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Annual turnover among nursing home administrators may be 40% or higher. To investigate the factors that could lead to greater administrator retention, responses to a survey (53% response rate) were analyzed using factor analysis and multiple regression models. Results show that higher retention is observed when administrators are allowed to function independently, are involved in decision making, are treated fairly, and are given reasonable goals to achieve. Organizations must hire administrators whose values match theirs. Multifacility chain organizations and for-profit facilities appear to have a greater need to embrace organizational principles that lead to greater job satisfaction.
Key Words: Turnover, Job expectations, Job satisfaction

Retention of Administrators in Nursing Homes: What Can Management Do?

Douglas A. Singh, PhD,¹ and Robert C. Schwab, PhD²

It has been demonstrated empirically that the employment stability of nursing home administrators (NHAs) is a significant factor influencing the quality of care provided to patients in nursing homes (Christensen & Beaver, 1996; Singh, 1997). Yet, published studies that explain why many administrators have relatively short tenures at one facility and what management can do to increase retention are scarce. We could locate only one such previous study (Rubin & Shuttlesworth, 1986). Although limited by a small sample size and somewhat ambiguous methodology, the study concluded that the extent to which administrators' expectations on the job are (or are not) met may influence their decision to stay or leave. In particular, expectations realized along eight dimensions appeared to be significant; these eight factors include the degree of impersonality or bureaucratization, organizational emphasis on efficiency rather than patient care, autonomy over one's own work, the opportunity to influence organizational policy, and time demands of the position.

It is mainly through anecdotal evidence that measures of the rate of administrator turnover have become available. One such estimate placed turnover in the neighborhood of 50% (Smith & Williams, 1986). A recent approximation, based on an informal poll of the state affiliates of the American Health Care Association (AHCA) and the American Association of Homes and Services for the Aging (AAHSA), places annual administrator turnover somewhere between 20% and 30% (Gilbert, 1996). A similar poll conducted the

year before reported that a large majority of nursing home association executives thought that turnover in their respective states was between 4% and 16% (Gilbert, 1995). Such turnover estimates fail to provide a realistic picture of the extent of leadership change in the industry, let alone the reasons for such change.

The general literature in human resources management suggests that employee retention is related to job satisfaction and commitment to the organization (Abelson, 1996; Mowday, Porter, & Steers, 1982). However, previous investigations have revealed that satisfaction can be related to a number of different factors. Value congruence and ethical compatibility with the organization are regarded as important by people who choose to remain with an organization (Sims & Kroeck, 1994). Professional workers expect that their skills and abilities will be considered valuable and that they will be asked to participate in decision-making. When such work expectations are not met, the possibility of employee turnover increases (McEvoy & Cascio, 1985; Mobley, 1982). Organizations that grant appropriate autonomy, build trust, and encourage open communication within the organization often succeed in retaining their high-performing employees (Price & Mueller, 1986; Weil & Kimball, 1995). Recognition of performance accomplishments, satisfaction with supervision, pay equity, and promotional opportunities may affect employees' decisions to stay, but the findings are not always consistent (Cordero, DiTomaso, & Farris, 1994; Kerr & Slocum, 1987; Lawler, 1973; Porter & Steers, 1973). There is also some evidence that organizational commitment may be a better predictor of turnover than job satisfaction (Camp, 1994; Mowday et al., 1982), because loyal workers are sometimes willing to overlook known work problems. In general, the literature suggests that several variables affect employee tenure, but scant investigation has been done thus far concerning nursing home administrators.

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This study had two objectives: It measured the rate of turnover among nursing home administrators based on an actual count of job changes made within a 12-month period, and more importantly, it investigated which specific dimensions in the administrator's job environment—together with administrator and organizational characteristics—influence retention. Conclusions and recommendations based on our findings are discussed.

