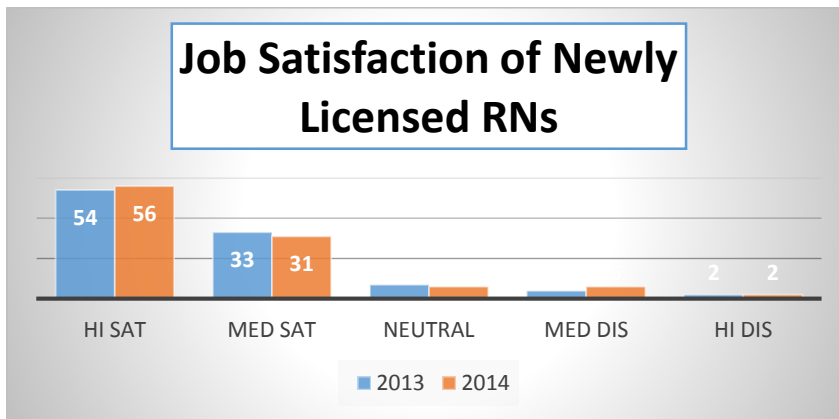
In response to a question about practice characteristics, practicing nurses overwhelmingly report a full time nursing jobs with benefits (77%); 11% reported either full-time or part time work without benefits; 4% have a part-time job with benefits and 5% have more than one RN job with at least one job having benefits. One nurse reported working as a volunteer. Two percent reported seasonal, PRN, per diem or self-employed status. These results are comparable to all previous years.

#### *Practice Location*

The majority of working RNs worked in acute care (74%); 10% worked in long-term care; 7% worked in psychiatric care; and 7% worked in home health. These results are similar to 2013.

*Satisfaction*

Newly licensed nurses were asked about job satisfaction. The majority of respondents (56%) reported being highly satisfied, a slight increase from 2013 (54%). Thirty-one percent reporting mild to moderate satisfaction. Only 7% of newly licensed nurses reported any level of dissatisfaction, with 2% being highly dissatisfied. These results are similar to last year.



*Factors that influenced choice of employment*

Respondents were asked to indicate the top 3 reasons for choosing their current practice setting. The majority (51%) choose type of unit. The second most frequently cited factor was location of the worksite (42%). The following six responses were chosen by 33-35 percent of respondents: hours (37%), salary (35%), availability of openings (35%), staff attitudes (33%) and benefits (33%). Table 1, below, provides a list of the responses and the percent who identified the item as one of the top three factors in choosing employment. There is little variance in the 2014 result as compared to 2013.

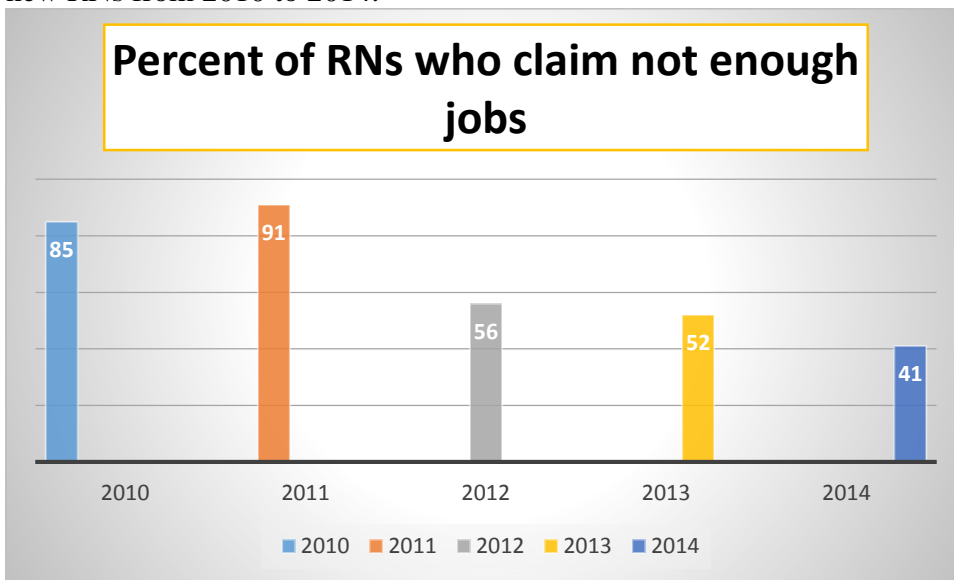
Workplace Factors most Important to newly licensed RNs	Percent
Type of unit	51%
Location of worksite	42%
Hours	37%
Salary	36%
Benefits	33%
Availability of openings	35%
Staff Attitudes	33%
Mentorship program	26%
Educational opportunities	25%
Evidence-based institution	13%
Previous Employer	12%

