


THE BENEFITS OF A FORMAL CUSTOMER SERVICE PROGRAM IN TODAY'S SENIOR LIVING WORLD



Christina Bagley ~ National Marketing Director
Retirement Housing Foundation
Nollau Class March 2020



THE PURPOSE OF THIS PRESENTATION
IS TO EXPLORE THE BENEFITS OF
ESTABLISHING A FORMAL CUSTOMER
SERVICE PROGRAM AND CREATING
A INTENTIONAL CULTURE OF
CUSTOMER SERVICE EXCELLENCE.

Why establish a formal customer service program – It's common sense, right?

“Our staff know our customer service expectations and how to respond to residents in a respectful and meaningful way”

“Formalized training is not necessary, everyone knows how they should behave and interact with clientele.”

“We don't have time for this, it's just another program corporate is putting in place to waste my time with more oversight (Big Brother) and another unnecessary report.”


Does this sound familiar?

Reasons for Poor Customer Service

- Uncaring employees
- Poor employee training
- Negative attitudes of employees toward customers
- Differences in perception between what an organization thinks customers want and what customers actually want
- Differences in perception between the product or service organizations think they provide and what customers think they receive
- Differences in perception between the way organizations think customers want to be treated and the way customers really want to be treated
- No customer service philosophy within the organization
- Poor handling and resolution of complaints
- Employees are not empowered to provide good service, take reasonability, and make decisions that will satisfy the customer
- Poor treatment of employees as customers

It used to be that industries such as hospitality and food service focused on customer service, but as consumers became more savvy and with the evolution of the internet, customer service plays a larger role than ever on the success or failure of most businesses, including senior living. Consumers have found a voice on the internet, and more times than not, they will talk about their bad experience more often than a positive one.





Negative customer experiences lead to bad reviews, and a bad review can do serious damage--the kind that takes more than a good review to fix.

-Inc.com

INTERESTING FACTS ABOUT CUSTOMER SERVICE

Poor service is the number one reason that American companies lose business. (And when a company loses business, it has less money for things like salary raises and other employee benefits)

96% of unhappy customers don't complain to you. However, they'll tell up to twenty of their friends and family members about the problem. (Think about it...if you have a problem at work, who are you most likely to tell? Your boss or a friend? Most of us keep quiet at work...)

While dissatisfied customers tell about 20 people, satisfied customers only tell five people. (It's true. We all seem to talk about negative experiences more than positive ones.)

INTERESTING FACTS ABOUT CUSTOMER SERVICE, CONTINUED...

90% of unhappy customers will move on quietly—to new a senior community or health care organization. (This is in large part due to fear of retaliation. This means we have failed to developed a trusting relationship with this customer.)

It costs up to ten times more to attract a new client than it does to keep an existing one. (This goes for you and your coworkers, too. It costs a lot more to hire and train new employees than it does to keep current employees happy.)



The Importance of Customer Service

Customer service is the critical factor for a successful business. Your organization's customer service better be better than your competitors' if your business is to attract and retain the market share of customers.

WHAT HAPPENS AFTER
POOR CUSTOMER EXPERIENCE



WILL NEVER USE
THE COMPANY
AGAIN



WILL TELL
FAMILY & FRIENDS
ABOUT THE
EXPERIENCE



WILL ESCALATE
TO A SUPERVISOR
OR MANAGER

SOURCE: <http://providesupport.com/blog/cost-poor-customer-service/>

FRESHSPARKS

- Reputation is created by consumers
- Reputations are easy to make, difficult to change
- Reputation in long-term care facilities are readily linked to negative images
- Reputation determines census in senior living
- Reputation creates an edge over the competition
- Reputations are a result of the IMPRESSIONS customers have about the quality of service

Why Improve the Customer Experience?

