How can HR technology lead to smarter workforce management, and happier staff and residents in the Aged Care sector?

Whitepaper 2018

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The aged care system is evolving – both naturally and out of necessity. And change brings new challenges.

With the looming Royal Commission into Aged Care Quality and Safety and an aging population, the aged care industry is looking to technology for help, particularly in streamlining its HR processes.

But how will technology play a critical role in addressing inevitable staffing challenges? And will it successfully improve the aged sector industry in the years to come?

A snapshot of the aged care system today

The range and quality of care available to older people in Australia has been increasing; quality and safety standards are continuing to improve; and the workforce available is predominantly well-skilled and dedicated to their role of caring.

However, like all large industries, there is room for improvement. Both substantiated and non-substantiated claims of neglect and poor patient care are making headlines – highlighting the need for vigorous protocols and processes, more transparency and fast industry change.

Issues that have been identified include:

- **Poor staff retention**, badly managed staff-to-resident ratios and workforce shortages

- **Neglect** being documented on several instances

- **Delays** in care assessments with older people suffering exorbitant waiting times

- **Insufficient funding** for high care residential facilities, palliative and end-of-life care

- **Variable quality** of care across the system

- **Complex systems** that older Australians find difficult to navigate

- **Uncertainty** about care availability

- **Little enforcement** of industry standards

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Future challenges the industry faces

As well as current challenges that need to be addressed, there are also future population changes and policy reviews that need to be taken into consideration.

The Royal Commission is fast approaching

First and foremost is the approaching Royal Commission. In October 2018, the government announced that it will establish a Royal Commission into the aged care sector in response to reported incidents of abuse and negligence in nursing homes across the country.

The commissioners are required to provide an interim report on their findings and recommendations by 31 October 2019, and a final report by 30 April 2020.

A greying population

Secondly, Australians are living longer – and with increasing numbers of older people comes a higher demand for aged care facilities. In fact, by 2050 over 3.5 million Australians are expected to use aged care services each year. Plus, with an ageing population comes an increasing incidence of age-related disability and disease, most notably dementia, which require specialist care giver skillsets.

As our population grows older there naturally comes a decrease in those of workforce age. Australia has recently seen a relative fall in the number of informal care givers, reducing the ability for some older people to receive home-based care. With demand for these services increasing, there is a need for significantly more informal care givers, nurses, and personal care workers with enhanced skill-sets.

And to top it all off, as baby boomers begin to enter the market, there is likely to be a shift in expectations – as they look for services to be delivered on their terms.

This means that the industry needs to be quickly hiring skilled, flexible and dedicated care givers in order to both meet demand and also satisfy the change in expectation.

A change is imperative

Australia needs to recognise these demographic statistics and take steps to accommodate citizens' shifting needs. The system in its current state cannot withstand future challenges. Fundamental reforms are imperative, and there is a duty to adopt new, cost-effective technologies that offer opportunities for HR to streamline processes, for facilities to benefit from productivity gains, and for residents to receive higher quality care.

Let's look at the statistics:

If we are to keep the current ratio of aged care workers to people aged over 85 (which isn't even optimal), **we need to add almost 78,000 workers** to aged care facilities **in the next 10 years**. This equates to hiring **650 new workers per month**. On top of this, we need to replace all aged care workers who are reaching their own retirement age, and due to the high median age of employees in this sector, this equates to about **670 staff leaving every month.**

Source: 2018 McCrindle Research Pty Ltd

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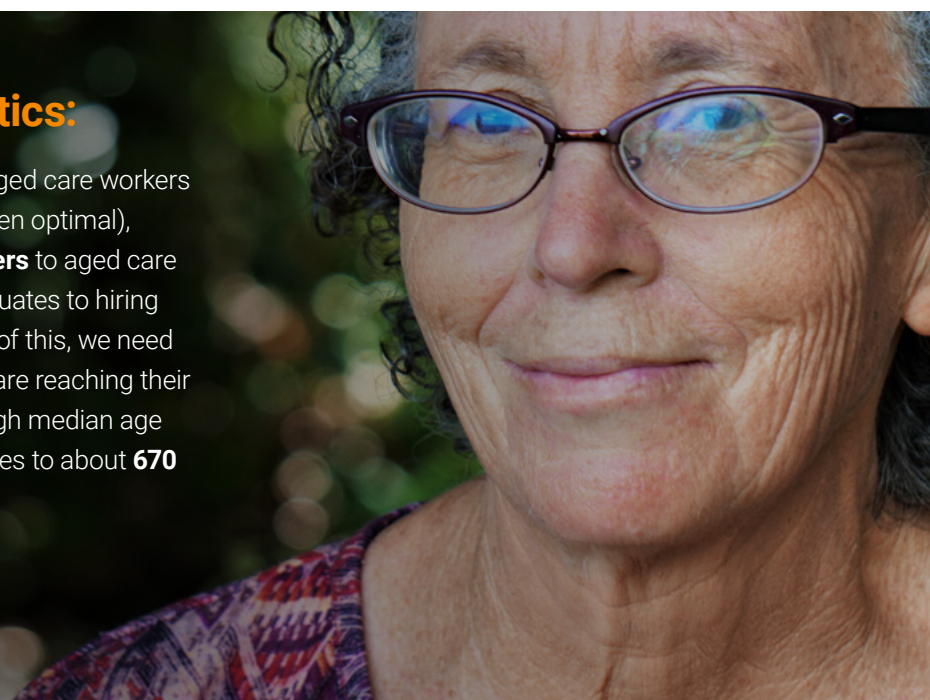
How can technology play a role?

