

To RAISE Occupancy RAISE Employee Engagement

By Dr. Jacquelyn Kung and Ed Frauenheim

It's on everyone's minds today in this sector. How do we raise occupancy rates, in the wake of a pandemic that scared many families away from senior living options? To be sure, external marketing efforts and customer service initiatives are important for boosting occupancy levels. But there's a secret strategy that can help your company attract and retain residents—and even increase sales prices along the way. It has to do with elevating the employee experience.

Research from Activated Insights shows three direct links between improved employee engagement and better occupancy results.



1 Happier Sales and Marketing Teams Enable Higher Prices.

What can happen when you juice up the enthusiasm and work experience of sales and marketing professionals? A positive impact on pricing, according to a case study we conducted across **250 senior living communities**. With a focused effort, these communities improved sales and marketing team engagement by five percentage points on the Trust Index Employee Survey®.



That translated into more connections with prospective residents and their families on sales calls and marketing tours. Moreover, sales and marketing team members said they believed more in the high quality of what they were selling. That, in turn, required less discounting to fill open resident positions. Ultimately, the organization found that its **average sales price rose by 5 percent in the wake of improved employee satisfaction.**

TALK ABOUT A DEAL YOU CAN'T REFUSE AS A LEADER.

2 A High-Trust Culture Hikes Customer NPS and Occupancy.

There are many connections between high levels of trust, pride and camaraderie among employees and **better business results**. We now can add stronger customer referral rates to that list.



Activated Insights research on the senior living industry discovered that the top quartile of residential sites in terms of employee engagement scores had much higher “net promoter scores” from residents compared to those sites in the lowest quartile on staff engagement. Net promoter scores (NPS) capture the likelihood that a customer will refer your organization to a friend or colleague. The senior living communities with **the best employee engagement enjoyed a 17 point advantage in net promoter scores** over the facilities with the worst engagement.

Not surprisingly, high-trust employees cultures also had 2 percent higher occupancy. For an assisted living facility with 80 units, that translates to **increased sales of roughly \$100,000 annually**.

TURNS OUT CULTURE PAYS OFF IN REFERRALS AND REVENUE.

3 Engaged Employees Elevate Resident Retention.

As important as attracting new residents is retaining existing customers. And we can draw a direct line between heightened employee satisfaction and lower resident turnover.



Activated Insights conducted a case study of an independent living facility with roughly 150 units. Leadership at the site made a conscious push to improve the employee experience, including an initiative to educate housekeepers and other staffers on how the business works, and how move-outs hurt both the organization and resident well-being. **Within a single year, scores on the Employee Trust Index Survey rose 15 percentage points, to 85.4.**

As employees grew more connected and trusting of management, housekeepers started attending “at risk” meetings and offering names of residents who were at risk of moving. During a three-month period, there were **zero move-outs**. That’s dramatically better than the industry average for resident attrition. A typical 150-unit site would be expected to lose 8 to 33 residents in a three-month period.

THE HEROES BEHIND THE ZERO? ENGAGED EMPLOYEES.

So if you’re looking for new solutions to today’s resident retention and attraction challenges, look no further than your people. The secret strategy isn’t so secret. It echoes the old saying that happy employees make for happy customers. Our latest research proves it out: **to raise occupancy, raise employee engagement.**

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Place
To
Work.

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