

Welcome to Contributor Wednesday on Bridge The Gap network. In this series, you'll hear from thought leaders on a variety of topics, dedicated to inform, educate, and influence the senior living industry.

Welcome to Bridge The Gap Contributor Wednesday. I'm Cara Silletto, president and chief retention officer at Magnet Culture here to continue our conversation about the workforce. Last time we talked about the new generations that have come into the work world even over the last 20 years and how that has really shifted the relationship between the employer and employees and among team members as well. Well, today we're going to focus on making the case. We now know based on my January episode, a few months ago, that we have a shorter-term workforce coming in today that while people saw the work world and especially positions like a CNA role as a career in the past, now they see those roles more often as a stepping stone. So we're getting shorter and shorter tenure from our workers as they seek out other places for new opportunities, advancement, a better team, maybe more money, different things like that.

So today I really want to focus on, how do we make the case for the leadership team at your organization to take retention much more seriously, put it on the front burner instead of the back burner, and make sure that we're putting the proper resources, time, and money into this issue, if we want things to be better down the road. Now we have retention issues before the pandemic even hit. And I would argue that COVID really just highlighted and exacerbated the issues that we were already dealing with, now that we have folks, some of whom are afraid to be on the front line and to be caregivers today. Some who have burned out from the industry and the profession and others who have just walked away for different reasons. Maybe even because the schools are shut down and they needed to be caregivers in their own home instead of outside the home at this point.

So if we're going to get back on track and make our case for making this better over time, we have to be having these conversations at the leadership level about the reality of the workforce retention situation. Today, I'm going to focus quite a bit on the cost of turnover, because that is some of our ammo of how do we get the approval from everybody on the leadership team to be able to spend that time and money on the front end of the relationship with our new staff, instead of spending it on the back end as we watch them walk out the door. All right. But first I'd like to talk about who owns retention. So often when I go in to do training and workshops and whatnot when I ask who owns retention, people are quick to pipe up and say, "Oh, it's everyone's responsibility. Everybody owns retention."

Like they've been taught that and that they're proud of it. You know, that's part of my job to own retention and that's great in general, but the problem with everybody owns it is that in reality, no one is truly responsible for the retention conversation and driving retention initiatives, particularly across the entire company. Now, if your company is not dictating and mandating and implementing new and innovative and effective retention strategies, then yes, you as a manager, as a department head, as a leader, yes, take it into your own hands and do what you can for your team. But we really need the organization to have a really good handle on this and to have somebody who really owns it and who drives that conversation and is to some extent responsible for implementing new initiatives and whatnot. Okay. So on the next few podcasts, we're going to dive deeper and deeper and deeper into more specific retention strategies.

But I want to make sure now that people are not playing this blame game. Sometimes I see the senior leaders of an organization saying, "Oh, holy overtime, Batman, we have got to do something about these numbers," right? The bottom line is being impacted. And they finally see that and are bringing it to the forefront of their executive conversations. And then they point to the hiring leaders, right? HR or the hiring managers and say, "Hey, you all need to pick better people. You need to hire better. We need to get better candidates in here. And HR, take care of this." But the folks who are running HR, or even in the hiring manager positions, are you kidding me? They're up to their eyeballs in FMLA abuse or FMLA extensions that we just had this past year. They're dealing with people wearing leggings. They're dealing with drama, all kinds of other things, not to mention that they're trying to recruit four times as many people as they used to, which has now taken over a big chunk of their time and their job.

So they're going to throw their hands up and say, "you know what, it's really the frontline management and supervisors that are causing a lot of these great people that I found and I hired.... they're causing them to leave. They're allowing people to eat they're young. They don't know how to manage millennials or gen Z. They don't have great communication skills. And if they reprimand somebody, the person quits. So there's not a strong relationship. They're not doing team building," you know, on and on and on all these things that, that we put then on the shoulders of those managers and supervisors who then turn around and say, "excuse me, company, but hello, you have not given me the time nor the tools to be successful in this role. I haven't been trained on understanding this new workforce. I haven't been trained on the conflict resolution and you know, different styles and how to flex my communication plan and things like that," right?

