

Effects of Nurse Staffing on Hospital Financial Performance

Name

Institution

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The article outlines how hospitals facing financial uncertainty reduce their nurse staffing to improve their profitability. Nevertheless, nurse staffing has been found to have a significant influence on nursing related outcomes and quality of patient care. Nurse staffing has been discovered to be important as it provides hospitals with a competitive advantage that lead to better financial performance, especially in the competitive health market. The purpose of the article is to define the effect of nurse workforce on the profitability of firms in more and less competitive hospitals in Florida.

To reach its conclusion, the article combined the American Hospital Association Survey, a Florida nursing review and the Florida Resource File to conduct different linear regression models. The analysis was only carried out in acute care hospitals. Furthermore, the article utilized existing theory from other peer-reviewed journals to provide additional information on the effects of nurse staffing on the profitability of hospitals. To distinguish between more and less competitive hospitals, the Herfindahl-Hirschman Index (HHI) was determined. Hospitals below the median were considered competitive while hospitals above the median were considered less competitive.

The article provides additional evidence on the importance of nursing services. However, the study only focused on Florida making it inappropriate to generalize the finding that nurse staffing has a positive effect on financial performance. Furthermore, the article utilized data from the year 2008 to make conclusions from the study. On the positive side, the article suggests other areas that require more research such as the effects of nurse workforce on the profitability of individual hospitals among others. I believe the article will be useful as a reference for future research in a related field.

Reference

Everhart, D., Neff, D., Al-Amin, M., Nogle, J., & Weech-Maldonado, R. (2013). The effects of nurse staffing on hospital financial performance. *Health Care Management Review*, 38(2), 146-155. <http://dx.doi.org/10.1097/hmr.0b013e318257292b>