ELEVATING RECRUITMENT AND RETENTION SOLUTIONS FOR THE SENIOR LIVING & CARE WORKFORCE

PRESENTED BY

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Director, Senior Living Research
Ziegler

Ziegler | 23rd ANNUAL
SENIOR LIVING FINANCE + STRATEGY CONFERENCE
SEPTEMBER 23-25 - VIRTUAL EVENT

OBJECTIVES

- To highlight the elevating importance of the senior living & care workforce.

- To talk about how COVID-19 has impacted the senior living & care workforce and how providers are adapting.

- To identify proven solutions that can be implemented to bolster recruitment and retention efforts.

AGENDA

TOPIC 1: INTRODUCTION

TOPIC 2: HUMAN CAPITAL MANAGEMENT

TOPIC 3: THE ROLE OF AI IN RECRUITMENT & RETENTION

TOPIC 4: A PROVIDER PERSPECTIVE ON RECRUITMENT & RETENTION STRATEGIES

QUESTIONS & ANSWERS
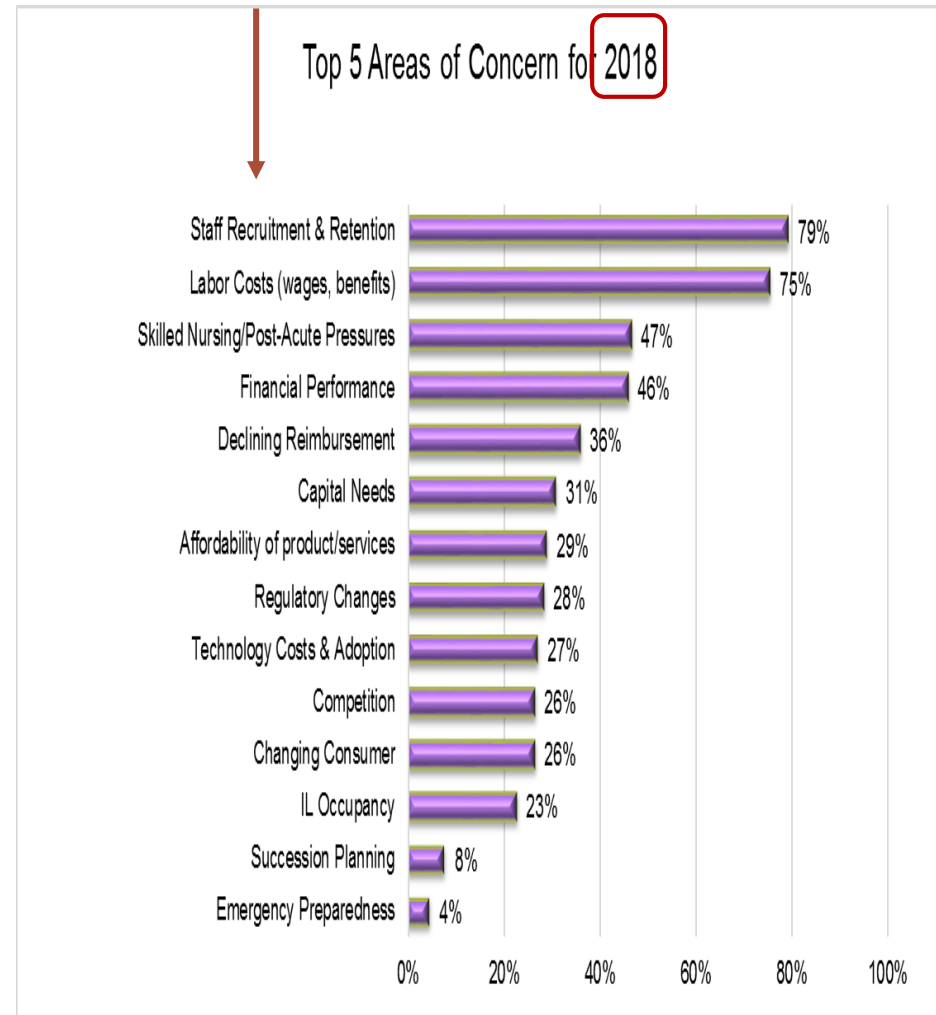
TOPIC 1

INTRODUCTION

Lisa McCracken
Director, Senior Living Research
Ziegler

WORKFORCE TOP PRIORITY…STILL

- Recruitment and retention efforts are not a new issue because of COVID-19

  - Pressures have escalated