It's clear that an ageing population will lead to an increased strain on aged care facilities. To keep up with a higher volume of residents, increased pressures on staff, larger operational costs and mounting wear and tear on equipment, it's almost certain that technology will be relied on to help to relieve the burden.

To continue to compete in the market and bring excellence to future residents, it will be more important than ever for aged care facilities to stay at the forefront of technology. Showing a commitment to the latest emerging healthcare technologies will not only aid facilities in receiving government support, but help them to continue to attract skilled workers and residents. Technology will also play a vital role in improving the quality and range of care available to older Australians and effectively reduce the strain on care workers.

Dissecting the ways technology can improve aged care

/ Better workforce planning

Smart rostering systems can give management visibility of their teams' strengths, allowing them to allocate individual care workers to residents based on pre-determined criteria. What does that look like? It could be matching a resident to a care worker with a particular skill or bed-manner, responding to a resident's preference for a particular worker, or recognising a worker's history and success in treating certain residents. Transparency in rostering can also help to highlight that there are adequate staff-to-resident ratios at any one time.

In addition, data systems that lead to instantaneous reporting and analytics will allow real-time insights to be identified and acted upon. These insights can drive quick and responsive decisions, allowing facilities to remain on the front foot in the sector and on top of their staffing game.

/ Attracting and retaining employees

Implementing intelligent technologies and systems such as SAP SuccessFactors in recruitment can lead to better hiring strategies and streamlined onboarding procedures that stop critical processes or knowledge from falling through the cracks.

These HR systems could allow aged care facilities to track the time and attendance of their staff members and improve scheduling. They can also monitor and streamline each staff member's personal performance and goals, log the shifts that they're working, accurately record compensation and provide collaboration tools to increase a worker's job satisfaction and motivation.

/ Talent management and training

New technologies are allowing training and education for members of the healthcare industry to reach new heights. VR can provide amazing medical and caring training, allowing for an experience that is not true reality, but constructs it to complete accuracy.

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Implementing online learning and training opportunities can allow care givers to be flexible in their learning to fit within their working hours, to learn remotely, and to revisit information at later dates. In addition, video conferencing can enhance access to learning and development opportunities, reduce travel time and costs, and ensure consistency of training across multiple sites.

With such big technological changes, facilities must empower their workers to embrace new ways of working and provide them with the necessary training in order to efficiently adopt them.

Allowing aged care workers to practice their skills in this fashion could have huge impacts on the industry, including improved job satisfaction and reduced turnover.

/ Streamlining processes and workflow

Faster, more efficient diagnostics would allow service providers to treat a higher volume of residents daily and potentially reduce the pressure and stress levels of staff members.

In addition, data network and cloud-based services can provide enhanced automation that will improve standardisation of care practices, streamline workflows and lead to greater transparency. In a nutshell, automation allows for smoother, faster treatment that leaves less margin for human error.

Let's form a future-focused partnership

Australians are looking for a better way of life in their elderly years. They want to live at home for longer, embrace the many joys that retirement can bring and retain their independence. With a fast approaching ageing population, the strain on HR and staffing in aged care facilities will become apparent.

New technologies could absolutely allow resident's to have more control over their healthcare experience and allow for HR departments to better attract, train, manage and retain their staff.

In the past, formal aged care facilities, accompanied with the care and support of significant others, constituted the partnership providing support for older people. It is now evident that, with current industry flaws and future staffing challenges faced by the industry, technology will need to become the third partner. The ongoing challenge will be to ensure that this new trinity works in harmony, as a fluid and functioning team.

