

NIC INSIDER

Newsletter

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Thoughts from NIC's Chief Economist—Ideas to Address Staffing Challenges

By Beth Burnham Mace



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As we all breathe a bit easier with the worst of the pandemic seemingly behind us (at least in the U.S.), an old challenge is re-surfacing—labor. Once again, workers and the difficulty of recruiting and retaining staff as the nation's economy opens at warp speed is top of mind for virtually all business managers. And nowhere is this more apparent than in the seniors housing and care industry. While staffing was an issue in the years prior to the pandemic, it's emerging to be the latest and largest challenge facing our industry in the immediate aftermath of the COVID-19 crisis.

The recently released Bureau of Labor Statistics (BLS) Job Openings and Labor Turnover Survey (JOLTS) April report showed that the number of vacant positions in the US increased to an unprecedented 9.3 million. There is now one job opening for every unemployed worker. Further, in response to the large number of job openings, workers are more likely to leave their jobs today than they were during the long expansion of the 2010s. Separately, Federal Reserve officials recently updated their predictions on the path of the unemployment rate and now project that the jobless rate will fall to 3.5% by the end of 2023, matching its pre-pandemic low of February 2020. The official unemployment rate in May 2021 was 5.8%, down from a pandemic peak of 14.7% in April 2020. For perspective, the lowest post-war recorded jobless rates prior to February 2020 were 2.6% in 1953, 3.4% in 1969, and 3.9% in 2000.

Unfortunately, a smaller pool of available workers is likely to keep labor market conditions a challenge for the foreseeable future. The working age population is simply not keeping pace with growth in older Americans, causing the "dependency ratio" to increase significantly. Indeed, recently released and updated analyses from the Census Bureau showed that the nonworking age population grew by 12.9% between 2010 and 2019 (13.1 million persons), while the working age population increased by a more modest 6.4 million or 3.1%, causing the dependency ratio to rise to 53.7 in 2019 from 49.0 in 2010.

What Are Some Solutions? While good for employees, low jobless rates present challenges to employers who must staff their businesses. This is true for nearly all industry sectors. The specific challenge for the seniors housing and care sector is recruiting and retaining appropriately trained and skilled staff for all positions, from the frontline to the executive director and management level. And, as new properties start to come on-line in the coming months, new competitors are likely to recruit existing staff from incumbent properties.

So, what are some strategies that can be used to mitigate today's labor market challenges? Below are some ideas that may open discussion on this topic. They fall into three general categories: work environment; recruitment; and collaboration with educational institutions.



Ideas and
inspiration
from senior
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Work Environment

1. **Improve employee retention** by providing a culture and work environment that makes staff want to stay in place. The added benefit of course is that it will also enhance long-lasting relationships with residents. Steady, consistent, and predictable staffing improves quality of life for residents.
2. **Reduce turnover and create long-term commitment from staff** by providing a benefits package, competitive pay, financial incentives, and a work environment that encourages employees to stay for elongated periods. This applies to frontline caregivers, middle managers, and senior executives. Provide healthcare to staff. Create and encourage wellness programs for all staff. This has the added potential benefit to reduce health premiums. Communicate with your staff—keep them informed about the organization. The benefit of this was exemplified during the pandemic as steady and consistent written emails and virtual meetings became the norm. Invest in staff by offering training and educational programs. Provide scholarships to staff family members. As Richard Branson, founder of the Virgin Group, has said, “Train people well enough so they can leave, treat them well enough so they don’t want to.”
3. **Create an environment** that encourages opportunity for community-based involvement, including programs for staff with young adults and children. Generate a family-oriented environment for staff where family members periodically come to work. Offer complimentary meals to staff (commonly done during the pandemic) and consider offering childcare services.
4. **Take away any stigma** associated with working in the seniors care and housing sectors. Improve the narrative about working in the sector. Emphasize the “care” component of the industry and the sense of purpose that comes from doing work that enhances the lives of others. Emphasize the notion of doing well by doing good.
5. **Employ technology to improve work** efficiencies so staff can spend more time with residents to improve quality and quantity of care. This may help allow staff to live up to their licensed potential.
6. **Create teams of excellence** composed of staff members that work well with each other, share experiences, and become professional colleagues. Use these teams as role models throughout the organization. Create programs where employees nominate each other for awards and recognition.
7. **Listen to your staff** Understand what motivates them. Engage with staff. Incorporate staff suggestions into operational protocols. Find out why employees leave.
8. **Generate a flexible scheduling process** for staff and guarantee a standard set of work hours for proven employees. Create higher frequency pay days. Offer options to get advances in pay.
9. **Offer stay incentives for staff** who remain for extended periods of time.