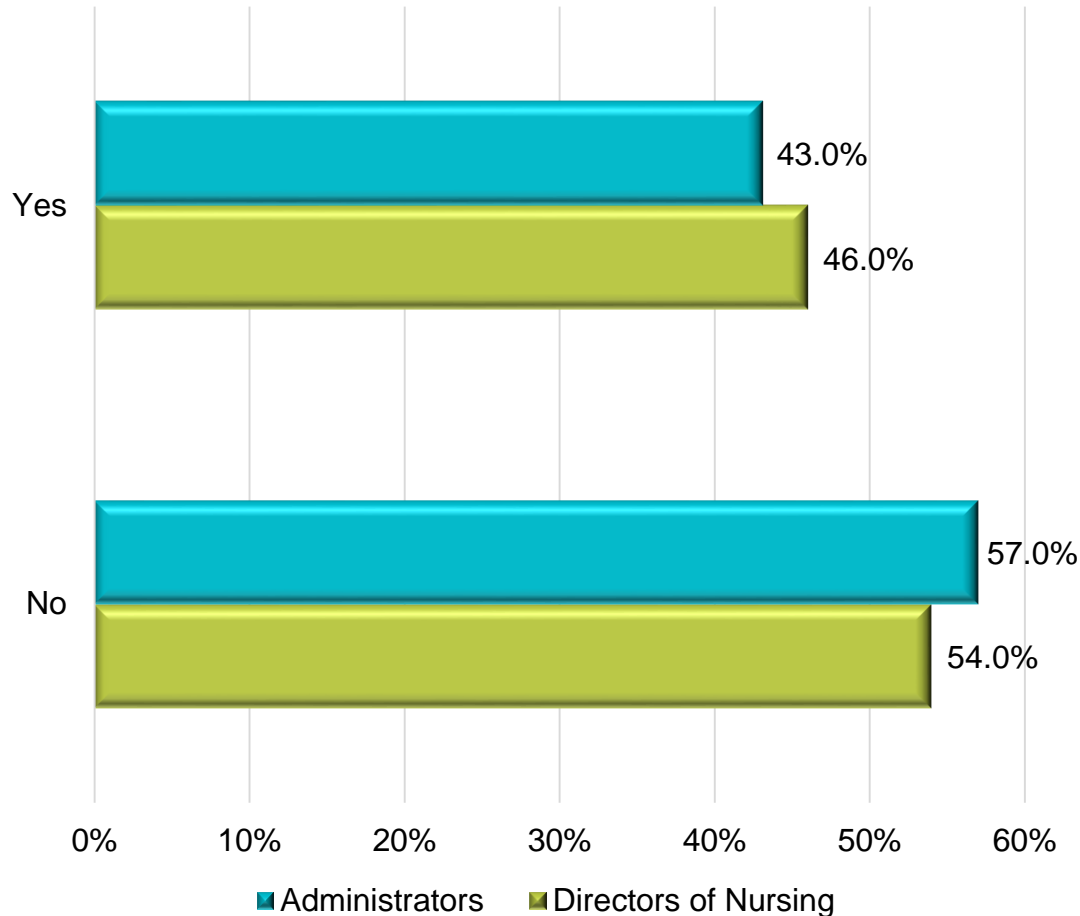 - Greater recognition of "heroes" in our workplace (hopefully!)

How different is this list today?

Top 5 Areas of Concern for 2018

Staff Recruitment & Retention	79%
Labor Costs (wages, benefits)	75%
Skilled Nursing/Post-Acute Pressures	47%
Financial Performance	46%
Declining Reimbursement	36%
Capital Needs	31%
Affordability of product/services	29%
Regulatory Changes	28%
Technology Costs & Adoption	27%
Competition	26%
Changing Consumer	26%
IL Occupancy	23%
Succession Planning	8%
Emergency Preparedness	4%

Source: Ziegler CFO Hotline, January 2018

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SENIOR LIVING & CARE STAFF TURNOVER & BURNOUT

In the last three months, have you seriously considered quitting your job?

Yes
- Administrators: 43.0%
- Directors of Nursing: 46.0%

No
- Administrators: 57.0%
- Directors of Nursing: 54.0%

Legend: ■ Administrators   ■ Directors of Nursing

- The percentage who seriously considered quitting their job increased by 19% from 2019

- Job satisfaction, however, remained fairly positive: 87% "satisfied" or "very satisfied" (compared to 91% in 2019)

