#### High turnover among nursing staff in private residential care homes for dependent elderly people (EHPADs) in France: impact of the local environment and the wage \* Cécile Martin et Mélina Ramos-Gorand

#### Key question

Private nursing homes for dependent elderly people (EHPADs) in France have considerable difficulty in retaining their nursing staff: the mean exit rates for nurses and for nursing auxiliaries were 61% and 68% respectively in 2008. This high turnover of nursing staff generates costs for the nursing homes and degrades care quality. What are the determinants of this turnover: the characteristics of the facilities (size, staffing level, etc.), the wages paid to the nursing staff, or environmental factors?

## Methodology

A probit model of the probability to leave is estimated over a sample of 5,478 nurses and another sample of 13,444 nursing auxiliaries, all working in EHPADs under open-ended contracts. Wage endogeneity is corrected for. Most of the environmental factors are constructed at the disaggregated level of the local area around the employees' place of residence.

# Main results

- The probability of nurses and nursing auxiliaries leaving is significantly influenced by environmental factors:
- closeness of a hospital;
- competition between facilities for elderly people;

• local shortage of staff for nursing auxiliaries and attractiveness of the self-employed sector for nurses. The wage level has a positive effect on the retention of nursing auxiliaries, but it does not seem to have an effect on nurses. However, nurses appear influenced by care quality assessed on the basis of staffing level.

Estimation of the average duration of single parenthood for women by reason for entering the situation

	Nurses	Nursing auxiliaries
Presence of a hospital nearby	Positive	Positive
Competition between facilities for elderly people	Positive	Positive
Local shortage of nurses or of nursing auxiliaries	Non-significant	Positive
Density of self-employed nurses	Positive	-
Wage adjusted for endogeneity	Non-significant	Negative
Staffing level	Negative	Negative (low)

Coverage: 5,478 nurses and 13,444 nursing auxiliaries working in private nursing homes for dependent elderly people under open-ended contracts in France. Source: Insee, *DADS 2008*; Drees, *enquête EHPA 2007*; Insee, *base permanente des équipements (BPE*, permanent facilities database) 2007; Drees, *répertoire Finess 2007*; authors' calculations.

## Main messages

This econometric study is the first to analyse the reasons for nursing staff leaving nursing homes for dependent elderly people in France. It highlights the existence of local difficulties in employee retention, however the data do not provide as detailed information on employees' characteristics, especially their family status, or on the managerial policy in their facility as one would wish. It also emphasises the few levers available to facility directors to improve nursing staff retention: raising salaries and reinforcing staffing levels. However, such measures would require raising the dependency support and care prices of the facilities, inducing extra cost for the public finances.

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