Because they haven't had the time to do that. Not to mention they're overloaded with their own workload full-time and given people that are supposed to report to them that expect training and mentoring and management and hand-holding and all of this stuff. So if you can visualize that triangle of the senior leaders pointing to the hiring team, the hiring team pointing to the frontline managers, frontline managers pointing right back up to the organization, and everyone finger-pointing at this point that no one really owns it. So that's why it is critical that we absolutely have a team or a person who is driving these conversations. Okay. Now with that said, managers do have the most influence and it's not HR's job alone to reduce turnover. It's not going to happen with just one person or even all your hiring managers, that can't do it.

This has to be a holistic approach across the organization from top to bottom of every level of leadership. All right. So, now let's talk about the cost of turnover. We have worked with some of the national associations for long-term care, senior care, post-acute care. And we also, of course, do work a little bit outside of health care to check these numbers and, and see how we compare to other professions as well. What we have found is in general, for someone who knows how to do their job, okay, we're not talking about a person who shows up the first week and then doesn't show up the second week. But if you've got a CNA or, or a caregiver or a frontline worker, dietary aid, those types of folks, if they know how to do their job independently, and they walk away, we are easily looking at a five to \$10,000 loss for the organization.

All right. Now, if you are looking at more of a management position or an office-based type role within the company, we can easily calculate a 15 to \$25,000 loss. If you lose a person who knows how to do their job and they walk away and have to be replaced. So very conservatively speaking, if we lose 50

CNA's in one year who were working independently, okay, not just the first couple of weeks, you had 50 CNA's who knew how to do their job, but within that year, they walked away, that is a quarter of a million dollars, my friends. We're talking \$250,000 in a loss to the company for getting someone else hired and up to speed and in that job fully functioning, okay. Now, where do we get those numbers from? There's a lot of things. In fact, we have a cost of turnover worksheet that if you do not already have this mapped out for your organization, go to Magnetvault.com, magnetvault.com, and go grab our cost of turnover worksheet.

Now, this is an editable document. You can change the fields and change the categories and everything. But we give you this nice template of both the tangible and intangible costs that really do hurt the business if someone leaves. So there are some things that are really easy to calculate. You know, our recruiting costs, as far as our job postings, the training, the onboarding, some of that stuff we have a pretty good handle on, it's pretty tangible, and there's maybe even a line item in your budget for that particular cost. But then there are some other things that continue to climb, and we may not connect them in our minds directly to those individuals who left. But the places I see the most money walking out the door is through overtime and agency costs, right? Those are rising. Even before the pandemic, I had senior executives telling me that their overtime and their agency usage was way out of control compared to where they wanted it to be.

Now some overtime and some agency use can be very strategic. It can be very, very good for the organization, but we've got to be intentional about that and hitting the numbers that we had planned in our budget. Now, in addition to those tangible costs, which are pretty easy to calculate, we also have some intangible things that are a lot harder to wrap our hands around or wrap our head around. But they're still there, which includes the learning curve for new hires. You know, that when folks come in brand new at any role, they're not hitting the ground running. They still need to get to know the building, they need to get to know the team, the systems, your processes, and procedures. They have to get to know the residents, that type of thing. So the learning curve definitely makes us less productive.

And we know that when we lose folks, especially caregivers, that there is a gap in that continuity of care. Which ultimately impacts the quality of care. As we know, our direct caregivers really need to get to know our residency residents and the nuances of the way they want to be cared for. Right? We get better and higher quality levels of care, the more we know those residents and have that connection with them. Some of my clients who really want to put retention at the forefront and do something about it, they're actually starting to look at it as a risk management conversation. So if you've tried to talk to your senior leaders or your leadership team about the cost of turnover and the overtime and the recruiting costs and all those things that maybe have already been on the table, your next step, if they're still not listening is risk management.

Because if we have a bunch of new hires on the floor, we are much more likely to have mistakes. We could potentially have more deficiencies. So if we think about it, more tenure, more mentoring, more training, more expertise on the floor is a risk mitigation tactic that we are going to reduce our risk moving forward of having problems, if we can keep our people longer. Okay? Now moving forward, think about how to better prepare for this shorter-term workforce. Now, again, I explained the shorter-term workforce on my January episode of Bridge The Gap. So you may want to go back and listen to that if you missed it because we're not talking about short-term, like, you know, a few weeks or a few months,

that's more like fast food or a summer job kind of thing. But we are really in a situation that needs to embrace shorter-term workers than what we had in the past.

