

Pathways to Greatness 2007:

A Recognition Program for
Exemplary Aging Services



Celebrating Innovation &
Performance
Enhancements Among
Care and Living Venues for
Older Adults

AAHSA

LarsonAllen LLP

Pathways to Greatness—a Recognition Program for Aging Services

Introduction

The 2007 Pathways to Greatness recognition process has given voice to the great things Quality First organizations are accomplishing every day while serving older adults. The range of programs, practices, and innovations being developed is remarkable. We believe the 2007 Pathways to Greatness applicants have provided ample evidence that creativity is alive and our dedication to serve our communities is strong. This white paper provides a helpful introduction to some of the solutions great organizations are using to address issues common to the aging-services field. It is also an opportunity to recognize and commend the 2007 inaugural Pathways to Greatness Recognition Program recipients:

- The Mary Wade Home, Inc. of New Haven, Connecticut
- Carol Woods Retirement Community of Chapel Hill, North Carolina

Background

Sponsored by the American Association of Homes and Services for the Aging (AAHSA) and LarsonAllen, a CPA, consulting, and advisory firm serving aging-services providers across the nation, the Pathways to Greatness Recognition Program is designed to define the primary attributes of high-quality aging-services organizations and recognize them for excellence.

Through this recognition program we will begin to identify the traits of high-performing organizations so senior living providers can meet the demands of their customers, implement processes to improve and measure results, and develop a committed and skilled workforce. The Pathways to Greatness Recognition Program is also identifies the leading practices and innovations great organizations are using to impact their communities, deliver superior performance, and produce enduring changes.

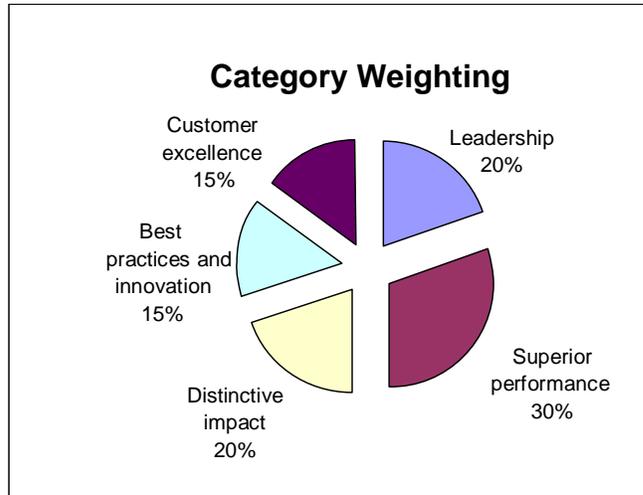
There are many pathways to greatness and all of them create challenges. This program compiles the stories of exceptional organizations as they move toward realizing the Quality First goals. Their leaders are inspirational and create caring and accountable cultures that allow residents and staff to flourish. During the coming months we will continue to record and tell the stories of the challenges and progress Quality First organizations are making to create great organizations.

The Selection Process

The criteria for reviewing and assessing the applications were set by a seven-member steering committee and included CEOs of aging-services organizations across the country. The criteria for assessing Pathways to Greatness applicants included five categories:

1. Customer excellence (15 percent)
2. Best practices and innovation (15 percent)
3. Distinctive impact (20 percent)
4. Leadership (20 percent)

5. Superior performance (30 percent)



The process included two phases. Through collection and analysis of high-level objective information, Phase I screened applicants to ensure the organization was far enough along its pathway to greatness to justify assembly of significant information for a full assessment. In Phase II applications were reviewed and the selection of the 2007 Pathways to Greatness Recognition recipients was made by a five-member panel of aging-services professionals and consumers including board members, CEOs, financial and quality experts, and others from the aging-services field. (A sample of the assessment tools used for this process are provided in the appendix.) Some of the key metrics reviewed for each applicant included:

Key Measure	Phase II Applicant Performance	
	Range	Median
CCAC metrics at or above median (16 metrics)	3 to 15	10
Age of physical plant	6 to 36 years	10 years
Average program occupancies	76% to 99%	96%
Staff turnover	5% to 45%	22%
State survey deficiencies—health	0 to 11	4
State survey deficiencies—fire	0 to 7	3

Additional items reviewed included:

- Resident and employee satisfaction survey results
- Range of services and programs offered
- Local, state, and national recognitions and awards
- Leadership roles of senior management and the board in community affairs and professional and industry-related associations
- Volunteer hours provided at the facility, by residents and, if available, by staff
- Resident participation levels and engagement strategies