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HAS COVID-19 ACCELERATED TURNOVER IN THE NOT-FOR-PROFIT SENIOR LIVING & CARE SPACE?
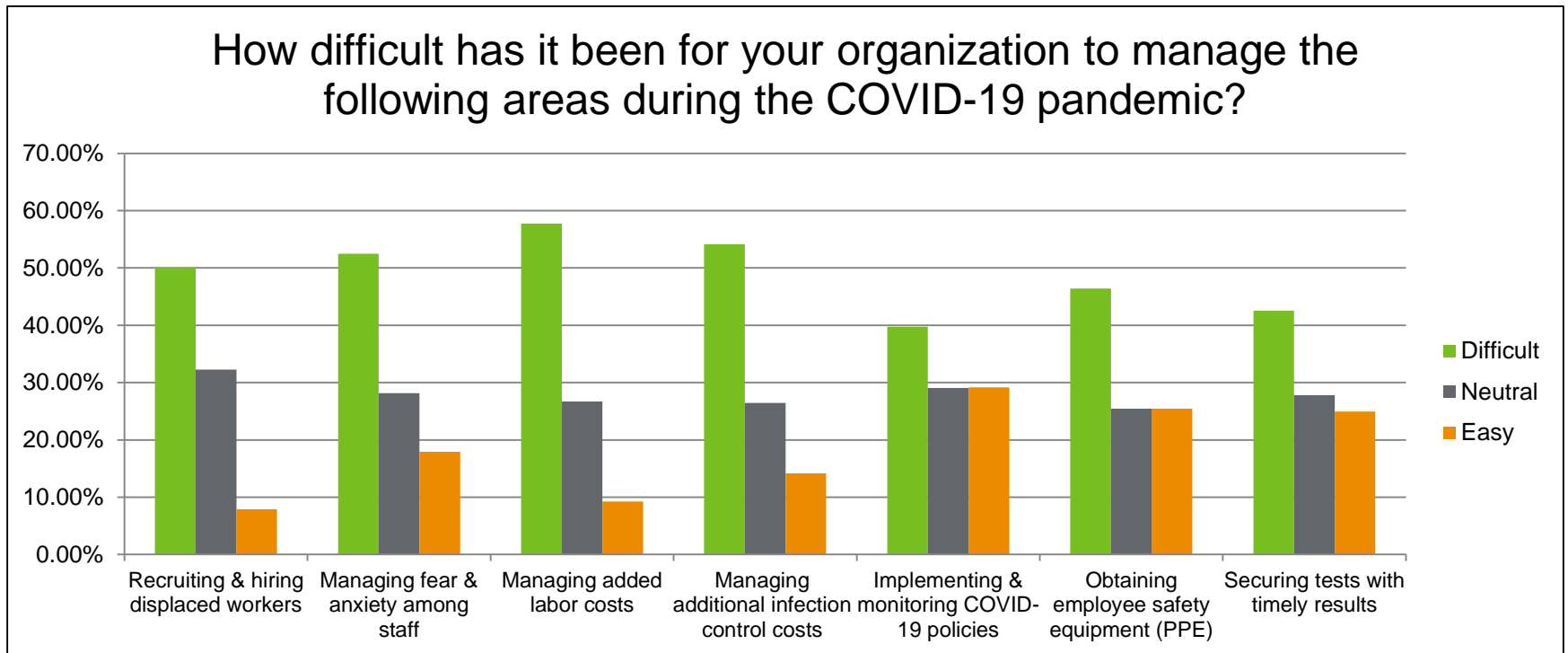
Staff Turnover Since Onset of COVID-19

Increase in turnover, 42%

Little to no change, 49%

Decrease in turnover, 9%
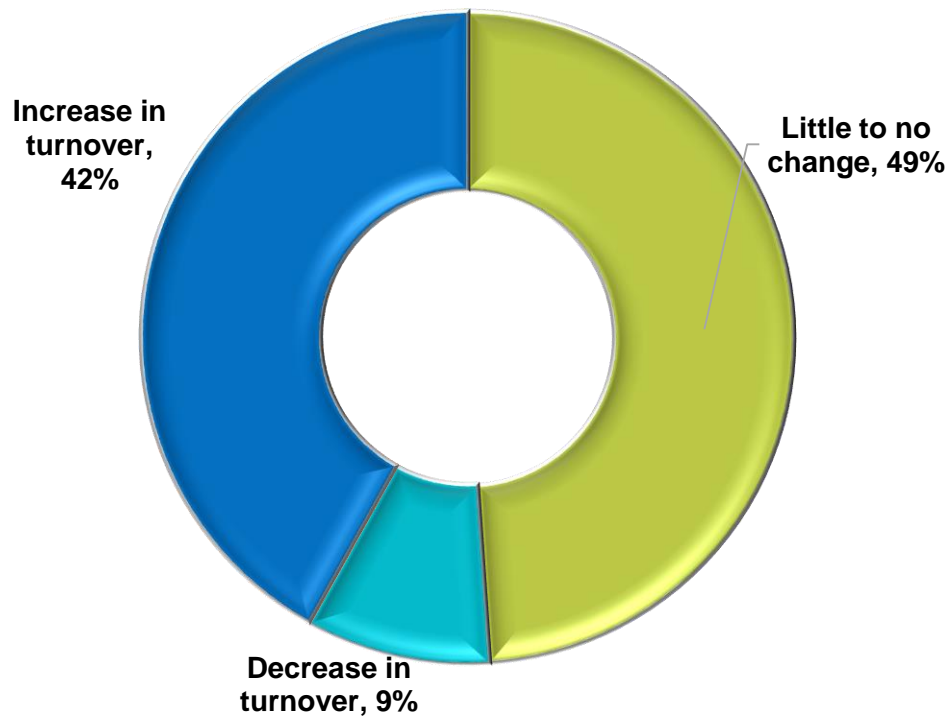
TOPIC 2

HOW COVID-19 IS IMPACTING THE WORKFORCE

Mark Woodka
CEO
OnShift

COVID-19 HAS INTRODUCED NEW CHALLENGES

How difficult has it been for your organization to manage the following areas during the COVID-19 pandemic?

Preliminary Survey Report: Senior Care Workforce Outlook & Impact Survey, OnShift, 2020.

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COVID-19'S IMPACT ON WORKFORCE

What are your organization's
top workforce challenges?