Magnet Status	7%
Clinical ladder	6%

### Non-Practicing Nurses

#### *Reasons for Not Practicing*

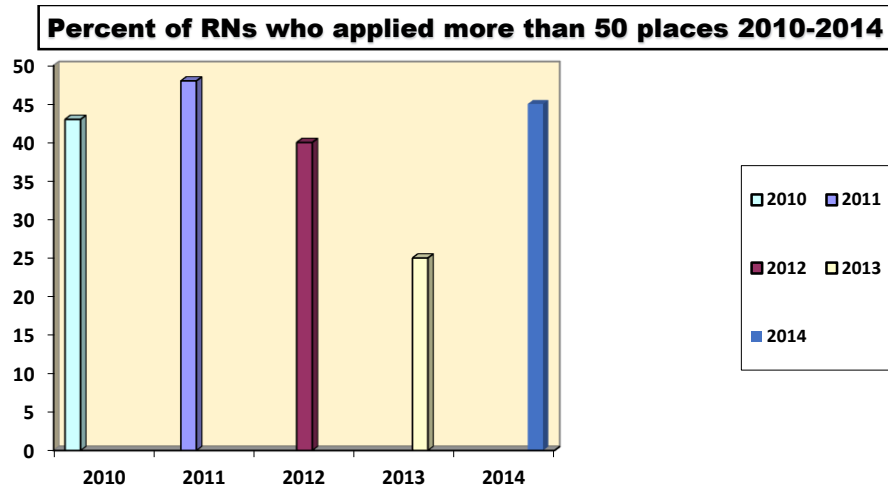
Similar to the four previous surveys, the most common reason cited for not practicing was “not enough jobs for new RN grads in the area” (41%). However the percent of respondents choosing this answer was much lower than the 52% who gave this response in 2013 and the 56% of respondents who chose this in 2012. This same response was chosen by 85% of nurses surveyed in 2010 and 91% in 2011. In the past two years, fewer unemployed nurses perceived a difficult job market. Similar to 2012 and 2013, 27% of respondents chose “do not have the experience background employers are seeking”. Fourteen percent chose “do not have the educational background employers are seeking.” The chart below depicts the percent of new nurses who state there are not enough jobs for new RNs from 2010 to 2014.



#### *Efforts of Non-Practicing RNs to Seek Employment*

Forty-five percent of non-practicing RNs have made over 50 applications or written inquiries for employment. This is significantly above the 25% that reported making over 50 applications last year and but remains consistent with 2012 results.





When asked to select all settings to which they had applied, 84% of survey participants applied to acute care, 37% to state and federal facilities, 34% to psychiatric care, 32% to long term care, and 24% to home health. Ten percent reported not applying for an RN position. Again these patterns are similar to previous years.

#### *Acceptable Working Conditions*

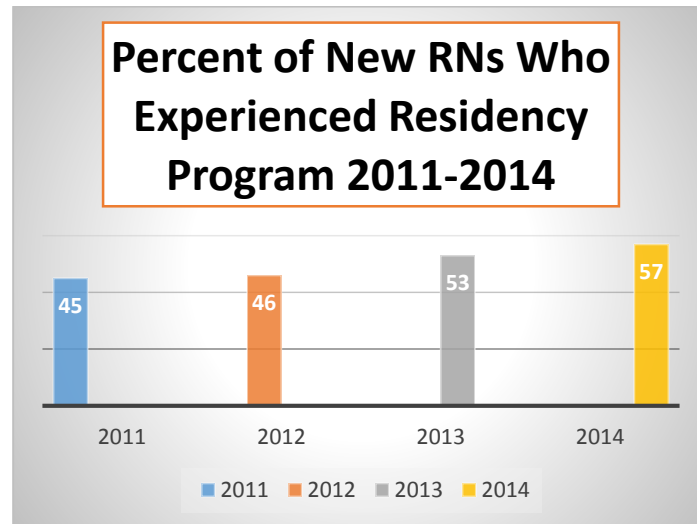
Non-practicing nurses were asked, “If you were offered an RN job, which shifts/working hours would you accept”. Overwhelmingly, this population would accept any shift including nights (76%) and weekends (82%). The lowest response for acceptable hours was part-time (62%) and 8-hour shifts (72%). The highest was for days (92%), 12 hour shifts (89%) and full time (89%).