If people used to work five or 10 years with you, maybe now it's two to three years or five years, if we're lucky. Okay? So what can we do to prepare for this impending shorter-term workforce? For example, the onboarding process. Have you really polished and nearly perfected your onboarding to where it is ready to go for all these new hires that are coming in now? Is it really polished in a way that people know exactly step one, step two, step three, that it's a really great new hire experience for the new hire, but also it's a great new hire experience for their supervisor manager or team that they know how smoothly this is going to operate with them coming into a new team, in a new role. Okay. So that's one of those areas. Another is, have you really polished up your recruiting and marketing language and your recruiting and marketing strategy, because we know that we are going to need a lot of people.

We're going to be hiring a lot of people again for the next year, at least. And that's going to continue because of this shorter-term workforce. So have we really found efficiencies with that? And are we ensuring that we have polished those job descriptions and worked with marketing to make those really sing and talk about the mission and why people would want to come work for your organization. Some other ways to prepare for this shorter-term workforce and to maximize the time that you have with each person, no matter how long they're going to stay with you is to plan for better mentoring and better training. So, not just the onboarding and the first few weeks or the first couple months, but what is their mentoring and training plan beyond that as well? Also, I want you to look at your ops, your operational systems. Can you foolproof anything that new hires do? If you think about McDonald's for example, when a new hire comes in and works at McDonald's, they have full proofed the system by making sure that when someone orders nuggets, it says, what sauce do they want?

Right. So they have full proofed that system and they can put a new hire right on the cash register because the system does the work for them. So do you have anything at your kiosk to your bedside, your nurses' station, anywhere in the building that you can foolproof things or put up checklists so that people don't have to memorize it and have it in their minds? Because memorization is not great when we have a revolving door of turnover, okay. We really need a foolproof that and are there systems and procedures and policies that we can just set in stone and really make those easy to find right at their fingertips. So where do we spend the resources? If we realize we have this shorter-term workforce, we know the cost of turnover, we are not going to let the blame game happen at our organization.

So we're going to make this a priority. What strategies are worth spending that time and money to improve moving forward? Well, on the next two episodes, I'm going to dive into very specific strategies, but spoiler alert, I'll go ahead and tell you the biggest bang for your buck. Your absolute best investment for ROI is going to be with management training. Because making your managers and supervisors more effective in their roles and more effective communicators on their team, that is absolutely going to build stronger relationships, stronger teams, stronger team members doing their job better because they are better managed. They feel valued. They feel appreciated. They feel kept in the loop. All those things that they care about. A lot of that happens with their frontline supervisor or manager. So, that's going to be the biggest bang for your buck, but on those next episodes, we are going to talk more about onboarding, recruiting more about advancement opportunities, and incentives that you can put in place to keep people longer.

But just keep in mind that it's really, really important to start with the management effectiveness because those supervisors have the most influence on whether people stay or go. So that's why once we get the go on spending more money upfront to address this true retention issue that is not going to fix itself, that's where we want to go first. All right? So before we wrap up here, I want to ask you something that I ask at most of my workshops. Once these leaders have been through the program and they're seeing things a new way, and they're equipped with the new strategies and tools, so many of them will tell me that their roadblock to put these things in place is simply time. They just don't have time. They know they're going to go back and be beyond busy. So I want to ask you this question, what happens if you do nothing, what happens to the organization?

What happens to your team? What happens to our residents? If we put retention and trying to get the staffing stability we need, if we put that on the back burner for just another three months, another six months, you know, before we know it, it'll be 12 months. And I listened to that podcast a long time ago from Cara. That was great. It's on my to-do list. Just haven't had a chance to do any of that. What's going to happen in that three, six, or 12 months, if we just don't have time, if we don't find and make the time to change things for the better? To get us where we need to be my friends because it's not going to fix itself and we can't get there without putting the right strategies in place right upfront at the beginning of that relationship with our new hires. On my next Contributor Wednesday episode, I'm going to dive into those strategies. We're going to talk specifics and I'd love to hear from you even between now and then. So if you have any ideas or specifics that you want me to cover on future episodes, you can connect with me at [btgvoice.com](http://btgvoice.com). Now, if you're impatient and you really want to learn more strategies ASAP, you can always grab a copy of my book, "Staying Power" on Amazon. Thanks for listening to this week's Bridge The Gap Contributor Wednesday.

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