

# Bringing the GIG Economy to Healthcare

By Davy Crockett

The gig economy has transformed the transportation, hotel and delivery industries and could be headed for healthcare next. The gig economy is a model used by companies such as Uber, TaskRabbit and Postmates that uses freelance workers and short-term contracting to supplement full-time staff. With the gig economy, individuals seek out work on their terms and employers hire based on their immediate needs. For healthcare providers and employees, this model could offer many benefits.

## Why the Gig Economy is Right for Healthcare

Healthcare organizations are trying to drive out inefficiencies across their businesses to increase revenue. While improving supply chain processes and reducing denials can yield significant financial improvement, they struggle to put a dent in labor costs, which account for approximately [60 percent](#) of spending. At the same time, there's an impending healthcare skills gap with an estimated shortage of [20,400 primary care physicians](#) and [200,000 nurses](#) by 2020.

Travel and agency nurses, physical therapists and occupational therapists, and locum tenens physicians help fill labor gaps at understaffed hospitals, but they come at a significant cost. The gig economy would allow hospitals and healthcare providers to negotiate directly with healthcare professionals, significantly reducing the fees charged by pricey intermediaries.

With a gig model, healthcare organizations would be able to hire a professional for one day, several days or a few months based on their staffing needs. This enables providers to hire fewer fulltime staff which gives them a pool of workers to tap into as needed.

## Responding to the Needs of Healthcare Professionals

The gig economy empowers healthcare organizations to meet their staffing needs at a lower cost, but it also meets the needs of healthcare professionals — for both full-time employees and gig workers — in a new way. Those who are employed full time fulfill their needs of a consistent paycheck, benefits and career advancement. On the other hand, gig workers receive the flexibility and control of their schedule that they desire (which could reduce burnout) or the ability to earn supplemental income. Leaders must understand that the social-emotional needs of gig workers may be different than that of fulltime employees and find ways to create

purposeful experiences for both parties. In doing so, those caring for patients can align their professional priorities with their personal priorities, which can change significantly throughout their career.

## Leaders Must Address Quality and Culture

In a workforce consisting of many transient workers, leadership will be key in ensuring that staff are engaged and high-quality care is delivered. Leadership will be increasingly complex as one must ensure that gig workers learn unfamiliar clinical processes and that they have the right tools and training to care for patients. Similarly, devoting time to permanent employees' development is critical so they feel like they are valued members of the workforce. Balancing these critical pieces will be a challenge, but it will be imperative for ensuring organizational success.

To do so, consider the following:

- **Require onboarding and training.** When it comes to more flexible, ad hoc or short-term shifts, healthcare organizations will want to make sure that everyone they hire is qualified, but that they're also oriented to the way in which that organization operates and has a general understanding of processes and culture. Just as permanent staff must complete onboarding and regular compliance training, similar requirements for gig workers can help ensure that high-quality care is always being provided. Virtual training could help fill the gap.
- **Maintain high standards for staffing.** In most professions, an error has consequences, but in healthcare the stakes are much higher, with the consequences being serious medical complications and even death. [Nomad Health](#), a staffing platform for physicians and nurses that focuses on locum tenens, permanent staffing and telemedicine offers background and drug screening and credentialing services to ensure the quality of candidates meets an organization's standards. This helps to guarantee

that caregivers are qualified and credentialed. Mandating that gig economy employees are held to the same standards as full-time staff will mean that all staff will have similar core competencies, which will be key for limiting care variation.

- **Offer real-time assistance.** Preceptors, peer mentors or navigators can ensure that gig workers have a go-to person to ask questions and offer guidance at work. By enlisting full-time staff to engage in this type of role, they'll have the chance to develop leadership skills which will benefit their own career development.
- **Seek out feedback from gig workers.** Gig workers may work in many hospitals which will expose them to different processes, innovative ideas and best practices that your organization could benefit from. By seeking out these ideas and listening to their suggestions, you'll have the opportunity to improve your organization while also increasing the engagement of gig workers.
- **Provide feedback.** Create a mutual review system based on stars and comments (like the review process used by Lyft and Uber) where employees and employers rank each other. Increased transparency around the quality of employees' work along with employee feedback will help ensure that gig workers are treated well and organizations are hiring high-quality professionals. Much like full-time employees receive reviews from their managers, reviews for gig economy employees will allow them to continue to improve professionally.

## How to Bring the Gig Economy to Healthcare

Before considering the role of the gig economy in a given healthcare organization, it's critical to consider the staffing needs. Look at the utilization of PRN and float pool nurses across the organization and how much of a need there is for their services. Also, consider fluctuations in volume throughout the year. If certain times of year have higher volumes than others and you struggle to find an appropriate balance between staffing up and down, the

gig economy could fill that gap. However, none of this can be determined without a thorough understanding of the variations in staffing volume.

With the impending retirement of baby boomers, healthcare organizations have a group of individuals who could be interested in becoming gig workers. Retired staff could be a starting point that organizations could tap into for open shifts in their schedule. Lessons learned from this initial trial could be scaled to a larger group of healthcare professionals.

By bringing the gig economy to healthcare, organizations can eliminate waste in their staffing models while also providing healthcare professionals with opportunities to work in new ways. To make this a reality, it will be critical for organizations to put processes in place that give gig workers the tools for success while lowering labor costs and continuing to provide high-quality care and an outstanding patient experience.

## Key Takeaways

To successfully bring the gig economy to your organization, you need to:

### Think differently.

Analyze your organization's existing staffing model, volume fluctuations, PRN policies and use of staffing agencies, and match skills of both gig and full-time employees with your organization's needs.

### Plan differently.

Develop a new framework for staffing that allows you to fill gaps in care delivery with gig workers to avoid overstaffing or dependence on agency nurses.

### Act differently.

Empower leaders with the skills to engage fulltime and gig economy staff, take small risks and experiment with new staffing models to see what works and what doesn't. Also, engage gig workers while creating a model where they're an integral component of your staffing model.



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