As far as acceptable salary, 74% non-practicing RNs said they would only accept the same beginning salary as other RNs in the facility. Nineteen percent would accept a lower salary during orientation/preceptorship for up to 6 months. Only 7% would work up to 6 months unpaid with a gradual increase in salary over a year. When compared to other years, fewer new graduates would accept a lower salary.

#### **Residency Experience**

Newly licensed employed nurses were asked about whether their employers offered a residency experience to help them transition into practice. Over half the respondents (57%) reported that their employer offered such a program. Ninety-five percent of those whose employer offered a residency program worked in acute care settings; 2% worked in home health/community/public health or psychiatric care. For acute care nurses (n=306), the most common length of the residency program was 2-3 months (30%). However 25% reported a residency program of greater than 6 months. Three percent reported less than a month. For nurses working in non-acute care settings (n=12), the length of residency was shorter with 33% reporting less than a month and another 33% reporting 2-3 months. Sample size needs to be taken into consideration when analyzing this data, however the most common length of residency in non-acute care has consistently been under a month in previous years. Experts suggest (Institute of

Medicine, 2011; Benner, Stupen, Leonard & Day, 2010) that residency programs be 6 months to one year in acute care settings and at least 3 months in non-acute care settings. Compared with previous years, there appears to be an increase in the number of acute care employers offering residency programs and may be an increase in the length of residencies in both acute and non-acute settings.



### Comments

The Board received 245 comments which have been analyzed. Two of the responses did not fit into any category: one wrote “N/A” and the other criticized the survey. Six categories were chosen: 1) tough job market, 2) experiences, 3) encouragement/advice, 4) prefer BSN, 5) easy job market, and 6) salary concerns. Many of the comments fit multiple categories. Over half of the respondents (124) mentioned a difficult job market.

“Finding a job was very difficult for me. I eventually accepted the only job offer I received which was at a long term care facility. After I gain some experience I hope to gain employment in a more acute care facility”.

Another person wrote, “It is way too tough to be given the chance to prove ourselves. No work without experience but no experience without work”.

Ninety-one comments were received related to their experiences. One person wrote, “An amazing facility that is very much involved in teaching and accepting nurse graduates”.

Another wrote, “Not as hard to get a job as you are led to believe but the first year is really hard. I am still struggling to feel confident and like this job”.

Fifty-two of the comments offered encouragement or advice. One especially interesting comment described the job market which may also explain the results of this survey:

“During the beginning of 2014 the job market was highly competitive and the average expectancy for job placement was 3-6 months. I have now noticed that as of May-July this year the job market has been more optimistic and more positions have been made available for new graduates. A decent hiring boom has occurred in several hospitals throughout the valley making the market more pleasing for new graduate RNs”.

Thirty one of the respondents reported employer preference for the BSN. “The market is very poor for those without a BSN”. “I am not sure why ADN programs are even offered anymore, since every insitution (*sic*) requires BSN”.

Surprisingly 22 of the responses reported an easy job market. “Apply to jobs even without a license, I got 2 interviews without being licensed.” “It only took me a month to receive a job offer after receiving my license!”

Six respondents reported lower than expected salary. One nurse wrote, “Very disappointed that the salary for new RNs was dropped in the facility where I work, after obtaining my BSN and working hard to get to job I wanted. I barely make any money to cover the essential bills”.

### **Discussion and Conclusion**

The 2014 survey results indicate that RN graduates had much less difficulty finding employment than during any other period surveyed. As was seen last year, fewer survey participants identified “lack of jobs” as a reason for unemployment. This appears to be a trend and may herald another nursing shortage. This is the first year when the results of this survey demonstrated a decided preference for BSN prepared nurses.

Newly licensed nurses who are employed are overwhelmingly satisfied with their employment, an unexpected finding when compared to job turnover statistics in the first year of employment, estimated to range between 35%-60% (Holfer & Graf, 2006). A mixture of characteristics about the work itself and employment conditions remain important to newly licensed RNs. Foremost among these remained the type of unit, indicating that new nurses are seeking to specialize early in their careers.

The 2014 data on residency programs suggests that more employers are offering residencies, although, given the plethora of data supporting residencies, this growth is slower than desired. The length of the residency program is improving but remains sub-optimal and residencies are almost exclusively offered in acute care settings.

In conclusion, the employment outlook for newly licensed RNs appears to have improved to a great extent in 2014. New RNs were more optimistic about employment opportunities and, if employed, were satisfied with their jobs. RNs are being employed closer to the time of licensure. There was a decided preference for baccalaureate degree educated nurses. Supply and demand estimates suggest that Arizona remains well positioned for the future as the supply of nurses appears to be greater than the estimated demand, however those estimates are inconsistent with the results of this survey.

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