Nursing Shortages, Surpluses, and Supply: Factors Driving Uncertainty in California and National Nursing Employment

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As the economy recovered from economic recession and the Affordable Care Act was implemented, reports emerged of registered nurse shortages across California and the United States. At the same time, many newly-graduated nurses reported difficulty finding employment. This research critically examines data collected through surveys of California's registered nurses, nursing schools, and employers. By carefully analyzing what these data show about nursing employment, education, and skill needs, we can understand the root causes of shortages and identify solutions. The data show that employers are struggling with transitioning new nursing graduates into positions opened by the retirements of experienced nurses, and there are substantial regional differences in the projected supply of registered nurses. Multiple strategies are proposed to remedy these problems.

Registered nursing is the largest health profession in the United States and in California, and registered nurses (RNs) play important roles in the delivery of health care in every setting. As the population of California continues to grow and becomes older, concern is rising about whether there will be enough nurses to meet health care needs in the future. Today, many health care organizations are reporting difficulty finding enough nurses to fill open positions.

Key Findings:

➢ More than 85% of CNOs reported that demand for RNs was greater than supply from 2015 through 2017, but this demand was focused on nurses with experience in critical care, the operating room, and the emergency department. Demand for newly-graduated RNs has been much weaker with employers expressing reluctance to invest in transitioning them from school to nursing practice.

➢ Forecasts of RN supply and demand in California through 2035 indicate that the state's education programs are graduating an adequate number of RNs to meet long-term needs. However, there are stark differences across regions of California.

➢ Some employers are acting on these concerns by investing in nurse residency programs and improving their capacity to transition new graduates to practice.

Figure 1. CA RN Supply and Demand Forecasts, 2017-2035
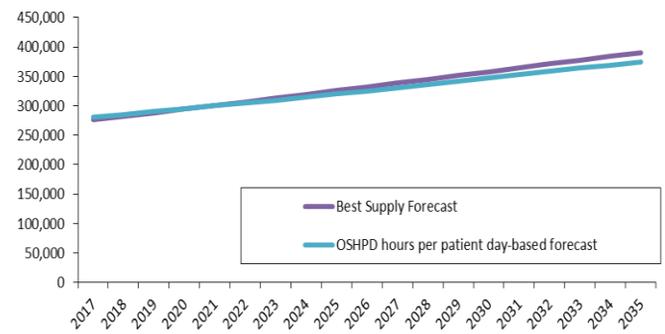
Implications for Policy

Educators, employers, and policy leaders need to collaborate to ensure an adequate number of well-prepared RNs to meet health care needs. Education program growth should be focused in the areas of greatest need and, in these areas, attention needs to paid to faculty shortages. Education programs can partner with employers to offer electives focused in clinical fields with the greatest need, create joint faculty appointments, and develop and expand sites for clinical placements. Policy leaders should continue to support scholarship programs for students will work in underserved areas, and to encourage non-traditional clinical placements, distance education, and simulation education.