Data and Methods

Survey Data

A survey questionnaire was mailed in Spring 1996 to all 1,035 nursing home administrators in Michigan and Indiana who were employed at that time. The survey was endorsed by the state affiliates of AHCA and AAHSA (industry associations representing the for-profit and not-for-profit sectors), but all administrators, regardless of membership or affiliation, were invited to participate in the study. The initial mailing, which yielded a 41% response rate, clearly identified each respondent. Given the somewhat sensitive nature of several items in the survey, we concluded that the second mailing should not attempt to identify the respondents, in the hope that this change would increase the response rate. Ultimately, 552 administrators completed and returned the survey for an effective response rate of 53.3%. These 552 administrators constitute the total sample.

Given the length and nature of the survey, we were pleased with this response rate. Research experts have argued that mail surveys may not be reliable unless they either achieve a minimum of 50% response or demonstrate, with some form of verification, that the nonrespondents are similar to the respondents (Erdos, 1970; Zikmund, 1994). This study slightly exceeds the generally accepted minimum response rate, but it may still leave some doubt regarding generalizability of the findings.

In an effort to assess the representativeness of our sample, we did comparisons of available population variables for all NHAs in Michigan and Indiana to those for the sample. In a two-tailed *t* test, the respondents' mean number of licensed beds (114.4) was not statistically different ($t = .778$, $p = .437$) from that of the population (mean = 112 beds). Similarly, the proportions of respondents who left their positions and of those who stayed were found to be similar in both the population and the sample ($\chi^2 = 2.62$ and $.07$, $p = .105$ and $.789$, respectively, for position changes observed at two different points in time). A chi-square test comparing the for-profit and not-for-profit facilities, however, did yield a significant difference ($\chi^2 = 15.52$, $p = .000$). Not-for-profit facilities comprise 25.8% of all nursing homes in Michigan and Indiana, but 33.1% of the survey respondents represented not-for-profit facilities. Thus, these analyses show that although the respondents are representative of the population in some ways, generalizing the results may require some caution given the higher than expected proportion of not-for-profit facilities represented in the sample.

Measurement of Turnover.—Nursing facilities are required by regulation to notify their respective state health departments whenever a change in administrator occurs. Thus, state health departments maintain updated facility rosters identifying the current administrator at each facility. We obtained these rosters from the states at intervals of approximately 6 months. A comparison of the most current rosters with previous ones identified position changes, which were used to calculate the rate of turnover. Comparing the rosters at 6-month intervals also revealed that several facilities had changed administrators twice during a 12-month period.

Job-Related Factors.—To study the dimensions that influence retention, our survey included 41 different questions (rated on a 4-point numerical scale) pertaining to the administrator's current job environment. A factor analysis was performed which reduced the 41 measures to seven main dimensions. These seven dimensions essentially reflect how administrators view their job environments, including the supervisory and organizational elements that affect their motivations and commitment levels. Variables external to the organizational setting, such as personal time for social and family pursuits, compatibility with the residential community, and market competition, were also included in the survey. The seven main dimensions identified by factoring the data are (1) Realized Expectations; (2) Commitment; (3) Organizational Demands and Skill Compatibility; (4) Career Opportunities and Rewards; (5) Personal Time; (6) Performance Outcomes; and (7) Geographical Stability. Four of the 41 variables that did not link with any of the seven factors were retained as single, unfactored measures. These variables pertain to external market competitiveness, stress, effort put into the job, and involvement in local community, civic, and religious organizations.

Data Analysis

Multiple regression analyses were employed to study which job-related factors were significantly associated with greater length of employment. To confine our analyses to permanently appointed employee administrators, we excluded interim or acting administrators (temporary appointments) and owner-administrators (nonemployees) from the data analyses. Secondly, to emphasize retention rather than turnover per se, we restricted the regression models to administrators who had no previous experience in other facilities and had also been employed continuously in their existing positions for at least 3 years. Because perceptions about current job conditions are likely to be influenced by prior experiences in other facilities, we think that such biases are minimized by confining the analyses to administrators who stayed with the same facilities for the duration of their careers. In the following section, we discuss the reasons for including in the regression models only those administrators who stayed at the same facility for 3 years or longer.

