



From Style to Substance: Offering Authentic Hospitality in Senior Living

Executive Summary

Senior living communities increasingly look to the hospitality industry for a model of exceptional service and desirable amenities. The trend signals senior living's growing sophistication and market orientation. From the advent of "homes for the aged" to today's luxury resort-style communities, senior living has attempted to respond to both consumer needs and desires. The hospitality approach is the latest response. But leaders should be mindful of what drives this move to hospitality. It could be just a cosmetic choice to win over consumers who are often skeptical of senior living. Or it could be an opening for communities to more fully embrace their missions. This paper addresses those leaders who are motivated by mission to consider a hospitality approach. Moreover, the paper speaks to leaders who sense that hospitality calls for a reorientation to customer service, or even further, a profound shift in culture, which encompasses the common vision, corporate personality and shared habits of a community.

The move toward hospitality has been underway since the 1980s, but with limited reflection on the appropriateness of the model and its usefulness beyond the appropriation of a few systems and roles, such as turning the receptionist into a concierge. The industry has witnessed improvements in customer service over the past two decades – more personalized attention, for instance. Yet the efforts are often piecemeal or episodic, because leaders are not dealing with the more fundamental issue: a community's culture.

Our industry needs more rigorous thinking on this issue. The shift toward hospitality begs several important questions. How can a retirement community emulate a hotel when the retirement community is fundamentally home, not a vacation or travel destination? What in the design and customer service of the finest hotels transfers to senior living? Is there something in the meaning of hospitality itself that may provide an opening for a more transformative approach to senior living? This paper seeks to answer these questions and others by tracing the development of hospitality in senior living. We explore three challenges leaders must address as they embrace a hospitality framework: first and foremost, the culture challenge, followed by the customer challenge and the leadership challenge. We conclude with a set of questions for senior leaders to process with their teams.

Seniority has a vested interest in thinking through this issue of hospitality. We are deep into culture change in our company. In the next few months, we will roll out a new hospitality initiative called Seniority Spirit. This paper draws upon our experience to illustrate how an authentic approach to hospitality takes root and how a company can shape its culture. We offer our experience in the hopes that it will inspire similar reflection among our colleagues in senior living.



Introduction: Taking Our Cues from Hotels

Enter the grand lobby and a concierge greets you. She is the first in a line of guest relations staff whose sole purpose is to provide you with impeccable service. She draws your attention to the club-level experience that awaits you: the day spa to relax, the business center to work; multiple dining options, including a Starbucks, cocktail lounge and elegant restaurant; and limousine service if you need to run an errand or want a night on the town. It's all very "hotel-like" in this retirement community.

A growing number of retirement communities are emulating the hospitality industry. Beginning in the 1980s, retirement communities started emphasizing hotel-like services and amenities. That trend accelerated when hoteliers Marriott and Hyatt entered the senior living business. Both companies trumpeted their hospitality background as a distinct advantage in attracting consumers looking for a different style of retirement living.

Over the past decade, the upscale hotel or resort has set the standard for design and service for the aspiring retirement community. "Yesterday's senior living communities often resembled hospitals," notes one journalist. "Tomorrow's will take their cues from hotels."ⁱ New luxury retirement communities promise to make residents "feel like they're in a five-star hotel," as one developer puts it.ⁱⁱ

These are signs of a widely recognized trend in senior living. Yet senior living leaders generally have not fully explored the meaning of hospitality. In the narrowest sense, hospitality for retirement communities is about mimicking the practices that make high-end hotels so pleasurable for guests. In the larger sense, hospitality means creating a shared vision of service that satisfies both residents and employees.

