



Beyond Contingent Labor

ProMedica's Journey to Building an
Enterprise-Wide Internal Resource Pool





Introduction

The U.S. healthcare industry, long challenged by workforce shortages, has seen these issues intensify during and after the COVID-19 pandemic, driving greater usage of contingent labor. ProMedica, a multi-hospital healthcare system based in Ohio, faced dynamic staffing challenges during the pandemic and after. Some facilities experienced critical shortages, and the internal staffing design lacked the flexibility to provide resources across the system. This, combined with overreliance on contingent labor, led to operational inefficiencies and financial strain.

In this case study, we explore ProMedica's journey in overcoming these challenges. With the support of Aya Advisory Solutions, ProMedica shifted away from unsustainable contingent labor dependence and built a flexible internal staffing model that leveraged an enterprise-wide resource pool. Through data analysis and strategic planning, this framework brought adaptability and sustainability to workforce management. By highlighting ProMedica's experience, we aim to provide actionable insights for other healthcare organizations looking to build a similar model.



The challenge

The COVID-19 pandemic exacerbated long-standing workforce shortages in healthcare, pushing organizations to heavily depend on contingent labor to fill staffing gaps. From 2019 to 2022, [healthcare systems saw contract labor expenses soar by 258%](#), with [contingent labor's share of total labor costs increasing from 2% to 11%](#). This highlighted the urgent need for a sustainable, internal approach to staffing that reduces financial strain and provides long-term flexibility.


During the pandemic, ProMedica faced staffing imbalances and lacked the flexibility to respond to changing staffing needs in real-time. This led to costly overreliance on contingent labor, contributing to operational inefficiencies and financial strain. The absence of a centralized staffing approach forced ProMedica to make reactive, day-of scheduling decisions, leading to unnecessary use of agency staff and a net overutilization of hospital resources.

To address these issues, ProMedica partnered with Aya Advisory Solutions to assess labor usage across their facilities. "We partnered with Aya to take a deep dive into optimizing our staffing approach," said Katie Ward, Associate Vice President Capacity Management and Patient Navigation at ProMedica. "Our goal was to, as accurately as possible, determine the number of staff needed by care setting, facility, and shift to provide maximum efficiency and flexibility."

Through a comprehensive analysis, the team identified several key issues contributing to inefficiencies:

- 1. Decentralized staffing approach:** Staffing decisions were made at the hospital level rather than system-wide, leading to inefficiencies. Some hospitals sent staff home due to low census while others faced shortages, resulting in an overreliance on agency labor and reactive, day-of scheduling adjustments.
- 2. Hidden capacity of existing staff:** There was untapped potential within the current workforce that could be optimized through better scheduling and alignment with patient needs.
- 3. Need for improved hiring alignment:** Hiring targets were not aligned with actual labor requirements, increasing financial strain and underutilization of resources.
- 4. High costs of contingent labor:** The reliance on contingent labor drove up staffing expenses significantly.

These findings, with potential cost savings of over \$52 million if addressed properly, guided the development of a comprehensive staffing strategy. Based on Aya's recommendations, ProMedica built a more flexible workforce model for its acute nursing teams. They used the data analysis as a framework to determine the right number of staff needed in each department based on seasonality and census trends by day and month. Aya also recommended setting up an enterprise-wide internal resource pool to optimize workforce management across all facilities.



Proposed solution

Enterprise-wide resource pool

Aya Advisory Solutions proposed building an enterprise-wide internal resource pool to provide staffing flexibility while minimizing reliance on external contingent workers. This solution involves a proactive, data-driven approach that goes beyond traditional float pool management, ensuring both consistency and adaptability in staffing.

The key components of a flexible workforce include:

- 1. Full & part-time unit-based staff:** Hiring targets are set based on volume analysis to keep staff working up to their hired FTE commitment. This approach provides stability and ensures consistent patient care while minimizing the need for floating, ultimately improving staff satisfaction.
- 2. Internal resource pools (IRP):** The IRP provides flexible coverage across clinical groups, such as ED, ICU or Med/Surg. IRP staff are compensated for their flexibility, which includes floating to various locations and units as needed. The size of the pool is established to ensure coverage when unit-based staff are unavailable, optimizing workforce utilization. The IRP categorizes staff based on the units and facilities they are trained and competent to work in, enabling targeted deployment based on skills and system needs.
- 3. Registry/per diem staff:** PRN staff offer additional support on an as-needed basis, covering day-to-day staffing fluctuations. They are an important element for maintaining daily flexibility without long-term commitments.
- 4. Travelers:** Travel clinicians should be used strategically to stabilize staffing at the unit level, addressing specific long-term & short-term needs. This includes providing temporary coverage for FMLA, maternity, or extended absences; supporting seasonal influxes or staffing special projects such as EMR training, new unit openings, or facility expansions before permanent staff is secured. Strategic scheduling of short-term or long-term travel contracts to cover nights, weekends and holidays provides optimal support for both patients and permanent staff.

By leveraging flexible workforce layers effectively, ProMedica achieved a balanced, scalable staffing model that improved cost efficiency while maintaining high-quality patient care.

Optimal sizing of your flexible workforce model

Determining the optimal sizing of your workforce categories is critical for ensuring operational efficiency, controlling costs and maintaining high-quality patient care and requires a tailored approach, as no single solution fits every organization or facility within your organization. The layered workforce model highlights the importance of balancing core staff with flexible workforce options, such as travelers, registry or per diem staff and internal float pools. Core staff should ideally cover 80-85% of daily staffing needs, providing stability and consistency in highly specialized areas. However, flexibility in your workforce layers is essential for managing fluctuations, including seasonal census spikes, unexpected absences, or long-term coverage or special projects.