Retention Defined.—We define *retention* as a length of employment of 3 years or longer at the same facility. Several factors were simultaneously evaluated in choosing 3 years of continuous employment to demarcate high and low tenures:

1. Annual employment turnover was found to be relatively high.
2. There are a fair number of new entrants—defined as first-time administrators who have been employed in their first position for 1 year or less—into the industry. Due to a lack of adequate experience with the organization, new entrants are likely to have perceptual biases.
3. The frequency distribution for length of employment is heavily skewed to the right, meaning that most administrators stay in their positions for relatively short durations (see also Singh, 1997).
4. Measures of central tendency for length of employment indicate that tenure is generally close to 3 years for the various categories of administrators (Table 1). Hence, one would expect that administrators are more likely to continue in their current positions after they have been there for approximately 3 years. On the other hand, greater turnover is likely to occur during the first 3 years of employment.

In the case of first-time administrators who had been in their current positions for at least 3 years, the mean length of stay was 9.8 years ($s = 6.4$; $N = 103$) compared to 1.1 years ($s = 0.7$; $N = 87$) among those who had been in their first position for less than 3 years. Hence, marked differences in retention are observed between the two groups of administrators when we use the 3-year cutoff point to define retention. Because turnover is expected to occur at a higher rate during the first 3 years of employment, statistical relationships would more accurately define

the correlates for retention in a sample restricted to those with at least 3 years of continuous employment.

Control Variable.—Hospital-based nursing home facilities are generally of recent origin. They have proliferated mainly since the mid-1980s, when the Medicare prospective payment system for hospital reimbursement was implemented. Hospital facilities are also predominantly not-for-profit. To minimize any confounding effect of hospital-based facilities, we have controlled the analyses for hospital affiliation.

Results

Retention and Turnover

Measures of central tendency show some variations in the length of employment (Table 1). A relatively large proportion of administrators (approximately 40%) in the sample had never had a previous NHA position. Naturally, the length of employment among this subset is slightly greater (mean = 5.8 years; median = 3.2 years; mode = 1 year) compared to the entire sample (mean = 4.4 years; median = 2.7 years; mode = 2 years), which includes the effects of job turnover. The value of the mode (1 year) among first-time administrators seems to capture the significant number of new entrants to the industry—11.5% of the total sample consisted of administrators who had never held an NHA's position before and who had been employed in their current positions for 1 year or less. The mean for the number of positions held by administrators with prior experience is 3.5 (median = 3; mode = 2); the mean length of employment in each of these positions was 3.3 years (median = 2.6 years; mode = 2 years). Table 1 also shows the lengths of employment in various facility and ownership

Table 1. Jobs Held and Years of Employment in Each Position

	Number of NHA Positions Held (Including Current Position)					Length of Employment in Each Position Held (Years)			
	<i>N</i>	Mean	Median	Mode	<i>s</i>	Mean	Median	Mode	<i>s</i>
Entire sample	487	2.5	2	1	2.0	4.4	2.7	2	4.7
Had previous position(s)	297	3.5	3	2	2.0	3.3	2.6	2	2.5
Had no previous position(s) (current position only)	190	1.0				5.8	3.2	1	6.5
New entrants to the industry	56	1.0				0.7	0.7	1	0.3
First-time administrators, excluding new entrants	134	1.0				8.0	6.0	2	6.6
First-time administrators employed for ≥ 3 years									
For-profit	48	1.0				8.6	7.4	5	5.5
Not-for-profit	55	1.0				10.9	9.0	5	7.0
Independent	43	1.0				12.0	10.0	5	7.0
Multifacility (≥ 2 facilities)	36	1.0				8.4	6.0	6	5.9
Hospital-based	15	1.0				6.2	6.0	3	2.7
Nonhospital	88	1.0				10.5	9.0	5	6.7

Note: NHA = nursing home administrator.

Table 2. Administrator Changes and Turnover

	(1) No. of Employed NHAs	Initial Date	(2) No. of NHA Changes	Final Date	(3) Time Interval (Months)	(4) Projected No. of Annual Changes	(5) Annual Turnover (%)	Duplicate Changes
Michigan	429	02/21/96	151	02/21/97	12	151	35.2	23 (5.4%)
Indiana	601	03/06/96	273	03/19/97	12.5	262	43.6	44 (7.3%)
Total	1,030					413	40.1	67 (6.5%)

Notes: Column (4) = [(2)/(3)] × 12; column (5) = [(4)/(1)] × 100.

categories (i.e., for-profit vs not-for-profit, independent vs multifacility, hospital-based vs nonhospital).