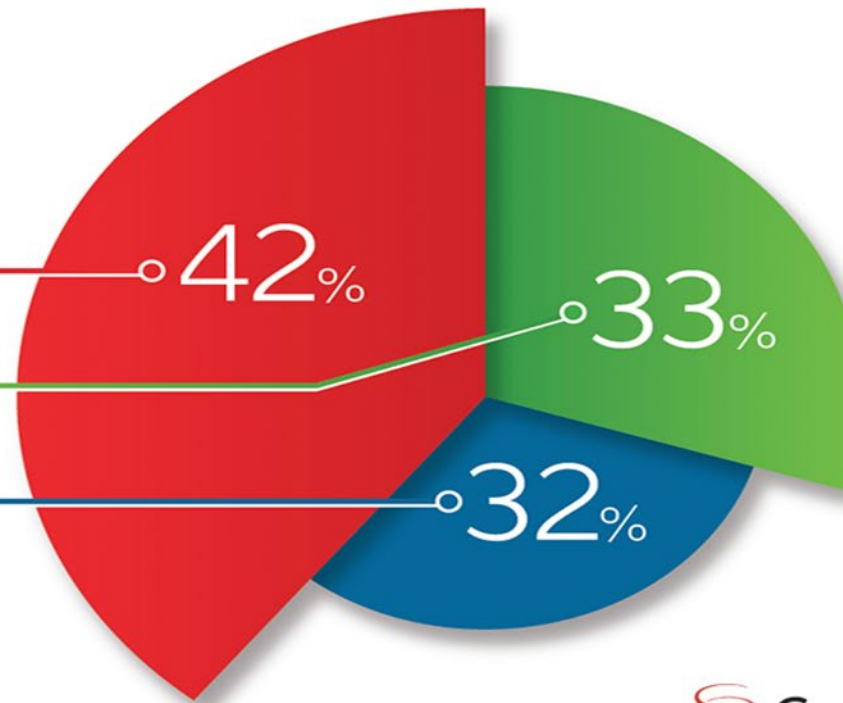
WHY IMPROVE CX?

The top three reasons why businesses proactively manage and invest in customer experience are to:

