

INFORMATION AND KNOWLEDGE BASE
SUCSESS FACTORS FOR A RETIREMENT FACILITY

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‘Someone is sitting in the shade today because someone planted a tree a long time ago’

–Warren Buffett

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SUCCESS FACTORS FOR A RETIREMENT FACILITY

The guidelines below are built on in-depth knowledge and personal experience and will not be easily found in marketing pamphlets.

20.1 A Single Independent Governing Body

The governing body of the retirement facility should be independently run. No two bosses on the same premises:

- Residents should not be in any management control or line-functions. The focus is on professional management. If it is necessary to have resident representatives on the governing Board, they must be in the minority.
- Representatives of residents to act as the voice medium of residents with clear task and role descriptions.
- Residents must always trust their leaders and take ownership of the village. A culture of appreciation of the commitment of the leaders must be in place and maintained to remain as such.
- The governing body should not consist of any member that has a conflicting interest like bankers, funeral parlours, estate agents, insurance brokers, service providers etc.
- The governing body must function in line with the King 4 principles of sound and ethical governance. Performance to be annually assessed.
- Well-qualified and experienced relatives of residents should be considered to serve on the body.

20.2 An Ethical, Amply Qualified and Committed Chairperson

The chairperson of the governing body has a key role to play and should be of a calibre that enhances the culture and work of the facility:

- Proven experience as chairperson and having a business and preferably financial background.
- Must have sufficient time to help make the facility great and let it stand out above other facilities.
- Be a leader as defined in Information and Knowledge Base document.
- Enhance the culture in the facility and actively promote this.
- Must be knowledgeable on the retirement industry.
- Knowledge of the different Acts and professional and operational codes impacting on the industry is necessary.

20.3 An Above Average Competent Facility Manager

A proper qualified and experienced manager is critical to the success of the facility:

- Financial skills are important.
- Passion for the older persons is non-negotiable.
- Management and people skills are critical. Personnel performance must be taken to new levels of performance.
- Knowledge of the Acts and codes that impact the industry is required.
- Setting ambitious standards of performance in all fields. No mediocre results acceptable.

20.4 Financial Skills available in Governing Body

The ability to set financial objectives, prepare good and measurable budgets and targets. A strict cost and income control is secure at Board level.

- An above average qualification in finance management is the minimum qualification needed.
- The ability to understand and assess financial models and alternatives is a skill that must be present.
- Cash flow management is important.
- Continually able to do assessment of financial performance.
- The ability to lead and get the governing body behind latest ideas.

20.5 Strategies and Long-Term Views

Knowing the direction, the facility is moving to, what needs fixing, judging, and addressing, is vital:

- Perform strategic planning sessions as set out in the Information and Knowledge base.
- Setting performance indicators and objectives and goals and actively pursuing these.
- Having an inborn ability to look and plan long term.
- Knowing what the risks are and mitigating these. A risk indicator tool for the facility is highly recommended.
- Self-sustainability of the facility must be a top priority. Think and plan to ensure optimal independence.

20.6 Residents Relationship is Transparent and Honest

This aspect of the business cannot be emphasised enough. Residents need to be assisted and motivated, encouraged to take ownership for now and after they have left:

- Residents are the best marketing tool for keeping the facility fully occupied and on track.
- The resident's committees must be nurtured.

- Communication with residents at all levels must be part of standard operating procedures and must use whatever medium is applicable.
- Dispute resolution must be in writing and resolve quickly when present. Any form of conflict stirring/exciting must be dealt with forthwith.
- Codes of conduct must be applied and not just a paper document.

20.7 Personnel Relationships

Good working relationship with staff is of the utmost importance. Staff must feel safe and of value and encouraged. Dedicated, well equipped and protected staff is one of the foundations of a successful facility:

- Maximum performance by staff members must always be focused on and achieved.
- Clear objectives and Key Performance Areas must be set, and achievement measured.
- Performance bonus systems must be in applied.
- Disciplinary procedures to be strictly followed.
- Effective communication with staff is not negotiable.
- Ongoing training is necessary

20.8 Benchmarking – A highly neglected Management Component

Benchmarking performance can help a lot in increasing/accumulating the 'game' of the facility. It is important to come to terms with the concept of benchmarking and how it applies to the facility:

- Wipe out any form of complacency. We operate in a challenging environment with survival of the fittest.
- Get to know the industry you operate in and be willing to learn.
- Stay alert and informed of how other organisations do well or fail. Thus, stay alert. Mix with other organisations or get information on aspects of the business from the ASC.
- Set goals and monitor these to become the best in the industry.

20.9 Health Care and Lifestyle

Residents need to accept co-responsibility to stay and remain independent and active. General health care to residents to include all levels of health care. This component can make or break a facility in many ways, especially cost-wise.

- This factor must be high on the agenda of the governors' meetings.
- Establish and evaluate the facility's health baseline, which means to know the strengths, weaknesses and risks of residents and adapt all health care programmes accordingly
- Ongoing assessment of health and lifestyle is a sure way to keep on top of any coming risks for residents or facility.

- Clear health care policies and procedures to cover all aspects of the services must be in place.
- Measurement of performance against standards is necessary. Be research orientated and thus learn what works and does not.
- Be person-centred in its' full meaning and application.
- Ensure conscious improvement of existing services. Test and introduce new ways to improve standards and resident and family involvement.
- Regular quality assessment audits by an outside expert must be done. This is called a Developmental Quality Assurance audit.

20.10 Security and Safety

This is most probably a typical South African need. Residents want to be safe and feel protected. All residents must be alert and support the policy applied:

- Good cost-effective perimeter and access control must be in place.
- Continues improvement of the security function.
- Residents' safety when it comes to health care must be actively pursued. See paragraph 9 above.

20.11 Maintenance Programme

Each facility should have a clear maintenance policy and plan in place:

- An annual independent engineers' audit must be considered.
- Have long, medium- and short- term plans in place.
- Never compromise on standards.

20.12 Public Image

Every facility will have its' own history, ethos, and way of operating. Some facilities will be profit driven, other welfare driven:

- Every resident, family member, personnel, Board member are key role players in marketing the facility.
- Marketing material must be clear and visually understandable.
- Gage in whatever way appropriate, how persons outside view the facility.
- Consider promotional events like fetes, festivals, concerts, publications.

Final word: This industry is unique, and every facility will have its own dreams and image. We live in the era of survival. Benevolence is slowly but surely making way for a human-driven corporate culture.