Preliminary Survey Report: Senior Care Workforce Outlook & Impact Survey, OnShift, 2020.

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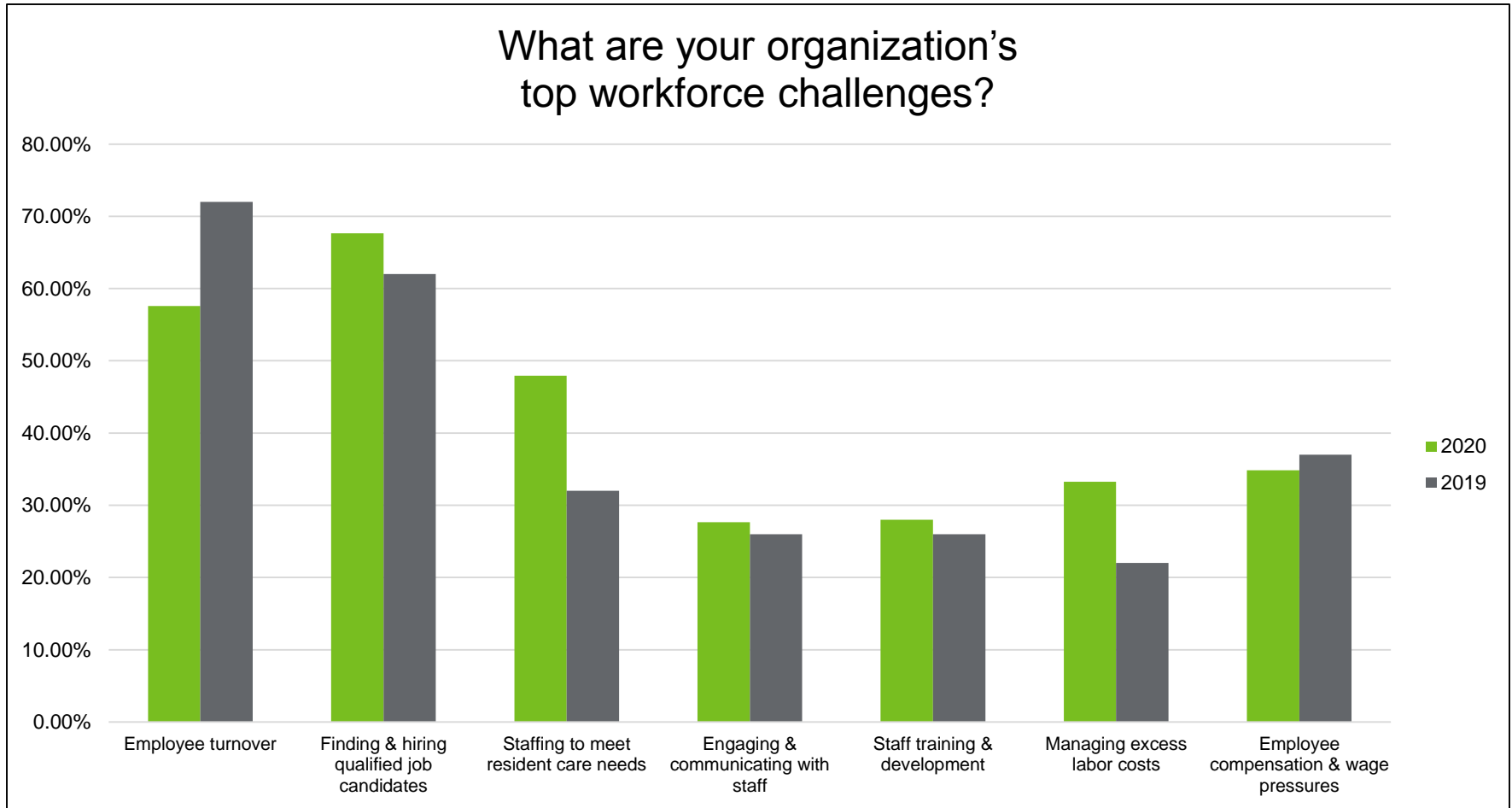
LISTEN TO & COMMUNICATE WITH EMPLOYEES

- Flexibility is key
  - Flexible schedules to balance home responsibilities
  - Some providers adding 12-hour shifts
  - Consider internal PRN Flex Pools
    - Staff can work at multiple locations
    - Pay slightly higher for the flexibility
- Communication is imperative
  - Frequent communications can alleviate fear
  - Leadership acknowledging and thanking line staff is welcomed
  - Confirming staff understand policies and procedures as they change
  - Ask staff directly what their challenges and concerns are
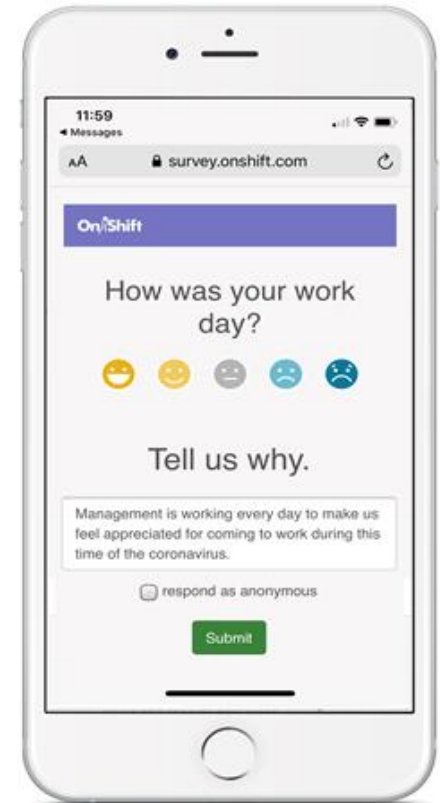
RETHINK YOUR HIRING STRATEGY DURING COVID-19