Annual turnover was calculated by directly comparing rosters of the entire population of employed administrators in the two states at two 6-month intervals. The actual number of job changes observed provided the composite annual turnover rate of 40% for the two states (Table 2). However, turnover was found to be almost 8% higher in Indiana than in Michigan. The difference is statistically significant ($\chi^2 = 7.35$; $df = 1$; $p = .007$). We also found that in approximately 6.5% of the facilities, two administrator changes had occurred within the 12-month period. Again, multiple turnovers within the same year were higher in Indiana than in Michigan (Table 2).

Factors Influencing Retention

The job-related dimensions, when introduced simultaneously as independent variables, did not show any meaningful associations with length of employment. But three of the dimensions were found to be statistically significant *only* when each was used separately in a multiple regression model. Hence, three independent models were obtained (Table 3). In each

model, certain administrator and organizational characteristics were also found to be significantly associated with higher retention. Pearson correlations among the variables appearing in the three models are presented in Table 4.

Realized Expectations.—Model I demonstrates that higher retention is achieved in facilities characterized by independent (stand-alone) ownership, which means that the facilities do not have any affiliations with multifacility chains. Multifacility chains are defined here as having two or more facilities. There is a negative correlation between retention and for-profit ownership. These results may be complementary, because 80% of the chain-affiliated facilities in the sample are for-profit, and 78% of the nonprofit facilities are stand-alone. Facility size is positively associated with length of employment as is community size, although the influence of the latter is only marginally significant ($p = .06$).

Model I also points out that the administrator's Realized Expectations is a key dimension that may lead to higher retention. Ten different measures compose the Realized Expectations scale, which was found to have a high degree of reliability ($\alpha = .88$; see Table 5). Primarily, the 10 measures point to the leadership style of the administrator's supervisor, the degree of harmony between the administrator's and the organization's ethical/moral values and management philosophies, corporate expectations in terms of goals to be achieved by the administrator, and realization of the administrator's overall expectations of the organization. The administrators' expectations in these domains were found to be met more strongly in independently-owned facilities ($r = .32$) compared with chain-affiliated facilities. The mean score for the Realized Expectations dimension—on a scale of 1 to 4—is 3.63 for administrators in independent facilities compared with a score of 3.16 for chain facilities. The difference is statistically significant ($t = 4.58$; $p = .000$). Differences on this dimension between for-profit and not-for-profit facilities are not significant. Hence, it appears that factors other than the degree to which Realized Expectations are met may be more important in explaining why administrators stay longer in not-for-profit operations. It should also be noted that the mean length of employment at independently owned nursing homes is 12.0 years compared with 8.4 years in chain-affiliated facilities (Table 1). The difference is statistically significant at $p = .015$.

Table 3. Multiple Regression Models

	Model I	Model II	Model III
N	98	99	97
R ²	.336	.349	.261
F (p value)	7.68 (.000)	6.98 (.000)	8.14 (.000)
Independent variables			
Hospital affiliation	-4.35***	-3.94**	-2.29
Size of facility	.02**	.02***	.03***
For-profit ownership	-2.57**	-3.41***	
Independent ownership	2.77**	3.07***	2.96**
Size of community	.84*	.95**	
<Bachelor's degree		2.32**	
Realized expectations	2.55**		
Demand compatibility		2.21**	
Commitment			1.94**
Intercept	-3.11	-2.91	-.83

Notes: Dependent variable = Length of Employment; Control variable = Hospital affiliation.

* $p \leq .10$; ** $p \leq .05$; *** $p \leq .01$.

