

# COST

When voluntary turnover helps an organization, it's much like balancing an ecosystem, and called *functional turnover*. However, in medical organizations where burnout is rampant, what management may consider *functional* turnover, and at worst, *unavoidable* turnover, is usually something far worse:

## **Dysfunctional turnover.**

The dysfunction stems from the low cost of avoiding the problem, and the high cost of leaving the problem like it is.

Few medical leaders ask the truly simple questions that create organizational change:

1. "How much turnover is too much?"
2. "Why is turnover happening?"
3. "What do we do about it?"

Answering questions like these can help managers, directors, and doctors change systemic habits that allow burnout to run wild. Until they do, the costs are astronomical.

## **The Cost of Replacement**

Replacement expenses for recruiting, onboarding, missed patient care income, relocation, and new doctor ramp-up can be 2x or 3x the physician's yearly pay. According to the AMA, with burnout factors unchecked, in just two years, sixty doctors will abandon Stanford Medicine.

They're not retiring; they're drained. In some cases, they're mentally and physically unable to continue at one of the most elite and sought-after medical organizations on the planet.

Each replacement will cost between \$250,000 and \$1 million—depending on expertise and position. But this is just the tip of the scalpel. This \$15.5–\$55.5 million is eaten by a single organization on turnover, in the space of a few years.

## **Lost Revenue**

Long before physicians actually quit, they lose their stamina and *joie de vivre*. In a word, their production tanks. Most professionals, even doctors who survive the rigors of training, exams, and residency, are unable to know how they will respond long-term to the physician's life. Titles, distinctions, and placements won't sustain them, regardless of how hard they've worked to earn them.

Managers will attest that doctors' decreased productivity can add up to more lost revenue than turnover. Fewer patients and more hours away from work result in untold revenue shortfalls in:

- Operating room income
- Hospital bed income
- Affecting anesthesia income
- Occupational therapy income
- Radiography income
- Neurosurgery income

Incidentally, according to the *New York Times*, "from 1975 to 2010, the [number of health care administrators increased 3,200](#) percent. There are now roughly 10 administrators for every doctor. If we converted even half of those salary lines to additional nurses and doctors, we might have enough clinical staff members to handle the work."

But as things stand, a single neurosurgeon who steps away from the job, even temporarily, will cause a ripple effect of indirect costs that can send shockwaves through the organization, and severe budget dips. Now, consider the relatively minor cost of keeping that same neurosurgeon healthy and happy.

### Would You Rather Go to Airport Security or the Doctor?

The doctor's visit is often low on the list of desirable to-dos. This is to say nothing of logistics, insurance, and everything surrounding an appointment. The experience is already stacked against both the patient and the healthcare provider.

So, if a practitioner cares about their reputation...

How can they operate with burned-out doctors?

No point of contact is more important than between doctor and patient. Burnout harms the relationship. Arguably, it's the lynchpin of all medical success. Even for those doctors who want as little to do with

patients as possible, they still need an appropriate bedside manner, for everyone's sake.

Burnout erodes a doctor's ability even to feign care, and opens medical organizations to the repercussions of disrespect and costly mistakes.