Effective workforce optimization considers the unique needs of each organization, guided by data and analytics to evaluate the current state and predict future needs. To develop a baseline for workforce sizing, it is essential to assess key factors at the individual unit level:

Seasonality: Does the unit experience predictable seasonal census fluctuations? For instance, units with consistently higher patient volumes from November through February will require greater workforce flexibility compared to units with stable census levels year-round.

Staffing Ratios: What are the unit's nurse-to-patient ratios? Units like the ICU, which typically staff at a 2:1 ratio, need more adaptable workforce solutions since even small census changes significantly impact staffing needs. Conversely, units with higher ratios, such as 6:1, can often absorb fluctuations more readily with their existing staff.

Weekly/Daily Census Variation: How much does the census fluctuate on a daily or weekly basis? For example, some units might see census numbers double from one week to the next, requiring rapid workforce adjustments. Surgical units may have weekday-specific patterns, with higher patient volumes early in the week and declines by the weekend, necessitating varied staffing levels across the week.

Aya Advisory Solutions analyzes these factors to help ProMedica align their core and flexible workforce categories to address their unique challenges. This allows for efficient allocation of resources, reduces the risk of understaffing or overstaffing, and ensures optimal care delivery in a cost-effective manner. This strategic approach ensures your workforce is not only well-sized but also adaptable to meet evolving demands.

Implementation steps

Implementing an enterprise-wide resource pool required a structured and data-driven approach. The following key steps were crucial to ProMedica's success:

1

Dismantling existing float pools: Based on the analysis, to gain both flexibility and significant cost savings, ProMedica made the decision to dismantle the existing hospital-based float pools. The float pools from various hospitals were combined to form a unified system wide resource pool, providing more flexibility and improving resource allocation across the healthcare system.

2

Data analysis and setting targets: Aya Advisory Solutions analysis concluded that ProMedica required approximately 160 to 170 nurses for optimal coverage, equating to 129.6 to 137.7 full-time equivalents (FTEs). The FTE distribution included about 70% at 0.9 FTE, 30% at 0.6 FTE, plus additional Flex RNs at 0.0 FTE. Hiring targets were set based on the percentage of vacancies in each tier level. For example, if the acute care night shift had a 33% vacancy rate, it received 33% of the target FTEs. This method allowed precise allocation across tiers to address specific needs.

3

Collaboration with HR: Close collaboration with HR ensured alignment on staffing requirements, hiring targets, and training needs. This partnership helped streamline recruitment and onboarding processes.

4

Initial staffing and recruitment: The resource pool began with approximately 35 staff members, including central staffing nurses from different hospitals within the system. ProMedica combined existing groups and conducted targeted recruitment, resulting in a substantial growth of the resource pool to 118 nurses within 14 months.

5

Building staffing tiers: A tiered system was established to differentiate staff flexibility levels, allowing ProMedica to effectively manage staffing needs across all hospitals. This multi-tiered approach ensured that staff could be deployed based on their competencies and the specific needs of each facility.

6

Centralized staffing office and scheduling oversight: ProMedica established a centralized staffing office to manage scheduling, coordinate staff movement, and ensure efficient deployment of resources. Approximately 80% of staffing decisions are now made in advance based on historical data, while 20% is reserved as a buffer for last-minute needs, such as call-offs.

7

Upskilling team members: Investment in training and upskilling allowed team members to work across multiple units and specialties, increasing the versatility and value of the resource pool.

The implementation process was broken down into phases, including initiation, planning, execution, and evaluation. By clearly communicating the benefits of the enterprise-wide resource pool and using data-driven decision-making, ProMedica eased the transition and promoted buy-in across departments.

Results and benefits

The results of implementing an enterprise-wide resource pool have been significant:



Increased staffing flexibility

The size of the pool grew dramatically, allowing more shifts to be filled with internal resources and reducing vacancies.



Cost savings achieved

ProMedica was able to reduce reliance on agency nurses leading to substantial cost savings. Comparing total contingent labor hours worked in 2023 to 2024, ProMedica saw a reduction of 166,700 hours, reducing contingent labor spend by more than \$25 million in 2024.



Reduced turnover and talent attraction

The IRP provided a desirable option for agency staff, as well as internal and external candidates seeking stability and improved work-life balance, contributing to lower turnover and a stronger internal workforce.



Operational efficiency

The centralized staffing office and new scheduling processes improved decision-making regarding resource allocation, ensuring that patient care needs were met more effectively.



Pool size growth

Growth from 35 nurses to 55 (47.4 FTE) RNs as of 1/1/24, and 120 (89.4 FTE) RNs as of 1/1/25.



Improved shift coverage

At the start of 2024, 32.44% of shift requests went unfilled, requiring charge nurses to flex and take patient assignments. By the end of the year, this percentage dropped to 9.07%, significantly improving coverage and reducing strain on leadership roles.

Conclusion

Workforce shortages in healthcare are a critical issue, but building a flexible internal staffing model can make all the difference. By using data to inform staffing decisions and creating an enterprise-wide resource pool, healthcare organizations can take proactive steps to enhance workforce adaptability and resilience while also offering additional employment options for current employees.



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From the beginning of the engagement, the entire Aya team was thoughtful and collaborative. The level of detail the Aya Advisory Solutions team presented in their workforce assessment was truly amazing. Their insight enabled us to right-size our agency use, optimize our staffing, and distribute resources more equitably across our healthcare system.

– Ondrea Williams, System Chief Nursing Officer – Provider & Clinical Services, ProMedica

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**LET'S COLLABORATE TO CREATE A FLEXIBLE AND ADAPTABLE
WORKFORCE—TOGETHER.**

Ready to build a more flexible, resilient workforce? Visit ayahealthcare.com/advisory-solutions or email us at advisorysolutions@ayahealthcare.com to start the conversation.