- Recruiting/Hiring
  - Target displaced workers
    - Especially sales and dining staff from hospitality industry
  - Change your tactics and messages to attract them
    - Access our recruitment toolkit at https://www3.onshift.com/recruiting-toolkit
  - Do virtual tours and virtual onboarding

PROGRAMS TO SUPPORT EMPLOYEES

- Help your staff to cope
  - Mental health of staff is suffering
    - Resilience-building programs
    - Chaplains visiting buildings
    - Telehealth mental health programs
    - Mandatory PTO
- Get creative!
  - A west coast senior living provider is:
    - Recording residents reading books to share with staff for their children
    - Using residents as tutors for staff members' families
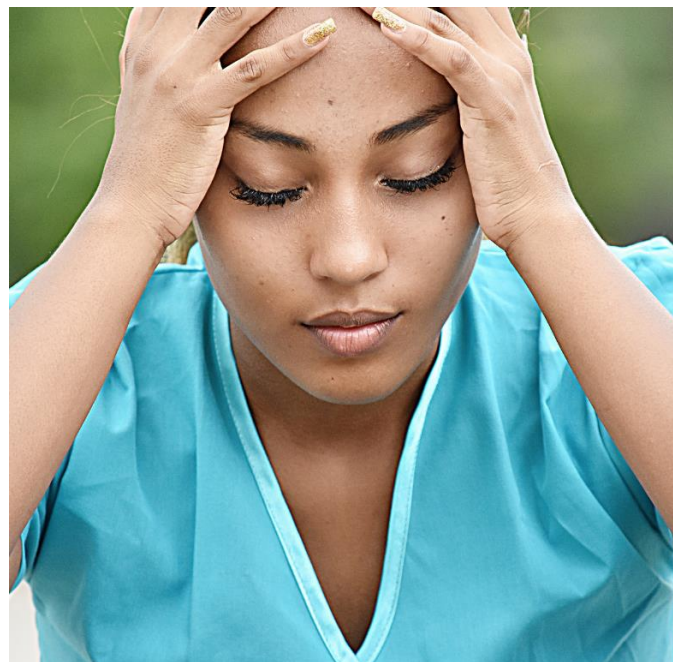
THE ONSHIFT PLATFORM

OnShift Employ

Hiring In A Time Of Need

- Find & hire displaced workers
- Virtual hiring capabilities
- Manage entire hiring lifecycle

OnShift Time

NEW! Modern, Contactless Time & Attendance

- Any Tablet. Any Smartphone. No Timeclocks
- Contactless experience
- Pre-screening questionnaires that screen staff for symptoms of COVID-19

OnShift Schedule

Improving Communication & Schedule Visibility

- Identify staffing gaps
- Fill shifts quickly
- Robust messaging system to keep staff updated

OnShift Engage

Collecting Feedback & Recognizing Contributions

- Pulse & customizable surveys gauge staff satisfaction
- Insight into how to best support employees
- Recognize & reward employee contributions

OnShift Wallet

Helping Employees When They Need It Most

- Ease employee financial stress
- Help avoid high-interest rate loans, overdraft fees & penalties

