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Why Culture Matters in Senior Living

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As we enter an era of unprecedented uncertainty in senior living and aging services, paying attention to organizational culture is critical.

Organizational culture steps front and center when these situations are a reality at a community:

- Occupancy rates are low
- Turnover exists among C-suite executives
- New partnerships emerge between two organizations that were previous competitors
- There is a need to hire new employees and retain engaged team members
- Rebranding efforts are underway to gain a competitive advantage in the market
- The organization needs to manifest a fresh vision for its future

Since the pandemic of 2020 hit, occupancy levels at all levels of care have dipped.

However, campuses with strong and defined campus cultures have weathered the storm fairly well. Why? A healthy culture makes people feel more secure and adds a sense of permanency to their lives. Residents living on campuses with strong and positive cultures surveyed by Holleran during the pandemic, gave their campuses high marks. Those high marks and glowing comments are useful to sales and marketing teams as they seek to convince



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prospective residents to move on campus. In other words, healthy cultures cause residents to rate their satisfaction and engagement higher, even during a pandemic, than campuses where healthy cultures do not exist. And that translates into higher occupancy rates because the current residents have an influence on whether new residents want to move in or not. Word of mouth is still a powerful form of endorsement and by leveraging it well, campuses come out on the winning end in the battle for occupancy. Have you surveyed residents about your campus performance during COVID? Campuses earning high marks from residents use the data to boost their brand and attract new prospects to their campus. This is an important story to tell.

Turnover among C-suite executives can lead to uncertainty about the organization's culture. This is a time when board members and other organizational leaders must be unified in articulating a common message about the culture. Most important is the creation of two-way dialogue with important stakeholder groups such as residents, employees, volunteers, and family members. Identification of “disconnects” is important when new leaders take the helm to ensure all voices are heard and respected. It is only by inviting “civil discourse” that a strong culture can emerge.

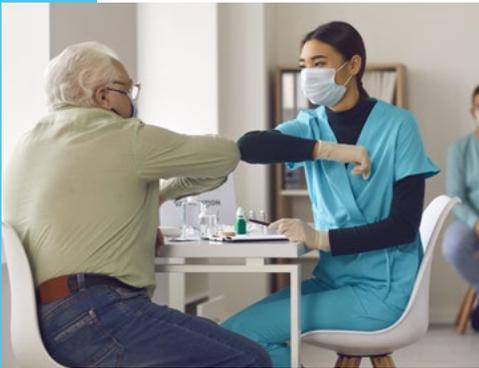
When new partnerships or affiliations emerge between two organizations, especially if those organizations were once seen as competitors, there is an opportunity for organizational culture reevaluation. “How we do things around here” can vary greatly from one organization to another. Without a clear road map around ways of organizing work and expected interpersonal behaviors, campuses can easily get stuck in discordance and, sometimes, dysfunction. Most mergers and consolidations fail because of mis-matched cultures. The board of directors has checked the boxes to ensure the geographic footprint and financials work. But the human side of the equation sometimes gets forgotten and that is a mistake.

To hire new employees who are the right fit and keep valued team members engaged, create a culture that is built upon relationships. Everyone is hungry for connection these days, and if your campus offers that opportunity, it is sure to be a magnet for employees who crave the same. Encourage friendships. Incentivize current employees to refer others they think would fit in to apply for open positions. Allow employees to build bonds with residents.

Rebranding is happening at many communities as they seek to gain competitive advantage in their markets. Market share can be leveraged by communicating your community's culture through branding and positioning. Your organization's “cultural DNA” should be consistently messaged in promotional efforts, including philanthropy campaigns. Effectively communicating, “This is who we are and what we represent” is a strong signal to those who share similar values. People want to be part of something bigger than themselves and working on your cultural profile is the best way to share organizational purpose with residents and employees.



Organizations have been consumed with the pandemic; now is the time to look ahead to a brighter vision. Leaders who walk the talk of the desired culture are much more likely to get the support of their work colleagues when it comes to achieving a new vision and goals for the future. Because the rules of the game in senior living are changing at warp speed these days, campuses need to get their teams on board to tackle new challenges. And while executive leaders and boards may adopt new visions in a post-pandemic world, those visions do not achieve momentum without the majority of employees getting excited about them and committed to achieving them. A fully engaged workforce is the only way to move the dial forward; it simply cannot be “imposed” by the corporate hierarchy to really take hold. Getting buy-in for a new vision is light-years easier when the culture is solid.