- Communication techniques and tools used to convey organizational information and performance
- Code of ethics, compliance program, risk management policies, resident council, and family council
- Mission and vision statement
- Strategic plan (including on-going monitoring of human resources, strategic capital, and master facility plans)
- Competency-based leadership and employee performance review systems
- Governance member selection and performance assessment processes
- Programs that advance the aging-services field through research, education, and training
- Employee recruitment, retention, and development strategies and outcomes
- Performance measurement systems to monitor quality and operational performance
- Community contributions and programming
- Best practices and innovations

Pathways to Greatness—2007 Key Findings

There were 14 applicants in Phase II, all of whom were at various stages on the pathways to greatness. Each Phase II applicant had remarkable stories to tell about innovative programs, superior operational practices, focused strategies, and contributions to their communities. They articulated tremendous commitment to advancing the field of aging through demonstrated leadership, leading edge programs and services, and participation in educational and research efforts. Many of the Phase II applicants were also moving forward with the implementation of technology, both to better serve residents, as well as to improve operations, clinical quality, and efficiency.

Though there were many innovations and excellent processes, the key findings include:

1. Most of the applicants had strong financial results with many performing in the top quartile nationally for the 16 financial metrics we analyzed.
2. Strong and visionary leadership is present in each applicant organization as demonstrated by low staff turnover and high retention rates, innovative program solutions to complex problems, superior regulatory or accreditation survey results, and very high occupancy levels in competitive markets.
3. Most of the applicants performed above the median and in some instances in the top quartile of customer and employee satisfaction survey results when benchmarked against other providers nationally.
4. Top performing organizations are distinguishing themselves by investing in and developing their employees.
5. All applicants articulated a strong social accountability to their local communities and the cities in which they operate. Most have developed ways to measure and communicate the difference they are making.
6. The metrics for measuring superior performance in aging services are still evolving. Organizations have difficulty determining which measures indicate superior performance.
7. Applicant organizations all have at least one (and frequently more) outstanding and innovative programs or services in the categories measured by this recognition program.

8. Modest improvements are being made in the clinical quality measures reported by applicants, but they were not uniform and consistent for all applicants year-to-year.

There were numerous examples of best practices and innovative programs developed to produce superior performance, meet customer expectations, or create distinctive impact. Below are examples of exemplary and imaginative programs.

Residential

- A new survey process that measures care delivery issues more effectively
- Campus-wide programming developed, managed, and operated by residents
Collaborative model of self-determination for residents that does not result in isolating individuals as their cognition changes
- Innovative technology development that will support older adults in their homes with minimal intrusions
- Intergenerational programs and services offered that provide services and support for children and allow the residents to share their wisdom and knowledge
A nutritional assessment program for residents that is supported by technology and serves as the baseline for the development of a personal health and wellness plan

Community

- Renovating neighborhood homes to reinvest in the community
- Strategic planning processes that engage, create new thinking, and allow for broad input
- Collaborative partnerships to improve educational and training opportunities
- Collaborations with community and governmental agencies to improve the lives of older adults

Staffing

- Employee support groups during their work shift to help them cope with the challenges of caregiving
- A livable wage policy (for a family of four) for all employees
Health and wellness programs that include personal trainers, virtual communications through blogs, regular monitoring, measures of progress, and rewards for results
- Innovative employee recruitment bonuses that are calculated in a per hour amount and paid until the new employee leaves (or for a specified number of years). The bonus is coupled with training as a mentor to enable staff to assist new employees.
- An innovative program for housekeeping staff that formalizes their role in observing and reporting changing needs of residents

2007 Inaugural Pathways to Greatness Recognition Recipients

Selecting two organizations to recognize amongst the applicants was a very difficult task. Each of the applicants demonstrated that they are paving pathways to greatness. However, two organizations stood out in a number of areas and appeared to be further down their respective pathways:

The Mary Wade Home, Inc.

The Mary Wade Home, Inc. has been on the pathway towards greatness under the leadership of David V. Hunter for more than 25 years. Mr. Hunter has built a strong, visionary leadership team engaged directly in providing a full continuum of services on the campus. The Mary Wade Home, Inc. provides skilled care, assisted living, outpatient rehabilitation, adult day care, transportation for residents and the community, respite, palliative, and end of life care, and a comprehensive health and wellness program. The innovative ideas and creative partnerships developed with area employers and the city of New Haven have positioned The Mary Wade Home, Inc. to thrive and develop in a challenging market, a restrictive reimbursement climate, and a difficult regulatory environment, proving that great leadership trumps adversities.

Due to many inner-city problems including blighted property, higher crime, lower performing educational services, and disadvantaged populations, the area surrounding The Mary Wade Home campus began to change. In response, the leaders became even more actively engaged in the community, and encouraged employees to participate as they developed and participated in a variety of local programs.