That larger sense drives Seniority's interest in this topic. Our company defines hospitality as the "attitude, behavior and the standards enabling us to provide exceptional service and positive experiences to our residents, team members and clients." We call this Seniority Spirit. For us, as for other senior living leaders who embrace a larger view of hospitality, our work is about culture formation. We learn from the hospitality industry, of course. Indeed, we have spent considerable time studying with the best – leaders of the Ritz-Carlton. But ultimately our task is to create a culture that honors what we know to be true, and best, about our service in the senior living field. So our hospitality motto is very specific to our profession: "Exceptional people providing exceptional care and services."

Furthermore, we sought to create a model that could be incorporated into several locations with various types of senior care options: for-profit, not-for-profit, CCRC, Lifecare, rental communities, and freestanding assisted living and memory support programs. Our big question was how to do culture formation on this scale. We took the first step by working with Ritz-Carlton for two years, but we understood that its program, while inspiring, could not be overlaid on our industry, namely because our residents live with us, while a hotelier



aims for repeat customers in settings with an ever-revolving door. So we created a hospitality program that is customized for our residents and prospective residents. Next, we knew that sustainability is a critical issue if we are to avoid “training of the month syndrome.” For that reason, we investigated supportive structures and systems to ensure that our approach to hospitality sticks. Finally, knowing that our communities operate on narrow margins, we set about creating a cost-effective program.

Like a growing number of our peers in this profession, we have embraced the change called for by an authentic approach to hospitality. The shift to hospitality signals our industry’s growing sophistication and market-orientation. The shift represents, in part, the continuing effort to redefine the retirement community, which has long struggled with negative public perceptions. But hospitality also presents an opportunity to move well beyond marketing to a certain quality of experience. The energy that senior living leaders invest in this issue marks the difference between *hospitality as style* and *hospitality as substance*. For leaders who want to realize the full potential of hospitality, several challenges must be addressed. But first, let’s review how we got here.

A Short History of Hospitality in Senior Living

The shift to hospitality is part of the continuing evolution of a product that traces its history in the U.S. back to the Civil War, when “homes for the aged” served widows and the frail elderly.

There were few changes in this model until the mid-20th century. Small rest homes, board and care homes, and larger institutional settings were similar: they “took care of” older adults who had few resources in those years.

Not until after World War II did older adults have greater financial freedom through Social Security and pensions. The market responded to this middle-income consumer by offering different senior living products. In 1949, our parent company, ABHOW, opened Pilgrim Haven in Los Altos, Calif. Pilgrim Haven became one of the nation’s first continuing care retirement communities, offering multiple levels of living on one campus. The CCRC model spread in the 1950s and 1960s as older adults saw a wise investment: the freedom from household maintenance plus the security of on-site health care if they ever need it. At the same time, leisure communities, with resort-style offerings for the more affluent, began to emerge. Del Webb’s first retirement community, Sun City, opened outside Phoenix in 1960.

Through the 1970s and 1980s there were further signs of a shift to hospitality. Inspired by hotel architecture, major entrances and grand lobbies appeared in new retirement communities. Higher levels of service were offered. Dining became more elegant. A resident of one community recalls that in 1980 they used paper napkins, plastic cups and placemats. By the late 1980s, linen tablecloths and formal dining ware were standard.



Increasingly, older adults were attracted to the lifestyle they could enjoy at a retirement community. Not-for-profit and for-profit companies responded by building residences “that combine the convenience of a hotel with the community spirit of summer camp,” as the *New York Times* put it in 1988.ⁱⁱⁱ

The entry of Marriott and Hyatt hastened the move to hospitality. The growth of these two senior living brands in the 1990s raised the stakes for traditional nonprofit providers of senior housing and health care. Nonprofits responded by emphasizing their mission-driven value, while working mightily to mimic the more luxurious services and style of the newcomers.

During this same period, reconsideration of the design and service delivery of skilled nursing care sparked a national movement. Proponents argued for a social model of care rather than the entrenched medical model. They decried the “hospital-like” quarters and clinical feel of nursing homes. They envisioned residents living in smaller “households,” where they would receive more person-centered care. This trend, which continues in the present under the banner of “culture change,” intersects with the shift toward hospitality. Yet in culture change the accent is placed on *creating home*, a phrase that offers another way of defining hospitality in the senior living context.