Defining your organization’s culture

Culture can be an elusive concept, as it is a maze of unspoken norms, beliefs, and social behaviors. These are difficult to sort through to discover an integrated pattern of meaning. A logical starting point may be to examine the “espoused” values of an organization. However, this presents two challenges that must be reconciled: (1) espoused values are what we SAY we believe, which may not be the enacted values—the actual behaviors rewarded in an organization’s social order; and (2) most senior living organizations identify a similar set of values, which can make it difficult for prospective residents and employees to differentiate among organizations.



Some organizations aspire to have a certain culture, but actions by leaders or organizational norms tell a different narrative. For example, an organization may want to be known for being innovative; however, it acts punitively when people or ideas fail. Or, an organization may say they are “family first,” while simultaneously requiring employees to work extra shifts, taking them away from their families. Many organizations have every intention to be transparent, but consistently hold “closed door” meetings, with an active rumor mill. These disconnects signal misalignment between what the organization says it values and the cultural reality.



The team at Holleran reviewed the vision, mission, and values statements of more than 80 senior living/aging services providers ranked in the LeadingAge Ziegler 200 list published in late 2020. Eleven pervasive themes emerged: service, compassion, quality, respect, excellence, integrity, dignity, stewardship, passion, faith-based, and innovation. While these words, separately and together, convey a theme of positivity, they are not unique or original. For a culture to be distinctive, it must have a unique ethos, or personality—something

that truly is rare and experienced by all stakeholders with a vested interest in the organization. An examination of organizational values may be a starting point, but alone is not sufficient. Values are a piece of the culture puzzle, but when they are vague or commonplace, they become less meaningful.



So how do you get your arms around the “culture” of your organization?

One way is to conduct a content analysis of qualitative comments, the answers to open-ended questions, from surveys.

Are there phrases, themes, and underlying currents that repeatedly crop up in the language used to describe your organization?

Culture refers to your corporate or campus “personality”— the essence of the organization and what it represents. Culture is what makes your organization really “tick.”

There can be disconnects between the intended versus the experienced organizational culture. Some examples of such disconnects are:

- An organization that prides itself on “fairness” being surprised by comments on an employee engagement survey referencing favoritism and unfair scheduling practices.
- The marketing literature of an organization touts inclusion and a welcoming atmosphere on campus. However, recent move-in surveys consistently contain comments from new residents who say they feel left out and not welcomed by more established residents.

Receiving feedback like this can be a harsh wake-up call for campus leaders who believe they are walking the talk of their culture.

Another way to “take the temperature” of your culture is by having a third party conduct focus groups. Objective facilitators can explore the themes as well as conflicting data that emerge. It is important that a sufficient number of focus groups are conducted among constituents. Stakeholder focus groups might include residents, employees, family members, board members, volunteers, prospects, community referral sources, donors, and/or others.

Another approach to defining culture is to conduct a broad organizational assessment. Assessments to determine organizational values are useful when a new CEO is fresh to an organization and wants to “get the lay of the land” or when a new positioning/brand is being developed by the organization’s marketing team. Such a broad assessment includes both qualitative (answers to open-ended questions) and quantitative (numerical) measurements.

If the culture of an organization is not what its leadership wants it to be, it is time to get to work on changing the culture. Scholars assert that organizational culture change takes an average of seven years. However, cultures can change more quickly when a leadership team is intentional about its collective will to build a new culture.

The Holleran culture assessment allows organizations to characterize their “essence”—what makes them unique as an organization. Is the organization driven by its history and legacy or shaped more by a drive for change? Is the organizational structure hierarchical or a more



de-centralized model? Are employees regarded as workers or team members? Specifically designed for senior living providers, the 18 factor survey tool measures cultures against three domains: (1) how people are treated; (2) how decisions are made; and (3) how change is embraced.