Table 4. Correlation Matrix

	EMPL	SIZE	IND	PROF	<BACH	COMMUN	EXPECT	COMMIT	DEMAND
EMPL	1.00								
SIZE	.30**	1.00							
IND	.33**	.06	1.00						
PROF	-.23*	-.21*	-.07	1.00					
<BACH	.13	-.23*	.09	.29**	1.00				
COMMUN	.10	.23*	-.21*	.00	-.05	1.00			
EXPECT	.25*	-.02	.32**	-.11	.13	-.08	1.00		
COMMIT	.25*	.01	.27**	-.25*	.14	.05	.76**	1.00	
DEMAND	.06	-.20*	.11	.11	.08	-.20*	.50**	.42**	1.00

Notes: EMPL = Length of employment; SIZE = Size of facility; IND = Independent facility; PROF = For-profit ownership; <BACH = <Bachelor's degree; COMMUN = Size of community; EXPECT = Realized Expectations; COMMIT = Commitment; DEMAND = Organizational demands and skill compatibility.

*Correlation is significant at the 0.05 level.

**Correlation is significant at the 0.01 level.

Table 5. Composition of Realized Expectations, Organizational Demands/Skill Compatibility, and Commitment

	Eigenvalue	α
Realized Expectations	8.88	.88
My supervisor is generally satisfied with my performance.		
The overall organizational goals I am expected to achieve are reasonable.		
My opinions are considered valuable by my superiors.		
I have a great deal of autonomy in my position.		
My immediate supervisor is fair and reasonable.		
I feel that overall I am fairly treated.		
I often fear losing my job. [R]		
Expectations of the organization conflict with my moral/religious beliefs. [R]		
My opinions do not harmonize with policies on overall organizational management. [R]		
All in all, my job meets my expectations.		
Organizational Demands and Skill Compatibility	2.42	.73
The residents and their families place reasonable demands on me.		
The staff place reasonable demands on me.		
The demands of the job are compatible with my skills.		
I am satisfied with the performance of my department heads, medical director, and facility staff.		
Commitment	2.98	.87
I place a high degree of trust in the organization.		
I am enthusiastic about the organization as a great one to work for.		
I feel very little loyalty to the organization. [R]		
I would do almost anything in order to keep working for the organization.		
The organization really inspires the very best in me in the way of job performance.		
I really care about the success of the organization.		
I feel that I fit quite well into the organization.		

Note: [R] = scores are reversed.

Organizational Demands and Skill Compatibility.—Model II highlights the administrator's skill compatibility with the demands placed on the administrator by the staff and by residents and their family members, as well as the administrator's level of satisfaction with the staff's performance (Table 5). The reliability measure for this scale is moderately strong ($\alpha = .73$). Given a higher level of demand compatibility in the organization, nondegreed administrators—those who do not have at least a bachelor's degree—can have longer tenures. Facility size, nonprofit ownership, and independent ownership variables are again significant as they were in Model I, indicating their positive influence on retention.

Opportunities for educational and professional development (1 of the 41 initial measures) received higher ratings from administrators employed by not-for-profit and independent facilities than from those employed by for-profit and chain-affiliated facilities; however, the differences were not found to be statistically significant. Hence, it is unclear whether these facilities actually achieve better skill compatibility by offering more informal avenues for professional development than for-profit and chain operations. Size of the community is statistically significant in this model and is positively associated with retention. Although the zero-order correlation with length of employment is weak ($r = .12$), community size appears to influence retention when the administrator has less formal education.

Commitment.—Model III evaluates tenure in relation to the administrator's motivational commitment to the organization and shows that commitment has a positive influence on retention. Commitment is measured by seven variables: trust, enthusiasm, loyalty, concern for the organization's success, intention to stay, motivation to perform, and good fit with the organization (Table 5). The Commitment scale has a high degree of reliability ($\alpha = .87$). Additional variables found to be significantly associated with retention are facility size and independent ownership, which have been discussed in the previous sections. The level of Commitment was found to be significantly higher in

independent facilities than in chain-affiliated facilities (score of 3.46 vs 2.92 on a 4-point scale; $t = 3.92$; $p = .000$).