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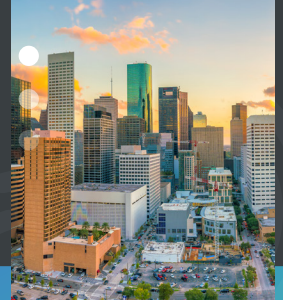
10. **Think marketing** Create a job recruitment program that is comparable in marketing scale to new-resident sales recruitment.
11. **Create a corporate brand and reputation** that makes staff proud and braggadocious. Provide a bonus to existing staff for recruitment of new staff and create an employee referral network.
12. **Train senior management** on talent management and recruitment of appropriate candidates in terms of corporate culture, requisite skills, and personalities. Consider industries in the retail and hospitality sectors as well as other industry groups as competition in your staff recruiting and retention challenges. Foster employee loyalty with an effective on-boarding program.
13. **Consider demographics** and where the future workforce is coming from. Recruit older workers and create an environment where the old take care of the older and the older take care of the oldest.
14. **Recruit family and community members to volunteer their time** to free up paid staff for other tasks. Emphasize the privilege and honor of working with today's older adults who hold wisdom, lessons to be shared, experience, living history, and guidance.
15. **Encourage residents** to create programming, help one another, and become actively involved in their home and place of residence.
16. **Create succession planning models and redundancy plans for key staff positions** Implement systems that can mitigate a single source of failure in the operation. The creation of assistant executive director programs, for example, is one solution being implemented to help protect the operation from the loss of an experienced and well-regarded executive director, a position often viewed as an operator's single most important and critical resource for a property's success.
17. **Optimize social media opportunities for staff recruitment** Use the latest search engines and job websites to generate applicant flow.
18. **Augment recruitment programs** with assessment tools, predictive analytics, and pre-testing.
19. **Expand the geographic radius** from which to draw staff and consider helping staff get to work with ride-sharing services such as Uber or Lyft.

Collaboration with Educational Institutions

20. **Identify and advertise specific career tracks** for the sector and within organization structures. Debunk negative myths about the sector. Re-shape the narrative of working in seniors housing and care as being a promising and exciting field with myriad career paths.
21. **Continue to create awareness campaigns** through group initiatives such as [LeadingAge's Center for Workforce Solutions](#) and [Argentum's Workforce Development Initiative](#).

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22. Collaborate with universities to create and expand undergraduate and graduate educational tracks and degrees for operations and management in the seniors care and housing sectors. A number of these programs exist today, but more are needed. [Vision 2025](#) brings senior living industry leaders and higher education professionals together to improve the future of senior care administration and to help develop the next generation of senior living leaders.

23. Reach out to high schools to create training and hiring programs for students, as well as internship opportunities. Create programs where graduating students who have worked in seniors housing and care can nominate an aspiring undergraduate high school student as their successor.

A change in immigration policy that would welcome workers in the caregiving and healthcare professions could also help alleviate the sector's growing hiring challenges.

While this list is far from extensive, I hope it stimulates conversation and dialogue about a challenge that is not going away. Collectively, let's keep adding to this list and generate additional ideas about practical and implementable solutions to the ever-growing challenge of today's labor markets.

In wrapping up and as always, I appreciate and welcome your comments, thoughts, and feedback.

Beth

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Seniors Housing & Care Industry Calendar

- 7/13-7/15**.....California Association of Health Facilities (CAHF) Summer Conference (Virtual)
- 7/14**.....NIC Leadership Huddle: Illustrating the Value Proposition of the Physician in Senior Living
- 7/19-7/20**.....Population Health Management Forum for Payers & Providers (San Diego, CA)
- 7/22**.....Aging 2.0's Aging 2-Pint-0 Networking Event (Waltham, MA)
- 7/25-7/29**.....AHCA/NCAL Florida Health Care Association Annual Conference (Orlando, FL)
- 7/26-7/27**.....ASHA Mid-Year Meeting (Incline Village, NV)
- 7/31-8/2**.....Post Acute 360 (Washington, D.C.)
- 8/4**.....Seniors Housing Business Interface Active Adult Conference (Dallas, TX)

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