Finally, interest in hospitality grew across the 1990s as senior living leaders contemplated the “coming age wave” – 78 million baby boomers who begin turning 65 in 2011. Everyone agreed that boomers would reject the old senior living models; new kinds of communities would have to be created. Throughout the decade, much was written on this “future shock.” Researchers said the new older adults would hold vastly different views of retirement than their elders. Community living would appeal to some boomers, but these consumers would have significantly different tastes and expectations: they would expect larger apartments, want more flexibility in pricing and service packages, and be interested in entirely different programs that reflect new perspectives on aging.

Whole conferences were devoted to imagining the boomer retirement community. It would be culturally hip – “Purple Haze Retirement Community” was one imaginative offering by California leaders. It might be university-based. It could be resort-like. It would definitely be full of freedom – with multiple dining options, lots of a la carte service offerings, plenty of gourmet coffee and blazing high-speed Internet access.

Inspired by this future, providers and developers moved quickly in the new millennium to build communities and remake old ones. Advertising featured more youthful and active customers. “Hotel-like” became a preferred description. The marketing chorus, repeated across the country, was “This is not your grandmother’s retirement anymore.”

The motivations are mixed in the move to hospitality. At its best, the senior living industry wants to provide the highest level of service and is compelled by mission to seek out new approaches. At its worst, the senior living industry may find in hospitality an avenue, ironically, to flee from aging. So the trend calls for greater reflection and examination in the light of mission. To move from *style* to *substance* in hospitality, senior living communities



must contend with three challenges: the culture challenge, the customer challenge and the leadership challenge.

The Culture Challenge

Historically, retirement communities have been built on the concept of “taking care” of the resident. While today’s communities are less institutional, and “culture change” initiatives have cultivated a social rather than medical model, the idea of “taking care” of the resident persists. Hospitality offers the possibility of true culture change, but it requires much more than the notion of “pampering” the resident with resort-style services. Indeed, a recent survey of luxury hotel guests found that they want to be “excited” and “inspired” rather than pampered.^{iv} Hospitality at its best creates the conditions for customers to have “wow” experiences. At Seniority, we call these experiences “Stellar Stories” – exciting and inspiring moments that shape and express a customer’s personal identity.

Like any organization, a retirement community has a culture. That culture is the community’s common vision and its corporate personality, its shared rituals and cherished habits. A culture shifts when its members take an active role in realizing the experiences they desire. “Resident engagement” is the term used in senior living to describe this active role. Seniority Chairman David Ferguson says resident engagement means “moving away from ‘taking care’ of people to ‘providing opportunities for personal growth and fulfillment.’ ” Noting that a philosophical shift is underway in senior living, Ferguson says,

Many of our organizations were founded to preserve the dignity of residents. Although the goal is noble, sometimes our actions may seem patronizing. That’s the unintentional shadow side of “taking care” of others.

We are learning that the preservation of dignity is really about self-determination. This is true whether a resident is fully independent or requires 24-hour nursing care. Expressing wishes, exercising the right to choose, shaping the life that is theirs – these are the practices of self-determination. We honor the dignity of others when we acknowledge their power.^v

To be hospitable is to truly welcome the self-determination of residents. Hospitality in this sense means to make room for residents to have the experiences they seek. Resident engagement can take the form of participation in governance, leadership in programs and decision-making that affects the shape of community life. Of necessity, resident engagement requires owners and staff to let go of some control.

The culture challenges are really multiple, then. How to loosen control in a highly regulated environment while maintaining quality and safety? How to move beyond “taking care” when



health concerns are a reality? How to transform the team member's role from delivering goods or services to helping to create the conditions in which residents have memorable

experiences? Answering these questions requires us to radically rethink the purpose of the retirement community. Everything must be on the table.