Differences Between Michigan and Indiana

Using the results we have described, we evaluated why the magnitude of turnover would be significantly different between the two states. The mean facility size, the proportion of for-profit facilities, and the proportion of chain-affiliated facilities were found to be significantly different between the states (Table 6). Michigan facilities were found to have 13 additional beds on average. Indiana has a higher proportion of for-profit and chain-affiliated facilities than Michigan, according to the survey. Our results suggest that facility size is positively associated with greater retention and that both for-profit status and chain affiliation are related to lesser retention. It appears that these variables may be instrumental in predicting administrator turnover on the state level. The survey results indicate that the two states are similar with regard to the educational levels of the administrators and the distribution of facilities according to community size. Differences on the mean scores for Realized Expectations and Organizational Demands and Skill Compatibility were unremarkable. The mean score for Commitment was higher for Michigan administrators (3.36 on a 4-point scale) compared with administrators in Indiana (3.17), but the difference is statistically insignificant.

Discussion

Turnover of nursing home administrators is in reality a more serious problem than members of the industry have assumed. The turnover rate of over 40% in Michigan and Indiana combined is much higher than industry officials perceive it to be, and it is consistent with an earlier estimate derived from observed position changes in South Carolina that placed turnover at 40% (Singh, Amidon, Shi, & Samuels, 1996). Surprisingly, little concern seems to have been expressed about such a high rate of turnover. In contrast, officials in the hospital industry were alarmed when turnover of hospital chief executive officers rose to 16% during 1996 (Burda, 1997). Although it is important to discern the extent of the problem in the nursing home industry, it is even more important to understand why the problem exists and what steps

can be taken to minimize it. The results of this study focus on positive approaches to increasing retention.

Of the seven factorial dimensions and the four unfactored measures used in this study, three were found to be significantly correlated with administrator retention—but in separate regression models. In other words, each job-related dimension is significant, independent of the others. Of these three dimensions, Realized Expectations in Model I is the strongest, based on an eigenvalue of 8.9 obtained in the factor analysis of 41 measures. Hence, we consider Model I to have the most explanatory power among the three different models, even though Model II has a slightly higher regression R^2 . Results of Model I and Model III confirm findings in earlier literature and suggest that general organizational theory can be applied to explain turnover and retention among nursing home administrators. In addition, these results explain retention of administrators within the specific organizational context of the nursing home industry, which is composed of for-profit and nonprofit ownership, independent and chain-affiliated operations, and facilities located in communities that vary in size. In terms of Model II, earlier literature does not provide much guidance on the relationship between job retention and organizational demands. This study has discovered that a better fit between a nursing home administrator's abilities and the demands made by the organization can lead to higher retention.

The lessons for multifacility and for-profit corporations are inescapable. To improve retention, these organizations should empower their administrators with more discretionary authority, set reasonable expectations for facility performance, involve their administrators in key decisions pertaining to the operation of the facility, create a sense of fairness, and seek congruity between the administrator's and the organization's ethical and operational values. Ensuring a good match between the administrator's philosophies and values and those of the organization may be particularly relevant when a new administrator is being recruited, because a discord in values could eventually lead to dissatisfaction and turnover.

During the hiring process, it is important to seek compatibility between organizational demands and the skills of the administrator being recruited. Problems in the facility—such as low census, substandard patient care, inadequate supplies and equipment, high staff turnover, inability to attract qualified staff, and poor staff morale—are likely to trigger a greater number of complaints from patients, their families, and staff members. Nursing home corporations can achieve better skill compatibility by providing support mechanisms to help administrators cope with such demands. Skill compatibility must be a high planning priority because current trends within the health care delivery system indicate that nursing home administrators will be faced with increasing challenges in the years ahead. Skill compatibility appears to be more crucial when the administrator does not have a bachelor's degree. Such administrators may find better access to resources when the facility is located in or near larger communities. Larger communities may also offer better op-

Table 6. Significant Differences Between Nursing Homes in Michigan and Indiana

Differentiating Characteristics	Michigan	Indiana	Statistical Tests
Mean facility size	122 beds	109 beds	$t = 2.23$; $p = .026$
For-profit facilities	58.1%	72.9%	$\chi^2 = 13.16$; $df = 1$; $p = .000$
Chain-affiliated facilities	57.0%	69.8%	$\chi^2 = 7.84$; $df = 1$; $p = .005$

opportunities for professional development. Such considerations can help multifacility corporations achieve a better fit between the facility and the administrator, both when hiring and relocating administrators.