- They have developed a project using municipal and federal grants to help buy and renovate/restore neighborhood properties to serve low income families.
- The organization participates in the Block Watch program.
- They have funded and installed additional lighting to the neighborhood.
- They participate in Greenspace, a program to promote stronger communities and environmental and aesthetic improvements.
- In collaboration with local schools and civic groups, the facility developed a “Jeopardy” game based on the history of the area and Mary Wade Home, Inc.
- The organization developed a play on the life and accomplishments of Mary Wade, in which all aspects of the play were created by residents, staff, and local students (including set building, costume design, and performance).

The Mary Wade Home, Inc. also demonstrates its leadership and superior performance in a number of other areas:

- The facility maintains an investment grade rating of A-, which is the highest rated freestanding skilled nursing facility in the U.S. Fitch IBCA portfolio.
- An on-site employee support group allows colleagues to support one another and learn to deal with the challenges of everyday caring for residents and clients.
- Employee turnover has declined from 44 percent in 2002 to 18.9 percent in 2006.
- Overall employee satisfaction has improved steadily and in 2005, 87 percent of surveyed employees said that Mary Wade Home, Inc. is a great place to work.
- Programs have 97–99 percent occupancy and a waiting list in a very difficult market.
- The use of restraints has been reduced to 8.6 percent and falls have been reduced to 5.2 percent over last two years, demonstrating continuous improvement in key clinical areas.
- Support programs for employees include mortgage assistance and life skills training, such as home buying, personal budgeting, and credit counseling, as well as employee education on the importance of a job, development of teamwork, and how to safeguard your employment.

The Mary Wade Home, Inc has demonstrated lasting endurance by celebrating their 140th year of operation in 2007. It has been recognized as one of the Best Small and Medium Sized Companies in America, and members of the leadership team have received numerous awards such as the Humanitarian Award, the Paul Harris Award, the Profiles in Courage Award, and the Forty Under 40 Award.

Carol Woods Retirement Community

The Carol Woods Retirement Community is an organization driven by a strong culture rooted in its nonprofit heritage of community service. The board of directors and senior leadership reinforce the organization's values by developing policies that clearly articulate the importance of resident self-determination, achieving a livable wage for all staff, developing authentic intergenerational integration, the role of teamwork, transparency and ethics in all decision-making activities, and the ongoing contributions to the community. These policies serve as the foundation upon which the organization conducts its business.

The Carol Woods Retirement Community and its leadership team has been recognized repeatedly both nationally and regionally for their contributions to the community, their innovative programs, and their achievements professionally. The organization has been named as the Employer of the Year and has received the Community Service Award and the Social Accountability Award from the North Carolina Association of Non-profit Homes for the Aging. In addition, numerous staff members have been recognized by their professional organizations and by community groups for their leadership and commitment to the aging-services field.

The Carol Woods Retirement Community is achieving superior performance, high customer and employee satisfaction, and a distinctive impact through discipline, focus, teamwork, and investments in their workforce. The strategic plan defines the key focus for the organization and many are involved in its development. The process involves assessing the market, defining the community needs, and identifying the opportunities, allowing for broad input from staff, residents, community leaders, and board members. The strategic plan includes only four key strategies and a sophisticated on-going monitoring system to assess the organization's progress.

The following highlights demonstrate that their superior financial performance is also complemented by success in other areas.

- By creating a sophisticated “dashboard” linked to the critical work processes impacting employee and resident and family satisfaction, the organization can focus on the important factors that both measure current performance and are predictive of future performance. They have demonstrated improvement in most clinical and operational metrics.
- Several successive years with no state survey citations or deficiencies in their health center or other services indicates a consistent commitment to excellence.
- The organization participates in Greenspace, a program to promote stronger communities and environmental and aesthetic improvements.
- At 13 percent, staff turnover rates are lower than regional and national levels.

- Their board processes for decision-making, member selection, and self-assessment are sophisticated. Board agendas reflect a clear focus on strategy and outcomes, rather than simply operational and financial management review.
- By reinvesting in their campus and creating a robust master facility plan, they are assured that their updated facilities will meet the changing needs and preferences of residents.

Carol Woods Retirement Community has also distinguished their organization by focusing on selecting, nurturing, and retaining talent. In 1999, the board adopted a policy that ensured all employees would receive a livable wage for a family of four in Orange County, North Carolina. This commitment to the welfare of employees does not stop at economics.

- All employees participate in geriatric training programs in addition to other required and elective education programs.
- Annual review of management is based on peer review and employee feedback.
- Employees have access to subsidized on-site child care programs.
- Educational opportunities (life enrichment, skills training, home buying, GED, and adult literacy classes) with tuition assistance are offered during work hours. Staff training and development classes are offered in Spanish and English.
- Staff development fund is available for additional staff education and tuition reimbursement.
- Compensation levels exceed regional and national norms.
- A flattened organizational structure moves decision-making to the lowest level.
- Almost 50 percent of new hires are referrals from existing employees.