1 IMPROVE CUSTOMER RETENTION

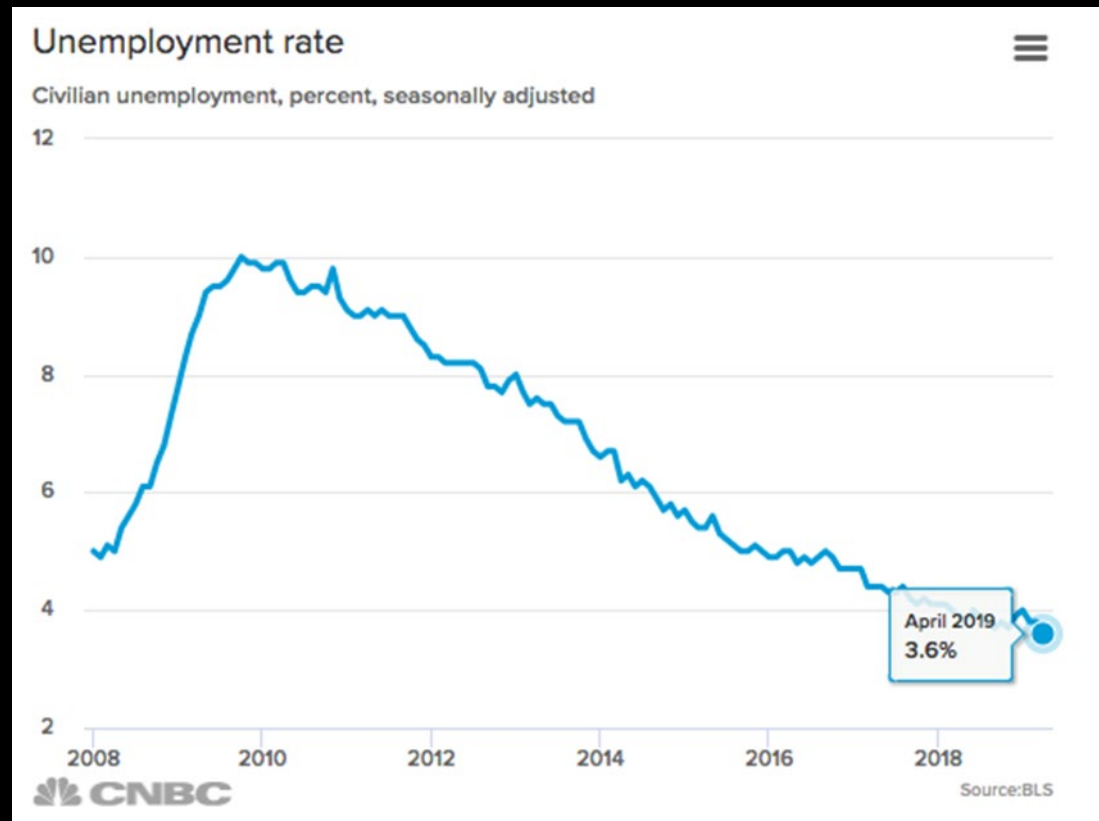
2 IMPROVE CUSTOMER SATISFACTION

3 INCREASE CROSS-SELLING AND UP-SELLING




Addressing each of these reasons can positively impact bottom line revenue.






The unemployment rate in the United States has been on a steady decline since 2009. As of April 2019 the unemployment rate was 3.6%



By 2020, according to the U.S. Bureau of Labor Statistics, a growing aging population will require five million direct-care workers, including nurses and nursing home aides, up 48% from the 2010 level. This shortage of nurses and nursing aides is set to further impact the broad spectrum of senior living – from nursing homes to assisted living facilities and home healthcare – particularly as the aged population grows and chronic medical care is needed.

Chris Murray


CaitlinMorgan Insurance Services July 27,2016



“I think there are things that we as an industry need to address. We are going to have workforce issues... that we'll have to deal with, but primarily, [we'll have to focus on] getting more people into the industry and engaged in what we do in order to provide service and care.

Depending on what survey you look at, by 2025 we'll be short over a million caregivers in the system. So, where are those people going to come from? That's a big issue that we need to be involved in.”


Randy Richardson, president of Vi
Senior Housing News July 19, 2017



“I like to follow the Chick-fil-A model. They have an aggressive staffing plan. They have a career path for their team members and one of the lowest turnover rates in the country and in the fast food industry.

I meet with a lot of [Chick-fil-A] general managers to figure out how it is that they are able to keep their staffing so high and low turnover. That’s the thing we’re constantly working on is, what not only attracts a quality team member but what keeps the retention high. I would say that’s the state of the union right now.”

Ken Jaeger, founder and CEO of MorningStar Senior Living
Senior Housing News July 19, 2017



“The lifeblood of your community is the \$8 – \$12 an hour employee. First and foremost, if you can reduce your turnover by 5%, I think it impacts your NOI by 1% in the positive.

It’s your hiring practices, it’s how you treat your people, it’s putting things like career paths in place.”

Keven J. Bennema, president and CEO of Charter Senior Living
Senior Housing News July 19, 2017



RESPECT

QUALITY

RESOLUTION

UNDERSTANDING

EXCELLENCE

EMPATHY

TRUST

SERVICE

IN CUSTOMER SERVICE PROGRAM

Customer Service is an attitude, but it will take a dedicated department to develop the program, expectations, training and monitoring of the program to achieve and maintain program success.





So what's next? Where do we start?

Next Steps Recommendations:

- ❖ Form a planning committee
- ❖ Develop the program structure
- ❖ Identify focused and specific areas of training depending on employee roles or departments
- ❖ Develop training materials
- ❖ Develop expectations
- ❖ Develop monitoring strategies
- ❖ Develop metrics in which to show program success or failure

QUESTIONS?

Thank you!