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Case Study.
The Illawarra Retirement Trust Group (IRT Group)

IRT is one of Australia's largest community-based seniors' lifestyle and care providers. Their mission is to create communities where seniors achieve their optimum quality of life – and have been delivering on this promise for over 45 years.

Organisation challenges

The deregulation of the Aged Care Industry in Australia caused significant pressure on IRT as an organisation – where overcoming business challenges such as the attraction or retention of key talent in a highly competitive and price sensitive market are essential for success.

Technological advancement has resulted in employees expecting a work user experience that matches their everyday lives. IRT's existing technology was obsolete and did not enable a quality user experience.

"The aged care industry is going through enormous disruption," said Campbell McGlynn, executive general manager, people and culture for IRT.

"Regulatory changes have seen funds for community care or at-home services, which were previously distributed through care providers, being issued directly to customers."

"These factors are forcing a drastic rethink of service provision in the Australian aged care industry."

Vision

IRT's vision was to replace their existing technology with next generation, cloud-based solutions that enable Performance & Goals, Recruitment, Learning, and Core HR and Payroll services to enable their People & Culture function to focus on delivering strategic outcomes to the business.

Response to change

IRT responded to these changes with a comprehensive business transformation program focusing on five key areas:

1. Customer centricity: Mapping customer journeys to improve the experience
2. Innovation: Investing in the for new business models
3. Business excellence: Improving back-office operations and driving out costs
4. Culture: Encouraging staff to embrace new ways of working
5. Company: Talking with the board and membership to change their view of the world

The role of HR

IRT's people and culture function was a driving force for much of the business transformation, according to McGlynn, who said the areas of culture and business excellence for the HR function (with technology as a key enabler) were particularly important.

The IRT executive team identified three goals that would be used as the basis for determining the target culture:

1. To be the most recognised seniors' lifestyle and care brand among its customers
2. To create the business of tomorrow
3. To improve the business of today

While everybody was onboard with customer-centricity, McGlynn said some staff needed support to align with a culture of innovation and what that meant for the business. **"We had to enhance empowerment and accountability before going after customer-centricity and innovation,"** he said.

To assist in the process IRT implemented SAP SuccessFactors as part of a broader change program to improve these aspects of the business' culture. They used the performance and goals module to increase accountability amongst management ranks.

Attention then turned to business excellence and improving back-office operations to improve efficiency, and IRT implemented SAP SuccessFactors' Employee Central module in February 2017.

This was integrated with a new payroll system, to further improve cost of service and digital efficiency standards, and efficiencies delivered through the business excellence program have delivered annual savings of $740,000.

More than 2000 of IRT's employees don't work with computers, so McGlynn said there was some concern about getting people to embrace new technology.

To help address this, the people and culture team bought 40 Samsung tablets to support training. Employees were also encouraged to download the SAP SuccessFactors app onto their smart phones allowing them to book leave from mobile devices – anywhere, anytime – even on the bus.

What's next?

IRT's people and culture team is now focusing on improving recruitment and onboarding processes, succession planning and talent development, workforce planning, performance analytics and compensation.

> Synchrony Global is proud to be IRT's SAP SuccessFactors implementation Partner.
> We've helped them to transform their HR Functions with Performance & Goals being implemented across their entire organisation, Learning – supporting their IRT University content© – and Employee Central with Synchrony Payroll, enabling Core HR and Payroll, giving employee's access to their HR data from any device, anywhere.

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LiveBetter

LiveBetter has been providing Community Services for the ageing and disabled in regional NSW for over 30 years. Providing community services to regional areas is the organisation's key focus and, in order to ride the wave of industry change, they've amalgamated with organisations that complement current services.

This acquisition has seen LiveBetter increase from 850 employees to 1500 employees in one year, leveraging rapid implementation of SAP SuccessFactors Recruiting to help on-board newly acquired employees, shortly followed by go-lives for Employee Central for Core HR and Synchrony Payroll – ensuring a seamless payroll process for the influx of new and transitioning employees.

Key Drivers for solution choice:

- Timely replacement of their existing inflexible payroll solution
- Reduction of the Cost To Operate, with high degree of automation
- Provision of key Self-Service functionality for all system users, and tools to empower managers across regional areas
- Quick to implement, scalable and future proof – enabling accelerated business benefit realisation, with ability to start anywhere and go anywhere

> Synchrony Global is proud to be LiveBetter's SAP SuccessFactors implementation partner for their complete Talent, Core HR and Payroll solution for all employees – including phase one scope of Employee Central with Payroll and Recruiting and Onboarding, plus second phase Learning, and future scope of Performance and Goals.

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