Giving back and supporting the community are part of the Carol Woods Retirement Communities' culture. Starting in 1997, the board began a systematic review of how the organization participates and demonstrates their commitment to the greater Orange County community. Their activities have included:

- Developing and maintaining affordable campus services for broad socioeconomic groups in order to limit price increases
- Donating nearly 5 percent of net resident revenues to charity
- Sponsoring a summer camp for disabled children on campus
- Collaborating with over 15 higher education institutions and the local school districts to provide training, internships, and research opportunities
- Offering the campus as a disaster relief location and serving community members who were ventilator dependent or had complex medical needs during Hurricane Floyd
- Broadening access to applicants who do not meet the financial criteria and committing to assist them in the future

Conclusions

Many of the Pathways to Greatness applicants indicated that they participated in this process as a way to continually improve and to further assess their organizations—not necessarily for the recognition. What we learn from their hard work and the stories they share will allow many other organizations to advance their journey towards greatness.

The applicants for the Pathways to Greatness Recognition Program have demonstrated that this journey has many routes and that even though the progress may not always occur steadily, this field is committed to making the lives of older adults better. The stories and examples of leadership, innovation, and dedication to doing good things every day will provide encouragement and motivation for those dedicated to the aging-services field.

Assessment Tool - Phase II Applicants—2007

Scoring Criteria: 1, 3, 5, 7

1 = Beginning to develop and create the program/system

3 = Early stages of implementation; little measurable change

5 = Implementation completed; changes beginning

7 = Mature process/program/system with ability to measure the impact

	Facility 1
1. Leadership—20%	
Creating the culture	
Inspiring for excellence	
Defining focus	
Planning for the future	
Governance excellence	
2. Superior Performance—30%	
Selecting, nurturing, and retaining talent	
Leading edge care and services	
Capacity to improve and CQI	
Demonstrate value	
Financial strength	
3. Distinctive Impact— 20%	
Social accountability	
Community involvement	
Recognitions and awards	
Educational support (non-employee)	
Research efforts	
Demonstrated commitment to field	
4. Best Practices/Innovations—15%	
Model/exemplary programs	
Sophisticated systems or processes	
Use and availability of technology	
5. Customer Feedback—15%	
Engagement of stakeholders	
Resident satisfaction	
Employee satisfaction	
Building public trust and confidence	

Steering Committee Members

Robert Alston
President/CEO
Friendship Senior Options, Inc.
Schaumburg, Illinois

Kathleen Anderson
President
Goodwin House, Inc.
Alexandria, Virginia

Shirley Barnes
CEO
Crest View Corporation
Minneapolis, Minnesota

Frank Crane
President/CEO
The RiverWoods Company
Exeter, New Hampshire

Katheryn Brod
Vice President, Director of Research,
Senior Living Finance
Ziegler Capital Markets
Columbia, Maryland

David Horazdovsky
President/CEO
Evangelical Lutheran Good Samaritan
Society
Sioux Falls, South Dakota

Gail Kass
President/CEO
New Courtland Elder Services
Philadelphia, Pennsylvania

Expert Panel

Gene Dolloff, Chairman
Morrison Senior Dining
Chesterbrook, Pennsylvania

Dick Edwards
Administrator Emeritus
Mayo Clinic
Menomonie, Wisconsin

James A. Rice, PhD., FACHE
Senior Vice President
Clark Consulting–Healthcare Group
Minneapolis, Minnesota

Kathryn Roberts
CEO/ President
Ecumen
Shoreview, Minnesota

William B. Sims.
Chief Executive Officer
Herbert J. Sims & Co.
Southport, Connecticut

E. Kern Tomlin
Vice Chair for Governance
Presbyterian Villages of Michigan
Southfield, Michigan

EXPLORE THE PATHWAYS TO GREATNESS STUDY

AAHSA and LarsonAllen are sponsoring a national recognition program that will provide a framework to help the aging services field understand what makes great senior living organizations. The program will expand upon the Path to Greatness pilot study (www.larsonallen.com/healthcare/senior.asp) conducted in 2006 by LarsonAllen and AAHSA (www.aahsa.org).

This program is rooted in AAHSA's Quality First philosophy and the principles outlined in Jim Collins' *Good to Great and the Social Sectors—A Monograph*. The success of the pilot study prompted a national Pathways to Greatness Recognition Program.

The goals of the program are to define and measure the primary attributes of great senior living organizations and allow other members to learn from them. In its first year, the application process will be open to AAHSA Quality First covenant signers who provide multiple levels of services and programs for older adults on at least one campus. A blue-ribbon panel will select applicants for recognition. Full details of the application process will be available in May at aahsa.org and larsonallen.com.

For more information contact:

Nancy Rehkamp
612-376-4625
nrehkamp@larsonallen.com



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CPAs, Consultants & Advisors
www.larsonallen.com