5 workforce management issues (and how to fix them)

Discover how healthcare organizations can tackle workforce management challenges, from payroll complexities to regulatory compliance, and improve staff retention with integrated HR and payroll solutions.

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Healthcare providers are facing intense pressure from nearly every direction, but the solution is not as complex as many organizations assume.

Beneath many of today's biggest challenges is a shared root cause: workforce management.

The ability to manage payroll, HR, compliance, and scheduling efficiently is a necessity in today's healthcare landscape. When these systems don't work well together, the impact ripples across the organization, ultimately hurting retention, increasing risk, and draining already-burdened staff.

To deliver consistent, high-quality care while remaining financially sustainable, healthcare leaders must rethink how they support and manage their workforce. Based on findings in our *2025 Healthcare*

Workforce Management Report, here are five of the most common workforce management issues and how organizations can address them.

1. Complex payroll and wage structures

Healthcare payroll is uniquely complicated. Unlike many industries with predictable schedules and standard pay rates, care organizations must account for a wide range of pay scenarios that vary by role, location, and care setting.

Shift differentials, blended-rate overtime, on-call pay, and per-visit compensation are just part of the equation. Staff often work across departments or facilities, further complicating payroll calculations.

Most general payroll systems simply aren't designed for this level of nuance. As a result, payroll errors are surprisingly common. In fact, **81% of administrators report experiencing at least one payroll error per month, and nearly half report multiple errors**.

In an industry already facing staffing shortages, payroll accuracy isn't just about numbers. It's about credibility. For care staff who rely on accurate, timely pay, even a single error can feel like a breach of trust.

Research shows that one in five care workers would lose significant confidence in their employer after just one payroll error – and that number jumps dramatically after repeated issues.

2. Workforce shortages and high turnover

Staffing shortages continue to dominate conversations across healthcare settings – and for good reason. Turnover rates remain alarmingly high, **with nursing facilities reporting annual turnover as high as 128% and home care providers hovering near 79%.**

Our research found that nearly three-quarters of healthcare organizations are actively experiencing a staffing shortage, while another 20% expect one soon. In environments built on continuity of care and strong relationships, this level of churn creates real operational and clinical risk.

- **Long-tenured staff are increasingly hard to retain:** In home-based care, fewer than one-third of employees have been with their organization for more than six years.
- **Care staff face many challenges:** Demanding workloads, long or irregular hours, and emotional strain are often faced without the financial security or flexibility they're seeking.
- **Organizations are forced into reactive staffing decisions:** This stretches remaining employees thin or results in costly agency labor just to keep shifts covered.

Without a more sustainable approach to workforce management, the cycle of burnout and turnover only accelerates.

3. Regulatory complexity and compliance risk

Healthcare is one of the most heavily regulated industries, and compliance requirements touch nearly every aspect of workforce management. From wage and hour laws to credentialing and training requirements, the rules are both extensive and constantly changing.

Administrators often describe a sense of regulatory fatigue, with one saying **"Tomorrow, the government can suddenly announce you need an extra license – and we'll probably have to pay for it. You don't have that in other industries."**

Most general payroll and HR platforms aren't built to handle these specialized compliance needs. This forces teams to rely on manual tracking, spreadsheets, and disconnected systems, introducing unnecessary risk.

The financial consequences of non-compliance are serious, but the workforce impact is often even greater. Confusing processes, inaccurate pay, or gaps in training frustrate employees and contribute to burnout. Over time, compliance issues quietly undermine trust and accelerate attrition.

4. Disconnected and manual processes

Despite advances in healthcare technology, many organizations still rely on fragmented systems to manage payroll, HR, scheduling, and compliance. Point solutions are common, but true integration is rare.

Our survey revealed that **while nearly all organizations use at least one payroll or HR tool, adoption is scattered across use cases.** No single function reaches widespread adoption, leaving administrators to piece together workflows using multiple platforms, often supplemented by spreadsheets or paper processes.

These disconnected systems create more work, not less. Manual data entry increases the risk of errors, slows down processes, and makes it harder to get a clear picture of workforce performance or labor costs.

5. The rise of contract and agency labor

As staffing shortages persist, many organizations have become increasingly reliant on contract and agency labor. At the same time, the broader gig economy is reshaping healthcare employment.

Many caregivers are opting for per-diem shifts, agency roles, or gig platforms that offer greater flexibility, transparency, and higher pay. While these options appeal to workers, they create new challenges for providers.

Over-reliance on agency labor drives up costs, strains budgets, and limits an organization's ability to invest in its own workforce. It also makes it harder to build cohesive teams and maintain consistent standards of care.

To compete in today's labor market, organizations must reexamine their own workforce offerings and invest in systems that support flexibility, accuracy, and retention.

An HR and payroll platform built for healthcare

Workforce challenges in healthcare aren't going away, but they *are* solvable. The key is addressing them at the source, rather than layering more tools, spreadsheets, and workarounds on top of already-broken processes.

Viventium was built for healthcare organizations navigating complex payroll rules, evolving compliance requirements, and a changing workforce. Instead of managing payroll, HR, time and attendance, and compliance across disconnected systems, providers can bring everything together in one purpose-built platform.

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