

Nurse Entrepreneurship in the
United States: Issues and Challenges
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Advanced Practice Registered Nurses (APRN)

- The rise of the role of the advanced practice registered nurse (APRN) has created many additional opportunities for nurses to practice nursing outside the traditional hospital setting and to go into business for themselves. This presentation will first discuss recommendations from the Institute of Medicine's report on the future of nursing. It will then review studies that examined the motivations of nurse entrepreneurs, their unique attributes, and rewards and challenges of nurse entrepreneurship. Finally it will discuss specific opportunities that nurses have to be self-employed as healthcare providers and to start healthcare related businesses.

Institute of Medicine's Report on the Future of Nursing (2010)

- This report was initiated to address the question of what role the over three million nurses in the United States can play in meeting the “increasing demand for safe, high-quality, and effective health care services?” (p.xi). This increasing demand is being created by new healthcare legislation initiated by the Obama administration that was passed in 2010 that is expected to provide health insurance to an additional 32 million more Americans.

Institute of Medicine's Report on the Future of Nursing (2010)

- There is currently a tremendous amount of fragmentation in the U.S system of healthcare. This fragmentation “raises substantial barriers to providing accessible, quality care at an affordable price.” (p. 21). To some degree this situation is the result of “disconnects between public and private services, between providers and patients, between what patients need and how providers are trained, between the health needs of the nation and the services that are offered, and between those with insurance and those without (Stevens, 1999).” (p.21). There is a lack of communication between providers and this results in redundant care.

Institute of Medicine's Report on the Future of Nursing (2010)

- The new laws “identify great challenges in the management of chronic conditions, primary care (including care coordination and transitional care), prevention and wellness, and the prevention of adverse events (such as hospital-acquired infections). The demand for better provision of mental health services, school health services, long-term care, and palliative care (including end-of-life care) is increasing as well.” (p. xi). While it is not certain that improvement in these areas will ease health care costs, it is believed by experts in the health care field that it will result in improved health outcomes.

Institute of Medicine's Report on the Future of Nursing (2010)

- This report identified four key overall needs for changes in the current health care system with regard to expanding the role of nurses in order to meet current needs in the healthcare system:
- “1. Nurses should practice to the full extent of their education and training.
- 2. Nurses should achieve higher levels of education and training through an improved education system that promotes seamless academic progression.
- 3. Nurses should be full partners, with physicians and other health professionals, in redesigning health care in the United States.
- 4. Effective workforce planning and policy making require better data collection and an improved information infrastructure.” (p. 4).

Institute of Medicine's Report on the Future of Nursing (2010)

- The report highlights that barriers on nurses exercising greater autonomy in treating patients vary greatly from state to state. It cites studies that show that there is no decrease in quality of patient care in states where nurses treat patients more autonomously and function in a manner similar to physicians. The report states that nurses have a very important role to play in transforming the U. S. healthcare system

Institute of Medicine's Report on the Future of Nursing (2010)

- The report specifically concludes that it is time to end the barriers that prevent advanced practice nurses from being able to practice to the full extent of their competence. The study recommends that the scope of practice regulations in all states allow advanced practice nurses to “fulfill and expand their potential as primary care providers across practice settings” based on the full extent of their knowledge and expertise and independently of supervision and collaboration requirements with physicians. (p. 22-23).

Shirey's (2007) literature review on nurse entrepreneurship practice

- Shirey (2007) found in her review of the literature on nurse entrepreneurship that there were discrete motivations, barriers and rewards related to nurse entrepreneurship practice. She concluded that the rewards reported by nurses outweighed the disadvantages.

Shirey's (2007) literature review on nurse entrepreneurship practice

- Shirey identified the motivations that lead to nurses pursuing entrepreneurship practice “include a love of nursing, self-efficacy as a nursing professional, influence of family, a desire to make a difference, and the ability to see opportunities” (p.234). Shirey found that nurse entrepreneurs generally reported having spent significant amounts of time in traditional nursing positions (such as working in the hospital) prior to becoming a nurse entrepreneur. She also found that in 3 of 4 studies reviewed family support and a desire to have more time with family were important factors leading to the desire to become entrepreneurs.

Shirey's (2007) literature review on nurse entrepreneurship practice

- Shirey identified important business factors that either enabled nurse entrepreneurship or inhibited (disabled) it. Enablers were defined as things that aid nurse entrepreneurial efforts. Among the list of enablers were mentors and outside authorities such as lawyers, accountants and business start-up counselors. The author cites “boredom, burnout, role constraints (lack of authority to bring about change) and critical life events” (p. 235) as things that lead some entrepreneurs to feel they needed to change jobs.

Shirey's (2007) literature review on nurse entrepreneurship practice

- Disablers, which are things that hinder nurse entrepreneurship included “perceived lack of business skills, particularly in the areas of finance, legal issues, and running the day to day operations of a business” “Lack of collegial working relationships with peers” is cited as a significant disabler with respect to nurse entrepreneurship.

