THE BOTTOM LINE
By automating the physician recruiting process with HealthcareSource Physician Recruitment Manager, hospitals can increase productivity, lower recruiting costs, shorten recruiting cycles, and avoid the costs associated with hiring bad doctors.

HealthcareSource Physician Recruitment Manager, which was known as Medearc before it was acquired by HealthcareSource, is a software-as-a-service (saas) application with capabilities that include:

- Automated screening, credentialing, and reference checking of candidates
- Monitoring of candidates to ensure that processes such as credentialing and reference checking are completed on time
- Tracking of all interactions by all stakeholders, including notes, e-mails, and documentation
- Central storage of all campaign-related documents such as interview notes, e-mails, contracts, and offer letters
- Flagging of any concerns a stakeholder may have, so they are made known to all other stakeholders
- Development of detailed opportunity descriptions for publication, over any medium, to potential candidates
- Tracking of candidate sources so that best practices can be identified and placement firms evaluated

Because it is delivered as a service over the Web, Physician Recruitment Manager can be accessed by users at any time from anywhere.

THE CHALLENGE
The average hospital hires a dozen or more physicians annually. With a shrinking pool of candidates, hospitals are challenged to hire these doctors quickly and cost effectively. Physician recruitment campaigns can run from several months to a year, and can take up to several years in fields such as urology, where shortages are severe. Some of the challenges to cost efficient hiring include the volume of information that must be gathered and the need to perform interviews offsite, where centrally stored documents are unavailable. Information management is also a challenge. Large volumes of information gathered in processes such as certification checks, reference checks, phone calls, and interviews must be centrally maintained and made available to all the various stakeholders in the recruitment campaign.
Although recruiters can attempt collaboration by exchanging documents such as Excel spreadsheets or Access databases, this can be problematic. Users can’t be sure they have the most recent version of a document and these tools can not be purpose built with uniformity for recruiting. Nucleus finds that these challenges lead many hospitals to invest in applications built specifically to support physician recruiting. To understand the incremental benefits Physician Recruitment Manager delivers over homegrown tools or manual processes, Nucleus analyzed the experiences of a number of HealthcareSource customers.

**KEY BENEFITS**

Nucleus identified a number of direct and indirect benefits that hospitals achieved by adopting Physician Recruitment Manager, including increased productivity, lower recruiting costs, and the hiring of better physicians.

**Increased productivity**

With intensifying competition for good physicians and the involvement of so many stakeholders in each recruitment campaign, hospital HR staffs are challenged to minimize their operational costs while maximizing the quality of physicians they hire. Physician Recruitment Manager’s ability to store all records in the cloud enables recruiters to be more productive when they are on the road interviewing candidates. The application also relieves recruiters and their staff of administrative and document-related distractions, since all the stakeholders can access and view all campaign-related information online, rather than requesting information from the HR department:

- “Anytime I resume work on a campaign, all the information is right there online and I only have to click on it to view it, instead of walking to the file room and rummaging through the file or finding out who has the file and then getting it.”
- “Accessing information over the Web means I can do so much more from the road, I don’t have to go back to the office for information, and it’s easier for everyone to collaborate. It probably doubles the amount of work I can do.”
- “I no longer hunt around for information on network drives or in paper files and I don’t have to track campaign progress records because of reporting in the application. It gives me back about 20 percent of my day, which I now spend on candidate sourcing, position descriptions, preparing for interviews, and generally being more proactive instead of reactive.”
- “I’m between 25 percent and 35 percent more productive because everything is all in one place. There’s no hunting and pecking for things like interview notes and candidate CVs. Physician Recruitment Manager has also eliminated about 80 percent of the reporting I had to do.”

Companies adopting Physician Recruitment Manager can expect to increase recruiter productivity by an average of 30 percent.