Another key finding of the culture assessment is how much convergence there is among stakeholder perceptions about your organization's culture. If there is a high degree of divergence (meaning different stakeholders experience the culture very differently from one another), this is an important place to start with a cultural re-boot. High convergence (agreement) among groups is usually (although not always) a positive finding.

The metrics measured by a broad assessment tool, like culture, get to the heart of culture and, when amalgamated, provide keen insight into the organizational DNA.



Shifting the Culture Takes Some Effort

If the culture is no longer in alignment with an organization's vision, or if there is a dimension of your culture that no longer produces desired results, a cultural shift is likely required. Such a shift may also be necessary in the case of an affiliation that lines up financially and geographically, but not in terms of values, beliefs, and norms.

There are four essential levers to implementing culture change, which are not necessarily linear in nature. Navigating the waters of culture change requires deft leadership approaches and a realistic expectation about peoples' tolerance for change.



Lever 1—Explain the WHY.

If the individuals in an organization do not understand the need for change in the culture, it will not be embraced. A compelling sense of urgency must be conveyed. Change might be framed in terms of real challenges based on data that point to threats and trends affecting business outcomes. Or a new initiative such as Green Houses designed to improve the quality of care for elders. Quality issues may surface as a result of less than optimal surveys conducted by the state. If the why is not conveyed well, the change initiative will be seen as “flavor of the month,” or a veiled attempt at imposing something at the whim of a new leader making a name for him or herself. People have a better likelihood of embracing a change when they understand its relevance, the role they can play in the culture transition, and the anticipated benefits to them and others they care about.



By continuously hiring people who are a good cultural fit, especially at the executive and management level, the organization evolves into its desired culture over time.

Lever 2—Select and develop leaders who align with the desired culture.

If the new culture to which the organization aspires does not sync up with the perceived values and behaviors of leaders at the top and middle echelons of the campus, troubling times will be ahead. Recruit and align leaders who “get” the culture and are committed to moving the ball forward. They need to be catalysts, sensitive to the needs of those they are leading, but also not afraid to challenge and ask more from employees than they may believe they are capable of achieving. Do not be afraid to move obstacles, even if these are legacy employees who are no longer a good fit for the current organization.

Lever 3—Change the organizational design if warranted.

Although there are those who say you cannot change the culture by simply changing the organizational chart, there are times when it can be an effective tool in signaling to a campus that change is happening. By continuously hiring people who are a good cultural fit, especially at the executive and management level, the organization evolves into its desired culture over time.

Lever 4—Create a timeline showing progress and celebrate little victories.

Change causes people angst, which sometimes causes inertia. When people get stuck it is helpful to show them that progress has been made. Develop a visual timeline that records the progress so people see the evolution of change. Reward people who support the change through the celebration of victories along the way, even if they are small ones. Recognize milestones and communicate how the culture shift is manifesting itself through stories and examples.

Culture matters, especially now

The old adage that “culture eats strategy for breakfast” is not entirely accurate. It is much more accurate to say that culture IS strategy in the field of senior living. A positive, functional organizational culture leads to:

- Higher employee engagement
- More motivated and committed leadership
- Alignment among stakeholder groups
- Higher resident census
- Less turnover among staff and residents
- Better organizational harmony
- Clear brand messaging
- More harmonious campuses
- Less strife when two organizations partner or affiliate

When cultures are well-defined, people feel more stable. Behaviors are more consistent. Values are translated into actions. Individuals feel connected to one another and that they belong to something greater than themselves. They experience a shared purpose.



Find ways to get your arms around your current culture by measuring its markers to determine whether this is the right culture for your organization. If it is, build upon that foundation, finding a variety of techniques to strengthen and demonstrate your organization's culture. If it is not the right culture, pull the four levers: explain the WHY, get the right leaders in place, change the organizational design, and show progress and celebrate victories.

Culture change is a process that is neither easy nor quick. But, it is a process that will pay dividends in the long run, leading to organizational success. It is these successes that will keep the sector of senior living strong, vibrant, and current. For more information about Holleran or the content of this article, please contact Michele Holleran, Founder and CEO at michele@holleranconsult.com or visit the Holleran website at www.holleranconsult.com.



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