Shirey's (2007) literature review on nurse entrepreneurship practice

- Shirey reported the personal characteristics that exemplified nurse entrepreneurs as being a commitment to their purpose, a “desire to stay close to the customer” (p. 235), and the characteristics of “assertiveness, risk-taking, and strong leadership” (p.235).

Shirey's (2007) literature review on nurse entrepreneurship practice

- Shirey reported that among the rewards of being a nurse entrepreneur were the achievement of an expert status, the knowledge that one's business has made a valuable difference to patients, achievement of a preferred lifestyle, and bestowing a legacy to the nursing profession.

Influences and Experiences of Nurse Entrepreneurs (Wilson, et al, 2003)

- Wilson, Averis, and Walsh's (2003) study on nurse entrepreneur's influences and experiences related to becoming entrepreneurs surveyed nurse entrepreneurs using a postal questionnaire Delphi Technique. The study found that the main influences on why entrepreneurs began their own private practice were either awareness of the need for services or a direct request for these services. Just behind these factors were unique needs of the nurse in finding a new challenge or of "an anticipated need for their services (p. 239).

Influences and Experiences of Nurse Entrepreneurs (Wilson, et al, 2003)

- The nurse entrepreneurs also identified the greatest advantages of being in private practice as having autonomy and being able to use unique skills and talents. Other items that achieved high agreement were : flexible hours, increased work satisfaction, own boss, control of decision making, variety of functions, making a difference quality care and enhanced image. The most significant disadvantages was related to “a reduced and variable income in private practice”.

Influences and Experiences of Nurse Entrepreneurs (Wilson, et al, 2003)

- The greatest barriers to private practice were “lack of reimbursement for fees from both public and private health insurance” (p. 240) and a “perceived lack of professional support and collegial support for private practice and the attitudes of other health professionals towards private practice” (p. 240).

Influences and Experiences of Nurse Entrepreneurs (Wilson, et al, 2003)

- There was robust agreement on 12 of 13 characteristics required to be a nurse entrepreneur and the three characteristics with the highest agreement were the following: assertion, accountability and commitment. The other characteristics were motivation, flexibility, ambition, self-discipline, independence, good listener, creative, good imagination, and willingness to take risks.

Influences and Experiences of Nurse Entrepreneurs (Wilson, et al, 2003)

- In the category of skills and knowledge required to be in private practice there was strong agreement on the following items: business know-how, management skills, planning skills, being multi-skilled, and having a customer service focus (this last item had 100% agreement).

Barriers to Nurse Entrepreneurship (Elango, et al, 2006)

- Elango, Hunter, & Winchell (2006) using two focus groups of mostly non-entrepreneur nurses identified barriers that would hinder or prevent nurses from starting entrepreneurial ventures. Participants expressed concerns over starting entrepreneurial ventures that the authors grouped into three categories: legal and regulatory barriers, ethical and personal conflicts, and knowledge barriers.

Barriers to Nurse Entrepreneurship (Elango, et al, 2006)

- Legal barriers identified by the focus groups were both a concern for potential legal issues as well as a lack of knowledge about legal issues. With regard to regulatory issues it was cited that state regulatory requirements were too complex for a new nurse practitioner to manage. There was also concern about reimbursement policies and the cost of insurance premiums.

Barriers to Nurse Entrepreneurship (Elango, et al, 2006)

- Many participants in the study expressed concern starting a business was not in alignment with their personal values and ethics. They generally expressed the belief that nursing was about caring and that business concerned making a profit. Many of the participants felt the two could not work together.

Barriers to Nurse Entrepreneurship (Elango, et al, 2006)

- Another concern of the group was that they would have to compete with their current employers or doctors both of whom they anticipated would not likely be cooperative. The concern was that if they did not get referrals from their current employers or other doctors that they would not likely be successful in their private practice.

Barriers to Nurse Entrepreneurship (Elango, et al, 2006)

- Study participants also commented that they felt they lacked the business knowledge necessary to start their own business, e.g., not knowing how to make a business plan, or knowing how to run an office, or having other office management skills were perceived as significant hurdles.

Barriers to Nurse Entrepreneurship (Elango, et al, 2006)

- Finally the study listed a number of suggestions intended to help would be nurse entrepreneurs. These suggestions are the following: utilization of local resources to improve business skills; do not let limited financial resources stop you from moving ahead with a business venture; maintain an active presence in local professional and healthcare related associations and seek business mentors; appreciate the importance of entrepreneurship; and activate professional association resources at the state and national level.

Opportunities for Nurse Entrepreneurs

- Private practice as a primary care provider or psychiatric provider
- Legal Nurse Consultant
- Forensic Nursing
- Independent Case Manager
- Educator for test preparation for certification exams
- Ostomy and wound care consultants with/without providing relevant medical supplies.
- Consultant opportunities in all medical areas.

Opportunities for Nurse Entrepreneurs (Cont.)

- Medical products consultant for your area of specialty
- Providing online education CEU's for nurses and other health care professionals
- Operating an assisted living facility
- Author of healthcare books
- Hosting health related radio shows
- Opening wellness Spas

References

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