TOPIC 3

THE ROLE OF AI IN RECRUITMENT & RETENTION

Michael Rosenbaum
CEO, Arena
mrosenbaum@arena.io

CORE PLATFORM:
PREDICT CANDIDATE IMPACT PRE-HIRE/PRE-TRANSFER

Data Sources
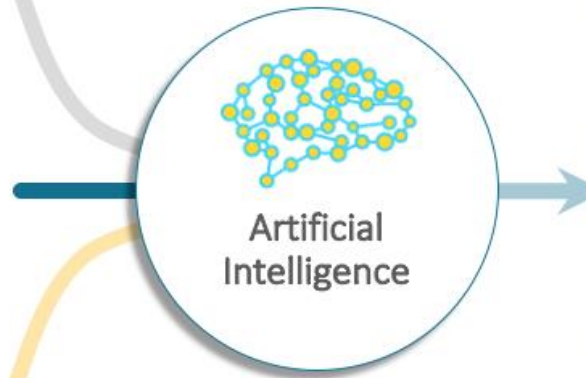
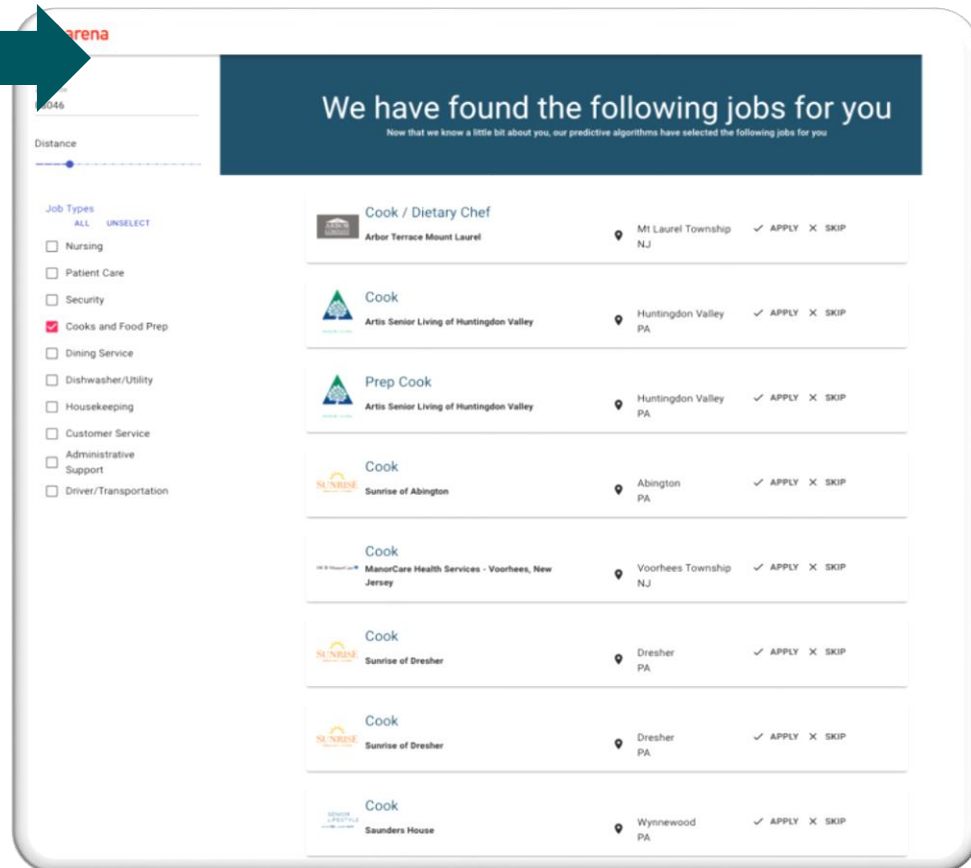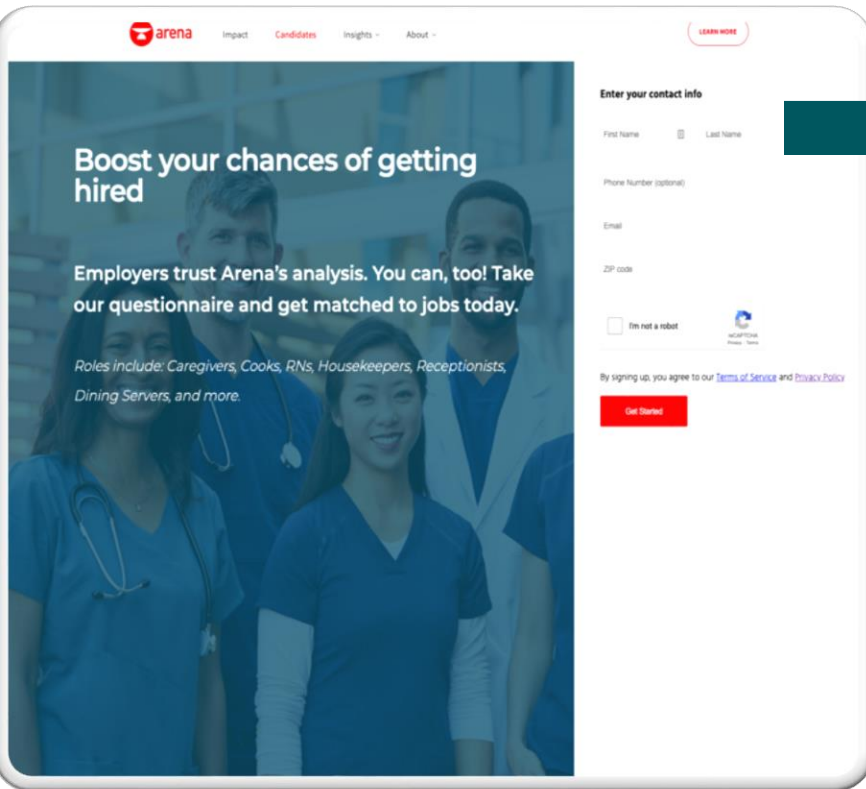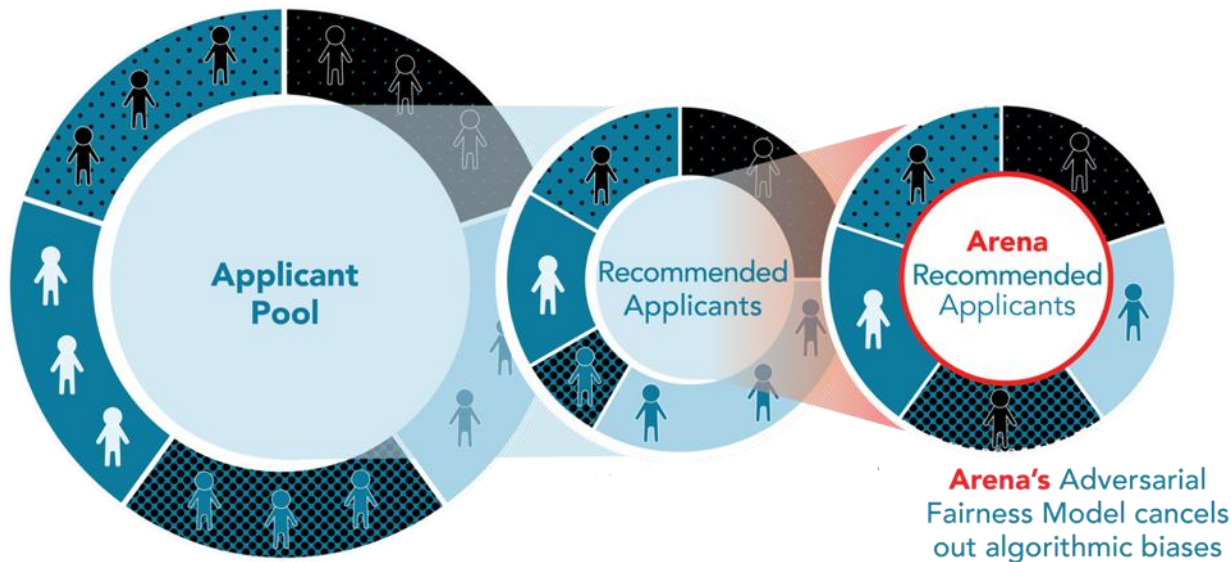HRIS and Applicant Data