At Seniority, we examined our entire team member structure, from job descriptions to hiring practices to orientation to performance evaluation and ongoing training; and we looked critically at all our resident programs. If our aim is to support residents in aging successfully, then our real work is to create environments where people thrive. That calls for a different mindset among team members who want to “take care” of others. Although seemingly noble, “taking care” gets in the way of flourishing. To embrace the latter, we need places that are truly hospitable. Obviously, that's a major culture shift for senior living.

The Customer Challenge

“Hotel-like” works for a certain group of affluent, highly independent consumers. Senior living's primary market today is the Silent generation, which is accustomed to the style of the hospitality industry. Many of these consumers are professionals who have spent their lives traveling, enjoying fine dining and expecting exceptional service. As healthy and independent residents, their presence is felt in senior living communities.

But the customer challenge is to recognize that senior living communities will continue to serve residents with diverse needs. Assisted living and memory support will likely see the most growth in the coming years. Some argue that the trend toward frailer residents will intensify, as baby boomers put off moving to retirement communities until their later years.

Along with these frailer residents, communities will welcome a growing number of residents who want the security of care, if they need it down the road, but for now regard the community as a base to re-engage the world on their terms, whether that means continued employment, volunteer work, travel or college studies.

The contrast in these converging populations is most evident in communities where repositioning or redevelopment is underway. Here we find a great variety of needs and expectations regarding services and amenities. Current residents have lived with traditional service packages (e.g., three meals a day) and tried-and-true “comfort activities” such as the four Bs: Bible, bridge, bingo and birthdays. New residents, on the other hand, expect more flexible service packages (e.g., a spend-down account similar to country clubs) and activities that are more about life enrichment than passing the time. Subcultures may emerge – and clash. A community may communicate tension more than anything as it negotiates a new way amid an old environment.

But great strides can be made in the customer challenge by affirming one basic truth: Though residents are diverse, they and their families share a common desire: they seek experiences of excellence. Hospitality can be a response to this desire. The retirement community affirms



the desire for meaningful and memorable experiences by saying to the consumer, “We will accompany you in this experience.”

Moreover, hospitality can reshape that ironic mindset noted earlier – the anti-aging mentality sometimes at work in our profession. Yet to do so, hospitality must be more than “taking care” of frail residents or pampering the independent, rather it is about *being hospitable* – fully welcoming all residents, wherever they are in their life journey; providing holistic services that meet a range of needs and desires; and delivering all these services with the highest degree of professionalism and the utmost respect for the dignity of residents. As the Ritz-Carlton motto puts it, “We are ladies and gentlemen serving ladies and gentlemen.”

The Leadership Challenge

Leadership in a culture of hospitality is shared. In Seniority Spirit, the foundation of service is the same for every staff member:

1. Greet everyone with a smile.
2. Anticipate, acknowledge and act.
3. Be warm and genuine.

Frontline employees are empowered to make decisions when a hospitality approach is fully implemented. One commitment that all Seniority team members make is the following: “I own every problem I see.” The team member may not personally resolve every problem, but he or she *owns the responsibility* to ensure the problem is resolved – to find the right person, to communicate the need, to assist in any way possible.

Owning the responsibility comes naturally when there’s a passion to serve. The passion to *take the lead* in delivering excellent service is palpable in a setting where hospitality is pursued. Shared leadership, then, requires a particular approach to management and a willingness and readiness on the part of team members to embrace their critical role.

Since ancient times, hospitality has been regarded as a matter of honor: respect accrues to the one who shows hospitality. The one who demonstrates hospitality, then, is not compelled by outside forces to be hospitable, but is internally motivated to be hospitable. His or her own flourishing is bound up in treating the guest with dignity and graciousness. Companies that aim to deliver exceptional customer service understand this; these firms know that their employees want to deliver such service *because it fulfills them*. Thus, the leadership challenge is to recruit such special people, set the expectations for everyone and train for excellence.