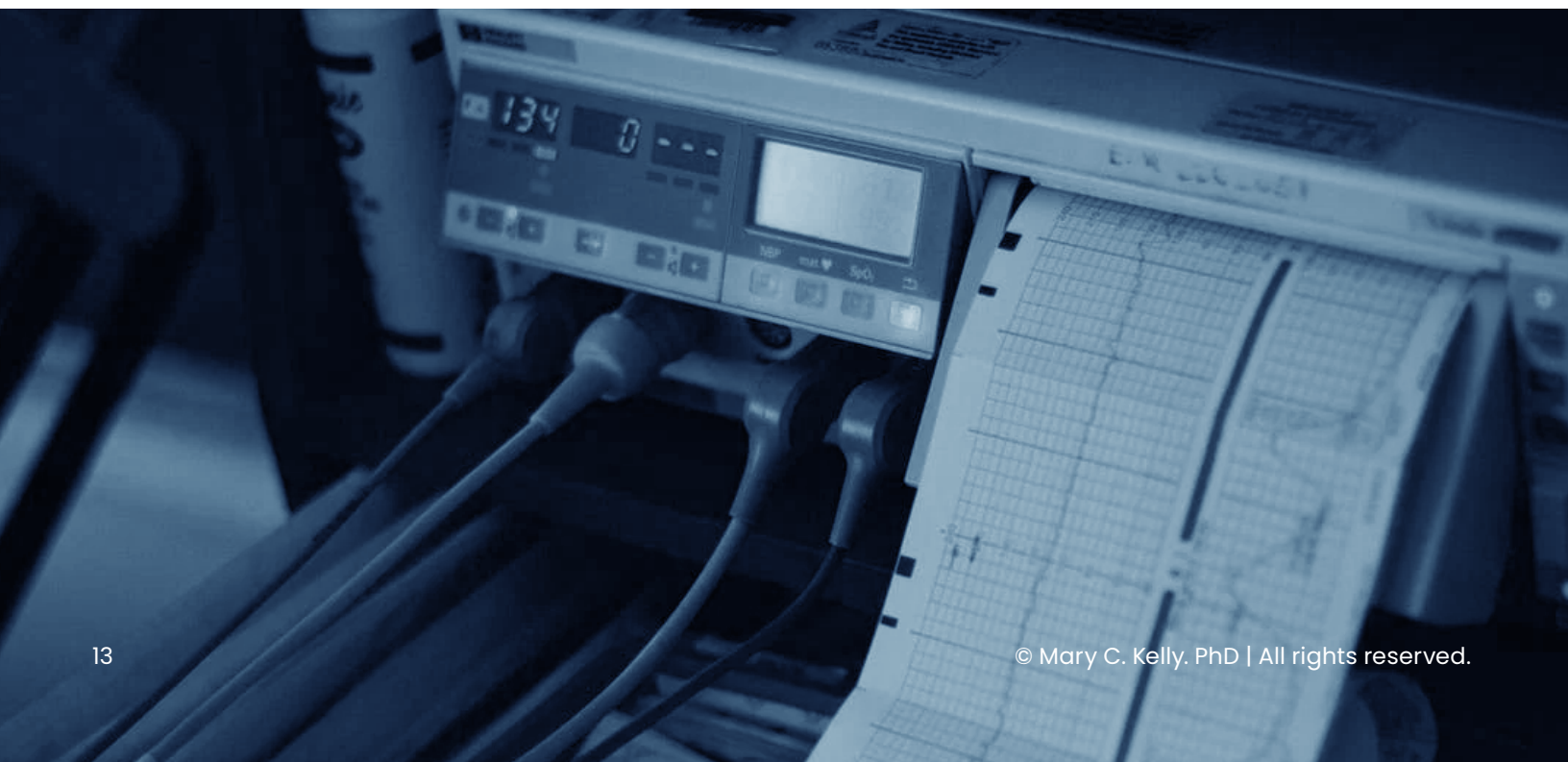
### Legal Exposure

Burnout makes medical errors virtually inevitable. Just like when truckers pull all-nighters, accidents are inevitable.

Both medicine and the supply chain are systems that have:

- too little time
- too much to do
- too few resources

Doctors and drivers alike must keep on truckin', carrying the weight of patients and goods moment to moment, despite an inevitably increased rate of failure. When physicians must struggle to keep up, it affects the health of patients and exposes healthcare institutions to legal responsibility for accidents.



## Burnout & Errors

The results of a recent study “**Physician Burnout, Well-being, and Work Unit Safety Grades in Relationship to Reported Medical Errors**” published in the **Mayo Clinic Proceedings** revealed a startling relationship between doctor burnout and medical errors.

In one study, 691 doctors, which was 10.5 percent of the respondents, said they were concerned they’d made at least one medical error in the last three months. Doctors who report burnout are 2.2 percent more likely to report a perceived error.

Error is a stressor, which is a cause of burnout. While we can’t determine causation, we can say that where you find burnout, you’ll likely find errors; and where you find errors, you’ll likely find burnout.

The antidote isn’t being punitive. It’s being **positive**.

## Dissatisfied Patients

Even if a patient’s case is treated appropriately, burnout can elongate the patient’s experience, creating an overall dissatisfaction. There is usually another doctor to turn to, and most medical practices think too little about or customer experience. It might cost the average patient little to nothing to either seek alternative care, or even give up treatment

But it will **always** cost the previous physician in:

- Lost business from the patient.
- Lost business from negative reviews of that patient.
- The missed opportunity for referrals.

According to a recent poll, 39 percent of respondents delayed going to the doctor because of prior negative experiences with a healthcare institution or practitioner.