Real Time Labor & Market Data

Arena Platform

Artificial Intelligence

Predictions for key outcomes:

✓ **Employee Retention**
✓ **Alternate Roles**
✓ **Time and Attendance (on time)**
✓ **Employee Engagement**

In Beta
✓ Patient Satisfaction
✓ Quality & Safety Performance

TALENT DISCOVERY:
Expanding The Talent Pool With Candidates Most Likely To Thrive And Be Retained

UNIQUE ADVERSARIAL ALGORITHMS
REDUCE IMPLICIT BIAS IN PREDICTIONS BY 92%-99%

Applicant Pool

Recommended Applicants

Arena Recommended Applicants

Arena's Adversarial Fairness Model cancels out algorithmic biases

Adversarial Networks reduced EEOC latent correlation:

Non-White Men:
99.9% reduction

White Women:
94% reduction

Non-White Women:
92% reduction

Additional Measures
Monitoring tools on models **+** Demographic data feeds from clients **=**

- Alert if model provides disparate impact

- Ensured compliance with EEOC rules

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1100+ SITES, 3.7M UNIQUE APPLICANTS/YEAR
(17% OF US HEALTHCARE WORKFORCE)

Average First Year Turnover Reduction

↓ **21%**
12 months post-launch

↓ **43%**
24 months post-launch

RWJBarnabas HEALTH

Genesis

MultiCare

HCR ManorCare

UNIVERSITY of MARYLAND MEDICAL CENTER

BENCHMARK SENIOR LIVING

SUNRISE SENIOR LIVING

Friendship Senior Options

Mount Sinai

LEGEND SENIOR LIVING

BRIGHTVIEW SENIOR LIVING

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TOPIC 4

A PROVIDER PERSPECTIVE ON RECRUITMENT & RETENTION

Torsten Hirche
CEO
Transforming Age

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BACKDROP

- Serving over 7,500 people in MN, NE and WA
- HQ in Seattle, WA
- 2,000 team members
- Employee Turnover:
  - System average of 37%
  - Range 21% in CCRCs to 69% in smaller rentals;
  - Turnover decreased since COVID started
- Job Openings: sharp decrease with all roles essentially filled
- COVID related layoffs of appr. 70 FTES:
  - AL rental community closure (MN)
  - HCBS program closure (WA)

#TRANSFORMINGAGESTRONG #HEROESWORKHERE

"CULTURE EATS STRATEGY FOR BREAKFAST"