A high correlation between Realized Expectations and Commitment ($r = .76$) suggests that Commitment is driven by the administrator's realized expectations, which are based on factors that are internal to the organization. This observation further bolsters our argument that long-term care organizations, especially multifacility chains, should reevaluate how they manage their administrators. Nursing home corporations must focus on building a high level of commitment among their administrators. The commitment factor is important from the standpoint of the administrator as well as that of the corporation. The relatively high proportion of new entrants into the industry suggests that turnover does not merely result in inter-facility job changes; rather, a significant number of administrators seem to be leaving the industry. Hence, the industry as a whole will be better served if organizations look beyond their own needs and strive to achieve compatibility and build commitment with their administrators to better serve the nation's elderly nursing home population.

The influence of facility size apparently reflects the better financial and professional rewards that larger facilities can generally offer, rewards that may act as inducements for administrators to stay longer. Shorter lengths of employment in smaller facilities may reflect natural career progression from small to large facilities; to that extent, a certain amount of turnover in smaller facilities is to be expected. There is a relatively high correlation between facility size and salary ($r = .68$), although most administrators in larger facilities do not feel they are adequately compensated for their performance ($r = .15$ between facility size and administrators' ratings concerning monetary rewards, one of the 41 initial measures). Multifacility corporations have the advantage of being able to provide opportunities for advancement from smaller to larger facilities, and thus may be able to retain their administrators within the company. But, on the other hand, they must deal with the perception of inadequate compensation. Organizational theory suggests that the various elements constituting the dimensions of Realized Expectations, Skill Compatibility, and Commitment can provide intrinsic rewards that a higher salary can seldom match. Hence, the administrator's overall satisfaction with the organization can be enhanced by adhering to practices supported by sound management theory.

Limitations of Study

The study was limited first due to the lack of a national sample. The magnitude of administrator turnover is likely to vary from state to state. Second, even though the sample appears to be representative of the surveyed population (from Michigan and Indiana) on two key variables (facility size and magnitude of turnover), the sample exhibits a greater proportion of not-for-profit facilities. For lack of data, the sample

could not be evaluated for representativeness in terms of chain versus independent ownership mix. Hence, we advise some caution in interpreting the results as they apply to the two types of ownership. Still, we remain confident of the general applicability of the findings. The fact that the models have theoretical underpinnings and that the empirical results are consistent with earlier findings supports this position. Although our focus here has been on retention, future studies concentrating on the reasons administrators leave their positions are likely to discover additional factors of importance to management.

Summary and Conclusions

The problem of administrator turnover in long-term care facilities is more serious than it is perceived to be. Because administrator retention has direct implications for the quality of care in nursing homes (Singh, 1997), the issue of turnover deserves appropriate attention from the long-term care industry. Even though turnover may be desirable in certain individual circumstances, in general it is regarded as disruptive to the organization. It can negatively affect the facility's course, and it can damage staff morale. Turnover also incurs high direct costs for recruitment, relocation, orientation, and training of new recruits..

Our findings suggest that higher retention can be achieved by reevaluating how administrators are managed by their superiors. What administrators expect from their supervisors is greater autonomy, fairness, and a greater degree of involvement in substantive decisions pertaining to the operation of the facility. Equally important are those factors in the internal organizational environment over which the corporation has more control than the administrator. Corporate officials should have open discussions about company goals and values; they should place a high priority on building loyalty and gaining the administrator's trust; and they should provide adequate resources and support to help the administrator cope with facility demands. Mutual consensus over reasonable goals and a good fit between the administrator's and the corporation's operational philosophies and values are additional factors that can lead to greater retention. Appropriate attention to these factors can build job satisfaction and commitment.

Many of the recommendations provided in this article confirm the applicability of organizational theory to the nursing home administrator position. Perhaps more than anything else, this study puts into better perspective the important role sound management principles play in achieving higher levels of job satisfaction and retention among nursing home administrators. A concerted effort toward improving retention should lead to cost savings, better operational efficiencies, and, above all, better patient care.

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