**Lower recruitment costs**

Nucleus also found that the accumulation of candidate-related data in Physician Recruitment Manager provided hospitals with a proprietary recruiting database that reduced their reliance on search firms. Physician Recruitment Manager stores a wealth of data on every physician who is a candidate for a position, including resumes, interview notes, certification data, and specializations. Because of this
data gathering, hospitals often check this candidate database before turning to a search firm for a new campaign. The ability to independently source candidates enabled hospitals to lower payments to hiring firms:

- "We’ve been trying to lower our reliance on recruiters. Now that we have our own proprietary database of doctors we can reach out to as candidates, we’ve reduced total annual contingency fees by 75 percent."
- "If I already have a potential candidate in the database, then we know he or she is cleared for me to contact. In the past, we didn’t always know, or didn’t sift through the files to learn this. We’ve reduced yearly contingency fees by more than half."

Companies adopting Physician Recruitment Manager can expect to reduce contingency fees by up to 50 percent.

Recruiters can also reduce hiring costs by using Physician Recruitment Manager to retrieve information from anywhere at any time, prepare better for candidate interviews, and use fewer meetings to complete a hiring process. Hiring processes are also accelerated because all of the stakeholders in a campaign can remotely access the information they need to select the best candidate, make an offer, and conclude a campaign. Faster hiring cycles mean more completed searches per year and the ability to fully staff an HR department with fewer recruiters:

- "I probably have reduced the average hiring time from a year to 10 months."
- "At least once a week, I use Physician Recruitment Manager remotely in a way that saves me at least three or four days on a campaign."
- "I and the other recruiter work from home some days and we’re often completing interviews remotely at other hospital sites. Without Physician Recruitment Manager, we’d need at least one additional person at the office retrieving data and giving it to us, or we’d get a lot less hiring done."

Better doctors

Users of Physician Recruitment Manager find that shorter recruitment cycles, better collaboration, and ease of access to documents such as interview notes lead to the hiring of physicians who turn out to be better doctors. One tool that significantly improved collaboration was the ability to include a red flag when adding data to a candidate file if something troubling about the candidate is noted. At a hospital where the application improved the quality of hired doctors, a user said, "We hire better doctors because the database gives you a larger pool for each recruitment campaign, which means you can pick and choose more." A recruiter who used Physician Recruitment Manager to accelerate the recruitment and hiring process said, "The benefit of a short hiring timeline goes beyond lower costs, because the best doctors have a short shelf life when they are on the market." Another user was confident that the application enabled her hospital to avoid bad hires and said, "In our last 30 hires we probably avoided two really bad ones, because people were able to alert everyone else to things like the candidate showing up late, was unprepared, or had a million dollar malpractice payout in their history."

Although better doctors represent an indirect benefit to users, Nucleus finds it to be a significant one. When hospitals increase the quality of their hires, some of the benefits include increased revenues per day, reduced insurance rates, and avoided payouts on malpractice claims.
CUSTOMER PROFILE
A Texas-based health system adopted Physician Recruitment Manager (then known as Medearc) in 2007 so that its two recruiters could collaborate better and recruit from the road more often. Benefits of the deployment include:

- Improved recruiter productivity. One of the recruiters estimates that streamlining of the hiring process increased the number of recruitments she can complete annually by 50 percent.
- Reduced contingency fees. Because of the proprietary database of candidates, payments of contingency fees decreased from $36,000 to $9,000.
- Faster recruiting cycles. The average length of a campaign decreased from a year to approximately 10 months.
- Better doctors. The primary user was confident the hospital was hiring physicians who were more capable of increasing the hospital’s average revenues per day while avoiding doctors likely to increase the hospital’s costs.

CONCLUSION
In assessing the impact of automating physician recruiting, Nucleus found the benefits of Physician Recruitment Manager to be significant. When recruiters and all of the stakeholders in a search are able to store and access the same data from anywhere at any time, administrative tasks are eliminated and people are able to better collaborate in hiring decisions, which leads to the hiring of better doctors. Physician Recruitment Manager also enables HR departments to create a proprietary database of potential new hires which they can use to reduce their placement firm fees.