- Culture of Excellence 2.0
- 2020 Leadership Summit (virtual)
- Communications:
  - Regular CEO updates
  - ED updates
  - Slack, Basecamp
  - Clarity on Mission, Values and Goals
- EMT personally reaching out to COVID affected communities, programs
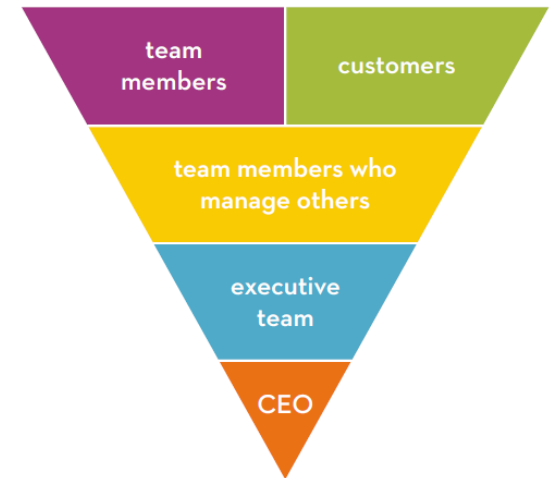
"Great things in business are **never done by one person**; they're done by a **team of people**." —Steve Jobs

PUTTING FRONT LINE TEAM MEMBERS FIRST

- Hero bonus $100 FT/$50 PT
- Hero pay in active COVID: $2/hr
- Added a special sick leave grant for COVID
- Increased the amount of sick leave donations
- Customized solutions for at-risk employees
- Expanded health coverage (including testing)
- Executive team voluntarily froze their pay and bonuses

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KEEPING TEAM MEMBERS ENGAGED

- Cross training team members
- Real time TM surveys to gauge feedback
- Supervisor 101 & Culture training
- Promoting ideas@transformingage.org for direct feedback to CEO
- "work from anywhere" model for corp with the flexibility to hotel within the office or work from chosen location
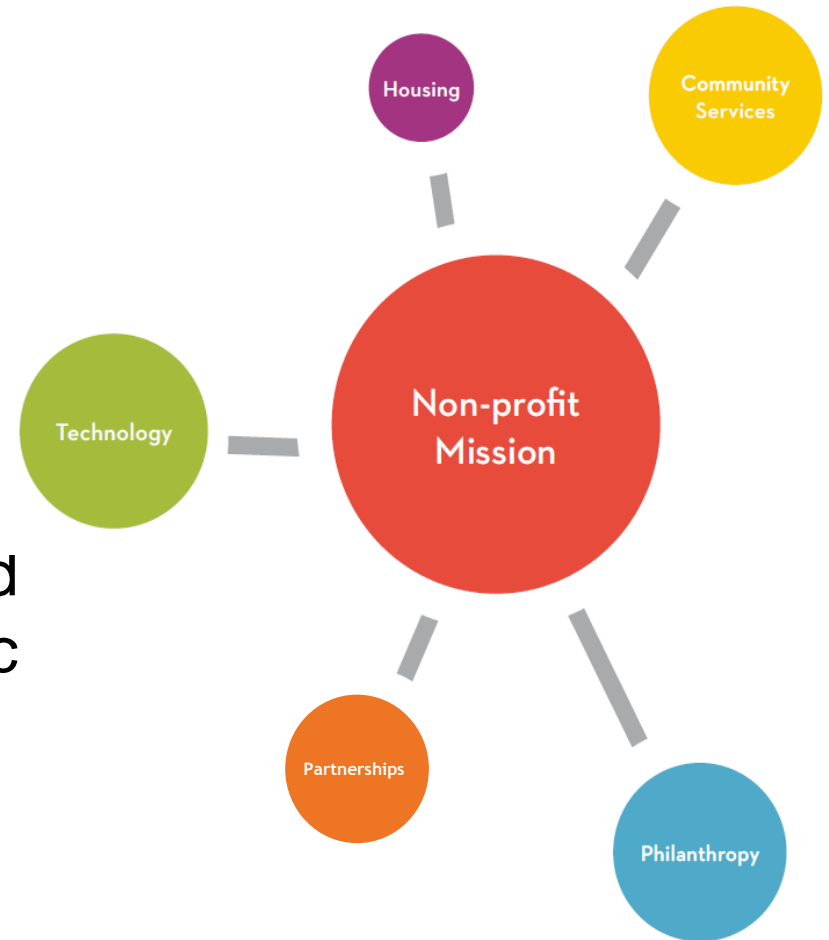
RECRUITING NEW TEAM MEMBERS

- Continued hiring challenges but eased pressure (depending on market)

- Contingency level planning
  - Hiring freeze for non-essential
  - Hiring for essential
    - Front line
    - Strategic initiatives

- Tools that have worked:
  - JobAlign (real time text)
  - Social media
  - Reviews
  - Job Fairs

ADDITIONAL COMPLEXITIES

- Pandemic Fatigue
  - Emotional & physical stress
  - Clients, residents and TMs
  - Physical Illness
- Uncertainty and market trends
- Senior Living in the negative news cycle
- Addressing systemic racism and social justice amidst a pandemic

QUESTIONS & ANSWERS

ABOUT ZIEGLER

- Ziegler is a privately-held investment bank, capital markets and proprietary investments firm

- A registered broker dealer with SIPC & FINRA

- Ziegler provides its clients with capital raising, strategic advisory services, equity & fixed-income trading and research

- Founded in 1902, Ziegler specializes in the healthcare, senior living and educational sectors as well as general municipal finance

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