Meeting this challenge requires dedication to staff. Just as Seniority team members make a commitment, the company makes a commitment to them. Our Promise to the Team is the following:



At Seniority, our team members are the most important asset in providing exceptional service to our residents.

By supporting creativity, compassion, positive attitude, respect and teamwork, we encourage individual growth and maximum potential.

Seniority supports a work environment where diversity is embraced, family is valued and the Seniority Spirit is strengthened.

Conclusion: Toward Hospitality in Hard Times

Senior living leaders are challenged to move from style to substance in hospitality. And this challenge comes amid the worst economic downturn since the Great Depression. But, interestingly, the economic turmoil provides an opportunity to recast hospitality in its larger sense.

Hospitality as style can come with a high price tag. Conventional thinking is that consumers will pay for the extra level of service. But the recession places that assumption in doubt. In fact, researchers are forecasting a “post-recession consumer” who is cost-conscious, debt-averse, yet still interested in creating experiences, albeit experiences of simplicity. If consumers are less interested in being pampered and – as Paul Flatters and Michael Wilmott note – they demand simplicity, *hospitality as style* will be less attractive. *Hospitality as substance*, on the other hand, will welcome the new frugality, make a home for it, and join with the consumer in recognizing there are more important things in life than luxury in itself.^{vi}

Along those same lines, Eric Janszen writes,

To win over newly tightfisted, debt-averse consumers, companies will need to follow the path of firms that succeeded in previous downturns by promoting value and utility over luxury and brand. Consumers won’t be able to buy as many goods as before, but they’ll react positively to marketing that allows them to feel their newfound thriftiness is a lifestyle choice rather than a constraint imposed by the economy. Messages that center on family, life simplification, and getting back to basics will appeal.^{vii}

Smart senior living leaders will understand that an exceptional experience is not contingent upon offering an upscale product or service; the exceptional experience can occur amid simplicity. While post-recession consumers are likely to retain habits of frugality, as human beings they will still yearn for meaningful experiences. Senior living communities have an opportunity to welcome – to be hospitable – to these desires.



Further Questions for Reflection

We hope this paper provokes some radical rethinking in your organization. Whether your organization has already embraced aspects of hospitality or is just starting out, the following questions are important to consider:

- What is your culture and who defines it?
- How do your team members articulate this definition? What do their definitions say about your organization and the work ahead of you?
- If you have multiple locations, is your culture consistent at each community or driven solely by the local executive director? What infrastructure would ensure culture consistency and sustainability?
- What role do your customers play in shaping a culture of hospitality?
- How are you defining leadership and to what extent are your team members embracing this definition?
- How can you ensure that hospitality is not mere style, but truly substantive in your organization?

Learn More

At Seniority, we are eager to share the lessons of our journey toward hospitality. We offer educational presentations on hospitality and can facilitate board and senior leadership explorations of this issue. Call us at 925-924-7187 to learn more.

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ⁱ Bob Moos, "Senior Communities Take Cues from Resorts," *The Dallas Morning News*, July 11, 2007.

ⁱⁱ Sara Clemence, "Ritz Retirement Communities," *Forbes.com*, Feb. 24, 2006.

ⁱⁱⁱ Robin Pogrebin, "Among the Elderly, Togetherness Is Selling," *New York Times*, Aug. 28, 1988.

^{iv} Jonathan Barsky, "Luxury Hotels and Recession: A View from Around the World," white paper published by Market Metrix, May 2009, 7.

^v David B. Ferguson, "Resident Engagement Is the Future," *ABHOW E-News*, September 2007.

^{vi} Paul Flatters and Michael Wilmott, "Understanding the Post-Recession Consumer," *Harvard Business Review*, July-August 2009.

^{vii} Eric Janszen, "Selling to the Debt-Averse Consumer," *Harvard Business Review*, July-August 2009, 113.